IMPLEMENTATION OF FINANCIAL MANAGEMENT CONCEPTS IN ISLAMIC BANKING IN INDONESIA

Sufyati HS, Universitas Pembangunan Nasional Veteran Jakarta, Indonesia

Abstract

Currently, it can be said that the economic condition is still dominated by conventional conditions, marked by there are still many non-Islamic banks compared to Islamic banks. Even though as the largest Muslim population globally, Indonesia has the potential to develop an Islamic economy. Of course, it is a bit difficult to make this happen if we act like a minority. Even in practice, Islamic financial management in Indonesia is rather difficult to control if Islamic banks become dominant in Indonesia. This is attributed to a lack of general awareness of Islamic banking's financial management values. Sharia financial management is a financial management practice that focuses on achieving targets while adhering to Islamic Sharia values. The objective of this analysis is to inform the public about the financial management of Islamic Banking in Indonesia, which involves the management of public fund collection allowed under Islamic law and the funding or channeling of these funds to the public. The discussion of this thesis employs qualitative approaches in conjunction with a literature review approach. The research results obtained by researchers are that Islamic banking financial management can be divided into two types, namely management of public fund collection which can be in the form of Wadi'ah, Mudharabah, MudharabahMuqayyadah and Qardh and financing management which can be in the form of financing for working capital, investment and consumption.

Keywords: Islamic Bank, Financial Management, Funds Management, Financing Management.

INTRODUCTION

Members of countries that are mostly Muslim, consider the advantages of the economic system of the shari'ah. Faced with the global recession, the resilience of the Sharia economic system has opened the eyes of global economists (Shinkafi& Ali, 2017; Amin et al., 2017; Farooq, 2015). In the retail sector, customers and banks share the risk of all investments following approved regulations and share the profits. Shari'ah financial management affects society because with shari'ah products; people feel safer and more comfortable because shari'ah financial management touches more on the real sector (Ebrahim&Joo, 2001; Arham, 2010; Mulato&Nursyamsu, 2019).

The milestone in the movement of modern financial institutions based on Islam began with the establishment of a local saving or bank that operates without interest in the village of MitGhamir, on the banks of the Nile River, Egypt, in 1969 by Dr Abdul Hamid An-Naggar (Hidayatullah, 2020; Arif, 2016). After operating for several years, this business entity then closed due to management problems. This local bank had inspired the holding of the first Islamic economic conference in Mecca in 1975. As a follow-up to the conference's recommendations, two years later (in 1977), the Islamic Development Bank (IDB) was founded, and Islamic financial institutions were created. In a variety of nations, including those who are not part of the OIC (Organization for Islamic Cooperation), such as the Philippines, UK, Australia, the United States, and Russia (Alharbi, 2015; Arif, 2016; Al Nasser &Muhammed, 2013).

One billion people around the world are estimated to subscribe to the Islamic faith and become ever more religious (Barakat& Server, 1997; Hamid &Nordin, 2001; Gerrard& Cunningham, 1997). Islamic banks have deposits of $65 billion at 15% annual growth rate. But less than 1% of the world's bank reserves are available (Wilson, 1999; Salman & Nawaz, 2018; Khan, 2010). The next decade will see tremendous growth in Muslim banking. The financial needs in the US, for example, are valued at some $80 billion in the Muslim community as a result of Muslim immigration to the world (Caldwell, 2009).

Islamic banking and finance evolve authentically as an industry. There are currently about 270 Islamic banks in the world with over $ 13 billion in market capitalization. The global reserves of Islamic banks are over 265 billion dollars and foreign deposits over 400 billion dollars. Deposits of Islamic banks reported worldwide in excess of $ 202 billion with an annual increase of between 10 and 20 per cent. Moreover, it is currently estimated that Islamic bonds are approximately US$ 30 billion. Islamic equity funds are valued at over 3.3 billion US dollars world-wide, with increase of more than 25% over the past seven years and global prices of Takaful below 2 billion US dollars (Bukkair&Rahman, 2015; Alexakis&Tsikouras, 2009).

