

MEASURING THE ROLE OF ROA IN BOOSTING PROFIT DISTRIBUTION MANAGEMENT (PDM) SHARIA COMMERCIAL BANKS (BUS)

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Abstract

This study aims to analyze the effect of BOPO and CAR on Profit Distribution Management (PDM) with ROA as a mediating variable in Sharia Commercial Banks (BUS). This study uses the object of all Sharia Commercial Banks (BUS) registered with Bank Indonesia for the period 2015 - 2019. The sampling method used in this study is the census method so that all populations are simultaneously sampled. The analytical tool used to test the hypotheses proposed in this study is to use path analysis where there are two independent variables, one mediating variable and one dependent variable. The results showed that: 1) BOPO partially had no effect on ROA. 2) CAR partially has a positive and significant effect on ROA. 3) BOPO partially has a negative effect on PDM. 4) CAR partially has a positive and significant effect on PDM. 5) ROA partially positive and significant effect on PDM. 6) ROA does not mediate the effect of BOPO and CAR on PDM.

Keywords: BOPO, CAR, ROA, PDM

1. INTRODUCTION

Strategic steps that can be taken by Sharia Banks in order to win the competition, one of which is by improving financial performance. Improved financial performance will have a tremendous impact in order to maintain the confidence of depositors so as not to switch services. The main principle that can be done by Sharia Banks in order to improve their performance is optimal fund management. Sharia Banks are based on sharia principles that put forward the principles of muamalah, justice and togetherness in business, both in obtaining profits and facing risks. In raising funds and distributing funds, Islamic banks apply a profit-sharing system by calculating revenue sharing as well as profit sharing and risk sharing (Yaya, et al, 2009) .

In recent years, Sharia Banks has experienced a fairly rapid development. This is because of the support for the establishment of several Sharia Commercial Banks (BUS). Sharia Banks that operate in accordance with the

principles of Islamic law and banks whose operating procedures refer to the provisions of the Qur'an and Hadith (Tho'in, 2016; Iqbal & Molyneux, 2016) .

Bank Indonesia, profit distribution is the distribution of Islamic bank profits to depositors based on an agreed ratio each month. Profit distribution is regulated based on the product chosen by depositors to the bank. Profit is distributed between depositors and banks based on a predetermined ratio an earlier period (Iqbal & Mirakhor, 2008). Profit Distribution Management is an activity carried out by managers in managing the distribution of profits to meet the profit sharing obligations of Islamic banks to their customers (Fitriyana, et al. 2018). Through the understanding of profit distribution above, it can be concluded that Profit Distribution Management (PDM) is an activity carried out by managers in managing the distribution of profits to meet profit sharing obligations of Islamic banks to their depositors (Mulyo & Mutmainah, 2013). Khairunnisa (2002) also found that Islamic banking

depositors are aiming for profit maximization. Husnelly (2003) also emphasized that the factor that is considered by the public to invest their funds in Sharia Banks is the profit-sharing return factor.

Many factors affect Profit Distribution Management (PDM), including BOPO. Banks must manage BOPO which is one of the most important determining factors. The smaller this ratio is, the better the bank's performance will be because to get income that is chasing the maximum number, it must be encouraged by the small costs (expenses) used, but must remain in accordance with the level of efficiency and ability of the bank in carrying out operational activities. Therefore, a low BOPO will increase the interest of new potential customers.

Operational cost of operating income or BOPO ratio is a ratio that can be used to see the level of efficiency and ability of the bank to support its operational activities. Currently there are Islamic banks that have a ratio exceeding 100%, while the maximum limit allowed by Bank Indonesia is 90% - 100%. If we reinterpret that a bank with a high BOPO ratio indicates that the bank has not been able to support its operational activities. Wibowo & Syaichu (2013), Maulina (2013) who concluded that BOPO had a positive and significant effect on Profit Distribution Management (PDM). However, this contradicts Masrurah (2016), which states that BOPO actually has no effect on Profit Distribution Management and Mismiwati, et al.

