# Measuring the Sustainability Performance of Islamic Banking In Indonesia

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## SOCIAL SCIENCES & HUMANITIES

# Measuring the Sustainability Performance of Islamic Banking In Indonesia

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## ABSTRACT

Islamic banks have grown very rapidly in recent years in Indonesia. Islamic banking has its own uniqueness in carrying out its activities based on *Sharia* law which employs the philosophy of *Qur'an* and *Sunnah* to provide good and efficient services. This study employed Practice Theory to identify the indicator of sustainability performance from an Islamic perspective. This research used qualitative and quantitative methods to find the measurement of sustainability performance for Islamic banking from an Islamic perspective in Indonesia. Performance measurement system's development requires a dynamic and balanced system in transcribing complex and huge information in terms of Analytical Hierarchy Process (AHP) approach. This method provides the priority of attributing pairwise comparison. The 33 performance criteria will then be used as a priority consideration for the decision maker in measuring the Islamic banking sustainability performance. As a result, Islamic Banking sustainability performance is developed as the main priority is given to the environmental factor compared with social and economic factors.

*Keywords:* Analytical Hierarchy Process (AHP), Islamic banking, Islamic perspective, sustainability performance

## INTRODUCTION

Sustainability is a very important issue for the development of companies around the world including Islamic banks. Companies that adopt sustainability practices are able to achieve better product quality, high market

share, and obtain increased profits (Nambiar, 2010). Sustainability is a balanced concept of how to build a society that can help to strengthen the economic, social and ecological aspects.

Sustainability proxy for performance indicators was widely used for manufacturing companies. Teh et al. (2015) examined the Sustainable Performance Measurements in Malaysia's manufacturing industries and discovered that Malaysian manufacturing companies gave more privilege for process technology implementation. Nevertheless, for service companies such as banks, sustainability as performance is still scarce in Indonesia. Islamic banks have grown very rapidly in recent years. Islamic banking has its own uniqueness as in carrying out its activities based on *Sharia* law. Therefore, in assessing the sustainability aspects of a company's performance from the perspective of Islam, the balanced aspects of the world, economy, society, and environment must be considered to portray a holistic view or *ukhrawi* (Chapra, 1999). In Islamic banking, social responsibility, for instance, is very relevant and needs to be considered due to several factors. Islamic banking is based on *Sharia* that operates with the foundation of morals, ethics; principles upon obedience to the commandments of God and the *caliph*; and the principle of public interest, consisting of avoidance of decay and poverty (Chapra, 1999).

According to Agustiyanti (2015), Handayana comments that from 2000 to 2014, the aggregate growth of Islamic Banking in Indonesia exceeded conventional banks and proved the Compound Annual Growth Rate (CAGR) of 43.16%, compared with conventional bank's growth which is only 12.4%. However, in 2015 the growth of Islamic Banks slowed down drastically whereby the financial percentage was only 5.5% lower than that of conventional banks that had 8% growth. One of the reasons for this decline is the lack of efficiency in the operational implementation and non-adequate level of service in terms of quality, human resources, and technology.

Sustainability of Islamic banking until this moment has brought about many criticisms and raised fundamental questions. The limitations in Islamic banking in acting according to the Islamic economic system objectives is due to insufficient *Falah* (getting the benefit of the world and the Hereafter). This failure has caused Islamic banking to be no different from its conventional counterparts (Antonio & Nugraha, 2013). This gap has motivated the researchers to review the previous research on the topic of sustainability and to identify appropriate indicators from an Islamic perspective.

Corporate Sustainability can be understood as a concept that integrates social, environmental and economic decision-making strategies (Antonia et al., 2013). Wilson (2003) suggested that Corporate Social Responsibility (CSR) was a management paradigm. Fernandez and Souto (2009) stated that CSR was an effective management tool, which offered confidence to stakeholders as an organization

that was responsible and reliable. As a consequence, organizations must redefine the company's goals closely in responding to social expectations of society (Antonia et al., 2013). Social Responsibility (SR) is also used to assess the performance of the organization and convey the processes and progress to the stakeholder. This indicates that the measurement of performance and CSR or Sustainability Report was done separately but are common in terms of orientation at the strategic level that supports the management in decision-making activity and contributes to the creation of value.