Islamic finance is focused predominantly on a ban on usury. The key goal of Islamic banking and finance is therefore to provide a sharia-friendly alternative to traditional structures dependent on riba. As an alternative to riba, Islamic finance introduced the profit-sharing scheme as an optimal way to finance. It is proposed that by distributing gains and losses, this would greatly reduce inequitable income and capital distribution and would result in a more efficient and balanced redistribution of capital when opposed to an interest-based structure. Thus, it would ensure equity for all parties interested, as financial contributions to the bank will be contingent on the entrepreneur's operations' success (Ahmed, 2010; Iqbal&Mirakhor, 2011; Gait & Worthington, 2008).

In 1994, a Malaysian study found that almost 100% of the Muslim population live in Islamic banks. However, the difference between Islamic and traditional banks was only recognised by 27.3 percent and only 38.7 percent defended Islamic banks on religions. A similar situation occurs in Singapore, where just 22.6 percent of Islamic banks save money simply for religious purposes (Gerrard& Cunningham, 1997). A lack of understanding of Islamic banking contributes to Muslims' lack of education. Just 20.7% of the population understood the word Riba, according to a study conducted in Singapore while 31% understood the term Sharia. Moreover, the definitions of *Ijarah, Modaraba* and *Musharakah* could be properly identified only by 3 percent. Surprisingly, nobody has a precise *Murabahah*concept (Gerrard& Cunningham, 1997).

Islamic banking as a segment of the Indonesian financial sector is a relatively recent development. It was founded in May 1992 with the establishment of PT. Bank Muamalat Indonesia. Government legislation, in the form of Banking Law No. 7 of 1992, bolstered its presence (Nofinawati, 2016; Nastiti&Firdaus, 2019). According to the Financial Services Authority's (OJK) December 2017 Sharia Banking Statistics (SPS) results, the Islamic banking industry's overall assets (Sharia Commercial Banks and Sharia Business Units) increased from about Rp. 145 trillion in 2011 to Rp. 296 trillion in 2015. Its office network is also expanding, having increased from 1,737 locations in 2011 to 2,613 locations in 2017.

In recent years, Islamic banking has started to grow, the Islamic banking market's overall share of the total national banking industry was just 5.03 percent at the end of 2017. This market share is considered limited in comparison to other Islamic countries with a lower population and economy, such as Malaysia and Saudi Arabia. In both of these countries, Islamic banking

accounts for between 20% and 53% of overall domestic banking (Ubaidi, 2020; Yusuf et al., 2017).

Management is a value-free word, depending on its function and intended use. Management means the art and science of management, which contains or functions to plan, organize, direct, and supervise. Islamic banking management means the art and science of managing a sharia banking service business. It is said to be art because special and unique things often occur based on the characteristics of each institution. On the other hand, it is said to be science because it can be learned, imitated, and documented. Management implementation is indispensable for the advancement of Islamic banking organizations. Islamic banking management at least discusses general management, marketing management, human resource management (MSDM), operational management, financial management, and risk management. General management concerns macro and general aspects, such as a feasibility study for establishing a business, managing the business environment, licensing, environmental impact, and corporate governance.

Referring to the various descriptions above, the research discussion will refer to whether Islamic banking management in Indonesia has been properly implemented, especially in financial management, given Indonesia's potential as a country with a Muslim majority population but still has a sharia banking system that is a minority. This study focuses on the existence of financial accounting in Islamic banking.

METHOD

The topic will be addressed qualitatively and using a literature review approach. The literature consulted was relevant to the study's topics in order to explain the final debate and conclusions. Qualitative analysis is a method of research that does not rely on mathematical methods or other means of measurement and instead attempts to comprehend and analyze the significance of a case of human behavior activity in specific contexts from the researcher's viewpoint (Moloeng, 2007). Qualitative research is a form of descriptive research that often employs interpretation. Qualitative analysis places a greater emphasis on process and context (subject perspective) (Gunawan, 2013). The theoretical foundation serves as a roadmap to ensure that the study is conducted in accordance with the evidence on the ground. This method of literature review was chosen due to the conflicting observations of numerous scholars about the financial accounting phenomena of Islamic banking. This contradiction can be resolved by examining many financial accounting hypotheses, which will be addressed in this report.

