

ABSTRACT

Eka Nursyam Permadi. 2024. *The Influence of Mudharabah and Musyarakah Financing on the Profitability of PT. Bank Syariah Indonesia Tbk. Sharia Economics Program, Faculty of Islamic Religion, Siliwangi University.*

Profitability is influenced by several factors, one of which stems from products offered by Islamic banking, namely mudharabah and musyarakah financing. Data from the monthly financial reports of PT. Bank Syariah Indonesia Tbk. indicate that any decrease in mudharabah or musyarakah financing is not always accompanied by a decline in profitability. Conversely, an increase in mudharabah or musyarakah financing is not always accompanied by an increase in profitability. The aim of this research is to analyze the influence of mudharabah and musyarakah financing on the profitability of PT. Bank Syariah Indonesia Tbk., both partially and simultaneously.

This research employs a quantitative method, using a sample of 60 monthly financial data published by PT. Bank Syariah Indonesia Tbk. during the period 2018-2022. The data collection techniques include documentation and literature review. The data analysis technique involves descriptive statistical analysis, classical assumption tests, t-tests, f-tests, and coefficient of determination using Eviews software.

The research findings indicate that mudharabah financing has a negative and significant influence on profitability, while musyarakah financing has a positive and significant impact. Both independent variables simultaneously have a positive and significant effect on profitability, with a contribution of approximately 71.25%. The remaining factors influencing profitability were not examined in this study.

The conclusion of this research is that both mudharabah and musyarakah financing have an impact on profitability, both partially and simultaneously. Recommendations based on the research results suggest that the bank needs to conduct a thorough assessment of financing applicants by paying attention to the 5C (character, capacity, capital, collateral, condition) & 1S (sharia) criteria in order to improve efficiency and minimize risks. Furthermore, optimizing the distribution of both profit-sharing financing products, mudharabah, and musyarakah, through attractive promotions is advised to increase customer interest in utilizing financing with either mudharabah or musyarakah contracts. This is because when channeled together, these two types of financing can enhance profitability and ultimately increase the bank's earnings.

Keywords: *Mudharabah Financing, Musyarakah Financing, Profitability*