IBMJ Islamic Business and Management Journal

Article

NON PERFORMING FINANCING, PROFIT SHARING FINANCING, BUYING AND SELLING FINANCING, LEASING FINANCING AND THEIR INFLUENCE ON RETURN ON ASSETS

Bayu Segarahin[1],. Hartomi Maulana[2],.(2020)*

Affiliation 1; University of Darussalam Gontor, Ponorogo, Indonesia, bayusegarahin@gmail.com
Affiliation 2; University of Darussalam Gontor, Ponorogo, Indonesia, mhartomi@unida.gontor.ac.id Correspondence

Citation: Segarahin B[1],. Maulana,H[2].(2020)* NON PERFORMING FINANCING, PROFIT SHARING FINANCING, BUYING AND SELLING FINANCING, LEASING FINANCING AND THEIR INFLUENCE ON RETURN ON ASSETS

Academic Editor: Faqih Al Fahmi

Received: 17 January 2020
Accepted:27 April 2020
Published: 27 April 2020

Publisher's Note: IBMJ, Faculty of Economics and Management UNIDA Gontor stays neutral with regard to jurisdictional claims in published maps and institutional affiliations.

Abstract: This study aims to examine the influence of Non Performing Financing (NPF), Profit Sharing Financing (PSF), Buying and Selling Financing (BSF) and Leasing Financing (LF) on Return On Assets at PT. Bank Muamalat Indonesia for the period of 2012-2019. The research method used is quantitative approach. The data in this study were obtained from PT. Bank Muamalat Indonesia Quarterly Financial

(Maulana et al., 2019) Statement between 2012 quarter I and 2019 quarter III, retrieved from Financial Service Authority or Otoritas Jasa Keuangan (OJK) website. The analysis technique used in this research is multiple linear regression analysis which aims to determine the influence of independent variables on dependent variable employed in this study. The result shows that NPF and BSF have negatively influence on ROA, while PSF has positively influence. However, LF has no influence on ROA statistically.

Keywords: Non Performing Financing (NPF), Profit Sharing Financing (PSF), Buying and Selling Financing (BSF), Leasing Financing (LF), Return On Assets (ROA).

A.1. INTRODUCTION

Bank is financial institution whose main activities are raising funds from the public and channeling these funds back to the community and providing other bank services . According to Umam , bank is also referred as financial intermediary institution. In carrying out its role as a financial

(Maulana et al., 2019)intermediary institution, the existence of banks is highly dependent on the existence of public trust (agent of trust), so that the principle of trust becomes the spirit of banking activities. As an agent of trust, bank also function for national economic development (agent of development) in the context of increasing equity, economic growth, and national stability .

Sharia Banking was established based on philosophical and practical reasons. Philosophically, Sharia banking was established based on the prohibition of usury taking in financial and non-financial transactions. In practical terms, Sharia banks do not recognize the concept of interest on money and do not recognize money lending, but there is a partnership / cooperation (mudharabah and musyarakah) with the principle of profit sharing, while lending money is only possible for social purposes without any reward.

The role of Sharia banking in economic activities in Indonesia is not much different from conventional banking . The role and function of Sharia banking is very important in the development of Sharia banks in Indonesia. It is necessary to improve the performance of Sharia banks in order to create banks with sound Islamic principles. Performance is important for companies, because the banking business is a business of trust, banks must be able to show their credibility so that more people will use banking services in transactions, one of which is through increased profitability . Profitability is one of the right indicators to measure company performance , because the company's ability to generate profits can be a measure of company performance.

Sharia banking in Indonesia has experienced very rapid development from year to year despite it is experiencing fluctuations. The growth of sharia banks that experience these fluctuations will indirectly cause competition among Sharia banks both in terms of improving services, as well as improving bank performance. One of the benchmarks to measure the performance of a bank can be seen from how much profit the bank gets. The profit rate can be seen from the level of Return On Assets (ROA), when ROA get higher, then profit level of a bank get higher too . According to Munawir in Chalifah and Sodiq , profitability is a ratio that shows the company's ability to generate profits for a certain period as measured by the success in the productive use of assets. ROA is one form of profitability ratio that is intended to be able to measure the ability of the company with the overall funds invested in the assets used by the company to generate profits.

In improving financial

(Maulana et al., 2019) performance, Sharia banks maximize a variety of Islamic financing products by maintaining good operations. Sharia banks operational as financial intermediaries carried out with funds from the public which are then channeled back to the community through financing. The funds are deposited in the form of demand deposits, savings and deposits, both on the wadi'ah principle and the mudharabah principle. While the distribution of funds carried out by Sharia banks through refinancing with four distribution patterns, the principle of trading, the principle of sharing, the principle of Ujroh and contract complementary.

Two main patterns currently implemented by Sharia banks in channeling financing are financing with the principle of buying and selling and financing with the principle of profit sharing. Income at Sharia banks is largely determined by how much profit is received from the financing channeled. Profits received from the selling principle come from the mark up determined based on the agreement between the bank and the customer. While revenues from profit sharing principle determined based on consensual magnitude ratio, bank profits depend on the benefit of customers. The pattern of sharing has a lot of risk, therefore the bank must actively try to anticipate the possibility of customer losses from the beginning. In addition to these two financing, there are also lease financing offered by sharia banks in the form Ijarah agreement .

Funding channeled by Sharia banks is very likely to contain risks in it, one of which is non-performing finance. Problem financing is loans that have difficulty paying off due to intentional or external factors beyond the ability / control of customers . The size of NPF shows the performance of a bank in managing the funds channeled. If the portion of problematic financing grows, this will ultimately reduce the amount of income the bank receives .

Problem of financing and profitability is one of main problems of Sharia Banks. They try to reduce the number of Non Performing Financing and increase profits through Profit Sharing Financing, Buying and Selling Financing and Leasing Financing. Sharia bank that has most significant financing problems now is Bank Muamalat Indonesia. Bank Muamalat Indonesia as the pioneer of sharia banking in Indonesia certainly experienced development and progress, especially in the subject of financing, which Bank Muamalat Indonesia has been operating in a period of more than two decades in Indonesia. However, various internal and external obstacles and problems hampered the rate of development of Bank Muamalat Indonesia. The latest issue is the problem of slowing growth in financing which has an impact on reducing margin income and fee based income . The decline in bank performance in the first half of this year was also marked by important ratios that worsened. The ratio of Non Performing Financing, which was previously successfully suppressed, has soared again. As of June 2019, the gross NPF ratio increased from 1.65% to 5.41%, while the net NPF ratio increased from 0.88% to 4.53% .

