

EFFECT OF *IJARAH* REVENUE, *MUDHARABAH* FINANCING AND  
THIRD-PARTY FUNDS ON THE PROFITABILITY OF ISLAMIC  
COMMERCIAL BANKS

Ali Nafi' Addawami<sup>1\*</sup>, R. Mohd. Zamzami<sup>2</sup>

Program Studi S1 Akuntansi Fakultas Ekonomi dan Bisnis, Universitas Pamulang

E-mail: <sup>1)</sup> [npurdijatmo@gmail.com](mailto:npurdijatmo@gmail.com), <sup>2)</sup> [dosen01386@unpam.ac.id](mailto:dosen01386@unpam.ac.id)

**Abstract**

*This research aims to analyze and empirically test the influence of ijarah revenue, mudharabah financing and third-party funds to the profitability of ROA of Islamic Commercial Bank contained in the Financial Services Authority for the 2016-2020 period. The research method used is a quantitative research method because this study uses numbers with statistical calculations and aims to test the hypotheses that have been made. The independent variables in this study were ijarah revenue, mudharabah financing and third-party funds while the dependent variable in this study was profitability (ROA). The research population is Islamic banking registered with the Financial Services Authority (OJK) in 2016-2020, with sample selection using purposive sampling techniques. Therefore, data on the monthly financial statements of Islamic Commercial Banks were obtained which were summarized in the Islamic Banking Statistics for the period 2016-2020, so that 60 research samples were obtained. Data collection techniques in this research use documentation and literature studies. The data analysis techniques used in this study are descriptive statistics, multiple regression analysis, classical assumption tests, determination coefficient tests and hypothesis testing using the EViews 12 analysis tool. Test F results show that ijarah revenue, mudharabah financing and third-party funds simultaneously have a significant effect on profitability (ROA). Meanwhile, T test reveals that ijarah revenue partially had a positive and significant effect on profitability (ROA), while mudharabah financing partially had a negative and significant effect on profitability (ROA) and third-party funds partially had a positive and significant effect on profitability (ROA).*

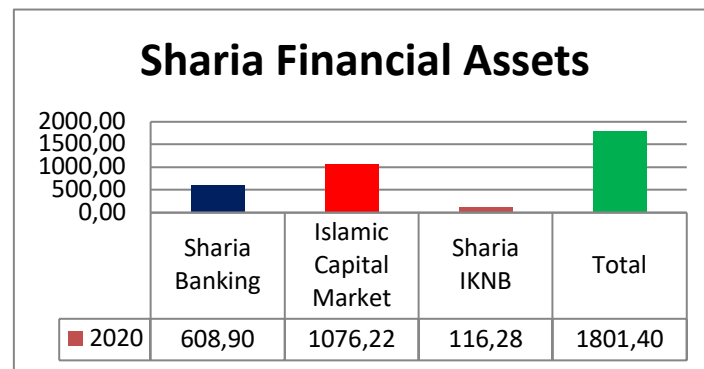
Keywords: *Ijarah Revenue, Mudharabah Financing, Third-party Funds (TPF), Profitability*

**1. INTRODUCTION**

One of the pillars of Indonesia's economic development is the banking industry, which has the function of collecting and distributing public funds. Banking activities require effective coaching and supervision, the 1945 Constitution and Pancasila have regulated the allocation of public funds fairly and effectively so that Indonesian banks able to compete on the international stage.

The presence of Islamic banking in Indonesian banking history began with the establishment of Bank Muamalat, the banking sector is divided into Islamic banking and conventional banking. The ideology of Islamic banking is based on Islamic teachings,

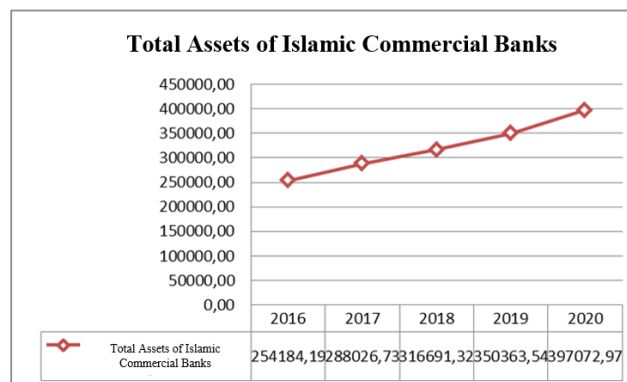
particularly in the economic field. Islamic banking demonstrated, through Bank Muamalat, that when the economic conditions in Indonesia experienced a crisis that had an impact on several conventional banks, where the conventional banks had to be liquidated, Bank Muamalat was able to survive in these crisis conditions, highlighting that Islamic banking has the power of good resilience, especially when there is a commercial crisis.



**Figure 1** Islamic Financial Assets

Source: Sharia Financial Development Report Published by OJK (2021)

There are three sub-sectors in the Islamic finance industry, including Islamic banking, sharia capital markets and the non-bank financial industry (IKNB), so that based on the data above, the Islamic capital market sector received the most results, amounting to 1076.22 trillion rupiah, followed by the Islamic banking sector amounted to 608.90 trillion rupiah and the INKB sector amounted to 116.28 trillion rupiah. Capital market capitalization and developments in the scope of sharia and INKB currently continue to increase, as well as sharia banking which has been accepted as a good and competitive financial institution.

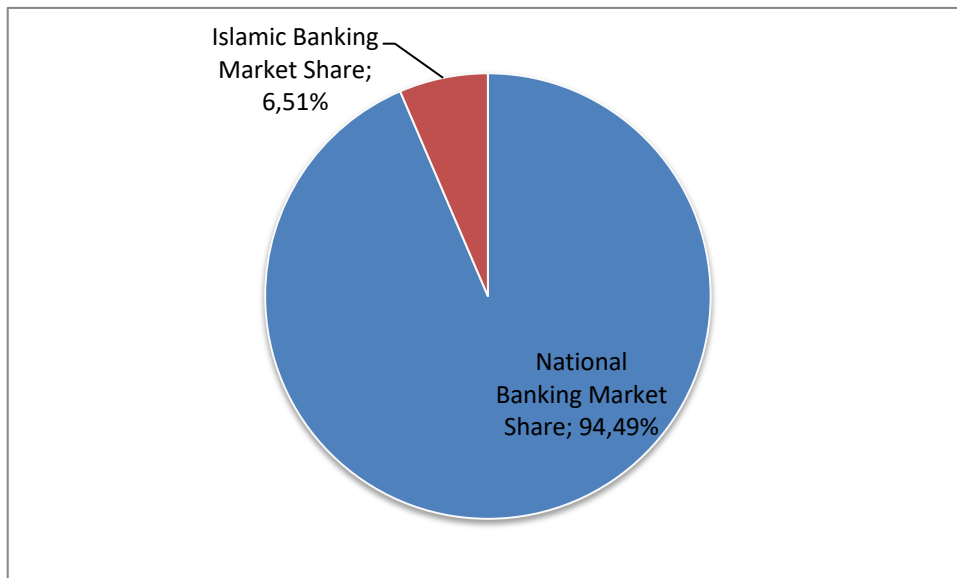


**Figure 2** Total Assets of Islamic Commercial Banks (In Billion Rupiah)

Source: Sharia Banking Statistics Published by OJK (2020)

In the period from 2016 to 2020, Islamic banking consistently develops every year. This can be proven by the increase in total assets in Islamic commercial banks (hereinafter referred to as BUS). That public trust in the reputation and governance of Islamic banking in Indonesia is getting better, so that it is correlated with an increase in total assets in

Islamic commercial banks (BUS) which continues to increase from year to year. Which describes sharia business units (hereinafter referred to as UUS) and sharia commercial banks (BUS) experiencing significant developments every year.

