International Journal of Progressive Sciences and Technologies (IJPSAT)
ISSN: 2509-0119.

http://ijpsat.ijsht-journals.org
Vol. 10 No. 1 August 2018, pp. 71-77
7

Level of Understanding of Human Resources on Principles of Islamic Banking and Finance

Dr. Rozalinda, M. Ag, dan Helmalia SE, MM

UIN Imam Bonjol Padang
Sungai Bangek, Kel. Balai Gadang Kec. Koto Tangah-Padang

Abstract - This study aims to measure the level of understanding of human resources on the principles of Islamic banking and finance as well as efforts to be made in improving the quality of understanding the principles of Islamic banking and finance. This is a survey and evaluative research. The study was conducted on Islamic banks in Padang City, Bank Syariah Mandiri, BNI Syariah and Bank Nagari Syariah. The approach used in this study is mixing methods that combine qualitative and quantitative, with descriptive analysis methods. Based on the results of the study it can be concluded that the level of understanding of the human resources of Islamic banking is at the level of understanding. Efforts made to improve understanding of human resources for Islamic banking and finance are; a) Conduct training and education for Islamic banking employees at all levels. b) Conduct learning both in class and e-learning through online modules, as well as application programs that can be accessed by all employees regarding the operations of Islamic banking and finance c) In addition, Islamic banks have regular study programs on Islamic economic systems that present academics, scholars or Islamic banking partners.

Keywords - Human Resources, Islamic Banking and Finance, Principles of Islamic Banking and Finance.

I. Introduction

The development in the field of Islamic banking institutions has been followed by the achievement of good performance. As of January 2017, the assets of Islamic banks in Indonesia have reached 344,290 trillion rupiah [1].

Islamic banks, because of their nature as a bank based on principles of Islamic economic system must position themselves as uswatun hasanah in the implementation of the right morals and business ethics or implement ethics and morals in economic activities [2].

The limited human resources experts in the field of Islamic banking are caused by Islamic banks recruiting personnel who are less skilled in the field of Islamic banking, especially in supporting human resources (second level) [3].

According to Wahyu Dwi Agung (former Chairman of Asbisindo) and Syakir Sula, as quoted by Euis Amalia, only 10% of human resources who have an Islamic banking education background work in Islamic banking institutions, 90% of them have a conventional background that is based on Islamic banking short training [4].

Then, the results of research on the Overview of Islamic Banking Human Resources, generally Islamic banking employees get a short training (2 days) on Islamic economics or basic education of Islamic banking and then deployed directly as practitioners of Islamic economics [5].

Table 1 Training provided for Islamic banking employees

No	Training	Time
1	Basic Banking Training	1 week
2	Basic Training of Islamic Banking	1 month

Source: Islamic Banking Basic Training in 2003 was held for 1 month, in 2013 the training was held for 1 day

This short course only provides basic information about the economy and Islamic banking instantly and participants are guaranteed to pass. But they immediately became control holders and become the decision maker [6]. In addition, education and development for bankers is still fairly expensive [7].

Table 2. Number of Islamic bank employees in Padang City

No	Islamic Banks	Employees	With Islamic Banking Background
1	BSM	67	5
2	Bank Nagari Syariah	116	12
3	BNI Syariah	42	2
4	Bank Muamalat Indonesia	33	1

Source: 2015 Research Report

Thus, a fundamental problem in the development of Islamic economics is that there is still a lack of quality and quantity of human resources with comprehensive Islamic economic mastery. As revealed by Bambang Kiswono, Head of the Regional Office of the Financial Services Authority (OJK) Region VI Sulampua, the growth of Islamic banking in Indonesia continues to rise. Unfortunately this growth has not been followed by an increase in human resources who understand and want to engage in Islamic banking. "They don't understand exactly what is Islamic economy and what is the benefit of working in Islamic banking." [8].

Employees are still low in training on sharī'ah compliant banking systems. He stated, that the bankers in the Islamic window have low knowledge and understanding of the concept [9] .. Whereas as stated by Abdel Wadoud Moustafa Moursi El-Seoudi, human resources are the most important factor in Islamic banks. Human resources are elements that greatly determine the development and progress of Islamic banks [10].