RESULT AND DISCUSSION

Syariah Banking

> Law No 10 of 1998 of 10 November 1998 stipulates that a bank is an enterprise entity receiving public funds as a deposit and distributing it, in loan or other form, to the public to increase the level of living in the general public. 7 The Indonesian Banking Law, namely Act No 7 of 1992, as modified by Act No 10 of 1998 Banking Law, categorizes banks into two types depending on their commercial activities: banks that conduct business conventionally and banks that conduct business according to Sharia standards. The Islamic banking system is adamantly opposed to interest in the economy,

as it represents Riba. Additionally, Islamic banks must be gharar and maysir-free. Meanwhile, traditional banks are very interest rate sensitive. Interest rates are seen as a barometer of consumer capacity (creditworthiness) and serve as the primary tool for monetary policy determination (Anshori, 2018).

Islamic banking is a banking structure focused on profit and loss sharing in Islamic economics. This ensures that those seeking returns on their investments must therefore be able to take calculated risks. Islamic banks are founded on the concept of non-discrimination between temporal (mundane) and religious matters. This theory necessitates obedience to sharia in all spheres of existence. This adherence is not limited to ceremonial worship; commercial activities must also adhere to sharia's teachings (Khan &Mirakhor, 1989).

Islamic banks reject interest as a fee for using money and loans as an investment tool. Islamic banks, or from now on referred to as Islamic banks, operate without relying on interest. This bank's primary business is to offer lending and other activities related to payment traffic and money circulation, both of which are conducted in accordance with Islamic law standards (Lewis, 2008).

Islamic banks with profit and loss sharing have a very precise concept amid conditions of injustice experienced by the community. The concept of togetherness in facing risks and obtaining benefits and the existence of justice in trying to become a very strategic potential for the development of Islamic banks in the future. This is because most or most of Indonesia's population is Muslim. This challenge is also a bright prospect for the development of Islamic banks in society. In addition, Islamic banks with a profit and loss sharing system prioritize stability over profitability. In contrast, compared to profit-sharing systems, conventional banks have a weakness in funds that tend to be discriminatory (Dar & Presley, 2000).

In carrying out their investments, Islamic banks give confidence that their funds (equity) and other funds available for investment generate income that is following sharia and is beneficial to society. In running its business, at a minimum, Islamic banks have five operational principles consisting of pure deposit principle, profit-sharing principle, sale and purchase principle and profit margin, lease principle, and fee (service) principle (Kahf& Khan, 1992).

Every Islamic financial institution has a philosophy of seeking the pleasure of Allah to obtain goodness in this world and the hereafter. Therefore, every activity of Islamic financial institutions must be avoided:

a. Keep away from the element of usury, how:
    - Avoid using systems that predetermine business success.
    - Avoid using the percentage system for charging fees on the debit or providing compensation for deposits that contain the element of automatically multiplying the debt/savings just because time goes by.
    - Avoid using a trading system / renting ribawi goods in exchange for other ribawi goods by obtaining an excess of both quantity and quality.
    - Avoid using systems that impose additional upfront payments on debt that are not on voluntary indebtedness initiatives.

b. Implement a profit-sharing and trading system.

According to the Qur'an surah Al Baqarah verse 275 and Anita verse 29, all sharia administrative transactions must be profit-sharing in nature and include trading or

transactions involving the sale of money and commodities. As a result, in muamalah activities, the principle of goods/services, money and goods applies. It will encourage the production of goods/services, encourage the smooth flow of goods/services, avoid credit abuse, speculation, and inflation. To avoid operating a bank on an interest basis, Islam introduced the principles of muamalah Islam. Islamic banks were born as an alternative solution to the conflict between bank interest and usury (Wilardjo, 2005).

Islamic Banking Financial Management

In this article, the authors categorize Islamic banking financial management into several types, namely:

Fund collection management

The collection of bank funds is an effort made by banking institutions in managing or regulating the position of funds received from funding activities to be channelled into financing activities, with the hope that the bank concerned will still be able to meet liquidity (the institution's ability to meet its financial obligations which must be fulfilled immediately), " profitability "(the institution's ability to generate profits over a certain period), and" solvency "(the institution's ability to pay all its debts, both short and long term). Banks often serve as an intermediary (intermediary) for divisions or community organisations or economic units that have excess funds (surplus units) and other organizations or parties that have a shortage of funds (unit deficit). Via banks, surplus funds may be channeled to those in need, benefiting all parties (Haris, 2015).

