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CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE
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THE INFLUENCE OF KNOWLEDGE, RELIGIOSITY, AND POCKET MONEY ON STUDENTS' INTEREST FOR SAVING IN SHARIA COMMERCIAL BANKS

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Abstract

This research aims to determine the effect of Knowledge, Religiosity, and Pocket Money on interest for saving in shariah banks. Data collection techniques using questionnaires and using primary data with a population of 503 students from the Faculty of Economics at the State University of Jakarta. The sample selection was done by proportional random sampling technique which resulted 205 samples. Data analysis uses several regression analyses with the help of SPSS. The results showed: (1) Partial knowledge has a positive and significant effect on interest in saving. (2) Partial religiosity does not affect interest in saving. (3) Partial pocket money has a positive and significant effect on interest in saving. (4) Knowledge, religiosity and pocket money simultaneously affect interest in saving.

Keywords: ***Knowledge, Religiosity, Pocket Money, Interest in Saving, Shariah Banks.***

1. INTRODUCTION

Sharia banking is a financial institution that performs its operations in accordance with Islamic principles or in accordance with Islamic law contained in the Qur'an and Hadith. Someone who uses sharia banking is usually to avoid usury or interest, usury itself is something that is understood as something forbidden in Islam. Although there are still many individuals who choose conventional banks, Islamic banks themselves have several things that are different from conventional banks and this makes Islamic banks attractive to the public.

The definition of usury (*riba*) itself is a delayed payment or payment later. *Riba* or usury is forbidden in the Qur'an has existed in the days of ignorance, namely the existence of *riba nasi'ah* or additions to assets through delays in payments. In the book of the Qur'an and in accordance with the Sunnah of the Prophet, usury (*riba*) is one of the major sins that is forbidden by Allah in whatever it form, type, and name it is given (Sula 2004).

In the regulation of Law No. 21 of 2008 concerning Sharia Banking, Sharia Bank or Islamic Bank are banks that carry out business activities based on sharia principles, or Islamic legal principles regulated in the fatwa of the Indonesian Ulema Council such as the principles of justice and balance (*'adl wa tawazun*), benefit (*maslahah*), universalism (*alamiyah*), and does not contain *gharar*, *masyir*, usury (*riba*), injustice and unlawful objects. Islamic banks are unique in fulfilling sharia principles to become their own existence in banking. By using sharia principles this is a strength and good governance can be realized in Islamic banks (www.ojk.go.id).

In 2017 the Indonesian financial industry recorded a growth of 26,97% in Islamic finance due to an increase in public awareness. Then also over the last 5 years the Indonesian Islamic financial services sector has developed in a better direction. The value of Indonesia's Islamic financial assets (excluding sharia share capitalization) has reached Rp. 1133.71 trillion or around US$ 83,68 billion (Khairuzzaman 2016). Then in 2018, there was an increase in the CAR ratio of Islamic Commercial Banks (*BUS*) by 248 bps (yoy) to 20.39%. Along with the increasing resilience of Islamic banking, the intermediation function of Islamic banking is running well (OJK, 2018). In 2019, there was an increase in the CAR ratio of Islamic Commercial Banks (BUS) by 20 bps (yoy) to 20.59%. Then, Disbursed Financing (*PYD*) and Third Party Funds (*DPK*) grew by 10.89% (yoy) and 11.94% (yoy), so that the growth of Islamic banking assets during the period was 9.93% (yoy). Total assets, PYD, and DPK of Islamic banking reached Rp538.32 trillion, Rp 365.13 trillion, and Rp 425.29 trillion at the end of 2019 (OJK 2019).

Interest in saving is influenced by several factors. According to research by Khairunnisa and Cahyono (2020) the knowledge variable has a positive and significant relationship with the interest in saving in Islamic banks, the higher the public's knowledge about Islamic banking, the higher the interest in saving money in Islamic banks. However, in contrast to the research conducted by Waterbury (2018) knowledge variable shows implicit attitude (related to knowledge) has a low influence but has a significant contribution to interest in saving in Islamic banks. As in Middle Eastern countries where Islamic banks have a high level of desire, while in European countries where Islamic beliefs are not adopted, there is less interest in saving in sharia banks.

According to Harhap (2016) there is a positive and significant influence in religion/religiosity on interest in saving in Islamic banks. The influential factor in saving in Islamic banks is the religious factor, because in the Islamic element a person chooses to save in Islamic banks in accordance with Islamic principles which are based on religion. However, in contrast to the research conducted by Munthe (2020) conclude that the religious variable did not have a significant effect on Islamic savings or interest in saving in Sharia banks.

Meanwhile, Mulyana and Kamal (2013) investigate several factors that influence the interest in saving STEI (High School of Islamic Economics) SEBI students at SEBI Islamic Bank, one of which is the influence of pocket money. In contrast to other research studies conducted by Rahel, Kandowangko, and Lasut (2020) that lifestyle (in giving pocket money) does not have a positive effect on saving interest in Sociology students, Faculty of Social and Political Sciences, Sam Ratulangi University.

2. THEORITICAL BASIS

2.1. Saving Interest

According to Darmadi (2018) interest is something that is important in doing good things, for from a psychological point of view, interest also not only encourage a person's behavior, but also encourages people to do something and causes the person to pay attention and volunteer himself in the activity.

2.2. Knowledge and Religiosity

According to Poedjawijatna (2005) defines knowledge can be obtained because of experience or which is directly related to the senses. There is also spiritual knowledge, namely knowledge that is permanent or absolute, such as knowing cause and effect, relationships, goodness, virtues and others about things that are solely for His God. Furthermore, Sofanudin (2020) defines religiosity as the state, understanding, and obedience of a person in a religion that he believes in the form of experience of values, rules, and obligations in order to live life according to religious advice

While according to Vhalery and Leksono (2019) defines pocket money as additional money given by parents for educational purposes and daily needs. Usually pocket money is given regularly, can be given by weekly, monthly, or yearly.

2.3. Knowledge of Saving Interests

According to Darmawan et al. (2019), knowledge has a significant positive effect on interest in saving. Knowledge of customers regarding the products offered by Islamic banks is different from conventional banks. This customer knowledge is an attraction for saving in Islamic banks because it is in accordance with Islamic law. Further, according to Shahriyal (2019) interest in saving is influenced by knowledge and sharia banking also conducts socialization of the products and services offered to increase customer interest in saving. Because public knowledge is highly demanded by Islamic banking circles to always make breakthroughs to increase customer interest in saving.

H1: The Effect of Knowledge on Interest in Saving

2.4. Religiosity toward Saving Interests

This is in line with one of the factors that influence the emergence of interest, namely encouragement from within the individual (Shaleh & Wahab 2004). Therefore, an attitude of religiosity that encourages someone to carry out religious orders will cause interest in a person, one of which is an interest in saving in Islamic banks.

According to research Putri et al. (2019) to measure the extent to which a person's level of religiosity in managing his finances in Islamic banking in accordance with Islamic law, there must be a level of religiosity within oneself. Because the higher a person's level of religiosity, the higher the interest in saving someone in a bank that is in accordance with Islamic law. Hence, the religiosity arises in a person to encourage doing religious teachings that are in accordance with Islam.

H2: The Effect of Religiosity on Saving Interests

2.5. Pocket Money toward Saving Interests

According to Mahdzan and Tabiani (2013) the higher the individual receiving money, the higher the effort made to gain an understanding of the use of money through financial knowledge. It can be interpreted, that each individual (student) who is given pocket money in the high category can meet all their needs, and students who have pocket money in the high category will be easy for them to set aside the pocket money for savings.

According to Wulandari and Susanti (2019) in their research pocket money earned by students from parent, scholarships, or the results of their work received every month. Similar to the previous research above, if students have pocket money that is included in the high

category, it is easier to manage it, it has fulfilled all their needs and the remaining money can be saved to a financial institution.

H3: The Effect of Pocket Money on Saving Interests

2.6. Knowledge, Religiosity and Pocket Money on Saving Interests

According to research by Ramadhani, Susyanti, and Khoirul (2019) with the variables of religiosity and knowledge have a positive and significant influence on the interest in saving students in Islamic banks. Religiosity exist into the aspect of every individual with religion. While the variable knowledge of individual aspects but more directed to the knowledge obtained from formal education or experience about Islamic banks. Because if individuals have in-depth knowledge of Islamic banks, they are likely to have a higher interest in saving in Sharia banks.

Knowledge and religiosity are factors that influence students to save in Islamic banks. Knowledge and religiosity previously obtained from students can increase interest in saving. Where knowledge is obtained from various sources, while religiosity itself is a person's belief in what is he believed (Nugraheni and Widyani, 2020)

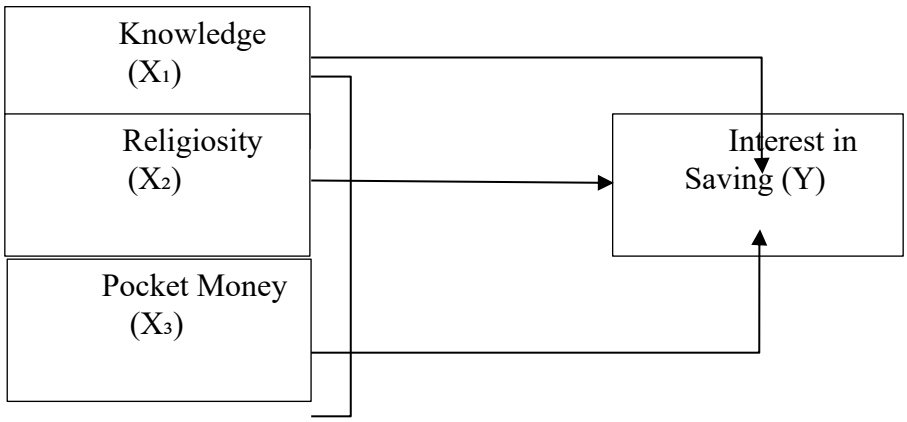
Knowledge and pocket money are also factors in influencing students to save. Knowledge of banks must be known to have an interest in saving, and also the pocket money obtained when it is more than sufficient for students' consumption, they have the desire to save (Rudzali et al., 2020)

H4: The Effect of Knowledge, Religiosity and Pocket Money on Saving Interests

3. RESEARCH METHOD

This study uses quantitative methods. The technique used in conducting this research is to use primary data, the data is collected through a questionnaire that has been tested, then the questionnaire is distributed to respondents using Google Forms with questions related to each indicator in the questionnaire. The population that will be used is all students of the Faculty of Economics, State University of Jakarta totaling 503 people. By using proportional random sampling method, 205 students were obtained.

The relationship between the independent and dependent variables can be illustrated in the following constellation diagram:



Source: Processed by the Author (2021)

Figure 1 Relationship Between Independent and Dependent Variables

4. RESULT AND DISCUSSION

4.1. Result Research

Table 1 Descriptive Statistics

Descriptive Statistics								
	N	Range	Minimum	Maximum	Sum	mean	Std. Deviation	Variance
Saving Interest	205	26	49	75	13060	63.71	5.391	29.061
Knowledge	205	24	71	95	17238	84.09	4.976	24.757
religiosity	205	24	51	75	13362	65.18	4.816	23.198
Pocket money	205	24	41	65	10915	53.24	4.953	24.528
Valid N (listwise)	205							

Source: SPSS v.26 output

From table 1 above, there are 205 samples, namely students of the Faculty of Economics, State University of Jakarta 2017 and it can be seen descriptive statistics of interest in saving, knowledge, religiosity and pocket money. Based on the table above, interest in saving obtained a minimum value of 49, a maximum value of 75 and mean of 63.71. In knowledge, the minimum score is 71, the maximum value is 95 and mean of 84.09. For religiosity, the minimum score is 51, the maximum value is 75, and mean of 65.18. In pocket money, the minimum value is 41, the maximum value is 65 and the mean value is 53.24.

Test Multiple regression was performed after the data were normally distributed. This test aims to predict the value of the dependent variable if there is an increase or decrease in the value of the independent variable. The following are the results of multiple linear regression in this study:

Table 2 Multiple Linear Regression Test

Coefficients[a]						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	6.775	6,605		1.026	.306
	Knowledge	.450	.067	.415	6.692	.000
	Religiosity	.109	.068	.098	1,601	.111
	Pocket money	.225	.068	.207	3.288	.001
a. Dependent Variable: Saving Interest						

Source: SPSS v.26 output

Based on the data in table 2 above, the following multiple linear regression equation is obtained:

$$Y' = 6.775 + 0.450x_1 + 0.109x_2 + 0.225x_3$$

Hence, it can be concluded that if knowledge, religiosity and pocket money, the value is zero (0) or does not increase or decrease, then the interest in saving is worth 6.775. The value of Knowledge on Interest in Saving is 0.450, the value of Religiosity on Interest in Saving is 0.109, the value of pocket money for Interest in Saving is 0.225. It means that if knowledge, religiosity and pocket money have increased by one point, then knowledge, religiosity and pocket money have increased by one, meaning that there is a positive influence on each variable with interest in saving.