Research question:

1. How is the level of understanding of human resources towards the principles of Islamic banking and finance.
2. What efforts will be made by Islamic banks in improving the quality of understanding human resources towards the principles of Islamic banking

II. Material And Methods

This research is a survey study of the level of human resource understanding of the principles of Islamic banking and finance and evaluative research on human resource understanding of the principles of Islamic banking and finance. This study uses a qualitative and quantitative combination approach, with descriptive analysis method. Data were obtained using interviews and questionnaires that had been given a score, where the data was calculated statistically. This research was conducted at the Islamic bank in the city of Padang by focusing on Bank Nagari Syariah, Bank Syariah Mandiri, Bank Negara Indonesia (BNI) Syariah.

The instrument used to collect data in this study was a questionnaire arranged using a Likert scale with five alternative answers and each given a score. Likert scale is used to measure attitudes, opinions, and perceptions of a person or group of people about social phenomena. The questionnaire contains a list of structured questions and the material is related to the principles of Islamic banking

To ensure that the instrument used in this study is an accurate and reliable measuring instrument, Validity Test and reliability test. The data analysis technique used in this study is descriptive analysis. The analysis technique used is quantitative descriptive analysis, where the main data is the source of the respondent's answers through a questionnaire sheet and will be analyzed in accordance with the aims and objectives of the study.

III. RESULT

1. Understanding of Human Resources on Principles of Islamic banking and finance

After the questionnaire is distributed to each employee of the Islamic bank, there are a variety of answers from employees. What is the level of understanding of employees towards the ideal principles of Islamic banking? According to Muhammad Rizaluddin, head of BNI Syariah Padang, the standard level of understanding of Islamic banking human resources on the principles of Islamic banking for newly appointed employees is at least at intervals of 65% -70% (fairly understand, while for managers at manager level at least at 71% intervals - 80% (understand). In order to be clearer and more focused on the results of this study, the researcher displays the frequency table based on processed data from the questionnaire starting from the total result of the Likert question 1 scale with the symbol Q 1 to question 20 with the symbol Q 20.

Table 3. Data on Islamic banks questionnaires in Padang City

No	Bank	VMU	U	FU	NU	NUA	mean	TCR (%)	Criteria
1	BSM	17	75	26	2	0	3.20	64	Paham
2	Bank Nagari Syariah	4	52	44	0	0	3.47	69.4	Paham
3	BNI Syariah	0	28	15	0	0	3.66	73.2	Paham
	Total						10.33	206.6	
	Mean						3.44	51.65	

Source: Questionnaire, Data processed with SPSS, 2017

Based on the table above it can be seen that in BSM has an average score of 3.20 with the level of achievement of respondents by 64%, meaning that the answers from respondents included in the category of understanding. Means that HR at BSM has understood the principles of Islamic banking. While the Bank Nagari Syariah has a mean score of 3.47 with the level of achievement of respondents at 69.4%, which means that the answers from the respondents included in the category of understanding.While the BNI Syariah has a mean score of 3.66 with the level of achievement of respondents 73.2%, which means that the answers from the respondents belong to the category of understanding.

Based on the data above, it can be obtained the mean value of the three banks is 3.44 with the respondents' achievement of 51.65%. from the results of this mean value researchers can conclude that human resources in Islamic banking have not fully mastered the principles of sharia, because including the fairly understood category. From the interval value obtained by Islamic banks shows that human resources require training and development of knowledge about the principles of Islamic banking. This effort must be emphasized by every Islamic banking in order to create human resources that are more qualified and competent in their fields, especially regarding Islamic economics.

Based on the data that has been processed by the researcher, it can be seen that the level of understanding of human resources on the principles of Islamic banking must be improved, because the results of the interval indicate that they are fairly understandable with the achievement of 41% -60%. This will affect the performance in Islamic banking, because it is not supported by adequate knowledge of human resources and fully controls the principles of Islamic banking. In this case the management of the bank must take steps and make efforts to improve skills or knowledge of human resources.

2. Islamic banking institutions' efforts in developing the quality of Islamic banking human resources

The role of professional human resources is very significant in achieving organizational success. this matter, becomes a concern for the Board of Directors towards the management of Human Resources so as to be able to present employees who are innovative, creative and leading the way in expertise in their fields. In this regard, BSM is committed to developing human resources as one of the basic capital in the face of competition. BSM is committed to continuously improving employee competencies that can support the company's strategy. One of the competency development programs is the Leadership Development Program (LDP). LDP aims to prepare prospective corporate leaders at all levels of the organization.

