

**COMPARISON OF SHARIA BANKING PERFORMANCE IN
INDONESIA AND MALAYSIA REVIEWING FROM MAQASHID
SHARIA INDEX**

Ferri Alfadri

Institut Agama Islam Negeri Padangsidimpuan, Indonesia.
Email: feri@iain-padangsidimpuan.ac.id

Abstract

The purpose of this study was to determine whether there is a difference in the performance of Islamic banks in Indonesia and Malaysia on the Maqashid Syariah Index. This study was a quantitative study using the independent samples t-test for comparative analysis. The study targets 8 Indonesian Islamic Commercial Banks and 8 Malaysian Islamic Banks. The data type used is the secondary data in the form of 2021 company financial statements obtained from the official websites of each bank. The research sampling method adopts purposeful sampling. The results showed that Indonesian and Malaysian Islamic banks did not differ in their performance in terms of educational goals, and Indonesian and Malaysian Islamic banks differed significantly and significantly in their performance in achieving justice. There was no significant difference in the performance of Islamic banks in Indonesia and Malaysia. Malaysia is viewed from the public interest. And there is a significant difference between the performance of Islamic banking in Indonesia and Malaysia in terms of the Maqashid Syariah Index (MSI). Islamic banking activists must work harder and more seriously to improve themselves if they want to win in an increasingly competitive market

Keywords: *Banking Performance, Islamic Banking, Maqashid Syariah Index (MSI)*

1. INTRODUCTION

An Islamic bank is a financial or banking institution whose business and products are developed according to the Quran and Hadith. Banks operating in accordance with Shariah principles are those banks that comply with Shariah rules in their operations, in particular those concerning procedures for conversion to Sharia. (Umam, 2013). Islamic banks are growing all over the world, not only in countries with a majority Muslim population such as Indonesia, Malaysia and Middle Eastern countries, but also in countries with a non-Muslim majority such as the United States, Britain, Germany, Australia and the United States. etc. This is proof that the principles used by Islamic banks can be accepted by non-Muslim communities around the world. Indonesia and Malaysia are two countries in the Southeast Asia region that are driving the development of the Islamic banking and finance system (Wahid dkk., 2018).

This study aims to help the management of Islamic banks to know their performance so far. The performance measure in question is not only financial

performance as measured by profitability which only analyzes the rate of return on profits, but is also measured by the *maqashid sharia index* (MSI), which is a performance measurement that is in accordance with the purpose of the birth of a sharia bank(Hartono, 2018). in line with its function As a financial entity that deals with many parties (stakeholders), Islamic banking has a mandate to carry out accountability for banking performance. If the performance of the company (banking) increases, the value of the company will be higher (Umam, 2013) . The current evaluation of the performance of Islamic banking tends to prioritize the profit-seeking aspect. This tends to override the role of Islamic banking in its social function. Where the social function of the bank is to hold the mandate to receive zakat, infaq and alms or other benevolent funds and distribute them to parties who are entitled to receive them (Nofinawati, 2021). Performance evaluation of conventional and Islamic banks can usually only be done from financial performance using CAMELS ratios (capital, assets, management, yield, liquidity, market risk sensitivity), RGEC (risk profile, good corporate governance, yield, capital) measure), EVA (economic value added) and profitability (Houssem Eddine Bedoui, 2012).

If Islamic banking only uses the same measurements as conventional banking to measure its performance, there will be a disproportionate value from the use of conventional banking performance indicators with broader objects found in Islamic banking. Therefore, it is necessary to develop the measurement of the social function of Islamic banking in addition to the existing financial performance(Mohammed & Razak, t.t.). Based on this concept, Muslim researchers conducted research to formulate a new measurement method called the *maqashid sharia index* (Mutia & Musfirah, 2017) . This *index* is used to measure the performance of Islamic banking based on its social function to make it more suitable in achieving its sharia goals. *Maqashid sharia index* is a comprehensive welfare measure to measure the performance of Islamic banking. *The maqashid sharia index* can be reduced to three sharia objectives, namely individual education, the realization of justice, and the interests of society (creating benefit) (Devi & Fitriyah, 2015) .

2. METHODS

This research was conducted on Islamic banking in Indonesia and Malaysia through the financial statements of the banks concerned. In this study, in order to obtain the data needed for the preparation of the thesis, this research was carried out from December 2021 to November 2021.

