

# Intellectual Capital and Performance of Indonesian Islamic Banks: A Maqasid Sharia Perspective

Winaya Purwanti, Safrudin, Asep Saifudin, Deni Gustiawan

Institut Bisnis dan Komunikasi Swadaya

Corresponding Author: [winaya@swins.ac.id](mailto:winaya@swins.ac.id),

[safrudingomit@gmail.com](mailto:safrudingomit@gmail.com), [asepsaifudin@yahoo.com](mailto:asepsaifudin@yahoo.com), [denigustiawan@gmail.com](mailto:denigustiawan@gmail.com)

## Article Information:

Received: January 14, 2025, Accepted: January 20, 2025, Published: January 23, 2025

## Abstract

This study aims to determine how intellectual capital (IC) affects Islamic general banks' maqashid sharia performance from 2018 to 2022. The components of IC, namely Human Capital (IB-VAHU), Capital Employed (IB-VACA), and Structural Capital (IB-STVA), are the three independent variables under investigation. This study employs a secondary quantitative research design, as determined by Econometric Views (E-Views) version 12's panel data linear regression approach. The study's participants are Islamic Commercial Banks registered with the Financial Services Authority (OJK). With a sample size of 11 businesses, the sample was chosen using the purposive sampling technique, making a total of 13 banks included in the study. Secondary data was employed in this investigation. The data collection process uses the documentation method accessed via each Islamic commercial bank's official website. The study's findings show the positive relationship between human capital and maqashid sharia performance; the higher a company's human capital, the better its maqashid sharia performance. Capital Employed has no bearing on how well Maqashid Sharia works. The performance of maqashid sharia is negatively impacted by structural capital; the coefficient value, which is pointing in the negative direction, shows that the more human capital a corporation has, the lower its maqashid sharia performance.

**Keywords:** Maqashid Sharia Index, Intellectual Capital, Maqashid Syariah Performance, iB-VAIC

## 1. Introduction

Islamic banks are institution finances that must be base all over activity its finances on the principles Islamic sharia law. Therefore that, all transactions in Islamic banks must be fulfil rules and conditions that apply to the contract in jurisprudence transactions Mutia & Musfirah, (2018). Islamic banking, often called as banking Islam, already exist and develop rapid in a number of decade final along with development global economy. Growth significant the most likely influenced by many factors, namely factor economy, politics social, cultural, geographical and defense security.

This development is inseparable from the characteristics of the Islamic banking system compared to the conventional *dual-banking system*. Islamic banking, whose operations refer to

Published by:

the principle of profit sharing, provides various choices of mutualistic banking systems for customers and banks, and prioritizes elements of justice in its transactions, ethical investment, prioritizing various values of togetherness and family in its implementation, and avoiding speculative activities in its financial transactions. Seeing this development, it is hoped that the contribution of banking in supporting the national economy will be increasingly significant (Sri, 2020).

In recent years Islamic banking in Indonesia has shown significant growth. However, despite the rapid development, the industry still faces a number of challenges accordance with Maqasid Shariah related to optimizing performance and implementing sharia principles. One of the key factors in improving the performance of Islamic banks is the management of Intellectual Capital (IC), which includes intangible assets such as knowledge, skills, organizational culture, and innovation

In the context of Islamic banking, Intellectual Capital plays a vital role because it not only influences financial performance but also contributes to the achievement of social and sustainability goals desired within the framework of Maqasid al-Shariah (the objectives of sharia). Maqasid al-Shariah focuses on achieving the welfare of the people through five core values, namely the preservation of religion, life, reason, descendants, and property. In Islamic banking, good IC management can improve operational efficiency, product and service innovation, and provide positive social impacts, all of which are in line with the principles of Maqasid al-Shariah (Muchlis et al., 2022).

However, research on the relationship between Intellectual Capital and the performance of Islamic banks in Indonesia from the perspective of Maqasid al-Shariah is still relatively limited. Therefore, it is very important to explore further how IC management can affect the performance of Islamic banks in achieving social and economic goals that are not only focused on financial profit, but also on the welfare of the community. This study aims to fill this gap by providing a deeper understanding of the importance of IC management in improving the performance of Indonesian Islamic banks, both from the financial aspect and the social impact that is in line with Maqasid al-Shariah (Ghadas et al., 2019; Muchlis et al., 2022). The problems experienced by Islamic banks are: measurement performance companies that are still prioritize on aspects finance compared to with non- financial. Islamic banking is a system banking based on Islamic sharia (law).

Islamic banks must have traits or traits that set them apart from other businesses in terms of matter-oriented performance since they are operating organizations founded on sharia standards. Islamic banking success must be evaluated from non-financial perspectives, such as draft objective sharia (maqashid sharia), rather than only financial performance because it's still There is a need to measure the performance of Islamic banking in accordance with objective sharia (maqashid sharia) since far too many Islamic banks prioritize economic optimization or the development of large profits over fulfilling their functions. This is to determine whether Islamic banking and performance banking are currently in line with social functions. Islamic banking performance measurement approach that shows Utilizing performance maqashid sharia is the goal of sharia. This is For know whether performance banking applied Islamic banking has in accordance with function social or not yet. Measurement model performance Islamic banking which reflects The purpose of sharia is use performance maqashid sharia or Can called with *Maqashid Syariah Index* (MSI) by Mohammed & Razak (2015).

