

## **ABSTRACT**

**SYIFA NADIRA.** *The Effect of Shariah Compliance, Ijarah Income and Profit Sharing Financing on the Performance of Shariah Commercial Banks for the 2017–2020 Period.* Faculty of Economics, Jakarta State University. 2022.

*This study aims to analyze the effect of shariah compliance, ijarah income, and profit-sharing financing on the performance of Islamic commercial banks. The independent variables in this study are shariah compliance, ijarah income, and profit-sharing financing as well as the dependent variables of this study are the performance of Islamic commercial banks. This study uses secondary data, namely the financial report of Islamic commercial banks in 2017-2020 which has been audited. The samples were selected based on criteria that had been set by researchers using the purposive sampling method and a total of 36 samples were obtained from 9 companies that met the criteria. This study used the panel data regression analysis method.*

*The results showed that shariah compliance has a positive and significant effect on the financial performance of Islamic commercial banks, ijarah income has a negative and significant effect on the financial performance of Islamic commercial banks, and profit-sharing financing has a positive and significant effect on the performance of Islamic commercial banks. The results show that Islamic commercial banks should pay attention to the fulfillment of sharia principle because it is in line with improving the performance of Islamic banking, ijarah income and profit-sharing financing by improving the quality of management in financing so that banks get income benefits. The recommendation for subsequent researchers based on the results of the study is to add other variables to assess the financial performance of Islamic commercial banks, increase the research sample and the year of observation.*

**Keywords:** *Shariah Compliance, Ijarah Income, Profit Sharing Financing, Shariah Commercial Bank Performance.*