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The Role of Bank Syariah Matahari in Economic Empowerment to Improve Human Resources According to the Principles of Good Corporate Governance

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ABSTRACT

Introduction: *In the context of economic uncertainty and increasing natural disaster risks, Islamic financial institutions are expected to play a strategic role in strengthening community economic resilience and improving the quality of human resources. This study aims to examine the strategic role of Bank Syariah Matahari in community economic empowerment, with particular emphasis on the implementation of Good Corporate Governance (GCG) principles as a foundation for sustainable and sharia-compliant empowerment.*

Methods: *This study employs a descriptive qualitative approach to analyze the implementation of economic empowerment programs, adaptive financing schemes, post-disaster financing restructuring, and community-based empowerment initiatives conducted by Bank Syariah Matahari. The analysis focuses on the relationship between economic empowerment, GCG principles, and human resource development within the context of Islamic banking).*

Results: *The analysis indicates that community economic empowerment through adaptive financing, financial inclusion, business development assistance, and community-based programs has an important role in strengthening household economic capacity and supporting the improvement of human resource quality. The implementation of GCG principles, particularly transparency, accountability, responsibility, independence, and fairness, strengthens the effectiveness and sustainability of these empowerment initiatives. The integration of sharia values emphasizing justice, partnership, and social benefit further enhances the bank's role as an agent of economic recovery and community development.*

Conclusion and suggestion: *Bank Syariah Matahari has the potential to strengthen its strategic role as an agent of community economic empowerment by integrating GCG principles with inclusive financing and human resource development programs. Sustainable collaboration among Islamic banks, communities, government institutions, and other stakeholders is recommended to develop adaptive empowerment strategies, particularly for communities affected by economic uncertainty and natural disasters.*

Keywords: *Islamic Banking, Economic Empowerment, Good Corporate Governance, Human Resource Development*

Paper type: Research paper

INTRODUCTION

The development of the Islamic banking industry in Indonesia shows increasingly significant dynamics, both in terms of regulation, institutional development, and its contribution to national economic development. Islamic banking is no longer viewed merely as an alternative to the conventional financial system, but increasingly as a strategic instrument for promoting inclusive, equitable, and sustainable economic development. This orientation is reflected in the *Roadmap Pengembangan dan Penguatan Perbankan Syariah Indonesia (RP3SI) 2023–2027*, which places the strengthening of Islamic banking resilience, digitalization, distinctive sharia characteristics, and increased contribution to the national economy as major development priorities (Otoritas Jasa Keuangan [OJK], 2023). In this context, Islamic banking has an important position in expanding financial access and supporting productive economic activities, particularly among micro, small, and medium enterprises (MSMEs). Access to Islamic banking financing can provide capital for business development while simultaneously supporting financial inclusion and strengthening the economic capacity of communities. Recent empirical evidence indicates that Islamic banking financing to MSMEs has implications for broader economic outcomes, including employment absorption, while financial inclusion through Islamic banking and financial technology can contribute to MSME growth (Fajri et al., 2023; Financial Inclusion of Islamic Banking and Financial Technology as a Growth Factor for MSMEs, 2022).

Economic empowerment through Islamic banking is therefore closely related to the improvement of community welfare and human resource quality. The availability of productive financing, business assistance, financial literacy, and wider access to financial services can strengthen the capacity of communities and business actors to manage economic resources more effectively. Recent research on Islamic banking in Indonesia demonstrates that economic empowerment through MSME financing constitutes an important dimension of the social mission of Islamic banking, although its effectiveness remains dependent on risk management, supervision, financing design, and institutional strategy (Isman & Hidayah, 2024). In addition, research on Islamic banking performance, financial inclusion, and human development indicates that Islamic banking has potential relevance to broader human development outcomes through its role in expanding access to financial services and supporting sustainable development (Nulyani et al., 2025). The economic empowerment undertaken by Islamic banks cannot be separated from the quality of corporate governance implemented by the institution. *Good Corporate Governance* (GCG) is fundamental to ensuring that banking operations are conducted transparently, accountably, responsibly, independently, and fairly. Within Islamic banking, governance also contains a specific dimension of sharia governance because institutional activities must remain consistent with Islamic principles. Empirical research in Indonesia and Malaysia demonstrates that Islamic corporate governance is associated with the performance of Islamic banks, highlighting the importance of governance mechanisms in strengthening institutional effectiveness (Billah & Fianto, 2021). Similar evidence from Indonesia shows that Islamic corporate governance and risk management are relevant to Islamic bank performance, particularly through governance mechanisms involving the Sharia Supervisory Board and risk management structures (Darma & Afandi, 2021).

The importance of governance has become increasingly explicit within Indonesia's regulatory framework. OJK issued POJK No. 2 of 2024 concerning the implementation of sharia governance for Islamic commercial banks and Islamic business units. The regulation is designed to strengthen the distinctive characteristics of Islamic banking and complements the general governance framework applicable to banks. It also emphasizes the functions of the Sharia Supervisory Board, sharia compliance, sharia risk management, internal sharia audit, and external review of sharia governance implementation (OJK, 2024). Consequently, GCG in Islamic banking cannot be understood only as an administrative mechanism for achieving financial performance, but also as an institutional framework for ensuring accountability, ethical conduct, sharia compliance, and social benefit.

The relationship between Islamic corporate governance and banking performance has also received increasing attention in recent studies. Research involving Islamic banks in Indonesia found that governance mechanisms have an important relationship with financial performance, although the effects of individual governance mechanisms can vary depending on the institutional context (Farichah et al., 2024). More recent research has extended this discussion by linking Islamic corporate governance with sustainability and multidimensional bank performance, suggesting that governance can function as a strategic mechanism for integrating financial, social, and sustainability objectives within Islamic banking (Lestari et al., 2025). Thus, strengthening GCG provides an important foundation for ensuring that economic empowerment programs are not merely oriented toward short-term financial outcomes but also toward sustainable community welfare. The relevance of Islamic banking to community economic empowerment can also be observed through the development of financing schemes specifically targeting MSMEs. Research on Islamic banking financing shows that access to sharia-based financing can support local economic improvement by addressing capital constraints faced by small and medium enterprises (Permanasari et al., 2024). Other research demonstrates that the distribution of MSME financing by Islamic commercial banks is influenced by internal banking factors such as third-party funds, return on assets, and financing-to-deposit ratios, indicating that institutional capacity is an important determinant of the ability of Islamic banks to expand productive financing (Safitri, 2024). Therefore, economic empowerment requires not only a social orientation but also sound institutional management and governance.

The role of Islamic banking becomes even more important when economic empowerment is examined within the context of financial vulnerability and disaster risk. Indonesia faces considerable exposure to hydrometeorological and geological disasters, which can disrupt household economic activities, damage productive assets, reduce income, and interrupt access to education and employment. BNPB's official disaster data provide detailed records of disaster events and their impacts, including affected populations, fatalities, displaced persons, damaged houses, educational facilities, and infrastructure (Badan Nasional Penanggulangan Bencana [BNPB], 2024). BNPB also reported 5,400 disaster events during 2023, demonstrating the persistent significance of disaster risk in Indonesia's socioeconomic development (BNPB, 2024). Natural disasters generate consequences that extend beyond physical damage. The disruption of productive activities can reduce household income, weaken MSME business continuity, and increase financial vulnerability among affected communities. In such circumstances, Islamic financial institutions can potentially function as agents of economic recovery by providing adaptive financing, restructuring appropriate financing obligations, supporting productive business recovery, and strengthening community-based economic programs. The development of Islamic microfinance as a form of social finance also demonstrates the potential of Islamic financial institutions to address financial exclusion and strengthen community economic resilience through instruments based on Islamic social and ethical principles (As-Salafiyah & Kartikawati, 2022).

