

# Construction of Performance Measurement Indicators for Halal Banks based on Maqasid Al-Shari'ah

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**Abstract.** Islam offers values that are holistic, balanced and sustainable, both material and non-material, in the practice of Islamic economics and halal bank particularly. Unfortunately, there is no consensus between scientists and practitioners regarding tools that measure success in implementing these high values. So far, performance measurement that is used to assess the achievements of halal banks is still conventional where the financial dimension as a top priority. This article presents a framework for measuring performance that relays between business performance and the vision of Islamic ethics based on maqasid al-shari'ah. Through a process of investigation and in-depth analysis, measurement indicators are constructed based on the dimensions of maqasid al-shari'ah, namely faith, intelligence, human self, descent and wealth. This performance measurement framework ensures that Islamic banks practice ethically in achieving prosperity. In addition, performance measurement can provide Islamic banks ranked as "Islam" and become a benchmark for developing performance measurements for other Islamic business entities.

**Keywords:** Performance measurement · Maqasid Al-Shari'ah · Halal Bank

## 1 Introduction

Interest in the Islamic financial system is basically driven by the hope that effectively, Islamic finance is able to offer perspectives that are integrated with world economic and financial problems. Although this phenomenon is part of the global revival of Islamic science, interest in practicing is fueled by the philosophy and value system offered. Dissemination of the Islamic economy gets full support from the intellectuals of Muslim countries. Finally Islamic banking and finance was born into one of the fastest growing industries, spreading throughout the world with open acceptance by both Muslims and non-Muslims.

Islamic banks are financial institutions have fundamentally ideological characteristics different from conventional banks. Islamic banks are guided by the principles of Islamic law that promote the sharing of risk and profit between entrepreneurs and banks. The Islamic bank system ensure equal contribution for all parties involved both profit and loss. While on the other side, conventional banks are based on interest and have an intermediation function between savers and those who need loans. Conventional banks calculate profits from the difference between the lender's interest rate and the debtor's. Philosophically, the theory and practice of Islamic

and conventional banks have different characteristics. But in the economic environment, both conventional banks and Islamic banks remain in contestation and competition. The competitive power of Islamic banks is measured by a measurement tool in the form of performance indicators. Performance measurement at Islamic banks can determine how well the bank's performance also functions as a monitoring system for Islamic bank performance. The benefit of performance measurement is determining future banking prospects, both opportunities to compete and sustainable economic capabilities (Laldin, 2013).

Basic indicators to measure the performance of Islamic banks put more emphasis on the use of financial ratios such as CAMELS (Capital, Assets, Management, Earning, Liquidity, Sensitivity of Market Risk), RGEN (Risk, GCG, Earning, Capital), and VA (Economic Value Added). These performance measurement tools are generally used to measure the performance of conventional banks. Meanwhile, non-financial aspects such as the elaboration of Islamic ethics and morals which are important characteristics of Islamic banks are ignored (Antonio et.al., 2012). Therefore, the difference between Islamic banks and conventional banks in terms of ideological aspects requires a paradigm shift in the form of performance measurement that is not limited to the fulfillment of stakeholders but also includes non-financial indicators (e.g. environmental, social and sharia) (Mohammed and Islam, 2015). Islamic Bank in achieving sustainable growth, its main activities must be focused on the *maslahah* (welfare) approach not only of shareholders but also broader stakeholders namely environmental, social, and protecting sharia compliance.

## 2 Discussion

### 2.1 Performance Measurement

Performance measurement is media to continuously improve the strength of organizational competition in the business environment that is colored by the technological and communication revolution. Performance evaluation according to ... as a benchmarking company to be productive and the results can be seen as an indication of organizational health. Muhammed and Taib (2015) confirms that performance measurement can be defined as the process of measuring the efficiency and effectiveness of policies taken in the previous period as an evaluation material to improve the quality of policies in the future. Meanwhile, Hanif (2016) explain performance measurement as an evaluation process of managing an organization as a service to internal and external stakeholders. Performance measurement becomes feedback for organizations related to the quality of program implementation as well as indicators of achievement organizational goals and suitability of actions with planning.

