

ABSTRACT

The Sharia Banking industry requires a measurement of performance that corresponding with sharia objectives, because all this time the Sharia Banking performance measurement only adopted to benchmarks of conventional financial performance. This research intends to analyze performance of Sharia Rural Bank (BPRS) in Central Java in the period 2016-2020.

The method used in this research is a descriptive method with Maqashid Sharia Index and Profitability (MSIP) model approach. The object studies were seven Sharia Rural Banks in Central Java. The Maqashid Sharia Index (MSI) model approach used the Sekaran operationalization method with three objectives, namely Educating Individual, Establishing Justice, and the Public Interest. Profitability approach used the ratio of Return On Assets (ROA), Return On Equity (ROE), and Profit Expense Ratio (PER) which is calculated using the Comparative Performance Index (CPI) technique.

The results of this research indicate that based on MSIP method, through Maqashid Sharia (MSI) indicator, the best performance of Sharia Rural Bank is BPRS Suriyah Cilacap and the one of with lowest performance is BPRS Sukowati Sragen. The results through the Profitability indicator show that BPRS Harta Insan Karimah Bahari Tegal has the best performance and BPRS Suriyah Cilacap has the lowest performance. This research also describes the performance of each Sharia Rural Bank in a comparison diagram between the implementation of Maqashid Sharia implementation by the Sharia Rural Bank and its profitability performance. This result indicate that Maqashid Sharia Index can be used to complete the performance measurement of Islamic financial in accordance with the objectives of Maqashid Sharia.

Keyword: Performance, BPRS, Maqashid Sharia Index, Profitability