

# Sharia Insurance Dispute Resolution in Indonesia: A SLR–Bibliometric Analysis of the Development of ADR and the Integration of ODR

<sup>1</sup>Miftah Idris, <sup>2</sup>Danang Wahyu Muhammad

<sup>1,2</sup>Faculty of Law, Muhammadiyah University of Yogyakarta, Indonesia

E-mail: [miftah.idris.law25@mail.umy.ac.id](mailto:miftah.idris.law25@mail.umy.ac.id)

[danangwahyu@umy.ac.id](mailto:danangwahyu@umy.ac.id)

## Abstract

**Purpose** – The purpose of this study is to analyze the evolution of Alternative Dispute Resolution (ADR) in resolving sharia insurance disputes in Indonesia, as well as to identify global research trends, allocations for scientific investigation, and practical implications. This study not only maps these developments but also provides a structured understanding of the conceptual and procedural evolution of ADR. This contribution offers researchers, policymakers, and practitioners a clearer foundation for improving dispute resolution mechanisms in the sharia insurance sector.

**Method** – The research employs normative legal methodology, incorporating a Systematic Literature Review (SLR) and bibliometric analysis. This approach involved the selection of 16 articles from the Scopus database, utilizing VOSviewer and Bibliometrix software to map scientific advancements and interconnections among research topics.

**Result** – The findings demonstrate a notable rise in publications related to ADR and insurance since 2020, with a primary focus on mediation mechanisms, arbitration, *ex gratia*, sharia dispute resolution, and the integration of Online Dispute Resolution (ODR). The research identified the necessity for regulatory reform of the Financial Services Sector Alternative Dispute Resolution Institution (LAPS SJK) and the establishment of a hybrid ADR-ODR model to enhance fairness, efficiency, and legal certainty within the insurance industry.

**Implication** – These findings enhance the understanding of how ADR innovations can tackle systemic challenges in sharia insurance dispute resolution and contribute evidence-based recommendations for legal and institutional reform.

## Keywords :

Alternative Dispute Resolution, Online Dispute Resolution, Sharia Insurance, Systematic Literature Review, Bibliometric Analysis.



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<sup>1</sup>Miftah Idris

<sup>2</sup>Danang Wahyu  
Muhammad

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## INTRODUCTION

Insurance plays a strategic role in supporting economic stability and providing legal protection for the public against various risks. However, in practice, insurance disputes in Indonesia are still high, especially those related to claim rejections, late payments, policy discrepancies, and weak implementation of the principle of prudence.

Data from the Financial Services Sector Alternative Dispute Resolution Institution (LAPS SJK) shows a significant increase in complaints in the insurance sub-sector over the past five years, making the need for a fast, effective, and fair dispute resolution mechanism increasingly urgent. This situation underscores the importance of Alternative Dispute Resolution (ADR) as an approach to resolving insurance disputes outside of litigation, which often requires a long time and high costs.

In Indonesia, ADR has developed in various forms, including mediation, arbitration, binding opinions, and sharia dispute resolution mechanisms facilitated by Basyarnas for sharia economic cases (Fithriah, 2023). Other sectors also have specific dispute resolution institutions, such as MKDKI for medical disputes (Mulyadi et al., 2020; Kusworo et al., 2023) and ICSID for international investment (Hendrawan et al., 2024). In the context of the financial services industry, LAPS SJK is the official institution that handles disputes in banking, capital markets, fintech, and insurance. (Abubakar & Handayani, 2021) However, various challenges still hinder the effectiveness of ADR, including overlapping regulations, low ADR literacy among the public, and the minimal use of *ex gratia* schemes as an alternative dispute resolution (Windiantina et al., 2022), as well as limited understanding of sharia dispute resolution, particularly in muḍārabah musyarakah contracts (Hayati & Mujib, 2022).

The digital transformation has led to the emergence of Online Dispute Resolution (ODR) as an innovation in modern dispute resolution systems. Although the effectiveness of ODR has been proven in resolving industrial relations and sharia economic disputes (Sudiarawan et al., 2024); (Supriyadi et al., 2022; Fidhayanti et al., 2025), this mechanism has not been fully institutionalized in insurance dispute resolution. Compared to several other countries, the implementation of ADR in Indonesia is still lagging behind. Malaysia has an Ombudsman for Financial Services (OFS) that integrates negotiation, mediation, conciliation, and adjudication (Nasrul, M. A. D., Shah, N. A. M. A., Salim, 2024; Setiyono et al., 2025).

In the United States and Australia, ADR, particularly mediation and arbitration in medical disputes, has developed into a global benchmark (Maryam, 2024; Fakhri et al., 2025). The Netherlands also demonstrates effective ADR practices in real estate transactions, including the sale of apartment units (Yuniyanti et al., 2024). This comparison shows that ADR reform in Indonesia is urgently needed, especially in the complex insurance sector, which involves many risk variables.

Theoretically, Alternative Dispute Resolution (ADR) is understood as a mechanism for resolving disputes outside the court system that aims to achieve efficiency, flexibility, and substantive justice (Abubakar & Handayani, 2021). The theory of ADR emphasizes that dispute resolution is not solely oriented towards procedural legal certainty but also towards the satisfaction of the parties and the sustainability of legal relationships (Windiantina & Hidayati, 2022). In the context of insurance, ADR serves as a consumer protection instrument that balances the bargaining power between insurance companies and policyholders.