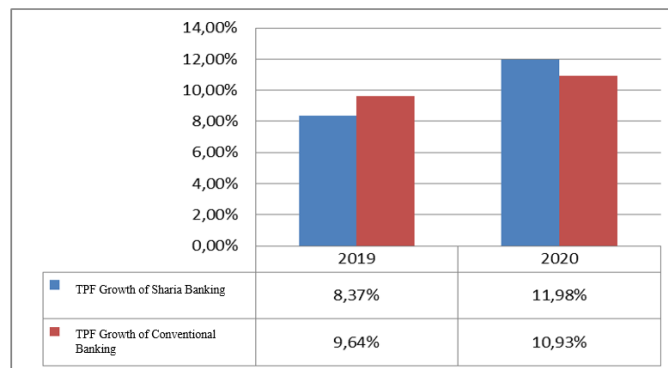


**Figure 3** Banking Market Share in Indonesia  
Source: Sharia Financia Development Report Published by OJK (2021)

In regards with the Islamic banking industry in Indonesia, the acquisition of market share in the banking sector in Indonesia, Islamic banking gained a percentage of 6.51%, while the percentage of national banking was 94.49%. The distance is too far. The distance is due to high non-performing financing which causes the quality of assets in Islamic banking to be low and the limited aspects of capital in Islamic banking. Therefore, there is a need for flexibility and optimization of the use of digitalization in Islamic banking, so as to attract customers and investors to use the products contained in Islamic banking.

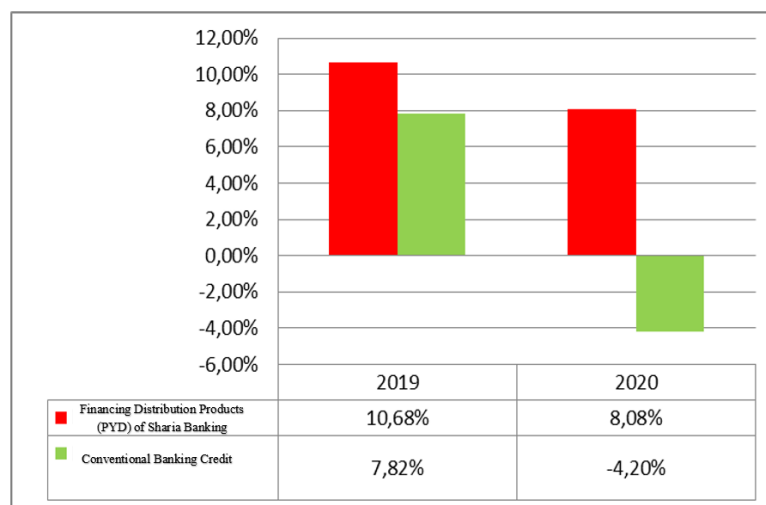
In addition to low asset quality and limited capital, Islamic banking is also faced with macroeconomic issues. At the end of 2019, the global world was shocked by the emergence of the Covid-19 virus. Where since the beginning of its appearance until now, the Covid-19 virus has not been able to be controlled properly, this is because this virus is able to mutate in various environments. The impact caused by the Covid-19 virus is not only on the health aspect, but also has an impact on the economic sector, in this case including the banking industry in the global realm.

The Indonesian government through the Financial Services Authority (henceforth OJK) issued a policy regarding the impact of the Covid-19 virus on the banking sector, through the national economic stimulus as a countercyclical policy, which was stated in POJK Number 11/POJK.03/2020. That this stimulus is given to principal payments and profit sharing with a nominal value of 10 billion through financing restructuring, which means there is flexibility in paying off debt payments and relief after going through an agreement with the bank, hence this stimulus applies specifically to SMEs and non-SMEs which is valid from March 13, 2020 to March 31.



**Figure 4** Growth of Third-Party Funds During the Covid-19 Pandemic  
Source: Sharia Financial Development Report Published by OJK (2021)

Based on the data above, third-party funds (hereinafter referred to as TPF) in Islamic banking during the Covid-19 pandemic showed a good number and still greater than the growth of TPF in conventional banking during the pandemic, data was obtained that Islamic banking gained a percentage of 11.98% while conventional banking gained a percentage of 10.93%.



**Figure 5** Growth in Financing and Credit During the Covid-19 Pandemic  
Source: Sharia Financial Development Report Published by OJK (2021)

Based on the data above, Islamic banking financing during the Covid-19 pandemic showed good numbers and was still larger than credit to conventional banking during the pandemic, it was obtained that Islamic banking financing distribution products (henceforth PYD) data obtained a percentage of 8.08% while conventional banking credit had a percentage of -4.20%. That Islamic banking has lower derivative activity compared to conventional banking due conventional banking relies on the interest system, so that when an economic crisis occurs, the interest system will greatly impact conventional banking operations, while the Islamic system uses a profit-sharing pattern, selling & purchasing,

leasing and services that are in accordance with Islamic principles, so that with various policies that can be carried out by Islamic banks, which is expected to provide options for banking, in order to be able to survive in the scope of the economic crisis of the global economy.

With this phenomenon, it can be concluded that Islamic banking can be an option in dealing with the economic crisis, especially in the banking sector due to the Covid-19 pandemic. Therefore, there is a need for research related to the ability of Islamic banking to seek profit, both before the pandemic, namely in 2014-2019 and when the pandemic took place in Indonesia in 2020. The indicator in seeking profit uses financial ratios in the form of profitability ratios, namely ROA.

Financial ratios are used to analyze items in the financial statements, then financial ratios are used to analyze the performance of a company or to evaluate the company's financial condition. That financial ratios are ratios intended to compare numbers in financial statements by dividing one number by another.

To evaluate the ability of bank assets that are intended to generate income, the profitability ratio is used, namely ROA. The return on assets (ROA) represents the company's ability to use all of its assets in generating profit after tax.

Factors that affect profitability (ROA) in Islamic Commercial Banks is the distribution of financing. The profit earned by banks is determined by the amount of financing that can be disbursed, this is because the distribution of financing is one of the products that are known and in demand by the public, so that the greater the distribution of financing disbursed, the greater the opportunity for banks to earn profits.

Explained that the amount of profit earned is determined by the financing disbursed by banks, while the distribution of financing at Islamic commercial banks (BUS) includes lease financing using an *ijarah* contract and an *ijarah muntahiya bitamlik* contract (IMBT), profit-sharing financing using a *mudharabah* contract and a *musyarakah* contract and buying & selling using *salam* contracts, *istishna* contracts and *murabahah* contracts.