Lau and Sholihin (2005) categorize performance measurement in two parameters as follows: 1) financial performance, showing the effectiveness of business entities in utilizing assets to generate revenue. This definition refers to the general function of performance evaluation to assess the overall financial health of a company; 2) non-financial performance, refers to the limitations of financial performance as a basis for decision making related to customer satisfaction, quality management, customer growth and others.

In recent years, performance measurement has placed greater emphasis on financial aspects such as CAMELS, RGEC, EVA which are the basis for evaluating the performance of Islamic banks. This situation encourages the management of Islamic banks to focus on how to reach financial targets. This affects the perspective, orientation, and motivation of Islamic bank management at work, namely achieving success in the financial aspect and looking at welfare is in the financial aspect. In the end, the performance appraisal information presented by financial analysts is only based on conventional measurement tools, this situation is increasingly spurring Islamic banks to achieve conventional indicators (Lau and Sholihin, 2005). For example, the basis for evaluating rates of return offered by Islamic banks is lower than conventional banks, so conventional banks have higher financial efficiency than Islamic banks. Such assessments encourage Islamic banks to develop financially oriented planning and implementation. While Islamic banks have multidimensional characteristics rather than just financial measures. This condition causes a mismatch of Islamic bank performance measures that should be multidimensional, limited by financial welfare aspects.

## 2.2 Ideological Basis of Islamic Banks

The birth of Islamic banks was motivated by the hope of providing halal financial services with the aim of clarifying economic and financial practices from the elements of *riba* (implementation of the interest system), gambling and speculation (*maysir*), as well as practices that contained prohibited or unlawful elements. Islamic law as the spirit of Islamic economics views that bank interest is usury which is explicitly prohibited. On the one hand, the impact of phenomena that pays close attention to when Islamic economic practitioners and scientists look at the prohibition of Islamic law only on aspects of the interests and demands of the advancement of civilization. That is, when this prohibition is considered to limit Islamic banks to "success", it will produce a pragmatic approach in developing the Islamic financial industry while maintaining conventional financial structures but modified to align with the Islamic economy. El-Gamal (2008) confirms this situation by describing Islamic banks as an industry driven by a "prohibition" rule in which "Islamic finance is not built constructively from classical jurisprudence or returning to the nature of Islamic law, but rather an alternative or modification of Islam from conventional practices with the pretext of competition and welfare".

The emergence of Islamic banks was also motivated by the awareness of modern Islamic thinkers about the importance of rearranging socio-economic aspects within a framework that is in accordance with Islamic orders as a solution to economic problems and unrest (Hanif, 2018). Islamic banks are a concrete form of Islamic economics as a comprehensive effort to deal with the fragility of a modern financial system that is considered unfair, exploitative, discriminatory and unequal distribution of resources. Islamic banks are also seen as a complete response to the crisis created by the capitalist financial system. Robertson (1998) described the capitalist financial system as a system that transforms people to work in ways that are unreal, incomprehensible, out of control, and irresponsible. The Islamic value-based financial industry tries to reconstruct the financial and banking systems with philosophical roots to practices based on Islamic principles.

Islamic economics directs the Islamic financial and banking system to the spirit, principles and goals of Islamic economics. The focus isn't only on maintaining adherence to Islamic law as well as an active and substantive positive movement towards a financial system for a better Islamic financial industry based on Islamic values and principles. Up to this explanation, to maintain the continuity of the observance, the performance measurement function has a very important position. The results of the evaluation and analysis of performance measurements will reflect the effectiveness and totality of Islamic banks in adhering to Islamic principles. Therefore the need for performance measurement that is able to assess the functions and responsibilities of Islamic banks in carrying out Islamic principles is urgent. One perspective that can be used to build the measuring instrument is the concept of *maslahah* revealed in *Maqasid Al-Shari'ah*.

