



Bank Mega Syariah: Navigating the Covid Pandemic with Success

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Abstract. This study aims to examine the effect of Third Parties Fund (TPF), Lending, and Return on Assets (ROA) on the Operating Profit of Bank Mega Syariah in Indonesia from 2017–2021. Using financial data analysis, the results show that despite the impact of the Covid pandemic on the financial stability of banks, Bank Mega Syariah has maintained its financial health and experienced growth in TPF, Profits, and ROA. The implications of this study suggest that proper management of TPF and Lending can lead to increased profitability and financial stability for Islamic banks.

Keywords: Third Parties Fund · Lending · ROA · Mega Syariah Bank

1 Introduction

Islamic banks have a major role, namely collecting funds from the community and channeling them back to the community in the form of lending with Islamic sharia principles. Islamic banks are bodies that have the function of investing public funds in accordance with Islamic law, which aims to maintain friendship or Muslim brotherhood with the role and position of Islam [1]. Islamic banks are a substitute solution to the conflicting problem between usury and bank interest [2].

In these transactions there are human values where people who have excess funds are manifested in the form of Islamic bank deposits which will be used to help finance people who need funds. In the banking sector, the economic function is fulfilled, which provides intermediary financial reports by converting savings into productive investments.

Therefore, the Bank has a large influence on the country's economy because there is a consistent and intensive circulation of large amounts of funds. So that stability in banking institutions is one of the things needed in the economy in influencing currency circulation in society. The active role of Third Parties Fund and lending in banks, both Islamic banks and conventional banks, is very significant in the circulation and circulation of money in society. A bank is an agency or institution whose activities are always related to money. Therefore, the existence of business in a bank will be associated with money [3].

At the beginning of 2019, the World Health Organization (WHO) has declared the spread of the corona virus outbreak (Covid-19) as a global pandemic. This outbreak is a

threat to all aspects of the industry, especially the financial industry both nationally and globally which has caused a weakening of the global and domestic economy, Bank Mega Syariah has also been affected by the Covid-19 pandemic but BMSS must continue to maintain financial stability by implementing management strategies such as monitoring actively and productively towards bank operational performance, resources owned by the bank, bank liquidity and reducing the impact of Covid-19.

As stated in Law no. 7 of 1992 which has been amended into Law no. 10 of 1998, in article 29 paragraph 2: "Banks are required to maintain the soundness of banks in accordance with the provisions of capital adequacy, asset quality, management quality, liquidity, profitability, solvency, and other aspects related to bank business and are required to conduct business in accordance with the principle of prudence be careful". In determining the soundness of a bank, things that need to be considered are the funds collected from the public (THIRD PARTIES FUND), Capital Adequacy Ratio (CAR), non-performing lending (NPF), and profitability ratio (ROA).

The stability of Islamic banks in their operations can be seen through financial reports, both monthly, quarterly and annually. The internal financial condition of a bank shows the performance and soundness of the bank which can be seen from the balance sheet and financial reports as well as financial ratios. In the balance sheet you will see assets and liabilities, profit/loss, THIRD PARTIES FUND, lending and financial ratios such as ROA (Return On Assets).

The ROA ratio shows how productive and non-productive Islamic bank assets affect profitability. The higher the asset value, the more it affects the high profitability. The higher the ROA, the ability of assets to influence generating profits is also higher so that the bank's performance is getting better in increasing profits. Therefore profitability in the banking sector is a very important role for the country's economy. Profits in the banking sector will lead to financial stability because banks are able to carry out their role in the long term as financial intermediaries in society.

Third Parties Fund are funds obtained from collecting funds from the public in the form of savings, time deposits, and demand deposits [4]. The large number of Third Parties Fund collected by Islamic banks can increase the assets of the bank itself. Third Parties Fund can also be channeled or managed by Islamic banks to serve lending activities as well as activities that occur at the bank. After carrying out lending distribution activities, the bank will obtain a rate of return in the form of a margin/nisbah. A bank needs to obtain sufficient sources of funds to support its operational activities, both from personal funds, loans and third party funds. In order to support efforts to raise funds in 2021, BMS is developing from a technological point of view by providing account opening services through mobile banking, adding a variety of services, and developing a Cash Management System.

According to previous researchers [5] in their research entitled "The Effect of Third Party Funds on Lending and Their Implications for Sharia Bank Profits" showed the result that Third Party Funds (Dana Pihak Ketiga) have an effect on profits through lending. The increasing THIRD PARTIES FUND, it will increase the profits of Islamic banking through the distribution of lending.

