

## How Different is The Financial Performance of Sharia-Based Banks?

Listiana Sri Mulatsih <sup>1\*</sup>, Mahelan Prabantarikso <sup>2</sup>, Hadi Purnomo <sup>3</sup>,  
Loso Judijanto <sup>4</sup>, Alfiana <sup>5</sup>

<sup>1</sup> Universitas Bung Hatta, Indonesia

<sup>2</sup> Master of Management, Indonesia Banking School, Indonesia

<sup>3</sup> Master of Management, Universitas Mitra Bangsa Jakarta, Indonesia

<sup>4</sup> Indonesian Palm Oil Strategic Studies Jakarta, Indonesia

<sup>5</sup> Department of Management, Faculty of Economics and Business, Universitas Muhammadiyah Bandung, Indonesia

\* Corresponding author: [annas@iaisyarifuddin.ac.id](mailto:annas@iaisyarifuddin.ac.id)

**Article history:** Received July 11, 2023 | Revised December 18, 2023 | Accepted February 25, 2024 | Available online on April 1, 2024

**To cite this article** [Turabian of style 8th edition]: Mulatsih, Listiana Sri, Mahelan Prabantarikso, Hadi Purnomo, Loso Judijanto, and Alfiana. "How Different Is The Financial Performance of Sharia-Based Banks?". *IQTISHODUNA: Jurnal Ekonomi Islam* 13, no. 1 (April 1, 2024): 309-326. Accessed April 1, 2024.

### ABSTRACT

The research aims to determine the health condition and performance of Bank Mega Syariah and Bank Muamalat Indonesia in terms of four aspects, namely Risk Profile, Good Corporate Governance, Earnings and Capital. Based on the research results, it shows that there is a significant difference between Bank Muamalat Indonesia and Bank Mega Syariah in 2018-2021 in the Risk Profile factor based on the NPF ratio and there is no significant difference based on the FDR ratio. There is a significant difference between the average BMI and BMS in the Earnings factor based on the ROA ratio. A gap was found between the average values obtained by BMI and BMS regarding the capital factor based on the CAR ratio and there was no significant difference between the financial performance of Bank Muamalat Indonesia and Bank Mega Syariah using the RGEC method. The policy implication of these findings is the importance of viewing a bank's financial performance holistically, not just focusing on one factor such as capital. In making policy decisions, regulators and bank management must consider these aspects comprehensively to enhance the overall health and performance of the bank.

**Keywords:** risk profile, GCG, Bank Mega Syariah, Bank Muamalat Indonesia

### INTRODUCTION

Economic transformation is pursued through strengthening leading sectors, including development in the field of Islamic economics and finance as a new source of growth. In essence, the basic principle of Islamic economics is to optimize the use of resources that will and eventually lead to real economic activity in a balanced and productive manner<sup>1</sup>. Islamic economics prioritizes fair partnerships, prevents unproductive speculation that can trigger instability and

<sup>1</sup> Selamat Muliadi. "Epistemologi Ekonomi Islam Dan Maqasid Syariah Dalam Kurikulum Ekonomi Islam Di Perguruan Tinggi." *ISLAMICOMIC: Jurnal Ekonomi Islam* 9, no. 2 (2018): 239-258.

views natural preservation as a mandate that must be maintained. Thus, the development of national Islamic economics and finance is an important part of realizing inclusive and sustainable economic growth. Although there is an increase in the performance of Islamic banking in facilitating the needs of the Islamic economy, there is still a financing gap. When viewed from the aspect of the share of financing of Islamic financial institutions to the total financing of the financial industry continues to increase. However, overall Islamic financing still produces a gap with the financing needs of the Islamic economy. On the other hand, on the sectoral side, there is an improvement in the link and match between the needs of the Islamic economy and Islamic financing.<sup>2</sup>

As an intermediary institution, Islamic banking has a fundamental role in economic activity. This role is defined as a function of distributing funds from surplus parties to financial deficits. If a bank has optimal work results in its financial aspects, it indicates the overall good performance of the bank<sup>3</sup>. Islamic banking performance assessment is useful in order to measure the extent to which the company can achieve targets as well as being one of the most important elements in banking operations. In Islamic banking, the measurement of financial performance uses the ANGELS method (Amanah Management, Non-Economic Wealth, Give Out, Earning, Capital and Assets, Liquidity to Market and Socio Economic Wealth). The ANGELS concept offers advantages in assessing the health level of Islamic banks based on the principle of responsibility and is expected to have a positive impact on the growth of Islamic banking than the use of the CAMELS, RGEC and IPI methods. The high expectations of stakeholders require Islamic banking parties to always assess their performance, especially their financial performance so that the company remains a going concern.<sup>4</sup>

Based on data from the Financial Services Authority (OJK), there are 33 Islamic banking businesses in Indonesia consisting of 12 BUS (Islamic Commercial Banks) and 21 UUS (Islamic Business Units) and 165 BPRS (Islamic People's Financing Banks) during 2022. The main indicators reflected in the development of Islamic banking are total assets, disbursed financing and third party funds.<sup>5</sup> The growth and performance of Islamic banking continues to increase every period, but the growth is still not significant nationally and even in terms of market share is still far behind when compared to national banking. As research has been conducted by indicates that the quality of performance of

---

<sup>2</sup> Yesi Hendriani Supartoyo et al., "Pengaruh Sektor Keuangan Bank Perkreditan Rakyat Terhadap Perekonomian Regional Wilayah Sulawesi," *Kajian Ekonomi dan Keuangan* 2, no. 1 (2018): 15–38.