### 3 Maqasid Al-Shari'ah

The concept of *Maqasid Al-Shari'ah* according to Auda (2011) is the center of theory originating from *Usul al-Fiqh* (Islamic legal methodology) which was developed from the 5th to the 8th century AH by a number of prominent Muslim scientists, such as Al-Ghazali, Shams al-Din Ibn al-Qayyim and Al-Shatibi. The term Al-maqasid was first introduced by Al-Shatibi, a prominent scholar in his book entitled *Al-Muwafaqat fi Usul al-Shari'ah*.

Comprehensive discussion among Muslim scholars, emphasizes the relationship between maqasid and *maslahah* (welfare) where the implementation of maqasid must aim to realize *maslahah* and prevent danger (*mafsadah*). Maqasid has a specific character that is based on sharia principles that are metaphysical and are not born from the structure of human logical thought. Furthermore maqasid not only regulates the material elements but also mentally and spiritually involving the world and the hereafter (Auda, 2010).

The results of a comprehensive analysis sourced from textual studies show that the principle of the aim of Islam is to maintain and ensure that the social order of the community runs in a healthy, just, and prosperous way. Maqasid Al-Shari'ah is the goal and objective of Islam in the form of a living system in which there are standards and criteria, values and bases whose source comes from the word of God to be practiced concretely (Chapra, 2007). These standards and criteria are guidelines for solving all problems and guiding people towards prosperity (*maslahah*). Studying the Al-Shari'ah maqasid covers all aspects of human life both individually and socially to ensure that life has been full of benefits, that decisions taken both individually and collectively are designed to protect these benefits.

Ibn-Ashur defines the Al-Shari'ah maqasid as an instrument to realize the benefits and maintain these benefits both individually and collectively. Meanwhile Auda (2011) explain that the maqasid Al-Shari'ah are the goals of sharia established by Allah. Understanding the Al-Shari'ah maqasid provides knowledge to implement Islamic values and effective solutions to any problems facing modern life. It can be concluded that the main objective of the Al-Shari'ah maqasid is the realization of the economic, social and spiritual welfare of the community.

## 4 The Maqasid Al-Shari'ah Dimension to Measure Islamic Bank Performance

Al-Shatibi categorizes Al-Shari'ah maqasid in three major dimensions namely general goals (*al-maqasid al-'ammah*), special objectives (*al-maqasid al-khassah*) and partial objectives (*al-maqasid al-juz ' iyyah*). The general goal (*al-maqasid al-'ammah*) to preserve or maintain the benefit of humans in general, both in the world and the hereafter in this case the benefit of humans in the context of preserving religion, lives, reason, descendants and property . Specific objectives (*almaqasid al-khassah*) are goals relating to specific goals and objectives in certain sections of certain chapters or fields of study of Islamic law. For example, such as maqasid in business affairs, family life or criminal court. The purpose of juz'i (*almaqasid al-juz' iyyah*) is a goal which is related to a specific problem, without touching other issues, limitatively only related to specific or partial issues. This study is specific in certain matters in the fiqh field, such as specifically in matters of ablution, family responsibilities as the purpose of marriage and avoiding the constant danger of avoiding divorce.

The division of the next dimension of maqasid which is no less popular and becomes the basis in the development of several fields of study in Islamic economics is the view of Al-Ghazali. He divided the Al-Shari'ah maqasid into five dimensions, namely the preservation of religion / faith (*ad-din*), preservation of life (*nafs*), preservation of intelligence (*al-aql*), preservation of offspring (*nasl wal 'ird*) and preservation of wealth (*al maal*). Rahman (2003) asserts that Islamic banks have unique characteristics where the system aims to build a fair socio-economic welfare including the preservation of faith, life, intelligence, ancestry and wealth. So building a multidimensional performance measurement through the perspective of the Al-shari'ah maqasid is very appropriate because the maqasid itself is protecting, protecting and preserving the world (physical) in this dimension of faith and metaphysics, life, intelligence, descent, and wealth.

