

The Urgency of Quality Human Resources Towards Sharia Banking Efficiency

Yeni Suryani¹, *Indar Fauziah Ulfah²

¹Sharia Economics Study Program, Faculty of Economics and Business,
Universitas Terbuka, Indonesia

²Sharia Economics Study Program, Faculty of Economics and Business,
Universitas Terbuka, Indonesia

suryaniyeni518@gmail.com¹, indar@ecampus.ut.ac.id²

Abstract

Sharia Banks as banks that carry out their business activities based on sharia principles, have an important role in financial institutions in Indonesia. This research analyzes how important quality human resources are in ensuring sharia banks can operate efficiently and sustainably. The research method used is qualitative analysis with a literature study or literature review approach. This research shows that the development of quality human resources is very necessary in achieving efficiency in Sharia Banking activities. Quality SDI must have sharia-based human resource competencies. And also as a Muslim who works in sharia banking, you must obey Allah. Increasing SDI competency can be done internally and externally. Human Resources' competencies, characteristics, conformity with Islamic principles are very influential in determining how Islamic banking can work and develop. In this way, sharia banks can improve service quality, increase credibility, and increase customer satisfaction so as to achieve an efficient sharia bank

Keywords: *Human Resources; Sharia Banking; Efficiency; Competence*

INTRODUCTION

Islamic banks are generally financial institutions that focus on providing services such as savings, loans and payments. This bank's operations are based on Islamic sharia principles, in accordance with the teachings of the Koran and Hadith. Therefore, in carrying out their operations, Islamic banks must avoid all practices that conflict with the principles of Islamic sharia, including the prohibition against usury (Agustin, 2021).

Islamic banks are generally financial institutions that focus on providing services such as savings, loans and payments. This bank's operations are based on Islamic sharia principles, in accordance with the teachings of the Koran and Hadith. Therefore, in carrying out their operations, Islamic banks must avoid all practices that conflict with the principles of Islamic sharia, including the prohibition against usury (Agustin, 2021).

In Indonesia, Sharia Banks consist of Sharia Commercial Banks, Sharia Business Units, and Sharia People's Financial Banks. The growth of this sector in Indonesia can be seen from the increasing number of newly formed sharia financial institutions. This growth challenges banking players to continue to innovate and survive in an increasingly competitive market. Islamic banks need to increase their market share to be able to compete with traditional banks where competition is increasingly fierce. Islamic banking must focus on its performance to be able to compete well, increase market share, and gain the trust of the public (Asnaini & Oktarina, 2024).

The growth of Islamic banks in Indonesia as financial institutions that adopt sharia principles must be accompanied by the development of human resources who have sufficient competence, both quantitatively and qualitatively. If the quality of human resources is low, as is the case with several banks in Indonesia, this can lead to fraud. In some cases, this fraud causes huge losses for banks (Sitompul, 2022).

Research by Latifah & Ritonga (2020) shows that the quality and quantity of SDI skills in Indonesia is still low. This low SDI capacity has a negative impact on the operational performance of sharia banking. Lack of human resource capacity causes poor operational performance of sharia-based banking.

According to Nawawi, SDI refers to individuals involved in organizational operations, who are also known as staff members, workforce,

or employees. SDI is an important asset that has a significant impact on every company or financial institution. Without the support of quality human resources, all important assets and operational activities of the company will not be able to reach their maximum potential (Tricahyani, 2018).

As a financial institution that operates banking services based on sharia principles, sharia banks need workers who understand deeply the sharia values and can introduce Islamic values in the principle sharia bank management activities. The environment will encourage economic activities by sharia financial institutions. The problem currently faced by Islamic banks is the limited number of qualified personnel (SDI) for Islamic financial institutions.

Based on this explanation, the author intends to further analyze the urgency of quality SDI on the efficiency of Sharia Banking activities.

