

Islamic Banking Performance Measurement System with 'Audah Approach

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Abstract

This study aims to formulate an Islamic banking performance measurement system using the 'Audah system approach. This study used qualitative research design with interpretive paradigm. To analyze the data, the 'Audah system analysis is used, where there are six features, namely the cognitive nature of the system, wholeness, openness, interrelated hierarchy, multidimensionality, and purposefulness. The performance measurement system previously used was the balance scorecard, then by the analysis of the system, a masalah-based performance measurement system was produced.

Keywords: Performance Measurement System, Interpretive, Maqashid Syariah, 'Audah Approach, Masalah.

Introduction

Performance in an organization is a very important thing to achieve because all organizations need it to evaluate and plan processes to improve performance (Lannai et al., 2014). One of the important elements of the management control system mechanism is the performance measurement system (Krismiaji dan Aryani, 2011).

Performance measurement systems are not only needed to measure the performance of business organizations but are also needed in Islamic financial institutions, including banks. The benchmark of financial performance in Islamic banks is seen from return on assets (ROA), return on productive assets (ROEA), asset turnover (ATO), capital adequacy ratio (CAR), loan to deposit ratio (LDR), liabilities to assets, income per share and several other financial ratios (Rusdyana & Sanrego, 2018). ROA and ROE are used as performance measurement tools in Islamic banking, actually an adoption of conventional bank performance measurement (Badreldin, 2011; Zameenick & Rajnoba, 2015; Wanke. et.al. 2017; Setiawan. et.al, 2020) And all that is measured is financial performance (Mohammad, et al., 2008). Financial performance measures such as these ratios aim to see whether the company can benefit so that the information obtained only satisfies the company's stockholders (Keown, 2002). Determining the company's vision and mission is a long-term plan (Zameenick & Rajnoba, 2015), what cannot be seen is only using financial measures alone, because financial measures are only to look at the past and short-term plans (Kaplan & Norton, 1996; Neely et al., 2001). The system of

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measuring organizational financial performance developed by Du Pont (1903) is not able to measure organizational performance comprehensively. Some experts develop comprehensive performance measurement systems, so that not only financial measurement but a combination of financial and non-financial measures, so that companies can run their business better and focus managers' attention on the key success factors of strategy and communicate them throughout the organization (Azofra et al., 2003; Chenhall, 2007; Kaplan, 2009). Furthermore Kaplan & Norton (2001) develop a balance scorecard performance measurement system that was originally four perspectives into five perspectives by incorporating strategies into both financial and non-financial performance to achieve the vision and mission of the organization (Chenhall, 2007; Kaplan, 2009).

Literature Review

Performance Measurement Systems

Performance measurement can play an important role in focusing people and resources on a particular aspect of the business (Waggoner et al., 1999). To choose the right performance measure and design an appropriate performance measurement system for an organization must consider a number of factors, such as the purpose of the measurement, the level of detail required, the time available for measurement, the presence of predetermined data available, and the cost of measurement (Tangen, 2002A dalam Tangen 2004). Performance measures in an organization can be designed based on several different disciplinary approaches, such as: (1) an engineering approach, which links expected outputs with inputs defined at each stage in the value chain and thus measures the input/output ratio; (2) a systems approach, which sets goals for each work unit or individual and measures the achievement of those goals; (3) a management accounting approach, which measures the achievement of a set of financial results by each cost/performance center; (4) statistical approaches, which extend engineering approaches by providing empirically tested information about the strength of relationships in input/output processes; (5) consumer marketing approach, which measures consumer satisfaction; and (6) a 'conformance to specification' variant of the quality management approach, which advocates the use of a product or service attribute checklist in conjunction with its service delivery system (Waggoner et al., 1999). Performance measurement underwent reform due to changes in the business environment, there was recognition that traditional performance measurement could not provide a complete picture of organizational performance, causing dissatisfaction (Anderson & McAdam, 2004). Traditional performance measurement systems that focus only on measures of financial performance, are historical and only report results (Kaplan & Norton, 2001). Du Pont's Financial Ratio Pyramid performance measurement system, which has a different hierarchical structure, and connects measures at different levels of the organization. This system has shortcomings because it still uses the traditional performance system that focuses on financial performance only (Anderson & McAdam, 2004).

