Factors Affecting the Asset Growth of Indonesian Shaaria Life Insurance Companies

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Abstract

Purpose – *This study aims to provide an overview and analysis of how premiums, claims, and investment results have affected asset growth in Indonesian Sharia life insurance companies from 2015 to 2020.*

Methodology - *In this work, quantitative causality methodologies were used as the research methodology. The Financial Services Authority-registered Sharia life insurance company serves as the study's population (FSA). The method used for sampling in research is by purposive sampling with the number of samples as many as eleven Sharia life insurance companies in Indonesia for 6 years of research.*

Findings - *The dependent variables in this study are asset growth and independent variables in this research are premiums, claims and investment returns. The results showed that premiums affect the growth of assets in the negative direction, claims affect the growth of assets in the negative direction and investment returns positively affect the growth of assets.*

Keywords: *Premiums, Claims, Investment Results and Asset Growth*

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1. INTRODUCTION

Human beings in his life are always faced with a wide range of risks, especially those that are unendeared and detrimental (pure risk), such as business risk, risk of accidents and risk of illness. Risk is interpreted as uncertainty that brings losses (Gkimprixis, A., Douglas, J., & Tubaldi, E, 2021). In the present-day insurance plays an important role in providing the assurance of protection for human beings who are commercial or non-commercial (Al Mahi, Sim, & Hassan, 2017). The development of Sharia insurance industry is now progressing very rapidly (Syarifuddin, S., Muin, R., & Akramunnas, A., 2021). The growth of Sharia insurance institutions is now increasing every day. The Total assets obtained by Sharia insurance are not currently in line with the growth of Sharia life insurance assets that experience slowing growth. The growth of Sharia life insurance assets is only 38%, compared to the growth of Sharia life insurance in 2019 which records by 52% (Sari, Rosalina, & KS, 2020).

The growth of Sharia life insurance assets that experienced slowing growth due to decreased investment revenue resulting in decline in the year 2018 (Baroroh, H., 2021). Obtained results from the Financial Services Authority (OJK) recorded the results of Sharia insurance investment minus Rp 495 billion, slumped 138.46% compared to the realization in the same period of the previous year reached Rp 1.07 trillion. Along with the decline in investment returns, the total investment of Sharia life insurance only grows a little at 1.2%. The result of a negative investment in the year 2018 due to the loss of unrealized investment income from stocks and bonds. The decline in investment returns in 2018 affect the decrease in the growth of Sharia life insurance assets of 15.5% (Sari, Rosalina, & KS, 2020). Aside from decreasing investment income, in the same year the total income of Sharia life insurance premiums decreased by 5% of the projected premium of 17%-18% in 2019. The premium income of sharia-mental insurance in 2018 was recorded at Rp 185.88 trillion, down compared to the previous year 2018 which reached Rp 195.72 trillion. The decline was caused by a decrease in the performance of the 11.2% Bancassurance distribution channel which contributed 42.9% to the Sharia insurance industry (Sari, Rosalina, & KS, 2020).

According to Mursid (2018) ; Ghozali & Afifah (2020) stating the larger the premium the company receives, then the received profit is also getting bigger. It is supported by research conducted by Gor (2013) stating that the premium income affects profit, where each premium income increase will result in an increase in the profit earned. On the other hand, it is reviewed from the point of view of an insurance company as an investment fund manager and a new fund ' of course insurance companies require a certain amount of funds to pay for sharing expenses or expenses. The burden is the value of something directly sacrificed that is measured through the unit of money earning. The burden is a reduction in revenue to earn income or profit (Ghozali & Afifah, 2020). Referring to the data of the Financial Services Authority (OJK), the value of the recorded insurance claim worth Rp. 5.65 trillion per November 2018 jumped 84.64% compared to the realization of the same year period, which was previously worth Rp 3.06 trillion. The increase in this claim also affected the revenue of the investment yield which decreased in 2018 by 138.46%. The increased value of the claim is influenced by the number of early redemption requests or termination of insurance policy before the expiry of the contract, or cash withdrawal and investment (Schwaitzberg, S. D., Scott, D. J., Jones, D. B., McKinley, S. K., Castrillion, J., Hunter, T. D., & Michael Brunt, L, 2014).

