**ANALYSIS OF THE EFFECT OF ISLAMIC INCOME RATIO, TOTAL COMPREHENSIVE INCOME, NON PERFORMING FINANCING ON COMPANY VALUE WITH PROFITABILITY AS MODERATED VARIABLES**

**(Case Study of Islamic Commercial Banks in Indonesia 2015-2019)**

**Saidah, Alfi1, Bawono, Anton2**

*1Salatiga State Islamic Institute, Salatiga*

🖂aa2710934@gmail.com

***Abstract****:* Saidah, Alfi. 2020. Analysis of the Effect of Islamic Income Ratio, Total Comprehensive Income, NPF on Company Value with Profitability as Moderation Variable (Case Study of Islamic Commercial Banks in Indonesia 2015-2019). Skrip, Faculty of Economics and Islamic Business, S1-Islamic Banking Study Program, State Islamic Institute of Salatiga. Advisor: Dr. Anton Bawono, M.Si.

Economic value added is an approach to assessing company performance, with the aim that the company's ability to create added value can influence investors who will invest in the company. The concept used in this approach is to pay attention to funders in terms of expectations, interests, and degrees of justice as measured by weighted measures and existing initial capital structures.

The population in this study were 11 Islamic Commercial Banks registered in the Financial Services Authority. In selecting the sample the method used was purposive sampling with the criteria that the authors have set. The data collection method in this study was carried out by looking at the annual financial reports of each Islamic bank registered with the Financial Services Authority.

Based on the results of the moderation regression test, it was found that IIR, TCI, NPF did not have a positive and insignificant effect on EVA. ROA is not able to moderate IIR, TCI, NPF, against EVA.

*Keywords: IIR, TCI, NPF, Firm Value, ROA.*

1. **BACKGROUND**

In the modern era, the role of banks in everyday life is very much needed, because it is considered to facilitate activities in social life, especially in the financial sector. Banks are Indonesian state-owned companies that provide various types of financing and services for managing public funds. Sharia Commercial Bank as a sharia bank that in the implementation of its activities provides services in terms of payment. Unlike the Sharia Financing Bank which is referred to as a sharia bank with its activities that do not provide services in terms of payment(Law No.21, 2008).

Sharia Bank Companies comply (Veithzal, 2007)is a bank that is oriented and operates following the provisions of Islamic teachings, by providing a function as a company that distributes funds to the public, and plays a role in intermediary for state finances. Islamic principles in this case are referred to as promises based on a law in Islamic teachings between the funder (Bank) and the recipient of the funds (Customer) to provide storage services for financing the activities of a business.

Seen from year to year the development of the banking world is very rapid, marked by the existence of various banking companies that are currently established and marked by the establishment of subsidiaries of these banks or branch offices in various regions, even in rural areas we have now met various branch offices. from various banks. Judging from the data released by the OJK, where the banking sector is currently an institution that carries out proper supervision and regulation, it is evidence that the banking world has reached a rapid level from year to year. As evidence, that is, with the growth of the Syariah bank creditor network in Indonesia, below is a display of the data table issued by OJK 2015-2019

**Sharia bank office network growth**

**2015-2019**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Type** | **2015** | **2016** | **2017** | **2018** | **2019** |
| **BUS**  Total bank  Total office | 12  1,990 | 13  1,869 | 13  1,825 | 14  1,875 | 14  1,894 |
| **UUS**  Total bank  Total office | 22  324 | 21  332 | 21  344 | 20  354 | 20  388 |
| **BPRS**  Total bank  Total office | 163  446 | 166  453 | 167  441 | 167  495 | 164  506 |
| **Total office** | **2,747** | **2,654** | **2,610** | **2,724** | **2,788** |

*Source: December 2020 Islamic bank statistical data, OJK*

The table above explains that the number of Islamic banking and the number of Islamic bank offices in Indonesia has increased from year to year. There were 2 additional banks in BUS from 2015-2019, with the number of offices experiencing a decrease of 96 office units. But in UUS there was a decrease in 2 banks, this happened because 2 existing banks in UUS moved to become BUS, and the total offices in UUS increased by 64 offices. Meanwhile, BPRS has increased in the number of banks, namely 1 bank, and the number of offices in BRPS has increased by 60 office units.

Marked by an increase in the number of Islamic banks in Indonesia, Islamic banks as a mobile financial institution based on Islamic principles certainly have different characteristics from other companies in work orientation. Thus, in addition to being assessed using conventional methods, the performance in Islamic banks needs to be measured using the Islamic method.

Measurement of financial performance in the company must be carried out because measuring financial performance is very important to find out how the performance in the company has been carried out well or not. On research(Hameed, 2004)developing a tool to measure the financial performance of Islamic banks, namely, the Islamicity Performancing Index. The purpose of this index is to find out how the financial performance of Islamic banks in Indonesia has been running according to the existing Islamic principles, another purpose of this measurement is for future progress and for assessing stakeholders. Islamic banks have the same system as conventional banks. Therefore, measuring the performance of a company alone is not sufficient for a sharia bank, it must be balanced with the need for a company assessment that is based on Islamic aspects and must be following the principles of Islamic sharia, the goal is that the conventional and sharia systems are different.