The most important component in building a performance measurement system is the decision-making processes related to the collection, elaboration, and analysis of information (Neely et al., 2002). Lack of decision-making ability in transcribing complex and huge information will trigger loss and biased decision-making. AHP is one of the Multi-Attribute Decision-Making (MADM) approaches that can be used to identify the priority and significance analysis of criteria in performance measurement (Saaty & Decision, 1990). This research answers the question of how to design a decision support system in identifying the priority indicator of the sustainability performance of Islamic Banking through the application of AHP. A system design can be used as a guide for management leadership in making a decision and conducting corrective actions in Islamic Banking Sustainability Performance. This design can be used as a tool for the government in measuring the Islamic Banking Sustainability in Indonesia.

This triggers the effectiveness and efficiency of sustainability in Indonesian Banking.

## LITERATURE REVIEW

### Practice Theory

Practice Theory is a theory of how social beings with their diverse motives and intentions make and transform the world in which they live. It is a dialectic between social structure and human agency working back and forth in a dynamic relationship (Bourdieu & Nice, 1977). Practice Theory seeks to explain the relationship between human action, on the one hand, and some global entity which we call 'the system' (Ortner, 2006). The approach seeks to resolve the antinomy between traditional structuralist approaches such as methodological individualism which attempted to explain all social phenomena in terms of individual actions.

In this study, the researchers try to identify the indicators of sustainability from an Islamic perspective that is based on the theory and practice in the field of Islamic banking.

### Definition of Sustainability

In the Global Reporting Initiative (GRI, 2000), sustainability encompasses: (i) economy, (ii) environment, (iii) human rights, (iv) community, (v) responsibilities, (vi) products, (vii) labor and decent work. Sustainable Development is a new concept of development that emphasizes the integration of environmental conservation and economic growth. Previously, the

concept of development was synonymous with economic growth, which can be quantified by certain parameters such as Gross Domestic Product (GDP). In fact, the concept of development has a wider meaning than the concept of growth because development means increase in the quality of life while growth only emphasizes increase of the economy (Schmidheiny, 1992). According to Munn (1989), the meaning of development in sustainable development refers to the quality enhancement of humans and other spheres by achieving their basic needs. Clearly, the concept of development here has a more comprehensive meaning than economic growth.

## Principles of Sustainable Development

The concept of Sustainable Development that was proposed by World Commission on Environment and Development (WCED, 1987) clearly emphasizes several strategies to conserve the environment:

a. Merging Economic Growth and Environmental Conservation should be regarded as the ultimate goal in policy making at every level whether by the government, cooperation or private sectors;

b. Enhancement of Quality of Human Life'

The ultimate purpose of development is to enhance the quality of human life, which includes every aspect related to human needs. In other words, the yardstick of development is not only quantitative measurement such as Gross Domestic Product (GDP) or per capita income, but also qualitative measurement such as satisfaction, comfort and safety.

c. Establishing Social Justice

Social justice means everyone in a country has an equal right to share the prosperity which means a person can at least meet her/his own needs to live. WCED (1987) suggested that development has to meet the needs and aspirations of an expanding and developing world population.

d. Conservation of Biodiversity and Ecological Equilibrium

Development should involve all efforts to conserve the biodiversity and ecological equilibrium on which humankind depends. Therefore everyone who is responsible for policy making needs to be aware of the importance of diversity and ecological equilibrium.

e. Optimization of Natural Resources

Development needs to ensure the minimal use of natural resources to bring maximum benefit to humankind. Inevitably, this principle is very much needed in order to achieve Sustainable Development, as one of its goals is to enable future generations to meet their own needs. Therefore, it is important to place a reasonable price upon natural resources by paying great concern to economic, ecological and social impacts.

f. Society and Individual Responsibility

Conservation as well as development should involve participation of each individual of a society and an individual's responsibility to global society.

According Rebai et al. (2012), to examine the sustainability of a bank, six stakeholders' points of view need to be considered, namely: *regulators, shareholders, customers, managers, employees* and *civil society*. In the following sub-sections, they suggested a list of criteria related to each stakeholder. These criteria were commonly used but not exhaustive in measuring bank performance.

