The Analysis of Financial Performance in Sharia Banking Listed on The Indonesian Stock Exchange 2018-2022

Analisis Kinerja Keuangan pada Perbankan Syariah yang Terdaftar pada Bursa Efek Indonesia Periode 2018-2022

Mansur Chadi Mursid[1], Tamamudin[2], Nabila Khoirunnisa Ritanti[3]
[1, 2, 3] *(Universitas Islam Negeri K.H. Abdurrahman Wahid, Pekalongan, Indonesia)*
mansurchadimursid@uingusdur.ac.id
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Abstract - The earning per share (EPS) value as a metric used to measure how well management has succeeded in generating profits for investors always fluctuates because it is influenced by various factors such as return on assets (ROA), return on equity (ROE), and net profit margin (NPM). This research aims to analyze the influence of ROA, ROE, and NPM on EPS. The population of this research is four sharia banking companies listed on the Indonesia Stock Exchange (BEI) that have gone public. The number of research sample data was 40 with a purposive sampling technique. Sharia banking financial report data for 2018-2022 were analyzed using the panel data regression method with the eviews 12 software. Based on the research results, it was proven that ROA had a positive effect on EPS. Then return on equity (ROE) does not affect earning per share. Net profit margin (NPM) has a positive effect on EPS. And then ROA, ROE, and NPM simultaneously influence earning per share. Researchers found a negative signal from ROE, this could be due to the long-term impact of the pandemic era as a novelty in this study. The implication of the results of this research is that it can be used as a reference for investment managers in making decisions and then recommending them to investors.

Keywords: Earning Per Share, Net Profit Margin, Pandemic Era, Return on Asset, Return on Equity.

Abstrak - *Nilai earning per share (EPS) sebagai metrik yang digunakan untuk mengukur seberapa baik manajemen berhasil menghasilkan keuntungan bagi investor selalu mengalami fluktuasi karena banyak dipengaruhi oleh berbagai faktor seperti return on asset (ROA), return on equity (ROE), dan net profit margin (NPM). Tujuan penelitian ini adalah untuk menganalisis pengaruh ROA, ROE, dan NPM terhadap EPS. Populasi penelitian ini adalah empat perusahaan perbankan syariah yang terdaftar di Bursa Efek Indonesia (BEI) dan sudah go public. Jumlah data sampel penelitian adalah 40 dengan teknik purposive sampling. Data laporan keuangan perbankan syariah periode tahun 2018-2022 dianalisis menggunakan metode regresi data panel dengan aplikasi eviews 12. Berdasarkan hasil penelitian membuktikan bahwa ROA berpengaruh positif terhadap EPS. Kemudian return on equity (ROE) tidak berpengaruh terhadap earning per share. Net profit margin (NPM) berpengaruh positif terhadap EPS. Selanjutnya, return on asset, return on equity dan net profit margin bersama-sama berpengaruh terhadap earning per share. Peneliti menemukan adanya sinyal negatif dari ROE, hal ini dapat disebabkan dampak jangka panjang dari era pandemic sebagai kebaruan penelitian ini. Implikasi dari hasil penelitian ini adalah dapat dijadikan acuan bagi manajer investasi dalam pengambilan keputusan, kemudian merekomendasikan kepada investor.*

Kata kunci: *Earning Per Share, Era Pandemic, Net Profit Margin, Return on Asset, Return on Equity.*

INTRODUCTION

The company has a goal of increasing and maximizing revenue. Earning per share (EPS) is a measure of earnings per share of common stock that is often used to evaluate share prices and measure profitability and risks associated with earnings. Value information EPS is used to forecast and reveal further changes. So, it is important to identify financial ratios which are tools for accurately predicting income and share-taking (Fahmi, 2017).The listed EPS values show very large fluctuations during the period 2018-2022 in Islamic banking companies, with an

average level reached 6.23. In 2021, it can be seen that this figure is very volatile. In 2019 and 2021 there was a decline from 7.85 to 3.05, but this value will slowly increase in 2022, reaching 9.28. On the other hand, tenure audits and financial leverage affect the company's sustainability (Priskila Brigita & Harman, 2023)**.**

