PROCEEDING ICONIES
FACULTY OF ECONOMICS
UIN MAULANA MALIK IBRAHIM MALANG
P-ISSN: 2476-9851 / E-ISSN: 2541-3333

THE EFFECT OF WADIAH GIRO DEPOSITS, WADIAH SAVINGS DEPOSITS, AND WADIAH BONUSES ON RETURN ON EQUITY WITH FIRM SIZE AS A MODERATING VARIABLE IN ISLAMIC BANKING IN INDONESIA PERIOD 2018.Q1-2023.Q3

Nisrina Salsabila[1], Eka Wahyu Hestya Budianto[2]
[1,2]Faculty of Economics, Universitas Islam Negeri Maulana Malik Ibrahim Malang
Jl. Gajayana No.50, Dinoyo, Malang City, East Java, 65144, Indonesia
nisrinasalsa10@gmail.com

ABSTRACT
This research studies the relationship between Wadiah Current Account, Wadiah Savings, Wadiah Bonus, and Return on Equity (ROE) in Islamic banks in Indonesia from 2018.Q1 to 2023.Q3. This study also explores how Firm Size moderates this relationship. Using purposive sampling method, 90 Islamic banks were selected over five years and four quarters. Panel Data Regression Analysis and Moderated Regression Analysis (MRA) were conducted using Eviews 12 software. The results of this study will explain the effect of wadiah demand deposits, savings investment funds, and deposit investment funds, and wadiah bonuses on ROE in Islamic banking in Indonesia for the period 2018.Q1-2023.Q3. This study will also explain the effect of frism size as a moderating variable on the relationship between variables with ROE

Keywords: Sharia Banking, Wadiah Current Account Deposits, Wadiah Savings Deposits, Savings Investment Funds, Deposit Investment Funds, Wadiah Bonuses, Return On Equity (ROE).

INTRODUCTION

Public enthusiasm for the sharia economy has soared rapidly, as evidenced by the emergence of sharia financial institutions such as sharia banking. Sharia banks, in contrast to conventional banks, sharia banks carry out their operations based on Islamic sharia principles which uphold justice, balance and benefit. As a financial institution, banks collect funds and channel them back to the community in the form of credit, as well as providing services related to payments and money circulation. To finance its operational activities, including providing financing, banks have several sources of funds. One of the main sources of funds is third party funds, which consist of savings, current accounts and deposits. These third party funds are a benchmark for the bank's success (Munawaroh et al., 2022).

In the sharia banking system they use a system in accordance with sharia principles which are adapted to justice, balance and benefit. Sharia banking itself offers a special economic system that is different from conventional banking, where sharia banking uses an economic system based on Islamic values, namely the values of the Al-Qur'an and the Hadith of the Prophet SAW (Sahrizal, 2019). Islamic banking in Indonesia has become an integral part of this country's financial system. In recent years, the sharia banking industry has shown significant growth, and many people are interested in financial products that comply with sharia principles. In this context, research on the factors that influence the financial performance of Islamic banking becomes very relevant.

Return on Equity (ROE) is an important financial performance indicator for banks, including sharia banking. ROE is tasked with measuring the company's efficiency in using shareholder capital to generate profits. There are several influences of internal factors such as wadiah demand deposits, wadiah savings deposits, savings investment funds, deposit investment funds, and wadiah bonuses on ROE. This needs to be understood more deeply to gain a better understanding of financial performance in sharia banking.

Wadiah giro deposits and wadiah savings deposits are two types of savings that use a deposit agreement in sharia banking. Savings investment funds and deposit investment

funds are important resources for banks to increase income. Meanwhile, the wadiah bonus is an incentive given to customers for their savings.

Firm Size itself is a moderating variable that will be used in this research. Apart from that, company size or firm size is also a factor that can influence the relationship between these variables and ROE in Islamic banking in Indonesia for the period 2018.Q1-2023.

The results of this research will be used to determine the influence of wadiah demand deposits, wadiah savings deposits, savings investment funds, deposit investment funds, and wadiah bonuses on ROE in sharia banking in Indonesia for the period 2018.Q1-2023.Q3, as well as the influence of firm size as a variable moderation of the relationship between these variables and ROE.

LITERATURE REVIEW

Firm Size

In its own definition, firm size is a moderating variable that will be used in this research. Firm Size will be used to determine the relationship between these variables and ROE in sharia banking in Indonesia for the period 2018.Q1-2023. This theory explains that company size can influence banking performance. Firm size can be used as a moderating variable to assess the influence of wadiah demand deposits, wadiah savings deposits, savings investment funds, deposit investment funds, and wadiah bonuses on ROE in sharia banking in Indonesia.

Wadiah Current Account Savings

According to Ghofur (2018), Giro Wadi'ah is a savings account based on sharia principles, where customers entrust their funds to the bank. Withdrawals can be made using checks, giro bills, or transfers. Customers do not get profit sharing, but rather a bonus whose value is not determined at the beginning of the contract. Meanwhile, according to Hanifah (2020), Wadi'ah Giro is a savings whose contract is based on deposit. Banks may not promise profits to customers, and customers may not demand profits from these savings.

Wadiah Savings Deposits

In this wadiah savings account, customers entrust their funds to the bank with a wadiah agreement. Unlike ordinary savings, banks do not promise profits on funds deposited. Customers may not demand or expect profits from these savings (Hanifah, 2020).

