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ANALYSIS OF WORKING CAPITAL AND FINANCIAL PERFORMANCE OF SHARIA BANKING INDUSTRY INMANDI RI SYARIAH BANK JAMBI

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Abstract: The purpose of this study is to find out working capital in an independent Islamic bank, the financial performance of an independent Islamic bank in Jambi by using a liquidity ratio analysis tool (current ratio, cash ratio) and profitability ratio (profit margin) and there is also a significant relationship between current ratio cash ratios and profit margins with working capital at the Islamic bank Mandiri jambi. The analytical tool used is multiple linear regression. Study the significant relationship between current ratio (X1), cash ratio (X2) profit margin (X3) as the independent variable and working capital as the dependent variable. The results of working capital analysis at the jambi independent Islamic bank have fixed assets and current assets with a total average current assets from 2016 to 2019 of Rp 88,919,015.5 and for average fixed assets from 2016 to 2019 of IDR 856,841.06. Analysis results Financial performance through liquidity ratios namely current ratio and cash ratio obtained an average current ratio from 2016 to 2019 of 115.67%, and obtained an average cash ratio from 2016 to 2019 of 1.55%. For profitability ratios namely profit margins can be obtained an average profit margin from 2016 to 2019 of 72.82% with very good criteria because it exceeds the maximum limit of the standard ratio. The test results on the relationship of the current ratio, cash ratio and profit margin with working capital obtained a person correlation current ratio of 1,000 means perfect correlation and there is a relationship between the current ratio with working capital. For cash ratio with a person correlation value of cash ratio of 1,000 means perfect correlation and there is a relationship between cash ratio and working capital. For the value of person correlation margin of 1,000 means that it means perfect correlation and there is a relationship between profit margin and working capital. It can be concluded that working capital influences the current ratio, cash ratio and profit margin.

Keywords: Working capital, Liquidity Ratio, Profitability Ratio

INTRODUCTION

Islamic banking emerged because financial institutions that were only conventional banks and the emergence of Islamic financial institutions in Indonesia after Law No.10 of 1998, accompanied by high enthusiasm from the public to utilize banking services and Islamic financial institutions, brought hope for a better in the micro and macro economy. The enactment of this law has triggered the birth of new Islamic banks, both in the status of commercial banks and sharia business units.

The Analyze that are always used to measure performance in the bank, especially in the field of finance is profitability ratios and the ratio of liquidity. With the analysis of banks can evaluate the state financially in times past and the present and projecting the results that will come. State financially in times past and present can be evaluated so it can be known performance (Sumarta & HM, 2003).

Banks based on sharia principles operate on the basis of sharia or Islamic regulations. In this procedure, Islamic banks avoid activities that contain elements of usury and are filled with investment activities on the basis of profit sharing. In operation, Islamic banks are clearly no different from the objectives of other conventional banks, namely to gain as much profit as possible. However, what distinguishes it is that the profits obtained by Islamic banks are used not only for the interests of owners or investors, but are used for the bank's business itself (Trinugroho et al., 2017).

Liquidity relates closely to profitability, because of liquidity indicates the level of availability of capital employment companies are sufficient so that companies do not encounter difficulties in operation. However, on the one hand, excess working capital indicates that the company's management is not optimal because there are funds that are not productive. Management must ensure the availability of capital employment companies are sufficient, so no shortage of capital and also not there funds that clicking the wine.

Companies that do not have sufficient working capital cannot pay their short-term obligations on time and will face liquidity problems that will disrupt the company's day-to-day operations. Working capital requires good and healthy management because excessive use of working capital indicates unproductive funds. However, if the company lacks working capital, the company will lose the opportunity to make a profit. The end result of working capital reflects the success of company management (Taiwo et al., 2017).

Capital work is one of the sources of power that is important for the company, bleak capital of work net, which is the difference between total assets smoothly with total debt smoothly. Working capital is used to finance the day-to-day operations of the company, it is hoped that the funds that have been spent can be returned in a relatively short period of time (Trinugroho et al., 2017).

A bank Performance finance is a picture of the condition of finance bank in a period of a certain kind covering aspects of raising funds and distributing funds. Trust and loyalty of owners of the funds to the bank is f actors were very helpful and simplify the management of the bank to draw up a strategy of business that good. Assessment of the performance of a bank can be done by doing the analysis of the statements of financial bank concerned "(Amanah, 2015).

Increasingly many banks Sharia that popping the increasingly tight competition that will be faced by the industries of banking, particularly in banks conventionally. Step strategic that can be taken by the bank in order to win the competition, one of which is by way of improving the performance of finance. Improved financial performance has had a tremendous impact on efforts to maintenance customer trust in order to remain loyal in using his services. Principle principal that should be developed by the bank sharia in improving the performance of finance is the ability of banks sharia to undertake the management of the funds, namely the ability of banks sharia in giving the results of the maximum for the customer. Performance Financial is one of the indicators is important to know the condition of the financial banks. More and better performance of finance it will be getting better or healthier also the level of health of the banks (Narayan & Reddy, 2018).

