



Contents list available at: <https://journal.unesa.ac.id>
al-Uqud: Journal of Islamic Economics
Journal homepage: <https://journal.unesa.ac.id/index.php/jie>



Malay's perception of Islamic banking credibility

Huzaimah*, Romli, Maya Panorama

Department of Islamic civilization, Graduate Program, Universitas Islam Negeri Raden Fatah, Indonesia.

Article Info

Paper type:

Research paper

Keywords:

Perception; Malay community;
Credibility; Islamic bank.

Article history:

Received: 05 March 2022

Revised: 12 June 2022

Accepted: 05 July 2022

Available online: 30 July 2022

Abstract

This study aims to analyze the perceptions and preferences of the Malay community towards Islamic banking and examine the opportunities and challenges of Islamic banking in maintaining its credibility. This research method is carried out with a quantitative descriptive approach through a survey of 100 respondents. The sampling technique used was accidental sampling through the distribution of google forms. The study results indicate that the development of the number of customers of Islamic banks has indeed increased. However, compared to conventional banks, it still dominates the number of customers who save in conventional banks even though the Malay community, which is predominantly Muslim, should be the dominant interest in Islamic banks. There are various perceptions of the Malay community towards Islamic banking. Some Malay people think that Islamic banks are stated in a profit-sharing manner the same as conventional banks, with the term interest only differing in mentioning term. Due to the lack of promotion, many Malay people still use conventional banks for economic transactions. Human resources management influences the perception of the Malay community towards Islamic banking.

*Corresponding author: huzaimahuin@gmail.com

Please cite this article in APA style as:

Huzaimah, H., Romli, R., & Panorama, M. . (2022). Malay's perception of Islamic banking credibility. *Al-Uqud: Journal of Islamic Economics*, 6(2), 275–288.
<https://doi.org/10.26740/aluqud.v6n2.p275-288>

Introduction

Muslim economists in business are expected to play an active role in developing and increasing the number and turnover of Islamic banking businesses by their respective business capital capabilities. It can also be done using a joint venture between these entrepreneurs regarding financial capital or soft managerial skills in Islamic banking. It is a benchmark to increase and increase the number of customers while increasing their turnover so that they can play a proactive role in increasing state revenue.

Indonesia adheres to a dual banking system using the Islamic and conventional financial systems simultaneously (Wiliasih & Shadrina, 2017). Based on Islamic economic regulations, it is known as the "profit sharing" ratio, so Islamic banks are used as a measure to prevent customers from turning to conventional banks that offer high-interest rates so that customers keep their funds in mudharabah savings. (Panorama, 2016). A Sharia bank is defined as a bank that operates based on the principles of Islamic law, which refers to the Qur'an and Hadith as the legal basis and in carrying out its operational activities (Hermanto & Syahril, 2020). Islam has shown that business is not only profit-oriented but must be run based on sharia principles so that the business can prosper all people universally (Hamsani, Sule, Hilmiana, & Kaltum, 2017).

Islamic banking is an alternative to a credible banking system that all Indonesian people can enjoy (Siregar et al., 2021). However, the development of Islamic banking in Indonesia is stagnant. There was no significant development from previous years, so Islamic banks cannot contribute significantly to sustainable and equitable economic growth (Syukron, 2013). Several studies have been conducted on student perceptions of Islamic banks (Choiriyah & Hakim, 2021; Tikson, Sahas, & Ulfa, 2021). There is also some research on public perceptions of Islamic banks (Aryandhana, Bintarti, & Hidayatullah, 2021; Darna & Ikhsan, 2021; Gunarto et al., 2020; Hermanto & Syahril, 2020; Khusna & Pratama, 2021; Mu'allim, 2003; Riza, 2019). Previous research calls for a study discussing the Malay community's behaviour toward Islamic banking.

This study aims to analyze how the perception of the Malay community towards Islamic banking, to examine more deeply the specific picture of the development of the number of customers and assets of Islamic banking in the city of Palembang, and how the strategy of Islamic banking in developing its institutions.

Literature Review

Perception

Perception is how individuals organize and interpret their sensory impressions to give meaning to their environment. Perception is a process by which individuals select, organize and interpret stimuli into a meaningful and reasonable picture of the world (Inda, 2020; Irham, 2019). The theory of credibility perception is a factor that reflects the security and privacy of the use of mobile banking. The reason for the security is, of course, because of the many frauds and data theft in mobile banking, customers will be given a password before making a transaction (Ramadhan & Herianingrum, 2017).

Malay society

Malays are classified according to 'authority defined' and 'everyday defined'. Classification through 'authority defined' refers to the position of Malays in Malaysian institutions (Case 160), while 'everyday defined' also refers to Malays based on customs and culture. The validity of the Malays has indeed been embodied in the institutions and the Malay culture observation (Malaysia, 2020). The indicators of the Malay community are good manners, diligence (8%), and laziness (5.5%). All of these characteristics are identical to Islam which is religious in character, polite, high in morals, clever/intelligent, clean, and beautiful (Alwi, 2019).