Other factors besides BOPO that also affect Profit Distribution Management (PDM) existis CAR (Mulyo & Mutmainah, 2013). The determination of CAR at a certain level is intended so that banks have sufficient capital capacity to reduce the possibility of risk arising as a result of developing or increasing asset expansion, especially assets that are categorized as yielding and at the same time risky. This high ratio can protect customers and increase customer confidence in the bank. A high CAR makes banks able to reduce the risks that arise, so bank managers are more daring to carry out PDM which refers to interest rates because the bank is in a safe condition. Capital CAR is used

as the basis for measuring the performance of a bank. Research result Muhammad (2006) in Mulyo & Mutmainah (2013) and Mismiwati, et al. (2019) that CAR has a positive effect on PDM. The results of this study are not in line with the results of the study Masrurah (2016), Wibowo & Syaichu (2013), which actually states that CAR has no effect on Profit Distribution Management.

Sekaran (2017), if the influence of a variable on other variables is still ambiguous on the results of the previous research mentioned above, then the next researcher can include a mediating variable, where the mediating variable must have been tested previously as an independent variable on the dependent variable, as in this study. Mismiwati, et al (2019) which states that PDM is mistimed is also affected by ROA.

Sekaran (2017) and the results of research from Mismiwati, et al (2019) as well as the results of different previous studies on the results of the research on the effect of BOPO and CAR on PDM above, the researchers included a new variable, namely ROA as a mediating variable because ROA plays an important role in PDM. The level of profitability of Sharia banks in Indonesia is the best in the world measured by the ratio of profit to assets (ROA), both for the full fledge bank category and for the Sharia Commercial Banks (BUS) category. the amount of Return On Assets (ROA) and does not include elements of Return On Equity (ROE).

2. THEORETICAL REVIEW

2.1. Stakeholder Theory.

Stakeholders are individuals, groups of people, communities or society either in whole or in part who have a relationship and interest in the company. For banks, depositors are stakeholders whose existence is vital, because banks need funds from depositors as one of the bank's operational functions for going concern in the form of savings, deposits and demand deposits. This has resulted in every bank (Islamic bank or conventional bank) to compete to gain market share of depositors, namely conventional banks using interest rates and Islamic banks with a profit-sharing system to maximize

profits attract depositors. Karim & Afif (2005), Khairunnisa (2002) and Husnelly (2003) the types of depositors in Indonesia it mostly belongs to the floating segment group. The floating segment is a segment that is sensitive to prices and Islamic law. In this segment, the possibility of depositors moving their funds to other banks (displacement funds) is very high because of the difference in returns between conventional banks and Islamic banks. If conventional banks that refer to the BI rate have a higher rate of return, then Islamic banks are forced to carry out Profit Distribution Management which refers to the interest rate (BI rate), so that the rate of return for profit sharing in Islamic banks is not less competitive. Therefore, PDM is one of the steps used by Islamic bank managers to manage their stakeholders and compete with other banks.

2.2. Profit Distribution Management (PDM).

Bank Indonesia, Profit Distribution is the distribution of Islamic bank profits to deposit customers based on an agreed monthly ratio (www.bi.go.id). The profit sharing obtained depends on the amount and term of the deposit and the bank's income in that period. The amount of profit sharing is calculated based on the bank's income (revenue) so that customers will definitely get profit sharing and do not lose their principal savings. The purpose of management is to achieve targeted results effectively and efficiently. The process of determining the rental yield and the expected margin yield is usually determined by the shohibul maal (bank), as well as to determine the level of bonus given to wadiah is carried out by the tire.k as a fund manager (Rivai & Arifin, 2010). *Profit Distribution Management*, the activities carried out by managers in managing the distribution of profits to fulfill profit sharing obligations of Islamic banks to saving customers to fulfill their credibility which is commonly called Profit Distribution Management (PDM). Based on the research model conducted, Farok, et. al. (2009) calculations regarding Profit Distribution Management You can use the asset spread method, because this method is the closest calculation model that can be used to calculate PDM, which primarily refers to interest rates.

Asset Spread is the absolute asset spread obtained from Return On Assets (ROA) minus the average Return On Investment Account Holder (ROIAH) which is the average return for depositors' profits. Asset Spread can be formulated as follows: $\text{Asset Spread} = (\text{ROA} - \text{average ROIAH})$. Asset Spread is the most powerful indicator to calculate PDM. The Asset Spread considers all expense income and provides the spread between the total asset return of the bank's assets and the distribution given to depositors. The higher the Asset Spread indicates the distribution of profits to depositors who are far from asset returns. This strengthens the existence of PDM actions that refer to interest rates in accordance with research conducted by Farok, et al. (2009), The ROA obtained by Islamic commercial banks will be distributed as profit sharing to depositors (ROIAH), while the other portion is not distributed and used by management for certain interests or commonly referred to as asset spreads (Asset Spreads). Basically, ROIAH and Asset Spreads are determined based on certain ratios, but to see how much influence they have, you can look at Asset Spreads as an indicator to calculate PDM. PDM is a distribution of profit sharing (Antonio, 2001). According to Bank Indonesia, profit-sharing distribution is the distribution of Islamic bank profits to deposit customers based on an agreed ratio every month.