Make a references and material for thoughts on financial performance at Bank Syariah Mandiri, the authors seek and try to obtain financial data at Bank Syariah Mandiri, then the data is processed by accessing online financial reports on the On-line Financial Services Authority (OJK) Publication. Statements of Profit and Loss and Other Comprehensive Income for the 2016-2017 Reporting Period, and Statements of Profit and Loss and Other Comprehensive Income for the Reporting Period 2018-2019

Based on the descriptions and data from 2016 to 2019, the authors are interested in conducting research with the title "**ANALYSIS OF WORKING CAPITAL AND FINANCIAL PERFORMANCE OF SHARIA BANKING INDUSTRY IN BANK SYARIAH MANDIRI JAMBI** ".

Problem

Based on the description on the background above, the problem formulations in this study are:

- How Working Capital in the Islamic Banking Industry (Analysis of Bank Syariah Mandiri Jambi)
- How is the Financial Performance in the Islamic Banking Industry (Analysis of Bank Syariah Mandiri Jambi)
- How is the Relationship between Working Capital and Financial Performance in the Islamic Banking Industry (Analysis of Bank Syariah Mandiri Jambi)

Aim

The objectives of this research is:

- To Know Working Capital in the Banking Industry (Analysis of Bank Syariah Mandiri Jambi)
- To Know Financial Performance in the Banking Industry (Analysis of Bank Syariah Mandiri Jambi)
- To Know the Relationship between Working Capital and Financial Performance in the Islamic Banking Industry (Analysis of Bank Syariah Mandiri Jambi).

Benefits of Research

The benefits are in obtained from the study of this is :

- For researchers, to increase knowledge and insight about working capital and financial performance by using liquidity and profitability ratio analysis tools.
- For the Academy as one of the requirements in achieving a bachelor's degree at the Graha Karya Muara Bulian College of Economics.

LITERATURE REVIEW

Basically, this research is conducted to examine the relationship between working capital and financial performance in the Islamic banking industry (Analysis of Bank Syariah Mandiri). Liquidity relates closely to profitability, because of liquidity indicates the level of availability of capital employment companies are sufficient so that companies do not encounter difficulties in operation. However, on the one hand, excess working capital indicates that the company's management is not optimal because there are funds that are not productive. Management must ensure the availability of capital employment companies are sufficient, so no shortage of capital and also not there funds that clicking the wine.

Performance finance bank is a picture of the condition of finance bank in a period of a certain kind covering aspects of raising funds and distributing funds. Trust and loyalty of owners of the funds to the bank is f actors were very helpful and simplify the management of the bank to draw up a strategy of business that good. Assessment of the performance of a bank can be done by doing the analysis of the statements of financial bank concerned (Amanah, 2015).

The framework describes the relationship of the independent variable, in this case working capital (X1) to the dependent variable, namely financial performance (Y) at Bank Syariah Mandiri Jambi.

According to (Sumantri, 2019), Financial management is the management of financial functions. These financial functions include how to raise funds (raising of funds) and how to use these funds (allocation of funds). The financial manager has an interest in determining the amount of assets worthy of investing in various assets and selecting sources of funds to spend on these assets ".

Working capital

Capital work is divided on two when seen from the balance sheet that is "capital actively " is capital that is listed in the next discharge of the balance sheet, which describe the forms in which the entire funds were obtained in planting right, while the notion of "capital passive" is capital that listed on the next loan of balance sheets that describe the sources from which the funds in acquired. The elements of active capital will always change, will always change in a short time (cash, inventory, accounts receivable). Meanwhile, the value of passive capital within a certain period is relatively permanent (Anwar & Ali, 2018).

Based on the method and duration of active working capital turnover can be differentiated into:

- Current asset
- Fixed assets

Current assets are assets that are depleted in one turn in the production process, and the turnover process is short-lived (generally less than one year). Judging from the definition of working capital itself, from several concepts, current assets are elements of working capital.

What is used to determine the amount of working capital in this study is:

Working Capital = Current Assets - Current Liabilities

At knew their three capital concept of work, namely:

The concept of quantitative, describing the whole (amount) of assets smoothly, where assets well is all spin and can return to the form of the original in a period of time short. The concept is in call with capital work gross - gross working capital.

Quality concept, It is the difference between assets smoothly on top of debt smoothly, or a portion of the assets of current that actually can be in use to finance the operations of companies without waiting for liquidity. The concept is in call with a net - net working capital.

Functional concept, tacking emphasis on the function of the fund in generating revenue income from the business principal company. Generate revenue in the period accounting (current income) and the period of time the next (future income).

This concept is the last of the three concepts based on the function of generating (income). Because every fund that is worked on or used in the company is intended to generate income, given that the funds are used entirely, only a portion of the funds for use is operating in an accounting period which are entirely direct to generate income for that period, and some of these funds are used during that period, but entirely used to produce.

