


EVALUATION OF AWARENESS AND PERCEPTION OF ISLAMIC MICROFINANCE INSTITUTIONS AND HIGHER EDUCATION INSTITUTIONS IN INDONESIA TOWARDS THE IMPLEMENTATION OF SHARIA GOVERNANCE: DYAD'S PERSPECTIVE

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 10 Augst 2022</p> <p>Accepted 28 November 2022</p>	<p>Purpose: This study aims to evaluate and compare the awareness and perceptions of Islamic microfinance institutions and higher education institutions in Indonesia related to implementing <i>Sharia Governance</i>.</p>
<p>Keywords:</p> <p>Syariah Governance; Islamic Microfinance; Baitul Maal wat Tamwil; Bank Pembiayaan Rakyat Syariah; Dyad's Perspective.</p>	<p>Theoretical framework: Academic and professional institutions can play an important role in promoting awareness and knowledge of Islamic banking and finance.</p>
	<p>Design/methodology/approach: This study involved two criteria for a sample of respondents: standards from Islamic microfinance institutions, which include <i>Baitul Maal wat Tamwil</i> (BMT) also known as Islamic Microfinance Institutions and Badan Pembiayaan Rakyat Syariah (BPRS) known as Sharia Smallholder Financing Banks in DKI Jakarta province, as well as university students. Descriptive analysis using Likert scale-based questions was used in reviewing evaluations related to this study. The <i>dyad</i> perspective, which includes the view of microfinance institutions and higher education institutions, is needed in research to find out and compare awareness and perceptions between the two research objects related to knowledge about <i>Sharia Governance</i>.</p>
	<p>Findings: Based on the studies that have been carried out, it can be concluded that there is still a lack of knowledge, information, and insight from students related to the implementation of <i>Sharia governance</i> compared to Microfinance Institutions.</p>
	<p>Research, Practical & Social implications: We suggest for students to increase the information gap between students. Universities can also review the curriculum related to special courses that explain sharia governance.</p>
	<p>Originality/value: The research focusing on the dyadic perspectives of the implementation of shariah governance according to Islamic Microfinance Institutions and Higher Education Institutions in Indonesia.</p>
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AVALIAÇÃO DA CONSCIÊNCIA E PERCEPÇÃO DE INSTITUIÇÕES DE MICROFINANÇAS ISLÂMICAS E INSTITUIÇÕES DE ENSINO SUPERIOR NA INDONÉSIA PARA A IMPLEMENTAÇÃO DA GOVERNANÇA SHARIA: A PERSPECTIVA DA DYAD

RESUMO

Objetivo: Este estudo tem como objetivo avaliar e comparar a conscientização e as percepções de instituições de microfinanças islâmicas e instituições de ensino superior na Indonésia relacionadas à implementação da Governança da Sharia.

Referencial teórico: Instituições acadêmicas e profissionais podem desempenhar um papel importante na promoção da conscientização e do conhecimento dos bancos e das finanças islâmicas.

Desenho/metodologia/abordagem: Este estudo envolveu dois critérios para uma amostra de entrevistados: padrões de instituições de microfinanças islâmicas, que incluem Baitul Maal wat Tamwil (BMT) também conhecido como Instituições de Microfinanças Islâmicas e Badan Pembiayaan Rakyat Syariah (BPRS) conhecido como Sharia Smallholder Financing Banks na província de DKI Jakarta, bem como estudantes universitários. A análise descritiva por meio de questões baseadas em escala Likert foi utilizada na revisão das avaliações relacionadas a este estudo. A perspectiva da diáde, que inclui a visão de instituições de microfinanças e instituições de ensino superior, é necessária na pesquisa para descobrir e comparar a consciência e as percepções entre os dois objetos de pesquisa relacionados ao conhecimento sobre a Governança da Sharia.

Resultados: Com base nos estudos que foram realizados, pode-se concluir que ainda há falta de conhecimento, informação e percepção dos alunos relacionados à implementação da governança da Sharia em comparação com as Instituições de Microfinanças.

Pesquisa, implicações práticas e sociais: Sugerimos que os alunos aumentem a lacuna de informações entre os alunos. As universidades também podem revisar o currículo relacionado a cursos especiais que explicam a governança da sharia.

Originalidade/valor: A pesquisa com foco nas perspectivas diádicas da implementação da governança da sharia de acordo com as Instituições Islâmicas de Microfinanças e Instituições de Ensino Superior na Indonésia.

Palavras-chave: Governança Syariah, Microfinanças Islâmicas, Baitul Maal wat Tamwil, Banco Pembiayaan Rakyat Syariah, Perspectiva da Diáde.

EVALUACIÓN DEL CONOCIMIENTO Y LA PERCEPCIÓN DE LAS INSTITUCIONES ISLÁMICAS DE MICROFINANZAS E INSTITUCIONES DE EDUCACIÓN SUPERIOR EN INDONESIA HACIA LA IMPLEMENTACIÓN DE LA GOBERNANZA DE LA SHARIA: LA PERSPECTIVA DE DYAD

RESUMEN

Propósito: Este estudio tiene como objetivo evaluar y comparar la conciencia y las percepciones de las instituciones islámicas de microfinanzas y las instituciones de educación superior en Indonesia en relación con la implementación de la Gobernanza de la Sharia.

Metodología: Este estudio involucró dos criterios para una muestra de encuestados: estándares de instituciones microfinancieras islámicas, que incluyen Baitul Maal wat Tamwil (BMT), también conocido como instituciones microfinancieras islámicas, y Badan Pembiayaan Rakyat Syariah (BPRS), conocido como Sharia Smallholder Financing Banks en la provincia de DKI Yakarta, así como estudiantes universitarios. Se utilizó un análisis descriptivo utilizando preguntas basadas en una escala de Likert para revisar las evaluaciones relacionadas con este estudio. La perspectiva de la diáda, que incluye la visión de las instituciones de microfinanzas y las instituciones de educación superior, es necesaria en la investigación para descubrir y comparar la conciencia y las percepciones entre los dos objetos de investigación relacionados con el conocimiento sobre la Gobernanza de la Sharia.

Conclusiones: Sobre la base de los estudios que se han llevado a cabo, se puede concluir que todavía hay una falta de conocimiento, información y comprensión de los estudiantes relacionados con la implementación de la gobernabilidad de la Sharia en comparación con las instituciones de microfinanzas.

