

DETERMINANTS OF FINANCING FOR CONTEMPORARY SALE AND SHIRKAH ISLAMIC BANKING YEAR 2019-2023 TO QUALITY PROFIT WITH NPF AS A MODERATING VARIABLE

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Abstract

The background of the study is the influence of financing for sale and purchase and syirkah financing which still has a research gap by adding other variables, namely the addition of financing for sale and purchase and N which is one of the disincentives for banks to obtain profit or profit. Regard the irregular funding indicator as measured by the Net Performance Fund (NPF) ratio. This study aims to analyze financing for sale and purchase which has a significant effect on the Earnings Quality (ROA) of Bank Syariah Indonesia. Let's analyze whether Syirkah Financing has a significant effect the Earnings Quality (ROA) of Bank Syariah Indonesia. Analyze whether N can manage financing for sale and purchase and Syirkah financing productive ROA quality. This study is based on annual calculations for period 2019-2023. Using a qualitative descriptive method using a purposive sampling method. In this study, the example is the 2019-2023 financial report Data collection techniques Documentation Technique and Literature Study were then tested using the SPSS 23.0 test Based on the results of the study Buying and selling has a significant effect on the quality of income of Bank Syariah Indonesia for the period 2019-2023. There is no significant effect the quality of profit between Syirkah and Bank Syariah Indonesia in 2023. In the period 2019-2023 there is a significant effect between the quality of NPF income and Bank Syariah Indonesia. Buying and selling and NPF has a significant effect on the quality of profit of Bank Syariah Indonesia in 2023.

Introduction

Idea establishment bank sharia in Indonesia Actually Already There is since mid year 1970s. Matter This Once discussed in seminar national connection East Indonesia Middle year 1974 And seminar international year 1976 Which held by Institution Study Knowledge Social (LSIK) And Foundation diversity Single Ika. However, There is a number of reason Which prevent idea This applied :

1. From aspect political, draft banking sharia own meaning ideological, that is part or related with draft country Islam, so that government No want it.
2. Still question Who Which Want to invest in project like That, Because formation bank new East Middle Keep going blocked, including restrictions bank foreign Which want to open branch in Indonesia.

Finally, the idea of Islamic banking re-emerged since 1988, when the government issued the October Policy Package (Pact), which included the liberalization of the banking sector. Then researchers tried to create interest-free banks, but there was no legal instrument that could be relied on, except that banks could only set 0% interest. It was monitored in Cisarua, Bogor on 19 to 22 recommendations of the Ulama Discussion on Banks and Banking Interest held in August 1990, which was then discussed in depth in the IV National Conference (Munas) of the Indonesian Ulema Council (MUI). Hotel Jaya, Jakarta, 22–25 August 1990 a task force was formed to establish Islamic banks in Indonesia.

Bank Muamalat Indonesia is the first Islamic bank in Indonesia established before the enactment of Law No. In 1992, the enactment of Law No. 7, which facilitated the establishment of banks adhering strictly to Islamic principles, played a crucial role in the formation of Bank Muamalat Indonesia (BMI). According to Sutan Remy Syahdeini (2014:97), BMI was the product of the efforts made by the MUI banking team. The articles of association for PT Bank Muamalat Indonesia were signed on November 1, 1991, with an initial obligation of IDR 84 billion. On November 3, 1991, a presidential meeting at the Bogor Palace led to an increased capital commitment of IDR 106,126,382,000 NOK. The funding for this capital came from the President, Vice President, ten Ministers of Development, Minister V, and several key organizations such as the Pancasila Islamic Community Charity Foundation, the Dakab Foundation, Supersemar, Dharmai, Purna Bhakti Pertiwi, PT PAL, and PT Pindad. Moreover, the Dakwah Development Fund Foundation was appointed as the supporting entity for the Islamic bank. With this capital base, BMI officially began operations on May 1, 1992.