There are two concepts of working capital, net working capital and gross working capital.

1. The concept of capital working net (net working capital), the concept is a difference in the value of money between assets smoothly and liabilities term is short, this is one of the measurements to see the extent to which the company is protected from problems of liquidity.

2. The concept of capital work is dirty (gross working capital), the concept is based on the administration of the kinds of assets smoothly companies namely, cash and securities worth (securities and securities) are in perjual traded, accounts receivable and inventory as well as funding (especially liability period shorter (which required to support current assets).

Thus in the two concepts mentioned above, that each concept has a fulcrum or in other respects each function that is interrelated with one another. So the working capital used in company operations is still active in carrying out its activities (Sumantri, 2019).

Types of Working Capital

According to (Sumantri, 2020), Capital Works Permanent (permanent working capital) is the capital of work that must still exist on the company to carry out its functions. Or with a word other capital work that is kept constantly in need for the smooth running of the business ". Permanent working capital is divided into:

- Primary working capital is the minimum amount of working capital that a company must have to ensure its continuity.
- Normal working capital (normal working capital) is the amount of working capital needed to organize production area of the normal. The normal definition here is in a dynamic sense. If a company, for example, for 4 or 5 months has an average monthly production of 1000 units, it can be said that it's normal production area is 1000 units. If later it turns out that during the next 4 or 5 months, the normal production area here will also change to 2000 units.
- Working capital variable (variable working capital) is the amount of working capital are changed - changed in accordance with changing circumstances, and this working capital dibendakan delivered a :
- Seasonal working capital (seasonal working capital) which changed the amount of working capital caused by the fluctuations of the season.
- Cyclical working capital is working capital whose amount changes due to fluctuations in congruence.
- Working capital of emergency (emergency working capital) is the amount of working capital to fluctuate because of the state of emergency is not known in advance (such as the presence of labor strikes, floods, sudden changes in economic conditions).

Use of working capital

The use of working capital according to (Kasmir, Working Capital, 2012) is usually done by companies to:

- Expenses for salaries, wages and cost other company operations, means of expenses for salaries, wages and the cost of operating the company of others, the company issued a number of money to pay salaries, wages and the cost of operating the company more that used to support sales.
- Expenditure to buy materials raw or item of merchandise, mean expenditure for the purchase of materials raw or item of merchandise is on a number of material raw that purchased that will digunakaan for the production and purchase of item of merchandise for sale back again.
- Cover losses due to the sale of a letter valuable , mean cover losses due to the sale of a letter valuable is the time perusaan sell securities worth, but suffered losses. It is going to reduce the capital of work and immediately covered.
- The establishment of the fund, the formation of the fund is the separation of assets smoothly for the puIDRose specified in the run length, for example, the establishment

of the fund retiree, fund expansion, or funds pelunasaan bonds. Establishment of the fund is going to change the form of assets of assets smoothly into assets remain.
- Purchase of fixed assets (land, buildings, vehicles and machinery), Purchase of fixed assets or long - term investments such as the purchase of land, buildings, vehicles and machinery. Purchase this will result in reduced assets smoothly and the onset of the debt smoothly.

Working Capital Management

Working capital management according to (Muslich, 2005) is the management of current assets and current liabilities". Working capital management has several important meanings for the company. First, the capital of work shows the size of the amount of investment that made the company the assets smoothly and claims on companies that are represented by debt smoothly. Second, investment in liquid assets, goods receivables is sensitive to the level of productivity and sales.

The objectives of working capital management according to (Kasmir, 2012):
- In order to meet the needs of the company's profitability.
- With a capital of work are enough companies have the ability to meet the obligations on time.
- Able the company to obtain additional funds from the creditor if the ratio of the financial meet the requirement.
- In order to maximize the use of current assets in order to increase sales and profits.
- Protect yourself when going on a crisis of capital work as a result of the decline in the value of assets smoothly.
- Sources of working capital

Absolute working capital needs are provided by the company in any form. Therefore, to meet these needs, working capital sources are needed that can be searched from various available sources. However, in selecting sources of capital, it is necessary to pay attention to the pros and cons of these sources of capital. This consideration needs to be done so that it does not become a burden to the company in the future or later it can cause unwanted problems.

Working Capital Function

Some function capital working among others as follows:
- Working capital accommodates possible adverse consequences arising from a decrease in the value of current assets, such as a decrease in the value of doubtful and uncollectible receivables or a decrease in the value of inventories,
- Sufficient working capital allows the company to pay all current debts on time,
- Sufficient working capital allows the company to credit standing" the company, namely the assessment of third parties such as banks and creditors regarding the feasibility of maintaining credit.

Benefits of working capital

Working capital is able to finance the company's day-to-day expenses or operations. With a capital of work that enough will make the company operates as economically and efficiently and do not run into trouble financially. The benefits of working capital according to (Munawir, 2010) are:
- Protects the company against working capital crises due to the decline in the value of current assets.
- Allow to be able to pay all the obligations right on time.
- Allow to have stock in the amount that is sufficient to serve the consumer.