*Knowledge* based industries in the global economy in the last two decades has complemented the previously dominant physical resource-based industries. (Widiyaningrum, 2014). Thus, it is clear how the pattern of measuring business value has shifted. Usually the value of a business is measured based on tangible assets, namely physical forms that can be touched and seen, such as cash, office inventory, machines, and buildings. But over time, such measurement patterns have faded, replaced by measuring business value based on intangible assets, which are intangible but very valuable, such as the company's intellectual property, its brand, or its human resources (Walidayni, 2017). Information about intellectual capital is very important to disclose. By disclosing the intellectual capital it has, the company can demonstrate its ability to face existing business competition (Mayangsari & Reditha, 2016).

Since intellectual capital disclosure can boost business performance and generate value, intellectual capital is a highly valuable intangible asset that is essential to the organization (Rivandi, 2018). Information regarding the value creation efficiency of the company's tangible and intangible assets is presented using the value added intellectual coefficient (VAICTM) approach, which was created by Pulic (1998). A tool for evaluating the effectiveness of a business's intellectual capital is the VAICTM.

*Intellectual capital* in Islamic banking, such as human resources, systems and operations are very likely to still adopt and be derived from conventional banking as the parent company (Ramadhan et al., 2018). Islamic banks in carrying out their duties as financial service providers must re-evaluate the objectives of Islamic banks themselves in accordance with maqashid sharia. This is to ensure that Islamic banks are not only profit-oriented, but also consider other aspects in accordance with the initial objectives of the formation of the Islamic bank. If the performance of Islamic banking and conventional banking is measured using the same indicators, there will be values that are not in accordance. This is because Islamic banking has a wider measurement object than conventional banking (Mutia & Musfirah, 2018).

This study is important because it provides a deeper understanding of how Intellectual Capital (IC) — which includes knowledge, skills, organizational culture, and innovation — can play a role in improving the performance of Islamic banking. Nowadays, Islamic banking faces challenges to compete with conventional banking, and good IC management can provide competitive advantages, especially in terms of product innovation, service development, and increasing operational efficiency. This study is also important because it looks at the performance of Islamic banks not only from the aspect of financial profit alone, but more holistically, by considering social aspects, the welfare of the community, and sustainability which are the focus of Maqasid al-Shariah. This study highlights the relationship between the socio-economic objectives of Islamic banks and IC management, which is often overlooked in existing banking literature. In Indonesia, the development of Islamic banks shows great potential to contribute to the economy and the welfare of the community. This study will fill the existing gap by providing an understanding of how IC can be optimized in the context of Islamic banks in Indonesia, which is certainly different from the context of conventional banks. This could pave the way for new strategies in managing Islamic banks that are more sustainable and efficient.

Most of the existing research on Islamic banks in Indonesia focuses more on the financial performance aspect without considering the social and spiritual impacts that are the main objectives of Islamic banks. This study will fill this gap by integrating Maqasid al-Shariah in measuring the performance of Islamic banks, which includes social impacts, sustainability, and

the welfare of the community, not just financial profit alone. Although there are several studies that discuss the management of Intellectual Capital in banking, research that links IC to the achievement of Maqasid al-Shariah in the context of Islamic banking is still very limited. This study provides a new perspective by focusing on how IC management can affect not only financial performance, but also the extent to which Islamic banks can meet social goals in accordance with Maqasid al-Shariah.

Although Islamic banks in Indonesia are growing rapidly, many existing studies have not specifically analyzed IC management and Islamic bank performance from an Indonesian perspective. This study is expected to provide relevant empirical contributions in the Indonesian context, especially in connecting theory with practices that occur in the field. Many previous studies have not deeply explored the role of human resources and innovation in IC management in Islamic banks. This research will highlight how human resource management, product innovation, and technology can help Islamic banks to not only improve financial performance, but also achieve the desired sustainability and social impact.

## 2. Literature Review

### 2.1 Previous Research Review

Ramadhan et al (2018) research tested the performance of *intellectual capital* and the performance of *maqashid sharia* of Islamic banking in Indonesia. The researchers found that the allocation of personnel burdens on the measurement of *human capital* owned by Islamic banking was able to create high *added value to the company*. In the third finding, *structural capital* did not affect the performance of *maqashid sharia* in Islamic banking. This indicates that the total cost or investment in infrastructure and operational activity systems issued by the company was unable to provide *added value* to the fulfillment of *maqashid sharia*.

Hartono (2018) conducted research with the object of 11 Islamic general banks in Indonesia. In his research, *the Islamic Corporate Governance* (ICG) variable used the content analysis method, *Intellectual Capital* (IC) proxied by iB-VAIC and the current method for the *Maqashid Syariah Index* (MSI)., iB-VAIC has a positive and significant effect on MSI of Islamic banks in Indonesia. Optimization of IC (*customer, human and structural capital*) will have an impact on increasing the achievement of *maqashid sharia* goals.

The results of the study showed Septiani et al. (2021) that *Capital Employed* owned by Islamic banking in the form of physical assets in the company's operational activities For fulfil regulation or just formality only, in matter This operational Islamic banking yet based on principle *maqasid sharia*. High Human *Capital* No make Islamic banks have performance high *maqashid sharia* as well. This is can happen Because number sufficient salary height and allowance employee No ensure productivity workers are also high. Lastly, *Structural Capital* ( iB -STVA) has an influence negative No significant towards the Performance of *Maqashid Syariah*. This is can happen Because every practices and activities banking For managing structural capital only refers to the action legitimacy that seeks create mark company only, or structural capital The same with conventional.

Studies conducted Rehman et al., (2022) give proof that performance of Islamic banks (IB) especially driven by investment in ICE. The results show that structural capital efficiency (SCE) and relational capital efficiency (RCE) are booster important values in reach performance high in Islamic banks. The results disclose that efficiency source Power human (HCE) influence negative to IB performance. Bank size and ownership foreigners are also

Published by:

identified as booster significant IB performance. This study help IB to maintain their ICE assets Because they is booster main For maintain superiority competitive as well as increase bank productivity.