From several previous studies, the author is interested in re-examining the influence of financing for sale and purchase and syirkah financing because there is still a research gap between researchers and other researchers by adding another X variable, namely sale and purchase -Fanco because there has been no previous research that takes place. Completed. examine it simultaneously, and the author adds NPF as a moderating variable, because one of the limiting factors of bank profitability is the level of problematic financial ratios as measured by the net financial ratio (NPF). Based on the description, facts, data and opinions presented, the author conducted research entitled to study further **"The Influence of Financing for Sale and Purchase and Syirkah on the Profit Quality of Indonesian Islamic Banks for the Period 2019-2023 Moderated by NPF"**

Literature review

1. Theory of buying and selling

Theory of Buying and Selling In buying and selling, the word buy and sell comes from the word (Arabic) rabaha, yurabihu, buy and sell or which means profit or profit, because the phrase "tijaratun rabihah, wa baa'u asy-syai buy and sell" means a profitable business and a profitable buy and sell. one Product. Ibn Jazi describes this type of transaction as "the seller of the commodity informs the buyer of the price of the commodity and the profit to be obtained from the commodity".

2. Partnership Theory

Syirkah financing is an investment cooperation between two or more parties to conduct business according to Islamic law, with profits and losses divided according to the percentage of capital brought by each party 37 . Syirkah can be decreasing or permanent. If the Syirkah falls, part of the bank's capital falls, and after the contract ends, the parties become the owners of the company. On the other hand, in a permanent syirkah, the capital of each party is determined according to the agreement and the amount remains until the end of the agreement.

3. Profit Quality

According to Schipper and Vincent, sales quality at Noviant means: “Earnings quality is the amount that can be consumed in a period while maintaining the company's capacity at the beginning and end of the period. For investors, income statements are considered information for analyzing shares issued by issuers.”⁵³ “Meanwhile, according to Wulansar (2013), quality gain is a profit that can reflect sustainable performance in the future, driven by operational and cash components. which reflect actual finances Can reflect company performance Can be used by the public and by investors to assess the company High-quality profits can reflect the company's financial performance, so that high levels of profit from company quality can be appropriate to direct company performance. decisions. made by investors.

4. Net Performing Financing Theory

Financing is the issuance of money or bonds that are equated with it on a loan agreement or agreement between a bank and another party where the financed party must return the money or after a certain period of time demand it in return for compensation or profit. Distribution. Financing with sharia principles based on Article 8 (10) of the Law (1998) is carried out on the basis of credit analysis to enable debtors to pay their debts or return their income according to the agreement, so that the risk of bankruptcy or late payment can be avoided. Therefore, before providing financing to customers, banks must conduct a financial suitability check which can be done by analyzing prospective debtors known as the 5C principle (Character), Ability, Capacity, Guarantees. (lateral analysis), contingency financing (contingency analysis)

Research Methods .

Research design This is causality with existence connection cause and effect moderated by one of the confounding variables or called variable Z. with population in study This based on report account Bank Syariah Indonesia annual report with quarterly data with type sata Time series. Retrieval method targeted sample used in taking sample : Report finance 2019-2023

Data Analysis

1. analysis based on ordinary least square (OLS). To ensure that the regression Descriptive Analysis

The data obtained from related sites were then summarized using *Microsoft Office Excel* 2007 software and processed in the form of tables to be interpreted in order to draw conclusions. Data analysis techniques were carried out using *SPSS Statistics software* version 23.

2. Classical Assumption Test

The classical assumption test is an essential statistical step to ensure that the multiple linear regression model is the best possible model in terms of estimation accuracy,

consistency, and unbiasedness. Conducting this test helps verify that the regression equation is both correct and valid. Before performing multiple regression analysis and hypothesis testing, several classical assumption tests are necessary to confirm that the regression model meets the required conditions and is free from assumption violations, ensuring good linearity in the model.

3. Multiple Regression Analysis (Before moderating variables)

This analysis is to find the influence between the independent variables and the dependent variables before the moderating variables. Where the independent variables are *buying and selling* and *Syirkah* then the dependent variable is ROA.