With the advancement of technology, Online Dispute Resolution (ODR) has emerged as an extension of ADR that utilizes digital platforms to facilitate negotiation, mediation, and arbitration (Fithriah, 2023). ODR is seen as capable of enhancing access to justice, reducing costs, and accelerating the dispute resolution process. Within the framework of this research, ODR is not positioned as a replacement for ADR but rather as a structural enhancer that allows ADR to adapt to the dynamics of the digital finance industry and the increasing complexity of insurance disputes.

From the perspective of Islamic law, the resolution of sharia insurance disputes must be based on the principles of *maslahah*, justice (*al-'adl*), and consultation (*shulh*) (Hayati & Mujib, 2022). The principle of *maslahah* emphasizes that every dispute resolution mechanism should provide real benefits, avert harm, and protect the interests of the parties, especially the insurance participants as the more vulnerable party. In this context, substantive justice becomes the main benchmark, not merely procedural compliance.

The resolution of insurance disputes, including sharia insurance, has seen significant developments in recent decades. Recent research increasingly emphasizes the effectiveness of Alternative Dispute Resolution (ADR) mechanisms, such as mediation and arbitration. Most prior studies have applied a normative juridical approach to evaluate the compatibility of ADR with the principles of justice, positive law, and Islamic law. Yanova (2025) highlights the crucial role of ADR in achieving substantive justice while supporting the Sustainable Development Goals. Conversely, (Hartati et al, 2024) indicate that the regulations governing sharia arbitration still have shortcomings, necessitating a revision of the existing Arbitration Law and Alternative Dispute Resolution frameworks.

Although various studies have been conducted, many of them remain fragmented and lack integration, overlooking the relationships between theoretical studies, regulatory analysis, and dispute resolution practices. (Hayati and Mujib, 2022) and (Hidayati and Mariani, 2023) focus on the resolution practices of *muḍārabah musyarakah* in accordance with sharia, without considering relevant global dynamics or digital developments.

Furthermore, scientific mapping approaches, such as bibliometric studies, are still seldom encountered, limiting the understanding of global trends and the interconnections between ADR, ODR, and insurance within the context of Islamic law. The novelty of this research lies in the integration of Systematic Literature Review (SLR) and bibliometric analysis, as well as in proposing a model for reforming insurance dispute resolution that leverages technology and sharia principles, with an emphasis on substantive justice and regulatory harmonization.

This approach enables mapping the relationships between theory, global publication trends, and research gaps related to ADR, ODR, sharia mediation, *ex gratia*, and regulatory gaps. In addition to conducting a comparative evaluation between Indonesia, Malaysia, the United States, Australia, and the Netherlands, this study also proposes a concept for reforming insurance dispute resolution based on technology and sharia principles. By emphasizing the principles of substantive justice and regulatory harmonization, this research contributes normatively to the formation of future ADR–ODR models, including strengthening sharia insurance dispute resolution through a digital approach.

This study was conducted to address three research questions (RQ) due to the identified urgency: RQ1: Will the investigation of sharia insurance and alternative dispute resolution continue to be a significant topic for scholarly inquiry in the future? RQ2: What is the appropriate allocation of research concerning Islamic insurance and alternative dispute resolution? RQ3: What are the theoretical and practical implications for future research? This study utilizes the systematic literature review approach and bibliometric analysis to provide a comprehensive overview of the development of Alternative Dispute Resolution (ADR) and Islamic insurance, as well as the progression of policy changes and dispute resolution practices in Indonesia.

## **METHOD**

This study uses a normative legal research approach combined with Systematic Literature Review (SLR) and bibliometric analysis to examine regulatory developments, global trends, and conceptual gaps in Islamic insurance dispute resolution through Alternative Dispute Resolution (ADR). This approach was chosen because it provides a comprehensive picture of the

development of ADR–Islamic insurance in Indonesia by comparing it with practices in Malaysia, the United States, Australia, and the Netherlands.

Based on the synthesis of Systematic Literature Review (SLR), bibliometric analysis, and theoretical frameworks, this study proposes a conceptual model of a hybrid ADR–ODR system for resolving sharia insurance disputes. This model consists of three main stages: (1) pre-dispute digital engagement through the internal ODR system of the insurance company, (2) institutional ADR via LAPS SJK or BASYARNAS with the support of digital platforms, and (3) binding resolution through online sharia arbitration if mediation does not reach an agreement.

This model is designed to ensure the integration of procedural efficiency, compliance with sharia principles, and legal protection for insurance participants. Thus, the hybrid ADR–ODR system not only functions as a technical innovation but also serves as a legal reform instrument that addresses the need for substantive justice and the digital transformation of the sharia financial sector in Indonesia.

The SLR was conducted by identifying research questions, applying inclusion-exclusion criteria based on Scopus and SINTA 1-2 articles from 2000 to 2024, selecting literature using *the PRISMA flow*, and conducting *quality appraisal* as proposed by (Kitchenham & Brereton, 2013) and Boell & Cecez-Kecmanovic (2014). The keywords used include "insurance dispute resolution," "ADR insurance," "ODR," "arbitration insurance," "Sharia insurance disputes," "LAPS SJK," and "ex gratia Indonesia," enabling thematic coding and in-depth narrative synthesis of mediation, arbitration, ODR, *ex gratia*, and Sharia dispute resolution practices.

