

THE INFLUENCE OF PRINCIPLES OF CHARACTER, CAPITAL, COLLATERAL, CAPACITY, CONDITION OF ECONOMY ON THE SMOOTHNESS OF MURABAHAH FINANCE PAYMENTS AT PT. BPRS PUDUARTA INSANI

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ABSTRACT

This study aims to see the effect of character, capital, collateral, capacity, and economic conditions on the smoothness of murabahah financing payments to customers of PT. Bank BPRS Puduarta Insani. Judging from the NPF value, this bank is stated to be healthy and able to maintain the stability of the company with the ability to analyze financing to customers properly. The method used in this study is the quantitative method, the data is distributed using the help of a Likert scale questionnaire, the analysis test is carried out using the classical assumption test and the hypothesis test is loaded with the help of SPSS 25. From the results of the tests carried out, it is found that simultaneously the character, capital, collateral, capacity, and condition of economy have a significant effect on the smoothness of murabahah financing payments.

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1. INTRODUCTION

Economic growth is an indicator of successful development in an economy. The progress of an economy is determined by the amount of growth indicated by changes in national output. Economic growth is a process of changing economic conditions that occur in a country on an ongoing basis towards a condition that is considered better for a certain period of time. Economists state that the concept of sustainable high economic growth is the main condition and an increasing necessity for the continuity of economic development and increasing the welfare of people in a country (Basmar & Purba, 2021: 32).

Economic growth in a country is inseparable from the Islamic economy implemented in an Islamic financial institution and from the development of goods and services produced which have increased. Economic growth is the aspiration of every region or a country, of course it wants to have high economic growth, because the description of this high economic growth shows that a region has a positive value in the target of success in development. With the establishment of these Islamic financial institutions, it can become the forerunner to practice Islamic economic concepts that are in accordance with sharia compliance (Zainur, 2020: 124).

One of the Islamic financial institutions that plays a role in advancing and improving the economy of the regional community is PT. BPRS Puduarta Insani which is located on Jl. Fair No. 13A Tembung, Serdang deli. PT. BPRS Puduarta Insani is a financial institution that uses sharia principles. Various kinds of products owned by PT. BPRS Puduarta Insani offered to the public, one of which is a financing product. The financing that is most in demand by customers in financing practices is murabahah financing, because murabahah financing is at PT. BPRS Puduarta Insani is more flexible and uncomplicated in the process of providing financing (interviews, Account Officers).

Table 1 Number of Murabahah Financing Customers

Year	Number of Customers
2018	835
2019	788
2020	771
2021	797

Source: PT. BRPS Puduarta Insani

Table 1 above shows that murabahah financing at PT. BPRS Puduarta Insani is a financing that is in great demand by customers even though the number of customers at PT. BPRS Puduarta Insani sometimes experiences decreases and increases every year. In channeling funds, BPRS Puduarta Insani provides financing to prospective members of the financing in the form of financing to meet community needs, BPRS Puduarta Insani provides financing to prospective members of the financing with a process and procedure for proposing financing that is not complicated. In accordance with the program of national economic development in business development, by facilitating access for small businesses to bank credit.

In carrying out financing, banks need to manage credit risk exposure at an adequate level so as to prevent and minimize losses from providing funds. Implementation of credit risk management at each stage of provision of funds, including maintaining asset quality and establishing sufficient allowance for possible losses in an effective manner (www.ojk.go.id, 2022). The smoothness of financing payments is a benchmark for assessing the level of probability of receiving funds invested in earning assets based on certain criteria. In Indonesia, the quality of financing is assessed based on the rate of return on funds, namely current, on special mention, substandard, doubtful and loss. Therefore it can be concluded that the quality of financing carried out by the bank must be able to assess the ability of customers to make financing payments (Nuramelia, 2020: 3). Judging from the data at BPRS Puduarta Insani based on the quality of financing as follows.

Table 2 Financing Quality of PT. BPRS Puduarta Insani

Year	Number of NPFs
2018	2.14%
2019	1.98%
2020	1.21%
2021	1.48%

Source: BPRS Puduarta Insani.

From the NPF (*Non Performing Finance*) table at PT. BPRS Puduarta Insani shows that in 2018 the NPF was 2.14% while in 2019 the NPF experienced a slight decrease to 1.98% then in the following year it decreased again in 2019 the NPF became 1.21% then in 2021 the NPF increased to 1.48%. By looking at the report that there is an increase and decrease in NPF (*Non Performing Financing*) at PT. BPRS Puduarta Insani is still unable to stabilize the number of NPF (*Non Performing Financing*).

