



**Implementation of the Maqashid Syariah Index Approach
on the Performance of Sharia Regional Development Banks
in Indonesia**

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Abstract

The implementation of sharia bank performance appraisal models has so far adopted the conventional banking model in terms of evaluating financial performance. Based on this phenomenon, the evaluation of sharia banking performance should use performance measurement based on the maqashid sharia method. The Maqashid Syariah Index (MSI) method has three main objectives, including *tabzibal-fardi* (educating people), *iqamah al-'adl* (upholding justice), and *jalbal-maslahah* (public interest). The research is a quantitative descriptive study, to explain the maqashid syariah index ratio in analyzing the performance of sharia regional development banks in Indonesia. The sample used in the study using purposive sampling. The performance of sharia regional development banks based on the maqashid sharia index approach illustrates that sharia regional development banks in Indonesia in their implementation of sharia operations are more dominant in the goals of Iqamah al-Adl, meaning that regional development banks in Indonesia are more concentrated in terms of applying sharia principles. The sharia regional development bank in Indonesia that has achieved the best performance according to the Maqashid Syariah Index approach is the Aceh Syariah Bank.

Keyword: Maqashid Syariah Indeks, Sharia Bank, Financial Performance.

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Introduction

One of the sectors that greatly influences economic development is the banking sector. Banks are financial service institutions that carry out direct activities to collect and distribute public funds for community economic activities in order to improve a better standard of living. Through the banking sector, economic activity can be well managed if done in the right way. As a result, the objectives of banking can be measured, defined, operationalized, and contributed to specific and general objectives (Jazil & Syahrudin, 2013).

Based on law No. 7 of 1992 concerning banking, which was renewed by law No. 10 of 1998, states that the existence of Islamic banks has been formally recognized. Apart from Sharia Commercial Bank and Sharia *BPR*, several Regional Development Banks (BPDs) have also begun to change their qibla from conventional to sharia. Among the BPDs that have spun off to sharia are Bank Aceh, Bank NTB syariah, Bank BJB, and Bank Nagari West Sumatra. However, changes to Islamic financial services are not necessarily easy. There is a need for synergy among various other financial industries, which is necessary so that the development of Islamic financial services is not only about quantity but also has a direction in quality.

Talking about quality, of course, is related to the performance carried out by these Islamic financial institutions, as is the case with Sharia Regional Development Banks which should have performance measurements that are also based on sharia and are based on the Islamic economic paradigm. Until now, there are no regulations regarding Islamic banks, including regulations in their performance system (Niswatin, Triyuwono, Nurkholis, & Kamayanti, 2014).

The implementation of the Islamic bank performance appraisal model still adopts the model used in conventional banking such as traditional financial performance assessment, including the balanced scorecard (BSC), Sensitivity to Market Risk, Capital, liquidity, Asset Quality, and Management Earnings (CAMELS). Bank Indonesia has issued Bank Indonesia Regulation (PBI) Number: 9/1/PBI/2007 concerning the Rating System for Commercial Bank Soundness Based on Sharia Principles. This provides an explanation that the soundness level of Islamic banks is determined by CAMELS factors, namely: including the balanced scorecard (BSC),

Sensitivity to Market Risk, Capital, liquidity, Asset Quality, and Management Earnings (CAMELS) which in essence is not different from traditional performance appraisal and BSC that is more oriented towards fulfilling financial performance, which is profit, where the use of the assessment indicators is still dominant in financial performance. The use of these indicators still has shortcomings, which are the management of Islamic banks more appreciates the results (output) compared to dysfunctional processes and behaviors that violate Islamic principles by ignoring their role as a social organization and da'wah (Triyuwono, Kamayanti, Nurkholis, & Niswatin, 2014).

The founders of Islamic banks have a goal to contribute to the achievement of *maqashid syariah*, banks must have a much bigger goal than just achieving maximum profit, but must also strive to realize the *maqashid syariah* (Jumansyah & Syafei, 2013; Sukardi, Supriyanto, & Asmanto, 2020). Therefore, the performance assessment of Islamic banking continues to experience developments such as those developed by Mustafa Omar Muhammad, Dzuljastri Abdul Razak, and Fauziah MD Taib where the performance assessment of Islamic banking is based on the *maqashid syariah*. They developed a performance measurement in the form of the *Maqashid Syariah Index* (MSI) with three main objectives, including *tahzibal-fardi* (educating humans), *iqamah al-'adl* (upholding justice), and *jalbal-maslahah* (public interest). The concept is then operationalized through the Sekaran method so that it becomes a measurable parameter (Antonio, Sanrego, & Taufiq, 2012; Sukardi, Wijaya, & Wardani, 2016).