Bibliometric analysis was then used to strengthen the SLR through mapping the global landscape of ADR–insurance research based on Scopus data extracted in *.ris* and *.csv* formats. The analysis was conducted using VOSviewer to visualize *co-citation*, *co-authorship*, and *keyword co-occurrence*, while Bibliometrix (R) was used to assess publication trends and *thematic evolution* (Donthu et al., 2021).

Visualizations in the form of *networks*, *density*, and *overlay visualization* provide a quantitative understanding of research clusters, relationships between topics, and the development of ADR concepts in the global insurance industry. Triangulation between normative, SLR, and bibliometric approaches ensures the validity of the findings, while reliability is maintained through complete documentation of search protocols, analysis, and replication procedures using international software.

Overall, this research method confirms that the integration of SLR and bibliometric analysis is highly effective in identifying scientific developments and regulatory gaps in ADR–insurance, including issues of sharia mediation,

arbitration, *ex gratia* mechanisms, and digital dispute resolution through ODR. This approach not only strengthens the theoretical basis of normative legal studies but also produces more comprehensive regulatory reform recommendations for Indonesia, particularly regarding the strengthening of LAPS SJK, the development of a Sharia ADR model based on substantive justice, and the application of ODR as a mechanism for resolving insurance disputes in the future.

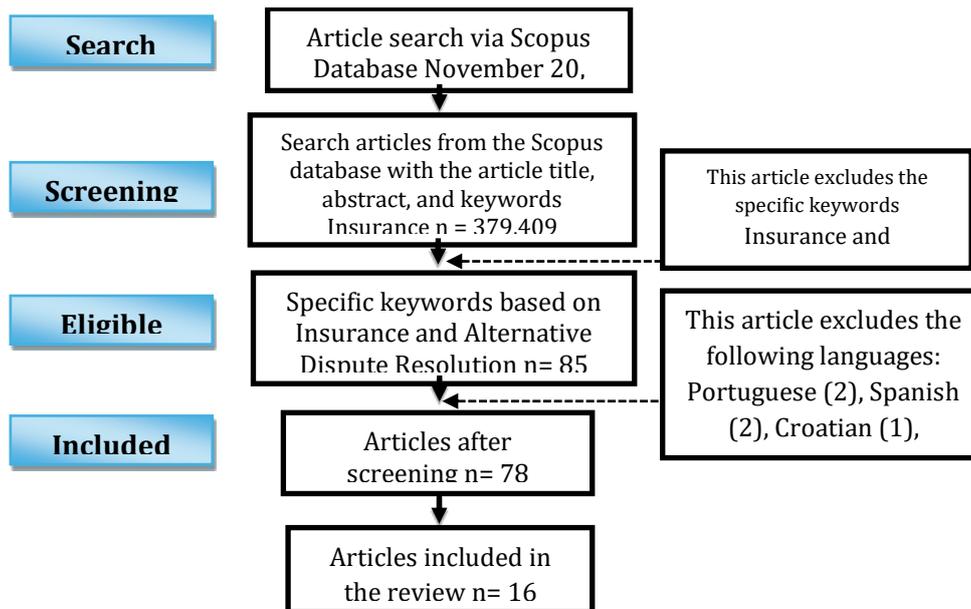


Fig-1. Systematic Literature Review Information Flow Using PRISMA

Figure 1 above shows that the Systematic Literature Review (SLR) method sourced from the Scopus database involves several structured steps, beginning with searching for articles using keywords related to "Insurance and Alternative Dispute Resolution." This process yielded 379,409 articles, which were then filtered into 85 relevant articles based on the established criteria. After the screening stage, there were  $n = 16$  articles that met the criteria, comprising sixteen articles. This methodology follows the PRISMA guidelines to ensure transparency and accuracy in the collection and analysis of relevant literature.

## RESULT

The findings of this study refer to 16 Scopus-indexed articles on insurance and alternative dispute resolution. Data were obtained through the identification of the number of articles published, publication trends over time, and journal sources. This study also highlights the most influential elements related to insurance and alternative dispute resolution.

**RQ1: Will the exploration of insurance and alternative dispute resolution remain an important subject for scientific research in the future?**



Fig-2. Number of Documents by Year

Figure 2 above shows an increasing trend in publications related to this topic, especially since 2020, when there was a significant surge with three documents published. Previously, the number of publications was relatively stagnant, with only one or two documents published each year from 2002 to 2019. This increase reflects the growing academic and practical interest in the interaction between insurance and alternative dispute resolution methods in the context of law and risk management, indicating a need for further study in this field.