The Holy *Qur'an* highlighted some principles and guidelines on sustainability, which include the following (Matali, 2012; Matin & Ibrahim, 2010):

1. *Adl* (Justice): governing human relationships and other living creatures;
2. *Mizan* (Balance): governing not only human, social and economic relationships but also the environment, especially in ensuring the equilibrium of nature, use of resources and life cycle of all species;
3. *Wasat* (Moderation): choosing the middle path in economic planning, social conduct, scientific pursuits, ideological views, material, and in water and energy consumptions;
4. *Rahmah* (Mercy): governing all aspects of human relationships and treatment of all living animals, plants and insects including micro-organisms;
5. *Amanah* (Trustworthiness and custodianship): Human kind is considered to be a trustee appointed by the Creator, for all earth's assets;
6. *Taharah* (Spiritual purity and Physical cleanliness): generating contented individuals through spiritual purity, conscious of the presence of his/her Creator that would result in a balanced society, living in harmony with the environment; cleanliness that would generate a healthy society devoid of air and water pollution, as well as generating a clean economy devoid of usury and deceitful marketing techniques and business transactions;
7. *Haq* (Truthfulness and Rights): Truthfulness in all dealings that recognise the respective rights of others (humans, animals and plants); and
8. *IbnNafi'* (usefulness of knowledge and science): Knowledge, whether theological, scientific or technological, must be beneficial to others (individuals and society) including the future generations.

## METHODS

The objective of this research is to identify the indicator of sustainability performance from an Islamic perspective and to apply AHP approach on decision support system design in identifying the priority of Islamic Banking Sustainability Performance indicators. The study was conducted in two main phases.

Phase 1: Development and validation of framework

The first phase consists of three stages:

Stage 1: Problem Identification through literature review and interview of experts and practitioners. As a result of this stage, a conceptual framework was produced (Figure 1).

Stage 2: Development of instruments for surveying the respondents' agreement and analyzing the indicators and their level of importance. The survey was conducted in 5 Islamic banks in Indonesia, including Bank Mandiri Syariah, Bank Muamalat Indonesia, Bank BRI Syariah, Bank Riau Kepri Syariah dan Bank BNI Syariah.

Stage 3: Validation of indicators through the application of AHP approach, analysis of indicators, construction of the hierarchy structure, establishment of the paired metrices for comparison, calculation of eigen vector, and tests of consistency and normality. As an output, the validated AHP framework was proposed.

Phase 2: Design of Decision Support System AHP

In this phase, the Decision Support System AHP was designed. System development applied the Waterfall software life cycle concepts on Decision Support System Components (Turban et al., 1997), data externalization and internalization, data management, model management, knowledge management, and user interface and user definition in combination with AHP Concept model.

## RESULTS

### Sustainability performance indicators in Islamic banking

As Figure 1 illustrates, based on the interviews of several top and middle managers from Indonesian Islamic Banks, the following sustainability performance indicators were performed:

- Environment

There are three main principle indicators to describe Islamic Banking sustainability in environment (Ingar, 2008: Matin & Ibrahim, 2010). The first is the principle of justice (Hamza, 2013) which includes the procedural, distributive and interactional justification. The second is the principle of *mizan* or balance which includes balancing of nature, utilization of resource, survival of stakeholders and the profitability balancing (Rahmawati & Hosen, 2012). Finally, it is the principle of *Wasat* or moderation which emphasizes moderation in economic planning, facing regulators and risks, practicing moderation in social interaction, scientific analysis and decision-making (Ibrahim, 2009) by following the islamic ideology (Ingar, 2008; International Financial Standard Board [IFSB-3], 2006) and propotional energy consumption.