- Allows for Companies to provide the terms of credit are more favorable to the costumer
- Allows for company to be able to operate with more efficient because it does not exist difficulties to obtain goods or services that are needed.

Factors Affecting Working Capital

The working capital needed by the company must be met immediately according to the company's needs. However, sometimes it is not always available to meet working capital needs as desired. This is because working capital needs are met or not, depending on the various factors that influence it. Therefore, the management in carrying out the company's operational activities, especially policies in the effort to fulfill working capital, must always pay attention to these factors.

Factors that can affect working capital according to (Sumantri, 2019) are:

- Types of company, the types of company activities in practice include two types, namely companies engaged in services and non-services. Capital requirements in industrial companies are greater when compared to service companies. In industrial companies, investment in cash, accounts receivable and inventories is relatively greater when compared to service companies. Therefore, the type of company activity determines the need for working capital.
- Credit terms, credit or sales terms, which are empowered by installments, also greatly affect working capital. To increase sales can be done in various ways and one of them is through credit sales. The sale of goods on credit provides leeway for consumers to buy goods in installments several times for a certain period of time.
- Production time, for production time, which means the time period or duration of producing an item. The longer it takes to produce an item, the greater the working capital needed. Likewise, on the contrary, the shorter the time needed to produce working capital, the smaller the working capital needed.
- The level of inventory turnover, the effect of the inventory turnover rate on working capital is quite important for the company. The smaller or lower the turnover rate, the higher the need for working capital and vice versa. Thus, a high enough inventory turnover is required in order to minimize the ratio of losses due to price reductions and to save costs for storage and maintenance of supplies.

Financial performance

Performance (performance) in the dictionary of accounting terms is the quantification of the effectiveness in operating a business during a certain period. Performance of banks in general is an overview of the achievements were achieved by the bank in its operations. Performance finance bank is a picture of the condition of finance bank in a period of a certain kind covering aspects of raising funds and distributing funds. Performance show something that is related to the strength and weaknesses of a company. Strength The conceived in order to be exploited and weaknesses also must be known in order to be sealed ukan improvement measures (Irawan & Kacaribu, 2017).

Company performance can be measured by analyzing and evaluating financial statements. The information position of finance and performance of finances in the past and is often used as a basis for predicting the position of financial and performance in the period ahead and the things others who directly draw the attention of users such as the payment of dividends, wages, the movement of the price of the securities and the ability of the company to meet its commitment when it falls due (Kusumo, 2008).

The financial performance is a description of each result the economy that is able to be achieved by companies banking on the time period specified by the activities of the company to generate profits as efficiently and effectively, which can be measured progress by holding the analysis against data finance seen in the financial statements (Chandra, 2016).

Financial Performance Measurement

Performance measurement is used by companies to make improvements over their operational activities in order to compete with other companies. Financial performance analysis is a process of critically reviewing data, calculating, measuring, inteIDRreting, and providing solutions to company finances in a certain period (Firdaus & Hosen, 2014)

The liquidity ratio is an indicator of the ability of companies to pay all short-term financial liabilities at maturity using available current assets. Liquidity is not only concerned with the overall financial condition of the company, but also with its ability to convert certain current assets into cash. (Sumantri, 2019)

Financial performance can be assessed with several analytical tools. Based on the technique, financial analysis can be divided into eight types, according to (Jumingan, 2006) :

- Comparative Analysis of Financial Statements
- Trend analysis (position tendency
- Per-Component Analysis (common size
- Analysis of Sources and Use of Working Capital
- Analysis of Sources and Use of Cash
- Financial Ratio Analysis
- Analysis of Change in Gross Profit
- Break Even Analysis

Financial Ratio Analysis

1. **Definition of Financial Ratio Analysis**

In running a business, the business entity should always present and prepare financial reports so that they can find out the process of business development that they are running, and the financial statements that are presented can be analyzed using the ratio analysis method.

Ratio analysis is a method of analysis using comparative calculations of quantitative data shown in the balance sheet and profit and loss account. Basically the calculation of financial ratios is to assess the company's financial performance in the past, present, and possibly in the future.

2. **Types of Financial Ratios**

To be able to get a picture of the financial development of a company, it is necessary to conduct an analysis or inteIDRretation of financial data that is reflected in the financial statements (Nawaz, 2017). The measure that is often used in financial analysis is the ratio.