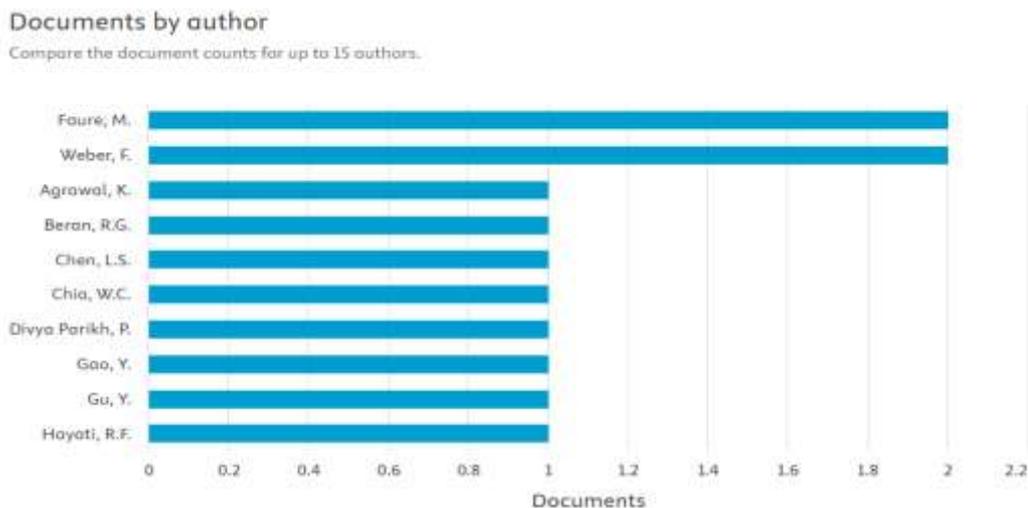


Fig- 3. Number of Documents by Author

Figure 3 above shows the results of research focusing on systematic analysis that collects and reviews related documents from various authors, as shown in the SLR data. The findings show that author Weber, F. has the highest contribution in terms of number of documents, followed by other authors such as Four, M. and Agrawal, K., reflecting an important trend in the literature exploring how insurance interacts with alternative dispute resolution methods. This study highlights the importance of innovative approaches to dispute resolution to improve efficiency and fairness in the insurance industry.

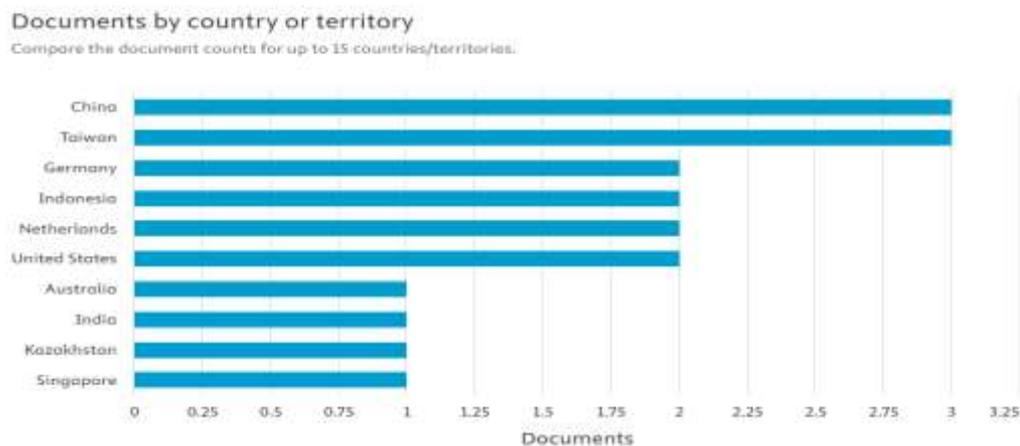


Fig-4. Documents by Country

Figure 4 above shows the results of research on insurance and alternative dispute resolution in Indonesia. Although this country has made a significant contribution to the relevant literature, the number of documents is still lower than countries such as China and Taiwan, which dominate with the highest number of documents. In a global context, Indonesia ranks in the middle, alongside Germany, the Netherlands, and the United States, each of which provides valuable insights into insurance practices and alternative dispute resolution methods. This study emphasizes the need to strengthen regulations and understanding of local culture to optimize dispute resolution outcomes in the insurance sector in Indonesia.

**RQ2: How is the allocation of research investigations related to insurance and alternative dispute resolution?**

Selected	Country	Documents	Citations	Total link strength
<input checked="" type="checkbox"/>	china	2	1	0
<input checked="" type="checkbox"/>	indonesia	2	14	0
<input checked="" type="checkbox"/>	taiwan	2	5	0

Fig-5. VOSviewer Network Visualization Output

Based on Figure 5 above, the VOSViewer network mapping results show the involvement of three countries, namely China, Indonesia, and Taiwan, in research on insurance and alternative dispute resolution. Although each country has two documents listed, Indonesia demonstrates a growing number of citations, totaling 14, which indicates greater relevance and influence within the context of this study. In contrast, China and Taiwan have one and five citations, respectively, but without significant link strength. These findings highlight that Indonesia may be more dominant in research contributions related to the application of alternative dispute resolution in the insurance sector.

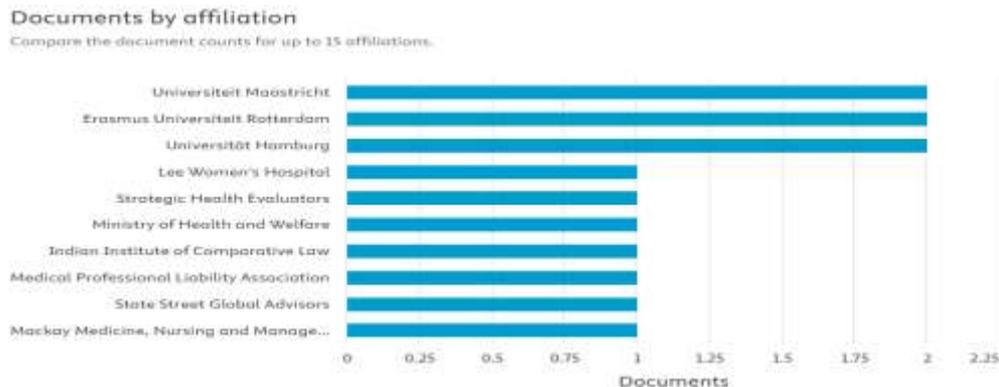


Fig-6. Documents by Affiliation

Figure 6 above shows that Maastricht University and Erasmus University Rotterdam have made the largest contributions to related publications, each producing a significant number of documents. Followed by the University of Hamburg, this study highlights the importance of academic institutions in developing literature on insurance and dispute resolution methods. In addition, the involvement of institutions such as State Street Global Advisors and the Indian Institute of Comparative Law also reflects a multidisciplinary perspective that enriches the understanding of insurance practices and alternative dispute resolution globally. This study indicates the need for

further collaboration between academics and practitioners to improve effectiveness in this field.