Furthermore, after we know the performance measurement with the Islamicity Performance Index it is necessary to search for information on the financial performance of the entity for 1 period and to calculate and analyze profitability it is necessary to hold a comprehensive profit arrangement in an Islamic banking company, the goal itself is to see whether a bank is experiencing financing. problematic. The size of the problematic financing (NPF) in a bank will indicate whether the performance of a bank in managing the funds channeled is good or not. If the amount of problem financing is very large, it will decrease the profit earned. The following shows the NPF ratio data for Islamic banking 2015-2019.

**Sharia Bank NPF Ratio Data for 2015-2019**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Bank name | Non Performing Financing | | | | |
| 2015 | 2016 | 2017 | 2018 | 2019 |
| Sharia Commercial Bank | 4.84% | 4.42% | 4.76% | 4.28% | 3.36% |
| Sharia Business Unit | 3.03% | 3.49% | 2.11% | 2.34% | 3.09% |
| Sharia People's Financing Bank | 8.20% | 8.63% | 9.68% | 9.02 | 8.71% |

*Source: Islamic bank statistical data, December 2020*

The data above proves that the NPF ratio in BUS has decreased from 2015 to 2019, which is as much as 1.48%, as well as the NPF ratio in UUS, in 2015 towards 2019 the NPF in UUS has increased by 0.06%, but it is different with BRPS whose NPF ratio increased from 2015 to 2019, amounting to 0.51%.

***Research Gap Research***

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Researcher** | **Variable** | **Gap** |
| 1 | Lulu Hardiana, Noer Sasongko & Erma Setiawati (2019) | X: Islamicity performance index  Y: Profitability  Z: Intellectual capital | IIR has no significant effect on profitability. |
| 2 | Massaro (2015) | X: Intellectual capital, Islamic performance index  Y: Profitability | IIR has no significant positive effect on profitability. |
| 3 | Nur Jamaluddin & Siti Kuriyah (2013) | X: Profit-sharing financing, FDR, NPF  Y: Profitability | NPF has a negative and significant effect on ROA. |
| 4 | Slamet Riyadi & Agung Yuliyanto (2014) | X: Profit-sharing financing, buying and selling financing, FDR, NPF  Y: Profitability | NPF does not affect ROA. |
| 5 | Agnes Viana Putri (2008) | X: Comprehensive income statement  Y: Firm value, company risk, and financial distress | Comprehensive income does not have a significant effect on firm value. |
| 6 | Deby Winelfia (2016) | X: Value of operating profit, net profit, and comprehensive income  Y: Company Value | Simultaneous comprehensive income and loss have value relevance and have a strong influence on firm value. |

Based on the phenomena and several studies described there are differences from the results of previous studies which can be concluded as follows: first, in the research of Lulu Hardiana, Noer Sasongko, and Erma Setiawati, their research proves that IIR does not have a significant effect on profitability, while it is different from Maisaroh's research which proves that IIR has no positive effect. significant to profitability.

*Research gap*secondly in the research of Nur Jamaluddin and Siti Kuriyah, where NPF had a significant negative effect on ROA, while in the research of Slamet Riyadi and Agung Yuliyanto it was inversely proportional where NPF did not affect ROA. The third research gap is shown in Agnes Viana Putri's research wherein her research there are results that the comprehensive income variable does not have a significant effect on firm value, while Deby Winelfia's research shows that comprehensive income simultaneously has value relevance and has a strong influence on firm value.

1. **THEORY AND METHOD**
   1. **Research Framework**

The research framework is as follows:

**Figure 1: Research Model**

According to (Eungene, 2001) a signal is an action that must be taken by a company that aims to guide investors about how management sees the company's prospects. The signal in this case is in the form of information regarding what management has done to realize the owner's wishes. Information released from the company is an important thing because it affects the decisions of outside party investments. This information is very important for investors as well as business people because information essentially provides a description, notes, and descriptions, both in the past, present, and in the future as a continuation of the company's life and its effects on the company. Information that has been published is an announcement that gives a signal to investors regarding the investment decision to be made. Thus, the information from the announcement has a positive/negative character that will make the market react (Jogiyanto, 2013).

*Signaling theory* explains why the company can have an incentive in providing information or news from financial reports to other/external parties. The incentive of the company to be able to provide information or news is because there is an asymmetry of information between the company and outsiders. After all, the company knows much more about the company & its next projects than outsiders (investors, creditors). Lack of knowledge for other parties/outsiders about a company will cause them to protect themselves more by providing a lower price for the company. The company will be able to increase the value of the company by reducing information asymmetry. (Arifin, 2005).

The next theory is intellectual capital, namely Resources Based Theory. Where this theory states that human involvement in the operational activities of the company is very important to improve performance, especially if employees are included in the formulation of company goals and daily activities. The view of resources-based theory, namely intellectual capital meets the requirements to fulfill one of the sources of capital that will result in added value for a company by being shown to increase revenue or profit. (Negari, 2017).