2.3. Operating Expenses to Operating Income (BOPO).

BOPO is the profitability of a company that is used to compare operating expenses with the company's operating income, or it can also be used as a measuring tool for how much the company's ability to manage existing operating expenses (Nafis & Sudarsono, 2021). The smaller this ratio is, the better the bank's performance will be because to get income that is chasing the maximum number, it must be encouraged by the small costs (expenses) used, but must remain in accordance with the level of efficiency and ability of the bank in carrying out operational activities.

2.4. Capital Adequacy Ratio (CAR).

In calculating capital adequacy, the most appropriate indicator is to use the Capital Adequacy Ratio (CAR). The higher the CAR, the better the bank's ability to bear the risk of any credit or risky productive assets (Tho'in & Heliawan, 2020). Bank Indonesia requires every commercial bank to provide a minimum capital of 8% of Risk Weighted Assets (RWA). The calculation of CAR is based on the ratio (comparison) between the capital owned by the bank and the number of RWA. A high CAR makes banks able to reduce the risks that arise so that bank managers are more daring to carry out PDM which refers to interest rates because the bank is in a safe condition.

2.5. Return On Assets.

Return on Assets (ROA) is used to measure the financial performance of multinational companies, especially from the point of view of profitability and investment opportunities. ROA is the ratio of profitability level proxies that shows an assessment of the bank's performance in operating and its capital (Sari & Indrarini, 2020). ROA shows the company's effectiveness in generating profits by optimizing its assets. The higher the profit generated, the higher the ROA, which means that the company is more effective in using assets to generate profits. Measuring the level of profitability is important for banks, because high profitability is the goal of every bank. Return On Assets (ROA) is the ability of the capital invested into all company assets to generate profits. ROA uses profit as one way to assess the effectiveness of the use of company assets in generating profits. Banks that have a higher ROA can be said to be more efficient, because the rate of increase in profit increases asset growth.

2.6. Hypothesis

Effect of BOPO on ROA

BOPO is the ratio between operating costs to operating income. Operational costs are used to measure the level of efficiency and the bank's ability to carry out its operational activities. Operational costs are costs incurred by banks in

order to carry out their main business activities (such as interest costs, labor costs, marketing costs and other operating costs). Operating income is the bank's main income, namely interest income obtained from placement of funds in the form of credit and other operating income.

The smaller this ratio means the more efficient the operational costs incurred by the bank concerned so that the possibility of a bank in a problematic condition is getting smaller so that a logic can be drawn up that the operating efficiency variable proxied by BOPO has an effect on banking performance (Return on Assets/ROA). The study of Schiniotakis (2012), Sheilla & Dharmastuti (2018), Efendy & Fathoni (2019) stated that BOPO has an effect on ROA.

H1 : BOPO has an effect on ROA

Effect of CAR on ROA

Capital adequacy describes the bank's ability to maintain sufficient capital to cover the risk of losses that may arise from investing funds in risky productive assets, as well as for financing in fixed assets and investments. CAR can be used to measure the capital adequacy of Islamic banks (Muhammad, 2009). Yuliani (2007), CAR is also commonly referred to as the capital adequacy ratio, which means the amount of own capital needed to cover the risk of losses that may arise from investing in risky assets and financing all fixed assets and bank inventory.

The greater the Capital Adequacy Ratio (CAR), the greater the bank's profits. In other words, the smaller the risk of a bank, the greater the profit earned by the bank. the previous studies of Akhtar, et al. (2011), Schiniotakis (2012), Eljelly & Elobeed (2013), Wibowo & Syaichu (2013) which stated that CAR has an effect on ROA

H2: CAR has an effect on ROA

Effect of BOPO on PDM

BOPO is the ratio of the ratio between Operating Costs and Operating Income. The lower this ratio, the better the performance of the bank's management. Logically, the bank's management can use the existing resources in the company more efficiently. If traced further, less

operating expenses will further increase profits, especially efficient utilization when compared to operating income, then this ratio will affect PDM. The possibility that occurs, the lower the BOPO ratio, the higher the PDM.