According to the data source van Vorne (2005: 234) the ratio figures can be differentiated by:	
1. Balance sheet ratios, namely ratios compiled from data originating from the balance sheet, for example, Current Ratio, Acid Test Ratio, current asset to total asset ratio, current liabilities to total asset ratio and so on. 2. Income statement ratios are data compiled from data from the Income Statement, for example Gross Profit, Net Margin, Operating Margin, operated Ratio. 3. Ratios between financial reports (internal statement ratios), are ratios that are compiled from data originating from balance sheets and other data from the Income Statement, such as Assets Turnover, and so on. 4. Financial ratios can be divided into four general forms that are often used, namely:	5. Liquidity ratio, is the ratio used to measure the company's ability to meet short-term financial obligations in the form of short-term debts. 6. The solvency ratio, this ratio is called the leverage ratio, which measures the ratio of funds provided by the owner to funds borrowed from the company's creditors. 7. Profitability ratio, this ratio is also called the profitability ratio, which is the ratio used to measure the company's ability to earn profits or profits, the profitability of a company realizes a comparison between profit and assets or capital that produces that profit. 8. Activity ratio, activity ratio is a ratio that shows the effectiveness of a company in using its assets.

RESEARCH METHODS

Data Analysis Tools

- Liquidity Ratio Analysis

According to, the liquidity ratio is a ratio that shows the ability of a company to meet its short-term obligations when due, liquidity ratio analysis consists of:

- Current Ratio

The current ratio is a comparison between current assets and current liabilities and is the most common measure used to determine a company's ability to meet its short-term obligations.

The current ratio formula is as follows:

$$\boldsymbol{current\ ratio = \frac{aktiva\ lancar}{utang\ lancar} \times 100\%}$$

The calculation of this ratio aims to determine to what extent the company's current assets can guarantee debt from short-term creditors.

- Cash Ratio

Cash ratio is a ratio that shows the position of cash that can cover current debt, in other words, cash ratio is a ratio that describes the ability of cash you have in current liability management for the year concerned. The calculation of the cash ratio is as follows:

The cash ratio formula is as follows:

$$\boldsymbol{cash\ ratio = \frac{kas}{utang\ lancar} \times 100\%}$$

- Profitability Ratio Analysis

According to Profitability ratio or profitability ratio is the ratio used to measure the ability of a company to earn a profit. Attention is given to this ratio because it is closely related to the survival of the company.

- Profit Margin Ratio

This ratio is used to calculate the extent to which the company's ability to generate net income at a certain sales level. This ratio can also be in the InteIDRret as the ability company reduce costs or measure the efficiency of the company at a certain period.

$$\boldsymbol{profit\ margin = \frac{laba\ bersih}{penjualan} \times 100\%}$$

RESULTS AND DISCUSSION

Working Capital in the Banking Industry (Analysis of Bank Syariah Mandiri Jambi)

Capital work is divided on two when seen from the balance sheet that is "capital actively " is capital that is listed in the next discharge of the balance sheet, which describe the forms in which the whole funds which in acquired companies in implanted, while the notion of "capital passive" is the capital of the listed the next credit of the balance sheet that illustrates the sources from which the funds in acquired.

- Current assets
- Fixed assets

The following is a table of working capital data at the Mandiri Islamic bank in Jambi

Table 5.1 Fixed Assets and Current Assets

	Year	Current asset	Fixed assets
2016	QUARTERLY I	IDR 71,548,944	IDR 987,239
	QUARTER II	IDR 72,022,855	IDR 983,269
	QUARTER III	IDR 74,241,902	IDR 931,308
	QUARTER IV	IDR 78,831,722	IDR 901,862
	Total	**296,645,423**	**3,803,678**
2017	QUARTERLY I	IDR 80,012,307	IDR 847,061
	QUARTER II	IDR 81,901,309	IDR 806,358
	QUARTER III	IDR 84,087,348	IDR 770,641
	QUARTER IV	IDR 87,939,774	IDR 777,000
	Total	**333,940,738**	**3,201,060**
2018	QUARTERLY I	IDR 92,976,854	IDR 770,829
	QUARTER II	IDR 92,813,105	IDR 777,702
	QUARTER III	IDR 93,347,112	IDR 771,120
	QUARTER IV	IDR 98,341,116	IDR 875,098
	Total	**377,478,187**	**3,194,749**
2019	QUARTERLY I	IDR 98,553,229	IDR 868,954
	QUARTER II	IDR 101,011,871	IDR 875,057
	QUARTER III	IDR 102,782,933	IDR 871,599
	QUARTER IV	IDR 112,291,867	IDR 894,360
	Total	**414,639,900**	**3,509,970**
Amount average		**88,919,015.5**	**856,841.06**

Based on the table at the top can on to explain that the capital working in the bank sharia independently Jambi composed on the assets remained and assets smoothly. In the year 2016 there were at USD 296 645 423 in current assets, with fixed assets of USD 3,803,678 of fixed assets, in 2017 there were amounted to USD 333 940 738 in current assets, with fixed assets of USD 3.20106 million of fixed assets, in 2018 there were as much as IDR 377,478,187 with fixed assets of IDR 3,194,749 fixed assets, and in 2019 there were IDR 415,639,900 current assets with fixed assets of IDR 3,509,970 with an average amount for current assets of IDR 88,919,015. 5 and the average amount of fixed assets is IDR 856,841.06.