Implicaciones de la Investigación: Sugerimos que los estudiantes aumenten la brecha de información entre los estudiantes. Las universidades también pueden revisar el plan de estudios relacionado con cursos especiales que explican la gobernanza de la sharia.

Palabras clave: Gobernanza de la Sharia, microfinanzas islámicas, Baitul Maal wat Tamwil, Banco Pembiayaan Rakyat Syariah, La perspectiva de Dyad.

INTRODUCTION

The development of *Islamic Financial Institutions* (IFIS) over the past few decades requires an in-depth introduction to how to guide *sharia Governance* (SG) to ensure the effectiveness of sharia implementation in the industry. When sistem west related *corporate governance* (CG) is based on *self-interest*, the main objective of SG in Islamic financial institutions is to fulfill the purposes of Islamic law or sharia objectives (*Maqasid al-Shari'ah*) (Naysary et al., 2020). *Maqashid al-Shar i'ah* is a tool to protect and preserve the benefit and interests of society (Obid & Naysary, 2014). If *Maqasid al-Shari'ah* is achieved through flexibility, dynamism, and creativity in social policy, people's needs are easily met (Kasi & Muhammad, 2018).

IFIS, based on Sharia (Grassa, 2016), was established 50 years ago, focusing on the moral and ethical perspective that has provided its services to 100 countries in the world. However, it is necessary to focus on strengthening the composition of the Sharia Committee in preparing the development of *the Sharia Governance Framework* (SGF). The reason is that in IFIS, the Sharia Committee is the primary catalyst for SG practices in many countries that want the Islamic Banking industry to develop Noordin &Kassim (2019). IFIS is considered equivalent to the current financial system and shows global development. Its continued growth occurs in addition to the global financial crisis and proves to be a beautiful moral application (Alam et al., 2021).

Islamic finance is slowly emerging as a final segment of the global financial system (Farook, 2013). According to the *Saudi Gazette*, the world's Islamic finance sector is estimated to have a value of 3,295 trillion US dollars in 2018, reflecting the rapid progress of 14.6% compared to 2017, demonstrating the success story as the fastest growing industry. Shariah compliance is a unique and fundamental characteristic of Islamic finance (Grassa, 2016). According to Kasi & Muhammad (2018), the Islamic financial market's central ethical and cultural values include preventing risk uncertainty, embracing moral and religious goals, and searching for justice. Although capitalism and globalization play a significant role in challenging islamic finance, the dominance of islamic finance is also characterized by humanitarian achievements and financial developments. Islamic finance is the backbone of the islamic economic system (Alam et al., 2021). Therefore, the rapid progress of IFIS has emphasized the need for policies in building a *Governance Framework* that can act as a global financial structure. However, without pure moral and ethical elements, the system of Islamic finance cannot be complete and become a system of comprehensive governance (Alam et al., 2021).

IFIS is also at risk of being affected by Sharia non-compliance, like conventional financial institutions (Rahman & Bukair, 2013). This is because the operating requirements must follow Sharia principles, such as prohibiting usury, excessive uncertainty, and gambling. To minimize this, IFIS establishes *Sharia Governance* which aims to increase accountability, transparency, and disclosure of Sharia principles carried out by IFIS itself. These matters require special attention from Islamic financial regulators to increase public confidence in the business activities of IFIS that are following Sharia objectives. Therefore, IFIS needs to place importance on corporate solid governance values and structure, information disclosure, transparency, and one unique but crucial factor: strict adherence to sharia principles (Shahar et al., 2020). Noordin & Kassim (2019) added that IFIS, based on Sharia, is expected to be more transparent in reporting its business activities than conventional financial institutions. In short, even if a perfect Sharia governance framework has been installed, human behavior is ultimately accountable to God (Mizushima, 2013).

Alam et al. (2021), consistent with the focus of their research on *Sharia Governance*, deepen the idea of the governance mechanism, which states that the failure of the CG caused the financial crisis affecting the world. A large amount of financial losses is born from conventional CG failures. Masuk suggests that Islamic organizations' governance processes and structures are more complex than traditional corporate governance systems (Karbhari et al., 2020). During the financial crisis, Islamic banking performed comparatively better than conventional banking, based on various reasons such as less liquidity risk, sistem growth of credit and assets, contributing to economic and financial constancy, and more prudent risk management behavior and higher solvency. Although IFIS, especially Islamic Banks, has SG guidelines, it does not follow Sharia rules in ensuring its functions and activities and even violates it a lot (Alam et al., 2022).

Based on previous findings, empirical evidence regarding SG applied in IFIS yielded results that were not following the rules. The findings of Alam et al. (2022) on Islamic banking in Bangladesh show that Islamic banks do not follow all Sharia rules in ensuring their functions and activities and more or less violate them even though they have all the SG guidelines. So are the findings that previously found that Islamic banks have all the mechanisms of SG, but they do not practice them thoroughly or violate them completely (Alam et al., 2021). It is the same in the findings made by Hasan & Mehmet (2019) that there are gaps and deficiencies in the framework and practices of Islamic corporate governance that exist in IFIS regardless of the international guiding principles and available governance standards. From the previous findings, insights regarding SG need to be considered. So this study aims to evaluate and

compare the awareness and perceptions of Islamic microfinance institutions and higher education institutions in Indonesia related to the implementation of *Sharia Governance*. According to Umar et al. (2021), nature of this, academic and professional institutions can play an important role in promoting awareness and knowledge of Islamic banking and finance.

Research Urgency

This research was made using a descriptive method with the background of the progress and needs of *Sharia Governance* in creating constancy and stability in the economy. The *dyad* perspective, which includes the view of microfinance institutions and higher education institutions, is needed in research to find out and compare awareness and perceptions between the two research objects related to knowledge about *Sharia Governance*.

LITERATURE REVIEW

Sharia Governance

The history of sharia governance in Islam is motivated by the concept of *hisbah*, which means "reward" award. In practice, the *hisbah* is a state institution that promotes appropriate behavior and prevents the existence of ugliness by keeping members of society from deviation; protecting their faith; and guaranteeing the welfare of people with religious behavior based on Almighty rules (Hasan et al., 2020).

In the time of Prophet Muhammad SAW, Prophet Muhammad SAW appointed individuals to perform tasks in maintaining the institution of *hisbah*, known as *muhtasib*, where the study was to control cleanliness in markets and mosques; and monitor government employees in ensuring compliance with Sharia law. This system of *hisbah* proves that system governance has long been embedded in Islamic society. Islam supports the use of an external governance system to ensure each party's rights are protected; and guarantees that people follow Almighty law with behavior similar to the framework of corporate governance in contemporary corporations (Hasan et al., 2020).

