

The Effect of Implementation of Good Corporate Governance And Sharia Compliance On Customer Satisfaction of Bank Syariah Indonesia Sub-Branch Office Medan Cemara Asri

Muhammad Syahputra Sinaga

Faculty of Islamic Business Economics, State Islamic University of North Sumatra, Indonesia
Email: syahp341@gmail.com

Muhammad Lathief Ilhamy Nasution

Faculty of Islamic Business Economics, State Islamic University of North Sumatra, Indonesia
Email: mlathiefilhamu@uinsu.ac.id

Tuti Anggraini

Faculty of Islamic Business Economics, State Islamic University of North Sumatra, Indonesia
Email: tuti.anggraini@uinsu.ac.id

Abstract

Both commercial banks and Islamic banks, good corporate governance (Gcg) and sharia compliance (SC) are fundamental elements. The effect of sharia compliance and good corporate governance on customer satisfaction and loyalty at Bank Syariah Indonesia Medan KC Cemara Asri, after processing and statistical analysis of the data obtained from the questionnaire answers in the IBM SPSS Statistics 25 program is at Bank Syariah Indonesia Sub-Branch Medan Cemara Asri, good corporate governance has a positive and significant effect on customer loyalty is one of the positive and large effects of good corporate governance features at Bank Syariah Indonesia Sub-Branch Medan Cemara Asri, Medan. At Bank Syariah Indonesia Sub-Branch Medan Cemara Asri, customer satisfaction is positively influenced by the Sharia Compliance variable. In accordance with the name of the institution, Bank Syariah Indonesia Sub-Branch Medan Cemara Asri has carried out sharia compliance well. The customer loyalty variable is positively and significantly influenced by the sharia compliance variable. The stronger the foundation, the more customers will trust the bank to be involved in their transactions. These elements are the basis for assessing the satisfaction of bank customers in using bank services during transactions. The questionnaire is one of the techniques or procedures that researchers can use to collect data in this study. Validity test, reliability test, normality test, classical assumption test, multiple linear regression test, hypothesis test, and coefficient of determination test are procedures used for data analysis. In this study, quantitative research was used.

Keywords: *Good Corporate Governance; Customer Satisfaction; Sharia Banking; Sharia Compliance*

Abstrak

Baik bank umum maupun bank syariah, tata kelola perusahaan yang baik (Gcg) dan kepatuhan syariah (SC) merupakan elemen yang fundamental. Pengaruh sharia compliance dan good corporate governance terhadap kepuasan dan loyalitas nasabah pada Bank Syariah Indonesia

Medan KC Cemara Asri, setelah dilakukan pengolahan dan analisis statistik terhadap data yang diperoleh dari jawaban kuesioner pada program IBM SPSS Statistics 25 adalah Pada Bank Syariah Indonesia Cabang Pembantu Medan Cemara Asri, good corporate governance berpengaruh positif dan signifikan terhadap Loyalitas nasabah merupakan salah satu efek positif dan besar dari fitur good corporate governance di Bank Syariah Indonesia Cabang Pembantu Medan Cemara Asri, Medan. Pada Bank Syariah Indonesia Cabang Pembantu Medan Cemara Asri, kepuasan nasabah dipengaruhi secara positif oleh variabel Kepatuhan Syariah. Sesuai dengan nama lembaganya, Bank Syariah Indonesia Cabang Pembantu Medan Cemara Asri telah menjalankan kepatuhan syariah dengan baik. Variabel loyalitas nasabah dipengaruhi secara positif dan signifikan oleh variabel kepatuhan syariah. Semakin kokoh fondasi tersebut, semakin banyak nasabah yang mempercayai bank tersebut untuk terlibat dalam transaksi mereka. Elemen-elemen tersebut menjadi dasar penilaian kepuasan nasabah bank dalam menggunakan jasa bank selama bertransaksi. Kuesioner merupakan salah satu teknik atau prosedur yang dapat digunakan peneliti untuk mengumpulkan data dalam penelitian ini. Uji validitas, uji reliabilitas, uji normalitas, uji asumsi klasik, uji regresi linier berganda, uji hipotesis, dan uji koefisien determinasi adalah prosedur yang digunakan untuk analisis data. Dalam penelitian ini, penelitian kuantitatif digunakan.

Kata Kunci: *Good Corporate Governance; Kepuasan Nasabah; Perbankan Syariah; Shariah Compliance*

Introduction

Beginning with the establishment of Bank Syariah Indonesia, the existence of Islamic banking in Indonesia has developed into a significant turning point in Indonesian history. During the economic crisis that devastated many conventional banks, Bank Syariah Indonesia showed its resilience and had to be liquidated and included in the government's recapitalization scheme. This phenomenon has brought attention to the fact that Islamic banking is an idea that has proven to be viable at a practical level and not just conceptually (Wardayati, 2019). As stated by (Assegaf et al., 2019). The Islamic banking industry in Indonesia has expanded more quickly because to Law No. 21/2008 on Islamic Banking. Islamic Business Units (UUS), Islamic Commercial Banks (BUS), and Islamic People's Financing Banks (BPRS) are becoming more prevalent, which suggests this tendency (Najib & Rini, 2019).