Although Sharia life insurance has developed in terms of total assets, it is not yet able to rival conventional life insurance companies in terms of market share (Nainggolan, L. M., & Soemitra, A, 2020). This can be proved from the market share contribution of Sharia life insurance only reaches 5.03% of the total national premium. This indicates that there are problems with sharia-based financial instruments, whether it is due to unattractive Sharia insurance products or because of the low performance of Sharia life insurance companies so that people still do not believe in Sharia-based life insurance. The low market share of Sharia life insurance has been on the financial instruments of Sharia insurance in 2018 that have suffered a decrease in the impact of the asset growth slowdown in Sharia life insurance (Suryadi, H, 2021).

This study was conducted to analyze the factors of factors-factors affecting the growth of assets in Sharia life insurance companies in Indonesia. The factors used in this study are limited to several variables.

2. LITERATURE REVIEW

Fatwa DSN-MUI No. 21/DSN-MUI/X/2001 on Sharia insurance general guidelines. The first section of paragraph one states that "Sharia insurance is a mutually protecting and each other effort among some people through investment in the form of assets and/or Or Tabarru ' which provides a pattern of return to face certain risks through a sharia-compliant contract. " While the first part of verse two states that "Sharia-compliant akads are the ones that do not contain gharar (fraud), Maysir (gambling), Riba, Zhulm (persecution), Risywah (bribery), illegitimate goods, and Maksiat".

Meanwhile, according to Muthmainah (2016) sharia or takaful insurance is a word that comes from Kafala which means "helping someone who needs help" i.e., each member of the group strives to support or assist Individuals in groups who need help. In Sharia insurance participants or participants from the beginning have made themselves to help each other by setting aside their funds as dues of virtue called Tabarru '. The basic concept is Sharing of Risk, which divides the risk between insurance companies and insurance participants. In paying the premium, the participant does not and bestows any risks that may arise from him in the later days to the Sharia insurance company. The position of Sharia insurance company only as a representative to manage participants ' funds, allocate it to the right investment sector, and maintain the stability of Tabarru ' Fund (Nainggolan & Soemitra, 2020).

2.1. Assets

FASB defines the asset as the following Asset are probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events. (Asset is a definite future economic benefit that is acquired or controlled by an entity as a result of a transaction or past event (Janjua & Akmal, 2014). Assets according to PSAK are resources that are mastered by a result of past events and are expected to drain future profits for the company. Therefore, a resource that is controlled, although not owned, should be regarded as an asset that must be managed by the company. Assets are resources owned by a business. Assets are used in the implementation of activities, such as production, consumption and buying and selling. The common characteristics that all assets have is the ability to provide future services or benefits. In the business company of potential services or economic benefits in the future, eventually resulted in a cash flow in the company (Nustini & Amiruddin, 2019). According to Remli, Muda, & Rosman (2017) assets,

liabilities, and capital i.e., assets (assets) are economic resources that are expected to benefit the company in the future. Cash, trade supplies, furniture, and land are assets. The rights to the assets are derived from two sources. Liability is the right of external parties-the debt payable to the extent. These extended parties are called creditors. The right of internal parties to assets is called capital.

2.2. Asset Growth

Asset growth is the annual rate of change of total assets. Increased assets followed by increased outcome of the results of the operation will further add to the outside party's trust, in predicting asset growth in this study using the following formula in figure 1:

$$Pertumbuhan\ Aset = \frac{Total\ aset_t - Total\ Aset_{t-1}}{Total\ Aset_{t-1}}$$

Figure 1. Asset Growth Formula

Description:
- Total Assets = Total assets of the year
- Total assets-1 = Total assets of the previous year

2.3. Factors Influencing the Proportion of Fund *Tabarru'*: Claims

Claim is the request of the participant, its heirs, or any other party involved with the insurance company for the occurrence of the accident causing the loss and the participant has the right to accept the liabilities under the agreement. In the mandatory claim of the administration of claims that serves to verify the participant's claim file to fulfill the contractual agreement whether the claim is worth paying or not (Yazid, Arifin, Hussin, & Daud, 2012). Claims of insurance participants is one of the variables that strongly supports the change in the amount of Tabarru funds. Thus, the two possibilities that occur are Underclaimed and Overclaimed. Underclaimed is a condition where the number of claims is so low that the amount of Tabarru funds ' is still very much. Conversely, if Overclaimed happens then the condition of the amount of claim is very high until the amount of Tabarru funds experienced deficiency (Saputra, Kusairi, Sanusi, & Abdullah, 2016).