The results of a study conducted by Ozkan, et al. (2017) which tested the relationship between intellectual capital performance and financial performance in 44 banks operating in Turkey between 2004 and 2015, calculated using the Value Added Intellectual Coefficient (VAIC) according to bank type, proved that the regression results showed that Human Capital Efficiency (HCE) and Capital Employed Efficiency (CEE) had a positive effect on bank financial performance. CEE had a greater effect on financial performance compared to HCE. Therefore, the banking sector in Turkey must use its financial and physical capital if it wants to achieve a higher level of profitability. Structural Capital Efficiency (SCE) did not have a significant effect on bank financial performance.

Researchers Abbas, et al. (2021) studied influence *human capital* towards performance company study at PT Safaat Musma Indah stated that there is influence between human capital with performance finance. *Human capital* is combination from skills, knowledge, innovation and abilities from the workers so that can create a mark For to reach purpose. If employee Work with good performance, then will influential positive for organization For reach optimal goals.

Management *human capital* and *structural capital* according to researcher Kafidin (2020) in appropriate will can increase performance company. In general efforts made by management company is with method ensure that available employee with competence in accordance with need company as well as help create culture and environment stimulating work growth quality performance, providing form appreciation and commitment company to welfare at the source Power human owned shown through giving service guarantee health and security day old.

## 2.2 Theoretical basis

### 2.2.1. Resource Based Theory (RBT)

*Resource Based Theory* is a theory that describes that companies can increase competitive advantage by developing resources so that the company is able to survive in the long term (Barney, 1991). Meanwhile, according to Grant (1991) quoted in (Ramadhan et al., 2018), *Resource Based Theory* is a theory that describes that by developing existing resources, it can direct companies to survive in the long term and can increase competitive advantage. RBT states that companies have resources that can provide competitive advantage, and have the potential to achieve good long-term performance (Ulum et al., 2017).

### 2.2.2. Stakeholder theory

*Stakeholder* theory according to Hermawan (2018) assumes that companies that tend to make their stakeholders better are companies that are able to maintain support, and their participation will continue to grow over time. In the theory, it is stated that stakeholders *are* groups whose existence can be influenced or affect the company. It can be concluded that stakeholders are an important part of the company's sustainability.

### 2.2.3. Intellectual Capital

The definition of intellectual capital according to Stewart, quoted by Ulum, (2017) defines intellectual capital as the sum of all people in a company that provide a competitive advantage in the market, namely intellectual material knowledge, information, intellectual property, and experience that can be used to create wealth. *Intellectual capital components* can generally be

Published by:

classified into 3 parts, namely *human capital*, *structural capital* and *capital employed*.

#### 2.2.4. *Maqashid Sharia*

Linguistically, it consists of two words, namely *maqashid* which means goal and *sharia* is everything that has been determined and explained by Allah to His servants related to legal matters (Shidiq, 2009). So it can be concluded that *maqashid sharia* is the goal of realizing the welfare of humanity both in this world and in the hereafter (Ramadhan et al., 2018)

### 2.3. *Connection between Variables Research*

#### 2.3.1 *The Relationship between Human Capital and Maqashid Syariah Performance*

One of the HC measurements is by using Value Added Human Capital (VAHU) which explains how much added value can be generated with funds spent on labor (Muhanik & Septiarini, 2017). The relationship between HC and VA includes showing HC's ability to create company value (Ulum, 2017). Furthermore, according to Ulum (2017) referring to stakeholder theory, employees as an important part of stakeholders will maximize their intellectual abilities to create value for the company.

#### 2.3.2 *Connection Capital Employed with Maqashid Syariah Performance*

Based on RBT theory, source Power human (HR) or in matter This employee companies that have skills and competencies tall will become superior compete for company If utilized and managed with okay then matter This can have an impact on increasing productivity employee ( Lusda et al., 2017). The relationship with performance *maqashid sharia*, namely if Islamic bank employees do good service according to Islamic norms or in accordance with standard Islamic banking, will add trust Customers to Islamic banks.

#### 2.3.3 *The Relationship between Structural Capital and Maqashid Syariah Performance*

*Structural capital* plays a role in performance banking, that is, with the provision of infrastructure and a system or good procedure for supporting work employees effectively (Ramadhan, 2017). In relation to performance *maqashid sharia* , based on the RBT concept that If Keep going increasing structural capital in the form of infrastructure and also system or procedure appropriate transaction sharia principles, company Islamic banking will can compete in business banking and will more good performance too the resulting sharia *maqashid* (Ramadhan et al., 2018).

### 3. Research Method

This quantitative investigation examines [research topic] through hypothesis testing, statistical analysis, and data-driven findings (Sugiyono, 2018). The data used by the researcher is cross *section* data , in the form of annual financial reports of Islamic banks for 2018-2022 which are available on the official websites of each Islamic bank. This research examines Indonesian Islamic Commercial Banks with publicly available annual financial reports during the 2018-2022 observation period.

The population of Islamic Commercial Banks in Indonesia is 14 banks. After through the process of taking sample based on criteria sample , has taken sample of 11 Islamic Commercial Banks in Indonesia. This research investigates Maqashid Sharia performance, conceptualized as individual education, justice, and welfare promotion, following Abu Zarah (2014) and Mohammed (2015).