- Social

The Performance of Islamic banking sustainability in the social sector can be described through three main principle indicators (Matin & Ibrahim, 2010) including the principle of mercy, beliefs and *taharah*. The principle of mercy is embodied in the form of community and citizenship development, community
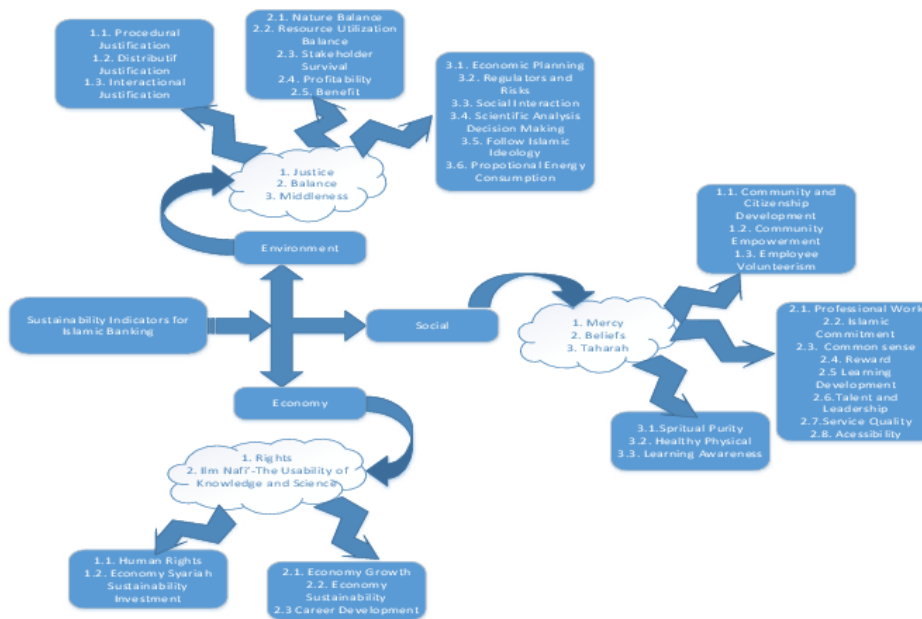
*Figure 1.* Sustainability performance indicators in Islamic banking

empowerment, and employee volunterism. The principle of beliefs is embodied in the form of professional work, islamic commitment, common sense, rewards, learning development, talent and leadership, service quality and accessibility. Finally, the principle of *Taharah* or Spritual Purity includes having a healthy body and learning awareness.

• **Economy**

The Islamic Banking sustainability in economy is performed through two mains principles (Matin & Ibrahim, 2010) which are the Rights and *IlmNafi'* or the usability of knowledge and science. The principle of Rights includes human rights and economic *syariah* sustainability investement. Meanwhile, the usability of knowledge principle is embodied in the

form of economic growth, sustainability in economy and career development (Komari & Djafar, 2013).

**Validated AHP Framework and Measuring The Sustainability Performance**

From the result of AHP analysis, the values of eigen vector can be seen in Table 1. The dominant indicators in the structured criteria include Environment (0.4174), Social (0.3554) and Economy (0.2270) respectively. The Sub-criterion of Environment includes Balance (0.3806), Moderity (0.3777) and Justice (0.2416) respectively. In the Social sub-criterion the priority eigen vector values of sub-indicators includeed Mercy (0.4413), *Taharah* (0.3102) and Beliefs (0.2483). Finally, the sub-criteria of

Economy, the priority eigen vector values of sub-indicators include Rights (0.5454) and Ilm Nafi'-The Usability of Knowledge and Science (0.4545) respectively.

Consistency Index (CI) and Consistency Ratio (CR) values are less than 10% (Table 2). These values are in an acceptable range. The validation of restructured criteria and sub-criteria of AHP Framework has been established and it is ready to be used as a measurement tool for Islamic Banking Sustainability Performance.

Based on AHP analysis and complemented by the Decision Support System (DSS) Components, a design of DSS-AHP modelling is presented in Figure 2. There are 5 main components in designing DSS-AHP inlcuding Data Management, Knowledge Management, AHP Modelling, Islamic Banking Performance Measurement and User Interface. Data Management provides data and information captured on indicators, prioritized and standarized from many resources including internal (top and middle managers in Islamic Banking) and external stakeholders (customers and government) through dissemination of questionnaires and interviews.

## DISCUSSION

Based on the results of this study the main priority of sustainability is environmental factors. This could be due to the high level of awareness of Islamic banking in Indonesia about conditions like global warming. So, priority is given to environmental factors.