4.1.1. Simultaneous Regression Coefficient Test (T Test)

To determine the effect of each independent variable on the dependent variable, namely knowledge, religiosity and pocket money on interest in saving, then the regression coefficient was tested by t test. This hypothesis testing is carried out with the criteria if $t_{statistic} > t_{table}$ and the significance value of the t-test < 0.05, it can be said that the independent variable affects the dependent variable. Below is a table of the results of the t-test calculation using SPSS 26 as follows:

Table 3 Partial Regression Coefficient Test (T Test)

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	6.775	6,605		1.026	.306
	Knowledge	.450	.067	.415	6.692	.000
	Religiosity	.109	.068	.098	1,601	.111
	Pocket money	.225	.068	.207	3.288	.001

a. Dependent Variable: Saving Interest

Source: SPSS v.26 output

Knowledge Coefficient, based on the output above $t_{statistic}$ for knowledge has a value of 6.692, while the t table can be searched in the statistical table with a significance of 0.05/2 = 0.25 (two-tailed test) with df = (n-k-1) or df = 205-2-1 = 203 obtained t table of 1.972. Then the value of t statistic is (6,692) > (1,972) and a significance of 0.000 < 0.05. So, it can be concluded that knowledge partially has a positive and significant effect on interest in saving.

Religiosity Coefficient, based on the above output results, $t_{statistic}$ for religiosity it has a value of 1.601, while the t table can be found in the statistical table with a significance of 0.05/2=0.25 (two-tailed test) with df = (n-k-1) or df = 205-2-1 = 203 obtained t table of 1.972. Then the value of t statistic is (1.601) < (1.972) and the significance of 0.111 > 0.05. So, it can be concluded that religiosity has no effect on interest in saving.

Pocket Money Coefficient, based on the above output results, $t_{statistic}$ for pocket money has a value of 3.288, while the t table can be found in the statistical table with a significance of 0.05/2 = 0.25 (two-sided test) with df = (n-k-1) or df = 205-2-1 = 203 obtained t table of 1972. Then the value of t count is (3.288) > (1.972) and a significance of 0.001 < 0.05. So, it can be concluded that pocket money has a positive and significant effect on interest in saving.

Simultaneous Regression (Test F), the F test is used to determine whether there is a simultaneous effect of independent variables on the dependent variable, namely knowledge, religiosity, and pocket money on interest in saving with the criteria if the probability value (p value) is smaller than 0.05 (significance level) and $F_{statistic}$ greater than F_{table} , then it means that there is a simultaneous significant effect of the independent variable on the dependent variable. The following are the results of the F test through SPSS version 26.

Table 4 Simultaneous Regression Coefficient Test (Test F)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1744.187	3	581.396	27.929	.000[b]
	Residual	4184.252	201	20.817		
	Total	5928.439	204			

a. Dependent Variable: Saving Interest
b. Predictors: (Constant), Pocket Money, Religiosity, Knowledge

Source: SPSS v.26 output

Based on the calculations in the table above, it can be seen that $F_{statistic}$ of 27,929 while it can be seen in the statistical table with a significance of 0.05 df 1 (number of variables-1) or 3-1 = 2, and df 2 (n-k-1) or 205-2-1 = 203. The F_{table} was obtained value of 3.04, then in other words it shows that there is a simultaneous significant effect between the variables of knowledge, religiosity, and pocket money on interest in saving because $F_{statistic}$ (27.929) > F_{table} (3.04) and significance (0.000 < 0.05).

Coefficient of Determination was done to see the magnitude of the influence of knowledge, religiosity, and pocket money on interest in saving, it can be seen from the value of the coefficient of determination or R^2 obtained through calculations on SPSS 26 as follows:

Table 5 Coefficient of Determination Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542a	.294	.284	4,563

a. Predictors: (Constant), Pocket Money, Religiosity, Knowledge
b. Dependent Variable: Saving Interest

Source: SPSS v.26 output

Based on the R square based on the results of the data analysis, it was obtained value of 0.294. Thus, it is known that interest in saving is influenced by knowledge, religiosity, and pocket money by 29.4% while it is influenced by other factors that not examined in this study.

4.2. Discussion

4.2.1. Knowledge toward Saving Interests

Based on the results of the research that has been described above, the results obtained are that there is a positive influence between knowledge and interest in saving. This is evidenced by the Knowledge coefficient value in the regression test of 0.450, which means that if knowledge increases by one point, the interest in saving will increase by 0.450 at a constant of 6.775. In addition, based on the results of the partial significance test or t test, it is obtained $T_{statistic}$ of 6.692, it can be seen that $T_{statistic}$ it is greater than T_{table} 1.972 with a significance level of 0.000 < 0.05 which states that knowledge partially has a positive and significant effect on saving interest.

This is in accordance with research conducted by Citrawati, Prakosa, and Basri (2021) that shows knowledge has a positive and significant effect on interest in saving at BPR Bank Bantul. This is based on the $T_{statistic}$ test results of 2.523 and a significance value of 0.013 < 0.005, so that the hypothesis is accepted by both, with the sample taken in this study as many as 100 respondents. Further, Habibah and Hasanah (2021) shows that knowledge has a positive and significant effect on interest in saving in sharia banks. This is evidenced by the $T_{statistic}$ results of 2.209 (respondents who have saved in Islamic banks) and $T_{statistic}$ value of 11,926 (respondents who have never saved in Islamic banks) with a significance value of both 0.000 which means Ho is rejected. This study uses primary and secondary data sources taken from the population of the Pagar Puding village community, Tebo Ulu district as many as 379 families and the sample who had saved 100 families and for those who never saved 120 families.

Furthermore, another research by Winarti (2021) explained that knowledge has a significant positive effect on interest in saving at BNI Sharia KCP Kuninang. This is evidenced by the $T_{statistic}$ results of 2,988 with a significance level of 0.004, with the population of this study are all customers of BNI Shariah KCP Kuningan with a total population of 750 and the research sample of 78 respondents.

4.2.2. Religiosity toward Saving Interests

Based on the results of the research described above, the results show that there is no influence between religiosity on interest in saving. This is evidenced by the value of the coefficient of religiosity in the regression test of 0.109 which means that if knowledge increases by one point, the interest in saving will increase by 0.109 at a constant of 6.775. In addition, based on the results of the partial significance test or t test, it is obtained $T_{statistic}$ of 1.601, it can be seen that $T_{statistic}$ is smaller than 1.972 with a significance level of 0.111 > 0.05 which states that religiosity has no effect on interest in saving.

This is also in accordance with Cahyono (2020), which shows that the religiosity variable has no effect on interest in saving using Islamic banks. This is evidenced by the $T_{statistic}$ results of 0.655, which means that it is smaller than T_{table} with value of 1.995, which means that Ha is rejected and Ho is accepted. This research uses a sample of 70 respondents whose objects are traders in the Baba'an Baru market in Surabaya.

Further research by Faridah, Hakim, and Sudarwanto (2021) shows that religiosity has no effect on interest in saving in Islamic banks in Highschool (SMA/MA) students at Darul Ulum Islamic Boarding School Jombang. It can be seen from the t-test where the $T_{statistic}$ value of 1.746 < T_{table} 1.98525, so it is states that Ha is rejected and Ho is accepted. The population in this study were 378 of 11th grade students of high school, and the number of samples studied was 100 samples. While the research of Zakaria, Afifudin, and Mawardi

(2020) shows that religiosity has no effect on student interest in saving in Islamic banks. It can be seen that the statistical value of the t test is 0.884 and the t significance is 0.379 > from 0.05. So, this test shows that Ho is accepted and Ha is rejected. The population of all active students of the Faculty of Economics majoring in Accounting of 2016 and 2017 is the Islamic University of Malang and the sample used is 93 respondents.

4.2.3. Pocket Money toward Saving Interests

The results of the research above, namely there is a positive influence between knowledge and interest in saving. This is evidenced by the value of the X1 coefficient in the regression test of 0.225 which means that if knowledge increases by one point, the interest in saving will increase by 0.225 at a constant of 6.775. In addition, based on the results of the partial significance test or t test, it is obtained $T_{statistic}$ of 3.288, it can be seen that $T_{statistic}$ is greater than T_{table} 1.972 with a significance level of 0.001 < 0.05 which states that knowledge partially has a positive and significant effect on saving interest. This is in accordance with research Rudzali et al. (2020) which shows that pocket money has a positive and significant effect on the saving interest of the students of SMP Negeri 3 Sebulu. A significance value of 0.000 < 0.05 means that Ha is accepted and Ho is rejected and the population in this study amounted to 262 students and the sample taken was 158 students.

Furthermore, in line with research by Mulyana and Kamal (2013), that pocket money has an effect on student interest in saving at SEBI Islamic Bank. Judging from the results of the Chi-Square X^2 calculation from pocket money of 9.882 > X^2 Table (0.10) of 3,841, so that it shows the effect on student interest in saving. The population of this study were all students of the 2008-2011 class, which amounted to 535 students, and the sample taken was 85 respondents.

5. CONCLUSION

This study aims to examine how the influence of knowledge, religiosity and pocket money on interest in saving in Islamic commercial banks. Based on the results of the tests and discussions that have been described previously, it can be concluded that knowledge has a positive and significant effect on interest in saving. Meanwhile, religiosity has no effect on interest in saving. In the other hand, Pocket Money has a positive and significant effect on interest in saving. There are several recommendations for further researchers, which are as follows: further research, the discussion is equipped with interest in saving in Islamic banks with other independent variables, the sample selection can be in a larger scope or only in one scope. Furthermore, it is expected that the role of the institutional leader will always carry out intensive socialization in student.

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CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE
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THE ROLE OF TENURE AND INCENTIVES ON EMPLOYEE BEHAVIOR

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Abstract

Every company needs to pay attention and regulate employee behavior in the workplace so that the stability of organizational life is maintained in a conducive manner. Various efforts have been made to achieve this, such as providing incentives. By paying attention to the adaptation of employees in the work environment based on years of service. The purpose of this study is to determine the role of tenure and incentives that shape employee work behavior. The selected population is all employees who work at a private bank branch office in Surabaya. All employees other than the leadership at the bank were sampled as many as 49 people. Regression analysis to answer the purpose of this study with the help of SPSS. The results obtained are the length of service and incentives together and individually proven to have a role to shape employee work behavior. The variable of tenure is more dominant in shaping employee work behavior.

Keywords: ***tenure, incentives, work behavior, work environment, productivity.***

1. INTRODUCTION

Companies are generally established with the aim of surviving and are expected to obtain maximum profit. For this reason, companies must pay attention to the intense competition in the business world and unfavorable economic conditions, forcing the company's leadership to always actively strive so that the company is able to generate maximum profits.

To achieve maximum profit, every company in carrying out its activities cannot be separated from the role of existing resources in the company, one of which is human. Human resources are the main factor for the smoothness and survival of a company. In every business run, every company certainly has certain goals to be achieved efficiently, namely with a certain number of operational costs that can generate maximum profits for the survival and development of the company. Efforts are made to achieve goals, including by using available resources, these resources include capital, raw materials, technology and also the role of reliable and professional human resources is needed (Khasanah, 2018). This is done to hopefully achieve a high level of productivity.

To increase employee work productivity, an encouragement is needed by managers to employees (Issalillah, 2020). A very important aspect of a manager's job is how to enable employees to carry out their tedious and repetitive work in the most efficient way. Therefore, encouragement in doing a job is very much needed by an employee to have a high spirit which is marked by an increase in work productivity, so that the goals achieved by the company can be in accordance with what is desired by the company.

One of the motivational generating factors in work can be in the form of providing appropriate wages or salaries according to an agreement and statutory regulation that is paid on the basis of a work agreement between the employer and the job recipient (Gunawan, 2015). Meanwhile, other factors that may also affect the work behavior of employees are incentives and

the employee's tenure. Wages and incentives that will be received by each employee will certainly vary depending on work performance and employee tenure (Chiang & Birtch, 2012).

Years of work can also affect work behavior. Of course, the behavior of employees who do not have a period of service or experience will be different from the work behavior of employees who have had quite a number of years of service (Asik-Dizdar & Esen, 2016). Term of service shows how long employees donate their energy to a particular company. The extent to which the workforce can achieve satisfactory results at work depends on certain abilities, skills and skills in order to carry out their work well (Jovanović, 2019). Experienced employees are always more flexible than younger, non-experienced or fresh graduates. Experienced employees are also familiar with work pressures, work culture and work ethics (Andayani et al., 2010). This is because they have experienced it before, and will make their work easier than others.

The provision of incentives plays an important role because it is believed that it will be able to overcome various problems in an increasingly complex workplace such as low performance due to the enthusiasm and enthusiasm of employees who are still not fully good (Darmawan et al., 2020). This could be due to the lack of work motivation, and the absence of additional income for employees other than salary ((Kooij et al., 2014); (Mardikaningsih et al., 2017)).

Incentives are given if the tasks or burdens given by the company to employees can be completed with satisfactory results or exceed standards (Giancola, 2011). The provision of incentives must be fair and based on the achievements and/or years of service that employees have been able to achieve so as not to cause social jealousy and trigger conflicts between employees (Riener & Wagner, 2019).

For companies, the provision of incentives is expected to improve employee performance, work productivity, loyalty, discipline, a sense of responsibility towards the position and the better quality of leadership for employees ((Dohmen & Falk, 2011); (Sinambela et al., 2020)). With the provision of incentives they have the opportunity to increase their income (Hammermann & Mohnen, 2014). Providing incentives by companies can provide benefits in the form of high turnover for the company, because the main goal of employees working hard and performing well is to get good cash with incentives (O'Halloran, 2012). The provision of poor benefits or incentives will lead to unexpected work behavior and will lead to a low and decreased level of satisfaction (Presslee et al., 2013).