Both the funder (shahib al-maal or shahibulmaal) and the fund manager, the bank has a collaboration arrangement *(mudharib)*. Thus, the amount of bank profit has an impact on both the profit-sharing rate paid to lenders and the profit-sharing paid to consumers who save their money. Thus, the bank's willingness to fulfill its position as a depository for money, entrepreneurs, and the efficiency of its operations and the capacity of its intermediary to deliver income will be greatly affected by seasoned investment managers.

In Islamic banking, these fundraising products can be applied based on their respective principles.

1. *Wadi'ah* is a contract for safekeeping or savings, where the deposited goods can be taken at any time. The party receiving the deposit can request services for security and maintenance. Because the principle of wadi'ah is deposited that can be taken at any time and cannot generate profits, products that can be applied to this principle are current accounts and savings (Fuad et al., 2011).
2. *Mudharabah*, namely a two-party business contract in which one of them provides capital (shahibulmaal). By comparison, the other side gives a negotiated benefit ratio to knowledge (mudharib), and where there is a loss the capital owner suffer the loss. Because of the character of mudaraba like this, mudaraba can be applied to two products, namely savings and deposits. By applying mudaraba to savings and deposits, the customer acts as shahibulmaal, and the bank acts as mudharib. Customers and banks must agree on a profit-sharing ratio when opening mudharabah savings and deposits. Deposits in savings and mudharabah deposits can only be withdrawn after a certain period (cannot be withdrawn at any time) to ensure that the funds are used in the bank's business. Profit-

sharing according to the prevailing tradition. In Indonesia, profit sharing is carried out at the end of each month (Giannini, 2013).

3. *Mudharabahmuqayyadah*is a mudharabah contract in which a customer asks a bank to channel funds to a particular project or customer. For this task, the bank can get a portion of the profit or fee. The profits obtained from the distribution of these funds are divided between the customer (shahibulmaal) and the project implementer (as mudharib). The banking world is known as the channelling function, not executing (Giannini, 2013).
4. *Qardh*In Iran and several other Middle Eastern countries, the qardh contract is used as the basis for current accounts and savings products. Banks are assumed to borrow funds from customers and can be withdrawn at any time. Banks can give "gifts" for loans given by customers, as long as they are not agreed upon in advance (Afkar, 2017).

In the view of sharia / sharia, money is not a commodity, but only a tool to achieve economic value added (economic added value). This contrasts with interest-based financial institutions where “money breeds money”, regardless of whether that money is used in productive activities or not. In order to generate profits, money must be linked to basic economic activities, either directly (through transactions, such as trade, manufacturing, leasing, etc.) or indirectly (through capital participation in order to commit wrongdoing). one or all of these business activities) (Baehaqi et al, 2020).

Centered on the mudharabah concept, the Bank gathers profit-sharing money, as a joint venture between the fundowner*(shahibulmaal*) and the entrepreneur *(mudharib*). The owners of the fund must not intervene with the daily running of businesses. The earnings are split by the percentages determined in advance between the two of them. The owner of the funds shall bear the financial risks, but the manager shall not be compensated for the work carried out (Baehaqi et al., 2020).

Deposited funds are third party funds deposited with banks, in general in the form of deposits of savings or demand in commercial banks. In general, the main motivation of people depositing funds with the bank is for the safety of their funds and to have the flexibility to withdraw their funds at any time. Wadi'ah savings use the principle of *wadi'ah al yadadhamanah*, namely deposits from customers who need a deposit of funds with a certain degree of flexibility to withdraw them. The bank obtains permission from the customer to use the funds while it is deposited in the bank. Customers can withdraw part or all of their savings balances at any time or following the agreed agreement. The bank guarantees the repayment of their deposits. All profits from using these funds belong to the bank, but at the bank's will, the bank can provide benefits that come from the part of the bank's profits (Aziz & Kemal, 2019).

