P-ISSN: 2476-8871
E-ISSN: 2615-1081
FINANCE: a Research Journal on Islamic Finance Vol.09 No. 02 Desember 2023
http//jurnal.radenfatah.ac.id/index.php/i-finance
Wardah Mujadidah, Tiara Juliana……The Effect of Financial Ratio

Diterima: 25 Augt 2023 Direvisi: 03 Nov 2023 Disetujui: 24 Nov 2023 Dipublikasi: 12 Dec 2023

THE EFFECT OF FINANCIAL RATIO ON FINANCIAL DISTRESS IN INDONESIA SHARIA COMMERCIAL BANKS

Wardah Mujadidah Hananiyah[1*)], Tiara Juliana Jaya[2)]
[12]Department of Islamic Banking, State Islamic University of Maulana Malik Ibrahim Malang, Indonesia
Correspondence Email[*]: 19540099@student.uin-malang.ac.id

Abstract

An early warning system can be implemented to anticipate the presence of financial distress, which will threaten financial problems. Altman Z-score is a tool for predicting a company's bankruptcy level by calculating several financial ratios. This study aimed to see whether finances can affect financial distress in Indonesian Islamic Banks. This study used Eviews software version 10 with panel data analysis techniques. The research object is the Indonesian Sharia Commercial Bank, which published semiannual financial reports from 2017-2022. Based on information on the official OJK website, there are 12 Islamic Commercial Banks, but only 9(nine) banks meet the sample criteria in this study. The results of the study show that ROA and CR have a significant positive effect on financial distress. Meanwhile, ROE and DER have a significant negative effect on financial distress. Unlike the case with NPF, which has no significant effect on financial distress.

Keywords: *Financial Distress, Altman Z-Score, Financial Ratios, Sharia Bank.*

INTRODUCTION

In 2014, one of the Islamic banks, Bank Muamalat, experienced unhealthy conditions. This phenomenon of Muamalat Bank can provide the opportunity to experience financial distress and be threatened with bankruptcy (Safri, 2021; Virnanda, 2023). Bank Muamalat experienced an increase in NPF reaching more than 60%, resulting in losses of up to Rp105 billion and equity as low as Rp39.3 billion, or less than one-third of the capital (Alvidianita & Rachmawati, 2019). However, Bank Muamalat's crisis condition can be resolved with a bailout by the Islamic Development Bank (Raja Martua Hasibuan & Jannah, 2023). This happened due to the issue of an increase in the benchmark interest rate by the Federal Reserve, which is the Central Bank of the USA (the Fed) (Alvidianita & Rachmawati, 2019; Raja Martua Hasibuan & Jannah, 2023).

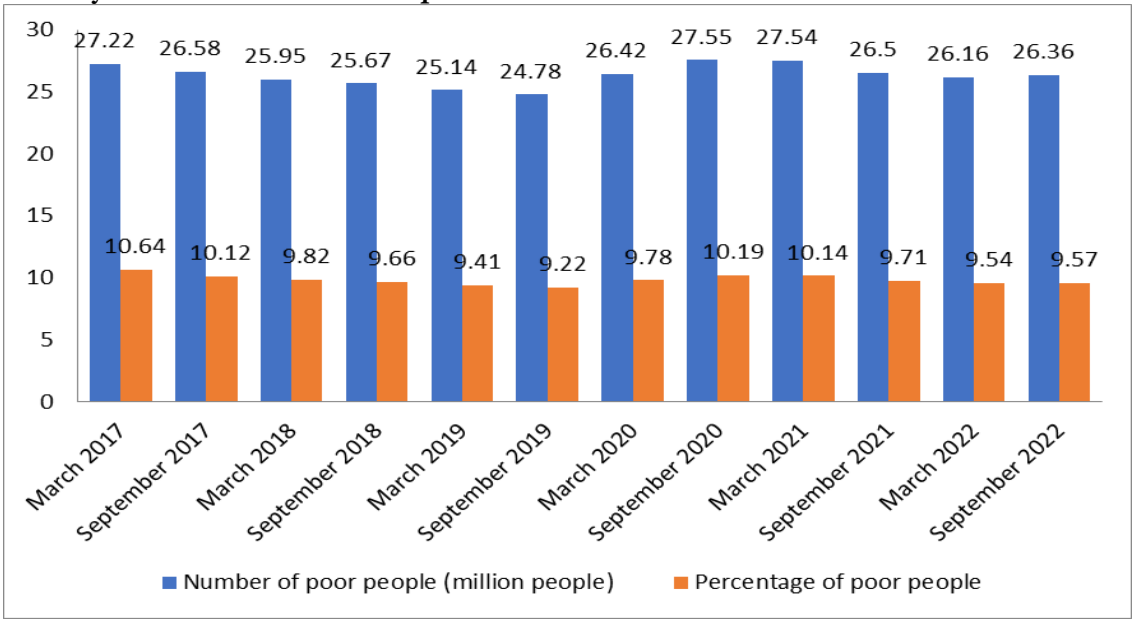
In addition, an extraordinary phenomenon that has just occurred is the Corona Virus Disease pandemic at the end of 2019 (Sumadi, 2020). Indonesia is one of the countries that has experienced the coronavirus spread, a worldwide pandemic (Aulia & Jaya, 2022). *Corona Virus* is a new infectious disease that attacks the lungs and can cause death (Tahliani, 2020). The disease, which was first discovered in China, spread quickly enough that most countries in the world felt the impact, as well as Indonesia (Azhari & Wahyudi, 2020; Tahliani, 2020). To minimize the transmission of the virus, the government enforces a *Pembatasan Sosial Bersekala Besar* (PSBB) policy that requires people to carry out all their activities from home (Sumadi, 2020). The policy not only affects the health sector, but the financial and economic sectors also experience it (Azhari & Wahyudi, 2020; Sumadi, 2020; and Tahliani, 2020).

The global economic shock caused by Covid-19 is faster and more chronic than the global financial crisis in 2008 (Kholiq & Rahmawati, 2020). The Covid-19 pandemic has also caused a significant increase in poverty rates in Indonesia (Rahmawati et al., 2021).

Indonesian Finance Minister Sri Mulyani Indrawati estimates that in the worst-case scenario, growth could reach -0.4% (Tahliani, 2020). This can be seen in Indonesia's poverty graph both before and after the Covid-19 pandemic.

Graph 1

Poverty Profile in Indonesia September 2022



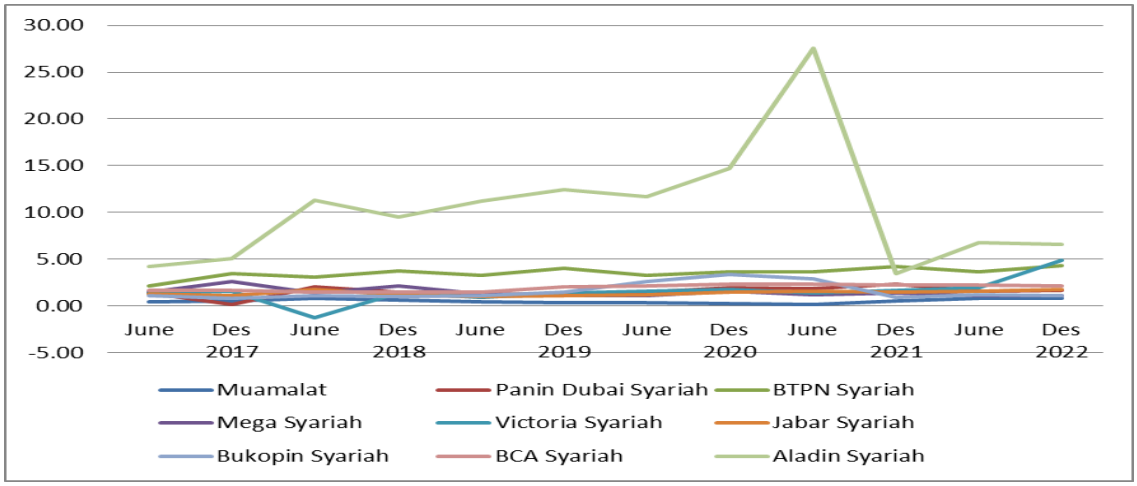
Source: Official News of the Central Bureau of Statistics, 2022

As seen from the graph above, Indonesia's poverty rate decreased by 1.42% from 2017 to 2019. However, when the COVID-19 outbreak entered Indonesia, the poverty rate increased again in 2020. The proportion of poor people in September 2022 was 9.57%, an increase of 0.03% from March 2022 and a decrease of 0.14% from September 2021. This means that the impact of this pandemic will be felt if we look at the graph that has skyrocketed since the Covid-19 pandemic entered Indonesia. In addition, this pandemic has resulted in economic declines, including the weakening of the rupiah exchange rate against the US dollar and the weakening of the capital market in Indonesia (Tahliani, 2020).