Based on research by Alam et al. (2020), *sharia governance* guidelines develop and are regulated by the government or regulators, which is a written document that helps management and the *Board of Directors* ensure accountability, fairness, and transparency in reporting, communication with stakeholders, including investors, consumers, shareholders, management, employees, and external parties. *The Sharia Governance Framework* itself provides comprehensive guidance for appointing Sharia auditors (internal and external), appointment criteria from the Shariah Supervisory Board (SSB), management tasks in using the governance

structure, Sharia compliance, and Sharia studies to achieve Islamic banking functions and to grow a solid and reliable business. Good corporate governance practices following Sharia guidelines are essential to maintain a well-functioning Islamic financial industry (Hasan et al., 2020).

Sharia Governance Practices in Indonesia

Based on Mihajat (2019), Islamic finance in Indonesia has grown substantially in recent decades, supported by multi-dimensional financial reforms initiated in 2008. This reform shows the commitment of the Indonesian government to supporting the development of the Islamic banking and finance industry in Indonesia. For the first time, the word "*shari'ah*" was written in the Law of the Republic of Indonesia, establishing the first Islamic banking in 1992.

In 2011, the Indonesian parliament passed Law No. 21 of 2011, which transferred supervision from institutions from Bank Indonesia to a new authority, namely the OJK. The FSA's management also includes Islamic banking institutions and tafakul companies, Islamic capital markets, and non-financial institutions such as Islamic leasing companies, Baitul Maal wat Tamwil (BMT), and cooperatives. This reform aims to improve the optimality of the financial system, improve the quality of supervision, and expand and deepen the financial system (Mihajat, 2019).

OJK, on its website, also mentions that since the regulatory and supervisory function moved from Bank Indonesia to the Financial Services Authority, the supervision and regulation of Islamic banking have also shifted to the OJK. OJK, as the financial services sector authority, continues to refine the vision and strategy of the sector development policy as stated in the 2015-2019 Indonesian Sharia Banking Roadmap launched at the 2014 Sharia People's Market. This roadmap is expected to guide development direction containing strategic initiatives to achieve the development goals set. The development will be realized smoothly if related parties can manage it correctly with the existing system (Arwani et al., 2022).

RESEARCH METHODS

Research Methods and Designs

Descriptive studies are used in this study to examine and compare perceptions between Islamic microfinance institutions and perceptions of higher education institutions regarding the awareness and perceptions of research objects towards *Sharia Governance* in Indonesia. The design of this study is considered appropriate because the researchers aim to find a detailed description related to the knowledge of research resource persons related to *Sharia Governance*

in Indonesia. This descriptive statistical analysis was performed with five *Likert scales* and inductive analysis on narrative data collected from research questions in this survey. In Table 1 are indicators that we adapted from the research of Hasan & Mehmet (2019), totaling 40 items consisting of approach to Shari'ah Governance (5 items), Regulatory and Internal Framework of Shari'ah Governance (4 items), Roles of Shari'ah Board (4 items), Attributes of Shari'ah Board (Competence) (6 items), Attributes of Shari'ah Board (Independence) (4 items), Attributes of Shari'ah Board (Transparency and Confidentiality) (4 items), Operational Procedures (8 items), Assessment of Shari'ah Board (5 items).

Tabel 1: Indikator dan principle

Indicator	Key Principles of Shari'ah Governance	Total
<i>Sharia Governance Approach</i>		5
P1	Islamic Financial Institutions have standards or guidelines for sharia governance	
P2	Islamic Financial Institutions develop a standards process for sharia compliance audits and review sharia board legal rulings	
P3	Islamic Financial Institutions have a professional code of conduct for sharia boards	
P4	Islamic Financial Institutions have internal Islamic bodies	
P5	Islamic Financial Institutions have at least three sharia board members	
<i>Regulatory Framework and Internal Sharia Governance</i>		4
P6	Islamic Financial Institutions have specific rules and policies regarding Sharia governance	
P7	Islamic Financial Institutions have written policies or laws specifically referring to the behavior of sharia boards	
P8	Islamic Financial Institutions that have a good understanding of the types of dispute resolution to fix legal problems regarding Islamic finance	
P9	Islamic Financial Institutions have a good understanding of the legal position of sharia board decisions	
<i>The role of the Sharia Council</i>		4
P10	Islamic Financial Institutions provide clear advisory and supervisory authority to their Sharia boards	
P11	Islamic Financial Institutions authorize sharia boards to oversee the payment and calculation of zakat	
P12	Sharia Finance Valley, whose sharia board performs the function of sharia audit	
P13	Islamic Financial Institutions delegate sharia review functions to internal shariah to assist sharia boards	
<i>Sharia Council Attributes (Competence)</i>		6
P14	Islamic Financial Institutions place academic qualifications, experience, and track record on their sharia board members	
P15	Islamic Financial Institutions place the requirement to be a special muamalat, Islamic jurisprudence, and knowledge of Arabic and English in academic qualifications on their sharia board members	
P16	Islamic Financial Institutions place requirements on their sharia board members to understand sharia law and general banking and the impact of sharia decisions in experience and exposure	
P17	Islamic Financial Institutions place the requirements of good character and competence, and perseverance in terms of track record	
P18	Islamic Financial Institutions allow individuals of non-sharia background as sharia board members with experience in law, economics, and finance	
P19	Islamic Financial Institutions conduct adequate training for sharia boards	
<i>Sharia Council Attributes (Self-Reliance)</i>		4