Furthermore, the development of a more dynamic performance measurement system was carried out by Keegan, et al. (1989) with a matrix approach or known as Performance Measurement Matrix (PMM) which consists of four dimensions on a two-two matrix by integrating financial and non-financial performance as well as external and internal (Carlos et al., 2006). But because it cannot explicitly explain the relationship between dimensions of business performance, it needs to be developed again by including elements as improvements (Anderson & McAdam, 2004). Kaplan & Norton (1996) argues that the problems of traditional performance measurement systems can be overcome if companies adopt a balanced set of measures (Balanced scorecard). The system shows a multi-faceted view of organizational performance and explicitly links the

various dimensions of business performance measurement to organizational strategy and integrates four ways of looking at performance (A. D. Neely, 2001). The purpose of the balanced scorecard is to guide, control and challenge the entire organization to realize a shared conception of the future. In perspective vision is expressed as a number of more specific goals (Chavan, 2009).

Lynch and Cross (1991) introduced a performance pyramid system that ties a hierarchical view of business performance measurement with a view of business processes (A. Neely et al., 2000). It is also useful to describe how goals are communicated to subordinates and how steps can be rolled out at various levels in the organization. Use of performance measurement systems in the context of feedback that are used explicitly to monitor organizational performance (Anderson & McAdam, 2004). Neely (2001) design a performance prism that attempts to address the shortcomings of currently available frameworks. Performance prisms are made up of five interrelated perspectives, and are designed to be so flexible that they can provide broad focus. In addition it provides a broader view to stakeholders than the balanced scorecard, which makes reference only to customers and shareholders (Anderson & McAdam, 2004).

The Jasser 'Audah System Approach

Jasser Auda was a contemporary Muslim scholar who gave new color to the development of Islamic law, particularly in terms of the concept of maqashid al-Shari'ah. Maqashid al Shari'ah thought originated from Jasser Auda's anxiety about the traditional Usul al-Fiqh. Gumanti (2018) explains that the construction of the concept of maqashid sharia by 'Auda because Usul al-Fiqh seems textual and ignores the purpose of the text. This literal and textual reading is the result of the overfocus of the ulama usul al-Fiqh on the language aspect. Then there is a classification of some theories of the origin of al-Fiqh leading to binary and dichotomous logic and lastly, the analysis of Usul al-Fiqh is reductionist and atomistic. According to Jasser 'Auda, classical maqashid al-sharia is not holistic, emphasizing literal rather than moral aspects, only one-dimensional and not multi-dimensional, more deconstruction than reconstruction (Auda, 2007).

As for the reason for the irrelevance of the classical maqashid al-shari'ah, according to Jasser Auda can be seen from several aspects including: a) The scope of classical maqashid is the entirety of Islamic law, but they fail to include specific objectives for single decisions or groups of scripts covering a particular topic or chapter of fiqh; b) Classical maqashid tends to be individual and less societal, humanitarian and general; c) Classical maqashid does not contain most basic and universal values such as the principles of justice and freedom; d) Classical maqashid is deduced from studying fiqh literature and not the original source.

The systems approach is a holistic approach, where any entity is viewed as a unified system consisting of a number of sub-systems. There are a number of system features that can influence a system's analysis of its subsystem components, and also determine how these subsystems interact with each other and interact with the external environment. The system approach used by Auda includes 6 interrelated features, namely the cognitive nature of the system, wholeness, openness, interrelated hierarchy, multidimensionality, and purposefulness.