One of the financial sectors affected by this pandemic is Islamic banking (Azhari & Wahyudi, 2020). In the banking sector, it has an impact on financial performance, which can later affect the level of bank health. Islamic banking faces challenges in financing customers directly affected by this pandemic (Ana & Zunaidi, 2022). Therefore, Islamic banking is threatened with various risks, including lousy financing, liquidity risk, and others (Dahruji & Muslich, 2022). With the occurrence of these multiple risks, it can threaten financial distress in banks.

Financial distress is a means to identify and improve the situation before it reaches a crisis or bankruptcy (Simanjuntak et al., 2017). Financial distress can be overcome if the company is managed correctly, systematically and takes advantage of the right opportunities financially (Maisarah et al., 2018; and Aisyah & Nurhayati, 2022). An early warning system can be done to anticipate the presence of financial distress that will threaten financial problems (Wahyuni, 2022). This anticipation can be done by applying the Altman Z-score model to assess its financial condition (Dahruji & Muslich, 2022). The higher the Z-Score, the better the company's financial position, and vice versa (Rahmana et al., 2020).

Graph 2
Altman Z-Score Sharia Commercial Bank 2017-2022



Source: Data processed with Excel, 2023

Based on Graph 2, it shows that Bank Muamalat has always been in the distress zone position in 2017–2022, and Bank Victoria Sharia was also in the lowest distress zone position in June 2018. Unlike the case with Bank Aladin Syariah, which is always in a safe zone position in 2017–2022, Bank BTPN Syariah also managed to maintain its position in the safe zone in December 2017–2022. Meanwhile, Bank Panin Dubai Syariah, Bank Mega Syariah, Bank Jabar Syariah, and BCA Syariah were always in the gray zone during the study year. Bank Bukopin Syariah always experiences uncertain conditions in both the distress zone, gray zone, and safe zone. The Altman Z-Score chart above is the result of the prediction of the company's bankruptcy rate calculated using five financial ratios, namely profitability, liquidity, leverage, and solvency (Indrawan, 2018; Kenton, 2022).

The profitability ratio describes the company's ability to generate profits generated (Dewi, 2016). The higher the Return On Assets (ROA), the better the company will manage its assets to achieve its profit target (Muzharoatiningsih, 2022; and Onoyi & Windayati, 2022). At the same time, Return On Equity reflects the company's success in restoring the invested capital (Aldini & Andarini, 2017). Islamic banks with low or declining profitability levels can be at risk of financial distress (Dahruji & Muslich, 2022).

The liquidity ratio is a benchmark for a company in assessing its ability to meet short-term obligations (Septiani & Dana, 2019; and Husna' & Sunandar, 2022). The current ratio can measure the company's ability to meet maturing obligations (Sondakh et al., 2015) The current ratio is a ratio that measures the level of liquidity of a company in paying current debt using its current assets (Laylia & Munir, 2022). When the company is able to meet its short-term obligations, it can reflect the company's good financial performance (Satria & Putri, 2021). Conversely, if the current ratio is low, it can indicate a high level of financial distress risk.

The solvency ratio can measure the company's ability to meet its current obligations (Rahmah & Komariah, 2016).Bailia et al., 2016; and Laylia & Munir, 2022 states that the Debt to Equity Ratio (DER) can show the amount of debt value with equity. Debt to Equity Ratio can describe the feasibility and financial risk of the company (Hasanudin et al., 2020). The higher the company's debt, the higher the risk of bankruptcy that will be experienced (Kasmir, 2008). Companies with more current wealth than current debt will minimize the occurrence of financial distress.

One of the other risks that can occur during a pandemic is bad financing or NPF. Non-Performing Financial can occur because customers cannot return loan funds and profit sharing within a predetermined period. If the credit risk is more excellent and fatal, the bank can experience a big problem (Suhadi & Kusumaningtias, 2020). This can create a negative reputation for banks and allow financial distress to occur (Hariono & Azizuddin, 2022; Pratama et al., 2021). In order to avoid financial distress, Islamic banks can manage NPF effectively and evaluate credit quality periodically.

Based on the background above, several problems will be studied, namely, can Return On Assets, Return On Equity, Current Ratio, Debt to Equity Ratio, and Non-Performing Financing significantly affect financial distress in Sharia Commercial Banks? The research aims to determine whether there is a significant influence between Return On Assets, Return On Equity, Current Ratio, Debt to Equity Ratio, and Non-Performing Financing on financial distress in Sharia Commercial Banks.

METHODS

Types of Research

This study used quantitative methods. Sujarweni (2014) explained that quantitative research is a process of finding knowledge that uses numbers to analyze information about what you want to know. This study aims to determine the effect of financial ratios on financial distress in Indonesian Sharia Commercial Banks.

Population and sample

There are 12 Islamic banks that are the population in this study. The sampling technique uses purposive sampling. There are two criteria for the selected research object, including:

1. Sharia Commercial Banks in Indonesia operated from 2017 to 2022, according to the period of the year to be studied by researchers.
2. Sharia Commercial Banks publish semi-annual financial statements during the research period, namely from 2017 to 2022.

Table 1
Sample Determination Criteria

No	Sharia Commercial Bank	Population	Criterion	
			1	2
1	Bank Muamalat Indonesia Tbk	✓	✓	✓
2	Bank Victoria Syariah Tbk	✓	✓	✓
3	Bank Syariah Indonesia Tbk	✓	-	-
4	Bank Jawa Barat Syariah Tbk	✓	✓	✓
5	Bank Mega Syariah Tbk	✓	✓	✓
6	Bank Panin Dubai Syariah Tbk	✓	✓	✓
7	Bank KB Bukopin Syariah Tbk	✓	✓	✓
8	Bank BCA Syariah Tbk	✓	✓	✓
9	Bank BTPN Syariah Tbk	✓	✓	✓
10	Bank Aladin Syariah Tbk	✓	✓	✓
11	Bank Aceh Syariah Tbk	✓	-	-
12	Bank NTB Syariah Tbk	✓	-	-

Based on the requirements of the research object above, there are 9 Sharia Commercial Banks that meet the criteria of the research sample, namely Bank Muamalat Indonesia Tbk, Bank Victoria Syariah Tbk, Bank Jawa Barat Syariah Tbk, Bank Mega Syariah Tbk, Bank Panin Dubai Syariah Tbk, Bank KB Bukopin Syariah Tbk, Bank BCA Syariah Tbk, Bank BTPN Syariah Tbk, and Bank Aladin Syariah Tbk.

Definition of variables

An operational definition is a definition that operates the variables studied by the process of measuring these variables (Nikmatur, 2017). This study uses five variables consisting of return on assets, return on equity, current ratio, debt to equity ratio, and non-performing financial as independent variables and financial distress as the dependent variable. The financial distress variable in this study was measured using the Altman Z-Score model.