Bank Syariah Indonesia increased its operations as of January 1, 2021. Three Islamic banks owned by the government, PT Bank BRI Syariah Tbk (BRIS), PT Bank BNI Syariah (BNIS), and PT Bank Syariah Mandiri (BSM), united to form BSI. Based on calculations, Bank Syariah Indonesia possesses assets valued at IDR 245.7 trillion. Its

primary capital is valued at 20.4 trillion IDR. This sum would propel the Islamic bank into the top ten largest banks in Indonesia in terms of assets. Specifically, at position seven (Ardhia Melanti, 2019). The goal is to hold a significant place on the international scene by 2025. The objective is to rank among the world's ten largest Islamic banks by market value. Furthermore, Bank Syariah Indonesia boasts over 1,700 ATMs and about 1,200 branch offices. As of right now, BSI is categorized as a BUKU III bank. BSI anticipates joining the BUKU IV bank by 2022 (Ahmad, 2021)..

Table 1.1
Results of the Implementation of Good Corporate Governance of Islamic Banks
Based on Self-assessment

| No | Bank Name | GCG Principles | Nomination | Description |
|----|----------------------------------|---|------------|-------------|
| 1 | Bank Syariah Indonesia | Openness, Responsibility, Accountability, Professionalism, and Fairness | 2 | A |
| 2 | Bank Syariah Mandiri | Openness, Responsibility, Accountability, Professionalism, and Fairness | 2 | A |
| 3 | Bank Negara Indonesia Syariah | Openness, Responsibility, Accountability, Professionalism, and Fairness | 2 | A |

| | | | | |
|---|------------------------|---|---|---|
| 4 | Bank Syariah Bukopin | Openness, Responsibility, Accountability, Professionalism, and Fairness | 2 | A |
| 5 | Bank Syariah Indonesia | Openness, Responsibility, Accountability, Professionalism, and Fairness | 3 | B |

Data source: GCG reports of BSI, BSM, BNI Syariah, Bank Syariah Bukopin and Bank Syariah

The Self Assessment results show that good corporate governance has been implemented; the average score is 2. Maximum implementation of excellent corporate governance standards will help improve this rating and position Islamic banking as a leader in the industry. Because if corporate governance is good then everything will impact for the better. Corporate governance is a system designed to direct the professional management of a company based on the principles of transparency, accountability, responsibility, independence, fairness and equality.

Table 1.2

Ranking of Corporate Governance Index Good Corporate Governance Practices of Islamic Banks

| Composite Value | Rating |
|-------------------------------------|---------------|
| Composite Value <1,5 | A+ |
| $1,5 \leq$ Composite Value <2,5 | A |
| $2,5 \leq$ Composite Value < 3.5 | B |
| $3,5 \leq$ Composite Value < 4.5 | C |
| $4,5 \leq$ Composite Value \leq 5 | D |

Source: Bank Indonesia Circular Letter No.12/13/DPbs Year 2022

This rating system was developed by Bank Indonesia to assess the degree to which the concerned banks have successfully incorporated strong corporate governance. Self-evaluation, on the other hand, is an assessment method. Companies in Indonesia can use a self-assessment tool to see how well their corporate governance is implemented. The corporate governance self-assessment checklist, a booklet form of the self-assessment, has been printed. The tool is an online survey that businesses can complete. The company then evaluates the responses impartially. Organizations can identify areas that need work and strengthen them by using the self-assessment process to help them understand the current condition of their corporate governance (Citra Sovia, 2023).

The foundation for evaluating a bank's customer satisfaction in using its services during transactions is good corporate governance (Gcg) and Shariah compliance (SC). The stronger the foundation, the more people trust the bank to be a part of their transactions. This applies to all banks, general and Sharia. On the other hand, companies that lack sound corporate governance are more vulnerable to many issues and have shorter lifespans. There is no denying the strong correlation between bad management and insufficient corporate governance (Gholy & Nadya, 2020). Without a question, poor management has an impact on the company's overall financial management. The economic catastrophe that shook Indonesia a few years ago served as evidence of this. Inadequate corporate governance led to financial losses and ultimately bankruptcies for numerous organizations. A portion of Indonesia's corporate governance evaluations yield unsatisfactory findings, suggesting that the country's attempts to enhance corporate governance have not been entirely achieved (Susanto & Syahputri, 2022).