This research is included in quantitative research. Quantitative research is research that deals with quantitative data which is symbolized by mathematical symbols or numbers (Hasnunidah, 2017) . According to the method, this research uses a comparative (comparative) method, which is a type of research that is viewed from the type of problem in research that aims to compare two or more phenomena. (Sinaga, 2019) .

The population this research is the published financial statements of Islamic Banking at Indonesia and Malaysia in 2021, so that the total population of this study is 30 financial reports, namely 14 financial statements of Indonesian Islamic banks and 16 Malaysian Islamic bank financial reports. The sample for this research was taken by purposive sampling method (Noor, 2011) . Based on the sampling requirements above, the number of samples that meet the requirements in this study are 8 Islamic banks in Indonesia and 8 Islamic banks in Malaysia, namely PT. Bank Muamalat Indonesia, PT. BNI Syariah Bank, PT. Bank Syariah Mandiri, PT. Bank Mega Syariah, PT. Panin Dubai Sharia Bank, PT. Bukopin Islamic Bank, PT. Bank BCA Syariah, Affin Islamic Bank Berhad, Alliance Islamic Bank Berhad, Bank Islam Malaysia Berhad, Bank Muamalat Malaysia Berhad, Hong Leong Islamic Bank Berhad, Kuwait Finance House (Malaysia) Berhad, OCBC Al-Amin Bank Berhad, and Public Islamic Bank Berhad .

The data collection used in this study is secondary data which have been prepared or published by the relevant agencies. The data analysis is carried out by calculating and analyzing the financial statements of Islamic Commercial Banks in Indonesia and Malaysia using the Maqashid Syariah Index (MSI) approach. After the value of the Maqashid Syariah Index (MSI) measurement has been obtained, the following is done, namely by testing with descriptive and normality tests. If the data is normal and homogeneous, an independent sample t - test will be carried out. The steps taken in the research using the Maqashid Syariah Index

(MSI) so that it is easy to understand and easy to interpret are as follows: (Sa'diyah, 2021)

1. *Maqashid Syariah Index (MSI)* Performance Measurement Model

Table 1 . *Maqashid Sharia Index* Performance Measurement Model

Sharia Purpose	Dimension	Element	Performance Ratio	Source
Education Individual	D1. Progress Knowledge	E1. Education Grant	R1. $\frac{\text{Tuition fee}}{\text{total cost}}$	Report
		E.2 Research	R2. $\frac{\text{research cost}}{\text{total cost}}$	Report
	D2. Skills which are interesting and repair	E3. Training	R3. $\frac{\text{training fee}}{\text{total cost}}$	Report
	D3. Create awareness of banking sharia	E4. Publication	R4. $\frac{\text{publication fee}}{\text{total cost}}$	Report
Embodiment Justice	D4. Results that fair and equal	E5. Fair return	R5. $\frac{\text{profit}}{\text{total revenue}}$	Report
	D5. Distribution Functional	E6. Distribution Functional	R6. $\frac{\text{mudharabah} + \text{musyarakah}}{\text{total finance}}$	Report
	D6. Elemtasi Injustice	E7. Product Flower Free	R7. $\frac{\text{interest fee income}}{\text{total income}}$	Report
Interest Public	D7. Profitability	E8. Profit Ratio	R8. $\frac{\text{net income}}{\text{total asset}}$	Report
	D8. Redistribution wealth and income	E9. Income Personal	R9. $\frac{\text{zakat}}{\text{net income}}$	Report
	D9. Investation in the real sector	E10. Investation on sector real	R10. $\frac{\text{investment real sector}}{\text{total invest}}$	Report

2. Verification and Weighting of the *Maqashid Sharia Performance Measurement Model Index (MSI)*

Table . 2 Average Weighted Value of the Three Sharia Goals and the 10 Elements of the *Maqashid Sharia Index (MSI)*

Sharia Purpose	Average Weight (100%)	Elements	Average Weight (100%)
Individual Education	30	E1. Education	24
		E2. Study	27
		E3. Training	26
		E4. Publication	23
Total		100	
Creating Justice	41	E5. Fair Return	30
		E6. Distribution Function	32
		E7. Non Interest Products	38
		Total	100
Community Interest	29	E8. Profit Ratio	33
		E9. Personal Income	30
		E10. Investment Ratio in Real Sector	27
Total	100	Total	100