P20	Islamic Financial Institutions appoint sharia boards under contracts	
P21	Islamic Financial Institutions determine sharia board remuneration through bod but are subject to shareholder approval	
P22	Islamic Financial Institutions have mechanisms in place to reduce conflicts of interest in relation to Islamic clerics sitting on various boards	
P23	Islamic Financial Institutions give sharia councils the mandate and authority to sharia councils	
<i>Sharia Council Attributes (Transparency and Confidentiality)</i>		4
P24	Islamic Financial Institutions have a written policy concerning the preparation and dissemination of Sharia information	
P25	Islamic Financial Institutions give full authority to sharia boards to have access to all documents, information, and records	
P26	Islamic Financial Institutions issue sharia requirements and ensure they are available to the public	
P27	Islamic Financial Institutions ensure their Islamic boards are fully aware of confidentiality issues and sensitive information obtained in the course of carrying out their duties	
<i>Operating Procedures</i>		8
Q28	Islamic Financial Institutions have standard operating procedures for their sharia boards	
Q29	Islamic Financial Institutions hold sharia board meetings at least once a month	
P30	Islamic Financial Institutions establish sharia departments/units/divisions to coordinate the sharia governance process	
P31	Islamic Financial Institutions require the presence of management or directors in sharia board meetings	
P32	Islamic Financial Institutions require their Islamic boards to review previous decisions	
P33	Islamic Financial Institutions have mandatory requirements for sharia reports	
P34	Islamic Financial Institutions detail the contents of sharia reports to include information on duties and activities, sharia declarations, and declarations of sharia compliance	
P35	Islamic Financial Institutions regulate independent organizational arrangements for internal Sharia audits	
<i>Sharia Board Assessment</i>		5
P36	Islamic Financial Institutions whose sharia boards demonstrate effective organizational accountability	
P37	Islamic Financial Institutions whose sharia boards communicate effectively with other government organs, including the BOD, management, and auditors	
P38	Islamic Financial Institutions whose Sharia boards identify and evaluate an organization's exposure to sharia non-compliance risks and reputational risks and effectively communicate that risk information to the appropriate bodies within the Organization	
P39	Islamic Financial Institutions whose sharia boards promote Islamic ethics and values in organizations	
P40	Islamic Financial Institutions whose sharia boards promote continuous improvement of the Organization's sharia control process	
Total Indicators		40

Participants

The research sample was obtained from *Baitul Maal wat Tamwil* (BMT) and the Sharia People's Financing Bank (BPRS) in DKI Jakarta province and university students. Invitations related to the participation of research samples are sent by email. The involvement of the study

samples was based on personal concerns where the identities and responses of the participants were protected. Table 2 presents the respondent results.

HASIL DAN PEMBAHASAN

Table 2: Respondent Results

Indicator	Responden	STS (%)	TS (%)	N (%)	S (%)	SS (%)	Total (%)
IP1	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	4 (19%)	16 (76.2%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	5 (5.7%)	44 (50%)	38 (43.2%)	88 (100%)
IP2	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	8 (38.1%)	12 (57.1%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	9 (10.2%)	48 (54.5%)	30 (34.1%)	88 (100%)
IP3	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	5 (38.1%)	15 (71.4%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	7 (8.0%)	49 (55.7%)	31 (35.2%)	88 (100%)
IP4	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	9 (42.9%)	11 (52.4%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	12 (13.6%)	51 (58%)	24 (27.3%)	88 (100%)
IP5	Micro Finance	0 (0%)	2 (9.5%)	3 (14.3%)	7 (33.3%)	9 (42.9%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	24 (27.3)	44 (50%)	18 (20.5%)	88 (100%)
IP6	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	6 (28.6%)	14 (66.7%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	7 (8.0%)	48 (54.5%)	31 (35.2%)	88 (100%)
IP7	Micro Finance	0 (0%)	3 (14.3%)	0 (0%)	10 (47.6%)	8 (38.1%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	14 (15.9%)	51 (58%)	21 (23.9%)	88 (100%)
IP8	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	11 (52.4%)	9 (42.9%)	21 (100%)
	Student	1 (1.1%)	2 (2.3%)	15 (17%)	39 (44.3%)	31 (35.2%)	88 (100%)
IP9	Micro Finance	0 (0%)	0 (0%)	0 (0%)	9 (42.9%)	12 (57.1%)	21 (100%)
	Student	1 (1.1%)	3 (3.4%)	9 (10.2%)	49 (55.7%)	26 (29.5%)	88 (100%)
IP10	Micro Finance	0 (0%)	1 (4.8%)	0 (0%)	9 (42.9%)	11 (52.4%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	14 (15.9%)	52 (59.1)	20 (22.7%)	88 (100%)
IP11	Micro Finance	0 (0%)	0 (0%)	2 (9.5%)	7 (33.3%)	12 (57.1%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	14 (15.9%)	45 (51.1%)	28 (31.8%)	88 (100%)
IP12	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	7 (33.3%)	13 (61.9%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	18 (20.5%)	49 (55.7%)	19 (21.6%)	88 (100%)
IP13	Micro Finance	0 (0%)	0 (0%)	2 (9.5%)	9 (42.9%)	10 (47.6%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	15 (17%)	53 (60.2%)	19 (21.6%)	88 (100%)
IP14	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	12 (57.1%)	8 (38.1%)	21 (100%)
	Student	1 (1.1%)	2 (2.3%)	2 (18.2%)	48 (54.5%)	21 (23.9%)	88 (100%)
IP15	Micro Finance	0 (0%)	5 (23.8%)	12 (57.1%)	12 (57.1%)	4 (19%)	21 (100%)
	Student	0 (0%)	17 (19.3%)	50 (56.8%)	50 (56.8%)	19 (21.6%)	88 (100%)
IP16	Micro Finance	0 (0%)	0 (0%)	0 (0%)	9 (42.9%)	12 (57.1%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	10 (11.4%)	45 (51.1%)	31 (35.2%)	88 (100%)
IP17	Micro Finance	0 (0%)	0 (0%)	0 (0%)	8 (38.1%)	13 (61.9%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	17 (19.3%)	42 (47.7%)	28 (31.8%)	88 (100%)
IP18	Micro Finance	1 (4.8%)	4 (19%)	4 (19%)	7 (33.3%)	5 (23.8%)	21 (100%)
	Student	1 (1.1%)	5 (5.7%)	31 (35.2%)	35 (39.8%)	16 (18.2%)	88 (100%)
IP19	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	7 (33.3%)	13 (61.9%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	14 (15.9%)	49 (55.7%)	24 (27.3%)	88 (100%)
IP20	Micro Finance	1 (4.8%)	2 (9.5%)	4 (19%)	9 (42.9%)	5 (23.8%)	21 (100%)
	Student	1 (1.1%)	3 (3.4%)	29 (33%)	40 (45.5%)	15 (17%)	88 (100%)
IP21	Micro Finance	0 (0%)	4 (19%)	1 (4.8%)	13 (61.9%)	3 (14.3%)	21 (100%)
	Student	0 (0%)	31 (35.2%)	5 (5.7%)	34 (38.6%)	18 (20.5%)	88 (100%)
IP 22	Micro Finance	0 (0%)	1 (4.8%)	2 (9.5%)	12 (57.1%)	6 (28.6%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	19 (21.6%)	42 (47.7%)	26 (29.5%)	88 (100%)
IP23	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	12 (57.1%)	8 (38.1%)	21 (100%)
	Student	0 (0%)	1 (1.1%)	22 (25%)	46 (52.3%)	19 (21.6%)	88 (100%)
IP24	Micro Finance	0 (0%)	0 (0%)	0 (0%)	9 (42.9%)	12 (57.1%)	21 (100%)
	Student	0 (0%)	2 (2.3%)	13 (14.8%)	47 (53.4%)	26 (29.5%)	88 (100%)
IP25	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	11 (52.4%)	9 (42.9%)	21 (100%)