*Resources-Based Theory*proposed by were felt in 1984 where the article was entitled "A Resources-Based View Of The Firm". Resources Based Theory is a resource for a company that can make a competitive advantage so that it can provide direction for the company to have a better long-term performance. In this theory, it describes the resources that the company has and how the company can process and utilize the resources it already has. Resources that are owned by a company can produce added value for the company in taking opportunities from opportunities and facing dangers so that the company has a competitive advantage so that it is different from other companies to dominate the market(Wijayani et al., 2019). Resources Based Theory suggests that the company has the resources that can make the company have a competitive advantage and be able to direct the company to have better long-term performance. The superiority of resources that are in the valuable category can be directed to gain an advantage in the competition so that it can survive / will not be easy to be imitated and replaced by other companies.

* 1. **Research methods**

According to (Sugiyono, 2014b)Population is a generalization area consisting of projects or subjects that have the qualities and characteristics that the researcher has determined to study, and then the conclusion is drawn, the population is not only people but can be objects, natural objects. The population in this study were BUS that was registered with the OJK and BI in 2015-2019, with the number of Islamic banks registered with the OJK as many as 14 Islamic banks, and those who met the requirements in this study were only 11 Islamic banks with the reason because of the 11 The Islamic bank has reported the data according to the variables the researcher uses, and 3 of the 14 Islamic banks have not met the requirements and criteria in this study, because there are companies that do not report one of the variables that the researcher uses.

The sample is called a part of the population which has a relatively similar characteristic and is considered to be representative of the population (Sugiyono, 2014a). The sample in this study is BUS that is registered with the OJK which publishes monthly and published financial reports.

The technique used in sampling in this research is probability sampling, where the sampling technique provides the same space for each member of the population to be selected as a sample member. (Sujarwani, 2015). The criteria for sampling are as follows:

1. BUS that is registered with the OJK and BI that issue the annual financial reports of Islamic Banks for the period 2015-2019.
2. BUS that meets the requirements and criteria in the variables that researchers use, namely those that report the calculation elements of the independent, dependent, and moderating variables in this study.

The following are BUS data that were sampled in this study, including:

**Islamic Bank Used in Research**

|  |  |
| --- | --- |
| No. | Name of Sharia Commercial Bank |
| 1. | Bank Bukopin Syariah |
| 2. | Bank Jabar Banten Syariah |
| 3. | Bank Syariah Mandiri |
| 4. | Bank Mega Syariah |
| 5. | Bank Muamalat Indonesia Syariah |
| 6. | Panin Dubai Syariah Bank |
| 7. | Bank Victoria Indonesia Syariah |
| 8. | BCA Syariah |
| 9. | BNI Syariah |
| 10. | BRI Syariah |
| 11. | Maybank Syariah |

*Source: OJK data*

* 1. **Reference Writing Techniques**

Reference writing refers to APA 6th Style(Krake, 2005). Use a reference manager like Mendeley, Zotero, etc.(Kotler & Keller, 2016).

1. **RESULTS AND DISCUSSION**
2. IIR to Firm Value (EVA)

Variable IIR (Islamic Income Ratio) shows at t count -1.420382 which means it has a negative effect with a significance value of 0.1641 <0.05, then IIR is said to have no significant negative effect on firm value. When there is a decrease or increase of IIR, there is no effect on the distributed EVA.

These results can be said that H1 is rejected, which means that the IIR variable has a negative and insignificant effect on EVA. IIR is part of the Islamicity performance index which functions to measure the level of the company's financial performance. Islamic bank financial reports that have been published include the accounting guidelines stipulated by BUS policy. This study found that the Islamic Income Ratio was not able to negatively and not significantly influence EVA. So that if the financial performance measured using IIR in the assessment does not get good results, it will have an impact on company value, especially in the eyes of investors, it will also get a bad assessment. On the contrary,

This research is supported by research (Hardina et al., 2019)which proves that the Islamic income ratio does not affect profitability. And research(Habbil, 2018) proves that the Islamicity performance index has a positive effect on the firm value on BUS.

1. Total Comprehensive Income (TCI) to Firm Value (EVA)

The TCI variable shows the t-count -0.197400 at a significance level of 0.8446> 0.05, meaning that the TCI variable does not have a negative and insignificant effect on firm value, that when there is an increase or decrease in TCI, there is no effect on the distributed EVA. It can be concluded that every company that reports an increase or decrease in the comprehensive income of a company in its annual report does not affect the company's valuation (economic value added), as is the case with companies that do not report the results of an increase or decrease in a company's comprehensive income annual report, this also will not affect the company's assessment (economic value added). From these results, it can be interpreted that H2 is rejected,

This research is corroborated in previous research (Putri, 2008)which in his research also states that total comprehensive income does not affect EVA (economic value added). It's different in research(Winelfia, 2016) which proves that comprehensive income simultaneously has value relevance and has a strong influence on firm value.