By providing decent wages or salaries coupled with incentives, employees are increasingly motivated to work harder to carry out their responsibilities to the company so that company goals will be achieved ((Jeffrey & Adomdza, 2010); (Didit & Nikmah, 2020)). In addition, the provision of wages and incentives can create an aura of healthy competition between employees in the company, the results of which will be seen by employees who have high loyalty to the company, employees who just finish their work and employees who do not care about the company (Sun et al., 2007).

There is an interest in understanding work behavior. Employees must be monitored daily at work even though there is a disciplinary program to regulate employee behavior. This study will examine the role of tenure and incentives that shape employee work behavior.

2. IMPLEMENTATION METHOD

This quantitative research describes a problem or situation based on the relationship between the independent variable and the dependent variable. The independent variable is the period of service and incentives, while the dependent variable is the employee's work behavior. The selected population is all employees who work at a private bank branch office in Surabaya. All employees other than the leadership at the bank were sampled as many as 49 people.

Data collection techniques by distributing questionnaires as a data source. The questionnaire used in this study was used to collect data on the variable length of service (X1), incentives (X2) and employee work behavior (Y) which are questions using a Likert scale. The indicators used to measure the working period are length of time; level of knowledge and skills; and mastery of work and equipment. To measure incentives based on two things, namely financial and non-financial incentives. Work behavior is indicated by indicators of sincerity, completeness, hard work, and working right.

The test of the instrument is the validity test and the reliability test. Validity is known by the value of Corrected Item Total Correlation which must be higher than r table whose value is determined at 5% significance with a 2-sided test and n=47. Reliability using Cronbach's Alpha scale. The results of the analysis obtained that Cronbach's Alpha scale of each variable was greater than the critical r value (2-sided test) at a significance of 5% with n = 47. After testing the instrument, regression analysis was carried out to answer the objectives of this study with the help of SPSS.

3. RESULTS AND DISCUSSION

After the validity test was carried out, the results obtained that no questions were dropped because all were declared valid based on r count > r table. Likewise with reliability. The items of the research instrument are reliable. The CA value for tenure is 0.752, the CA incentive is 0.706, and the CA is 0.821.

The normality analysis in Figure 1 shows that the data set spreads around the diagonal line and follows the direction of the diagonal line. This means that the regression model meets the assumption of normality.

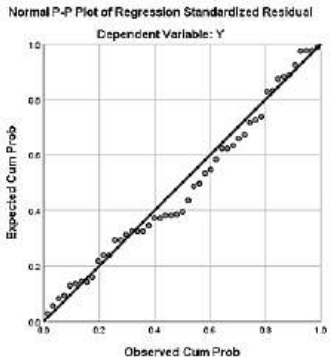

Figure 1. Normality of data

The SPSS output also shows that there is no multicollinearity problem based on the Variance Inflation Factor (VIF) value of 1.444 and tolerance of 0.692. The autocorrelation test obtained a Durbin-Watson value of 1.495 and there was no autocorrelation problem. The regression results are in table 1.

Table 1. Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	28.833	4.546		6.342	.000		
	X.1	3.229	.785	.466	4.115	.000	.692	1.444
	X.2	2.138	.596	.406	3.587	.001	.692	1.444

The t-test showed that each independent variable significantly contributed to the dependent variable. This is indicated by a probability value of 0.000 which is smaller than 0.05. In addition, the regression model obtained is Y = 28.833 + 3.229 (X.1) + 2.138 (X.2). The variable of tenure is more dominant in shaping employee work behavior. Table 2 is ANOVA as a result of the F test.

Table 2. ANOVA[a]

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1010.669	2	505.334	33.335	.000[b]
	Residual	697.331	46	15.159		
	Total	1708.000	48			

F test obtained Fcount value of 33.335 with a probability of 0.000. This figure shows that at the level of significance = 0.05, the variable length of service and incentives have a simultaneous significant effect on employee work behavior. The coefficient of determination is 0.592, which means that the contribution of years of service and incentives to shape employee work behavior is 59.2%. Results in table 3.

Table 3. Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.769[a]	.592	.574	3.894	1.495

Thus, tenure is proven to have a role in shaping work behavior. In the workplace, employee behavior is a very important part of working life. Work behavior is the actions and attitudes shown by people who work in the work environment by actualizing themselves through various work-related actions . The company strives to establish consistent and positive work behavior from every employee (Putra et al., 2020). In addition, incentives also have a role in shaping work behavior. Employees can position incentives as drivers that can increase motivation and morale ((Vohs et al., 2008); (Khan et al., 2013)). By providing incentives, employees feel that they get attention and recognition for their achievements. For companies, the purpose of providing incentives is to increase productivity, performance, and work behavior of employees in an effort to realize company goals.

4. CONCLUSION

The results obtained are the length of service and incentives together and individually proven to have a role to shape employee work behavior. The variable of tenure is more dominant in shaping employee work behavior. Based on the previous description, the researcher provides input as consideration for taking policies in the future as a consideration for the company to pay attention to things that can improve employee work behavior, namely by paying attention to employee welfare. With good welfare, employees can be enthusiastic in working and completing the work given by the company according to the standards that have been set.

In improving employee behavior and performance, companies need to consider the length of work, because it is directly formed from the experience they have. In an effort to improve and improve employee behavior and performance to pay attention to a conducive and better work climate. Employees must feel that they have the same goals as the company. Companies should provide challenges and target tasks to employees, provide and generate employee work motivation, increase interaction and working relationships with employees and increase employee wages or salaries. In addition, employees and leaders should support each other and work together in carrying out their duties in an effort to realize the company's goals.

Incentive variables in this study have the greatest influence in influencing employee work behavior. Companies can improve the work behavior of their employees in various ways, such as providing training, examples or instructions that can make work easier and carry out work safely. With incentives, employees will work optimally and maximally in accordance with the targets set by the company.

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CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE
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INCOMPATIBLE BUSINESS BEHAVIOR TOWARD ISLAMIC ETHICS: A STUDY ON THE PRACTICES OF RIBA AND BANK INTEREST

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Abstract

Various kinds of interpretations of usury and interest in modern financial institutions (banks), both from jurists and Muslim economists, seem to occur because the 'illat usury put forward by the jurists is seen as inaccurate in the development of Islamic legal thought. Gharar which is translated as speculation is equated with gambling because of the uncertainty for the parties (seller and buyer). This research uses a literature study, which is carried out by collecting, studying and reviewing books, scientific magazines and related documents such as theses and scientific journals. Many modern societies carry out such practices, such as buying and selling agricultural products that are still on the land with a wholesale system. When viewed from the ethical side of Islamic transactions, both usury, interest and gharar violate the ethics of transactions. Ethical considerations prohibiting usury, interest and gharar, due to unfairness, exploitation and unproductiveness. While the system of economic ethics emphasizes products, fairness and honesty in trade, and fair competition. In this case, good ethics will give good business, good ethics: good business. Ethics that is in the spotlight in this study, especially ethics in the operations and transactions of Islamic financial institutions. Then the sharia financial institutions in question include sharia banking, sharia pawnshops, sharia insurance, and sharia capital markets, all of which are some forms of representation of sharia macro financial institutions that are certain. have a significant impact on the nation's economic development. So that behavior that is not in accordance with Islamic ethics, such as related to usury and bank interest, must be avoided for Muslims.

Keywords: ***Business Behavior, Islamic Business Ethics, Riba, Bank Interest***

1. INTRODUCTION

Perkembangan ekonomi yang sangat pesat, begitu juga dalam sebuah bisnis modern saat ini, bank merupakan lembaga perantara serta penyalur dana antara pihak yang berkelebihan dengan pihak yang kekurangan dana. Hal ini disebut juga Financial Intermediary dengan kata lain tugas bank yakni menerima simpanan serta memberi pinjaman. Bank memberikan fasilitas jasa yakni penukaran mata uang, pengiriman uang dari satu tempat ketempat lain, mengeluarkan serta mengedarkan uang. Dalam kegiatan uang tersebut, bank menetapkan bunga bagi nasabahnya yang sudah ditentukan ukurannya sekian persen terlepas bank mengalami kerugian atau untung. Persoalan bunga bank di zaman modern ini merupakan suatu topikyang selalu menarik dan masih menjadi suatu hal yang patut dibahas dalam masalah perekonomian Islam. Perbincangan mengenai bunga bank tersebut semakin memanas dikarenakan kontroversi bunga bank antara kebolehan dan tidaknya masih mewarnai wacana yang hidup di masyarakat. Hal ini kemudian menarik perhatian para tokoh Islam untuk meninjau kembali karakteristik bunga bank yang dimaksud tersebut. Hal ini

Islam melarang unsur eksploitasi berupa riba maupun transaksi-transaksi yang belum jela bentuknya yakni gharar. (Syahrizal, 2018)Islam memposisikan kegiatan ekonomi sebagai salah satu aspek penting dalam memperoleh kebahagiaan (falah), karena tujuan akhir pelaksanaan ekonomi Islam ialah sebagaimana maksud syariat Islam itu sendiri yakni kebahagiaan di dunia maupun di akhirat yang berlandaskan pada maksud akhir yakni maqashid syariah. (Hardiati, 2021)

Perkembangan pemikiran ekonomi Islam bisa dipahami bahwasanya ekonomi Islam pada hakikatnya telah dibahas hingga dipraktikan pada kehidupan sehari-hari, bahkan sejak zaman Rasulullah SAW hingga sahabat-sahabatnya. Namun, berkembangnya ekonomi Islam terhenti, sebab adanya dikotomi antara agama maupun ilmu pengetahuan yang lahir efek dari dogmatisasi yang terjadi dimasa kegelapan (taqlid), konsekuensinya yakni adanya ketidakpercayaan pada kesalahan yang muncul pada bidang ekonomi. Selain itu kuatnya dominasi ekonomi dalam kapitalis maupun sosialis yang menjadi buah dari politik imperialisme ataupun kolonialisme yang menjadikan ekonomi Islam semakin tergerus dan mulai ditinggalkan. (Syahputra & Yoesoef, 2020),(Susiawati, 2017)

Seiring berjalannya waktu, kebutuhan hidup manusia semakin berkembang, hal tersebut menjadikan kegiatan ekonomi semakin berpariasi. Sehingga hal ini awal dari mulai bermunculan lembaga-lembaga pembantu perekonomian, salah satunya ialah lembaga perbankan yang memiliki tujuan dalam mengatur alur arus keuangan. Secara filosofis melakukan pelaksanaan ekonomi ialah fitrah manusia agar terpenuhi keperluan hidupnya, baik kebutuhan dalam primer (daruriyah), sekunder (hajjiyah), ataupun tersier (tahsiniyyah). (Hantono & Pramitasari, 2018) Pada ajaran Islam riba maupun gharar merupakan sebuah larangan yang harus dihindari dan ditinggalkan, terutama dalam kegiatan muamalah. (Hardiati, 2021) Hal ini termaktub dalam al-Qur'an, bahwasanya riba di benci oleh Allah SWT. Namun apakah riba yang ditujukan dalam al-Qur'an tersebut termasuk pada sistem bunga dalam perbankan atau riba definisi yang berbeda pada pembungaan uang. Perbedaan pendapat diantara ulama atau organisasi keislaman pun terjadi dalam menafsirkan ayat tentang riba. (Rosele et al., 2019)Hal ini terjadi karena perbedaaan penggunaan al-qawaidal-usuliyyah dan al- qawaidal-fiqhiyyah, selanjutnya disebut dengan kaidah ushuliyyah dan fiqhiyyah dalam istinbat hukum pada persoalan. (Azhari, 2015) Berpegang pada kaidah-kaidah fikih (al-qawa'id al- fiqhiyyah), para mujtahid merasa lebih mudah dalam meng-istinbatkan hukum terhadap suatu masalah, yakni dengan menggolongkan persoalan serupa pada lingkup satu kaidah.(Sudiarti, 2018)

2. IMPLEMENTATION METHOD

Penulisan artikel ini menggunakan metode studi literatur, yang dilakukan dengan cara mengumpulkan, mempelajari dan menelaah buku-buku, majalah ilmiah serta dokumen yang terkait seperti tesis serta jurnal ilmiah. (Hakim & Mubarok, 2017) Tahapan penelitian yang dilakukan dalam studi literatur ini yaitu reduksi data berupa penyuntingan dan meringkas sehingga didapatkan data utama inti tulisan, penyajian data, penarikan kesimpulan, melakukan verifikasi dan tinjauan ulang data yang didapat agar penarikan kesimpulan dilakukan dengan benar yang berhubungan mengenai perilaku etika bisnis Islam dalam kajian riba dan bunga. (sugiyono, 2017)

3. RESULTS AND DISCUSSION

3.1 Perilaku Bisnis dalam Etika Islam

Perilaku dalam Islam berarti segala tindakan perbuatan atau ucapan yang dilakukan seseorang sedangkan perbuatan atau tindakan serta ucapan tadi akan ada kaitannya dengan agama Islam, semuanya dilakukan karena adanya kepercayaan kepada Tuhan dengan ajaran, kebaktian dan kewajiban-kewajiban yang bertalian. Sehingga perilaku merupakan sekumpulan sikap yang dimiliki oleh manusia yang dipengaruhi oleh adat, sikap, emosi, nilai, tika, kekuasaan. Sementara bisnis ialah serangkaian aktivitas bisnis dalam berbagai bentuknya yang tidak dibatasi

jumlah kepemilikan hartanya (barang/jasa) termasuk profitnya, namun dibatasi dalam cara memperolehnya dan pendayagunaan hartanya karena aturan halal dan haram. Dari berbagai sarana perolehan nafkah dan kekayaan, Islam menempatkan bisnis diantara yang paling mulia. Namun, disisi lain bisnis ditempatkan sebagai kewajiban sosial individu.