3. Measures for Measuring the Performance of *Maqashid Syariah Index*

a. Assess each maqashid sharia performance ratio which consists of 10 performance ratios, namely:

- 1) $\frac{\text{Tuition fee}}{\text{Total cost}}(R_{11})$
- 2) $\frac{\text{Research Cost}}{\text{Total Cost}}(R_{21})$
- 3) $\frac{\text{Training fee}}{\text{total biaya}}(R_{31})$
- 4) $\frac{\text{Publication Fee}}{\text{Total Cost}}(R_{41})$
- 5) $\frac{\text{Profit}}{\text{Total Revenue}}(R_{12})$
- 6) $\frac{\text{mudharabah} + \text{musyarakah Financing}}{\text{Total Financing}}(R_{22})$
- 7) $\frac{\text{Interest Fee Income}}{\text{Total Income}}(R_{32})$
- 8) $\frac{\text{Net Income}}{\text{Total Asset}}(R_{13})$
- 9) $\frac{\text{zakat}}{\text{Net Profit}}(R_{23})$

$$10) \frac{\text{Investment In Real Sector}}{\text{Total Investment}} (R_{33})$$

b. Perform Calculation of Performance Indicators (IK) Based on the Calculation Results of the Maqashid Performance Ratio Sharia as follows:

- 1) The first objective of *Tahzid al-Fard* = (T1) Working indicators (IK) for the first goal:

$$IK(T1) = W_{11} \{(E_{11} \times R_{11}) + (E_{21} \times R_{21}) + (E_{31} \times R_{31}) + (E_{41} \times R_{41})\}$$

- 2) The second objective of *Iqamah al-Adl* (T2) Working indicators (IK) for the second goal:

$$IK(T2) = W_{22} \{(E_{12} \times R_{12}) + (E_{22} \times R_{22}) + (E_{32} \times R_{32})\}$$

- 3) The third goal of *Jabl al-Maslahah* (T3) Work indicators (IK) for the third goal:

$$IK(T3) = W_{33} \{(E_{13} \times R_{13}) + (E_{23} \times R_{23}) + (E_{33} \times R_{33})\}$$

- a. Determining *Maqashid Syariah Index* (MSI)

$$MSI = IK(T1) + IK(T2) + IK(T3)$$

3. RESULT AND DISCUSSION

The results of measuring The performance of each Islamic bank in Indonesia and Malaysia using the Maqashid Syariah Index are as follows:

Table 3 . *Maqashid Syariah Index* (MSI) Indonesian Sharia General Bank and Malaysia

Islamic Banks in Indonesia	IK (T1)	IK (T2)	IK (T3)	MSI	Rating Each Country	Overall Rating Object Study
BMI	0.00456	0.22458	0.14459	0.37373	2	2
BRIS	0.00086	0.21455	0.06146	0.27688	7	8
BNIS	0.00382	0.21763	0.06083	0.28228	6	7
BSM	0.00215	0.22516	0.06519	0.29250	5	6
BMS	0.00116	0.22909	0.02982	0.26007	8	10
BPS	0.00152	0.27510	0.18788	0.46449	1	1
BSB	0.00156	0.24615	0.07470	0.32241	4	4
BCAS	0.00120	0.25845	0.06469	0.32434	3	3
Islamic Banks in Malaysia	IK (T1)	IK (T2)	IK (T3)	MSI	Rating Each Country	Overall Rating of Research Objects
AFIBB	0.00007	0.22217	0.07308	0.29532	1	5

ALIBB	0.00186	0.17603	0.06726	0.24515	5	13
BMIB	0.00082	0.18465	0.06729	0.25277	3	11
BMMB	0.00345	0.17553	0.06559	0.24457	6	14
HONGIB	0.00109	0.19092	0.07336	0.26537	2	9
KFHMB	0.00071	0.15872	0.04484	0.20426	8	16
OCBC	0.00007	0.17331	0.05930	0.23267	7	15
PUBBB	0.00022	0.18164	0.06776	0.24963	4	12

Source: Data processed by researchers

Based on table 3 above, it can be seen that Bank Panin Dubai Syariah (BPS) is a Sharia Commercial Bank in Indonesia that obtained the *Maqashid Syariah Index value*. (MSI) the highest with a value of 0.46449 or 46,449%. Meanwhile, the Islamic bank in Malaysia that obtained the highest *Maqashid Syariah Index* (MSI) score was Affin Islamic Bank Berhad (AFIBB) with a value of 0.29532 or 29.532%. Then overall of all Islamic Commercial Banks in Indonesia and Malaysia which are the objects in this study, the bank that obtained the highest *Maqashid Syariah Index* (MSI) value was Panin Dubai Syariah Bank (BPS) with a value of 0.46449 or 46.449%. This proves that the performance of Islamic banking in Indonesia is better than Islamic banking in Malaysia based on the *Maqashid Syariah Index* (MSI).