The strategic importance of adaptive Islamic financing is consistent with the current direction of Islamic banking policy in Indonesia. OJK's RP3SI 2023–2027 emphasizes the strengthening of the Islamic banking industry's resilience, the development of distinctive sharia products, and increasing the contribution of Islamic banking to the national economy (OJK, 2023). OJK has also developed specific product guidelines for *musyarakah* and *mudharabah*, demonstrating efforts to strengthen financing instruments based on partnership and risk-sharing principles (OJK, 2024). These developments provide a regulatory and institutional basis for Islamic banks to expand their role beyond conventional financing toward broader economic empowerment. In this context, Bank Syariah Matahari can be positioned as an institutional case for examining how Islamic banking principles, economic empowerment, and GCG can be integrated to strengthen community welfare and human resource quality. However, it is important to distinguish between the general evidence concerning Islamic banking in Indonesia and the specific empirical conditions of Bank Syariah Matahari. The specific programs, governance mechanisms, financing schemes, and community outcomes of Bank Syariah Matahari need to be established through empirical evidence rather than assumed from the general characteristics of Islamic banking. This distinction is particularly important because previous research shows that the effectiveness of Islamic banking's economic empowerment mission can vary according to financing mechanisms, risk management, supervision, and institutional governance (Isman & Hidayah, 2024).

The research gap therefore lies in the limited discussion that simultaneously connects Islamic banking-based economic empowerment, GCG, and human resource development within a community-level institutional context, particularly when economic vulnerability and disaster risk are taken into consideration. Existing studies have predominantly examined Islamic corporate governance and bank performance, Islamic banking and MSME financing, or financial inclusion and economic growth separately (Billah & Fianto, 2021; Darma & Afandi, 2021; Fajri et al., 2023; Isman & Hidayah, 2024). Consequently, an integrated examination of how governance quality can strengthen the effectiveness of economic empowerment programs and ultimately contribute to human resource improvement remains relevant. Based on this background, research on the Role of Bank Syariah Matahari in Economic Empowerment to Improve Human Resources in Accordance with the Principles of Good Corporate Governance (GCG) is important and strategically relevant. The study is expected to contribute academically by enriching the literature on the integration of Islamic corporate governance, economic empowerment, financial inclusion, and human resource development within Islamic banking. Practically, the findings are expected to provide insights for Islamic bank management, policymakers, community organizations, and other stakeholders in designing empowerment strategies that are transparent, accountable, adaptive to economic and disaster risks, and oriented toward sustainable human development. Such an approach is consistent with the current direction of Islamic banking development in Indonesia, which seeks to strengthen institutional resilience while maximizing the contribution of Islamic banking to national economic and social welfare (OJK, 2023).

This research is motivated by the development of Islamic banking in recent years and the increasing need for community economic empowerment in the midst of the challenges of economic uncertainty and the impact of disasters, the role of Bank Syariah Matahari is important to study. The main problem in this study is related to how Bank Syariah Matahari carries out its role in community economic empowerment and its contribution to improving the quality of human resources. In addition, it is necessary to understand how the application of Good Corporate Governance (GCG) principles in the management of Bank Syariah Matahari affects the effectiveness and sustainability of the economic empowerment program, especially in responding to the needs of the community in the midst of evolving environmental dynamics and challenges. This research uses a descriptive-analytical approach with a qualitative perspective to deeply understand the role of Bank Syariah Matahari in economic empowerment and improving the quality of human resources based on the principles of Good Corporate Governance (GCG). This approach was chosen because it is able to comprehensively describe the processes, policies, and governance practices implemented by banks in carrying out their social and economic functions. The analysis was carried out by reviewing policy documents, annual reports, and regulations related to Islamic banking, which were then combined with secondary data from authority reports and scientific publications to obtain a complete and contextual picture

LITERATURE REVIEW

Islamic Banking and Community Economic Empowerment

The development of Islamic banking in Indonesia has increasingly demonstrated a shift in orientation from merely providing an alternative to conventional financial institutions toward becoming an important instrument for inclusive and sustainable economic development. Islamic banking has a distinctive position because its operational activities are based on sharia principles that emphasize justice, partnership, transparency, risk sharing, and social benefit. This orientation creates opportunities for Islamic banks to play a more substantial role in empowering communities, particularly micro, small, and medium enterprises (MSMEs) and economically vulnerable groups. The development of Islamic banking is therefore increasingly associated with the broader objectives of financial inclusion, poverty reduction, productive economic development, and improvement of community welfare (OJK, 2023; Wulandari, 2024). The role of Islamic banks in community empowerment can be understood through their function as financial intermediaries that connect surplus funds with productive economic activities. Through Islamic financing, communities can obtain capital to develop businesses, purchase productive assets, expand production capacity, and increase market access. However, economic empowerment cannot be understood merely as the distribution of financing. Sustainable empowerment requires the integration of financial access with business mentoring, financial literacy, entrepreneurial development, technological adaptation, and market strengthening. Ladaina et al. (2024) emphasize that Islamic banks have a multidimensional role in empowering the community, involving financial, social, technological, ethical, and environmental dimensions. Consequently, Islamic banking has the potential to function as an agent of socioeconomic transformation rather than simply as a provider of financial products.

The importance of Islamic financing for community economic empowerment is particularly evident in the MSME sector. MSMEs constitute an important component of the Indonesian economy but continue to experience limitations in accessing formal financial services. These limitations include inadequate collateral, weak financial records, low financial literacy, limited managerial capabilities, and insufficient understanding of banking procedures. Hartanto et al. (2023) demonstrate through a systematic literature review that Islamic finance has substantial potential to support Indonesian MSMEs, although challenges related to access, literacy, financing mechanisms, and institutional capacity remain significant. Therefore, Islamic banks need to develop financing approaches that are compatible with the characteristics and needs of small business actors. Productive financing represents one of the most important mechanisms for translating Islamic banking into economic empowerment. Financing that is directed toward productive activities can create income-generating opportunities and employment rather than merely supporting consumption. Trimulato et al. (2025) show that productive financing for MSMEs remains an important issue in Islamic banking because the optimization of financing for the real sector continues to face institutional and regulatory challenges. The authors emphasize the importance of financing innovation and regulatory support to increase the contribution of Islamic banks to MSME development. This indicates that the empowerment orientation of Bank Syariah Matahari should be reflected in the extent to which financing is able to stimulate productive activities and create sustainable economic value.

The financial inclusion perspective further strengthens the relationship between Islamic banking and community empowerment. Financial inclusion refers not only to the availability of financial services but also to the ability of individuals and communities to access and utilize those services effectively. Ninglasari et al. (2023) demonstrate that financial inclusion is closely associated with the distribution of Islamic financing to MSMEs in Indonesia. This relationship indicates that expanding access to Islamic financial services can increase the capacity of small businesses to obtain productive capital. However, financial access without adequate financial literacy may not generate optimal outcomes. Thus, Islamic banks need to integrate financing with education and assistance. The empowerment role of Islamic banks also has a strong relationship with the concept of *maslahah*. Within Islamic economics, financial activities are expected to generate broader benefits for society. Consequently, the success of an Islamic bank should not be assessed exclusively through profitability and financial efficiency but also through its contribution to social welfare. Ladaina et al. (2024) explain that Islamic banks can contribute to socioeconomic transformation when financial services are integrated with ethical, social, technological, and environmental considerations. This approach is particularly relevant for Bank Syariah Matahari because its economic empowerment function can be evaluated based on its ability to generate sustainable benefits for the communities it serves.

In this context, Bank Syariah Matahari can be positioned as an institution that has the potential to integrate financial intermediation with community empowerment. The strategic role can be implemented through productive Islamic financing, financial literacy, business mentoring, digital financial inclusion, and partnerships with local economic institutions. Such an approach would allow the bank to move beyond the conventional creditor-debtor relationship toward a partnership-based model. The partnership principle is consistent with Islamic economic values that emphasize mutual benefit, justice, and shared responsibility. The literature therefore indicates that economic empowerment through Islamic banking requires a comprehensive strategy. Financing is an essential starting point, but its effectiveness depends on the capacity of beneficiaries to utilize financial resources productively. The role of Islamic banks should consequently extend to strengthening the capabilities of communities. This is where economic empowerment begins to intersect with human resource development.

Islamic Financial Inclusion and Human Resource Development

Human resource development represents an important dimension of economic empowerment because economic welfare cannot be sustained without improvements in knowledge, skills, productivity, financial literacy, entrepreneurial competence, and economic independence. Access to financing may provide immediate economic opportunities, but the long-term sustainability of those opportunities depends heavily on the quality of human resources. Islamic banking therefore has the potential to contribute to human resource development indirectly through financing and directly through financial education, business mentoring, and capacity-building programs. The relationship between Islamic financial inclusion and human development has received increasing attention in recent research. Novreska and Arundina (2024) found that Islamic financial inclusion contributes significantly to poverty reduction and human development in Indonesia. Their study demonstrates that access to Islamic financial services can become an important mechanism for strengthening household economic capacity and improving human development outcomes. The findings are particularly relevant because they demonstrate that Islamic finance has implications beyond the banking sector and can influence broader socioeconomic conditions.