One of the efforts to ensure that the financing disbursed is in accordance with customer needs, the financing can be utilized, and the financing is returned at the time specified in accordance with the agreement, and can avoid financing risks that arise in financing, a financing evaluation is carried out. The purpose of the evaluation is so that the bank knows the customer's needs, capabilities, management, ability to repay financing and business feasibility. One of the principles used in evaluating financing is to use the 5C principle (*Character, Capital, Collateral, Capacity, Condition of economy*). As for the use of evaluating financing using the 5C principle in order to ensure that the distribution of financing funds that has been provided is safe, smooth and can benefit the bank, the bank as a distributor of financing funds must carry out a 5C evaluation of this financing. Because providing financing without prior analysis will endanger the bank or financial institution (Wahyuni, 2018: 6).

Analysis of the smoothness of financing using the 5C principle has also been researched by Ayu Lestaru Wahyuni (2018) in his research which states that *character, condition, capital* have a positive effect while *capacity* and *collateral* have no effect on the smooth payment of Future Package financing (PMD). Meanwhile, research conducted by Nur Amalia (2019) shows that *character, capital, collateral, capacity*, and *economic conditions* have a significant effect on the effectiveness of lending.

This 5C analysis is very necessary, because to find out the condition of the prospective customer, whether they really can be trusted and have good faith to control financing and to provide assurance to Islamic banks that the funds channeled will return according to the agreement from the bank sharia and prospective customers. Because not all prospective financing customers have good intentions towards returning financing in a timely manner, there are also financing customers who have bad intentions by deliberately not paying financing installments for unilateral interests. Based on this, the authors are interested in conducting research on the effect of the principles of *character, capital, collateral, capacity, condition of economy* on the smooth payment of murabahah financing at PT. BPRS Puduarta Insani.

2. LITERATURE REVIEW

2.1 Financing

The Influence Of Principles Of Character, Capital, Collateral, Capacity, Condition Of Economy On The Smoothness Of Murabahah Finance Payments At Pt. Bprs Puduarta Insani, Salman Ritonga, et.al

Financing is the provision of either money or bills that are equivalent to it, based on an agreement or agreement between the bank and another party that requires the party that is given the financing to return the money or bill after an agreed period of time with rewards or profit sharing (Kasmir, 2011 : 73) . Funding in terms of its essence is *I Trust, I believe* , I believe, I put my trust. Meaningful financing (*Trust*) means that financial institutions as shahibul maal place their trust in someone to carry out the mandate given. The funds provided must be utilized properly, fairly, and accompanied by clear and mutually beneficial bonds and conditions for each other (Firmansyah & et al, 2021: 213) this refers to the word of Allah SWT (QS. An-Nisa (4): 29).

Oh, those who are safe, do not eat your money between you with falsehood, but that you will be a trade for you

Artinya: Wahai orang-orang yang beriman! Janganlah kamu saling memakan harta sesamamu dengan jalan yang batil (tidak benar), kecuali dalam perdagangan yang berlaku atas dasar suka sama suka di antara kamu. Dan janganlah kamu membunuh dirimu. Sungguh, Allah Maha Penyayang kepadamu.

The purpose of financing based on sharia principles is to increase employment opportunities and economic welfare in accordance with Islamic values. This financing must be enjoyed by as many entrepreneurs as possible, both those engaged in industry, agriculture, and traders. The purpose of the financing is as follows (Nurmasrina. & Putra, 2018: 18) .

1. Seek profit by expecting an added value or generate the desired profit.
2. Assisting the government in increasing the development of various sectors, especially the real business sector.
3. Helping customer businesses in increasing customer business and income in order to improve the standard of living of the wider community.

While the function of financing channeled by Islamic banks is as follows:

1. Helping underprivileged people who are not touched by conventional banks, because they are unable to meet the requirements set by conventional banks.
2. Helping economically weak people who are always played by loan sharks by helping with funding for the business being carried out.
3. Providing financing with sharia principles that apply a profit sharing system that is not burdensome to the *debtor*.

2.2 Murabahah Financing

Murabahah financing is a sale and purchase agreement for certain goods, where the seller mentions the purchase price of the goods to the buyer and then sells to the buyer with the condition that the expected profit is in accordance with a certain amount. In Islamic banking applications, banks are sellers of goods and customers as buyers. The bank provides goods needed by customers by purchasing goods from suppliers, then selling them to customers at a higher price than the purchase price made by Islamic banks (Ismail, 2011: 138) .

2.3 Financing Risk

One of the risks that every financial institution has is the risk of non-performing financing. Credit risk is the risk resulting from the failure of another party to fulfill obligations to the bank, credit risk is a form of the inability of a company, institution or individual to complete obligations in a timely manner either at maturity or after maturity and all that is in accordance with the rules and agreed agreement. One of the credit risks is problem loans, which are classified as substandard, doubtful and loss loans (Sudarmanto & et al, 2021: 18) .