Table 1. Third Parties Fund, Lending, ROA and the Profit of Syariah Mega in 2017–2021 (in Rp million)

	2017	2018	2019	2020	2021
Third Parties Fund	5.103.100	5.723.203	6.578.208	8.258.189	11.715.792
Lending	4.451.439	5.780.619	6.080.453	4.946.543	7.239.515
ROA	7,579%	4,359%	3,409%	5,045%	19,205%
Operational Profit	568.257	580.180	631.358	818.544	1.166.568

Source: www.megasyariah.co.id

Lending is a product available at the Bank in the form of receivables distributed to prospective customers. Lending activities at this bank are considered very important because it is a form of profitable bank operational activity. According to previous researchers [6] in his research entitled “The Influence of Third Party Funds, Lending, and Capital on Profits at PT Bank Mega Syariah, Tbk” showed the results that Lending has a significant effect on profits at PT. Bank Mega Syariah Tbk in 2014–2017.

Profits at the bank are expected to increase every year and are the main goals to be achieved by all companies and financial institutions. It is necessary to process an asset efficiently, such as increasing the activities of the financial division and the existence of detailed financial reports so that it can be seen well how the activities of the company or financial institution are going. According to previous researchers [7] in his research entitled “The Influence of Third Party Funds and Lending on PT Bank Panin Dubai Syariah Tbk’s Operational Profit in 2014–2020” led to the result that profits can be influenced by Third Party Funds and Lending simultaneously. The following is the growth of TPF, Lending, and Profits at BMS in 2017–2021.

Syariah Mega Bank is the 6th largest bank in Indonesia with total assets of IDR 14 trillion. There are many factors that affect the assets and profit growth of Islamic Banks, one of which is the activity of third party funds and Islamic Bank lending. This is clearly seen in the monthly, quarterly and annual financial reports presented by Bank Mega Syariah for the last 5 years 2017–2021. These two factors can affect the Operational Profit of Bank Mega Syariah because from the THIRD PARTIES FUND side, which has increased, it will also grow in lending so that profits will also grow.

Based on Table 1, it can be seen that lending from 2017 to 2019 has grown steadily in the sense that it has increased from year to year but in 2020 it has decreased drastically by IDR 1,133,910 by 18.6% due to the impact of Covid-19. THIRD PARTIES FUND from 2017 to 2019 grew every year, growing by 25.5% to 1,679,981 in 2020. Meanwhile, Operational Profit from 2017 to 2021 continues to grow significantly every year. The highest growth achieved by Third Parties Fund was in 2021 of 41.87% as well as 2021 profits growing by 42.5%. Unlike the five-year period in 2017–2021, lending experienced fluctuations due to the impact of the Covid-19 pandemic, in 2020 it decreased by 8.65% and grew significantly in 2021 by 46.36% (Fig. 1).

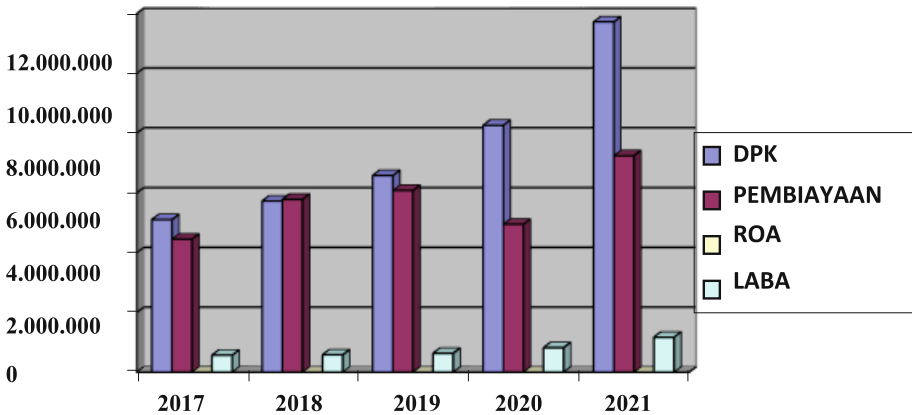


Fig. 1. Graphic

ROA in 2017 to 2018 decreased by 3.22% and decreased again in 2019 by 0.95% but in 2020 it grew 1.636% and grew significantly by 14.16% in 2021. This shows that the management of Bank Mega Syariah able to properly manage assets to generate profits. This can be seen from the company's profit which grew steadily from 2017 to 2021 and grew significantly by 42.5% in 2021.

Based on the data above, the researcher wants to know the effect of TPF, Lending, and ROA on Bank Mega Syariah Profits for 2017–2021 with the formulation of the problem, namely:

1. Is there an effect of THIRD PARTIES FUND on the profits of PT Bank Mega Syariah for the 2017–2021 period?
2. Is there an effect of lending on PT Bank Mega Syariah's profits for the 2017–2021 period?
3. Is there an effect of ROA on PT Bank Mega Syariah's Profits for the 2017–2021 Period?
4. Is there an effect of TPF, Lending and ROA simultaneously on PT Bank Mega Syariah's Profits for the 2017–2021 period?