1. Cognitive nature of system. What is meant by cognitive nature is the nature of knowledge that builds the Islamic legal system. Islamic law is established based on a faqih's knowledge of the texts that are the source of legal reference. To unpack the validation of all cognition (knowledge of the text), Auda emphasized the importance of separating the text (Qur'an and as-sunnah) from people's understanding of the text
2. Wholeness. Borrowing systems theory, Jasser Auda stated that every cause-and-effect relationship should be seen as parts of the overall picture. The relationship between the parts plays a certain function in a system. The interweaving between relationships is

built thoroughly and dynamically, not just a static collection of parts.

3. **Openness.** In systems theory it is stated, that a living system, then it must be an open system. Even a seemingly dead system is essentially an open system. The openness of a system depends on its ability to achieve goals under a variety of conditions. This condition affects the achievement of a goal in a system. Conditions are environmental affects. An open system is a system that always interacts with conditions / environments that are outside it.
4. **Interrelated.** The fourth characteristic of the system is that it has a hierarchical structure, where a system is built and smaller subsystems under it. Interrelations determine the goals and functions to be achieved. The attempt to divide the whole whole system into small parts is the process of sorting between differences and similarities among the many parts that exist. The smallest part becomes a representation of the large part, and vice versa.
5. **Multi dimensionality.** A system is not something singular. However, it consists of several parts that are interrelated with each other. Inside the system there is a coherent structure. Since a system consists of fairly complex parts, it has a spectrum of dimensions that are not singular. Islamic law can be analogous to a system. Islamic law is a system that has various dimensions.
6. **Purposefulness.** Every system has an output. This output is called the destination generated from the network of that system. In systems theory, goals are divided into goals and goals. A system will produce purpose if it is able to produce the goal itself in different ways and in the same way, or to produce multiple goals and in different situations. While a system will produce goals if it is only in a constant situation; and more mechanistic; He can only give birth to one purpose. In this context, Maqashid is in the sense of purpose (al-gayah). Maqashid al-Shari'ah is not monolithic and mechanistic, but can vary according to situations and conditions

Method

The type of research used in this study is qualitative research. According to Creswell (2018), qualitative research is methods to explore and understand the meaning that a number of individuals or groups of people consider from social or humanitarian problems. The qualitative approach views meaning as an indispensable part of a person's experience in his social life with others. Researchers are directed by inductive thinking products to find logical answers to what is taking center stage in research (Bungin, 2014). Qualitative research according to Denzin and Lincoln (1987) is research that uses a natural setting, with the intention of interpreting phenomena that occur and is carried out by involving various existing methods. While Bogdan and Taylor (1989) explain that qualitative methods as research procedures that produce descriptive data in the form of written or spoken words of people or observed behavior. Moleong (2015), explained that qualitative research is research that intends to understand the phenomenon of what is experienced by research subjects holistically by means of descriptions in the form of words and language, in a special natural context and by utilizing various scientific methods.

The data collection method in this study was to use in-depth interviews with informants. In-depth interviews are conducted so that the data obtained is more accurate because they are face-to-face with informants (interviewees). To determine informants, researchers use snowball procedures, otherwise known as "referral chains" or networking procedures (Bungin, 2014). The use of this procedure is because researchers need social networks from informants who are first encountered to get people who have the potential to contribute to providing information. Snowball's Exponential Discriminative model was chosen because not everyone recommended by the first informant would be an informant

in the study. The model gives researchers the right to select informants, it may be that from the results of the referral the first informant is not selected to be the next informant.

Discussion

Jasser 'Auda is a scholar who seeks to develop sharia maqashid, from classical to contemporary sharia maqashid, which aims to keep up with the increasingly dynamic times. In its development Jasser 'Auda proposed a systems approach to analyze the Islamic legal system. The reason researchers use the analysis system developed by 'Auda is because in this study what was studied was a performance measurement system in Islamic entities. To understand the Islamic banking performance measurement system that is practiced now, this system analysis is used.