In 2016 from quarters 1-4 had a total working capital of IDR 23,726,458, for 2017 from 1-4 quarters had a total working capital of IDR 27,016,430, for 2018 from 1-4 quarters had a total working capital of IDR 30,919,505, and for the year 2019 from quarter 1-4 has a total working capital of IDR 34,844,298. With the largest working capital in 2019, amounting to IDR 34,844,298.

Financial Performance in the Banking Industry (Analysis of Bank Syariah Mandiri Jambi)

Based on online data obtained by the author, here are the results and analysis of research on the financial performance of the Mandiri Islamic bank in Jambi based on financial ratios and based on the liquidity ratio, which is the ratio that describes the ability of the Mandiri Islamic bank in Jambi to meet short-term liabilities (debt). Liquidity in an independent Islamic bank in this study is measured using 2 ratios, namely the current ratio and cash ratio.

The following is a calculation table for the liquidity and profitability ratios

Table 5. 2 results of calculation of the ratio of current (current ratio) in millions of rupiah

Year		Current asset	Cash	Current liabilities	Current Ratio (%)	Cash Ratio (%)
2016	QUARTERLY I	IDR 71,548,944	IDR 1,176,594	IDR 65,857,958	108.64	1.78
	QUARTER II	IDR 72,022,855	IDR 1,291,740	IDR 66,240,356	108.72	1.95
	QUARTER III	IDR 74,241,902	IDR 947,214	IDR 68,381,366	108.57	1.38

	QUARTER IV	IDR 78,831,722	IDR 1,086,569	IDR 72,439,285	108.82	2.49
		Average			**108.68**	**1.65**
2017	QUARTERLY I	IDR 80,012,307	IDR 907,885	IDR 73,529,278	108.81	1.23
	QUARTER II	IDR 81,901,309	IDR 1,558,247	IDR 75,331,961	108.72	2.06
	QUARTER III	IDR 84,087,348	IDR 956,108	IDR 77,437,536	108.58	1.23
	QUARTER IV	IDR 87,939,774	IDR 1.135.610	IDR 80,625,533	109.07	1.40
		Average			**108.78**	**1.48**
2018	QUARTERLY I	IDR 92,976,854	IDR 1,015,336	IDR 85,542,019	108.69	1.18
	QUARTER II	IDR 92,813,105	IDR 1,827,025	IDR 85,239,182	108.88	2.14
	QUARTER III	IDR 93,347,112	IDR 1,088,302	IDR 85,475,530	109.20	1.27
	QUARTER IV	IDR 98,341,116	IDR 1,324,081	IDR 90,301,951	108.90	1.46
		Average			**108.91**	**1.51**
2019	QUARTERLY I	IDR 98,553,229	IDR 1,305,034	IDR 90,332,356	109.10	1.44
	QUARTER II	IDR 101,011,871	IDR 1,679,374	IDR 92,484,017	109.22	1.81
	QUARTER III	IDR 102,782,933	IDR 1,376,661	IDR 93,933,197	109.42	1.46
	QUARTER IV	IDR 112,291,867	IDR 1,591,962	IDR103,046,032	108.97	1.54
		Average			**109.16**	**1.56**
		Total average			**115.67**	**1.55**

a. Liquidity Ratio

The liquidity ratio is a ratio that shows the ability of a company to meet its short-term obligations when due.

- **Current Ratio**

Current ratio is liquidity ratio calculation method is the simplest, to determine the level of ability of independent Islamic banks to meet short-term obligations.

Based on el 5.2 above, the current ratio of Bank Mandiri Syariah in Jambi has increased and decreased from year to year (Fluctuating). In 2016 the first quarter of the current ratio was 108.64%, this means that every IDR 1.00 current debt secured by IDR 1.0864 current assets, for the second quarter current ratio of 108.72% this means that every IDR 1.00 current debt guaranteed with IDR 1.0872 current assets, for the third quarter current ratio of 108.57% this means that every IDR 1.00 current debt guaranteed with IDR 1.0857 current assets, for the last quarter, namely the fourth quarter current ratio of 108.82% this means that every IDR 1.00 current debt guaranteed IDR 1,0882 current assets.

In 2017 the first quarter of the current ratio was 108.81%, this means that every IDR 1.00 current debt secured by IDR 1.0881 current assets, for the second quarter current ratio of 108.72% this means that every IDR 1.00 current debt guaranteed IDR 1,872 current assets, for the third quarter current ratio of 108.58% this means that every IDR 1.00 current debt guaranteed with IDR 1.0858 current assets, for the fourth quarter current ratio of 109.07% this means that every IDR 1.00 current debt guaranteed with IDR 1,0907 current assets.

In 2018 for the first quarter the current ratio was 108.69%, this means that every IDR 1.00 current debt secured by IDR 1.0869 current assets, for the second quarter current ratio of 108.88% this means that every IDR 1.00 current debt guaranteed with IDR 1.0888 current assets, for the third quarter current ratio of 109.20% this means that every IDR 1.00 current debt guaranteed with IDR 1.0920 current assets, for the fourth quarter the current ratio was 108.90%, this means that every IDR 1.00 current debt guaranteed with IDR 1,0890 current assets.

