



The Impact of Islamic Corporate Governance, Islamic Intellectual Capital and Islamic Financial Performance on Sustainable Business Islamic Banks

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ABSTRACT

The objective of the study is to analyze the impact of Islamic Corporate Governance, Islamic intellectual capital and Islamic financial performance on sustainable business in Islamic banks. This research uses quantitative approach with secondary data, period 2010-2015. Sample use sensus method with the number of samples are 9 Islamic banks. Analysis of data testing use partial least square supported by in-depth interview. The results showed: (1) Islamic Corporate Governance has a significant impact on Islamic financial performance, (2) Islamic intellectual capital has a significant impact on Islamic financial performance, (3) Islamic Corporate Governance has no significant impact on sustainable business, (4) Islamic intellectual capital has a significant impact on sustainable business, (5) Islamic financial performance has a significant impact on sustainable business, (6) Islamic financial performance full mediate the impact of Islamic Corporate Governance on sustainable business, (7) Islamic financial performance partial mediate the impact of Islamic intellectual capital on sustainable business.

Keywords: Islamic Corporate Governance, Islamic Intellectual Capital, Islamic Financial Performance, Sustainable Business

JEL Classifications: G3, G30

1. INTRODUCTION

The development of Islamic banks in Indonesia is significant, it is due to the legalization law of Islamic banking in 2008 which became a factor driving the growth of Islamic banks in Indonesia. In order to meet Asean Economic Community Banking in 2020 the financial services industry competition will be more stringent, for which Islamic banks are required to continue to grow. Reflecting on the events of the monetary crisis that occurred in 1997-1999 where at that time 71 commercial banks were liquidated and continued in 2001 as many as 18 commercial banks must also be liquidated (Setyani, 2010). One of the reason is the weak implementation of corporate governance in Indonesia banks which resulted in the decline in performance of the company.

Corporate governance in the Islamic perspective constantly links all concepts related to behavior in business governance with

spiritual matters. This is a consequence of the belief of a Muslim to Allah SWT, as stated in the letter of Al Baqarah: 282. From the above paragraph can be concluded that Islam is very intense teach the application of principles such as 'is, tawazun, mas'uliyah, akhlaq, shiddiq, amanah, Fathanah, tablighi, hurriyah, ihsan, wasathan, aqidah, ijabiyah, and raqabah (Junusi, 2012). Based on the above description it can be ascertained that Islam is far ahead of the birth of corporate governance as a reference for good corporate governance (GCG) in the world. The importance of corporate governance in Islamic banking reflects the results of research by Chapra and Habib (2002) declare that the implementation of corporate governance practices has not been implemented properly. The importance of shariah compliance is the result of research which states that 62% of the respondents involved in a survey conducted at 14 Islamic banks in Bahrain, Bangladesh and Sudan stated that they would transfer funds to other Islamic banks if suspected sharia violations were in operation. It shows

that the implementation of GCG will be able to increase public trust to Islamic bank.

In general, financial performance in conventional banks and Islamic banks are measured by ratio of profitability such as: Return on asset (ROA), return on equity, return on investment and net interest margin. Hameed et al. (2004) made a measurement of financial performance for Islamic banks using profit sharing ratio (PSR) and zakat performance ratio. The use of PSR is use because most of the Islamic bank financing contract abroad is dominate by mudharabah (profit sharing) contract, while in Indonesia, according to data from the Financial Services Authority in May 2016, the amount of financing with murabaha contract is 61% Musharaka amounted to 31.7% and mudharabah contract of 7.29% thus to measure the financial performance of Islamic banks in Indonesia would be more appropriate by use murabahah ratio. Several studies that reveal the importance of corporate governance relate to company performance such as: Rehman and Mangla (2012); Mohammed and Fatimoh (2012) and Aggarwal (2013) declare that corporate governance has a positive significant impact on the financial performance.

Globalization guides companies to make renewal by thinking globally and acting locally, technological innovations that accelerate activities with all the limitations and advantages to make the competition in the business world more competitive. The development of companies controlled by information and knowledge, bringing an increasing attention to intellectual capital. The company will make every effort to achieve every objective that has been planned before and one of the efforts in achieving the company's goal is to increase intellectual capital consisting of three main components, are: Human capital (HC), structural capital (SC), and relational capital.