The next factor that affects profitability (ROA) in Islamic Commercial Banks is the product of raising funds. Third party funds (TPF) are unrestricted savings or investment funds obtained from customers or the public, transaction contracts used in TPF include *wadiah* contracts and *mudharabah* contracts in the form of savings, deposits and demand deposits, since TPF is a very important reserve fund for banks sharia, because without TPF, banks do not have sources of funds that can be allocated for investment in the economy, so with the presence of TPF, the bank's operational turnover will be good, so Islamic banking is able to manage TPF to finance several products in Islamic banking.

In Indonesia, research that discusses the relationship between rental income of *ijarah* on profitability was conducted by Suhartono et., al. (2021) and Firdaus & Lisdianti (2020) which produces data that *ijarah* rental income has a significant effect on profitability, but different results are presented by Zendrato (2020) which produce data that *ijarah* has a significant negative effect partially on profitability and simultaneously has a significant positive effect on profitability.

Research conducted by Fatimah & Diana (2021), Mirandha (2021), Sanulika & Hidayati (2020) and Chasanah et., al. (2020) found that *mudharabah* has a significant positive effect either partially or simultaneously on profitability, while the research conducted by Islamiyati & Diana (2022) and Hakim & Hasanah (2020) revealed that

*mudharabah* does not have a significant effect on profitability, either partially or simultaneously.

Furthermore, according to Dewi & Zakaria (2021) and Jatmiko & Agustin (2018) noted that TPF has a significant effect on profitability, either partially or simultaneously, while Sholichatunnisa & Mariana (2022), Putri & Purwohandoko (2021), Rini et., al. (2021), Dasari & Wirman (2020) and Hanafia & Karim (2020) found that TPF does not have a significant effect partially and simultaneously has a significant effect on profitability.

Moreover, Machmuddah (2020) through the results of previous studies, found variations in the results of different studies, this shows that the theme in this study is still worthy of being re-examined, the purpose of this study was to determine the effect of *ijarah* revenue, *mudharabah* financing, third party funds on the profitability of Islamic commercial banks that registered with OJK in 2016-2020.

## **2. THEORETICAL REVIEW**

### **2.1. Signal Theory**

Theoretical studies related to macro theories are relevant to the definition of *grand theory*, the application of grand theory can serve as a guide for diverse subtheories.

Based on the literature above, the grand theory used in this study is signal theory, the signal theory is intended for scientific accounting and financial management, while the signals used can be in the form of communication and action. The signal is intended by the company to stakeholders.

The stakeholders in question are internal parties, such as company management. For the next stakeholder, the information published by the company is used for parties outside the company, one of which is for investors who want to invest in a company.

### **2.2. Sharia Accounting**

Sharia principles always prioritize theological, emancipatory, transcendental and humanist principles in their implementation. In addition, existence of sharia principles, it will give birth to sharia-based accounting principles, which are made to realize the content of monotheism in the implementation of *muamalah* in Indonesia.

### **2.3. Ijarah Revenue**

*Ijarah* has the meaning of selling benefits. *Ijarah* is to hand over an item within a certain period of time and the party who rents pays the rental fee according to the agreement and has a legal basis sourced from the *Qur'an*, *Ash Sunnah* and *fiqh* chapter of *muamalah* which is taught by scholars.

### **2.4. Mudharabah Financing**

In language, *mudharabah* is taken from the Arabic language, namely *dharaba fil ardh* which has the meaning of traveling in the context of business. Explained that in *mudharabah*, there are owners of capital and managers of funds.

### **2.5. Third-party Funds**



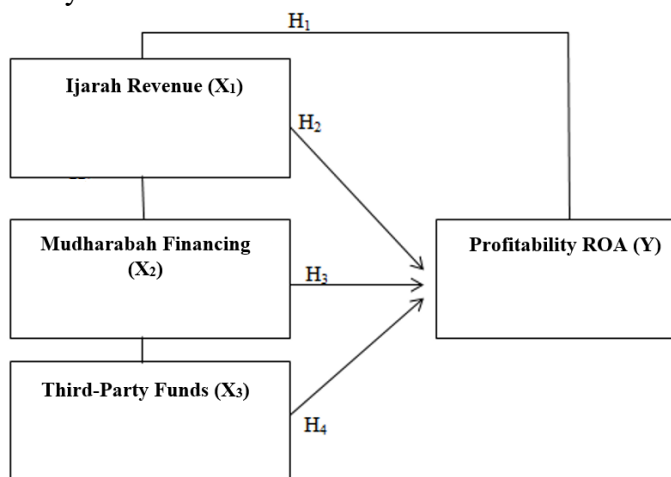
As for the description of TPF in sharia banking products, TPF is included in the category of collection products from the public. Gunawan & Utami (2021) highlight that in the application of TPF in Islamic banking, TPF uses a *wadiah* contract, where the owner of the *wadiah* fund does not receive a reward, unless the Islamic bank provides a bonus through its policy and it is not previously agreed upon, but TPF also uses *mudharabah* a contract, where the owner of the *mudharabah* fund will benefit from a profit-sharing scheme.

## 2.6. Profitability

According to Gultom (2021) profitability ratios are able to reflect the final results of overall operational decisions in the company and of the company's overall financial policies. At the same line, Dalimunthe & Prananti (2019) assert that the profitability ratio is used in assessing a company's ability to seek profit.

In this study, the profitability ratio used is a return on assets (ROA) indicator. According to Hermawan & Ajimat (2021) the use of the ROA ratio is to analyze the effectiveness of the company in using its short-term assets.

In the banking sector, the company's main goal is to achieve maximum profit. Explained that the use of the ROA ratio is vital since this ratio is able to measure the effectiveness of banks in generating profits through assets owned by banks. In this context, the greater the ROA value, indicating better banking performance, because it has a greater rate of return, and this gives a signal to investors as well as potential investors in making investment-related decisions and being a signal for internal banking parties regarding the performance achieved by the bank.



**Figure 6** Framework of Thinking

As for the hypotheses in this study which includes:

- H<sub>1</sub> = *Ijarah* Revenue, *Mudharabah* Financing and Third Party Funds simultaneously affect Profitability (ROA)
- H<sub>2</sub> = *Ijarah* Revenue partially affects Profitability (ROA)
- H<sub>3</sub> = *Mudharabah* Financing partially affects Profitability (ROA)
- H<sub>4</sub> = Third Party Funds partially affect Profitability (ROA)

### 3. RESEARCH METHOD

This research is a quantitative research, according to Machmuddah (2020) namely research that collects and searches for data in the form of numbers. Therefore, according to Burhan (2017) to analyze data in quantitative research, data sources relevant to the research are needed. This study uses secondary data, namely data obtained from other sources that already exist for research, while the secondary data in question is financial report data from Islamic banking statistics published by the Financial Services Authority (OJK).

#### 3.1. Data Collection Techniques

Data collection techniques with quantitative research types includes questionnaires, interviews, observations and documentation, while the techniques used in this research use documentation techniques. According to Burhan (2017) documentation techniques are used when data is sourced from documents, books, journals, newspapers to activity reports, in addition to the use of documentation techniques, another data collection technique carried out is library research.

