



The Effect of Bank Performance and Macroeconomics on the Profitability of Indonesian Sharia Commercial Banks

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Bank Performance; Macroeconomics; Profitability of Islamic Commercial Banks

Abstract

This study examines the relationship between the profitability of Islamic commercial banks with the functions of Capital Adequacy Ratio (CAR), Non-Performing Financing (NPF), Operating Expenses and Operating Income (BOPO), inflation, Gross Domestic Product (GDP), and interest rates. This quantitative study's monthly report of Islamic banking and the monthly report of statistical data for 2015-2022 are secondary data sources. A method used is called multiple linear regression analysis. Based on the results of research, CAR and NPF are significantly related to the profitability of Islamic commercial banks. In contrast, the results of BOPO, GDP, inflation, and interest rates have no significant relationship with Islamic commercial banks. ROA simultaneously affects CAR, NPF, BOPO, inflation, GDP, and interest rates. Based on the conclusions of this study. If Islamic banks want to maximize their profitability, they must maintain capital efficiency and stabilize non-performing financing and operational ratios.

Kata Kunci:

Kinerja Bank; Makroekonomi; Profitabilitas Bank Umum Syariah

Abstrak

Penelitian ini mempelajari hubungan profitabilitas bank umum syariah dengan fungsi rasio *Capital Adequacy Ratio* (CAR), *Non-Performing Financing* (NPF), Biaya Operasional dan Pendapatan Operasional (BOPO), inflasi, Produk Domestik Bruto (PDB) dan suku bunga. Laporan bulanan perbankan syariah dan laporan bulanan data statistik tahun 2015-2022 menjadi sumber data sekunder dalam penelitian kuantitatif ini. Sebuah metode yang digunakan disebut analisis regresi linear berganda. Berdasarkan hasil penelitian CAR dan NPF berhubungan signifikan terhadap profitabilitas bank umum syariah. Sebaliknya hasil BOPO, PDB, inflasi dan suku bunga tidak ada hubungan signifikan terhadap bank umum syariah. ROA mempengaruhi CAR, NPF, BOPO, inflasi, PDB dan suku bunga secara simultan. Berdasarkan kesimpulan penelitian ini. Jika bank syariah ingin memaksimalkan profitabilitasnya, maka bank syariah harus mengambil langkah-langkah untuk menjaga efisien modal, menstabilkan rasio pembiayaan bermasalah dan rasio operasionalnya.

INTRODUCTION

Banking plays a vital role in Indonesia's financial system. The banking sector is an organization whose primary function is as a financial intermediary between debtors and creditors and facilitates the flow of payment traffic.¹ The foundation of Islamic banking refers to Islamic law based on the Quran, Hadith, and *Al-ijtihad*. The management of Islamic banks is carried out based on the Maqasid Shariah-Based Performance Evaluation Model (MPEM) concept. This concept is used to maintain public trust in Islamic banking. The concept of Maqasid-Sharia is made a standard.² In Indonesia, Islamic banking transactions have become more prevalent after the introduction of Law No. 21 of 2008 on Islamic banks, which provides an operational framework for transactions to be more robust and solid.

The Islamic banking system in Indonesia has been developed to ensure the sustainability of the underlying social structure of Islamic society. The currency crisis that occurred in 1998 caused several conventional banks to go bankrupt, and many of them had to be liquidated due to problems with the interest rate system. Meanwhile, banks that apply Sharia principles can stand firmly and survive. This is evidenced by the success of Bank Muamalat Indonesia in overcoming the crisis that occurred in 1998 by showing increasing performance. In addition, the global financial crisis happened back in 2008. However, Islamic banks have again demonstrated their resilience in the crisis. Islamic banks remain stable and provide benefits, comfort, and security to shareholders, collateral holders, creditors, and debtors.³

Islamic financial literacy is an important aspect and is interrelated with the financial inclusion and profitability of Islamic banking.⁴ Although Islamic banking offers products and services that comply with Sharia principles, the low level of financial literacy among the public is a significant barrier to achieving sustainable financial inclusion. This challenge arises due to the need for more public understanding of the principles and benefits of Islamic finance, which can further hamper the success of Islamic banks' performance and public participation interest in using Islamic banking products and services.

The low level of Islamic financial literacy, in addition to being an obstacle to financial inclusion, also directly impacts the profitability of Islamic banking. The growth of this sector is highly dependent on the level of participation and strong understanding of the customers. Therefore, efforts to improve Islamic financial literacy in the community are essential not only to expand access to Islamic finance but also as a strategy to strengthen the profitability of Islamic banking. Along with a better understanding of Islamic finance principles, the public

¹ Fahrur Rifai and Nanang Agus Suyono, "Pengaruh Capital Adequacy Ratio, Non Performing Financing, Financing To Deposit Ratio Dan Net Operating Margin Terhadap Profitabilitas Bank Syariah (Studi Empiris Pada Bank Umum Syariah Dan Unit Usaha Syariah Yang Terdaftar Di Otoritas Jasa Keuangan Perio)," *Journal of Economic, Business and Engineering (JEBE)* 1, no. 1 (2019): 150–60, <https://doi.org/10.32500/jebe.v1i1.884>.

² Ulfi Kartika Oktaviana, Tiara Juliana Jaya, and Titis Miranti, "The Role of Islamic Social Reporting , Islamic Corporate Governance and Maqashid Syariah Index on Firm Value with Firm Size as Moderation Variable," *Advances in Social Science, Education and Humanities Research* 529, no. Iconetos 2020 (2021): 195–201, <https://doi.org/10.2991/assehr.k.210421.028>.

³ Desi Marilyn Swandayani and Rohmawati Kusumaningtias, "Pengaruh Inflasi, Suku Bunga, Nilai Tukar Valas Dan Jumlah Uang Beredar Terhadap Profitabilitas Pada Perbankan Syariah Di Indonesia Periode 2005-2009," *AKRUAL: Jurnal Akuntansi* 3, no. 2 (2012): 147, <https://doi.org/10.26740/jaj.v3n2.p147-166>.

⁴ Nanda Suryadi, Riri Mayliza, and Ismail Ritonga, "Pengaruh Inflasi, Biaya Operasional Terhadap Pendapatan Operasional (BOPO), Dan Pangsa Pasar Terhadap Profitabilitas Bank Umum Syariah Di Indonesia Periode 2012-2018," *Jurnal Tabarru': Islamic Banking and Finance* 3, no. 1 (2020): 1–10, [https://doi.org/10.25299/jtb.2020.vol3\(1\).4724](https://doi.org/10.25299/jtb.2020.vol3(1).4724).

is expected to be more open to Islamic banking products and services, creating an environment that supports sustainable economic growth.

The bank's business success is seen in its financial performance. Financial performance refers to the state that a bank experiences over time in cash flow.⁵ Good financial performance will increase the value of the company.⁶ Profit margin is an essential measure of financial performance. Financial ratios that measure Return on Assets (ROA) are used to measure profitability. A more excellent ROA value indicates higher returns and better company performance.