Based on this background, the researchers feel the need to conduct research by analyzing the performance of BPD Syariah in Indonesia by seeing how much the level of attainment of the *Maqashid Syariah Index* when viewed from the three aspects including education, creation of justice, and the achievement of prosperity at Sharia Regional Development Banks in Indonesia. Therefore, this research takes the title "Implementation of the *Maqashid Syariah Index* Approach on the Performance of Sharia Regional Development Banks in Indonesia".

Literature Review

1. Previous Research

Muhammad Syafii Antonio, Yulizar D Sanrego, and Muhammad Taufiq conducted research “*An Analysis of Islamic Banking Performance: Maqashid Index Implementation in Indonesia and Jordan*”. This study used the *maqashid syariah* approach as a tool to measure the performance of the Islamic banking industry in Indonesia (Bank Syariah Mandiri, and Bank Muamalat Indonesia) and in Jordan (Jordan Islamic Bank, and Islamic International Arab Bank Jordan). Data analysis used the *Simple Additive Weighting* (SAW) method. The results showed that by using the *Maqashid Syariah Index*, Islamic banks in Indonesia showed a better performance than Islamic banks in Jordan (Antonio et al., 2012).

Research on the performance of Islamic banks using the *maqashid syariah* approach was also carried out by Novi Puspitasari, Devi Hardiyanti Rukmana, and Hari Sukarno with the title of the study “*Analysis of Islamic Banking Efficiency Using the Maqashid Syariah Approach (Study on Islamic Banks in Indonesia and Malaysia)*”. To measure the efficiency variable, this study used individual education, realizing justice, and achieving prosperity. Data analysis used Data Envelope Analysis (DEA) during the 2011-2015 period. The results showed that there were 3 Islamic banks that reached a maximum level of efficiency in Malaysia. Affin Islamic Bank achieved the maximum level of efficiency in terms of output distribution and output profitability. CIMB Islamic Bank achieved maximum efficiency in the aspect of output distribution. RHB Islamic Bank Berhad achieves maximum efficiency in terms of output distribution. While in Indonesia, Bank Panin Syariah achieved maximum efficiency in terms of output distribution, and Bank Mega Syariah was considered efficient with respect to output profitability and output individual income (Puspitasari, Rukmana, & Sukarno, 2017).

Irfan Soleh also examined the analysis of the performance of Islamic banks with his research “*The Impact of Maqashid Syariah and Core Competency on Performance of Islamic Bank*”. The purpose of this study was to find solutions to problems related to the performance of Islamic banking in relation to *maqashid syariah* and core competency. This study was a theoretical review and was intended to propose a causal relationship between variables. The results showed that Islamic banks should re-evaluate their objectives to confirm to *maqashid syariah* and that core

competency has a strong and positive influence on organizational performance (Soleh, 2016).

Mohammed *et al* with their research entitled “*The Performance Measures of Islamic Banking Based on the Maqashid Framework*” analyzed the performance of Islamic banking based on the concept of *maqashid syariah* using the *Simple Additive Weighted* method. This study succeeded in formulating a measurement of Islamic financial performance known as the *Maqashid Index*. From several samples of Islamic banks that were the subjects of their research, the highest-ranking of the *maqashid index* score for Islamic banks was the Islamic Bank of Sudan (Mohammed, Razak, & Taib, 2008).

Afrinaldi also conducted research on the Performance Analysis of Indonesian Sharia Banking in terms of *Maqashid Syariah: The Syariah Maqashid Index (SMI) Approach* and the Profitability of Islamic Banks (Afrinaldi, 2014). This descriptive quantitative research was investigated using the Sekaran method and the SMI concept. The results obtained were that the IMS model can be used in measuring the performance of *maqashid Syariah* banking. In addition, this study also succeeded in describing the performance of the Sharia banks as samples in a comparison diagram which was a comparison between the profitability performance of Islamic banks and the implementation of *maqashid Syariah*.

Khisan also conducted research on Islamic Banking Performance Analysis in terms of Profitability and *Maqashid Syariah*. This study used a descriptive quantitative approach with the *Comparative Performance Index (CPI) approach* and the *Syariah Maqashid Index (SMI)*. It was found that the performance of Islamic banking can be measured and reviewed from the analysis of profitability and the *maqashid syariah* approach. The performance measurement can be done using the *maqashid syariah index* model. The performance of each Islamic bank was shown through a comparison diagram pattern that resulted in a comparison between the profitability performance and the implementation of *maqashid Syariah* that has been carried out by Islamic banks (Mohammed, Tarique, & Islam, 2015).