2.4. Factors Influencing the Proportion of Fund *Tabarru'*: Premiums

A premium is the payment of the amount of money made by the insured party to the insurer to replace a loss, damage, or loss of expected profit arising from the agreement on the transfer of risk from the insured to (Transfer of risk). The premium is determined by the results of the risk selection underwriter or after the company performs the risk selection at the request of the insured candidate. Thus, the prospective insured will pay the insurance premiums according to the level of risk in their respective conditions (Souiden & Jabeur, 2015). Premium is the price that the policyholder pays to get the insurance payment (coverage). The coverage amount is specified in the policy. The accepted premiums are invested until and if the policyholders submit a claim for the entire amount or part of the amount stated on the policy, and the claim is valid. For a number of business lines, the company will soon know that the company has borne the obligations of the policy, when the claim is to be paid, although the number of claims is not known at that time.

Premiums are important factors in insurance for both the insurer and for the insured, the premium can also be called by the term contribution or in the language fiqh called al-Musahamah, contributions (Al-musahamah) in Sharia insurance agreement is a financial consideration (Al-Iwad) of the participant part which is the obligation arising from the agreement between the participant and the organizer (Qureshi, 2011). Premium element on Sharia insurance consists of tabarru ' and savings (for life insurance), and Tabbaru ' course (for insurance losses and term insurance on life). The new tabular element of the soul, its calculations are taken from the mortality table (life expectancy), which depends on the age and period of the Covenant. The higher the age and the longer the period of agreement, the greater the value of the Tabnew '. The amount of life insurance premiums in Sharia insurance called Tabbaru ' is at the range of 0.75 to 12 percent. While the magnitude of the Tabbaru ' on insurance loss refers to the standard rate (Ghozali & Afifah, 2020).

2.5. Factors Influencing the Proportion of Fund *Tabarru'*: Investments

Investing is embedding or placing assets, whether in the form of wealth or funds, in something that is expected to provide revenue results or will increase the value in the future. While financial investment is to invest funds in marketable securities that are expected to increase in value in the future. The growth of the company is a factor that investors expect so that the company can deliver the expected return. The growing company growth and value of assets are expected to drive expectations for investors as investment opportunities with the expected profit can be achieved. In classical theory, the investments are meant to improve the community's ability to produce. By increasing the amount of Community production, the accumulated capital will increase investment. Experts of classical economists argue that investments are a function of interest rate. The higher the interest rate then the desire to invest will be smaller. The lower the interest rate, the entrepreneurs will be encouraged to invest because the cost of use of funds is also smaller.

Whereas in Keynes theory, the amount of investment done does not depend on the high low interest rate but depends on the large amount of income the household receives. The higher the income received by households, the greater the investment made. According to Keynes, investments only depend on two factors, which is the approximate high profit rate expected of an investment and interest rate. Keynes underlies the theory of investment based on the Marginal Efficiency of Capital (MEC) concept that the amount or agreement to invest is based on the concept of profit to be expected from the investment or commonly called Marginal Efficiency of Investment (MAY), the investment will be done when the MAY is greater than the interest rate. If the high interest rate of the business whose capital returns exceed that level is a little, then the investment does not occur.

3. METHODOLOGY

The research methods used in this study are causality methods with a quantitative approach. Quantitative research is an approach that uses numerical or numeric-form data analysis with the intention of developing mathematical models, theories and/or hypotheses related to the phenomenon studied. The population in this research is the Sharia life insurance company registered with the Financial Services Authority (OJK) from 2015 to 2020. The purposive sampling method is used for the sample determination of this research. The data used in this research is the secondary data obtained from the financial statements of each company and the

insured Book of insurance published by the OJK during the year 2015-2020. Statistical analysis techniques used in this study use the analysis of influence tests through a regression test of data panels. The data regression test panels in this study combined time series with the cross section into one observation. The data panel is the combined data of the time series and cross section. In this study test whether variable premiums, claims and investment outcomes affect asset growth variables.

4. RESULTS AND DISCUSSION

4.1. Asset Growth

The asset growth of Sharia life insurance companies in Indonesia tends to be unstable or still decline. The average value of asset growth of eleven Sharia life insurance companies in Indonesia in 2015-2020 was experiencing a decline. The decline is due to a decline in the financial instruments that exist in Sharia life insurance. The highest growth in assets was experienced by PT. Panin Life in 2016 with the achievement of assets growth of 238%. This is because PT Panin Life experienced a strong consolidation of business growth in 2016, which is driven by the growth of new business premiums increased by 29 percent to 3.7 trillion rupiah, sales of investment products up by 20 percent to 1.9 trillion rupiah and sales of insurance products increased by 39 percent to 1.8 trillion rupiah.