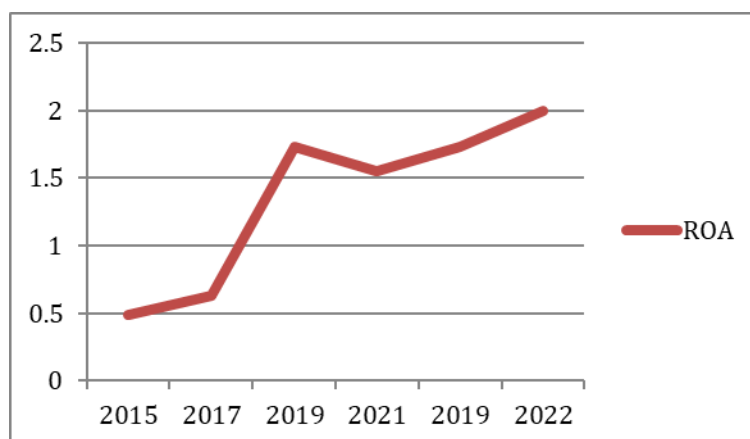


Figure 1. Profitability of Sharia Commercial Banks 2015-2022

Source: Data processed by the author, (2024).

Figure 1. shows the percentage of profitability of Islamic commercial banks in Indonesia for the period 2015-2022. In 2020, profitability decreased from 1.73% to 1.40% due to several external factors, including the COVID-19 pandemic. The pandemic has halted all economic activities, resulting in economic instability, affecting bank asset quality, and increasing credit risk. All community activities were stopped to suppress the spread of COVID-19.⁷ However, in 2021, the profitability of Sharia commercial banks experienced growth again, which means that economic activity has begun to run stably. Good profitability growth impacts many aspects, such as business sustainability, attracting investors, increasing customer confidence and resilience, and economic challenges.⁸

Factors that influence the rise and fall of profitability come from bank performance factors and macroeconomics (external factors).⁹ The elements of the banking system are related to the policies and strategies implemented by banks, both in terms of management

⁵ Yulvista Galuh Kirana, Diyah Santi Hariyani, and Putri Oktovita Sari, "Pengaruh Makro Ekonomi Dan Mikro Ekonomi Terhadap Profitabilitas Pada BPR Syariah Di Indonesia," *Business Management Analysis Journal (BMAJ)* 4, no. 2 (2021): 174–86, <https://doi.org/10.24176/bmaj.v4i2.6642>.

⁶ Ulfi Kartika Oktaviana and Ahmad Tibrizi Soni Wicaksono, "Customer Satisfaction and Financial Performance: Does It Mediate Customer-Centric on Islamic Bank Values?," *EL DINAR: Jurnal Keuangan Dan Perbankan Syariah* 10, no. 2 (2022): 163–80, <https://doi.org/10.18860/ed.v10i2.16225>.

⁷ Misfi Laili Rohmi, Tiara Juliana Jaya, and Nur Syamsiyah, "The Effects Pandemic Covid-19 on Indonesia Foreign Trade," *Jurnal Ekonomi XXVI*, no. 02 (2021): 277–89, <http://dx.doi.org/10.24912/je.v26i2.750>.

⁸ A.Y.R. Daeng Maracka and U. K Oktaviana, "Analysis of the Effects of Green Banking, Capital Adequacy Ratio on Profitability Growth with Institutional Ownership as a Moderating Variable," *Malia: Jurnal Ekonomi Islam* 14, no. 2 (2023): 217–34, <https://doi.org/10.35891/ml.v14i2.3889>.

⁹ Riduan, Muhammad Birusman Nuryadin, and Mursyid, "Pengaruh Makro Ekonomi Dan Mikro Ekonomi Terhadap Return On Assets (ROA) Perbankan Syariah Tahun 2016-2021," *Jurnal Masharif Al-Syariah: Jurnal Ekonomi Dan Perbankan Syariah* 8, no. 1 (2023): 342–68, <http://dx.doi.org/10.30651/jms.v8i1.15732>.

and the quality of their human resources, as well as economic changes that affect society, companies, and markets.

Previous research focused on the profitability of Islamic commercial banks in Indonesia, using indicators such as Capital Adequacy Ratio (CAR), Non-Performing Financing (NPF), Operating Expenses and Operating Profit (*BOPO*), inflation, Gross Domestic Product (GDP), and BI rate. Research conducted by Kirana et al.¹⁰, Rachmawati & Marwansyah¹¹, Swandayani & Kusumaningtias¹², and Dodi¹³ their findings stated that the variables CAR, NPF rate, *BOPO*, inflation, GDP, and BI rate have a significant positive influence on the profitability of Islamic commercial banks. This research is contrary to the results of research Suhadi¹⁴, Syah¹⁵, and Amiruddin & Ashar¹⁶. The study's results explain that CAR, NPF, *BOPO*, inflation, GDP, and BI rates are not significant variables affecting Islamic commercial banks' profitability. Based on the background above, there are differences in the results of previous studies. Previous research has shown that bank performance and macroeconomic variables play a role in determining the profitability of Islamic commercial banks, but some have argued that this does not exist. The author intends to conduct an in-depth study of how bank performance and macroeconomic factors affect the profitability of Islamic commercial banks in Indonesia.

RESEARCH METHODS

This study used quantitative methods. Quantitative methods are research data that contain numbers related to the problem to be researched and measured using statistical tools as a calculation test tool.¹⁷ Using secondary data: Secondary data refers to information that is not collected by the data collector directly but from other people or other documents.¹⁸ The data was taken by looking at monthly financial reports, Islamic banking statistics, and individual reports of macroeconomic variables, with 96 data used from 2015 to 2022. The samples used were 13 Sharia commercial banks registered with the Financial Services Authority, namely Bank Aceh Syariah, BPD Riau Kepri Syariah, BPD West Nusa Tenggara

¹⁰ Yulvista Galuh Kirana, Diah Santi Hariyani, and Putri Oktovita Sari, "Pengaruh Makro Ekonomi Dan Mikro Ekonomi Terhadap Profitabilitas Pada BPR Syariah Di Indonesia," *Business Management Analysis Journal (BMAJ)* 4, no. 2 (2021): 174–86, <https://doi.org/10.24176/bmaj.v4i2.6642>.

¹¹ Susan Rachmawati and Sofyan Marwansyah, "Pengaruh Inflasi, Bi Rate, Car, Npl, Bopo Terhadap Profitabilitas Pada Bank Bumh," *Jurnal Mantik Penusa* 3, no. 1 (2019): 117–22, <https://iocscience.org/ejournal/index.php/mantik/article/view/83>.

¹² Desi Marilyn Swandayani and Rohmawati Kusumaningtias, "Pengaruh Inflasi, Suku Bunga, Nilai Tukar Valas Dan Jumlah Uang Beredar Terhadap Profitabilitas Pada Perbankan Syariah Di Indonesia Periode 2005-2009," *AKRUAL: Jurnal Akuntansi* 3, no. 2 (2012): 147, <https://doi.org/10.26740/jaj.v3n2.p147-166>.

¹³ Mr Dodi, "Analisis Pengaruh Inflasi Dan Produk Domestik Bruto Terhadap Profitabilitas (Studi Kasus Pada Bank Umum Syariah Di Indonesia)," *Indonesian Journal of Strategic Management* 3, no. 2 (2020), <https://doi.org/10.25134/ijsm.v3i2.3899>.

