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Performance Measurement Based on Sharia Maqashid at Al-Anshari Bukittinggi Sharia Savings and Loans Cooperative and Sharia Financing

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Abstract. This writing is motivated by the many Islamic financial institutions, both macro financial institutions and microfinance institutions. At this time many people only rely on the fame of a financial institution in making loans and financing, like the majority of Muslim Indonesian people are still trapped in financing by loan sharks who wriggle in an MSME economic center. This is what makes the purpose of this study is to determine the extent of the performance of sharia cooperatives in their role as sharia microfinance institutions to guarantee community financing and to uphold justice based on sharia maqashid or in accordance with the objectives of sharia. This study uses a type of Qualitative Descriptive research, using observation methods and direct interviews with the leadership of KSPPS Al-AnshariBukittinggi to obtain accurate, real and precise data. From the results of this study, the Sharia Savings and Loans Cooperative and Sharia Financing Al-Anshari Bukittinggi that, the performance that has been carried out by Islamic microfinance institutions is in accordance with the objectives of Islamic law. This is reflected in the welfare of members and the guarantee of rights for customers who make transactions at these Islamic financial institutions. In carrying out its role as a sharia microfinance institution, KSPPS Al-Anshari Bukittinggi contributes to increasing the progress of MSMEs, this can be seen in how much funds are disbursed and also the disbursement process is easy to do.

Keywords : Analysis, Maqashid Sharia

1. Introduction

Financial institutions are intermediary institutions in collecting funds from the community and distributing them to the community. Financial institutions consist of bank and non-bank financial institutions, financial institutions which play an important role in the economy in Indonesia and are a very important aspect in the continuity of human life, both in transactions, storage of payment services and the need for funds.(Nasution, 1995) One of the non-bank financial institutions in the context of microfinance is a cooperative. (Jamaludin et al., 2023; Ningsih et al., 2020)Its function is almost the same as banking financial institutions, namely services, investment in the form of ownership of motor vehicles and precious metals, business financing and the need for funds (Ramadhan et al., 2018) .

The development of the financial services industry in Indonesia is currently growing very rapidly. Sharia banking assets recorded growth of 24.2% until August 2017 (Bisnis.com, 2017) and every year the total (Noor, 2011).

In 2017 there were more than 5000 Sharia Financial Institutions and most of them were in the form of sharia cooperatives or BMT.(Alfin, 2018a) Based on the data above,(Puteri, 2020) we need to look at the role of regulators in carrying out supervision.(Sudrajat & Sodiq, 2016) Even though sharia microfinance institutions such as sharia cooperatives are superior in quantity, in terms of quality sharia financial institutions other than sharia cooperatives/BMT are actually better because they are under the Financial Services Authority (OJK) which is known to have very strict supervision.(Ghifari et al., 2015)

In recent times there have been cases of failure to pay by cooperatives against their members, this is because financial institutions under the auspices of the OJK have very good protection for customers and regulations, whereas financial institutions outside the auspices of the OJK.(Asyari, 2016) such as cooperatives/BMT.(Astuti et al., 2022) One example that is still clearly remembered by the public is the case of KSP Indosurya's failure to pay, which of course made the cooperative's image even worse in society.(Riyandari & Fatah, 2022)

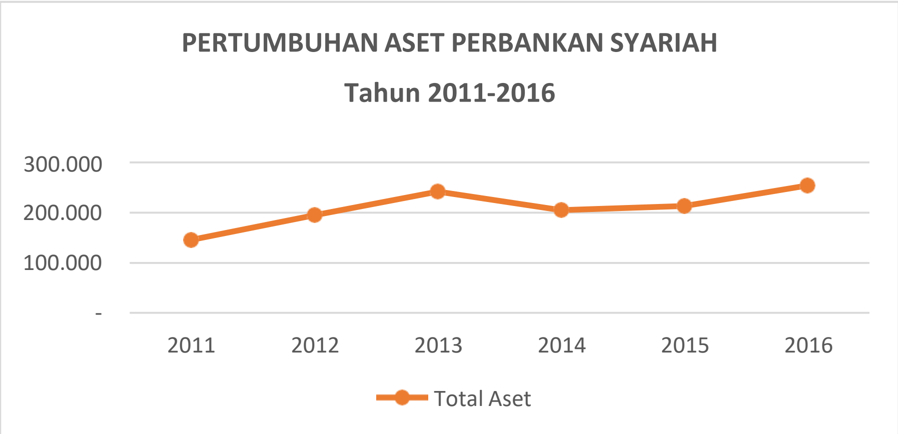

Figure 1. Development of Sharia Banking Assets in Indonesia

So far, research assessing the performance of sharia cooperatives in terms of sharia maqashid is still very limited (Izmuddin, 2016) With various problems faced by sharia microfinanceinstitutions, it is very important to carry out sharia compliance audits, proposing sharia compliance audit procedures through five approaches, namely the halal-haram approach, the contract approach, the legal documentation approach, the Maqashid Syariah approach, and the financial reporting approach (Dwi Priyatno et al., 2022).