Put differently, Islamic banks can enhance their efficacy by incorporating the principles of Gcg and Sc into their management practices. Investors may be more likely to invest in Islamic banks as a result of improved corporate performance and higher customer satisfaction in actual business operations. with a disclaimer stating that the items must be worthwhile and valuable (Desta et al., 2022). Expectations from customers are typically assumptions or forecasts about what they will obtain from a purchase. Put another way, the fundamental goal of marketing is to create a solid bond between businesses and their products. Creating a solid relationship between the product and the

customer is a challenge that firms encounter while selling their products (Harahap & Syahriza, 2022).

Although Islamic financial organizations are given more weight than other firms, Islamic economists acknowledge the significance of strong GCG and SC for all businesses. Everyone agrees that Islamic financial institutions, GCG, and SC are particularly relevant in this context, as are the fundamental concepts for creating an Islamic financial system and a system that promotes moral behavior in all economic transactions and interactions (Daulay et al., 2022). It teaches us to be more cautious with corporate management, particularly in the financial industry. Consequently, it is critical to strengthen the application of Shariah compliance and sound corporate governance, particularly in the banking industry, which comprises both conventional and Islamic institutions (Dewi, 2020).

It is not always possible to regulate all employees or parties functioning in Islamic banking, as businesses that are deemed "sharia" are not always able to apply the same and conform with the standards that have been imposed. In this instance, the adoption of Good Corporate Governance (GCG) and Shariah Compliance (SC) in Islamic banking is crucial for the growth of the business and for giving clients and investors piece of mind while making investments. This paper states that the usage of GCG and SC can enhance earnings for Bank Syariah Indonesia, especially KCP Medan Cemara Asri, while assuring customer satisfaction. This would help the two parties cooperatively create and achieve the desired goals.

Research Method

Scope of Research

Based on the positivist concept, quantitative research is a way of conducting research that is considered scientific since it has logically, systematically, objectively, demonstrably, and concretely complied with scientific principles. Quantitative approaches include data collecting via research tools, quantitative or statistical data analysis, and the testing of predefined hypotheses that will be used to study specific populations and samples. Quantitative research is the methodology employed.

Quantitative research methods focus on analyzing a certain population or sample, utilizing technology to collect data, and analyzing statistical data to evaluate pre-established hypotheses (Maryam Batubara, Nurul Inayah, 2022).

Population and Sample

Population

Customers of Indonesian Islamic banks are part of the population of this study. The cemara asri medan sub-branch office determines the satisfaction of Indonesian sharia bank customers.

Sample

The Slovin Formula, a purposive sampling approach, is used in this study. One of the most widely used sampling theories in quantitative research is the Slovin formula. Therefore, 10–20% of the research population can be included in the sample range that can be obtained using the Slovin technique. After applying the Slovin formula, 100 samples were used in this investigation (Sugiyono, 2017).

Data Type

Primary data are the kind used in this investigation. Primary data is the term “data collection procedures” refers to the strategies or methods the researcher used in this study to collect information for the coefficient test (Fitria, 2019).

Data Collection Technique

This research uses a causal relationship, depending on the nature of the association, whereas associative research frames a research problem that asks for the relationship between two or more variables. Tests of validity, reliability, normalcy, classical assumptions, multiple linear regression, hypothesis testing, and determination provide the foundation of the procedures utilized in the data analysis process (Fitria, 2019).

Results and Discussion

Research Description

1. Characteristics of Respondents

Data from a questionnaire that the researcher administered to one hundred Bank Syariah Indonesia Sub-Branch Office Medan Cemara Asri clients was used in this study.

The poll was conducted at the Bank Syariah Indonesia Medan Cemara Asri Sub-Branch Office from December 9, 2021 to December 17, 2021. During the respondent characterization process, researchers disclosed certain details about the respondents' backgrounds, such as age, gender, and educational attainment. To determine the precise characteristics of the respondents as research subjects, the study's respondents were categorized (Hrp et al., 2023). To shed light on the traits of the respondents in issue, the following table presents respondent data:

General description of respondents by gender

Table 3.1 displays the categorization of participants by gender.

Table 3.1

Characteristics of Respondents Based on Gender

| No | Gender | Amount | % |
|---------------|--------|------------|-------------|
| 1 | Male | 30 | 30% |
| 2 | Female | 70 | 70% |
| Amount | | 100 | 100% |

Source of data: obtained from customers, 2023

As can be seen in Table 3.1, only 30 persons, or 30% of the research participants were male, whereas 70 respondents, or 70% of the total, were female.