In this study, the documentation data collection technique is intended when the monthly financial statements of Islamic commercial banks (BUS) are downloaded in the Islamic banking statistics (henceforth SPS) that published by the Financial Services Authority (OJK) in 2016-2020, while the use of library studies is intended to add scientific references. through books and journals related to this research.

#### 3.2. Operational Research Variables

**Table 1** Operational of Research Variables

Variable	Variable Definition	Indicator	Scale
<i>Ijarah</i> Revenue (X1)	According to <i>ijarah</i> is one party delivering goods to another party, to be used within a certain period of time, where the other party pays the rent according to the agreement.	<i>Ijarah</i> revenue indicators according to Akhyar & Nurdin (2020) is the comparison between <i>ijarah</i> financing and total financing.	Ratio
<i>Mudharabah</i> Financing (X2)	According to Sanulika & Hidayati (2020) <i>mudharabah</i> is a business cooperation contract between the owner of the fund and the manager of the fund in a business, with profit sharing using the principle of profit sharing.	<i>Mudharabah</i> financing indicators according to Fatimah & Diana (2021) is the amount of net or net <i>mudharabah</i> financing.	Ratio
Third-Party Funds (X3)	According to Gunawan & Utami (2021) third party funds is a product of raising funds from the public in Islamic banking, using the <i>wadiah</i> principle, which means that the owner of the funds does not receive a reward, except that the Islamic bank provides a bonus that was not previously agreed upon and the	Third party funds indicators according to Elvitasari & Dalimunthe (2019) is the sum of funds from the public in the form of demand deposits, savings and time deposits	Ratio



**CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND  
ECONOMIC WORLDWIDE  
(CASHFLOW)  
VOLUME 1 ISSUE 3 (2022)**

Variable	Variable Definition	Indicator	Scale
ROA Profitability (Y)	next principle is <i>mudharabah</i> , which means the owner of the funds will benefit through profit sharing. According to Setiawan & Sugiyanto (2021) profitability is the ratio used to measure the company's performance in earning a profit.	Profitability indicator used is the ROA ratio. The way to obtain ROA is to divide net income by total assets.	Ratio

### 3.3. Sampling Technique

**Table 2** Sample Criteria

Information	Total
Islamic banking company registered with the Financial Services Authority (OJK) for the 2016-2020 period.	197
<b>Criteria:</b>	
Islamic commercial bank (BUS) registered with the Financial Services Authority (OJK) in 2016-2020.	14
Data processing uses time series method, with monthly data type.	12
The financial report used as a sample is the monthly financial report of Islamic commercial banks (BUS) registered with the Financial Services Authority, which contains information and data in the form of the amount of <i>ijarah</i> revenue, the amount of <i>mudharabah</i> financing, as well as the amount of third party funds and the amount of profitability using the return on asset (ROA) ratio.	12
The monthly financial report data of Islamic commercial banks (BUS) is downloaded in the Islamic banking statistics (SPS) which is published by the Financial Services Authority (OJK).	12
The research period used is 2016-2020.	5
Sample data for 5 years.	60

Source: The data is processed sourced from Sharia Banking Statistics published by OJK (2020)

The population in this study is Islamic banking at the Financial Services Authority, the total population is 197 Islamic banking companies, with details of Islamic commercial banks (BUS) of 14 companies, conventional commercial banks that have sharia business units (UUS) of 20 companies and Islamic people's financing bank (henceforth BPRS) with a total of 163 companies. By using purposive sampling technique, the selected sample is Islamic commercial banks (BUS), while data processing using the time series method and financial report data processed using monthly financial reports that contain information as well as data in the form of total revenue of *ijarah*, the amount of *mudharabah* financing, the amount of third party funds and the amount of profitability using the return on asset (ROA) ratio and are summarized in Islamic banking statistics (SPS) which published by the Financial Services Authority (OJK) in 2016-2020, so that the total sample data used is 60 samples.

### 3.4. Data Analysis Techniques

Data analysis techniques used in this study are descriptive statistics, multiple regression analysis, classical assumption test, as well as coefficient of determination test and hypothesis testing. The use of descriptive statistical analysis provides overview or

descriptive on a data, so that the resulting information is easier to understand, the analysis includes the average value, minimum and maximum variance to skewness. As for multiple regression analysis applied when analyzing the effect of more than two or more independent variables (X) on the dependent variable (Y), while the multiple regression analysis equations in this study are as follows:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$$

The elaboration of the multiple regression analysis equation is that Y is the dependent variable,  $\beta_0$  is a constant, while  $\beta_1, \beta_2, \beta_3$  are regression coefficients,  $X_1, X_2, X_3$  are independent variables and  $\varepsilon$  is standard error.

In the Eviews as an analysis tool, there are several types of data. One types of data is time series, which means the data obtained from one subject in several periods, be it days, months, years and so on. Hence, the type of data processed in this study is to use time series data, where the data focuses on the monthly financial statements of Islamic commercial banks (BUS), downloaded in Islamic banking statistics (SPS) published by the Financial Services Authority (OJK) in 2016-2020, so that a sample of 60 research samples was obtained.

## 4. RESULT AND DISCUSSION

### 4.1. Research Result

#### 4.1.1. Descriptive Statistics Test

	Y PROFITABILITAS ROA	X1 PENDAPATAN IJARAH	X2 PEMBIAYAAN MUDHARABAH	X3 DANA PIHAK KETIGA
Mean	1.178500	175.7257	412.8137	243668.9
Median	1.270000	164.5950	383.1000	243386.8
Maximum	1.880000	385.2300	1007.790	322852.6
Minimum	0.160000	19.24000	51.58000	173229.6
Std. Dev.	0.404495	103.8244	241.5427	40479.37
Skewness	-0.394804	0.244800	0.501878	-0.103327
Kurtosis	2.395304	1.938481	2.492686	2.255095
Jarque-Bera	2.472846	3.416329	3.162237	1.493973
Probability	0.290421	0.181198	0.205745	0.473792
Sum	70.71000	10543.54	24768.82	14620135
Sum Sq. Dev.	9.653365	635991.4	3442230.	9.67E+10
Observations	60	60	60	60

**Figure 7** Descriptive Statistical Test Result

Source: Data Processed Using EViews 12 (2022)

#### 4.1.2. Classic assumption test

**Table 3** Classical Assumption Test Results

Test	Results	Interpretation
Normality	Jarque-Bera probability value is more than 0,05 which is 0,968979	Residual data has a normal distribution
Multicollinearity	The value of the correlation coefficient between independent variables is not	The estimation regression model does not have

**CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND  
ECONOMIC WORLDWIDE  
(CASHFLOW)  
VOLUME 1 ISSUE 3 (2022)**

---

	more than 0,80	multicollinearity problems
Heteroscedasticity	Based on the Breusch-Pagan-Godfrey heteroskedasticity test, the probability value of chi-square on obs*R-squared is more than 0,05 which is 0,0584	There is no heteroscedasticity problem
Autocorrelation	Based on the Breusch-Godfrey serial correlation LM test, the chi-square probability value on obs*R-squared is more than 0,05 which is 0,0925	There is no autocorrelation problem

Source: Data Processed Using EViews 12 (2022)

#### 4.1.3. Coefficient of Determination

**Table 4** Coefficient of Determination Result

R-squared	0.960269
Adjusted R-squared	0.951164

Source: Data Processed Using EViews 12 (2022)

Based on the data above, it can be seen that R-squared is 0.960269, which means the independent variables (*ijarah* revenue, *mudharabah* financing and third party funds) have a proportion of 96,0269% in explaining the dependent variable, namely ROA profitability, while the remaining 3.9731% (100%-96.0269%) is explained by other independent variables beyond this study.