Systems theory has been developed by experts such as Bertalanffy (father of systems theory), Katz and Kahn, Ackoff, Fivas and Boulding ('Auda, 2019). Research is conducted to develop a better system based on the hierarchy of previously developed system features. The features of the system are oriented to the physical matter only so that they cannot be used for philosophy and law. To bridge the system in Islamic law, 'Auda proposed six (6) system features, namely the cognitive nature of the system, wholeness, openness, interrelated hierarchy, multi-dimensionality, and purpose.

The first feature of the system proposed by 'Auda was the cognitive nature of the system. In the context of this study, this feature is interpreted as people's understanding in this case the informant's understanding of texts or texts (it can be rules from the government, rules from the bank or rules from Alloh SWT, namely in the form of the Qur'an).

The understanding of informants such as regulators, practitioners or scholars in interpreting rules related to measuring Islamic banking performance, that is what gives rise to regulations or rules imposed so far. Because the rule-making process by the regulator begins with a meeting of relevant parties to be asked for information related to the regulations or rules to be issued. Rules or regulations made by the government function to supervise financial institutions so that they can run as they should, in accordance with the initial purpose of the establishment of the institution. Moreover, banks are institutions that are trusted by the community to store their funds (customers) or to manage their funds (investors), so it needs supervision by other institutions that are more independent. As a form of such supervision, it is necessary to make rules so that Islamic banking is maintained in order to provide welfare for all people. According to OJK, Islamic banking aims to support the implementation of national development in order to improve justice, togetherness and equitable distribution of people's welfare. OJK as a supervisor of financial institutions issues regulations related to Islamic banking both in terms of products issued and procedures in terms of performance appraisal. And to make these regulations requires input from various groups including academics and scholars who understand matters related to these regulations. The regulation issued by OJK bridges the interests of customers and banks, so it is not regulated using fatwas but rules. Such is the case with the assessment of the health of Islamic banking which is regulated in POJK and clarified using SE-OJK. Because for performance measurement, the MUI does not regulate it through fatwas, because in fiqh muamalah, the determination of the murabahah margin is the policy of each bank.

This was corroborated by an informant from OJK, namely Mr. GSU who explained the process of drafting regulations, as follows:

"... there is a work team [within OJK] yes... Usually, the process of drafting the... We are called regulators... We made a concept ... Internally there is a process in drafting the provisions... in OJK there is, meanwhile, if after the approval of the leadership has been completed, but even before that we had a preliminary meeting, we said that this will be changed, khan asked for input [from industry, academics, etc.], that is certain if it

becomes a draft, it is then submitted to the public, especially the industry, yes, the regulated industry to the bank of Indonesia, to LPS... Well, then there will be a lot of input, ..." (GSU interview, p. 2 & 3, lines 103 -112).

Based on the results of the interview, before the rules were determined, the OJK carried out a preparation process with the team after the next draft was submitted to the public to get input from the bank, if the rules or regulations for banking, academics and community institutions. So that systematically in making regulations, OJK still pays attention to inputs from outside parties or within OJK.

Understanding of the text, in the first system feature directs parties related, or related to the Islamic banking performance measurement system must be able to understand it. So that the system formed and implemented can run in accordance with the objectives to be achieved by Islamic banking. The relevant parties are stakeholders in it. OJK in this case as a regulator must be able to understand the problems that occur in Islamic banking. These problems can also be referred to as unwritten text, so that by understanding them OJK can make rules that can provide benefits for the bank and other stakeholders. Likewise, the bank must be able to understand and understand the rules set by the government, in this case OJK, so that problems that occur can be solved with existing rules.

In this case, OJK strives to implement sharia principles by providing benefits for the entire community. The bank also needs to understand the text of regulations issued by the government to make accountability reports for stakeholders. So that understanding the text is not only required by regulators as rule-makers but also entities that implement the rules. The understanding of this text if it is related to the values of maqashid sharia is included in maintaining reason, religion, soul, heredity, humanity, environment, social behavior. From these values can be drawn into performance measurement indicators in Islamic banking organizations.