**RQ3: What are the theoretical and practical implications of the research perspective in the future?**

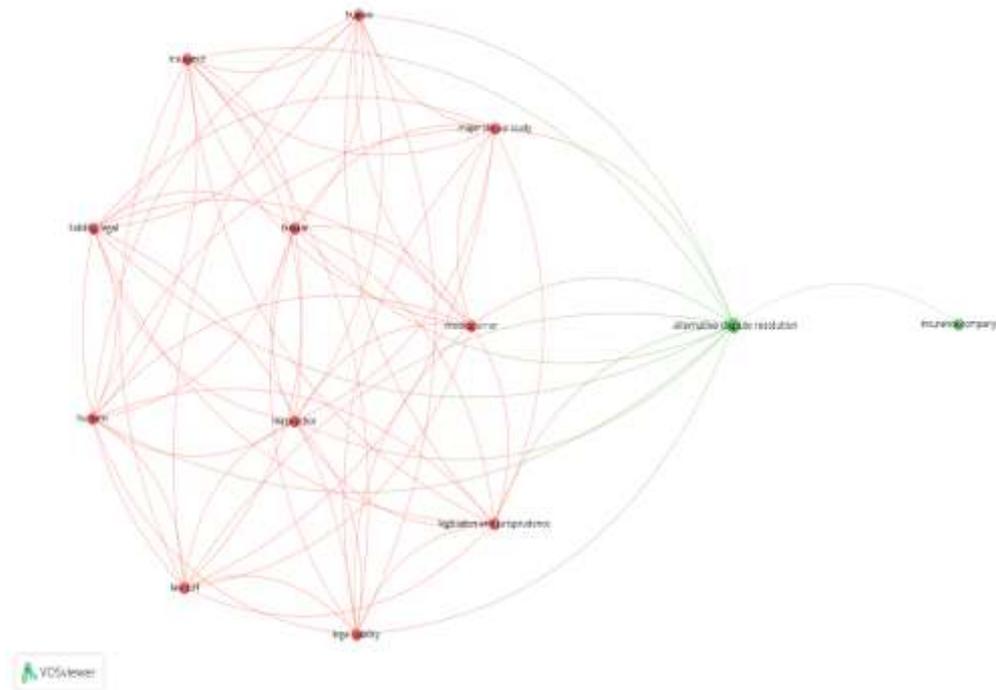


Fig-7. VOSviewer Keyword Co-occurrence Output

Based on Figure 7 above, the VOSViewer mapping results show a strong network of interconnections between various terms, with "insurance company" and "legislation" as important nodes connected to "alternative dispute resolution." This relationship indicates that legal and regulatory aspects play a significant role in alternative dispute resolution in the insurance field, demonstrating the complexity and interdependence between the two fields in a broader research context.

Verify selected keywords

Selected	Keyword	Occurrences	Total link strength
<input checked="" type="checkbox"/>	alternative dispute resolution	3	23
<input checked="" type="checkbox"/>	female	2	22
<input checked="" type="checkbox"/>	human	2	22
<input checked="" type="checkbox"/>	humans	2	22
<input checked="" type="checkbox"/>	insurance	2	22
<input checked="" type="checkbox"/>	law suit	2	22
<input checked="" type="checkbox"/>	legal liability	2	22
<input checked="" type="checkbox"/>	legislation and jurisprudence	2	22
<input checked="" type="checkbox"/>	liability, legal	2	22
<input checked="" type="checkbox"/>	major clinical study	2	22
<input checked="" type="checkbox"/>	malpractice	2	22
<input checked="" type="checkbox"/>	medical error	2	22
<input checked="" type="checkbox"/>	insurance company	2	1

Fig-8. Co-occurrence Framework and Presentation of Key Terms

Based on Figure 8 above, the results of the Co-occurrence Framework analysis show that there is a significant frequency of occurrence in research on insurance and alternative dispute resolution, with a total of 23 link strengths. In addition, other terms such as "insurance," "liability," and "law suit" also appear, each showing a strong connection to this dispute resolution. This finding underscores the importance of legal and liability aspects in the context of insurance, and shows how factors such as "malpractice" and "medical error" are integrated into the broader discussion of how conflicts are resolved in insurance practice.

