

FINANCIAL PERFORMANCE ANALYSIS OF PT. BANK SYARIAH INDONESIA (BSI) FOR THE 2021-2022 PERIOD USING THE CAMEL METHOD



Sariati Nasution¹

Universitas Islam Negeri Sumatera Utara, Medan, Indonesia
sariatinasution23@gmail.com

Muhammad Yafiz²

Universitas Islam Negeri Sumatera Utara, Medan, Indonesia
muhammadyafiz@uinsu.ac.id

Tuti Anggraini³

Universitas Islam Negeri Sumatera Utara, Medan, Indonesia
tuti.anggraini@uinsu.ac.id

Abstract

The purpose of this research is to analyze the financial performance of PT. Bank Syariah Indonesia for the 2021-2022 period using the CAMEL method. This study uses descriptive quantitative methods and uses secondary data. The results of this study are that in 2021 CAR PT. Bank Syariah Indonesia is in the range of 22.09% and in 2022 CAR PT. Bank Syariah Indonesia is in the range of 20.29%. In general, in 2021 and 2022 the CAR value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia. In 2021 the KAP ratio of PT. Bank Syariah Indonesia is in the range of 0.015% and in 2022 the ratio of KAP PT. Bank Syariah Indonesia is in the range of 0.045%. In general, in 2021 and 2022 the KAP value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia. In 2021 NPF of PT. Bank Syariah Indonesia is in the range of 0.87% and in 2022 the NPF of PT. Bank Syariah Indonesia is in the range of 0.57%. In general, in 2021 and 2022 the NPF value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia. In 2021 ROA PT. Bank Syariah Indonesia is in the range of 1.61% and in 2022 PT. Bank Syariah Indonesia is in the range of 1.98%. In general, in 2021 and 2022 the ROA value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia. In 2021 FDR PT. Bank Syariah Indonesia is in the range of 73.39% and in 2022 FDR PT. Bank Syariah Indonesia is in the range of 79.37%. In general, in 2021 and 2022 the FDR value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia.

Keywords: Islamic Banks, Financial Performance, CAMEL Method

INTRODUCTION

According to (SA Putri et al., 2023), Islamic economics is currently of great concern well, and interest in the sector of Sharia-based economic activity has spread to all layers of society, including sector financial And institution financial non-bank And interbank financial institutions. Islamic banking is a financial institution that is well-developed. The growth of Islamic banks is growing rapidly in that region its inhabitants' part big religious Islam, like countries Arab Board Cooperation of the Persian Gulf, Indonesia, Malaysia, and other Islamic countries. But currently also growing and spreading to the non-Muslim majority like in England United Kingdom, the United States, and other European countries. Financial institutions have strategic position in economic activities, including banking position which compatible and support development economy, which based on the operation of the bank as a fundraising institution and the effectiveness of channeling funds from public and with method which efficient. Theme This can be worn on development which reduce inequality economy and stability development national for increase level life inhabitant country.

In Indonesia, sharia economic growth has become part of the framework policy economy. Institution financial Indonesia has introduced or adopted a dual system since 1991, namely conventional financial institutions and sharia financial institution. The presence of Islamic banks, appointed by Bank Indonesia as the state banking authority, describes the basis of the dual banking system and plan beginning for squeeze share market which bigger for growth banking sharia. Banking sharia in Indonesia have a role which significant in growth and development banking sharia in world. Government Indonesia Also stepped For support development through legislation, issued Banking Law No. 7 of 1992 as the basis of the dual banking system Indonesia, Then be equipped with UU Banking Sharia 21 year 2008 so that become umbrella clear (LW Putri & Ningtyas, 2023) .

The escalation of Islamic banking in Indonesia continues to develop positively: as of March 2020, there are 14 Islamic Commercial Banks (BUS) with 1,923 branches, 20 Business Units Sharia with 388 branch and 163 Bank People's Finance Sharia with 620 branch office spread nationally.



Picture 1
Graphics Growth Asset Banking Sharia in Indonesia Year 2016-2019
 Source: Data Processed by OJK – Sharia Banking Statistics

In terms of escalation, bank sharia has certain characteristics so that can distinguish it from conventional banks, both in terms of principles and contracts used. In this regard, there are indeed special things that must be owned by bank sharia, with everything operational Which suitable for development ecosystem-based sharia. According to (Jati, 2020), Authority Service Finance (OJK) predicting an increase of 9.22 percent. 545 .39 trillion in June 2020. However, the total savings bank general sharia as big IDR 377 .53 trillion increase rate development Fund tertiary (DPK) become IDR 10,13,430.21 trillion or 8.99%. Conventional banking has a small gap compared to Islamic banks (6,18 % per 2020), the rest is banking conventional. Consequence turmoil in government, Islamic banks plan to merge with Bank Syariah Mandiri (BSM), Bank Rakyat Indonesia Syariah (BRIS) and Bank Negara Indonesia (BNI) and replace Name bank they become Bank Sharia Indonesia (BSI). After post-merger adjustments will be made wealth increase compared to pre-merger. 3 Islamic banks have merged and the total assets of Islamic banks have been estimated reach 220-225 trillion.