B. 2. LITERATURE REVIEW

2.1. *Previous Research*

Lyla Rahma Adyani analyzed the factors that affecting the profitability (ROA) Sharia Banks listed on the Stock Exchange period December 2005- September 2010. Specifically, this study examined the influence of Capital Adequacy Ratio (CAR), Non Performing Financing (NPF), Operational Efficiency Ratio (OER), and Financing Deposit Ratio (FDR) to Profitability (ROA). The analytical techniques used are classical assumption analysis, multiple linear regression analysis and hypothesis testing with a level of significance of 5%. The results of the simultaneous study (F test) stated that CAR, NPF, OER, and FDR simultaneously affected the profitability (ROA) of the bank. While the results of the coefficient of determination show that the correlation between bank profitability (ROA) with 4 independent variables is 45.2%. The results found that CAR and FDR have no significant positively influence on bank profitability (ROA). Meanwhile NPF and OER have a significant negatively influence on bank profitability (ROA).

While, Sri Windarti Mokoagow and Misbach Fuady examined the factors that affected the profitability of Sharia Banks in Indonesia in the 2012-2013 period. This study aims to look at the various factors that affect the ability of Sharia banking management in generating profits from the management of its assets. In this case study, subjects used is Sharia Banks in Indonesia. Research conducted a quantitative study with the entire population of Sharia banks registered in Bank Indonesia (BI) in 2011-2013. Sampling was done by purposive sampling, selecting samples that have met the criteria that are tailored to the purpose of research. The method used is panel data regression analysis after previously tested to classical assumptions. Based on testing, the result is that the Financing to Deposit Ratio (FDR) and Reserve Requirement (RR) has no meaningful relationship that can affect the value of ROA on Sharia Banks. On the other hand, the results showed that there is a statistically significant relationship of Capital Adequacy Ratio (CAR), Earnings Asset Quality (EAQ) and Operational Efficiency Ratio (OER) on Return On Assets (ROA).

In addition to the two studies above, Maya Kiswati in her research analyzed the effect of murabahah, mudharabah and musyarakah financing on the Return On Assets of PT. Bank Syariah Mandiri for the period 2012-2016. The type of this research is quantitative descriptive with documentation method in data collection and using claasical assumption test and multiple linear regression test in data analysis technique. The sample used is 56 samples. This study used secondary data sourced from the official website of Bank Syariah Mandiri. The variables in this research are murabahah (X1), mudharabah (X2), musyarakah (X3) and Return On Asset (Y). Result of t test analysis showed that murabahah financing has positive and significant effect to Return On Asset. Mudharabah financing has a positive and significant impact on Return On Asset and musyarakah financing also have a significant positive effect on Return On Asset. While the coefisient of determination (R2) of 0,453 which means Return On Asset Bank Syariah Mandiri able to be explained by independent variable of 45,3% and the remaining 54,7% influenced by other variables.

Noor Fakhria Utami examined the effect of Buying and Selling Financing, Profit Sharing Financing, and Leasing Financing simultaneously and financing structure partially on the financial performance of PT. Bank Syariah Mandiri in the first quarter of 2006 - fourth quarter of 2013. To processed and analyzed the data, statistical test used simultaneously and partially, classical assumption test and multiple regression. Based on the results of statistical tests, financing (selling, profit sharing and leasing) proved have a simultaneous significant effect on financial performance, this is evidenced by the significance value of 0.001. For the partial test only Profit Sharing Financing had a significant effect on financial performance, while Buying and Selling Financing and Leasing Financing did not significantly affected financial performance (Maulana et al., 2019)

Subsequent research from Puji Rahayu on the effect of murabahah financing on the level of profitability of Islamic commercial banks with corporate social responsibility (CSR) as an intervening variable in 2012-2016. This study aims to examined: (1) Effect of Murabahah Financing on the level of CSR (2) Effect of Murabahah Financing on ROA (3) Effect of CSR on ROA and (4) the role of CSR as an intervening variable mediating the effect of murabahah financing on the profitability of ROA. This study used secondary data, the population in this study is a Sharia Commercial Bank registered with Bank Indonesia (BI) during the 2012-2016 period. Sampling technique was purposive sampling and sampling method used certain criteria. The sample used was 7 Sharia Banks that fit the criteria of researchers. The results showed that there was a positive and significant effect of murabahah financing on profitability, murabahah financing had no effect on the level of CSR, CSR had no effect on profitability (ROA). The results of this study indicate the path model y = a + 0.236653 x1 + -1.315895 z + 0.715313 which shows that CSR can mediate the effect of murabahah financing on profitability (ROA) which means there is a mediating influence. On the basis of seeing t arithmetic = 10,682 greater than t table significance level of 0.05 of 1.96. The results showed that there was a positive and significant effect of murabahah financing on profitability, murabahah financing had no effect on the level of CSR, CSR had no effect on profitability (ROA). The results of this study indicate the path model y = a + 0.236653 x1 + -1.315895 z + 0:715313 which shows that CSR can mediate the effect of murabahah financing on profitability (ROA) which means there is a mediating effect. On the basis of seeing t arithmetic = 10,682 greater than t table significance level of 0.05 of 1.96.

2.2 Conceptualization

Financing

Financing is funding provided by one party to another party to support a planned investment, whether done alone or in an institution. According to Muhammad , in general financing objectives can be divided into two groups, macro level financing objectives, and micro level financing objectives. Macro-level financing aims to:

1. Improvement of the economic community, meaning that people who can not access the economy, with their financing can access the economy. Thus it can improve its economic level.

2. The availability of funds for business improvement, means that for business development requires additional funding. These additional funds can be obtained by carrying out financing activities. The party with a surplus of funds distributes to the party with less funds, so that the funds can roll.

3. Increasing productivity, which means financing provides opportunities for the community to be able to increase their productive power. Because the production business will not be able to run without the funds.

4. Opening new employment, meaning with the opening of sectors business through addition and financing, the business sector will absorb labor. This means adding or opening new employment.

5. Income distribution occurs, meaning that the productive business community able to do work activities, meaning they will get income from the results of their business. Income is part of community income. If this happens, income will be distributed.

As for the micro, financing aims:

1. Efforts to maximize profits, meaning that every business opened has the highest goal, which is to make a profit. Every entrepreneur wants to be able to achieve maximum profit. To be able to generate maximum profits, then they need sufficient financial support.

2. Efforts to minimize risk, meaning that the effort is carried out in order able to generate maximum profits, the entrepreneur must be able to minimize the risks that may arise. The risk of lack of venture capital can be obtained through financing measures.

3. Utilization of economic resources, meaning economic resources can be developed through mixing between natural resources, and human resources and capital resources. If natural resources and human resources are available, but capital resources are not available, financing is needed. Because basically financing can increase the efficiency of economic resources.