<sup>3</sup> Eni Sulistiani and Chaidir Iswanaji, "Analisis Kesehatan Bank Umum Syariah Di Masa Pandemi Covid-19 Tahun 2020 Dengan Pendekatan Rgec," *Nisbah: Jurnal Perbankan Syariah* 7, no. 2 (2021): 106–116.

<sup>4</sup> Hendrik Tri Oktaviansyah, Ahmad Roziq, and Agung Budi Sulistiyo, "ANGELS Rating System for Islamic Banking Industry in Indonesia," *JKP: Jurnal Keuangan dan Perbankan* 22, no. 1 (2018): 170–180.

<sup>5</sup> OJK. 2022. Statistik Perbankan Syariah Desember 2021. Jakarta: Kanal Syariah Data Statistik Perbankan Syariah, 14.

conventional banks is much different and more professional when compared to Islamic banks when analyzed based on CAR, ROA, FDR and IRRR. However, when analyzed in terms of BOPO and NPF, Islamic banks get better scores than conventional banks, indicating lower quality of work by conventional banks.<sup>6</sup>

PT Bank Muamalat Indonesia and Bank Mega Syariah are Islamic financial institutions that are very concerned about the effectiveness and efficiency of managing their assets in order to generate profits. The increase in profit is accompanied by an increase and decrease in Third Party Funds (DPK) that have been collected and financing that has been channeled. These two factors are thought to both have a fairly strong portion in influencing profitability. The stability of these factors must be maintained in order to get maximum results. The following is data for each Islamic Commercial Bank (BUS), namely Bank Muamalat Indonesia and Bank Mega Syariah for the 2018-2021 Period (In Billion Rupiah).

Table 1. Development of Profit, Assets, Financing and DPK for the Period 2018-2021

	Year	Profit	Assets	Funding	DPK
Bank Muamalat Indonesia	2018	46.02	57.227	33.566	45.636
	2019	16.32	50.556	29.867	40.357
	2020	10.01	51.241	29.077	41.424
	2021	26.58	58.899	18.041	46.871
Bank Mega Syariah	2018	46.57	7.336	5.178	5.723
	2019	49.15	8.007	6.080	6.578
	2020	131.72	16.117	4.946	8.258
	2021	537.70	14.041	7.239	11.715

Source: Annual Report

The factor that affects the amount of profit received by Islamic banks is the financing that has been channeled. The greater the financing channeled, the greater the profit-sharing margin received by the bank. This is a motivation for Islamic banks to be able to run smooth and reliable financing. Financing has a relationship with CAR and DPK which is a source of supporting funds, whether or not the bank is able to distribute financing to customers. For this reason, it is very important for banks to pay attention to the development of CAR and DPK at all times. Third Party Funds (DPK) have a unidirectional relationship with profit, where the higher the funds raised, the Islamic bank will get a large income, so that the profit will be greater.

ROA is an analytical tool used in order to determine whether or not the banking situation itself is healthy through an assessment of financial performance in an accountable and transparent manner so that public trust increases. Public trust will determine the performance of a bank in running its

<sup>6</sup> Andini Febriyanti Hariono and Imam Azizuddin, "Analisis Kinerja Keuangan Terhadap Financial Distress Pada Bank Umum Syariah Di Indonesia Periode 2016-2020," *Jurnal Ekonomi Syariah Teori dan Terapan* 9, no. 2 (2022): 273-285.

business in an era of increasingly fierce competition, banks must always gain and maintain the trust of the public through healthy financial performance.<sup>7</sup>

Table 2. ROA Value of Banking Sub-Sector Companies on the IDX

No	Nama Bank	Return on Assets			
		2018	2019	2020	2021
1	Bank Mega Syariah	0,93%	2,33%	1,73%	1,87%
2	Bank Syariah Indonesia (BSI)	0,91%	1,44%	1,38%	1,61%
3	Bank Aceh Syariah	2,38%	1,99%	1,06%	1,88%
4	Bank Muamalat	0,08%	0,05%	0,03%	0,02%
5	Bank NTB Syariah	0,57%	2,56%	1,74%	1,64%
6	Bank Victoria Syariah	0,32%	0,05%	0,16%	0,71%
7	Bank BJB Syariah	0,54%	0,60%	0,41%	0,96%
8	Bank Panin Dubai Syariah	0,26%	0,25%	0,06%	-6,72%
9	Bank Bukopin Syariah	0,02%	0,04%	0,04%	5,48%
10	Bank BCA Syariah	1,20%	1,20%	1,10%	1,10%
11	Bank BTPN Syariah	12,37%	13,58%	7,16%	10,72%
12	Bank Aladin Syariah	-6,86%	11,15%	6,19%	8,81%

Source: Annual Report

Based on table 2, it is found on average that there is an increase and decrease in Return on Assets. This is the background for researchers interested in conducting research related to Islamic Banking that has gone public. The purpose of this research is to analyze and measure the performance of Bank Muamalat Indonesia and also Bank Mega Syariah through the RGEC method, including Risk Profile, Good Corporate Governance (GCG), Earnings and Capital.

The problem of this research is that in 2018-2021, the level of income obtained by Bank Mega Syariah and Bank Muamalat Indonesia fluctuated. However, during the Covid-19 pandemic, these two Islamic banks showed an optimal increase in income compared to other Islamic Commercial Banks.

The limitations of previous studies have not investigated in depth risk management, corporate governance, or other factors that can provide a more complete picture of the financial performance of banks. In addition, research limitations may also include the time scale used in the analysis, as well as analysis methods that may not consider all relevant variables. Thus, more comprehensive follow-up research is needed to better understand the factors that influence the financial performance of the two banks.