Wadiah Bonus

The bank gives bonuses to Wadiah savings customers as a form of appreciation for the funds deposited. This bonus is in the form of cash and is not promised at the start, but is a bank policy (Sudarsono, 2007).

HYPOTHESIS

Wadiah Current Account Savings Against ROE (H1)

According to Ghofur (2018), Giro Wadi'ah is a savings account based on sharia principles, where customers entrust their funds to the bank. Withdrawals can be made using checks, giro bills, or transfers. Wadiah demand deposits, short-term funds invested by customers, have been proven to increase profits (ROE) of Islamic banking in Indonesia during the 2018.Q1-2023.Q3 period. The increase in wadiah demand deposit funds drives an increase in sharia bank net profits because of their short-term nature and the potential for higher returns compared to long-term funds such as wadiah savings and deposits. This is proven by research by Munawaroh et al. (2022) and Hidayatul M et al. (2023) which shows a positive relationship between wadiah demand deposits and net profit and ROE. Wadiah demand deposits are an effective source of funds to increase sharia banking profits.

Wadiah Savings Deposits Against ROE (H2)

Wadiah savings deposits have a positive influence on Return on Equity (ROE) in sharia banking in Indonesia for the period 2018.Q1-2023.Q3. In this wadiah savings account, customers entrust their funds to the bank with a wadiah agreement. Unlike ordinary savings, banks do not promise profits on funds deposited. Customers may not demand or expect profits from these savings (Hanifah, 2020). Wadiah savings deposits also have a positive relationship with net profit, which shows that the higher the wadiah savings deposits, the higher the net profit. This is because wadiah savings can be used to make effective and profitable investments, which will increase sharia banking net profits (BSI Financial Position Report).

Wadiah Bonus Against ROE (H3)

A study by Arisanti et al. (2023) and Mauliza et al. (2019) found that wadiah bonuses in Indonesian sharia banking don't directly impact a bank's Return on Equity (ROE) between the first quarter of 2018 and the third quarter of 2023. This aligns with research published in "The Influence of Liquidity Ratios on Return on Equity in Sharia Commercial Banks in Indonesia" by Rizka Mauliza et al. (2019). Their study, which analyzed data from 2015 to 2019, concluded that wadiah bonuses have no significant effect on ROE in Indonesian Sharia Commercial Banks.

Reward on ROE moderated by Firm Size (H4)

These Wadiah Giro deposits are part of third party funds in Sharia Banking, and these Wadiah giro deposits have significant potential in increasing the bank's Return On Equity (ROE). This ROE is a calculation calculated as the ratio between net profit and equity capital, and shows the efficiency of using capital in achieving profits. In the context of Islamic banks, ROE also influences the bank's financial performance and ability to increase revenue and profits. Wadiah Giro Savings against ROE can be moderated by Firm Size. Firm Size, which is measured by the number of assets, can influence how banks use Wadiah demand deposits to increase ROE. Banks that have a larger firm size may have more ability to manage wadiah demand deposits and increase ROE, while banks with a smaller firm size may have less ability to do this.

The Influence of Wadiah Savings Deposits on ROE Moderated by Firm Size (H5)

Wadiah Savings Deposit itself is a sharia banking product where customers can save money and withdraw it at any time without getting profit sharing. Wadiah savings deposits can provide greater liquidity for banks, which can be used to fund various operational and investment activities. Good liquidity can support operational stability and efficiency, which can increase ROE. Larger companies usually have access to greater and cheaper resources, as well as the ability to reduce operational costs. This can have a positive impact on operational efficiency and profitability, thereby increasing ROE.

The effect of Wadiah Bonus on ROE is moderated by Firm Size (H6)

Wadiah bonus is a reward given by the bank to wadiah investment fund customers as a reward or encouragement in the form of cash to wadiah investment fund customers, as a form of reward for depositing their assets with the bank. The distribution of this bonus was not agreed upon at the beginning, so this is entirely at the bank's discretion (Sudarsono, 2007). This bonus is not a customer right that was promised from the start, but is the bank's policy to give appreciation to customers. Providing wadiah bonuses can increase customer satisfaction. Customers who feel appreciated tend to be more loyal and increase the volume of their savings. Increased loyalty can reduce new customer acquisition costs and increase the stability of third party funds, which can be used for investments and financing that increase ROE. Large companies usually have better economies of scale. They can provide more attractive prize bonuses without burdening operational costs too much, thereby increasing the attractiveness of the product and the volume of savings.

Wadiah Current Account Deposits, Wadiah Savings Deposits, and Wadiah Bonuses Simultaneously Influence Return On Equity (ROE) (H7)

The following is the relationship between the independent variable and the dependent variable:

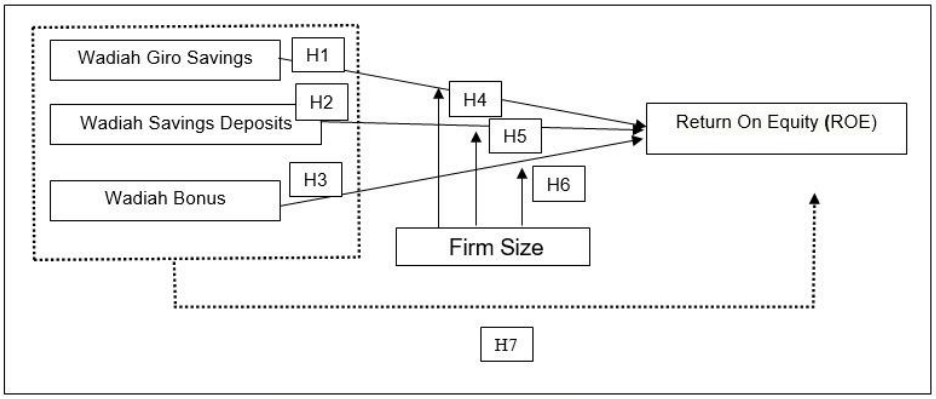

Figure 1 Conceptual Framework
Source: Created by the author (2024)

METHODS

This research employs a quantitative method. Data was gathered from relevant financial reports of sharia banks in Indonesia. These reports were retrieved from official sources like ojk.go.id or company websites for the period 2018.Q1-2023.Q3. The target population encompassed all financial reports of Islamic banks registered and listed on the Indonesia Stock Exchange (BEI) during this timeframe. Purposive sampling was used to select a sample of 90 companies from the sharia banking sector, with 5 companies chosen from each quarter within the 5-year period (2018.Q1-2023.Q3).

This research uses two data analysis techniques, namely the Panel Data Regression Model and Moderated Regression Analysis (MRA). MRA, or Interaction Test, is an analytical approach methodology that maintains sample integrity and makes it possible to evaluate the influence of moderating variables (Imam, 2018). The following is the model equation in examining panel data regression analysis (Formula 1).

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + ei \quad (1)$$

Explanation:
Y = *Return On Equity* (ROE)
α = Constant
β = Regression Coefficient
X1 = Wadiah Giro Savings
X2 = Wadiah Savings Deposits
X3 = Wadiah Bonus
ei = Error

This research tests the hypothesis using regression analysis involving moderating variables through Moderating Regression Analysis (MRA). The regression equation in this research contains elements of interaction, which can be explained by the following formula (2).

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 Z + \beta_5 X_1 * Z + \beta_6 X_2 * Z + \beta_7 X_3 * Z + ei \quad (2)$$

Explanation:
Z = Firm Size

RESULTS AND DISCUSSION

Descriptive Analysis

Table 1. Descriptive Statistics

	X1_SGW	X2_STW	X3_BW	Y	Z
Mean	3648583.	5412123.	19760.50	6.205652	17.00652
Median	1125552.	466416.0	5254.000	3.150000	17.08000
Maximum	27797852	44214405	277538.0	23.44000	19.58000
Minimum	158228.0	71477.00	261.0000	-23.60000	15.45000
Std. Dev.	6544026.	10888656	40830.74	7.702656	1.150835

Source: Data processed by the author with Eviews (2024)

Table 1 shows that the study included 90 samples – companies in the sharia banking sector listed on the Indonesia Stock Exchange (BEI) from the first quarter of 2018 to the third quarter of 2023 (2018Q1-2023Q3). Focusing on the wadiah current account savings variable (X1), the descriptive statistics in Table 1 reveal an average value of 3648583, a median of 1125552, a maximum value of 27797852, a minimum value of 1582280, and a standard deviation of 6544026.

Similar to the wadiah current account savings variable, the descriptive statistics for the wadiah savings deposit variable (X2) in Table 1 reveal an average value of 5,412,123, a median of 466416.0, a maximum value of 44214405, a minimum value of 71477.00, and a standard deviation of 10888656. In the wadiah bonus variable (X3), based on the results of descriptive statistics in Table 4.1, it can be seen that the wadiah bonus variable has an average value of 19760.50, a median of 5254.000, a maximum value of 277538.0, a minimum value of 261.0000, and a standard deviation of 40830.74.

In the firm size (Z) variable, based on the results of the descriptive statistics in Table 1 above, it can be seen that the firm size variable has an average value of 17.00652, a median of 17.08000, a maximum value of 19.58000, a minimum value of 15.45000, and a standard deviation of 1.150835. In the Return On Equity (Y) variable, based on the results of the descriptive statistics in Table 1 above, it can be seen that the Return On Equity variable has an average value of 6.205652, a median of 3.150000, a maximum value of 23.44000, a minimum value of -23.60000, and a standard deviation of 7.702656.

Selection of Panel Data Regression Models

This selection is carried out to select a panel data regression model, where this selection is an analysis stage to determine the best method between Common Effect, Fixed Effect or Random Effect.

Chow Test

This chow test was carried out to find out which model is the best between the Common Effect Model (CEM) and the Fixed Effect Model (FEM). Based on table 2, the results of the Chow test show that the probability cross-section chi-square value is 0.0000 <0.05. So it can be said that in this test, the best model to use is the Fixed Effect Model (FEM).

Table 2. Chow Test Result

Effects Test	Statistic	d.f.	Prob.
Cross-section F	84.292595	(4,105)	0.0000
Cross-section Chi-square	165.339518	4	0.0000

Source: Data processed by the author with Eviews (2024)

Hausman Test

The Hausman test is carried out with the aim of selecting the best model between the Fixed Effect Model (FEM) and the Random Effect Model (REM).

Table 3. Hausman Test Result

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	340.358189	4	0.0000

Source: Data processed by the author with Eviews (2024)

From table 3 above, it can be seen that the results of the Hausman test above show a probability value of 0.0000 < 0.05. So it can be said that in this test, the best model to use is the Fixed Effect Model (FEM).