The aim of this research is to analyze the influence of the quality of human resources on the sustainable efficiency of Sharia Banking, analyze how Sharia banking creates quality Human Resources and analyze what values measure quality Human Resources in Sharia Banking.

Literature Review

Human Resources

SDI is everything that includes human skills that can be utilized to achieve goals. SDI can also be interpreted as an individual's ability to organize, implement, move or create something to achieve the desired goals (Prasetyo, 2023).

Nawawi explained that human resources have three meanings. First, SDI refers to the individuals involved in the organization, who are also referred to as staff, workforce, or employees. Second, SDI includes individual abilities which are the main driver for the organization to achieve its existence goals. SDI is a potential that becomes an important asset and capital for an organization that can be translated into real possibilities, both physical and non-physical, to support the survival of the organization (Tricahyani, 2018).

Sharia Banking Efficiency

Bank efficiency is an important indicator in analyzing bank performance and plays a role in increasing the effectiveness of monetary policy. Efficiency

can be interpreted as a comparison between the results achieved and the input used, or how efficiently input is used to produce output. Measuring banking efficiency performance is important as a basis for assessing bank health and growth (Praktiko and Sugianto in Asnaini & Oktarina, 2024b). Efficiency in a company, especially in the banking sector, is one of the popular parameters used to evaluate bank performance.

METHODOLOGY

The research method used in this journal is qualitative analysis with a literature study or literature review approach. Literature study is an approach that includes searching for and using relevant references to understand the issue being researched. This approach involves theoretical analysis, reviewing scientific literature, as well as utilizing references and literature that are relevant to local community habits, as well as norms and values that apply in the observed situation (Sugiyono in Ulfa, 2021).

The author searches various journals and related articles to find relevant discussions, as well as describing various topics regarding SDI in Islamic banking. This research also applies a descriptive approach to describe events that occur in reality.

RESULTS AND DISCUSSION

According to Law Number 21 of 2008, Sharia Banking is a bank that carries out its business activities based on Sharia Principles and consists of Sharia Commercial Banks and Sharia Rural Banks. Islamic banking in Indonesia has been recognized as a profit sharing bank (Islamic bank). The presence of Sharia Banking is expected to encourage economic growth in society through the financing that has been provided. In its operations, Sharia Bank adheres to the following principles, namely Justice, Equality and Peace

Data from the Central Statistics Agency shows that the growth of the sharia banking sector in Indonesia has increased, with an increase in the number of BUS and a decrease in the number of UUS. The number of BUS increased by two units from 2014 to 2018, while the number of UUS decreased from year to year.

Table 1. The number of UUS

Bank Groups and offices	Number of banks and offices	
	Bank	Bank Office
	2023	2023
Bank Umum Konvensional - Bank Persero	4	12.392
Bank Umum Konvensional - Bank Pembangunan Daerah	24	3.672
Bank Umum Konvensional - Bank Swasta Nasional	57	6.239
Bank Umum Konvensional - Kantor Cabang Bank Asing	7	19
BUS - Bank Pembangunan Daerah	3	363
BUS - Bank Swasta Nasional	10	1.591
Number of commercial Banks	105	24.276
Bank Perkreditan/Pembiayaan Rakyat - BPR Konvensional	1.402	4.645
Bank Perkreditan/Pembiayaan Rakyat - BPR Syariah	173	520
Number of people's credit/financing banks	1.575	5.165

Source: Badan Pusat Statistik

The growth of sharia banking in Indonesia presents unique challenges where the players must continue to innovate and make various efforts to survive. The improvement in the performance of sharia financial institutions in supporting the Indonesian economy is influenced by public interest in sharia banking services and the existence of regulations that support them, optimization of information technology, and fund management according to Islamic principles, as well as the high quality of SDI (Wahyunitasari et al., 2023).