The novelty lies in the focus on the two banks, Bank Muamalat Indonesia (BMI) and Bank Mega Syariah (BMS). The findings can provide new insights for research and practitioners in the field of Islamic banking, as it shows that the capital factor is not always the sole determinant in assessing the financial performance of banks. Thus, this research can be a foundation for further

<sup>7</sup> Sri Ayuni and Bornok Situmorang, "Comparison Analysis of LDR, NPL, ROA, CAR, and OER Before and During the Covid-19 Pandemic Period," *Proceedings of the International Conference on Management, Business, and Technology (ICOMBEST 2021)* 194, no. Icombest (2022): 9–16.

research to better understand other factors that also affect the financial performance of Islamic banks.

The things to be achieved in this research is to know the health condition and performance of Bank Mega Syariah and Bank Muamalat Indonesia in terms of four aspects, namely Risk Profile, Good Corporate Governance, Earnings and Capital.

## LITERATURE REVIEW

### *Risk Profile*

Risk profile assessment is an assessment of the risks inherent in the bank and the quality of risk management. This research only uses inherent risk through risk and liquidity analysis.<sup>8</sup> Financing risk is a risk arising from the failure of the debtor to fulfill its obligations to the bank as a financing provider. The impact of this risk is that the bank's financial condition deteriorates so that liquidity will be disrupted and the bank has difficulty financing its obligations.<sup>9</sup> The measurement of financing risk is analyzed through the NPF value for Islamic banking, where this ratio can illustrate the managerial ability to anticipate bad debts (defaults). Islamic banking must be able to keep the NPF percentage below 5% as required by Bank Indonesia regulations.<sup>10</sup> If the higher NPF value > 5%, it means that the bank is unhealthy, while the NPF ratio < 5%, then profits have a high chance of being obtained. In this ratio, there are qualifications including bad (M), doubtful (D) and substandard (KL) financing.

The second risk profile analysis uses the liquidity ratio, which indicates the level of financing channeled by the bank and funded by Third Party Funds (DPK). Liquidity risk assessment through the calculation of the Financing to Deposit Ratio (FDR). FDR indicates how far the bank can make repayments on funds withdrawn by depositors through the use of liquidity funds. Determining the level of FDR can be done by comparing the amount of financing to the quantity of customer funds, current accounts, deposits and savings. If the FDR is higher, it can risk the cash position of a bank and if the smaller the FDR value, then the lending is less effective. Referring to the provisions of Bank Indonesia regulation Number 17/11/PBI/2015, the lower limit of FDR is 78%.

### *Good Corporate Governance (GCG)*

In order to provide direction and control of the business, it is done by analyzing Good Corporate Governance. GCG assessment must refer to the 5 basic principles that have been determined and this applies to Sharia Commercial

---

<sup>8</sup> Swandewi, N. K. M., and Purnawati, N. K. "Capital Adequacy Ratio Mediates the Effect of Non-Performing Loan on Returns on Assets in Public Commercial Banks." *AJHSSR: American Journal of Humanities and Social Sciences Research* 5, no. 1 (2021): 651–656.

<sup>9</sup> Sudirman, I. W. 2013. *Manajemen Perbankan Menuju Bankir Konvensional yang Profesional*. Jakarta: Kencana.

<sup>10</sup> Deasy Dwihandayani, "Analisis Kinerja Non Performing Loan (NPL) Perbankan Di Indonesia Dan Faktor-Faktor Yang Mempengaruhi NPL," *Jurnal Ilmiah Ekonomi Bisnis* 22, no. 3 (2017): 265–274.

Banks and Sharia Business Units.<sup>11</sup> Among the principles are transparency, accountability, responsibility, professionalism and fairness. Good Corporate Governance is the rules and standards of the organization in the economic field that govern the behavior of companies, directors, managers and their accountability to investors. GCG evaluation is an indicator in assessing the performance generated by banks in the application of existing GCG principles. Through GCG, it is required that banks operate with the principle of honesty, because this is related to the realization of existing risk management.

**Tabel 3. Kriteria Penetapan Peringkat Good Corporate Governance (GCG)**

CGC Composite Scale	Predicat	Rating
< 1,5	Sangat Baik	1
1,5 – 2,5	Baik	2
2,5 – 3,5	Cukup Baik	3
3,5 – 4,5	Kurang Baik	4
> 4,5	Tidak Baik	5

Source: BI Circular Letter No.12/13/DPbS

### **Earning**

Assessment of earnings is very important for Islamic banking as a benchmark or parameter in order to assess the health level in relation to the bank's ability to earn profits. In this research, earnings assessment uses the Return on Asset (ROA) ratio. The ratio that describes net income after deducting tax expenses and compared to total assets is called Return on Asset. Based on the opinion of (Subramanyam & Wild, 2012), through ROA will be illustrated performance based on banking operations. If a large and positive value is generated on ROA, it indicates that the company can generate optimal profits. Likewise, if a small and negative ROA is produced, it indicates that the company is unable to generate optimal profits.<sup>12</sup>

### **Capital**

Capital is fundamental to the development and progress of banking, and also serves as a guardian of public trust. Capital is net worth, which is the difference between the book value of assets minus the book value of liabilities. In evaluating Islamic banking capital, it can be done by analyzing the Capital Adequacy Ratio (CAR) which is referred to as the bank's working quality ratio as an indication of the adequacy of capital owned so that operational aspects can be supported. Capital is very important in the banking industry because it allows banks to operate smoothly and will continue to increase. There are three types of capital that greatly affect the capital requirements of banks, namely the availability and cost of bank capital, capital adequacy ratio requirements and the growth of assets and public deposits. The Capital Adequacy Ratio is also called

<sup>11</sup> Ali, H. M. 2006. *Manajemen Risiko: Strategi Perbankan dan Dunia Usaha Menghadapi Tantangan Globalisasi Bisnis*. Jakarta: Raja Grafindo Persada.