The theory of perception of credibility as a factor that reflects the security and privacy of the use of mobile banking. Security reasons, of course, because of the many frauds and theft of data in the use of mobile banking, customers will be given a password before making a transaction (Ramadhan & Herianingrum, 2017). Indicators of credibility in this case are security and privacy. There are two elements that build a person's credibility, namely his capability or ability and the experience he has. This is very important because it becomes the capital that the

work is already in the hands of experts. Factors that affect the credibility of a bank are independence, accountability, transparency and communication.

Sharia banking

Islamic banks carry out their business activities based on sharia principles and consist of commercial banks and sharia people's financing banks (Fauziah, Toha, & Prahara, 2021; Siregar et al., 2021). Islamic banking offers a wider variety of products compared to conventional banking products as an alternative to financial services. Other objectives of Islamic banking are contained in Indonesian Law No. 21 of 2008 concerning Islamic banking. According to Article 3 of the Indonesian Law, Islamic banking aims to support the implementation of national development in the context of efforts to improve justice, togetherness, and equitable distribution of people's welfare.

Sharia banks are juridically normative and empirically recognized for their existence in the Unitary State of the Republic of Indonesia. The normative juridical acknowledgement is recorded in the laws and regulations in Indonesia. There are Law No. 7 of 1992 concerning banking, Law no. 10 regarding amendments to Law no. 3 of 2004 concerning amendments to Law no. 23 of 2006 concerning Bank Indonesia, Law no. 3 of 2006 concerning amendments to Law no. 7 of 1989 concerning religious courts, even some conventional banks, and other financial institutions have opened sharia business units (such as Islamic banks, sharia insurance, and sharia pawnshops).

The principle of Islamic banking is the rules of agreement based on Islamic law between banks and other parties, based on the National Sharia Council - Indonesian Ulema Council fatwa for depositing funds and financing business activities or other sharia-compliant activities. These principles consist of Adam al-Haraj (not making it difficult or burdensome), Taqlil al-Taklif (reducing the burden), periodic law enforcement, in line with universal benefit, al-Musawah wa al-Adalah (equality and justice) (Tho'in, 2016).

Islamic banking products can be divided into three parts: fund distribution products, fundraising products, and products related to customer services (Fauziah et al., 2021; (Siregar et al., 2021). Furthermore, the services provided by this Islamic bank include imported sharia L/C (Letter of Credit), sharia bank guarantees and foreign exchange. Service is any action or activity offered by one party to another, which is essentially intangible and does not result in the ownership of anything. Facilities are the appearance, ability of infrastructure facilities, and the state of the surrounding environment to show their existence to the external, including physical facilities such as buildings, equipment and equipment. Facilities can be tools, objects, equipment, money, or workspace (Wijyaningratri & Budiyanto, 2015).

Islamic banking offers a wider variety of products compared to conventional banking products as an alternative to financial services. Other objectives of Islamic banking are contained in Article 3 of Law No. 21 of 2008 concerning Islamic banking. According to Article 3 of the Law, Islamic banking aims to support the implementation of national development in the context of efforts to improve justice, togetherness, and equitable distribution of people's welfare. A Sharia bank is a bank that carries out its business activities based on sharia principles and, according to its type, consists of sharia commercial banks and sharia people's financing banks. Sharia banks are legally normative and juridical empirically recognized for their existence in the Unitary State of the Republic of Indonesia (Fauziah, Toha, & Prahara, 2021).

Methodology

The method used in this study is descriptive to analyze the perception of the Malay community towards Islamic banking. The data used in this study used primary and secondary data. Secondary data was obtained from the website of the financial services authority (OJK), the Central Bureau of Statistics (BPS), and various agencies related to the research process. A questionnaire is used to collect gender, age, education level, occupation, income level,

expenditure, status, number of dependents, consumption allocation, an aristocratic title, length of time as a customer, products used by customers of the Malay community in Palembang, and perception to several factors i.e. attitude, product, place, promotion, service quality, sharia compliance, consumer decision, and customer loyalty. The number of samples of 100 respondents was carried out by google form. The scoring uses a Likert scale in which several questions are arranged with respondents' answers with weights according to the value of 1 to 5 (5= strongly agree, 4= agree, 3= neutral, 2= disagree, 1= strongly disagree). The samples included the Malay community, which are academics and economic practitioners. Data is analysed using Microsoft Excel.

Results and Discussion

The characteristics of 100 respondents based on age are shown in Table 1.

Table 1. Characteristics of respondents by age

Age	Total	Percentage
22 years - 30 years	40	40%
31 years - 40 years	25	25%
41 years - 50 years	24	24%
51 years - 75 years	11	11%

Table 1 shows that the Malay community that uses Islamic Bank products is dominated by customers aged between 22 - 30 years. Characteristics of respondents by gender are shown in Table 2. Characteristics of respondents by type of work are shown in Table 3. Table 4 shows the criteria for the assessment of respondents' responses. Respondents' responses to the attitude variable are shown in Table 5.

Table 2. Characteristics of respondents by gender

Gender	Total	Percentage
Male	39	39%
Female	61	61%

Table 2 shows that the number of female respondents is more than male respondents, i.e. 61 female and 39 male respondents.