Sudrajat and Sodiq also conducted research on the measurement of Islamic banking performance using MSI. The research with the title

“Analysis of Performance Assessment of Islamic Banks Based on the *Maqashid Syariah Index*” used the Sekaran method and the *Simple Additive Weighting Method (SAW)* in measuring Islamic financial performance. The results of the study recommended several things to achieve these goals, including a stronger index using the *maqashid Syariah index*, especially in measuring performance and contribution to asset turnover, promotion, economy, and focus on developing educational capacity (Sudrajat & Sodik, 2016).

The similarity between this research and previous research is that both analyze the performance of Islamic banking with the *maqashid syariah index* approach, except that the difference lies in the sample of the banks studied. This research will examine the performance of banking specifically for Islamic regional development banks in Indonesia and to see how the performance of these Islamic banks is measured by the *maqashid syariah index*.

2. Maqashid Syariah

The concept of *maqashid syariah* actually started at the time of Al-Juwaniyag, known as Imam Haramain and by Imam Al-Ghazali, and then it was systematically compiled by a *ushulfiqh* expert from the Maliki *maḥab* of Granada (Spain), namely Imam *Al-Syatibi*. This concept was written in his famous book, *al-Muwafaqatfi Ushulal-Abkam*, which is known as the book of *Maqashid*. According to al-Syatibi, sharia is basically established to benefit all servants (*Mashalihal-'ibad*) in the world and the hereafter. The benefit from this which later became the term *maqashid asy-Syariah* (Yeni, 2014).

Likewise, what was conveyed by Abu Zahrah in his Ushul Fiqh book, said that the presence of *maslahat* must be in accordance with the *maqashid syariah*, meaning that taking *maslahat* means the same as realizing the *maqashid syariah*. Conversely, ignoring *maslahat* also means ignoring *maqashid syariah* (Zahrah, 1995). Abu Zahrah also conveyed that the *maslahat* received were *maslahat-maslahat* which had an intrinsic nature, which included 5 (five) guarantees as to the base. The five basic guarantees are the pillars of life in the world for humans to live safely and prosperously in this world and in the hereafter.

The five most basic guarantees are an assurance of safety in religion (*al-Mubafazhab al Adiin*), a guarantee of safety for the soul (*al-Mubafazhab ala an-Nafs*), a guarantee of safety for reason (*al-Mubafazhab al-'Aql*), a guarantee of safety for lineage or descendants (*al-Mubafazhab al-Nasl*), and a guarantee for the safety of property (*al-Mubafazhab al-Maal*) (Zahrah, 1995). Meanwhile, according to Imam al-Ghazali, *maslahah* is defined as maintaining the goals of the shari'ah. The objectives of the shari'ah include 5 (five) basic principles, including 1) Protection of religion (*hifzhaldeen*); 2) Protection of the soul (*hifzhalnafs*); 3) Protection of the reason (*hifzhal 'aql*); 4) Protection of human sustainability (*hifzhalnash*); and 5) protection of property (*hifzhal mal*) (Al-Ghazali, 1997).

Imam Al-Syatibi said that *maqashid syariah* is divided into 3 (three) categories, including *dharuriyyat* (primary needs), *hajjiyat* (secondary needs), *tahsiniyyat* (supporting needs) (Syatibi, 2004:221). Of the three categorizations, *dharuriyyat* (primary needs) is very important and a top priority because *dharuriyyat* has 5 (five) important things including religion (*ad-Diin*), soul (*al-Nafs*), reason (*al-'Aql*), descendants (*an-Nasl*), and property (*al-Maal*) (Syatibi, 2004).

An understanding of the *maqashid syariah index* is obtained from the noble values of Islam (*maqashid syariah*) which is then understood as the goal of sharia by prioritizing the values of welfare and benefits (*jalbal-Masaalih*) by leaving and eliminating hardship or suffering (*dar al-Mafaasid*) (Antonio et al., 2012).