The BOPO ratio is a ratio that shows the ratio between operating expenses or costs to the operating income of a company in a certain period. A bank with a high BOPO ratio indicates that the bank has not been able to support its operational activities. From this explanation, it can be concluded that the high and low BOPO then Profit Distribution Management will be smaller or larger. The study of Wibowo & Syaichu (2013), Maulina (2013) which conclude that BOPO has an effect on Profit Distribution Management (PDM).

H3 : BOPO has an effect on PDM

Effect of CAR on PDM

Capital is the main requirement for the establishment of a company. Without capital, a company will not exist. Capital Adequacy Ratio (CAR) is an indicator in measuring the capital of a company. In banks, Bank Indonesia pays great attention to CAR, even though the standard has been set that the minimum CAR ratio is 8%. A high car makes banks able to reduce the risks that arise, so that bank managers are more daring to carry out Profit Distribution Management that

can compete with other banks. Thus, the PDM carried out is influenced by CAR indirectly. The results in the research of Muhammad (2006) in Mulyo & Mutmainah (2013), Kartika & Adityawarman (2012), Yulistiani (2014), Mismiwati, et al. (2019) found that CAR has a positive effect on PDM

H4 : CAR has an effect on PDM.

Effect of ROA on PDM

ROA is used to measure the effectiveness of the company in generating profits by utilizing its assets. ROA is the ratio between profit before tax to total assets. Apriandika (2011), the amount of profit sharing obtained is determined based on the success of the fund manager to generate income. The study of Mismiwati, et al (2019) which states that the ROA has an effect on PDM.

H5 : ROA has an effect on PDM

2.7. Theoretical Framework

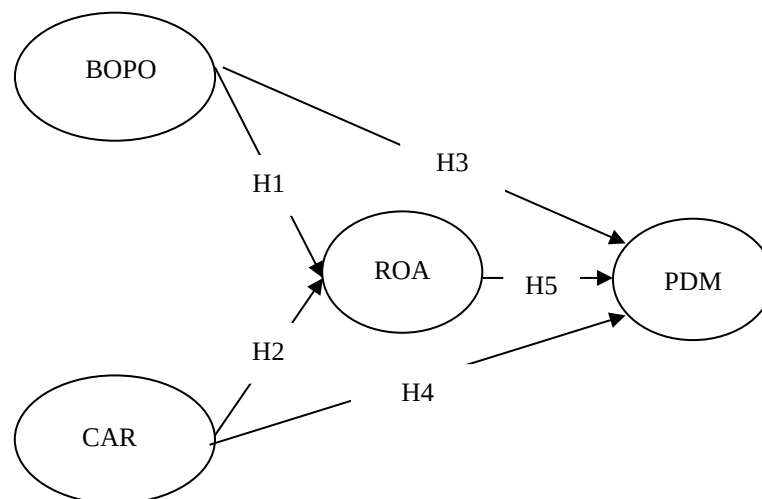


Figure 1. PDM Research Model

3. METHODS

This study uses a type of causal research with a quantitative approach. Quantitative research method is a research method based on the philosophy of positivism. The independent variables include BOPO and CAR. The dependent variable includes Profit Distribution Management (PDM), while the mediating variable is ROA.

The population in this study are all Sharia Commercial Banks (BUS) in Indonesia registered with the Financial Services Authority (OJK) in 2015=2019 and routinely report financial statements in accordance with the research data needs in order to obtain 10 BUS. The sampling technique used is the census method. The data used is secondary data derived from the Annual Report of

Sharia Commercial Banks (BUS) for the 2015-2019 period. The 10 BUS consist of: (1) Bank Muamalat Indonesia (BMI), (2) BRI Syariah Bank (BRIS), (3) Mandiri Syariah Bank (BSM), (4) BNI Syariah Bank (BNIS), (5) Mega Syariah (BMS), (6) Panin Syariah Bank (BPS), (7) Bukopin Syariah Bank (BSB), (8) BCA Syariah Bank (BCAS), (9) BTPN Syariah (BTPNS) (10) West Java Bank and Banten Syariah (BJBS). Based on this research period, 50 data (5 years x 10 BUS) will be generated. This study uses the Structural Equation Modeling (SEM) analysis technique because it is to examine the causal relationship.