So it can be concluded that when OJK conducts hearings with the public, this provides an opportunity for all parties to try to understand the regulations that will be issued. In this case, OJK strives to implement sharia principles by providing benefits for the entire community. The bank also needs to understand the text of regulations issued by the government to make accountability reports for stakeholders. So that understanding the text is not only required by regulators as rule-makers but also entities that implement the rules. The understanding of this text if it is related to the values of maqashid sharia is included in maintaining reason, religion, soul, heredity, humanity, environment, social behavior. From these values can be drawn into performance measurement indicators in Islamic banking organizations.

The second feature of the 'Auda systems approach is wholeness, in this feature the researcher seeks to examine the relationship between departments. The Islamic banking performance measurement system is an interweaving of interdepartmental relationships within BSX. Each part has a different role to produce a complete performance measurement system.

Performance Department for example, although if based on the name of the department already refers to the department that takes care of overall performance but in fact the performance system is not only made in that section or department. However, each department has a different scope and responsibility in providing performance reports to be subsequently used as an accountability report to stakeholders (stakeholders) that is published and can be accessed by all parties directly. The accountability report prepared by BSX as described in the previous chapter consists of industry performance reports, reports per business segment, and financial statements.

This is in accordance with the statement of Mr. IG (Head of Performance Department), as follows:

"... The publication financial report, monthly financial report, the publication is indeed by the system, it is taken care of by accounting friends, there is a system..." (IG interview, pp. 3 lines 104-106).

Based on this explanation, reporting to OJK is carried out through a system carried out by the accounting department. Although performance is part of the Performance Department, the reports provided to all stakeholders are the result of the cooperation of all existing departments, not just the work of one department. For this reason, the Performance department only needs to pull data from each department. The linkage of each department strengthens the existing performance measurement system. This is in accordance with systems theory which states that causal relationships that are part of groups can be new properties incorporated into one (Auda, 2007). The relationship between departments in the performance measurement system is a delegation of duties and authority. Each department has a duty to participate in the system. There are Accounting, Human Resources, Corporate Secretary departments that assist the Performance department to prepare and report BSX performance. Inter-departmental cooperation in BSX produces performance reports that can be enjoyed by stakeholders. If it is associated with the maqashid values of sharia, it is the maintenance of reason, soul and social behavior.

The third feature is openness, where researchers try to explore interactions with stakeholders. An open system according to 'Auda is a system that always interacts with conditions / environments that are outside it. If you look at the results of interviews with informants, the system used in BSX uses an open system. Because BSX is a public company where all accountability reports must be reported openly so that the public as stakeholders can access or read the performance results of BSX. In addition, before being announced to the public, usually the annual report has gone through an examination from external auditors and OJK as a supervisory body. External auditors and OJK are part of the system that is closely related to the success of BSX's performance measurement system. Likewise with DSN MUI, although not directly involved in measuring BSX's performance, the resulting transactions must obtain approval from DSN MUI through a fatwa issued.

Openness in the system practiced within the BSX environment, this is in accordance with the explanation from Mr. AA (head of accounting department), that in addition to the Sharia Supervisory Board (DPS) and commissioners who supervise reports to be submitted to regulators, there are also auditors from external organizations to check. Mr. AA explained this, as follows:

"... Our auditors also check sharia compliance, the public accounting firm is assigned, so our shareholders ask through the commissioner not to audit finances just don't sharia is also regulated so help DPS also cross check ... DPS conducts quotation tests, public accounting firms also check ..." (AA interview, p. 4, lines 185-189).

So auditors in addition to auditing financial statements also conduct audits of sharia compliance, which aims to see whether sharia compliance has been implemented or not. Although at the time of implementation ... The examination of financial statements carried out by DPS is actually one part of DPS's function in Islamic banking. Because one of its functions is to ensure that the products produced by Islamic banking are in accordance with sharia principles, supervision of internal and external auditors is needed. BSX's interaction in addition to auditors related to the results of financial statements and sharia compliance from the BSX organizational side, there are also external parties who provide assessments of BSX related to customer services, this is also a concern from the bank. Because the assessment from outside parties will affect people's assessment of the bank.