¹⁴ Suhadi, "Pengaruh Kecukupan Modal (CAR), Efisiensi Operasional (BOPO) Dan Kualitas Pembiayaan (NPF) Terhadap Profitabilitas (ROA) Pada Bank Syariah Di Indonesia," *Journal of Islamic Banking and Finance* 1, no. 1 (2017): 147–64, <https://doi.org/10.21043/malia.v1i1.3988>.

¹⁵ Toufan Aldian Syah, "Pengaruh Inflasi, Bi Rate, Npf, Dan Bopo Terhadap Profitabilitas Bank Umum Syariah Di Indonesia," *El-Jizya : Jurnal Ekonomi Islam* 6, no. 1 (2018): 133–53, <https://doi.org/10.24090/ej.v6i1.2051>.

¹⁶ Naufal Amiruddin and Khusnul Ashar, "Pengaruh Eksternal Dan Internal Bank Terhadap Profitabilitas Bank Umum Syariah Di Indonesia," *Islamic Economics And Finance in Focus* 1, no. 4 (2022): 299–310, <https://ieff.ub.ac.id/index.php/ieff/article/view/38>.

¹⁷ Marinu Waruwu, "Pendekatan Penelitian Pendidikan: Metode Penelitian Kualitatif, Metode Penelitian Kuantitatif Dan Metode Penelitian Kombinasi (Mixed Method)," *Jurnal Pendidikan Tambusai* 7, no. 1 (2023): 2896–2910, <https://doi.org/10.31004/jptam.v7i1.6187>.

¹⁸ Dwi Suhartanto et al., *Metode Riset Bisnis: Dasar-Dasar Mendesain Dan Melakukan Riset Di Konteks Bisnis*, ed. Rivan Sutrisno, *Uwais Inspirasi Indonesia* (Kabupaten Ponorogo, 2023).

Syariah, Bank Muamalat Indonesia, Bank Victoria Syariah, Bank Jabar Banten Syariah, Bank Syariah Indonesia, Bank Mega Syariah, Bank Panin Dubai Syariah, Bank Syariah Bukopin, BCA Syariah, Bank Tabungan Pensiunan Nasional Syariah, Bank Aladin Syariah.

The data analysis technique used is a multiple linear regression technique. Multiple linear regression is a regression with one bound variable and two or more independent variables; the data used includes many objects collected at a given point in time software used by EViews 12.¹⁹ A limitation of the study is that it is difficult to obtain a complete and consistent gross domestic product report. Research consists of two variables: the independent variable and the dependent variable. Independent variables are variables that have the potential to influence, cause, or produce a particular result.²⁰ They contain six variables: CAR, NPF, *BOPO*, inflation, GDP, and BI rate. The dependent variable is a result or result influenced by the independent variable²¹, namely return on assets (ROA).

RESULTS AND DISCUSSION

Descriptive Statistical Test

Descriptive statistical tests are used to describe statistically contained data contained in research. The descriptive tests used include mean, standard deviation, maximum, and minimum.²²

Table 1. Descriptive Statistical Test Results

Variable	Mean	Maximum	Minimum	Stan. Dev	N
ROA	1.294	2.150	0.160	0.533	96
CAR	19.370	26.280	14.090	3.435	96
NPF	2.240	4.000	0.640	0.931	96
BOPO	87.499	99.040	76.670	6.775	96
Inflation	0.231	1.170	-0.960	0.333	96
GDP	4.007	5.410	-2.070	2.194	96
BI Rate	5.072	7.750	3.500	1.327	96

Source: Data processed by the author, (2024).

Table 1 shows that for 2015-2022, the dependent variable Y is determined by ROA, and its mean value is 1,29, with an average standard deviation of 0.533. Meanwhile, the ROA can be set at 2,15 for the maximum and 0.16 for the minimum. This shows that the profitability of Indonesian Sharia Commercial Banks is mainly at a concentration of $1,29 \pm 0,53$.

During 2015-2022, the average Capital Adequacy Ratio (CAR) as a variable (X_1) with 96 observations was 19,37, and the standard deviation value was 3.43. The maximum value of CAR in that period was 26,28, and the minimum value was 14,09. This shows Indonesia's CAR

¹⁹ Kurnia Sandi, Roni Habibi, and Mohammad Nurkamal Fauzan, "Tutorial PHP Machine Learning Menggunakan Regresi Linear Berganda Pada Aplikasi Bank Sampah Istimewa Versi 2.0 Berbasis WebTitle," in *Kreatif*, ed. Rolly Maulana Awangga (Bandung, 2020), 206.

²⁰ Augustinus Supratiknya, "Metode Penelitian Kuantitatif & Kualitatif Dan Psikologi," in *Universitas Sanata Dharma* (Yogyakarta, 2015), 167.

²¹ Supratiknya.

²² Rifai and Suyono, "Pengaruh Capital Adequacy Ratio, Non Performing Financing, Financing To Deposit Ratio Dan Net Operating Margin Terhadap Profitabilitas Bank Syariah (Studi Empiris Pada Bank Umum Syariah Dan Unit Usaha Syariah Yang Terdaftar Di Otoritas Jasa Keuangan Perio."

is $19,37 \pm 3,43$ in 2015-2022.

Non-Performing Financing (NPF) as a variable (X_2) with 96 observations has a mean value of 2,24 with a standard deviation of 0,93 in 2015-2022. In that period, NPF had a maximum value of 4,00 and a minimum of 0,64. This shows that NPF in Indonesia in the 2015-2022 is centred at $2,24 \pm 0,93$

Operating costs and operating profit as variables (X_3) amounted to 96 observations, having an average of 87,499 and a standard deviation value of 6,77 from 2015 to 2022. In that period, BOPO reached a high of 99,04 and a low of 76,67. This shows that Indonesia's BOPO was at $87,49 \pm 6,77$ during 2015-2022.

During the period 2015-2022, the average Inflation (X_4) as a variable with 96 observations was 0,23, and the standard deviation value was 0,33. The highest inflation rate in this period was 1,17, and a low of -0,96. This shows Indonesia's inflation rate is at $0,23 \pm 0,33$ during 2015-2022.

Gross Domestic Product (GDP) as a variable (X_5) with 96 observations has a mean value of 4,01 with a standard deviation of 2,19 in 2015-2022. In that period, GDP had a maximum value of 5,41 and a minimum of -2,07. This shows that GDP in Indonesia during 2015-2022 is concentrated at $4,01 \pm 2,19$.

A standard deviation of 1,32 and an average BI rate as variable (X_6) were recorded with 96 observations in 2015-2022. The maximum BI rate in this period is 7,75, and the minimum is 3,50. This shows that Indonesia's BI rate is $5,07 \pm 1,32$ from 2015 to 2022.

Classical Assumption Test

Normality Test

The validity of the tested data is determined by whether it is normally distributed. If the data is > 0.05 , then it is considered normally distributed.²³

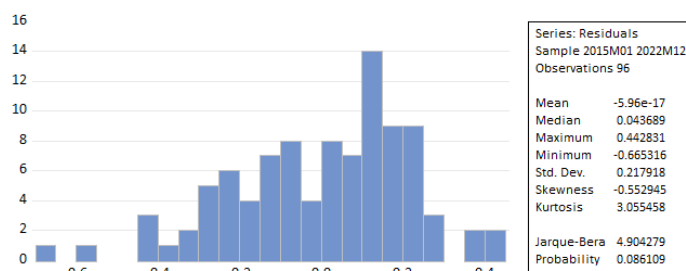


Figure 2. Normality Test Results

Source: Data processed by the author, (2024).