In 2019 for the first quarter the current ratio is 109.10%, this means that every IDR 1.00 current debt secured by IDR 1.0910 current assets, for the second quarter current ratio of 109.22% this means that every IDR 1.00 current debt guaranteed IDR 1.0922 current assets, for the third quarter current ratio of 109.42% this means that every IDR 1.00 current debt guaranteed IDR 1,09.42 current assets, for the fourth quarter current ratio of 108.97% this means that every IDR 1.00 current debt guaranteed with IDR 1,0897 current assets.

The highest current ratio in 2019 was 109.16%, while the lowest current ratio was in 2016, with an average of 108.68%.

- **Cash Ratio (Cash Ratio)**

The cash ratio shows the company's ability to pay its short-term obligations which must be immediately filled with cash and securities within the company which can be immediately cashed. The use of this ratio is to find out that each current debt is IDR 1.00 is guaranteed by cash equal to the results obtained from the cash ratio.

Seen from table 5.2, the calculation of the cash ratio has fluctuated, which has the highest value in 2016, which is an average of 1.65% meaning every IDR 1.00 current debt will be secured by IDR 0.65 cash, in 2017 decreased to 1.48% meaning every IDR 1.00 current debt will be secured by IDR 0.48 cash, in 2018 it increased again from the previous year, namely by an average of 1.51% meaning every IDR 1.00 current debt will be secured by IDR 051 cash, and in 2019 it has increased again, with an average value of 1.56%, meaning every IDR 1.00 current debt will be secured by IDR 0.56 cash.

The highest cash ratio in 2016 was 1.65%, while the lowest cash ratio was in 2017, namely 1.48%, this was caused by an imbalance between current debt and cash value owned by Mandiri Syariah Bank Jambi.

b. Profitability Ratio

Profitability ratio can be inteIDRreted as a comparison between the nett income earned in the company's operations with sales or revenue where to generate profits.

Profit Margin

This ratio is used to calculate the extent to which the company's ability to generate net income at a certain sales level. This ratio can also be in the InteIDRret as the ability company reduce costs or measure the efficiency of the company at a certain period.

Table 5.3 the results of the calculation of profit margin are presented in millions of rupiah

Year		Net income	Sales	Profit margin (%)
2016	QUARTERLY I	IDR 75,715	IDR 97,838	77.38
	QUARTER II	IDR 168,761	IDR 224,541	75.15
	QUARTER III	IDR 264,157	IDR 323,093	81.75
	QUARTER IV	IDR 325,414	IDR 431,841	75.35
Average				**77.40**
2017	QUARTERLY I	IDR 90,261	IDR 121,659	74.19
	QUARTER II	IDR 176,910	IDR 244,173	72.45
	QUARTER III	IDR 257,375	IDR 350,859	73.35
	QUARTER IV	IDR 365,166	IDR 457,718	79.77
Average				**74.94**
2018	QUARTERLY I	IDR 120,594	IDR 182,759	65.98
	QUARTER II	IDR 260,836	IDR 417,079	62.53
	QUARTER III	IDR 435,308	IDR 661,462	65.80
	QUARTER IV	IDR 605,213	IDR 819,074	73.88
Average				**67.04**
2019	QUARTERLY I	IDR 242,884	IDR 336,188	72.24
	QUARTER II	IDR 550,568	IDR 771,879	71.32
	QUARTER III	IDR 872,225	IDR 1,213,947	71.85
	QUARTER IV	IDR 1.275.303	IDR 1,765,290	72.24
Average				**71.91**
Total overall average				**72.82**

It can be seen from table 5.3 that the calculation of profit margin from year to year continues to fluctuate, and the one with the highest value was in 2016, with an average value of 77.40% meaning every IDR 1.00 sales will be guaranteed with IDR 0.7740 net profit, in 2017 with an average value of 74.94%, meaning every IDR 1.00 sales will be guaranteed with IDR 0.7494 net profit, in 2018 with an average value of 67.04%, meaning every IDR. 1.00 sales will be secured by IDR 0.6704 net income, and in the last year, namely 2019 with an average value of 71.91%, meaning every IDR 1.00 sales will be secured by IDR 0.7191 net income.

The highest profit margin in 2016 was 77.40%, while the lowest profit margin was in 2018, which was 67.04% with an average overall profit margin of 72.82%, which shows that the Mandiri Islamic bank in Jambi is in very good condition (liquid). Relationship of Working Capital and Financial Performance in the Islamic Banking Industry (Analysis of Bank Syariah Mandiri Jambi) , analysis of the coefficient of determination is used to determine the percentage of the contribution of the relationship between the variables X1 (current ratio), X2 (cash ratio), X3 (profit margin) to dependent Y (capital work) such as the results of SPSS processing.