1.1 Hypothesis

The thinking framework in this study is: TPF (X1), Lending (X2), ROA (X3) and Profit (Y). Based on the relationship between the research objectives and the thinking framework of the research problem formulation, the proposed hypothesis is (Fig. 2);

- 1 H1: There is an influence of Third Parties Fund and Lending on Profits at Bank Mega Syariah in 2017–2022.
- 2 H2: There is an influence of Third Parties Fund and Lending on Profits at Bank Mega Syariah in 2017–2022.
- 3 H3: There is an influence ROA on profit at Bank Mega Syariah in 2017–2022.

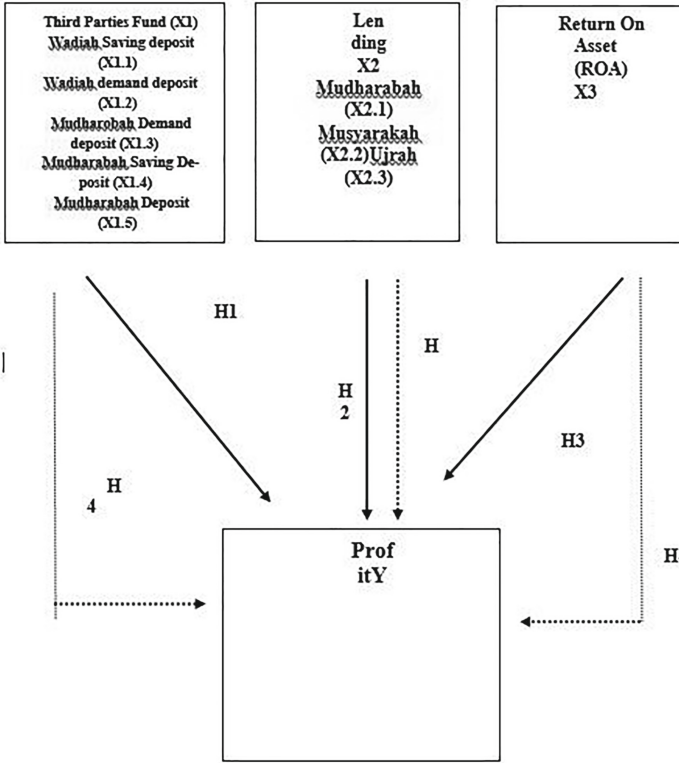


Fig. 2. Framework

4 H4: There is an influence of Third Parties Fund, Lending and ROA on Profits of Bank Mega Syariah simultaneously in 2017–2021

2 Literature Review

2.1 Third Parties Fund

Asri Pujiana Third party funds (savings) based on Banking Law No. 10 of 1998 are funds entrusted by the public to banks based on fund deposit agreements in the form of demand deposits, deposits, certificates of deposit, savings and other forms. According to Law no. 21 of 2008 concerning sharia banking (Article 1) states that, “savings are funds entrusted by customers to sharia banks and/or UUS based on Wadi’ah contracts or other contracts that do not conflict with sharia principles in the form of demand deposits, Savings, or other equivalent forms. Bank funds or capital can be used as working capital and guarantors of the bank’s liquidity [8]. This source of funds is the most important source of funds for bank operations and is a measure of the success of a bank if it is able to finance its operations from this source of funds [8]. Banks will compete for

THIRD PARTES FUNDING to meet the scale and volume of transactions which will ultimately increase profits. THIRD PARTES FUNDING can also affect lending at a bank because the greater the available THIRD PARTES FUNDING, the more banks can provide lending to customers [9].

2.2 Profit

Asri Pujiana According to accounting what is meant by accounting profit is the difference between the realized revenue arising from transactions in a certain period against the costs incurred in that period. In sharia banking, when setting profits there are several things that are taken into consideration, namely by setting profit margins and profit sharing ratios for lending in accordance with sharia policies.

Profit has four main elements, namely revenue, expenses, gains and losses. According to Stice, et al., the definitions of the profit elements are as follows:

- a) Revenue is an inflow or other increase in the assets of an entity or the settlement of its liabilities (or a combination of both) from the delivery or production of goods, the rendering of services, or other activities that constitute the entity's largest or first business.
- b) Expenses are outflows or other uses of assets or incurring liabilities (or a combination of both) from delivering or producing goods, rendering services, or other activities that constitute the entity's largest or first undertaking.
- c) Gains are increases in equity or (net assets) from side or occasional transactions of an entity and from all transactions. Other events and conditions affecting the entity, except those that result from the income or investments of owners.
- d) Losses are decreases in equity (net assets) from peripheral or occasional transactions of an entity and from all transactions. Other events and conditions affecting the entity, except those that result from the income or investments of owners.