4. Regression Analysis Using Moderating Variable

This analysis is to see the role of moderating variables on the influence of independent variables with dependent. Moderating variables act as variables that can strengthen or weaken the relationship of independent influence on dependent. The moderating variable is *Non Performing Financing (NPF)*.

1) Research Hypothesis Testing

a. F Statistic Test

The F test is conducted to determine whether the independent variables used in the research model have an influence on the dependent variable.

H_{a2} : he relationship between *Sale and Purchase Financing* and *Partnership Financing* .

H_{o3} : The NPF variable cannot moderate the relationship between *Sale and Purchase Financing* and *Syirkah Financing* .

The testing method is:

- If $F_{count} > F_{table}$; then H_a is accepted and H_o is rejected.
- If $F_{count} < F_{table}$; then H_a is rejected and H_o is accepted.

b. Statistical Test t

To find out whether the hypothesis proposed in this study is fulfilled or not, namely to find out whether the influence of each independent variable is significant or not, this study uses the T test as a testing tool. The t test is carried out on partial hypothesis testing, to determine whether or not there is an influence of the independent variables individually on the dependent variable. The test is carried out by comparing the calculated t with the t table.

In conducting a partial test through a t-test, each software will calculate the t- count value automatically. While to obtain the t-table value is determined by the significance level α of 5%. The t-test provisions are:

- If $t_{count} < t_{table}$; the independent variables individually do not affect the dependent variables.
- If $t_{count} > t_{table}$; the independent variables individually influence the dependent variables

Results and Discussion

Descriptive Data Study

Descriptive Statistics

Analysis statistics descriptive give description or description data Which proven with mark minimum, maximum, average (mean) And standard deviation For every variable study. Results statistics descriptive study This is as following:

Table 4.1 Results of Descriptive Statistical Descriptive Statistics Tests

	N	Minimum	Maximum	Mean	Std. Deviation
X1	40	3.785	1.987	1.5242	3.518506
X2	40	1.215	1.147	6.4077	2.083486
Y	40	.53	5.28	4.055	.93999
Z	40	.31	3.96	.8362	.74561
Valid N (listwise)	40				

Source: SPSS output results, 2022

From table 4.1 it can be seen that the number of observations (N) from this study is 40, namely as follows:

1. Buy and sell (X1)

From the table above, it can be seen that the minimum value of the buy and sell variable is 3.785 and the maximum value is 1.987, the average is 1.52427 and the standard deviation is 3.518506. This shows that the average average produced is greater than the standard deviation, so the data distribution is good.

2. Partnership (X2)

Based on the table above, it can be seen that the minimum value of the Syirkah variable is 1.215 and the maximum value is 1.147, the average is 6.40776 and the standard deviation value is 2.0834. This shows that the average average produced is greater than the standard deviation, so the data distribution is good.

3. NPF (Z)

Based on the table above, it can be seen that the minimum value of the NPF variable is 0.31 and the maximum value is 3.96, the average is 0.8362 and the standard deviation value is 0.7461. This shows that the average average produced is greater than the standard deviation, so the data distribution is good.

4. Earnings Quality (Y)

From the table above, it can be seen that the minimum value of the income quality variable is 0.53 and the maximum value is 5.28, the average value is 4.0555, and the standard deviation value is 0.93999. This shows that the average average produced is greater than the standard deviation, so the data distribution is good

Classical Assumption

Test Normality Test

The normality test is used to test whether the independent variables and dependent variables or both are normally distributed in the regression model or not. The normality test is carried out using the one-sample Kolmogorov-Smirnov test. The data distribution is normal when the p-value of the 1- sample Kolmogorov test is > 0.05 .

Table 4.2 Normality Test KS Npar Test

One-Sample Kolmogorov-Smirnov Test

		Racidual
N		
	Mean	4.
	Std. Deviation	.9
	Absolute	
	Positive	
	Negative	
Kolmogorov-Smirnov Z		1
Asymp. Sig. (2-tailed)		
a. Test distribution is Normal.		