Altman Z-Score is a method developed by Edward Altman in 1968 to assess companies' bankruptcy or financial health (Y. R. Sari, 2016). The Altman Model has been developed into three models: the first Altman Z-Score Model, the revised Altman Z-Score Model, and the modified Altman Z-Score Model (Melia & Deswita, 2020; Virnanda, 2023). The Altman Z-Score model can be calculated using the ratios in the company's financial statements (Indrawan, 2018). These ratios are working capital to assets, retained earnings to assets, earnings before interest and taxes on assets, capital market value to total liabilities, and sales to assets (Y. R. Sari, 2016). However, in the modified Altman Z-Score model, the value of X_5 or the value of sales to assets is eliminated (Maisarah et al., 2018; Mauluddi & Fauziah, 2022). This is because the value of X5 in each industry varies (Virnanda, 2023). Healthy companies or vice versa can be classified based on the modified Altman Z-Score value as follows (Nelmida, 2019):

1. Bound bankrupt if the Z-Score value < 1.1.
2. The gray area is glued if the Z-Score value < 2.6.
3. Be healthy if the Z-Score > 2.6.

Table 2
Definition of Variable

No	Variable	Definition	Formulas
		Dependent Variable	
1.	Financial Distress	Financial distress is a situation where a company can go bankrupt because it cannot pay its debts and only earns a small profit (Nindita et al., 2014; Saputra & Salim, 2020).	*Z-Score* = 6,56 X_1 + 3,26 X_2 + 6,72 X_3 + 1,05 X_4 X_1 = Working Capital/Total Assets X2 = Retained Earnings/ Total Assets X3 = EBIT/Total Assets X4 = Market Value of Equity/Total Liabilities Maisarah, Zamzami, Enggar Diah P. A (2018); and Arinna Suhadi & Rohmawati Kusumaningtias (2020)
		Independent Variable	
2.	Return On Asset (X1)	Return On Assets (ROA) is a ratio that can inform the expected return on profits based on assets owned (Sani Akbar, 2021).	ROA = Net Profit/Total Assets Maisarah et al., (2018); and R. M. Sari & Setiawan, (2018)

No	Variable	Definition	Formulas
3.	Return On Equity (X2)	Return On Equity (ROE) is a ratio that reviews the amount of capital used in providing profits, and the high value of ROE indicates the greater the rate of return (Rahmani, 2020; Hermawan & Anggraini, 2021; and Sani Akbar, 2021)	ROE = Net Profit/Total Equity Erayanti, (2019); and Dahruji & Muslich, (2022)
4.	Current Ratio (X3)	The current ratio is a ratio that measures the company's liquidity level by comparing current assets and current debt (Husna' & Sunandar, 2022)	CR = Current Assets/Current Liabilities Hantono, (2015); Erayanti (2019); and Hermawan & Anggraini, (2021)
5.	Debt to Equity Ratio (X4)	The debt to equity ratio is a ratio that compares current liabilities and total equity (Dewi, 2016).	DER = Total Liabilities/Total Equity W. P. Sari, (2018); and Laylia & Munir, (2022)
6.	Non-Performing Financial (X5)	NPF is the total problem financing that allows customers not to be able to return it (El Islami & Jaya, 2022).	NPF= Amount of Trauble Paymants/Total Payments Arinna Suhadi & Rohmawati Kusumaningtias (2020); Ailsa Nabila Az Zahra & Titis Miranti, (2023); and Anissa Nurul Farohah & Dahruji (2023)

Data Analysis Techniques

This study uses several data analysis techniques to group data based on variables and perform hypothesis test calculations. The data analysis technique of this research is panel data analysis which is processed using Eviews 10 software. Where the equation used is:

$$FD = a + \beta 1\ ROA + \beta 2\ ROE + \beta 3\ CR + \beta 4\ DER + \beta 5\ NPF + e$$

Information :
FD = Financial Distress
α = Constant
β1 – β5 = Regression Coefficient
ROA = Return On Assets
ROE = Return On Equity
CR = Current Ratio
DER = Debt to Equity Ratio
NPF = Non-Performing Financial
e = Error

This study uses several data analysis techniques, to group data based on variables and perform hypothesis test calculations. The first testing stage is descriptive statistical tests, which aim to analyze quantitative data and are expected to reflect the data (Amalia &

Mardani, 2018). The second test is the panel data regression test, panel data regression analysis is a combination of time series and cross-section data (Putri & Yuliandhari, 2020). This panel data regression analysis requires several model specification tests to determine panel data regression estimation techniques: Common Effect Model, Fixed Effect Model, and Random Effect Model (Indrawan, 2018; Putri & Yuliandhari, 2020). The third test is the model goodness test, which is carried out to ascertain the most appropriate model (Nandita et al., 2019). This model goodness test has three test models: the Chow test, the Hausman test, and the Lagrange Multiplier test. The next test is the classical assumption test, which consists of the Normality, Multicholinerity, Heteroscedasticity, and Autocorrelation tests. The last test is the hypothesis test.

RESULTS AND DISCUSSION

Result of This Research

Descriptive statistics

This descriptive analysis conveys an overview of the data obtained from the research sample. This study analyzes data on Return On Assets, Return On Equity, Current Ratio, Debt to Equity Ratio, and Non-Performing Financing at Indonesian Sharia commercial banks that meet the sample criteria. The results of descriptive statistical testing of the variables used in this study are:

Table 3
Descriptive of Research Data

Variable	Means	Median	Maximum	Minimum	std. Dev.
Financial Distress (Y)	2.645366	1.536000	27.596280	-1.310312	3.581966
ROA (X1)	1.711944	0.515000	17.230000	-10.850000	4.843831
ROE (X2)	3.921296	2.365000	36.500000	-94.010000	15.570040
CR (X3)	1.757578	1.200577	21.627780	1.032818	2.282713
DER (X4)	5.422608	4.985857	30.471200	0.048478	4.152040
NPF (X5)	1.931204	1.790000	4.970000	0.000000	1.665135

Source: Data processed with Eviews 10, 2023

Based on the results of the descriptive statistical test above, various values were produced. It is known that financial distress has a minimum value of -1.310312 and a maximum value of 27.59628. In addition, Sharia Commercial Banks in the Financial Distress variable have an average value of 2.645366. Based on the modified Altman Z-Score model classification, the average value of Islamic commercial banks is classified as healthy and less likely to experience bankruptcy.

Based on SE Bank Indonesia No.6/23/DPNP, a good ROA standard is 1.5%, where the higher the ROA, the better the bank's performance because the profits obtained will be greater. The average value of Sharia Commercial Banks in the ROA variable is 1.711944, where the average value can meet the standard value determined by Bank Indonesia. The variable Return on Assets at Sharia Commercial Banks has a minimum value of -10.85, which is owned by Bank Aladin in December 2022. Meanwhile, the maximum value of 17.23 was owned by Bank Aladin in June 2020. Therefore, Bank Aladin in June 2020 had a fairly good increase in revenue from the previous period of 6.08. In addition, the resulting value is also relatively high compared to the standard ROA value determined by Bank Indonesia.

Based on SE Bank Indonesia No.6/23/DPNP, a good ROE standard is 12%. The higher the ROE, the better the company does at managing capital to create profits for shareholders. The average value of Sharia Commercial Banks in the ROE variable is 3.921296, where the average value has not been able to meet the standard value determined by Bank Indonesia. The variable Return on Equity had a maximum value at Bank BTPN Syariah in December 2017 with a value of 36.5. While the minimum value is owned by Bank Panin Dubai Syariah at the same time, which is worth -94.01.

According to SK DIR Bank Indonesia No.30/12/Kep/Dir and SE Bank Indonesia No.30/3/IPPB, a good CR standard is 2.5%. The higher the CR, the more liquid the company is, meaning it has the ability to meet its short-term obligations before maturity. The average value of the Current Ratio variable is 1.757578, where the average value has not been able to meet the standard value determined by Bank Indonesia. The maximum value of the CR variable owned by Bank Aladin Syariah in June 2021 was 21.62778. While the minimum value was found at Bank Panin Dubai Syariah in December 2017, which is 1.032818.