<sup>12</sup> Cahya, Karin Dwi, and Julians C Riwoe. "Pengaruh ROA Dan ROE Terhadap Nilai Perusahaan Dengan Sustainability Reporting Sebagai Variabel Intervening Pada Perusahaan Yang Terdaftar Di LQ 45." *Journal of Accounting and Business Studies* 3, no. 1 (2018): 46–70.

the solvency ratio which has the function of determining the accuracy of the bank's operational activities<sup>13</sup>. According to Bank Indonesia Circular Letter No. 23/2/PBI/2021 on the Third Amendment to Bank Indonesia Regulation No. 20/8/PBI/2018, a good CAR threshold is 8%. Thus, the greater the CAR, the more capable the bank is to bear the risks associated with dangerous loans or productive activities.

### **Hypothesis Development**

#### **Risk Profile (Profil Risiko)**

Non-performance financing (NPF) shows the management capability of banks to handle non-performing financing. In running a business, Islamic banking is also faced with various risks, especially regarding non-performing financing, so a strategy is needed to manage the NPF level so that it does not reach an alarming condition. The occurrence of non-performing financing is due to the failure of customers to make debt and profit sharing payments based on an agreed time agreement. A good NPF rate is below 5%, the small NPF rate indicates the low risk faced by the bank. However, the greater this ratio, the worse the quality of bank loans, resulting in a greater amount of non-performing financing and an impact on the amount of costs incurred, so performance also decreases. <sup>14</sup> stated that the NPF value of Islamic Commercial Banks fluctuated, but on average there was an increase in the level of non-performing financing during the pandemic.

Financing to deposit ratio (FDR) serves to measure the capacity of a bank to pay off short-term debt, provide funds requested by depositors and provide funds according to customer applications on time. If there is an inability of the bank to distribute financing even though a lot of funds have been collected, the bank will lose money. The high level of FDR indicates an increase in banking profits based on the assumption that optimal financing distribution is carried out, which has an impact on increasing profits and reducing bad debts.

This is in line with research <sup>15</sup> that during the Covid-19 pandemic, the health condition of banks still shows quite optimal development due to government policies and increased problem financing.

H1 : There is a difference in financing risk using the NPF ratio between Bank Mega Syariah and Bank Muamalat Indonesia.

H2 : There is a difference in liquidity risk using the FDR ratio between Bank Mega Syariah and Bank Muamalat Indonesia.

---

<sup>13</sup> Ismaulina, Ayu Wulansari, and Mira Safira, "Capital Adequacy Ratio (CAR) Dan Faktor-Faktor Yang Mempengaruhinya Di Bank Syariah Mandiri (Periode Maret 2012-Maret 2019)," *I-FINANCE: a Research Journal on Islamic Finance* 06, no. 02 (2020): 168-184.

<sup>14</sup> Yusrizal, Yusuf Azis, Ifa Hanifia Senjati, and Arif Rijal Anshori. "Analisis Proyeksi Kinerja Non-Performing Financing (NPF) Di Masa Pandemi COVID-19 Pada Bank Umum Syariah (BUS)." *Prosiding Hukum Ekonomi Syariah* 7, no. 2 (2021): 521-524.

<sup>15</sup> Fernando, Yudi, et al. "A mixed-method study on the barriers of industry 4.0 adoption in the Indonesian SMEs manufacturing supply chains." *Journal of Science and Technology Policy Management* ahead-of-print (2022).

### **Good Corporate Governance (GCG)**

GCG evaluation is an indicator in assessing the performance generated by banks in the application of existing GCG principles. If a small GCG value is produced, it illustrates that the bank is carrying out its performance optimally and has a good impact on the investor funds that have been invested. A good GCG ratio has an impact on the work of a bank because it indicates their professional performance.<sup>16</sup> There is a significant difference in the value of GCG at Bank Muamalat which has a higher value when compared to other Islamic banks and there is a significant difference, where GCG Bank Mandiri Syariah is better than GCG Bank Mega Syariah.

H3 : There is difference in Good Corporate Governance (GCG) between Bank Mega Syariah and Bank Muamalat Indonesia.

### **Earnings**

Return on Asset (ROA) is a ratio describing net income after deducting tax expenses and compared to total assets. Through ROA, the performance will be illustrated based on banking operational activities. If a large and positive value is generated on ROA, it indicates that the company can generate optimal profits. Likewise, if a small and negative ROA is produced, it indicates that the company is unable to generate optimal profits. Research conducted by (Pratama, 2013), states that there is a significant difference between the ROA of Bank Syariah Mandiri and Bank Muamalat Indonesia, where Bank Syariah Mandiri has a better ROA than Bank Muamalat.

H4 : There is a difference in ROA between Bank Mega Syariah and Bank Muamalat Indonesia.

### **Capital**

In evaluating Islamic banking capital, it can be done by analyzing the Capital Adequacy Ratio (CAR) which is referred to as the ratio of the bank's working quality and an indication of the adequacy of capital owned so that its operational aspects can be supported. This ratio is used to see the capital capability of a bank to what extent it is able to overcome the risk of financing failure so that the high ratio can indicate the health of the bank is getting better, and vice versa<sup>17</sup>. CAR has a purpose, namely in order to determine whether the capital available in its operational activities is sufficient to be used effectively and efficiently. <sup>18</sup> shows that there is a significant difference between the CAR owned by the Government and private Islamic Commercial Banks.