Bollen et al. (2005) declare that intellectual capital has been viewed as an integral part of the enterprise in the value creation process, and increasingly plays an important role in maintaining the company's competitive advantage. Intellectual capital is define as an intangible asset that includes technology, customer information, brand names, reputation and a highly valuable corporate culture for the competitiveness of a company. In a modern business environment, intellectual capital is considered the most important strategic asset to corporate success (Rezaei, 2014).

According to Pulic (1998) the main goal in a knowledge-based economy is to create value added (VA). To be able to create VA requires the right size of physical capital and intellectual potential. The study of intellectual capital was originally undertaken by Bontis et al. (2000), which examined the impact of intellectual capital on the performance of service industries and non-service industries in Malaysia. Test results obtained that there is a significant positive impact of SC on business performance. Ulum (2013) conducted a study to create a measure of intellectual capital in Islamic banks, and the results of his research known as Islamic intellectual capital.

Corporate governance and intellectual capital are also indicated as variables that can impact of the sustainability of the company (Hashim et al., 2015; Akhtar et al., 2015). GCG is needed to maintain the viability of the company through management based

on the principles of transparency, accountability, responsibility, independence and fairness (Cadbury Committee, 1992).

Sustainability is a balance between people-planet-profit, known as the triple bottom line (TBL) concept. Sustainability lies in the meeting between the three aspects of people-social; planet-environment; and profit-economic (Elkington, 1998). One of the implementation of sustainable business can be realized in Corporate Social Responsibility (CSR). CSR in Islamic prespektif must be able to reflect the principles of Islam by prioritizing masalah (welfare of society), therefore Islamic banks in running their business should not be solely profit-oriented, but should strive to improve social welfare and protect the needs of society as a whole (Dusuki and Abdullah, 2005). In business activities, Islam requires justice that is directed to the rights of others, the right of the social environment, the right of the universe. Thus, the balance of nature and social balance must be maintained along with business operations.

Some research results on the impact of corporate governance on sustainability are inconsistent from the researchers. The results of Sari and Marsono (2013); Janggu et al. (2014); Hashim et al. (2015) and Ahmad (2015) show that corporate governance has impact a significant positive on sustainable business. Deferent research by Aras and Crowther (2008) states it is not enough to prove that GCG will ensure that the company will be sustainable. The results of research Azis (2014), states that corporate governance does not impact of the disclosure of sustainability report in Indonesia. Research Hashim et al. (2015) states that the existence of syariah supervisory board has no impact on sustainability practice.

Intellectuail capital is indicated as a variable that can affect the sustainability of a company, it can be said that intellectual capital is knowledge and information that can create value-added efficiency to generate wealth for the company (Stewart, 1997). The research Dzemyda and Jurgelevicius (2014), show that intellectual capital can change the structure of economic a country and has impact of the sustainability development of a country. Research Akhtar et al. (2015) states that knowledge and innovation from the dimensions of intellectual capital have impact of in creating sustainable SMEs.

Profitability becomes one measure for investors in making investments because profitability is a measure used to determine the company ability to generate profits. Profitability can be used as a means to convey information to investors. Dilling (2009), states that companies with high profitability characteristics and strong long-term growth will impact of the sustainability business of the company. In line with research Maskun (2013) states that the level of leverage, company size and profitability have a significant and positive influence on CSR disclosure, which will ultimately improve the welfare of society. The study is in line with the Nawaiseh (2015) study that the company's financial performance has impact a significant positive on CSR disclosure.

2. LITERATURE REVIEW

2.1. Corporate Governance on Financial Performance

The importance of corporate governance in Islamic banking reflects the results of research Chapra and Habib (2002) states the

implementation of corporate governance in some Islamic financial institutions in the Muslim world can increase public confidence in Islamic banks. Implementation of corporate governance in Islamic banks is very important to do, it is not only to grow the existence of Islamic bank Islamic banks but also to maintain the image of Islamic banks in public.

Research Rehman and Mangla (2012) shows that there is a significant impact of corporate governance on the performance of the banking sector. Research Mohammed (2012) shows GCG will impact the performance of the bank.

2.2. Intellectual Capital on Financial Performance

Intellectual capital is considered the most important strategic asset for corporate success (Rezaei, 2014). According to Pulic (1998) the main goal in a knowledge-based economy is to create VA. To be able to create VA requires the right size of physical capital and intellectual potential.