The allocation by the bank of compensation to the holder of the funds in the form of a benefit share depends on the bank's revenue or profits as a mudarib for the control of the mudharabah funds. If the bank gets large business results, the distribution of operating results is based on a large amount. Conversely, if the bank gets small business results, the distribution of business results is small. The size of the income or rewards received by the owner of the funds is very dependent on the expertise/professionalism of bank managers. The means for calculating the distribution of business results between the fund owner (shahibulmaal) and the fund manager (mudharib), which is commonly referred to as "profit distribution calculation" (Farook et al., 2012).

Fatwa of the National Sharia Council (DSN) Number 15 / DSN-MUI / IX / 2000 dated September 16, 2000, concerning the Principles of Business Product Distribution, namely fatwas

related to business distribution (DSN Fatwa Association, Second Edition). The fatwa states the following conditions:

1. Islamic Financial Institutions (LKS) may use the concept of share or benefit sharing to distribute their customers business results.
2. The profit-sharing concept can be used for the allocation of market results (al ashlah).
3. The establishment of the delivery theory of the chosen market outcomes must be decided in the contract.

Shahibulmaal can be shared in two ways according to DSN fatwa: the concept of wealth sharing and the principle of profit sharing, wherein determining the profit distribution principle (profit sharing or profit-sharing) there are different implications in the administration carried out. By the bank.

Financing management

Financing management is effective and efficient management of the distribution of funds by banks to other parties by involving existing human resources. Strong financing management is fundamental to the survival and profitability of a bank. There is a loss in financing that can be seen from increasing the number of assets that do not produce (i.e. arrears), indicating low financing management (Khan, `1994; Al Balushi et al., 2019).

Financing is one of a bank's primary functions; it entails supplying facilities for the provision of funds to fulfill the needs of parties listed as having a cash shortage (deficit unit). The author divides neighborhood finance into three categories, namely:

1. Working Capital Financing

Working capital funding is a form of financing used to meet the needs of increasing production quantitatively [amount of output] or qualitatively [quality or quantity of output]) either for trade purposes or to increase the usefulness of an item's location. Islamic banks can help meet all these working capital needs, not by lending money but by establishing cooperative relationships with customers. In this case, Islamic banks act as funders (shahibulmaal), while customers are entrepreneurs (mudharib). This kind of financing scheme is known as mudharanah (trust financing). This facility can be given for a certain period, while the profit sharing is divided periodically at an agreed ratio. After maturity, the customer returns the number of funds and the profit-sharing portion (which has not been distributed) shared by the bank (Yasmin et al., 2018). Working Capital Financing can be divided into several types, namely:

a. Liquidity Financing

Islamic banks can provide such facilities in the form of reciprocal qardh or what is called a compensating balance. The customer must open a checking account through this facility, and the bank does not provide a bonus for the current account. If a customer experiences a mismatch situation, the customer can withdraw funds that exceed the available balance to become negative to the maximum amount agreed in the contract. For this facility, the bank is not allowed to ask for anything in return, except for an administrative fee for the facility's management.

b. Accounts Receivable Financing

For Islamic banks, a case of accounts receivable financing like this can only be done in the form of al qardh, where the bank is not allowed to ask for compensation, except for administrative costs. In the case of factoring, the bank can provide an account receivable takeover facility — known as hiwalah. However, even for this facility, banks cannot ask for compensation, except for service fees or administration fees and collection fees. Thus, Islamic banks lend money (qardh) in the amount of the receivables stated in the receivable document

(note or promissory note) submitted to the bank - without any deductions. This is done if it turns out that the bills' results are used to pay off customer debts to the bank at maturity. However, if it turns out that the receivables are not collected, the customer must repay the debt to the bank. Apart from the methods described, some ulama provided a way out to purchase debt securities (bai 'al day), but some other scholars forbade it.

c. Inventory Financing

Islamic banks have their mechanism to meet the funding needs of these inventories, namely by using the principle of buying and selling (al bai ') in two stages. In the first stage, the bank procures (buys from suppliers in cash) goods needed by customers. In the second stage, the bank sells to the buying customer with a formidable payment and by taking profits mutually agreed upon between the bank and the customer.

d. Financing for Trade

General trade is trade carried out with the target buyer, who is anyone who comes to buy goods that have been provided at the seller's place, both retail traders (retailers) and wholesalers (wholesalers). In general, this kind of trading working capital turnover is very high. Still, traders must maintain a sufficient amount of inventory because the goods sold are limited to the amount of available stock or has been controlled by the seller. For this type of trading working capital financing, the most appropriate scheme is the mudharabah scheme (Wardiman, 2017).