---

<sup>16</sup> Pratama, Restu Mulya, Muhammad Saifi, and Z. A. Zahroh. "Does Financial Performance Mediate the Relationship between Corporate Governance and Corporate Value? Evidence from Indonesian Banking Companies." *KnE Social Sciences* (2024): 497-520.

<sup>17</sup> Sochib, "Pengaruh Capital Adequacy Ratio, Loan To Deposit Ratio, Dan Debt To Equity Ratio Terhadap Kinerja Keuangan Bank Umum Swasta Nasional Yang Go Public Di Bursa Efek Indonesia," *JPIEW: Jurnal Penelitian Ilmu Ekonomi WIGA* 6, no. 1 (2016): 1-14.

<sup>18</sup> Djakaria, A., and Kristiyanti. "Analisis Komparatif Kinerja Keuangan Bank Umum Syariah Pemerintah dan Bank Umum Syariah Swasta Nasional dengan Metode RGEC Periode 2015-2019". *Jurnal Akuntansi* 4, no. 5 (2021): 1-12.

## Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
NPF	Equal variances assumed	,663	,439	4,895	8	,001	2,07000	,42287	1,09486	3,04514
	Equal variances not assumed			4,895	7,711	,001	2,07000	,42287	1,08847	3,05153

H5 : There is a difference in CAR between Bank Mega Syariah and Bank Muamalat Indonesia.

## METHODS

This research design uses a quantitative approach, namely through a hypothesis testing process, exploring correlations between variables, describing the results in statistical form and projecting the results. The type of data is quantitative with a numerical model sourced from secondary data in the form of financial reports for the 2018-2021 period obtained through the official website of the Indonesian Stock Exchange. The data collection process is through observation and documentation at the relevant agencies, namely Sharia Commercial Banks in Indonesia. A literature study approach is also used in this research, namely by reviewing, observing and quoting directly from journal articles or books that are relevant to the research which will be used as a theoretical basis. The total population in this study was 12 BUS listed on the BEI listing. Determining the number of samples used a purposive sampling method so that sharia banks were obtained according to the criteria of 2 BUS, namely Bank Mega Syariah and Bank Muamalat Indonesia with the criteria of Sharia Commercial Banks that have complete financial ratio data and consistently publish annual reports in the 2018-2021 period. Researchers used data analysis techniques with the Statistical Package for the Social Sciences Program (SPSS) version 22.

## RESULTS AND DISCUSSION

### NPF Descriptive Analysis

This analysis is used to ascertain the nature or description of each variable that researchers use in research. The results of descriptive statistical analysis for each ratio are presented in the table below:

Table 4. NPF Descriptive Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Bank Mega Syariah	4	4,43	,60043	,24852
Bank Muamalat Indonesia	4	2,36	,63046	,32567
Valid N (listwise)	4			

Souce: SPSS 22 (2023)

Referring to table 4, the Sig score is obtained. Levene's Test for Equality of Variances is  $0.439 > 0.05$ , so it can be concluded that the variation in NPF value data between BMS and BMI is called homogeneous. The interpretation results

refer to the Equal variances assumed value and the score Sig. (2-tailed) namely  $0.001 < 0.05$ . It can be concluded that  $H_0$  is rejected and  $H_a$  is approved. In conclusion, there is a significant difference in the mean NPF (Non Performing Financing) score between Bank Mega Syariah (BMS) and Bank Muamalat Indonesia (BMI) for 2018-2021. A study conducted by <sup>19</sup>, the NPF value at Sharia Commercial Banks has fluctuated, but on average there has been an increase in the level of problematic financing during the pandemic.

### Descriptive Analysis of FDR

Table 5. Descriptive Analysis of FDR

	N	Mean	Std. Deviation	Std. Error Mean
Bank Mega Syariah	4	69,21	10,45043	3,67552
Bank Muamalat Indonesia	4	77,12	13,11336	4,84667
Valid N (listwise)	4			

Source: SPSS 22 (2023)

Independent Samples Test

FDR	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
						Lower	Upper		
FDR	Equal variances assumed	,041	,845	1,055	8	,322	7,91400	7,49957	25,20804 9,38004
	Equal variances not assumed			1,055	7,622	,324	7,91400	7,49957	25,35859 9,53059

Referring to table 5, the Sig score is obtained. Levene's Test for Equality of Variances is  $0.845 > 0.05$ , so it can be concluded that the variation in FDR value data between BMS and BMI is called homogeneous. The interpretation results refer to the Equal variances assumed value and the score Sig. (2-tailed) namely  $0.322 > 0.05$ . It can be concluded that  $H_0$  is approved and  $H_a$  is rejected. It can be concluded that there was no significant difference in the mean FDR (Financing to Deposit Ratio) score between Bank Mega Syariah (BMS) and Bank Muamalat Indonesia (BMI) for the 2018-2021 period. This is in line with research from <sup>20</sup> during the Covid-19 pandemic, the health condition of banks still shows quite

<sup>19</sup> Yusrizal. "Analisis Proyeksi Kinerja Non-Performing..."

<sup>20</sup> Fernando, Yudi, et al. "A mixed-method study on the barriers of industry 4.0 adoption in the Indonesian SMEs manufacturing supply chains." *Journal of Science and Technology Policy Management* ahead-of-print (2022).

optimal development which is due to government policies and increasing financing problems.