1. Non-Performing Financing (NPF) on Firm Value (EVA)

The NPF variable shows the t count of 0.340651 with a significance level of 0.7353> 0.05, meaning that NPF is statistically said to have no significant positive effect on EVA. This shows that when there is an increase or decrease in the NPF, there is no effect on the distributed EVA.

From these results, it can be interpreted that H3 is rejected, where NPF has no positive effect on EVA. Non Performing Financing is a financial ratio that is used as a measure of a bank's ability to cover bank risks in failure to repay a debt (credit) to debtors (creditors). In this case, if the company has a high Non-Performing Financing level, it will have an impact on bad judgment by investors. Conversely, if the company is in good bad credit payments (NPF), investors will give a good assessment of the company's value.

This research is supported by research (Sulaiman, 2019)which proves that non-performing loans do not affect firm value. Different in research(Agustina, 2014) where the research proves that NPF has a negative and insignificant effect on firm value

1. ROA Moderates Islamic Income Ratio (IIR) to Firm Value (EVA)

The variable IIR shows the t-count 0.396261, with a significance value of 0.6943> 0.05, which means that ROA does not moderate IIR and is not significantly positive for EVA. This study strengthens H4 which means that ROA is not able to moderate IIR to Firm Value (EVA).

The acquisition of company size can be seen to what extent the total assets are integrated into the financing and receivables that Islamic Banks have, this has not been considered good when viewed by using Islamic financial performance measurements (Islamic Income Ratio) because from the acquisition of this study proves that the increasing company size ( ROA) which is not balanced with an increase in financial performance (IIR) so that the financial performance is considered unsatisfactory. From these results, it is evident that company size (ROA) is not able to moderate the positive and insignificant relationship between financial performance and firm value.

This research is supported by research(Habbil, 2018)which proves that company size can negatively moderate (weaken) the relationship between the Islamicity performance index and firm value on BUS 2012-2016. And supported by research from(Niu, 2020) which proves that the Islamic income ratio variable has a negative and insignificant effect on ROA.

1. ROA Moderates the Effect of Total Comprehensive Income (TCI) on Firm Value (EVA)

The variable TCI shows the t-count 1.401936 with a significance value of 0.1695> 0.05, which means that ROA does not moderate TCI in a positive and insignificant manner towards EVA. This study weakens H5, which means that ROA is not able to moderate TCI on Firm Value (EVA). The purpose of compiling comprehensive income is to obtain information on the company's financial performance in one period, this is useful for calculating and analyzing the company's profitability. Comprehensive income and loss have a close relationship with the company's overall income which will illustrate how the company's value is. So, if in a company the acquisition of comprehensive income is good, it will increase the company's profitability and become an interest for investors to buy shares in the company. even though the price is high, investors do not hesitate to buy these shares. Because they have seen how the company is performing.

This research is supported by research (Latifah, 2017)wherein his research, the results obtained profitability did not moderate the disclosure of sustainability reports and company value. And proven from research(Kusumadilga, 2010) which makes this research stronger, namely with the results of profitability being a moderating variable that does not affect the relationship between CSR and firm value.

1. ROA Moderates the Effect of NPF on Firm Value (EVA)

NPF shows on t-count -0.134844 with a significance value of 0.8935> 0.05, meaning that ROA does not moderate NPF and is negatively insignificant towards EVA (firm value). This study strengthens H6 which means that ROA is not able to moderate NPF on Firm Value (EVA). If in a company the NPF value increases, the ROA in the company will get worse and smaller. This is due to the increase in NPF which will result in the company losing opportunities in obtaining profits or income from expenses that have been incurred, in the end, this will affect the acquisition of income or profits and will harm the profitability (ROA) of Islamic banks. A company is said to have a high NPF or non-performing financing when the company has a higher level of non-performing financing than the total credit or financing extended to the recipient (the debtor). When a company has a high NPF, the costs incurred by the company are getting bigger, it is also called the bigger the NPF of the bank, it will worsen the company's performance, and investors will give a bad assessment of the company's performance.

The findings from this research are supported by research from (Agustina, 2014) were in his research proved that ROA mediates the effect of NPL on Firm Value. Supported from research(Sulaiman, 2019) who gets ROA results affect firm value.