The relationship between Islamic financial inclusion and human development is also demonstrated through regional evidence. Nulyani et al. (2025) examined Islamic banking performance, financial inclusion, and human development at the provincial level in Indonesia. Their findings indicate that financial inclusion and Islamic banking performance are connected to human development outcomes. The study emphasizes that expanding access to Islamic financial services among marginalized communities should become an important strategic objective for Islamic financial institutions. This finding reinforces the argument that the success of Islamic banking should be measured not merely through financial indicators but also through its contribution to community development. More recent research in 2026 provides stronger evidence concerning this relationship. Alfian et al. (2026) examined the causal impact of Islamic financial inclusion on human development in Indonesian provinces using a regression discontinuity approach. The study is important because it attempts to move beyond simple correlation and investigate the causal dimension of the relationship between Islamic financial inclusion and human development. Similarly, Marasabessy and Muchtar (2026) found a positive relationship between Islamic financial inclusion and human development in provinces on Sumatra. These findings strengthen the theoretical argument that Islamic financial inclusion can contribute to improvements in human development.

The contribution of Islamic banking to human resource development can occur through several mechanisms. First, financing provides communities with productive capital that can increase business capacity and income. Second, increased income can improve household capacity to finance education and other human development needs. Third, Islamic banks can provide financial literacy programs that improve the ability of communities to manage money, plan investments, and understand financial risks. Fourth, business assistance can strengthen entrepreneurial and managerial capabilities. Fifth, access to digital financial services can improve efficiency and expand economic opportunities. Financial literacy is particularly important in the empowerment process. Communities that receive financing without adequate financial knowledge may face difficulties in managing cash flows, distinguishing productive and consumptive expenditure, calculating business risks, and fulfilling financing obligations. Consequently, financial literacy should be integrated into the empowerment programs of Islamic banks. In this regard, Bank Syariah Matahari can contribute to human resource development through educational programs that enable communities to become more financially independent.

Human resource development can also be understood through improvements in economic productivity. Individuals who possess greater entrepreneurial competence and financial knowledge are more capable of transforming financing into productive economic activities. Thus, the relationship between Islamic financing and human resources is not necessarily direct. It may operate through an empowerment process in which financing provides resources, mentoring improves capabilities, and governance ensures that the process remains effective and accountable. This perspective suggests that the quality of human resources should become an important indicator in assessing the success of Bank Syariah Matahari's economic empowerment programs. Indicators can include improvements in financial literacy, entrepreneurial competence, business management capabilities, productivity, income, employment creation, and economic independence. Such indicators provide a broader assessment than merely measuring the number or nominal value of financing distributed. The literature therefore supports the proposition that Islamic financial inclusion can become an important instrument for human development. However, the impact of financial inclusion is strongly dependent on how financial services are delivered and governed. This leads to the third important dimension of the literature, namely Good Corporate Governance.

Good Corporate Governance and Sharia Governance in Islamic Banking

Good Corporate Governance (GCG) is an important institutional mechanism for ensuring that banking activities are conducted transparently, accountably, responsibly, independently, and fairly. The importance of GCG is particularly high in banking because banks manage public funds and face various financial, operational, legal, reputational, and compliance risks. Weak governance may result in inefficient decision-making, moral hazard, conflicts of interest, financing problems, and declining public trust. Therefore, governance is not merely an administrative requirement but an important component of institutional sustainability. In Islamic banking, the concept of GCG has a distinctive dimension because governance must be integrated with sharia compliance. This creates the concept of Islamic Corporate Governance or Islamic Sharia Governance, which combines conventional governance principles with Islamic ethical values. The Sharia Supervisory Board, sharia compliance mechanisms, internal sharia audits, risk management, and transparency of contracts are important components of this governance framework.

Darma and Afandi (2021) demonstrate that Islamic corporate governance and risk management are important factors in understanding Islamic bank performance in Indonesia. Their study highlights the importance of governance structures and the Sharia Supervisory Board in ensuring that Islamic banking operations are conducted effectively. This finding indicates that governance should not be regarded as a peripheral function but as an integral component of Islamic banking management. Wibowo (2022) also examines Islamic corporate governance and financial performance in Indonesian Islamic banking. The study considers several governance mechanisms, including the board of commissioners and audit committee. The findings demonstrate that governance structures have implications for the performance of Islamic banking institutions. However, the relationship between governance and performance is not necessarily uniform across institutions. This suggests that the existence of governance structures alone is insufficient; the quality and effectiveness of implementation are more important.

Recent research provides additional evidence regarding the complexity of this relationship. Farichah et al. (2024), for example, found that Islamic corporate governance does not necessarily produce a positive relationship with financial performance in every context. Their findings demonstrate that governance must be implemented effectively and integrated with other dimensions of Islamic social responsibility and sharia compliance. Munifatussaidah and Nurrahmaningsih (2024) similarly emphasize the importance of Islamic corporate governance in strengthening the performance of Islamic banks. The regulatory environment in Indonesia has also strengthened the position of sharia governance. OJK Regulation No. 2 of 2024 establishes a specific framework for the implementation of sharia governance in Islamic commercial banks and Islamic business units. The regulation covers the responsibilities of the Sharia Supervisory Board, sharia compliance, sharia risk management, internal sharia audit, external review, reporting, and follow-up mechanisms for sharia non-compliance (OJK, 2024). This regulatory development demonstrates that governance in Islamic banking is becoming increasingly comprehensive.

The relevance of GCG to economic empowerment lies in its ability to ensure that resources are distributed appropriately and that empowerment programs achieve their intended objectives. Transparency ensures that beneficiaries understand financing requirements, contracts, costs, rights, and obligations. Accountability ensures that managers are responsible for the implementation and outcomes of empowerment programs. Responsibility ensures that financing activities consider social and ethical consequences. Independence protects decision-making from conflicts of interest. Fairness ensures that community members receive equitable treatment. These principles become increasingly important when Islamic banks target economically vulnerable communities. Vulnerable groups often have limited financial literacy and bargaining power. Therefore, they require transparent information and fair financing arrangements. The application of GCG can reduce information asymmetry between the bank and its customers and increase confidence in Islamic financial institutions.

GCG also has an important relationship with public trust. Islamic banking customers generally expect their financial transactions to comply not only with financial regulations but also with Islamic principles. Consequently, any governance failure may affect both financial trust and religious or ethical trust. Effective sharia governance can strengthen institutional legitimacy and encourage greater participation in Islamic financial services. The relationship between governance and empowerment can therefore be understood through an institutional perspective. GCG does not directly constitute an empowerment program, but it determines the quality of the processes through which empowerment is delivered. Strong governance can reduce inefficiency, prevent misuse of resources, strengthen monitoring, and improve the sustainability of programs. Conversely, weak governance can undermine empowerment even when the bank has sufficient financial resources. In the context of Bank Syariah Matahari, GCG should therefore be analyzed as a strategic mechanism that strengthens the relationship between Islamic financing and community development. The question is not merely whether GCG exists but how the principles of GCG are implemented in financing decisions, community selection, business assistance, monitoring, reporting, and evaluation.

Integration of Economic Empowerment, Human Resource Development, and GCG: Research Gap

The literature reviewed demonstrates that economic empowerment, Islamic financial inclusion, human resource development, and GCG are closely interconnected. However, previous studies tend to examine these dimensions separately. Research on Islamic banking and MSMEs generally focuses on financing and financial inclusion. Research on human development emphasizes the relationship between financial inclusion and welfare indicators. Meanwhile, research on Islamic corporate governance frequently focuses on financial performance, risk, and compliance. The integration of these three dimensions at the institutional level remains relatively limited. The first research gap concerns the relationship between Islamic banking and human resource development. Existing studies demonstrate that Islamic financial inclusion can contribute to human development (Novreska & Arundina, 2024; Nulyani et al., 2025; Alfian et al., 2026), but many studies use macroeconomic or provincial data. Such approaches are valuable for identifying general patterns but provide limited insight into how specific Islamic banks implement empowerment strategies at the community level.