Return on asset is a ratio used by investors to measure a company's ability to generate profits from investment activities (Mardiyanto, 2009). If ROA gets a negative value from all assets used, then the company will suffer a loss. This ratio uses the concept of comparing net profit on assets with total value assets (Nurhidayati & Septiana, 2022; Septiana, 2020). ROA value obtained in banking companies sharia registered on the IDX during the 2018-2022 period is at a value of 3.00. Apart from that, we know that the average ROA value that occurred in 2018-2021 continues to decline and will increase in 2019 and 2022. In 2018 the average ROA value was 1.01 then in 2019 increased to 7.78. In the following year, it decreased until it reached -1.24 and then rose again to 4.25. ROA negatively affects tax avoidance, this indicates that profitability as measured by ROA has negative effects (Reschiwati & Khoirunnissa Haniifah, 2023). Conversely, ROA does not affect toward earning per share (Umam et al., 2019).

The return on equity (ROE) calculation also influences the EPS value calculation. ROE is a ratio to show the amount of gain from each planting capital in a company (Prasetya Wijaya et al., 2020). ROE is a ratio that assesses an entity's ability to obtain profits from the investment of ordinary shareowners, which can be expressed as a percentage (Nurdiwaty & Faisol, 2017). This ratio shows the company's ability to produce a return investment based on the book value of shareholders. mark average ROE in sharia banking companies listed on the IDX during for the 2018-2022 period is 5.47. The average value of ROE has increased and decreased every year but the value of ROE declines in the year 2021 reaches -2.82. ROE has positive effect toward earning per share (Suhartono et al., 2020), but in the chemicals sectors companies ROE does not affect toward earning per share (Subhan et al., 2019).

Net profit margin or NPM is profit against an income. Profit can be expressed as income before or after tax. If the value of this ratio increases, the better the business activities will be (Nanda & Ompusunggu, 2023). A higher NPM value will encourage investors and potential investors to invest the funds they have (Budiyanta, 2021; Darma, 2021; Nariswari & Nugraha, 2020; Pulungan & Insan, 2020; Ramadhon, 2023). The listed flat average NPM of sharia banking during the 2018-2022 period registered on the IDX shows that the average NPM shows a positive value starting from 2018-2020. However, this value will decrease in 2021 namely 0.67. NPM has positive effect toward earning per share (Umam et al., 2019), conversely on food and beverages companies NPM has negative effect toward earning per share (Suhartono et al., 2020).

From the results of previous research, there are still gaps that need to be examined the relationship between return on asset (ROA), return on equity (ROE), and net profit margin (NPM) toward earning per share (EPS). This study aims to analyze the relationship between ROA, ROE, NPM toward EPS in the pandemic era that contribute to investment managers in determining their investment policies.

LITERATURE REVIEW
Signaling Theory

Signal theory was originally expressed by Spence in 1973 conveying some meaningful information about itself and/or its products and services to another party (Hult, 2011) who defined that managers have better news related to the company's prospects which is beneficial for outside parties, namely shareholders. The basis of this signal theory is the existence of symmetric information between managers and market players. The manager acts as the main actor/insider who makes decisions related to company policies and has access that is not in line with the information held by the party outsider or market players (Fathony & Rohmaniyah, 2021;

Lubis & Siregar, 2023; Nuriant & Fitria, 2022). One of the information explained by the company which is a signal for parties in need, especially investors, is the annual report. Companies that issue the contents of their reports transparently have the aim of making their shares quickly purchased by investors (Jogiyanto, 2017).

Sharia Banking

According to article 1 of law no. 21 of 2008 states that "sharia banks are banks that carry out business based on sharia principles". Sharia commercial banks are sharia banks which in their activities provide services in payment traffic (Sitorus & Siregar, 2022). The ministry of religion (2013) defines sharia banks as LKS that operate by collecting funds and using compensation based on sharia principles. In operational activities, Islamic banks apply a profit sharing system, on the other hand, conventional banks apply an interest system. Basically, the focus of every business in the banking sector is to generate profits. However, to achieve this goal, Islamic banking must comply with several sharia rules, one of which is prohibiting usury and transactions that contain haram elements such as gambling or speculation, as well as ambiguity or manipulation.