### Descriptive Analysis of Good Corporate Governance (GCG)

Table 6. GCG Descriptive Statistics

N	Mean	Std. Deviation	Std. Error Mean
Bank Mega Syariah	4 2,70	,447	,200
Bank Muamalat Indonesia	4 1,80	,447	,200
Valid N (listwise)	4		

Source: SPSS 22 (2023)

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
GCG	Equal variances assumed	,000	1,000	3,536	8	,008	1,000	,283	,348	1,652
	Equal variances not assumed			3,536	8,000	,008	1,000	,283	,348	1,652

Referring to table 6, the Sig score is obtained. Levene's Test for Equality of Variances is  $1,000 > 0,05$ , so it can be concluded that the variation in GCG value data between BMS and BMI is called homogeneous. The interpretation results refer to the Equal variances assumed value and the score Sig. (2-tailed) namely  $0,008 < 0,05$ . It can be concluded that  $H_0$  is rejected and  $H_a$  is accepted. It was concluded that there was a significant difference in the mean GCG (Good Corporate Governance) score between Bank Mega Syariah (BMS) and Bank Muamalat Indonesia (BMI) for the 2018-2021 period.<sup>21</sup>, that significant differences were found in the GCG value of Bank Muamalat which had a higher value compared to other sharia banks and there was a significant difference from the GCG of Bank Mega Syariah.

### Descriptive Analysis of Return on Assets (ROA)

Table 7. ROA Descriptive Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Bank Mega Syariah	4 1,05	,04438	,01885	
Bank Muamalat Indonesia	4 1,44	,61109	,21801	
Valid N (listwise)	4			

Source : SPSS 22 (2023)

<sup>21</sup> Pratama, Restu Mulya, Muhammad Saifi, and Z. A. Zahroh. "Does Financial Performance Mediate the Relationship between Corporate Governance and Corporate Value? Evidence from Indonesian Banking Companies." *KnE Social Sciences* (2024): 497-520.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means					
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference
ROA	Equal variances assumed	6,410	,035	4,651	8	,002	1,48200	,31863	2,21676 ,74724
	Equal variances not assumed			4,651	4,031	,009	1,48200	,31863	2,36396 ,60004

Referring to table 7, the Sig score is obtained. Levene's Test for Equality of Variances is  $0.035 > 0.05$ , so it can be concluded that the variation in ROA value data between BMS and BMI is called homogeneous. The interpretation results refer to the Equal variances assumed value and the score Sig. (2-tailed) namely  $0.002 < 0.05$ . It can be concluded that  $H_0$  is rejected and  $H_a$  is accepted. It was concluded that there was a significant difference in the mean ROA (Return on Asset) scores between Bank Mega Syariah (BMS) and Bank Muamalat Indonesia (BMI) for the 2018-2021 period. Research (Pratama, 2013), states that there is a significant difference between the ROA of Bank Syariah Mandiri and Bank Muamalat Indonesia, where Bank Syariah Mandiri has a better ROA than Bank Muamalat.

Descriptive Analysis of Capital Adequacy Ratio (CAR)

Table 8. CAR Descriptive Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Bank Mega Syariah	4	12,26	1,19938	,52638
Bank Muamalat Indonesia	4	21,07	1,81109	,71331
Valid N (listwise)	4			

Source: SPSS 22 (2023)

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
CAR	Equal variances assumed	1,406	,270	9,032	8	,000	8,80800	,97518	11,05678	6,55922
	Equal variances not assumed			9,032	6,921	,000	8,80800	,97518	11,11931	6,49669

Referring to table 8, the Sig score is obtained. Levene's Test for Equality of Variances is  $0.270 > 0.05$ , so it can be concluded that the variation in CAR value data between BMS and BMI is called homogeneous. The interpretation results refer to the Equal variances assumed value and the score Sig. (2-tailed) namely

0.000 < 0.05. It can be concluded that  $H_0$  is rejected and  $H_a$  is accepted. It was concluded that there was a significant difference in the mean CAR (Capital Adequacy Ratio) score between Bank Mega Syariah (BMS) and Bank Muamalat Indonesia (BMI) for the 2018-2021 period<sup>22</sup>, there is a significant difference between the CAR owned by government Sharia Commercial Banks and the private sector.

## Overall Comparison of Financial Performance

Table 9. Comparison of Average Financial Performance for the 2018-2021 Period

Bank	NPF (%)	FDR (%)	GCG	ROA (%)	CAR (%)
BMI	4,4320	79,2140	2,80	0,0680	13,2660
BMS	2,3620	87,1280	1,80	1,5500	22,0740

Source : SPSS 22, 2023

Table 9, the average performance of the NPF value obtained by BMI is 4.4320 and BMS obtained a percentage of 2.3620, thus indicating that there is a negative impact on a bank if a high NPF value is produced. One of the bad effects is that it can reduce a bank's capital. Based on this data, it indicates that Bank Muamalat Indonesia's NPF value is higher than that of Bank Negara Mega Syariah because Bank Muamalat Indonesia is burdened by the financing provided to customers, capital use and minimum fund utilization, so it can be stated that BMS's NPF is better than that generated BMI.

This value resulted in an average FDR ratio for Bank Muamalat Indonesia of 79.2140 and Bank Negara Mega Syariah 87.1280. Based on the results of the analysis, it is indicated that the FDR value of Bank Muamalat Indonesia is lower than that of Bank Negara Mega Syariah. It is possible that the capital distributed to customers will be in the form of financing in large quantities due to the existence of profit sharing between the bank and its customers.

For GCG scores, Bank Muamalat Indonesia obtained 2.80 and Bank Negara Mega Syariah 1.80. This indicates that there are differences between the GCG produced by Bank Muamalat Indonesia and Bank Negara Mega Syariah, so that the application of GCG in banking institutions falls under the criteria of being open, accountable, independent and reasonable so that there are no significant differences found between the two banks. Different market shares will not cause major differences between the two. Based on the provisions of BI Circular No. 15/15/DPNP 2013 the implementation of the five main principles of sharia banking can also be used to evaluate the health of banks, causing the absence of BMS which is more optimal than BMI.