The dependent variable used by the researcher is *Intellectual Capital*, the components of which

Published by:

are divided into X1 = Islamic banking- *human capital*, X2 = Islamic banking- *capital employed*, X3 = Islamic banking- *structural capital*. Ulum (2013) developed a method for measuring *intellectual capital* using a standard Islamic accounting approach so that it is suitable for Islamic banking in Indonesia or the measure is called Islamic Banking- *Value Added Intellectual Capital* (iB-VAIC), which consists of *structural capital* (SC), *human capital* (HC), *capital employed* (CE)

Table 1. Operationalization Variables

| Concept (purpose)               | Dimension (D)                                             | Element (E)                                | Performance Ratio                                                       |
|---------------------------------|-----------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------|
| Educating Individuals           | D1. Advancing knowledge                                   | E1. Educational assistance<br>E2. Research | R1. Educational assistance/total burden<br>R2. Research load/total load |
|                                 | D2. Implement and improve new skills                      | E3. Training                               | R3. Training load/total load                                            |
|                                 | D3. Creating awareness of Islamic banking                 | E4. Publication                            | R4. Promotion expenses/total expenses                                   |
| Upholding justice               | D4. Fair return                                           | E5. Fair return                            | R5. Undivided profit sharing/Net income or investment                   |
|                                 | D5. Affordable products and services                      | E6. Distribution function                  | R6. Mudharabah & musyarakah financing/total financing                   |
|                                 | D6. Eliminate negative elements that can create injustice | E7. Interest-free products                 | R7. Interest-free income/total income                                   |
| Maintaining the Public Interest | D7. Profitability                                         | E8. Profit ratio                           | R8. net profit/total assets                                             |
|                                 | D8. Income & welfare levy                                 | E9. Individual income                      | E9. Zakat paid/net assets                                               |
|                                 | D9. Investment in the real sector                         | E10. Investment ratio in the real sector   | R10. Real sector investment/total investment                            |

Table 2. Conceptual Weight and Measurement Elements of *Maqashid Syari'ah*

| Purpose (Concept)         | Average Weight(%) | Element (E)                | Average Weight (%) |
|---------------------------|-------------------|----------------------------|--------------------|
| T1. Educating Individuals | 30                | E1. Educational Assistance | 24                 |
|                           |                   | E2. Research               | 27                 |
|                           |                   | E3. Training               | 26                 |
|                           |                   | E4. Publication            | 23                 |
|                           |                   | Total                      | 100                |
| T2. Upholding Justice     | 41                | E5. Fair Return            | 32                 |

Published by:

|                    |     |                                             |     |
|--------------------|-----|---------------------------------------------|-----|
|                    |     | E6. <i>Fair Price</i>                       | 32  |
|                    |     | E7. Interest-free products                  | 38  |
|                    |     | Total                                       | 100 |
| T3. Public Welfare | 29  | E8. Profit ratio                            | 30  |
|                    |     | E9. Transfer of income                      | 33  |
|                    |     | E10. Investment ratio in<br>the real sector | 37  |
| Total              | 100 | Total                                       | 100 |

### 1. Calculating iB-Value Added (iB-VA)

The first stage is to calculate the iB-Value Added (iB-VA), the concept is to measure the added value generated by employees for the company, iB-VA is calculated in the following way:

$$iB - VA = OUT - IN$$

OUT (Output): Total income obtained from:

Net income from sharia activities = main operating income from sharia activities + other operating income – third party rights to profit sharing and contemporary partnership.

IN (input): Business/operational expenses and non-operational expenses except personnel/employee expenses

Value added (iB-VA) can also be calculated from the company's accounts as follows:

$$iB - VA = OP + EC + D + A$$

Information:

OP = *Operating Profit* (operating profit/business profit)

EC = *Employee Costs* (employee expenses)

D = *Depreciation*

A = *Amortization*

### 2. Calculating iB- Value Added Capital Employed (iB-VACA)

The second stage is by calculating *Value Added Capital Employed* (iB-VACA). iB-VACA is an indicator for iB-VA created by one unit of human capital. This ratio shows the contribution made by each unit of CE to the company's *value added*.

$$iB - VACA = \frac{VA}{CE}$$

Information:

iB-VACA = *Value Added Capital Employed* : the ratio of iB-VA to CE

iB-VA = *Value Added*

CE = *Capital Employed* : available funds (total equity)

### 3. Calculating iB-Value Added Human Capital (iB-VAHU)

iB-VAHU shows how much iB-VA can be generated with the funds spent on labor. This ratio shows the contribution made by each rupiah invested in HC to the organization's *value added*.

Published by:

$$iB - VAHU = \frac{VA}{HC}$$

Information:

iB-VAHU = *Value Added Human Capital* : the ratio of iB-VA to HC

iB-VA = *Value Added*

HC = *Human Capital* : employee burden

#### 4. Calculating *Structural Capital Value Added* (iB-STVA)

This ratio measures the amount of SC required to generate one rupiah of iB-VA and is an indication of how successful the SC is in value creation.

$$iB - STVA = \frac{SC}{VA}$$

Information:

iB-STVA = *Structural Capital Value Added* : ratio of SC to IB-VA

SC = *Structural Capital* (iB-VA – HC)

IB-VA = *Value Added*

#### 5. Calculating the *Value Added Intellectual Coefficient* (iB-VAIC™)

IB-VAIC™ indicates the intellectual capability of an organization which can also be considered as BPI ( *Business Performance Indicator* ). iB-VAIC™ is the sum of the three previous components, namely iB-VACA, iB-VAHU, and iB-STVA.

