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The role of database systems on economic development and sharia banks

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Abstract

The aim of this study is to determine The Role of Database Systems on Economic Development and Sharia Banks. This study uses a qualitative approach from the data obtained through a literature study conducted by studying book references, articles, and internet browsing, as well as literature reviews related to the research objective, namely to see the magnitude of the role of the database system on economic development, especially in Islamic banks. in carrying out its financial services products. Based on the discussion, it can be concluded that the relationship between management information systems and accounting information systems, as well as transaction processes in

accounting information systems and their implementation in Islamic banking is AIS in Islamic Banking. Islamic banking is more valid. Information in data processing that has been accepted by the mind of the recipient of the information is used to make decisions. The Accounting Information System (AIS) in Islamic banking offers a system that converts accounting data into accounting information in order to facilitate transaction activities and matters related to accounting. AIS in Islamic banks is also able to increase productivity at the bank. Management information systems have a strong relationship with accounting information systems in accounting transactions in Islamic banking.

Keywords: determine, Database, banks, accounting

1. Introduction

Currently the development of databases is very rapid, both in terms of technology and in terms of use. The database itself can be interpreted as a collection of information that can be managed and accessed based on the logical structure of the information. If you look at the function of the database as a place to store data, there are several software commonly used for data storage, starting from the simplest ones, namely Microsoft Office Excel, Dbase, Microsoft Access, Ms Sql Server 2000, Oracle, etc. However, if viewed from the ability to search for information, there are several software that are not included in the database category but by using a DBMS (Database Management System), finding information will be done easily. Database Management System is an application used to create the organizational logic of the database and how to access it.

The database has a function like a library that stores many books from various categories, where one book stores various data, starting from the title of the book, author's name, summary of contents, publisher year of publication, etc. Similarly, the database stores information on an object in which there are various kinds of data. If the information is in the form of a person's profile, then the data stored is the name, date of birth, gender, occupation, age, ID number.

DBMS is an intermediary for users and databases to interact, users must use a predetermined database language, for example online data access that can be accessed through a computer network. This is manifested in multimedia databases, interactive videos, digital libraries, scientific projects such as mapping projects, earth observation systems projects, etc. The existence of this DBMS affects almost all human activities, ranging from daily human activities to business activities. No, the field of Islamic banking also takes advantage of the rapid development of DBMS.

Islamic banks became known to the public when Bank Muamalat was founded in 1991. The founders consisted of Muslim businessmen, the government, and the Indonesian Muslim Intellectuals Association (ICMI). Gradually, Islamic banks are growing. One of them is the ratification of the Sharia Banking Law Number 21 of 2008 by the DPR RI. In general, Islamic banks are almost similar to products owned by conventional banks. The only obvious difference is that Islamic banks use the profit-sharing principle. In addition, the value foundation adopted by Islamic banks is the value of balance, usefulness, and Islam.

The prospect of Islamic banks is very good. Because, Indonesia has three conditions that make Islamic banks grow well. First, the Indonesian people, which are predominantly Muslim. It cannot be denied that sharia is indeed synonymous with Islam. Second, abundant human resources (HR). The point is that human resources in Indonesia have adequate qualifications. These qualifications are obtained from schools and universities. From learning institutions, there are also various majors that deal with

Islamic banking.

The purpose of writing this paper is to see the magnitude of the role of the database system on economic development, especially in Islamic banks in carrying out their financial services products.

2. Literature Review

2.1 Database System Definition

DBMS is a system or software specifically designed to manage a database and perform operations on data requested by multiple users. DBMS stands for "Database Management System" which is an organizational system and database processing system on a computer. DBMS or database management system is software that is used to build computerized databases. DBMS is an intermediary for users with the database, to be able to interact with the DBMS can use the database language that has been determined by the DBMS company. Database languages generally consist of various kinds of instructions that are formulated so that these instructions can be processed by the DBMS. This DBMS (Database Management system) can also assist in maintaining and processing large amounts of data, using a DBMS so that it does not cause chaos and can be used by users according to their needs.

Several vendors are developing their systems with the ability to store new data types such as images and text, and complex query capabilities. A specialized system developed by multiple vendors to create a data warehouse, combining data from multiple databases. The most interesting phenomenon is the existence of enterprise resource planning (ERP) and resource management planning (MRP), which add a substantial layer of application-oriented features. Packages included include Baan, Oracle, PeopleSoft, SAP, and Siebel. These packages identify a common set of tasks and provide a common application layer to address these needs. The data is stored in a relational DBMS, and the application layer can be customized for different companies. Next, DBMS entered the world of the internet. While the first generation of Web sites stored their data exclusively in operating system files, DBMSs can now be used to store data that can be accessed via a Web browser. Queries can be generated via Web forms, and answers format using markup languages such as HTML to make them easier to display in a browser.

2.2 MySQL

There are many solutions for storing information using databases, but what must be considered is the optimal choice to help develop your online business (Stroe, 2012). The most widely used database systems are Oracle, Microsoft SQL Server, MySQL, and IBM IDB2.