### 4.1 Dimension 1: Maintaining Religion / Faith (*deen*)

Maintaining faith in this context is ensuring spiritual needs are met. In the perspective of Islam, religion is the way of life, so that the meaning and purpose of life both in their behavior, lifestyle, tastes and attitudes in life are for the Creator. The power of religion in the form of meaning of the nature and purpose of life is transformed into the hearts and minds of every individual to make themselves develop and change into a better human being. Chapra (2007) emphasized that increasing moral and social solidarity would not be possible to reach the point of maximum quality without the strength, help and encouragement of faith. First, faith makes the existence of values and rules of behavior widely accepted and unconditionally categorical imperative. Second, faith encourages social sanctions as a form of moral encouragement when seeing who violates them.

Therefore guarding the faith is related to freedom to carry out religious orders both in relation to God and with humans, other beings and nature. In this case guarding the faith not only protects the sanctity of religion but also concrete implementation such as building religious facilities as fulfillment of the right to space to worship and creating healthy relationships in practicing religion (Asraf, 2017). Thus this right will indirectly create a harmonious and conducive atmosphere in internalizing individual and collective religiosity. Islamic banks in maintaining faith are part of the objectives of the

mission and vision of which the foundation is the value of Islam. This is an important part of what is called "performance" in Islamic banks. For this reason, the assessment indicators must touch and be able to measure the performance of banks related to safeguarding faith. This can be derived in the indicators in the following table:

**Table 1.** Maintaining Religion / Faith (deen) Indicator Performance Framework.

<i>Maslahah = Maqashid Sharia</i>				
Protecting religion or faith (deen)	Firmness protect Sharia: piety to God	Supervision of Worship	Protect Prayer	<ul style="list-style-type: none"> <li>Is the prayer schedule is set out in clause management policy and implemented in practice as evidenced by the rules that are written</li> <li>Do not cut management time praying with any activity</li> <li>Is Islamic bank providing its own representative worship space for prayer in congregation</li> </ul>
			Protecting Qur'an	<ul style="list-style-type: none"> <li>Does the management have read the Koran in a periodic schedule and enforced a clause in the policy</li> <li>Does the management have a periodic assessment study tadabur Qur'an that are periodically to improve the quality of faith and practice</li> </ul>
			Keeping Zakat	<ul style="list-style-type: none"> <li>Are the commissioners and the Sharia Supervisory Board perform periodic evaluations related to zakat paid by all management and employees</li> <li>Does the Commissioner and Sharia Supervisory Board regularly evaluates the calculation of the amount of zakat paid by all management and employees</li> </ul>
	Their sharia conformity assurance mechanisms on all aspects of corporate activities		Products and services are easy and inexpensive: The distribution function	Total Mudaraba and Musharaka / Total Investment
			Reducing the income element of illicit and unjust Interest Free Products	Non Interest Income / Total Revenue

**Table 1.** Maintaining Religion / Faith (deen) Indicator Performance Framework (cont.).

<i>Maslahah = Maqashid Sharia</i>				
Protecting religion or faith (deen)		Their sharia conformity assurance mechanisms on all aspects of corporate activities	The application of ethical values Derivative of values and ethical norms	<ul style="list-style-type: none"> <li>• The vision, mission and principles of Islamic banks in accordance and consistent with the objectives of sharia</li> <li>• The process of the bank's operational commitment to the values of sharia</li> <li>• Their ethical values and moral guidance in writing based on Islamic values</li> <li>• Focus on maximizing return on all stakeholders</li> <li>• The commitment to engage in investment activity that is lawful</li> <li>• Commitments are involved in financing activities were lawful</li> <li>• The commitment that any agreement stipulated in the contract in accordance with Islamic law and do not break the contract</li> <li>• Care for the interests of shareholders and customers for in accordance with the values of sharia</li> </ul>
			Products offered license from the Board of sharia	<ul style="list-style-type: none"> <li>• No involvement in activities that are not permitted by law</li> <li>• If there is involvement in activities that are not permitted then it should set a minimum presentase of Earnings</li> <li>• Reason involvement in activities that are not allowed</li> <li>• The process of handling activities that are not allowed</li> <li>• The process of the Agreement of new products by Board of Sharia</li> <li>• By Shari'a basis for approving new products</li> <li>• There is no violation of sharia on the contract and its application in the activities of distribution and receipt of funds.</li> <li>• Presentation of the recognition of income and expense in accordance with accounting standards and guidelines applicable to Islamic banks</li> </ul>

