

Does Firm Size Strengthen the Link between Financial Performance and Profit Growth? Evidence from Indonesia Islamic Bank

Neyzha Virela Lourencia Febrian¹, Tiara Juliana Jaya²

Fakultas Ekonomi, Universitas Islam Negeri Maulana Malik Ibrahim Malang^{1,2}

*Corresponding author, e-mail: febriannyzha@gmail.com

ARTICLE INFO

Received 22 Oktober 2025

Accepted 16 Desember 2025

Published 19 Desember 2025

Keywords: Total Asset Turnover, Return on Asset, Debt to Equity Ratio, Profit Growth, Firm Size

DOI :

<https://doi.org/10.24036/ecogen.v8.i4.30>

ABSTRACT

This study aims to determine the effect of Total Asset Turnover, Return on Assets, Debt to Equity Ratio on the profit growth of Islamic Commercial Banks, as well as the effect of firm size as a moderator on the relationship between financial performance and profit growth, focusing on the population of the research, 14 Islamic Commercial Banks, and samples of the research, 10 Islamic Commercial Banks, in Indonesia selected using purposive sampling method. The data used is secondary data sourced from Islamic Commercial Banks financial statements from 2019 to 2024, which can be accessed on the respective websites of the banks. The researcher conducts the Panel Data Analysis and then conducts Moderated Regression Analysis for this study. The results of the research show that profit growth is influenced positively by TAT and that ROA and DER do not positively affect profit growth. The results also showed that firm size, as a moderator, positively influenced the relationship of TAT and ROA to profit growth, while, on the other hand, it was found not to have a moderating effect on the relationship between DER and profit growth.



This is an open access article distributed under the Creative Commons 4.0 Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited. ©2025 by author.

INTRODUCTION

Based on *Sharia* principles, *Sharia* Banks perform their services as a payment alternative (financial intermediary) and conduct other transaction activities as long as they comply with legal and *Sharia* provisions. In the *Sharia* context, banks as intermediary institutions must have good financial performance, as shown in the financial statements, particularly in the aspect of profits, and must pay attention to the growth of profits. Profit, in this case, is a critical determinant for businesses to ensure that they can survive and continue with their operations (Febtiyana & Rahman, 2022). Profit growth within the banking sector, as stated by Findiani & Maharani (2023), is a main concern for investors as well as the state. High profit growth of a banking institution is

a clear manifestation of the sound performance of the institution and the effective functioning of the economy., as shown in Figure 1.

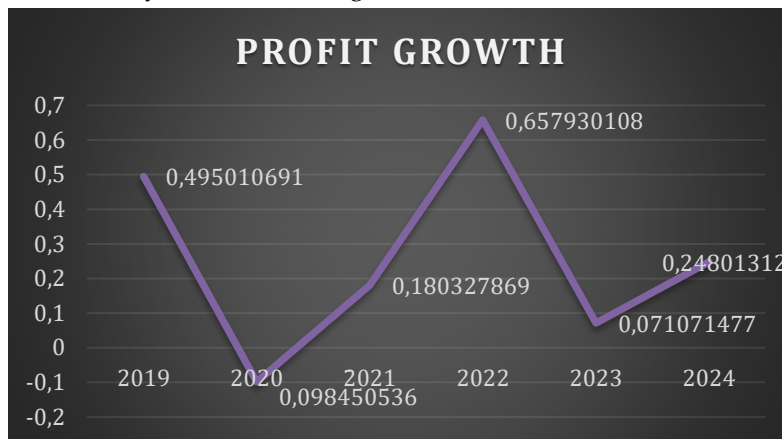


Figure 1. Profit Growth of Islamic Commercial Banks 2019 – 2024

Source: Sharia Banking Statistics, processed data 2025

The historical profit data for Islamic Commercial Banks from 2019 to 2024 have variable profit growth trends, as illustrated in Figure 1. Profit growth was 49.5% more than the 2019 record. A year 2020 sustained another decrease, a sharp one, occurred at -9.8%. 2021-2022 experienced subdued fluctuations in profit at 18%. Shortly thereafter, 2022 profits surged by 65.8%. Rising profit in 2023 was more than the profit in 2022, with a 7.1% increase. 2024 records a 24.8% increase over the previous year. Profit record for 2020 reflects economic contraction due to the COVID-19 pandemic. Profit recorded in subsequent years reflects a gradual economic recovery.

Investors make informed decisions about which businesses to invest in depending on the potential profitability of a growing business and the rate of return on their initial investment. Financial data serves to measure the performance of a business (Rahardjo et al., 2023). Analyzing financial statements, which involves computing and interpreting several financial ratios, also serves to measure the rate of profitability growth. Financial ratios are of great assistance to financial statement users in making relevant financial decisions. Financial ratios are also valuable in assessing the predictive potential of profitability analysis over a specific period (Jatmika & Kartini, 2025). Different financial ratios can also be leveraged to determine the factors that are responsible for the increase in a business's profitability.

One of those ratios is the Total Asset Turnover, which illustrates how a business efficiently utilizes its assets to generate revenue. When the Total Asset Turnover ratio grows, and profitability also increases, it implies the firm is optimizing resource utilization in income generation (Widyastuti & Agustina, 2020). A higher Total Asset Turnover means better operational efficiency, which means the firm effectively utilizes its total assets to increase its profitability.