In the table above, $\log(\text{ROA})$ is used as the dependent variable for the normality test. Based on the results of the normality test, the results obtained from Jarque-Bera are 4.904279, and the Probability value is 0.086109 or > 0.05 . According to the findings, the data is normally distributed.

²³ Duwi Priyatno, *Olah Data Sendiri Analisis Regresi Linear Dengan SPSS Dan Analisis Regresi Data Panel Dengan Eviews*, ed. Th. Arie Prabawati, Cahaya Harapan (Yogyakarta, 2022).

Multicollinearity Test

This study tested the relationship between independent variables using the multicollinearity technique. This test aims to establish multicollinearity by utilizing the variance value of the inflation factor (VIF). Multicollinearity does not occur when the VIF value ranges from 1-10.²⁴

Table 2. Multicollinearity Test Results

Variable	Nilai VIF
CAR	11.66521
NPF	10.09804
BOPO	3.132593
Inflation	1.103346
GDP	1.298641
BI Rate	2.803124

Source: Data processed by the author, (2024).

Table 2 shows the use of VIFs as indicators of multicollinearity tests. Based on the research, BOPO, inflation, GDP, and BI rate are all in the range of 1-10. Signs of multicollinearity do not characterize such variables. Symptoms of multicollinearity appear in CAR and NPF variables that have a VIF value greater than ten on the variable.

Heteroscedasticity Test

In regression models, heteroscedasticity tests are used to determine whether variance is imbalanced between one residue and another. This study used the Breusch-Pagan-Godfrey test to test the assumption of heteroscedasticity. Research has uniform characteristics if the probability value is above 0.05 and there is no indication of heteroscedasticity.²⁵

Table 3. Heteroscedasticity Test Results

Prob. F	0.4723
Prob. Chi-Square (Obs R-Square)	0.4567
Prob. Chi-Square (Scaled Explained SS)	0.5385

Source: Data processed by the author, (2024).

In Table 3, the Breusch-Pagan-Godfrey test determines the heteroscedasticity of a probability value set of probs. F, Prob. Chi-Square (Obs R-Square) and Prob Chi-Square (Scaled Explained SS) showed a value of > 0.05 in each case. In this study to find out whether heteroscedasticity problems occur or not.

Autocorrelation Test

Autocorrelation tests are carried out to determine whether there is a correlation between residues.²⁶ This study tested the autocorrelation assumption using the Bruschi-Godfrey serial correlation LM test.

Table 4. Autocorrelation Test Results

Obs R-square	0.000
Prob. Chi-square	0.000

²⁴ Jihad Lukis Panjawa and RR Retno Sigiharti, "Pengantar Ekonometrika Dasar Teori Dan Aplikasi Praktis Untuk Sosial-Ekonomi," in *Pustaka Rumah Cinta* (Kabupaten Magelang, 2021), 200.

²⁵ Priyatno, *Olah Data Sendiri Analisis Regresi Linear Dengan SPSS Dan Analisis Regresi Data Panel Dengan Eviews*.

²⁶ Priyatno.

Source: Data processed by the author, (2024).

Based on Table 4, the autocorrelation test using the Breush-Godfrey serial correlation LM test shows an Obs R2 value of < 0.05 . This study revealed that there was an autocorrelation problem with residues.

T Test

The t-test determines whether an independent variable has a partially significant influence on the dependent variable.²⁷ In this study, the independent variable (X) consists of CAR (X1), NPF (X2), BOPO (X3), inflation (X4), GDP (X5), and BI rate (X6). If the probability value < 0.05 , the independent variable has a partially significant effect on the dependent variable.

Table 5. Test Results t

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.427112	0.968708	0.440909	0.6603
CAR	0.090591	0.022962	3.945258	0.0002
NPF	-0.199631	0.078768	-2.534414	0.0130
BOPO	-0.007434	0.006034	-1.232010	0.2212
INFLASI	-0.038763	0.072762	-0.532742	0.5955
PDB	0.004394	0.011997	0.366255	0.7150
SB	0.039788	0.029126	1.366044	0.1754

Source: Data processed by the author, (2024).

The t-test processing results in Table 5 show that:

- The significance value of CAR (X_1) of $0,00 < 0,05$ and the value of $3,94 (t_{count}) > 1,98 (t_{table})$, it can be concluded that CAR affects the profitability of Islamic commercial banks.
- The significance value of NPF (X_2) of $0,01 < 0,05$ and the value of $-2,53 (t_{count}) < 1,98 (t_{table})$, it can be concluded that NPF affects the profitability of Islamic commercial banks.
- The significance value of BOPO (X_3) of $0,22 > 0,05$ and the value of $-1,23 (t_{count}) < 1,98 (t_{table})$, It can be concluded that BOPO does not affect the profitability of Islamic commercial banks.
- The significance value of inflation (X_4) of $0,59 > 0,05$ and the value of $-1,53 (t_{count}) < 1,98 (t_{table})$, It can be concluded that inflation does not affect the profitability of Islamic commercial banks.
- The significance value of GDP (X_5) of $0,71 > 0,05$ and the value of $0,37 (t_{count}) > 1,98 (t_{table})$, It can be concluded that GDP does not affect the profitability of Islamic commercial banks.
- The significance value of BI rate (X_6) of $0,17 > 0,05$ and the value of $1,37 (t_{count}) > 1,98 (t_{table})$, It can be concluded that BI rate does not affect the profitability of Islamic commercial banks.

²⁷ Anisyah Wulandari et al., "Statistika Pendidikan," in *CV. Bintang Semesta Media* (Sleman, 2023), 199.

F Test

Test F to determine whether the independent variable significantly influences the dependent variable at the same time.²⁸ When the probability level is < 0.05 , the independent variable significantly influences the dependent variable.

Table 6. F Test Results

R-squared	0.833361	Mean dependent var	1.294479
Adjusted R-squared	0.822127	S.D. dependent var	0.533832
S.E. of regression	0.225144	Akaike info criterion	-0.074036
Sum squared resid	4.511375	Schwarz criterion	0.112948
Log likelihood	10.55372	Hannan-Quinn criter.	0.001546
F-statistic	74.18154	Durbin-Watson stat	0.792717
Prob(F-statistic)	0.000000		

Source: Data processed by the author, (2024).

Test F in that table using log (ROA) as the bound variable. Based on the table above, it can be seen that the $74,18 (f_{\text{count}}) > 2,11 (f_{\text{table}})$, and the probability value (F-statistic) is $0.00 < 0.05$. The results showed that the variables CAR, NPF, BOPO, inflation, GDP, and BI rate simultaneously had a significant effect on the profitability of Islamic commercial banks.