The second gap concerns the relationship between GCG and economic empowerment. Previous research has predominantly examined GCG in relation to financial performance, profitability, risk management, and compliance (Darma & Afandi, 2021; Wibowo, 2022; Farichah et al., 2024). The social consequences of governance, particularly its role in ensuring that empowerment programs reach the intended communities and produce sustainable outcomes, remain less explored. This creates an opportunity to expand the analysis of GCG beyond financial performance. The third gap relates to the integration of financing and human resource development. Financing can provide capital, but capital alone does not guarantee improved welfare. Beneficiaries require knowledge, skills, financial literacy, business management capabilities, and access to markets. Therefore, an empowerment model should examine how financing interacts with capacity building and mentoring. This dimension is particularly important for Islamic banks that seek to position themselves as agents of community development.

The fourth gap concerns institutional sustainability. Economic empowerment programs may produce short-term improvements but fail to generate long-term independence if they are not supported by effective governance. Strong GCG can provide a framework for program planning, monitoring, accountability, evaluation, and risk management. Therefore, GCG can be conceptualized as a strengthening mechanism that increases the likelihood that economic empowerment will generate sustainable improvements in human resource quality. Based on this synthesis, the present study positions Bank Syariah Matahari as the institutional context for examining the integration of these variables. Economic empowerment functions as the primary intervention, GCG functions as the governance mechanism, and human resource development functions as the expected outcome. In this framework, economic empowerment may include productive financing, financial inclusion, financial literacy, business assistance, and community development. Human resource development may include improvements in knowledge, skills, productivity, entrepreneurship, financial capability, income, and economic independence. Meanwhile, GCG encompasses transparency, accountability, responsibility, independence, fairness, and sharia compliance.The framework is consistent with the direction of Indonesian Islamic banking development. The RP3SI 2023–2027 emphasizes strengthening the contribution of Islamic banking to the national economy, increasing industrial resilience, improving digitalization, strengthening Islamic banking characteristics, and optimizing its social function (OJK, 2023). The strengthening of sharia governance through OJK Regulation No. 2 of 2024 further confirms that governance is an essential component of contemporary Islamic banking.

The literature also suggests that economic empowerment needs to become increasingly adaptive to economic uncertainty and social vulnerability. Communities affected by economic shocks, including natural disasters, may experience declining income, disrupted business activities, and reduced access to employment. Islamic banks can contribute to recovery through financing restructuring, productive financing, financial assistance, and community-based economic programs. However, such programs require strong governance to ensure that assistance is properly targeted, transparent, accountable, and sustainable. Consequently, the role of Bank Syariah Matahari can be conceptualized not merely as a provider of Islamic financial services but as a community economic empowerment institution. Its strategic contribution can be assessed through the extent to which it transforms financial resources into productive economic capacity and subsequently into improvements in human resource quality. GCG becomes the institutional foundation that ensures this transformation takes place according to principles of justice, accountability, transparency, responsibility, independence, and sharia compliance.

Overall, the literature establishes a strong theoretical basis for examining the relationship between Islamic banking, economic empowerment, human resource development, and GCG. Nevertheless, there remains a need for empirical research that specifically investigates how these dimensions operate simultaneously within a particular Islamic banking institution. The study of Bank Syariah Matahari therefore offers an opportunity to fill this gap by connecting the institutional governance perspective with community-level economic and human development outcomes. Such research can contribute theoretically by integrating Islamic banking, empowerment, and governance perspectives and practically by providing recommendations for designing Islamic banking programs that are more inclusive, adaptive, accountable, and oriented toward sustainable human resource development.

Table 1. Sintesis Literature Review

Dimensi	Fokus Utama	Indikator yang Dapat Dikaji
Economic Empowerment	Community economic empowerment	Productive financing, access to capital, business mentoring, MSME development
Human Resource Development	Community capacity building	Financial literacy, skills, productivity, entrepreneurship, income
Good Corporate Governance	Quality of bank governance	Transparency, accountability, responsibility, independence, fairness, Sharia compliance
Islamic Banking Role	Strategic role of Islamic banks	Financial inclusion, productive financing, social empowerment, community resilience

Data source: Author's primary data, 2026ory

METHOD

This study employs a quantitative approach using a survey method to examine the role of Bank Syariah Matahari in community economic empowerment and its contribution to improving the quality of human resources, while considering the role of *Good Corporate Governance* (GCG) as a mediating variable. The quantitative approach was selected because it enables the relationships among economic empowerment, GCG, and human resource quality to be measured objectively through numerical data and statistical analysis (Sugiyono, 2023). The research is designed as an explanatory study because it seeks to explain the causal relationships among the variables under investigation. In particular, the study examines whether economic empowerment influences the implementation of GCG and whether economic empowerment and GCG subsequently contribute to improving the quality of human resources among customers and business actors assisted by Bank Syariah Matahari. The population of this study consists of customers and business actors who have received or participated in economic empowerment programs associated with Bank Syariah Matahari. Respondents are selected using *purposive sampling*, with the consideration that participants must have direct experience with the bank's financing, empowerment, business development, or related community programs. This sampling approach is intended to ensure that respondents possess sufficient knowledge and experience to provide relevant assessments of the variables being studied. Primary data are collected through a structured closed-ended questionnaire distributed directly or electronically to eligible respondents. Before the questionnaire is distributed for the main survey, the research instrument is reviewed to ensure that each statement is understandable and corresponds to the conceptual definition of the respective variable.

The research instrument consists of statements representing three principal variables, namely economic empowerment (X), *Good Corporate Governance* (Z), and human resource quality (Y). The indicators are developed from relevant literature and the regulatory framework governing Islamic banking. Each statement is measured using a five-point Likert scale, ranging from 1 = strongly disagree to 5 = strongly agree. The use of a five-point scale allows respondents to express the degree to which they agree with each statement while facilitating quantitative analysis of the collected responses. Economic empowerment (X) represents the extent to which Bank Syariah Matahari contributes to strengthening the economic capacity and independence of its customers and assisted business actors. This variable is operationalized through several indicators, including access to sharia financing, business mentoring and training, improvement in business revenue and productivity, and customers' economic independence. Access to sharia financing reflects the extent to which respondents perceive that Islamic financing provided by the bank is accessible, appropriate, and useful for productive economic activities. Business mentoring and training refer to the bank's efforts to strengthen customers' managerial, entrepreneurial, and financial capabilities. Increased revenue and productivity reflect changes in the economic performance of assisted businesses, while economic independence reflects the ability of customers to manage and develop their economic activities without excessive dependence on external assistance. These indicators are consistent with the broader concept of Islamic banking-based economic empowerment, which emphasizes productive financing, capacity building, and community economic independence (Yusuf et al., 2023; Ladaina et al., 2024).

The second variable is *Good Corporate Governance* (Z), which functions as a mediating variable in the research model. GCG refers to the extent to which Bank Syariah Matahari implements sound governance principles in managing its banking and economic empowerment activities. The measurement is based on five fundamental governance principles: transparency, accountability, responsibility, independence, and fairness. Transparency refers to the availability and clarity of information provided by the bank concerning financing, programs, rights, obligations, and related services. Accountability refers to the clarity of responsibilities and the ability of the institution to account for decisions and activities. Responsibility refers to the bank's compliance with applicable regulations, ethical standards, and sharia principles. Independence refers to objective decision-making that is free from inappropriate intervention or conflicts of interest, while fairness refers to equal and proportional treatment of customers and program beneficiaries. The operationalization of GCG is aligned with the contemporary regulatory framework for Islamic banking governance issued by the Financial Services Authority (OJK, 2024). The third variable is human resource quality (Y), which represents the expected outcome of the economic empowerment process. Human resource quality is operationalized through improvements in work skills and competencies, business management capabilities, work productivity, and professional attitudes and economic independence. Improvement in skills and competencies reflects respondents' perceptions of their increased ability to perform economic activities effectively. Business management skills refer to the ability to plan, organize, control, and develop business activities. Work productivity concerns improvements in the efficiency and effectiveness of economic activities, while professional attitudes and independence reflect responsibility, discipline, confidence, and the ability to make economic decisions independently. These indicators position human resource quality not only in terms of formal education but also in terms of practical competencies and productive capabilities.

