CHAPTER V
CONCLUSION

1.1 Conclusion

From all of the regression analysis there were several conclusions as follows:

1. Through all the independent variables there were three significant variables influencing ROA, which were *murabahah, qard* and *musharakah*. Where this three variables got their each relationship with ROA. *Murabahah* got positive relationship with ROA, while *qard* and *musharakah* got negative relationship. Concerning this result, Islamic bank could increase the number of *murabahah* and maintain the *qard* and *musharakah* product to maximize its profitability. While the other 3 independent variables got insignificant influence to ROA, which means whatever happen to 3 variables, it would not affect the profitability of Islamic bank.

2. The social variables or *qard al-hassan* was a special contract, because this contract purpose was to help people. With the negative significant result, it was give negative impact to the profitability of Islamic bank, but when this contracts was maximized its existence and well maintained, beside it could help the people, it could also help the microeconomics sectors, because the micro finance could start business with this contract and without worrying regarding the interest.
1.2 Suggestion

Regarding to this research, there were several recommendations as an implementation from the research findings:

1. To maximize the profit in Islamic bank, they must control all the activity of the Islamic bank. In this study case, the financing contracts and social contract probably could create negative impact to the profitability of Islamic Bank.

2. Since there were only three variables significantly influence the profitability of Islamic bank, the Islamic bank should be able to increase the profitability from these three contracts. Meanwhile the other contracts also got probability to increase profitability, it would be good if any contracts that Islamic bank provided could gave profitability to the Islamic bank.

3. When qard al-hassan was well managed, it was also probably could help to increase the economics development of Indonesia.

4. For the further researchers, need to use different contracts variables which were still not used in this research and it was the contracts available in Indonesian Islamic bank.