	Student	1 (1.1%)	2 (2.3%)	25 (28.4%)	42 (47.7%)	18 (20.5%)	88 (100%)
IP26	Micro Finance	0 (0%)	0 (0%)	0 (0%)	10 (47.6%)	11 (52.4%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	13 (14.8%)	54 (61.4%)	20 (22.7%)	88 (100%)
IP27	Micro Finance	0 (0%)	0 (0%)	0 (0%)	11 (52.4%)	10 (47.6%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	11 (12.5%)	50 (56.8%)	25 (28.4%)	88 (100%)
IP28	Micro Finance	0 (0%)	0 (0%)	0 (0%)	7 (33.3%)	14 (66.7%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	13 (14.8%)	50 (56.8%)	23 (26.1%)	88 (100%)
	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	10 (47.6%)	10 (47.6%)	21 (100%)
IP29				23			
	Student	1 (1.1%)	1 (1.1%)	18 (20.5%)	60 (68.2%)	15 (17%)	88 (100%)
IP30	Micro Finance	0 (0%)	1 (4.8%)	2 (9.5%)	10 (47.6%)	8 (38.1%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	14 (15.9%)	55 (62.5%)	18 (20.5%)	88 (100%)
IP31	Micro Finance	0 (0%)	0 (0%)	3 (14.3%)	11 (52.4%)	7 (33.3%)	21 (100%)
	Student	1 (1.1%)	0 (0%)	12 (13.6%)	58 (65.9%)	17 (19.3%)	88 (100%)
IP32	Micro Finance	0 (0%)	0 (0%)	2 (9.5%)	11 (52.4%)	8 (38.1%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	13 (14.8%)	48 (54.5%)	25 (28.4%)	88 (100%)
IP33	Micro Finance	0 (0%)	0 (0%)	0 (0%)	10 (47.6%)	11 (52.4%)	21 (100%)
	Student	1 (1.1%)	1 (1.1%)	15 (17%)	49 (55.7%)	22 (25%)	88 (100%)
IP34	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	10 (47.6%)	10 (47.6%)	21 (100%)
	Student	2 (2.3%)	2 (2.3%)	16 (18.2%)	41 (46.6%)	27 (30.7%)	88 (100%)
IP35	Micro Finance	0 (0%)	0 (0%)	1 (4.8%)	12 (57.1%)	8 (38.1%)	21 (100%)
	Student	2 (2.3%)	0 (0%)	18 (20.5%)	46 (52.3%)	22 (25%)	88 (100%)
IP36	Micro Finance	0 (0%)	0 (0%)	0 (0%)	11 (52.4%)	10 (47.6%)	21 (100%)
	Student	2 (2.3%)	0 (0%)	15 (17%)	45 (51.1%)	26 (29.5%)	88 (100%)
IP37	Micro Finance	0 (0%)	0 (0%)	0 (0%)	13 (61.9%)	8 (38.1%)	21 (100%)
	Student	2 (2.3%)	1 (1.1%)	17 (19.3%)	46 (52.3%)	22 (25%)	88 (100%)
IP38	Micro Finance	0 (0%)	0 (0%)	0 (0%)	12 (57.1%)	9 (42.9%)	21 (100%)
	Student	2 (2.3%)	0 (0%)	15 (17%)	43 (48.9%)	28 (31.8%)	88 (100%)
IP39	Micro Finance	0 (0%)	0 (0%)	0 (0%)	6 (28.6%)	15 (71.4%)	21 (100%)
	Student	2 (2.3%)	0 (0%)	11 (12.5%)	50 (56.8%)	25 (28.4%)	88 (100%)
IP40	Micro Finance	0 (0%)	0 (0%)	0 (0%)	6 (28.6%)	15 (71.4%)	21 (100%)
	Student	2 (2.3%)	0 (0%)	17 (19.3%)	45 (46.8%)	24 (27.3%)	88 (100%)

Islamic Financial Institutions have standards or guidelines for sharia governance.

Micro Finance argued Strongly Agreed by 76.2%, while students discussed Strongly Agreed by 43.2% and argued Agreed by 50%. These results show that it is true that Islamic Financial Institutions have standards or guidelines for Sharia governance. Students who think Strongly Agree less than they think to agree this is possible because the students do not understand or have knowledge related to the actual practice at the Islamic Financial Institution. So they are a little hesitant if they want to argue. Very Agree because they don't know the actual practice of Islamic Financial Institutions.

Islamic Financial Institutions develop a standards process for sharia compliance audits and review sharia board legal rulings. From the results, Micro Finance strongly agreed with 57.1% and 38.1%. Meanwhile, among students, the opinion of Strongly Agreed was 34.1%. And argued Agree by 54.5%. The results show that the statement of Islamic Financial Institutions developing a standard process for sharia compliance audits and reviewing sharia board legal decisions is correct. In the respondents, fewer students argued strongly agreed than

those who argued agreed, perhaps because the students lacked knowledge in practice at Islamic Financial Institutions compared to Micro Finance respondents.

Islamic Financial Institutions have a professional code of conduct for sharia boards. From the results on Micro Finance, 71.4% strongly agreed, while students agreed with 35.2%. However, among students, the agree opinion is more significant at 55.7%, and in Micro Finance, who think agree is 23.8%. The results that strongly agree with this show that the statement of Islamic Financial Institutions having a professional code of ethics for sharia boards is valid. And also supported by Bank Indonesia Regulation Number 11/23/PBI/2009 concerning Sharia People's Financing Banks, the regulation states the requirements for the Sharia Supervisory Board.