Credit risk can originate from various functional bank activities, such as credit activities and treasury activities, for example the bank buys corporate bonds, invests by buying securities, conducts trade financing, whether it is recorded in the banking book or trading book. Credit risk control is carried out through a series of banking risk management processes. Effectiveness in relation to the banking risk management process in controlling credit risk is by utilizing various resources owned, both from human resources and technological resources, by doing the right thing and achieving goals, in order to minimize credit risk (Sudarmanto & et al., 2021: 19) .

2.4 Principles of Providing Funding

Before providing financing, the bank must evaluate that the financing provided will return. Usually, the assessment criteria are general and must be carried out by the bank to get the right customer and deserve to be given, then it is done with a 5C analysis.

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1. character

Describe the character and personality of prospective customers. Banks need to carry out an analysis of the character of the prospective customer with the aim of knowing that the prospective customer has the desire to fulfill the obligation to repay the financing that has been received in full. The bank believes in the *willingness to repay* from prospective customers, namely the bank's belief in the willingness of prospective customers to fulfill their obligations in accordance with the agreed timeframe. Banks want to know that prospective customers have good character, are honest, and have a commitment to repaying their financing (Ismail, 2011: 120) .

2. Capital

Capital is the amount of own capital owned by prospective financing members. The greater the capital owned by the company, the higher the level of seriousness of prospective financing members in running their business and the bank will feel more confident in providing financing. Own capital owned by prospective financing members will be taken into consideration by the bank, as proof of the sincerity and responsibility of financing members in running their business, because they also bear the risk of business failure. Usually, if the amount of own capital is quite large, the company is usually strong in fighting competition from other similar companies (Hutagalung, 2021: 28) .

3. capacity

Capacity is the ability possessed by prospective financing members in running a business to obtain the desired profit. The benefits of the assessment are to measure the extent to which prospective members of the financing are able to return their financing or loans in a timely manner, from the results of the business they have (Hutagalung, 2021: 29) .

4. Collaterals

Collateral is goods provided by financing members as collateral or collateral for the financing they obtain. *collateral* must be assessed by the bank to determine the extent of the risk of the customer's financial obligations to the bank. The assessment of this guarantee or collateral covers the type, location, legal status and proof of ownership. *Collateral* has two functions, namely for financing if the customer cannot pay the financing, then by selling the *collateral* . And the second function is as a result of the first function, which is one of the determining factors for the amount of financing provided (Hutagalung, 2021: 30) .

5. Condition Of Economy

Condition of Economy , namely social, political, economic situations and conditions that affect the state of the economy which is likely to in the future affect the state of the economy, which may in the future affect the smooth running of prospective members of the financing company. To get an idea of this. Need research on economic conditions, economic conditions that need to be observed include the following (Hutagalung, 2021: 30) :

- a. Marketing, including needs, customer purchasing power, market area, form of competition, role of substitute goods and others.
- b. Production techniques, including technological developments, availability of raw materials , and sales methods with financing or cash systems.
- c. Government regulations, including the possible influence on the product produced. Such as the prohibition against the distribution of certain types of drugs.

2.5 Smooth payment of financing

The smoothness of financing or collectability is whether or not the customer's ability to return the funds borrowed from Islamic banks, whether from the principal loan or profit sharing at the agreed time when providing financing. The classification of the smoothness of financing can be measured by looking at the accuracy of paying principal installments and profit sharing or *profit/margin* and the ability of customers, both in terms of the business being carried out or the related financing collateral. Based on the smoothness of the return on financing, it is grouped into 5 (five) groups (Rahmawati & Kiswati, 2015: 7) , namely:

1. Fluent.

A financing is classified as current if the payment of principal installments or profit sharing is paid on time or is not in arrears.

2. Under Special Mention (DPK)

A financing is classified as special attention if there are arrears in payment of principal installments or profit sharing that has not passed 90 days.

3. Substandard (KL)

A financing is classified as substandard if there are arrears in payment of principal installments or profit sharing that has passed 90 days.

4. Doubtful

A financing is classified as doubtful if a financing is in arrears in payment of principal installments or profit sharing that exceeds 180 days.

5. Congested.

A financing is classified as non-performing if it is found that there are arrears in the payment of principal installments or profit sharing after 270 days.

3. METHODS

This type of research uses quantitative research methods. According to Sugiyono the method (Sugiyono, 2010) quantitative research can be interpreted as a research method based on the philosophy of positivism, used to examine certain populations or samples. The sampling technique is generally carried out randomly, data collection uses research instruments, data analysis is quantitative/statistical in nature with the aim of testing the hypotheses that have been set.

Population is a generalization area of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn (Sugiyono, 2013) . The population of this study amounted to 797 customers.