4. RESULTS AND DISCUSSION

Data Description

Table 1. Descriptive Research Data

	N	Minimu m	Maximu m	mean	Std. Deviation
BOPO (X1)	50	69.61	199.97	99.62	24.18
CAR (X2)	50	11.51	40.92	20.42	6.93
ROA(Z)	50	-20.13	3.61	-0.44	3.95
PDM (Y)	50	0.20	10.02	1.55	2.26

Source: Primary Data Processed, 2020

Based on the table above, 50 sample data shows that the minimum value for the BOPO variable is 69.61, then the maximum value is 199.97 and the average value is 99.6242 and the standard deviation is 24.18. The minimum value of the CAR variable is 11.51 and the maximum value is 40.92 with an average value of 20.42 and a standard deviation of 6.93. The minimum value ROA variable is -20.13 with a maximum value of 3.61 and an average value of -0.44 and a standard deviation of 3.95. The PDM variable has a minimum value of 0.20 with a maximum value of 10.02 and an average value of 1.55 and a standard deviation of 2.26.

Test Requirements Analysis

Evaluation of the structural equations of this research model uses the following criteria:

1. Based on the evaluation of multivariate normality, a value of 5.662 was obtained which was greater than + 2.58 indicating that the multivariate was not normal. Evaluation of normality can also be seen from the standardized residual value, if there is no value greater than + 2.58, it indicates that the data in the study are normally distributed.

Table 2. Standardized Residual Covariances (Group number 1 - Default model)

	BOPO	CAR	ROA	PDM
BOP	.000			
CAR	.000	.000		
ROA	.000	.000	.000	
PDM	.000	.000	.000	.000

All matrices have a value of 0, indicating that the research data is normally distributed.

2. Evaluation of multivariate outliers

Using the Mahalanobis test, the largest mahalanobis was obtained at 18.219, which is smaller than the chi square table (18.4668), indicating that there are no outliers or extremes in the data, so the results in this study are valid and can be used as empirical conclusions.

3. Multicollinearity Evaluation

The value of the Determinant of sample covariance matrix = .002 is obtained, and the correlation value between the constructs is less than 0.9. The result is 0.149 indicating that there is a small correlation between the independent variables, so that the proposed conditions are met.

4. Evaluation for goodness of fit

Fit indices conducted to see the goodness off fit data from structural analysis. Fit indices consist of absolute, incremental and parsimony fit indices.

Table 3. Absolute Fit Indices

Absolute Fit Indices	Model Fit Benchmark Value	Output	Model Fit Against Data	Fit
Chi Square (X2)	α 0.05 as the limit of good fit	0.0	ACCEPTED	
Root mean square error if approximation (RMSEA)	0.08-0.10 mediocrefit, α 0.08 good fit	0.205	REJECTED	
Goodness of fit statistics (GFI)	α 0.95 indicates that the model is fit to the data (good fit). To $0.8 \leq \alpha$ 0.95 including marginal fit.	1,000	RECEIVED GOOD FIT	/

Table 4. Incremental Fit Indices

Incremental Fit Indices	Model Fit Benchmark Value	Fit	Output	Model Fit Against Data
Normal-fit index (NFI)	α 0.95 Good fit		1,000	GOOD FIT
Comparative fit index (CFI)	α 0.95 good fit; α 0.90 advanced fit		1,000	GOOD FIT

Table 5. Parsimony Fit Indices

Parsimony Indices	Fit Model Fit Benchmark Value	Output	Model Fit Against Data
<i>Parsimony Comparative Index (PCFI)</i>	0.05 α PCFI α 0.90	0.000	NOT GOOD
<i>Parsimony Normed Fit Index (PNFI)</i>	0.05 α PNFI α 0.90	0.000	NOT GOOD

Complete CFA data attached

Based on the results of the evaluation of the fit of the model (goodness of fit) obtained most of them meet the requirements, so it can be concluded that this research model fits the actual data.

Result of Direct Relationship (evaluation of Critical Ratio value) or t count

The significance of the estimated parameters provides very useful information about the relationship between the observed variables. This significance can be seen in the estimated output of the Regression Weights table parameter: (Group number 1 - Default model). The limit for rejecting/accepting a relationship with a significance level of 5% is 1.96 (absolute), where if the value of t lies between -1.96 and 1.96 then the hypothesis stating that there is an influence must be rejected, whereas if the value is greater than 1.96 or less than - 1.96 must be accepted with a significance level of 5%.

1. Effect of BOPO on ROA

The t-count or Critical Ratio (CR) value of -1.159 is less than 1.96 and the p-value of 0.246 is greater than 0.05, indicating that there is no effect of BOPO on ROA.