$$iB - VAIC^{TM} = iB - VACA + iB - VAHU + iB - STVA$$

## 4. Findings and Discussions

### 4.1 Statistics Descriptive

**Table 3.** Statistics Descriptive Variables Study

Date: 02/29/24

Time: 18:14

Sample: 2018 2022

|              | Y         | X1        | X2        | X3        |
|--------------|-----------|-----------|-----------|-----------|
| Mean         | 0.368458  | 2.831041  | 0.325266  | 0.278127  |
| Median       | 0.401116  | 2.839010  | 0.332230  | 0.668141  |
| Maximum      | 0.451859  | 6.385628  | 0.649587  | 3.607604  |
| Minimum      | -0.259809 | -4.736759 | -0.188004 | -27.66108 |
| Std. Dev.    | 0.130044  | 1.853226  | 0.204207  | 3.891711  |
| Skewness     | -3.560026 | -1.142144 | -0.391035 | -6.885871 |
| Kurtosis     | 15.55202  | 6.815107  | 2.462907  | 50.12663  |
| Jarque-Bera  | 477.2360  | 45.31316  | 2.062733  | 5524.246  |
| Probability  | 0.000000  | 0.000000  | 0.356519  | 0.000000  |
| Sum          | 20.26521  | 155.7073  | 17.88961  | 15.29700  |
| Sum Sq. Dev. | 0.913217  | 185.4600  | 2.251820  | 817.8524  |

---

|              |    |    |    |    |
|--------------|----|----|----|----|
| Observations | 55 | 55 | 55 | 55 |
|--------------|----|----|----|----|

---

*Source : output proses*

From the results analysis, Descriptive Table 4.3 provides descriptive statistics for each variable research. Related variables study This is performance proxied maqashid sharia Maqashid Syariah index (MSI) (Y) as variable dependent and variable independent. His is variable intellectual capital per component, including Human Capital or iB -VAHU (X1), Capital Employed or iB -VACA (X2), and *Structural Capital* or iB -STVA (X3).

Within the period 2018-2022, MSI has marked a maximum and minimum of 0.45 banks and -0.25, with an average value of 0.368458 and a standard deviation as big as 0.130044. The value of the mean is bigger than the standard deviation, which means that if the data increases uniformly (homogeneously) or shows a level, its deviation is small.

maximum and minimum values of *Human Capital* (iB -VAHU) are 6.38 and -4.73. Meanwhile, the mean value is bigger than the mark deviation, with a 2.831041 value mean and a 1.853226 value For deviation. This means the data homogeneous, and the deviation relatively small.

*Capital Employed* (iB -VACA) has homogeneous data. Because the mark mean is bigger, 0.325, while the deviation has a value of 0.204, the mark variable tends to have minimal deviation. The highest value is 0.64, while the bank obtained the lowest value, -0.188.

*Structural Capital* or iB -STVA has minimum and maximum values of 3,607 and -27,661. While the mark mean is 0.278127 and the value deviation is 3.891711, the value mean is smaller than the mark deviation, so it matters. This shows that the data does not vary enough and has a deviation that tends to be too big.

#### 4.2 Assumption Test Classic

The results of the normality test show that the normality test has a value of Jarque-Bera of 96.22602 and a mark probability of 0.058701. So, from that, we can conclude that the model in the study is normally distributed because the mark probability is more big from 0.005.

The multicollinearity test results on variables independent show no one with a VIF value higher than 10. Then, you can conclude that there is no problem with multicollinearity between variables free.

The results of heteroscedasticity show that the values of probability variables X1 0.1128, X2 0.1114, and X3 0.509 indicate a mark with a probability greater than 0.05. There are no symptoms of heteroscedasticity. The probability that shows a mark less than 0.05 is variable Y, and then heteroscedasticity happens.

#### 4.3 Panel Data Regression Model Selection Test

The results of the *chow test* on the *Common Effect Model* vs *Fixed Effect Model* show that the Probability *Cross-section Chi-square value* is  $0.0000 < 0.05$ , so the  $H_0$  hypothesis is rejected and  $H_1$  is accepted, so the Fixed Effect Model (FEM) is more appropriate to use.

Table 4. Model Test Results Using *the Chow Test*

Model Test Results Using *the Chow Test*  
Redundant Fixed Effects Tests  
Equation: Untitled  
Cross-section fixed effects test

| Effects Test             | Statistics | df      | Prob.  |
|--------------------------|------------|---------|--------|
| Cross-section F          | 7.352160   | (10.41) | 0.0000 |
| Cross-section Chi-square | 56.495526  | 10      | 0.0000 |

Source: *Output process*

The results of the Hausman test on the Random Effect Model vs Fixed Effect Model show that the random cross-section probability value is  $0.0000 < 0.05$ , then the hypothesis  $H_0$  is rejected and  $H_1$  is accepted, so the Fixed Effect Model ( FEM ) is more appropriate to use.

Table 5. Model Test Results Using *Hausman test*

| Correlated Random Effects - Hausman Test |                  |            |        |
|------------------------------------------|------------------|------------|--------|
| Equation: Untitled                       |                  |            |        |
| Cross-section random effects test        |                  |            |        |
| Test Summary                             | Chi-Sq. tatistic | Chi-Sq. df | Prob.  |
| Random cross section                     | 67.674587        | 3          | 0.0000 |

Source: *Output Process*

The Lagrange test multiplier in the Common Effect Model vs The Random Effect Model shows that the Breusch-Pagan Cross-section value is  $0.0046 \leq 0.05$ , so the hypothesis  $H_0$  is rejected and  $H_1$  is accepted, so the Random Effect Model (REM) is more appropriate to use.