Whereas for trading based on an agreed order, the seller collects the requested goods by buying or ordering, both from producers and other traders. Once collected, then the goods are sent to the buyer according to the order. If the goods have been sent, the seller also faces the possible risk of not paying for the sent goods. To solve the problems faced by both parties, conventional banks have provided a solution through a letter of credit (L / C — credit guarantee) facility. Islamic banks have been able to adapt the facility mechanism using the al wakalah, al musyarakah, al mudharabah, or al murabahah schemes. For example, in one scheme, namely al wakalah, Islamic banks only get income in fees for the services they provide (Arifin, 2012).

2. Investment Financing

Investment financing is provided to customers for investment purposes, namely the need for additional capital to carry out rehabilitation, business expansion, or new projects. The following are the characteristics of investment financing. 1. Procurement of capital goods. 2. Has a careful and targeted budget allocation plan. 3. Medium and long term. Generally, investment financing is given in large amounts, and the deposition takes a long time. Therefore, it is necessary to prepare projected cash flow projections that include all components of costs and income to know the number of available funds after all obligations are met (Aggarwal&Yousef, 2000).

Preparation of this cash flow projection must also be accompanied by an estimate of conditions in the future, considering that investment financing requires a fairly long time. To estimate it, the forecast balance sheet and estimated financial statement estimates for the borrowing phase must be calculated and prepared. The capacity of the organization to produce income (earning power) and its ability to fulfill its commitments (solvency) are known from this calculation. Seeing the breadth of aspects that must be managed and monitored in the investment financing mechanism, Islamic banks use the musyarakahmutanaqishah scheme. In this case, the bank provides financing on the principle of participation, and the bank gradually releases its participation. The business owner will take over by using the surplus cash flow created or by increasing the capital, which comes from deposits from existing shareholders or by inviting new shareholders. Another scheme that Islamic banks can use is al ijarah al vomitiabitamlik, which is

to rent out capital goods with an option to end with ownership. The company's source for this lease payment is the amortization of the capital goods concerned, the surplus, and other sources that the company can obtain.

3. Consumptive Financing

Consumptive funding is needed by fund users to satisfy spending needs and would be depleted to do so. Consumption requirements may be classified into primary (or fundamental) and secondary requirements. Primary needs are those that are met by the acquisition of products (food, drink, clothes, and shelter) or through the provision of services (basic education and medical treatment). Meanwhile, secondary needs are those that are quantitatively or qualitatively greater or more luxurious than primary needs, whether in the form of products (other than staple foods, premium clothing/jewelry, additional/luxurious lodging, cars, and so on) or facilities (education, health services, tourism, entertainment, and so on) (Kettel, 2011).

Islamic banks can provide commercial financing to meet the needs of consumer goods using a scheme:

- *al bai 'bi tsamanajil* (a form of murabahah) or buying and selling in instalments;
- *al ijarah al vomit beet tamlik* or lease;
- *al musyarakahmutanaqhishah* (decreasing participation), in which the bank gradually reduces the number of its participants; and
- *arrahn*, directions to meet service needs.

Financing these needs is commonly used to meet secondary needs, while primary needs generally cannot be met with commercial financing. A person who has not been able to meet his basic needs is classified as needy or poor. Therefore, he is obliged to be given zakat or alms, or maximally be given a benevolent loan (al qardh al hasan), namely a loan with the obligation to return only the principal loan, without any compensation. (Purwadi, 2014).

Islamic banks purchase products needed by customers in advance. The bank then makes payment to the seller designated by the buyer or bank for the purchasing of products. The bank determines the sale price of the products in accordance with the terms of the consumer arrangement. The buyer has the option of paying for the products in full (murabahah) or in instalments (baibi'tsamanajil).