Table 3. Characteristics of respondents by type of work

Type of Work	Total	Percentage
BUMN employees	2	2%
Private sector employee	24	24%
Entrepreneur	7	7%
Trader	1	1%
Government employees	31	31%
Other	35	35%

Based on Table 3, respondents are more dominated by other occupations, namely 35%. In addition, respondents who work as civil servants are 31%, private employees are 24%, entrepreneurs are 7%, BUMN employees are 2%, and respondents with jobs as traders are the least, i.e. 1%. Other jobs are jobs other than those mentioned above, such as labourers, fishermen, farmers, and others.

Table 5 shows that respondents' answers to the attitude variable are 389-420, which means they are in a suitable category. The most considerable total value is 420 in the statement, "I choose Islamic banks because of the MUI fatwa, which forbids bank interest". While the

statement indicator "I understand that the service response in transactions in Islamic banking is better than conventional banks" obtains the lowest total value on the attitude variable, which is 389. So, the perception of the Malay community towards Islamic banking on the attitude variable is clear and of high quality.

Table 4. Criteria for assessment of respondents' responses

Rating Interval	Rating Category
421-500	very good
341-420	good
261-340	pretty good
181-260	not good
100-180	not very good

Table 5. Respondents' responses to attitude variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
I know about the profit-sharing system used in Islamic banking, namely mudaraba and musharakah.	32	50	14	3	1	409	good
I believe that Islamic banks do not use the usury system.	32	41	19	7	1	396	good
I understand that the service response in transactions in Islamic banking is better than in conventional banks.	25	44	26	5	0	389	good
I chose a sharia bank because of the MUI fatwa which forbids bank interest.	37	47	15	1	0	420	good

Table 6 shows that respondents' answers to the product variable are 385-411, which means they are in a good category. The most considerable total value is 411, namely the statement indicator "the profit sharing system is a universal system and can be accepted because it is profitable for both banks and the community". While the statement indicator "I know the characteristics or characteristics of savings products offered by Islamic banks" obtained the lowest total value on the product variable, which is 385. So, the knowledge of the Malay community towards Islamic banking on the product variable is good.

Table 7 shows that respondents' answers to the variable place are in the total range of 380-431, which means they are in the good and very good categories. The most considerable total value is 431, namely the statement indicator "The cleanliness of the Islamic bank environment affects the comfort when visiting" (very good category). It means that the cleanliness of the bank environment dramatically affects the perception of the Malay community towards Islamic banking. While the statement indicator "Easy to reach ATM locations" obtained the lowest total value on the place variable, 380. So it can be concluded that the location and ease of reaching banks affect the perception of the Malay community towards Islamic banking.

Table 8 presents the respondents' answers to the price variable, which as a whole, are in the range of a total value of 402-409, which means they are in a good category. The immense total value is 409, i.e. the statement indicator "Islamic bank is a bank that is more profitable and more economically just". It means that profit dramatically affects the perception of the Malay community towards Islamic banking. Meanwhile, the indicator for the statement "Light Islamic bank administration costs" obtained the lowest total value on the price variable, which was 402. So, prices and profits significantly affect the perception of the Malay community towards Islamic banking.

Table 9 shows that respondents' answers to the promotion variable are in the range of a total value of 400-405. It means they are in a good category. The most significant total value is 405, namely the statement indicator "Easy to get Islamic bank information from the website", meaning that promotion dramatically affects the perception of the Malay community towards Islamic banking. While the statement indicator "Information provided by Islamic banks is easy to obtain" obtains the lowest total value on the promotion variable, which is 400. So, promotion is needed to influence the Malay community's perception of Islamic banking.

Table 6. Respondents' responses to product variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
I know Islamic bank products	24	45	27	4	0	389	good
I know the characteristics or characteristics of savings products offered by Islamic banks	19	51	26	4	0	385	good
The products offered by Islamic banks are useful for me	30	48	20	1	1	405	good
Islamic bank products are very varied	28	50	21	0	1	404	good
The products offered are as expected, trustworthy and attractive	21	56	22	0	1	396	good
The profit-sharing system is a universal system and can be accepted because it is profitable for both the bank and the community	34	46	18	1	1	411	good
Sharia banking systems and products are in accordance with sharia principles	20	55	22	1	2	390	good

Table 7. Respondents' responses to the variable place

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
Easy transportation to Islamic banks	22	50	25	2	1	390	good
The location of the Islamic bank can be seen from the side of the road	32	49	17	1	1	410	good
Islamic banks have a large parking lot	23	44	27	4	2	382	good
The cleanliness of the Islamic bank environment affects the comfort when visiting	44	43	13	0	0	431	very good
The proximity of the bank's location from the center of activity encouraged me to save at an Islamic bank.	27	41	29	3	0	392	good
Easy-to-reach ATM locations	26	39	26	7	2	380	good

Table 8. Respondents' responses to price variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
Profit sharing offered by Islamic banks has a fair and honest concept	32	44	23	0	1	406	good
Low sharia bank administration fees	31	42	26	0	1	402	good
The price is in accordance with the quality provided	29	52	18	0	1	408	good
Islamic banks are banks that are more profitable and more economically just	36	39	24	0	1	409	good

Table 9. Respondents' responses to promotion variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
Brochure contains a lot of information, interesting, clear and appropriate	30	47	20	2	1	403	good
Information provided by Islamic banks is easy to obtain	25	55	16	3	1	400	good
Easy to get Islamic bank information from the website	29	51	17	2	1	405	good