The profitability potential of asset efficiency needs further assessment. Return on Assets (ROA) is a significant indicator of how a bank possesses and competently utilizes assets to earn income and, thus, produce profits (Widiyanti, 2022). An elevated ROA indicates an entity's ability to intricately manage its total assets and, consequently, attain higher profits. More extensive

assets allow a firm to diversify its operational and investment activities, thus improving its profitability. Such a scenario suggests that firms with a commendable ROA indicate considerable financial efficiency, and an upward profitability trend is, thus, expected, as the profits are thought to be recurrent. Banks should analyze their returns, as that showcases the efficiency with which the assets of a financial institution are transformed into income (Nurdin & Jaya, 2024).

Nevertheless, asset efficiency and profitability depend on how businesses strategically align their funding. How a business manages a bank's funding directly impacts that bank's business operationally. A business requires cash funds internally and externally, one of which is a debt. The Debt to Equity Ratio embodies a business firm's ability to meet its obligations from the shareholders' funds used to discharge the firm's liabilities (Masud et al., 2024). A lower DER signifies that a business firm is financially stable. It is this ability to finance a business that increases the returns. This means, however, that the more debt is used, the greater the chance of losing profitability.

Research found TAT to be a significant driver of profit growth (Situmeang & Sudjiman, 2022; Yaman & Wie, 2024). In contrast, TAT was found not to significantly influence profit growth in (Firman & Salvia, 2021; Halim & Andy, 2023). On the other hand, Liong et al. (2024) and Stevanie & Tholok (2022) found that ROA positively influences profit growth. On the contrary, (R. Damayanti et al., 2024; Wati et al., 2024)) found that ROA does not positively influence profit growth to a degree that the outcome was not statistically significant. However, a study (Firman & Salvia, 2021; Situmeang & Sudjiman, 2022) found that the DER does positively influence profit growth, which is contrary to the findings of (Liong et al., 2024; Masud et al., 2024), who found that the DER does not positively influence profit growth.

Firm size is a reflection of the firm's economic capability and the total amount of assets that the firm owns. A bigger firm tends to be more resourceful and thus can utilize more to enhance its profitability. Most assets contribute to higher potential sales and profits (Habib et al., 2025). Large With credible market trust, large-scale firms show significant competitive advantage and risk management flexibility, flow operational efficiencies, and drive profit advances. In contrast, smaller banks suffer disproportionate resource volatility from outside market changes (Nabila & Kulwa, 2024). Hence, a bank's size not only ascertains its financial capability but is also a strategic dimension governing the bank's profitability, liquidity, and operational efficacy. Nevertheless, the research examining company size, as a moderating variable, influencing the relation of independent and dependent variables, predominantly in Islamic banking, is still somewhat less than that in manufacturing, coal, retail, and other conventional firms.

According to Spence (1973), management, contrary to the external stakeholders (i.e., investors, creditors, etc.), possesses a more comprehensive insight about the inner workings of the company (Nur et al., 2024). This disparity creates the phenomenon termed information asymmetry, which justifies the practice of companies documenting and disseminating financial reports to external parties as a means to convey various data points to them. In the study of financial performance, there are a number of ratios that communicate different aspects of the firm's status. Total Asset Turnover (TAT) indicates the efficiency of the firm's asset productivity

(Pardede et al., 2023). Return on Assets (ROA) describes the ability of the firm to make a profit (Yuningsih et al., 2023). Conversely, the Debt to Equity Ratio (DER) indicates the funding mix and the amount of risk taken (Adhitya, 2025). Hence, the TAT, ROA, and DER are taken as independent variables is justifiable as each ratio provides a different signal and adds to the evaluation of the firm's profit growth.

Based on the previous explanation, this study goes beyond exploring the direct relationship of financial performance indicators and the growth of profits, and examines the bank's size and how this may amplify the relationship or attenuate it. Hence, the author seeks to investigate the implications of the title, "The Effect of Total Asset Turnover, Return on Assets, and Debt to Equity on Profit Growth with Company Size as a Moderating Variable in Indonesian Islamic Commercial Banks for the Years 2019-2024."

RESEARCH METHODS

To conduct this research, a method guided by an associative-causal framework was used. Quantitative methodology, as Waruwu et al. (2025), is a methodology that encompasses a clear, structured, and systematic approach that is premised on numerical data and is designed to respond to particular research questions, as well as to analyze social phenomena that are the subjects of the investigation. In the case of this research, the population under study are the Sharia Commercial Banks within the boundaries of the Republic of Indonesia that are registered with the Otoritas Jasa Keuangan (OJK) as of 2024 which total 14 Sharia Commercial Banks, and are as per the following criteria of purposive sampling:

1. Sharia Commercial Banks that were registered with the Financial Services Authority during the years 2019–2024
2. Sharia Commercial Banks that continuously published financial statements within the 2019–2024 period
3. Sharia Commercial Banks that did not undergo any form of merger during the research period.

Based on the above criteria, a sample of 10 Islamic Commercial Banks was obtained. The following is a list of samples that are the objects of this research:

Table 1. Research Sample

No	Bank Name
1.	Bank Aceh Syariah
2.	BPD Nusa Tenggara Barat Syariah
3.	Bank Muamalat Indonesia
4.	Bank Victoria Syariah
5.	Bank Jabar Banten Syariah
6.	Bank Mega Syariah
7.	Bank Panin Dubai Syariah
8.	Bank Syariah Bukopin
9.	Bank BCA Syariah
10.	Bank Tabungan Pensiunan Nasional

Source: processed by the researcher, 2025

To analyze the research data, a regression approach with panel data and Moderating Regression Analysis (MRA) was used. The data was processed using a computer software, E-Views 12, which served as the main instrument for the tests.