The sample is part of the number and characteristics possessed by the population. The sampling technique in this study used *simple random sampling*, sampling members from the population were carried out randomly without regard to the strata in the population (Sugiyono, 2013) . There are several ways to determine the sample size of a population, both for known and unknown (too large) population sizes, one of which is to use the slovin formula (Umar, 2003) , while the sample in this study was based on the slovin formula totaling 89 samples.

Data collection is carried out to obtain the information needed in order to achieve research objectives. The data collection method used in this study was carried out by distributing questionnaires to respondents to answer them. Questionnaire is a data collection technique that is carried out by giving a set of questions or written statements to respondents to answer (Sugiyono, 2013: 142) .

In this study used data analysis methods that will show and answer any problems that exist in this study. This method will later be elaborated and made based on the data processing test from SPSS 25, using multiple linear regression as a reference, the prerequisite test needed to see the validity of the data used consists of validity and reliability tests, the classic assumption test to detect problems which consists of a normality test , multicollinearity and heteroscedasticity. Hypothesis test to determine the effect consisting of the t test, F test and the coefficient of determination (R^2).

4. RESULT AND DISCUSSION

RESULTS

4.1 Description of Research Data

1. Characteristics of Respondents

a. Respondents Based on Gender

Table 3 Respondents by Gender

Gender	Frequency	Percentage
Man	42	47.2%
Woman	47	52.8%
Total	89	100%

Source: Research data processing.

Based on table 4.1 above, it is known that the respondents were based on dominant sex or at most women with a total of 47 people equivalent to 52.8% while men were 42 people or equivalent to 47.2%.

b. Respondents Based on Age

Table 5 Respondents by Age

Age	Frequency	Percentage
< 25 years	35	39.3%
26 - 35 Years	23	25.8%
36 - 45 Years	24	26.9%
> 46 Years	7	7.9%
Total	89	100%

Based on the characteristics of the respondents in terms of age, 35 respondents were aged <25, 23 respondents aged 26-35 years, 24 respondents aged 36-45 years and 7 respondents aged > 46 years.

c. Respondents Based on Education

Table 6 Respondents by Education

Education	Frequency	Percentage
JUNIOR HIGH SCHOOL	1	1.1%
SENIOR HIGH SCHOOL	28	31.5%
Bachelor	60	67.4%
Total	89	100%

Of the 89 respondents, there were only three levels of education which were filled in based on the questionnaires distributed, the three of which can be seen from the data above. For junior high school education, the frequency is 1 person, high school is 28 people and for the highest level, namely bachelor's degree, there are 60 respondents.

2. Statistics Description

Table 7 Descriptive Statistics

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
Character	89	6	15	13,06	1,979
Capital	89	7	15	12,65	1,797
Collateral	89	3	15	11,78	2,588
Capacity	89	5	15	12,29	1,785
Condition Economy	89	6	15	12,64	1,721
Smooth Payment	89	6	15	12.57	2,011
Valid N (listwise)	89				

Based on the descriptive statistics table above, it can be explained as follows:

- The independent variable *Character* marked with the symbol X_1 has a minimum data description of 6 , a maximum value of 15 , an average value of 13.06 and a standard deviation of 1.979 .
- The independent variable *Capital* marked with the symbol X_2 has a minimum data description of 7 , a maximum value of 15, an average value of 12.65 and with a standard deviation of 1.797.
- Collateral* independent variables marked with the symbol X_3 have a minimum data description of 3 , a maximum value of 15, an average value of 11.78 and a standard deviation of 2.588.
- The independent variable *Capacity* marked with the symbol X_4 has a minimum data description of 5 , a maximum value of 15, an average value of 12.29 and a standard deviation of 1.785.
- The independent variable *Condition Economy* marked with the symbol X_5 has a minimum data description of 6 , a maximum value of 15, an average value of 12.64 and with a standard deviation of 1.721.
- The dependent variable of the smoothness of payments is marked with a symbol Y has a minimum data description of 6 , a maximum value of 15, an average value of 12.57 and with a standard deviation of 2.011.

Prerequisite Test

1. Validity test

The test used to see whether a data or question item is valid or not is called a validity test. The decision is taken if $r_{\text{count}} > r_{\text{table}}$ then the questions used are valid (Sujarweni, 2014) .