Letskowski (2014) explains that MySQL is the most widely used MDBS and was developed in Sweden in 1995 until now owned by Oracle Corporation. MySQL is able to handle data storage and management, respond quickly to requests, manage and store data efficiently (Stroe, 2012). The MySQL system is capable of having multiple users. Welling & Thomson (2005) explained that there is one best advantage of MySQL is that My SQL can support advanced system privileges. Privilege is the right to display or perform certain actions on certain objects and is associated with certain users. By using MySQL, users can find out what privileges or rights they can or cannot do in the system.

2.3 Definition of Sharia Economics

Islamic economics is defined as an economic system based on Islamic principles (sharia). It covers all existing economic sectors, both financial and real sectors. The sharia economic system must also provide equitable and sustainable benefits (maslahah) for every element in the economy or also be interpreted as all core sectors of the economy and their ecosystems that are structurally influenced by consumer lifestyles and business practices in accordance with Islamic values. This definition is consistent with that proposed by economists, such as Frederic Pryor (1985). According to him, the Islamic economic system is a theoretical construction of an industrial economic system, the actors of which follow Islamic teachings.

Although he still considers Islamic economics to be only a theoretical construction, Pryor emphasized that this system is run by Muslims, consistent with the understanding offered by other Islamic economic researchers and thinkers. Timur Kuran (1986) for example, explains that Islamic economic actors make decisions based on the norms contained in the Qur'an and the sunnah. What is interesting is that Islamic economics is not only run by Muslims, as Pryor understands, but anyone whose decisions are guided by economic principles that come from the two sources of Islamic teachings.

Umer Chapra (1997) also explains the same thing. According to him, the sharia economic system is one that prioritizes social and economic justice, as well as a balance between material and spiritual needs. This is the definition of a sharia economic system that is universal and consistent with the direction of national development, the Pancasila state basis, as well as sustainable development strategies that have been adopted, such as the sustainable development goals (SDGS).

2.4 Definition of Islamic Bank

Sharia Bank is a bank that carries out business activities based on sharia principles, or Islamic legal principles regulated in the fatwa of the Indonesian Ulema Council such as the principles of justice and balance ('adl wa tawazun), benefit (maslahah), universalism (alamiyah), and does not contain gharar, maysir, usury, unjust and unlawful objects. In addition, the Sharia Banking Law also mandates Islamic banks to carry out social functions by carrying out functions such as baitul mal institutions, namely receiving funds from zakat, infaq, alms, grants, or other social funds and channeling them to waqf managers (nazhir) as desired. waqf (wakif).

Systems and mechanisms to ensure the fulfillment of sharia compliance are an important issue in the regulation of Islamic banks. In this regard, the institution that has an important role is the MUI National Sharia Council (DSN). Law No. 21 of 2008 concerning Sharia Banking gives authority to the MUI whose functions are carried out by its special organ, namely the DSN-MUI to issue a fatwa on sharia compliance for a bank product. Then the Bank Indonesia Regulation (now POJK) stipulates that all Islamic banking products may only be offered to the public after the bank has received a fatwa from the DSN-MUI and obtained permission from the OJK. At the operational level, each Islamic bank is also required to have a Sharia Supervisory Board (DPS) whose functions are twofold, firstly the sharia supervisory function and the second an advisory function when the bank is faced with questions about whether an activity is sharia-compliant or not, as well as in the process of carrying out its activities. product

development that will be submitted to DSN to obtain a fatwa. In addition to these functions, sharia banking is also directed to have an internal audit function that focuses on monitoring sharia compliance to assist DPS, as well as in carrying out external audits that sharia banks use are auditors who have qualifications and competencies in the sharia field.

3. Method

This study uses a qualitative approach from the data obtained through a literature study conducted by studying book references, articles, and internet browsing, as well as literature reviews related to the research objective, namely to see the magnitude of the role of the database system on economic development, especially in Islamic banks. in carrying out its financial services products.

4. Result and Discussion

Research launched by (Tabe 2013) concluded that regarding the accounting information system in an effort to increase trust and Islamic banking services, however, many examine the characteristics of accounting information systems. products that are varied and provide convenience to customers, which is in line with the characteristics of the accounting information system, which is relevant. A healthy and efficient financial system can be done by creating a climate of "mutual trust" by the providers and users of funds, and the characteristics of reliable accounting information. Besides that, one of the objectives of the accounting information system (AIS) is to improve accounting controls and internal checks, which is to improve the level of reliability or (reliability) of accounting information and to provide complete records related to responsibility and protection of wealth in a company, and of course to increase trust and customer service.

4.1 Characteristics of information systems in islamic banking

In order to support a decision, useful information is needed, as well as information with different characteristics based on the level of management. Among them are the characteristics of information according to opinion (Hartono 2009:71) as quoted by (Randi 2016:15-18) in his research, including the first (1). Information density, in this case to be implemented at lower level management, the characteristics of the information are detailed (detail) and less dense, because it is mainly used for operating control. As for the higher level management, it has the characteristics of increasingly filtered, more concise and dense information. (2). The extent of information, for management at lower levels, the characteristics of the information are focused on a particular problem, because it is used by lower managers who have special tasks. For higher-level management, it requires information with increasingly broad information characteristics, because upper management deals with broad problems. (3). Information frequency, contained in the frequency of information received on a regular basis, because it is used by lower managers who have structured tasks with repetitive patterns from time to time. For higher management levels, the frequency is not routine or (sudden), because upper management deals with unstructured decision making whose pattern and timing are not clear.