CONCLUSION

Indonesia's state possesses tremendous capacity for establishing a sharia-based economic structure. This is due to the fact that Indonesia is the world's largest Muslim nation. This potential, though, has not been completely realized. Islamic banks in Indonesia also account for less than 5% of overall domestic banking, even less than in countries with a greater Muslim population, such as Saudi Arabia, Malaysia, and even Singapore. The explanation for this limited market share is that Islamic banking is not well understood by the general public. The concept of Islamic bank financial management, including fund collection management and management, is one of the things that must be known by the public so that people can understand so that they can shift all their banking needs from conventional systems to sharia-based systems. In the management of public fund collection in Islamic banks, it can be categorized into *Wadi'ah, Mudharabah, Mudharabah, Muqayyadah*and *Qardh*. And in the financing, management is divided into financing for working capital, financing for investment and consumptive financing, each of which has been designated based on Islamic religious law.

REFERENCES

Afkar, T. (2017). Influence analysis of mudharabah financing and qardh financing to the profitability of Islamic Banking In Indonesia. *Asian Journal of Innovation and Entrepreneurship*, *2*(03), 340-351.

Aggarwal, R. K., &Yousef, T. (2000).Islamic Banks and Investment Financing. *Journal of Money, Credit and Banking*, 93-120.

Ahmed, A. (2010). Global Financial Crisis: An Islamic Finance Perspective. *International Journal of Islamic and Middle Eastern Finance and Management*.

Al Balushi, Y., Locke, S., &Boulanouar, Z. (2019). Omani SME Perceptions Towards Islamic Financing Systems. *Qualitative Research in Financial Markets*.

Al Nasser, S. A. S., &Muhammed, J. (2013).Introduction to History of Islamic Banking in Malaysia. *Humanomics*.

Alexakis, C., &Tsikouras, A. (2009). Islamic Finance: Regulatory Framework–Challenges Lying Ahead. *International Journal of Islamic and Middle Eastern Finance and Management*.

Amin, H., Rahman, A. R. A., Razak, D. A., & Rizal, H. (2017). Consumer Attitude and Preference in The Islamic Mortgage Sector: A Study Of Malaysian Consumers. *Management Research Review*.

Amirillah, A. (2014). EfisiensiPerbankanSyariah di Indonesia. *JEJAK: JurnalEkonomidanKebijakan*, *7*(2).

Anshori, A. G. (2018). *PerbankanSyariah di Indonesia*. UGM PRESS.

Arham, M. (2010).Islamic Perspectives on Marketing. *Journal of Islamic Marketing*.

Arif, S. (2016). Good Corporate bagiEfektivitasSistem Moral PerbankanSyariah. *UNISIA*, (74), 167-180.

Arifin, Z. (2012). *Dasar-DasarManajemen Bank Syariah*.PustakaAlvabet.

Azis, Y., & Kamal, I. (2019). Innovation in Islamic banking towards conventional banking: a study on the customer in Bandung. *International Journal of Business Innovation and Research*, *20*(4), 511-526.

Baehaqi, A., Birton, M. N. A., &Hudaefi, F. A. (2020). Time Value of Money in Islamic Accounting Practice: A Critical Analysis FromMaqāṣid Al-Sharī ‘Ah. *Journal of Islamic Accounting and Business Research*.

Barakat, M., & Server, E. (1997). Western Banks Taking 1st Step into Islam’s ‘No Interest’Word”. *American Banker*, *162*(20), 9-13.

Bukair, A. A., &Rahman, A. A. (2015). Bank performance and board of directors attribute by Islamic banks. *International Journal of Islamic and Middle Eastern Finance and Management*.

Caldwell, C. (2009). *Reflections On The Revolution In Europe: Immigration, Islam, And The West*. Anchor.

Dar, H. A., & Presley, J. R. (2000). Lack of Profit Loss Sharing in Islamic Banking: Management and Control Imbalances. *International Journal of Islamic Financial Services*, *2*(2), 3-18.

Ebrahim, M. S., &Joo, T. K. (2001).Islamic Banking in Brunei Darussalam. *International Journal of Social Economics*.

Farook, S., Hassan, M. K., & Clinch, G. (2012). Profit distribution management by Islamic banks: An empirical investigation. *The Quarterly Review of Economics and Finance*, *52*(3), 333-347.

Farooq, M. O. (2015). Islamic Finance and Debt Culture: Treading The Conventional Path?. *International Journal of Social Economics*.