Tabel 6. Model Test Results Using Lagrange Multiplier Test  
Hypothesis Testing

|                      | Cross section        | Time                  | Both                  |
|----------------------|----------------------|-----------------------|-----------------------|
| reusch Pagan         | 8.015831<br>(0.0046) | 1.745261<br>(0.1865)  | 9.761092<br>(0.0018)  |
| Honda                | 2.831224<br>(0.0023) | -1.321083<br>(0.9068) | 1.067831<br>(0.1428)  |
| King Wu              | 2.831224<br>(0.0023) | -1.321083<br>(0.9068) | 0.396834<br>(0.3457)  |
| Standardized Honda   | 3.398027<br>(0.0003) | -1.121653<br>(0.8690) | -1.736208<br>(0.9587) |
| Standardized King Wu | 3.398027<br>(0.0003) | -1.121653<br>(0.8690) | -2.285987<br>(0.9889) |
| Gourieroux, et al.   | --                   | --                    | 8.015831              |

Source: Output Process

Based on the test results carried out through the *Chow test*, *Hausman test* and *Lagrange test multiplier*, it can be concluded that the panel data regression model of the three models aims to strengthen the conclusions of the panel data regression method used. Therefore, the panel data regression model that will be used is the *Fixed Effect Model* (FEM) to further analyze in this study.

Table 7. Panel Data Regression Test Results Using *Fixed Effect Model*

| Variable | Coefficient | Std. Error | t-Statistic | Prob.  |
|----------|-------------|------------|-------------|--------|
| C        | 0.341244    | 0.027932   | 12.21683    | 0.0000 |
| X1       | 0.023015    | 0.009240   | 2.490892    | 0.0169 |
| X2       | -0.105111   | 0.118932   | -0.883794   | 0.3820 |
| X3       | -0.013496   | 0.002694   | -5.009872   | 0.0000 |

Table 8. Effects Specification

| Cross-section fixed (dummy variables) |           |                      |          |
|---------------------------------------|-----------|----------------------|----------|
| Root MSE                              | 0.061672  | R-squared            | 0.770934 |
| Mean dependent variable               | 0.368458  | Adjusted R-squared   | 0.698303 |
| SD dependent var                      | 0.130044  | SE of regression     | 0.071429 |
| Akaike information criterion          | -2.224892 | Sum squared residual | 0.209187 |
| Black criterion                       | -1.713934 | Log-likelihood       | 75.18453 |
| Hannan-Quinn critter.                 | -2.027301 | F-statistic          | 10.61445 |
| Durbin-Watson stat                    | 2.199074  | Prob(F-statistic)    | 0.000000 |

Source: Output Process

From the equation above, it can be interpreted as follows:

1. The constant value is 0.341244, which means that the constant value shows that the magnitude of *Maqashid Syariah Performance* is 0.341244 if all independent variables are 0.
2. The regression coefficient value of X1 ( *Human Capital* ) is 0.023015, state that every addition variable X1 ( *Human Capital* ) is 1% then mark variable Y ( *Maqashid Syariah Performance* ) increased of 0.023015 with assumption variable free other size constant. Coefficient worth positive, meaning There is connection direct between *Human Capital* with the Performance of *Maqashid Syariah*.
3. The regression coefficient value of X1 ( *Capital Employed* ) is -0.105111, state that every decline variable X1 ( *Capital Employed* ) is 1% in value variable Y ( *Maqashid*

*Syariah Performance* ) decreased of -0.105111 with assumption variable free other size constant

**Table 9.** Analysis Panel Data Regression with Random Effect Model

| Variable | Coefficient | Std. Error | t-Statistic | Probability |
|----------|-------------|------------|-------------|-------------|
| C        | 0.293645    | 0.407632   | 0.720369    | 0.4738      |
| CR       | -0.044837   | 0.084371   | -0.531425   | 0.5969      |
| ROE      | 1.489513    | 0.310414   | 4.798473    | 0.0000      |
| DER      | -0.117372   | 0.258444   | -0.454148   | 0.6512      |

Source : Secondary data processed (2019).

Thus , from the results of Table 8 above can formulated form The multiple linear regression analysis equation is as follows :

$$RS_{it} = \alpha + \beta_1 CR_{it} + \beta_2 ROE_{it} + \beta_3 DER_{it} + \varepsilon \dots\dots\dots (3.12)$$

$$RS_{it} = 0.293645 - 0.044837 CR_{it} + 1.489513 ROE_{it} - 0.117372 DER_{it} \dots (4.1)$$

In the equation regression said, can explained as follows:

1. The constant value in the regression equation model is 0.293645. This means that if *the current ratio, return on equity, and debt-to-equity ratio variables* are 0 (zero), then the stock return variable is 29.3645%.
2. Variable  $X_1$  ( *Current Ratio* ) has a negative regression coefficient of -0.044837. This means that if the current ratio variable increases by 1%, the stock return variable will decrease by 4.4837%, assuming that *the return on equity and debt-to-equity ratio variables* are constant.
3. Variable  $X_2$  ( *Return on Equity* ) has a regression coefficient of 1.489513. This means that if the return on equity variable increases by 1%, the stock return variable will increase by 148.9513%, assuming that the current ratio and debt-to-equity *ratio variables* are constant.
4. Variable  $X_3$  ( *Debt to Equity Ratio* ) has a negative regression coefficient value of -0.117372. This means that if the debt to equity ratio variable increases by 1%, the stock return variable will decrease by 11.7372%, assuming that the *current ratio and return on equity variables* are constant.