According to Supriyono, the types of profits in relation to the calculation of profits are:

- a) Gross profit is the difference between net revenue and sales and cost of goods sold.
- b) Profit from operations is the difference between gross profit and total operating expenses.
- c) Net profit is the final number in the calculation of profit or loss where to look for operating profit plus other income minus other expenses [10].

2.3 Lending

Based on the Law of the Republic of Indonesia Number 10 of 1998 article 1 No. 12. Lending is one of the funding products that exist in financial institutions, namely banks [7]. Lending is the provision of money based on an agreement between the bank and the customer to return the money after a certain period of time with a reward. Lending or lending, namely funding provided by one party to another party to support the planned investment, either carried out alone or by an institution.

In other words, lending is funding issued to support planned investments. Lending as shahibul mal puts trust in someone to carry out the mandate given. These funds must be used properly, fairly, and must be accompanied by clear terms and conditions, and mutually beneficial for both parties. Lending provided by Islamic banks serves to assist the community in meeting their needs in increasing their business.

2.4 Return of Asset

Kasmir (2014: 202) explains that Return On Assets is a ratio that shows the result (return) on the total assets used in the company. Mathematically ROA can be calculated using the following formula:

$$\text{ROA} = \frac{\text{Operational Profit} \times 100\%}{\text{Total assets}}$$

In order to measure the soundness of the child, there is a slight difference between the theoretical calculation of ROA and the method of calculation based on Bank Indonesia regulations. Theoretically, the profit that is calculated is the profit after tax, whereas in the CAMEL system the profit that is calculated is before tax.

3 Methodology

3.1 Types of Research

The type of research used in this study is a quantitative descriptive research method. Quantitative research is research that processes data in the form of numbers and will be analyzed using statistics by adjusting the topic of the problem under study. This study uses a quantitative descriptive method approach taken from annual financial reports based on five periods.

3.2 Research Variables

A research variable is something that is used as a trait or characteristic obtained from research on the influence of certain objects. The types of variables used are Dependent and Independent Variables. The dependent variable is a variable that is influenced by the independent variable. The independent variable is a variable that affects the dependent variable. In this study the authors used three independent variables that had an effect on the dependent variable. The independent variables used are Third Party Funds (X) are Wadiah saving deposit (X1.1), Wadiah demand deposit (X1.2), Mudharabah demand deposit (X1.3), Mudharabah savings deposit (X1.4), mudharabah deposit (X1.5), Lending (X2) are Mudharabah (X2.1), Musyarakah (X2.2), Ujroh (X2.3) and ROA. Then the dependent variable used is profit.

3.3 Types and Sources of Data

The data used in this study uses secondary data taken from the Annual and Monthly Financial Reports of Bank Mega Syariah for the period 2017–2021 which have been published on the website www.megasyariah.co.id, www.ojk.go.id and reviews previous research.

3.4 Population and Sample

Population is a generalized area that includes Objects/Subjects and has certain qualities and characteristics determined by the researcher to be studied and then drawn conclusions. In this study the population taken was Third Party Funds, Lending and Profits which are data in the annual and monthly financial reports of Bank Mega Syariah in the 2017–2021 period.

While the sample is part of the number and characteristics possessed by the population. The sampling technique used by the author is a saturated sampling technique, namely the determination of the sample to be used if the entire population is used as a sample. Thus the total sample in this study was 180 samples taken from the monthly financial reports of PT. Mega Syariah Bank.

3.5 Data Analysis Techniques

The data analysis techniques used in this study include descriptive statistical tests, normality tests, and classic assumption tests based on multiple linear regression analysis. Descriptive statistical tests provide a general description of the characteristics of each variable, while normality tests determine whether the data is normally distributed or not. The classic assumption test includes heteroscedasticity, autocorrelation, and multicollinearity tests. Heteroscedasticity tests the dissimilarity of the variance of the residuals, while autocorrelation tests the correlation between observations arranged according to time and place. Multicollinearity tests whether there is a perfect or definite linear relationship between some or all of the independent explanatory variables of multiple regression.

To conduct the classic assumption tests, the Spearman's rho correlation coefficient test is used to test for heteroscedasticity, the Durbin Watson test is used to test for autocorrelation, and the variance inflation factor (VIF) is used to test for multicollinearity. The guideline for a regression model that is free from multicollinearity is having VIF and tolerance, where the VIF value is less than 10 and the tolerance is more than 0.1. These data analysis techniques are performed using the SPSS software, which is an application that can be used for statistical data processing.