Classic assumption test

Normality Test

Based on Figure 2, the normality test results show that the probability value is 0.936083, which means the probability value is above 0.05 (0.936083 > 0.05). So it can be concluded that the data in this study is normally distributed

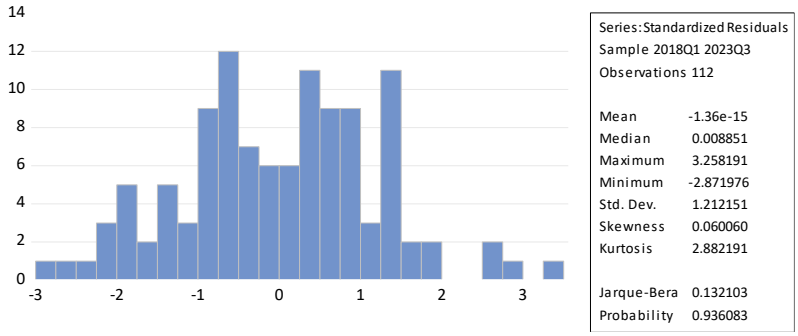

Figure 2. Normality Test
Source: Data processed by the author with Eviews

Multicollinearity Test

Based on table 4, the results of the multicollinearity test can be seen if the correlation value between independent variables is below 0.85. This means that if the research data does not contain multicollinearity between independent variables

Table 4. Multicollinearity Test

	X1_SGW	X2_STW	X3_BW	Y_ROE
X1	1.000000	0.956519	0.310680	0.380423
X2	0.956519	1.000000	0.172933	0.369033
X3	0.310680	0.172933	1.000000	0.010573

Source: Data processed by the author with Eviews (2024)

Heteroscedasticity Test

Based on table 5 with the results of the heteroscedasticity test, it can be seen that the resulting probability value is above 0.05. A regression model is said to be free from heteroscedasticity if it has a probability value above 0.05. So it can be concluded that in the regression model used in this research there is no heteroscedasticity.

Table 5. Heteroscedasticity Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3.033139	0.246041	12.32778	0.0000
X1	2.42E-07	1.65E-07	1.463378	0.1462
X2	1.90E-07	9.49E-08	2.006853	0.0472
X3	9.38E-07	7.97E-06	0.117688	0.9065

Source: Data processed by the author with Eviews (2024)

Panel Data Regression Analysis

Below are the results of panel data regression analysis using the best model, namely the Fixed Effect Model regression:

Table 6. Fixed Effect Model Panel Data Regression Analysis

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	22.45588	41.75748	0.537769	0.5919
X1	3.52E-07	2.43E-07	1.450501	0.1499
X2	1.55E-07	1.83E-07	0.848953	0.3978
X3	-1.51E-05	1.62E-05	-0.933575	0.3526
Z	-1.062811	2.504125	-0.424424	0.6721

Source: Data processed by the author with Eviews (2024)

Moderated Regression Analysis (MRA)

Moderating variables can be interpreted as variables that can strengthen or weaken the relationship between the independent variable and the dependent variable. Below are the test results from the moderation regression analysis:

Table 7. Moderation Regression Analysis Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-145.9477	14.81607	-9.850634	0.0000
X1	-1.68E-05	6.36E-06	-2.640443	0.0095
X2	-3.32E-05	3.92E-06	-8.472358	0.0000
X3	0.000895	0.000431	2.073148	0.0406
X1XZ	9.00E-07	3.45E-07	2.608119	0.0104
X2XZ	1.65E-06	2.06E-07	8.037818	0.0000
X3XZ	-4.37E-05	2.41E-05	-1.812674	0.0727

Source: Data processed by the author with Eviews (2024)

Statistic test

T test

This t test is to test whether partially the dependent variable has a significant effect on the independent variable. Apart from that, it is also used to determine whether the influence of each independent variable on the dependent variable is tested at a significant level of 0.05 or with a confidence level of 95% and an error rate of 5%.

Table 8. T Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-145.9477	14.81607	-9.850634	0.0000
X1	-1.68E-05	6.36E-06	-2.640443	0.0095
X2	-3.32E-05	3.92E-06	-8.472358	0.0000
X3	0.000895	0.000431	2.073148	0.0406
X1*Z	9.00E-07	3.45E-07	2.608119	0.0104
X2*Z	1.65E-06	2.06E-07	8.037818	0.0000
X3*Z	-4.37E-05	2.41E-05	-1.812674	0.0727

Source: Data processed by the author with Eviews (2024)