## Data analysis

### Research Instrument Test

#### Descriptive Test

**Descriptive Test Results**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | IIR | TCI | NPF | NP | ROA |
| Mean | 403762.0 | 2.29E + 08 | 0.672680 | 3807,262 | 0.200000 |
| Median | 306805.0 | 1.63E + 08 | 0.030000 | 3480,890 | 0.590000 |
| Maximum | 985340.0 | 9.28E + 08 | 4.660000 | 9310,120 | 15.36000 |
| Minimum | 0.053900 | 12188000 | 0.000000 | -5585,000 | -20.13000 |
| Std. Dev. | 268694.4 | 2.12E + 08 | 1.301982 | 3311,013 | 4.241092 |
| Skewness | 0.812496 | 1.556015 | 1.834130 | -0.341381 | -1.789264 |
| Kurtosis | 2.453907 | 5.225730 | 4.930576 | 3,428835 | 14,59733 |
|  |  |  |  |  |  |
| Jarque-Bera | 6,734780 | 33,54680 | 39,37829 | 1.489731 | 337.5713 |
| Probability | 0.034480 | 0.000000 | 0.000000 | 0.474798 | 0.000000 |
|  |  |  |  |  |  |
| Sum | 22206909 | 1.26E + 10 | 36.99740 | 209399.4 | 11.00000 |
| Sum Sq. Dev. | 3.90E + 12 | 2.43E + 18 | 91,53849 | 5.92E + 08 | 971,2904 |
|  |  |  |  |  |  |
| Observations | 55 | 55 | 55 | 55 | 55 |

*Source: Secondary data processed, 2021*

The table above shows that the average value of IIR is 403762.0 with a standard deviation of 268694.4, the lowest value is 0.053900 and the highest value is 985340.0. The TCI variable has an average value of 2.29E + 08 and a standard deviation of 2.12E + 08, the lowest value is 12188000, and the highest value is 9.28E + 08. The NPF variable with an average value of 0.672680 and a standard deviation of 1.301982, the lowest value is 0.000000 and the highest value is 4.660000. Then the NP variable (EVA) shows that the average value is 3807,262 with a standard deviation of 3311,013, for the lowest value is -5585,000 and the highest value is 9310,120. And the last for the Profitability variable (ROA) the average value is 0.200000 and the standard deviation is 4.241092, the lowest value is -20.13000 and the highest value is 15.36000

Table also shows that the number of data samples used is 55 data sourced from the 2015-2019 BUS financial annual report totaling 11 Islamic banks.

#### Stationarity Test

This test is a test that functions to see the stationarity of the data in this study. Stationary data is constant data, to identify stationary data it must see whether the mean, variance, and covariance of the data are constant using stationary testing, namely the unit root test. This research used the unit root test is Augmented Dickey-Fuller (ADF). Decision making from the test results can be declared stationary if the probability value is <5%, here is the data on the results of the stationarity test:

**Level Stationarity Test Results**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Variable** | **Prob. \*\*** | **Courage** |
| 1. | IIR (x1) | 0.0712 | Not Stationary |
| 2. | TCI (x2) | 0.7576 | Not Stationary |
| 3. | NPF (x3) | 0.9834 | Not Stationary |
| 4. | NP (y) | 0.0172 | Stationary |
| 5. | ROA (z) | 0.0627 | Not Stationary |

*Source: Processed secondary data, 2021*

Based on Table above, shows that the testing of stationary data using the ADF test has the probability value level of one of the variables over> 5%, then it continues on the 1st difference ADF test, here are the results:

**Level Stationarity Test Results** 1st Different

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Variable** | **Prob. \*\*** | **Information** |
| 1. | IIR (x1) | 0.0000 | Stationary |
| 2. | TCI (x2) | 0.0000 | Stationary |
| 3. | NPF (x3) | 0.0150 | Stationary |
| 4. | NP (y) | 0.0000 | Stationary |
| 5. | ROA (z) | 0.0046 | Stationary |

*Source: Secondary data processed, 2021*

Testing of stationary data using the ADF test for the 1st difference level shows the probability value <0.05 or <5%, the data is declared stationary and the data can be used for further data testing. The IIR variable shows a probability value of 0.0000, the TCI variable shows a value of 0.0000, the NPF variable shows a value of 0.0150, the NP variable (EVA) shows a value of 0.0000, the ROA variable shows a value of 0.0046.

1. **Classic assumption test**

In the classical assumption, several tests must be done, namely the multicollinearity test, heteroscedasticity test, normality test, and autocorrelation test.

1. Multicolonierity test

A multicollinearity test is used to see if there is a close correlation between the independent variables. In research that uses more than one independent variable, multicollinearity must be avoided. The method used in this research is auxiliary, with the following formula:

Information :

R2 = determinant coefficient

n = number of observations

k = number of independent variables

**Table multicollinearity test results**

**Equation 1 (IIR C TCI NPF)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: D (IIR) | | |  |  |
| Method: Least Squares Panel | | |  |  |
| Date: 02/06/21 Time: 10:15 am | | |  |  |
| Sample (adjusted): 2016 2019 | | |  |  |
| Periods included: 4 | | |  |  |
| Cross-sections included: 11 | | |  |  |
| Total panel (balanced) observations: 44 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | -65753.72 | 63730.44 | -1.031748 | 0.3082 |
| D (TCI) | 0.000545 | 0.000218 | 2,504304 | 0.0163 |
| D (NPF) | 44326.28 | 53100.14 | 0.834768 | 0.4087 |
|  |  |  |  |  |
|  |  |  |  |  |
| Root MSE | 381448.3 | R-squared | | 0.135926 |
| Mean dependent var | -36355.07 | Adjusted R-squared | | 0.093776 |
| SD dependent var | 415099.5 | SE of regression | | 395157.4 |
| Akaike info criterion | 28.67770 | Sum squared resid | | 6.40E + 12 |
| Schwarz criterion | 28,79935 | Log-likelihood | | -627,9094 |
| Hannan-Quinn criteria. | 28.72282 | F-statistic | | 3.224810 |
| Durbin-Watson stat | 2.656126 | Prob (F-statistic) | | 0.050038 |
|  |  |  |  |  |
|  |  |  |  |  |