Test Coefficient of Determination (R-square)

This test is used to determine the extent of the influence of the independent variable on the dependent variable. If R2 is 1, the independent variable can describe the dependent variable. If R2 equals 0, the independent variable cannot describe the dependent variable.²⁹

Table 7. Coefficients of Determination Test Results

R-squared	0.833361	Mean dependent var	1.294479
Adjusted R-squared	0.822127	S.D. dependent var	0.533832
S.E. of regression	0.225144	Akaike info criterion	-0.074036
Sum squared resid	4.511375	Schwarz criterion	0.112948
Log likelihood	10.55372	Hannan-Quinn criter.	0.001546
F-statistic	74.18154	Durbin-Watson stat	0.792717
Prob(F-statistic)	0.000000		

Source: Data processed by the author, (2024).

In the table above, log (ROA) is used as the dependent variable for testing the coefficient of determination (R-squared). The table above shows an R-squared (R2) of 0.83336, meaning that the independent variable used in this study is 83.36%. Factors outside the multiple linear regression model influenced the remaining 16.64%.

Multiple Linear Regression Equation Model

$$\text{ROA} = 0.427112 + 0.090591 (\text{CAR}) - 0.199631 (\text{NPF}) - 0.007434 (\text{BOPO}) - 0.038763 (\text{Inflation}) + 0.004394 (\text{GDP}) + 0.039788 (\text{BI rate}) + e$$

The multiple regression equation explains its interpretation as follows:

- A constant value at ROA of 0.427. An increase in the value of this constant by 1 point will lead to an increase in ROA, which is positive for its value.

²⁸ Budi Darma, "Statistika Penelitian Menggunakan SPSS," in *Guepedia* (Kabupaten Bogor, 2021), 99.

²⁹ Farah Margaretha Leon, Rossje V Suryaputri, and Tri Kunawangsih Pracoyo, "Metode Penelitian Kuantitatif: Manajemen, Keuangan, Dan Akuntansi," in *Salemba*, ed. Aklia Suslia (Wiyung, Surabaya, 2023), 228.

- b. The CAR has a positive value of 0.090 for the regression coefficient. Assuming other factors are constant, the profitability of Islamic commercial banks increases by 0.090 per CAR, an increase of 1 point.
- c. NPF has a negative regression coefficient. If you consider other variables, the increase in NPF by 1 point resulted in a loss of 0.199 per year for Islamic commercial banks.
- d. The regression coefficient of *BOPO* 0.007 is negative. The increase in *BOPO* led to a decrease in the profitability of Islamic commercial banks by 0.007 points when other factors were taken into account.
- e. The value of the inflation regression coefficient of 0.038 is negative. If inflation is not adjusted, the profitability of Islamic commercial banks decreases by 0.03 points for every 1-point increase.
- f. GDP regression coefficient of 0.04%, the GDP coefficient is positive 0.04 in the regression analysis. Assuming other factors remain, the increase in GDP results in a profit of 0.004% for Islamic commercial banks.
- g. BI rate regression coefficient of 0.03 is in positive territory. If other factors are considered, then Islamic commercial banks' profitability increases by 0.003 per point for every 1-point increase in interest rates.

The Effect of CAR on the Profitability of Sharia Commercial Banks in Indonesia

The significance value of CAR (X_1) of $0,00 < 0,05$ and the value of $3,94 (t_{count}) > 1,98 (t_{table})$, it can be concluded that CAR affects the profitability of Islamic commercial banks.

The results of this study are in line with previous research studies conducted by Augusto³⁰, Munir³¹, Almunawwaroh & Mariana³², and Mahmudah & Harjanti³³ stated that CAR has a significant positive effect on BUS profitability. The increase in the CAR ratio at Islamic commercial banks positively impacts profitability. According to Bank Indonesia Regulation Number 15/12/2013 Article 2 concerning the Obligation to Provide Minimum Capital for Commercial Banks stipulates the lowest as follows: (1) 8% of ATMR for banks with a risk profile ranked first; (2) 9% to less than 10% for banks with a second rank risk profile; (3) 10% to less than 11% of ATMR for banks with a risk profile ranked third; (4) 11% - 14% of ATMR for banks with rank four or five risk profiles. In this study, the average CAR owned by Islamic commercial banks during 2015-2022 was 19.37%, meaning the CAR value is still at optimal conditions.

The existence of a high CAR reflects capital conditions that have successfully prevented several potential risks. First is credit risk; this potential risk can occur due to the failure of

³⁰ Augusto Hasiholan Rafried Sihite Augusto, "Pengaruh Capital Adequacy Ratio (CAR) Dan Financing To Deposit Ratio (FDR) Terhadap Profitabilitas Bank Umum Syariah Di Indonesia," *Maro: Jurnal Ekonomi Syariah Dan Bisnis* 4, no. 2 (2021): 1–8, <https://doi.org/10.31949/maro.v4i2.1189>.

³¹ Misbahul Munir, "Analisis Pengaruh CAR, NPF, FDR Dan Inflasi Terhadap Profitabilitas Perbankan Syariah Di Indonesia," *Ibtifaq: Journal of Islamic Economics, Finance, and Banking* 1, no. 1 (2018): 89, <https://doi.org/10.12928/ijiefb.v1i1.285>.

³² Medina Almunawwaroh and Rina Marlina, "Pengaruh CAR, NPF Dan FDR Terhadap Profitabilitas Bank Syariah Di Indonesia," *Ammaluna: Jurnal Ekonomi Dan Keuangan Syariah* 2, no. 1 (2018): 1–18, <https://doi.org/10.29313/amwaluna.v2i1.3156>.

³³ Nurul Mahmudah and Ririh Sri Harjanti, "Analisis Capital Adequacy Ratio, Financing to Deposit Ratio, Non Performing Financing, Dan Dana Pihak Ketiga Terhadap Tingkat Profitabilitas Bank Umum Syariah Periode 2011-2013," *Seminar Nasional Iptek Terapan* 1, no. 1 (2016): 134–43, <https://www.neliti.com/id/publications/171313/analisis-capital-adequacy-ratio-financing-to-deposit-ratio-non-performing-financ>.

creditors to fulfill obligations to pay credit when due to the increase in bad debts, the higher the capital used to cover bad credit losses.³⁴ Second, operational risk is caused by losses arising from inadequate internal processes, system errors, external events, and human error. Conversely, if there is too much capital in the bank, it causes an increase in inefficient operational costs. The operational costs can affect the bank's ability to obtain optimal profits. Third, market risk is the risk of loss due to bad movements in the money market, such as the interest rate or foreign exchange market.³⁵

Islamic commercial banks rely on the capital attachment ratio as the main measure of financial profitability. The theory of the book *Basic and Principles of Bank Supervision* by Permadi Gandapradja³⁶ explains that capital has several functions, namely (1) as a means to generate long-term profits for shareholders and banks; (2) as a safeguard against potential losses; and (3) as additional capital reserves. Potential credit risk can occur due to creditors' failure to fulfill obligations to pay credit when due. In addition, with sufficient funds, the company can invest in assets that satisfy shareholders, innovate to create new products, and expand networks to provide added value to customers. Not only that, with sufficient capital, investors have lower risk exposure because they can invest in areas of the company that have the potential to mitigate their risk.³⁷

The Effect of NPF on the Profitability of Sharia Commercial Banks in Indonesia

The significance value of NPF (X_2) of $0,01 < 0,05$ and the value of $-2,53 (t_{count}) < 1,98 (t_{table})$, it can be concluded that NPF affects the profitability of Islamic commercial banks.