Before the main data analysis, the quality of the research instrument is evaluated through validity and reliability tests. The validity test is conducted to determine whether each questionnaire item accurately measures the intended construct. Pearson Product Moment correlation is used for this purpose. An item is considered valid when the calculated correlation coefficient (*r* calculated) exceeds the critical value of *r* table at a 5% significance level. In addition, the significance probability can be considered to ensure that the correlation between each item and its total score is statistically significant. This procedure follows the general principles of quantitative instrument testing recommended in social science research (Ghozali, 2021). Reliability testing is subsequently conducted using Cronbach's Alpha. Reliability refers to the internal consistency of the questionnaire items used to measure each construct. An instrument is generally considered to have acceptable reliability when the Cronbach's Alpha coefficient is at least 0.70, indicating that the items within the construct have adequate internal consistency (Hair et al., 2019). Reliability testing is conducted separately for the economic empowerment, GCG, and human resource quality constructs. Items that do not contribute adequately to the reliability of the construct may be reviewed before the final analysis.

After the instrument has been declared valid and reliable, the research proceeds to the classical assumption tests required for regression analysis. The normality test is conducted to determine whether the residuals of the regression model follow an approximately normal distribution. The Kolmogorov–Smirnov test is used, with a significance value greater than 0.05 indicating that the residual distribution does not significantly deviate from normality. Normality assessment is important because regression estimation requires residuals that meet the relevant statistical assumptions. The second assumption test is the multicollinearity test, which is conducted to determine whether strong linear relationships exist among the independent variables. Multicollinearity is assessed using the *Variance Inflation Factor* (VIF) and *Tolerance* values. A regression model is generally considered free from problematic multicollinearity when the VIF value is below 10 and the Tolerance value exceeds 0.10. The absence of severe multicollinearity ensures that the individual effects of economic empowerment and GCG can be estimated more reliably.

The third assumption test is heteroscedasticity testing. This test is conducted to determine whether the variance of residuals changes across different levels of the predicted values. The Glejser test can be employed by regressing the absolute residual values against the independent variables. A significance value greater than 0.05 indicates that there is no statistically significant evidence of heteroscedasticity. The classical assumption tests are important because they provide evidence that the regression model satisfies the basic requirements for reliable statistical estimation. The data analysis is conducted using regression-based path analysis with the assistance of SPSS software. Path analysis is selected because the proposed research model contains both direct and indirect relationships among economic empowerment, GCG, and human resource quality. In the model, economic empowerment is positioned as the exogenous variable (X), GCG as the mediating variable (Z), and human resource quality as the endogenous variable (Y). This analytical structure enables the study to determine whether economic empowerment influences human resource quality directly and whether its influence also occurs indirectly through GCG.

The first structural equation examines the influence of economic empowerment on GCG and is formulated as follows:

$$\mathbf{Z = \beta_1 X + e_1}$$

where **Z** represents *Good Corporate Governance*, **X** represents economic empowerment, $\boldsymbol{\beta_1}$ represents the regression coefficient of the effect of economic empowerment on GCG, and $\mathbf{e_1}$ represents the residual error. This equation is designed to determine whether stronger economic empowerment practices are associated with stronger perceptions of governance among customers and assisted business actors. The second structural equation examines the effects of economic empowerment and GCG on human resource quality and is formulated as follows:

$$\mathbf{Y = \beta_2 X + \beta_3 Z + e_2}$$

where **Y** represents human resource quality, **X** represents economic empowerment, **Z** represents GCG, $\boldsymbol{\beta_2}$ represents the direct effect of economic empowerment on human resource quality, $\boldsymbol{\beta_3}$ represents the effect of GCG on human resource quality, and $\mathbf{e_2}$ represents the residual error. The second equation provides the basis for assessing whether economic empowerment contributes to human resource development both directly and through the governance mechanism.

Hypothesis testing is conducted using the partial *t*-test to determine the significance of each regression coefficient. The significance level is set at 5% ($\alpha = 0.05$). A relationship is considered statistically significant when the probability value (*p*-value) is below 0.05. In addition, the coefficient of determination (R^2) is used to evaluate the extent to which the independent variables explain the variance in the dependent variable. The R^2 value in the first structural equation indicates the explanatory power of economic empowerment for GCG, whereas the R^2 value in the second equation indicates the combined explanatory power of economic empowerment and GCG for human resource quality.

The mediating role of GCG is examined by comparing the direct and indirect effects in the path model. The indirect effect is calculated from the product of the path coefficient from economic empowerment to GCG and the path coefficient from GCG to human resource quality, namely $\boldsymbol{\beta_1 \times \beta_3}$. The direct effect of economic empowerment on human resource quality is represented by $\boldsymbol{\beta_2}$. The total effect is therefore obtained from the combination of the direct and indirect effects. Although the classical Baron and Kenny (1986) approach may be used as an initial framework for assessing mediation, the indirect effect should ideally also be evaluated statistically using a bootstrap confidence interval to obtain more robust evidence concerning the mediating effect.

The overall research procedure consists of several sequential stages, beginning with the formulation of the conceptual framework and operational definitions of the variables, development of the questionnaire, instrument testing, determination of respondents, data collection, data cleaning and coding, validity and reliability testing, classical assumption testing, regression and path analysis, hypothesis testing, interpretation of findings, and formulation of conclusions. The methodological structure is designed to ensure that the empirical findings provide a measurable explanation of how Bank Syariah Matahari's economic empowerment initiatives relate to human resource development and how GCG strengthens this relationship. Through this methodological framework, the study is expected to provide empirical evidence concerning the strategic role of Bank Syariah Matahari in community economic empowerment. The analysis is not limited to determining whether economic empowerment improves human resource quality but also examines whether the implementation of GCG strengthens the effectiveness of that relationship. The findings are therefore expected to contribute to the development of an Islamic banking empowerment model that integrates productive financing, community capacity building, sound governance, sharia compliance, and sustainable human resource development.

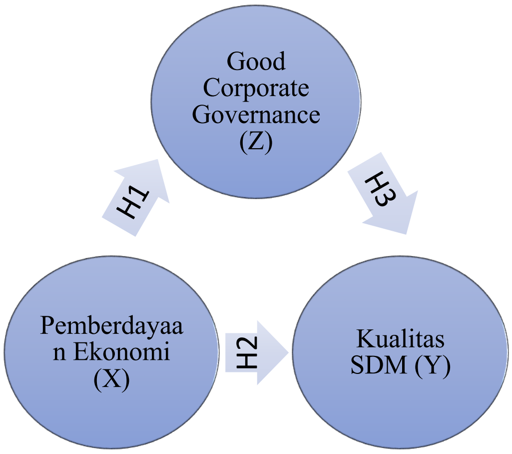

Figure 1. Frame of Mind

The hypothesis formulation of this study is:
H1: The economic empowerment carried out by Bank Syariah Matahari has a positive effect on the quality of human resources (HR) of customers or fostered business actors.
H2: The economic empowerment carried out by Bank Syariah Matahari has a positive effect on the implementation of Good Corporate Governance (GCG).
H3: The implementation of Good Corporate Governance (GCG) at Bank Syariah Matahari has a positive effect on the quality of human resources (HR) of customers or fostered business actors.

RESULT AND ANALYSIS

The Role of Bank Syariah Matahari in Economic Empowerment

The results of this study indicate that economic empowerment is an important dimension in assessing the contribution of Bank Syariah Matahari to improving the quality of human resources (HR). Economic empowerment in the context of Islamic banking should not be understood merely as the provision of financing to customers, but as a process of strengthening the economic capacity of individuals and business actors so that they are able to increase productivity, develop businesses, manage income, and make more rational and independent economic decisions. Accordingly, the role of Islamic banks extends beyond financial intermediation toward becoming an instrument of community empowerment that connects access to capital with improvements in human capabilities. The findings demonstrate that access to Islamic financing has strategic importance for customers engaged in productive economic activities. Customers and business actors who obtain financing support have greater opportunities to increase working capital, expand production capacity, acquire productive equipment, improve product quality, strengthen marketing activities, and maintain business continuity. From an empowerment perspective, however, financing becomes more meaningful when accompanied by improvements in customers' ability to manage the resources they receive. Therefore, the success of economic empowerment should not be measured solely by the amount of financing distributed, but also by the ability of beneficiaries to utilize such financing productively and sustainably.