The selection of the *haq* (recognizing other's rights) variable as an important
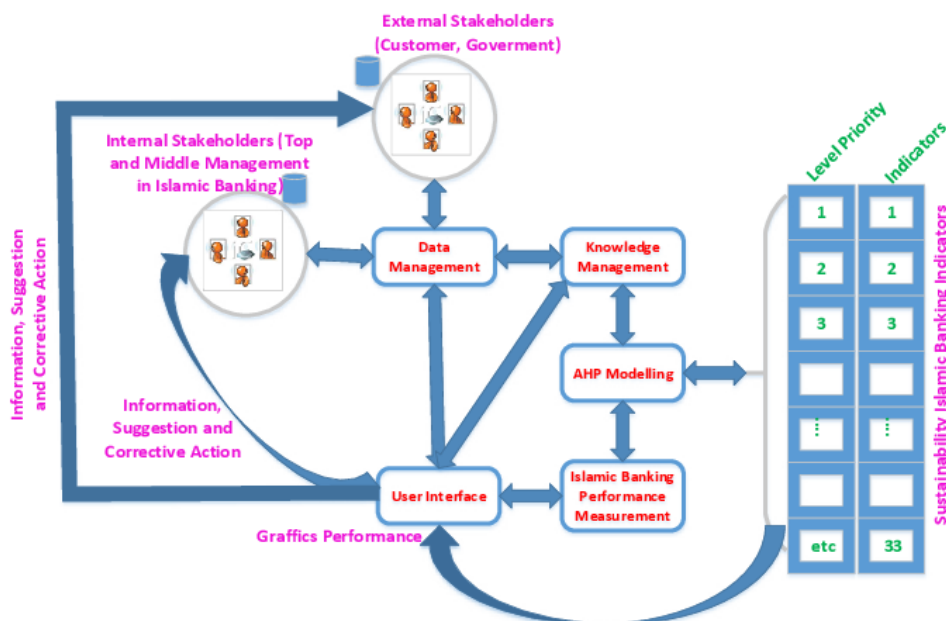


*Figure 2.* Design of decision support system-AHP modelling

**Tabel 1**

*Indicators priority eigen vector values*

| No | Criteria | Eigen Vector | No | Sub Criteria | Eigen Vector | No | Sub-sub Criteria | Eigen Vector |
|----|----------|--------------|----|--------------|--------------|----|------------------|--------------|
| 1 | Environment | 0.4174 | 1.1 | Justice | 0.2416 | 1.1.1 | Procedural Justification | 0.4052 |
| | | | | | | 1.1.2 | Distributif Justification | 0.3762 |
| | | | | | | 1.1.3 | Interactional Justification | 0.2184 |
| | | | 1.2 | Balance | 0.3806 | 1.2.1 | Nature Balance Resource Utilization | 0.2884 |
| | | | | | | 1.2.2 | Stakeholders Balance | 0.1674 |
| | | | | | | 1.2.3 | Survival | 0.2789 |
| | | | | | | 1.2.4 | Profitability | 0.1462 |
| | | | | | | 1.2.5 | Benefit | 0.1189 |
| | | | 1.3 | Maslahat | 0.3777 | 1.3.1 | Economic Planning | 0.1971 |
| | | | | | | 1.3.2 | Regulations and Risks | 0.1700 |
| | | | | | | 1.3.3 | Social Interaction | 0.2210 |
| | | | | | | 1.3.4 | Scientific Analysis Decision Making | 0.1794 |
| | | | | | | 1.3.5 | Follow Islamic Ideology Proportional | 0.08 |
| | | | | | | 1.3.6 | Energy Consumption | 0.1523 |
| 2 | Social | 0.3554 | 2.1 | Mercy | 0.4413 | 2.1.1 | Community and Citizenship Development | 0.3656 |
| | | | | | | 2.1.2 | Community Empowerment | 0.3323 |
| | | | | | | 2.1.3 | Employee Volunteerism/Employee Engagement | 0.3020 |
| | | | 2.2 | Beliefs | 0.2483 | 2.2.1 | Professional Work | 0.1289 |
| | | | | | | 2.2.2 | Islamic Commitment | 0.0873 |
| | | | | | | 2.2.3 | Common Sense | 0.1662 |
| | | | | | | 2.2.4 | Reward | 0.1262 |
| | | | | | | 2.2.5 | Learning Development | 0.1089 |
| | | | | | | 2.2.6 | Talent and Leadership | 0.4031 |
| | | | | | | 2.2.7 | Service Quality | 0.1223 |
| | | | | | | 2.2.8 | Accessibility | 0.1567 |
| | | | 2.3 | Taharat | 0.3102 | 2.3.1 | Spiritual Purity | 0.4386 |
| | | | | | | 2.3.2 | Healthy Physical | 0.2702 |
| | | | | | | 2.3.3 | Learning Awareness | 0.2910 |
| 3 | Economy | 0.2270 | 3.1 | Rights | 0.5454 | 3.1.1 | Human Rights Economic Sosial | 0.6 |
| | | | | | | 3.1.2 | Sustainability Investment | 0.4 |
| | | | 3.2 | Wa Nafi' The Usahi Payoff Knowledge and Science | 0.4545 | 3.2.1 | Economic Growth | 0.3500 |
| | | | | | | 3.2.2 | Economy Sustainability | 0.4256 |
| | | | | | | 3.2.3 | Career Development | 0.2243 |