Education and training programs are a strategic step to increase organizational commitment. Education and training programs will contribute greatly to the organization if they can match the values of the organization and individual values [11].

To ensure employees have competencies that are in line with business demands, BSM provides training for all organizational lines. The program is reflected in structured training programs according to competency profiles and business fields including: [12]

a. Orientation andDevelopment Program

As an education level to support employee career levels.

b. Program pelatihan banking academy

Aims to improve employee knowledge, skills and behavior that are carried out in a structured manner through a series of programmed activities.

c. Enhancement Program

Aims to maintain the knowledge, skills and behavior of employees always up to date in accordance with the demands of the bank's business, industry dynamics and global best practices in the form of workshops, public training, certification programs, and S2 scholarship programs.

In terms of program quality improvement, the bank provides new employee education programs (Banking Staff Program & Banking Officer Program) and promotional education in the form of specific Officer Development Programs (ODP) in accordance with the position group. BSM has an education and training program for employees to improve competence and knowledge to support the performance and career advancement of each employee [13].

All training, education and leadership development are managed entirely by banks with internal or external resource persons. According to Firman, for Human Resource Development, everyn training provided by Bank Syariah Mandiri, both at the central and regional levels always presents material about the principles of Islamic banking in it. All of the training was carried out in an effort to improve and develop the human resources of Islamic banking.

Excellent human resources become the main support in leading the market and driving the development of Islamic banking in Indonesia. As confirmed by Abdel Wadoud Moustafa Moursi El-Seoudi, et al, Human Resources is the most important factor of Islamic banks. Human resources are elements that determine the development and progress of Islamic banks [10]. To produce advanced human resources, BSM develops a culture of learning in a sustainable manner, and is supported by the best learning facilities. BSM has provided a means to improve the quality of human resources through various educational and training facilities, such as Competency-Based Training Programs; E-learning; Learning Center.

The provision and development of facilities to improve the quality of human resources has become a management commitment of BSM and all employees. This commitment is carried out in order to support BSM's transformation into the best Islamic bank.

BNI Syariah in realizing the Company's vision and mission requires employees with high skills and competence. For this reason, BNI Syariah continues to implement employee training and development programs on an ongoing basis. All forms of management of Human Resources are based on competencies, including training and employee development activities. BNI Syariah employee development will focus on the current job competencies and future positions in accordance with his career development plan. Thus each employee will have an individual development plan and have the same opportunity to obtain a development program [14]. In addition, BNI Syariah has an application program in the form of Electronic Corporate Guidline. This program is a learning media for employees online, employees log in with Employee Identification Number (NPP). In this program all material on Islamic banking is published, Standard Operating Procedures, contracts, DSN Fatwa all employees can study independently related to theory and application.

Banking efforts in fostering employee skills include training, capacity building, training (sales and marketing), and are carried out between cities and head offices. Also held a classic training week. (OJT) one year rotated perunit adjusted to the unit needed, also training how to use the financing application (the training is one week, 3 days, or two weeks).

To improve the competence of employees, BNI Syariah held a number of trainings in both technical competencies and soft skill competencies. The following training is provided to employees:

Table 4. Training provided in BNI Syariah

No	Pelatihan Kompetensi Teknis
1	Risk Management In Islamic Banking
2	Executive Distance Learning on Islamic Financial Transactions Analysis TrainingProgram
3	PSAK Training no. 46
4	Ijtima' Sanawi DPS IX
5	Islamic Banking
6	Islamic Banking Update Session "IndentHouse Ownership Credit Musyarakah Mutanaqishah"
7	Islamic Banking Update Session - Modus Operandi of Fraud in Gold Pawn
	Islamic Banking Update Session - Musyarakah Mutanaqisah (MMQ)
8	Islamic Banking Update Session –Fraud in Gold Pawn
	Financing Analysis of Islamic Bank
9	“How Far Has Islamic Banking in Indonesia Implemented Risk Management?”
10	Course Training on Financing Scheme in Islamic Banking and Finance for AMED Member Countries
11	Basic Training of Islamic Banking
12	Indonesia Islamic Banking Accounting Guidelines