Table 10. Respondents' responses to service quality variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
Sharia bank employees serve well, quickly and thoroughly	33	50	17	0	0	416	good
Islamic banks provide convenience in transactions	32	52	14	2	0	414	good
Islamic banks provide concern for customers if they experience problems	36	45	19	0	0	417	good
Islamic banks have a comfortable and clean place	37	47	13	2	1	417	good
Friendly and polite bank employees	38	48	13	0	1	422	very good
All types of required forms are always available and easy to obtain	33	52	15	0	0	418	good

Table 10 shows that respondents' answers to the service quality variable are in the complete range of 414-422. It means they are in the good and very good categories. The total value is 422, i.e. the statement indicator "Friendly and courteous bank employees". This indicator belongs to a very good category. It means that employee attitudes significantly affect the perception of the Malay community towards Islamic banking. While the statement indicator "Islamic banks provide convenience in transactions" obtained the lowest total value on the promotion variable, which was 414. So, the service quality dramatically affects the Malay community's perception of Islamic banking.

Table 11. Respondents' responses to sharia compliance variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
The products offered and their operations are in accordance with sharia principles	30	45	23	1	0	401	good
Regulations in Islamic banks are in accordance with Islamic law	33	41	26	0	0	407	good
There is no bank interest in Islamic banks	34	36	28	2	0	402	good
Islamic banks implement a profit-sharing system	39	41	19	1	0	418	good
Contracts at Islamic banks are in accordance with sharia principles	33	43	22	1	1	406	good
The business orientation of Islamic banks is not only looking for profit, but also trying to get blessings from Allah SWT	38	47	14	0	1	421	very good

Table 11 presents respondents' answers to the sharia compliance variable, which are in the good and very good categories, in the entire range of 401-421, which means they are in the good and very good categories. The enormous total value is 421. The indicator of the statement "The business orientation of Islamic banks is not only looking for profit but also trying to get blessings from Allah SWT" has a very good category. It means that the perception of the Malay community towards Islamic banking is not only for world affairs but also for obtaining blessing from Allah SWT. While the statement indicator "Products offered and their operations are per sharia principles" obtained the lowest total value on the promotion variable, which is 401. So, the sharia compliance indicator dramatically influences the perception of the Malay community towards sharia banking.

Table 12. Respondents' responses to perception variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
Islamic banks apply sharia principles	36	41	22	0	1	411	good
Provide clarity when transacting to seek the pleasure of Allah SWT	45	42	11	2	0	430	very good
I use Islamic bank according to my needs	36	52	12	0	0	424	very good
There are shortcomings in using Islamic bank products	3	8	38	37	14	249	Not good

Table 13. Respondents' responses to consumer decision variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
I want to use Islamic bank because of my own motivation	31	51	17	0	1	411	good
I am interested in using Islamic banks because of the many product choices	19	55	23	3	0	390	good
I want to become a customer of a sharia bank because it is guaranteed safe	25	59	16	0	0	409	good
I want to become a customer of a sharia bank because I believe the product prices offered by Islamic banks are the best	24	54	21	1	0	401	good
I want to become a customer of a sharia bank because I know that Islamic banks are halal	29	52	19	0	0	410	good
I want to become a customer of a sharia bank because Islamic banks are protected from usury	32	51	17	0	0	415	good
I want to become a customer of a sharia bank because the products available at Islamic banks are in accordance with my needs	24	60	16	0	0	408	good
I want to become a customer at a sharia bank because I want to apply the knowledge I get about Islamic banking	24	57	18	1	0	404	good

Table 12 shows respondents' answers to the perception variable are 249-430, in the category of not good, good, and very good. The largest total value is 430, i.e. the statement indicator "Providing clarity when transacting to seek the pleasure of Allah SWT", which is in

the very good category. The indicator "I use Islamic banks according to my needs" is also in the very good category. While the statement indicator "There are deficiencies in using Islamic bank products" obtains the lowest total value on the promotion variable, which is 249 and is in a bad category. So, implementing Islamic banking, many shortcomings still significantly affect the Malay community's perception of Islamic banking.

Table 13 shows that respondents' answers to consumer decision variables are in the range of 390-415, meaning they are in a good category. While the statement indicator "I am interested in using Islamic banks because there are many product choices" obtains the lowest total value on the promotion variable, which is 390. The total value is 415, i.e. the statement indicator "I want to be a customer of Islamic banks because Islamic banks are protected from usury". So it can be concluded that consumer decisions significantly affect the perception of the Malay community towards Islamic banking.

Table 14. Respondents' responses to customer loyalty variables

Statement	Rating					Total	Category
	SS	S	N	TS	STS		
I will use Islamic bank products on an ongoing basis	24	53	22	1	0	400	good
I will make Islamic banks my first choice	27	46	26	1	0	399	good
I am willing to recommend Islamic banks to others	23	51	26	0	0	397	good
I am not influenced by conventional bank products	18	42	36	3	1	373	good
I am satisfied using Islamic bank services or products	26	53	20	1	0	404	good

The results indicate that the existence of Islamic banking is still questionable when compared to developments in conventional banks. Even though Indonesia is the largest country in the world, it should be sustainable, with many customers and assets interested in Islamic banks. It is fascinating to study further and more deeply the causes and effects related to the credibility of Islamic banking, in this case, Islamic banks.