Based on the t test above which has been carried out by the author in this research, it can be seen that the results obtained from the t test are as follows: 1) Hypothesis 1 (H1): Wadiah Current Account Savings has an influence on firm size. With a coefficient value of -1.68E-05 and a probability value of 0.0095, which means it is smaller than the significant value of 0.5 or 5%. This shows that firm size can influence financial sector companies for the 2018Q1-2023Q3 period; 2) Hypothesis 2 (H2): Wadiah Savings Deposits have an influence on firm size. With a coefficient value of -3.32E-05 and a probability value of 0.0000, which means it is smaller than the significant value of 0.5 or 5%. This shows that firm size can influence financial sector companies for the 2018Q1-2023Q3 period; 3) Hypothesis 3 (H3): Wadiah Bonus has an influence on firm size. With a coefficient value of 0.000895 and a probability value of 0.0406, which means it is smaller than the significant value of 0.5 or 5%. This shows that firm size can influence financial sector companies for the 2018Q1-2023Q3 period; 4) Hypothesis 4 (H4): Wadiah Current Account Savings has a moderated effect on firm size. With a coefficient value of 9.00E-07 and a probability value of 0.0104, which means it is smaller than the significant value of 0.5 or 5%. This shows that wadiah demand deposits are able to moderate the influence of wadiah demand deposits on firm size in financial sector companies for the 2018Q1-2023Q3 period; 5) Hypothesis 5 (H5): Wadiah Savings Savings has a moderated effect on firm size. With a coefficient value of 1.65E-06 and a probability value of 0.0000, which means it is smaller than the significant value of 0.5 or 5%. This shows that wadiah savings deposits are able to moderate the influence of wadiah savings deposits on firm size in financial sector companies for the 2018Q1-2023Q3 period; 6) Hypothesis 6 (H6): Wadiah bonuses have a moderated effect on firm size. With a coefficient value of -4.37E-05 and a probability value of 0.0727, which means it is smaller than the significant value of 0.5 or 5%. This shows that wadiah bonuses are able to moderate the influence of wadiah bonuses on firm size in financial sector companies for the 2018Q1-2023Q3 period; 7) Hypothesis 7 (H7): Based on the calculations in table 10, it can be concluded that the variables wadiah current account savings, wadiah savings deposits, and wadiah bonuses have a significant effect on firm size. This is because the significance value is 0.05 or 5% with the criterion that if the significance value F is <0.05 then the regression coefficient is appropriate to use. The F test results in table 10 above show a significance value of F of 0.000000, this value is smaller than the significance value of 0.05. So, it can be concluded that wadiah current account savings, wadiah savings deposits and bonuses simultaneously have an influence on firm size.

F Test

The F test is used to test whether the independent variables simultaneously have a significant effect on the dependent variable. The following are the results of the F test.

Table 9. F Test Results

Prob(F-statistic)	0.000000

Source: Data processed by the author with Eviews (2024)

The F test in this study uses a significance value of 0.05 or 5% with the criterion that if the F significance value is <0.05 then the regression coefficient is appropriate to use. The F test results in table 10 above show a significance value of F of 0.000000, this value is smaller than the significance value of 0.05. So, it can be concluded that wadiah current account savings, wadiah savings deposits and bonuses simultaneously have an influence on firm size.

Coefficient of Determination Test

The Determination Coefficient is used to show how much the independent variable contributes to the regression model in explaining variations in the dependent variable.

Table 10. Coefficient of Determination Test Results

Adjusted R-squared	0.600261

Source: Data processed by the author with Eviews (2024)

Based on table 10, the results of the panel data regression test on firm size as a moderating variable show that the Adjusted R2 value is 0.358683. This can be interpreted that 35.86% of the moderating variable can be explained by wadiah checking deposits, wadiah savings deposits, and wadiah bonuses. Meanwhile, the rest can be explained by other variables outside the regression model.

Discussion

The Effect of Wadiah Current Account Savings on ROE

Based on table 9, the test results show that Wadiah Giro Savings has an influence on ROE. With a coefficient value of -6.06E-07 and a probability value of 0.2723, which means it is smaller than the significant value of 0.5 or 5%. This shows that Wadiah demand deposits have an effect on ROE in financial sector companies for the 2018Q1-2023Q3 period. So it shows that wadiah demand deposits have a negative effect on ROE in financial sector companies for the 2018Q1-2023Q3 period. So the hypothesis proposed by the researcher, namely H1: Wadiah demand deposits have an effect on ROE, is accepted.

The negative influence of wadiah demand deposits on ROE occurs when banks are unable to process wadiah demand deposit funds efficiently or experience higher increases in operational costs. Research conducted by Rohmalyani and Rimi Gusliana Mais shows that wadiah demand deposits have a negative effect on ROE. This is caused by factors such as higher operational costs, increased management costs, obstacles in the funds processing process, and increased costs of sending funds to customers (Barik, 2022). This negative influence does not mean that wadiah giro savings are inherently bad. Rather, it suggests that the bank may need to manage its wadiah demand deposits very carefully to maximize its profitability and maintain a healthy level of ROE. This could be through appropriate liquidity management strategies, investment portfolio diversification, or adjustments in the bank's cost and income structure.

The Effect of Wadiah Savings Deposits on ROE

Analyzing table 9, the data reveals a connection between Wadiah Savings Deposits and ROE. The coefficient value of -4.68E-07 and a p-value of 0.2204, which is smaller than the standard significance level of 0.05 (or 5%), suggests a negative influence. In simpler terms, the results indicate that wadiah savings deposits have a negative impact on ROE in financial institutions during the period of 2018Q1 to 2023Q3. This supports the researcher's hypothesis (H2) that wadiah savings deposits do influence ROE.

The negative influence of wadiah savings deposits on ROE occurs when banks are unable to process wadiah savings funds efficiently or experience higher increases in operational costs. Research conducted by (Syarah Saputri, 2022) shows that wadiah savings have an effect on the ROA variable at Muamalat Bank for the 2016-2020 period. This is caused by factors such as higher operational costs, increased management costs, obstacles in the funds processing process, and increased costs of sending funds to customers (S. Putri, 2022). However, although wadiah savings deposits can have a negative influence on ROE, there are also other advantages and benefits for banks, such as increasing funding stability and customer confidence. Therefore, bank management needs to carry out the right strategy in managing wadiah savings deposits in order to maximize profits while maintaining a healthy ROE. This may involve diversifying investment portfolios, efficiently managing operational costs, and developing more profitable products and services.