Mohammed and Taib in their research entitled performance testing which was measured based on the *maqashidal-shariah* (PMMS) model on 24 selected Islamic and conventional banks have formulated an evaluation of the performance of Islamic banking by referring to the concept of *maqashid syariah*. The variables used referred to the *maqashid syariah* theory by Abu Zahrah which includes *tabdzibal-fard* (educating individuals), *iqamah al-adl* (upholding justice), and *maslahah* (welfare). Through the concept of Sakaran, the three *maqashids* have been translated into 9 dimensions and then classified into 10 elements. The ten elements are converted into a performance ratio.

Educating individuals in the first *maqashid* means designing activities in the form of training and education programs filled with

messages of moral values, so as to have an effect on increasing the knowledge and skills of employees. Banks as a company also have to provide a lot of information to stakeholders, with information on the offered sharia products. The ratio analysis in the first *maqashid* is in the form of grants for education, research, training, and also publicity (promotion). The next *maqashid* is justice, Islamic financial institutions must ensure all employees that there have to be honesty and fairness in all transactions and activities, be it products, prices, and contract terms. In addition, all contracts (*aqad*) must be free from all elements of injustice such as *maysir*, *gharar*, and usury. The ratio analysis in this second *maqashid* uses the PER (profit equalization reserves) ratio, which is a part of the *mudharabah* and *musyarakah* financing schemes as well as the ratio analysis of interest-free income. Whereas for the third *maqashid* is *maslahah*, banks are obliged to develop investment projects and social services in order to improve people's welfare, and this can be seen from the ratio of zakat managed by banks and investments in the real sector. The ratio analysis in the third *maqashid* is the return on profits, transfers to personal income (zakat), and ratios on investments in the real sector.

3. Islamic Banking Performance

To determine the soundness level of a bank, it can be done by assessing the performance of the bank. Performance measurement is a part of the management control system. Performance appraisal is a tool for management in determining how far the company's/bank's goals have been achieved, a tool in evaluating the business performance that is carried out by managers, divisions, and individuals in the company and also for predicting company expectations regarding future business (Yuwono, Sukarno, & Ichsan, 2006). A reliable work measurement system is one of the key factors in organizational success (Mardiasno, 2004).

There are two categories of information used in performance measurement/assessment, namely:

a) Financial Performance

The measurement of financial statements is assessed based on the budget that has been made. Measurements are done by

analyzing the variance between actual and budget performance. The analysis of variance is mostly focused on two variants, namely income and expenditure which includes routine and investment/capital expenditure.

According to Kasmir, to find out the performance condition of a bank, it usually uses CAMEL analysis (capital, assets, management, income, liquidity, sensitivity, and market risk). This measurement and evaluation model has been stated by Bank Indonesia so that banks in Indonesia are required to prepare routine and regular reports using CAMEL measurements. Along with the development of an evaluation tool to measure company performance including the banking industry, an evaluation tool called *economic value added* (EVA) has emerged. According to Bringham and Houston in Endri, EVA is the added value provided by management to shareholders for a certain year (Endri & Wakil, 2008). Simply put, the EVA figure is derived from operating income minus the cost of invested capital (Stern & Shiely, 2001).

b) Non-financial information

Non-financial information can be another benchmark. Non-financial information can increase confidence in the quality control management process. A comprehensive performance measurement technique that has been developed by various organizations is the *balanced scorecard* which involves four aspects: financial perspective, customer satisfaction, internal process efficiency, and learning and growth. In practical terms, the process of measuring company performance generally uses financial ratios. It is just that there are many drawbacks when using finance as a measure of company performance, such as encouraging managers to prefer taking short-term actions over long-term plans, so long-term planning will be ignored, ignoring the measurement aspects of non-financial and intangible assets, both from internally and externally will provide the wrong view of company leaders at the present time even more in the future and financial performance is only based on past performance which is less able to lead the company towards the company's goals (Yuwono et al., 2006).

Results and Discussion

The Performance of Sharia Regional Development Banks with the Maqashid Syariah Index Approach.

1. *Tahdzib Al-Fard* (Education)

a. Education Grant

Based on the calculation results from the 4 Islamic BPDs in Indonesia, none of the banks explained in detail about the education grants distributed to the community from 2016-2018. The education grant in question was either in the form of scholarship funds or assistance to educational institutions. Among the 4 banks that distributed the largest education grants was Bank Jawa Barat Syariah which had a percentage of 0.01% of the total expenses incurred. Then followed by the Bank Aceh at 0.0026%. The large number of funds spent in the education sector of Bank Jawa Barat Syariah was able to make excellent programs in the education sector such as the construction of classrooms, the BJB green school program, the integrated TPS program, and the BJB entrepreneurial training program.