#### 4.1.4. Multiple Linear Regression Analysis

Multiple linear regression equation in this study can be seen as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

$$\text{Profitability ROA} = -0,685584 + 0,001589 * \text{Ijarah Revenue} + - 0.000941 * \text{Mudharabah Financing} + 9.781861 * \text{Third Party Funds} + \epsilon$$

From the multiple linear regression equation model above, it can be explained as follows:

1. From the multiple linear regression equation above, it is known that the constant is - 0,685584, if each independent variable, namely *ijarah* revenue, *mudharabah* financing and third party funds is constant or equal to zero, then profitability (ROA) will decrease by 0,685584%.
2. The regression coefficient value for the  $X_1$  variable is *ijarah* revenue obtained value for 0.001589, a positive sign indicates the effect of unidirectional *ijarah* revenue on profitability (ROA), which means if *ijarah* revenue increases by one percent (1%), then the profitability (ROA) value will increase by 0.001589 %, assuming other independent variables, namely *mudharabah* financing and third party funds, are constant or equal to zero.
3. The regression coefficient value for the  $X_2$  variable, namely *mudharabah* financing

obtained value for -0.000941, a negative sign indicates the influence of non-unidirectional *mudharabah* financing on profitability (ROA), which means if *mudharabah* financing increases by one percent (1%), then the profitability (ROA) value will decrease by 0.000941%, assuming other independent variables, namely *ijarah* revenue and third party funds, are constant or equal to zero.

- The regression coefficient value for the X<sub>3</sub> variable is TPF obtained value for 9.781861, a positive sign indicates the unidirectional effect of TPF on profitability (ROA), which means if TPF increases by one percent (1%), then the profitability (ROA) value will increase by 9.781861 %, with the assumption of other independent variables, namely *ijarah* revenue and *mudharabah* financing, is constant or equal to zero.

#### 4.1.5. Hypothesis Testing

##### 1) Hypothesis Testing Simultaneous Significance Level (Test F)

R-squared	0.960269	Mean dependent var	1.178500
Adjusted R-squared	0.951164	S.D. dependent var	0.404495
S.E. of regression	0.089389	Akaike info criterion	-1.814783
Sum squared resid	0.383538	Schwarz criterion	-1.395914
Log likelihood	66.44350	Hannan-Quinn criter.	-1.650941
F-statistic	105.4658	Durbin-Watson stat	1.678325
Prob(F-statistic)	0.000000		

**Figure 8** Hypothesis Testing Simultaneous Significance Level (Test F)

Source: Data Processed Using EViews 12 (2022)

Based on Figure above, the significance value is below 0.05, which is 0.00, then the independent variable or *ijarah* revenue, *mudharabah* financing and third party funds together (simultaneously) have a significant effect on the dependent variable or ROA profitability, so in this study reject H<sub>0</sub> and accept H<sub>1</sub>.

##### 2) Hypothesis Testing Partial Significance Level (T Test)

Dependent Variable: Y_PROFITABILITAS_ROA				
Method: Least Squares				
Date: 03/23/22 Time: 20:59				
Sample: 2016M01 2020M12				
Included observations: 60				
Indicator Saturation: TIS, 58 indicators searched over 2 blocks				
8 TIS variables detected				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.685584	0.473849	-1.446842	0.1544
X1_PENDAPATAN_IJARAH	0.001589	0.000375	4.235583	0.0001
X2_PEMBIAYAAN_MUDHARABAH	-0.000941	0.000157	-5.985792	0.0000
X3_DANA_PIHAK_KETIGA	9.78E-06	2.73E-06	3.587261	0.0008

**Figure 9** Hypothesis Testing Partial Significance Level (T Test)

Source: Data Processed Using EViews 12 (2022)

Based on Figure above, the significance value of *ijarah* revenue as  $X_1$  is below 0,05 which is 0,0001, then the independent variable in the form of *ijarah* revenue, partially has a significant influence on the dependent variable or ROA profitability, so that in this study rejects  $H_0$  and accepts  $H_2$ .

Furthermore, the significance value of *mudharabah* financing as  $X_2$  is below 0.05, which is 0.0000, then the independent variable in the form of *mudharabah* financing, partially has a significant influence on the dependent variable, namely ROA profitability, so that in this study reject  $H_0$  and accept  $H_3$ .

Moreover, the significance value of third party funds as  $X_3$  is below 0.05, which is 0.0008, then the independent variable in the form of third party funds, partially has a significant influence on the dependent variable or ROA profitability, so that in this study rejects  $H_0$  and accepts  $H_4$ .

## **4.2. Discussion**

### **4.2.1. The Effect of *Ijarah* Revenue, *Mudharabah* Financing and Third Party Funds on ROA Profitability**

Based on the results of calculations that have been carried out in this study, there is an influence from *ijarah* revenue, *mudharabah* financing and third party funds on ROA profitability at Islamic commercial banks (BUS) in Indonesia in 2016-2020 period. Moreover, R-squared data is 0.960269, which means the independent variables namely *ijarah* revenue, *mudharabah* financing and third party funds have the proportion of 96.0269% in explaining the dependent variable, namely ROA profitability. Besides that, the significance value in the F test below 0.05, which is 0.00, so the interpretation is that the independent variables in the form of *ijarah* revenue, *mudharabah* financing and third party funds simultaneously have a positive and significant influence on ROA profitability as dependent variable, so in this study reject  $H_0$  and accept  $H_1$ .

Thus, it can be concluded that the three independent variables have a unidirectional relationship with the dependent variable, which means the higher the *ijarah* revenue, *mudharabah* financing and third party funds, the higher the profitability obtained by Islamic commercial banks (BUS), the research results are supported by the following data:

1. The ROA ratio value of Islamic commercial banks (BUS) in the last three years has always been above 1.22%, through the ROA ratio assessment criteria in accordance with Bank Indonesia Regulation Number 9/1/PBI/2007 concerning the Rating System for Commercial Banks based on Sharia Principles in obtaining is included in the healthy.
2. In addition, in the face of the economic crisis due to the Covid-19 pandemic, financing distribution products (PYD) in Islamic banking during the Covid-19 pandemic showed good numbers and were still larger than loans to conventional banking during the pandemic, data obtained from Islamic banking PYD obtained a percentage 8.08%, while conventional banking credit has a percentage of -4.20%
3. Likewise, third party funds (TPF) in Islamic banking during the Covid-19 pandemic showed good numbers and were still larger than the growth of TPF in conventional banking during the pandemic, data obtained that Islamic banking had a percentage of 11.98% while conventional banking had a percentage of 10. 93%.