Table 8 Validity Test

Statement Points	r count	r table	Information
$X_{1.1}$	0,865	>0,208	Valid
$X_{1.2}$	0,777	>0,208	Valid
$X_{1.3}$	0,752	>0,208	Valid
$X_{2.1}$	0,886	>0,208	Valid
$X_{2.2}$	0,702	>0,208	Valid
$X_{2.3}$	0,777	>0,208	Valid
$X_{3.1}$	0,874	>0,208	Valid
$X_{3.2}$	0,896	>0,208	Valid

X _{3.3}	0,810	>0,208	Valid
X _{4.1}	0,744	>0,208	Valid
X _{4.2}	0,785	>0,208	Valid
X _{4.3}	0,760	>0,208	Valid
X _{5.1}	0,772	>0,208	Valid
X _{5.2}	0,762	>0,208	Valid
X _{5.3}	0,849	>0,208	Valid
Y.1	0,794	>0,208	Valid
Y.2	0,735	>0,208	Valid
Y.3	0,779	>0,208	Valid

Table 8 above shows that all the questions used in the study are stated to be valid because the overall value of r is above r table .

2. Reliability Test

The test used to see the distribution of data filled by respondents tends to be stable, data that is said to be reliable means that respondents fill in data based on truth and honesty so that it is said that respondents can be trusted. This test is called a reliability test. The assessment of this test is seen from the *Cronbach's alpha value* , if the value is above 0.6 then the questionnaire data is declared reliable (Sujarweni , 2014) .

Table 9 Reliability Test

Variable	Cronbach's Alpha	Information
Characters (X ₁)	0.714	Reliable
Funds (X ₂)	0.739	Reliable
Collaterals (X ₃)	0.823	Reliable
Capacities (X ₄)	0.639	Reliable
Condition Economy (X ₅)	0.758	Reliable
Payment Smoothness (Y)	0.652	Reliable

Based on the table above it is said that each variable is reliable because the *Cronbach's alpha* value exceeds 0.6, it can be said that the respondent fills in each question from the variable truthfully.

Classic assumption test

1. Normality test

The test used to see the distribution of data in the research conducted is called the normality test, this test is said to be good if the value is above the value of α (0.05). The test based on the value of α is called the *Kologorov-Smirnov test* , besides that the normality test can be done by making a p-plot diagram that shows the distribution of the data used (Basuki & Yuliadi, 2015) .

Table 10 Normality Test
 One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		89
Normal Parameters ^{a,b}	Means	,0000000
	std. Deviation	1.28081178
Most Extreme Differences	absolute	,093
	Positive	.044
	Negative	-.093
Test Statistics		,093
asympt. Sig. (2-tailed)		.057 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Because the significant value above shows that it is above 0.05, namely 0.057 > 0.05. So it is said that the data is normally distributed.

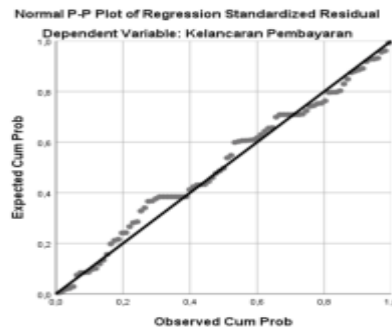


Figure 1 P-Plot Normality Test

The normality test based on the normal p-plot diagram also states that the data is normal, because it spreads following a diagonal line.

2. Multicollinearity Test

The multicollinearity test has a function to see that data in research does not have multicollinearity problems, good data is data that is free from these symptoms. If the data used is free from multicollinearity symptoms, it means that the correlation in the data is very small. This test can be assessed from the VIF and Tolerance values, if the VIF value is < 10 and the tolerance is > 0.1 then it is said that there are no symptoms of multicollinearity in the data (Basuki & Yuliadi, 2015).

Table 11 Multicollinearity Test
Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	Character	,502	1,992
	Capital	,517	1,935
	Collateral	,561	1,782
	Capacity	,492	2,031
	Condition Economy	,405	2,472

a. Dependent Variable: Kelancaran Pembayaran

From the data generated according to the SPSS test above, it is stated that the data used is free from all kinds of multicollinearity problems. Because the VIF and tolerance values are respectively in the multicollinearity test requirements.

3. Heteroscedasticity Test

This test is used in order to see that the data used in the study does not have variations in each variable being observed. Good data should not have heteroscedasticity problems, which can be tested based on the *scatterplot diagram* (Santoso, 2018).

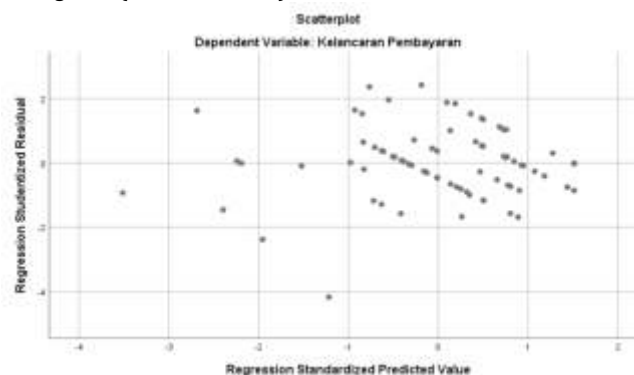


Figure 2 Scatterplot Test

If the data points spread evenly between the numbers 0 and do not form any pattern, then the heteroscedasticity problem is believed not to occur in the data. Based on the *scatterplot image* above it is concluded that it is good and can be used.