Operational Definition of Variables

Operational variables in a study include everything determined by the researcher to draw a conclusion. The variables determined in this study can be explained as follows:

Table 2. Operational Definition of Research Variables

Variable	Operational Definition	Measurement	Scale
Total Asset Turnover (X1)	Total Asset Turnover measures how effectively a company's assets are turning over to generate sales. It provides a comprehensive view of asset utilization(Priantoro et al., 2024).	$TAT = \frac{\text{operating income}}{\text{total assets}} \times 100\%$	Ratio
Return on Asset (X2)	ROA is a ratio to prove how effectively a company generates profits from its assets(Pratama et al., 2024).	$ROA = \frac{\text{net profit after tax}}{\text{total assets}} \times 100\%$	Ratio
Debt to Equity Ratio (X3)	This ratio shows how much of the company's own capital is used as collateral for the company's debt(Selawati et al., 2022).	$DER = \frac{\text{total liabilities}}{\text{total equity}} \times 100\%$	Ratio
Profit Growth (Y)	Profit growth is a ratio that shows the company's ability to increase its net profit compared to the previous profit period(Purnawan & Suwaidi, 2021).	$\text{Profit Growth} = \frac{\text{current year profit}(p) - \text{current year profit}(p-1)}{\text{current year profit}(p-1)} \times 100\%$	Ratio
Firm Size	Firm size describes the size of a company which can be assessed through total assets or the amount of wealth it owns, measured using the	$\text{Size} = \ln \text{Total Asset}$	Mark

logarithm of total
assets(Rakhman et al.,
2021).

Source: processed by the researcher, 2025

RESULT AND DISVUSSION

Research Findings

Descriptive Statistics

Descriptive analysis is the epitome of the collection, examination, and presentation of data to accurately portray the elements of a phenomenon. One can assess the relationships of variables with correlation analysis and the mean values of sample and population data using descriptive statistics (Sugiyono, 2020). Presented below are the result obtained from the descriptive analysis of this study:

Table 3. Descriptive Statistical Analysis

	TAT	ROA	DER	PG	FS
Mean	0.016063	1.529833	155.7802	-106.6383	24.93933
Median	0.019800	1.120000	118.5550	0.035000	24.11500
Maximum	0.095800	13.58000	432.2000	4.950000	31.09000
Minimum	-0.574300	-7.130000	19.22000	-6386.720	16.55000
Std. Dev.	0.084514	3.328063	106.5703	824.5024	4.781169
Observations	60	60	60	60	60

Source: processed by the researcher, 2025

The descriptive analysis summary statistics in particular table 3, suggest variability in asset utilization, indicated by a mean and standard deviation of Total Asset Turnover (TAT) of 0.016063 and 0.084514, respectively. This suggests a great degree of variation in firms' abilities to utilize their assets to generate revenue. A minimum value of -0,5743 brings to the fore the existence of firms with asset inefficiency, with the maximum value of 0.095800 attributed to firms with high asset turnover. The Return on Assets (ROA) variable displays a mean of 1.529833 and a maximum of 13.58000, and a minimum of -7.13000, respectively, depicting astounding disparity among firms in terms of their profit-earning capacity from their assets. A standard deviation of 106.5703 and a mean of 155.7802 depict that there is variability in firms' debt reliance, with the high value of 433.20000 and the low value of 19.2200 attributed to firms with high debt ratios.

In this study, profit growth, which is a negative number on average (-106.6383, std - 824.5024), with a large negative number also being the minimum (-6386.720) and a small positive number the maximum (4.950000) shows that the average profit growth for the companies involved in this study is a loss. This is also evidenced by the large std. coef which shows a very high negative growth amongst companies and very different loss amounts. The average for the moderating variable, firm size, (24.99333) is also firm and shows a std. coef (4.781169) that does not vary very much and therefore shows that the size of the companies in the study do not vary much – medium-sized companies this has minimum impact on the comparisons. These

descriptors of analysis show that there really is a high variance in the financial aspects of the companies that differ (en differ) in financial performance & in their capital structuring in the period of analysis.

Selection of a Panel Data Regression Model

Panel data regression relies on a heterogeneous mix of time-series and cross-section data. Estimation of such analysis relies on three frameworks: Common Effect Model, Fixed Effect Model, or Random Effect Model. This study has adopted the Fixed Effect Model (FEM) because of the results of Chow and Hausman tests to observe the response of TAT, ROA, and DER to the Profit Growth. Presented below are the outcomes of the panel data regression estimation obtained using the FEM:

Table 4. FEM Regression Selection

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	226.3651	355.8189	0.636180	0.5278
TAT	10547.34	541.9786	19.46080	0.0000
ROA	-28.81208	24.05219	-1.197898	0.2371
DER	0.957583	0.539729	1.774192	0.0827
FS	-24.36005	13.47334	-1.808019	0.0771

Source: processed by the researcher, 2025

The study follows the regression equation explaining the data as:

$$PG = 226.365053862 + 10547.3394246 * TAT - 28.8120768634 * ROA + 0.957582893144 * DER - 24.3600542768 * FS$$

Classical Assumption Test

Normality Test

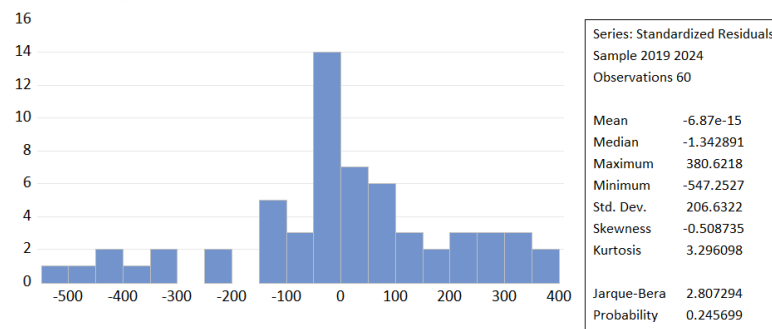


Figure 2. Normality Test

Source: processed by the researcher, 2025

As indicated figure 2, the probability value resulting from the Jarque-Bera test is 2.807294, and this is over 0.05, which implies that the assumption of normality is satisfied.