Islamic Financial Institutions have internal Islamic bodies. From the results on Micro Finance, 52.4% strongly agreed, and 42.9% agreed. Of students, 27.3% strongly agreed, and 58.0% agreed. These results show that the statement of Islamic Financial Institutions having an internal Shariah body is true. Islamic Micro Finance respondents who already have hands-on practical experience know more than students. Students who think Strongly Agree is quite a bit, namely 27.3%. This is possible because students do not have practical experience.

Islamic Financial Institutions has at least three sharia board members. From the results on Micro Finance, 42.9% strongly agreed, and 33.3% agreed. Meanwhile, students think Strongly Agree by 20.5%, and students who think Agree more, namely 50.0% and 27.3% think neutral. These results show that Islamic Financial Institutions having at least three sharia board members is correct. This statement is also supported by Bank Indonesia Regulation Number 11/23/PBI/2009 concerning Sharia People's Financing Banks article 30 paragraph (1), which states, "The number of DPS members is at least 2 (two) people and a maximum of 3 (three) people".

Islamic Financial Institutions have specific rules and policies regarding Sharia governance. From the study results, Micro Finance strongly agreed, 66.7% and 28.6% agreed. Meanwhile, among students, the opinion of Strongly Agreed was 35.2%, and the view of Agreeing was more, namely 54.5%. From these results, it is concluded that Islamic Financial Institutions' statement having special Sharia governance rules and policies is correct. From the opinion of the respondent Islamic Micro Finance who is a respondent who has practiced directly, he strongly agrees and agrees with the statement. Unlike students who do not have direct practical experience, they are hesitant to argue, Very Much In Agreement with the information.

Islamic Financial Institutions have written policies or laws explicitly referring to the conduct of sharia boards. From the statistical results, most Micro Finances think to Agree, and 47.6% and the majority of students agree, 58.0%. From these results, it was concluded that the statement that Islamic financial institutions have written policies or laws specifically referring to the behavior of sharia boards is correct because both respondents argued in Agreement. Respondents to Micro Finance who have been involved in the majority practice answered Agree and Strongly Agree. Similarly, student respondents who do not have practical experience do not have the dominant answer to agree and strongly agree.

Islamic Financial Institutions that have a good understanding of the types of dispute resolution to improve legal issues regarding Islamic finance. From the statistical results, the majority of Micro Finance think to Agree, 52.4%, and the majority of Students think to Agree, 44.3%. From these results, the statement that Islamic Financial Institutions have a good understanding of the types of dispute resolution to correct legal issues regarding Islamic finance is true. Micro Finance respondents who have experienced hands-on practice predominantly think Strongly Agree by 42.9% and Agree by 52.9%. Whereas student respondents with no practical experience mainly answer Agree and Strongly Agree, many also answer neutrally. Perhaps this is because student respondents are still hesitant to answer Agree or Strongly Agree. After all, they do not have practical experience.

Islamic Financial Institutions have a good understanding of the legal position of sharia board decisions. From the statistical results, the majority of Micro Finance think Strongly Agrees, 57.1%, and the majority of Students think to Agree, 55.7%. From these results, the statement of Islamic Financial Institutions having a good understanding of the legal position of sharia board decisions is correct. The Micro Finance respondents only strongly agreed and agreed with this statement. Unlike the student respondents, although they predominantly agree and strongly agree, some think Neutrally, maybe this is because they do not have direct practical experience in Islamic Financial Institutions.

Islamic Financial Institutions provide apparent advisory and supervisory authority to their Sharia boards. From the statistical results, the majority of Micro Finances think Very Agree, 52.4%, and the majority of Students think to Agree, 59.1%. From these results, the statement of Islamic Financial Institutions providing apparent advisory and supervisory authority to their sharia board is correct. Micro Finance respondents predominantly think Strongly Agree and Agree. Meanwhile, the respondents of students mainly agreed and strongly agreed, but some argued neutrally. Maybe this was due to not having direct practical experience in Islamic Financial Institutions.

Islamic Financial Institutions authorize the Sharia Supervisory Board to oversee the payment and calculation of zakat. From the statistical results, the majority of Micro Finance respondents think They agreed very much, namely 57.1%, and the majority of student respondents thought they agreed, which was 51.1%. From these results, the statement of the Islamic Financial Institution authorizes the Sharia Supervisory Board to supervise the payment and calculation of zakat is correct. Micro Finance respondents predominantly think Strongly Agree and Agree. Meanwhile, the respondents of students mainly agreed and strongly agreed, but some argued neutrally. Maybe this was due to not having direct practical experience in Islamic Financial Institutions. Law number 21 of 2008 concerning Sharia Banking article 4 paragraph 2 states that Sharia Banks and UUS can carry out social functions in the form baitul mal, namely receiving funds derived from zakat, infak, alms, grants, or other social funds and distributing them to zakat management organizations.

Islamic Financial Institutions whose sharia boards perform sharia audit functions. From the statistical results, the majority of Micro Finance respondents think Very Agree, 61.9%, and the majority of Student respondents think to Agree, 55.7%. From these results, the statement of Islamic Financial Institutions whose sharia boards perform sharia audit functions is correct. Micro Finance respondents who are respondents who have practiced directly argued Strongly Agree and Agree with the statement. Unlike students who do not have direct practical experience, they are quite hesitant to claim Very Much In Agreement with the statement. In carrying out sharia audits, if carried out following AAOFI audit standards, in carrying out sharia audit functions there is the role of the Sharia Supervisory Board.

Islamic Financial Institutions delegate the function of sharia review to internal Sharia to assist sharia councils. From the statistical results, the majority of Micro Finance respondents think Strongly Agree, 47.6%, and the majority of Student respondents think to Agree, 60.2%. From these results, the statement of Islamic Financial Institutions delegating the function of sharia review to internal Sharia to assist sharia boards is correct. In microfinance respondents, the dominant opinion is strongly agreed and agreed. Meanwhile, the dominant student respondents argued Agreed, but some argued neutrally. Maybe this was caused because the students had not practiced directly at Islamic financial institutions, so the student respondents were hesitant to have a strongly agreed opinion.

Islamic Financial Institutions place the quality condition of academic qualifications, experience, and track record on their sharia board members. From the statistical results, the majority of Micro Finance respondents think to Agree, 57.1%, and the majority of Student respondents think to Agree, 54.5%. In this statement, Micro Finance respondents

predominantly argued Strongly Agree and Agree. Meanwhile, the student respondents predominantly argued Agreed. Still, some argued neutrally because, in general, students did not have knowledge related to practice, so student respondents did not know how the qualification statement was applied.