Efficiency is a metric used to evaluate a bank's overall performance. A bank is said to be efficient if it can achieve its production goals at the lowest possible costs. Therefore, efficiency is related to optimizing the management of available inputs to achieve maximum output. An efficient

bank can control production by producing more output using a certain amount of available input, or by achieving a certain amount of output with less input

Along with the development of Sharia Banking in Indonesia, in order to achieve efficient banking it must also be accompanied by quality human resources. There are many cases of fraud at Sharia Banks, such as the latest case at Bank Victoria Syariah in Bekasi with a total loss of Rp. 35 billion, one of the causes of this fraud is that there is no compatibility between SDI and Sharia Banking principles.

SDI is the potential that becomes assets and capital for an organization that can be translated into real possibilities, both physical and non-physical, to support the survival of the organization (Tricahyani, 2018). Basically, sharia human resources refer to people's faith which recognizes the oneness of God and places God above all else. Sharia-compliant human affairs views Allah as the main controller, present in the heart of every individual in all situations and times (Triyuwono in Syakarna et al., 2021).

HR is the main asset in every organization. Without quality SDI, organizations will have difficulty operating effectively. In Islam, it is hoped that human resources will carry out good actions and avoid bad actions in all their activities and actions. Apart from that, they are also expected to maintain faith in Allah SWT and adhere to the values taught in Islam. As the word of Allah SWT is stated in Q.S Ali-Imran 3:110

كُنْتُمْ خَيْرَ أُمَّةٍ أُخْرِجَتْ لِلنَّاسِ تَأْمُرُونَ بِالْمَعْرُوفِ وَتَنْهَوْنَ عَنِ الْمُنْكَرِ وَتُؤْمِنُونَ بِاللَّهِ وَلَوْ ءَامَنَ أَهْلُ الْكِتَابِ لَكَانَ خَيْرًا لَهُمْ مِّنْهُمْ الْمُؤْمِنُونَ وَأَكْثَرُهُمُ الْفَاسِقُونَ

"You (Muslims) are the best people born to humans, (because you) command (do) what is right, and forbid what is wrong, and believe in Allah. If the People of the Book had believed, it would have been better for them. Among them there are those who believe, but most of them are wicked people."

The author includes previous research regarding Human Resources in Sharia Banking as follows.

Table 2. Research regarding human resources

Name	Article Title	Conclusion
(Febrianti et al., 2022)	The Role of Human Resource Management Development in Sharia Financial Institutions	<p>Islamic financial institutions face the challenge of a lack of workers with special skills. To improve the quality of SDI in the sharia financial sector, it is necessary to strengthen professional SDI management, establish special education and training centers, as well as provide professional incentives to prospective employees and employees in the sharia finance sector. Steps need to be taken, including the provision of institutions.</p> <p>By implementing these steps, Indonesia will overcome personnel gaps and improve the SDI competitiveness of Islamic financial institutions globally, which can benefit the performance of Islamic financial institutions and increase their competitiveness compared to traditional financial institutions (Febrianti et al., 2022).</p>
(F.N. Latifah, 2021a)	Human Resources Required by Sharia Financial Institutions	<p>SDI is an important asset and basic capital for a company. There is a need to increase the development of SDI skills in sharia banks. Apart from that, the employee recruitment process must be in line with Islamic business values which are part of the company culture. Lack of human resource skills will have a major impact on an organization's future business processes. It is hoped that these values can be reflected in HR management activities such as planning, recruitment, selection and training analysis. If</p>

		this is realized, sharia banking SDI will be produced that is quality, mentally competent and professional (F.N. Latifah, 2021a).
(Agustina et al., 2021)	Improving the Quality of Human Resource Management in Sharia Banking	To improve human resource capabilities in Islamic banks today, it is expected that employees have in-depth professional qualifications in the field of finance and banking, comprehensive knowledge of various financial and banking products is required. This involves understanding not only about Islamic banking products but also about the financial structure of conventional banking products which are considered superior to Islamic banking.