In addition, PT Panin Life is also supported by a high-quality Agency team that manages to improve the company's good performance and encourage company assets growth. On the other hand, the lowest asset growth was experienced by the PT Asuransi Jiwa Al-Amin amounting to-32% in the year 2017. This is because in the period of the year, especially the year 2017, the weakening of the Indonesian economy, especially the pressure on economic stability is very strong, which has a direct impact on the revenue achievement of companies and assets in Sharia life insurance companies declined. Therefore, the insurer should be able to find ways to save the company in the event of erratic economic disruption, one such as changing the portfolio to the rupiah currency.

4.2. Claims

The development of Sharia life insurance company in Indonesia year 2015-2020 tends to increase, as in the year 2015 total Sharia life insurance claim gained the highest value of 87777 trillion and in 2017 suffered the lowest decline of 67387 trillion and up to 2020 total claims of Sharia life insurance company of 83107 trillion. The average value of the growth of claims from 11 Sharia life insurance companies in Indonesia in 2015-2020 has a growth of 12% annually. On average, the growth of Sharia life insurance companies per year on all sharia life insurance has been growing by 2% annually. As for the last six years 2015-2020 if viewed from the average total Islamic life insurance claim per year increased. The occurrence of the increase is due to the number of early redemption requests or termination of insurance policy before the expiry of the contract, or cash withdrawal and investment.

PT. Panin Life Assurance is an insurance company that has the highest claim of 361,092 billion in the year 2017. The promotion is caused by the number of customers who make a claim in the period. It is evidenced that the number of claims submitted by the customer. So, the company must take into account the amount of costs to be incurred to overcome the losses suffered by the

customer. Meanwhile, PT. Tokio Marine Life has the lowest claim expenditure of 96 billion in the year 2020. This is because there are not many customers who make claims in the current period. So, it gives a positive impact for the company because there is no cost to be issued company.

4.3. Premiums

The premium development of Sharia life insurance company in Indonesia year 2015-2020 decreased, as in year 2016 total Syariah life insurance premiums gained the highest score of 389,903 trillion and in the previous year decreased the lowest of 169,239 trillion and up to 2020 total premium of Sharia life insurance company of 373,197 trillion. The average value of premium growth of 11 Sharia life insurance companies in Indonesia in 2015-2020 has a growth of 4% annually. While the average premium growth of Sharia life insurance companies per year on all sharia life insurance is experiencing a growth of 14% annually. As for the last six years 2015-2020 if viewed from the average total premium Sharia life insurance per year decreased. The highest premium experienced by PT. Panin Life in 2017 which amounted to 2,367,135 million rupiah. This is because the insurance company Panin Life has expanded its customer service program to facilitate many people to benefit from life insurance protection so that many new customers who are interested to use the company's services. More and more customers will have an impact on the increase in premium income that will be accepted by the company from customers. On the other hand, the lowest premium experienced by PT. Tokio Marine in 2020 which amounted to 859 million rupiah. Allegedly low income for this premium is due to PT. Tokio Marine Life is moving to customers from lower or low-income people. This company creates life insurance products with a relatively affordable premium but has value for up to a long period of time. The occurrence of premium income of insurance companies should be more active in finding customers so that premium income will increase.

4.4. Investment Returns

The development of Sharia life insurance company in Indonesia year 2015-2020 decreased, as in the year 2014 the results of Sharia life insurance investment gained the highest value of 108,207 trillion and in the following year 2017 experienced the lowest decline amounted to 19,688 trillion and up to 2020 investment in Sharia life insurance company amounted to 29,273 trillion. The average value of investment growth of 11 Sharia life insurance companies in Indonesia in 2015-2020 has a growth of 261% annually. While the average investment growth of Sharia life insurance companies per year on all sharia life insurance is experiencing a growth of 2% annually. As for the last six years 2015-2020 if viewed from the average investment results of Sharia life insurance per year decreased. The decline is due to the loss of unrealized investment income from stocks and bonds.

PT. Prudential Life Assurance is an insurance company that has the highest investment in the capital of 746,606 billion rupiah. This is because the investment done by the Prudential company is long term. If the investment is in a long period of time, then the value of the person will be greater. Meanwhile, PT. Asuransi Jiwa Syariah Al-Amin occupies the lowest position on the average investment in Indonesia's Sharia life insurance company of 179 billion rupiah. Because Al-Amin Sharia insurance company moves among the lower than the funds are collected only a little, so that if the funds are collected it will also be gained a relatively small profit and loss.