It can be concluded that BSX's performance measurement system adheres to an open system because in addition to using human resources from within, it also still uses external parties to provide assessment and supervision. Performance appraisals carried out so far use external parties from BSX, so that the independence of the appraiser is

maintained. External parties provide checks and assessments without interference with internal parties so as to ensure the validity and reliability of the results presented. This is associated with the values of maqashid sharia as an indicator of the maintenance of reason, religion, soul, environment and social behavior.

The system level proposed by 'Auda is the corresponding level is the fourth feature, indicating that the system building is formed from smaller subsystems below it to determine the goals and functions to be achieved. The performance measurement system at BSX also uses the level system proposed by 'Auda, because the assessment is carried out in stages from the employee, unit, group, branch and central levels. These parts have the same purpose of performance appraisal, which is the benefit of all people. So that whether or not the results of performance measurement can be seen from the usefulness of BSX to all people. The hierarchical level of the BSX performance measurement system can be explained by branch performance appraisals which are then reported to the center. While in the branch itself also consists of departments that oversee the units, and in each unit there are employees who will be assessed as well.

The explanation regarding the level of this system was reinforced by the informant Mr. AA, as follows:

"... If we talk as a whole... If the branch understands, ma'am, there are their own units... So accounting manages its finances ... Then we report performance, namely the ratios that are also consumed by management, but also we also report to the regulator according to the template requested by the regulator in accordance with what is called the time line in ... requested by regulators like that... Now that's talking corporately... When talking about branches, talk about the report cards of each branch, who is the champion... First place... runner-up... Third place and so on, who is punished, who is given a reward... That's different again, ma'am." (AA interview, p. 3 lines 114-123).

The hierarchical level of the BSX performance measurement system can be explained by branch performance appraisals which are then reported to the center. While in the branch itself also consists of departments that ...The explanation of performance measurement systems that use hierarchy has actually been done by Lynch and Cross (1992). The performance measurement system offered by Lynch and Cross is known as the Performance Pyramid, which describes how goals are communicated to subordinates and how steps can be rolled out at various levels in the organization (A. Neely et al., 2000).

A system consists of parts that are interrelated with each other, so it is not something single. The Islamic banking performance measurement system, when viewed using system analysis, already represents the level of multidimensionality because in its preparation and reporting there are many related sections or departments in it. Department of Accounting, Performance, Human Capital, BSX University, Corporate Secretary, Complain, Risk and other departments related to performance measurement. Multidimensionality is the fifth feature that tries to explore synergies between departments.

The explanation of the existence of related parts already exists in the previous subchapter, both from the interrelated level and the previous level. Several related informants explained that to make the performance report is not only in one department but there are several departments that work on it. So it can be said that all parts in the BSX organizational structure, are connected to performance measurement, both individual performance and organizational performance.

The performance department also corroborated the explanation from the accounting department that BSX performance measurement is carried out by all departments and the results of the measurement before being reported to the regulator are discussed first with all interested parties. This was explained by Mr. IG, as follows:

"we also convey performance to the network level, we call it a strategic review which is

followed by all directors, group heads... group head is one level below the board of directors then regional CEO, we call it regional head regional CEO (RCEO) now under RCEO there is an area manager, usually those who participate in that yes under the area manager there are branch heads and several managers..." (IG interview, p.1 lines 15-21).

BSX is the result of the merger of several banks, so the cultural values embedded in these employees are different. But after joining, the value that is used as a guideline for employees is AKHLAK. To assess the culture in employees there is a separate section. So that strong synergy between departments is needed to realize the company's goal, which is to provide welfare for all stakeholders. Furthermore, if it is associated with maqashid sharia, then the values contained in this feature are the maintenance of reason, humanity, social behavior and environment.