Islamic banks as sharia financial institutions that not only focus on commercial goals (profit-oriented) are expected to be able to create programs that are beneficial not only to employees but also to society. One of them is by providing educational scholarships. This program demonstrates the fulfillment of the banks' social responsibility to the community and the amount of contribution in the development and improvement of public knowledge and business in overcoming economic problems, especially those related to difficulties in continuing to higher education and indirectly also has an impact on efforts to improve existing human resources in the region where the banks are located.

b. Research

This ratio describes the costs incurred by the Islamic regional development bank for research and development purposes. Of the 4 Islamic BPDs, there are 3 Islamic BPDs that did not report the costs incurred for research. Only Bank NTB Syariah reported the cost of

research or development (research and development) for the sustainability of its operational activities

c. Training

One form of implementation of *hifzul aql* (guarding reason) and *hifzun nafs* (guarding value) concepts is the allocation of funds by sharia commercial banks for the costs of education and employee training. In this case, Bank NTB Syariah obtained a higher ratio than other sharia banks with a ratio value of 0.000049%. The training program provided is in the form of face-to-face competency improvement consisting of training, education, workshop, socialization, and certification. Most of the training focuses on preparing and improving the skills of employees related to Islamic banking.

d. Promotion / Publicity

Islamic banks have a role to provide knowledge about Islamic banking to the public. One of them is by conducting socialization and publication regarding the form of information on Islamic bank products and their operations. Regional Development Bank that received the highest ratio value, in this case, was Bank Aceh Syariah with a value of 0.0009%. Then followed by Bank NTB and Bank Jawa Barat Syariah with a ratio value of 0.0002%.

Marketing that is carried out by the Bank is more focused on marketing in communities to obtain certain segments, especially segments that emphasize the sharia profile.

Table 1
***Tahdzib al-Fard* Performance Indicator**
Sharia Regional Development Banks in 2016-2018

Bank	<i>Tahdzib al-Fard</i> Performance Indicator				
	IK 11	IK21	IK31	IK41	IK (T1)
Bank NTB Syariah	0,0001	0,0000035	0,000049	0,00024	0,00076
Bank Aceh Syariah	0,0002	0	0	0,0009	0,00031
Bank Jawa Barat Syariah	0,006	0	0,000074	0,0002	0,002
Bank Nagari Syariah	0,00005	0	0,00008	0,0002	0,00009

2. *Iqamah Al-Adl* (Justice)

a. Fair Returns Ratio

Islamic banks are required to make fair transactions, one of which is by providing fair returns to their customers. Based on the analysis, almost all Islamic commercial banks in Indonesia have not disclosed the PER (Profit Equalization Ratio) level in their annual reports. PER itself according to The Accounting and Auditing Organization for Islamic Financial Institution (AAOIFI) Standard is a portion of the gross income from *murabahab* income issued/set aside, before allocating it to the *Mudharib* section with the aim of providing a more equitable return to account owners and shareholders.

b. *Functional Distribution*

The functional distribution in this case illustrates how much the financing with the *mudharabah* and *musyarakah* profit-sharing contracts for all financing contracts provided by Islamic banks. Based on the calculation results, the Islamic regional development bank that obtained the highest ratio value was the Bank Jawa Barat Syariah with a value of 1.15%. This means that Bank Jawa Barat Syariah disbursed more funds for *mudharabah* and *musyarakah* financing contracts than other financing contracts. However, when viewed from the amount of financing of all Islamic regional development banks each year, it has increased continuously, this shows that all Islamic regional development banks were trying to improve their function to realize socio-economic justice through profit-sharing transactions.

c. *Interest-Free Product*

One of the principles of Islamic banking prohibits usury (interest rates), this is because usury can have a negative impact on the economy and cause injustice in economic transactions.

In this case, almost the 4 Islamic regional development banks studied obtained a score of 100% for the category of products in their operational activities that were free of interest. As a sharia commercial bank, of course, it is required to carry out operational activities that are free of usury. Because the higher the ratio of interest-free investment, the higher the positive impact on reducing

the income and wealth gap. This ratio is in accordance with what is stated in Al-Quran surah Ali-Imron verse 130.