2. Effect of CAR on ROA

The t-count is 2.336 which is greater than 1.96 and the p-value of 0.020 is smaller than 0.05, indicating that there is a positive effect of CAR on ROA.

3. Effect of BOPO on PDM

The t-count or Critical Ratio (CR) value of -2.812 is greater than -1.96 and the p-value of 0.005 is smaller than 0.05

indicating that there is a negative effect of BOPO on PDM.

4. Effect of CAR on PDM

The t-count or Critical Ratio (CR) value of 2.860 is greater than 1.96 and the p-value of 0.004 is smaller than 0.05, indicating that there is a positive and significant effect of CAR on PDM.

5. Effect of ROA on PDM

The obtained t count of 0.251 is smaller than 1.96 and the p value of 0.801 is greater than 0.05 indicating that there is no effect of ROA on PDM.

Evaluation of R² value (coefficient of determination)

1. The results of AMOS analysis showed that the value of R² on ROA was 0.111, which means that ROA was influenced by BOPO and CAR of 11.1% while the remaining 88.9% was influenced by other factors not examined in this study.
2. The results of AMOS analysis showed that the R² value of PDM was 0.243, which means that PDM was influenced by BOPO, ROA and CAR by 24.3% while the remaining 65.7% was influenced by other factors not examined in this study.

Evaluation of Indirect Effects (Path Analysis)

The results of the path analysis can be seen in the output of standardized direct effects compared to standardized indirect effects. If the value of the indirect effect is greater than the direct effect, it can be concluded that ROA can mediate the variables that pass through it.

Table 6. Standardized Direct Effects
(Group number 1 - Default model)

	BOPO	CAR	ROA
ROA	-.158	.318	.000
PDM	-.358	.379	.033

Table 7. Standardized Indirect Effects
(Group number 1 - Default model)

	BOPO	CAR	ROA
ROA	.000	.000	.000
PDM	-.005	.011	.000

1. The results of BOPO against PDM obtained an indirect coefficient value of -0.005 which is smaller than the direct coefficient value of -0.358 . So it can be interpreted that

1. BOPO to ROA to PDM

Input:		Test statistic:	Std. Error:	p-value:	
a	-0.954	Sobel test:	-0.2468374	0.09275742	0.80503406
b	0.024	Aroian test:	-0.188735	0.12131295	0.85030052
s _a	0.823	Goodman test:	-0.45874242	0.04991036	0.64641915
s _b	0.095	Reset all	Calculate		

The p-value of 0.80503406 is obtained, which is greater than 0.05,

indicating that BOPO does not affect PDM through ROA.

2. CAR to ROA to PDM

Input:		Test statistic:	Std. Error:	p-value:	
a	1.182	Sobel test:	0.25116701	0.11294477	0.80168499
b	0.024	Aroian test:	0.2311063	0.12274871	0.81723222
s _a	0.506	Goodman test:	0.27756068	0.10220468	0.78134962
s _b	0.095	Reset all	Calculate		

The p-value of 0.80168499 is obtained, which is greater than 0.05, indicating that CAR has no effect on PDM not through ROA.

Discussion

Effect of BOPO on ROA

The results showed that BOPO did not have a negative effect on banking performance as proxied by Return on Assets (ROA). The BOPO ratio is also used to regulate the ability of bank management to control operational costs and operating income (Putri, et al. 2018). Operational costs are used to measure the level of efficiency and the bank's ability to carry out

ROA does not mediate the relationship between BOPO and PDM.

2. The results of CAR against PDM obtained an indirect coefficient value of 0.011 which is smaller than the direct coefficient value of 0.379. So it can be interpreted that ROA does not mediate the relationship between CAR and PDM.