Islamic Financial Institutions are required to specialize in muamalat, Islamic jurisprudence, and knowledge of Arabic and English in terms of academic qualification on their sharia board members. From the statistical results, the majority of Micro Finance respondents think to Agree, 57.1%, and the majority of Student respondents think to Agree, 56.8%. From these results, the statement of Islamic Financial Institutions places the requirements to be specialized in muamalat, Islamic jurisprudence, and knowledge of Arabic and English in terms of academic qualification on their sharia board members is correct. This statement's Islamic Micro Finance respondents were predominantly of Agreed and Neutral opinion. Similarly, student respondents mainly argued In Agreement and Strongly Agreed, but some held Neutral views. So it can be known that qualification of knowledge of Arabic and English of the members of the Sharia Supervisory Board. There are several Islamic Financial Institutions that apply the capability, but some do not because Micro Finance respondents who have experienced dominant practice also think Neutrally in this statement.

Islamic Financial Institutions place requirements on their sharia board members to understand sharia law and general banking and the impact of sharia decisions in terms of experience and exposure. From the statistical results, the majority of Micro Finance respondents think They agreed very much, namely 57.1%, and the majority of student respondents thought they agreed, which was 51.1%. From these results, the statement of Islamic Financial Institutions places the requirement on their sharia board members to understand sharia law and general banking, and the impact of sharia decisions in terms of experience and exposure is correct. In this statement, Micro Finance respondents predominantly argued Strongly Agree and Agree. Then the student respondents mainly agreed and strongly agreed. Still, some held neutral opinions, probably due to a lack of understanding related to the statement where the student respondents did not have direct practical experience, so the student respondents did not understand how the requirements of members of the Sharia Supervisory Board at Islamic Financial Institutions.

Islamic Financial Institutions place the requirements of good character, competence, and perseverance in terms of track record. From the statistical results, the majority of Micro Finance respondents think They agree with 61.9%, and the majority of student respondents assume they agree, which is 47.7%. From these results, the statement of Islamic Financial

Institutions puts the requirements of good character and competence, and perseverance in terms of track record is correct. Micro Finance respondents strongly agreed and agreed. Meanwhile, in the respondents, students predominantly think Strongly Agree and Agree, but some think neutrally. Maybe this is because students do not understand how to practice directly in placing track record requirements.

Islamic Financial Institutions enable individuals of non-sharia background to be sharia board members experienced in law, economics, and finance. From the statistical results, the majority of Micro Finance respondents think to Agree, 33.3%, and the majority of Student respondents think to Agree, 39.8%. From these results, the statement of Islamic Financial Institutions allows individuals of non-sharia background as sharia board members who are experienced in law, economics, and finance to be true. In the Islamic Micro Finance respondents, most opinions agree and strongly agree, but the number of respondents who think neutral and disagree is quite a lot. Meanwhile, the respondents of students are predominantly opinion Agreed and Neutral.

Islamic Financial Institutions provide adequate training for sharia councils. From the statistical results, the majority of Micro Finance respondents think Very Agree, 61.9%, and the majority of Student respondents think to Agree, 55.7%. From these results, the statement of Islamic Financial Institutions organizing adequate training for sharia councils is correct. In the respondents, Islamic Micro Finance is dominant in agreeing and agreeing. While the student respondents predominantly Agreed and Strongly Agreed, the number of those who thought Neutral was quite a lot. Because the students lack understanding of the training provided for sharia councils.

Islamic Financial Institutions appoint sharia boards under contracts. From the statistical results, the majority of Micro Finance respondents think to Agree, 42.9%, and the majority of Student respondents think to Agree, 45.5%. From these results, the statement of the Islamic Financial Institution appointing a sharia board based on the contract is correct. In the Islamic Micro Finance respondents, most opinions agreed strongly and neutral. However, with student respondents predominantly opinion agreed and neutral, perhaps this is because they do not know how Islamic Financial Institutions appoint Sharia Supervisory Boards. After all, they do not have experience in these activities.

Islamic Financial Institutions determine the remuneration of sharia boards through the BOD but are subject to shareholder approval on Micro Finance think Agree by 13%, then 19.0% think Neutral. 14.3% think strongly agree, and 4.8% think to Disagree. Of college students, 38.6% think to Agree, 35.2% think Neutral, 20.5% think Strongly Agree, and 5.7%

think disagree. From these results, it shows that it is true that Islamic Financial Institutions determine the remuneration of sharia boards through bod but are still subject to shareholder approval based on the percentage that has been specified in the employment agreement contract. 35.2% of students still answered neutrally because they did not understand the remuneration management set by Islamic Financial Institutions.

Islamic Financial Institutions have mechanisms to reduce conflicts of interest with Islamic clerics on the board. Micro Finance argues Agree by 57.1%, Neutral by 2%, Disagree by 4.8%, and the remaining by 0%. While 47.7% of students think to Agree, 29.5% think Strongly Agree, Neutral by 21.6%, Strongly Disagree by 1.1%, and the rest Disagree (0%). From these results, there are indeed mechanisms to reduce conflicts of interest with clerics. This is done with a consensus that discusses the role of scholars themselves in the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFIS).

Islamic Financial Institutions give full mandate and authority to sharia boards. In Micro Finance, 57.1% said they agreed with the statement, 38.1% said they strongly agreed, 4.8% stated neutral, and the rest (0%) stated they disagreed. Meanwhile, in students, it is 52.3% expressed Agree, 25% said Neutral, 21.6% stated Strongly Agreed, and the rest (1.1%) told Disagree. These results show that Islamic Financial Institutions give full mandate and authority to sharia councils, which is stated in sharia standards or AAOIFIS.

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Islamic Financial Institutions issue Sharia statements and ensure their availability to the public. In Micro Finance, as many as 52% expressed Strong Agreement, and 47.6% stated that they agreed. Meanwhile, in college students, 61.4% indicated that they agreed, 22.7%

agreed very much, 14.8% said neutral, and the rest (1.1%) stated they strongly disagreed. This statement is true and supported by the AAOIFIS standard, where the content states all data and information available on the internet and other electronic devices. Students have sufficient information on this subject.