Normality Test Results

1. Normality Test The First Goal Indicator *Maqashid Syariah Index* (MSI) Individual Education (*Tahdzib Al-Fard*) Islamic Commercial Banks in Indonesia and Malaysia

Table 4 . Normality Test of the First Objective Indicator *Maqashid Syariah Index* (MSI) Individual Education (*Tahdzib Al-Fard*) Islamic Commercial Banks in Indonesia and Malaysia

One-Sample Kolmogorov-Smirnov Test			
		IK (T1) INDONESIA	IK(T1)) MALAYSIA
N		8	8
Normal Parameters ^{a,b}	Mean	,0021038	,0010363
	Std. Deviation	.00135602	,00114607
Most Extreme Differences	Absolute	,281	,231
	Positive	,281	,231
	negative	-,180	-,200
Test Statistics		,281	,231
asymp. Sig. (2-tailed)		,063 ^c	,200 ^{c,d}

Source: Data processed by researchers with SPSS

Based on table 4 above, it shows that the first objective indicator data is the *Maqashid Syariah Index* (MSI) of Islamic Commercial Banks in Indonesia and Malaysia is normally distributed, because of the *asym value. Sig (2- tailed)* is more than 0.05 ($0.063 > 0.200 > 0.05$).

2. Normality Test Results of Second Objective Indicator *Maqashid Syariah Index* (MSI) Embodiment of Justice (*Iqamah Al-'Adl*) Islamic Commercial Banks in Indonesia and Malaysia

Table 5. The Normality Test of the Second Objective Indicator of *Maqashid Syariah Index* (MSI) Embodiment of Justice (*Iqamah Al-'Adl*) Islamic Commercial Banks in Indonesia and Malaysia

One-Sample Kolmogorov-Smirnov Test			
		IK (T2) INDONESIA	IK (T2) MALAYSIA
N		8	8
Normal Parameters ^{a,b}	mean	,2363388	,1828713
	Std. Deviation	,02147472	,01847489
Most Extreme Differences	Absolute	,257	,212
	Positive	,257	,212
	negative	-,155	-,177
Test Statistics		,257	,212
asymp. Sig. (2-tailed)		,128 ^c	,200 ^{c,d}

Source: Data processed by researchers with SPSS

Based on table 5 above, this shows that the data for the second objective indicator of the *Maqashid Syariah Index* (MSI) of Islamic Commercial Banks in Indonesia and Malaysia is normally distributed, because of the *asym value. Sig (2- tailed)* is more than 0.05 ($0.128 > 0.200 > 0.05$).

3. Normality Test of Third Objective Indicators *Maqashid Syariah Index* (MSI) Community Interests (*Jalb Al-Maslahah*) Islamic Commercial Banks in Indonesia and Malaysia

Table 6 . Normality Test of the Third Objective Indicator *Maqashid Syariah Index* (MSI) Community Interest (*Jalb Al-Maslahah*) Islamic Commercial Banks in Indonesia and Malaysia

One-Sample Kolmogorov-Smirnov Test			
		IK (T3) INDONESIA	IK (T3) MALAYSI A
N		8	8
Normal Parameters ^{a,b}	Mean	,0861450	,0648100
	Std. Deviation	,05239813	,00919721
Most Extreme	Absolute	,336	,284

Differences	Positive	,336	,176
	Negative	-,190	-,284
Test Statistics		,336	,284
asymp. Sig. (2-tailed)		,008 ^c	0.057 ^c
Monte Carlo Sig. (2-tailed)	Sig.	,256 ^d	,457 ^d
	99% Confidence Interval	Lower Bound	,245
		Upper Bound	,267
			,470

Source: Data processed by researchers with SPSS

Based on table 6 shows that the third objective indicator data is the *Maqashid Syariah Index (MSI)* of Islamic Commercial Banks in Indonesia and Malaysia is normally distributed, because the value of *monte carlo sig (2-tailed)* is more than 0.05 ($0.256 > 0.457 > 0.05$).