Source: BNI Syariah, 2017

According to Mukhlis, funding asisten BNI Syariah Padang Branch, to improve understanding of the principles of Islamic banking, all employees at the beginning of the appointment received Basic Islamic Banking Training (PDPS). Periodically, for each training provided by BNI Syariah both nationally and regionally, it always provides material on understanding the principles of Islamic banking. Meanwhile, training which provide temporally and training that is provided to employees is linked to the position of each employee. For example the training on maqashid sharia is directed to provide understanding to employees about their functions as Islamic banking practitioners and Islamic economic actors. In addition, the management of the trade union at BNI Syariah also has a learning program on the principles of Islamic banking such as the hafiz verse Al Quran, hadith competitionand about usury in the month of Ramadan. Then, BNI Syariah conducts regular study activities on Islamic economics twice in one month in the first and third weeks by inviting academics, scholars or partners.

According to Sonny Ardison, Back Office Head of BNI Syariah Branch in Padang, the training held throughout 2017, as follows:

1. Islamic Banking Basic Education
2. Risk Management Certification
3. Service Excellence dalam Layanan
4. Training Program Branch Internal Controllers and Auditors
5. Productive Financing Training for Various Industrial Markets
6. Consumptive Financing Training
7. Hajj Fund Management Training
8. IT Technical Skills Development Training
9. International Transaction Training
10. Product Development Training
11. Tax Training and General Report of Islamic Banks

According to Astrid, one of the employees of the BNI Syariah Operations Section, for all new employees, they received a year of On The Job Training (OJT), two weeks of Islamic Banking Basic Training (PDPS) from the leaders and staff, and also the Islamic Supervisory Board (DPS), notary training (completeness of financing administration), BSP (Bussiness Continues Plan). Sometimes employees receive the training to Batam, Jakarta and Malaysia.

Based on employee questionnaire data at BNI Syariah, the training provided is as follows:

Table 5 Training in BNI Syariah

No	Training	Schedule
1	Basic Banking Training	1 week
2	Basic Training of Islamic Banking	1 month
3	Massive Training	2 days

4	Graphonomy and Counterfeit Money Training	3 days
5	Product Knowledge Training	1 week
6	Gold Assessment Training	1 week
7	Back Office Head Training	3 days
8	Refreshing Consumptive Financing and Funding	2 days
9	Service Excellent Training	2 days
10	Refreshing Product Training	2 days
11	Consumer Sales Refreshing Financing	5 days
12	Costumer Service	1 month
13	Direct Sales Program	3 days

Source: BNI Syariah Employee Questionnaire, 2017

In order to develop competencies and careers, in order to carry out their duties and obligations professionally and responsibly, PT. Bank Pembangunan Daerah of West Sumatra has established a policy by giving equal opportunity to all employees without any different treatment of religion, ethnicity, culture, physical characteristics, educational background, level of position or gender. In addition to efforts to meet the amount of human resources in accordance with business needs, the bank has sought to improve the quality of its human resources through employee competency development program policies with an emphasis on improving banking understanding, skills, intellectual, managerial abilities, service, loyalty, compliance and supervision. Education in this case is the main catalyst in the development of human resources. In connection with this, Bank Nagari carries out education and training programs such as in-house training, out-house training, comparative studies, workshops, socialization, and seminars.

Based on data obtained from several employees of Bank Nagari Syariah, the training and development provided by Bank Nagari Syariah for employee development programs are as follows:

Table: 6 Bank Nagari Syariah Employee Education and training

No	Training	Schedule
1	Basic education of Islamic Banking	1 month
2	First Line Manager Education	3 days
3	Islamic Banking Financing Analysis Training	2 days
4	Credit Supervision	2 days
5	Total Service Quality (TSQ)	2 days
6	Emotional Spiritual Quotient (ESQ)	3 days
7	Control Self Audit (CSA)	3 days
8	Writing Procedures For Bank Training	2 days
9	Archive Training	

Source: Bank Nagari Syariah Employee Questionnaire, 2017

To measure the achievement of learning targets in the training conducted on the Islamic banking human resources above, program implementers conduct training evaluations by giving pretest, posttest and examination. For training within a week, every day there is a pretest before the material continues. After the material is finished the trainer will do a posttest to measure the level of understanding of the trainees. At the end of the training, tests were conducted to assess the learning outcomes of the trainees.