#### 4.2 Dimension 2: Maintaining Intelligence (*Aql*)

Intellect is the potential to think, understand, analyze, evaluate and synthesize something or reality. Intellect is a characteristic that distinguishes humans from other creatures, a source of potential that must be enriched with science continuously (Chapra, 2007). Maintaining the mind does not mean simply protecting the ability of reason to avoid



getting drunk, depressed and even crazy. The purpose of maintaining intelligence is to fulfill both individual and collective intellectual rights. So keeping products from intelligence like copyrights, patents and other works is part of protecting intelligence.

Islamic banks in the perspective of maqasid have the performance to protect and preserve the minds of internal and external stakeholders from damage. The development of technology is picking up life into an instant and easy civilization. Technology is an extension of modern science which is considered to always deal with rational certainty in the logic of the positivism paradigm. Violence, pornography and norm reduction are not only easily found in various reading sources but also programs that can be watched through electronic devices and social media. This brings damage to intelligence in an evolutionary and revolutionary way through the subconscious that affects the point of view, mindset, and behavior. Islamic banks have a responsibility to maintain and improve intelligence through internalization of Islamic values through the continuous injection of knowledge (Hudaefi and Heryani, 2019). Plan and implementation of training programs, professional certification, further studies, workshops and so on for Islamic bank employees is one form of maintaining intelligence. Islamic banks in preserving reason not only improve the quality of scientific knowledge but also improve the health of reason in relation to faith. This is due to the fact that the health of reason is not sufficient with intellectuals without the intelligence of faith, to produce intelligent behavior requires a strong bond between science and faith. Maintaining intelligence can be derived in the following indicators:

**Table 2.** Maintaining Intelligence (*Aql*) Indicator Performance Framework.

<i>Maslahah</i> = Maqashid Al-Shari'ah					
Protecting Intelligence ( <i>Aql</i> )	Keeping Yourself and Actors Internal Intelligence	Concern for employees by improving the quality of human resources and the welfare of free usury	Aspect employees	<ul style="list-style-type: none"> <li>• Appreciation/awareness to employees</li> <li>• The same opportunities policies in career</li> <li>• Employee welfare benefits</li> <li>• Training on self-awareness of servitude to God through the values of sharia</li> <li>• Professional training</li> <li>• Scheme of scholarships and recruitment notice justice</li> <li>• Gift material in the form of money to employees excel in spiritual and professional aspects of work</li> </ul>	
		Increased Science	Scholarship	Scholarship / Total Revenue	
		Upgrading and Developing Skills	Implementation of technology to ease and effectiveness of decision-making		The total cost of procurement and technology updates / Total Revenue
			Training		Training / Total Revenue
		Creating Awareness Against Islamic Bank	Advertisement		Cost Advertising (Promotion)/ Total Revenue



### 4.3 Dimension 3: Maintaining Life (*nafs*)

Maintaining life in the perspective of the Maqasid al-Shari'ah is to ensure that the needs of human life at the basic level both physical (economic, health) and metaphysical (mental, spiritual, social) have been met (Chapra, 2008). Critical issues that must be considered by Islamic banks in safeguarding life are employee welfare programs in the aspects of health, work safety, benefit programs for employees and their families and others. The establishment of an employee committee as a channel for employee aspirations in aspects of work safety, health and other welfare needs to be accommodated by Islamic banks and realized in a formalized regulatory system. This is no longer just a demand but has arrived at an obligation to be fulfilled by Islamic banks.