*Source: Secondary data processed, 2021*

Calculations for IIR as independent variables:

IIR C TCI NPF

Fiir = ((0.135926 / (3-2)) / (1-0.135926 / 44-3 + 1))

= (0.135926 / 1) / (1-0.135926 / 42)

= (0.135926 / 0.9967636667)

= 0.1363673301

**Table multicollinearity test results**

**Equation 2**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Dependent Variable: D (TCI) | | |  | |  |
| Method: Least Squares Panel | | |  | |  |
| Date: 02/06/21 Time: 10:19 | | |  | |  |
| Sample (adjusted): 2016 2019 | | |  | |  |
| Periods included: 4 | | |  | |  |
| Cross-sections included: 11 | | |  | |  |
| Total panel (balanced) observations: 44 | | | | |  |
|  |  |  | |  |  |
|  |  |  | |  |  |
| Variable | Coefficient | Std. Error | | t-Statistic | Prob. |
|  |  |  | |  |  |
|  |  |  | |  |  |
| C | 48578638 | 42438967 | | 1.144671 | 0.2590 |
| D (IIR) | 243.2597 | 97.13663 | | 2,504304 | 0.0163 |
| D (NPF) | -46141069 | 35029851 | | -1.317193 | 0.1951 |
|  |  |  | |  |  |
|  |  |  | |  |  |
| Root MSE | 2.55E + 08 | R-squared | | | 0.156917 |
| Mean dependent var | 21126433 | Adjusted R-squared | | | 0.115791 |
| SD dependent var | 2.81E + 08 | SE of regression | | | 2.64E + 08 |
| Akaike info criterion | 41,68585 | Sum squared resid | | | 2.86E + 18 |
| Schwarz criterion | 41,80750 | Log-likelihood | | | -914.0886 |
| Hannan-Quinn criteria. | 41,73096 | F-statistic | | | 3.815506 |
| Durbin-Watson stat | 3.397926 | Prob (F-statistic) | | | 0.030224 |
|  |  |  |  | |  |
|  |  |  |  | |  |

*Source: Secondary data processed, 2021*

Ftci = ((0.156917/ (3-2)) / (1-0.156917/ 44-3 + 1))

= (0.156917/ 1) / (1-0.156917/ 42)

= (0.156917/0.996263881)

= 0.1575054591

**Table multicollinearity test results**

**Equation 3**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: D (NPF) | | |  |  |
| Method: Least Squares Panel | | |  |  |
| Date: 02/06/21 Time: 10:22 | | |  |  |
| Sample (adjusted): 2016 2019 | | |  |  |
| Periods included: 4 | | |  |  |
| Cross-sections included: 11 | | |  |  |
| Total panel (balanced) observations: 44 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | 0.435591 | 0.175543 | 2.481395 | 0.0173 |
| D (IIR) | 3.77E-07 | 4.52E-07 | 0.834768 | 0.4087 |
| D (TCI) | -8.80E-10 | 6.68E-10 | -1.317193 | 0.1951 |
|  |  |  |  |  |
|  |  |  |  |  |
| Root MSE | 1.112470 | R-squared | | 0.044200 |
| Mean dependent var | 0.403295 | Adjusted R-squared | | -0.002425 |
| SD dependent var | 1.151057 | SE of regression | | 1.152452 |
| Akaike info criterion | 3.187407 | Sum squared resid | | 54.45398 |
| Schwarz criterion | 3.309056 | Log-likelihood | | -67.12295 |
| Hannan-Quinn criteria. | 3.232520 | F-statistic | | 0.947994 |
| Durbin-Watson stat | 1.506178 | Prob (F-statistic) | | 0.395847 |
|  |  |  |  |  |
|  |  |  |  |  |

*Source: Secondary data processed, 2021*

Fnpf = ((0.044200/ (3-2)) / (1-0.044200/ 44-3 + 1))

= (0.044200/ 1) / (1-0.044200/ 42)

= (0.044200/0.998947619)

= 0.0442465642

Based on table above, the test results above show that the tolerance value for the Knowledge, Location, Facility, and Trust variables each is more than 0.1 and the VIF value is less than 10 so it can be concluded that there is no multicollinearity symptom.