To increase SDI efficiency in sharia banking, SDI development is very important and can be done through various strategies, including:

1. Formal education is a method to expand SDI capabilities by gaining knowledge in accordance with Islamic principles, which can then be applied in the context of Sharia Banking.
2. Work environment, is a way to improve HR capabilities through structured and official training programs organized by the company, as well as through education and being active in various organizations.
3. Independent self-development, where a person has the motivation to improve their knowledge, skills and abilities through the process of learning or studying from other people.

Human resources are a crucial element that requires serious attention from an organizational and management perspective, because the success of an entity or task is very dependent on the contribution of the individuals involved in it (Ibid in Tricahyani, 2018). According to Haryanto (2017), sharia-based HR management involves four main competencies, namely:

1. Functional Competency, namely SDI skills in the context of sharia economics including sharia operational activities, sharia financial administration, and sharia financial report analysis.
2. Behavior competency, namely SDI skills to operate effectively by considering sharia values, be flexible, and focus on achieving optimal results.
3. Role competency, namely a person's skills to contribute actively according to their role in the Company, as well as the ability to respond quickly to changes and build effective relationships with other people.
4. Core Competency, namely the skill to communicate thoughts and beliefs in accordance with the vision, mission, values and culture of a company based on sharia (Syakarna et al., 2021)

In Sharia banking, of course SDI needs to have characteristics that must be emulated and imitated by the Prophet. The following are obligatory qualities for the Apostle that need to be used as examples:

1. Shiddiq (right), Shiddiq means having honesty and consistency between words, beliefs and actions, Islamic teachings teach that there is no discrepancy or conscious difference between a person's words and actions. So, Allah gives instructions to believers to always show sincerity and create an environment of honesty. As Muslims, we must always instill integrity in every individual in all activities, including at work.
2. Amanah (trustworthy), Amanah means being responsible and committed to carrying out obligations and duties with full responsibility. We demonstrate an attitude of trust through transparency, honesty, excellent service, and providing the best in every aspect of the work we do. The character of trust is expected to be possessed by all believers, especially those who become volunteers. When carrying out their duties, each individual should ensure that their behavior is always free from sinful acts, so that they are still trusted to carry out any task.
3. Tabligh (conveying commands and prohibitions), Tabligh is an effort to invite and give an example to others to integrate Islamic teachings in everyday life by conveying messages wisely, patiently, argumentatively and persuasively, which will increase the strength and stability of interpersonal relationships. As humans, it is the duty of religious people to

communicate commands and prohibitions to fellow believers throughout the world. This should also apply in the workplace.

4. Fathonah (intelligent), Fathonah this refers to deep understanding, appreciation and comprehension. This attitude encourages the ability to fulfill every task and obligation with full responsibility, which in turn stimulates the ability to be creative and produce useful innovations. Creativity and innovation can only be achieved if you are dedicated to continuously expanding your knowledge, understanding regulations, and researching information about both your work and your company as a whole. Every individual is gifted with unique intelligence by Allah SWT. All that remains is how to carry out the task correctly according to the orders given, and hand over the task to other people (F. N. Latifah, 2021b).

From an Islamic perspective, the four characteristics of the Prophet are the key to success in leading organizations and businesses, because they implement high moral values. In a business context, implementing these values can have a positive impact on the individuals involved in the organization as well as the company as a whole.

If SDI in sharia banks fulfills competencies based on sharia principles, imitates all the characteristics of the Prophet and obeys Allah SWT, then there will be no incidents such as fraud, corruption, abuse of power, etc. Therefore, the development of SDI is very crucial to meet human resource needs in sharia financial institutions.

Islamic work ethic and work culture are very crucial things to instill in individuals who work in sharia financial institutions. This aims to ensure that they have the qualities of honesty, steadfastness, deep understanding, responsibility and enthusiasm to convey Islamic teachings to others. Individuals who have and understand the Islamic work ethic demonstrate attitudes and behavior where work is considered worship, a calling and a command from Allah which increases their dignity and honor as part of the life of His chosen people.