Measuring banking financial performance is very important because performance measurement is a description of the achievements that have been made in its operational activities so that with these measurements the health condition of a bank can be known (Izmuddin, 2016) To measure the performance of a bank, a commonly used assessment method is used, namely using financial ratio analysis, the results of which are then interpreted to make decisions in the coming period (Agit et al., 2024; Dewi et al., 2023;

Ridwan et al., 2023)

Many Islamic banking performance measurements in Indonesia still use On Assets (ROA), Return on Equity (ROE), Data Envelopment Analysis (DEA) (Al Ghifari, 2015). The use of financial ratio analysis tools when applied to measuring the performance of sharia banks has many weaknesses and cannot be fully applied because sharia banks as sharia business entities are different from conventional banks so they are not only required to measure performance financially but must also be measured in terms of achieving sharia goals. namely maqashid sharia so that it can be seen whether the banking performance is in accordance with sharia values and principles or not (Afrinaldi, 2013)

Currently, Islamic banks and conventional banks always measure the performance of each bank, one of which is by measuring financial ratios (Basyirah et al., 2023; Widianita et al., 2023). A sharia bank is a sharia business entity so it is not only required to seek profit (high profitability) but also must be able to carry out its functions and objectives as a sharia entity (good sharia objectives).(Ningsih et al., 2020) The sharia objectives that sharia banking must carry out are related to the main aim of human creation,(Ningsih & Izmuddin, 2020) namely as a blessing for all nature.(Alfin, 2018b) This is the main purpose for which the Prophet Muhammad was sent to the world.(Chapra, n.d.)

In this research, researchers took a study at KSPPS Al-Anshari Bukittinggi or called Baitul Mall Wa Tamwiil (BMT).(Rahmat & Puteri, 2010) There are several things that are taken into consideration, including the geographical aspect, KSPPS Al-Anshari is located in the heart of Bukittinggi. The liquidity aspect is taken into consideration where KSPPS Al-Anshari in the financial report experienced fluctuating growth in the 2019 and 2020 period amounting to IDR 5.1 billion in the 2019 period and IDR 4.8 billion in the 2020 period.(Rahmat et al., 2020) Another aspect that is important is the vision and KSPPS Al-Ansari's mission is where sharia principles are pure as stipulated in the Al-Qur'an and Hadith.(Aprilliadi et al., 2019).

2. Methods

This research method is qualitative descriptive research. This is a type of research that describes the condition of an object or event without the intention of drawing general conclusions (Sarwono, 2006).

The research location is the place where the study process used to obtain solutions to research problems takes place. The location of this research is KSPPS Al-Anshari, Bukittinggi City, which is on Jl. Dr. Hamka Simpang Lambau Bukittinggi, research time from March to completion.

2.1. Data and data sources

Is data or information collected for a specific purpose at hand. This data is obtained from the first source through data collection procedures and techniques which can be in the form of interviews, observations, or the use of measurement instruments specifically designed according to the purpose.

Is a collection of data that contains information that already exists and has previously been collected for another purpose. This data usually takes the form of documentation data, archives, library studies, books, articles from print media or the internet and so on. This secondary data search aims to obtain information and theories that relate to and support the problems discussed, so that researchers can understand the problems in more depth. Secondary data in this research was obtained from library studies, books, the internet and so on.

2.2. Method of collecting data

Observation as a scientific method can be interpreted as systematic observation both directly and indirectly of the phenomena being studied. In general, observation can be carried out with participation, meaning that the observer becomes a participant in the activity. Meanwhile, non-participatory observation means that the observer acts as an observer outside the activity. (Yusuf, 2014)

Interviews are one technique that can be used to collect research data. In simple terms, it can be said to collect research data. In simple terms, it can be said that an interview is an event or process of interaction between the interviewer and the source of information or the person being interviewed through direct communication. It can also be said that an interview is a face-to-face conversation between an interviewer and an informant or source of information, where the interviewer asks directly about an object being researched and has been previously designed.(Yusuf, 2014)

Documentation is looking for data regarding things or variables in the form of notes or written objects such as books, magazines, research documentation used to obtain data, namely geographical location, initial history, vision and mission, purpose of establishing the organizational structure.

2.2.1. data analysis technique

Data reduction is defined as the process of selecting, separating, paying attention to simplifying, abstracting and transforming rough data that emerges from written notes in the field. There will be quite a lot of reports or data obtained from the field, so it needs to be recorded in detail and thoroughly. Reducing data means summarizing, selecting the main things, focusing on the important things, and looking for themes and patterns.

Data presentation is carried out with the aim of making it easier for researchers to see the overall picture or certain parts of the research. Data presentation is carried out by describing the results of the interview which are outlined in the form of descriptions with narrative text, and supported by documents, to draw a conclusion.