The model is said to be free from if Fcount <Ftable. Based on the results of the above test, it is concluded by looking at the table below:

|  |  |  |
| --- | --- | --- |
| F-Count | F-Table | Conclusion |
| FROA = 0.1363673301 | 3.23> 0.1363673301 | Free model |
| FTCI = 0.1575054591 | 3.23> 0.1575054591 | Free model |
| FNPF = 0.0442465642 | 3.23> 0.0442465642 | Free model |

1. Heteroscedasticity test

The heteroscedasticity test aims to determine whether in the regression model there is an inequality of variants from the residual of one observation to another. If the variance of the residual 1 observation to other observations remains, it is called homoscedasticity and if it is different it is called heteroscedasticity.(Ghozali & Ratmono, 2017). The test results can be seen in the following table:

**Result table Heteroscedasticity test**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: RESABS | | |  |  |
| Method: Least Squares Panel | | |  |  |
| Date: 02/06/21 Time: 14:38 | | |  |  |
| Sample (adjusted): 2016 2019 | | |  |  |
| Periods included: 4 | | |  |  |
| Cross-sections included: 11 | | |  |  |
| Total panel (balanced) observations: 44 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | 2712,879 | 434,0489 | 6.250168 | 0.0000 |
| D (IIR) | 0.000117 | 0.001050 | 0.111139 | 0.9121 |
| D (TCI) | 2.93E-06 | 1.57E-06 | 1,864103 | 0.0697 |
| D (NPF) | -10.40621 | 360.0652 | -0.028901 | 0.9771 |
|  |  |  |  |  |
|  |  |  |  |  |
| Root MSE | 2533,376 | R-squared | | 0.097584 |
| Mean dependent var | 2766,361 | Adjusted R-squared | | 0.029903 |
| SD dependent var | 2697,667 | SE of regression | | 2657,027 |
| Akaike info criterion | 18,69431 | Sum squared resid | | 2.82E + 08 |
| Schwarz criterion | 18.85651 | Log-likelihood | | -407.2748 |
| Hannan-Quinn criteria. | 18.75446 | F-statistic | | 1.441824 |
| Durbin-Watson stat | 1.686361 | Prob (F-statistic) | | 0.244944 |
|  |  |  |  |  |
|  |  |  |  |  |

*Source: Secondary data processed, 2021*

The table above shows the results of heteroscedasticity, where this test uses the Glejser test. Where if the probability value is less than 5%, it means heteroscedasticity occurs. The table above shows the probability value of each variable exceeding the value of 5%, it can be concluded that in this test there is no heteroscedasticity.

1. Normality test

The normality test is carried out to determine whether the regression model, residuals, or confounding variables are normally distributed or not (Ghozali & Ratmono, 2017). This test was performed using the Kolmogorov-Smirnov statistical test. Residuals are normally distributed if they have a sig. which is greater than the p-value 0.05. The test results can be seen in the following table:



The picture above shows the results of the normality test with a Jarque-Bera probability value of 0.310745, which means that the value is> 5% where the data is said to be normally distributed.

1. Autocorrelation Test

This assumption test aims to determine whether in a linear regression model there is a correlation between the confounding error in period t and the confounding error in period t-1 (before), if there is a correlation, it is called an autocorrelation problem. There are several ways to submit autocorrelation assumptions, one of which is the Durbin-Watson d test (Sulhan, 2012).

**Autocorrelation Test Results Table**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Dependent Variable: D (NNP) | | |  |  |
| Method: Least Squares Panel | | |  |  |
| Date: 02/06/21 Time: 12:46 | | |  |  |
| Sample (adjusted): 2017 2019 | | |  |  |
| Periods included: 3 | | |  |  |
| Cross-sections included: 11 | | |  |  |
| Total panel (balanced) observations: 33 | | | |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|  |  |  |  |  |
|  |  |  |  |  |
| C | -1423,932 | 683.9135 | -2.082035 | 0.0473 |
| D (IIR) | -0.002892 | 0.001697 | -1.704801 | 0.1002 |
| D (TCI) | 2.39E-07 | 2.29E-06 | 0.104414 | 0.9176 |
| D (NPF) | 407.3572 | 684,4608 | 0.595151 | 0.5569 |
| D (IIR\_ROA) | -0.000116 | 0.000457 | -0.253425 | 0.8019 |
| D (TCI\_ROA) | 1.44E-06 | 5.91E-07 | 2.440218 | 0.0218 |
| D (NPF\_ROA) | 58,43570 | 828.5941 | 0.070524 | 0.9443 |
|  |  |  |  |  |
|  |  |  |  |  |
| Root MSE | 3188,062 | R-squared | | 0.348376 |
| Mean dependent var | -920.9912 | Adjusted R-squared | | 0.198002 |
| SD dependent var | 4010,608 | SE of regression | | 3591,675 |
| Akaike info criterion | 19.39646 | Sum squared resid | | 3.35E + 08 |
| Schwarz criterion | 19,71390 | Log-likelihood | | -313.0415 |
| Hannan-Quinn criteria. | 19.50327 | F-statistic | | 2.316721 |
| Durbin-Watson stat | 2.037186 | Prob (F-statistic) | | 0.063295 |
|  |  |  |  |  |
|  |  |  |  |  |

*Source: Secondary data processed, 2021*

The autocorrelation test results on the table above show that the Durbin-Watson value between the dU value and the 4-dU value is 2.037186. By the above standards, it is concluded that this regression model is free from autocorrelation.