Below is the literature data that presents sharia insurance dispute resolution through the Scispace application as follows:

Table 1. Sharia Insurance Dispute Resolution (The Scispace Application)

No	Name of Researcher and Year of Study	Title of the Study	Research Method	Research Findings
1	Muhammad Hendri Yanova (2025)	The Effectiveness of Sharia Insurance Dispute Resolution Mechanisms in Promoting Sustainable Development Goals	The research employs a normative juridical method to evaluate the effectiveness of dispute resolution in sharia insurance. It utilizes both the statute approach and the conceptual approach to examine relevant positive laws and Islamic legal doctrines. The study focuses on the development of dispute resolution mechanisms consistent with sharia principles and national legislation. It assesses the extent to which the existing legal framework ensures justice, legal certainty, and compliance with Islamic legal	The study evaluates the effectiveness of dispute resolution in sharia insurance in Indonesia. It finds that Alternative Dispute Resolution methods, such as mediation and arbitration, are more appropriate than litigation for sharia insurance disputes. Strengthening these mechanisms enhances access to justice and legal certainty in sharia insurance. The existing legal framework is assessed for its ability to ensure justice, legal certainty, and compliance with Islamic legal principles. The findings indicate that improving dispute resolution mechanisms contributes to achieving Sustainable

			principles.The findings aim to strengthen Alternative Dispute Resolution mechanisms in sharia insurance disputes to enhance access to justice and legal certainty.	Development Goal 16, which promotes peace, justice, and strong institutions.
2	Sawitri Yuli Hartati., Arovah Windiani., Mardani Mardani.(2024)	The Prospects For Equitable Sharia Insurance Dispute Resolution In An Ideal Arrangement, Basyarnas, Indonesia	Analytical perspective to formulate existing problems.Normative juridical research based on applicable legal rules.	The research aims to provide an overview and formulate problems regarding the resolution of sharia insurance disputes through sharia arbitration institutions.It identifies the need to revise the Arbitration and Alternative Dispute Resolution Law (1999) to better regulate sharia arbitration's scope, duties, and functions. The study highlights the importance of competent, honest, and skilled arbitrators in resolving disputes effectively.It notes that the Family Takaful Insurance Policy explicitly designates sharia arbitration as the forum for dispute resolution, indicating a lack of trust in alternatives outside the court system.The research emphasizes the obstacles faced in resolving sharia insurance disputes, particularly the limited presence of sharia arbitration boards across Indonesia.
3	Riska Fauziah Hayati., dan Abdul Mujib (2022)	Dispute Resolution on Muḍārabah Musytarakah Contract on	The research employed a normative legal research methodology.A	The paper identifies various alternatives for dispute resolution in muḍārabah musytarakah contracts

	<p>Sharia Insurance in Indonesia: Between Regulation and Practice</p>	<p>descriptive-analytical method was utilized to analyze the data. Data collection was conducted using a documentation method, focusing on relevant regulations and laws. Primary data was sourced from regulations and laws related to dispute resolution in sharia insurance. Secondary data included books, scientific papers, and related documents relevant to the research topic.</p>	<p>within sharia insurance, including litigation and non-litigation methods. Litigation dispute resolution is guided by Law Number 3 of 2006 on Religious Courts. Non-litigation alternatives include deliberation and consensus, mediation by independent institutions, and the Shari'ah Arbitration Board. The sharia insurance general policy allows for amicable agreements, with further resolution through the Indonesian Insurance Mediation Board (BMAI) if necessary. The outcomes of mediation agreements are final and binding on the parties involved.</p>
<p>4 Hidayati dan Mariani (2023)</p>	<p>Sharia Insurance Dispute Resolution in Indonesia</p>	<p>The paper employs qualitative research methods to explore the rules related to the settlement of sharia insurance disputes in Indonesia. It focuses on understanding the complexities of disputes arising from Islamic insurance, including claim denials and policy ambiguities. The methodology includes an examination of both litigation and non-litigation dispute resolution methods. It considers the compliance of the litigation process</p>	<p>The study identifies that disputes in sharia insurance can arise from claim denials, policy ambiguities, and coverage questions. It highlights that the resolution of these disputes is complex due to the need to consider sharia principles. Litigation is noted as a last resort for dispute resolution, as it is costly and time-consuming. The paper indicates that disputes can be resolved through the Religious Court or alternative methods such as deliberation, mediation, or arbitration if agreed upon in the contract. If a dispute is resolved</p>

			with sharia principles as a central parameter. The study also evaluates various dispute resolution mechanisms such as negotiation, deliberation, mediation, and arbitration as outlined in the insurance policy	through negotiation, no further dispute resolution methods are required; otherwise, other mechanisms listed in the policy can be pursued
5	Sativa,A,& Panjaitan,B.S.(2024)	Analysis of Maslahah Mursalah Comparison of the Settlement of Sharia Insurance Contracts at National Sharia Arbitration Board and the Indonesian Insurance Mediation and Abitration Agency	The paper employs normative legal research as its primary methodology. It utilizes literature as a reference, including books and journals related to the topic. The research focuses on the comparative analysis of two institutions: the National Sharia Arbitration Board and the Indonesian Insurance Mediation and Arbitration Agency. It examines the binding force of decisions made by these institutions in the context of Sharia insurance contract disputes, The study also reviews dispute resolution processes and the concept of Maslahah Mursalah in nonlitigation mediation	The research identifies that the National Sharia Arbitration Board resolves disputes when internal deliberation by the insurance company fails. The Indonesian Insurance Mediation and Arbitration Agency addresses disputes when the insured cannot reach a settlement with the insurance company. Both institutions have a permanent legal force in the resolution of insurance disputes. The paper provides a comparative analysis of the binding force of decisions made by both institutions in the context of Sharia insurance contract disputes. The study utilizes normative legal research and literature as references to support its findings.