A modern Islamic bank means being an Islamic bank with the latest service systems and technology that exceeds customer expectations. However, in terms of the phenomenon in the Sharia Business Unit of Regional Development Banks in Sumatra, seen from the asset share, it is still considered low based on the ontological realm (Hadjri, Marwa, Perizade, & Hanafi, 2018). In carrying out these business activities, the steps taken in these management decisions are based on the rules regulated by Allah SWT, the creator of all things, through the guidance in the Qur'an and the Sunnah/Hadith of the Prophet.

The increased world of Islamic banking is not as significant as the increase in the number of customers at conventional banks. Data obtained from the Financial Services Authority (OJK), i.e. the Islamic banking assets of the city of Palembang have continuously increased throughout 2016-2020 with average asset growth of 0.19% as well as the total credit/financing of Islamic banking has always experienced an increase. An annual increase with an average total credit/financing growth of 0.19%. Third-Party Funds (TPF) have increased throughout 2016-2020 with an average total value of TPF of 5,535,863,331,027 and an average growth of 0.16% in total TPF. The condition of financial literacy based on the Islamic financial services sector from 2016 was 6.6% and increased in 2019 to 7.92%.

However, developments in conventional banking in 2016 amounted to 28.3% and increased in 2019 to 35.25%, meaning although Islamic banking has increased, when compared to conventional banks, expectations are still low. It is also in line with developments at the

beginning of the problem background regarding the development of Islamic banking, in this case, Islamic banks in the OJK Islamic banking statistics in 2020 and some journal articles only around five per cent per year. It is certainly not or less relevant to the population of Indonesia, where Muslims in Indonesia are the largest population in the world. The development of Islamic banking still needs to increase turnover and the number of customers because Islamic banks do not contain elements of usury in implementing their economic activities, as stated in the Qur'an, Al-Baqaroh verse 275, which means: Allah has permitted buying and selling and forbids usury, and the sin of usury is part of the enormous sin that we must avoid fellow Muslims, and we advise each other in goodness to avoid the wrath of Allah SWT to create a nation that is *BaldatunThoyyibatun wa Robbun ghofur* (a good country with an all-forgiving Lord) as directed by President Joko Widodo at the opening of the 12th JATMAN congress on Monday, January 15, 2018 (www.kemenag.go.id).

The factors that influence the perception of the Malay community towards Islamic banking include the problem of the still low literacy of the Malay community towards Islamic banking. Factors on the religious side also affect the number of Islamic bank customers themselves. The promotion also influences the perception of the Malay community in choosing or not for economic transactions at Islamic banks.

Customer perceptions of the Islamic banking credibility in the city of Palembang have emerged from academics, practitioners and business actors themselves. The Malay community's mindset considers Islamic banks to be the same as conventional banks. Only differentiating interest is replaced by profit sharing, but the point is the same as seeking profit. Different levels of education will affect the public's perception of the credibility of Islamic banking itself. The Malay community does not care about the differences between Islamic and conventional banks, despite apparent differences between the interest and profit-sharing systems based on the Qur'an arguments and in-depth studies in the field.

Based on the characteristics of the respondents in this study, it shows that the Malay community who use Islamic Bank products is dominated by customers aged between 22 - 30 years, with more female respondents than men who are dominated by other jobs (non-permanent/entrepreneurs). The Malay community's perception of Islamic banking on the attitude variable is clear and of good quality. The Malay community's knowledge of Islamic banking on the product variable is good. Location and ease of access to banks, prices and benefits, employee attitudes, service quality, indicators of sharia compliance, consumer decisions and customer loyalty also greatly influence the perception of the Malay community towards sharia banking. The perception of the Malay community towards sharia banking is not only for world affairs but also for obtaining blessings from Allah SWT. In implementing Islamic banking, many shortcomings still significantly affect the perception of the Malay community towards Islamic banking.

There are several opportunities and challenges for Islamic banks to maintain their credibility in Indonesia as the country with the largest Muslim population in the world. The credibility measure is very much in the spotlight in financial services. Indonesia should be a role model for other Islamic countries in the world in implementing sharia economics, in this case, sharia banking better and following Islamic sharia. The main challenge faced is the quality of human resources, whose religious knowledge is still shallow and needs further and continuous education. Through socialization and literacy about sharia finance, it will increase awareness in the public so that they can immediately move to carry out financial transactions based on Islamic sharia and avoid usury by moving to Islamic banks. Another challenge is the problem of fraud, which of course, has the possibility of happening because, as human beings, we cannot be separated from mistakes and mistakes. Early education is needed for the younger

generation so that in the implementation of the world of work later, they can work usefully for others and not become a parasite of society, especially in the banking world.