CONCLUSION

Human resources are an important main asset in a company. Based on previous research and discussions, it shows that in order for Sharia Banking

to be efficient in accordance with Sharia Banking principles, improvements are needed in developing SDI competencies in Islamic banks.

To increase the efficiency of Islamic banks, developing quality SDI is very important. Quality SDI must have skills that are in accordance with sharia principles, namely Functional Competency, Behavior Competency, Role Competency, and Core Competency, able to imitate and apply every characteristic of the Prophet, namely the characteristics of Siddiq, Amanah, Tabligh, and Fathonah. And also as a Muslim who works in sharia banking, you must obey Allah SWT. The characteristics, nature of work ethic and Islamic culture with competence, optimality and advantages in accordance with Islamic principles must also be applied to SDI in Sharia Banking. Increasing SDI expertise can be done internally and externally. In this way, sharia banks can improve service quality, increase credibility, and increase customer satisfaction so as to achieve efficient sharia banks.

REFERENCES

- Agustin, H. (2021). Sharia Bank Theory. *JPS (Journal of Sharia Banking)*, 2(1), 67-83.
- Agustina, D. A., Dimawan, A. E., Ridho, M. F., & Latifah, F. N. (2021). Improving the quality of human resource management in sharia banking. *Journal of Education and Development*, 9(3), 98-101.
- Asnaini, A., & Oktarina, A. (2024a). Potential Contribution of Islamic Education Institutions to the Development of Sharia Banks in Indonesia. *Al-Intaj: Journal of Sharia Economics and Banking*, 6(1), 51-58.
- Asnaini, A., & Oktarina, A. (2024b). Potential Contribution of Islamic Education Institutions to the Development of Sharia Banks in Indonesia. *Al-Intaj: Journal of Sharia Economics and Banking*, 6(1), 51-58.
- Febrianti, R. A., Anggraini, Y. R., & Aprilia, Y. (2022). The Role of Human Resource Management Development in Sharia Financial Institutions. *Izdihar: Journal of Sharia Economics*, 2(2), 1-9.
- Latifah, F. N. (2021a). Human Resources Required by Sharia Financial Institutions. *Izdihar: Journal of Sharia Economics*, 1(1), 1-18.

- Latifah, F. N. (2021b). Human Resources Required by Sharia Financial Institutions. *Izdihar: Journal of Sharia Economics*, 1(1), 1-18.
- Latifah, L., & Ritonga, I. (2020). Systematic Literature Review (SLR): Human Resource Competency for the Development of Sharia Banking in Indonesia. *Al Maal: Journal of Islamic Economics and Banking*, 2(1), 63-80.
- Prasetyo, A. (2023). *HUMAN RESOURCE MANAGEMENT*. Airlangga University Press.
- Siregar, E. S., & Sissah, S. (2021). Analysis of the Impact of Merger Policy in the Development of Sharia Banks in Indonesia. *Journal of Sharia Economics, Accounting and Banking*, 5(1), 16-24.
- Sitompul, S. (2022). Fraud is viewed from the perspective of the quality of implementation of good corporate governance, size and complexity of sharia banking. *Syntax*, 2(1), 26-36.
- Syakarna, N. F. R., Krismonika, K., & Azizah, N. (2021). Comparative Analysis of Conventional and Sharia Human Resources (SDI) Concepts. *Musharaka: Journal of Sharia Economics (MJSE)*, 1(1), 48-61.
- Tricahyani, Y. (2018). The Urgency of Human Resources in Sharia Banking Institutions. *Muslim Heritage*, 3(1), 93-114.
- Ulfa, A. (2021). The impact of the merger of three Islamic banks in Indonesia. *Scientific Journal of Islamic Economics*, 7(2), 1101-1106.
- Wahyunitasari, E. D., Sopingi, I., & Musfiroh, A. (2023). Analysis of the Role of Sharia Financial Institutions in the Indonesian Economy: A Library Research Approach. *JIES: Journal of Islamic Economics Studies*, 4(2), 103-114.