Effect of Wadiah Bonus on ROE

Based on table 9, the test results show that the Wadiah Bonus has an influence on ROE. With a coefficient value of -1.56E-05 and a probability value of 0.5024, which means it is smaller than the significant value of 0.5 or 5%. This shows that wadiah bonuses have an effect on ROE in financial sector companies for the 2018Q1-2023Q3 period. So it shows that wadiah bonuses have a negative effect on ROE in financial sector companies for the 2018Q1-2023Q3 period. So the hypothesis proposed by the researcher, namely H3: wadiah bonuses have an effect on ROE, is accepted.

The negative influence of wadiah bonuses on ROE occurs when the bonus reduces the bank's financial performance. Research conducted by Nurul Inayah shows that wadiah bonuses have a negative effect on ROE at BCA Syariah Bank (Pratiwi, 2019). The wadiah bonus itself is a form of incentive or gift given to wadiah savings account holders by the bank in accordance with certain policies implemented by the bank. The following are negative impacts such as reduced income, impact on capital efficiency, decreased net margin, and risk perception. Although wadiah bonuses can provide benefits to account holders and increase customer loyalty, banks need to consider their impact on their financial health, including the effect on ROE. Good risk management strategies and efficient management of resources are the keys to reducing the negative impact on ROE.

The influence of Wadiah Current Account Savings on ROE with Firm Size as moderation

Based on table 9, the test results show the probability value of the interaction between wadiah current account savings and profitability (ROE) with a coefficient value of -6.06E-07 and a probability value of 0.2723, which means it is smaller than the significant value of 0.5 or 5%. This shows that wadiah demand deposits are able to moderate the influence of wadiah demand deposits on ROE in financial sector companies for the 2018Q1-2023Q3 period. These results indicate that profitability cannot strengthen the influence of Wadiah current account savings on ROE. So the hypothesis proposed by the researcher, namely H4: Profitability is able to moderate wadiah current account savings on ROE, is accepted. Research conducted by Nurul Inayah (2020) shows that Wadiah demand deposits have a positive effect on ROE at BCA Syariah Bank, but the effect decreases when firm size increases. This is caused by factors such as higher operational costs, increased management costs, obstacles in the funds processing process, and increased costs of sending funds to customers. Other research also shows that firm size influences the effect of Wadiah current account savings on ROE. Research conducted by Azizoma (2023) shows that wadiah demand deposits have a positive effect on ROA at Bank NTB Syariah, but the effect decreases when firm size increases. Therefore, the influence of wadiah demand deposits on ROE with firm size as a moderating influence is positive, but the influence decreases when firm size increases.

Effect of Wadiah Savings Deposits on ROE with Firm Size as moderation

Based on table 9, the test results show the probability value of the interaction between Wadiah savings deposits and profitability (ROE) with a coefficient value of -4.68E-07 and a probability value of 0.2204, which means it is smaller than the significant value of 0.5 or 5%. This shows that wadiah savings deposits are able to moderate the influence of wadiah current account savings on ROE in financial sector companies for the 2018Q1-2023Q3 period. These results indicate that profitability cannot strengthen the influence of Wadiah current account savings on ROE. So the hypothesis proposed by the researcher, namely H5: Profitability is able to moderate wadiah current account savings on ROE, is accepted. Research conducted by Azizoma (2023) shows that wadiah savings have a positive effect on ROA at Bank NTB Syariah, but the effect decreases when firm size increases. This is caused by factors such as higher operational costs, increased management costs, obstacles in the funds processing process, and increased costs of sending funds to customers (D. M. Putri, 2021). Other research also shows that firm size influences the effect of wadiah savings on ROE. Research conducted by Indra Kurnia shows that bank size influences capital buffers in Islamic commercial banks in Indonesia. This is caused by factors such as bank size, risk, profitability and capital buffer (Umar, 2019). Therefore, the influence of wadiah savings on ROE with firm size as a moderating influence is positive, but the influence decreases when firm size increases.

Effect of Wadiah Bonus on ROE with Firm Size as moderation

Based on table 9, the test results show the probability value of the interaction between wadiah bonus and profitability (ROE) with a coefficient value of -1.56E-05 and a probability value of 0.5024, which means it is smaller than the significant value of 0.5 or 5%. This shows that wadiah bonuses are able to moderate the influence of wadiah demand deposits

on ROE in financial sector companies for the 2018Q1-2023Q3 period. These results indicate that profitability cannot strengthen the effect of wadiah bonuses on ROE. So the hypothesis proposed by the researcher is H6: Profitability is able to moderate the wadiah bonus on ROE received.