Regression analysis is used to determine the effect of the independent variables on Third Party Funds (THIRD PARTES FUNDING), Lending, ROA on Profit

$$Y = \alpha + \beta_1\text{TPF} + \beta_2\text{L} + \beta_3\text{ROA}$$

The dependent variable namely Profit. The multiple linear regression equation in this study is as follows: Information:

Y: Profit

A: Constant

β_1 . β_2 . β_3 : Regression Coefficient

TPF: Indepent Variable (Third Party Funds)

L: Indepent Variable (Lending)

ROA: Indepent Variable (ROA)

The t-test is used to determine the influence of each independent variable partially on the dependent variable at a significant level of 0.05. The decision criteria are to reject

H0 if the probability value is less than or equal to the significant level of 0.05 (sig. $\leq \alpha 0.05$) and accept H0 if the probability value is greater than the significant level of 0.05 (sig. $> \alpha 0.05$). The F-test is used to determine whether the independent variables jointly have a significant effect on the dependent variable. The interpretation of the results is to reject H0 if the calculated probability value is less than or equal to the probability set at 0.05 (sig. $\leq \alpha 0.05$) and accept H0 if the probability value is greater than the probability set at 0.05 (sig. $> \alpha 0.05$).

4 Result and Discussion

4.1 Research Results

The researcher drew his information from the monthly financial reports that were produced by PT. Bank Mega Syariah Tbk over the course of the period 2017–2021. The official website of Bank Mega Syariah, which can be located at www.megasyariah.co.id, provides access to the data that is included in this monthly report. The variables of THIRD PARTES FUNDING, lending, ROA, and profit will be examined by researchers over a period of five years beginning in 2017 and concluding in 2021. An description of each variable is given below in the following order:

Third Party Funds

According to Law no. 21 of 2008 concerning Islamic banking (Article 1) states that, “Savings are funds entrusted by customers to Islamic banks and/or UUS based on Wadi’ah contracts or other contracts that do not conflict with Sharia principles in the form of demand deposits, savings, or forms other equivalent”. The information presented below, which can be found in PT. Bank Mega Syariah’s monthly financial records and which can be used for testing between the years 2017 and 2021, pertains to THIRD PARTES FUNDING (Table 2).

Lending

Lending is a product or operational activity in Islamic banks in terms of channeling funds to those who need funds. In this product, the agreement between the customer and the bank has been agreed at the beginning. The following is the monthly financial report data on lending at PT. Bank Mega Syariah Tbk from 2017–2021 (Fig. 3 and Table 3).

Displayed equations are centered and set on a separate line.

$$x + y = z \quad (1)$$

Please try to avoid rasterized images for line-art diagrams and schemas. Whenever possible, use vector graphics instead (see).

ROA

Kasmir (2014: 202) explains that Return On Assets is a ratio that shows the result (return) on the total assets used in the company the greater the ROA number, the better the ability of Islamic banks to manage assets to generate profits (Table 4).

Table 2. Third Party Funds Table (in million Rp)

Month	Years				
	2017	2018	2019	2020	2021
Jan	4794711	5321647	5322095	6084272	8081008
Feb	4853374	4923741	5146679	6011938	8492777
March	4720489	4881240	5346840	6342428	8793081
April	4541550	5011236	5517099	6833865	9122769
Mey	5159942	4843705	5622311	6816604	9107307
June	4848595	4973332	5781820	6894451	9967826
July	4972181	5223806	6152186	6552347	9968750
August	5064521	4777538	5878366	6652652	10254337
Sept	4857250	4906639	5763564	6959133	10503813
Oct	4771073	5066455	5899355	7548164	10780142
Nov	4819100	4881858	5941842	7213176	11547380
Dec	5055436	5671430	6403049	7689022	11394777

Source: www.megasyariah.co.id

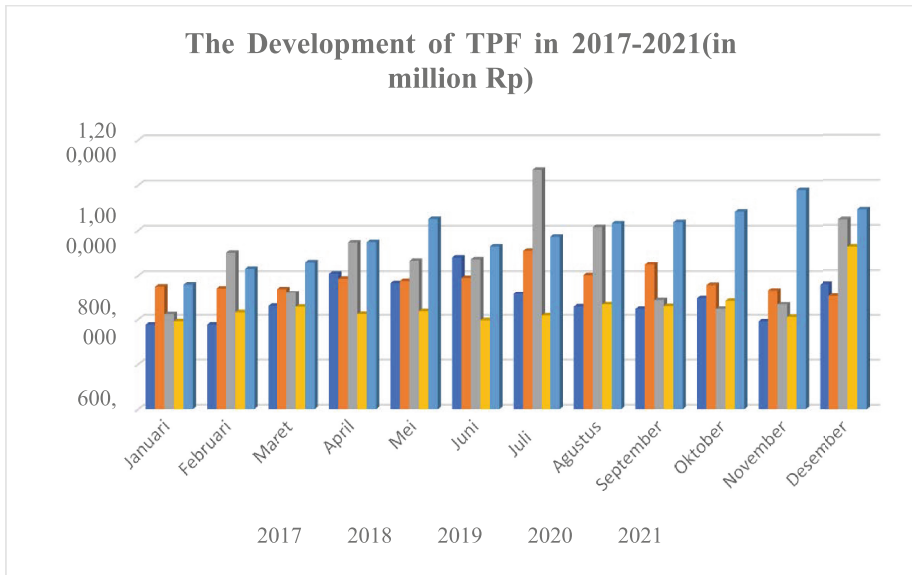
**Fig. 3.** The Development of TPF in 2017–2021 (in million Rp)