Earning Per Share

As an investor or prospective investor, in essence, when investing capital, the aim is to gain profits or profits from their share investment in the form of an increase earnings per share. Capital owners usually invest in changes with the value of income per share continuing to increase (Darmadji & Fakhruddin, 2012). Earnings per share or EPS is something that attracts the interest of potential investors when deciding to invest their funds. If the profits obtained from the shares are good, then dividend payments can be paid at the end of the year to the shareowners. The increasing ability of an entity to share profits with shareowners, this indicates that the EPS value will also be higher (Darmadji & Fakhruddin, 2012).

Return on Asset and Earning Per Share

The definition put forward by Siamat, (2020) is that ROA is used as a ratio that represents how efficient a bank is in running its business. In helping companies, ROA can also function to implement appropriate accounting practices in order to assess how efficiently capital is used overall, which can influence the company's financial health. The main objective of a business is also found in banking, namely realizing profits or profits. ROA has a positive effect on earning per share (Prasetya Wijaya et al., 2020; Septiana, 2020; Suhartono et al., 2020).

H1: Return on asset has a positive effect on earning per share.

Return on Equity and Earning Per Share

Return on equity can be implemented to measure the bank's expertise in converting existing funds into net profit. The proxy for the level of profitability used in this research is ROE, which is a measure of a bank's success in generating profits through personal investment; ROE is also known as profitability of own capital (Hery, 2015). According to (Zainul Arifin, 2009) ROE is an important measure to reflect their ownership interests and used ROE as a variable is more because sharia-based banking uses ROE to determine the level of profit sharing or profit levels in the future. ROE has a positive effect on earning per share (Nurdiwaty & Faisol, 2017; Nurhidayati & Septiana, 2022).

H2: Return on equity has a positive effect on earning per share.

Net Profit Margin and Earning Per Share

Net profit margin being the profit-to-income ratio of the entity. Profit can be measured or stated before or after taxes (Grahita Chandrarin, 2006). According to (Darmawan, 2020) NPM is a ratio used to compare net profits with total sales in a company. This ratio explains the accuracy of an entity in assessing how much the entity can reduce its operational costs within a certain period. NPM has a positive effect on earning per share (Choirina & Ahmar, 2012; Umam et al., 2019).

H3: Net profit margin has a positive effect on earning per share.

H4: Simultaneously return on asset, return on equity, and net profit margin have positively effect

toward earning per share.
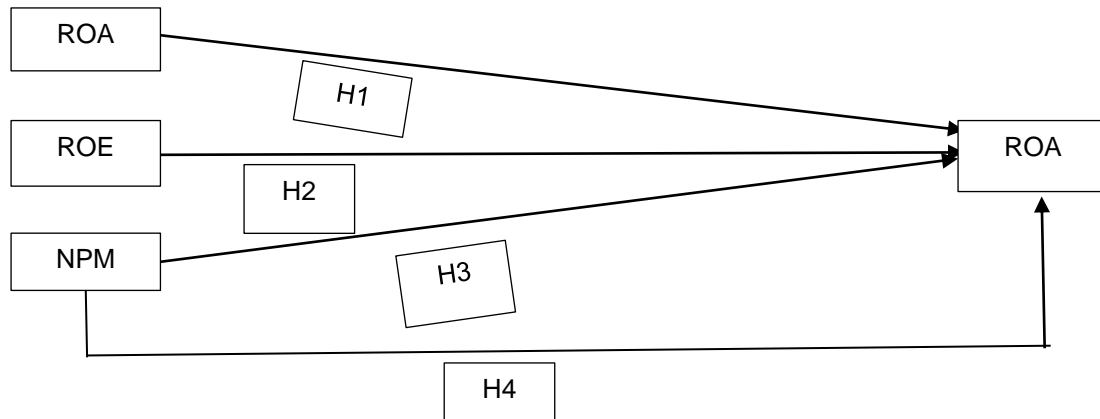The figure below shows the research model.

Figure 1. Research Model

RESEARCH METHOD
Population and Sample
Sharia banking listed on the Indonesia Stock Exchange is a banking company that offers shares of sharia banks on the capital market. There are several sharia banking companies that are listed on the Indonesia Stock Exchange (BEI) and have gone public as the population this research. These sharia banking companies include PT. Bank Panin Dubai Syariah Tbk (PNBS) which has gone public in the Indonesian market in 2014, PT. Sharia Pension Savings Bank (BTPS) listed its shares on the IDX in 2018, PT. Bank Syariah Indonesia Tbk (BRIS), which is the result of a merger between PT. Bank BRI Syariah Tbk, PT. Bank Syariah Mandiri, and PT. Bank BNI Syariah, where the financial services authority (OJK) officially issued a merger permit for these three banks in 2021, and PT. Bank Aladin Syariah Tbk (BANK) listed its shares on the IDX formally in 2021. The number of data samples in this study is 40 from two sharia banking with criteria listing on the BEI, go public, and reported financial data from 2018 to 2022 (pandemic era).