*Source:* **Output AHP Analysis (2017)**

Tabel 2
*Consistency and normalization of indicators*

| No | Indicators | λmax | CI | CR |
|---|---|---|---|---|
| 1 | Environment | 3.00005 | 0.0002 | 0.0004 |
| 2 | Social | | | |
| 3 | Economy | | | |
| 1.1 | Justice | 3.0536 | 0.0268 | 0.0462 |
| 1.2 | Balance | | | |
| 1.3 | Middleness | | | |
| 1.1.1 | Procedural Justification | 3.0055 | 0.0027 | 0.0047 |
| 1.1.2 | Distributif Justification | | | |
| 1.1.3 | Interactional Justification | | | |
| 1.2.1 | Nature Balance | 5.0823 | 0.0205 | 0.0183 |
| 1.2.2 | Resource Utilization Balance | | | |
| 1.2.3 | Stakeholders Survival | | | |
| 1.2.4 | Profitability | | | |
| 1.2.5 | Benefit | | | |
| 1.3.1 | Economic Planning | 6.0297 | 0.0059 | 0.0052 |
| 1.3.2 | Regulators and Risks | | | |
| 1.3.3 | social interaction | | | |
| 1.3.4 | Scientific Analysis Decision Making | | | |
| 1.3.5 | Follow Islamic Ideology | | | |
| 1.3.6 | Ecological Energy Consumption | | | |
| 2.1 | Mercy | 3.0512 | 0.0256 | 0.0441 |
| 2.2 | Beliefs | | | |
| 2.3 | Taharah | | | |

| No | Indicators | λmax | CI | CR |
|---|---|---|---|---|
| 2.2.1 | Professional Work | 8.9558 | 0.13655 | 0.0968 |
| 2.2.2 | Islamic Commitment | | | |
| 2.2.3 | Common Sense | | | |
| 2.2.4 | Reward | | | |
| 2.2.5 | Learning Development | | | |
| 2.2.6 | Talent and Leadership | | | |
| 2.2.7 | Service Quality | | | |
| 2.2.8 | Accessibility | | | |
| 2.3.1 | Spiritual Purity | 3.0055 | 0.0027 | 0.0047 |
| 2.3.2 | Healthy Physical | | | |
| 2.3.3 | Learning Awareness | | | |
| 3.1 | Rights | 2 | - | 0 |
| 3.2 | Ulmnafi'-The Usability of Knowledge and Science | | | |
| 3.1.1 | Human Rights | 2 | 0 | 0 |
| 3.1.2 | Economic Syariah Sustainability Investment | | | |
| 3.2.1 | Economic Growth | 3.0396 | 0.0198 | 0.0341 |
| 3.2.2 | Economy Sustainability | | | |
| 3.2.3 | Career Development | | | |
| 2.1.1 | Community and Citizenship Development Community | 3.0092 | 0.0046 | 0.0079 |
| 2.1.2 | Empowerment Employee | | | |
| 2.1.3 | Volunteerism/ Employee Engagement | | | |

*Source:* **Output AHP Analysis (2017)**

criterion for sustainability in Islamic banking in Indonesia shows that the importance of upholding human rights both in bank operations and in profit sharing. In addition to being able to apply *haq* in all affairs Islamic banks should always pay attention to the provisions of Islamic law based on *Sharia* principles. The banks should always maintain Economic Sustainability both in investment and other *Sharia* transactions.