Therefore, it can be interpreted that the financing distribution product is in the form of *ijarah* revenue and *mudharabah* financing and the collection of third party funds have an interrelated relationship to increase the profitability of Islamic commercial banks, where the greater the collection of third party funds, the better the operational turnover of Islamic banks, the correlation with good operational turnover, the product of financing distribution becomes increasingly to customers, with an increase in financing distribution, the higher the profit obtained so as to be able to contribute positively and significantly to the profitability of Islamic commercial banks.

Good profitability will give a rise of positive signal to the company's internal parties or management, that the company's performance has been running effectively and efficiently and gives a positive signal to external parties which is investors that followed up by buying shares in the company, so that when more investors invest by buying shares in the company, the impact of the company's share price increases and the value of the company gets better.

The results of this study are supported by previous research conducted by Suhartono et., al. (2021), Putri & Purwohandoko (2021), Akhyar & Nurdin (2020), Sanulika & Hidayati (2020), Chasanah et., al. (2020), Edriyanti (2020), Primadita (2020), Hidayat & Sunarsi (2020) and Nawawi et., al. (2018) that show similar results.

#### **4.2.2. The Effect of *Ijarah* Revenue on ROA Profitability**

Based on the results of calculations that have been carried out in this study, there is an influence from *ijarah* revenue on the profitability of ROA at Islamic commercial banks (BUS) in Indonesia in 2016-2020. This result proven by the significance value of the T test of *ijarah* revenue as  $X_1$  below 0.05, which is 0.0001, then the independent variable in the form of *ijarah* revenue, partially has an influence significant to the dependent variable or ROA profitability, so that in this study it rejects  $H_0$  and accepts  $H_2$ .

Hence, it can be concluded that the independent variable is *ijarah* revenue has a unidirectional relationship with the dependent variable, which means the higher the *ijarah* revenue, the higher the profitability obtained by Islamic commercial banks (BUS), the results of the study are supported by the following data:

1. The average acquisition of *ijarah* revenue in the last 5 years (2016-2020), was obtained for 330.366 billion rupiah, this achievement indicates that products that use the principle of renting, such as *ijarah* have a good potential in Indonesia, this can be seen from the consistency of *ijarah* revenue during the last 5 years in the 2016-2020 period.
2. Lease financing using an *ijarah* contract has several advantages, namely being more flexible in the object of the contract where the object can be in the form of goods and services, such as tourism services, health service to other services that do not conflict with Islamic concepts.
3. In addition, the *ijarah* contract is one of the options for Islamic banks in optimizing profits during the Covid-19 pandemic, this is due to *ijarah* has a lower risk than other financing, namely *ijarah* rental income is relatively stable, fixed and consistent, making it easier for Islamic banks to manage financing. In this case, this is supported by the fact that Islamic banks do not use an interest system, so that



when the economic crisis occurs due to the Covid-19 pandemic, Islamic banks have various alternatives in obtaining profits using the principles of purchasing and selling, profit sharing, services to obtaining profits through *ijarah* rental income.

Hence, it can be interpreted that the higher *ijarah* rental income obtained by Islamic banks, the greater the profit or net profit obtained by the bank, so that the acquisition of profitability becomes higher, and the acquisition of good profitability, indicating that the Islamic bank is able to effectively and efficiently utilize its resources to maximize profitability, so that it will give a rise to positive signal for investors as a reference in making investments and a positive signal for company management, since it has good performance. The results of this study are supported by previous research which conducted by Firdaus & Lisdianti (2020) and Hartati & Dailibas (2021).

#### **4.2.3. The Effect of *Mudharabah* Financing on ROA Profitability**

Based on the results of calculations that have been carried out in this study, there is an influence from *mudharabah* financing on the profitability of ROA at Islamic commercial banks (BUS) in Indonesia as of 2016-2020. This result proven by the significance value of the T test for *mudharabah* financing as  $X_2$  below 0.05, which is 0.0000, partially has an influence significant to the dependent variable or ROA profitability, so that in this study rejects  $H_0$  and accepts  $H_3$ .

The negative and significant effect of *mudharabah* revenue sharing financing on the profitability of Islamic commercial banks can be analyzed based on data:

1. *Mudharabah* financing disbursed to customers has continued to experience a consistent decline in the last 5 years (2016-2020), even the difference in decline in 2016 and 2020 was found to be 497.46 billion rupiah, which can be said as consistent decline in *mudharabah* financing distribution could be the factors that have a negative and significant influence of *mudharabah* financing on profitability.
2. Several factors that caused the decline were the decline in the index of Indonesia's economic condition in 2020, which drastically decreased by minus 39.30, this was because during the Covid-19 pandemic, various real industries were hit operationally, so that it greatly affected the state of the national economy, while the real industry is one of the fund managers in the *mudharabah* contract, the correlation is that when the real industry experienced by the fund manager that falls, hence the distribution of *mudharabah* financing will also decrease.
3. In addition, the Covid-19 virus has a negative impact on people's mobility, especially in the economic sector. As a matter of fact, this will have an impact on the debtor's ability related to its obligations to pay financing credit, in the *mudharabah* contract, this financing risk is quite high for Islamic banks as capital owners, including side streaming, namely fund managers using their funds not according to the contract, negligence or mistakes made intentional by customers and the hiding of profits by customers when they have uncooperative and dishonest customers, the correlation with the pandemic, makes Islamic banks to be very careful in distributing profit-sharing-based financing, because the real industry conditions for fund managers are also not good, so that it has a risk of loss in the future.

To ensure that the operation of Islamic banks continues to run smoothly, the Islamic commercial bank (BUS) must continue to optimize the distribution of financing, but with special criteria, so that the risk of loss can be minimized. This is especially advantageous for Islamic banks, as they do not use an interest system, so that revenue-based financing distribution products can be managed with specific considerations to ensure future profits.

The amount of profit earned by the company in a certain period of time as well as productivity related to the use of company funds, whether used as loan capital or own capital, can give a positive signal to investors and potential investors to use the signal in the form of information as a reference and basis for making decisions. to invest as well as a positive signal for the management of Islamic commercial banks (BUS) that the company has tried its best in improving the company's performance which conducted by Fazriani & Mais (2019).

#### **4.2.4. The Effect of Third Party Funds on ROA Profitability**

Based on the results of the calculations that have been carried out in this study, there is an effect of third party funds on ROA profitability at Islamic commercial banks (BUS) in Indonesia in 2016-2020. This result proven by the significance value of the T test of third party funds as  $X_3$  below 0.05, which is 0.0008, then the independent variable in the form of third party funds, partially has a significant influence on the dependent variable or ROA profitability, so that in this study reject  $H_0$  and accept  $H_4$ .