The variable Debt to Equity Ratio has a standard value of 1, meaning that the higher the value of DER, the greater the amount of borrowed capital used in generating profits for the company. The average value produced is 5.422608, where the average value has not been able to meet the predetermined standard value. Bank Aladin Syariah obtained a minimum value of 0.048478 for the variable Debt to Equity Ratio in June 2021, while Bank Panin Dubai Syariah obtained a maximum value of 30.4712 in December 2017.

Based on SE Bank Indonesia No.6/23/DPNP, a good NPF standard value is <5%, where the higher the NPF, the higher the bad loans disbursed or the bank's financial management will be poor. The average value produced is 1.931204, where the average value can meet the standard value determined by Bank Indonesia. The non-performing financing variable has a minimum value of 0.00 obtained by Bank Aladin Syariah, while Bank Muamalat Indonesia in June 2020 obtained a maximum value of 4,970. However, the maximum value owned by Bank Muamalat can still meet the standard value determined by Bank Indonesia.

Regression Model Selection

In panel data analysis, several model specification tests are carried out to ensure the best model is used to estimate panel data regression (Putri & Yuliandhari, 2020). Choosing the best panel data regression model can be done through three test models, namely the Chow test, Hausman test, and Lagrange Multiplier test (Zahra & Miranti, 2023).

The Chow test is conducted to find the best model between the common effect model and the fixed effect model. If the results of the Chow test have a probability cross-section value greater than 5% (0.05), the Common Effect Model is accepted. Conversely, if the results of the Chow test have a probability cross-section value smaller than 5% (0.05), the Fixed Effect Model is accepted. The results of the Chow Test show the results that Prob. Worth 0.0000 is less than 0.05. So based on the chow test, it can be decided that the Fixed Effect Model is selected.

Table 4
The Chow Test

Effect Test	Probability
Cross Section F	0.0000

Source: Data processed with Eviews 10, 2023

The Hausman test is conducted to find the best model between the random effect model and the fixed effect model. If the results of the Hausman test have a random probability cross-section value greater than 5% (0.05), the Random Effect Model is accepted. Conversely, if the results of the Hausman test have a random probability cross-section value smaller than 5% (0.05), then the Fixed Effect Model is accepted. The results of the Hausman Test show a probability value of 0.0000, more diminutive than 0.05. So based on the Hausman test, the Fixed Effect Model can be chosen.

Table 5
The Hausman Test

Test Summary	Probability
Cross Section Random	0.0000

Source: Data processed with Eviews 10, 2023

Based on the Chow test and Hausman test results above, it can be concluded that the fixed effect model was chosen as the best model in the model goodness test. Therefore, the Lagrange Multiplier test that aims to compare the random and common effect models is not carried out.

The Classical Assumption Test

The classical assumption test is carried out to evaluate whether the selected fixed effect model can meet the criteria for the Best Linear Unbias Estimator (BLUE) (Nariswari, 2023). The classical assumption test aims to determine that the data used in the study are normal, and free from symptoms of multicollinearity, heteroscedasticity, and autocorrelation (W. P. Sari, 2018). To find out whether or not the distribution of data is expected can be seen through a normality test. The data can be normal if the profitability value of Jarquw-Bera > 0.05. The results of the Normality Test show a probability of 0.346924 greater than 0.05. So based on the normality test, it can be decided that the data in this study are normally distributed.

Table 6
The Normality Test

Jarque-Bera	Probability
2.117299	0.346924

Source: Data processed with Eviews 10, 2023

To determine the correlation relationship between independent variables can be seen through a multicollinearity test. Data can be considered free from multicollinearity if the VIF value < 10. Based on showing the results of the Multicollinearity Test, where the probability value is smaller than 0.9. So based on the multicollinearity test, it can be decided that there are no symptoms of multicollinearity.

Table 7
The Multicollinearity Test

Variable	ROA (X_1)	ROE (X_2)	CR (X_3)	DER (X_4)	NPF (X_5)
ROA (X_1)	1.000000	0.769882	0.1271716	-0.420437	-0.392935
ROE (X_2)	0.769882	1.000000	0.031685	-0.543886	-0.382774
CR (X_3)	0.1271716	0.031685	1.000000	-0.330990	-0.298136
DER (X_4)	-0.420437	-0.543886	-0.330990	1.000000	0.513842
NPF (X_5)	-0.392935	-0.382774	-0.298136	0.513842	1.000000

Source: Data processed with Eviews 10, 2023

To find out whether, in the regression model, there is an inequality of variables from residuals or observations to other observations can be seen through heteroscedasticity tests. Data can be heteroscedasticity free if the profitability value > 0.05. Based on the results of the Heterokedasitisity Test, where the probability value is more significant than 0.05. Then it can be decided that no symptoms of heteroscedasticity occur.

Table 8
The Heteroscedasticity Test

Variable	Probability
ROA (X_1)	0. 1726
ROE (X_2)	0.1601
CR (X_3)	0.0799
DER (X_4)	0.1885
NPF (X_5)	0.0637

Source: Data processed with Eviews 10, 2023

To find out whether in the regression model autocorrelation occurs. Detecting autocorrelation can be seen through the Durbin-Watson test. The results of the Autocorrelation Test in this study show that the autocorrelation test is fulfilled. Where dw = 2. 203644, dL = 1.5909, and dU = 1.7841. Based on the table, it can be concluded that dL < dU < dw < 4-dU < 4-dL means that d is in a position that does not experience positive or negative autocorrelation.

Table 9
The Autocorrelation Test

Test	DW
Durbin-Watson Test	2.203644

Source: Data processed with Eviews 10, 2023

Panel Data Regression Coefficient Estimation and Hypothesis Testing

To determine the effect of the independent variable (x) on the dependent variable (y) can partially be seen through the results of the T-test. The independent variable affects the dependent variable if the probability value is smaller than the significant level (sig < 0.05). Conversely, the independent variable does not affect the dependent variable if the probability value exceeds the significant level (sig < 0.05).

Table 10
Estimation of Panel Data Regression Coefficient Values

Variable	Coefficient	t-statistic	Probability
ROA (X1)	0.116477	4.916824	0.0000
ROE (X2)	-0.027954	-3.428216	0.0009
CR (X3)	1.156089	33.09851	0.0000
DER (X4)	-0.122531	-3.968986	0.0001
NPF (X5)	-0.040732	-0.598355	0.5510

Source: Data processed with Eviews 10, 2023

Based on the results of the T test in Table 10, a regression line equation can be formed, namely:

$$Y = 1.266765 + 0.116477X_1 - 0.027954X_2 + 1.156089X_3 - 0.122531X_4 - 0.040732X_5$$

Explanation of the regression equation model above, among others:

1. The constant (α) is positive 1.266765, a positive sign means that it indicates a unidirectional influence between the independent variable and the dependent variable. This shows that if the ROA, ROE, CR, DER, and NPF are 0 percent or unchanged, then the financial distress is 1.266765.
2. Based on the regression equation model above, it can be concluded that return on assets has a significant positive influence on financial distress. This is evidenced by obtaining a positive coefficient value of 0.116477 and a probability value of 0.00 < 0.05. That is, the variable ROA is directly proportional to financial distress.
3. The variable return on equity has a significant negative influence on financial distress. This is evidenced by the acquisition of a negative coefficient value of -0.027954 and a probability value of 0.0009 < 0.05. That is, the ROE variable is contrary to financial distress. So if ROE increases, financial distress will experience a rapid decline, and vice versa.
4. The current ratio variable has a significant positive influence on financial distress. The acquisition of a positive coefficient value of 1.156089 and a probability value of 0.00 to 0.05 supports this. That is, the CR variable is directly proportional to financial distress.
5. The variable debt-to-equity ratio has a significant negative influence on financial distress. This is evidenced by obtaining a negative coefficient value of -0.122531 probability value of 0.0001 < 0.05. That is, the DER variable is contrary to financial distress. So if the debt-to-equity ratio increases, then financial distress will experience a rapid decline, and vice versa.
6. Non-performing financing variables do not have a significant effect on financial distress. This is evidenced by the acquisition of a coefficient value of -0.040732 and a probability value of 0.5510 < 0.05. That is, the NPF variable has no effect on financial distress because the probability value is greater than the significant value of 0.05.