There are several other banking documents and government regulations related to sustainability of Islamic Banking. Meanwhile, Knowledge Management performs an expert system of mechanism that provides the rule base and data analysis on sustainability of Islamic Banking. In AHP Modelling, the identification of level priority through vector eigen and CI and CR values is defined for each indicator. These values are used to define the standarized and maximal values of Islamic Banking sustainability performance measurement. The Banking performance is flexible and is based on target and objectives of each banking system.

Based on the performance standard (Volby, 2000), the indicators illustrated in the scale in Table 3 show the condition of Islamic banking performance in Indonesia at the level of "Good" or "Very Good" with a value of 77.8093.

The good performance is because environmental factors were made a priority in the sustainability measurement of the company. This will help create a balanced nature, appropriate use of resources, ensuring the sustainability of the stakeholders, and a balanced distribution of profits and dividends in accordance with the initial contract and wages and a reasonable bonus. Making environmental factors a priority will have an impact on decisions/policies that have always taken a middle ground, both in economic planning and risk analysis. If Islamic banks are to make decisions/policies in moderation, they need to use scientific analysis that is based on Islamic ideology, namely the principles of *Sharia*.

## CONCLUSION

This research explored the linkage of several theories to develop a unique Decision Support System. The decision support system was successfully developed based on empirical data. The application of AHP in solving the problems of priority selection of sustainability performance indicators was well implemented. There were 33 indicators that were ranked based on the level of priority values. In order to see the gap analysis between the standardized and personal banking performance, Islamic Banking Performance Measurement was conducted. This design not only provides AHP analysis but also gives the company recommendations, suggestions and corrective actions. An ideal sustainability performance indicators ranking as well as customization indicators that are based on target and focus achievement are also mechanized in this system.

Theoretically, this research combines four fields of research; i.e., Sustainability Performance Indicators, Social Accounting,

Table 3

*Calculation of Sharia Banking performance in Indonesia based on AHP*

| No | Construct/Variable /Indicator | Score (%) | Priority Subcriteria | Sub Criteria Value | Total Sub Criteria Value | Sub Criteria Priority | Sub Criteria Value | Total Criteria Value | Criteria Priority | Criteria Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | *Keadilan* (Justice) | | | | | | | | | |
| | Procedural Justification | 75.56 | 0.4052 | 30.615 | 74.219 | 0.2416 | 17.9313 | | | |
| | Distributif Justification | 73.33 | 0.3762 | 27.588 | | | | | | |
| | Interactional Justification | 73.33 | 0.2184 | 16.016 | | | | | | |
| 2 | *A=an mizanatau neraca* (balance) | | | | | | | | | |
| | Nature Balance | 71.11 | 0.2884 | 20.508 | 76.988 | 0.3806 | 29.3018 | 29.3018 | 0.4174 | 32.1360 |
| | Resource Utilization | 77.78 | 0.1674 | 13.02 | | | | | | |
| | Stakeholders Survival | 84.44 | 0.2789 | 23,551 | | | | | | |
| | Profitability | 71.11 | 0.1462 | 10.396 | | | | | | |
| | Benefit | 80 | 0.1189 | 9.512 | | | | | | |
| 3 | *Wasat atau Jalan tengah* (Moderation) | | | | | | | | | |
| | Moderation in Economic Planning | 77.78 | 0.1971 | 15.33 | 78.787 | 0.3777 | 29.7577 | | | |
| | Moderation in regulators and risk | 77.78 | 0.17 | 13.22 | | | | | | |
| | Moderation in social interaction | 80 | 0.221 | 17.68 | | | | | | |