General description of respondents based on age

Table 3.2 displays the research findings derived from the age description of the respondents, namely:

Table 3.2

Characteristics of respondents based on age

| No | Age | Amount | % |
|----|------------|--------|-----|
| 1 | < 20 year | 4 | 4% |
| 2 | 20-39 year | 88 | 88% |
| 3 | 30-39 year | 3 | 3% |
| 4 | 40-49 year | 2 | 2% |
| 5 | >50 year | 3 | 3% |

| | | |
|---------------|------------|-------------|
| Amount | 100 | 100% |
|---------------|------------|-------------|

Data source: processed data, 2023

Table 3.2 shows that four respondents, or four percent of all respondents, were under the age of twenty. Eighty-eight percent (88) of the sample's responses were in the 20–29 age range. The age range of three responders, or 3%, was thirty to forty-nine. Two responders, or 2% of the total, were in the 40–49 age range. Three percent, or three out of the total responders, were older than fifty. It is evident from this data that respondents between the ages of 20 and 29 make more transactions at the Bank Syariah Indonesia Cemara Asri Sub-Branch in Medan.

General description of respondents based on last education

Table 3.3 displays the research findings derived from explaining the age of the respondents.

Table 3.3
Characteristics of respondents based on age

| No | Age | Amount | % |
|---------------|-----|------------|-------------|
| 1 | SMA | 45 | 45% |
| 2 | S1 | 53 | 53% |
| 3 | S2 | 1 | 1% |
| 4 | S3 | 1 | 1% |
| Amount | | 100 | 100% |

Data source: processed 2023

Forty-five respondents, or 46% of the sample, had only finished senior high school, according to Table 3.3. Of the responders, 53 (52%), had completed up to a bachelor's degree in education. Only one respondent (1%), with a master's degree or above, was present. Furthermore, a single responder (representing 1% of the sample) possessed a doctorate degree. The majority of respondents held a bachelor's degree.

Data Analysis by Statistics

1. Validity Test

A questionnaire is deemed valid if the questions can yield the data that it is designed to measure. If $r_{\text{count}} > r_{\text{table}}$, then the questionnaire question items are deemed valid.

The research validity test yielded the following results:

Table 3.4
Validation Test Results

| Variable | Item | r-hitung | r-table | Description |
|--------------------------------|------|----------|---------|-------------|
| Good corporate governance (X1) | X1.1 | 0,842 | 0,1966 | Validation |
| | X1.2 | 0,789 | 0,1966 | Validation |
| | X1.3 | 0,857 | 0,1966 | Validation |
| | X1.4 | 0,806 | 0,1966 | Validation |
| | X1.5 | 0,838 | 0,1966 | Validation |
| | X1.6 | 0,861 | 0,1966 | Validation |
| | X1.7 | 0,833 | 0,1966 | Validation |
| | X1.8 | 0,826 | 0,1966 | Validation |
| Shariah compliance (X2) | X2.1 | 0,690 | 0,1966 | Validation |
| | X2.2 | 0,689 | 0,1966 | Validation |
| | X2.3 | 0,820 | 0,1966 | Validation |
| | X2.4 | 0,794 | 0,1966 | Validation |
| | X2.5 | 0,803 | 0,1966 | Validation |
| | X2.6 | 0,722 | 0,1966 | Validation |
| | X2.7 | 0,740 | 0,1966 | Validation |
| | X2.8 | 0,818 | 0,1966 | Validation |
| Customer Satisfaction (Y1) | Y1.1 | 0,833 | 0,1966 | Validation |
| | Y1.2 | 0,793 | 0,1966 | Validation |
| | Y1.3 | 0,805 | 0,1966 | Validation |
| | Y1.4 | 0,876 | 0,1966 | Validation |
| | Y1.5 | 0,857 | 0,1966 | Validation |

| | | | | |
|-----------------------|-------|-------|--------|------------|
| | Y1.6 | 0,754 | 0,1966 | Validation |
| Customer Loyalty (Y2) | Y2.1 | 0,790 | 0,1966 | Validation |
| | Y2.2 | 0,725 | 0,1966 | Validation |
| | Y2.3 | 0,830 | 0,1966 | Validation |
| | Y2.4 | 0,794 | 0,1966 | Validation |
| | Y2.5 | 0,832 | 0,1966 | Validation |
| | Y2.6 | 0,774 | 0,1966 | Validation |
| | Y2.7 | 0,794 | 0,1966 | Validation |
| | Y2.8 | 0,845 | 0,1966 | Validation |
| | Y2.9 | 0,850 | 0,1966 | Validation |
| | Y2.10 | 0,758 | 0,1966 | Validation |
| | Y2.11 | 0,806 | 0,1966 | Validation |

Data source: primary processed SPSS 25,2023

The value on $r_{Count} > r_{Table}$ at a significance level of 5% ($\alpha = 0.05$), as seen in the preceding table. Because the r_{Count} number is more than the r_{Table} value, or 0.195, it can be determined that the respondent's questionnaire statement on Variable X1 is deemed valid and appropriate for inclusion in additional testing.

