# COMPARATIVE ANALYSIS OF THE EFFECT OF BANK FINANCIAL PERFORMANCE ON PROFIT EARNING RATES AT PT. BANK SYARIAH INDONESIA, Tbk AND PT. BANK CIMB NIAGA, Tbk

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## ABSTRACT

Currently, PT Bank Syariah Indonesia Tbk (BSI) has succeeded in becoming the 6th largest bank in Indonesia, passing PT Bank CIMB Niaga Tbk (BNGA), which is a conventional bank. Based on the financial reports up to the fourth quarter of 2022, Bank Syariah Indonesia posted a significant increase in assets from the previous Rp. 265.28 trillion to Rp. 305.72 trillion, which means it has overtaken CIMB Niaga., which recorded assets of Rp. 306.75 trillion until the quarter IV 2022. However, it turns out that Bank CIMB Niaga in the 1st quarter of 2023 has regained this position and is above the BSI, and this position is expected to change one after the other. This is interesting because it is related to BSI's vision of becoming a world-class Islamic bank, which will shift the position of conventional banks which have always been above Islamic banks. The purpose of this research is to compare the financial performance of the two banks to their level of profit (ROA). The sample data is the financial performance of BSI and Bank CIMB Niaga for the first quarter of 2021 to the first quarter of 2023. The data is taken from the first quarter of 2018 - the fourth quarter of 2021. Capital Adequency Ratio (CAR), Non Performing Loan (NPL), Net Interest Margin (NIM), Operating Costs/Income (BOPO) and Loan to Deposit Ratio (LDR) are independent variables and the level of profit earned is represented by Return On Assets (ROA) as the dependent variable. The statistical test is the normality test, multicollinearity, Multiple Linear Regression , determinants, t test (t-test) and F test (F-test) with a significance of 0.05. The result is that simultaneously all financial performance indicators (CAR, NPL, NIM, BOPO, LDR) on BSI and Bank CIMB Niaga have a significant influence significant. However, partially, there is no significant effect of all the financial performance on the level of profit (ROA) of the two banks.

**INTRODUCTION**

State-owned bank issuer, PT Bank Syariah Indonesia Tbk (BRIS) approved the distribution of cash dividends of IDR 426.01 billion at the Annual General Meeting of Shareholders (AGMS). The ratio of dividends distributed is 10% of net profit for the 2022 financial year. The positive achievement in the second year of BSI's birth is the result of solid work and the right response strategy amid various economic challenges in 2022. Throughout 2022, BSI recorded a net profit of IDR 4.26 trillion, growing 40.68% on an annual basis (year on year/yoy). The company's profit growth was accompanied by an increase in BSI's assets, which currently reached IDR 305.73 trillion or grew 15.24% yoy ( Abigail et al, 2023). The increase in net profit was also driven by the achievement of the collection of third party funds (DPK) of IDR 261.49 trillion, which grew 12.11% yoy and financing which grew 21.26% yoy to IDR 207.70 trillion. In addition, the quality of financing was well maintained, as reflected in the ratio of non-performing financing or Gross Non-Performing Financing (NPF) at the level of 2.42% and an increase in BSI Mobile's fee-based income which reached IDR 251 billion or grew 67% yoy. Until December 2022, BSI's total financing reached IDR 207.70 trillion. The portion of financing was dominated by consumer financing of IDR 106.40 trillion or growing 25.94% yoy, wholesale financing of IDR 57.18 trillion or growing 15.80%, and micro financing IDR 18.74 trillion or growing 32.71%. .. Currently BSI is included in the top 14 largest Islamic banks in the world. Management will continue to improve this good performance so that BSI can become one of the top 10 global Islamic banks, which is the company's vision.(Yashinta et al.l, 2023)

PT Bank Syariah Indonesia Tbk (BSI) was born on February 1 2021 or 19 Jumadil Akhir 1442 H.., the result of a merger between PT Bank BRIsyariah Tbk, PT Bank Syariah Mandiri and PT Bank BNI Syariah. The Financial Services Authority (OJK) officially issued a permit for the merger of the three Islamic bank businesses on January 27, 2021 through letter Number SR-3/PB.1/2021. On 1 February 2021, President Joko Widodo inaugurated the presence of BSI with the composition of its shareholders being: PT Bank Mandiri (Persero) Tbk 50.83%, PT Bank Negara Indonesia (Persero) Tbk 24.85%, PT Bank Rakyat Indonesia (Persero) Tbk 17.25%. The rest are shareholders, each of which is under 5%. More complete services, wider coverage, better capital capacity as a result of this merger are expected to make BSI a driving force for national Islamic banking.

Meanwhile PT Bank CIMB Niaga Tbk  was established on September 26, 1955. CIMB Niaga was established based on the Deed of Company Establishment No. 90 made before Raden Meester Soewandi, Notary in Jakarta on 26 September 1955 under the name PT Bank Niaga and amended by deed of the same Notary namely Deed No. 9 dated November 4, 1955. The majority share ownership of the Bank was transferred to the Government of the Republic of Indonesia through the Indonesian Bank Restructuring Agency (IBRA) due to the Asian financial crisis in 1998. In 2002, CIMB Group Holdings Berhad (CIMB Group), formerly Commerce Asset Holding Berhad, acquired a majority stake in the Bank from IBRA. In a separate transaction, Khazanah, who is the majority shareholder of CIMB Group, acquired majority ownership of Lippo Bank on September 30, 2005. In 2007, all shareholdings changed hands to the CIMB Group as part of an internal reorganization to consolidate activities of all CIMB Group subsidiaries with a universal banking platform. The majority of the Bank's shares of 92.5% are owned directly and indirectly by CIMB Group Sdn. Bhd., which is the fifth largest universal banking group in ASEAN with an extensive regional network.