Conclusion

The world of Islamic banking is increasing every year, but the increase is not significant compared to the increase in the number of customers at conventional banks. It can be seen from the data obtained from the Financial Services Authority (OJK) of the city of Palembang and the development of financial service inclusion in the province of South Sumatra, especially the city of Palembang. It is also in line with developments at the beginning of the problem background regarding the development of Islamic banking, in this case, Islamic banks in the OJK Islamic banking statistics in 2020 and some journal articles only around five per cent per year. It is, of course, not or less relevant to the population of Indonesia, where Muslims in Indonesia are the largest population in the world. However, the development of Islamic banking still needs to increase turnover and the number of customers because Islamic banks do not contain elements of usury in implementing their economic activities. The Muslim community should avoid usury and switch to Islamic banks, so we advise each other in goodness to avoid Allah SWT's wrath and create a nation that is *Baladun Thoyyibatun wa Robbun ghofur*.

Author's Contribution

Huzaimah: Collecting and searching for the research idea, analyzing and interpreting data.

Romli: Managing and reviewing the research.

Maya Panorama: Finishing the revision it, funding, writing the revision and submitting the revision

Acknowledgements

The authors are grateful to the Department of Islamic civilization, Graduate Program, Universitas Islam Negeri Raden Fatah and thank you to the manager of the 5000 doctoral scholarship of the ministry of religion.

Declaration of Competing Interest

We declare that we have no conflict of interest.

References

- Abayomi, S. O. (2017). Personal Ethics and Fraudster Motivation: The Missing Link in Fraud Triangle and Fraud Diamond Theories, *International Journal of Academic Research in Business and Social Sciences*, 6(2), 159– 165. <https://doi.org/10.6007/IJARBSS/v6-i2/2020>
- Abdullahi, R., & Mansor, N. (2015). Fraud triangle theory and fraud diamond theory: understanding the convergent and divergent for future research. *International Journal of Academic Research in Accounting, Finance, and Management Sciences*, 5 (4): 38-45. <https://doi.org/10.6007/IJARAFMS/v5-i4/1823>
- Abuddin, N. (1997). *Filsafat Pendidikan Islam*. Jakarta: Logos Wacana Ilmu.
- Ainiyah, N. (2013). Pembentukan karakter melalui pendidikan agama Islam. *Jurnal Al-Ulum*, 13 (1): 25-38.
- Albrecht, W., Steve, C.O. , Albrecht, C., & Zimbelman, M.F. (2012). *Fraud Examination Fourth Edition*. Mason, USA: South-Western, Cengage Learning.
- Anderman, E.M., & Murdock, T.B. (2007). *Psychology of Academic Cheating*. London: Academic Press. <https://doi.org/10.1016/B978-012372541-7/50002-4>
- Ariail, D., & Crumbley, D. (2016). Fraud triangle and ethical leadership perspectives on detecting and preventing academic research misconduct. *Journal of Forensic & Investigative Accounting*, 8(3), 480-500.

- Baird Jr., J.S. (1980). Current trends in college cheating. *Psychology in the Schools*, 17 (4): 515-522. [https://doi.org/10.1002/1520-6807\(198010\)17:4<515::AID-PITS2310170417>3.0.CO;2-3](https://doi.org/10.1002/1520-6807(198010)17:4<515::AID-PITS2310170417>3.0.CO;2-3)
- Bintoro, W., Purwanto, E. & Noviyani, D.I. (2013). Hubungan self regulated learning dengan kecurangan akademik mahasiswa. *Educational Psychology Journal*, 2(1): 57-64.
- Burke, D. D., & Sanney, K. J. (2018). Applying the fraud triangle to higher education: Ethical implications. *Journal of Legal Studies Education*, 35(1), 5-43. <https://doi.org/10.1111/jlse.12068>
- Djajadikerta, H., & Susan, M. (2020). The Determinants of students' intention to conduct fraud on assignments and examinations. *Review of Integrative Business and Economics Research*, 9, 119-124.
- Draper, M.J., & Newton, P.M. (2017). A legal approach to tackling contract cheating?. *International Journal for Educational Integrity*, 13(1), 11. <https://doi.org/10.1007/s40979-017-0022-5>
- Coughlan, S. (2015). Harvard students take pledge not to cheat, BBC News, 11 November 2015. <https://www.bbc.com/news/business-34769435>
- Ghozali, I. (2011). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 19*. Semarang: Badan Penerbit Universitas Diponegoro.
- Hadisi, L. (2013). Pendidikan agama Islam: Solusi mengatasi perilaku menyimpang siswa SMK Negeri 1 Kendari. *AL-IZZAH*, 8 (2): 124-146.
- Hadjar, I. (2017). The effect of religiosity and perception on academic cheating among Muslim students in Indonesia. *Journal of Education and Human Development*, 6(2), 139-147. <https://doi.org/10.15640/jehd.v6n2a15>
- Hasbullah. (2001). *Dasa-dasar Ilmu Pendidikan*. Jakarta: Raja Grafindo Persada.
- Herlyana, M. V., Sujana, E., & Prayudi, M.A. (2017). Pengaruh religiusitas dan spiritualitas terhadap kecurangan akademik mahasiswa: Studi empiris pada mahasiswa universitas pendidikan Ganesha Singaraja. *e-Journal S1 Ak Universitas Pendidikan Ganesha*, 8 (2). <https://doi.org/10.23887/jimat.v8i2.13313>
- Indriani, I., Agus S., & Siti, M. (2016). Penerapan Konsep Fraud Diamond Teori dalam Mendeteksi Perilaku Fraud, Prosiding Simposium Nasional Akuntansi XIX, Lampung.
- Istifadah, Rikyan Ulil & Senjani, Yayu Putri. (2020). Religiosity as the moderating effect of diamond fraud and personal ethics on fraud tendencies. *Journal of Islamic Accounting and Finance Research*. Vol. 2, 91-116. <https://doi.org/10.21580/jiafr.2020.2.1.4712>
- Irvan, M. A. N. (2018). Pengaruh perilaku Islami dan lingkungan Islami terhadap kepatuhan sistem pengendalian internal dalam mencegah niat melakukan kecurangan: Studi empiris pada pondok modern darussalam gontor (Skripsi Sarjana Strata-1 Program Studi Akuntansi Fakultas Ekonomi Universitas Islam Indonesia).
- Jamila. (2016). Pendidikan berbasis Islam yang memandirikan dan mendewasakan. *Jurnal EduTech*, 2(2), 73-83.
- Jawapos.com. 2018. *Terjadi kecurangan saat tes masuk STAN: Pelakunya anak pejabat*. Juli 6. <https://www.liputan6.com/news/read/3580866/terjadi-kecurangan-saat-tes-masuk-stan-pelakunya-anak-pejabat>.
- Karyono. (2013). *Forensic Fraud*. Yogyakarta: Penerbit Andi.
- Kusaeri. (2016). Studi perilaku cheating siswa madrasah dan sekolah Islam ketika ujian nasional. *Edukasia: Jurnal Penelitian Pendidikan Islam*, 11(2), 331-354. <https://doi.org/10.21043/edukasia.v11i2.1727>
- Kusuma, M. F. D. (2018). *Faktor-faktor yang mempengaruhi mahasiswa melakukan tindakan kecurangan akademik dengan perspektif fraud diamond dan religiusitas: Studi pada*