Multiple Linear Regression Analysis

Multiple linear regression analysis has a function to determine the influence exerted between the independent variables and the dependent variable. In this test, estimation is used to determine the effect of each variable. The estimation model used is based on research data, namely as follows (Ghozali, 2018):

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

With:

- Y = Smooth Payment
- α = Constant
- β_1 = beta coefficient *character*
- β_2 = beta coefficient *capital*
- β_3 = beta coefficient *collateral*
- β_4 = beta coefficient *capacity*
- β_5 = beta coefficient *economic conditions*
- X_1 = *character* independent variable
- X_2 = *capital* independent variable
- X_3 = *collateral* free variable
- X_4 = independent variable *capacity*
- X_5 = independent variable condition *economy*
- e = the standard error used is 5% (0.05).

Table 12 Multiple Linear Regression Analysis
Coefficients^a

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	std. Error	Coefficients Betas		
1	(Constant)	-1,224	1.204		-1.017	,312
	Character	,415	,093	,408	4,451	,000
	Capital	,122	,101	,109	1,206	,231
	Collateral	,011	,067	,014	,159	,874
	Capacity	,176	,104	,156	1,689	,095
	Condition Economy	,360	,119	,308	3,016	,003

a. Dependent Variable: Payment Smoothness

Based on the data above, the estimation model used in the multiple linear regression analysis can be made as follows.

$$Y = -1.224 + 0.415X_1 + 0.122X_2 + 0.011X_3 + 0.176X_4 + 0.360X_5$$

The interpretation of the above model can be described as follows:

1. The constant (α) has a value of -1.224 and is negative. It can be said that if the independent variables, namely *character*, *capital*, *collateral*, *capacity* and *economic condition*, are 0, then the value of smooth payment is -1.224.
2. The beta value or regression coefficient of the *character* variable (X_1) is 0.415 and has a positive value. Means if the *character* increases by 1, then the payment smoothness variable will increase by 0.415. Assuming that the other variables are fixed the same or constant.
3. The beta value or regression coefficient of the *capital* variable (X_2) is 0.122 and is positive. Means if the *capital* increases by 1, then the smoothness of the payment variable will increase by 0.122. Assuming that the other variables are fixed the same or constant.
4. The beta value or the regression coefficient of the *collateral* variable (X_3) is 0.011 and is positive. This means that if the *collateral* increases by 1, then the smoothness of the payment variable will experience an increase of 0.011. Assuming that the other variables are fixed the same or constant.
5. The beta value or regression coefficient of the *capacity* variable (X_4) is 0.176 and has a positive value. Means if the *capacity* increases by 1, then the smooth payment variable will increase by 0.176. Assuming that the other variables are fixed the same or constant.

6. The beta value or the regression coefficient of the *condition economy* variable (X_5) is 0.360 and has a positive value. This means that if the *condition economy* increases by 1, then the payment smoothness variable will increase by 0.360. Assuming that the other variables are fixed the same or constant.

Hypothesis testing

1. t test (Partial)

The t test serves to assess the individual effect of the independent variables used. To see the effect of each variable, the assessment is carried out based on the significance value which must be smaller below the alpha value ($\text{sig} < 0.05$) (Perdana, 2016). From this study used the following hypothesis:

Accept H_1 : if the value is ($\text{sig} > 0.05$), it means that there is a significant influence of the *character variable* (X_1) on the smooth payment of murabahah financing at PT. BPRS Puduarta Insani.

Accept H_2 : if the value is ($\text{sig} > 0.05$), it means that there is a significant influence of the *capital variable* (X_2) on the smooth payment of murabahah financing at PT. BPRS Puduarta Insani.

Accept H_3 : if the value is ($\text{sig} > 0.05$), it means that there is a significant effect of the *collateral variable* (X_3) on the smooth payment of murabahah financing at PT. BPRS Puduarta Insani.

Accept H_4 : if the value is ($\text{sig} > 0.05$), it means that there is a significant effect of the *capacity variable* (X_4) on the smooth payment of murabahah financing at PT. BPRS Puduarta Insani.

Accept H_5 : if the value is ($\text{sig} > 0.05$), it means that there is a significant effect of the *condition economy variable* (X_5) on the smooth payment of murabahah financing at PT. BPRS Puduarta Insani.