Variable Measurement
We collected net profit, total asset, total equity, net sales, and amount of shares outstanding from the sample to calculate ROA, ROE, NPM, and EPS.
ROA is used as a ratio that represents how efficient a bank is in running its business.

$$ROA = Net\ profit\ /\ Total\ assets \times 100\% \tag{1}$$

Return on equity can be implemented to measure the bank's expertise in converting existing funds into net profit.

$$ROE = Net\ profit\ /\ Total\ equity \times 100\% \tag{2}$$

Net profit margin being the profit-to-income ratio of the entity

$$NPM = Net\ profit\ /\ Net\ sales \times 100\% \tag{3}$$

Earnings per share is something that attracts the interest of potential investors when deciding to invest their funds.

$$EPS = Net\ profit\ /\ Amount\ of\ shares\ outstanding \tag{4}$$

Data analysis method
Panel Data Regression Analysis
Panel data is a combination of data between data time series and data cross section, where data time series is a collection of observations over a certain time period. Meanwhile, cross section is data collected from samples over a certain period of time (Khozin Ahyar et al., 2023).

Determination of Panel Data Regression

Chow Test

If the probability value (cross-section f) < 0,05 point h_0 rejected or panel data regression does not use the model common effect, but if the probability value (cross-section f) > 0,05 point h_0 accepted or regression or panel model use common effect (Khozin Ahyar et al., 2023).

Hausman Test

If the probability value (cross-section random) < 0,05 eye h_0 rejected or panel data regression does not use the model random effect, but if the probability value (cross-section random) > 0,05 point h_0 accepted or regression or panel model use random effect .(Khozin Ahyar et al., 2023).

Lagrange Multiplier test

If the probability value (breusch-pagan) < 0,05 eye h_0 rejected or panel data regression does not use the model common effect, but if the probability value (breusch-pagan) > 0,05 point h_0 accepted or regression or panel model use common effect (Khozin Ahyar et al., 2023).

Classic Assumption Test

Normality Test

The normality test is included in the regression to assess whether the dependent variable (Y) and independent variable (X) data have a normal distribution. One test uses the jarque berra test, with the condition that if asymp.sig > 0.05, the data distribution is normal; otherwise, the data is not normally distributed (Ghozali, 2005).

Autocorrelation Test

If the residues are connected to each other, an autocorrelation test will be carried out. The durbin-watson value can be adopted to detect autocorrelation errors. There is no autocorrelation problem if the durbin watson value displayed is between -2 and 2. Good data is data that is free from autocorrelation problems (Ghozali, 2018).

Multicollinearity Test

This test was designed with the aim of assessing the relationship between dependent and independent variables. A tolerance value of 1.0 is usually adopted as the cut off value. If the correlation value is 10.00 then the data will not experience multicollinearity; otherwise, multicollinearity will occur (Ghozali, 2018).

Heteroscedasticity Test

This test was adopted in order to obtain information on whether there is a variance asymmetry from one research error to another research error in a regression model. The expected regression model is homoscedasticity, that is, the variable variance has a constant value.

Multiple Linear Regression Test

Regression analysis is adopted to test the correlation of the independent variable with the dependent variable and to predict the magnitude of the dependent variable based on the independent variable. The commonly adopted equation is as follows (Ghozali, 2018):

$$EPS = \alpha + \beta 1 ROA + \beta 2 ROE + \beta 3 NPM + \varepsilon \qquad (5)$$

Hypothesis Testing

Partial test (T test)

This test is designed in order to assess how far the independent variable (X) partially and substantially influences the dependent variable (Y). With a significance level of 5% = 0.05 (Sudijono, 2007).