Based on the results of the T-test above, it can be concluded that return on assets has a significant favorable influence on financial distress. This is evidenced by obtaining a positive coefficient value of 0.116477 and a probability value of 0.00 < 0.05. That is, the variable ROA is directly proportional to financial distress. In line with research conducted by Amalia & Mardani, 2018; Alvidianita & Rachmawati, 2019; and Onoyi & Windayati, 2022 stated that ROA significantly positively affects financial distress.

The variable return on equity has a significant negative influence on financial distress. This is evidenced by acquiring a negative coefficient value of -0.027954 and a probability value of 0.0009 < 0.05. That is, the ROE variable is contrary to financial distress. So if ROE increases, financial distress will experience a rapid decline, and vice versa.

In this study, the significant effect of negative ROE can be inversely proportional to financial distress. So, if ROE decreases, financial distress will increase rapidly. A weak ROE indicates the company's inability to utilize equity to generate profits and it makes it difficult financially to obtain internal funding sources to invest and potentially trigger financial distress or bankruptcy opportunities (Asyikin et al., 2018). In line with research conducted by Amalia & Mardani (2018); Asyikin et al. (2018); and Fitri & Syamwil (2020) stated that ROE has a significant negative effect on financial distress.

The current ratio variable has a significant positive influence on financial distress. This is evidenced by acquiring a positive coefficient value of 1.156089 and a probability value of 0.00 < 0.05. That is, the CR variable is directly proportional to financial distress.

In this study, the significant effect of a positive current ratio can be directly proportional to financial distress. It can be considered able to increase the value of financial distress if the current ratio increases. In line with research conducted by Aisyah & Nurhayati (2022); and Syaepullah (2022) stated that the current ratio significantly positively affects financial distress.

The variable debt to equity ratio significantly negatively influences financial distress. This is evidenced by obtaining a negative coefficient value of -0.122531 probability value of 0.0001 < 0.05. That is, the DER variable is contrary to financial distress. So if the debt to equity ratio increases, then financial distress will experience a rapid decline, and vice versa. In line with research conducted by Ginting (2017); and Nurhamidah & Kosasih (2021) states that DER has a significant negative effect on financial distress.

In this study, the significant effect of a negative debt to equity ratio can be inversely proportional to financial distress. The existence of a negative value in the debt to equity ratio is contrary to the theory that should have a positive effect. Nurhamidah & Kosasih (2021) stated that the negative influence is because the cost of debt is smaller than the cost of equity.

Non-performing financing variables do not have a significant effect on financial distress. This is evidenced by acquiring a coefficient value of -0.040732 and a probability value of 0.5510 < 0.05. That is, the NPF variable does not affect financial distress because the probability value is greater than the significant value of 0.05. In line with research conducted by Onoyi & Windayati (2022); and Suhadi & Kusumaningtias (2020) which states that NPF does not affect financial distress.

In this study, the NPF variable did not significantly affect financial distress. High NPFs do not affect the occurrence of financial distress in Islamic banks. Mauluddi & Fauziah (2022); and Suhadi & Kusumaningtias (2020) stated that the financing was on third-party funds, not lending.

To determine the percentage of influence of the independent variable (x) on the dependent variable (y) can be seen through the results of the coefficient of determination test (R2). The R2 value only ranges from 0 to 1. The small value of R2 indicates that the ability of the independent variable to explain the dependent variable is limited. But if the value is close to 1, the independent variable can provide almost all information related to the dependent variable.

Table 11
Test Coefficient of Determination (R^2)

R-Squared	0.973840

Source: Data processed with Eviews 10, 2023

Table 11 shows the test results of the coefficient of determination where the R-Square is 0.973840. The R-Square value is almost close to 1, which means that the independent variable in this study can describe the dependent variable as much as 97.4%. Another 2.6% was explained by other variables outside the study.

Discussion in This Research

The Effect of Return On Assets on the Financial Distress in Indonesian Sharia Commercial Banks

ROA is one of the profitability ratios measured using net income to total company assets. Sani Akbar (2021) states that return on assets is a ratio that can inform the expected

return on profits based on assets owned. The higher the ROA indicates that the company can meet operational needs with its assets (Mahaningrum & Merkusiwati, 2020).

The hypothesis test results in this study state that return on assets has a significant positive influence on financial distress. This is evidenced by obtaining a positive coefficient value of 0.116477 and a probability value of 0.00 < 0.05. That is, the variable ROA is directly proportional to financial distress. In line with research conducted by Amalia & Mardani (2018); Onoyi & Windayati (2022); Alvidianita & Rachmawati (2019) stated that ROA significantly positively affects financial distress.

In this study, the significant effect of positive ROA can be directly proportional to financial distress. So, if ROA increases, the Altman Z-Score value also increases rapidly. In other words, if the financial distress calculated by the Altman Z-Score model increases, the company is conceivable to be classified as safe from financial distress (Onoyi & Windayati, 2022)

The Effect of Return On Equity on the Financial Distress in Indonesian Sharia Commercial Banks

Maisarah et al. (2018) stated that return on equity is part of the profitability ratio calculated based on net income to the company's total equity. Return On Equity (ROE) is a ratio that reviews the capital used to provide profits (Sani Akbar, 2021). ROE can be calculated by comparing the company's net income and total equity (Erayanti, 2019). A high return on equity indicates the company's efficiency in obtaining profits using its capital (Dahruji & Muslich, 2022).

The hypothesis test results in this study stated that return on equity has a significant negative influence on financial distress. This is evidenced by acquiring a negative coefficient value of -0.027954 and a probability value of 0.0009 < 0.05. That is, the ROE variable is contrary to financial distress. So, if ROE increases, the Altman Z-Score value will decrease rapidly. In other words, if the financial distress calculated by the Altman Z-Score model decreases, it is conceivable that the company can allow financial distress. Vice versa, if ROE decreases, financial distress measured using Altman Z-Score will increase, and the company is classified as safe.

In this study, the significant effect of negative ROE can be inversely proportional to financial distress. So, if ROE decreases, financial distress will increase rapidly. A weak ROE indicates the company's inability to utilize equity to generate profits. It makes it difficult for the company to obtain internal funding sources to invest and potentially trigger financial distress or bankruptcy opportunities (Asyikin et al., 2018). In line with research conducted by Amalia & Mardani (2018); Asyikin et al. (2018); Fitri & Syamwil (2020) stated that return on equity has a significant negative effect on financial distress.

The Effect of Current Ratio on the Financial Distress in Indonesian Sharia Commercial Banks

Sondakh et al. (2015) stated that the current ratio is a commonly used ratio of a company's maturity solvency. The current ratio is a ratio that measures the level of liquidity of a company in paying current debt using its current assets (Laylia & Munir, 2022). The higher the ratio of current assets to current liabilities, the higher the company's ability to cover short-term liabilities, and vice versa. The lower the comparison result, the more likely the company will be unable to meet its current liabilities (Syaepullah, 2022).

The results of the hypothesis test in this study stated that the current ratio has a significant positive influence on financial distress. This is evidenced by acquiring a positive coefficient value of 1.156089 and a probability value of 0.00 <0.05. Therefore, if the Current Ratio increases, the Altman Z-Score value increases rapidly. In other words, if financial distress, as calculated by Altman's Z-Score model, increases, it is conceivable that the company is classified as safe from financial distress.

In this study, the significant effect of a positive current ratio can be directly proportional to financial distress. It can be considered to increase the value of financial distress if the current ratio increases. In line with research conducted by Aisyah & Nurhayati (2022) dan Syaepullah (2022), it is stated that the current ratio has a significant positive effect on financial distress.