Fuad, M., Hassan, R., & Abdullah, F. (2011). Prize-Giving to The Premium Savings Certificate Holders: A Shari'ah Compliance Review on The Bank SimpananNasional (National Savings Bank) In Malaysia. *International Journal of Islamic and Middle Eastern Finance and Management*.

Gait, A., & Worthington, A. (2008). An Empirical Survey of Individual Consumer, Business Firm and Financial Institution Attitudes Towards Islamic Methods of Finance. *International Journal of Social Economics*.

Gerrard, P., & Cunningham, J. B. (1997). Islamic Banking: A Study in Singapore. *International Journal of Bank Marketing*.

Gunawan, I. (2013). *MetodePenelitianKualitatif*. Jakarta: BumiAksara, 143.

Hamid, A., &Nordin, N. (2001). A Study on Islamic Banking Education and Strategy For The New Millennium-Malaysian Experience. *International Journal of Islamic Financial Services*, *2*(4), 3-11.

Hidayatullah, M. S. (2020). MenitiJejakPerbankanSyariahdariKlasikhinggaKontemporer. *IQTISHADIA: JurnalEkonomidanPerbankanSyariah*, *7*(1), 79-96.

Iqbal, Z., &Mirakhor, A. (2011). *An Introduction To Islamic Finance: Theory And Practice* (Vol. 687). John Wiley & Sons.

Kettell, B. (2011). *Introduction to Islamic Banking and Finance* (Vol. 551).John Wiley & Sons.

Khan, F. (2010). How ‘Islamic’is Islamic Banking?. *Journal of Economic Behavior & Organization*, *76*(3), 805-820.

Khan, M. F. (1994). Comparative Economics Of Some Islamic Financing Techniques. *Islamic Economic Studies*, *2*(1).

Lewis, M. K. (2008). In What Ways Does Islamic Banking Differ from Conventional Finance. *Journal of Islamic Economics, Banking and Finance (JIEBF)*, *4*(3), 9-24.

Moloeng L, J. (2007). *MetodologiPenelitianKualitatifEdisiRevisi.* Bandung: RemajaRosdakarya.

Mulato, T., &Nursyamsu, N. (2019). The Strengthening Role Of Islamic Financial Institutions For The Real Sector Of SMEs. *JurnalIqtisaduna*, *1*(1), 120-138.

Nastiti, A. S., &Firdaus, A. I. (2019).MenujuTigaDekadePerkembanganPerbankanSyariah di Indonesia. *JIAI (JurnalIlmiahAkuntansi Indonesia)*, *4*(2).

Nofinawati, N. (2016). PerkembanganPerbankanSyariah Di Indonesia. *JURIS (JurnalIlmiahSyariah)*, *14*(2), 168-183.

Salman, A., & Nawaz, H. (2018). Islamic Financial System and Conventional Banking: A Comparison. *Arab Economic and Business Journal*, *13*(2), 155-167.

Shinkafi, A. A., & Ali, N. A. (2017). Contemporary Islamic economic studies on MaqasidShari'ah: a systematic literature review. *Humanomics*.

Ubaidi, A. (2020). Peningkatan Market Share Bank SyariahMelaluiKinerjaKeuangan; AntaraModerasiEfisiensi Dan Risk-Taking Behavior. *MALIA: Journal of Islamic Banking and Finance*, *4*(2), 118-135.

Wardiman, M. (2017).SistemPembiayaan Modal KerjaOleh Bank SyariahSebagai Bank UmumMenurutUndang-UndangNomor 21 Tahun 2008. *LexEtSocietatis*, *5*(2).

Wilardjo, S. B. (2005). pengertian, peranandanperkembangan bank syari'ah Di Indonesia. *Value Added| MajalahEkonomi Dan Bisnis*, *2*(1).

Wilson, R. (1999). Challenges and Opportunities For Islamic Banking And Finance In The West: the United Kingdom experience. *Thunderbird International Business Review*, *41*(4-5), 421-444.

Yasmin, S., Hafidhuddin, D., &Najib, M. (2018).The Impacts of Sharia Bank Customers' Awareness and Attitudes towards Islamic Working Capital Financing Use in Indonesia. *Journal of Islamic Financial Studies*, *4*(01), 15-29.