Based on the ROA value, on average Bank Muamalat Indonesia has a value of 0.0680, but Bank Negara Mega Syariah gets 1.5500, indicating a high ROA value means there is a big opportunity to increase profits. Because high

<sup>22</sup> Djakaria, A., and Kristiyanti. "Analisis Komparatif Kinerja Keuangan Bank Umum Syariah Pemerintah dan Bank Umum Syariah Swasta Nasional dengan Metode RGEC Periode 2015-2019". *Jurnal Akuntansi*, 4(5, 2021): 1-12.

ROA shows that the income achieved by banks is greater and optimal in using their assets. So, it was concluded that the ROA of Bank Negara Mega Syariah was stated to be higher than that of Bank Muamalat Indonesia.

In the CAR category, Bank Muamalat Indonesia received an average of 13.2660 and Bank Negara Mega Syariah, namely 22.0740, so it is indicated that a high CAR value indicates optimal bank activities to cover the risks of all financing and other assets that have risks. Based on the results of the analysis, the resulting CAR is dissimilarity between the banks Bank Muamalat Indonesia and Bank Negara Mega Syariah due to the maximum amount of capital in managing all bank operational activities which is sufficient to help the bank prevent various losses. Thus, Bank Negara Mega Syariah's CAR is better than Bank Muamalat Indonesia.

Table 10. Independent Samples Test

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
Kinerja Keuangan	Equal variances assumed	,020	,891	,136	8	,895	3,02600	22,28862	54,42364	48,37164
	Equal variances not assumed			,136	7,926	,895	3,02600	22,28862	54,50772	48,45572

Table 10, obtained the Sig score. Levene's Test for Equality of Variances is  $0.891 > 0.05$ , so it can be concluded that the variation in financial performance data between the two Islamic banks is homogeneous. The interpretation results refer to the Equal variances assumed value and the score Sig. (2-tailed) namely  $0.895 > 0.05$ . It can be concluded that  $H_0$  is accepted and  $H_a$  is rejected. It was concluded that there were no significant differences in financial performance between Bank Mega Syariah (BMS) and Bank Muamalat Indonesia (BMI) for the 2018-2021 period.

## CONCLUSION

Based on the results of research and discussions, the financial health performance of sharia banking based on RGEc is generally good. There is a significant difference between Bank Muamalat Indonesia and Bank Mega Syariah in 2018-2021 in the Risk Profile factor based on the NPF ratio and there is no significant difference based on the FDR ratio. It was found that there was a gap between the mean values obtained by BMI and BMS related to existing GCG factors. There is a significant difference between the average BMI and BMS in Earnings based on the ROA ratio. A gap was found between the average values obtained by BMI and BMS regarding capital based on the CAR ratio and there

was no significant difference in the financial performance of Bank Muamalat Indonesia and Bank Mega Syariah using the RGEC method.

Suggestions from these results can contribute to the development of knowledge as well as provide input for Bank Mega Syariah and Bank Muamalat Indonesia to focus more on increasing ROA.

Limitations of the results of this research may include: 1. Time and Scope: This research is limited to the 2018-2021 time period and only focuses on two particular Islamic banks, so the results may not be directly applicable to other Islamic banks or different time periods . 2. Other variables not taken into account: Although this research considers several key factors such as Risk Profile, Good Corporate Governance, Earnings, and Capital, other factors such as operational efficiency, product innovation, and service quality can also influence a bank's financial performance. 3. Generalization: The findings of this research may not be directly applicable to other conditions or Islamic banks outside the context studied. For future researchers, in order to increase the validity and generalisability of the findings, future research can expand the scope, use more sophisticated analytical methods, and consider additional relevant factors.

#### **Author's Contribution**

Loso Judijanto, Alfiana: Contribute to formulating research ideas, collecting data, processing data, and interpreting data.

Hadi Purnomo: Contributing to writing systematics, research methods.

Listiana Sri Mulatsih, Mahelan Prabantarkso: Contributing to analyzing interpretation results, the language proofread.

#### **Acknowledgements**

The author is grateful to those who helped in the completion of this article, especially during the data collection process and article review.

#### **Declaration of Competing Interest**

The author declares that there is no conflict of interest.

#### **Ethical Approval**

Ethical approval No patient-identifying parts in this paper were used or known to the authors. Therefore, no ethical approval was requested.

## **REFERENCES**

Ali, H. M. 2006. *Manajemen Risiko: Strategi Perbankan dan Dunia Usaha Menghadapi Tantangan Globalisasi Bisnis*. Jakarta: Raja Grafindo Persada.

Ayuni, Sri, and Bornok Situmorang. "Comparison Analysis of LDR, NPL, ROA, CAR, and OER Before and During the Covid-19 Pandemic Period." *Proceedings of the International Conference on Management, Business, and Technology (ICOMBEST 2021)* 194, no. Icombest (2022): 9–16.

Cahya, Karin Dwi, and Julians C Riwoe. "Pengaruh ROA Dan ROE

Terhadap Nilai Perusahaan Dengan Sustainability Reporting Sebagai Variabel Intervening Pada Perusahaan Yang Terdaftar Di LQ 45." *Journal of Accounting and Business Studies* 3, no. 1 (2018): 46-70.

Djakaria, A., and Kristiyanti. "Analisis Komparatif Kinerja Keuangan Bank Umum Syariah Pemerintah dan Bank Umum Syariah Swasta Nasional dengan Metode RGEC Periode 2015-2019". *Jurnal Akuntansi* 4, no. 5 (2021): 1-12.