Multicollinearity Test**Table 5. Multicollinearity Test**

Variable	VIF
Total Asset Turnover (TAT)	1.715074
Return on Asset (ROA)	1.651894
Debt to Equity Ratio (DER)	1.079549
Firm Size	1.065036

Source: processed by the researcher, 2025

As indicated table 5, the statistical evidence suggests that there is no multicollinearity among the independent variables because the VIF values are < 10.

Heteroscedasticity Test**Table 6. Heteroscedasticity Test**

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	680.3398	267.2319	2.545878	0.0143
TAT	-582.1375	407.0441	-1.430158	0.1594
ROA	-7.305859	18.06400	-0.404443	0.6878
DER	-0.157496	0.405354	-0.388540	0.6994
FS	-17.59945	10.11893	-1.739260	0.0887

Source: processed by the researcher, 2025

As indicated table 6, the results from the heteroscedasticity test indicate that there are no symptoms of heteroscedasticity in any variable since all of the probabilities are greater than 0.05.

Moderate Regression Analysis (MRA)**Table 7. Moderate Regression Analysis (MRA)**

Variable	coefficient	Std. Error	t-statistic	Prob.
TAT*FS	-1181.533	150.1569	-7.868656	0.0000
ROA*FS	10.85656	2.984295	3.637898	0.0007
DER*FS	-0.088304	0.77910	-1.133422	0.2633

Source: processed data by researcher, 2025

With respect to MRA test results, how company size interacts with Total Asset Turnover with respect to profit growth and its associated p-value of 0.0000 suggests it is of a significance level smaller than 5%. Therefore, it can be concluded that company size has a moderating effect solely on the Total Asset Turnover profit growth interaction within Indonesia's *sharia* commercial banks. Additionally, how company size interacts with ROA and profit growth, with a p-value of 0.0007, gives a significance level less than 0.05 as well. Thus, we can conclude that company size has a moderating effect on how ROA is associated with profit growth in Shariah commercial banks in Indonesia. In relation to profit growth and company size interacting with the Debt to Equity Ratio, the p-value is 0.2633, which is greater than 0.05, indicating that company size does not moderate the effect of how the Debt to Equity Ratio contributes to profit growth of Islamic Commercial Banks in Indonesia.

Hypothesis Test**T Test****Table 8. T Test**

Variable	Coefficient	Std.Error	t-statistic	Prob.
C	226.3651	355.8189	0.636180	0.5278
TAT	10547.34	541.9786	19.46080	0.0000
ROA	-28.81208	24.05219	-1.197898	0.2371
DER	0.957583	0.539729	1.774192	0.0827

Source: processed by the researcher, 2025

As a result of a T-test, we observed a positive influence of TAT, with a value of 19.46080 compared to 1.67303 in the TAT variable, with a p value of .0000, which is lower than .05. Hence, this means TAT is a major factor on the dependent variable. Therefore, H₀ is rejected and H₁ is accepted. Concerning the variable ROA, the value -1.197898 is conclusively less than 1.67303 and therefore the p value of .2371 is statistically insignificant, greater than .05, and suggesting that ROA is not significantly impactful on the dependent variable. Hence, H₀ is taken while H₁ is discarded. Within DER, the value 1.77419 is indeed greater than 1.67303 and has been assigned a p-value of .0827 that is greater than .05. DER therefore does not significantly contribute impact on the dependent variable. Thus, H₀ is taken while H₁ is discarded.

F Test**Table 9. F Test**

Prob(F-statistic)	0.000000
-------------------	----------

Source: processed data by researchers, 2025

As indicated, the F-statistic yielded a probability of 0.000000, which is under 0.05, suggesting that the independent variables included in this study collectively exert a significant effect on profit growth in Islamic banks in Indonesia.

Coefficient of Determination Test**Table 10. Coefficient of Determination**

R-squared	0.976297
Adjusted R-squared	0.967478

Source: processed data by researchers, 2025

As indicated by the adjusted R-squared value of 0.967478, Total Asset Turnover, Return on Asset, Debt to Equity Ratio, and company size explain 96.7% of the advance profit variable. The remaining 3.3% of the profit growth variable is a byproduct of the external variables that are beyond the scope of the current study.

Discussion**The Effect of Total Asset Turnover on Profit Growth**

According to the T Test, the Total Asset Turnover (TAT) concerning profit growth shows that $19.46080 > 1.67303$, which lies within the positive zone with associated significance of 0.000, which is less than 0.05. This demonstrated that an increase in TAT coincided with profit growth. Having higher TAT values meant that the profits of the company were more likely to increase. The TAT ratio is a function of the operating revenue and the total assets. This shows the efficiency

of the company on its total assets in producing income. The more rapid the turnover of assets, the more revenue the company will generate, and thus the profit growth will be driven to be higher (Hayuningtyias & Nur, 2022). These findings corroborate those of Yaman & Wie, (2024), Putri, (2022) and Situmeang & Sudjiman, (2022) who found that TAT significantly influences profit growth, and contradict the findings of Firman & Salvia, (2021) and Halim & Andy, (2023).