Therefore, the Sharia insurance company Al-Amin should be more selective in placing or investing the customer's investment funds in both short-and long-term investments.

4.5. Classical Assumption Test: Multicollinearities Test

Multicollinearity is the condition of a linear relationship between independent variables. The method used to detect the multicollinearity in this study is to calculate partial correlation between free variables. When the correlation relationship between variables has a high coefficient that is greater than 0.80 it can be suspected that there is a linear relationship between the variables, or it can be said that the variables are exposed to symptoms Multicollinearity. Table 1 below shows the multicollinearity test results.

Table 1. Multicollinearity Test Results

	X1	X2	X3
X1	1.000000	0.733544	-0.087543
X2	0.733544	1.000000	0.118331
X3	-0.087543	0.118331	1.000000

Source: Data of Research Results

Based on the results of multicollinearity test in the table can be seen that all variables have a low coefficient that is below 0.80, so it can be concluded that in the study there is no multicollinearity. This means between claims variables, premium variables and business investment variables are not related.

4.6. Classical Assumption Test: Heteroscedasticity Test

The heteroskedasticity test aims to test whether in a regression model there is a variance inequality of the residual, from one observation to another. If the variances of the residual from one observation to other observations remain, then it is called homoscedasticity and if different variances, it is called heteroskedasticity. A good regression Model is not the case of heteroskedasticity. The method used to detect heteroskedasticity in this study using the Glejser method is to replace the variable with the residual absolute value. When through a hypothesis test through test-T against the independent variable < 0.05 then the model is exposed to heteroskedasticity, conversely if > 0.05 then the model does not occur heteroskedasticity. Table 2 below shows heteroskedasticity test results.

Table 2. Heteroskedasticity Test Results

Variable	Coefficient	Std. Error	t-Statistic
C	-9.485963	1.671162	-0.567627
X1	2.570950	1.670605	1.538934
X2	-1.106258	3.734468	-0.296229
X3	-0.531371	2.184099	-0.243291

Source: Data of Research Results

Based on the table 2 It appears that the probability of each variable > 0.05 ie the claim variable $0.2962 > 0.05$, the variable premium $1.5389 > 0.05$ and the variable investment yield $0.2432 > 0.05$. So it can be concluded that in this study all variables do not occur heteroscedasticity.

4.7. Panel Data Regression Model Selection: Chow Test

Chow Test Used to select both models that are most appropriate to use in data regression panels between models Common Effect and model Fixed Effect. Table 3 below shows chow test results.

Table 3. Chow Test Result

Effects Test	Statistic	d.f.	Prob.
Cross-section F	12.360040	(10,52)	0.0000
Cross-section Chi-square	80.319839	10	0.0000

Source: Data of Research Results

From table 3 above, it can be noted that the chi-square value is 0.0000 which is the value is smaller than the alpha value of 0.05. From these results it can be concluded that the correct model for the data regression panel is Fixed Effect Model, which means H0 rejected and H1 accepted.

4.8. Panel Data Regression Model Selection: Hausman Test

Hausman test was performed if the parameters in the study could not use the Common Effect Model. This test is used to select the appropriate model in the Data regression test panel by comparing between fixed effect models with random effect.

Table 4. Hausman Test Result

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	21.289558	3	0.0001

Source: Data of Research Results

From table 4 results can be noted that the chi-square value is 0.0001 which is the value is smaller than the alpha value of 0.05. From these results it can be concluded that the exact model for the data regression panel is Fixed Effect Model, which means H0 rejected and H1 accepted. Furthermore, no Lagrange Multiplier test is required. From a series of tests Chow test or Hausman test to determine the appropriate regression model to use, then the two tests indicate that the fixed effect regression model is the most well-used model with estimated results as following the table 5 below:

Table 5. Result Fixed Effect Model

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	4.669118	1.618282	2.885232	0.0057
X1?	-3.031826	1.609601	-1.883588	0.0652
X2?	-8.679334	3.502129	-2.478302	0.0165
X3?	9.026785	2.277958	3.962666	0.0002
Fixed Effects (Cross)				
AA--C	-9.196207			
AIA--C	4.833776			
AL--C	6.082367			
AXA--C	-1.758215			
CAR--C	-14.98426			
GA--C	-16.82194			
MSIG--C	-12.98230			
PL--C	-1.635297			

PRU--C	6.069239
TK--C	-4.480552
TM--C	-2.271213
R-squared	-9.196207
Adjusted R-squared	4.833776