In 2021, the financial performance of Bank Syariah Indonesia (BSI), in terms of ROA and ROE, increased by 1.61% and 13.71%. In 2022, financial performance in terms of ROA and ROE ratios also increased again, namely by 1.98% and 16.84%, this was due to the net profit obtained by BSI in 2022 amounting to 4.26T, whereas previously in 2021 it received a net profit of 3.03 T. Of course, this shows the development of Bank Syariah Indonesia (BSI), which is increasingly developing in each period. Of course, the development of Bank Syariah Indonesia should be based on sharia principles. Maqasid

Syariah is a benchmark for reviewing the development of Bank Syariah Indonesia, not only from an operational perspective, but also reviewing the financial performance of the Islamic bank.

Of course, if you look at the performance of Islamic banks, it is clearly different from measuring performance ~~with~~ observing the performance of convention banks when viewed from profit and business. Measuring success in Islamic banks should not be used only For look for profit as size evaluation performance only, However Other aspects must also be considered as human resources and the social side benefit from it. in a globalized world, many institutions financial including Islamic banks still using performance indicators only based on financial metrics like Data Envelopes Analysis (DEA) And return on Assets (ROA), Capital, assets, management, Profit and Liquidity. Sensitivity Risk Market (CAMELS) and Return Equity (ROE). In in practice, meter conventional has many weaknesses.

According to (Mukti, 2019) , in practice between bank Still difficult distinguish conventional and sharia from the nature of both. It's hard to tell these apart because of the intermediary role and the need for banks to comply with local regulations, as well There is disagreement between banking theory and practice. Measuring bank performance sharia very No aligned If use measurement performance bank non- Sharia because both have different ways of working. The basic objective of Islamic banking itself has not been taken seriously, as a result it is still using measurements conventional Which only emphasize on performance financial. For to restore its nature to be a sharia-based financial forum, then measurement performance must in accordance with *Maqashid Sharia*, Which No only measure efficiency solely based on profit financial just. From a number of this explanation needs to be analyzed related to the financial performance of Islamic banks and *Maqashid Sharia*. In this research the authors want to examine the financial performance of Islamic banks Indonesia, which recently merged with the new name BSI, and the author wants to researching from facet perspective or paradigm *Maqashid Sharia* at the bank (Umri Hayati et al., 2022) .

REVIEW OF LITERATURE

Islamic Bank

According to (Milenia et al., 2022) , the word bank comes from the Italian *banco* “bank”. Bank defined as a financial institution whose main activity is the provision of credit, service finance, payment, And distribution capital. Finance called massive in Arabic which means “bank” related to financial activities. Introduction and an explanation of finance and equal payments according to sharia principles, covers system method and Islamic action, that is guard element unclean. Function bank Sharia is almost the same as conventional banking. The business includes savings products, deposit futures, share, sukuk, mutual funds and giro. When Which same, fund the can converted be a loan.

According to (Said, 2012), banks sharia is forum finance which have mission for balancing, align & connect various kinds of sectors economy, its strategic engagement on the economy aims to achieve *maslaha* in all field life with strengthen obligation national And economic growth, payments, savings, demand deposits and deposits that can be used For interesting credit/loan For all need public And bank is a place exchange currency. Banking based on Law no. 7 Year 1992, which was later revised by Law 10 of 1998, states that banks is body business Which try raise level life public with get public funds in the accumulation of savings, which are then handed over return to public shaped loan or source other power.

Islamic Bank Financial Performance

In general, performance comes from the word job performance or real achievement which means there is a real achievement from someone in carrying out their duties on task Which given. In essence, financial performance is an evaluation of financial statements in which there is an output from the results of the analysis on the financial statements. Financial performance can be interpreted as a benchmark in seeing the extent to which level efficient And effectiveness on company (Merentek , 2013) .

According to (Hastanti Agustin Rahayu & Syarifudin, 2022), financial performance is an overview of bank financing activities sharia in period time certain, good monthly nor quarterly or every year related to various opportunities to obtain and distribute

capital from bank sharia Alone. Evaluation performance finance bank sharia the Can held use analysis on report finance bank sharia.