mahasiswa akuntansi universitas Islam Indonesia (Skripsi Sarjana Strata-1 Program Studi Akuntansi Fakultas Ekonomi Universitas Islam Indonesia).

- Lubis, M. A., & Sanjaya, B. (2022). The existence of integrated Islamic education in Malaysia. *Innovation: Journal for Religious Innovation Studies*, 22(1), 20-34. <https://doi.org/10.30631/innovatio.v22i1.148>
- McHaney, R., Cronan, T. P., & Douglas, D. E. (2019). Academic integrity: Information systems education perspective. *Journal of Information Systems Education*, 27(3), 1.
- Meitriana, M. A., Suwena, I. K. R., & Indrayani, L. (2019). The Influence of Fraud Triangle and Theory of Planned Behavior on Students Academic Fraud in Bali. In *International Conference on Tourism, Economics, Accounting, Management, and Social Science (TEAMS 2018)*. Atlantis Press. <https://doi.org/10.2991/teams-18.2019.24>
- Melati, I.N., Wilopo, R., & Hapsari, I. (2018). Analysis of the effect of fraud triangle dimensions, self efficacy, and religiosity on academic fraud in accounting students. *The Indonesian Accounting Review*, 8(2), 189-203. <https://doi.org/10.14414/tiar.v8i2.1536>
- Muhsin, M., Kardoyo, M., Arief, S., Nurkhin, A., & Pramusinto, H. (2017). An Analysis of Student's Academic Fraud Behavior. In *International Conference on Learning Innovation (ICLI 2017)*. Atlantis Press. <https://doi.org/10.2991/icli-17.2018.7>
- Murdiansyah, I., Sudarma, M., & Nurkholis. (2017). Pengaruh dimensi fraud diamond terhadap perilaku kecurangan akademik: Studi empiris pada mahasiswa magister akuntansi universitas brawijaya. *Jurnal Akuntansi Aktual*, 4(2), 121-133. <https://doi.org/10.25105/jat.v4i1.4965>
- Musrifah. (2016). Pendidikan karakter dalam perspektif Islam. *Edukasia Islamika*, 1(1), 119-133.
- Mustapha, R., Isa, M., & Yunus, H. (2019). Spiritual intelligence and academic dishonesty: The Malaysian higher education student perspectives. *European Journal of Education Studies*, 6(2), 205-222.
- Nurkhin, A., & Fachrurrozie. (2018). Analisis pengaruh dimensi fraud diamond terhadap perilaku kecurangan akademik mahasiswa pendidikan akuntansi UNNES. *Liabilities Jurnal Pendidikan Akuntansi*, 1(1): 1-12. <https://doi.org/10.30596/liabilities.v1i1.2026>
- Padmayanti, K. D., Sujana, E., & Kurniawan, P.S. (2017). Analisis pengaruh dimensi fraud diamond terhadap perilaku kecurangan akademik mahasiswa. *e-journal S1 Ak Universitas Pendidikan Ganesha*, 8 (2): 1-12. <https://doi.org/10.30596/liabilities.v1i1.2026>
- Prawira, I.D.M.S., & Irianto, G. (2015). Analisis pengaruh dimensi fraud diamond terhadap perilaku kecurangan akademik mahasiswa: Studi kasus pada mahasiswa S1 jurusan akuntansi perguruan tinggi negeri kota malang. *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya*, 2 (2): 1-24.
- Rafnhar, R., & Muslimin, M. (2022). The Effect of Academic Fraud Dimensions of Fraud Pentagon's On Accounting Students. *JASa (Jurnal Akuntansi, Audit dan Sistem Informasi Akuntansi)*, 6(1), 122-134. <https://doi.org/10.36555/jasa.v6i1.1713>
- Sabli, N., Hamid, N. A., Haron, N. H., & Wahab, R. A. (2018). Academic cheating among undergraduate accounting students: Fraud diamond theory perspective, 6. *National Academy Of Managerial Staff Of Culture And Arts Herald*, (1), 932-937.
- Said, J., Alam, M. M., Karim, Z. A., & Johari, R. J. (2018). Integrating Religiosity into Fraud Triangle Theory: Findings on Malaysian Police Officers, *Journal of Criminological Research, Policy and Practice*, 4(2), 111–123. <https://doi.org/10.1108/JCRPP-09-2017-0027>
- Salamah, I. (2022). Factors Influencing Academic Dishonesty Among Sriwijaya State Polytechnic Students. *International Journal of Science, Technology & Management*, 3(2), 357-362. <https://doi.org/10.46729/ijstm.v3i2.491>
- Saleh, S. (2017). Peran lembaga pendidikan dalam membentuk karakter bangsa." *Prosiding Seminar Nasional Himpunan Sarjana Ilmu-ilmu Sosial*, 2 (10): 101-112.