Table 3. Lending Table (in million Rp)

Month	Year				
	2017	2018	2019	2020	2021
Jan	344.566	672.597	1.324.198	1.967.294	2.118.867
Feb	363.062	701.711	1.367.230	2.046.169	2.430.250
March	379.903	714.799	1.388.428	2.194.569	2.541.234
April	382.982	750.897	1.395.009	2.158.480	2.324.494
Mey	389.513	774.981	1.592.441	2.146.850	2.805.080
June	405.194	770.967	1.601.370	2.272.781	2.917.672
July	426.512	823.153	1.595.041	2.261.888	2.937.225
August	424.586	860.642	1.622.997	2.310.381	2.939.219
Sept	427.347	903.590	1.649.393	2.357.508	3.748.103
Oct	653.005	923.159	1.706.458	2.212.443	3.719.313
Nov	650.056	1.009.618	1.742.150	2.209.571	4.143.660
Dec	663.112	1.262.978	2.035.915	2.190.250	4.505.490

Table 4. ROA (in %)

ROA	Year				
	2021	2020	2019	2018	2017
Jan	0,145	0,048	0,011	0,023	0,131
Feb	0,382	0,129	0,049	0,095	0,217
March	0,598	0,198	0,121	0,170	0,448
April	1,985	0,238	0,151	0,217	0,430
Mey	1,043	0,279	0,187	0,284	0,524
June	1,273	0,336	0,223	0,367	0,583
July	1,460	0,442	0,282	0,397	0,691
August	1,678	0,536	0,342	0,462	0,734
Sept	1,793	0,668	0,404	0,545	0,860
Oct	2,100	0,686	0,474	0,583	0,910
Nov	2,813	0,667	0,549	0,597	1,010
Dec	3,934	0,817	0,617	0,620	1,042

Table 5. Profit (in million Rp)

Month	Year				
	2017	2018	2019	2020	2021
Jan	5.898	1.695	644	5.101	26.850
Feb	10.069	7.259	3.707	13.276	55.004
March	22.936	13.474	10.618	17.520	88.772
April	31.083	16.644	13.066	24.748	122
Mey	39.856	22.197	15.502	29.120	156.162
June	45.459	27.693	19.590	37.050	187.161
July	53.271	30.889	24.943	49.058	221.366
August	55.969	33.966	29.268	62.933	255.397
Sept	65.592	38.787	34.486	80.423	291.275
Oct	71.380	40.246	41.272	100.564	300.163
Nov	79.565	43.820	47.889	124.514	316.362
Dec	89.548	48.831	58.224	154.29	335.323

Profit

Profit is an estimate of the income and expenses that occur in a certain period in a company. The following is the monthly profit report data at PT. Bank Mega Syariah Tbk in 2017–2021 (Table 5).

4.2 Hypothesis Testing

Normality Test

A normality test is a test that determines whether a regression model's dependent variable, independent variables, or both have a normal distribution or not. This test is performed within a regression model. The purpose of this is to determine whether or not the statistics follow a normal distribution. If everything is within acceptable parameters, then the statistics are considered to be representative of the population (Table 6).

The Kolmogorov-Smirnov test is used to determine whether the data follows a normal distribution or not, with a significance level of 0.05. If the SPSS sig value is greater than the significant level, it can be concluded that the data follows a normal distribution. Based on the data table, the significance values of X1, X2, X3, and Y are greater than 0.05, indicating that they have a normal distribution. Furthermore, the significance values for X1, X2, and X3 are greater than 0.05, indicating that there is no heteroscedasticity between variables.

Autocorrelation Test

The aurocorrelation test is the correlation between observations arranged according

Table 6. Normality Test One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		46
Normal Parameters ^{a,b}	Mean	3669.6006 287
Std. Deviation		8581.5865 0027
Most Extreme Differences	Absolute	.079
	Positive	.056
	Negative	-.079
Test Statistic		.079
Asymp. Sig. (2-tailed)		.200 ^{c,d}

Table 7. Autocorrelation Test Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.618 a	.382	.368	4236.7273 3855	2.120

Table 8. T test table

	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-32516.411	4111.364		7.909	000		
TX1	.026	.008	.065	.266	002	.818	1.223
TX2	.012	.001	.216	1.405	000	.902	1.109
TX3	95.072	2.188	.879	3.452	000	.788	1.269

to time and place. A good regression model should not have autocorrelation. To test autocorrelation, the Durbin Watson test is usually used (Table 7).