The effect of wadiah bonuses on ROE with firm size as moderation depends on the relationship between company size and financial performance. Research conducted by (Nurul Rahmi and Ratna Anggraini) shows that wadiah bonuses do not have a positive effect on profitability, and CAR, BOPO, NPF, and CSR disclosure simultaneously have a statistically significant positive effect. This is caused by factors such as higher operational costs, increased management costs, obstacles in the funds processing process, and increased costs of sending funds to customers (Ermini Kusma, 2019). Other research also shows that firm size influences the effect of wadiah bonuses on ROE. Research conducted by Indra Kurnia shows that firm size influences capital buffers in Islamic commercial banks in Indonesia. This is caused by factors such as bank size, risk, profitability and capital buffer (D. M. Putri, 2021). Therefore, the influence of wadiah bonuses on ROE with firm size as a moderating influence is positive, but the influence decreases when firm size increases.

The effect of Wadiah Current Account Savings, Wadiah Savings Deposits and Wadiah Bonus simultaneously on ROE

The data in Table 10 suggests that wadiah current account savings, wadiah savings deposits, and wadiah bonuses all influence ROE together. This conclusion is based on the significance value (F-statistic) of 0.000000, which is well below the standard threshold of 0.05. In simpler terms, the results show a statistically significant relationship between these three wadiah variables and ROE. This finding aligns with the researcher's hypothesis (H7), which states that wadiah current account deposits, wadiah savings deposits, and wadiah bonuses have a combined effect on ROE.

Based on table 11, the results of the panel data regression test on ROE as the dependent variable show that the Adjusted R2 value is 0.358683. This can be interpreted as meaning that 35.86% of the ROE variable can be influenced by other factors so that to carry out further research you can use other independent variables.

CONCLUSION

From the results of this test, it can be concluded that wadiah checking deposits, wadiah savings deposits, and wadiah bonuses show a significant negative influence on ROE. Based on the calculations in table 10, it can be concluded that the variables wadiah current account savings, wadiah savings deposits, and waadiah bonuses have a significant effect on ROE. This is because the significance value is 0.05 or 5% with the criterion that if the significance value F is <0.05 then the regression coefficient is appropriate to use. The F test results in table 10 above show a significance value of F of 0.000000, this value is smaller than the significance value of 0.05. So, it can be concluded that Wadiah checking deposits, Wadiah savings deposits and bonuses simultaneously have an influence on ROE. These results indicate that wadiah checking deposits, wadiah savings deposits, and wadiah bonuses have a simultaneous effect on ROE. Apart from that, in this research, profitability was able to moderate wadiah checking deposits, wadiah savings deposits, and wadiah bonuses on ROE.

REFERENCES

Arisanti, Y., & Junaidi, J. (2023). Financing, ROA and ROE in Sharia Banks in Indonesia. *Journal of Economics, Management, Accounting and Technology* , *6* (2), 228–236. https://doi.org/10.32500/jematech.v6i2.4099

Ariyanti, R. (2019). The Influence of Tangible Assets, Roe, Firm Size, Liquidity on Price Book Value with Capital Structure as an Intervening Variable in Banking Companies. *BALANCE: Journal of Economics, Business, Management and Accounting* , *16* (1). https://doi.org/10.30651/blc.v16i1.2450

Azizoma, R. (2023). *The Effect Of Murabahah Financing, Wadi'ah Savings And Mudharabah Deposits On Profitability (Roa) At Bank Ntb Syariah Mataram City Head Office* . https://journal.uinmataram.ac.id/index.php/jps/index

Barik, AM (2022). *The Influence of Wadiah Current Accounts and Wadiah Savings on Operational Profit Growth in Sharia Regional Development Banks in Indonesia for the 2014-2020 Period* . https://eprints.walisongo.ac.id/id/eprint/17882/

Cahyani, I., Mardi, M., & Ulupui, IGKA (2024). The Influence of Institutional Ownership and Capital Structure on Company Value with Profitability as a Moderating Variable. *Journal of Management and Business Research (JRMB) UNIAT Faculty of Economics* , *3* (2), 293–306.

Ermini K., D. (2019). *The Influence of Wadiah Savings, Wadiah Giro and Mudharabah Deposits on Net Profit (Survey of Sharia Commercial Banks in Indonesia Registered with the OJK for the 2013-2018 Period)* . http://repository.unsil.ac.id/435/

Ghofur, AA (2018). *Sharia Banking in Indonesia* . Yogyakarta: Gadjah Mada University Press.

Gozali, M., Saputra, MA, Dewi, NDT, & Budianto, EWH (2023). Research Mapping Regarding Determining Variables of Return on Equity (Roe) in Sharia Banking: Vosviewer Bibliometric Study and Literature Review. *IDEI: Journal of Economics & Business* , *4* (1), 34–47. https://doi.org/10.38076/ideijeb.v4i1.151

Hariyanto, A. (2019). *Analysis of Bad Credit Factors at PT Bank Rakyat Indonesia Tbk Unit Way Halim Lampung Branch* . http://repo.darmajaya.ac.id/1265/

Idrus, A. (2018). The Influence of Internal and External Factors on Return on Equity (ROE). *Misykat Al-Anwar Journal of Islamic and Community Studies* , *29* (2), 79–98. https://jurnal.umj.ac.id/index.php/MaA16/index

Imam, G. (2018). *Multivariate Analysis Application with the IBM SPSS 25 Program* . Diponegoro University Publishing Agency.

Indriasari, R., Muliati, & Santoso, AB (2018). Customer Perceptions about Wadiah Savings. *Journal of Accounting and Management Research and Applications* , *3* (1), 1–7. https://doi.org/10.18382/jraam.v3i1.1

Ismi, N., Cipta, W., & Yulianthini, NN (2021). Analysis of the Effect of Debt to Equity Ratio and Firm Size on Return on Equity at CV. Dwikora Usaha Mandiri. *Indonesian Management Journal* , *4* (1), 10–17.