The Effect of Debt to Equity Ratio on the Financial Distress in Indonesian Sharia Commercial Banks

One part of the solvency ratio is the debt to equity ratio. According to Pratiwi et al. (2020), debt to equity ratio is the percentage ratio between total debt and total assets. Debt to equity ratio describes the ability of a company to pay off all its debts with the capital it has (Mahaningrum & Merkusiwati, 2020). A high debt to equity ratio indicates high capital dependence on external parties (Husna' & Sunandar, 2022).

The hypothesis test results in this study stated that the debt to equity ratio significantly negatively influences financial distress. This is evidenced by obtaining a negative coefficient value of -0.122531 probability value of 0.0001 < 0.05. This means that the variable debt-to-equity ratio is the opposite of financial distress. Therefore, if the debt-to-equity ratio increases, the financial hardship measured by the Altman Z-Score will decrease rapidly. The lower the Altman Z-Score, the higher the possibility of the company going bankrupt and vice versa. In line with research conducted by Ginting (2017); Nurhamidah & Kosasih (2021) stated that DER has a significant negative effect on financial distress.

In this study, the significant effect of a negative debt to equity ratio can be inversely proportional to financial distress. The existence of a negative value in the debt to equity ratio is contrary to the theory that should have a positive effect. Nurhamidah & Kosasih (2021) stated that the negative influence is because the cost of debt is smaller than the cost of equity.

The Effect of Non-Performing Financing on the Financial Distress in Indonesian Sharia Commercial Banks

NPF is one of the components of the risk profile that must be minimized by a company in business activities (Alvidianita & Rachmawati, 2019). NPF is the total problem financing that prevents customers from returning it (El Islami & Jaya, 2022). The NPF ratio can show a company's ability to return on its investment and describe the quality of its assets aktivanya (Onoyi & Windayati, 2022).

The results of the hypothesis test in this study stated that non-performing financing did not have a significant effect on financial distress. This is evidenced by acquiring a coefficient value of -0.040732 and a probability value of 0.5510 < 0.05. The NPF variable does not affect financial distress because the probability value is greater than the significant

value of 0.05. This aligns with research conducted by Onoyi & Windayati (2022) dan Suhadi & Kusumaningtias (2020), which states that NPF does not affect financial distress.

In this study, the NPF variable negatively affected financial difficulties. Thus, the higher the NPF value, the more financial difficulties can occur. The smaller the financial hardship score measured using the Altman Z-Score model, the more likely the company will go bankrupt. However, the NPF variable did not significantly affect financial difficulties. This is because the financing provided is for third-party funds and does not include financing for other banks. Therefore, a high NPF is not necessarily able to identify the occurrence of financial distress (Suhadi & Kusumaningtias, 2020). Mauluddi & Fauziah (2022); Suhadi & Kusumaningtias (2020) stated that financing is on third-party funds, not loans.

CONCLUSION

The results of the panel data analysis test and the discussion related to the effect of financial ratios consisting of return on assets, return on equity, current ratio, debt to equity ratio, and non-performing financing on financial distress, concluded that concluded that there is a positive influence between return on assets and the current ratio to financial distress at Indonesian Sharia Commercial Banks. In addition, there is a negative effect between return on equity and debt to equity ratio on financial distress in Islamic Commercial Banks in Indonesia. In contrast to the non-performing ratio variable, there is no significant effect on financial distress at Indonesian Sharia Commercial Banks.

Based on these conclusions, there are several things that the writer can suggest to several parties. The research results are expected to assist Islamic banks in identifying financial distress, especially by providing information regarding early warning systems and financial planning for Islamic bank management. Further research can strengthen and add other variables that have not been used in research. Deepen a deeper understanding of the variables used for financial distress in Islamic banking. As well as increasing research related to financial stress on Islamic commercial banks.

REFERENCE

Aisyah, S., & Nurhayati. (2022). Pengaruh Leverage Ratio, Likuidity Ratio, dan Sales Growth Ratio terhadap Financial Distress Bank Umum Syariah Tahun 2016-2020. *Bandung Conference Series: Accountancy*, *2*(1), 163–168. https://doi.org/10.29313/bcsa.v2i1.1051

Aldini, D. A., & Andarini, S. (2017). Pengaruh Profitabilitas Terhadap Harga Saham Pada Perusahaan Makanan dan Minuman Yang Terdaftar di Bursa Efek Indonesia. *Jurnal Bisnis Indonesia*, *8*(1), 45–56.

Alvidianita, A., & Rachmawati, L. (2019). Pengaruh RGEC Terhadap Financial Distress Pada Bank Muamalat Indonesia. *Jurnal Ekonomi Islam*, *2*(2), 97–109.

Amalia, N. I., & Mardani, R. M. (2018). Analisis Rasio Keuangan Terhadap Financial Distress (Pada Perusahaan Perbankan Yang Listing Di BEI Periode Tahun 2014-2016). *Jurnal Riset Manajemen*, *7*(9), 51–63.

Ana, D. E., & Zunaidi, A. (2022). Strategi Perbankan Syariah Dalam Memenangkan Persaingan Di Masa Pandemi Covid-19. *Proceedings of Islamic Economics, Business, and Philanthropy*, *1*(1), 167–188.

Asyikin, J., Chandrarin, G., & Harmono. (2018). Analysis of Financial Performance To

Predict Financial Distress In Sharia Commercial Banks In Indonesia. *International Journal of Accounting*, *1*(2), 11–20.

Aulia, N., & Jaya, T. J. (2022). Analysis Of Differences In Returns Of Sharia Stocks Before And After The Announcement Of The Covid-19 Pandemic In Indonesia. *Jurnal Masharif Al-Syariah: Jurnal Ekonomi Dan Perbankan Syariah*, *7*(4), 1434–1448. http://journal.um-surabaya.ac.id/index.php/Mas/article/view/13336

Azhari, A. R., & Wahyudi, R. (2020). Analisis Kinerja Perbankan Syariah di Indonesia : Studi Masa Pandemi Covid-19. *JESI (Jurnal Ekonomi Syariah Indonesia)*, *10*(2), 96. https://doi.org/10.21927/jesi.2020.10(2).96-102

Bailia, F. F. W., Tommy, P., & Baramulli, D. N. (2016). Pengaruh Pertumbuhan Penjualan, Dividend Payoutratio Dan Debt To Equity Ratio Terhadap Hargasaham Pada Perusahaan Propertydi Bursa Efek Indonesia. *Jurnal Berkala Ilmiah Efisiensi*, *16*(03), 270–278.

Dahruji, D., & Muslich, A. A. (2022). The Effect of Profitability on Financial Distress in Sharia Commercial Banks for The Period 2018 – 2020. *Jurnal Ekonomi Syariah Teori Dan Terapan*, *9*(3), 388–400. https://doi.org/10.20473/vol9iss20223pp388-400

Dewi, P. E. D. M. (2016). Pengaruh Rasio Likuiditas, Profitabilitas, Solvabilitas, Aktivitas Dan Penilaian Pasar Terhadap Return Saham. *Jurnal Ilmiah Akuntansi*, *1*(2), 109–132. https://doi.org/10.23887/jia.v1i2.9988

El Islami, M. F., & Jaya, T. J. (2022). Effect of Inflation Rate, Non Performing Financing (Npf), and Number of Branch Offices on Murabahah Financing At Bank Muamalat Indonesia. *Al Iqtishadiyah Jurnal Ekonomi Syariah Dan Hukum Ekonomi Syariah*, *8*(1), 21. https://doi.org/10.31602/iqt.v8i1.6876

Erayanti, R. (2019). Pengaruh Likuiditas, Profitabilitas dan Leverage terhadap Prediksi Financial Distress. *Jurnal Riset Akuntansi & Perpajakan (JRAP)*, *6*(01), 38–51. https://doi.org/10.35838/jrap.v6i01.393

Farohah, A. N., & Dahruji. (2023). *Sharia Commercial Bank Financial Distress Prediction Through Financial Liquidity Ratio*. *8*(1), 86–98.