Bontis et al. (2000) stated that there is a significant positive impact of SC on business performance. Kamath Research (2007); Tan et al. (2007); Ulum et al. (2008); Rehman et al. (2011); States that intellectual capital has a significant positive impact of on the financial performance of the company.

2.3. Corporate Governance on Sustainable Business

GCG is needed to maintain the viability of the company through management based on the principles of transparency, accountability, responsibility, independence and fairness and equity. Cadbury Committee (1992) sustainability is a balance between people-planet-profit, known as the TBL concept. Sustainability lies in the meeting between the three aspects of people-social; planet-environment; and profit-economic (Elkington, 1998).

There are inconsistencies in the results of studies of corporate governance impact on sustainability. Research Sari and Marsono (2013); Janggu et al. (2014) and Ahmad (2015) stated that corporate governance has a positive and significant impact on sustainability business. Result different Research by Aras and Crowther Research (2008), Azis (2014), states that corporate governance does not impact of the quality of disclosure corporate sustainability report in Indonesia. Result of Hashim et al. (2015), states that the existence of the Shariah supervisory board has no impact on sustainability practices.

2.4. Intellectual Capital on Sustainable Business

Intellectual capital is indicated as a variable that can impact the sustainability company, it can be said that intellectual capital is knowledge and information that can create value-added efficiency to generate wealth for the company (Stewart, 1997). Research of Dzemyda and Jurgelevicius (2014) states the importance of intangible assets in the company. Results of the research show that intangible assets consisting of intellectual capital, HC and social capital can change the economic structure of country and impact the sustainability of a country. Research Akhtar et al. (2015) states that knowledge and innovation from the dimensions of intellectual capital have impact in creating sustainable SMEs.

2.5. Financial Performance on Sustainable Business

Profitability becomes one measure for investors in making investments, because profitability is a measure used to determine the ability of companies to earn profits. Profitability is used to inform investors. Dilling (2009), states that company with high profitability characteristic and strong long-term growth will have an impact on the company's business continuity. This is in accordance with research Maskun (2013) which states that leverage, firm size and profitability have a significant and positive impact on CSR disclosure. This study is in line with Nawaishe's (2015) study, which states that financial performance reflect by ROA shows a significant positive impact on CSR disclosure.

3. METHODS

3.1. Population, Sample, and Data Sources

Criteria for determining the population of this study are Islamic banks that publishes Corporate Governance Reports, annual reports and financial statements for the period 2010-2015. The sample in the study use the census sampling method, the number of samples in this study are 9 Islamic banks.

The data used are secondary data in the form of GCG report, annual report and financial report for the period of 2010-2015. Data collection techniques used in this research documentation techniques.

Based on the relationship of variables used in the research and problem formulation, this research uses partial least square (PLS) data analysis technique supported by in-depth interview.

3.2. Definition Operational

3.2.1. Islamic Corporate Governance

Corporate governance in Islamic perspective links all concepts related to behavior in business governance with spiritual matters by sticking to the principles of corporate governance: Transparency, accountability, responsibility, independence and fairness.

3.2.2. Islamic intellectual capital

Intellectual capital is knowledge that can provide benefits for the company by contributing that can provide added value and different uses for the company. According to Ulum (2013) in Islamic intellectual capital, VA is built from Syariah revenue accounts, which are net income for sharia activities and non-operating income syariah.

3.2.3. Islamic financial performance

Corporate performance is a description of the financial condition of a company that is analyzed with the tools of financial analysis, so it can be known about financial condition of a company that reflects the performance of work in a certain period.

Islamic banks in Indonesia more dominate by murabahah schemes than musyarakah, and mudaraba. This study developed the results of research conducted by Hamed et al. (2004) This study use the murabahah ratio to measure the financial performance of Islamic bank.

3.3. Sustainable Business

Elkington (1997) gives the view that companies that want to be sustainable, should pay attention to “3P” (profit, people and planet). One implementation in the concept of “3P” is often realize is CSR. The concept of CSR in Islam is also relate to the concept of business ethics in Islam, is the concept of human relationships with god, human with other human and human with their environment (Yusuf and Bahari, 2011). This means that people in running their business must be in accordance with the law of God. In doing business in the world, Islam requires justice that is directe to the rights of others, the right of the social environment, the right of the universe. Thus, the balance of nature and social balance must be maintain along with business operations (Djakfar, 2014).