Based on the regression analysis table 4.9 previously carried out, it can be explained the interpretation of the influence of the independent variables on the dependent variable as follows

- Variable significance value *character* (X_1) as an independent variable of 0.000 less than 0.05 ($0.000 < 0.05$), meaning that the influence given by the *character* variable significantly and has a positive value on the smoothness of payments, then H_1 is accepted.
- Variable significance value *capital* (X_2) as the independent variable of 0.231 exceeded alpha value 0.05 ($0.231 > 0.05$), meaning that there is no influence given by the *capital* variable on the smooth payment, then H_2 is rejected.
- Variable significance value *collateral* (X_3) as an independent variable of 0.874 exceeded alpha value 0.05 ($0.874 > 0.05$), meaning that there is no influence given by the *collateral* variable on smooth payment, then H_3 is rejected.
- Variable significance value *capacity* (X_4) as the independent variable by 0.095 exceeded alpha value 0.05 ($0.095 > 0.05$), meaning that there is no influence given by the *capacity* variable on the smooth payment, then H_4 is rejected.
- Variable significance value *condition of economy* (X_5) as independent variable of 0.003 less than 0.05 ($0.003 < 0.05$), meaning that the influence given by the *condition of economy* variable significantly and has a positive value on the smoothness of payments, then H_5 is accepted.

2. F Test (Simultaneous)

f. The F test was carried out to see the simultaneous effect of all the variables used, for decision making the same assessment was used as the t test, namely a sig value < 0.05 (Ghozali, 2018). The hypothesis used:

Accept H_6 : if the sig value < 0.05 , it means that there is an overall influence of each independent variable used on smooth payment murabahah financing at PT. BPRS Puduarta Insani.

Table 13 Anova/F Test (Simultaneous)

ANOVA ^a						
Model		Sum of Squares	df	MeanSquare	F	Sig.
1	Regression	231,147	5	46,229	30,788	,000 ^b
	Residual	124,629	83	1,502		
	Total	355,775	88			

a. Dependent Variable: Kelancaran Pembayaran

b. Predictors: (Constant), Condition Economy, Capital, Collateral, Character, Capacity

Based on the table above, the simultaneous F /anova test has a significant value of 0.000 ($0.000 < 0.05$), so it can be said that the effect has an effect simultaneously (simultaneous) of the independent variables used on the smooth payment of murabahah financing, then H_3 is accepted.

3. Coefficient of Determination (R^2)

The R square test is used to see how much the relationship or influence is exerted by all independent variables on the dependent variable. If the value is close to 1 then the influence and relationship given is getting bigger and tighter, and vice versa if the value is getting closer to number 0 then the relationship and influence given is weak and small (Gendros, 2011).

Table 14 The coefficient of determination (R^2)
Summary Model^b

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	,806 ^a	,650	,629	1.225

a. Predictors: (Constant), Condition Economy, Capital, Collateral, Character, Capacity

b. Dependent Variable: Payment Smoothness

Based on the test above, the R square (R^2) result is 0.650, which means that the independent variable has a 6.5% relationship with the dependent variable and the remaining 35% is explained by other variables outside the study.

Discussion

4.2 The Influence of *Character on the Smooth Payment of Murabahah Financing*

The results obtained from the previous tests indicated that there was an influence exerted by the character variable on the smoothness of payments as seen from the significance value ($0.000 < 0.05$). With a calculated t value of 4.451 and t table seen based on the degrees of freedom ($df = nk$), then the t table value is 1.989 ($4.451 > 1.989$) it is also said that based on the t value there is an influence between the character variable on the smooth payment variable.

Character affects the smoothness of payments significantly. The implication related to this is that a person's character will greatly influence everything that is done, if a person has good character and is responsible, surely other people's trust in himself will be greater. A very strong sense of responsibility will be able to encourage everyone to carry out the mandate given to the fullest. As with the process of paying obligations, someone who has a bad character will not heed all the agreements made, more precisely, it is very easy to break the promises that were said earlier. Debt payments are mandatory in Islam, so the BPRS can provide reminders to each customer or prospective customer to always pay their obligations.

4.3 The Influence of *Capital on the Smooth Payment of Murabahah Financing*

The results of this test, it is said that there is no influence exerted by the variable *capital* on the smooth payment seen based on the significance value ($0.231 > 0.05$). With t count value $< t$ table ($1.206 > 1.984$). So it is also said that based on the value of t there is no influence between the variable *capital* on the smoothness of payment variables.

Capital does not affect the smooth running of customers in paying obligations, researchers argue that *capital* has no effect because customers who want to take financing at a bank only think about the benefits to be obtained, most of the customers cannot manage finances properly so that smoothness in payment of obligations is at stake. BPRS Puduarta Insani must be able to see customers who are able to manage finances well, manage expenses and income, manage finances and needs in the short and long term. So that it will assist in the smooth payment of obligations for a specified period of time.