Dwihandayani, Deasy. "Analisis Kinerja Non Performing Loan (NPL) Perbankan Di Indonesia Dan Faktor-Faktor Yang Mempengaruhi NPL." *Jurnal Ilmiah Ekonomi Bisnis* 22, no. 3 (2017): 265-274.

Fernando, Yudi, et al. "A mixed-method study on the barriers of industry 4.0 adoption in the Indonesian SMEs manufacturing supply chains." *Journal of Science and Technology Policy Management* ahead-of-print (2022).

Hariono, Andini Febriyanti, and Imam Azizuddin. "Analisis Kinerja Keuangan Terhadap Financial Distress Pada Bank Umum Syariah Di Indonesia Periode 2016-2020." *Jurnal Ekonomi Syariah Teori dan Terapan* 9, no. 2 (2022): 273-285.

Ismaulina, Ayu Wulansari, and Mira Safira. "Capital Adequacy Ratio (CAR) Dan Faktor-Faktor Yang Mempengaruhinya Di Bank Syariah Mandiri (Periode Maret 2012-Maret 2019)." *I-FINANCE: a Research Journal on Islamic Finance* 06, no. 02 (2020): 168-184.

MULIADI, SELAMAT. "Epistemologi Ekonomi Islam Dan Maqasid Syariah Dalam Kurikulum Ekonomi Islam Di Perguruan Tinggi." *ISLAMICONOMIC: Jurnal Ekonomi Islam* 9, no. 2 (2018): 239-258.

Nugroho, I. A., Ts, K. H., and Suhendro, S. "Analisis Faktor-Faktor yang Mempengaruhi Kinerja Perusahaan Perbankan yang Terdaftar di Bursa Efek Indonesia Periode 2015-2018." *Ekonomis: Journal of Economics and Business* 5, no. 1 (2021): 209-214.

OJK. 2022. Statistik Perbankan Syariah Desember 2021. Jakarta: Kanal Syariah Data Statistik Perbankan Syariah

Oktaviansyah, Hendrik Tri, Ahmad Roziq, and Agung Budi Sulistiyo.

"ANGELS Rating System for Islamic Banking Industry in Indonesia." *JKP: Jurnal Keuangan dan Perbankan* 22, no. 1 (2018): 170–180.

Pratama, Restu Mulya, Muhammad Saifi, and Z. A. Zahroh. "Does Financial Performance Mediate the Relationship between Corporate Governance and Corporate Value? Evidence from Indonesian Banking Companies." *KnE Social Sciences* (2024): 497–520.

Sochib. "Pengaruh Capital Adequacy Ratio, Loan To Deposit Ratio, Dan Debt To Equity Ratio Terhadap Kinerja Keuangan Bank Umum Swasta Nasional Yang Go Public Di Bursa Efek Indonesia." *JPIEW: Jurnal Penelitian Ilmu Ekonomi WIGA* 6, no. 1 (2016): 1–14.

Soemitra, A. 2009. *Bank dan Lembaga Keuangan Syariah*. Jakarta: Prenadamedia Group.

Sudirman, I. W. 2013. *Manajemen Perbankan Menuju Bankir Konvensional yang Profesional*. Jakarta: Kencana.

Sulistiani, Eni, and Chaidir Iswanaji. "Analisis Kesehatan Bank Umum Syariah Di Masa Pandemi Covid-19 Tahun 2020 Dengan Pendekatan Rgec." *Nisbah: Jurnal Perbankan Syariah* 7, no. 2 (2021): 106–116.

Supartoyo, Yesi Hendriani, Bambang Juanda, Muhammad Firdaus, and Jaenal Effendi. "Pengaruh Sektor Keuangan Bank Perkreditan Rakyat Terhadap Perekonomian Regional Wilayah Sulawesi." *Kajian Ekonomi dan Keuangan* 2, no. 1 (2018): 15–38.

Swandewi, N. K. M., and Purnawati, N. K. "Capital Adequacy Ratio Mediates the Effect of Non-Performing Loan on Returns on Assets in Public Commercial Banks." *AJHSSR: American Journal of Humanities and Social Sciences Research* 5, no. 1 (2021): 651–656.

Taibah and Faisal. Pengaruh Kecukupan Modal, Ukuran Bank, Biaya Operasional dan Likuiditas Terhadap Kinerja Keuangan Perbankan Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Ilmiah Mahasiswa Ekonomi Manajemen* 5, no. 2 (2020): 294–309.

Tho'in, M. "Profitability of Islamic Commercial Banks In Indonesia".

*Management and Economics Journal* 6, no. 2 (2019): 89–99.

Yudha, A., Chabachib, M., and Pangestuti, I. R. D. "Analysis of the Effect of NPL, NIM, Non Interest Income and LDR Toward ROA With Size as Control Variables (Differences Study on Domestic and Foreign Banks Listed on BEI Period 2010-2015)." *Jurnal Bisnis Strategi* 26, no. 2 (2017): 100–113.

Yusrizal, Yusuf Azis, Ifa Hanifia Senjati, and Arif Rijal Anshori. "Analisis Proyeksi Kinerja Non-Performing Financing (NPF) Di Masa Pandemi COVID-19 Pada Bank Umum Syariah (BUS)." *Prosiding Hukum Ekonomi Syariah* 7, no. 2 (2021): 521–524.

Yusuf, M. "Dampak Indikator Rasio Keuangan Terhadap Profitabilitas Bank Umum Syariah di Indonesia." *Jurnal Keuangan Dan Perbankan* 13, no. 2 (2017): 141–151.