Sementara etika menurut etimologi yakni berasal dari bahasa Yunani ethos yang memiliki makna sikap, cara berpikir, kebiasaan, adat, akhlak, perasaan serta watak kesusilaan. Istilah etika telah dipakai Aristoteles, filsuf Yunani, untuk menunjukkan filsafat moral. Jadi etika berarti prinsip, norma dan standar perilaku yang mengatur individu maupun kelompok yang membedakan apa yang benar dan apa yang salah. Etika bisnis (*business ethic*) berusaha untuk melarang perilaku bisnis, manajer perusahaan dan pekerja yang seharusnya tidak dilakukan. Etika bisnis mempengaruhi bagaimana perusahaan berkaitan dengan para pekerjanya, bagaimana pekerja berhubungan dengan perusahaan serta bagaimana perusahaan berkaitan dengan agen ataupun pelaku ekonomi lain. Etika sebagai praktis berarti nilai-nilai dan norma-norma moral sejauh mana dipraktekkan atau justru tidak dipraktekkan, walaupun seharusnya dipraktikkan. Etika sebagai refleksi adalah pemikiran moral. Dalam etika sebagai refleksi kita berfikir tentang apa yang harus dilakukan atau tidak boleh dilakukan. Secara filosofi etika memiliki arti yang luas sebagai pengkajian moralitas.

Islam menempatkan nilai etika di tempat yang paling tinggi. Pada dasarnya, Islam diturunkan sebagai kode perilaku moral dan etika bagi kehidupan manusia, seperti yang disebutkan dalam hadis: “Aku diutus untuk menyempurnakan akhlak yang mulia”. Terminologi paling dekat dengan pengertian etika dalam Islam ialah akhlak. Dalam Islam, etika (akhlak) sebagai cerminan kepercayaan Islam (iman). Etika Islam memberi teguran internal yang kuat dan otoritas pelaksana dalam menjalankan standar etika.

3.2 Perilaku Bisnis Islam yang tidak sesuai dengan etika Islam

3.2.1. Riba

Kata riba berasal dari bahasa Arab, yang bermakna tambahan (ziyadah), berkembang (an-numuw), membesar (al-uluw) dan meningkat (al-irtifa’). Secara umum riba adalah tambahan. Oleh sebab itu yang bertambah dan berkembang disebut riba. Dalam KBBI, riba berarti "pemberi pinjaman uang: riba, bunga mata uang, dan rente. Namun menurut Sayyid Sabiq yakni anggaplah rentenir itu tambahan (al- ziyadah). (Bachri, 2018)Sehingga riba merupakan peningkatan yang diperlukan seseorang dalam pelaksanaan perdagangan, yakni uang yang didapatkan dari suatu barang piutang, barang ini bisa seperti perhiasan, sembako, buah-buahan hingga tanaman yang dapat ditukar oleh beberapa cara. Riba menurut prinsip berarti menambah aset utama tanpa mempunyai kegiatan bisnis yang sebenarnya. Menurut Ibn Qudamah, riba ialah tambahan terhadap komoditas ataupun objek perdagangan suatu tertentu. (Zuhri, 1997)Sehingga riba ialah sesuatu penetapan nilai tambahan maupun melebihkan jumlah pinjaman ketika pengembalian berlandaskan pada persentase tertentu dari jumlah pinjaman asal yang dibebankan terhadap peminjam yang pada akhirnya orang yang meminjam merasa sangat terbebani. Namun bukan hanya menjadi persoalan bagi umat Islam saja, riba juga menjadi persoalan bagi setiap individu agama lain. Menurut tradisi bangsa Arab indikator makna riba yakni tambahan uang disebabkan adanya tenggang waktu. (Al-Shatibi, 1975)

Hadist tentang Riba

كل قرض جر نفعا فهو ربا

Artinya: “Setiap akad hutang piutang sama dengan mengambil manfaat termasuk riba”

Para ulama sudah bersepakat yakni setiap tambahan yang dipersyaratkan atas pokok dari sebuah utang ialah riba. Namun ada perbedaan pendapat dikalangan para ulama dahulu. dan

kontemper terkait dengan manfaat yang tidak berupa uang yang didapatkan dari akad hutang – piutang (qardh). (Katsir, 2008)

Riwayat kesatu:

)حديث مرفوع (وَقَالَ الْحَارِثُ بْنُ مُحَمَّدِ بْنِ أَبِي أُسَامَةَ حَدَّثَنَا حَفْصُ بْنُ حَمْزَةَ ، أنا سَوَّارُ بْنُ مُصْعَبٍ ، عَنْ عُمَارَةَ الْهَمْدَانِيِّ ، قَالَ :سَمِعْتُ عَلِيًّا رَضِيَ اللَّهُ عَنْهُ ، يَقُولُ :قَالَ رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ " :كُلُّ قَرْضٍ جَرَّ مَنْفَعَةً فَهُوَ رِبًا " .

Artinya: (hadis marfu') Telah berkata Al-Harits, telah menceritakan kepada kami Hafsh Ibn Hamzah, telah mengabarkan kepada kami Sawwar Ibn Mush'ab dari Umarah Al-Hamdanii, ia berkata saya mendengar dari Ali ra., bahwa Rasul SAW bersabda: "Setiap akad qardh dengan mengambil manfaat adalah riba". (Rumsida, 2016)

Riwayat kedua

حدثنا حفص بن حمزة أنبأ سوار بن مصعب عن عمارة الهمداني قال سمعت عليا يقول قال رسول الله صلى الله عليه و سلم :كل قرض جر منفعة فهو ربا

Telah menceritakan kepada kami Hafsh Ibn Hamzah, telah mengabarkan kepada kami Sawwar Ibn Mush'ab dari Umarah Al-Hamdanii, ia berkata saya mendengar dari Ali ra., bahwa Rasul SAW bersabda: "Setiap akad qardh dengan mengambil manfaat adalah riba". (Muttaqin, 2008)

Kemudian Az-Zaila'i berkata:

رَوَى الْحَارِثُ بْنُ أَبِي أُسَامَةَ فِي "مُسْنَدِهِ "حَدَّثَنَا حَفْصُ بْنُ حَمْزَةَ أَنَا سَوَّارُ بْنُ مُصْعَبٍ عَنْ عُمَارَةَ الْهَمْدَانِيِّ ، قَالَ : سَمِعْت عَلِيًّا يَقُولُ :قَالَ رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ : (كُلُّ قَرْضٍ جَرَّ مَنْفَعَةً فَهُوَ رِبًا

Hadis ini diriwayatkan Al-Harits Ibn Abi Usamah dalam kitab musnadnya, telah menceritakan kepada kami Hafsh Ibn Hamzah, telah mengabarkan kepada kami Sawwar Ibn Mush'ab dari Umarah Al-Hamdanii, ia berkata, saya mendengar Ali ra., ia berkata, Rasul SAW bersabda:" Setiap qardh dengan mengambil manfaat adalah riba".

Majelis Ulama Indoneisa (MUI) memaknai riba sebagai "tambahan (ziyadah) tanpa imbalan yang terjadi sebab penangguhan pada pembayaran yang diperjanjikan sebelumnya yakni disebut riba nasî'ah". Para pakar ekonomi menyatakan riba sebagai "suatu kelebihan" maupun "kelebihan yang sangat besar jumlahnya". Sebagian ulama sepakat bahwasanya jenis yang kedualah yang dapat menyebabkan timbulnya "riba". Para ulama sepakat mengatakan, yakni setiap penambahan terhadap uang pinjaman yang ketika dikembalikan oleh peminjam menimbulkan suatu riba, sehingga hal ini tidak diperbolehkan.

Ada beberapa pendapat dalam menjelaskan riba, akan tetapi secara umum di tegaskan bahwasanya riba ialah pengambilan tambahan, baik dalam transaksi jual-beli maupun pinjam- meminjam secara batil maupun bertentangan terhadap prinsip muamalah dalam Islam. Ibrahim Warde, menyatakan yakni saat ini konsep darurat serta maslahat sudah menjadi kebiasaan dalam praktik masyarakat serta juga sudah mempengaruhi para ulama pembaharuan. Seperti Fazlur Rahman, sebagaimana dijelaskan Ibrahim Warde, menyatkan bahwa "selama pola hidup masyarakat kita belum direkonstruksi menurut aturan Islam, penghapusan bunga atas simpanan di bank adalah suatu hal yang bersifat bunuh diri yang bisa merugikan kesejahteraan ekonomi masyarakat serta sistem keuangan negara serta bertentangan dengan tujuan Alquran dan Sunnah nabi.

Syafi'i Antonio, menjelaskan memaknai riba secara bahasa ialah tambahan, akan tetapi yang dimaksud riba pada ayat Qur'an ialah "setiap penambahan yang diambil tanpa ada suatu transaksi pengganti ataupun penyeimbang yang dibenarkan syariah". Maksud dari transaksi pengganti ataupun penyeimbang, yakni transaksi bisnis maupun komersial yang melegitimasi memiliki penambahan tersebut secara adil, seperti transaksi jual-beli, gadai, maupun bagi hasil proyek. Contohnya pada transaksi sewa-menyewa, yakni si penyewa membayar upah sewa sebab adanya manfaat sewa yang bisa dinikmati, termasuk menurunnya nilai ekonomis suatu barang sebab penggunaan si penyewa. Misalnya, kendaraan roda empat atau dua sesudah dipakai sehingga nilai ekonomisnya pasti menurun jika dibandingkan sebelumnya. Dalam hal jual beli, yakni si pembeli membayar harga atas imbalan barang yang diterimanya. Hal ini juga dalam proyek bagi hasil, para peserta perkongsian berhak memperoleh keuntungan sebab di samping menyertakan modal juga menanggung kemungkinan risiko kerugian yang bisa saja muncul dikemudian.

Sehingga tidak mudah menjelaskan riba, perdebatan serta perbedaan pandangan mengenai riba tidak akan ada habisnya, bahkan para ulama melarang mendiskusikan masalah tersebut lebih dalam. Sebagian dari ulama menyatakan jika aturan Alquran bertentangan dengan teori-teori modern, tidak ada alasan untuk ragu-ragu, sebab apa yang diperintahkan Alquran yang tidak kita fahami maksudnya pada saat ini, pasti akan menjadi jelas di kemudian hari. Mengenai riba dalam Alquran terulang sebanyak delapan kali terdapat dalam empat surah, yaitu al-Baqarah, Ali Imran, al-Nisa dan al-Rum. Tiga di antaranya adalah ter masuk kelompok surat Madaniyyah, sedang kan surah al-Rum tergolong surat Makkiyyah. Ini berarti bahwa surah al-Rûm adalah surah pertama yang turun dan membicarakan tentang riba.

Dalam pembagian model-model riba terdapat perbedaan di kalangan para ulama. Ada yang membagi riba kepada dua bentuk, yaitu riba fadl serta riba nasîiah. Sebagian membaginya ke dalam tiga bentuk, yaitu riba fadl, riba nasîiah serta riba jahiliyyah, maupun riba fadl, riba nasiah, serta riba yad. Sebagian lain membaginya kepada empat wujud, yaitu riba fadl, riba nasîiah, riba yad, serta riba qard. Perbedaan pembagian bentuk-bentuk riba tersebut dapat dimaklumi. Hal ini tidak bisa dilepaskan dari cara penafsiran serta kajian yang berbeda yang dilakukan oleh para ulama fikih pada ayat-ayat Alquran serta hadis tentang riba. Jika merujuk pada ayat-ayat Alquran dan hadis maka riba terbagi menjadi dua, yaitu:

a. Riba Fadl

Riba Fadl disebut juga riba buyû', yaitu riba yang timbul akibat pertukaran barang sejenis yang tidak memenuhi kriteria sama kualitasnya (mitslan bi mitslin), sama kuantitasnya (sawâ-an bi sawâ-in) dan sama waktu penyerahannya (yadan bi yadin). Pertukaran semisal ini mengandung gharar, yaitu ketidakjelasan bagi kedua pihak akan nilai masing-masing barang yang dipertukarkan.

b. Riba Nasiah

Istilah nasî'ah berasal dari kata yang berarti menunda menangguhkan, atau menunggu, dan mengacu pada waktu yang diberikan bagi pengutang untuk membayar kembali utang dengan memberikan "tambahan" atau "premi". Karena itu, riba nasî'ah mengacu kepada bunga dalam utang. Dalam arti inilah, istilah riba dipergunakan dalam Q.s. al-Baqarah: 275 dan Allah mengharamkan riba". Artinya

ini juga yang ditunjukkan oleh sabda Rasulullah Saw. ketika beliau mengatakan "Tidak ada riba kecuali nasi'ah".