2. Uji Realibilitas

Reliability is the measurement of respondents' constancy and consistency in responding to questionnaire-style questions concerning their constructs, which are components of a variable. This study employed the Crombach Alpha method, which is regarded as credible because the value is more than 0.60. The reliability test results are shown in the following table:

Table 3.5
Reliability Test Results

| No | Variable | Item | Cronbach Alpha | Description |
|----|--------------------------------|------|----------------|-------------|
| 1 | Good corporate governance (X1) | 8 | 0,936 | Reliability |
| 2 | Shariah Complince (X2) | 8 | 0,893 | Reliability |
| 3 | Customer Satisfaction (Y1) | 6 | 0,899 | Reliability |
| 4 | Customer Loyalty (Y2) | 11 | 0,943 | Reliability |

Source of data: processed by SPSS 25, 2023

Every variable has a Cronbach Alpha value greater than 0.60, as can be seen in the previous table. Thus, these variables can be classified as dependable in terms of sharia compliance (0.893), customer satisfaction (0.899), strong corporate governance (0.936), and customer loyalty (0.943).

3. Normality Test

The goal of assessing data normality is to determine whether continuous data are normally distributed, allowing for the execution of analysis like regression, correlation, validity, and t-test. To assess normalcy, data from the Kolmogrov-Smirnov test are utilized. If the Sig. value is less than 0.05, the data is not normally distributed; when the Sig. value is greater than 0.05, regularly dispersed data is observed. The following are the normality test results that are shown in the table:

Table 3.6
Normality Test Results on Good Corporate Governance and Shariah Compliance
Variables on Customer Satisfaction
One-Sample Kolmogorov-Smirnov Test

Unstandardized

Residual

| | | |
|---|-----------------|--------------------------|
| N | | 100 |
| Normal parameters^{a,b} Mean | | ,0000000 |
| Std. Deviation | | 2,29182095 |
| Most | Extreme | Absolute ,063 |
| Differences | Positive | ,058 |
| | Negative | -,063 |
| Test Statistic | | ,063 |
| Asymp Sig. (2-tailed) | | ,200^{sd} |

Data source: processed by SPSS 25.2021

Table 3.6's Kolmogorov-Smirnov test results indicate a significant value of $0.200 > 0.05$ for the customer satisfaction variable related to sharia compliance and excellent corporate governance. Consequently, it may be said that this study's residual value has a normal distribution.

Table 3.7
Normality Test Results on Good Corporate Governance and Shariah Compliance
Variables on Customer Satisfaction
One-Sample Kolmogorov-Smirnov Test

Unstandardized

Residual

| | | |
|---|--|-------------------|
| N | | 100 |
| Normal parameters^{a,b} Mean | | ,0000000 |
| Std. Deviation... | | 4,86493647 |

| | | | |
|-------------------------------|-------------------------|-----------------|-------------|
| Most | Extreme | Absolute | ,063 |
| Differences | Positive | ,058 | |
| | Negative | -,063 | |
| Test Statistic | ,063 | | |
| Asymp Sig. (2-tailed), | 200^{sd} | | |

It is a Normal test distribution.

Determined by data.

Correction of Lilliefors Significance.

This represents the genuine significance's lower bound.

Data source: processed by SPSS 25.2021

The significant level is $0.200 > 0.05$, as shown by the Kolmogorov-Smirnov test and table 4.7 Normality Test of Sharia compliance and Good Corporate Governance factors on Customer Loyalty. Consequently, the study's residual values can be fitted to the normal distribution.

Partial Test (t test)

Simply put, the t test indicates the proportion of the dependent variable's variance that can be accounted for by a single independent variable. If the tcount value exceeds the ttable value and the significance value is less than 0.05, the regression model will pass the partial test. The table that follows displays the partial test findings (t test) that were used for this investigation.

Table 3.8
Partial Test Results (T-Test)

On the Good Corporate Governance Variable on Customer Satisfaction

| Unstandardized Coefficients | | | Standardized Coefficients | | | |
|-----------------------------|------------|------------|---------------------------|------|--------|------|
| Model | B | Std. Error | Beta | T | Sig | |
| 1 | (constant) | 5,196 | 1,579 | | 3,264 | ,002 |
| | Total GCG | ,567 | 0,47 | ,775 | 12,132 | ,000 |

Dependent Variable: TOTAL Satisfaction

Table 3.9

Percentage Test Results (T-Test)

On the Good Corporate Governance Variable on Customer Satisfaction

| Unstandardized Coefficients | | | Standardized Coefficients | | | |
|-----------------------------|------------|------------|---------------------------|------|-------|------|
| Model | B | Std. Error | Beta | T | Sig | |
| 1 | (constant) | 11,545 | 3,304 | | 3,494 | ,001 |
| | Total GCG | ,955 | ,098 | ,702 | 9,771 | ,000 |