This finding is in line with previous studies conducted by Alamsaah et al.³⁸, Rifai & Suyono³⁹, and El Islami & Jaya⁴⁰, which show that NPF has a significant negative effect on the profitability of BUS. The decline in NPF by Islamic commercial banks impacts its profitability. A low NPF indicates that most of a bank's credit portfolio is in good repayment status, thus benefiting the performance of a bank. According to Bank Indonesia Circular Letter No. 9/24/DPbS Year 2007 the amount of good NPF is below 5% with the following assessment criteria: (1) $NPF < 2\%$ is ranked 1 with a very healthy assessment; (2) $2\% \leq NPF < 5\%$ ranked 2nd with a healthy assessment; (3) $5\% \leq NPF < 8\%$ are ranked 3rd with a fairly healthy assessment; (4) $8\% \leq NPF < 12\%$ ranked 4th with an unhealthy assessment; (5) $NPF \geq 12\%$ ranked 5th with an unhealthy rating. In this study, the average NPF in 2015-2022 at Islamic commercial banks was 2.2%, meaning that NPF conditions were healthy.

³⁴ Mahmudah and Harjanti.

³⁵ Dewi Nurapiah, "Manajemen Risiko Operasional Perbankan Syariah," *EKSISBANK* 3, no. 1 (2019): 66–73, <https://doi.org/10.37726/ee.v3i1.14>.

³⁶ Permadi Gandapradja, "Dasar Dan Prinsip Pengawasan Bank," in *Gramedia Pustaka Utama* (Jakarta, 2004), 208.

³⁷ Misbahul Munir, "Analisis Pengaruh CAR, NPF, FDR Dan Inflasi Terhadap Profitabilitas Perbankan Syariah Di Indonesia," *Ihtifaz: Journal of Islamic Economics, Finance, and Banking* 1, no. 1 (2018): 89, <https://doi.org/10.12928/ijiefb.v1i1.285>.

³⁸ Raden Hario Daffa Alamsaah, Fitri Yetti, and Prima Dwi Priyatno, "Pengaruh Npf, Car, Dan Fdr Terhadap Profitabilitas Bank Umum Syariah Di Indonesia," *El - Iqtishod Jurnal Kajian Ekonomi Syariah* 5, no. 2 (2021): 19–46, <https://journal.parahikma.ac.id/el-iqtishod/article/view/198>.

³⁹ Rifai and Suyono, "Pengaruh Capital Adequacy Ratio, Non Performing Financing, Financing To Deposit Ratio Dan Net Operating Margin Terhadap Profitabilitas Bank Syariah (Studi Empiris Pada Bank Umum Syariah Dan Unit Usaha Syariah Yang Terdaftar Di Otoritas Jasa Keuangan Perio.)"

⁴⁰ Muhammad Fatchullah El Islami and Tiara Juliana Jaya, "Effect of Inflation Rate, Non Performing Financing (Npf), and Number of Branch Offices on Murabahah Financing At Bank Muamalat Indonesia," *Al Iqtisadiyah Jurnal Ekonomi Syariah Dan Hukum Ekonomi Syariah* 8, no. 1 (2022): 21–37, <https://doi.org/10.31602/igt.v8i1.6876>.

According to the theory in the book *System of Application of Fines for Problem Financing at Sharia Banks* by Dr. Rosnani Siregar, M.Ag.⁴¹ explained that the strategy of solving problem financing has several stages, namely coaching, rescue, and settlement. First, coaching is carried out by intensive billing of customers whose business is still prospective but has indicated symptoms of problematic financing. Second, rescue by rescheduling method. The rescheduling process involves changing the terms of the loan agreement, such as changes in payment schedule, duration, and monthly payments. So that customers have a longer payment period and fewer installments. Third, rescue by reconditioning method. Reconditioning is an effort to save financing by reducing margins. Low margins affect the number of installments that are getting smaller, but if the customer cannot pay back, a margin exemption is given to the customer.

Before the settlement strategy is carried out, 5C analysis (Character, Capacity, Capital, Collateral, and Condition) can mitigate risks.⁴² First, character examination centers on the nature of prospective customers. BI checking and personality assessment are used to understand the personality and characteristics of prospective customers and help Islamic banks determine whether or not prospective customers are eligible for financing. Second, this investigation covers the capacity of the customer's ability to make installment payments to banks using the field survey method. Usually, the bank directly reviews business conditions and asks about business progress in several communities around the business location. Third, capital. The bank carries out this evaluation to prospective customers to find out transparently the capital owned by prospective customers. The greater the capital of prospective customers, the higher the value the bank offers to prospective customers. Usually, the bank will intensely monitor the expenses and income the bank receives. Fourth, customers submit collateral to get financing. The guarantee can be a motor vehicle BPKB, a letter of sale and purchase, or a certificate of ownership. Fifth, assessment of economic conditions by conducting a stealth survey, which concerns the source of income and the length of business owned.⁴³

The Effect of *BOPO* on the Profitability of Sharia Commercial Banks in Indonesia

The significance value of *BOPO* (X_3) of 0,22 > 0,05 and the value of -1,23 (t_{count}) < 1,98 (t_{table}), It can be concluded that *BOPO* does not affect the profitability of Islamic commercial banks.

The results of this study are the same as research conducted by Wardana & Widyarti⁴⁴. The profitability of Sharia Commercial Banks can be improved by implementing high operational efficiency and keeping the *BOPO* ratio low. The *BOPO* ratio of 94%-96% was recorded as the highest ratio based on Bank Indonesia Circular Letter No. 6/23/DPNP Year

⁴¹ Rosnani Siregar, "Sistem Penerapan Denda Terhadap Pembiayaan Masalah Pada Bank Syariah," in *Zabir Publishing*, ed. Mukhtar (Sleman, 2023), 230.

⁴² Sutrisno et al., "Literature Review: Risk Mitigation and Rescue Procedures in the People's Credit System," *COSTING: Journal of Economic, Business and Accounting* 6, no. 2 (2023): 1154–67, <https://doi.org/10.31539/costing.v6i2.4879>.

⁴³ Qomariyah, "Analisis Aplikasi 5C (Character, Capacity, Capital, Conditional, and Collateral) Pada Pembiayaan Murabahah Di BMT Mandiri Ukhuwah Persada," *El-Qist* 05, no. 02 (2015): 1112–24, <https://doi.org/10.15642/elqist.2015.5.2.1112-1124>.

⁴⁴ Ridhlo Ilham Putra Wardana and Endang Tri Widyarti, "Analisis Pengaruh CAR, FDR, NPF, *BOPO*, Dan Size Terhadap Profitabilitas Pada Bank Umum Syariah Di Indonesia (Studi Kasus Pada Bank Umum Syariah Di Indonesia Periode 2011-2014)," *Diponegoro Journal of Management* 4, no. 4 (2015): 1–11, <https://ejournal3.undip.ac.id/index.php/djom/article/view/13338>.

2004. Based on the theory of the Sharia Bank Risk Management book by Darwis Harahap and Sulaiman Efendi, BOPO is defined as a comparison of operational costs and operating income to assess the level of efficiency and effectiveness of bank business activities.