4. Channeling excess funds, meaning in the life of this community there are those who have advantages while there are those who lack. In relation to the problem of funds, the financing mechanism can be a bridge in balancing and channeling funds from the excess (suplus) to the deficient (minus).

Non Performing Financing (NPF)

The level of bank business continuity is closely related to assets productive it has, therefore bank management is demanded to always be able to monitor and analyze the quality of assets productive owned. The quality of productive assets shows the quality assets in connection with the credit risk faced by banks lending and investment bank funds. Productive assets which are assessed as quality include investment of funds both in rupiah and foreign currencies, in the form of loans and securities. Every investment of bank funds in earning assets is assessed for quality by determining their level of collectibility. Collectibility can be interpreted as the state of repayment of principal, installments of principal or interest on loans by the customer and the possibility of receiving funds back in the securities or other investments. Credit risk accepted by bank is one of the bank's risks .

Non Performing Loans (NPL) affect Return On Asset (ROA) based on the relationship with the level of bank risk which leads to bank profitability (ROA). NPL is measured by the ratio of non performing loans to total loans. A high NPL will increase costs, potentially resulting in bank losses. If this ratio high, then quality of bank credit will be worse, it will making number of non-performing loans bigger, and therefore the bank must bear losses in its operational activities, thereby affecting the decline in profit (ROA) obtained by the bank. In accordance with the rules set by Bank Indonesia, the amount of good NPL is below 5% .

In sharia banks the term of Non Performing Loans is replaced by Non Performing Financing (NPF) because in sharia it uses the principle of financing. NPF is the level of risk faced by banks. NPF is the amount of financing that has problems and there is a possibility that it cannot be collected. When NPF value high, it indicate bank's performance get worse.

Funding channeled by Sharia banks is very likely to contain risks in it, one of which is non-performing finance. Problematic financing is loans that have difficulty paying off due to intentional factors or external factors beyond the ability / control of customers .

Quality of the financing is set to be 5 (five) categories, current, special mention, substandard, doubtful and loss, which are categorized financing problems is the quality of financing which entered orders in the special attention until loss. The size of the Non Performing Financing shows the performance of a bank in managing the funds channeled. If the portion of problematic financing grows, it will eventually decrease the bank's income .

Profit Sharing Financing

Profit Sharing Financing products provided by Bank Muamalat Indonesia are Mudharabah and Musyarakah. Mudharabah comes from the word dharb, meaning to hit or walk. Understanding hitting or walking is more precisely the process of someone hitting his feet in running his business. Technically mudharabah is a business cooperation agreement between two parties where the first party (shohibul maal) provides all (100%) of capital, while the other party becomes the manager of the business . Meanwhile, according to Ascarya , mudharabah or investment is the surrender of capital to the person who is in business so that he gets a percentage of the profit.

The terms of this mudharabah financing agreement are (1) capital must be in the form of money or goods valued, known amount, must be cash or not receivable (2) profit must be shared by both parties, profit is agreed at the beginning of the contract, the provider of the fund bears the loss. The terms of the financing agreement are (1) the contractor (2) the object of the contract (3) ijab and qabul.

Types of mudharabah financing are (1) mudharabah muqayyadah, the type of business will be determined by the bank (shahibul maal) and the customer only manages it (2) mudharabah mutlaqah, the type of business may be determined by the customer (mudharib), although capital is still borne by shahibul maal (customer).

Mudharabah financing techniques in Indonesian banks are financing aimed at financing investment, working capital and providing facilities. Profit sharing calculation uses revenue sharing method , because the risk borne by the loss is smaller. The income of the capital owner depends on the uncertainty of the business and the costs incurred in the process .

The profit sharing ratio between investors and managers must be agreed at the beginning of the agreement. The size of the profit sharing ratio for each party is not regulated in Sharia, but depends on the agreement of both parties. The profit sharing ratio can be divided equally 50:50, it can also be 30:70, 60:40, or other agreed proportions. Distribution of profits that are not allowed is to determine the allocation of a certain amount for one party.

Mudharabah profit is the excess amount of capital. The following profit requirements must be fulfilled (1) must be for both parties and should not be imposed only for one party (2) the proportionate profit share for each party must be known and stated at the time the contract is agreed (3) the fund provider bears all losses resulting from mudharabah and the manager must not bear any loss unless it results from an intentional mistake, negligence, or violation of the agreement .

While the second profit-sharing financing product that is musyarakah, is a contract of co-operation between two or more parties for a certain business where each party contributes funds by agreement that the benefits and risks (losses) will be borne together according to the agreement.

Specifically kind contributions of the parties to cooperate to form of funds, goods trade (trading assets), entrepreneurship, intelligence (skills), ownership (property), equipment, trust and other goods that can be valued in money .

The requirements for musyarakah contract are (1) the validity of the contract (2) the validity of the contract (3) the realization of the contract (4) the usual conditions. The contractual agreement is (1) the contractor (2) the object of the contract (3) ijab and qabul . While the types of musyarakah financing are (1) syirkah al-milk, ownership of two or more parties of a property (2) syirkah al-'aqd, partnership occurs because of a shared contract .

Banking techniques applied to this financing are the same as mudharabah financing, which uses the revenue sharing method due to the small risk borne. If using this method, the owner of the fund has never lost or the minimum profit sharing = 0.

Through channeled musyarakah financing, Sharia banks will get profit in the form of profit sharing that is part of the bank. From the management of Profit Sharing Financing, Sharia banks obtain revenue sharing in accordance with the agreed ratio with customers.

Musyarakah is generally an agreement that continues as long as the jointly financed business continues to operate. However, the musyarakah agreement can be terminated with or without closing the business. If the business is closed and liquidated, each business partner will get the results of the liquidation of the asset in accordance with the ratio of the investment. If the business continues to run, then the business partners who want to end the agreement can sell their shares to other business partners at an agreed price .

Buying and Selling Financing

In this study, Buying and Selling Financing product in Bank Muamalat as the independent variable are which consisting of murabahah, salam and istishna. Murabahah which is a form of sale and purchase of certain when the seller makes the cost of acquisition of goods, including goods and other costs incurred to acquire such goods, and the rate of profit (margin) is desired.

The pillars of this murabahah contract are (1) the perpetrators of the contract (2) the object of the contract (3) ijab and qabul . While the murabahah requirements are (1) the level of profit can be determined based on mutual agreement (2) all costs incurred by the seller in order to obtain goods are included in the acquisition costs while expenses incurred such as employee salaries, place rent, etc. cannot be included in the price for a transaction (3) the acquisition cost can be determined with certainty. Murabahah type viz (1) murabahah with orders, so banks make purchases after ordering from customers (2) murabahah without orders, this type is non-binding. So there is an order or not, the bank still provides goods.