1. **Test the coefficient of determination (R2)**

The coefficient of determination (R2) measures how far the model's ability to explain the variation in the dependent variable. The coefficient of determination is between zero and one. If the coefficient of determination (R2) gets closer to 1, then the effect will be even stronger. The test results can be seen in the table below:

**Table of the results of the test of the coefficient of determination (R2)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | |
|  |  |  |  |  | |
| Root MSE | 3413,303 | R-squared | | | 0.253761 | |
| Mean dependent var | -610.3105 | Adjusted R-squared | | | 0.108659 | |
| SD dependent var | 3996,945 | SE of regression | | | 3773,549 | |
| Akaike info criterion | 19.47238 | Sum squared resid | | | 5.13E + 08 | |
| Schwarz criterion | 19.79678 | Log-likelihood | | | -420.3925 | |
| Hannan-Quinn criteria. | 19.59269 | F-statistic | | | 1,748849 | |
| Durbin-Watson stat | 2.900981 | Prob (F-statistic) | | | 0.128601 | |
|  |  |  |  |  | |
|  |  |  |  |  | |

*Source: Secondary data processed, 2021*

The table above shows the yield of R2 or R-Squared0.253761. This shows the level of influence of the independent variable on the dependent variable of 25.3761%, while the size of 74.6239% (100% - 25.3761%) is explained by other variables outside of this regression model research.

1. **T-test**

The t-test aims to determine whether partially the independent variables used in the model affect the dependent variable. The condition is concluded that partially the independent variable affects the dependent variable if the significance value is less than 0.05.

**Table Coefficients Test Results**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Dependent Variable: D (NP) | | |  | |  |
| Method: Least Squares Panel | | |  | |  |
| Date: 02/06/21 Time: 13:08 | | |  | |  |
| Sample (adjusted): 2016 2019 | | |  | |  |
| Periods included: 4 | | |  | |  |
| Cross-sections included: 11 | | |  | |  |
| Total panel (balanced) observations: 44 | | | | |  |
|  |  |  | |  |  |
|  |  |  | |  |  |
| Variable | Coefficient | Std. Error | | t-Statistic | Prob. |
|  |  |  | |  |  |
|  |  |  | |  |  |
| C | -978.5580 | 624.2845 | | -1.567487 | 0.1257 |
| D (IIR) | -0.002355 | 0.001658 | | -1.420382 | 0.1641 |
| D (TCI) | -4.96E-07 | 2.51E-06 | | -0.197400 | 0.8446 |
| D (NPF) | 239,5861 | 703,3186 | | 0.340651 | 0.7353 |
| D (ROA) | -157,9089 | 554,7354 | | -0.284656 | 0.7775 |
| D (IIR\_ROA) | 0.000452 | 0.001140 | | 0.396261 | 0.6943 |
| D (TCI\_ROA) | 1.59E-06 | 1.14E-06 | | 1.401936 | 0.1695 |
| D (NPF\_ROA) | -116.5815 | 864,5663 | | -0.134844 | 0.8935 |
|  |  |  | |  |  |
|  |  |  | |  |  |

*Source: Secondary data processed, 2021*

1. **CLOSING**
2. **CONCLUSION**

The purpose of this research is to analyze how the influence of Islamic Income Ratio (IIR), Total Comprehensive Income (TCI), Non-Perofrming Financing (NPF) on Company Value calculated by calculating EVA with Profitability or ROA as a moderating variable on BUS in OJK 2015 -2019, with the following research conclusions:

1. The Islamic Income Ratio (IIR) variable does not have a positive and insignificant effect on economic value added in BUS in 2015-2019.
2. TCI does not have a negative and insignificant effect on economic value added in BUS in 2015-2019.
3. NPF does not have a positive and insignificant effect on economic value added in BUS in 2015-2019.
4. ROA does not moderate the Islamic Income Ratio (IIR) to firm value (Economic Value Added) in BUS in 2015-2019.
5. ROA does not moderate Total Comprehensive Income (TCI) against the firm value (Economic Value Added) in BUS in 2015-2019.
6. ROA does not moderate Non-Performing Financing (NPF) against the firm value (Economic Value Added) in BUS in 2015-2019.
7. **Suggestion**

From this research, various aspects need to be considered for further research development, including:

1. In the future, the authors hope that new researchers add new variables in determining the title in the form of additional independent variables because in this study there is still a lack of impact from independent variables on economic value added.
2. For researchers after this, hopefully, it can replace or provide additional moderating variables in addition to profitability (Return On Assets) so that the new research can prove the best results.
3. For researchers after this, it is better to add samples or include all banks (BUS) registered in the OJK, UUS, and BPRS.
4. It is hoped that the Bank (BUS) can monitor and strengthen the financial performance of the bank, so that the bank's performance will be even better, and to reduce the amount of non-halal income in the amount of Islamic Income Ratio so that investors will give a good assessment of the performance of Islamic Commercial Banks.

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