The results of the autocorrelation test show that there is no positive autocorrelation as $DW > DU$ and $4-DW > DU$. The multicollinearity test indicates that all VIF values for the independent variables are smaller than 10, and the tolerance values for all independent variables are greater than 0.1, indicating no correlation among independent variables. The t-test is used to determine the influence of each independent variable partially on the dependent variable at a significant level of 0.05, and the aim is to determine whether the independent variables used in the regression equation model have an influence on the dependent variable (Table 8).

Table 9. F test Table

Model	Sum of Squares	f	Mean Square	F	ig.
Regression	18168075898.665		6056025299.555	253584.668	000 ^b
Residual	835858.443	5	23881.670		
Total	18168911757.107	8			

Based on the data above, it can be seen that the sig X1 (THIRD PARTES FUNDING) value is $0.00 < \text{probability value } 0.05$, meaning that THIRD PARTES FUNDING has a partial effect on profit. Sig X2 value (Financing) $0.02 < \text{probability value } 0.05$ means that financing has a partial effect on profit. Sig X3 value (ROA) $0.00 < \text{probability value } 0.05$ means that ROA is partially on profit.

The t test shows that T count THIRD PARTES FUNDING $> T$ table, namely $3.266 > 2.020$, then H_0 is accepted, meaning THIRD PARTES FUNDING has a positive effect on profit. The t test shows that T arithmetic Financing $> T$ table is $11.405 > 2.020$ then H_0 is accepted meaning that Financing has a positive effect on Profit. The t test shows that T arithmetic ROA $> T$ table then H_0 is accepted meaning $43.452 > 2.020$ then ROA has a positive effect on profit.

Simultaneous Test (Test F)

The F test is used to determine whether the independent variables jointly have a significant effect on the dependent variable. If the Sigma value < 0.05 then the independent variable has a simultaneous effect on variable Y (Table 9).

Based on the F test processing data, it is found that the Sig number < 0.05 , namely < 0.05 means that H_0 is accepted by the independent variables X1, X2, and X3 simultaneously/together affect profit. Based on the F table data above, it can be seen that F count $> F$ table, namely $253584.668 > 2.83$, then H_0 is accepted, meaning that the independent variables X1, X2, and X3 simultaneously/together affect profit.

4.3 Discussion

1. The Effect of THIRD PARTES FUNDING on Profit at Bank Mega Syariah

Based on the results of the regression output in Table 8, the partial test shows that the sig X1 (THIRD PARTES FUNDING) value is $0.00 < \text{probability value } 0.05$ with a significant level of 95% ($\alpha = 5\%$) $df = 45$ meaning that THIRD PARTES FUNDING has an effect partially to Profit. The t test shows that T count THIRD PARTES FUNDING $> T$ table, namely $3.266 > 2.020$, then H_0 is rejected, H_a is accepted, meaning THIRD PARTES FUNDING has a partial positive effect on 2017–2021 profit. If THIRD PARTES FUNDING increases, profit also increases and vice versa means that Bank Mega Syariah is able to channel THIRD PARTES FUNDING through financing that generates income.

This is in accordance with Jumingan's statement, Analysis of Sadono Sukirno, et al., Introduction to Business, (Jakarta: Prenada, 2012), p. 201 Among the several factors that affect the amount of profit received by Islamic banks, namely third

party funds, where the greater the customer's funds When Islamic bank products are collected, the assets owned will be even greater which can be used to channel financing and is one of the benchmarks for bank health.

The financial statements of Bank Mega Syariah for 2017–2021 show that THIRD PARTES FUNDING continues to grow significantly even though during the pandemic it can be seen from the 2019 THIRD PARTES FUNDING data growing by 25.5% to 1,679,981 in 2020 and growing significantly in 2021 of 42% followed by profit growth every year from 2017–2021 even during the 2019–2020 pandemic it grew 29.6% and grew significantly in 2021 of 42.5% in line with the growth of THIRD PARTES FUNDING.

In line with that, [11] who examined THIRD PARTES FUNDING used time series data on a sample of banks listed on the IDX and concluded that Third Party Funds have a significant influence on bank profitability. Meanwhile [12] who conducted research on state-owned banks in Indonesia also found that Third Party Funds had a positive and significant effect on ROA.

Bank funds come from two sources, namely internal sources and external sources. Internal sources are also referred to as own capital which is fixed and does not pay interest or ratios. External capital comes from the savings of the community, companies and the government. This external source is temporary and interest or ratios must be paid because this source of funds is foreign capital [8]. Islamic banks are required to pay ratios/bonuses for these external funds so they must be managed properly so that the spread of income ratios is able to cover the ratio paid and even become income ratio for Islamic banks themselves.