Simultaneous test (F test)

The f test is adopted in order to assess the extent to which the independent variable (X) influences the dependent variable (Y) simultaneously. This test is based on a comparison of the significance value of f at the 5% level = 0.05 (Ghozali, 2018).

Coefficient of Determination Test (R^2)

The purpose of this test is to examine the extent to which the independent variable (X) can fulfill its influence on the dependent variable (Y). The larger (r), the better the model is for proving the

research hypothesis. The results of the f test mean that the p value is 0.05 or f, calculate the f table using the r^2 test whose significance was checked using the f test (Priyanto, 2009).

FINDINGS AND DISCUSSION
Descriptive Statistical Analysis
Descriptive analysis shown in this table below.
Table 1. Descriptive Statistic Variable

	ROA	ROE	NPM	EPS
Mean	1.293250	7.125500	0.191500	51.55250
Median	0.140000	0.330000	0.245000	5.400000
Maximum	16.94000	100.0000	0.380000	231.0000
Minimum	0.000000	0.000000	0.000000	0.000000
Std. Dev.	3.395148	20.11450	0.153615	65.91624

Sources: Output analysis eviews 12 SV (2023)

Based on the number of observations of all variables, there are 40 samples. The mean value of the ROA variable (X1) is 1.293250, the maximum value is 16.94000, the minimum value is 0.000000, and the standard deviation value is 3.395148. The mean value of the ROE variable (X2) is 7.125500, the maximum value is 100.0000, the minimum value is 0.000000, and the standard deviation value is 20.11450. The mean value of the NPM (X3) variable is 0.191500, the maximum value is 0.380000, the minimum value is 0.000000, and the standard deviation value is 0.153615. Variable mean value earning per share (Y) is 51.55250, the maximum value is 231.0000, the minimum value is 0.000000, and the standard deviation value is 65.91624. Data shows positive financial performance.

Selection of Panel Data Regression Model
Panel data regression can be carried out using three models, namely common effect, fixed effect, and random effect. Each model has its advantages and disadvantages. The choice of model depends on the assumptions used by the researcher and whether the requirements for correct statistical data processing are met so that it can be statistically reliable.

Table 2. Lagrange Multiplier Test

Test Hypothesis			
	Cross-section	Time	Both
Breusch-Pagan	1.035088	0.445788	1.480875
	(0.3090)		(0.2236)
Honda	-1.017393	0.667674	-0.247289
	(0.8455)	(0.2522)	(0.5977)
King-Wu	-1.017393	0.667674	-0.842335
	(0.8455)	(0.2522)	(0.8002)
Standardized Honda	-0.545924	0.678758	-4.857256
	(0.7074)	(0.2486)	(1.0000)
Standardized King-Wu	-0.545924	0.678578	-8.209096
	(0.7074)	(0.2486)	(1.0000)
Gourieroux, et al.	-	-	0.445788
			(0.4522)

Sources: Output analysis eviews 12 SV (2023)

Therefore, proceed with lagrange multiplier test. After the results of the model random effect obtained, then the test is carried out lagrange multiplier. This testing is needed to choose the most appropriate model among the models common effect and random effect. It can be seen in the results of the test lagrange multiplier test in table 2 shows that the probability value cross section is 0.3090 or > 0.05, then h_0 accepted or panel data regression using the model common effect (CEM). Based on chow test and lagrange multiplier test, the best model in this research is

to use common effect model (CEM).

Table 3. Chow Test

Effects Test	Statistic	d.f.	Prob.
Cross-section f	0.253678	(1,35)	0.6177
Cross-section chi-square	0.288873	1	0.5909

Sources: Output analysis eviews 12 SV (2023)

After the results of the model common effect and fixed effect obtained, then the chow test is carried out. This testing is needed to choose the most appropriate model among the models common effect and fixed effect. The results of the chow test in table 3 show that the probability value cross section is 0.6177 or >0.05, then h_0 accepted or panel data regression using the model common effect (CEM).