4. Normality Test of *Maqashid Syariah Index (MSI)* for Islamic Commercial Banks in Indonesia and Malaysia

Table 7 . Normality Test of *Maqashid Syariah Index (MSI)* for Islamic Commercial Banks in Indonesia and Malaysia

One-Sample Kolmogorov-Smirnov Test		
	MSI INDONESIA	MSI MALAYSIA
N	8	8
Normal Parameters ^{a,b}	mean ,3245875	,2487175
	Std. Deviation ,06681589	,02599526
Most Extreme Differences	Absolute ,251	,188
	Positive ,251	,188
	negative ,167	-,187
Test Statistics		,251
asymp. Sig. (2-tailed)		,145 ^c
		,200 ^{c,d}

Source: Data processed by researchers with SPSS

From Table 7 above, it can be seen that the *Maqashid Syariah Index (MSI)* data for Islamic Commercial Banks in Indonesia and Malaysia is normally distributed, because of the *asym value. Sign (2-tailed)* is more than 0.05 ($0.145 > 0.200 > 0.05$).

Independent Test Results Sample t-test

1. Independent Test Sample T-Test The First Objective Indicator *Maqashid Syariah Index (MSI)* Individual Education (*Tahdzib Al-Fard*) Islamic Commercial Banks in Indonesia and Malaysia

Table 8 . *Independent Sample T-Test Test* The First Objective Indicator *Maqashid Syariah Index* (MSI) for Islamic Commercial Banks in Indonesia and Malaysia

Independent Samples Test							
		Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference
IK (T1) MAQASHID SHARIA	Equal variances assumed	,388	,543	1,701	14	,111	,00106750 ,00062772
	Equal variances not assumed			1,701	13.622	,112	,00106750 ,00062772

Source: Data processed by researchers with SPSS

Based on table 8 above where $P > 0.05$, it can be concluded that H_0 is accepted, so there is no significant difference between the performance of Islamic banking in Indonesia and Malaysia in terms of the *Maqashid Syariah Index* (MSI) for the first objective indicator or IK(T1).

2. Independent Test Sample T-Test Indicator The Second Objective Maqashid Syariah Index (MSI) Embodiment of Justice (*Iqamah Al-'Adl*) Islamic Commercial Banks in Indonesia and Malaysia

Table 9 . *Independent Sample T-Test Test of Second Objective Indicator Maqashid Syariah Index* (MSI) of Islamic Commercial Banks in Indonesia and Malaysia

Independent Samples Test							
		Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference
IK (T2) MAQASHID SHARIA	Equal variances assumed	,850	,372	5,338	14	,000	0.05346750 ,02
	Equal variances not assumed			5,338	13.695	,000	0.05346750 ,02

Source: Data processed by researchers with SPSS

Based on table 9 above where $P < 0.05$, it can be concluded that H_0 is rejected, so there is a significant difference between the performance of Islamic banking in Indonesia and Malaysia in terms of the *Maqashid Syariah Index* (MSI) for the second objective indicator or IK(T2).

3. *Independent Test Sample T-Test Third Objective Indicator Maqashid Syariah Index* (MSI) Community Interests (*Jalb Al-Maslahah*) Islamic Commercial Banks in Indonesia and Malaysia

Table 10 . *Independent Sample T-Test Test of Third Objective Indicator Maqashid Syariah Index* (MSI) for Islamic Commercial Banks in Indonesia and Malaysia

Independent Samples Test								
		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
IK (T3) MAQASH ID SHARIA	Equal variances assumed	9.539	,008	1.134	14	,276	,02133500	,01880875
	Equal variances not assumed			1.134	7,431	,292	,02133500	,01880875

Source: Data processed by researchers with SPSS

Based on table 10 above where $P > 0.05$, it can be concluded that H_0 is accepted, so there is no significant difference between the performance of Islamic banking in Indonesia and Malaysia in terms of the *Maqashid Syariah Index* (MSI) for the third objective indicator or IK(T3).