(Source: SPSS output results, 2022)

shows that the Kolmogorov-Smirnov test sample shows Asymp. Signal 0.069. This means that the research data is normally distributed because the significance value is greater than 0.05. From here it can be concluded that the variables used meet the assumption of normality.

Test Multicollinearity

Multicollinearity test used For know There is whether or not correlation or strong relationship between variable independent equation model regression . Good regression model should No show existence correlation between variable independent . Test statistics , which are often used For test multicollinearity , looking at the variance inflation factor (VIF) and the value tolerance . Based on the variance inflation factor (VIF) and the rules tolerance , multicollinearity reported when VIF value exceeds 10 or mark tolerance not enough from 0.10, vice versa when VIF value is less of 10 or mark tolerance more big from 0.10, then No means disturbance multicollinearity No happen .

Table 4.3 Test Results Multicollinearity Coefficients ^a

	Unstandardized Coefficients		Standardiz Coefficien	Collinearity Statisti	
	B	Std. Err	Beta	Toleranc	VIF
(Const	5		10		
X1	1.		3		3

X2	1.		2
Z	-1	8	1

a. Dependent Variable

(Source: SPSS output results, 2022)

From table 4.3 it is known that the VIF value of the *buy-sell variable* is 3,090, *syirkah* is 2,868, and NPF is 1,598. The tolerance value of *buy-sell* is 0.324, *syirkah* is 0.349, and NPF is 0.626. Based on the calculation results, it can be seen that the VIF value of all variables is <10 and the tolerance value is > 0.10. So it can be concluded that there is no multicollinearity.

Heteroscedasticity Test

The heteroscedasticity test is defined as the inequality of the variances of the independent variables in different settings. When heteroscedasticity is present, it causes the estimates (regression coefficients) of the model to be ineffective, even if the estimator is unbiased and consistent. The heteroscedasticity test is performed by observing the scatterplot.



Figure 4.1 Test Results Heteroscedasticity

(Source : SPSS output results)

From Figure 4.1, it can be seen that the points on the Scatterplot are spread above and below the number 0 on the Y axis, thus indicating that heteroscedasticity does not occur.

Analysis Regression Moderation

Moderated Regression Analysis (MRA) was used in this study. According to Ghazal (2005), moderate regression analysis is a special application of multiple linear regression where the regression equation contains elements of interaction (multiplication of two or more independent variables). The SPSS version 23 computer program was used in data analysis to obtain more precise and accurate results.

Table 4.4 Results of Moderation Regression Test Coefficients ^a

	Unstandardized Coefficient		Standardize Coefficient
	B	Std. Error	Beta
(Constant)	5		10

X1	1.	3
X2	1.	
Z	1	8
Modest1	1.	2
Modest2	1.	3

a. Dependent Variable: Y

(Source: SPSS output results, 2022)

From Table 4.4 above, the regression equation is formulated as follows:

$Y = 5.329 + 1.5768X_{1it} + 1.3358X_{2it} + 1.134Z_{1it} + 1.5768X_{1it} \cdot Z_{1it} + 1.3358X_{2it} \cdot Z_{1it} + e_{it}$
 Regression equation the own meaning as following :

1. The default value (a) is 5.329. This means that if Sale and Purchase , Syirkah and NPF are zero (0), then mark positive his achievements is 5,329.
2. Coefficient value regression Buy Sell of 1.5768, meaning every increase of 1 unit Buy and sell influential positive to quality results of 1.5768 units . 3. The coefficient value regression Partnership of 1.3358 means every increase by 1 unit Partnership influential positive to quality income of 1.3358.
3. Coefficient value NPF regression of 1.134 means every NPF increase one unit influential positive to quality income of 1,134.
4. Multiple value sell buy with NPF 1.5768. This means every increase 1 unit of NPF Buying and Selling Ratio has an effect positive to quality results amounting to 1,5768 units.

