

CHAPTER V

CONCLUSION

Islamic banking operates within the similar financial environment, its fundamental differences call for different treatment in building resilience. The existing literature on banking surveillance tools is either mostly for banking in general or is dominated by partial development. Hence, there is significant gap in the literature to address the specificities of Islamic banking and comprehensive banking surveillance tools analysis to build resilience that can contribute to financial stability in a country. This study explores this gap in case of Indonesia.

The study notes that there are 8 Steps on Constructing Sharia Banking Resilience (SHABAR) Index, namely; (1) Theoretical Framework, (2) Data Selection, (3) Imputation of Missing Data, (4) Normalization, (5) Weighting and Aggregation, (6) Robustness & Sensitivity test, (7) Back to The Real Data, (8) Presentation & Visualization.

As conclusion, resilience level of sharia banking in Indonesia exist in specific range as the result of contribution every single indicator build it. Moreover, the study can run tracking of which indicator contributes to the instability of sharia banking system in Indonesia.