Fitri, R. A., & Syamwil, S. (2020). Pengaruh Likuiditas, Aktivitas, Profitabilitas dan Leverage Terhadap Financial Distress (Studi Kasus Pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode 2014-2018). *Jurnal Ecogen*, *3*(1), 134–143. https://doi.org/10.24036/jmpe.v3i1.8532

Ginting, M. C. (2017). Pengaruh Current Ratio Dan Debt To Equity Ratio (DER) Terhadap Financial Distress Pada Perusahaan Property & Real Estate Di Bursa Efek Indonesia. *Jurnal Manajemen*, *3*(2), 37–44.

Hantono. (2015). uh Current Ratio Dan Debt To Equity Ratio Terhadap Profitabilitas Pada Perusahaan Manufaktur Sektor Logam Dan Sejenisnya Yang Terdaftar Di Bursa Efek Indonesia Periode 2009-2013. *Jurnal Wira Ekonomi Mikroskil*, *5*(1), 21–29. http://jurnal.umrah.ac.id/wp-content/uploads/gravity_forms/1-ec61c9cb232a03a96d0947c6478e525e/2017/08/JURNAL47.pdf

Hariono, A. F., & Azizuddin, I. (2022). The Analysis of Financial Performance on Sharia Banks' Financial Distress In Indonesia for the Period 2016-2020 Analisis. *Jurnal Ekonomi Syariah Teori Dan Terapan*, *9*(2), 273–285. https://doi.org/10.20473/vol9iss20222pp273-285

Hasanudin, Awaloedin, D. T., & Yulianti, F. (2020). Pengaruh Current Ratio, Debt to Equity Ratio dan Net Profit Margin Terhadap Return Saham Pada. *Jurnal Rekayasa Informasi*, *9*(1), 6–19.

Hermawan, H., & Anggraini, R. R. (2021). Pengaruh Current Ratio, Return On Equity, Dan Earnings Per Share Terhadap Harga Saham Pada PT Bank BNI Tbk 2010-2019. *Prosiding SENANTIAS: Seminar Nasional Hasil Penelitian Dan PKM*, *2*(1), 129–141.

Husna', N. F., & Sunandar, N. (2022). Pengaruh Current Ratio (CR), Debt To Equity Ratio (DER) Dan Net Profit MARGIN (NPM) Terhadap Harga Saham (Studi Empiris Pada Perusahaan Manufaktur Sub Sektor Makanan Dan Minuman Yang Terdaftar Di BEI Tahun 2016-2020). *Seminar Nasional Ekonomi Dan Akuntansi*, *1*(1), 65–75.

SE Bank Indonesia No.30/3/IPPB.

SE Bank Indonesia No.6/23/DPNP, Bank Indonesia. http://biblioteca.usac.edu.gt/tesis/08/08_2469_C.pdf

SK DIR Bank Indonesia No.30/12/Kep/Dir.

Indrawan, B. (2018). Analisis Financial Distress dan Pengaruhnya Terhadap Harga Saham Perusahaan Ritel di Indonesia Periode 2014-2017. *Jurnal Ilmu Ekonomi Universitas Brawijaya*, 1–18. https://jimfeb.ub.ac.id/index.php/jimfeb/article/view/5495

Kasmir. (2008). *Analisis Laporan Keuangan* (11th ed.). Raja Grafindo Persada.

Kenton, W. (2022). *Altman Z-Score: Apa Artinya, Rumus, Cara Menafsirkan Hasil*. Investopedia. https://www.investopedia.com/terms/a/altman.asp

Khadapi, M. (2017). Pengaruh CAR, ROA, BOPO dan FDR terhadap Financial Distress Bank Umum Syariah di Indonesia Periode 2014-2016. In *UIN Syarif Hidayatullah*.

Kholiq, A., & Rahmawati, R. (2020). Dampak Implementasi Restrukturisasi Pembiayaan terhadap Likuiditas Bank Syariah pada Situasi Pandemi Covid-19. *El-Barka: Journal of Islamic Economics and Business*, *3*(2), 282–316. https://doi.org/10.21154/elbarka.v3i2.2472

Laylia, N. N., & Munir, H. M. (2022). Pengaruh CR, DER, dan NPM Terhadap Harga Saham Dengan EPS Sebagai Variabel Moderasi. *Jurnal Ekonomi Dan Bisnis*, *10*(2), 201–206.

Mahaningrum, A. A. I. A., & Merkusiwati, N. K. L. A. (2020). Pengaruh Rasio Keuangan pada Financial Distress. *E-Jurnal Akuntansi*, *30*(8), 1969. https://doi.org/10.24843/eja.2020.v30.i08.p06

Maisarah, Zamzami, & P.A, E. D. (2018). *Analisis Rasio Keuangan Untuk Memprediksi Financial Distress Perbankan Syariah Di Indonesia (Studi Kasus Pada Bank Syariah Di Indonesia Periode 2011-2016)*. 19–34.

Mauluddi, H. A., & Fauziah, S. F. (2022). Analisis Prediksi Kebangkrutan Bank Syariah dan Bank Konvensional dengan Metode Altman Z-Score Modifikasi. *Jurnal Maps (Manajemen Perbankan Syariah*, *6*(1), 1–12. http://journal.masoemuniversity.ac.id/index.php/maps

Melia, Y., & Deswita, R. (2020). Analisis Predeksi Kebangkrutan dengan Menggunakan Metode Altman Z-Score. *Jurnal Akuntansi Keuangan Dan Bisnis*, *13*(1), 71–80. www.idx.co.id

Muzharoatiningsih, M. (2022). Pengaruh Rasio Keuangan, Sales Growth, Dan Ukuran Perusahaan Terhadap Financial Distress Pada Sektor Industri Barang Konsumsi Di BEI Periode 2017-2020. *Jurnal Ilmu Manajemen (JIM)*, *10*, 747–758.

Nandita, D. A., Alamsyah, L. B., Jati, E. P., & Widodo, E. (2019). Regresi Data Panel untuk Mengetahui Faktor-Faktor yang Mempengaruhi PDRB di Provinsi DIY Tahun 2011-2015. *Indonesian Journal of Applied Statistics*, *2*(1), 42. https://doi.org/10.13057/ijas.v2i1.28950

Nariswari, D. (2023). *Pengaruh Rasio Keuangan Terhadap Stabilitas Bank Syariah Dengan Financial*

Technology Sebagai Variabel Moderasi. Universitas Islam Negeri Maulana Malik Ibrahim Malang.

Nelmida, N. (2019). Potensi Financial Distress Bank Umum Syariah Indonesia [STIE Indonesia Banking School]. In *Jurnal Ekonomi, Manajemen dan Perbankan (Journal of Economics, Management and Banking)* (Vol. 5, Issue 3). https://doi.org/10.35384/jemp.v5i3.157

Nikmatur, R. (2017). Proses Penelitian, Masalah, Variabel dan Paradigma Penelitian. *Jurnal Hikmah*, *14*(1), 62–70.

Nindita, K., Moeljadi, & Indrawati, N. K. (2014). Prediction on Financial Distress of Mining Companies Listed in BEI using Financial Variables and Non-Financial Variables. *European Journal of Business and Management*, *6*(34), 226–237.

Nurhamidah, C., & Kosasih. (2021). Pengaruh Likuiditas, Leverage, dan Profitabilitas Terhadap Financial Distress. *Jurnal Riset Akuntansi Aksioma*, *20*(2), 81–90. https://doi.org/10.29303/aksioma.v20i2.133

Onoyi, N. J., & Windayati, D. T. (2022). *Tingkat Kesehatan Perbankan Syariah Dan Potensi Financial Distress Pada Masa Pandemi Covid-19*. *2*(2), 233–250.