Islamic banking possesses distinctive characteristics that enable it to develop an empowerment function based on the principles of justice, partnership, transparency, and social benefit. These principles position the relationship between the bank and its customers not merely as a relationship between a fund provider and fund recipient, but as an economic partnership emphasizing responsibility and sustainability. Within this framework, Bank Syariah Matahari can function as an economic facilitator by providing financing products that correspond to community needs, strengthening financial literacy, providing business assistance, and encouraging the development of productive economic activities. This finding is consistent with Salsabila and Sekaringsih (2022), who demonstrated a relationship between Islamic bank financing and human development. Their study of 15 cities in Java showed that Islamic bank financing should not be viewed solely from a financial-sector perspective but also in relation to broader human development indicators. This supports the argument that Islamic financing can contribute to development when directed toward productive economic activities that improve community welfare.

Economic empowerment can also be observed through changes in customers' ability to manage business activities. Before obtaining financing, some business actors may experience limitations in capital, technology, marketing networks, and managerial capabilities. Following access to financing, they have opportunities to increase business scale and strengthen productive capacity. Nevertheless, financing alone does not automatically create empowerment. Its effectiveness depends largely on the beneficiaries' ability to allocate funds appropriately, formulate business plans, control costs, manage cash flow, and maintain business sustainability. The results therefore suggest that economic empowerment through Bank Syariah Matahari should be positioned within a capacity-building framework. Short-term empowerment may only increase consumption or temporary working capital, whereas long-term empowerment can generate improvements in productivity, economic independence, and human resource quality. This distinction is important because the primary objective of empowerment is not simply to provide communities with access to economic resources, but to enable them to manage those resources independently and responsibly.

The empowerment process is also closely associated with financial literacy. Customers with stronger financial knowledge are better able to identify capital requirements, calculate risks, distinguish productive from consumptive expenditures, and formulate financial plans. Within Islamic banking, such literacy also includes an understanding of Islamic contracts, profit-sharing principles, financing obligations, risks, and halal transaction principles. Consequently, educational functions represent an essential component of economic empowerment. Bank Syariah Matahari also has an opportunity to strengthen economic empowerment through digitalization. Financial technology has transformed how people obtain information, access financial services, make payments, and manage transactions. Digitalization can expand banking access for small business actors who previously faced limitations in accessing formal financial institutions. However, digitalization should be accompanied by stronger digital and financial literacy so that customers are not merely technology users but are able to utilize digital technology productively.

From a human resource development perspective, economic empowerment conducted through Islamic banking can generate multiplier effects. When business income increases, households may have greater opportunities to fulfill educational, health, food, and other basic needs. Improvements in household welfare can subsequently strengthen human capabilities over the long term. In other words, productive financing can establish a relationship between microeconomic strengthening and human development. This perspective is also relevant to human capital theory. Investment in knowledge and skills can increase individual productivity. Zafar (2024), through a meta-analysis involving 23 studies and 15,607 observations, found a positive relationship between human capital and the financial performance of Islamic banks. This finding confirms that human resources are not merely supporting factors within Islamic banking but represent a strategic resource associated with organizational sustainability and performance.

When applied to the customer perspective, human resource development should therefore be considered an integral part of economic empowerment. Customers who receive capital without adequate knowledge, skills, and managerial capabilities may experience difficulties in optimizing financing. Conversely, customers with stronger human capital are more capable of transforming financial resources into economic value.

The findings can also be interpreted through the human development approach. Effective economic empowerment provides individuals with greater opportunities and choices. Increased income can improve access to education and healthcare, while improved skills can increase employment opportunities and business development potential. Thus, economic empowerment contributes to the expansion of human capabilities. This relationship indicates that the success of Bank Syariah Matahari should not be evaluated solely through financing growth or institutional profitability. The bank should also consider the extent to which its services produce measurable changes among customers. Relevant indicators may include increases in business turnover, financial management capabilities, productivity, market expansion, employment creation, financial literacy, and digital competencies.

The findings further demonstrate that human resource quality is cumulative in nature. Capability development does not occur through a single financing transaction or training program. It requires a continuous process involving access to capital, education, mentoring, business experience, evaluation, and learning. Therefore, Bank Syariah Matahari needs to develop a long-term relationship with its customers rather than viewing financing as a one-time transaction. A long-term approach may also strengthen customer loyalty. When customers perceive that the bank not only provides financing but also assists in developing their businesses, the relationship between customers and the bank can become stronger. From a relationship-banking perspective, such relationships can increase trust and create mutual benefits. Trust is particularly important in Islamic financial institutions because customers consider not only financial returns but also sharia compliance and institutional integrity. A bank that is transparent regarding contracts, costs, risks, rights, and obligations is more likely to establish customer trust. Therefore, economic empowerment and governance are complementary dimensions.

Darma and Afandi (2021) found that Islamic Corporate Governance mechanisms are associated with the performance of Islamic banks in Indonesia. Their findings highlight the importance of the Board of Commissioners and Sharia Supervisory Board in ensuring that banking activities remain aligned with institutional objectives and Islamic principles. This finding is relevant to Bank Syariah Matahari because the effectiveness of economic empowerment depends on the presence of a trustworthy institution. Customers can utilize financing more effectively when they receive clear information and fair treatment. Conversely, weak governance may reduce the effectiveness of empowerment because the relationship between the bank and customers becomes less transparent and accountable. Accordingly, the relationship between economic empowerment and HR quality can be understood as a continuous cycle. Access to financing provides economic resources; these resources are used for productive activities; productive activities increase experience and skills; increased skills improve productivity; productivity increases income; and increased income can subsequently be invested in education, health, technology, and business capacity. This cycle enables economic empowerment to function as an instrument for improving human resource quality.

Improving Human Resource Quality through Economic Empowerment

The results further indicate that economic empowerment is substantively associated with improvements in human resource quality. In this study, HR quality is not limited to formal educational attainment but encompasses knowledge, skills, managerial capabilities, productivity, decision-making ability, adaptability, and the ability to manage economic activities sustainably. This broader perspective is important because economically empowered communities are expected not only to experience increased income but also to develop stronger capabilities. Economic empowerment can serve as a practical learning mechanism. When customers operate businesses using Islamic financing, they encounter the need to formulate plans, calculate capital requirements, determine prices, manage inventories, organize cash flows, serve customers, conduct marketing, and evaluate business outcomes. These processes directly strengthen practical economic knowledge and skills. Consequently, economic activities can become an arena for human capital development.

The relationship between economic empowerment and HR quality can also be explained through improved decision-making capabilities. Customers who receive financing must determine how available funds can be utilized optimally. Decisions concerning raw materials, equipment investment, labor recruitment, digital marketing, and product development represent forms of economic learning that strengthen managerial capabilities. In this context, Islamic financing becomes strategically valuable when directed toward productive activities. Financing that increases business capacity can create new economic experiences for customers. These experiences subsequently generate practical knowledge that can be used to respond to market changes. Therefore, the success of economic empowerment can be observed through changes in customer capabilities following access to financial resources. Human resource quality is also associated with the ability to adapt to digital transformation. Businesses are increasingly influenced by digital platforms, electronic commerce, digital payment systems, and social media. Business actors without adequate digital capabilities may experience limitations in accessing markets. Islamic banks can contribute by providing education and facilitation that enable customers to use technology for productive economic activities.

At this stage, economic empowerment is no longer limited to financing but develops into a learning ecosystem. Banks can provide training in simple financial recording, digital marketing, business management, product packaging, brand development, and risk management. This approach increases the value of financing because customers receive both financial capital and knowledge capital. From the perspective of human capital theory, investment in knowledge and skills increases productivity. This concept is relevant to Islamic banking because financing can function as an instrument that creates opportunities for individuals to strengthen their productive capabilities. Zafar (2024) demonstrated a positive association between human capital and Islamic banking performance, confirming the strategic importance of human development for sustainable Islamic banking. The findings can also be understood through the human development perspective. Effective economic empowerment provides individuals with greater opportunities to improve their life choices. Increased income can expand access to education and healthcare, while enhanced skills can increase opportunities for employment and entrepreneurship. Thus, economic empowerment contributes to expanding individual capabilities.

The results indicate that the success of Bank Syariah Matahari should therefore be measured using multidimensional indicators. Financial indicators remain important, but they should be complemented by indicators of human development. This includes changes in knowledge, business skills, digital capabilities, financial literacy, productivity, and economic independence. This perspective expands the understanding of Islamic banking performance. A bank that generates profits but provides limited social benefits does not fully represent the broader objectives of Islamic economics. Conversely, a bank that maintains financial sustainability while improving community economic capacity makes a stronger contribution to sustainable development. The findings also indicate that HR quality develops cumulatively. Capability improvement requires continuous interaction between financing, training, mentoring, business experience, and institutional support. Bank Syariah Matahari should therefore develop a sustainable empowerment framework rather than isolated programs. Such an approach can strengthen the relationship between the bank and its customers. When customers perceive that the bank contributes to business development, they are more likely to develop trust and long-term relationships. This relationship can ultimately strengthen both customer welfare and institutional sustainability.