4. RESULT

4.1. Measurement Outer Model

Testing goodness of fit on outer model can be done with three measurement that is convergent validity, discriminant validity and composite reliability (Table 1).

Overall it can be concluded that the measurement of indicators for corporate governance variables have passed the test of convergent validity, discriminant validity and composite reliability (Table 2).

Overall, it can be concluded that the measurement of indicators for Islamic intellectual capital variables have passed the convergent validity, discriminant validity and composite reliability (Table 3).

Overall, it can be concluded that the measurement of indicators for Islamic finance Performance variables have passed the convergent validity, discriminant validity and composite reliability (Table 4).

Overall, it can be concluded that the measurement of indicators for sustainable business variables have passed the convergent validity, discriminant validity and composite reliability.

4.2. Measurement Inner Model

Testing of structural model in PLS analysis is called goodness of fit model in the form of predictive relevance value (Q^2). The results of R-square calculations are described in as follows Table 5.

Based on Table 5, the Q^2 predictive-relevance (Q^2) value can be calculated as follows:

$$Q^2 = 1 - (1 - R_1^2) (1 - R_2^2)$$

$$Q^2 = 1 - (1 - 0.651) (1 - 0.482) = 0.819 = 81.9\%$$

The calculation results show that Q^2 predictive-relevance (Q^2) value of 81.9% indicates that the built model is good and the built model is suitable for testing hypothesis.

Result hypothesis test impact of between variables in this research can be seen in the as follows Tables 6 and 7.

4.3. Hypothesis Test

1. The direct effect of Islamic Corporate Governance on Islamic financial performance

The direct effect of Islamic Corporate Governance (X1) on Islamic financial performance (Y1) can be proven on the correlation coefficient value of 0.4493 and the value of t-statistic is greater than t-table ($3.2664 > 1.960$) with $P < 0.05$ ($0.001 < 0.05$) so it is said Islamic Corporate Governance has a significant positive impact on Islamic financial performance.

Table 1: Results unidimensionality variable Islamic Corporate Governance (X1)

Indicator	Koefisien	Standard error	t-statistics	Composite reliability	AVE
X1.1←PTDK	0.9565	0.0168	57.0682		
X1.2←PTD	0.9737	0.0110	88.6873		
X1.3←KPTK	0.8153	0.0668	12.2050		
X1.4←PTDPS	0.7942	0.0799	9.9342		
X1.5←PPSY	0.9750	0.0098	99.2602		
X1.6←PBK	0.8292	0.0655	12.6654	0.9840	0.8489
X1.7←PFKB	0.9468	0.0256	37.0537		
X1.8←PFAI	0.9502	0.0232	40.8982		
X1.9←PFAE	0.9737	0.0110	88.6873		
X1.10←BMPD	0.9579	0.0196	48.9268		
X1.11←TLI	0.9359	0.0308	30.4208		

Table 2: Results unidimensionalitas variable intellectual capital of Islami (X2)

Indicator	Koefisien	Standard error	t-statistics	Composite reliability	AVE
X2.1←HC	0.8368	0.0375	22.3348	0.8866	0.7228
X2.2←SC	0.8589	0.1572	5.4633		
X2.3←CE	0.8546	0.1584	5.3960		

HC: Huma capital, SC: Structural capital

Table 3: Results unidimensionalitas variable Islamic financial performance (Y1)

Indicator	Koefisien	Standard error	t-statistics	Composite reliability	AVE
Y1←Murabahah rasio	1.000	0.0000	10.000	1.000	1.000

Table 4: Results of unidimensionality of business continuous variables (Y2)

Indicator	Koefisien	Standard error	t-statistics	Composite reliability	AVE
Y2.1←Economic performance	0.9839	0.0080	122.3065		
Y2.2←Social performance	0.9510	0.0241	39.4068	0.9793	0.9403
Y2.3←Enviromental performance	0.9739	0.0131	74.2700		

Table 5: Calculation results R²

Information	R ²
Y1	0.651
Y2	0.482

Table 6: Recapitulation results of study

Influence of between variables	Path coefficient	t-statistics	P-value	Information
X1→Y1	0.4493	3.2664	0.001	Significant
X2→Y1	0.4314	3.3135	0.001	Significant
X1→Y2	0.1103	0.7914	0.429	No significant
X2→Y2	0.3805	2.0375	0.042	Significant
Y1→Y2	0.2695	2.1109	0.035	Significant

- The direct effect of Islamic intellectual capital on Islamic financial performance

The direct effect of Islamic intellectual capital (X2) on Islamic financial performance (Y1) can be proven on the correlation coefficient value of 0.4314 and the value of t-statistic is greater than t-table (3.3135 > 1.960) with P-value smaller than 0.05 (0.001 < 0.05) so it is said Islamic intellectual capital has a significant positive impact on Islamic financial performance.