While salam is Buying and Selling Financing by way of booking, where the customer gives the money in advance to the goods that have been mentioned, and the goods sent later, salam usually used for agricultural products short-term. In this case the financial institution acts as the buyer of the product and gives the money first while the customer uses it as the capital to manage its farm.

The last Buying and Selling Financing product is istishna, which is Buying and Selling Financing of goods in the form of ordering goods based on certain requirements and criteria, while the payment pattern can be done in accordance with the agreement (can be done before or when delivery of goods) .

Leasing Financing

Bank Muamalat offers lease financing in the form of Ijarah agreement. The meaning of the Ijarah here is the lease contract of goods between the two parties, to benefit from the goods rented. Akad rental that occurs between financial institutions (owners) with customers (tenants) with rental installments that have included the installment of the item price of goods so that at the end of the term tenant agreement can buy such goods with the small remaining price or granted by the bank. Because of this, usually Ijarah named by Al Ijarah Waliqtina or Al Ijarah alMuntahia Bittamliik .

Siamat stated that in islamic sharia, the principle of lease is distinguished by contract, they are Al-Ijarah and Al-Ijarah Almuntahiya Bit-Tamlik. The financing of Ijarah and Ijarah Muntahiya Bit-Tamlik (IMBT) has similarities with the Murabahah financing system which is a contract of the principle of buying and selling. The similarity between the two is that the financing is included in the category of natural centainty contact. While the difference between the two only transaction objects that traded. If in Murabahah financing, the object of the transaction is goods, but in Ijarah financing it is form of services. Furthermore Ascarya states that Ijarah is a contract to utilize services, both services for goods or services for labor.

Ascarya stated that in general, sharia banks carry out more financing leases with options or Ijarah Muntahiya Bit-Tamlik (IMBT). That is because applying the financing system is simpler in terms of bookkeeping and the bank is not necessary hassled by the burden of maintaining assets for leased goods. Revenues earned by banks for leasing financing will affect the amount of bank profit concerned, which will then affect Return On Assets (ROA).

Return On Asset (ROA)

One indicator that can be used to measure bank profitability performance is ROA (Return On Assets), which is the profitability ratio that shows the ratio between earnings (before tax) and total bank assets, this ratio shows the level of asset management efficiency carried out by the bank concerned. Usually, this ratio is measured by a percentage and when it get smaller or lower the percentage of this ratio is not good for sharia bank, and vice versa .

Siamat stated that when Return On Assets great, it showed better financial performance, because rate of return get greater. Kasmir's statement reinforced, that when Return On Assets of a bank great, level of profit achieved by the bank being greater, and bank's position in terms of asset use get better.

Financial ratios are said to be useful if they can be used to assist in decision making. The benefits of financial ratios in predicting earnings growth can be measured by the significance of the relationship between financial ratios with profit growth. If the relationship of financial ratios with earnings growth has a significant effect, it can be said that financial ratios are beneficial, and vice versa.

The Return On Asset number is obtained by comparing net income before tax with total assets. Return On Assets can be formulated as follows :

Return On Asset = Profit Before Tax x 100%

Total Asset

From the above calculation it can be concluded that how much the return on investment produced by the company by comparing operating income with total assets. Therefore, the greater the ratio the better because it means the greater the company's ability to generate profits.

3. RESEARCH METHODS

3.1. Types of Research

Quantitative approach used in this study. Quantitative research is research conducted by collecting data in the form of numbers. The data then processed and analyzed to obtain something scientific information behind these numbers . Quantitative method employed because data used in this research are secondary data. Those are ratio of Non Performing Financing and Return On Asset and also nominal of Profit Sharing Financing, Buying and Selling Financing, and Leasing Financing.

This study measures 5 variables, namely Non Performing Financing (X1), Profit Sharing Financing (X2), Selling Financing (X3), Leasing Financing (X4) and Return On Assets (Y) of Bank Muamalat Indonesia. Quantitative method used to know the influence of independents variables on dependent variable .

3.2. Population and Sample

The population in this study is the financial statements of Bank Muamalat Indonesia published on the official website of Bank Muamalat Indonesia and Financial Service Authority or Otoritas Jasa Keuangan (OJK). The sample in this study is the quarterly financial statements of Bank Muamalat Indonesia in 2012-2019 with 31 total samples, from quarter I 2012 to quarter III 2019.

Bank Muamalat is selected as the object of this study based on issue about the problem of slowing growth in financing which has an impact on reducing margin income and fee base income . The decline in bank performance in the first half of this year was also marked by important ratios that worsened. The ratio of Non Performing Financing, which was previously successfully suppressed, has soared again. As of June 2019, the gross NPF ratio increased from 1.65% to 5.41%, while the net NPF ratio increased from 0.88% to 4.53% .

3.3. Data Source Types

This study uses secondary data. The data obtained indirectly, meaning that the data is in the form of primary data that has been further processed and data presented by other parties. The data source of this research retrieved from quarterly financial statements of PT. Bank Muamalat Indonesia between 2012 and 2019, published by OJK.

3.4. Analysis Techniques

Classic Assumption Test

1. Normality Test

Normality test aims to determine whether the data is normally distributed or not. The normality of a data is important because with normally distributed data, the data is considered to represent a population. In SPSS, the validity test that is often used can be seen from the probability plot graphic. According to Imam Ghozali , the regression model is said to be normally distributed if the ploting data that describe the data actually follow or are around a diagonal line.

2. Multicollinearity Test

Multicollinearity test aims to test whether the regression model found a correlation between independent variables. In a good regression model there should be no correlation between independent variables. Multicollinearity test is done by looking at the value of variance inflation factor (VIF) or value of Tolerance. If the value of VIF < (10,00) or value of Tolerance > (0,1), it can be concluded that there is no multicollinearity .

3. Autocorrelation Test

Autocorrelation test aims to test whether in a regression model there is à correlation between error in the current period (t) with errors in the previous period (t1). The autocorrelation test was performed using the Durbin-Watson test (DW Test). The DW table consists of two values, the lower limit (dL) and the upper limit (DU). These values can be used as a comparison of the DW test, with the following rules :

a. If DW < dL; means there is a positive correlation.

b. If dL ≤ DW ≤ dU; unable to draw conclusions.

c. If dU < DW < 4-dU; there is no positive or negative correlation.

d. If 4-dU ≤ DW ≤ 4-dL; unable to draw conclusions.

e. If DW > 4-dL; means there is a negative correlation.

Multiple Linear Regression Analysis

This analysis is used to determine the effect of independent variables on the dependent variable. In this case, the independent variable is the ratio of Non Performing Financing (NPF), Profit Sharing Financing, Selling Financing and Leasing Financing, while the dependent variable is the Return On Assets (ROA).