The Role of Good Corporate Governance in Strengthening Economic Empowerment and HR Quality

Good Corporate Governance (GCG) represents an important dimension in explaining the effectiveness of Bank Syariah Matahari in implementing economic empowerment. GCG provides a framework through which decision-making, risk management, supervision, customer service, and banking operations can be conducted transparently, accountably, responsibly, independently, and fairly. In Islamic banking, these principles acquire an additional dimension because governance must also comply with sharia principles. The findings indicate that economic empowerment cannot be separated from institutional governance quality. A bank with strong governance mechanisms is better positioned to ensure that financing is allocated to activities that correspond to customer needs and repayment capabilities. This process requires adequate financing analysis, monitoring of fund utilization, risk management, and transparent communication with customers. Transparency is particularly important in the relationship between Islamic banks and their customers. Customers need clear information regarding contracts, payment mechanisms, fees, risks, rights, and obligations. Transparency reduces information asymmetry and helps customers make more rational economic decisions. In an empowerment context, transparency also functions as an educational mechanism because customers develop a better understanding of the financial products they use.

Accountability concerns the clarity of responsibilities within the organization. Each organizational body should perform its functions according to its authority. The Board of Commissioners performs oversight, management carries out operational responsibilities, and the Sharia Supervisory Board ensures compliance with Islamic principles. This structure is important to ensure that financing decisions and empowerment programs are not driven solely by financial targets but also consider risks and social benefits. Mulyani, Santosa, and Destiartono (2024), in their study of GCG and maqashid-based Islamic banking performance, found that the Board of Commissioners and Independent Commissioners affected maqashid-based performance, whereas the Sharia Supervisory Board and Audit Committee did not demonstrate significant effects. This finding indicates that governance mechanisms may not produce uniform outcomes and that the quality of implementation is more important than the formal existence of governance structures. This finding is relevant to Bank Syariah Matahari because GCG structures must be accompanied by effective implementation. The Sharia Supervisory Board, for example, should not merely ensure formal compliance of contracts but can contribute to ensuring that banking activities remain oriented toward social benefit and maqashid al-shariah. Darma and Afandi (2021) similarly emphasized the importance of the Sharia Supervisory Board in strengthening Islamic banking performance while maintaining compliance with sharia principles.

The principle of fairness is another important element in economic empowerment. Customers should receive equitable treatment without discrimination. Fairness can be achieved through objective financing assessment, transparent information, equal service, and effective complaint-resolution mechanisms. From an Islamic economic perspective, fairness represents a fundamental principle of muamalah. GCG is also closely associated with risk management. Economic empowerment through financing involves risks, particularly when customers experience business failure or adverse economic conditions. Banks therefore need risk-assessment systems that consider not only repayment capacity but also business characteristics and customer economic conditions. Effective risk management can prevent problematic financing and maintain the sustainability of empowerment programs. Darma and Afandi (2021) found that Non-Performing Financing negatively affected Islamic bank performance, while several governance mechanisms demonstrated positive relationships with performance. These findings indicate that governance and risk management are closely interconnected in maintaining banking soundness. Within economic empowerment, good governance creates an institutional environment that enables financing to generate broader benefits. Transparent financing processes provide customers with greater certainty. Effective monitoring reduces the risk of misuse of funds. Fairness increases financial inclusion. Strong sharia governance strengthens public confidence.

Therefore, GCG can be positioned as a mechanism that strengthens the relationship between economic empowerment and HR quality. Empowerment provides resources and opportunities, while GCG ensures that these resources and opportunities are managed through responsible institutional mechanisms. Without effective governance, empowerment programs may become overly focused on financing distribution. With strong governance, empowerment can be directed toward capacity building and sustainable welfare improvement. The empirical literature also suggests that the relationship between GCG and Islamic bank performance is not always consistent. Rahdian, Mardian, and Razikun (2023), for example, found that the quality of GCG among Indonesian Islamic commercial banks was relatively high, but the GCG index did not significantly affect financial performance. This finding suggests that formal compliance with governance indicators does not necessarily produce substantive outcomes when implementation is ineffective. This observation has important implications for Bank Syariah Matahari. GCG should not be treated merely as a regulatory requirement or documentation process. It should be reflected in organizational behavior, decision quality, customer services, financing management, risk oversight, and problem resolution. Thus, governance quality should be evaluated based on its effects on organizational processes and outcomes rather than merely on the existence of formal structures.

Akbar and Hermawan (2023) further demonstrated that intellectual capital, the Sharia Supervisory Board, and the Audit Committee were associated with Islamic banking profitability, while several Islamicity Performance Index indicators produced different results. These findings reinforce the importance of integrating governance and human capital perspectives in assessing Islamic banking performance. The relationship between GCG and HR quality can also be observed from an internal organizational perspective. Effective governance requires competent, ethical, and sharia-literate employees. At the same time, high-quality employees require organizational systems that support continuous professional development. Thus, GCG and human capital form a mutually reinforcing relationship. Bank Syariah Matahari should therefore ensure that employees possess competencies in banking, Islamic finance, risk management, digital technology, customer service, and business ethics. These competencies are particularly important because employees interact directly with customers. Service quality influences customer experience and public perceptions of the bank's credibility.

Strengthening internal HR quality also improves the bank's capacity to conduct economic empowerment. Employees who understand micro and small business characteristics can better identify customer needs. Employees with digital literacy can assist customers in using digital services. Employees with strong Islamic finance knowledge can explain contracts more effectively. Employees with mentoring capabilities can support customers in overcoming business challenges. Therefore, GCG should not be understood solely as a system of organizational oversight but also as an organizational culture. Integrity, transparency, responsibility, and service orientation should be embedded throughout the organization. Such a culture creates alignment between the bank's economic objectives and the social objectives of empowerment. Mamatzakis et al. (2023) also demonstrated that corporate governance is associated with bank efficiency and stability, while emphasizing that governance practices must be appropriate to the characteristics of Islamic banks. Their findings suggest that adding governance mechanisms without considering effectiveness may produce unintended consequences for performance and stability. This implies that Bank Syariah Matahari needs to develop an effective rather than merely complex GCG model. Oversight structures should have clear responsibilities and avoid unnecessary duplication. Each governance mechanism should create value by strengthening risk control, sharia compliance, transparency, and service quality.

Integration of Economic Empowerment, HR Quality, and Good Corporate Governance

Based on the preceding findings and discussion, economic empowerment, HR quality, and GCG constitute three interconnected components. Economic empowerment provides instruments for strengthening community economic capacity; HR quality determines the ability of individuals to utilize these instruments; while GCG ensures that empowerment processes are conducted transparently, accountably, fairly, responsibly, and in accordance with Islamic principles. The relationship among these three components can be conceptualized as an integrated process. First, the bank provides access to financial resources. Second, customers utilize these resources for productive economic activities. Third, productive activities generate experience, skills, income, and productivity. Fourth, increased economic capacity improves welfare and human resource quality. Throughout the process, GCG functions as a governance mechanism ensuring that the empowerment process remains aligned with institutional objectives and sharia principles.

In this model, GCG functions as a steering and controlling mechanism. Better governance increases the probability that economic empowerment will be implemented effectively. However, this relationship depends on implementation quality. Governance that is merely administrative is insufficient to produce substantive improvements. This perspective is consistent with the growing emphasis on maqashid-based Islamic banking performance. Islamic banks should not focus exclusively on financial performance but also consider social objectives and public welfare. Mulyani et al. (2024) found that many Islamic banks still face challenges in achieving strong maqashid-based performance, indicating the need to integrate sharia objectives more substantively into banking performance measurement.

Bank Syariah Matahari can therefore develop an empowerment approach oriented toward maqashid al-shariah. Financing should not only be evaluated according to its ability to generate returns for the bank but also according to its ability to create benefits for customers and communities. Relevant benefits may include increased income, employment creation, educational improvement, strengthening of microenterprises, increased financial literacy, and reduced economic vulnerability. Such an approach also expands the meaning of banking performance. Financial indicators such as profitability, efficiency, and financing quality remain essential because they determine institutional sustainability. Nevertheless, these indicators should be complemented by social impact indicators. This enables the bank to determine whether financing produces meaningful improvements in customers' lives.