Dependent Variable: TOTAL Loyalty

Data source: Processed SPSS 25, 2023

Table 3.10

Percentage Test Results (T-Test)

On the Good Corporate Governance Variable on Customer Satisfaction

| Unstandardized Coefficients | | | Standardized Coefficients | | | |
|-----------------------------|------------|------------|---------------------------|------|--------|------|
| Model | B | Std. Error | Beta | T | Sig | |
| 1 | (constant) | 3,579 | 1,622 | | 2,207 | ,030 |
| | Total GCG | ,629 | ,049 | ,791 | 12,783 | ,000 |

Dependent Variable: TOTAL Satisfaction

Table 3.11

Percentage Test Results (T-Test)

On the Good Corporate Governance Variable on Customer Satisfaction

| Unstandardized Coefficients | | | Standardized Coefficients | | |
|-----------------------------|---|------------|---------------------------|---|-----|
| Model | B | Std. Error | Beta | T | Sig |

| | | | | | | |
|---|------------|-------|-------|------|--------|------|
| 1 | (constant) | 8,304 | 3,369 | | 2,465 | ,015 |
| | Total GCG | 1,078 | ,102 | ,729 | 10,541 | ,000 |

Dependent Variable: TOTAL Loyalty

Table 3.8 displays the regression coefficient value of 0.567 for the good corporate governance variable. H1 can be deemed acceptable if it is shown that the impact of GCG on customer satisfaction has a significant value of $T_{hitung} 12.132 > T_{tabel} 1.985$ and a significant value of $0.00 < 0.05$. This suggests that sound corporate governance has a major role in the high degree of customer satisfaction at Bank Syariah Indonesia Sub-Branch Medan Cemara Asri.

H1 : It is recognized that customer satisfaction is positively and significantly influenced by good business governance.

The good corporate governance variable has a regression coefficient value of 0.955, according to Table 3.9. Given that the influence of GCG on loyalty has a significant value of $0.00 < 0.05$ and a significant value of $T_{hitung} 9.771 > T_{tabel} 1.985$, it can be concluded that H2 is appropriate. This demonstrates the considerable positive impact that sound corporate governance has on client loyalty at Bank Syariah Indonesia Sub-Branch Medan Cemara Asri.

H2 : It is recognized that strong business governance significantly and beneficially affects customer loyalty.

For the sharia compliance variable, Table 3.10 shows the regression coefficient value of 0.629. Sharia compliance's impact on customer happiness can be accepted because it has a significant value of $T_{hitung} 12.783 > T_{tabel} 1.985$ and a significant value of $0.00 < 0.05$. This demonstrates how customer happiness at Bank Syariah Indonesia Sub-Branch Medan Cemara Asri is significantly improved by sharia compliance.

H3 : It is recognized that Shariah compliance significantly and positively affects consumer happiness.

Table 3.11 shows that the sharia compliance variable has a regression coefficient value of 1.078. The effect of sharia conformity on loyalty yielded a significant value of $0.00 < 0.05$ and $T_{hitung} 10.541 > T_{tabel} 1.985$, indicating that H4 can be accepted. Evidence from Bank Syariah Indonesia Sub-Branch Medan Cemara Asri indicates that sharia compliance increases customer loyalty.

H4 : Customer loyalty is positively and significantly influenced by sharia compliance, which has been recognized.

a. Simultaneous Test (F Test)

F test is used to find out if the independent variable (X) affects the dependent variable (Y). should the Fcount and Sig values both be less than 0.05. The results of the Simultaneous Test (F Test) for this inquiry are shown in the following table.

Table 3.12

**Simultaneous Test Results (F Test)
On the Customer Satisfaction Variable**

ANOVA^a

| Model | Sum of Squares | Dr | Mean Square | F | Sig |
|--------------|----------------|----|-------------|--------|-------------------|
| 1 Regression | 985,368 | 2 | 492,684 | 91,906 | .000 ^b |
| Residual | 519,992 | 97 | 5,361 | | |
| Total | 1505,360 | 99 | | | |

Dependent variable: Total Satisfaction (Y1)

Predictors: (Cosnstant), Total Shariah (X2), Total GCG(X1)

Data Source: processed SPSS 25, 2023

The table above displays a significant value of $0.000 < 0.05$ together with the values of Fcount ($91.906 > F_{table} (3.09)$). Thus, it may be said that sharia compliance and sound

corporate governance both significantly impact the Customer Satisfaction variable in tandem.