The last feature is purposefulness, where researchers try to bridge all stakeholders. A system has a goal to be produced, and in the proposed system 'Auda the objectives based on the maqashid sharia are not only monolithic and mechanistic but can vary according to the situation and conditions. This 'Auda systems approach seeks to bridge the goals to be achieved by industry, government as regulators and other stakeholders. Because each party must have their own desires or goals. The bank as a fund raising entity and fund distributor must have different goals from customers as fund distributors or investors.

This is in accordance with the opinion of informants, for example the informant Mr. AP who is a customer at BSX and an academic, he stated that the purpose of saving or saving funds in Islamic banks is not for economic purposes but rather for spiritual purposes. This he explained as follows:

"... The agreement between me and our friends must be in Islamic banks, so we do choose sharia with full awareness, not because the financial benefits are not ... even though the interest is bigger in conventional, it feels like I stay in sharia, more I want to obey my God's commands... I don't see how much profit I got..." (AP interview, p. 3, lines 113-115).

Sharia banks have economic goals as well as social goals, both of which are interconnected. The purpose of Islamic banks as industrial companies in general, is definitely to get maximum profit, because with profit, the bank can provide welfare to all stakeholders, including the achievement of social goals. This is clearly different from the objectives of the bank, as previously explained, as BSX Islamic banks still have an economic goal, namely to get profits. This economic objective is closely related to the social objectives of Islamic banks. Because for the achievement of social goals, the bank must succeed in achieving its economic goals first, namely the acquisition of profits, the greater the profit obtained zakat or taxes given will be greater as well. So that not only shareholders enjoy the profits generated by the bank, but also other stakeholders as well. The purpose of Islamic banks in general is to provide welfare to all stakeholders, not only shareholders, but also all mankind.

According to Kamali (2008), maqashid sharia is Allah's intention in deriving legal verses, or the intention of the Prophet in issuing legal hadiths, while the meaning specifically is the substance or purpose to be achieved by a legal formulation. Today's development, people know maqashid sharia is the guardianship of five basic human needs, namely faith, soul, reason, offspring and wealth (according to Imam Al Juwani). Furthermore, there was the addition of environmental protection by cleric Abdel Majid Najjer so that it became protection against eight needs. But the reality is that maqashid sharia is synonymous with guarding the five needs.

Maslahah in this case refers to the safeguarding of the Maqashid Sharia which is to maintain the basic values of religion (al-dn), soul (al-nafs), reason (al-'aql), lineage (al-nasl), and wealth (al-mal). So that if the maqashid sharia is fulfilled then benefit will be achieved. The care of the five main values is in accordance with the classification of

masalah based on their weight. When viewed from the pyramid of masalah Dusuki and Abdullah (2007) is a daruriyah masalah which is still a basic need, because these five things must be met first before other needs.

So it can be concluded that sharia maqashid has indirectly been applied to Islamic banking. It does seem to only protect property, but when viewed from the sustainability report reported to the regulator, BSX has conveyed its social performance and environmental performance, in addition to economic performance, of course. Based on the explanations of related informants, some explained that by safeguarding property, other needs would be taken care of. Almost all informants stated that with the profits obtained from the business run by BSX, the bank could provide more to the public in the form of taxes and zakat. From zakat social performance can be measured and it can be said to maintain religion and reason. Because the zakat distributed to the community is not only from company zakat but from individual zakat of employees at BSX. In addition, the bank also has an amil zakat institution that not only distributes zakat but infaq and sodaqoh as well.

Conclusion

Maqashid Sharia is the goal of sharia to be achieved. To achieve this goal we can use the parameters set by the scholars. Among contemporary scholars, Jasser 'Auda introduced a systems approach to shaping laws or rules, in this case the Islamic banking performance measurement system. The 'Auda systems approach' managed to identify that BSX had implemented maqashid sharia although not directly. The values of maqashid sharia will form the indicators of the maslaha-based performance measurement system.

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