The Effect of Return on Asset on Profit Growth

As noted concerning the results concerning the effect of Return on Assets (ROA) on profit growth, it is noted that $-1.197898 < 1.67303$, and $p > 0.2371$; > 0.05 ; thus, it confirms that an increase in the ROA does not lead to an increase in the profit growing, which illustrates that profit growth does not influence the growth of Islamic Commercial Banks in Indonesia. Profits, which the bank makes and is not remitted to the bank's shareholders, can be used to finance the bank's other activities in the derivatives market to add to the capital in the bank's net worth (Tilawah & Amalia, 2021). This illustrates that no matter how extensive the assets of a firm, if those assets are not put to use in the production process, or if there are a large number of assets that the firm is not putting into use, such assets will not aid in the profitability of the firm (D. W. A. Damayanti & S, 2023). This is in agreement with other studies Wati et al., (2024), Damayanti et al., (2024), Fathimah & Hertina, (2022) (Ester et al., 2022) which state that ROA does not affect profit. This is contrary to studies by Stevanie & Tholok, (2022), Ulum & Hajarani, (2020) that ROA does affect profit growth.

The Effect of Debt to Equity Ratio on Profit Growth

This section shares the findings of the effect of the debt-to-equity ratio on profit growth. First of all, the value of $1.77419 > 1.67303$. Given the 0.0827 probability, to the 0.05 threshold, it can be suggested that both low and high levels of debt equity ratio (DER) sustain all profit losses and or profit growth. The reason may be that the company's debt may be used as a expenditure for operational performance (derivative of the operational profit equation) where a profit (not a total profit) may be a loss (Habibah et al., 2021). In the funding with profit-sharing contracts, banks are dominated by third-party funds, implying that debt comparatives. The above findings coincide with Royda, (2019), Liong et al., (2024), Masud et al., (2024) which states DER has no considerable effect on profit growth. On the contrary, Situmeang & Sudjiman, (2022), Chika et al., (2022), have the opinion that DER has a considerable and positive effect on the growth of profit.

The Influence of Firm Size in Moderating Total Asset Turnover on Profit Growth

The analysis of the MRA test results indicates that the effect of total asset turnover on profit growth, controlling for firm size, had a t-stat of -7.868656 , which is associated with a highly significant probability of 0.0000. This suggests that firm size is likely a moderating factor on the relationship between total asset turnover and profit growth for Islamic Commercial Banks in Indonesia. In the case of large firms, the greater efficiency in the utilization of assets does not directly translate into significant growth in profits. In the case of smaller Islamic banks, profit growth is a more direct outcome of TAT movements owing to the less complex organizational structures, coupled with more concentrated asset management. Small banks are characterized by less complicated management and oversight control, hence an efficient asset turnover results in a more direct benefit to profitability (Rahma & Mayasari, 2021). These findings support the study

by Wigati, (2020), the findings suggest that firm size does moderate the relationship of TAT to profit growth. However, the findings are in contradiction to Karno (2024), that firm size does not moderate the relationship of TAT to profit growth.

The Influence of Firm Size in Moderating Return on Asset on Profit Growth

As shown from the results of MRA tests, it shows the Return on Asset variable on profit growth, moderated by firm size, t-stat of 3,637898, and with $p = 0.0007$, lower than $\alpha 0.05$. These results imply that firm size does influence how firm size moderates the effect of ROA on profit growth in the Islamic Commercial Banks in Indonesia. The larger the bank, the better the assets of the bank can be optimally used to make a profit, and hence the stronger the ROA related to profit growth. The larger Banks of Islamic Commercial can enjoy the economies of scale with better management, better technology, and better access to funds. The large commercial banks' risk diversification and, therefore, asset utilization is more effective and steady to support profit growth (Mukti, 2024). These findings are aligned with the research As'ari & Pertiwi (2021) that firm size moderates the relationship between ROA and profit growth. In contrast to (Tamba & Hutagalung, 2024), which demonstrates that firm size does not play a moderating role on how ROA affects profit growth.

The Influence of Firm Size in Moderating Debt to Equity Ratio on Profit Growth

According to the outcomes of the MRA tests, the Debt to Equity Ratio's effect on profit growth is moderated by the size of the firm, resulting in a t-statistic value of 1.133422, with a corresponding probability of 0.2633, exceeding 0.05. This indicates that the substantial assets possessed by Islamic Commercial Banks do not influence the effect of the relationship between leverage and profit growth. This case is consistent with the banking sector which is Islamic and is highly monitored; thus, the leverage as per DER is quite consistent with profits. Other fundamental aspects of DER in Islamic Commercial Banks is the quality of financing and the efficiency of operations. Therefore, the firm size does not exhibit a moderating effect on the relationship of DER to profit growth (Imaniyati, 2023). These results are in line with those of (Saraswati & Nurhayati, 2022), who stated that firm size does not moderate DER and profit growth, and contradict the findings (Wigati, 2020).

CONCLUSION

Asset turnover rate has a specific positive impact on profit growth, which shows that the effectiveness of asset utilization is a driver of profit growth. Although returns on capital and debt equity ratio do not contribute directly to profit growth in the Islamic commercial banks in Indonesia. Firm size affects the association of TAT with profit growth, the association of ROA with profit growth, while having no effect on the association of DER with profit growth.

This is the first piece of research on Islamic banks in Indonesia, which focuses on the observation of different variables over a specific time span. The variables of interest, which include operational efficiency, financing, and macroeconomic variables, were not pivotal to the study, and as such, the longitudinal research in time observation is suggested, which focuses on broader variables that pertain to macroeconomic variables such as inflation, BI rate, and GDP.

This will help in ascertaining the key factors that influence profit growth in the Islamic banking sector.