Table 3.13
Simultaneous Test Results (F Test)
On Customer Loyalty Variables

ANOVA^a

| Model | | Sum of Squares | Dr | Mean Square | F | Sig |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1 | Regression | 2855,417 | 2 | 1427,708 | 59,105 | .000 ^b |
| | Residual | 2343,093 | 97 | 24,156 | | |
| | Total | 5198,510 | 99 | | | |

Dependent Variabel: TOTAL Loyalitas (Y2)

Predictors: (Constant), TOTAL Shariah (X2), TOTAL GCG (X1)

Data Source: processed SPSS 25, 2023

The table above displays a significant value of $0.000 < 0.05$ together with Fhitung (59.105) $>$ Ftabel (3.09). Thus, it can be said that the Customer Loyalty variable is significantly impacted by both sharia compliance and sound corporate governance at the same time.

4. Test Coefficient of Determination (R2)

The coefficient of determination (R2) test can be used to assess how well the model explains the variation in the dependent variable. The regression model is more accurate if R2 is nearer 1. On the other hand, not all variables can be described by the regression model if R2 is near to zero. The following outcomes are obtained from the researchers' The determination coefficient test:

Table 3.14

Test Results of the Coefficient of Determination (R²)

On GCG Variables, Shariah compliance on Satisfaction

Model Summary^b

| Model | R | R Square | Adjusted R Square | Std. Error of The Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .809 ^a | .655 | .647 | 2.315 |

Predictors:(Constant), TOTAL Shariah, Total GCG

Dependent Variable: TOTAL Kepuasan

Data source: Processed SPSS 25,20223

The coefficient of determination (R square), based on the previously provided statistics, is 65.5%, or 0.655. The fact that it is so close to 1 indicates that the customer satisfaction variable and the variables measuring sharia compliance and effective company governance have a significant link.

Table 3.15

Test Results of the Coefficient of Determination (R²)

On GCG Variables, Shariah compliance on Loyalty

Model Summary^b

| Model | R | R Square | Adjusted R Square | Std. Error of The Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .741 ^b | .549 | .540 | 4.915 |

Predictors: (Constant), Total Sharia, Total GCG

Dependent Variable: TOTAL Loyalty

Data source: Processed SPSS 25,20223

As can be seen in the accompanying table, the Rsquare figure that shows in the Coefficient of Determination is 0.549. This suggests that sharia compliance and sound business governance can account for 54.9% of the variation in customer loyalty as the variable gets closer to 1.

Conclusion

The impact of sharia compliance and good corporate governance on customer satisfaction and loyalty at Bank Syariah Indonesia Medan KC Cemara Asri was found to be related to the following conclusions by the researcher after statistical processing and analysis of data obtained from questionnaire answers in the IBM SPSS Statistics 25 program:

1. In the Bank Syariah Indonesia Cabang Pembantu Medan Cemara Asri, good corporate governance is characterized by positive and significant effects on national savings. Maintaining the institution's reputation is another goal of Bank Syariah Indonesia Sub-Branch Medan Cemara Asri's good corporate governance approach, as this reputation might influence customer satisfaction. Satisfied customers can become brand ambassadors for an institution, helping to further cultivate a positive perception of Islamic banks.
2. Customer loyalty is one of the positive and major effects of good corporate governance features at Bank Syariah Indonesia Sub-Branch Medan Cemara Asri, Medan. The bank's credibility and reputation may be impacted by the use of sound corporate governance. If the community has a positive opinion of the bank, customer loyalty will naturally grow. The financial sector known as "Islamic banking" abides by sharia law and Islamic principles. Thus, Bank Syariah Indonesia needs to keep up its constant and committed implementation of excellent corporate governance if it hopes to benefit both parties.
3. At Bank Syariah Indonesia Sub-Branch Medan Cemara Asri, customer satisfaction is positively impacted by the Sharia Compliance variable. According to the institution's name, Bank Syariah Indonesia Sub-Branch Medan Cemara Asri has correctly executed sharia compliance. As a result, in addition to using the term "sharia," Bank Syariah Indonesia Sub-Branch Medan Cemara Asri is a financial institution that has correctly and appropriately applied sharia principles.

Customer loyalty variables are positively and significantly impacted by Sharia compliance variables. Customer loyalty is impacted by Bank Syariah Indonesia Cemara Asri Sub-Branch Medan's application of sharia compliance. This link is mediated by

numerous variables. Clients are aware of the use and intent of sharia compliance. Customer loyalty at Bank Syariah Indonesia Cemara Asri Sub-Branch Medan has definitely increased as a result of this. Additionally, more astute clients will help Islamic banking expand.