Furthermore, besides ensuring physical needs, maintaining life includes metaphysical health such as psychologically, mentally, and spiritually. Personality training, leadership, and emotional spiritual questions are efforts to protect the metaphysical life. Besides human life, protecting life includes other creatures and the natural environment. The environmental awareness program through CSR is an effort to maintain the harmony of the natural environment. This is categorized as the performance of an Islamic bank, so the measurement of performance related to the concern for nature by Islamic banks is also a crucial thing that must be assessed (Hasan and Ali, 2018). Environmental management systems such as the discipline of using paper, electricity and water are one of the important agendas in the scope of the global economy. In addition, the involvement of Islamic bank CSR funds for environmental conservation from the closest to the farthest in accordance with needs is also a form of performance of Islamic banks in protecting natural life (Haniffa, 2002). Maintaining life can be explained in the following table:

**Table 3.** Maintaining Life (*nafs*) Indicator Performance Framework.

<i>Maslahah = Maqasid Al-Shari'ah</i>				
Preserving Life ( <i>nafs</i> )	Fairness in social entities	Social indicators, and Capital adequacy	Policy Objectives and Social Issues	<ul style="list-style-type: none"> <li>• Vision and Mission related social policy</li> <li>• Target &amp; Social Goals</li> <li>• Concern for consumers</li> </ul>
			Fairness in Revenue	Profit Equalization Reserve (PER) / Earnings
			Leadership training, personality, etc. ESQ.	Total all the training costs compared to total costs
		Disclosure of quantitative cleanliness and division of property	Justice in Distribution of Welfare	Total number of the charity fund compared with total net income
			Employee welfare	Total Cost of Employee Benefits as compared to total net income
			Welfare Shareholders	Total dividends are distributed compared to total net income
		Environmental Indicators	Policy Objectives and Issues About the Environment	Protection of Environment The environmental management system energy savings
			CSR for the environment	Contribution to the Environment compared with a total funding of virtue

#### 4.4 Dimension 4: Maintain Descent (*nasl*)

The spiritual, physical, and mental qualities of future generations are the determinants of the survival of a civilization. If the quality is good and healthy, they will successfully respond to every opportunity and challenge. Therefore, ongoing protection the quality of future generations is influenced by parenting factors. To produce a noble Muslim, character education is needed such as honesty, conscientiousness, tolerance, hard work, frugal, polite, respecting parents and teachers, caring, loving towards the less fortunate, able to get along and be reconciling in differences (Chapra, 2008).

Families, in this case parents, are early education related to character glory. Families who fail to instill the quality of character will find it difficult to overcome the setbacks of generations. Parents are an example that is always a role model for children and influential in developing quality care and care patterns. If we draw this perspective in the context of Islamic banks, the so-called family is all internal and external stakeholders involved with Islamic banks. While in the internal scope of Islamic banks, the relationship between management and all employees is a form of family that is formally endorsed and has the same vision, mission and goals. All elements of Islamic banks have the same commitment to maintain and improve the quality of products and services. Policies taken by Islamic banks must be sustainable without harming the next generation. The program of activities of Islamic banks in maintaining product quality, product compliance with Islamic values, strategies and practices to maintain the sustainability of products and services is also a form of protecting offspring in the context of Islamic banks (Ashraf, and Lahsasna, 2017).

As explained above, management, employees, the sharia board, customers, the community, the natural environment are objects of heredity preservation. Execution is carried out with the maximum then the effect is a harmonious work environment. In this aspect, concrete manifestations of caring for offspring are gathering family employees, educational benefits for children, family health benefits and other programs whose orientation is family (Hanif, 2018). Caring for offspring can be described in the following table:

**Table 4.** Maintain Descent (*Nasl*) Indicator Performance Framework.

<i>Maslahah = Maqasid Al-Shari'ah</i>				
Maintaining Descendants ( <i>Nasl</i> )	Maintain cleanliness	Keeping the Family Quality	Keeping families of employees	<ul style="list-style-type: none"> <li>• Number of events involving families in one year</li> <li>• Total cost of family health compared to total costs</li> <li>• The total cost for the provision of educational scholarships to children of employees compared to the total cost</li> </ul>
			Maintain social and community	<ul style="list-style-type: none"> <li>• Create job opportunities</li> <li>• Support for organizations that provide benefits to the community.</li> <li>• Government participation in social activities.</li> <li>• Sponsor community events</li> <li>• Commitment to participate in social activities.</li> <li>• The conference on Islamic economics</li> </ul>