The multiple regression equation in this study is as follows :

$$ROA = \alpha + \beta1\ L1\_NPF + \beta2\ L2\_PSF + \beta3\ L3\_BSF + \beta4\ L4\_LF + \varepsilon$$

Information:

α : Constants

β1, β2, β3 : Coefficient of Regression

ROA : Return On Assets

NPF : Non Performing Financing

PSF : Profit Sharing Financing

BSF : Buying and Selling Financing

LF : Leasing Financing

ε : Error

T Statistical Test

To find out the effect of each independent variable on the dependent variable t statistic test was used with the criteria :

a. If t calculate < t table, then HO is rejected, means X1, X2, X3 and X4 themselves (partially) have no effect on Y.

b. If t calculate > t table, then HO is accepted, means X1, X2, X3 and X4 individually (partial) affect Y.

4. RESULT AND DISCUSSION

4.1. Data Analysis

Descriptive Statistics

	Mean	Std. Deviation	N
ROA	.6294	.64793	31
NPF	4.1068	1.69824	31
PSF	19196825.48	3500562.186	31
BSF	21245225.71	4165482.675	31
LF	209389.61	21981.365	31

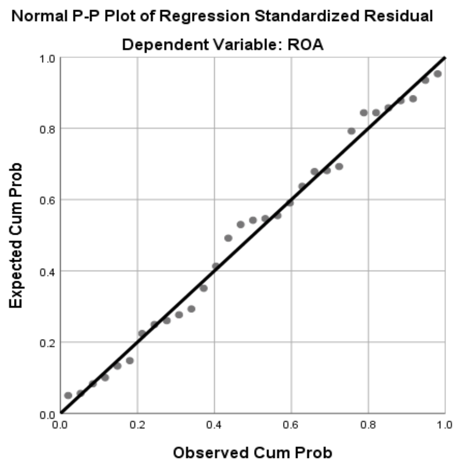
Descriptive statistical results show that there are 4 independent variables, they are Non Performing Financing (X1), Profit Sharing Financing (X2), Buying and Selling Financing (X3), rental financing (X4) and 1 dependent variable, that is Return On Assets (Y). The average ratio of Non Performing Financing is 4,1068, the average of Profit Sharing Financing is 19,196,825,480,000, the average of Buying and Selling Financing is 21,245,225,710,000, the average of Leasing Financing is 209,389,610,000, whereas the average ratio of Return On Assets is 0.6294. The average of each variable is calculated based on 31 quarterly financial statement periods of PT. Bank Muamalat Indonesia quarter I 2012 to quarter III 2019.

Classic Assumption Test

In research, there are some problems that often arise in multiple linear regression analysis when estimating a model with a certain amount of data, so it requires a classic assumption test before testing the hypothesis . This test is carried out with the aim of ensuring the data obtained can be managed appropriately and in accordance with the research objectives.

1. Normality Test

A good regression model is if the distribution is normal or close to normal. If in the graph the data points are around the diagonal line or histogram graph, then the pattern shows that the normal data distribution or regression model meets the normality assumption . Following are the results of the normality test in this study using a probability plot.



Based on this picture, it can be concluded that the data is feasible to use because in the histogram graph, the data is spread around a diagonal line. The pattern shows that the residual value is normally distributed.

2. Multicollinearity Test

To find out whether there is multicollinearity in the regression model can be seen from the VIF (Variance Inflation Factor) value and tolerance value. If the tolerance value > 0.1 or VIF value < 10, then the data shows no indication of multicollinearity. Multicollinearity test results are as follows.

Coefficients[a]

	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
(Constant)	2.100	.605		3.472	.002		
NPF	-.256	.040	-.670	-6.470	.000	.576	1.737
PSF	6.213E-8	.000	.336	2.714	.012	.403	2.479
BSF	-1.075E-7	.000	-.691	-5.651	.000	.412	2.426
LF	3.204E-6	.000	.109	1.090	.286	.621	1.611

Tabel 2 Koefisien untuk Uji Multikolinearitas

From the table above, it can be seen that the tolerance value of Non Performing Financing is (0.576), Profit Sharing Financing is (0.403), Buying and Selling Financing is (0.412) and rental financing is (0.621), which are all greater than 0.1 . Similarly, the VIF value of all the independent variables is smaller than 10. So it can be concluded that between the independent variables do not occur indication of multicollinearity.

3. Autocorrelation Test

Autocorrelation is a description of non-autocorrelation assumptions. This is due to the correlation between disturbances in all observations. Autocorrelation can also be said to be a fault error from the previous period. The autocorrelation problem is only relevant if the data used is time series. To find out the presence or absence of autocorrelation indication in this study, used the Durbin Watson test .

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.916[a]	.840	.815	.27880	1.079

a. Predictors: (Constant), LF, BSF, NPF, PSF

b. Dependent Variable: ROA

Tabel 3 Ringkasan Model untuk Uji Autokorelasi

Looking at the Durbin-Watson value in the multiple linear regression test is (1.079), based on the Durbin Watson table with a significance level of 5%, where the value of k = 4 and the value of n = 31, the value of dL = (1,160), dU = (1,735) and the 4-dU value = (2,265). Because the DW value < dL, it can be concluded that there is no autocorrelation.

Multiple Linear Regression

This multiple linear regression analysis is used to determine the influence of the independent variables, Non Performing Financing, Profit Sharing Financing, Buying and Selling Financing and Leasing Financing on the dependent variable, Return On Assets. The results of multiple linear regression can be seen in the table below:

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.100	.605		3.472	.002
	NPF	-.256	.040	-.670	-6.470	.000
	PSF	6.213E-8	.000	.336	2.714	.012
	BSF	-1.075E-7	.000	-.691	-5.651	.000
	LF	3.204E-6	.000	.109	1.090	.286

Dependent Variable: ROA

Table 4 Coefficients for Multiple Linear Regression

Based on these results, if written in a standardized form of the regression equation are as follows:

ROA = α + β1L1_NPF + β2L2_PSF + β3L3_BSF + β4L4_LF + ε

ROA = 2,1 -0,256_X1 + 6,213_X2 -1,0 75_X3 + 3,204_X4 + ε

This linear regression equation can be explained as follows:

α = 2,1. Means that if the independent variables (X1, X2, X3, X4) are in a constant state, then the Return On Asset will reach a value of 2.1. Assuming that factors other than the model discussed are constant or = 0.

β1 = -0,256. Means that the Non Performing Financing variable has a regression coefficient of -0.256. This shows that the direction of the influence of this variable on Return On Assets is negative, in the sense that if Non Performing Financing increases by 1 unit, then Return On Assets will decrease by 0.256 units, where other factors outside the model discussed are in a constant state or = 0.