Below is an alternative test to support the test results to prove the mediating variable. Another alternative test in this study used the Sobel test. Sobel test results to support path analysis.

its operational activities. Operational costs are costs incurred by banks in order to carry out their main business activities (such as interest costs, labor costs, marketing costs and other operating costs). Operating income is the bank's main income, namely interest income obtained from placement of funds in the form of credit and other operating income. The results of this study support Nikmah (2018), which states that BOPO has no effect and is not significant on ROA. This study contradicts of Schiniotakis (2012), Sheilla & Dharmastuti (2018), Efendy & Fathoni (2019) stated that BOPO had a positive effect on ROA. Also, the results of this study contradict the

results of the study M et al., (2012) and Rahayu, et al. (2018) . that BOPO has a negative and significant effect on ROA

Effect of CAR on ROA

The results showed that CAR had a positive and significant effect on ROA. A high CAR makes banks able to reduce the risks that arise. So that bank managers are more daring to carry out Profit Distribution Management which refers to interest rates because the bank is in a safe condition. Capital adequacy describes the bank's ability to maintain sufficient capital to cover the risk of losses that may arise from investing in risky productive assets, as well as for financing in fixed assets and investments. CAR can be used to measure capital adequacy in Islamic banks (Muhammad, 2009) . The greater the Capital Adequacy Ratio (CAR), the greater the bank's profits. In other words, the smaller the risk of a bank, the greater the profit earned by the bank. The results of this study support the results of previous studies Akhtar, et al. (2011), Schiniotakis (2012), Eljelly & Elobeed (2013), Wibowo & Syaichu (2013) which stated that CAR has a positive and significant effect on ROA. However, the results of this study contradict the results of research Suryani (2012), Guna & Syaichu (2013), M et al., (2012), Purwoko & Sudiyatno (2013), Rahayu, et al. (2018) which shows that CAR is also has no effect on ROA. Also different from the results research from Pravasanti (2018) which states that CAR just has no significant effect on ROA.

Effect of BOPO on PDM

The results showed that BOPO had a negative and significant effect on PDM, meaning that the higher the BOPO ratio, the profit distribution management (PDM) would decrease. This is because the BOPO is one of the ratios to measure the level of bank efficiency, the higher the BOPO ratio, it can be said that the bank is not efficient in carrying out its business activities, this is because the income generated can only be used to carry out its operational activities. If an Islamic bank has a high BOPO ratio, then the level of profit distribution management (PDM) is getting lower and closer

to conventional bank interest rates, this happens because the profits generated are only able to cover the company's operational activities. The results of this study are not in line with research conducted of Wibowo & Syaichu (2013), Maulina (2013) which conclude that BOPO has a positive and significant effect on Profit Distribution Management (PDM). Also, Masruroh (2016), which states that BOPO actually has no effect on Profit Distribution Management and Mismiwati, et al. (2019) which states that BOPO actually has an effect but not significant on Profit Distribution Management.

Effect of CAR on PDM

The results showed that CAR had a positive and significant effect on PDM. Capital is the main requirement for the establishment of a company. Without capital, a company will not exist. ratio CAR (Capital Adequacy Ratio): That is the assessment of the capital factor based on the comparison of the amount of capital to total risk-weighted assets (Samanto & Hidayah, 2020). Capital Adequacy Ratio (CAR) is an indicator in measuring the capital of a company. In banks, Bank Indonesia pays great attention to CAR, even though the standard has been set that the minimum CAR ratio is 8%. A high car makes banks able to reduce the risks that arise, so that bank managers are more daring to carry out Profit Distribution Management that can compete with other banks. Therefore, The PDM carried out is directly influenced by the CAR. The results in this study are in line with the research results of Muhammad (2006) in Mulyo & Mutmainah (2013), Kartika & Adityawarman (2012), Yulistiani (2014), Mismiwati, et al. (2019) found that CAR has a positive effect on PDM. The results of this study are not in line with the results of research by Masruroh (2016), Wibowo & Syaichu (2013), which state that CAR has no effect on Profit Distribution Management.

Effect of ROA on PDM

The results showed that ROA had no effect on PDM. ROA is the return that is based on the number of assets used in the company and in financial institutions (Sumadi & Romdhoni,

2020). ROA is used to measure the effectiveness of the company in generating profits by utilizing its assets. ROA is the ratio between profit before tax to total assets. The results of this study are not supported by the results of the study by Mismiwati, et al (2019) which states that the ROA variable has a positive effect on PDM.

5. CONCLUSION

BOPO partially has no effect on ROA. CAR positive and significant effect on ROA. BOPO partially has a negative effect on PDM. CAR and ROA partially has a positive and significant effect on PDM. ROA does not mediate the effect of BOPO and CAR on PDM.

For Sharia Commercial Banks (BUS), it is better if pay attention to the problem of achieving PDM because PDM includes many uses for banks and society and the nature of responsibility a bank that has justified it as a sharia commercial bank, For Investors in investing in Sharia Commercial Banks (BUS) should see in terms of large profits so as not to too risky to invest.

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