- Direct effect of Islamic Corporate Governance on sustainable business

The direct effect of Islamic financial performance (X1) on sustainable business (Y2) can be proven on the correlation coefficient value of 0.1103 and the value of t-statistic is smaller than t-table (0.7914 < 1.960) with P > 0.05 (0.429 > 0.05) so that said Islamic Corporate Governance has impact but not significant to sustainable business. Thus it can be conclude that good Islamic Corporate Governance, but does not optimally can impact on the decline of sustainable business, so the hypothesis proposed in this study can not be accepted or not supported by empirical facts.

- The direct effect of Islamic intellectual capital on sustainable business

The direct effect of Islamic intellectual capital (X2) on sustainable business (Y2) can be proven on the correlation coefficient value of 0.3805 and the value of t-statistic is greater than t-table (2.0375 > 1.960) with P < 0.05 (0.042 < 0.05) so it is said that Islamic intellectual capital has a significant positive impact on sustainable business.

- Direct effect of Islamic financial performance on sustainable business

The direct effect of Islamic financial performance (Y1) on sustainable business (Y2) can be proven on the correlation coefficient value of 0.2695 and the value of t-statistic is bigger than t-table (2.1109 > 1.960) with

$P < 0.05$ ($0.035 < 0.05$) so it is said Islamic financial performance has a significant positive impact on sustainable business.

- Indirect effect of Islamic Corporate Governance through Islamic financial performance on sustainable business

The indirect effect of Islamic Corporate Governance (Y1) on sustainable business (Y2) can be proved on the value of direct effect of Islamic Corporate Governance (X1) on Islamic financial performance (Y1) of (Y1) on sustainable business (Y2) of 0.2695 (significant), and matters affecting Islamic Corporate Governance (X1) on sustainable business (Y2) shows things as big as 0.1103 (not significant). (Y1) through Islamic financial performance (Y1) that is equal to $3.698 > 1.96$ with $P = 0.429$. Thus can be said Islamic financial performance (Y1) is full mediation.

- Indirect effect Islamic intellectual capital through Islamic financial performance on sustainable business

The indirect effect of Islamic intellectual capital (X2) with the mediation of sharia financial performance (Y1) on sustainable business (Y2) can be proven based on the coefficient value of the direct effect of Islamic intellectual capital (X2) on sharia financial performance (Y1) From 0.4314 (significantly, the coefficient of the direct effect of Islamic financial performance (Y1) on sustainable business (Y2) is 0.2695 (significant), and the coefficient of direct effect of Islamic intellectual capital (X2) on sustainable business (Y2) shows the coefficient value of 0.3805 (significant). From Sobel test, it is known that the coefficient of indirect effect of Islamic intellectual capital (X2) on sustainable business (Y2) through sharia financial performance (Y1) is $2.148 > 1.96$ with P value of 0.042. Thus it can be concluded that the Islamic financial performance (Y1) is partial mediation.

5. DISCUSSION

5.1. The Direct Effect of Islamic Corporate Governance on Islamic Financial Performance

The results of this study are in accordance with research by Rehman and Mangla (2012), Aggarwal (2013) and Ghaffar (2014) states that corporate governance significantly impact on financial performance of the company. The results of this study also supports research of Asrori (2014) states that syariah supervisory board (DPS) and sharia compliance have a significant positive impact on the performance of Islamic banks as measure by the performance of sharia financial ratios.

This research is supported by the results of interviews with the practitioner of Islamic bank “A” which say that GCG has impact on financial performance of Islamic banks.

Table 7: Results of test mediation variables: Coefficient indirect effect with sobel test

Indirect effect	Coefficient direct effect		Sobel test >1.96	Information
X1→Y1→Y2	X1→Y1=0.449	Y1→Y2=0.270	3.698	Full mediation
X2→Y1→Y2	X2→Y1=0.431	Y1→Y2=0.270	2.148	Partial mediation

5.2. The Direct Effect of Islamic Intellectual Capital on Islamic Financial Performance

The results of this study in accordance with the research by Ulum (2013) states that intellectual capital has a positive relationship with financial performance in the future. This research is also in accordance with the research by Firer and Williams (2003) states intellectual capital has a significant positive impact on company performance.