β2 = 6,213. Means that the Profit Sharing Financing variable has a regression coefficient of 6.213. This shows that the direction of the influence of this variable on Return On Assets is positive, in the sense that if financing for revenue sharing increases by 1 unit, then Return On Assets will increase by 6.213 units, where other factors outside the model discussed are in a constant state or = 0.

β3 = -1,075. Means that the Buying and Selling Financing variable has a regression coefficient of -1.075. This shows that the direction of the influence of this variable on Return On Assets is negative, meaning that if the Buying and Selling Financing increases by 1 unit, then the Return On Assets will decrease by 1.075 units, where other factors outside the model discussed are in a constant state or = 0.

β4 = 3,204. Means that the Leasing Financing variable has a regression coefficient of 3.204. This shows that the direction of the influence of this variable on Return On Assets is positive, in the sense that if Leasing Financing increases by 1 unit, then the Return On Assets will increase by 3.204 units, where other factors outside the model discussed are in a constant state or = 0.

T Statistical Test

T statistic test is used to see the level of significance of the independent variable partially influencing the dependent variable.

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	2.100	.605		3.472	.002		
NPF	-.256	.040	-.670	-6.470*	.000*	.576	1.737
PSF	6.213E-8	.000	.336	2.714*	.012*	.403	2.479
BSF	-1.075E-7	.000	-.691	-5.651*	.000*	.412	2.426
LF	3.204E-6	.000	.109	1.090**	.286**	.621	1.611

Dependent Variable: ROA

Note: *(t) x < -2,056 or > 2,056. *(sig.) x < 0.05. **(t) x between (-2.056) – (2,056). **(sig.) x > 0,05.

Tabel 5 Coefficeints for T Statistical Test

Based on the table above, if the significance value is less than the alpha value of 5% or (0.05), then the variable is stated to affect the dependent variable. While the calculated t value shows the level of influence on the dependent variable.

T value of t table with the formula is: (α / 2; n-k-1) = (0.05 / 2; 31-4-1) = (0.025; 26). Based on these results, the t table value in the corresponding t distribution table is 2.056.

Non Performing Financing variable (X1) has a significance value (0,000) which is smaller than (0.05). This indicates that Non Performing Financing affects Return On Assets. While t-value of -6.470 indicates that Non Performing Financing has a negative effect. Thus, this result empirically accept the first hypothesis (H1), which states that Non Performing Financing (X1) has a negative effect on Return On Assets (Y). This means that if level of Non Performing Financing get higher, level of profitability (ROA) get lower.

Profit Sharing Financing variable (X2) has a significance value (0.012) which is smaller than (0.05). This shows that Profit Sharing Financing affects Return On Assets. While t-value of 2.714 shows that Profit Sharing Financing has a positive effect. Thus, the result empirically accept the second hypothesis (H2), which states that Profit Sharing Financing (X2) has a negative effect on Return On Assets (Y). This means that if level of Profit Sharing Financing get higher, level of profitability (ROA) get higher too.

Buying and Selling Financing variable (X3) has a significance value (0,000) which is smaller than (0.05). This revealed that Buying and Selling Financing affects Return On Assets. While t-value of -5.651 indicates that the financing of buying and selling has a negative effect. Thus, this result empirically reject the third hypothesis (H3), which states that Buying and Selling Financing (X3) has a positive effect on Return On Assets (Y). This means that if level of Buying and Selling Financing get higher, level of profitability (ROA) get lower.

Leasing Financing variable (X4) has a significance value (0.286) which is bigger than (0.05). This indicates that rental finance does not affect the Return On Assets. While t-value of 1.090 also shows that Leasing Financing does not affect the Return On Assets. Thus, this result empirically reject the fourth hypothesis (H4), which states Leasing Financing (X4) has a positive effect on Return On Assets (Y). This means that if level of Leasing Financing get higher or lower does not affect the level of profitability (ROA).

4.2. Discussion

As shown in previous section, Non Performing Financing (X1) has a statistically negative influence on Return On Asset (Y). Thus empirically accept the first hypothesis (H1), which states that Non Performing Financing has a negative influence on Return On Assets (Y). This indicates that if level of Non Performing Financing (X1) get higher, level of profitability get lower.

That is because problematic financing that occurred at PT. Bank Muamalat Indonesia. Capital market observers assess the problems experienced by PT Bank Mualamat Indonesia arising from mistakes in carrying out the company's business strategy. Bank Muamalat is considered to be too focused on corporate funding, which has caused a sharp increase in the Non Performing Financing (NPF) of Indonesia's first Islamic bank.

Royal Investium Sekuritas Senior Vice President, Janson Nasrial, explained that the strategy error was caused by a wrong choice of business strategy. "Muamalat should focus more on retail rather than corporations. Indonesia is majority or almost 90% of the population is Muslim, the business strategy should be there. So, from the start it was the wrong strategy," Janson said, when talking in the Squawk Box program on CNBC Indonesia, Friday (15/11/2019). Jason added that so far, Bank Muamalat has channeled a lot of financing for corporations, such as crude palm oil (CPO) producers. In addition, Bank Mualamat channeled a lot of financing in the mining sector .

From that case, researcher analyze that it needs a specific strategy to reduce the Non Performing Financing ratio so that the Return On Asset ratio can improve. The average of Non Performing Financing reached a ratio of 4.1%. The magnitude of the ratio of Non Performing Financing is very influential on the profitability (ROA) of PT. Bank Muamalat Indonesia with an average ROA ratio of the last 8 years only 0.63%. Non Performing Financing affect Return On Asset based on relationships with the level of bank risk which leads to bank profitability (ROA). NPF is measured by the ratio of Non Performing Financing to total financing granted. A high NPF will increase costs, so that the potential for bank losses. When this ratio of NPF get higher then the quality of bank financing can be worse, the number of financing problem is getting bigger, and therefore the bank must bear losses in operational activities that affect the decrease in profit (ROA) obtained by banks . The result of this study is in line with research conducted by Lyla Rahma Adyani (2011) which states that Non Performing Financing has a negative influence on the profitability of sharia banks. The results of her research show that Non-Performing Financing partially affects sharia bank profitability (ROA) negatively and significantly.

As shown in previous section, Profit Sharing Financing (X2) has a statistically positive influence on Return On Assets (Y) . Thus empirically accept the second hypothesis (H2), which states that Profit Sharing Financing has a positive influence on Return On Assets (Y). This indicates that if level of Profit Sharing Financing (X2) get higher, level of profitability get higher too.

That can be because the Profit Sharing Financing assets are managed quite well and generate profits that are still sufficient to have a positive influence on the profitability of PT. Bank Muamalat Indonesia. The results of this study are in line with research conducted by Maya Kiswati (2017) which states that mudharabah and musyarakah have a positive effect on profitability, but with a different research object, that was Bank Syariah Mandiri.

