

ABSTRACT

Previous research, which conducted research on the performance of maqashid sharia, was still very limited, only limited to measuring maqashid sharia in several banks, comparing scores of maqashid sharia between banks, and was still limited to comparing measurements between two different methods or approaches, as previous research has many measuring banking performance based on maqashid sharia.

This study uses the independent variables of the Sharia Supervisory Board (size, cross-membership, educational qualifications, reputation of expertise, changes in composition) and the structure of the board (board of commissioners and independent commissioners). The dependent variable used is maqashid sharia Sharia Business Units in Indonesia for the 2016-2020 period using the Maqashid based Performance Evaluation Model (MPEM) approach. . The analytical method used is panel data regression.

This study aims to provide empirical evidence about maqashid sharia performance of sharia business units in Indonesia during 2016-2020. Maqashid sharia performance is measured by the Maqashid based Performance Evaluation Model (MPEM) approach. Bank Maybank is the UUS that ranks first in terms of carrying out operations according to maqashid sharia in the 2016-2020 period with an average of 8253.08 and UUS Bank Sinarmas is in second place with a difference in value of 116.22 and in the last order is UUS Bank CIMB Niaga with an average of 3884.84. The impact of DPS Characteristics (Size of DPS, Cross Membership of DPS, Educational Qualification of DPS, Reputation of DPS, Expertise of DPS, and Changes in DPS composition) and board structure (Size of independent commissioners and commissioners) have an important role in improving the performance of sharia business units. The findings show that DPS with DPS size, DPS cross membership, DPS educational qualifications, DPS reputation have a positive effect on maqashid sharia performance, in contrast to the size of the board of commissioners has a negative effect on sharia maqashid performance, while DPS

expertise, changes in DPS composition, and independent commissioners do not affect the performance of maqashid sharia.

Keywords: *Maqashid Sharia; Good Corporate Governance; Sharia Business Unit*