Hence, it can be concluded that the independent variable in the form of third party funds has a direct relationship with the dependent variable, which means the higher the third party funds, the higher the profitability obtained by Islamic commercial banks (BUS), the results of the study are supported by the following data:

1. Data obtained from third party funds experienced significant development and growth in the last 5 years, in 2016 the acquisition of third party funds for Islamic commercial banks amounted to 206,406.68 billion rupiah, in 2017 it increased by 31,986.17 billion rupiah to 238,392.85, in 2018 it increased by 19,213.49 billion rupiah to 257,606.34, in 2019 it rose by 31,371.49 billion rupiah to 288,977.83 billion rupiah and in 2020 it increased by 33,874.72 billion rupiah to 322,852.55 billion rupiah.
2. With deposits that continue to grow, indicating that the image of Islamic commercial banks (BUS) is getting better in the public perspective, this data is supported by the fact that in the period 2016 to 2020, the number of third party fund customers (TPF) in Islamic banking has increased consistently every year.
3. Even the acquisition of third-party funds (TPF) in Islamic banking during the Covid-19 pandemic showed a good number and was still greater than the growth of TPF in conventional banking during the pandemic, data was obtained that Islamic banking obtained a percentage of 11.98% while conventional banking had a percentage of 10.93%.

This demonstrates that Islamic commercial banks (BUS) have a positive image and credibility in the eyes of the general public and customers. The impact of this was felt during the economic crisis that was caused by the Covid-19 pandemic. At a time when other industries were experiencing a decline in performance, Islamic commercial banks (BUS) were able to boost their own performance through the acquisition of funds from

third parties. The third party actually has significant growth, this is due to good credibility, will generate loyalty for its customers, so that it will be correlated with fund raising products through third party funds (TPF), where the acquisition of third party funds (TPF) will experience a significant increase for every year in line with the continued increase in the number of depositors in Islamic commercial banks, so as to increase profitability in Islamic commercial banks (BUS), through distribution to bank operational activities which conducted by Dewi & Zakaria (2021) serta Jatmiko & Agustin (2018).

## **5. CONCLUSION**

### **5.1. Conclusion**

Based on the results of the research conducted, the following conclusions can be drawn:

1. *Ijarah* revenue, *mudharabah* financing and third party funds have a simultaneous effect on the profitability of Islamic commercial banks in the Financial Services Authority for the 2016-2020 period.
2. *Ijarah* revenue has a partial effect on the profitability of Islamic commercial banks in the Financial Services Authority for the 2016-2020 period.
3. *Mudharabah* financing has a partial effect on the profitability of Islamic commercial banks in the Financial Services Authority for the 2016-2020 period.
4. Third party funds have a partial effect on the profitability of Islamic commercial banks in the Financial Services Authority for the 2016-2020 period.

### **5.2. Suggestion**

As for Suggestions in this research are expected to be able to develop and refine the research for the benefit of science, including:

1. Further research is expected to add or use other variables that can be used as a study of ROA profitability.
2. Further research is expected to add to the research sample used, namely all Islamic banking registered with the Financial Services Authority.
3. Future research is expected to use a longer time span so that ROA profitability results are described more accurately and well.
4. Further research is expected to use different methods and techniques of data analysis so that the results of ROA profitability can be interpreted from various perspectives and various scientific principles.
5. For companies, it is expected that Islamic banking companies, especially Islamic commercial banks (BUS) are able to disclose company financial statements based on sharia principles, involving the sharia supervisory board (DPS), the national sharia board (DSN) and in accordance with sharia accounting standards (SAS).
6. For companies, it is expected that Islamic banking companies, especially Islamic commercial banks (BUS) are able to optimize various sharia transactions, both financing distribution, fundraising and services to increase profitability.
7. The government and related institutions, especially the OJK, DSN and the Indonesian Cleric Council (MUI) are expected to continuously coordinate regarding the issuance of regulations and fatwas to support and anticipate the growing needs of the sharia economic market.

## REFERENCES

- Akhyar, M., & Nurdin, R. (2020). Pengaruh Pembiayaan Mudharabah, Musyarakah, Dan Ijarah Terhadap Profitabilitas Pada Bank BNI Syariah Indonesia Periode Tahun 2014-2017. *Jurnal Ilmiah Mahasiswa Ekonomi Islam*, 2(1), 46-63.
- Burhan, B. (2017). *Dasar Metodologi Penelitian Kuantitatif*. Jakarta: Kencana.
- Chasanah, U., Diana, N., & Afifudin, A. (2020). Pengaruh Piutang Murabahah, Pembiayaan Musyarakah Dan Mudharabah Terhadap Tingkat Profitabilitas Bank Umum Syariah Indonesia Periode 2014–2019. *Jurnal Ilmiah Riset Akuntansi*, 9(08), 90-101.
- Dalimunte, I. P., & Prananti, W. (2019). Pengaruh Cash Holding, Profitabilitas, Dan Financial Leverage Terhadap Income Smoothing Pada Perusahaan Manufaktur. *EkoPreneur*, 1(1), 13–30.
- Dasari, S. A., & Wirman, W. (2020). Pengaruh Dana Pihak Ketiga Dan Non Performing Financing Terhadap Return On Asset Bank Umum Syariah Di Indonesia (Periode 2014-2019). *NISBAH: Jurnal Perbankan Syariah*, 6(2), 124–130.
- Dewi, F. C., & Zakaria, H. M. (2021). Pengaruh Dana Pihak Ketiga Dan LDR Terhadap ROA Pada Perbankan. *Jurnal Ilmu Keuangan Dan Perbankan (JIKA)*, 10(2), 197-213.
- Edriyanti, R. (2020). Analisis Pengaruh Pembiayaan Mudharabah, Musyarakah, Murabahah dan NPF Terhadap ROA (Studi Kasus BPRS di Indonesia). *NISBAH: Jurnal Perbankan Syariah*, 6(2), 63–74.
- Elvitasari, D., & Dalimunthe, I. P. (2019). Pengaruh Dana Pihak Ketiga terhadap Laba Operasi dengan Fasilitas Bank. *Jurnal Renaissance*, 4(01), 514–522.
- Fatimah, I. S., & Diana, N. (2021). Pembiayaan Mudharabah, Musyarakah Dan Non Performing Financing Terhadap Return On Asset Pada Bank Umum Syariah. *JAK (Jurnal Akuntansi) Kajian Ilmiah Akuntansi*, 8(1), 62–75.
- Fazriani, A. D., & Mais, R. G. (2019). Pengaruh Pembiayaan Mudharabah, Musyarakah, dan Murabahah terhadap Return On Asset melalui Non Performing Financing sebagai Variabel Intervening (pada Bank Umum Syariah yang Terdaftar diotoritas Jasa Keuangan). *Jurnal Akuntansi Dan Manajemen*, 16(01), 1–34.
- Firdaus, D. F., & Lisdianti, E. (2020). Pengaruh Pendapatan Ijarah Terhadap Profitabilitas (Return On Asset) Di Pt. Bank Bri Syariah. *Jurnal Fakultas Ilmu Keislaman Kuningan*, 1(1), 28–32.
- Gultom, J. (2021). Pengaruh Profitabilitas, Leverage, dan Likuiditas terhadap Tax Avoidance. *Jurnal Akuntansi Berkelanjutan Indonesia*, 4(2), 239-253.
- Gunawan, G., & Utami, T. (2021). Pengaruh Dana Pihak Ketiga, Pembiayaan Bermasalah Dan Bopo Terhadap Market Share Perbankan Syariah. *SAKUNTALA: Prosiding Sarjana Akuntansi Tugas Akhir Secara Berkala*, 1(1), 29–41.
- Hakim, F. K., & Hasanah, M. (2020). Pengaruh Pembiayaan Mudharabah dan Musyarakah Terhadap Return On Asset BPRS di Indonesia. *Jurnal Ekonomi*, 25(1), 132–146.
- Hanafia, F., & Karim, A. (2020). Analisis CAR, BOPO, NPF, FDR, NOM, Dan DPK Terhadap Profitabilitas (ROA) Pada Bank Syaria'h Di Indonesia. *Target: Jurnal Manajemen Bisnis*, 2(1), 36–46.
- Hartati, D. S., & Dailibas, D. (2021). Pengaruh Pembiayaan Mudharabah, Musyarakah