4. *Independent Test Sample T-Test Maqashid Syariah Index* (MSI) of Islamic Commercial Banks in Indonesia and Malaysia

Table 11 . *Independent Sample T-Test Maqashid Syariah Index* (MSI) Test for Islamic Commercial Banks in Indonesia and Malaysia

Independent Samples Test								
		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference

MSI (MAQASHI D SHARIA INDEX)	Equal variances assumed	3,23 7	,094	2,993	14	,010	,07587000	,02534787
	Equal variances not assumed			2,993	9,072	0.015	,07587000	,02534787

Source: Data processed by researchers with SPSS

Based on table 11 above where $P < 0.05$, it can be concluded that H_0 is rejected, so there is a significant difference between the performance of Islamic banking in Indonesia and Malaysia in terms of the *Maqashid Syariah Index* (MSI).

DISCUSSION

Based on the results of research on the Comparison of Islamic Banking Performance in Indonesia and Malaysia. In terms of the *Maqashid Syariah Index*, the researchers draw the following conclusions:

1. First Goal Indicator Maqshid Syariah Index (Individual Education)

In the independent sample t-test test, the first objective performance indicator Maqashid Syariah Index (MSI) has a significant value of 0.111, which means $0.111 > 0.05$. Based on the research hypothesis where $P > 0.05$, it can be concluded that H_0 is accepted, so there is no significant difference between the performance of Islamic banking in Indonesia and Malaysia in terms of individual educational goals.

2. The Second Objective Indicator of the Maqshid Syariah Index (Embodiment of Justice)

In the independent sample t-test test, the second objective performance indicator Maqashid Syariah Index (MSI) has a significant value of 0.000, which means $0.000 < 0.05$. Based on the research hypothesis where $P < 0.05$, it can be concluded that H_0 is rejected, so there is a significant difference between the performance of Islamic banking in Indonesia and Malaysia in terms of the goal of realizing justice.

3. Third Objective Indicator Maqshid Syariah Index (Community Interest)

In the independent sample t-test test, the third objective performance indicator Maqashid Syariah Index (MSI) has a significant value of 0.292, which means $0.292 > 0.05$. Based on the research hypothesis where $P > 0.05$, it can be concluded that H_0 is accepted, so there is no significant difference

between the performance of Islamic banking in Indonesia and Malaysia in terms of the interests of the community.

4. Maqashid Syariah Index (MSI)

In the independent test sample t-test Maqashid Syariah Index (MSI) a significant value of 0.010, which means $0.010 < 0.05$. Based on the research hypothesis where $P < 0.05$, it can be concluded that H_0 is rejected, so there is a significant difference between the performance of Islamic banking in Indonesia and Malaysia in terms of the *Maqashid Syariah Index* (MSI).

4. CONCLUSION

Based on the results of research data processing entitled "Performance of Islamic Commercial Banks in Indonesia and Malaysia on the Maqashid Syariah Index", it can be concluded as follows:

In terms of the purpose of continuing education, it can be concluded that there is no significant difference between the performance of Islamic banking in Indonesia and Malaysia, as evidenced by the research hypothesis where $P > 0.05$, which means H_0 is accepted. Judging from the objective of realizing justice, it can be concluded that there are significant differences in the performance of Islamic banking in Indonesia and Malaysia. This is proven by the research hypothesis where $P < 0.05$, which means H_0 is rejected. Judging from the common interests of the community, it is concluded that there is no significant difference in the performance of Islamic banking in Indonesia and Malaysia as evidenced by $P > 0.05$, meaning that H_0 is accepted.. Judging from the Maqashid Syariah Index (MSI) it is concluded that there is a significant difference in the performance of Islamic banking in Indonesia and Malaysia as evidenced by $P < 0.05$, meaning that H_0 is rejected.

MSI's performance review is an assessment of the performance of Islamic banking which looks mentally strong but lacks energy. Islamic banking activists must work harder and more seriously to improve themselves if they are to win in an increasingly competitive market. Considering the image and positioning of Islamic banks, they are not just banks that operate according to the principles of justice, honesty, transparency, and no usury, gharar (fraud), maysir (speculation) and other things that are not in accordance with Sharia law. sharia has not been running smoothly

Maybe there are those who doubt and still think that Islamic banks and conventional banks are more or less the same in practice, only the terms and contracts are different. Another reason is that people in general are accustomed to using the traditional banking system which is still relatively superior in terms of returns, convenience, information technology, access, networks, and others, with a high-quality service concept. Islamic banks must be able to convince Islamic banks. The market has made Islamic banking the main choice for investment. Disclosure and measurement of MSI's performance is expected to provide a comprehensive, broader and more effective picture of bank performance, so Islamic banking must be a solution, not an alternative.

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