Source: Data of Research Results

The estimated regression results in tabel 5 are obtained equations as follows in table 6:

Table 6. Equations of Estimated Regression Results

$$PAset_{it} = 4,669118 \ \square \ 3,031826X1_{it} \ \square \ 8,679334X2_{it} + 9,026785X3_{it} \ \square \ 9,196207D1 + 4,833776D2 + 6,08236,7D3 - 1,758215D4 \ \square \ 14,98426D5 \ \square \ 16,82194D6 - 12,98230D7 \ \square \ 1,635297D8 + 6,069239D9 \ \square \ 4,48055.2D10 \ \square \ 2,271213D11 +e_{it}$$

Based on the model above, it can be explained that every X1 (premium), X2 (claim) and X3 (investment yield) is zero, then Y (growth of assets) amounted to 4.66%, then if there is an increase in X1 (premium) by 1%, then Y (growth of assets) will increase by 3.03 times , for each increase of X2 (claim) of 1%, then Y (asset growth) will decrease by 8.6 times, while for each increase of X3 (investment yield) by 1%, then Y (asset growth) will increase by 9.02 times. Then D1, D2, D3, D4, D5, D6, D7, D8, D9, D10, D11 are Dummy variables to find out the Intersep changes. Intersep is an intersection point between a line with the Y axis on a diagram/Cartesian axis when the value X = 0; While the statistical definition is the average value of the variable Y if the value in variable X is 0, between companies explaining the effect of differences in each Syariah life insurance. The coefficient value of R-squared and Adj. R-squared in such models is quite large i.e. 0.718508 and 0.648135, meaning that 71.8% and 64.8% Y (asset growth) can be explained by independent variables i.e. X1 (premium), X2 (claim) and X3 (investment yield). While the remaining 29% and 36.2% are described by other variables outside the model that are not incorporated into the study.

4.9. Statistical Hypothesis Test: Simultaneous Test (F-Test)

The F test is done to test the influence together on a variable free of bound variables. Decision making can be done by comparing between F-Statistic and F-tables and comparing between probabilities and significance levels. The Value F table is obtained with the provisions N2 = n – k, N1 = k – 1. Where n is the number of observations and K is the number of free variables plus constants. So, the value of F table used in this study is N2 = 66 – 3 = 63 and N1 = 3 – 1 = 2 and α = 0.05, then the F value of the table used is 3.14. F test provisions are as follows:
1. If F count ≤ F table then H0 received and H1 rejected, meaning regression does not mean.
2. If F count > F table then H0 rejected and H1 accepted, meaning regression means. With hypotheses:
    H_0: Meaningless regression
    H_1: Meaningful regression

Table 6. F-Test Result

F-statistic	10.20999
Prob(F-statistic)	0.000000

Source: Data of Research Results

Based on table 6 it is known that the F-statistic (10.20999) is greater than the F table (3.1 4), and the probability (0.000000) is smaller than the level of significance (0.05). Then H 1 accepted, so it can be concluded regression means, which means that regression can be used to take the conclusions.

4.10. Statistical Hypothesis Test: Partial Test (T-Test)

The test is used to determine the effect of a variable independent of the variable dependent as individuals. In the t test, the value of t count will be compared with t table, and the probability will be compared with the level of error that is determined researcher. The value of t table in this study can be seen in the distribution table t and α and defree of freedom (df), where df = n-k, n is the number of observations and k is the number of variables. With a significant level of 5% ($\alpha = 0.05$). Then the t table value is compared with the calculated t value to determine the decision to accept H_0 or reject H_0. Based on the results of the test by using Eviews then described in the discussion of the t test follows this.
1) Test Results
   From the results of hypothesis testing, it can be seen the effect of the independent variables on the dependent variable.
   a. Influence Premium to Growth Assets
      1. Research Hypothesis
         H_0: $\beta 1 = 0$, there is no effect of premiums on asset growth variable
         H_1: $\beta 1 > 0$, there is a positive effect of premiums on asset growth variable

Table 7. Test Results of Premium Variables for Asset Growth

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1?	-3.031826	1.609601	-1.883588	0.0652

Source: Data of Research Results

Based on table 7 indicates that the value of t arithmetic amounted to (-1.883588) but because t count is absolute ($\pm$) then t count is (1.883588) more substantial than t table amounted to (1.66980), which means accept H_1 and reject H_0. Can be concluded that the premium (X1) effect on the growth of assets (Y) to the direction of the negative, regarding this shows that any increase in premiums of 1% then the effect of the decline in the growth of assets amounted to 3.03 times.
   b. Effect of Claims on Asset Growth
      1. Research Hypothesis
         H_0: $\beta 1 = 0$, there is no effect of claims on the asset growth variable
         H_1: $\beta 1 < 0$, there is a negative effect of the premium on the asset growth variable