#### 4.4. Hypothesis Testing

The purpose of this test is to determine whether each independent variable has an influence on the dependent variable. Here are the results of the t-test:

Table 10. Results of Individual Parameter Significance Test (T Statistic Test)

| Variable | Coefficient | Std. Error | t-Statistic | Prob.  |
|----------|-------------|------------|-------------|--------|
| C        | 0.341244    | 0.027932   | 12.21683    | 0.0000 |
| X1       | 0.023015    | 0.009240   | 2.490892    | 0.0169 |
| X2       | -0.105111   | 0.118932   | -0.883794   | 0.3820 |

Published by:

---

|    |           |          |           |        |
|----|-----------|----------|-----------|--------|
| X3 | -0.013496 | 0.002694 | -5.009872 | 0.0000 |
|----|-----------|----------|-----------|--------|

---

Source: Output process

1. Hypothesis first (H<sub>1</sub>) influences *human capital* towards performance *purpose of sharia* produce mark significance  $0.0169 < 0.05$  with mark *t-statistic* of 12.21683. This shows that the probability is influential to the performance of Maqashid Sharia, so the hypothesis (H<sub>1</sub>) that the researcher proposed was accepted.
2. Hypothesis first (H<sub>2</sub>) influence *Capital Employed* against performance *purpose of sharia* produce mark significance  $0.3820 > 0.05$  with mark *t-statistic* is -0.883794. This shows the probability of No influence on the performance of maqashid sharia, so the hypothesis (H<sub>2</sub>) that was proposed was rejected.
3. Hypothesis first (H<sub>3</sub>) influences Structural Capital to the performance *purpose of sharia* produce mark significance  $0.0000 < 0.05$  with a mark *t-statistic* of -5.009872. This shows that the probability is influential in the performance of Maqashid Sharia, so the hypothesis (H<sub>3</sub>) that the researcher proposed was accepted.

#### 4.5. Interpretation and Discussion of Research Results

##### 4.5.1. The Influence of Human Capital (iB -VAHU) on the Performance of Maqashid Syariah

The hypothesis test that has been done previously shows that Intellectual Capital from component Human Capital (IB-VAHU) has a positive influence on variable performance *Maqashid Syariah* (MSI). This shows that the allocation of personnel burden on the measurement of *human capital* owned by Islamic banking is able to create high *added value to the company*. Supported by research by Ramadhan et al. (2018), *Human capital* has a significant positive effect on the performance of maqashid syariah of Islamic banking. As well as researcher Septiani et al. (2021).

##### 4.5.2. Influence Capital Employed (iB -VACA) on Maqashid Performance

From the hypothesis test that was conducted previously, it was shown that *Intellectual Capital* from the *Capital Employed component* (IB-VAHU) has no effect on the performance variable of *Maqashid Syariah* (MSI). The results of this study indicate that *Capital Employed* in the form of physical and financial asset values owned by Islamic banking in the company's routine processes may only be implemented to fulfill regulations or just formalities, but has not been based on the principles of maqashid sharia. Islamic banking still manages its resources based on concepts taken from conventional banking to Islamic banking, so that the sharia concept that should be applied is only limited to the creation of company value alone. This is in line with the opinion of Ramadhan et al. (2018) which states that Islamic banking services in Indonesia are felt to have no significant difference with conventional banking, Islamic banking services are more dominant in banking products than in aspects of customer service. Thus, these results indicate that the efficiency of working capital use in Islamic banking, especially for employees, has not met good maqashid sharia performance.

##### 4.5.2. Influence Structural Capital (iB -STVA) on Maqashid Performance

From the hypothesis test that has been done previously show that the Intellectual Capital of component *Structural Capital* (iB -STVA) influential negative to variable performance *Maqashid Syariah* (MSI). Researcher's results Septiani, et al (2021), namely *structural capital* has an influence negative to performance *maqasid sharia* matter This show that Structural

aspects within the organization, such as systems, procedures, or infrastructure, do not support the optimal achievement of sharia objectives .

## 5. Conclusion and Suggestion

### 5.1 Conclusion

Based on the results research that has been done , then can concluded things as following :

1. *Human capital* (iB -VAHU) has an influence positive to performance *maqashid sharia* . This shows that the allocation of personnel burden on the measurement of *human capital* owned by Islamic banking is able to create high *added value to the company*.
2. *Capital employed* (iB -VACA) no influential to performance *maqashid sharia* . This is can due to that *Capital Employed* in the form of physical and financial asset values owned by Islamic banking in the company's routine processes may only be implemented to fulfill regulations or merely as a formality, but is not yet based on the principles of *maqashid sharia*.
3. *Structural capital* (iB -STVA) has a negative effect on performance *maqashid sharia*. This shows that Structural aspects within the organization, such as systems, procedures, or infrastructure, do not support the optimal achievement of sharia objectives.

Based on the conclusions presented above, the writer submits some suggestions from study this, namely as following :

#### 1. For Companies

The study's results are expected to provide information for Islamic banking to continue developing its ability to optimally empower intellectual capital. It should realize the importance of good management in managing all its assets, including intangible assets, and not forget that the goal of Islamic general banks is to differentiate itself from conventional banks.

#### 2. For Researchers Furthermore

It is expected to be used as a material reference in developing similar research and as a reference in the development theory of *Islamic banking- intellectual capital* and *maqashid sharia* index. It is recommended For developing research. Development can done with method Can test with other objects such as company non - bank Sharia finance (insurance, *multifinance*, pawnshops and others), taking the sample in a company abroad so that you can compared , and Can with add variable research , adding term time or period research , and add sample company for research own variation new and more complete.