CAMEL Method

The soundness level of a bank is an assessment of the condition of a bank's financial statements at a certain period and time of year according to Bank Indonesia Standards. Basically, assessed with a qualitative approach to various aspects that affect the condition and development of a bank. According to (Riyadi, 2004) , the factors are as follows:

Capital

A banking company is said to be healthy if it has strong capital, with which capital the bank is able to carry out its operations and guarantee problem assets. In this regard, the assessment of the capital aspect focuses on the adequacy and composition of capital, projected capital, the ability of capital to cover problem assets, and capital plans for business expansion (Aini & Rahmani, 2016) .

RWA is the sum and value of each asset or assets after being multiplied by the weight of each risk in the asset. The asset risk in question is debt. The size of the debt will clearly affect the CAR value. The smaller the debt, the greater the CAR value, and vice versa if the greater the amount of debt, the smaller the CAR value (Divisari, 2022) .

The rule of growth for CAR is 8%. That is, if the CAR value of a bank is greater than or equal to 8%, then the bank's financial condition, seen from the aspect of capital, is classified as healthy. Vice versa, if the CAR value of a bank is less than 8% then it indicates that the bank's financial condition is in an unhealthy condition.

The ratio which is the ratio between total capital and weighted assets according to the ratio (RWA) is formulated as follows:

$$CAR = \text{CAPITAL} / \text{ATMR} \times 100\%$$

Assets (Quality of Earning Assets)

Earning asset quality reflects the financial performance of banking companies. Asset quality assessment is carried out by comparing earning assets classified to total earning assets in accordance with Bank Indonesia regulations.

Measuring the soundness level of a bank based on aspects of asset quality, one of which can be seen from the Earning Assets Quality ratio (KAP). The ratio which is an assessment with the income asset quality factor (KAP) is formulated as follows:

$$\text{KAP Ratio} = \text{Non-Performing Earning Assets} / \text{Total Earning Assets} \times 100\%$$

The calculation of classified earning assets is carried out based on the following provisions.

- 0% of current credit
- 25% of credit in special mention
- 50% of substandard loans
- 75% of doubtful credit
- 100% of bad credit

While the results of research on the soundness level of banks in terms of asset quality aspects are based on the following value ranges.

- 0.00% - <= 10.35%, the bank is categorized as healthy
- 10.35% - <= 12.60%, the bank is categorized as quite healthy
- 12.60% - <= 14.85%, the bank is categorized as unhealthy
- 14.58% of banks are categorized as unhealthy

Management

Assessment of the soundness of a bank from the management aspect is qualitative in nature, in which the factors affecting the soundness and performance of the bank will be analyzed using questions about management activities which include general management strategy, structure, systems, human resources, leadership, work culture, risk management, credit risk, liquidity risk, operational risk, and others. All of this will lead to the ability of the bank to make a profit (Oktaviony, 2023) .

This means that it is possible that the soundness level of a bank from a management perspective can be measured quantitatively through Net Profit Financing (NPF) calculations. This financial ratio measures the level of a bank's ability to generate net profit from its main operational activities. The management aspect proxied by net profit financing is formulated as follows:

$$\text{NPF} = \text{Net Profit} / \text{Operating Profit} \times 100\%$$

The value used as a reference to assess the NPF ratio is in the range of 0 to 1. The greater the NPF value or close to 1, it indicates that the costs incurred are more efficient, so that the return on net profit is greater. That is, the bank is in the healthy category. Vice versa.

Earnings (Rentability)

A bank that is healthy and has good performance will certainly be seen from its ability to earn income in the form of profit. The greater the profit earned indicates that the bank's performance is getting better and its financial condition is getting healthier (Ramansyah, 2023) . To measure the soundness of a bank from the income aspect, the Return on Assets (ROA) ratio can be used by comparing the net profit achieved with the total assets owned by the bank. Earnings factor (income) in assessing the soundness of a bank is calculated using the following formula:

$$\text{ROA} = \text{Profit before tax} / \text{Total assets} \times 100\%$$

Whether or not a bank is healthy can be seen from the income aspect based on the following range of values.

= 1.215%, the bank is categorized as healthy

= 0.999% - <1.215%, the bank is categorized as quite healthy

= 0.765% - < 0.9999 %, the bank is categorized as unhealthy

< 0.765%, the bank is categorized as unhealthy

Liquidity

Liquidity is considered a significant financial instrument in servicing short-term financial debt and meeting customer loan requests, in managing liquidity in a healthy bank it will have an impact on the success of bank performance (Intan & Destian, 2020) . This liquidity ratio illustrates the ability of the indicator used is the FDR (Financing to Deposit Ratio). The ratio can be formulated as follows:

$$\text{FDR} = \text{Total Financing} / \text{Third Party Funds} \times 100\%$$

The higher the FDR value indicates the lower the level of bank liquidity, because the amount of debt is getting bigger so the funds needed to pay off the debt are also getting bigger.