BOPO risks can be mitigated with various efforts. According to the Bank Risk Management Strategy book by the Indonesian Bankers Association⁴⁵, operational risk mitigation can be done using the RCSA (Risk and Control Self-Assessment) method, which is carried out by and is the responsibility of all work unit managers. RCSA is carried out by determining the work objectives and mission of the work unit, determining the main process goals to be achieved, and estimating the potential for errors at each step of the work process. Then, the main causes and impacts should be looked at to base risk mitigation.

The results of research conducted by BOPO do not affect the profitability of Islamic commercial banks. However, BOPO has implications for Islamic commercial banks. Operating costs include labor costs, instructors, administration, and so on. If operational costs are not controlled properly, they will have an impact on service quality and even company revenues, including sharia products such as loans and investments.

The Effect of Inflation on the Profitability of Sharia Commercial Banks in Indonesia

The significance value of inflation (X_4) of 0,59 > 0,05 and the value of -1,53 (t_{count}) < 1,98 (t_{table}), It can be concluded that inflation does not affect the profitability of Islamic commercial banks.

This study's results align with research conducted by Anindya et al.⁴⁶, Suryadi et al.⁴⁷, and Mellaty & Kartawan⁴⁸. Inflation is a broad increase in the price of goods and services and continues to decline over a certain period. According to the theory in the book Exploring Stock Market Correlations, Inflation, and Exchange Rates by Vietha Devia SS and Faishal Fadli⁴⁹, inflation in Indonesia tends to be strongly influenced by supply and seasonal factors. The supply factor arises from price increases due to government regulations, such as fuel price increases and electricity tariffs. At the same time, seasonal factors occur due to natural conditions, such as crop failure, natural disasters, or religious holidays.

Based on PMK No.101/PMK.010/2021 dated July 28, 2021, concerning the inflation target set by the Government for the next three years, namely 2022-2024, respectively at 3.0%, 3.0% and 2.5% with deviations per year of $\pm 1\%$. The target is the inflation rate to be achieved by Bank Indonesia through cooperation with the government. Inflationary pressures have an impact on inflation and asset quality. In the context of lending, high inflation causes lenders to raise interest rates and increase loan repayments to maximize profits. This is bad for borrowers because they have to pay higher fees. In addition, asset

⁴⁵ Ikatan Bankir Indonesia, *Strategi Manajemen Risiko Bank* (Jakarta: Gramedia Pustaka Utama, 2016).

⁴⁶ Arzi Prima Anindya, Fitriani Aprilianto, and Atut Frida Agustin, "Pengaruh Inflasi, BI Rate, Dan Kurs Terhadap Profitabilitas (ROA) Bank Umum Syariah Di Indonesia Periode 2012-2021," *Journal of Islamic Economics Development and Innovation (JIEDI)* 1, no. 3 (2022): 126–38, <https://ejournal.uimm.ac.id/index.php/ijiedi/article/view/22354>.

⁴⁷ Suryadi, Mayliza, and Ritonga, "Pengaruh Inflasi, Biaya Operasional Terhadap Pendapatan Operasional (BOPO), Dan Pangsa Pasar Terhadap Profitabilitas Bank Umum Syariah Di Indonesia Periode 2012-2018."

⁴⁸ Fitri Risma Mellaty and Kartawan, "Pengaruh DPK, Inflasi, BI Rate Terhadap Profitabilitas Bank Umum Syariah 2015-2019," *Jurnal Ekonomi Rabbani* 1, no. 1 (2021): 9–20, <https://doi.org/10.53566/jer.v1i1.8>.

⁴⁹ Vietha Devia SS and Faishal Fadli, "Mendalami Korelasi Pasar Saham, Inflasi, Dan Nilai Tukar," in *Universitas Brawijaya Press* (Malang, 2023), i-xiii+169.

quality can be affected by inflation. High inflation prices lead to a decrease in the exchange rate. This causes investments in assets that cannot be measured accurately, so investors decide to withdraw and switch to safe transactions such as saving or buying assets such as gold.

Bank Indonesia has limited control of inflation. Therefore, Bank Indonesia established a central coordination team for targeting, monitoring, and inflation control (*TPI*) in 2005 in coordination with the government. *TPI* members consist of Bank Indonesia and related technical ministries in the Government, such as the Ministry of Finance, Ministry of Home Affairs, Ministry of Trade, Ministry of Agriculture, Ministry of Transportation, Ministry of Energy and Mineral Resources, National Development Planning Agency, Coordinating Ministry for Economic Affairs Ministry of Public Works and Public Housing, Ministry of State-Owned Enterprises, Cabinet Secretary, and National Police of the Republic of Indonesia. The Government and BI expect more effective support from the *TPI* forum, both central and regional so that low and stable inflation can be realized in sustainable and sustainable economic growth.

The Effect of GDP on the Profitability of Sharia Commercial Banks in Indonesia

The significance value of GDP (X_5) of 0,71 $>0,05$ and the value of 0,37 (t_{count}) $>1,98$ (t_{table}), It can be concluded that GDP does not affect the profitability of Islamic commercial banks.

The economic performance of a country in an annual period is usually measured by gross domestic product (GDP). GDP is the goods and services a country produces in ten years, expressed in local currency. This study's results align with research conducted by Widiyanti⁵⁰. The Central Bureau of Statistics⁵¹ determines that GDP is expressed in two price concepts: current and constant prices. GDP based on prevailing prices, often called nominal GDP, is the added value of goods and services produced by a country in a certain period at the prevailing price. Meanwhile, nominal GDP is the value added of goods and services calculated using prices in a given year as the base.

The results of research conducted by GDP do not affect the profitability of Islamic commercial banks. However, in reality, GDP has no effect. This is because GDP includes an investment component. Investments made by halal-based Islamic commercial banks are based on the bank's goals, vision, and mission; that's why many people are interested in investing in Islamic banks, as they offer flexible and diverse services. Therefore, when investment rises, it accelerates the increase in economic growth and then affects the increase in GDP.

The Effect of BI Rates on the Profitability of Sharia Commercial Banks in Indonesia

The significance of the BI rate (X_6) of 0,17 $>0,05$ and the value of 1,37 (t_{count}) $>1,98$ (t_{table}), Shows that the BI rate does not affect the profitability of Islamic commercial banks.

⁵⁰ Firna Widiyanti, "Analisis Pengaruh Inflasi, Suku Bunga Dan Produk Domestik Bruto Terhadap Profitabilitas," *Jurnal Akuntansi, Keuangan, Pajak Dan Informasi (JAKPI)* 2, no. 1 (2022): 30–44, <https://doi.org/10.32509/jakpi.v2i1.2068>.

⁵¹ Badan Pusat Statistik Indonesia, "Produk Domestik Bruto Indonesia Triwulanan" (Jakarta: BPS Indonesia, 2023).

According to Bank Indonesia, the interest rate is the policy rate that reflects the monetary policy stance set by Bank Indonesia and announced to the public. This result aligns with research conducted by Widiyanti⁵², and Cristoval & Anita⁵³. Bank Indonesia sets the BI rate directly within one month using Bank Indonesia Certificates (SBI). Bank Indonesia provides SBI in rupiah that can be converted into short-term debt and traded at a price. SBI is usually a tenor of 1, 3, 6, 9, and 12 months. According to the theory of the book Financial Management by Samsurijal Hasan et al.,⁵⁴ the general purpose of adjusting the central bank's main interest rate is to meet the projected inflation target. Under these circumstances, if the SBI interest rate increases, the money supply decreases, and inflation decreases.