4.4 *Collateral Influence on Smooth Payment of Murabahah Financing*

The results of this test, it is said that there is no influence exerted by the *collateral variable* on the smoothness of payments as seen by the significance value ($0.874 > 0.05$). With a value of t count $< t$ table ($0.159 > 1.984$). So it is also said that based on the value of t there is no influence between the *collateral variable* and the smoothness of payment variables.

Collateral has no effect on the smooth running of a person in paying their obligations. *Collateral* is the customer's ability to provide collateral or collateral equivalent to the financing required, if the customer has a problem, then the collateral can be used. If the collateral is considered to be of very high quality, usually the customer will do everything he can to keep paying his obligations so that the collateral

used can be returned. BPRS parties only set collateral in the amount with the required financing or even smaller than the amount of financing provided which makes customers willing to pay their obligations.

4.5 The Effect of *Capacity on the Smooth Payment of Murabahah Financing*

The results of this test, it is said that there is no influence exerted by the variable *capacity* on the smooth payment seen based on the significance value ($0.095 > 0.05$). With t count value $< t$ table ($1.689 > 1.984$). So it is also said that based on the value of t there is no influence between the variable *capacity* on the smoothness of payment variables.

Capacity does not affect the smoothness of a person in making payments, this can happen in the context of murabahah financing which is a sale and purchase made by a bank to gain profit, the customer usually chooses to use installments of how long with the ability they can apply for a certain period of payment of obligations. they must carry out. Customers who take financing with a murabaha contract, both multipurpose financing and so on, must already know the composition of everything they need, with the work they do, they can certainly assess their ability to pay ongoing obligations. If *capacity* affects smooth payment, BPRS Puduarta Insani can carry out consulting activities if at any time the party paying the obligation feels that the capacity to fulfill their obligations is reduced.

4.6 The Influence of *Condition Of Economy on Smooth Payment of Murabahah Financing*

The results obtained from the tests carried out, it is said that there is an influence exerted by the *condition of the economy variable* on the smoothness of payments which is seen based on the significance value ($0.003 < 0.05$). With the value of t count $> t$ table ($3.016 > 1.989$) it is also said that based on the t value there is an influence between the *condition of economy* variables on the smooth payment variable.

Conditions of economy have a partial effect on the smoothness of payments, that is because in the context of economic conditions everyone who wants or even has a number of obligations at a bank must correctly assess their own economic conditions. Not only in the short term but also in the long term, this understanding of economic conditions is beneficial so that financial conditions can be managed properly. Related parties, namely BPRS Puduarta Insani, must always pay attention to the condition of each customer, if it is thought that the customer is considered to have an economic downturn, then the provision of relief can be determined so that the customer can still pay his obligations.

4.7 The Influence of the Principles of *Character, Capital, Collateral, Capacity, and Conditions of Economy on the Smooth Payment of Murabahah Financing*

Based on the calculated F value of 30.788 and F table seen based on the degrees of freedom ($df_1 = k-1$ and $df_2 = nk-1$) then. F table obtained an F table value of 2.33 ($30.788 > 2.33$). The significant value is also seen as smaller than the alpha value ($0.000 > 0.05$), which means that simultaneously there is a significant influence on *character, capital, collateral, capacity, and economic conditions*. on the smooth payment of murabahah financing at PT. BPRS Puduarta Insani. Supported by the NPF data obtained at the beginning of this study, BPRS Puduarta Insani was able to maintain the company's financial stabilization value which remained at a rate that was declared healthy, namely below 2%, which means that the BPRS carried out its duties properly to obtain financing that was assessed based on the 5C principles discussed in the study. this, so that smooth payments by customers can be said to be classified as safe and still handled properly.

5. CONCLUSION

Based on *character* as part of the 5C principle This variable has a significant and positive effect on the smoothness of payments as evidenced by the sig value $< \alpha$ ($0.000 < 0.05$). Based on *capital* as part of the 5C principle this variable is said to have no influence on the smoothness of payments as evidenced by the sig value $> \alpha$ ($0.231 > 0.05$). Based on *collateral* as part of the 5C principle this variable is said to have no influence on the smoothness of payments as evidenced by the sig value $> \alpha$ ($0.874 > 0.05$). Based on *capacity* as part of the 5C principle this variable is said to have no influence on the smoothness of payments as evidenced by the sig value $> \alpha$ ($0.095 > 0.05$). Based on the *condition of economy* as part of the 5C principle This variable has a significant and positive effect on the smoothness of payments as evidenced by the sig value $< \alpha$ ($0.003 < 0.05$).

Simultaneously the influence given by the *character, capital, collateral, capacity, and condition of the economy* on the smooth payment of murabahah financing at PT. BPRS Puduarta Insani can be said to be significant with a significant value of $0.000 < 0.05$ and a simultaneous influence of 65%.

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