2. Bunga Bank

Kata bunga merupakan terjemahan dari interest. Bunga dalam kamus yakni *interest is a charge for a financial loan,usually a percentage of the amountloaned*. Sehingga bunga ialah tanggungan pada pinjaman uang,yang biasanya yang ada presentase dari uang yang dipinjamkan. Pada pendapat lain juga bunga bank dimaknai sebgai suatu imbalan dari suatu usaha yang dilaksankan oleh bank. Imbalan tersebut pada praktiknya terkesan mengeksploitasi nasabah, terkhusus pada sistem kredit sebab setiap pinjaman kredit pasti disertai oleh persentase bunga. Para ulama yang menggunakan pendekatan tekstual, mengetahui bunga bank dari aspek legal-formal maupun secara deduktif, bertumpu pada tidak diperbolehkan bunga pada riba yang diambil dari teks (nas), dan tidak butuh pada aspek moral pada pengharamannya. (Mugiyati, 2009)

Majelis Ulama Indonesia dalam Loka Karya Alim Ulama di Cisarua tahun 1991 memutuskan bahwa: bunga bank sama dengan riba, bunga bank tidak sama dengan riba, dan bunga bank termasuk syubhat. Keputusan Fatwa Majelis Ulama Indonesia (MUI), Nomor 1 Tahun 2004, Tentang Bunga (Intersat/Faidah), yakni memutuskan: (Nur, 2015)

Pertama: Pengertian Bunga (Interest) dan Riba

1. Bunga (interest/fa'idah) ialah tambahan yang dikenakan dalam transaksi pinjaman uang (al-qardh) yang diperhitungkan dari pokok pinjaman tanpa mempertimbangkan pemanfaatan/hasil pokok tersebut, berdasarkan tempo waktu, diperhitungkan secara pasti di muka, dan pada umumnya berdasarkan persentase.
2. Riba ialah tambahan (ziyadah) tanpa imbalan (بلا عوض) yang terjadi sebab penangguhan dalam pembayaran (زيادة الأجل) yang diperjanjikan sebelumnya, (اشتُرط مقدماً). Dan inilah yang disebut riba nasi'ah.

Kedua: Hukum Bunga (Interest)

1. Praktek pembungaan uang saat ini sudah memenuhi jenis riba yang terjadi pada zaman Rasulullah SAW, yakni riba nasi'ah. Sehingga praktek pembungaan uang masuk pada bentuk riba, dan riba haram hukumnya.
2. Praktek pembungaan tersebut hukumnya ialah haram, baik dilakukan oleh Bank, Asuransi, Pasar Modal, Pegadaian, Koperasi, dan Lembaga Keuangan lainnya ataupun yang digunakan oleh seseorang.

Status Hukum Riba Sama atau tidak dengan Bunga Bank?

Bunga (interest/faidah) adalah tambahan yang dikenakan dalam transaksi pinjama uang (al-qardh) yang diperhitungkan dari pokok pinjaman tanpa mempertimbangkan pemanfaatan/hasil pokok tersebut, ber dasar kan tempo waktu, diperhitungkan secara pasti di muka dan pada umumnya berdasarkan persentase. Majelis Ulama Indonesia (MUI)telah mengeluarkan fatwa tentang status hukum riba dan bunga. Pertama, praktik pembungaan uang saat ini telah memenuhi kriteria riba yang terjadi pada zaman Rasulullah Saw. yaitu riba nasî'ah. Sehingga, praktik pembungaan uang ini termasuk salah satu bentuk riba, serta

riba haram hukumnya"; Kedua, praktik penggunaan tersebut hukumnya yakni haram, baik dilakukan oleh bank, asuransi, pasar modal, pegadaian, koperasi, dan lembaga keuangan lainnya maupun dilakukan oleh perorangan. (Hafnizal, 2017)Di kalangan para ahli fikih, ada perbedaan pendapat dalam memandang hukum riba dan bunga bank, sebagian mengatakan 'illat riba dan bunga bank itu sama, yaitu adanya tambahan atau bunga tanpa disertai imbalan. Pandangan ini dianut oleh ahli fikih Islam kontemporer, yaitu Abû Zahrah, Wahbah al-Zuhailî, Yûsuf al-Qaradhawi (ahli fikih Timur Tengah), Abdul Mannan, Syafi'i Antonio, Adiwarman A. Karim (ahli hukum Islam dan praktisi perbankan Syariah Indonesia). Yûsuf al-Qaradhawi mengatakan bahwa pengharaman riba dalam Alquran tidak membutuhkan penjelasan, tidak mungkin Allah mengharamkan sesuatu kepada manusia yang tidak mereka ketahui bentuknya. Segala kelebihan dari modal adalah riba, sedikit maupun banyak. Setiap tambahan dari modal yang disyaratkan atau ditentukan di awal, semata dikarenakan adanya unsur tenggang waktu adalah riba. (Usman, 2014)

Senada dengan Wahbah al-Zuhayli, Adiwarman A. Karim memasukkan bunga bank dalam ketegori riba nasiah. Sebab adanya bunga disebabkan adanya perbedaan kualitas, perubahan waktu atau tambahan jumlah antara barang yang diserahkan hari ini dengan barang yang diserahkan kemudian. Ini artinya untung dan hasil usaha muncul hanya karena berjalannya waktu. Padahal dalam bisnis selalu ada kemungkinan untung dan rugi. Abdul Mannan mengatakan bahwa jika terdapat perbedaan antara riba dalam Alquran dengan bunga dalam bank konvensional, itu hanya perbedaan tingkat bukan jenis, sesungguhnya baik riba maupun bunga merupakan askes atas modal yang dipinjam. Menyebut riba dendan bunga tidak akan merubah sifatnya, yaitu adanya tambahan atas modal. Sedangkan Syafi'i Antonio menyatakan kriteria berlipat-ganda bukanlah syarat terjadinya riba, tetapi itu hanya sifat. Besar ataupun kecil, bunga bank tetap riba, sebab sifat umum riba adalah berlipat ganda. Para sarjana Islam manyatakan dengan tegas bahwa larangan riba bukanlah mengisolasi hukum agama, tetapi suatu bagian integral ekonomi Islam yang dengannya mengandung keseluruhan etos, tujuan serta nilai-nilai. (Rumsida, 2016)

Definisi dan Dasar Hukum Gharar

Kata gharar berarti halayan atau penipuan, tetapi juga berarti risiko. Dalam keuangan biasanya diterjemahkan tidak menentu, spekulasi atau risiko. Keuntungan yang terjadi disebabkan kesempatan dengan penyebab tak dapat ditentukan, adalah dilarang. Karena mengandung risiko yang terlampau besar dan tidak pasti. Gharar dilarang dalam Islam bukan untuk menjauhi risiko. Tentu saja risiko yang sifatnya komersil disetujui dan didukung dalam Islam. Setiap jenis kontrak yang bersifat open-ended mengandung unsur gharar. Konsep gharar dapat dibagi menjadi dua kelompok, pertama, adalah unsur risiko yang mengandung keraguan, probabilitas dan ketidakpastian secara dominan. Kedua, unsur meragukan yang dikaitkan dengan penipuan atau kejahatan oleh salah satu pihak terhadap pihak lainnya. Lebih jelasnya, gharar merupakan situasi dimana terjadi *uncomplete information* karena adanya ketidakpastian kedua belah pihak yang bertransaksi. Dalam gharar ini, kedua belah pihak sama-sama tidak memiliki kepastian me ngenai sesuatu yang di transaksikan. Gharar bisa terjadi bila kita mengubah sesuatu yang seharusnya bersifat pasti menjadi tidak pasti. (Syahputra & Yoesoef, 2020)

Menurut pada ulama jenis dan tingkatan gharar itu berbeda-beda. Pertama, gharar berat. Batasan gharar berat yaitu "huwa mâ kâna ghaliyan fi al-aqdi hatta shara al- aqdu yusofu bih" (gharar berat) itu adalah gharar yang sering terjadi pada akad hingga menjadi

sifat akad tersebut). Contoh gharar berat ini, yaitu menjual buah-buahan yang belum tumbuh, menyewakan (ijarah) suatu manfaat barang tanpa batas waktu, memesan barang (akad salam) untuk barang yang tidak pasti ada pada waktu penyerahan. Gharar jenis ini hukumnya haram, karena dapat menimbulkan perselisihan antar pelaku bisnis dan akad yang disepakati tidak sah. Kedua, gharar ringan, yaitu gharar yang tidak bisa dihindarkan dalam setiap akad dan dimaklumi menurut 'urf tujjâr (tradisi pebisnis) sehingga pihak-pihak yang bertransaksi tidak dirugikan dengan gharar tersebut. Seperti membeli rumah tanpa melihat fondasinya, menyewakan rumah dalam beberapa bulan yang berbeda-beda jumlah harinya, menjual buah-buahan yang ada dalam tanah, menjual sesuatu yang hanya bisa diketahui jika dipecahkan atau dirobek. Gharar jenis ini dibolehkan dan akad yang disepakati tetap sah. (Maulidizen, 2016)

Riba/Bunga Bank dan Gharar: Tinjauan Etika Ekonomi Islam

Sebelum menganalisis lebih jauh mengenai etika ekonomi (bisnis) dalam Islam, terlebih dahulu akan dipaparkan mengenai definisi dari etika itu sendiri. Etika adalah cabang filsafat yang mempelajari baik buruk nya perilaku manusia. Kerena itu etika dalam segi ini sering juga disebut "filsafat praktis". Apabila ditambah dengan ekonomi (bisnis)-etika ekonomi-berarti sebuah filsafat praktis yang membahas seputar ekonomi (bisnis).Etika dalam ekonomi mengkaji tentang ekonomi yang memiliki etika sebagaimana wilayah-wilayah lain dari segi kehidupan manusia, seperti politik, budaya, sosial dan sebagainya. Artinya etika dalam hal ini belum merupakan suatu topik tersendiri. Ia masih sebagai cabang satu topik bernama ekonomi (bisnis). Kemudian pada tahun 1970-an etika ekonomi (bisnis) baru muncul sebagai satu topik tersendiri yang terlepas dari kerangka topik ekonomi (bisnis). (Pudail et al., 2018)Sistem etik ekonomi menekankan produk, kewajaran dan kejujuran di dalam per dagangan serta kompetisi yang adil. Perihal pertimbangan yang etik untuk larangan riba, terdapat tiga hal, riba secara tidak wajar, eksploitasi dan tidak produktif. Bunga dalam pandangan tradisional mendasarkan hubungan antara pemberi pinjaman dan peminjam, dalam hal ini peminjam sendiri baik dia rugi ataupun mendapat manfaat ditanggung sendiri. Sebaliknya pemberi pinjaman mencari uang tanpa tergantung dengan hasil bisnis spekulasi tersebut. Islam menyukai risiko kerugian ditanggung bersama dengan kesepakatan oleh keduanya. Dalam hal ini Islam menolak gharar yang selalu spekulatif. (Anindya, 2017)

Secara etika pelarangan riba dikarenakan tidak etis melakukan transaksi yang mengeksploitasi pihak lain. Secara ekonomi ini tentunya akan merugikan satu pihak dan menguntungkan pihak lain. Riba ini dilarang bertujuan agar tidak ada pihak-pihak yang bertransaksi dalam ekonomi yang dirugikan dan agar uang tidak menjadi komoditas tetapi sebagai alat tukar yang menghasilkan barang. Hal yang sama dengan gharar. Secara etika pelarangan gharar dikarenakan tidak etis melakukan transaksi yang belum jelas dan mengandung ketidakpastian kedua belak pihak. Secara ekonomi ini tentunya aka merugikan satu pihak dan menguntungkan pihak lain. Gharar ini dilarang bertujuan agar tidak ada pihak- pihak yang bertransaksi dalam ekonomi yang dirugikan karena tidak mendapatkan haknya dan agar tidak terjadi perselisihan dan permusuhan di antara yang bertransaksi. (Hardiati, 2021)Mengapa Islam melarang riba dan gharar. Sebab riba dan gharar merupakan suatu sikap yang menyalahi nilai-nilai yang telah ada dalam Islam itu

sendiri, baik itu dari segi etika moral dan akhlak. Secara umum nilai-nilai (etika) Islam dirangkum dalam empat prinsip pokok:

1. Tauhid.

   Prinsip ini mengantarkan manusia mengakui bahwa keesaan Allah mengandung konsekuensi keyakinan bahwa segala sesuatu bersumber serta kesudahannya berakhir kepada Allah. Prinsip ini menghasilkan "kesatuan-kesatuan" yang beredar dalam orbit tauhid. Kesatuan itu antara lain, kesatuan kemanusiaan, kesatuan alam raya, kesatuan dunia dan akhirat.

2. Keseimbangan.

   Prinsip ini mengantarkan manusia Muslim meyakini bahwa segala sesuatu diciptakan Allah dalam keadaan seimbang dan serasi. (Q.s. al-Mulk [67]: 3). Prinsip ini menuntun prinsip-prinsip yang lainnya.

3. Kehendak bebas.

Merupakan prinsip yang mengantarkan seorang Muslim meyakini bahwa Allah memiliki ke bebasan mutlak, namun juga Allah mem berikan kebebasan kepada

   manusia untuk memilih jalannya sendiri, baik itu yang baik ataupun yang buruk. Inilah kemudian, dasar lahirnya prinsip tanggung jawab.

4. Tanggung jawab.

   Manusia sebagai individu dan kolektivitas mempunyai ke bebasan penuh untuk menentukan nasibnya sendiri, tapi harus sesuai dengan kaidah-kaidah Islam.