**Table 4.** Maintain Descent (*Nasl*) Indicator Performance Framework (cont.).

<i>Maslahah = Maqasid Al-Shari'ah</i>				
Maintaining Descendants ( <i>Nasl</i> )	Maintain cleanliness	Maintaining the quality of products and services	Product quality	<ul style="list-style-type: none"> <li>• Cost of product-related research than the total cost</li> <li>• Sharia board involvement in planning, controlling, and evaluated a product</li> <li>• Periodic internal evaluations in maintaining product quality to maintain the good name</li> </ul>
			Quality of services	<ul style="list-style-type: none"> <li>• Costs related research than the total costs of services</li> <li>• Sharia board involvement in planning, controlling, and evaluated services</li> <li>• Periodic internal evaluations in maintaining the quality of services to maintain the good name</li> </ul>

#### 4.5 Dimension 5: Protecting Wealth (*Maal*)

Islam places wealth as a form of absolute giving from God to humans to improve the quality of life both physically and spiritually. A person's honor before God does not depend on how much property is owned, but rather how to get the wealth (acquisition management) and how to place assets as a tool for worship (Auda, 2011). Islam regulates the entire process of property in terms of how to obtain, produce and distribute assets. The right of the unlucky person in every asset is absolute. So the concepts of injustice, seizure of property, waste, corruption, and other dishonorable actions are opposed in Islam.

Chapra (2008) asserts that protecting wealth is by developing and expanding wealth. Chapra explained that even though the protection of assets included in the last rank does not mean protecting assets is something that is no more important than others. The level of urgency is the same as the other four dimensions because without welfare in the aspect of wealth, human life in general will not be good. Through wealth in the aspect of wealth, the problem of economic inequality can be reduced by the redistributive method of zakat and shadaqah.

The dimension of preserving wealth in the perspective of Islamic banks preserves the wealth of all stakeholders involved with Islamic banks (shareholders, management, employees, community environment and nature). Policies and strategies developed by Islamic banks must support the preservation of economic wealth and ensure that there are no problems and risks in developing the potential of the wealth (Laldin and Furqani, 2013). The responsibility of Islamic banks is to maintain and preserve economic interests based on Islamic values. This is done by protecting the function of ownership, protecting wealth development through hedging, acquisition, circulation, distribution, and prevention of damage. All these aspects are part of the performance of Islamic banks. Protecting wealth can be described in the following table:

**Table 5.** Protecting Wealth (*Maal*) Indicator Performance Framework.

<i>Maslahah = Maqasid Al-Shari'ah</i>						
Keeping Life Matter and Nature	Profit	Net profit	Against Liabilities Net Income		Total net income compared to total revenues	
	Community interest	Dividend	Seeing the bank's ability to distribute dividends to shareholders		Total dividends are distributed compared to total revenues	
		Quality Management		Efficient Operations		
		Asset Quality		Bad credit		Estimates of bad loans compared to total revenues
	Wealth	Development and growth		Measuring the quality of earning assets of Islamic banks.		• Productive assets classified are assets which already well containing no earnings or potential to cause harm
				Protection against risk		Building a risk management system
				Ability to Generate Profits		Financial ratios
				Distribution of wealth		Fair distribution of wealth to all stakeholders

## 5 Conclusion

The perspective of the *Maqasid Al-shari'ah* offers five dimensions. Maintain, protect, and preserve the five aspects of religion, intelligence, ancestry, soul and wealth to achieve prosperity. These five aspects, when analyzed and studied more deeply, can become perspectives in developing performance measurement indicators to assess the health of Islamic banks. Achieving these indicators without differentiating and leaving one dimension with another because the whole dimension is in harmony with the performance characteristics of Islamic banks. By making the *Maqasid Al-shari'ah*, the basis for a performance measurement framework, the values contained in the maqasid are able to provide transformative power to improve the quality of Islamic bank performance so as to become a financial institution that is lively and beneficial to all relevant stakeholders.

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