- <= 94.75%, the bank is categorized as healthy
- 94.75% - <= 98.50%, the bank is categorized as quite healthy
- 98.50% - <= 102.25%, the bank is categorized as unhealthy
- 102.25%, the bank is categorized as unhealthy

RESEARCH METHOD

With regard to the title raised, namely Analysis Performance Finance PT. Bank Syariah Indonesia (BSI) Period 2021-2022 using the CCAMEL Method. This research is a quantitative analysis research, using a quantitative approach aimed at testing theories, building facts, showing relationships between variables, providing statistical descriptions, estimating and predicting results.

The object of this research consists of five dependent variables, namely capital, assets, management, earnings, and also liquidity where Capital is measured by Current Adequacy Ratio (CAR), assets are measured by productive asset quality (KAP), management is measured by Net Profit Margin (NPM), earnings are measured by return on assets (ROA) ratio, and liquidity is measured by Financing to Deposit Ratio (FDR). The data in this study uses secondary data, namely data on the financial statements of PT Bank Syariah Indonesia (BSI) for the 2021-2022 period.

RESULTS AND DISCUSSION

Assessment of the soundness level of a bank based on Bank Indonesia regulations determines the title of healthy, moderately healthy, unhealthy and unhealthy which includes an assessment of CAMEL factors consisting of Capital, Assets, Management, Earnings and Liquidity. From each of the CAR, KAP, NPF, ROA and FDR indicators, it shows that the performance comparison of PT. Bank Syariah Indonesia for the 2021-2022 period.

Table 1
PT Bank Syariah Indonesia Performance Calculated Using the CAMEL Method

	2021	2022
C	22.09%	20.29%
A	0.015%	0.045%
M	0.87%	0.57%
E	1.61%	1.98%
L	73.39%	79.37%

Capital of PT. Bank Syariah Indonesia

CAR of Bank Syariah Indonesia for the 2021-2022 Period

Based on table 1 it is known that the CAR of Bank Syariah Indonesia is in the range of 22.09 % - 20.29%. In 2021 CAR PT. Bank Syariah Indonesia is in the range of 22.09% and in 2022 CAR PT. Bank Syariah Indonesia is in the range of 20.29%. In general, in 2021 and 2022 the CAR value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia.

Asset Quality of PT. Bank Syariah Indonesia

KAP Ratio PT. Bank Syariah Indonesia for the 2021-2022 Period

Based on table 1 it is known that the KAP ratio of Bank Syariah Indonesia is in the range of 0.015% - 0.045%. In 2021 the KAP ratio of PT. Bank Syariah Indonesia is in the range of 0.015% and in 2022 the ratio of KAP PT. Bank Syariah Indonesia is in the range of 0.045%. In general, in 2021 and 2022 the KAP value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia.

PT. Bank Syariah Indonesia Management

NPF of PT. Bank Syariah Indonesia for the 2021-2022 Period

Based on table 1 it is known that the NPF of Bank Syariah Indonesia is in the range of 0.87 % - 0.57%. In 2021 NPF PT. Bank Syariah Indonesia is in the range of 0.87% and in 2022 the NPF of PT. Bank Syariah Indonesia is in the range of 0.57%. In general, in 2021 and 2022 the NPF value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia.

Profitability of PT. Bank Syariah Indonesia

ROA of PT. Bank Syariah Indonesia for the 2021-2022 Period

Based on table 1 it is known that the ROA of Bank Syariah Indonesia is in the range of 1.61 % - 1.98%. In 2021 ROA PT. Bank Syariah Indonesia is in the range of 1.61% and in 2022 PT. Bank Syariah Indonesia is in the range of 1.98%. In general, in 2021 and 2022 the ROA value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia.

Liquidity of PT. Bank Syariah Indonesia

FDR of PT. Bank Syariah Indonesia for the 2021-2022 Period

Based on table 1 it is known that the FDR of Bank Syariah Indonesia is in the range of 73.39% - 79.37%. In 2021 FDR PT. Bank Syariah Indonesia is in the range of 73.39% and in 2022 FDR PT. Bank Syariah Indonesia is in the range of 79.37%. In general, in 2021 and 2022 the FDR value of PT. Bank Syariah Indonesia is classified as healthy because it meets the standards set by Bank Indonesia.

CONCLUSION

Based on the data analysis carried out in this study, it can be concluded that the Analysis of Financial Performance of PT Bank Syariah Indonesia for the 2021-2022 Period Using the CAMEL Method , it can be concluded that after conducting a performance analysis of PT. Bank Syariah Indonesia uses the CAMEL method which includes Capital, Assets, Management, Earnings, and Liquidity and it has been explained above that the financial performance of PT. Bank Syariah Indonesia has a good performance in accordance with the provisions determined by Bank Indonesia.

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