Dengan menjadikan wahyu sebagai pengetahuan tertinggi tentang kriteria yang baik dan yang buruk, maka ajaran Islam tentang etika dan moral bersifat mutlak, yang menganggap riba dan gharar merupakan suatu bentuk yang menyalahi kaidah moral dan etika Islam. Selain bersifat mutlak tersebut etika Islam juga sifatnya permanen, eternal dan universal. Ia tidak tunduk terhadap ruang dan waktu tapi mangatasi ruang dan waktu. Nilai- nilai moral dalam Islam berlaku untuk semua orang dan semua tempat tanpa memandang latar belakang etnis kesukuan, kebangsaan, dan keadaan sosio kultural serta lingkungan geografis mereka. Dalam Islam hanya terdapat kode moral untuk semua orang.

Nilai-nilai moral yang diajarkan oleh Islam mempunyai kesetabilan keserbatetapa dan ketegasan sebagaimana dinyatakan oleh Allah dalam struktur ajaran-ajaran-Nya yang berbentuk perintah dan larangan. Apa yang disuruh oleh Allah adalah baik maka itu harus dikerjakan, sedang apa yang dilarang-Nya adalah buruk dan oleh karena itu ia haru ditinggalkan. Sementara itu Islam juga menyediakan sanksi-sanksi untuk mempertahankan cita-cita etis ini. Agama memberi petunjuk bagaimana moral (etika, akhlak) itu dijalankan. Agama lah yang memberikan hukum-hukum moral dan karenanya agamalah yang memberikan sanksi yang terakhir dari semua tindakantindakan moral. Sementara itu pula, Islam mengajarkan seperangkat latihan-latihan peribadatan, salat misalnya, yang dimaksudkan untuk membina dan mengantarkan manusia ke tingkat pencapaian kualitas moral yang luhur dan mulia.

4. CONCLUSION

Dari apa yang telah dijelaskan diatas bahwa tidak mudah menjelaskan riba, apalagi dikaitkan dengan bunga pada lembaga keuangan modern (bank), perdebatan dan perbedaan pan dangan tentang riba tidak akan ada habisnya. Dalam Islam etika dan bisnis merupakan satu

kesatuan utuh yang tidak bisa dipisahkan antara satu dengan lainnya. Oleh karena itu, pebisnis muslim harus tunduk kepada nilai dasar etika bisnis Islami yang mencakup tauhid keseimbangan, kehendak bebas, tanggungjawab, dan kebenaran. Jika dilihat dari sisi etika transaksi Islam, baik riba, bunga dan gharar menyalahi ke etisan dalam transaksi. Sistem etik ekonomi menekankan produk, kewajaran dan kejujuran di dalam perdagangan serta kompetisi yang adil. Pertimbangan yang etik untuk larangan riba, terdapat tiga hal, riba secara tidak wajar, eksploitasi dan tidak produktif. Hal yang sama dengan gharar. Secara ekonomi ini tentunya akan merugikan satu pihak dan menguntungkan pihak lain. Riba ini dilarang bertujuan agar tidak ada pihak-pihak yang bertransaksi dalam ekonomi yang dirugikan dan agar uang tidak menjadi komoditas tetapi sebagai alat tukar yang menghasilkan barang. Gharar dilarang bertujuan agar tidak ada pihak-pihak yang bertransaksi dalam ekonomi yang dirugikan karena tidak mendapatkan haknya dan agar tidak terjadi perselisihan dan permusuhan di antara yang bertransaksi.

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CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE
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CORRELATION OF WORKER WELFARE AND INDUSTRIAL RELATIONS

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Abstract

The smooth running of business in activities in the workplace occurs when there is a harmonious relationship between employers and workers based on working relationships in an industrial environment. Workers should feel well-being as part of the membership of a business enterprise. This study aims to determine the correlation between worker welfare and industrial relations. Observations were made in a company with a workforce of more than 1000 people in East Java Province. The number of samples taken was 100 people with purposive sampling technique. The collected data is then processed through the SPSS program with statistical correlation techniques. The results obtained are that there is a significant correlation of worker welfare and industrial relations. The form of correlation is positive or unidirectional and quite strong. The better and the welfare felt by the workers, the better and harmonious industrial relations will be created on both sides.

Keywords: ***worker welfare, industrial relations, human resources.***

1. INTRODUCTION

The development of the business world is influenced by human resources as workers in the company to implement operational and production activities. The company recruits, maintains and retains its employees in order to run and advance the business based on common interests (Wahyudi et al., 2006). All these activities lead to reciprocal relationships. It leads to benefits for all parties, namely workers, management, society and government (Gunawan, 2015).

The welfare of workers is a very important thing that must be considered by a company. Welfare in terms of financial and non-financial. The feasibility of the wage system has been listed in Ministerial Regulation Number 1 of 1999 Article 1 Paragraph 1, Law Number 13 of 2003, Government Regulation of 1981, Ministerial Regulation Number 01 of 1999 and most recently Permenaker Number 1 of 2017. Legal protection for workers is the fulfillment of rights the basis that is inherent and protected by the constitution as regulated in Article 27 paragraph (2) of the Constitution of the Republic of Indonesia. Protection of workers is intended to guarantee workers' rights and guarantee equal opportunities and treatment (Irsan, 2016). The existence of legal protection is needed because workers may be in a weak position (Husni & Zainal, 2012). Protection of workers is intended to ensure the fulfillment of workers' rights as well as guarantees on opportunity, equality, and treatment without any act of discrimination to strive for the achievement of prosperous conditions for workers (Budiono, 2011).

Welfare can be fulfilled if workers earn a decent income for sure to meet the basic demands of living for themselves and their families, increase work productivity and have the ability to be economically and have purchasing power (Issalillah, 2020). The wage system must be able to reflect justice by providing rewards that are in accordance with their service contributions and encouraging improvements in welfare and their families (Andayani, 2019).

Insufficient attention to employee welfare leads to disharmonious relationships between employers and employees ((Khasanah, 2018); (Sinambela, 2021)). Whereas a harmonious relationship is needed by each party to realize common interests. It is like the scope of industrial relations. The system of relations that occurs between interrelated parties to achieve the expected goals in the production process is called industrial relations (Syamsuddin, 2004). Activities that occur in the workplace will run smoothly if each party is successful in maintaining working relations in the industrial sphere. It is important to maintain working relationships in the industrial sphere in managing workers who have different characters, abilities and motivations in working in the company ((Putra et al., 2020); (Didit Darmawan et al., 2020)).

The goal to be achieved in industrial relations is to create a just and prosperous society with the principles of partnership and balance, based on kinship and mutual cooperation and deliberation to reach consensus. The principle of kinship and mutual cooperation as well as the principle of deliberation and consensus are philosophically the basis for mental attitudes and social attitudes in industrial relations.

This study intends to observe the correlation between employee welfare and industrial relations. The sensitivity of the topic raised in this study causes it to be unable to mention the object of research in detail, but the observations were made in a company with more than 1000 employees in East Java Province.

2. IMPLEMENTATION METHOD

This research approach is a correlational research approach to examine the relationship between variables. Primary data collection was obtained from observations of workers' activities at work and the distribution of research questionnaires to each respondent, in this case employees. The number of samples taken was 100 people with purposive sampling technique.

The variable of worker welfare is the remuneration provided by the company to employees along with conditions that are safe and prosperous, protected from various threats and difficulties felt by workers. The form can be material or non-material provided based on company policy. This variable can be viewed from three things, namely about economic welfare; welfare based on facilities; and welfare based on service.

Industrial relations are relations between actors in the process of producing goods or services that are interrelated, interact and have an interest. The measurement element is viewed from three things, namely the company's compliance in implementing the laws and regulations; availability of safe and adequate work facilities and facilities; and control and mechanism of production organization.

Each measurement element is translated in the form of items in the questionnaire to the respondents using a Likert scale to capture the opinions of the respondents. The collected data is then processed through the SPSS program with statistical correlation techniques.

3. RESULTS AND DISCUSSION

After distributing the questionnaires, 100 respondents were obtained. There were 46 men and 54 women. This is considered quite balanced regarding the gender proposition. The minimum work experience selected purposively is having worked for more than five years. There are 74 respondents with 5 – 10 years of service. The rest are more than 10 years old. This is based on the assessment and monitoring of workers on the industrial relations that have existed between them and the employer.

The normality test was carried out using the One-Sample Kolmogorov-Smirnov Test design. Based on the output of SPSS, the results show that the research variables have a significance > 0.05, namely the welfare of workers and industrial relations are both equal to 0.6 so it is stated that

the distribution of data from these two variables is normal. Correlation analysis in order to determine the significant relationship between variables. The results are in the following table.

Table 1. Product Moment Correlation Results

		Worker Welfare	Industrial relations
Worker Welfare	Pearson Correlation	1	.504*
	Sig. (2-tailed)		.004
	N	100	100
Industrial relations	Pearson Correlation	.504*	1
	Sig. (2-tailed)	.004	
	N	100	100

The significance level of the correlation between variables is 0.004 which means there is a strong significant correlation between workers' welfare and industrial relations because the significance is less than 5%. Based on the results of the analysis found that there is a significant correlation of worker welfare and industrial relations. The form of correlation is positive or unidirectional and quite strong. The better and the welfare felt by the workers, the better and harmonious industrial relations will be created on both sides.

Welfare is given to workers in the form of various benefits and employee welfare programs whose delivery should not be based on the worker's performance but based on their membership as part of the organization, as well as to carry out their lives normally and work better (D Darmawan, 2021). Workers' welfare in the context of industrial relations is provided based on applicable regulations and the company's ability to meet the physical and mental needs of workers and their families as human beings who have dignity (Sinambela et al., 2020). According to (Didit & Nikmah, 2020), the welfare provided is in the form of financial and non-financial compensation in the form of facilities and services that can be enjoyed by workers so as to create morale and a loyal attitude of workers.

The existence of welfare felt by workers will form good industrial relations and vice versa. In the sense that this understanding will encourage the creation of worker welfare because a good relationship will make them feel comfortable at work, feel valued, and feel cared for by their superiors . However, workers must empower themselves and realize that behind the demands of welfare, they must also make a meaningful contribution to the progress of the company (Andayani et al., 2010). This is a mutually beneficial form of relationship and that's how it should be.

4. CONCLUSION

Based on the results of the analysis, it is proven that there is a significant correlation of worker welfare and industrial relations. The form of correlation is positive or unidirectional and quite strong.

The welfare program provided by the company to its employees should be useful, so that it can encourage the achievement of effective company goals. Employee welfare programs should be in accordance with the provisions set by the company and do not violate government regulations.

Employers and workers must maintain a harmonious relationship, efforts to resolve problems in the form of kinship must be maintained in order to avoid acts of violence in solving a problem, thereby increasing the welfare of workers.

In order to maintain good industrial relations, trade unions and management should cooperate with each other to maintain continuous communication so that already good relations can be improved and strive to improve those that are not yet good. Each party must be aware of each other's duties

and obligations based on good faith and consider them as business partners so that industrial relations can continue to be fostered optimally which will have an impact on the progress of the company that will be enjoyed together

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CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE
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THE EFFECT OF CAPITAL ADEQUACY, LIQUIDITY AND FIRM SIZE ON EARNINGS MANAGEMENT WITH CORPORATE GOVERNANCE AS MODERATING VARIABLES IN CONVENTIONAL BANKING LISTED ON IDX 2015 – 2019

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Abstract

With corporate governance as a moderating variable, this study intends to examine the impact of capital adequacy, liquidity, and firm size on earnings management. This study's population consists of 45 conventional banks that were listed on the Indonesia Stock Exchange between 2015 - 2019. Purposive sampling was used to choose the sample, which resulted in a total sample of 33 firms. Multiple regression analysis using Eviews 9 software is the analytical technique used to test the hypothesis. The results of this study indicate that the capital adequacy variable has a significant effect and liquidity has an insignificant effect, both of which have a negative coefficient value, while firm size has a significant effect on earnings management with a significant coefficient value. positive. Meanwhile, corporate governance is able to moderate the effect of capital adequacy on earnings management and is unable to moderate the effect of liquidity on earnings management with a decreasing t-statistic value, while corporate governance is able to moderate the effect of t-statistics value. Simultaneously, capital adequacy, liquidity, firm size and being moderated by corporate governance have a significant effect on earnings management

Keywords: ***Adequacy, Liquidity, Firm Size, Corporate Governance, Earnings Management.***

1. INTRODUCTION

Banking is a financial sector that listed in IDX and that become the pillars of Indonesia's economic growth that shows that banking is an asset-based financial entity (Faisal et al., 2021). Both for the lower middle class and the upper middle class. The banking sector is an intermediary institution through saving or investment that requires funds through credit. All profit-making institutions, including banks, also should achieve profitable expansion and maximize shareholder wealth. This is accomplished through expanding bank profitability, boosting firm value, raising executive compensation, and increasing tenure.

An important role is held by management in relation to the company's financial statements, but not infrequently the management actually manipulates the numbers contained in the financial statements, so that it shows the condition of the company that seems to have good performance when in fact the company is in a state of disrepair. which is not good.(Panjaitan & Muslih, 2019) explained that this was done with the aim that users of financial statements still gave their trust to the company and attracted investors to invest

in the company. One form of deviation in the financial statements by the management is by influencing the level of profit or known as the practice of earnings management.