Table 2
***Tahdzib al-Adl* Performance Indicator**
Sharia Regional Development Banks in 2016-2018

Bank	<i>Tahdzib al-Adl</i> Performance Indicator			
	IK 12	IK22	IK32	IK (T2)
Bank NTB Syariah	0,08	0,0007	0,11	0,0003
Bank Aceh Syariah	0,2	0,00023	0,0007	0,00081
Bank Jawa Barat Syariah	0,0009	0,0015	0,00045	0,056
Bank Nagari Syariah	0,15	0,0004	0,0007	0,009

3. *Jalb Al-Maslahah* (Prosperity / Benefit)

1. Net Profit Ratio

This ratio aims to determine the company's ability to generate profits during a certain period and also provide an overview of the level of management effectiveness in carrying out its operational activities. The greater the profits obtained by Islamic commercial banks, the higher the impact on increasing welfare, not only for owners and employees but also on all stakeholders of Islamic banking.

One of the Islamic regional development banks in Indonesia that received the highest ratio value for the net profit ratio was Bank Jawa Barat Syariah with an acquisition value of 0.87%. Then followed by Bank Aceh with a ratio value of 0.123%.

2. *Distribution of Income*

Islamic banking always tries to care for others by helping to alleviate the social problems faced by society. In Islamic teachings, the principle of social care is manifested through the concept of zakat, *infak*, and alms. People are required to be materially responsible for the poverty in their surroundings. Furthermore, the concept of zakat is aimed to preserve religion, reason, soul, descendant, and property. Therefore, the existence of an Islamic regional income banks has an important role in distributing wealth to all groups, one of which is by distributing zakat on the income they earn.

Bank Aceh Syariah received the highest ratio value in the distribution of zakat. Followed by Bank Nagari bank and Bank NTB. However, Bank Pembangunan Daerah Jawa Barat has not reported its zakat distribution. This is because the bank has not yet had binding investment management and has not started zakat fund management activities. Therefore, the bank did not make reports related to these activities (annual report).

3. *Investment Ratio in Real Sector*

The existence of sharia regional development banks are expected to contribute to the growth of the real sector, with the large investment ratio on the real sector, which makes the existence of sharia regional development banks is more *maslahah* in the community.

The sharia regional development bank that received the highest ratio value for real sector investment was Bank NTB Syariah, this proves that almost all of the investments made by Bank NTB touched the real sector and very little funds were invested in the financial sector. The increase in the amount of investment disbursed into the real sector each year causes the Bank NTB Syariah to further strengthen its existence as an institution for the real sector.

Table 3
***Tahdzib al-Maslahah* Performance Indicator**
Sharia Regional Development Banks in 2016-2018

Bank	<i>Tahdzib al-Maslahah</i> Performance Indicator			
	IK 13	IK23	IK33	IK (T3)
Bank NTB Syariah	0,00006	0,000015	0,101	0,287
Bank Aceh Syariah	0,00011	0,0000009	0,0007	0,00081
Bank Jawa Barat Syariah	0,03	00,22	0,00045	0,056
Bank Nagari Syariah	0,00086	0	0,00066	0,0009

The calculation of all performance indicators using the Maqashid Sharia Index method on the Sharia Regional Development Banks in Indonesia in 2016-2018 is presented as follows:

Table 4
Performance Indicators with the *Maqashid Syariah Index* Approach
Regional Development Banks in 2016-2018

Bank	<i>Tahdzib al-Fard</i>	<i>Tahdzib al-Adl</i>	<i>Tahdzib al-Maslahah</i>	MSI	Rank
	IK (T1)	IK (T2)	IK (T3)		
Bank NTB Syariah	0,00014	0,0003	0,287	0,287	2
Bank Aceh Syariah	0,0026	0,0093	0,00081	0,0127	4
Bank Jawa Barat Syariah	0,01	0,028	0,056	0,074	3
Bank Nagari Syariah	0,00004	0,44	0,0009	0,45	1

Conclusion

Based on the calculation results of each performance indicator of the Maqashid Syariah Index, it can be seen that the first rank is Bank Nagari Syariah with 0.45, the second rank is NTB with 0.287, the third rank is Bank Jawa Barat Syariah with 0.074, and the fourth rank is Bank Aceh Syariah with 0.0127. Thus, the performance of Islamic regional development banks based on the *maqashid syariah index* approach, illustrates that in the implementation of their activities, Islamic regional development banks in Indonesia are more dominant in the objectives of *Iqamah al-Adl*. This shows that the Islamic regional development banks in Indonesia maximize the implementation of Islamic principles. And based on the results of the research that the sharia regional development bank in Indonesia that gets the best achievement in performance appraisal with the *Maqashid Syariah Index* (MSI) method and approach is Bank Aceh Syariah.

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