Pratama, G., Haida, N., & Nurwulan, S. (2021). Strategi Penanganan Pembiayaan Bermasalah Pada Produk Bank Syariah. *Ecobankers : Journal of Economy and Banking*, *2*, 101–114.

Pratiwi, S. M., Miftahuddin, & Amelia, W. R. (2020). Pengaruh Current Ratio (CR), Debt To Equity Ratio (DER), Dan Earning Per Share (EPS) Terhadap Harga Saham Pada PT. Indofood Sukses Makmur Tbk. *Jurnal Ilmiah Manajemen Dan Bisnis*, *1*(2), 20–30.

Putri, Y. R., & Yuliandhari, W. S. (2020). Pengaruh Profitabilitas, Sales Growth, Dan Ukuran Perusahaan Terhadap Pengungkapan Corporate Social Responsibility Pada Perusahaan Indeks Kompas 100 Tahun 2017-2018. *Journal Of Applied Managerial Accounting*, *4*(1), 1–11.

Rahmah, M. N., & Komariah, E. (2016). Analisis Laporan Keuangan Dalam Menilai Kinerja Keuangan Industri Semen Yang Terdaftar Di BEI (Studi Kasus PT Indocement Tunggal Prakarsa TBK). *Jurnal Online Insan Akuntan*, *1*(1), 234490.

Rahmana, D. A., Rosidi, & Farhan, D. (2020). Pengaruh Debt To Equity Ratio Dan Return On Assets Terhadap Market Value Of Equity Dengan Memperhatikan Finacial Distress Sebagai Variabel Moderasi. *Jurnal Ekonomi Dan Manajemen*, *21*(3), 26–40.

Rahmani, N. A. B. (2020). Pengaruh Roa (Return On Asset), Roe (Return On Equity), Npm (Net Profit Margin), Gpm (Gross Profit Margin) Dan EPS (Earning Per Share) Terhadap Harga Saham Dan Pertumbuhan Laba Pada Bank Yang Terdaftar Di Bursa Efek Indonesia Tahun 2014 -2018. *Human Falah: Jurnal Ekonomi Dan Bisnis Islam*, *7*(1), 104–116.

Rahmawati, Y., Salim, M. A., & Priyono, A. A. (2021). Analisis Komparatif Kinerja Keuangan Bank Sebelum Dan Selama Pandemi Covid-19 (Studi Pada Bank Syariah Yang Terdaftar Di OJK). *E – Jurnal Riset Manajemen PRODI MANAJEMEN*. https://doi.org/10.36441/snpk.vol1.2022.55

Raja Martua Hasibuan, R., & Jannah, N. (2023). Analisis Faktor yang Mempengaruhi Financial Distress pada PT Bank Muamalat KCU Medan Baru. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, *4*(5), 1414–1420. https://doi.org/10.47467/elmal.v4i5.1532

Safri, H. (2021). *Analisis Potensi Kebangkrutan Bank Konvensional dan Bank Syariah di Indonesia*. Universitas Islam Negeri Sumatera Utara.

Sani Akbar, J. (2021). The Effect of Return on Assets And Return On Equity On Price To

Book Value On Banking Companies Listed On The Indonesia Stock Exchange. *International Journal of Economic, Business and Accounting Research (IJEBAR)*, *5*(2), 9–20. http://www.jurnal.stie-aas/ijebar

Saputra, A. J., & Salim, S. (2020). Pengaruh Profitabilitas, Leverage, Firm Size, Dan Sales Growth Terhadap Financial Distress. *Jurnal Multiparadigma Akuntansi Tarumanagara*, *2*(1), 262. https://doi.org/10.24912/jpa.v2i1.7154

Sari, R. M., & Setiawan. (2018). Rentabilitas Bank Umum Syariah Sesudah Spin-Off Berdasarkan Tipe Pemisahannya di Indonesia. *Amwaluna: Jurnal Ekonomi Dan Keuangan Syariah*, *2*(ISSN: 2540-8402), 70–93.

Sari, W. P. (2018). Pengaruh Rasio Keuangan terhadap Harga Saham pada Perusahaan Manufaktur Go Public yang Terdaftar di Bursa Efek Indonesia. *Jurnal Ilmiah Syaklandsea*, *2*(1), 43–52.

Sari, Y. R. (2016). Laporan Keuangan Dengan Menggunakan Metode Altman Z-score Dalam Memeprediksi Kebangkrutan. *Artikel Ilmiah Sekolah Tinggi Ilmu Ekonomi PERBANAS*.

Satria, C., & Putri, Y. S. (2021). Pengaruh Rasio Keuangan Terhadap Harga Saham Perbankan Syariah Terdaftar Bursa Efek Indonesia. *Islamic Banking : Jurnal Pemikiran Dan Pengembangan Perbankan Syariah*, *6*(2), 299–320. https://doi.org/10.36908/isbank.v6i2.182

Septiani, N. M. I., & Dana, I. M. (2019). Pengaruh Likuiditas, Leverage, Dan Kepemilikan Institusional Terhadap Financial Distress Pada Perusahaan Property Dan Real Estate. *E-Jurnal Manajemen Universitas Udayana*, *8*(5), 3110. https://doi.org/10.24843/ejmunud.2019.v08.i05.p19

Simanjuntak, C., Titik, F., & Aminah, W. (2017). Pengaruh Rasio Keuangan Terhadap Financial Distress (Studi Pada Perusahaan Transportasi Yang Terdaftar Di Bursa Efek Indonesia Periode 2011-2015). *E-Proceeding of Management*, *4*(2), 1580–1587.

Sondakh, F., Tommy, P., & Mangantar, M. (2015). Current Ratio, Debt To Equity Ratio, Return On Assets, Return On Equity Pengaaruhnya Terhadap Harga Saham Pada Indeks LQ 45 di BEI Periode 2010-2014. *Encyclopedia of Production and Manufacturing Management*, *3*(2), 749–756. https://doi.org/10.1007/1-4020-0612-8_202

Suhadi, A., & Kusumaningtias, R. (2020). Pengaruh Rasio Keuangan Terhadap Kondisi Financial Distress Bank Umum Syariah Di Indonesia. *Jurnal Mahasiswa Universitas Negeri Surabaya*, *1*(2), 1–25.

Sujarweni, V. W. (2014). *Metodologi Penelitian*. Pustaka Baru Press.

Sumadi, S. (2020). Menakar Dampak Fenomena Pandemi Covid-19 Terhadap Perbankan Syariah. *Jurnal Hukum Ekonomi Syariah*, *1*, 145. https://doi.org/10.30595/jhes.v0i1.8761

Syaepullah, R. (2022). The Influence of Financial Ratio and Corporate Governance on Financial Distress in Indonesian Islamic Banking Period 2013 – 2019. *EKONOMIKA SYARIAH : Journal of Economic Studies*, *5*(2), 179–192. https://doi.org/10.30983/es.v5i2.4857

Tahliani, H. (2020). Tantangan Perbankan Syariah Dalam Menghadapi Pandemi Covid-19. *Madani Syariah*, *3*(2), 92–113. file:///D:/zinggris literatur/TANTANGAN PERBANKAN SYARIAH.pdf

Virnanda, K. A. (2023). *Pengaruh Likuiditas, Sales Growth, dan Leverage Terhadap Financial Distress dengan Profitabilitas Sebagai Variabel Moderasi* [Universitas Islam Negeri Maulana Malik Ibrahim Malang]. http://etheses.uin-malang.ac.id/48826/1/19540040.pdf

Wahyuni, E. S. (2022). Faktor-Faktor Penyebab Financial Distress Diukur Menggunakan Metode Artificial Neural Network Pada Perbankan Syariah Di Indonesia. *Jurnal Akuntansi Dan Pajak*, *23*(01), 1–12.

Zahra, A. N. A., & Miranti, T. (2023). The Sharia Bank Stabiity : How Fintech And Financial Ratio Fixed It? *I-FINANCE: A Research Journal on Islamic Finance*, *09*(01), 51–69.