- Santoso, M.H., & Adam, H. (2014). Analisis perilaku kecurangan akademik pada mahasiswa akuntansi dengan menggunakan konsep fraud triangle. *Jurnal Ilmiah Mahasiswa FEB*, 2 (2): 1-23.
- Sekaran, U., & Bougie, R. (2017). *Metode Penelitian untuk Bisnis (Edisi 6)*. Jakarta: Salemba Empat.
- Setyaki, R. S., Pesudo, D. A. A., Andreas, H. H., & Chang, M. L. (2022). Does Personality Impact Academic Fraud?. *Review of Integrative Business and Economics Research*, 11(3), 81-98.
- Singh, S., & Remenyi, D. (2016). Plagiarism and ghost writing: The rise in academic misconduct. *South African Journal of Science*, 112(5-6), 1-7. <https://doi.org/10.17159/sajs.2016/20150300>
- Steel, A. (2017). Contract cheating: Will students pay for serious criminal consequences?. *Alternative Law Journal*, 42(2), 123-129. <https://doi.org/10.1177/1037969X17710627>
- Ullah Khan, I., Khalid, A., Anwer Hasnain, S., Ullah, S., & Ali, N. (2019). The Impact of religiosity and spirituality on academic dishonesty of students in Pakistan. *European Online Journal of Natural and Social Sciences*, 8(3), 381.
- Walker, D. I., Roberts, M. P., & Kristjánsson, K. (2015). Towards a new era of character education in theory and in practice. *Educational Review*, 67(1), 79-96. <https://doi.org/10.1080/00131911.2013.827631>
- Wardani, F. P. (2015). *Pengaruh self efficacy, lingkungan belajar, dan disiplin belajar, terhadap perilaku kecurangan akademik siswa kelas XI IIS SMA Negeri 5 Yogyakarta Tahun Ajaran 2014/2015*. (Skripsi program studi pendidikan akuntansi jurusan pendidikan akuntansi fakultas ekonomi universitas negeri Yogyakarta).
- Widianingsih, L. P. (2013). Students cheating behaviors: The Influence of fraud triangle. *Review of Integrative Business & Economics Research*, 2 (2), 252-260.
- Yendrawati, R., & Akbar, A. W. (2019). The influence of the fraud triangle and Islamic ethics on academic fraudulent behaviors. *Review of Integrative Business and Economics Research*, 8, 441-457.
- Yudiana, A. P., & Lastanti, H.S. (2016). Analisis pengaruh dimensi fraud diamond terhadap perilaku kecurangan akademik mahasiswa fakultas ekonomi. *Seminar Nasional dan Call Paper Fakultas Ekonomi UNIBA Surakarta -Investment Challenges And Opportunities In Indonesian Capital Market In The Era Of Asean Economic Community-* 412-422. <https://doi.org/10.25105/jat.v4i1.4965>
- Yurmaini. (2017). Kecurangan Akuntansi (Fraud Accounting) dalam Perspektif Islam, *Jurnal Akuntansi dan Bisnis*, 3(1), 93–104.
- Zaini, M., Carolina, A., & Setiawan, A.R. (2015). Analisis Pengaruh Fraud Diamond dan Gone Theory Terhadap Academic Fraud: Studi Kasus Mahasiswa Akuntansi Se-Madura. *Symposium Nasional Akuntansi 18* 1-20.
- Zamzam, I., Mahdi, S.A.R., & Ansar, R. (2017). Pengaruh diamond fraud dan tingkat religiusitas terhadap kecurangan akademik: Studi pada mahasiswa S-1 di lingkungan perguruan tinggi se kota Ternate. *Jurnal Ilmiah Akuntansi Peradaban*, 3(2): 1-24.
- Zuhairini. (2004). *Filsafat Pendidikan Islam*. Jakarta: Bumi Aksara.