Fortunately analyze the relationship capital working with financial performance premises n using the ratio of liquidity and profitability done testers early and proof of relationship that used analysis regression linear multiple. the results of the calculation of r e Gresi linear multiple deng a n program SPSS version 20 then obtained correlations or relationships between working capital and current ratio, cash ratio and profit margin of the table as follows:

Table 5.4 Coefficient of Determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	, 834 [a]	, 696	, 620	692257,969

a. Predictors: (Constant), profit margin, cash ratio, Current ratio

$$e = 100\% - R^2 = 100\% - 69.6\% = 30.4\%$$

The above table describes the correlation / relationship (R) that is equal to 0.834, and described the percentage of independent variables on the dependent variable, which is called the coefficient of determination is the result of adjusted R. From the output tersbut obtained coefficient of determination (R^2) obtained is amounting to 0.696 with the question of the relationship between the current ratio, cash ratio and profit margin to working capital 69.6%. While the remaining 30.4% is due to other factors not included in this study.

Table 5.5 Correlations

Correlations

		current ratio	cash ratio	profit margin	working capital
current ratio	Pearson Correlation	1	-, 054	-, 290	, 785 **
	Sig. (2-tailed)		, 844	, 276	, 000
	N	16	16	16	16
cash ratio	Pearson Correlation	-, 054	1	-, 151	-, 124
	Sig. (2-tailed)	, 844		, 576	, 646
	N	16	16	16	16
profit margin	Pearson Correlation	-, 290	-, 151	1	-, 467
	Sig. (2-tailed)	, 276	, 576		, 068
	N	16	16	16	16
working capital	Pearson Correlation	, 785 **	-, 124	-, 467	1
	Sig. (2-tailed)	, 000	, 646	, 068	
	N	16	16	16	16

**. Correlation is significant at the 0.01 level (2-tailed).

Based on the table correlation in the above can be explained to the value of output for significantly between the current ratio of the working capital amounted to 0,000 persons Correlation 0.785 which means signify that the relationship between the curent ratio with working capital at the level of relations Strong shown at the level of person correlation to the standard correlation. For the relationship between cash ratio and working capital, it is indicated by a significant value of 0.646 with a Pearson correlation of 0.124 which indicates a relationship between cash ratio and working capital with a very weak relationship which is shown at the person level of correlation on the correlation standard. And for the relationship between profit margin and working capital, it is indicated by a significant value of 0.068 with a Pearson correlation of 0.467, which means that the relationship between profit margin and working capital has a strong relationship which is shown at the level of the correlation person on the standard of correlation.

So from the results of statistical processing using SPSS, the results show that the correlation or relationship between the variables of significance and the statement shows that working capital has a relationship with the current ratio, cash ratio and profit margin. As shown by the significant value and the Pearson correlation.

CONCLUSIONS AND SUGGESTIONS

CONCLUSION

The working capital of Mandiri Syariah Bank Jambi consists of fixed assets and current assets with an average amount for current assets of IDR 88,919,015.5 and an average amount of fixed assets of IDR 856,841.06. In general, the condition of the liquidity ratio through the current ratio is in a bad state, where up to 2019 the average value is 115.67 %. Meanwhile, through research using the cash ratio from 2016 to 2019 with an average value of 1.55% in a fairly good condition. While through research using profitability ratios, namely the average profit margin value from 2016 to 2019 of 71.91% in very good condition because it exceeds the minimum standard ratio. And it can be concluded from the development of the liquidity and profitability ratios at the Mandiri Islamic bank in Jambi being able to meet its short-term obligations if they fall due (liquid).

Judging from the calculation in the discussion of pearson correlation coefficientor R 2 that the current ratio, cash ratio and profit margin amounted to 69.6% ter effect toward working capital. While 30, 4% influenced by other factors outside of this study. And for Person correlation current ratio 1,000 means perfect correlation and there is a relationship between current ratio and working capital. For cash ratios with a personnel correlation cash ratio of 1, 000 means perfect correlation and there is a relationship between cash ratio and working capital. For the value of personnel correlation, profit margin of 1,000 means that the correlation is perfect and there is a relationship between profit margin and working capital.

SUGGESTION

By looking at the conclusions above, suggestions will be put forward which are expected to be taken into consideration for further steps

It is expected that the Mandiri Syariah Bank for working capital should be maintained. If necessary, it must be increased again, this is aimed at increasing the existing working capital at the Jambi Mandiri Islamic Bank.

It is expected that the independent Islamic bank Jambi financial performance at the Mandiri Islamic bank in Jambi is in good condition and should be maintained if necessary, it should be improved again, this aims to increase financial performance through several ratios, namely current ratios, cash ratios, and profit margins that exist at the bank. syariah mandiri jambi.

It is expected that the Mandiri Syariah Bank Jambi will continue to maintain the relationship between working capital and the existing financial performance at the Jambi Syariah Bank because it has shown a significant relationship so that it must be increased again for the advancement of the Jambi Syariah Bank Mandiri.

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