This supports what Muhammad stated, that when Profit Sharing Financing high, it will increase the sharing ratio (nisbah), then affect the high profitability of ROA (Return On Asset). So it can be concluded that if Profit Sharing Financing get higher, it will increase the profitability that is calculated by ROA (Return on Assets).

As shown in previous section, Buying and Selling Financing (X3) has a statistically negative influence on Return On Asset (Y). Thus, it empirically reject the third hypothesis (H3), which states that Buying and Selling Financing has a positive influence on Return On Assets (Y). This indicates that if level of Buying and Selling Financing (X3) get higher, level of profitability actually decreases.

That can be due to Buying and Selling Financing assets which are the largest financing assets experiencing management problems and ultimately it has a negative influence on the profitability of PT. Bank Muamalat Indonesia. Other analysis that is not necessarily Buying and Selling Financing distributed by the bank to the customer will be returned in full according to the agreement that has been mutually agreed between the bank and the customer.

This financing problem that called by non performing financing impact to the bank healthy. In handling problem financing policies, there are a number of things that need to be considered, including financing administration, financing that needs special attention, and how to settle debts relating to financing .

All of problem solving depends on the level of financing criteria. Quality of the financing is set to be 5 (five) categories, current, special mention, substandard, doubtful and loss, which are categorized financing problems is the quality of financing which entered orders in the special attention until loss. The size of the Non Performing Financing shows the performance of a bank in managing the funds channeled. If the portion of problematic financing grows, it will eventually decrease the bank's income . The results of this study differ from previous studies which stated that Buying and Selling Financing had a positive influence on the profitability of sharia banks.

As shown in previous section, Leasing Financing (X4) statistically has no influence on Return On Assets (Y). Thus empirically reject the first hypothesis (H4), which states that Leasing Financing has a positive influence on Return On Assets (Y). This indicates that if level of Leasing Financing (X4) get higher or lower, does not affect level of profitability.

The portion of Leasing Financing at PT. Bank Muamalat Indonesia is very small because many customers who are not interested may not even understand and do not know this product, making it statistically not affect profitability. The results of this study differ from studies conducted by Noor Fakhria Utami (2014) which states that Leasing Financing affects profitability, although not significantly.

Another problem with leasing is the source of funding for leasing finance companies. The main problem faced by leasing companies is the scarcity of funds available to conduct financing, including to Small and Medium Enterprises (Usaha Kecil Menengah). Based on government regulations, leasing companies can only obtain funds from bank loans, in addition to funds deposited by company owners. In addition, leasing companies also do not have information systems such as those of banks to check prospective customers. So that for each prospective customer who will obtain financing, the leasing company needs to check in more detail with the supplier or competitor. This needs to be done because to provide financing to Small and Medium Enterprises, the character factor becomes the main problem. The implication, if information about the character of Small and Medium Enterprises as prospective customers is not obtained, then leasing companies will cancel financing to Small and Medium Enterprises .

In addition, the problem of leasing occurs because it has not the availability of adequate laws and regulations and the lack of a data lessee system as data for consideration of financing by the lessor or leasing company .

5. CONCLUSION AND SUGGESTION

5.1. Conclusion

Based on the results of the analysis and discussion of data that has been described in the previous chapter regarding the influence of Non Performing Financing, Profit Sharing Financing, Buying and Selling Financing and Leasing Financing on the Return On Assets of PT. Bank Muamalat Indonesia in 2012-2019. The results can be drawn in the following conclusions:

1. The results of this study indicate that Non Performing Financing has a negative influence on the Return On Assets of PT. Bank Muamalat Indonesia. Thus empirically accept the first hypothesis

(H1), which states that Non Performing Financing has a negative influence on Return On Assets. This means that if level of Non Performing Financing get higher, level of profitability of PT. Bank Muamalat Indonesia get lower. That is because so many problematic financing at PT. Bank Muamalat Indonesia that occurred in the period 2012-2019, where the average of Non Performing Financing reached a ratio of 4.1%. The magnitude of the ratio of Non Performing Financing is very influential on the profitability (ROA) of PT. Bank Muamalat Indonesia with an average ROA ratio of the last 8 years only 0.63%.

2. The results of the study indicate that Profit Sharing Financing has a positive influence on the Return On Assets of PT. Bank Muamalat Indonesia. Thus empirically accept the second hypothesis (H2), which states that Profit Sharing Financing has a positive influence on Return On Assets. This means that if level of Profit Sharing Financing get higher, level of profitability of PT. Bank Muamalat Indonesia get higher too. That can be because the Profit Sharing Financing assets are managed quite well and generate profits that are still sufficient to have a positive influence on the profitability of PT. Bank Muamalat Indonesia.

3. The results of the study indicate that Buying and Selling Financing has a negative effect on the Return On Assets of PT. Bank Muamalat Indonesia. Thus empirically reject the third hypothesis (H3), which states that Buying and Selling Financing has a positive effect on Return On Assets. This means that if level of Buying and Selling Financing get higher, level of profitability of PT. Bank Muamalat Indonesia actually decreases. That can be due to Buying and Selling Financing assets which are the largest financing assets experiencing management problems and ultimately it has a negative influence on the profitability of PT. Bank Muamalat Indonesia.

4. The results of the study indicate that Leasing Financing does not affect the Return On Assets of PT. Bank Muamalat Indonesia. Thus empirically reject the fourth hypothesis (H4), which states that Leasing Financing has a positive effect on Return On Assets. This means that if level of leasing financing get higher, it does not affect the level of profitability of PT. Bank Muamalat Indonesia. The portion of Leasing Financing at PT. Bank Muamalat Indonesia is very small because many customers who are not interested may not even understand and do not know this product, making it statistically not affect profitability.

5.2. Limitation of Study

The data used is limited to secondary data from PT. Bank Muamalat Indonesia, which is published by OJK, which specifically has not yet explained in detail how the condition of PT. Bank Muamalat in terms of financing and its effect on profitability. Because there are various problems that can occur in product marketing, financing management and management of profits and losses that can occur.

5.3. Suggestion

1. For PT. Bank Muamalat Indonesia

The results of this study can be considered for PT. Bank Muamalat Indonesia in managing Non Performing Financing, Profit Sharing Financing, Buying and Selling Financing and Leasing Financing. High Non Performing Financing ratios are certainly influenced by financing management. So Profit Sharing Financing which has a positive influence on profitability (ROA), must be further improved in all aspects of its management, so that it helps accelerate the increase in profitability which is hampered precisely by Buying and Selling Financing. In this case it is necessary to review the right strategy in managing Buying and Selling Financing, so that the greatest amount of assets also has a significant positive effect on profitability.