Table 8. Test Results Variable Claims on Asset Growth

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X2?	-8.679334	3.502129	-2.478302	0.0165

Source: Data of Research Results

Based on Table 8 shows that the value of t arithmetic (-2.478302) is greater than t table (1.99834) which means reject H_0 and accept H_1. Then the level of probability of 0.0165 is smaller than $\alpha = (0.05)$ so it can be concluded that X2 (Claims) influential and significant to the Y (Growth Assets) with the direction of the negative, regard this shows that any increase in X2 (Claims) of 1% then it will impact on the reduction of Y (Growth Assets) of 8.6 times.

    c. Effect of Investment Results on Asset Growth

        1. Research Hypothesis

            H_0: $\beta 1 = 0$, there is no effect of investment returns on the variable growth in assets

            H_1: $\beta 1 > 0$, there is a positive effect of investment returns on the variable growth in assets.

Table 9. T-test result: There is a Positive Effect of Investment Returns on the Variable Growth in Assets

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X3?	9.026785	2.277958	3.962666	0.0002

Source: Data of Research Results

Based on table 9 indicates that the value of t arithmetic amounted to (3.962666) shows t is greater than t table (1 66980) which means receiving H_1 and reject H_0. Can be concluded that the investment results (X2) an effect on the growth of assets (Y) with a direction that is positive, thing this shows that any increase in the investment results amounted to 1% then it will impact on the decline in the growth of assets amounted to 9.02 times.

4.11. Effect of Premiums on Asset Growth

Based on data in the general picture shows that the development of premiums in eleven sharia life insurance companies in Indonesia over the past six years has decreased. The premium is a payment of money which is carried out by the insured to the insurer to replace any loss, damage, or loss of expected profit due to the onset of the agreement on the transfer of risk from the insured to the insurer (transfer of risk). Premiums are also briefly referred to as money that customers pay to companies to get insurance benefits. The amount of the premium is determined from the results of the risk selection conducted by the underwriter. Underwriter is a selection process to determine the size of the premium to be paid by the customer. In other words, customers will pay insurance premiums according to the level of risk for their respective conditions. Calculation results show that premiums have a negative effect on asset growth. This is not in accordance with the accounting theory of income concepts. Revenues are inflows or increases in the value of assets of an entity or settlement of obligations from the entity or a combination of the delivery or production of goods. providing services for the implementation of other activities which are the main activities of the company that are running. Then it can be concluded that there is a direct relationship between revenue and the growth of company assets. Therefore, the greater the premium received by the insurance company, the greater the funds to be invested, the greater the funds invested, the greater the profits to be gained by the company and the greater the profits derived by the company, the higher the rate of asset growth a company.

According to Saputra, Kusairi, Sanusi, & Abdullah (2016) ; Sari, Rosalina, & KS (2020) the influence of premiums with a negative direction on asset growth allegedly results in loss of investment income managed by insurance companies and also caused by a decrease in the performance of the bancassurance distribution channel. Thus, sharia life insurance company that

has a premium high- not necessarily have a growth asset that is high. The results of this study are in line with the results of research conducted by Saputra, Kusairi, Sanusi, & Abdullah (2016) ; Sari, Rosalina, & KS (2020) who stated that the premium had a negative effect on asset growth.

4.12. Effect of Claims on Asset Growth

The calculation results show that the claim has a significant negative effect on asset growth. Claims have influence negatively on the growth of assets which indicates that any increase that occurs on the claim followed by a decrease in the growth of assets. In theory these findings are consistent with the theory used in this research is the theory of the accounting concept of burden who stated that the burden of a decrease in economic benefits in the form depletion use of an asset. Expenses represent increases in liabilities or decreases in assets. So, it can be concluded that the burden of claims affects asset growth. The position of the claim on the insurance company is a burden or expense, so if there is a claim it will reduce the tabarru' funds of the company and the funds invested will be less. So that profits obtained by the company will also be less, then the growth rate of insurance company assets will also decrease. Thus, based on the findings in this study that are associated with theoretical concepts and supported by empirical facts, previous research can be concluded that the claim has a negative effect on the growth of assets in Islamic life insurance companies in Indonesia, so that the results of this study are appropriate and support some of the results of previous research.