Drawing conclusions means carrying out continuous verification throughout the research process, namely during the data collection process. Researchers try to analyze and look for patterns, themes, similarities, things that often arise, hypotheses and so on which are stated in tentative conclusions. In this research, conclusions are drawn by taking the essence of a series of research result categories based on observations and interviews.

3. Results and Discussion

3.1. Performance Measurement Analysis

Measuring the performance of sharia cooperatives at KSPPS Al-Anshari Bukittinggi is a form of developing the sharia cooperative itself for the future, which is used as a reference for leaders, employees, customers and the surrounding community regarding the big role of sharia cooperatives in developing MSMEs and local community capital.

The process of measuring the performance of sharia cooperatives uses a qualitative descriptive pattern, namely describing the condition of an object or event, thereby producing positive developments. The performance activities of sharia cooperatives dominate various employment sectors, for example, trade, fisheries, cultivation and so on. This sector is the one that absorbs the most workers. In order to empower the community's economy by providing additional capital that is appropriate and should be taken into account by the cooperative so that this business/UMKM can run as it should.

Variabel	Konsep Teoritis	Dimensi	Elemen	Indikator	JenisData
Tahfidz Fard (Mendidik individu) *al*		Increase knowledge	Education	Grant education/Total Expense	Rasio
			Study	Research grants/Total Burden	Rasio
		Add and improve capabilities new	Training	Training costs/Total expenses	Rasio
		Creating public awareness of its existence Islamic Bank	Publication	Publication costs/Total expenses	Rasio
*Iqamah al adl (*Menegakan keadilan)		A fair contract A fair contract	Fair returns	*Profit equalization reserves (PER)/Net* *or* *invesment income*	Rasio
		Service products Service products	Distribution function	Mudharabah and musyarakah/Total investment	Rasio
		Elimination of injustice	Floral products non	Income interest/total income non	Rasio
*Jabl al Maslahah (*Menciptakan Kemaslahatan)		Profitability	Profit Ratio	Net/total profit asset	Rasio
		Distribution of wealth and profits	Personal income	Zakat/net aset	Rasio
		Investment in vital real sectors	Investment ratio in the real sector	Investment in the real sector/total distribution investment	Rasio

The operational principle of sharia cooperatives is to create prosperity (falah) with members with the principle of helping each other for good (alta`awun al-birri) together. This principle is internalized into the operational management of products, services and law so that actors and objects both gain mutual benefit. From this principle rum is also contained in the values in accordance with the principles of maqashid sharia

3.1.1. Ad-Dharuriyyah

Carrying out business activities certainly requires high ability and competence, as well as adaptation to very dynamic changes from time to time. Therefore, employees are needed who have the ability, competence and good morals. The degree to which a cooperative is serious about carrying out activities that educate and train employees, members and the community can be assessed by how much training the cooperative incurs each year. There is also a level of public awareness of the existence of sharia cooperatives in the area and can also broaden understanding about sharia microfinance institutions such as KSPPS.

Please send your figures both embedded in your word file and in the original format (not embedded, as supporting file during online submission). For printing a vector format is preferred. In case of photos etc. a resolution of 300 dpi should be provided. Please make sure that all text in the Figures is readable - font size ≥ 8pt. Figures and caption should be numbered and centered.

3.1.2. Al-Hajjiyah

Dalam prakteknya, KSPPS Al-Anshari menargetkan kepada nasabah untuk berusaha dalam mencapai target-target UMKM yang berdedikasi kemasyarakatan dalam permodalannya. Tentunya juga UMKM ini yang sesuai dengan prinsip syariat, jika tidak sesuai dengan prinsip syariat maka akan dilakukan pemabaharuan perjanjian dengan kualitas permodalan yang diberikan.

As a non-bank sharia financial institution, KSPPS Al-Anshari also carries out outreach to the surrounding community in terms of understanding the function of sharia cooperatives and also emphasizes that the duties and functions of conventional cooperatives and sharia cooperatives are very different. Apart from that, KSPPS Al-Anshari also participates in sponsoring various events for local community activities, so that there are no more mistakes in understanding the actual function of this sharia cooperative's performance.

3.2. Al-Tahsiniyyah

KSPPS Al-Anshari in carrying out its program has various kinds of products provided to the community, one of these financing products is Murabahah, Bai Bitsman Ajil and Mudharabah which are provided to various groups in the agricultural, industrial, trade, livestock sectors as well as business actors and small traders. who want to develop and increase the productivity of their business.

4. Conclusions

First, performance measurement based on sharia maqashid at the Al-Anshari Bukittinggi Sharia Savings and Loans and Sharia Financing Cooperative shows that the performance so far carried out by this sharia microfinance institution is in accordance with the objectives of Islamic law. This is reflected in the welfare of members and the guaranteed rights of customers who carry out transactions at these sharia financial institutions. Second, in carrying out its role as a sharia microfinance institution, KSPPS Al-Anshari Bukittinggi takes part in improving the progress of MSMEs, this can be seen in how much funds are disbursed and also how easy the disbursement process is.

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