To measure the performance of Islamic banking human resources after occupying each job desk, the evaluation of training is conducted periodically annually. This exam is conducted online according to their respective job desks, standard operating procedures, banking operations and principles of Islamic banking. This exam is conducted to support the career of employees. The training that has been provided is very influential on improving the competence of human resources in operationalizing banks based on the principles of Islamic banking.

IV. Conclusions And Suggestion

A. Conclusions

Based on the results of the study it can be concluded that

1. The level of understanding of Islamic banking human resources is at the level of understanding. This conclusion is based on the mean score on BSM is 3.20 with the level of achievement of respondents 64%, which means the answers from respondents included in the category of understanding the principles of Islamic banking. While the Bank Nagari Syariah has an average score of 3.47 with the level of achievement of respondents by 69.4%, which belongs to the category of understanding the principles of Islamic banking. While in BNI Syariah has a mean score of 3.66 with the level of achievement of respondents 73.2%, included in the category of understanding the principles of Islamic banking.

   Based on this data, the mean value of the three banks can be obtained by 3.44 with the respondent's achievement of 51.65%. From the results of this mean value, researchers can conclude that the human resources of Islamic banking in the city of Padang have not fully mastered the principles of Islamic banking, because it is in the categoryof fairly understood.

2. The efforts made by Islamic banks in increasing the understanding of human resources towards the principles of Islamic banking are a) Conduct training and education for employees of Islamic banks at all levels and at each training. b) Conduct learning both in class and e-learning through online modules, as well as application programs that can be accessed by all employees about Islamic banking operations. c) In addition, Islamic banks have a routine study program of Islamic economics that presents academics or scholars or partners of Islamic banks.

B. Recommendation

In the midst of this rapid development of Islamic economics, Indonesia needs professional human resources. Therefore, establishing education and research centers, as well as professional certification for the human resources of Islamic banks must be provided. From the results of research obtained in Islamic banks shows that human resources require training and development of knowledge about the principles of Islamic banking. This effort must be emphasized by every Islamic banks in order to create human resources that are more qualified and competent in their fields, especially regarding Islamic economics.

Reference

[1] Otoritas Jasa Keuangan, Statistik Perbankan Syariah, Januari 2017

[2] Muhamad, *Manajemen Bank Syariah* (Yogyakarta: UPP AMPYKPN)

[3] Munawir, Hafidh, *Perencanaan Strategi Pengembangan Bank Syariah Di Indonesia*, Jurnal Ilmiah Teknik Industri, Vol. 4, No. 1, Agst 2005

[4] Amalia, Euis *Kesesuaian Pembelajaran Ekonomi Islam Di Perguruan Tinggi dengan Kebutuhan SDM Pada Industri Keuangan Syariah di Indonesia*, Jurnal Inferensi STAIN Salatiga, Vol. 7, No. 1, Juni 2013

[5] Rozalinda dan Nurhasnah, "Potret Sumber Daya Insani Perbankan Syariah", Laporan Penelitian, Padang, 2015

[6] Agustianto, Meningkatkan Kompetensi SDM Ekonomi Syari'ah, http://www.agustiantocentre.com/, 01-04-2015

[7] Rusli, Khairul, Bank Syariah dan Standar Kualitas SDM, www.lintasgayo.com, 31 Oktober 2015

[8] Republika, Minim SDM, Performa Perbankan Syariah tak Maksimal, www.republika.co.id/berita/ekonomi/syariah-ekonomi/, Jumat, 27 Februari 2015

[9] Khan, Tahreem Noor, *Closing the Gaps of Human Resource in Islamic Banks: Literature Review Analysis*,International Journal of Business and Social Science Vol. 6, No. 5; May 2015

[10] El-Seoudi, Abdel Wadoud Moustafa Moursi, *Human Resource in Islamic Bank,* Journal of Economic Theory 6 (2):2012

[11] Siswanto, *Creating the Superior Islamic Banking Through Improving Quality of Human Resources*, Pak. J. Commer. Soc. Sci., 2011 Vol. 5 (2)

[12] Bank Syariah Mandiri, Laporan Tahunan 2016

[13] Bank Syariah Mandiri, Laporan Tahunan 2013

[14] BNI Syariah, Annual Report BNI Syariah Tahun 2016