2. The Effect of Lending on Profit at Mega Syariah Bank

Based on the results of the regression output in Table 8, the sig X2 value (Financing) is $0.02 < \text{probability value of } 0.05$ and the t test shows that $T \text{ arithmetic Financing} > T \text{ table}$ is $11.405 > 2.020$ with a significant level of 95% ($\alpha = 5\%$) $df = 45$, then H_0 is rejected H_a is accepted, meaning that financing has a partial positive effect on Bank Mega Syariah in 2017–2021. If financing increases, profits will also increase and vice versa means that Bank Mega Syariah is able to manage financing well so that financing is able to generate income margins/nisbah/ujroh.

Based on data from the financial report, the distribution of funds for murabahah financing is the highest financing, followed by musyarakah financing and then mudharabah financing, although during the 2019–2020 pandemic it experienced a decrease of 8.65% but in 2021 it grew significantly 46.36% where the largest distribution was musyarakah financing followed by financing murabahah, then mudharabah financing.

Financing is the provision of funds provided by one party (bank) to another party (customer) to support an investment that has been planned based on an agreement that requires the party being financed to return the money after a certain period of time accompanied by profit sharing [8].

The large amount of credit disbursed will determine the bank's profit if risk mitigation is managed properly, appropriate financing analysis is according to the needs and capabilities of customers so as to minimize the risk of congestion. Credit disbursement must be managed and carried out as well as possible through credit

management [8]. Credit management is a series of activities in regulating and managing credit disbursement starting from the credit is given until the credit is paid off to avoid bad credit that is detrimental to Islamic banks. If the bank is unable to extend credit, while the funds collected from large deposits, it will cause the bank to suffer losses.

3. The effect of ROA on Profit

The T test shows that the sig X3 (ROA) value is $0.00 <$ probability value of 0.05 and T count ROA $>$ T table is $43.452 >$ 2.020 then H_0 is rejected H_a is accepted meaning ROA has a partial positive effect on profit. If the ROA value increases, it means that profits also show an increase because there is an increase in profit from processing assets at Bank Mega Syariah in 2017–2021.

Profitability Ratio is the ratio used to measure a company's ability to earn profits or profits, the profitability of a company embodies a comparison between profits and assets or capital that generates these profits. Profitability (Profitability), is a company's ability to create profits or profits. Return On Assets (ROA) is a ratio used to measure the ability of bank management to obtain profitability and manage the efficiency level of the bank's business as a whole [12].

The greater the value of this ratio indicates the better or healthier the bank's business profitability. This ratio can be used as a measure of financial health. This ratio is very important, considering the benefits derived from the use of assets can reflect the efficiency level of a bank's business. Within the framework of assessing the soundness of a bank, BI will give a maximum score of 100 (healthy) if the bank has ROA $>$ 1.5%. The greater the Return On Assets (ROA) of a bank, the greater the level of profit achieved by the bank and the better the bank's position in terms of asset use. [12].

4. The effect of all variables (THIRD PARTES FUNDING, Financing, ROA) on Operational Profit

Based on the F test processing data, it is found that the Sig number $<$ 0.05, namely.

$0.00 <$ 0.05 means that H_0 is accepted by the independent variables X1, X2, and X3 simultaneously/together affect profit. Based on the F table data above, it can be seen that F count $>$ F table is $253584.668 >$ 2.83, then H_0 is rejected H_a is accepted meaning that the independent variables X1, X2 and X3 simultaneously/together have a positive effect on Bank Mega Syariah's profit in 2017–2021.

Third Party Funds must be managed properly by means of good credit management in order to generate income ratio/margin/ujroh which has an impact on profit growth. High Third Party Funds but not managed properly will become a burden because there is an income ratio/bonus that must be paid to customers.

[12] who conducted research on state-owned banks in Indonesia also found that Third Party Funds had a positive and significant effect on ROA. Third party funds that are channeled optimally will produce murabahah, musyarakah, mudharabah and Qard receivables which will increase Bank Mega Syariah's current assets and have an impact on increasing or growing assets and increasing nisbah/margin/ujroh income in the end the ROA value will also be higher.

5 Conclusion

In conclusion, this study shows that Third Party Funding, Financing, and ROA have a significant positive effect on the profit of PT Bank Mega Syariah during the 2017–2021 period. The findings suggest that increasing Third Party Funding and Financing can lead to higher profits, and good management of funding through risk mitigation can generate income that affects profit growth. Additionally, maintaining a high ROA can also contribute to the profitability of the bank. These findings have important implications for the management of PT Bank Mega Syariah and other similar Islamic banks to prioritize effective funding management and maintain a high ROA to maximize profitability.

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