- Dan Ijarah Terhadap Profitabilitas Bank Umum Syariah Di Indonesia. *Jurnal Ilmiah Ekonomi Islam*, 7(1), 235–240.
- Hermawan, A., & Ajimat, A. (2021). Pengaruh Kinerja Keuangan Terhadap Nilai Perusahaan Dengan Good Corporate Governance Sebagai Variabel Moderasi (Studi Pada Perusahaan Sektor Tambang Sub Migas & Sub Batu Bara di Bursa Efek Indonesia Periode 2014-2018). *PROSIDING SENANTIAS: Seminar Nasional Hasil Penelitian Dan Pengabdian Kepada Masyarakat*, 1(1), 21–30.
- Hidayat, A., & Sunarsi, D. (2020). Faktor-Faktor Yang Mempengaruhi Dana Pihak Ketiga Dan Dampaknya Terhadap Profitabilitas (Survey Pada Bpr Syariah Di Jawa Barat Tahun 2014–2017). *Jurnal Proaksi*, 7(1), 54–65.
- Islamiyati, G. M., & Diana, N. (2022). Pengaruh Pembiayaan Mudharabah Dan Pembiayaan Musyarakah Terhadap Return On Asset. *COMPETITIVE Jurnal Akuntansi Dan Keuangan*, 6(1), 12–18.
- Jatmiko, U., & Agustin, B. H. (2018). Analisis Financing To Deposit Ratio Dan Dana Pihak Ketiga Terhadap Return on Asset Pada Pt. Bank Rakyat Indonesia Syariah. *An-Nisbah: Jurnal Ekonomi Syariah*, 4(2), 99–126.
- Machmuddah, Z. (2020). *Metode Penyusunan Skripsi Bidang Ilmu Akuntansi*. Yogyakarta: Deepublish.
- Mirandha, N. & Wirman, W. (2021). Pengaruh Pembiayaan Murabahah, Musyarakah, Dan Mudharabah Terhadap Profitabilitas (ROA). *COMPETITIVE Jurnal Akuntansi Dan Keuangan*, 5(2), 146–155.
- Nawawi, A., Nurdiansyah, D. H., & Al Qodliyah, D. S. A. (2018). Pengaruh Pembiayaan Mudharabah dan Musyarakah Terhadap Profitabilitas (ROA) Pada BPRS HIK Bekasi Kantor Cabang Karawang. *FALAH: Jurnal Ekonomi Syariah*, 3(2), 96–105.
- Otoritas Jasa Keuangan. (2021). *Laporan Perkembangan Keuangan Syariah Indonesia 2020*. Jakarta: Direktorat Pengaturan dan Perizinan Perbankan Syariah OJK.
- Otoritas Jasa Keuangan. (2016). *Statistik Perbankan Syariah*. Jakarta: Direktorat Pengaturan dan Perizinan Perbankan Syariah OJK.
- Otoritas Jasa Keuangan. (2017). *Statistik Perbankan Syariah*. Jakarta: Direktorat Pengaturan dan Perizinan Perbankan Syariah OJK.
- Otoritas Jasa Keuangan. (2018). *Statistik Perbankan Syariah*. Jakarta: Direktorat Pengaturan dan Perizinan Perbankan Syariah OJK.
- Otoritas Jasa Keuangan. (2019). *Statistik Perbankan Syariah*. Jakarta: Direktorat Pengaturan dan Perizinan Perbankan Syariah OJK.
- Otoritas Jasa Keuangan. (2020). *Statistik Perbankan Syariah*. Jakarta: Direktorat Pengaturan dan Perizinan Perbankan Syariah OJK.
- Primadita, N. (2020). Analisis Pengaruh Murabahah, Mudharabah, Musyarakah, FDR, NPF dan BOPO Terhadap Kinerja Perbankan Syariah Tahun 2011-2020. *Syiar Iqtishadi: Journal of Islamic Economics, Finance and Banking*, 4(2), 36–58.
- Putri, D. S. P., & Purwohandoko, P. (2021). Pengaruh Dana Pihak Ketiga, CAR, NPF dan FDR terhadap ROA pada Bank Syariah yang Terdaftar pada Bursa Efek Indonesia. *Nomicpedia: Journal of Economics and Business Innovation*, 1(1), 1–13.
- Rini, R. D. P., Balafif, M., & Imamah, N. (2021). Pengaruh Tingkat Inflasi, Kurs IDR, CAR dan Dana Pihak Ketiga terhadap Profitabilitas Perbankan Syariah di Indonesia Periode 2013-2017. *Bharanomics*, 1(2), 104–113.



- Sanulika, A., & Hidayati, W. N. (2020). Pembiayaan Mudharabah dan Musyarakah terhadap Profitabilitas dengan BOPO sebagai variabel moderating. *Jurnal Disrupsi Bisnis*, 3(3), 306–320.
- Setiawan, T., & Sugiyanto, S. (2021). Pengaruh Likuiditas Profitabilitas Dan Good Corporate Governance Terhadap Nilai Perusahaan. *Proceedings Universitas Pamulang*, 1(1), 472-490.
- Sholichatunnisa, I., & Mariana, M. (2022). Pengaruh BI 7-Day Repo Rate, CAR, BOPO, dan DPK Terhadap Profitabilitas Bank Umum Syariah Di Indonesia Periode 2015-2019. *Jurnal Bina Akuntansi*, 9(1), 22–36.
- Suhartono, S., Octavia, D., Kamal, F., Hakim, L., Kuspriyono, T., & Agustina, T. (2021). Pengaruh Pendapatan Ijarah Terhadap Profitabilitas (ROA) Pada PT Bank Syariah Mandiri Tbk Periode 2015-2019. *JABI (Jurnal Akuntansi Berkelanjutan Indonesia)*, 4(3), 254–265.
- Zendrato, E. Y. (2020). Pengaruh Pendapatan Murabahah Dan Ijarah Terhadap Profitabilitas PT. Bank Syariah Mandiri, TBK Periode 2014-2018. *Al Fiddoh Islamic Bank Journal*, 1(1), 30–40.