2. For The Government

The inflence of the financing product of PT. Bank Muamalat Indonesia on profitability can also be taken into consideration by the government in making policies, because Indonesia's state finances are also influenced by the soundness of sharia banking. In addition, customer interest in sharia financing products that are still small also needs socialization from the government, of course by continuing to make improvements in all aspects.

3. For Next Researcher

The next researcher can add other factors or indicators that influence profitability of PT. Bank Muamalat Indonesia or even affect the management of the financing itself. Which is the problem of financing becomes very urgent because the ratio of Non Performing Financing is so high and profitability continuesly decline.

REFERENCES

(BMT), (Yogyakarta: UII Press).Muljadi. 2017. Prospek Baitul Maal Wat Tamwil (BMT) Dalam Memajukan Pengusaha Mikro. Dynamic Management Journal, 1(1).

Ahdalloh, A. (n.d.). Google Scholar. Google Scholar. *https://scholar.google.com/scholar?*cluster=6102790942543709918&hl=en&oi=scholarr

Andri Soemitra. 2010. *Bank Dan Lembaga Keuangan Syariah* (Jakarta: Kencana Prenada Media Group).

Fedro, A., Lahuri, S. B., & Ghozali, M. (2019, June 30*). Legal Analysis on the Fatwa of Sharia National Council on Rahn: Between Legal Philosophy and Its Implementation in Indonesian Sharia Pawnshop. Legal Analysis on the Fatwa of Sharia National Council on Rahn: Between Legal Philosophy and Its Implementation in Indonesian Sharia Pawnshop by Alfarid Fedro, Setiawan Bin Lahuri,* Mohammad Ghozali :: SSRN. https://doi.org/10.2139/ssrn.3590096

Gustina. 2013. Baitul Maal Wat Tamwil (BMT) *Sebagai Salah Satu Microfinancing Bagi UMKM. Polibisnis*, Volume 5 No. 2 Oktober.

Hastuti, E. W., & Ari Anggara, F. S. (2017, December 1*). Implementation of Islamic Business Ethics Values based on IFSB* 09: Al Tijarah, 3(2). https://doi.org/10.21111/tijarah.v3i2.1935

Heri Sudarsono. 2012. *Bank & Lembaga Keuangan Syariah* (Deskripsi dan Ilustrasi), (Yogyakarta: Ekonosia).http://pengertianmanajemen.net/pengertian-manajemen-menurut-para-ahli/ Majlis Ulama Indonesia (MUI) (2000), fatwa Dewan Syari'ah Nasional No.02/DSN – MUI/IV/2000 and No.03/DSN – MUI/IV/2000 tentang Deposito.

MAQASHID SHARI'AH ON ISLAMIC MICROFINANCE AND THE ISSUES AND CHALLENGES IN PROMOTING ISLAMIC MICROFINANCE IN INDONESIA: A SCHOLAR'S PERSPECTIVE - UNIDA Gontor Repository. http://repo.unida.gontor.ac.id/1301/Maulana, H., Umam, K., Yudi Astuti, R., Cahyo, E., & Jadwa Faradisi, R. (2019). ICBLP 2019. Google Books. https://books.google.com/books/about/ICBLP_2019.html?id=OTBEEAAAQBAJ

Maulana, H. (2019). *FAKTOR PENGHAMBAT AKSES JASA KEUANGAN DI WILAYAH MADIUN RAYA: STUDI EMPIRIS - UNIDA* Gontor Repository. http://repo.unida.gontor.ac.id/1300/

Maulana, H. (2019). *FAKTOR PENGHAMBAT AKSES JASA KEUANGAN DI WILAYAH MADIUN RAYA: STUDI EMPIRIS - UNIDA* Gontor Repository. http://repo.unida.gontor.ac.id/1300/

maulana, H. (2019). *Faktor Penghambat dalam Mengakses Pembiayaan pada Pengusaha Mikro di Karesidenan Madiun*: Second Order CFA - UNIDA Gontor Repository. Faktor Penghambat Dalam Mengakses Pembiayaan Pada Pengusaha Mikro Di Karesidenan Madiun: Second Order CFA - UNIDA Gontor Repository. http://repo.unida.gontor.ac.id/1297/

maulana, H. (2019). *Faktor Penghambat dalam Mengakses Pembiayaan pada Pengusaha Mikro di Karesidenan Madiun*: Second Order CFA - UNIDA Gontor Repository. Faktor Penghambat Dalam Mengakses Pembiayaan Pada Pengusaha Mikro Di Karesidenan Madiun: Second Order CFA - UNIDA Gontor Repository. http://repo.unida.gontor.ac.id/1297/

Maulana, H. (2019). *MAQASHID SHARI'AH ON ISLAMIC MICROFINANCE AND THE ISSUES AND CHALLENGES IN PROMOTING ISLAMIC MICROFINANCE IN INDONESIA: A SCHOLAR'S PERSPECTIVE*. http://repo.unida.gontor.ac.id/1301/

Maulana, H. (2019). *MAQASHID SHARI'AH ON ISLAMIC MICROFINANCE AND THE ISSUES AND CHALLENGES IN PROMOTING ISLAMIC MICROFINANCE IN INDONESIA: A SCHOLAR'S PERSPECTIVE*. http://repo.unida.gontor.ac.id/1301/

Muhammad Ridwan. 2004. Manajemen Baitul Maal Wa Tamwil *MAQASHID SHARI'AH ON ISLAMIC MICROFINANCE AND THE ISSUES AND CHALLENGES IN PROMOTING ISLAMIC MICROFINANCE IN INDONESIA: A SCHOLAR'S PERSPECTIVE - UNIDA Gontor Repository*. http://repo.unida.gontor.ac.id/1301/Maulana, H., Umam, K., Yudi Astuti, R., Cahyo, E., & Jadwa Faradisi, R. (2019). ICBLP 2019. Google Books. https://books.google.com/books/about/ICBLP_2019.html?id=OTBEEAAAQBAJ

PKES, P. K. (2008). Tata cara Pendirian BMT. Jakarta: pkes Publishing.

Trisadini P. Usanti and Abd Shomad. 2013. *Sharia Bank Transactions* (Jakarta: PT Bumi Aksara).

Veithsal Rivai and Rifki Ismail. 2013. *Islamic Risk Management for Islamic Bank,* (Jakarta: PT Gramedia Pustaka Utama).

Yasyin Sulchan. 1997. *Kamus Lengkap Bahasa Indonesia* (Surabaya: Amanah, 1997).

Zid Hartsa F. 2018. *Penyaluran Dana Zakat Melalui Beasiswa di Baitul Maal Muamalat*. Jurnal Az Zarqa', Vol. 1o, No. 1, Juni.