This research is support by the results of interviews with practitioners of Islamic banks "B" which say that intellectual capital consist of HC, SC and employed capital have impact on financial performance of Islamic banks.

5.3. Direct Effect of Islamic Corporate Governance on Sustainable Business

The results of this study is accordance in with research by Hashim et al. (2015) states that the existence of sharia supervisor board does not impact on sustainability practices. Aras and Crowther (2008) states that not enough to prove that GCG will guarantee that the company will be sustainable. However, the results of this study is not accordance in with research by Sari and Marsono (2013), Janggu et al. (2014) and Ahmad (2015) states that corporate governance has a positive significant impact on sustainability business.

This research is supported by the results of interviews with practitioners of Islamic banks "A" The results of interviews with pratitioners Islamic bank to obtain information that the existence of Sharia Supervisory Board in Islamic banks only as a complementary object in the institution of Islamic banks. If it is left will have impact on image of Islamic banks that will ultimately impact of sustainability of Islamic banks in the future.

5.4. The Direct Effect of Islamic Intellectual Capital on Sustainable Business

The result of this study is accordance in with the research by Dzemyda and Jurgelevicius (2014) shows that intangible assets consisting of intellectual capital, HC and social capital are can change the economic structure of a country and impact of sustainability of a country. Research by Akhtar et al. (2015) shows intellectual capital has a significant positive impact on sustainable business SME.

This research is supported by interview with practitioners on Islamic bank "D" which says HC, SC and capital employes (SC) have an impact on sustainability of Islamic bank.

5.5. Direct Effect of Islamic Financial Performance on Sustainable Business

This study is accordance in with research by Nawaiseh (2015) stated that the company performance has a positive positive impact

on CSR disclosure. Maskun's research (2013) shows significant leverage, firm size and profitability significant to CSR disclosure, which ultimately can improve people's welfare.

This research is supported by interview with practitioners Islamic bank "A" which say that Islamic bank is very necessary to maintain financial performance. Because the right financial performance can provide opportunity for Islamic banks continue to grow, develop and sustainable.

5.6. Indirect Effect of Islamic Corporate Governance through Islamic Financial Performance on Sustainable Business

This study is accordance in with research by Aras and Crowther (2008) stated it was not enough to be able to prove that GCG will guarantee that the company will be sustainable. Research by Azis (2014) stated that corporate governance does not impact the quality of corporate sustainability report disclosure in Indonesia.

This research is supported by the results of interview with practitioners of Islamic bank "C" which say that the right implementation of corporate governance have impact on the financial performance of Islamic banks that ultimately impact on the sustainable business of Islamic banks.

5.7. Indirect Effect Islamic Intellectual Capital Through Islamic Financial Performance on Sustainable Business

This research is accordance in with the research by Dzemyda and Jurgelevicius (2014) shows that intangible assets can change the economic structure of a country and impact of the sustainability a country's development. Research Akhtar et al. (2015) stated intellectual capital has an impact of in creating sustainable SMEs.

This research is supported by the result of interviews with practitioners of Islamic banks "B" which says that the importance of intellectual capital for the sustainability of Islamic banks. The existence of intellectual capital is maintained both in terms of quality and quantity can improve the financial performance of the company which ultimately impact on the improvement of sustainable business of Islamic banks.

6. CONCLUSION

Implementation corporate governance becomes imperative for Islamic banks, with optimal implementation corporate governance can increase public confidence and provide good image for Islamic banks, which ultimately impact on financial performance and sustainable of Islamic banks. Islamic intellectual capital can improve Islamic financial performance. The existence of intellectual capital can provide added value to Islamic banks and

it can have an impact on improving financial performance and sustainable business of Islamic bank.

Not optimally implementation of Islamic Corporate Governance can impact of sustainable business of Islamic banks. It shows that it is not just enough the right implementation corporate governance properly, but must be optimally implementation in order to give impact on sustainable business of Islamic banks.

7. ACKNOWLEDGMENT

Thanks to researchers earlier in the development of knowledge, especially with regard to corporate governance, intellectual capital and sustainable business.

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