Classic Assumption Test

Normality Test

The normality test aims to test whether the dependent and independent variable regression models are normally distributed or not. Based on the figure 1 above, it can be seen that the probability value is 0.074586>0.05, it can be concluded that the data is normally distributed.
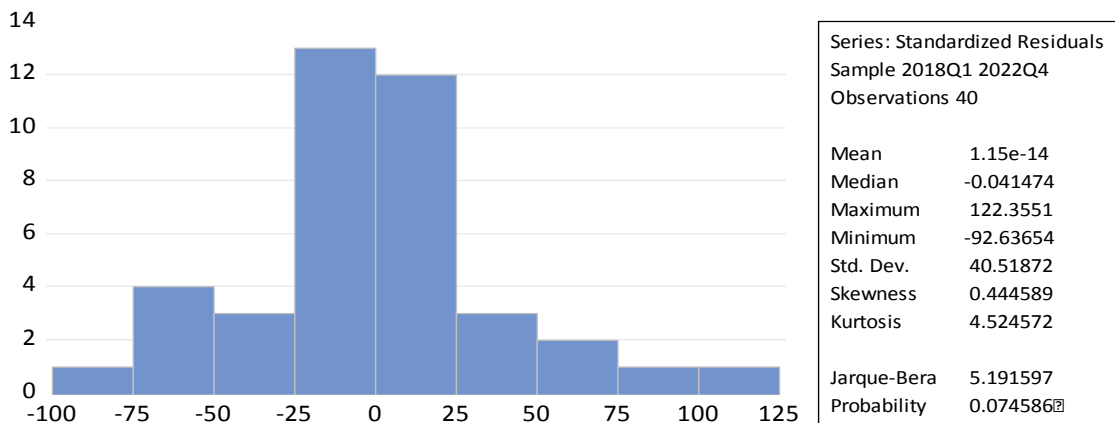

Series: Standardized Residuals
Sample 2018Q1 2022Q4
Observations 40

Mean	1.15e-14
Median	-0.041474
Maximum	122.3551
Minimum	-92.63654
Std. Dev.	40.51872
Skewness	0.444589
Kurtosis	4.524572
Jarque-Bera	5.191597
Probability	0.074586

Figure 1. Normality Test

Autocorrelation Test

The Autocorrelation test shown in the table bellows.

Table 4. Autocorrelation Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
Constanta	3.661146	11.77680	0.310877	0.0757
ROA	6.227982	46.92564	3.272024	0.0289
ROE	-2.007986	7.920897	-0.253505	0.8013
NPM	320.9776	44.02515	7.290778	0.0000
Durbin-watson stat			1.522173	

Sources: Output analysis eviews 12 SV (2023)

The autocorrelation test aims to observe whether there is a correlation in period t and the previous period. From the table 4 above it can be seen, if the watson durbin value of 1.522173 is between -2 to +2, it can be said that the regression equation model does not have autocorrelation.

Multicollinearity Test

According to (Ghozali, 2005), if the correlation coefficient between independent variables is >0.8, it can be concluded that the model experiences multicollinearity problems. On the other hand, if the coefficient is <0.8 then it is free from symptoms of multicollinearity. From the table 5 above it can be seen that the correlation coefficient between variables is <0.85, so it can be concluded that it is free from mutollinearity or passes the multicollinearity test.

Table 5. Multicollinearity Test

	ROA	ROE	NPM
ROA	1.000000	0.799101	0.051263
ROE	0.799101	1.000000	0.051919
NPM	0.051263	0.051919	1.000000

Sources: Output analysis eviews 12 SV (2023)

Heteroscedasticity Test

The test uses the glejser test which is observed from the significance value. Data does not experience heteroscedasticity if the significance value is >5% or 0.05. Based on the table 6 above, it can be seen that all values of prob. glejser heteroscedasticity test >0.05, then it can be said that the regression equation model does not experience heteroscedasticity or passes the heteroscedasticity test.

Table 6. Heteroscedasticity Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
Constanta	0.928257	6.405670	0.144912	0.8856
ROA	-4.086810	25.52393	-0.160117	0.8737
ROE	0.4308003	4.308358	0.099992	0.9209
NPM	140.5610	23.94629	5.869843	0.0823
Prob (f-statistic)			0.000014	

Dependent variable: ABS (RSID)

Sources: Output analysis eviews 12 SV (2023)

Panel Data Regression Analysis

Panel data is a combination of data between data time series and data cross section, where data time series is a collection of observations over a certain time period. Meanwhile, cross section is data collected from samples over a certain period of time.

$$EPS = 3.661146+6.227982ROA-2.007986ROE+320.9776NPM+ \varepsilon \qquad (6)$$

The explanation is as follows:

The constant value is 0.958498, meaning that without the variables ROA (X1), ROE (X2), and NPM (X3), then the variable earning per share (Y) will experience an increase of 3.661146%. The beta coefficient value of the ROA variable (X1) is 6.227982, if the values of other variables are constant and the variable X1 has increased by 1%, then the variable earning per share (Y) will experience an increase of 6.227982%. The beta coefficient value of the ROE variable (X2) is -2.007986, if the values of other variables are constant and the variable X2 increases by 1%, then the variable earning per share (Y) will experience a decrease of 2.007986%. The beta coefficient value of the NPM variable (X3) is 320.9776, if the values of other variables are constant and the variable X3 has increased by 1%, then the variable earning per share (Y) will experience an increase of 320.9776%.

Hypothesis Testing

Partial Test (T Test)

In this test, the independent variable is considered to have an influence if the significance value is <0.05 or the calculated t value is > t table value. On the other hand, if the independent variable is considered to have no effect if the significance value is >0.05 or the calculated t value is < t table. The calculated t value of the ROA variable (X1) is 3.272024 > the t table value, namely 2.02809 or the sig value is 0.0289<0.05 and the direction of the coefficient is positive, then h_01 is rejected and ha1 is accepted, meaning that ROA partially has a positive influence on EPS in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period.

The calculated t value of the ROE variable (X2) is -0.253505 < the t table value, namely 2.02809 or the sig value is 0.8013>0.05 and the direction of the coefficient is negative, then h_a2 is rejected and h_02 is accepted, meaning that partially ROE does not have a positive influence on EPS in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period.

The calculated t value of the NPM variable (X3) is 7.290778 > the t-table value, namely 2.02809 or the sig value equal to 0.0000<0.05, then h_03 rejected and h_a3 is accepted, meaning that NPM partially has it positive influence on EPS in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period.

The influence of the independent variable on the dependent variable partially is as follows:

Table 7. Partial Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
Constanta	3.661146	11.77680	0.310877	0.0757
ROA	6.227982	46.92564	3.272024	0.0289
ROE	-2.007986	7.920897	-0.253505	0.8013
NPM	320.9776	44.02515	7.290778	0.0000
R-squared	0.892144	Mean		51.55250
Adjusted r-squared	0.820656	Dependent var		65.91624
S.E. of regression	42.17322	S.D.		10.41609
Sum squared resid	64028.90	dependent var		10.58498
Log likelihood	-204.3217	Akaike info criterion		10.47715
F-statistic	19.75811	Schwarz criterion		1.522173
Prob (f-statistic)	0.000000	Hannan-quin criter.		
		Durbin-watson stat.		

Dependent variable: EPS

Sources: Output analysis eviews 12 SV (2023)

Simultaneous Test (F Test)

The f test is carried out to determine whether all independent variables have a simultaneous effect on the dependent variable. The calculated f value is 19.75811 > f table 2.883 and the prob value. 0.000000<0.05, then h_04 is rejected and ha4 is accepted, meaning that simultaneously ROA, ROE and NPM have a positive influence on EPS in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period.

Determination Test (R^2)

The coefficient of determination test aims to see the extent of the influence of the independent variable or dependent variable. The r-square value is 0.892144 or 89.2144%. The coefficient of determination value shows that the independent variables consisting of ROA (X1), ROE (X2), and NPM (X3), can explain the variables earning per share (Y) is 89.2144%. In comparison, the remaining 17.9344% (100 – adjusted r square value) is explained by other variables not included in this research model.

Discussion

Based on the explanation of the research results and analysis previously described, it can be concluded that return on asset (ROA) partially has a positive and significant effect on earning per share in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period. This is based on obtaining a t calculated value that is greater than t table, namely 3.272024>2.02809 and the significance value is smaller than 0.05, namely 0.0289<0.05, then the decision is h_0 rejected. This shows that the ROA variable has an effect on the EPS variable if seen from the direction of its influence. ROA has a positive impact on EPS.

ROA has a positive effect on earning per share because at this time the company's net profit value has increased, on the other hand, the company's total assets have also increased. This shows that the company is quite good at managing its assets. A higher ROA value will indicate its influence on the entity's EPS value. This can happen because ROA is the return generated by managers of company assets, both investor assets and their own assets. If the net profit received by the company increases, it will push up the price per share. The rise and fall in the value of EPS is also influenced by the net profit generated by a company.