REFERENCES

- Adhitya, T. (2025). Pengaruh Debt To Equity Ratio Terhadap Profitabilitas Lembaga Keuangan (Studi Pada Bank BTPN Syariah Periode 2018-2023). *WADIAH: Jurnal Perbankan Syariah*, 9(1), 140–160.
- As'ari, A. G. P., & Pertiwi, T. K. (2021). Rasio Fundamental Terhadap Pertumbuhan Laba: Variabel Moderasi Ukuran Perusahaan. *Journal of Information System, Applied, Management, Accounting and Research*, 5(1), 261. <https://doi.org/10.52362/jisamar.v5i1.382>
- Chika, O. V., Promise, E., Solomon, I., & Werikum, E. V. (2022). Influence of Liquidity and Profitability on Profits Growth of Nigerian Pharmaceutical Firms. *Goodwood Akuntansi Dan Auditing Reviu*, 1(1), 1–13. <https://doi.org/10.35912/gaar.v1i1.1318>
- Damayanti, D. W. A., & S, A. F. (2023). Faktor-Faktor Yang Mempengaruhi Pertumbuhan Laba Pada Perusahaan Perbankan. *Jurnal Ilmu Dan Riset Akuntansi*, 12(12), 1–15.
- Damayanti, R., Arief, M., & Rambe, R. F. (2024). Pengaruh Rasio Keuangan (DAR, CR, ROA) Terhadap Pertumbuhan Laba Dengan Ukuran Perusahaan Sebagai Variabel Moderasi Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Periode 2019-2023. *Jurnal Ekonomi Bisnis, Manajemen Dan Akuntansi (JEBMA)*, 4(3), 1358–1375. <https://doi.org/10.47709/jebma.v4i3.4737>
- Ester, E., Toni, N., Teng, S. H., & Hutagalung, G. (2022). The Effect of Financial Ratio on Profit Growth with Company Value as a Moderating Variable in Automotive Companies and Components Listed on the Indonesia Stock Exchange. *International Journal of Social Science Research and Review*, 5(9), 242–255. <https://doi.org/10.47814/ijssrr.v5i9.436>
- Fathimah, N. A., & Hertina, D. (2022). Pengaruh Return on Asset, Return on Equity, dan Net Profit Margin terhadap pertumbuhan laba pada perusahaan sub sektor farmasi yang terdaftar di Bursa Efek Indonesia tahun 2016-2020. *Fair Value: Jurnal Ilmiah Akuntansi Dan Keuangan*, 5(5), 2094–2104. <https://doi.org/10.32670/fairvalue.v5i5.2715>
- Febtiyana, F., & Rahman, T. (2022). Analisis Determinan Pertumbuhan Laba Bank Umum Syariah Di Indonesia. *Jurnal Ekobis: Ekonomi Bisnis & Manajemen*, 12(1), 92–107. <https://doi.org/10.37932/j.e.v12i1.480>
- Findiani, F., & Maharani, M. (2023). Pengaruh Kinerja Keuangan, Pembiayaan UMKM dan Kecukupan Modal Terhadap Pertumbuhan Laba Bank Umum Syariah di Indonesia Periode 2016-2020. *AKUA: Jurnal Akuntansi Dan Keuangan*, 2(1), 1–11. <https://doi.org/10.54259/akua.v2i1.1229>
- Firman, D., & Salvia, S. (2021). the Effect of Total Asset Turnover, Net Profit Margin, and Debt To Equity Ratio on Profit Growth in Automotive Companies Listed in Indonesia Stock Exchange. *International Journal of Economic, Business, Accounting, Agriculture Management and Sharia Administration (IJEAS)*, 1(2), 231–244. <https://doi.org/10.54443/ijebas.v1i2.76>
- Habib, A., Ika, D., & Listiorini. (2025). Pengaruh Profitabilitas dan Leverage Terhadap Manajemen Laba dengan Ukuran Perusahaan Sebagai Variabel Moderasi. *Jamek (Jurnal Akuntansi Manajemen Ekonomi Dan Kewirausahaan)*, 05, 331–339. <https://doi.org/10.36787/jei.v17i2.1145>
- Habibah, U. T., Kusno, H. J., & Ghazi, S. (2021). The Effect Of Loan To Deposit Ratio (Ldr), Debt To Equity Ratio (Der), Net Profit Margin (Npm) And Return On Assets (Roa) On Profit Growth (Study) The Case Of The Banking Company That Listed On Indonesia Stock