(4). Schedule information for lower-level management, the information it receives has a clear and periodic schedule or schedule, because it is used by lower-level managers who have structured tasks. For higher management levels, the

schedule information is unstructured, this is because upper management deals with unstructured decision making. (5). Information time, where the required information includes historical information, because this is used by managers in operating controls that check routine tasks that have occurred. For higher-level management, the timing of the information is more forward-looking in the form of predictive information, because it is used by upper management for strategic decision-making concerning future values. (6) Access to information in lower-level management requires information that has a clear and repeated period, so that it can be provided by the information system section which provides periodic reports. Thus, access to information for lower management can not be online, but can be offline. In contrast, in higher-level management, the period of information needed is not clear, so top-level managers need to be provided with online access to retrieve information whenever they need it. (7). Sources of information, this is because lower-level management focuses more on controlling the company's internal operations, so lower-level managers need more information with data sourced from the company's own internal sources. However, top-level managers are more oriented towards strategic planning issues related to the external environment of the company, thus requiring information with data sourced at the company's external level.

4.2 Functions of Accounting Information System (AIS) in Islamic Banking

According to (Hall 2001:18) as followed by (Catur Sawistri Rangkuti 2016:20) in his research that the purpose of developing an accounting information system is (1) To support the management function (stewardship) of the management of an organization/company, because management is responsible for informing the arrangements and the use of organizational resources in order to achieve the goals of the organization. (2) To support management decision-making, because the information system provides the information needed by the management to carry out decision-making responsibilities. (3) To support the company's day-to-day operations. Information systems help operational personnel to work more effectively and efficiently. Furthermore, the purpose of the accounting information system according to the view (Mulyadi 2008) quoted by (Catur Sawistri Rangkuti 2016:20) that the accounting information system has four objectives in its preparation.

namely: (1) to provide information for the management of business activities. (2) To improve the information produced by the existing system, both regarding the quality, accuracy of presentation and structure of the information. (3) in order to improve accounting controls and internal checks, namely to improve the level of reliability of accounting information and to provide complete records regarding the liability and protection of company assets. (4) in order to reduce clerical costs in maintaining accounting records. (5) For a company, AIS is built for the main purpose of processing accounting data from various sources into accounting information needed by various users to reduce risk when making decisions.

4.3 Accounting Information System Components

Transaction Processing System, in the transaction settlement system (transaction processing system-TPS) as argued (Hall

2001) is important for the overall function of the information system, this is due to several things including: 1) Converting various economic activities into financial transactions. 2) Record all financial transactions in accounting journals (ledgers). 3) Distribute important financial information to operational personnel in support of their daily operations. Systems related to various business activities that often occur. In a given day, a company can process many transactions. In order to be processed efficiently, various transactions that will be the same are grouped together into several transaction cycles. TPS consists of transaction cycles: revenue cycle, expense cycle, and conversion cycle. Each cycle of transition and processing of different types of financial transactions. Ledger System or Financial Reporting, General ledger system (GLS) and financial reporting system (FRS) according to (Hall 2001) are two sub-systems that closely support each other. However, because of the interdependence of integrated operations, it is commonly seen as a single GL/FRS integrated system. Many of the inputs to the GL portion of the system come from various transaction cycles. Summary of Transaction Turnover Activities Required by GLS to discuss the general ledger control system.

Closing and Reversal Systems The management reporting system (MRS) as argued (Hall 2001) provides the internal financial information needed to manage a business. Managers must deal promptly with day-to-day business problems, as well as planning and controlling operations. Managers need different information for the different types of decisions they have to make. Typical reports produced by MRS include budgets, performance reports, cost-volume-profit analysis, and various reports that use current (not historical) cost data. Accounting processing cycles, which are (1) Revenue cycle, in this case the events related to the distribution of goods and services to other entities and the collection of related payments. Expenditure cycle: Events related to the acquisition of goods and services from other entities and the settlement of related obligations. (2) Production cycle: Events related to converting resources into goods and services. (3) Financial cycle Events related to the acquisition and management of capital funds, including cash The transaction processing cycle consists of one or more application systems

5. Conclusion

Based on the discussion above, it can be concluded that the relationship between management information systems and accounting information systems, as well as transaction processes in accounting information systems and their implementation in Islamic banking is AIS in Islamic Banking. Islamic banking is more valid. Information in data processing that has been accepted by the mind of the recipient of the information is used to make decisions. The Accounting Information System (AIS) in Islamic banking offers a system that converts accounting data into accounting information in order to facilitate transaction activities and matters related to accounting. AIS in Islamic banks is also able to increase productivity at the bank. Management information systems have a strong relationship with accounting information systems in accounting transactions in Islamic banking.

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