This is in line with research conducted by Siddiq & Nurdin (2020) which shows that return on

asset positive and significant effect on earning per share with a significance level of 0.0000<0.05 and the direction of the coefficient is positive. This means that every increase in ROA will increase the EPS value.

Then, based on the explanation of the research results and analysis previously described, it can be concluded that return on equity (ROE) partially has no effect and is not significant on earning per share in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period. This is based on the significant value of ROE being 0.8013>0.05 and the direction of the coefficient is negative, so h_02 accepted and h_a2 rejected. Thus it can be concluded that return on equity (ROE) has no effect on earning per share and if we look at the direction of influence, ROE has a negative influence on the EPS value.

ROE has a negative effect on EPS, meaning that a low return on equity will not affect investors. If the number of shares decreases, net profit per share can in principle be high, but if the number of shares is large, then the opposite is true, namely the number of outstanding shares increases but the EPS value becomes small. So it can be concluded that the ROE value. If an increase increases, it will result in a decrease in EPS. This is indicated by the ROE regression coefficient value, namely -0.253505, so if ROE increases by 1 it will have a decreasing impact on the EPS value by -0.253505. Thus, this means that the company is unable to utilize the company's equity properly to obtain profits which has an impact on the low value of the company's net profit. This is in line with research conducted by Sriyono (2018) where partial ROE has no effect and is not significant on EPS with a significance value of 0.6083>0.05 and the results of the t test obtained a calculated t value of 0.516267.

Based on the explanation of the research results described previously, it can be concluded that net profit margin (NPM) partially NPM has a positive influence on EPS in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period. This is based on the obtained t-count > t-table value, namely 7.290778>2.02809 and a significance value of 0.0000<0.05. So it can be concluded that the NPM variable has a positive and significant effect on the EPS variable.

The effect of NPM on EPS shows that high NPM makes a real contribution in influencing its height earning per share (EPS). If the NPM value is high, the company will be better at optimizing sales, so this will also affect the high level of net profit for the company. If a company earns a high net profit, then the company can be considered to leave a high profit for each share owned by the company to investors. This can be used as a positive signal by investors by looking at the value net profit margin as a reference for those wishing to carry out investment activities in the company.

The results of this research are in line with research conducted by Kumba Digdowiseiso & Agustina (2022) which states that net profit margin positive and significant effect on earning per share with a regression coefficient value of 8.11 and a p-value of 0.071<0.10 with a significance level of 10%.

Based on the explanation of the research results described previously, it can be concluded that return on asset, return on equity and net profit margin simultaneously has a positive effect on earning per share in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period. This can be seen from the calculated f value of 19.75811 > f table 2.02809 and the value of prob. 0.000000<0.05, then h_04 is rejected and h_a4 is accepted, meaning that ROA, ROE and NPM simultaneously have a positive influence on EPS in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period. In line with research conducted by (Suhartono et al., 2020) which states that ROA, ROE, and NPM simultaneously have a positive and significant effect on EPS.

CONCLUSION

The conclusions of the test results that have been carried out can be described as follows, return on asset partially has a positive and significant effect on earning per share in sharia banking listed on the Indonesian Stock Exchange for the 2018-2022 period. Return on equity partially has no effect and is not significant on earning per share in sharia banking listed on the Indonesian Stock Exchange for the 2018-2022 period. Net profit margin partially has a positive and significant effect on earning per share in sharia banking listed on the Indonesian Stock Exchange for the 2018-2022 period. Return on asset, return on equity and net profit margin simultaneously has a positive effect on earning per share in sharia banking listed on the Indonesia Stock Exchange for the 2018-2022 period. In the pandemic era, return on equity gives a negative signal to shareholders. The implication of this research is that in general, ROE has a positive effect on EPS as a company's financial performance, but research conducted in this pandemic era shows the opposite, although the direction of the negative impact is not significant. This signal of the influence of ROE on EPS can be used as a reference for investment managers in making decisions and recommending them to investors. The limitation of this research is that there is no mediating variable for the impact of the pandemic which influences company performance. For the future research needs to look for variables that a mediating or moderating role which is thought to be able to stabilize return on asset and net profit margin.

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