- Exchange Period 2018-2020). *Seminastika*, 3(1), 69–78. <https://doi.org/10.47002/seminastika.v3i1.251>
- Halim, S., & Andy. (2023). Pengaruh Return On Asset (ROA), Total Asset Turnover (TAT), Net Profit Margin (NPM), Ukuran Perusahaan dan Current Ratio (CR) terhadap Pertumbuhan Laba pada Perusahaan Pertambangan yang terdaftar Dibursa Efek Indonesia (BEI) Tahun 2018-2021. *Accounting Journal*, 2(2), 1–11.
- Hayuningtyias, D., & Nur, D. I. (2022). Analisis Pertumbuhan Laba Pada Sub Sektor Perbankan: Bukti Empiris Bursa Efek Indonesia. *Ekonomi, Keuangan, Investasi Dan Syariah (EKUITAS)*, 4(1), 74–80. <https://doi.org/10.47065/ekuitas.v4i1.1817>
- Imaniyati, N. S. (2023). *Perkembangan Regulasi Perbankan Syariah Di Indonesia : Peluang dan Tantangan*. 1(1), 20–39.
- Jatmika, D. M., & Kartini. (2025). Analisis Pengaruh Current Ratio, Debt To Equity Ratio, dan Total Asset Turnover terhadap Pertumbuhan Laba pada Sektor Perbankan yang Terdaftar pada Indeks Saham LQ45. *Jurnal Ekonomi Bisnis, Manajemen Dan Akuntansi (Jebma)*, 5(2), 270–284. <https://doi.org/10.47709/jebma.v5i2.6047>
- Karno, K. (2024). Pengaruh Rasio Keuangan Terhadap Pertumbuhan Laba Perusahaan Jasa Komunikasi Dengan Firm Size Sebagai Moderasi. *Owner*, 8(1), 861–872. <https://doi.org/10.33395/owner.v8i1.1832>
- Liong, H., Fadjrin Uluputty, N., Kirana, A. W., Suryani, A., Rabiyah, U., & Tinggi Ilmu Ekonomi Amkop Makassar, S. (2024). YUME : Journal of Management Pengaruh Return On Assets dan Leverage terhadap Pertumbuhan Laba pada Perusahaan Sektor Pertanian yang Terdaftar di Bursa Efek Indonesia. *YUME : Journal of Management*, 7(1), 29–36.
- Masud, A., Nurdin, E., & Danintan, D. D. (2024). Pengaruh Debt To Equity Ratio Dan Ukuran Perusahaan Terhadap Pertumbuhan Laba Di Masa Pandemi Covid-19 Pada Perusahaan Sektor Kesehatan Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Akuntansi Dan Keuangan*, 9(2), 348–359. <https://doi.org/10.33772/jakuho.v9i2.192>
- Mukti, T. (2024). Komparasi Efisiensi Kinerja Bank Umum Syariah Di Indonesia Tahun 2023. *El-Amwal : Jurnal Ekonomi Dan Keuangan Syariah*, 7(1), 19. <https://doi.org/10.29103/el-amwal.v7i1.15765>
- Nabila, R., & Kulwa, M. (2024). *Financial Ratio ' s and Profit Growth : Company Size Moderation*. 5(3), 310–318.
- Nur, S., Suciyanti, V. N., Winarti, A., & Azmi, Z. (2024). Pemanfaatan Teori Signal dalam Bidang Akuntansi: Literatur Review. *Economics, Business and Management Science Journal*, 4(2), 55–65. <https://doi.org/10.34007/ebmsj.v4i2.564>
- Nurdin, A. P., & Jaya, T. J. (2024). The Influence of Liquidity, Solvability, and NPF to the Profitability and the Size of Company as a Moderation Variable. *LAA MAISYIR : Jurnal Ekonomi Islam*, 369–387. <https://doi.org/10.24252/lamaisyir.v11i2.46537>
- Pardede, D. H., Nawawi, Z. M., & Atika, A. (2023). Pengaruh Total Asset Turnover (Tat), Kualitas Aktiva Produktif (Kap) Terhadap Profitabilitas (Roa) Dengan Non Performing Financing (Npf) Sebagai Variabel Moderasi Pada Bank Umum Syariah Di Indonesia Periode 2018 - 2022. *Jurnal Akuntansi, Manajemen Dan Perbankan Syariah*, 3(5), 1–17. <https://doi.org/10.32699/jamasy.v3i5.5768>
- Pratama, A. R. Y., Prapanca, D., & Sriyono. (2024). Return On Asset (ROA), Return On Invesment (ROI), Earning Per Share (EPS) Terhadap Harga Saham (Studi Kasus Perusahaan Subsektor Otomotif Dan Komponen Yang Terdaftar Di Bursa Efek Indonesia Tahun 2020-2023). *Management Studies and Entrepreneurship Journal*, 5(2), 5755–5769.
- Priantoro, W., Ratih, R. nur, & Kusumaningrat, M. (2024). Pengaruh Return On Equity (ROE),