## DISCUSSION

The exploration of insurance and the mechanisms underpinning alternative dispute resolution (ADR) continues to demonstrate growing urgency within global scholarly discourse. The rising trend of publications since 2020, as illustrated in Figure 2 of this study, indicates increasing scientific attention to persistent issues such as claim rejection, policy

misinterpretation, and limitations of conventional dispute resolution methods. International scholarship further confirms that the evolving landscape of digital transformation, heightened risk complexity, and the accelerating need for consumer protection require dispute resolution systems that are faster, more economical, and more responsive to industry demands (Weber, 2021; Four, 2020). Accordingly, research on ADR within the insurance sector is both relevant and essential for strengthening governance in the modern insurance industry.

Bibliometric analysis using VOSviewer, as evidenced in Figures 5 and 6, reveals that ADR-related insurance research is predominantly contributed by China, Taiwan, and Indonesia, with Indonesia holding the highest citation count. This demonstrates significant scientific relevance and influence in the national context. Moreover, globally recognized institutions such as Maastricht University and Erasmus Universiteit Rotterdam emerge as key centers for knowledge production in insurance dispute resolution. The diverse research focus, including mediation, arbitration, *ex gratia*, sharia-related disputes, and the involvement of institutions like LAPS SJK, ICSID, and BASYARNAS suggests that global discourse remains fragmented and in need of multidisciplinary integration to achieve conceptual coherence (Fithriah et al., 2023; Setiyono et al., 2025).

Thematic keyword mapping in Figures 7 and 8 further demonstrates the interconnectedness of major clusters including insurance companies, legislation, liability, lawsuits, malpractice, and ADR. This co-occurrence structure underscores the entanglement of legal, regulatory, and risk dimensions in the broader landscape of insurance disputes. Corroborating current literature, research indicates that ADR applications in the insurance sector require multidisciplinary perspectives that combine civil law, consumer protection, actuarial analysis, and digital dispute resolution technology (Tan, 2023; Sinha & Gupta, 2022). Thus, ADR holds a strategic function as a bridge connecting consumer protection imperatives, regulatory demands, and industry efficiency.

A key theoretical implication emerging from these findings is that ADR is progressively evolving from a supplementary mechanism to litigation into a primary pathway for achieving substantive justice. This is especially evident in sharia insurance, where dispute resolution aligns with the principles of *muḍārabah musytarakah* (Hayati & Mujib, 2022; Fidhayanti et al., 2025). The growing integration of Online Dispute Resolution (ODR) strengthens ADR's relevance by enhancing accessibility and procedural efficiency. Consequently, hybrid ADR ODR models, supported by expert systems, digital policy analysis, and online mediation are increasingly recognized as vital to addressing the needs of the contemporary financial ecosystem.

From a practical standpoint, current research offers substantial insights for regulators and insurance providers. Regulatory bodies such as the OJK must ensure harmonization between LAPS SJK, *ex gratia* mechanisms, arbitration pathways, and sharia dispute resolution frameworks to bolster legal certainty. Insurance institutions are similarly encouraged to strengthen internal ADR protocols that are transparent, adaptive, and supported by digital

platforms. The establishment of specialized ODR systems represents a critical step forward, echoing successful implementations within industrial and Islamic economic dispute resolution arenas highlighted in Scopus and SINTA-indexed research (Sudiarawan et al., 2024; Supriyadi et al., 2021).

Strengthening ADR frameworks within the sharia insurance context requires a legal foundation grounded in justice, legal certainty, and legal utility. The justice pillar emphasizes the need to protect vulnerable policyholders and ensure substantive fairness. Legal certainty, meanwhile, calls for harmonized and consistent regulations across institutional mechanisms, including LAPS SJK, *ex gratia*, and sharia arbitration (Weber, 2021; Keumala et al., 2025). The utility pillar stresses the importance of efficiency, supported by hybrid ADR-ODR models that enhance procedural transparency, accessibility, and timeliness (Tan, 2023; Sudiarawan et al., 2024).

Research focusing specifically on sharia insurance dispute resolution continues to show strong consensus that ADR mechanisms significantly reinforce justice, legal certainty, and adherence to sharia principles. Yanova (2025) demonstrates that mediation and arbitration outperform litigation in safeguarding the objectives of Sustainable Development Goal 16 concerning peace, justice, and institutional strength. (Hartati et al, 2024) similarly emphasize the need for regulatory reform particularly the revision of the 1999 Arbitration Law and highlight the necessity of qualified sharia arbitrators. Additional studies by (Hayati and Mujib, 2022) show that disputes arising from *muḍārabah musyarakah* contracts can be effectively resolved through both litigation and non-litigation pathways, with heightened importance placed on consensus-building and sharia arbitration as a binding mechanism. These findings collectively affirm the superiority of ADR over litigation in the sharia insurance context.

Further supporting this perspective, (Hidayati & Mariani, 2023) highlight that sharia insurance disputes frequently revolve around claim denials, ambiguous policy wording, and differing interpretations of coverage, thereby making litigation a final resort. They argue that dispute resolution must remain aligned with sharia principles, while negotiation, mediation, and arbitration offer more adaptable and cost efficient alternatives. Meanwhile, comparative work by (Sativa and Panjaitan, 2024) on BASYARNAS and BMAI reveals that although both institutions possess legally binding authority, their differences lie in jurisdictional scope and procedural entry points. Collectively, this body of study reinforces the need for improved institutional governance and integration of *maslahah mursalah* to optimize dispute resolution in sharia insurance.