Table 3 (*Continued*)

| No | Construct/Variable /Indicator | Score (%) | Priority Subcriteria | Sub Criteria Value | Total Sub Criteria Value | Sub Criteria Priority | Sub Criteria Value | Total Criteria Value | Criteria Priority | Criteria Value |
|---|---|---|---|---|---|---|---|---|---|---|
| | Scientic analysis decision-making | 77.78 | 0.1794 | 13.95 | | | | | | |
| | Following Islamic ideology | 84.44 | 0.08 | 6.75 | | | | | | |
| | Propotional energy consumption | 77.78 | 0.1523 | 11.85 | | | | | | |
| 4 | *Rahmat* (mercy) | | | | | | | | | |
| | Community and citizhenship development | 5.56 | 0.3656 | 27.62 | 76.286 | 0.4413 | 26.4753 | 78.4509 | 0.3554 | 27.8814 |
| | Community empowerment | 77.78 | 0.3323 | 25.84 | | | | | | |
| | Employee volunteerism/ employee engagement | 75.56 | 0.302 | 22.82 | | | | | | |

Table 3 (Continued)

| No | Construct/Variable /Indicator | Score (%) | Priority Subcriteria | Sub Criteria Value | Total Sub Criteria Value | Sub Criteria Priority | Sub Criteria Value | Total Criteria Value | Criteria Priority | Criteria Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 5 | *Al amanah* (beliefs) | | | | | | | | | |
| | Professional work | 80 | 0.1289 | 10.312 | | | | | | |
| | Islamic commitment | 84.44 | 0.0873 | 7.372 | | | | | | |
| | Common sense | 77.78 | 0.1662 | 12.927 | | | | | | |
| | Reward | 75.56 | 0.1262 | 9.535 | 72.2264 | 0.2483 | 19.6719 | | | |
| | Learning development | 77.78 | 0.1089 | 8.47 | | | | | | |
| | Talent and leadership | 77.78 | 0.1031 | 8.019 | | | | | | |
| | Service quality | 82.22 | 0.1223 | 1.058 | | | | | | |
| | Accessibilty | 80 | 0.1567 | 12.536 | | | | | | |
| 6 | *Taharah* (purity) | | | | | | | | | |
| | Spiritual purity | 77.78 | 0.2366 | 1.40 | | | | | | |
| | Healthy physical | 77.78 | 0.1974 | 15.35 | | | | | | |
| | Generating a clean economy devoid of usury/loan contract | 80 | 0.1292 | 10.336 | 80.96 | 0.3102 | 25.1138 | | | |
| | Ambiguity in contracts | 84.44 | 0.2287 | 19.312 | | | | | | |
| | Learning awareness | 84.44 | 0.2079 | 17.556 | | | | | | |

Table 3 (Continued)

| No | Construct/Variable /Indicator | Score (%) | Priority Subcriteria | Sub CriteriaValue | Total Sub Criteria Value | Sub Criteria Priority | Sub Criteria Value | Total Criteria Value | Criteria Priority | Criteria Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 7 | Hak (rights) | | | | | | | | | |
| | Human rights | 77.78 | 0.6 | | | | | | | |
| | Economic syariah sustainability investment | 80 | 0.4 | | | 0.5454 | 42.9048 | 78.378 | 0.227 | 17.7918 |
| 8 | IlmNafi' (The Usability of Knowledge and Science) | | | | | | | | | |
| | Economic growth | 80 | 0.35 | 28 | | | | | | |
| | Economy sustainability | 77.78 | 0.4256 | 33.102 | 78.0493 | 0.4545 | 35.4734 | | | |
| | Career development) | 75.56 | 0.2243 | 16.947 | | | | | | |
| | TOTAL | | | | | | | | | 77.8093 |

Islamic Banking, and AHP analysis. Practically, the development of this system increases the effective use of indicators towards the success of sustainability reporting. The developed system design can be used as a guide for management leadership in making a decision and conducting corrective actions in Islamic Banking Sustainability Performance. Moreover, this design can be used as a tool for the government in measuring Islamic Banking Sustainability in Indonesia. This triggers the effectiveness and efficiency of sustainability in Indonesian Banking. The dynamic ecosystem which is responsive and adaptive in facing the sustainability changes and challenges can be developed.

## ACKNOWLEDGEMENTS

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