4.13. Effect of Investment Results on Asset Growth

Based h acyl calculation shows that investment returns have positive and significant impact on asset growth. By thus, the results are in line with the results of some research beforehand which states that the investment effect on the growth of assets, due to high investment returns It is showing that more and many funds are invested so getting high also the growth of assets in the company's insurance sharia in Indonesia. These results also support the theory that investment spending provides a positive signal to the company's growth in the future, thus increasing stock prices as an indicator of company value. Expenditure investments were made by the company give a signal, particularly to investors and creditors that the company will grow in the future.

With this it can be said that Islamic insurance companies that invest a lot in various sectors, the more opportunities will be generated from these investments so that asset growth will increase. In theory this research is in accordance with the theory used in this study, namely investment affects asset growth. Based on the results of these studies when an increase in investment will affect the growth of assets. When investment increases, asset growth will also increase. Thus, based on the findings in this study that are associated with theoretical concepts and supported by empirical facts, previous research can be concluded that investment returns have a positive effect on asset growth in Islamic life insurance companies in Indonesia, so that the results of this study are appropriate and support some of the research results beforehand.

5. CONCLUSION

The growth of assets for the 2015-2020 period from eleven Sharia Life Insurance Companies in Indonesia that were sampled in this study experienced a decline. The decline is due to a decrease in Islamic insurance financial instruments. Premiums in the last six years have decreased this is

due to the shar e market life insurance sharia is still low and cannot compete with conventional life insurance companies in terms of market share. The next factor claims over the last six years 2015-2020 on Islamic life insurance companies has increased. The increase in the value of claims is influenced by the number of requests for early redemption or termination of insurance policies before the contract period ends, or cash and investment withdrawals. Furthermore, the results of investment in six years last 2015-2020 on company insurance life sharia suffered a decline. The decline in investment returns at Islamic life insurance companies is due to the loss of investment income that has not been realized from stocks and bonds. Based on the results of the research that has been done on the factors that influence the growth of assets in the company insurance life Sharia in Indonesia, it can be drawn conclusions as follows:

1. Premiums impact negatively on the growth of assets of company's insurance life sharia in Indonesia. It is suspected the losses result investments are managed by companies of insurance, as well as the lowering of performance channel distribution of bancassurance.

2. Claims impact negatively on the growth of assets of company's insurance life sharia in Indonesia. It is meaning more and more high- load claims on company insurance life sharia the growth of assets which acquired the company insurance life sharia will be getting smaller, or vice versa.

3. Results of investment impact positively on the growth of growth of assets of the company insurance life sharia in Indonesia. It is caused by the company insurance sharia many do investments in various sectors, then getting a lot of opportunities that will be generated from investments such that growth of assets increased.

Implications are logical consequences of a phenomenon. The implication of the findings of this research is that the higher the assets obtained by Islamic life insurance companies, the company is said to be a healthy company. But if the lower assets owned by the company, the financial performance of the insurance company also declined and resulted in a lack of confidence in the insurance participants of the company. To increase participants' trust in insurance companies, companies need to increase their financial performance by being more selective in investing their funds in sectors considered to be profitable. When premiums experienced a rise turned out to growth of assets also participate increases, things have caused the greater the premium received by the insurance company, the greater the funds to be invested, the greater the funds invested, the greater the benefits to be derived by the company and the greater profits obtained by the company, the higher the growth rate of a company's assets. Even though the premium funds generated by insurance companies are high, but because not all of it is invested, the opportunity for profit is low, so it will allow the growth of assets to decline.

The higher the claim, the greater the insurance company is declared unhealthy so that the performance of the insurance company is bad which indicates declining asset growth. Claims are expenses that the insurance company must pay to bear if there is a risk. The high level of claim burden due to certain relatively large claims that can threaten the company's financial condition thereby increasing the risk for the company. The high claim burden provides information about the poor performance of insurance companies and the high level of dependency of companies in paying insurance claims, causing insurance participants to worry about the financial ability of insurance companies so that it can result in reducing the growth of insurance company assets. Increasingly higher investment in the insurance company, the insurance company has a chance which is strong in taking advantage, because of the high return on investment. This shows that the more funds invested, the higher the growth of assets in insurance companies. Investment

expenditure gives a positive signal to increase stock prices as an indicator of company value. Investment expenditure by the company gives a signal, especially to investors and creditors that the company will grow in the future. With this it can be said that Islamic insurance companies that invest a lot in various sectors, the more opportunities will be generated from these investments so that asset growth will increase.

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