The research underscores the importance of Alternative Dispute Resolution (ADR) as a fundamental mechanism for resolving disputes in the insurance sector. However, its effectiveness is hindered by challenges such as institutional fragmentation, limited technology integration, and inadequate regulatory frameworks, particularly in the context of Indonesia's sharia insurance industry. To tackle these issues, the authors suggest a new conceptual model that harmonizes ADR and Online Dispute Resolution (ODR) with principles of sharia, substantive justice, and national institutional

frameworks (Abubakar & Handayani, 2021; Fithriah, 2023). This innovative model aims to navigate the structural, digital, and sharia-related obstacles facing insurance dispute resolution in Indonesia (Windiantina & Hidayati, 2022; Hayati & Mujib, 2022).

The proposed Sharia Insurance Dispute Resolution Model, which is based on a Hybrid ADR-ODR framework, consists of multiple stages. Initially, the process begins with digital mediation through ODR platforms that may either be internally managed by insurance companies or linked with LAPS SJK. This stage prioritizes efficiency and cost-effectiveness while embodying the Islamic principle of *ṣulḥ* (reconciliation) (Abubakar & Handayani, 2021). Should digital mediation be unsuccessful, the model employs supported negotiation, utilizing decision support systems to clarify legal standings and seek fair outcomes, in line with consumer protection and sharia principles of *ta'āwun* (cooperation) and *raf' al-ḥaraj* (removing difficulties) (Fithriah, 2023; Windiantina & Hidayati, 2022).

A significant feature of this model is the inclusion of a sharia compliance filter before advancing to arbitration. This filter ensures that all aspects of the dispute, including the subject matter, policy clauses, procedures, and potential decisions align with sharia law, particularly prohibitions against *gharar*, *maisir*, and *riba*, as well as the principle of *maslahah mursalah* (Hayati & Mujib, 2022; Abubakar & Handayani, 2021). This distinct approach, facilitated by a Sharia Supervisory Board (DPS) or a team of digitalized sharia experts, sets the model apart from traditional ADR-ODR systems and contributes significantly to the field of Islamic economic law (Windiantina & Hidayati, 2022; Abubakar & Handayani, 2021). The final phase involves smart contract arbitration, initiated automatically through a digital arbitration system once prior stages have failed, with sharia-certified arbitrators making final and binding decisions (Windiantina & Hidayati, 2022; Hayati & Mujib, 2022). Overall, this hybrid ADR-ODR model is framed within a comprehensive institutional ecosystem, addressing regulatory gaps and bolstering LAPS SJK's role in digital and sharia-compliant dispute resolution (Windiantina & Hidayati, 2022). Theoretically and practically, this model enhances the understanding of ADR by integrating ODR, sharia compliance, and substantive justice into a cohesive system, promoting it from an alternative to a primary method of dispute resolution in the sharia insurance sector (Hayati & Mujib, 2022; Fithriah, 2023).

## **CLOSING**

The advancement and execution of alternative dispute resolution mechanisms, specifically ADR and ODR, are crucial for improving fairness, legal certainty, and advantages within the insurance sector, including Islamic insurance in Indonesia. By employing a multidisciplinary approach and promoting ongoing research, there is a need for regulatory reforms and technological advancements to address existing challenges. These improvements aim to create a dispute resolution system that is not only more effective and equitable but also adaptable to the evolving social and economic landscape. Such initiatives will enhance public trust in the insurance industry

while facilitating the realization of legal goals that support sustainable economic development and the safeguarding of insurance participants' rights.

This study focuses on exploring the development of Alternative Dispute Resolution (ADR) within sharia insurance disputes and assessing the integration of Online Dispute Resolution (ODR) through a Systematic Literature Review (SLR) and bibliometric analysis. In relation to RQ1, the findings demonstrate that research on sharia insurance dispute resolution and ADR remains a significant and rapidly advancing domain of scientific inquiry. The notable increase in publications since 2020 indicates that dispute resolution in the insurance sector is increasingly recognized as an essential legal, economic, and regulatory concern, especially in the context of digital transformation and the need for consumer protection.

In response to RQ2, the research notes that existing studies on insurance and ADR are unevenly distributed both geographically and thematically. While countries such as China, Taiwan, and Indonesia make substantial contributions to the literature, the overall research landscape is fragmented, lacking sufficient integration among doctrinal legal analysis, technological innovations (ODR), and principles of sharia-based dispute resolution. Furthermore, bibliometric analysis reveals that topics such as mediation, arbitration, legislation, and liability are predominant in discussions, yet the institutional integration involving LAPS SJK and BASYARNAS has not been adequately theorized or implemented within a cohesive framework. Addressing RQ3, this research contributes to the theoretical understanding of ADR by depicting it not merely as an alternative to litigation but as a primary mechanism for dispute resolution that can deliver substantive justice, legal certainty, and efficiency in sharia insurance cases. By incorporating principles such as *maslahah* and substantive justice, the study enriches existing ADR and regulatory theories with Islamic jurisprudential values, thereby broadening the conceptual landscape of dispute resolution scholarship. The significant takeaway from this article is the introduction of a new conceptual model: the Hybrid ADR–ODR Model for Sharia Insurance Dispute Resolution, which effectively integrates digital mediation, supported negotiation, sharia compliance filtering, smart contract-based arbitration, and institutional coordination between LAPS SJK and BASYARNAS.

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