Coefficient Value Partnership with NPF 1.3358. This means for NPF of 1 unit , each increase ratio interaction variable partnership influential positive to quality income amounting to 1.3358 units

Hypothesis Testing

Partial Test (t-Test)

The t-test is used to determine the effect of each independent variable on the related variable. To find the t-table where $df = N-2$, the actual level is 5pat, using the statistical table. The t-table value can be seen using the t-table. The decision is based on:

- a. If $t \text{ count} > t \text{ table}$ and $\text{sig} < 0.05$ then H_0 is rejected and H_1 is accepted.
- b. If $t \text{ count} < t \text{ table}$ and $\text{sig} > 0.05$, then H_0 is accepted and H_1 is rejected.

Table 4.5 t-Test Results

Coefficients ^a			
	Unstandardized Coefficie		Standardize Coefficient
	B	Std. Erro	Beta
(Constant)	5		10

X1	1.	3
X2	1.	
Z	1	8
Modest1	1.	3
Modest2	1.	

a. Dependent Variable: Y

1. Influence sell buy to quality profit

T -value from the result of the t-test is 3.383 and the t- table is 3.383. is 1,971, while level significance is 0.004 if mark variable positive . From here can concluded that t count > t table and sig < 0.05 then Ha is accepted and Ho is rejected . This is show that Buying and Selling own effect clear positive to quality results . .

2. Influence Partnership To Quality Benefits

Calculated t value from the result of the t-test is 0.199 and the t- table is 0.199. is 1,971, while level significance is 0.843 and the value variable is positive . From here can concluded that count is 0.05, then Ha is rejected and Ho is accepted . This is show Partnership No influential significant to quality income .

3. The influence of NPF on quality income

Calculated t value from the result of the t-test is 8.111 and the t- table is 8.111. is 1,971, while level significance is 0.000 if mark variable positive . From here can concluded that t count > t table and sig < 0.05 then Ha is accepted and Ho is rejected . This is show that NPF has an effect positive significant to performance .

4. Influence of buying and selling to quality income regulated by NPF. The calculated t value from the result of the t-test is 3.383 and the t- table is 3.383. is 1,971, while level significance is 0.004 if mark variable positive . From here can concluded that t count > t table and sig <

0.05 then Ha is accepted and Ho is rejected . This is show that the NPF moderates connection between sell buy with quality income and not significant as well as own mark Variants positive

5. Influence Partnership to quality income regulated by NPF

Calculated t value from the result of the t-test is 0.199 and the t- table is 0.199. is 1,971, while level significance is 0.843 and the value variable is positive . From here can concluded that t count is 0.05, then Ha is rejected and Ho is accepted . This is show that NPF does not to moderate connection between partnership with quality income and not significant as well as own mark positive variance.

Coefficient Test Determination (R2)

Coefficient Determination (R2) is used For measure model capabilities in to explain variation variable independent .

Table 4.6 Test Results Coefficient Determination Model Summary ^b

Model	R	R Squa	Adjusted R Square	Std. Error of the Estima
1	.			.5

a. Predictors: (Constant), Modert2, Z, Modert1,X1,X2

b. Dependent Variable: Y

(Source : SPSS Processed Results , 2022)

Coefficient determination R-squared value in the table above is 0.723. This means influence variable free (sell buy , syirkah , NPF and sell buy with NPF and syirkah with NPF) of 72.3%, while the rest 27.7 % is influenced by other variables that are not including in study This .

Conclusion.

The purpose of this study is to examine in broad terms the impact of Sale and Purchase and Syirkah financing on the quality of Indonesian Islamic banking profits for the period 2019-2023 as monitored by the NPF. This study produces the following conclusions:

1. Buying and selling has a significant impact on the profit quality of Bank Syariah Indonesia in 2019-2023.
2. There is no significant influence on income quality between Syirkah and Bank Syariah Indonesia in 2019-2023.
3. In the 2019-2023 period, there was a significant influence between the quality of NPF income and Bank Syariah Indonesia.
4. There is a significant influence between buying and selling and NPF on the profit quality of Bank Syariah Indonesia in 2019-2023.

There is no material influence between Syirkah and NPF on the profit quality of Bank Syariah Indonesia in 2019-2023.

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