REFERENCES

- Ahmad, R. (2021). Sejarah dan Perkembangan Bank Syariah di Indonesia. *Journal Ekonomi*, 1–9.
- Ardhia Melanti, I. (2019). Governance On Company Value With Financial Performance As A Moderation Variable (Case Study Of Insurance Companies Listed On The Indonesia Stock Exchange). *Indonesian Interdisciplinary Journal of Sharia Economics (IIJSE)*, 6(0), 1–23.
- Assegaf, Y. U., Falikhatun, & Wahyuni, S. (2019). Bank Syariah Di Indonesia : Corporate Governance Dan Pengungkapan Pertanggungjawaban Sosial Islami (Islamic Social Responsibility Disclosure). *Conference In Business, Accounting and Management (CBAM)*, 1(1), 255–267.
- Citra Sovia, S. W. H. (2023). Pengaruh Kualitas Pelayanan Terhadap Kepuasan Masyarakat Dalam Menggunakan Jasa Perbankan Syariah (Studi Pada PT Bank SUMUT Syariah KCP Stabat). *JEKSya: Jurnal Ekonomi Dan Keuangan Syariah*, 2(3), 557–576. <https://jurnal.perima.or.id/index.php/JEKSya>
- Daulay, W. E., Azhari, F. I., Triningsih, C., & Nasution, J. (2022). “Penerapan Good Corporate Governance Terhadap Kecurangan (FRAUD) Perbankan Syariah.” *Ekonomi Bisnis Manajemen Dan Akuntansi (EBMA)*, 3(2), 929–940.
- Desti, S. Y., Subagiyo, R., & Useldi, U. (2022). Pengaruh Sharia Compliance Terhadap Kinerja Keuangan Dengan Mediasi Kinerja Maqashid Syariah Pada Perbankan Syariah. *An-Nisbah: Jurnal Ekonomi Syariah*, 9(1), 76–108. <https://doi.org/10.21274/an.v9i1.5485>
- Dewi, P. I. (2020). Penerapan Good Corporate Governance (Gcg) Di Lembaga Perbankan Syariah. *Jurnal Ilmiah Al-Tsarwah*, 3(2), 1–15. <https://doi.org/10.30863/al-tsarwah.v3i2.1150>
- Fitria, T. N. (2019). PERKEMBANGAN BANK SYARIAH DI INDONESIA. *Jurnal Ilmiah Ekonomi Islam*, 1(2), 75–87.
- Gholy, P. A., & Nadya, P. S. (2020). Pengaruh Penerapan Good Corporate Governance Terhadap Profitabilitas Pada Bank Umum Syariah Periode 2014-2018. *Nisbah: Jurnal Perbankan Syariah*, 6(2), 108. <https://doi.org/10.30997/jn.v6i2.3265>
- Harahap, M. R. F., & Syahriza, R. (2022). Analisis Pengaruh Kualitas Pelayanan Terhadap Kepuasan Nasabah Pada Pt Sun Life Financial Cabang Kota Medan.

PRAJA Observer: Jurnal Penelitian Administrasi Publik (e-ISSN: 2797-0469), 2(02), 10–16.

- Hrp, N. A. P., Yusrizal, Y., & Harahap, M. I. (2023). Analisis Peran Good Corporate Governance (GCG) Dalam Peningkatan Company Business Progress dan Risk Management Pada Perbankan Syariah (Studi Kasus Pada Bank Sumut Syariah). *Jurnal Ilmiah Ekonomi Islam*, 9(2), 2006. <https://doi.org/10.29040/jiei.v9i2.9135>
- Maryam Batubara, Nurul Inayah, S. M. S. (2022). Faktor-Faktor yang Mempengaruhi Penggunaan Mobile Banking Syariah dengan Pendekatan Theory of Planned Behavior pada Mahasiswa Perbankan Syariah UIN Sumatera Utara. *Journal of Economy and Banking*, 4, 159–170.
- Najib, H., & Rini, R. (2019). Sharia Compliance, Islamic Corporate Governance Dan Fraud Pada Bank Syariah. *Jurnal Akuntansi Dan Keuangan Islam*, 4(2), 131–146. <https://doi.org/10.35836/jakis.v4i2.23>
- Sugiyono. (2017). *Metode Penelitian Bisnis: Pendekatan Kuantitatif, Kualitatif, Kombinasi, Dan R&D (Ke 26)*. Cv. Alfabeta.
- Susanto, A., & Syahputri, D. A. (2022). Pengaruh tata kelola perusahaan dan karakteristik spesifik perusahaan pada kejadian penyajian kembali laporan keuangan. *Fair Value: Jurnal Ilmiah Akuntansi Dan Keuangan*, 5(3), 1282–1294. <https://doi.org/10.32670/fairvalue.v5i3.2349>
- Wardayati, S. M. (2019). Implikasi Shariah Governance Terhadap Reputasi Dan Kepercayaan Bank Syariah. *Walisongo: Jurnal Penelitian Sosial Keagamaan*, 19(1), 1. <https://doi.org/10.21580/ws.2011.19.1.210>