In practice, Bank Syariah Matahari can develop a financing impact-monitoring system. Monitoring should not only determine customers' repayment capacity but also assess business development, income changes, employment creation, technology adoption, and managerial capability. Such information can be used to improve financing products and empowerment programs. Strengthening impact monitoring can also become part of GCG. The data collected can support better management decisions. Transparent disclosure of social impacts can strengthen accountability toward stakeholders. The Board of Commissioners and Sharia Supervisory Board can use such information to evaluate the effectiveness of empowerment programs. In this context, empowerment success should not be measured solely by the number of customers receiving financing. A more substantive measure concerns the number of customers experiencing increased business capacity, income, financial literacy, and quality of life. These indicators provide a clearer picture of the bank's contribution to human development.

Strategic Implications for Bank Syariah Matahari

The findings provide several strategic implications for Bank Syariah Matahari. First, the bank should strengthen its orientation toward productive financing. Financing products should be designed according to the characteristics and needs of business actors. A standardized approach may be ineffective because different sectors possess different capital requirements and risk characteristics. Second, the bank should integrate financing with capacity-building programs. Mentoring can cover financial management, digital marketing, transaction recording, product development, packaging, branding, and risk management. Through this approach, financing becomes not merely a financial instrument but also an instrument for human capability development. Third, the bank should strengthen Islamic financial literacy. Customers need to understand the contracts they use, financing consequences, business risks, and financial management principles. Stronger literacy can reduce decision-making errors and improve customers' ability to manage financial resources. Fourth, the bank should strengthen digital empowerment. Digital services can facilitate transactions and expand access. However, digitalization must be accompanied by digital security education. Customers need to understand data protection, transaction security, and digital fraud risks.

Fifth, GCG implementation should be directed toward value creation. Transparency, accountability, responsibility, independence, and fairness should be reflected in customer service and organizational decision-making. In this way, GCG becomes part of the empowerment strategy rather than merely a compliance mechanism. Sixth, Bank Syariah Matahari should develop performance indicators that integrate financial performance, social impact, and human capital. This approach is consistent with evidence showing a positive relationship between human capital and Islamic banking performance (Zafar, 2024). The bank should therefore assess whether improvements in internal and customer HR quality contribute to institutional sustainability. Seventh, the bank should continuously evaluate GCG effectiveness. Empirical findings showing different relationships between governance and performance demonstrate that governance quality cannot be measured merely by the existence of organizational bodies. More important factors include functional effectiveness, oversight quality, independence, competence, and organizational impact (Rahdian et al., 2023). Eighth, Bank Syariah Matahari should strengthen integration among the Sharia Supervisory Board, management, and empowerment units. Such coordination is necessary to ensure that economic programs do not merely achieve financing targets but also reflect the principles of justice, social benefit, and sustainability. Sharia principles should therefore be incorporated from program design through implementation and evaluation.

Overall, the results demonstrate that Bank Syariah Matahari has significant potential to contribute to human resource development through economic empowerment. This relationship operates through access to capital, business capacity development, economic learning, productivity improvement, and welfare enhancement. Economic empowerment therefore produces not only financial benefits but also human capability development. Good Corporate Governance provides the institutional foundation that ensures this process is implemented responsibly. Transparency provides customers with relevant information; accountability ensures that organizational responsibilities are properly exercised; responsibility supports sustainability; independence reduces conflicts of interest; and fairness promotes equitable treatment. Within Islamic banking, these governance principles must be integrated with sharia compliance. The findings further demonstrate that empowerment success cannot be separated from HR quality at both the bank and customer levels. Banks require competent employees to provide quality services and mentoring, while customers require knowledge and skills to optimize financing. These relationships create a mutually reinforcing human capital ecosystem.

Empirical studies published between 2021 and 2026 generally support the importance of these relationships, although the effects of GCG mechanisms on banking performance are not always uniform. Darma and Afandi (2021) identified the relevance of Islamic Corporate Governance mechanisms to Islamic banking performance, while studies of Indonesian Islamic banks have demonstrated relationships between particular governance mechanisms and organizational growth. Other studies have found that formal GCG quality does not necessarily translate into significant financial performance effects, emphasizing the importance of substantive implementation. These differences reinforce the argument that GCG should be understood substantively rather than formally. Good governance is not simply an organizational structure but a system that influences decision quality, organizational behavior, risk management, customer protection, and value creation.

Accordingly, GCG at Bank Syariah Matahari can function as a strategic mechanism for connecting institutional interests with community needs.

Ultimately, the empowerment model developed by Bank Syariah Matahari should be directed toward creating a human development cycle. Financing provides the initial access to economic resources; mentoring strengthens capabilities; stronger capabilities increase productivity; increased productivity raises income; and increased income creates greater opportunities for education, health, and quality of life. GCG ensures that this entire process is conducted transparently, accountably, fairly, responsibly, and in accordance with sharia principles. Therefore, Bank Syariah Matahari has the opportunity to position itself not merely as a financial intermediary but as an institution contributing to economic and human development. This orientation will become stronger when economic empowerment strategies are based on actual community needs, supported by HR development, strengthened through digitalization, and governed through effective and substantive Good Corporate Governance. Conceptually, the findings can be summarized as follows: economic empowerment represents the principal instrument, human resource quality represents the human-development outcome, and Good Corporate Governance represents the steering and control mechanism that ensures the empowerment process is effective, sustainable, accountable, and consistent with Islamic principles. The integration of these three dimensions provides an important foundation for developing an Islamic banking model oriented not only toward profitability but also toward sustainability, inclusion, justice, and public welfare.

CONCLUSION

This study concludes that Bank Syariah Matahari has an important strategic role in promoting economic empowerment and improving the quality of human resources through Islamic financial services that are aligned with the principles of Good Corporate Governance (GCG). Economic empowerment is not limited to providing access to financing but also involves strengthening customers' productive capacity, financial literacy, managerial skills, digital capabilities, and economic independence. Productive financing supported by education and business assistance can enable customers and business actors to utilize financial resources more effectively and sustainably. The findings further demonstrate that economic empowerment contributes to improving human resource quality. Access to financing creates opportunities for customers to expand their businesses, increase productivity, develop managerial capabilities, and improve household economic welfare. These processes can subsequently strengthen knowledge, skills, decision-making capabilities, and adaptability. Therefore, the role of Islamic banking extends beyond financial intermediation toward the development of human capital and community economic capacity. Good Corporate Governance plays an important role in strengthening the effectiveness of economic empowerment. The principles of transparency, accountability, responsibility, independence, and fairness provide an institutional framework for ensuring that financing and empowerment programs are implemented responsibly and sustainably. In the context of Islamic banking, these principles must also be integrated with sharia compliance and the objectives of maqashid al-shariah. Effective governance can strengthen customer trust, reduce information asymmetry, improve risk management, and ensure that economic empowerment programs create broader social benefits.

The study also concludes that the relationship between economic empowerment, human resource quality, and GCG is mutually reinforcing. Economic empowerment provides financial resources and opportunities, human resource development determines the ability of customers to transform these resources into productive outcomes, while GCG ensures that the entire process is conducted transparently, fairly, accountably, and in accordance with Islamic principles. This integrated relationship creates a sustainable empowerment cycle in which access to financing can lead to increased productivity, higher income, stronger human capabilities, and improved welfare. Accordingly, Bank Syariah Matahari should strengthen its role not only as a financial intermediary but also as an institution for human and economic development. Future strategies should emphasize productive financing, continuous customer mentoring, Islamic financial literacy, digital empowerment, risk management, and impact-based performance measurement. The bank should also evaluate its success using a balanced perspective that incorporates financial performance, social impact, human capital development, and maqashid al-shariah objectives. Ultimately, the integration of economic empowerment, human resource development, and Good Corporate Governance provides a strategic foundation for building a more inclusive, sustainable, and socially responsible Islamic banking institution. Bank Syariah Matahari can contribute more significantly to sustainable development when its financial activities are consistently oriented toward improving economic independence, strengthening human capabilities, protecting stakeholder interests, and creating broader public welfare in accordance with Islamic values.

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