- Total Asset Turnover (TATO) dan nilai Tukar Rupiah terhadap return saham. *Jurnal Ilmiah Wahana Pendidikan*, 10(April), 1012–1021.
- Purnawan, A. F., & Suwaidi, R. A. (2021). Analisis Pertumbuhan Laba pada Subsektor Food and Beverage yang Terdaftar di Bursa Efek Indonesia. *Jurnal Ilmu Manajemen*, 11(1), 91. <https://doi.org/10.32502/jimn.v11i1.3525>
- Putri, T. M. (2022). Pengaruh current ratio, total asset turnover, dan return on assets terhadap pertumbuhan laba. *Jurnal Cendekia Keuangan*, 1(1), 57. <https://doi.org/10.32503/jck.v1i1.2268>
- Rahardjo, O. P., Wiyono, G., & Kusumawardhani, R. (2023). Pengaruh Current Ratio, Debt to Equity Ratio, Total Aset Turnover terhadap Pertumbuhan Laba pada Perusahaan Subsektor Telekomunikasi yang Terdaftar di BEI. *Al-Kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah*, 6(1), 482–491. <https://doi.org/10.47467/alkharaj.v6i1.2826>
- Rahma, N. A., & Mayasari, I. (2021). Pengaruh Total Aset, Profitabilitas, dan Likuiditas terhadap Efisiensi Bank Umum Syariah di Indonesia dengan Pendekatan Stochastic Frontier Analysis. *Prosiding The 12th Industrial Research Workshop and National Seminar*, 12, 1562–1567. <https://jurnal.polban.ac.id/proceeding/article/view/2985>
- Rakhman, A., Bunfa, L., & Rifiyanti, H. (2021). the Effect of Company Size and Profitability on the Value of Consumer Goods Companies Listed on the Indonesia Stock Exchange. *Jurnal Manajemen*, 10(2), 73–86. <https://doi.org/10.46806/jm.v10i2.739>
- Royda. (2019). *Pengaruh Wcta, Der, Tat Dan Npm Terhadap Pertumbuhan Laba Pada Perusahaan Manufaktur I Bursa Efek Indonesia*. 637–643.
- Saraswati, S. A. M., & Nurhayati, I. (2022). Pengaruh Rasio Keuangan Terhadap Pertumbuhan Laba Dengan Ukuran Perusahaan Sebagai Variabel Moderasi. *Kompak: Jurnal Ilmiah Komputersasi Akuntansi*, 15(1), 241–254. <https://doi.org/10.51903/kompak.v15i1.648>
- Selawati, Jhoansyah, D., & Z, F. M. (2022). Dampak Debt to Equity Ratio (DER), Return On Asset (ROA), Return On Equity (ROE), Earning Per Share (EPS) Serta Current Ratio (CR) Terhadap Harga Saham, Studi Keuangan Pada Perusahaan Sektor Properties & Real Estate Yang Terdaftar Di Bursa Efek Indonesia. *Management Studies and Entrepreneurship Journal*, 3(4), 1867–1878. <http://journal.yrpiaku.com/index.php/msej>
- Situmeang, R. S., & Sudjiman, P. E. (2022). Pengaruh Current Ratio, Debt To Equity Ratio, Total Asset Turnover Dan Net Profit Margin Terhadap Pertumbuhan Laba Pada Perusahaan Makanan Dan Minuman Listing Di Bursa Efek Indonesia Tahun 2016 – 2021. *Jurnal Ekonomis*, 15(2), 152–172. <https://doi.org/10.58303/jeko.v15i2.2984>
- Stevanie, & Tholok, F. W. (2022). Effect Of Gross Profit Margin, Return On Assets And Current Ratio On Profit Growth In Property And Real Estate Subsector Companies Listed On The Indonesia Stock Exchange For The Period 2016-2020. *Ekonomi Dan Manajemen Bisnis*, 1(2), 311–321. <https://jurnal.ubd.ac.id/index.php/emabi>
- Sugiyono. (2020). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*.
- Tamba, A. N., & Hutagalung, N. L. B. (2024). Pengaruh Rasio Keuangan Terhadap Pertumbuhan Laba dengan Ukuran Perusahaan sebagai Variabel Moderasi di BEI. *Owner: Riset & Jurnal Akuntansi*, 8(3). <https://doi.org/https://doi.org/10.33395/owner.v8i3.2277> Pengaruh
- Tilawah, Y. B., & Amalia, A. N. (2021). Islamic Bank's Profit Growth In Indonesia: Bank Health Rating Factor Approach. *Jurnal Syarikah*, 7(2), 137–152. <https://ojs.unida.ac.id/JSEI/article/view/4858/2836>
- Ulum, B., & Hajarani, D. A. (2020). Pengaruh Likuiditas Dan Profitabilitas Terhadap Pertumbuhan Laba Pada Perusahaan Manufaktur. *Jurnal Universitas Gresik*, 9(2), 181–193.
- Waruwu, M., Pu`at, S. N., Utami, P. R., Yanti, E., & Rusydiana, M. (2025). Metode Penelitian Kuantitatif: Konsep, Jenis, Tahapan dan Kelebihan. *Jurnal Ilmiah Profesi Pendidikan*, 10(1),

- 917–932. <https://doi.org/10.29303/jipp.v10i1.3057>
- Wati, A. W., Mursalin, M., & Kurniawan, M. (2024). Pengaruh Return On Equity (ROE), Return On Asset (ROA), Dan Net Profit Margin (NPM) Terhadap Pertumbuhan Laba Pada Sub Sektor Makanan dan Minuman yang Terdaftar Di Bursa Efek Indonesia (BEI). *Jurnal Media Wahana Ekonomika*, 21(2), 327–337. <https://doi.org/10.31851/jmwe.v21i2.12948>
- Widiyanti, V. (2022). Pengaruh Roa, Der Dan Cr Terhadap Pertumbuhan Laba Perusahaan Food and Beverage Di Bei. *Jurnal Ilmu Dan Riset Manajemen*, 1(1), 1–16. <https://jurnalmahasiswa.stiesia.ac.id/index.php/jirm/article/view/5928>
- Widyastuti, E., & Agustina, L. (2020). Analisis Pengaruh Total Asset Turnover terhadap Return on Assets. *Jurnal Ekonomi Dan Bisnis*, 2021, 78–89.
- Wigati, T. P. (2020). Pengaruh Rasio Keuangan Terhadap Pertumbuhan Laba dengan Ukuran Perusahaan Sebagai Variabel Moderating (Studi Kasus Pada Perusahaan Sub Sektor Pertambangan Batu Bara Yang Terdaftar di Bursa Efek Indonesia Periode 2016-2018). *Jurnal Neraca*, 16(1), 27–39.
- Yaman, H., & Wie, P. (2024). Pengaruh current ratio, debt to equity ratio, total asset turnover dan net profit margin terhadap pertumbuhan laba pada perusahaan manufaktur yang terdaftar di bursa efek Indonesia periode 2012-2015. *Jurnal Akuntansi*, Vol. 3. <http://perpustakaan.uai.ac.id/index.php/cari/detailkoleksi/F9B960C7-051A-41AF-B6FA-DE1FEEA5585F>
- Yuningsih, Y., Rosnawati, L., Purwanti, A. P., & Rifqy, I. M. (2023). Analisis Pengaruh ROA, ROE, DAN NPM Terhadap Pertumbuhan Laba : Literature Review. *KarismaPro : Kajian & Riset Manajemen Profesional*, 14(1), 35–42. <https://doi.org/10.53675/karismapro.v14i1.1051>