## References

- Bontis, N. (2005). Measures and models Intellectual capital: an exploratory study that develops measures and models . *National Center for Management Research and Development* , 63–76.
- Ghadas, Z. A. A., Aziz, H. A., Udin, N. M., & Radzi, M. S. N. M. (2019). “Social Corporation” The Sharia Business Entity Model: A Corporate Structure with Embodied CSR. *International Journal of Academic Research in Business and Social Sciences*, 8(12), 1569–1578. <https://doi.org/10.6007/ijarbss/v8-i12/5259>

- Ghozali, I. (2012). Multivariate Analysis Application with IBM SPSS Program. *Diponegoro University*.
- Hartono, N. (2018). Analysis of the Influence of Islamic Corporate Governance (ICG) and Intellectual Capital (IC) on the Maqashid Syariah Index (MSI) in Islamic Banking in Indonesia. *Al-Amwal: Journal of Islamic Economics and Banking*, 10 (2), 259. <https://doi.org/10.24235/amwal.v10i2.3249>
- Hermawan, H. (2018). The influence of Islamic intellectual capital on the performance of maqashid sharia with corporate governance as a moderating variable (Vol. 1, Issue 2).
- Kafidin, M. (2020). Analysis of the Influence of Human Capital and Structural Capital on Company Performance. *Journal of Research and Technology*
- Mayangsari, S., & Reditha, D. (2016). Factors Affecting Intellectual Capital Disclosure. *Accounting, Auditing and Information Research Media*, 16, 1–24.
- Mohammed, MO, & Razak, DA (2015). Developing Islamic Banking Performance Measures Based on Maqasid Al-Shari'Ah Framework: Cases of 24 Selected Banks). *Journal of Islamic Monetary Economics and Finance*.
- Muchlis, S., Rimi, &, Mais, G., Study, C., & Management, F. (2022). Financial performance analysis of sharia banking with maqashid syariah index method AKURASI 261. *Jurnal Riset Akuntansi Dan Keuangan*, 4(3), 261–276.
- Mutia, E., & Musfirah, N. (2018 ). Maqashid Syariah Index Approach as a Measurement of Islamic Banking Performance in Southeast Asia. *Indonesian Journal of Accounting and Finance*, 14 (2), 181–201.
- Nazir, M. (2011). *Research Methods* (6th ed.). Ghalia Indonesia.
- Ozkan, N., Cakan, S., & Kayacan, M. (2017). Intellectual capital and financial performance: A study of the Turkish Banking Sector. *Borsa Istanbul Review*, 17 (3), 190–198. <https://doi.org/10.1016/j.bir.2016.03.001>
- Puspitosari, I. (2017). Intellectual Capital and Financial Performance Using Islamicity Performance Index in Sharia General. HUNFAFA: Jurnal Studia Islamika, 13(2), 248.
- Ramadhan, MIB (2017). The Influence of Intellectual Capital (Ib-VAIC) on the Performance of Maqashid Syariah ( *Empirical Study of Islamic Banking in Indonesia for the Period 2012-2015*) . Muhammadiyah University of Yogyakarta.
- Ramadhan, MIB, Abdurahim, A., & Sofyani, H. (2018). Intellectual Capital and Performance of Maqashid Syariah of Islamic Banking in Indonesia. *Journal of Islamic Accounting and Finance*, 6 (April), 5–18.
- Rivandi, M. (2018). The Influence of Intellectual Capital Disclosure, Financial Performance, and Managerial Ownership on Firm Value. *Pundi Journal*, 2 (March), 41–54.
- Sugiyono. (2018). *Educational Research Methods (Quantitative, Qualitative and R&D Approaches)*. Alfabeta.
- Sukardi, B., Fachrurazi, F., & Supriyanto, S. (2019). Sharia Maqashid's Inclusive Performance and Contribution to The Sharia Non-Bank Financial Industry in Indonesia. *Economica: Journal of Islamic Economics*, 10(2), 283–310.

- Septiani, DF, Yahya, I., Hartono, SB, Ningsih, TW, & Maula, FI (2021). Analysis of the influence of intellectual capital and bank risk on the performance of maqashid sharia based Islamic banking in Indonesia. *Journal of Islamic Accounting and Finance Research* , 3 (2), 177–200. <https://doi.org/10.21580/jiafr.2021.3.2.8615>
- Ulum, I. (2009). *Intellectual Capital Concept and Empirical Study* . Graha Ilmu.
- Ulum, I. (2013). *Intellectual Capital Performance Measurement Model With Ib-VAIC In Islamic Banking* . Inference, 7(1), 185.
- Ulum, I. (2015). *Intellectual Capital: Measurement Model, Disclosure Framework and Organizational Performance* . UMM press.
- Ur Rehman, A., Aslam, E., & Iqbal, A. (2022). Intellectual capital efficiency and bank performance: Evidence from Islamic banks. *Borsa Istanbul Review* , 22 (1), 113–121. <https://doi.org/10.1016/j.bir.2021.02.004>
- Wahyuni, S., & Pujiharto. (2012). *Measuring the Performance of “Intellectual Capital” with the iB-VAIC Model: Implementation of Resource Based Theory in Islamic Banking in Indonesia* . Proceeding, The 3rd Call for Syariah Paper UMS, 99–114.
- Walidayni, NA (2017, February). *Intellectual Capital as a Company Benchmark* . Kompasiana. <https://www.kompasiana.com/nuramaliawalidayni/58a481ded69373943edafd97/modal-intelektual-sebagai-tolak-ukur-perusahaan?page=all>
- Widyaningrum, A. (2004). Intellectual Capital. *Indonesian Journal of Accounting and Finance*, 1(1), 16–25.

## Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>)