Indications of earnings management practices such as findings (Zainuldin & Lui, 2018) and (Nasution & Setiawan, 2020) there are earnings management practices in banking. The earnings management philosophy is to take advantage of the flexibility of standard methods and accepted accounting principles. Of course the various interpretations that can be taken from the executive procedures of an accounting standard can be another reason for earnings management (Abbaspour, 2017). Earnings management is one of the most essential areas of financial reporting quality, and it is a major source of concern for all parties involved in a company's operations. As according to (Jones & Sharma, 2001) "Earnings management occurs when managers use judgment in financial reporting and transaction structuring to alter financial statements to mislead a number of stakeholders about the economic performance of the firm, or to influence contractual outcomes that depend on reported accounting numbers". To detect fraud, it is necessary to have audit expertise listed in the corporate governance indicators (Faisal & Sari, 2018).

Since the company's ownership and management have been separated, the issue of corporate governance has arisen (Rebecca & Siregar, 2012) (Faisal, 2018). Because this can lead to information asymmetry between the two parties. The management (agent) benefits more than the shareholders because they know more about the company (principal). Effective corporate governance reduces information asymmetry by boosting management accountability and lowering shareholder information risk. Like maqashid sharia, corporate governance also aims to educate individuals to be good sources for society and not harm other parties (Faisal & Sudibyo, 2020).

Cases that occurred in Indonesian banking, in 2018 Bank Bukopin indicated that there was a modification or manipulation of financial statements using management on credit card business income, this modification caused Bukopin's credit position and commission income to increase unnaturally. The 2016 revised financial report appeared on April 25, 2018, the previous 2016 profit was recorded at Rp.1,08 trillion to Rp.183,56 billion (https://ekonomi.kompas.com , 2018). Then in 2000, the Bank Indonesia Liquidity Assistance (BLBI) bailout fund was issued in the amount of Rp. 144.5 trillion, but 95% of the funds were diverted (https://www.bbc.com/indonesia , 2019). Like Century Bank, which misappropriated customer funds of up to Rp. 2.8 trillion and the sale of fictitious mutual funds that do not have permits from Bank Indonesia and Bappepam LK (https://news.detik.com, 2010).

One of the factors that affect banking profits is the amount of capital. Maintaining sufficient capital and the ability of banks' management to identify, measure, supervise, and control the risks that can affect the quantity of bank capital is referred to as Capital Adequacy in banking (Nugrahanti et al., 2018). BI Circular Letter Number 9/29/DPbs on December 7, 2007 stated that the Capital Adequacy Ratio (CAR) is used to measure capital adequacy in Indonesian banks. The company's own capital divided by its Risk Weighted Assets (RWA) serves as a proxy for its CAR amount. Thus, the CAR reflects how much of a drop in bank assets may be covered by bank equity; the greater CAR indicates that a bank is in decent condition (Indriani, 2010).

The quality of information provided by the company is quality financial information, so it tends to invest (Faisal & Sari, 2020). Then another factor that affects investment is

liquidity. Liquidity is the ability to meet short-term obligations. A company's capacity to pay short-term obligations on schedule is favorable if it has large current assets (Kurniawan & Suwarti, 2017). Meanwhile, Riahi et al. (2013) there is a positive and significant correlation between earnings management performed by Tunisian enterprises and market liquidity.

Company size is also one of the drivers of earnings management practices in banking, companies that have larger assets allow more earnings management practices because big enterprises are under more pressure from investors and financial analysts to report positive earnings or profit rises (Ali et al., 2015). Due to this pressure, the greater the information asymmetry that aims to meet financial expectations (Nalarreason et al., 2019). Big enterprises are also more likely than smaller organisations to engage in earnings management, owing to the fact that big enterprises have more complicated operational operations than smaller companies, which provides more opportunity for earnings management (Medyawati & Dayanti, 2016).

2. LITERATURE REVIEW AND HYPOTHESIS

2.1. Earnings Management

Scott (2003), (Barutu, 2020) Earnings Management is the process through which managers choose accounting procedures in order to achieve specific objectives. In the process of presenting the firm's financial accounts for external parties, earnings management is management involvement in order to reach a given amount of profit with the goal of benefiting itself or the company itself (Supatminingsih & Wicaksono, 2020).

Healy & Wahlen (1999) in (Sunarto, 2016) states that the term earnings management refers to executives of a company manipulating financial accounts to manipulate earnings reported to shareholders and affect the outcome of an agreement based on reported accounting numbers. Earnings management is the conduct of managers to play with the discretionary accrual component in deciding the amount of corporate profits.

Discretionary accruals are components of accruals that are in the manager's policy, meaning that managers give their intervention in the accounting reporting process (Amperaningrum & Sari, 2013). Management of earnings differs from income smoothing as a technique used to limit variations in reported earnings in order to achieve a target level of earnings that is consistent with the desired level of earnings. This is because income smoothing is a pattern of earnings management.

The motivation for the occurrence of Earnings Management according to Scott (1997) in (Vidianto, 2009) are: a) Bonus program motivation: Managers who have access to the company's net income will act opportunistically to maximize existing profits. b) Political motivation: Management earnings are utilized to reduce publicly traded businesses' stated earnings. Companies frequently understate earnings in response to public pressure, which results in the government enacting more restrictive laws. c) Taxation Motive: The most obvious motivation for earnings management is tax savings. Numerous accounting techniques are employed with the goal of minimizing income tax. d) CEO Motivations Change: CEOs (Chief Executive Officers) facing retirement will tend to enhance their income in order to increase their bonuses, and if the firm performs poorly, they will maximize earnings in order to avoid being dismissed e) Initial Public Offering (IPO): Because firms that will go public do not yet have a market value, they require managers to engage in earnings management in their prospectus in order to increase the company's share

price. f) Debt Covenants Motivations: Debt agreements arise because of long-term contracts executed by earnings management. Violation of this will result in high costs to the company, therefore managers try to avoid violations of covenants.

2.2. Capital Adequacy on Earnings Management

Asymmetry of information produces a distance between shareholders and bank management, which has a significant impact on financial statements due to the existence of information asymmetry. As is the case with bank capital adequacy, when banks report good capital, people will be interested in raising their funds and potential investors will be interested in investing in shares. On the other hand, when banks report capital that tends to be bad, people do not believe in collecting their funds in the bank, so that the capital owned by the bank is getting worse, then a low CAR will motivate banks to carry out earnings management (Nalarreason et al., 2019) in accordance with the findings (Nurshofyani et al., 2016) (Religiosa & Surjandari, 2021) (Tanlicha, 2016) (Tahayyunihayah, 2017) (Indriani, 2010) that "the capital adequacy ratio has a negative effect on earnings management".
H_1: Capital adequacy affects earnings management

2.3. Liquidity on Earnings Management

The low liquidity value indicates that the bank's ability to repay loans extended to the public is low due to insufficient assets. This risks being very vulnerable to banks if bank credit is not able to return the total credit extended to the public. The low liquidity of the bank, the low income of the bank, this motivates the bank to carry out earnings management which aims to gain public attention and encourage the public to collect their funds in the bank, this is in accordance with the Agency Theory. The findings (Paramitha, 2020) (Religiosa & Surjandari, 2021) (Nurshofyani et al., 2016) (Tanlicha, 2016) found that "liquidity had a negative effect on earnings management".
H_2: Liquidity affects earnings management

2.4. Firm Size on Earnings Management

Larger organizations are more likely to utilize earnings management techniques because investors and financial analysts want them to exhibit positive earnings growth (Ali et al., 2015). Due to this pressure, the greater the information asymmetry that aims to meet financial expectations (Nalarreason et al., 2019). Large organizations are also more likely to adopt earnings management since their operations are more complicated, allowing for more opportunity for earnings management (Medyawati & Dayanti, 2016). The same thing was also found by (Prasavita Amertha et al., 2014) and (Behrghani et al., 2013) the greater the income of a company, the more interest in earnings management practices in the company.
H_3: Firm size affects earnings management

2.5. Capital Adequacy on Earnings Management with Corporate Governance as moderating

Corporate Governance inhibits earnings management. This is due to reduced information asymmetry, which prevents principals or stakeholders from knowing the true state of the company, and corporate governance's goal of promoting efficient, transparent,

and consistent markets. Because a firm's existence is determined by stakeholder support, the more support a corporation receives, the more earnings it will obtain.

As explained above, low capital adequacy will trigger bank management to carry out earnings management but corporate governance will weaken this influence, the better the bank in implementing corporate governance will further weaken the practice of earnings management.

H_4: Corporate governance moderates the effect of capital adequacy on earnings management

2.6. Liquidity on Earnings Management with Corporate Governance as moderating

The lower the LDR (Loan Deposit Ratio), the more driven the bank is to control earnings through boosting profits, but the application of the concept of Corporate Governance in the company in order to create alignment of the goals of all parties which will harm the stakeholders (Septianto et al., 2021). Tanjung (2015) and Syafa'ah (2017) found almost similar results, namely the application of corporate governance mechanisms will be able to reduce the opportunistic attitude carried by company managers so that it will improve performance as reflected in stock prices.

H_5: Corporate governance moderates the effect of liquidity on earnings management

2.7. Firm Size on Earnings Management with Corporate Governance as moderating

Information imbalances that arise due to differences in interests can be overcome by implementing Corporate Governance with the application of this concept, corporate reports will be more protected from earnings management practices if implementing Corporate Governance due to restrictions on manager's opportunistic behavior, and reducing information risk borne by stakeholders. The institutional ownership could improve the link of the firm size as well as its profits management approaches (Umami, 2015). Institutional ownership has an impact on the relationship between business size and earnings management because it acts as a proxy for institutional ownership. The greater the link between institutional ownership and firm size, the more likely it is that earnings management practices will increase as a result of these two variables being intertwined.

H_6: Corporate governance moderates the effect of firm size on earnings management

3. RESEARCH METHOD

This study uses panel data, which is a combination of time series and cross section data from 2015 to 2019. The research population is 45 conventional banks listed on the Indonesian stock exchange and a sample of 33 banks selected using purposive sampling technique. The data analysis model used is multiple linear regression analysis using Eviews 9. This research approach is carried out using a quantitative descriptive approach, the data used are figures obtained from the Annual Financial Report (Annual Report) of conventional banking published on the Indonesia Stock Exchange in 2015-2019.

Model 1

$$EM = a + \beta_1 CA + \beta_2 LQ + \beta_3 FS + \varepsilon \quad (1)$$

Model 2

$$EM = a + \beta_4 CA*CG + \beta_5 LQ*CG + \beta_6 FS*CG + \varepsilon \quad (2)$$

Note:

EM	=	Earnings Management
A	=	Regression Equation Constant
$\beta_1, \beta_2, \beta_3, \beta_4$	=	Regression Coefficient
CA	=	Capital Adequacy
LQ	=	Liquidity
FS	=	Firm Size
CG	=	*Corporate Governance*
ε	=	Residual / error

3.1. Earnings Management

The steps taken in the calculation of discretionary accruals which are then called the discretionary accruals model are as follows (Beaver & Engel, 1996) which have been tested by Rahmawati (2006) as the most suitable model for detecting earnings management practices that can be applied in banking companies.

$$NDA_{it} = \beta_0 + \beta_1 CO_{it} + \beta_2 LOAN_{it} + \beta_3 NPA_{it} + \beta_4 \Delta NPA_{it+1} + \varepsilon_{it} \quad (3)$$

Note:
NDA_{it} = non discretionary accruals
CO_{it} = *loan charge offs*
$LOAN_{it}$ = *loans outstanding*
NPA_{it} = *non performing assets*
ΔNPA_{it+1} = non performing *assets* t+1 with *non performing assets* t

According to the definition that:

$$TA_{it} = NDA_{it} + DA_{it} \quad (4)$$

*DA_{it} is discretionary accruals, TA_{it} is total accruals and NDA_{it} is non discretionary accruals, so:

$$TA_{it} = \beta_0 + \beta_1 CO_{it} + \beta_2 LOAN_{it} + \beta_3 NPL_{it} + \beta_4 \Delta NPL_{it+1} + z_{it} \quad (5)$$

*$z_{it} = DA_{it} + \varepsilon_{it}$

3.2. Capital Adequacy

Capital adequacy in this study was measured by the Capital Adequacy Ratio (CAR). The CAR value is based on the regulations stipulated by Bank Indonesia in the Circular Letter of Bank Indonesia Number 9/29/DPbs dated December 7, 2007, CAR is calculated using the formula:

$$CAR = \frac{\text{Tier 1 Capital + Tier 2 Capital}}{\text{Risk Weighted Assets}} \quad (6)$$

3.3. Liquidity

Liquidity in this study was measured by the Loan Deposit Ratio (LDR). The LDR value is obtained through a formula determined by Bank Indonesia through Bank Indonesia circular letter No. 3/30/DPNP dated December 14, 2001:

$$LDR = \frac{\text{Total Loan}}{\text{Total Deposit}} \quad (7)$$

3.4. Firm Size

Firm size value is measured by calculating the logarithmic value of the formula based on (Klapper & Love, 2004).

$$\text{Firm Size} = \text{Ln (Total Asset)} \quad (8)$$

3.5. Corporate Governance

Measurement of GCG indicators uses measurements according to (Wahidahwati, 2010), (Pujiati, 2019) Scoring criteria and respective weights. Presence of board of commissioners: weight 45%, Audit Committee: Weight 20%, Management: Weight 20%, Shareholder: Weight 15%.