Kautsar, A. (2014). Analysis of the Influence of Firm Size, DER, and Sales Growth on Dividend Payout Ratio with ROE as an Intervening Variable in Non-Financial Companies Listed on the IDX in 2009-2011. *Journal of Business Strategy* , *23* (2), 1–13. https://ejournal.undip.ac.id/index.php/jbs/article/view/14374

Lutfi K., H. (2020). *The Influence of Wadiah Giro, Wadiah Savings, Mudharabah Savings, and Mudharabah Deposits on Mudharabah Financing at PT. BRI Syariah 2016-2018 Period* . http://etheses.iainponorogo.ac.id/id/eprint/9477

Maratul M., Sucipto, & Bambang Kurniawan. (2022). The Influence of Wadiah Giro, Wadiah Savings, and Deposits on Net Profit Growth at PT. Bank Muamalat Indonesia. *AKUA: Journal of Accounting and Finance* , *1* (3), 309–315. https://doi.org/10.54259/akua.v1i3.980

Mauliza, R., Sufi, S., & Sos, M.A. (2021). The Influence Of Liquidity Ratio On Return On Equity In Sharia Commercial Banks In Indonesia. In *NEGOTIUM: Journal of Business Administration* (Vol. 4, Issue 2).

Muhammad Nur, M., Sharia Economics, J., Economics and Business, F., & Author, N. (nd). *Factors Affecting Wadiah Bonus At Pt. Bank Muamalat Indonesia (Period 2013-2019)*.

Novianto, USA (2021). The Influence Of Income And Bonus Rates On Sharia Banking Wadiah Savings In Indonesia. *Journal Of Cooperation And Management* , *02* (02). http://journal.stiekop.ac.id/index.php/komastie

Nurmalityari, N., & Durya, NPMA (2022). The Influence of Company Size, Return on Equity, and Leverage on Company Value. *Social Sciences, Entrepreneurship and Technology (IJESET)* , *1* (4), 271–278. http://journal.sinergipendikia.com/index.php/ijeset

Nurul Hidayatul M, Ana Khoirun N., & Agus Eko Sujianto. (2023). The Influence of Wadiah

Savings and Wadiah Current Accounts on BRI Syariah Bank Net Profit for the 2015-2019 Period. *Journal of General Studies and Research* , *1* (3), 49–59. https://doi.org/10.47861/jkpu-nalanda.v1i3.192

Pratiwi, L. (2019). *The Influence of Return on Assets (ROA), Return on Equity (ROE), and Operating Expenses on Operating Income (BOPO) on the Wadiah Savings Bonus Level at BCA Syariah Bank for the 2011 - 2018 Period* . http://repository.iainpalu.ac.id/id/eprint/1254

Putri, DM (2021). *The Influence of Mudharabah Deposits, Equity and Size on Return on Assets at BNI Syariah Bank for the 2012-2019 Period* . https://etheses.iainponorogo.ac.id/13091/

Putri, S. (2022). *The Effect of Pooling Mudarabah Savings and Wadiah Savings on Return on Assets (ROA) at Bank Muamalat for the 2016-2020 Period* . http://repository.iainbengkulu.ac.id/10271/1/SYARAH SAPUTRI.pdf

Qodhari, D., & Musthofa, MW (2023). Analysis of the Effect of Return on Equity and Earning Per Share on the Share Price of PT Bank Syariah Indonesia Tbk. In *Journal of Islamic Economics and Business* (Vol. 6, Issue 3). www.idx.co.id

Renaldo, N., Rozalia, DK, Musa, S., Wahid, N., & Cecilia. (2023). Current Ratio, Firm Size, and Return on Equity on Price Earnings Ratio with Dividend Payout Ratio as Moderation and Company Characteristics as Control Variables in the MNC 36 Index for the 2017-2021 Period. *Journal of Applied Business and Technology* , *4* (3), 214–226. https://doi.org/10.35145/jabt.v4i3.136

Rochim, & Ghoniyah, N. (2017). International Journal of Islamic Business Ethics (IJIBE) Special Issue, April 2017 "Managing Human Capital in Organizations" Analysis Of The Influence Of Current Ratio, Cashflow From Operations On Debt, Company Size And Return On Equity On Stock Returns. *International Journal of Islamic Business Ethics* , *7* (1), 41–51.

Sahrizal, H. (2019). *The influence of wadiah giro savings funds and wadiah savings deposits on total liabilities at PT Bank BCA Syariah TBK for the 2015-2018 period* [UIN Sunan Gunung Djati Bandung]. https://digilib.uinsgd.ac.id/id/eprint/30129

Sudarsono, H. (2007). *Sharia Banks and Financial Institutions* . Econisia.

Tito Aryojati Marsudi. (2016). *Implementation of PT. Term Deposits. Bank Rakyat Indonesia (PERSERO) Tbk Jemursari Surabaya Branch* .

Umar, GO (2019). *The Influence of Bank Financing and Bank Size on Capital Buffer (Empirical Study on Financial Reports of Sharia Commercial Banks in Indonesia for the 2014-2018 Period)* . http://repository.radenintan.ac.id/9619/1/PUSAT.pdf