Islamic Financial Institutions ensure their Islamic boards are fully aware of confidentiality and sensitive information, on Micro Finance stating Agree (52.4%) and Strongly Agree (47.6%). Meanwhile, the majority of students (56.8%) indicated that they agreed with strongly agreed (28.4%). This statement is true, which is supported by the statement written in the AAOIFIS standard, where it is an ethics fatwa developed by the institutional framework. Students have sufficient knowledge about this.

Islamic Financial Institutions have standard operating procedures for sharia boards. In Micro Finance, 66.7% expressed Strong Agreement, and 33.3% agreed. Meanwhile, in students, 56.8% stated that they agreed, 26.1% said they strongly agreed, 14.8% said neutral, and the rest strongly disagreed (1.1%) and disagreed (1.1%). This statement is proper where there are operational standards that must be adhered to by the sharia board in line with its duties and obligations to Islamic Financial Institutions. Students have sufficient information on this subject.

The Sharia Board holds sharia board meetings at least once a month. On Micro Finance, the majority expressed Agreement (47.6%) and Strongly Agreed (47.6%). The rest answered Neutral (4.8%). Of students, the majority voiced Agreement (60.2%). This statement is true as written in the AAOIFIS standard, where sharia board meetings are held whenever there is a need related to discussions regarding the operation of Islamic Financial Institutions. Students have sufficient knowledge about this.

Islamic Financial Institutions require the presence of management or directors in sharia board meetings. In Micro Finance, the majority agreed (52.4%), strongly agreed (33.3%), and neutral (14.3%). In college students, the majority (65.9%) expressed Agreement. This statement is true. Following AAOIFIS standards, every sharia board meeting requires the presence of management or directors to discuss issues and agree on solutions or alternatives to these issues. Students have sufficient insight into this.

Islamic Financial Institutions require Islamic boards to review previous decisions. On Micro Finance, a majority (52.4%) expressed Agreement. Meanwhile, in students, the majority (54.5%) said they Agreement with the statement. This is true. A review of previous decisions is expected to be a guide or guideline for decision-making related to the running of Islamic Financial Institutions. Students have sufficient information on this subject.

Islamic Financial Institutions have mandatory requirements to make sharia reports. In Micro Finance, the majority (52.4%) expressed Strong Agreement. Meanwhile, 55.7% of students also agreed. This statement is true. Based on the AAOIFIS standard, it is explained that Islamic Financial Institutions have an executive committee to discuss sharia reports to external auditors. Students have sufficient insight into this.

Islamic Financial Institutions detailed the contents of sharia reports to include information on duties and activities, sharia declarations, and sharia compliance. In Micro Finance, the majority expressed Agreement (47.6%) and Strongly Agreed (47.6%). Meanwhile, in students, 46.6% stated that they agreed, and 30.7% agreed very much. This is true. The AAOIFIS standard details the contents of sharia reports related to duties, activities, sharia declarations, and declarations of sharia compliance with each Islamic Financial Institution. Islamic Financial Institutions are obliged to comply with Islamic sharia regulations and principles. Students have sufficient knowledge about this.

Islamic Financial Institutions regulate independent organizational arrangements for Sharia audits. In Micro Finance, the majority expressed Agreement (57.1%). Meanwhile, of students, 52.3% also said Agreement. This statement is true. Supported by a statement written in the AAOIFIS standard regarding the need for external auditors in auditing the performance of Islamic Financial Institutions proves the need for an independent organization for Sharia audits. Students have sufficient information on this subject.

The Sharia Board of Islamic Financial Institutions showed the accountability of the Organization. In Micro Finance, the majority expressed Agreement (52.4%). Meanwhile, in students, 51.1% also expressed Agreement. This is supported by the AAO IFIS Standard, which details the responsibilities that must be assumed by the Sharia Council in its role in developing Islamic Financial Institutions. Students have sufficient knowledge about this.

The Sharia Board of Islamic Financial Institutions communicated effectively with the BOD, management, and auditors on Micro Finance. The majority expressed Agreement (61.9%). Meanwhile, students expressed Approval of 52.5%. This statement is supported by the details of the responsibilities carried out by the BOD, management, and auditors, which require the parties to carry out an effective communication process for the sustainability of the performance of Islamic Financial Institutions.

The Sharia Board of Islamic Financial Institutions identified and evaluated the Organization's exposure to the risk of sharia non-compliance and reputational risk and effectively communicated the information to certain parties in the Organization. On Micro Finance, the majority stated agreed, 57.1%. Meanwhile, of students, 48.9% said they agreed.

Nevertheless, 17% said. They were Neutral on the statement. This statement is true. Each Financial Institution has an amazing body to communicate the risks that can be faced by Islamic Financial Institutions and ensure sharia compliance from parties involved in the operation of Islamic Financial Institutions. From the results of these statistics, it can be seen that students still do not fully know about the risk of sharia non-compliance and reputational risks and how bodies communicate about these issues.

The Sharia Council in Islamic Financial Institutions promotes Islamic ethics and values in the Organization. In Micro Finance, 71.4% expressed Strongly Agree with the statement. Meanwhile, students expressed Agree by 56.8%. This statement is true. Some Islamic ethics and values must be adhered to and promoted by the Sharia Council. With the hope of realizing these values in the growth of Islamic Financial Institutions and the entire financial sector. Students have high knowledge of this.

The Sharia Council of Islamic Financial Institutions promotes continuous improvement related to sharia control processes. In Micro Finance, the majority answered Strongly Agree (71.4%), and the majority of students answered Agree (51.1%). This statement is true. Sharia boards are encouraged to promote and provide suggestions for continuous improvement where the advice will be reviewed through the Islamic operational standards review committee of Islamic Financial Institutions. Students have sufficient insight into this.

CONCLUSIONS AND SUGGESTIONS

This study conducts a comparative analysis between Islamic Microfinance Institutions and Students. Based on the studies that have been carried out, it can be concluded that there is still a lack of knowledge, information, and insight from students related to the implementation of *Sharia governance* compared to Microfinance Institutions.

Suggestions for students to increase the information gap between students. Universities can also review the curriculum related to special courses that explain sharia governance. The contrasting perceptions and insights between Islamic Microfinance Institutions show the need to place sharia governance as the main course in higher education. In line with the opinion of Umar et al. (2021), it was found that Islamic banking and finance issues have not received special attention to the extent that awareness and knowledge will be promoted. Universities can see the potential of developing student knowledge and insights for the future of students themselves and also universities.

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