The calculation of the Corporate Governance score for each sample is as follows:

(Score obtained: highest score) x % Weight (9)

Total Score = The sum of the scores for each point

Table 1 Corporate Governance

No	Indicator	Measurement	Scale	
			Range	Score
	Board of commissioners (45%)			
1	a. Board of commissioners size	All commissioners	0 s/d 3	2
			4 s/d 6	4
			6 s/d 8	6
			9 s/d 11	8
			>11	10
	b. Independent commissioners	Independent commissioners/All commissioners	0% - 20%	2
			21% - 40%	4
			41% - 60%	6
			61% - 80%	8
			81% *and above*	10

	c. Commissioners Ownership	Commissioners share ownership/ Outstanding shares	0% - 20%	2
			21% - 40%	4
			41% - 60%	6
			61% - 80%	8
			81% *and above*	10
	d. Audit Quality	Audited by big KAP (big four)	Yes	10
			No	0
2	Audit Commitee (20%)			
	a. Audit Committee size	Total audit members	0 s/d 3	2
			4 s/d 6	4
			6 s/d 8	6
			9 s/d 11	8
			>11	10
	b. Independent Audit Committee	Independent Audit Committee / Audit Committee	0% - 20%	2
			21% - 40%	4
			41% - 60%	6
			61% - 80%	8
			81% *and above*	10
	c. Financial Expert	Having a consultant in the financial sector	Yes	10
			No	0
3	Management (20%)			
	a. Board of Directors Size	All Board of Directors	0 s/d 3	2
			4 s/d 6	4
			6 s/d 8	6
			9 s/d 11	8

			>11	10
	b. Managerial ownership	Share Ownership of Directors and Commissioners / Total Shares Outstanding	0% - 20%	2
			21% - 40%	4
			41% - 60%	6
			61% - 80%	8
			81% *and above*	10
	c. Family relationship	Having a Family Relationship	Yes	0
			No	10
4	Ownership (15%)	Share ownership by banks, insurance companies, pension funds, mutual funds and other institutions / total shares outstanding.	0% - 20%	2
			21% - 40%	4
			41% - 60%	6
			61% - 80%	8
			81% *and above*	10

Sources of Pujiati (2019)

4. RESULT AND DISCUSSION

4.1. Result Research

4.1.1. Model 1 Regression Model Selection Results

Tabel 2 Chow Test

Effects Test	Statistic	d.f.	Prob.
Cross-section F	22.689223	(32,129)	0.0000

Sources of processed data

Based on the results of the Chow test using Eviews9 states that the probability value is 0.00 which is less than the value of the significance level ($\alpha = 0.05$), so H_a is accepted. This means that the best model used is the Fixed Effect Model (FEM). So, it is necessary to have a Hausman test in order to decide the best model between the Fixed Effect Model and the Random Effect Model.

Table 3 Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	0.000000	3	0.0000

Sources of processed data

Based on the results of the Hausman test, the probability value is 0.00, which is smaller than the significance level (α = 0.05), so H_0 is rejected. This means that the best model used is the Fixed Effect Model (FEM) and there is no need to continue the langrange multiplier test.

4.1.2. Model 1 Result Multiple Linear Regression

Table 4 t-test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-2345902.	760564.1	-3.084423	0.0025
CA?	-356360.0	148031.0	-2.407333	0.0175
LQ?	-149647.4	110822.5	-1.350334	0.1793
FS?	81465.89	25435.94	3.202787	0.0017

Sources of processed data

Table 5 F-test and Determination test

R-squared	0.864327	Mean dependent var	967063.3
Adjusted R-squared	0.827516	S.D. dependent var	2205904,
S.E. of regression	574829.4	Sum squared resid	4.26E+13
F-statistic	23.48043	Durbin-Watson stat	1.568195
Prob(F-statistic)	0.000000		

Sources of processed data

The test results using the Fixed Effect Model (FEM) can be concluded as follows: Capital Adequacy with a coefficient value of -356360.0 and a probability value of 0.0175 is significant at the level of = 5% (0.05), it can be interpreted that the Capital Adequacy variable has a negative and significant effect on Management Profit. The independent variable Liquidity with a coefficient value of -149647.4 and a probability value of 0.1793 is not significant at the level of = 5% (0.05), it can be interpreted that the Liquidity variable has no significant negative effect on Earnings Management. Firm Size with a coefficient value of 81465.89 and a probability value of 0.0017 is significant at the level of = 5% (0.05), indicating that the Firm Size variable has a significant positive effect on Earnings Management.

Based on table 5 the value of Prob (F-statistics) of 0.0000 indicates that the variables of Capital Adequacy, Liquidity and Company Size simultaneously have a significant effect on Earnings Management. R-Squared shows a value of 0.864327 which means that 86.43% of

the variables of Capital Adequacy, Liquidity and Firm Size can explain the Earnings Management variable.

4.1.3. Model 2 Regression Model Selection Results

Table 6 Chow Test

Effects Test	Statistic	d.f.	Prob.
Cross-section F	26.020570	(32,129)	0.0000

Sources of processed data

Based on the results of the Chow test using Eviews9 states that the probability value is 0.00 which is less than the value of the significance level ($\alpha = 0.05$), so H_a is accepted. This means that the best model used is the Fixed Effect Model (FEM). So it is necessary to have a Hausman test in order to decide the best model between the Fixed Effect Model and the Random Effect Model.

Table 7 Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	0.000000	3	0.0000

Sources of processed data

Based on the results of the Hausman test, the probability value is 0.00, which is smaller than the significance level ($\alpha = 0.05$), so H_0 is rejected. This means that the best model used is the Fixed Effect Model (FEM) and there is no need to continue the langrange multiplier test.

4.1.4. Model 2 Result Multiple Linear Regression

Table 8 t-test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-589883.1	277466.6	-2.125960	0.0354
CACG?	-615521.1	293895.1	-2.094356	0.0382
LQCG?	-210062.3	208644.2	-1.006797	0.3159
FSCG?	42104.39	20402.96	2.063641	0.0411

Sources of processed data

Table 9 F-test and Determination test

R-squared	0.868947	Mean dependent var	710086.6
Adjusted R-squared	0.833390	S.D. dependent var	1937604.

S.E. of regression	564743.8	Sum squared resid	4.11E+13
F-statistic	24.43818	Durbin-Watson stat	1.642350
Prob(F-statistic)	0.000000		

Sources of processed data

The test results using the Fixed Effect Model (FEM) can be concluded as follows: The variable of Capital Adequacy which is moderated by Corporate Governance with a coefficient value of -615521.1 and a probability value of 0.0382 is smaller than the significant level at the level of = 5% (0.05), which can be interpreted that Corporate Governance is able to moderate the effect of Capital Adequacy on Earnings Management. The Liquidity variable moderated by Corporate Governance with a coefficient value of -210062.3 and a probability value of 0.3159 is greater than the significant level at the level of = 5% (0.05), which means that Corporate Governance is not able to moderate the influence of Liquidity on Earnings Management. Firm Size variable which is moderated by Corporate Governance shows a coefficient value of 42104.39 and a probability of 0.0411 which is smaller than the significant level at the level of = 5% (0.05), which means that Corporate Governance is able to moderate the effect of Firm Size on Earnings Management. Based on table 9 the Prob (F-statistic) value of 0.0000 shows that the variables of Capital Adequacy, Liquidity, Firm Size moderated by the corporate governance variable simultaneously have a significant effect on Earnings Management. R-Squared shows a value of 0.8689 which means that 86.89% of the variables of Capital Adequacy, Liquidity, Firm Size moderated by Corporate Governance can explain the Earnings Management variable.

4.2. Discussion

4.2.1. Capital Adequacy on Earnings Management

A high or sufficient CAR will reduce earnings management because the bank is considered capable of providing funds for bank operational activities and the bank has met the criteria set by the bank. The negative effect on earnings management is also based on if a bank has a CAR below 8%, the bank will carry out earnings management before the financial statements are published to increase the CAR figure. Because if the CAR value does not show a good number, it will be subject to strict supervision by Bank Indonesia and reduce public confidence in banks and reduce the use of depository funds and other operational activities. This finding contradicts the findings Kartika Sari & Dwi Astuti (2015) which state that CAR has a significant positive effect on earnings management and is similar to the findings of Indriani (2010), Religiosa & Surjandari (2021) which states that CAR has a significant negative effect on earnings management. Also supports the findings of Nurshofyani et al. (2016), Tanlicha (2016), Amperaningrum & Sari (2013), and Tahayyunihayah (2017) which states that CAR has an insignificant negative effect on earnings management.

4.2.2. Liquidity on Earnings Management

From the coefficient and probability values above, it can be concluded that the lower the banking liquidity, which in this study uses the Loan Deposit Ratio (LDR), it will further improve earnings management. This is because LDR is one of the criteria for assessing the soundness of a bank, if the bank shows a low LDR ratio, the bank will be declared unhealthy,

with the bank being declared unhealthy it will signal investors and other parties to withdraw their funds from the bank as well as debts that are outstanding. must be paid immediately. As a result, it will further aggravate the bank's financial condition so that operational activities will not run optimally. The significance found in this study is not significant, this is because a high LDR ratio will have a different impact on profits, namely if credit is channeled effectively it will increase bank profits but if credit expansion is channeled carelessly so that credit expansion becomes less controlled, the risk will be greater. If the total credit disbursed by a large bank but credit payments are not smooth, this will reduce the bank's profitability. These results are in accordance with the findings Winingsih (2017) Tahayyunihayah (2017) and Tanlicha (2016) stating that the Loan Deposit Ratio (LDR) has an insignificant negative effect on earnings management. found is positively significant and (Abbaspour, 2017) states similar results, namely the Loan Deposit Ratio has a significant positive effect on earnings management.

4.2.3. Firm Size on Earnings Management

The larger the size of the bank will improve earnings management, this is because large banks have large assets and operational activities that require large capital as well. As a result, more investors are involved than the size of a small bank. When the bank has a lot of investors and other stakeholders, the stakeholder's expectations will be higher, because of this high demand, the bank also wants to always show good performance in order to maintain the trust and value of the company. In addition, the large size of the bank means that there are many operational activities that are not well controlled, this provides a larger gap for earnings management practices. These results are similar to the findings of Ali et al. (2015), Nalarreason et al. (2019), Prasavita Amertha et al. (2014), and Medyawati & Dayanti (2016) but contradict the findings of Astuti et al. (2017), Supatminingsih & Wicaksono (2020), Veronica (2015), and Linasmi (2017) which states that company size has an insignificant negative effect on earnings management while the findings of Linasmi (2017) and Prasetya & Gayatri (2016) state a significant negative result.

4.2.4. Capital Adequacy on Earnings Management with Corporate Governance as moderating

Corporate governance minimizes the practice of earnings management in banking. This is because the better the implementation of corporate governance, the lower the earnings management, as evidenced by the t-test values in model 1 and model 2 (moderating) showing a decreasing number. The existence of corporate governance aims to improve monitoring of bank actions to reduce information asymmetry. with the implementation of good CG limits the bank's earnings management. The higher the capital owned by the bank coupled with the presence of CG, the earnings management will decrease. We can conclude that corporate governance strengthens the effect of capital adequacy on earnings management.

4.2.5. Liquidity on Earnings Management with Corporate Governance as moderating

With the existence of CG, this will reduce earnings management because corporate governance limits out-of-bounds behavior and demands transparency on all bank performance. The implementation of good governance will minimize the occurrence of

earnings management. This means that banks that have a high Loan Deposit Ratio, coupled with good CG implementation, tend not to do earnings management.

4.2.6. Firm Size on Earnings Management with Corporate Governance as moderating

The larger the size of the company, the earnings management will increase. However, corporate governance weakens this relationship because CG binds companies to meet the standards desired by investors that demand accountability and transparency. Due to this attachment, the motivation of bank earnings management will decrease.

5. CONCLUSION

Based on the results of research conducted on the test of the effect of capital adequacy, liquidity and firm size on earnings management with corporate governance as a moderating variable, the conclusions of this study are: Capital adequacy has a significant effect on earnings management. Liquidity has no significant effect on earnings management. Firm size has a significant effect on earnings management. Corporate governance is able to moderate the effect of capital adequacy on earnings management significantly. Corporate governance is not able to moderate liquidity on earnings management. Corporate governance is able to moderate the effect of firm size on earnings management.

Limitations

The author after doing research knows that there are still limitations to the study, including: Limited number of samples, this study uses purposive sampling technique in selecting samples. The research period is still limited, namely from 2015 – 2019. The measurement of Corporate Governance which includes all indicators and does not yet know which indicators affect earnings management. Limited knowledge in the field of conventional banking, so they cannot dig deeper into information about theories, financial ratios, and other factors that can influence earnings management.

Recommendation

Researchers who will examine the title of this research are then expected to add new variables with a longer research year and add all financial performance assessment ratios set by the Financial Services Authority as well as factors that affect earnings such as profitability ratios, earnings per share, operating expenses to operating income ratio and others. The next researcher can further examine the indicators of corporate governance that are able to moderate earnings management considering that in this study corporate governance was tested using all indicators.

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Acknowledgments (if any)

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