In the practice of Islamic commercial banks, rates are not applied in their transaction activities. The prevailing interest rate is only used as an equivalent or makes it a benchmark in determining profit-sharing margins. The implications of Islamic commercial banks are based on the principles of the Qur'an and hadith by applying mudaraba, wadiah, and murabaha contracts.⁵⁵ First, in the mudaraba contract or profit-loss sharing, Islamic banks work together to finance investments with customers. Later, profits will be divided equally between Islamic banks and customers based on a previously agreed profit-sharing ratio. This avoids the concept of interest rates because the additional capital is carried out jointly, and the proceeds are divided based on the agreed ratio. Second, in the wadi'ah concept, Islamic banks are the only parties who receive entrustments from those who entrust. Third, in Murabaha, Islamic banks buy goods or services at a certain price and then sell them back to customers at a higher price as an agreed profit.

Effects of CAR, NPF, BOPO, Inflation, GDP, and BI Rates on BUS Profitability

The results of the statistical f test show an accuracy value of $0.00 < 0.05$; that is, H1 is accepted. This study determined that the variables CAR, NPF, BOPO, inflation, GDP, and BI rates simultaneously affect the profitability of Islamic commercial banks in Indonesia 2015-2022.

The results of this study are the same as the research conducted by Anindya et al⁵⁶ and Wirnawati & Diyani⁵⁷. The profitability of Islamic commercial banks is influenced by the amount of capital invested in trading activities to manage initial risk. A bank's capital adequacy is very important to increase competitiveness and opportunities for obtaining investment funding. High capital adequacy strengthens bank resilience while reducing high levels of credit risk. High credit risk will affect banks' profitability due to the increasing

⁵² Widiyanti, "Analisis Pengaruh Inflasi, Suku Bunga Dan Produk Domestik Bruto Terhadap Profitabilitas."

⁵³ Jason Cristoval and Widya Febryari Anita, "Analisis Pengaruh Inflasi Dan Tingkat Suku Bunga Terhadap Return On Assets (Profitabilitas)," *JRKA* 8, no. 2 (2022): 1–5, <https://doi.org/10.25134/jrka.v8i2.7247>.

⁵⁴ Samsurijal Hasan et al., "Manajemen Keuangan," in *CV. Pena Persada* (Kabupaten Banyumas, 2022), 226.

⁵⁵ Puguh Roni Prastowo, Rony Malavia, and Budi Wahono, "Analisis Pengaruh Inflasi, Suku Bunga, Dan Nilai Tukar Terhadap Profitabilitas Perbankan," *E – Jurnal Riset Manajemen* 7, no. 16 (2018): 27–41, <https://jim.unisma.ac.id/index.php/jrm/article/view/1324/1322>.

⁵⁶ Anindya, Aprilianto, and Agustin, "Pengaruh Inflasi, BI Rate, Dan Kurs Terhadap Profitabilitas (ROA) Bank Umum Syariah Di Indonesia Periode 2012-2021."

⁵⁷ Maulydina Wirnawati and Lucia Ari Diyani, "Penguji CAR, NPF, FDR, Dan BOPO Terhadap Profitabilitas Pada Bank Umum Syariah" 4, no. 1 (2019): 69–80, <https://www.neliti.com/id/publications/471503/pengujian-car-npf-fdr-dan-bopo-terhadap-profitabilitas-pada-bank-umum-syariah>.

number of non-performing payments. As a result, bank profits are reduced because they have to bear the costs of operational activities they incur.⁵⁸ Unlike operating costs, operating costs must remain stable. If it is too low, it will impact economic instability. However, if it is too high, this can increase banks' investment and lending capacity. Good economic conditions can strengthen the value of adequacy.⁵⁹

A high inflation rate can cause interest rates to rise, thus affecting the smooth flow of bank loans and investments. This can result in higher funding costs, and banks must find ways to maintain their operations.⁶⁰ Similarly, inflation can affect the demand and supply of capital. It also has an impact on bank strategies and decisions. A country's GDP measures its economy, and better economic conditions allow banks to maximize profits. However, low GDP can affect the smooth operation of banks and increase risks. In times of deteriorating economic conditions, the demand for credit from customers may decrease, so banks are forced to use other methods to increase their profits and income. Interest rates depend on inflation, the demand and supply of capital, and the bank's decision-making patterns, which affect the bank's funding and investment costs. Banks find it difficult to channel funds to the public when interest rates rise.⁶¹

CONCLUSION

The results of multiple linear regression tests show that simultaneously, bank financial performance and macroeconomic variables in the form of CAR, NPF, BOPO, inflation, GDP, and interest rates have a significant influence on the profitability of Islamic commercial banks in Indonesia.

Capital Adequacy Ratio and Non-Performing Financing partially have a significant effect on the profitability of Islamic commercial banks in Indonesia 2015-2022. This is due to the capital adequacy ratio as an essential factor to survive in competition and as solid capital to handle initial risks. In addition, sufficient capital can also minimize the occurrence of financing risks.

Operational Costs and Operating Income partially do not significantly affect the profitability of Islamic commercial banks in Indonesia. If Islamic commercial banks can increase their profit margins, then the value of *BOPO* will not have an impact on the implementation of Islamic banking practices.

Inflation, Gross Domestic Product, and BI rates have no significant effect on the profitability of Islamic commercial banks in Indonesia 2015-2022. The inflation rate is not a concern for Islamic commercial banks as long as economic conditions are favorable and the bank's internal performance can follow monetary policy. Usually, inflation is associated with GDP and BI rate problems. BI rates certainly do not affect Islamic commercial banks because

⁵⁸ Riduan, Muhammad Birusman Nuryadin, and Mursyid, "Pengaruh Makro Ekonomi Dan Mikro Ekonomi Terhadap Return On Assets (ROA) Perbankan Syariah Tahun 2016-2021," *Jurnal Masharif Al-Syariah: Jurnal Ekonomi Dan Perbankan Syariah* 8, no. 1 (2023): 342–68, <https://doi.org/10.30651/jms.v8i1.15732>.

⁵⁹ Wirnawati and Diyani, "Pengujian CAR, NPF, FDR, Dan BOPO Terhadap Profitabilitas Pada Bank Umum Syariah."

⁶⁰ Amiruddin and Ashar, "Pengaruh Eksternal Dan Internal Bank Terhadap Profitabilitas Bank Umum Syariah Di Indonesia."

⁶¹ Kirana, Hariyani, and Sari, "Pengaruh Makro Ekonomi Dan Mikro Ekonomi Terhadap Profitabilitas Pada BPR Syariah Di Indonesia."

they adopt a profit-sharing system in their loan transactions.

The results of this study are expected to be a reference for further research outside the survey year, which includes banking performance and macroeconomic variables. By adding variables to the performance of Islamic banks in Indonesia or expanding the scope of this research to include Asian and international institutions, larger-scale research can be conducted.

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