PT Bank CIMB Niaga Tbk will focus on one of the Business Banking segments, namely Commercial Banking, which manages the credit and fund portfolios of medium-sized companies or better known as the middle market segment. Bank CIMB Niaga recorded that lending/financing increased by 10.1% on an annual basis to IDR 199.6 trillion (excluding salam financing) throughout 2022 (Burhan, 2023). Currently PT Bank CIMB Niaga Tbk is the second largest private bank after BCA and is in tight competition with Bank BSI to become the 6th largest bank in Indonesia in terms of total assets.

Table.1 below shows the development of Total Assets, Equity and EAT of the two banks during quarter 1 2021-quarter I- 2023;

https://jurnal.umt.ac.id/index.php/dmj/index

Table.1 Total Assets, Equity, Net Income of BSI and CIMB-Niaga
(In Millions)

|  | **BSI** | **CIMB NIAGA** | **BSI** | **CIMB NIAGA** | **BSI** | **CIMB NIAGA** |
|---|---|---|---|---|---|---|
| Period | TA | TA | EQ | EQ | EAT | EAT |
| Q1-2021 | 234,427,001 | 270,049,711 | 22,497,810 | 40,106,184 | 743,537 | 39,244 |
| Q2-2021 | 247,299,611 | 286,367,574 | 23,341,917 | 40,349,843 | 1,495,326 | 1,378,075 |
| Q3-2021 | 251,051,724 | 292,786,766 | 24,122,079 | 41,439,224 | 2,275,489 | 2,458,090 |
| Q4-2021 | 265,289,081 | 307,243,611 | 25,013,934 | 42,217,722 | 3,217,796 | 3,229,557 |
| Q1-2022 | 271,293,823 | 302,858,346 | 25,985,273 | 43,324,130 | 987,685 | 1,107,315 |
| Q2-2022 | 277.342.955 | 306,040,142 | 26,505,811 | 41,772,859 | 2,248,928 | 1,893,325 |
| Q3-2022 | 280,002,034 | 301,824,676 | 3,285,095 | 42,046,061 | 3,285,095 | 2,157,887 |
| Q4-2022 | 305,727,438 | 301,515,827 | 33,505,610 | 43,764,091 | 4,311,075 | 3,866,957 |
| Q1-2023 | 313.252.694 | 341,697,939 | 34.992.047 | 45,342,356 | 1.469.312 | 1,569,164 |

Source: OJK-RI

From Table 1, it can be seen that BSI's total assets are below Bank CIMB Niaga from its inception until the third trimester of 2022. This is a natural thing considering that BSI is a sharia-based bank and CIMB Niaga is a conventional bank, which is generally more flexible and flexible in its marketing strategy. However in the 4th trimester of 2022 BSI managed to pass CIMB Niaga bank and take the position as the 6th largest Bank in Indonesia, However soon CIMB Niaga Bank takes that position back in the early trimester of 2023 and the two banks are expected to continue to overtake each other for months future.

The following Table.2 and so on shows a comparison of the financial performance and health level of the two banks;

Table.2. CAR ratio of BSI and Bank CIMB-Niaga

| Periods | Rasio | BSI | CIMB-Niaga |
|---|---|---|---|
| Q1-2021 | CAR | 23.10 | 18.51 |
| Q2-2021 | CAR | 23.10 | 18.94 |
| Q3-2021 | CAR | 22.58 | 19.40 |
| Q4-2021 | CAR | 22.09 | 19.60 |
| Q1-2022 | CAR | 17.20 | 18.20 |
| Q2-2022 | CAR | 17.31 | 18.41 |
| Q3-2022 | CAR | 17.19 | 19.32 |
| Q4-2022 | CAR | 20.29 | 19.46 |
| Q1-2023 | CAR | 20,36 | 20.82 |

Source: OJK-RI

From Table 2, from the first quarter of 2021 to the fourth quarter of 2021, BSI's CAR is better than CIMB Niaga Bank, while throughout 2023 to early 2023 CIMB Niaga's CAR is better, but the two banks are still included in the Very Healthy category because based on BI regulations, a healthy commercial bank's CAR is at least 12%.

Table.3. BSI and CIMB-Niaga NPL ratios

| Periods | Ratio | BSI | CIMB-Niaga |
|---|---|---|---|
| Q1-2021 | NPL | 0.92 | 1.52 |
| Q2-2021 | NPL | 0.92 | 1.28 |
| Q3-2021 | NPL | 0.93 | 1.10 |
| Q4-2021 | NPL | 0.87 | 1.17 |
| Q1-2022 | NPL | 0.90 | 1.13 |
| Q2-2022 | NPL | 0.74 | 0.99 |
| Q3-2022 | NPL | 0.59 | 0.94 |
| Q4-2022 | NPL | 0.57 | 0.75 |
| Q1-2023 | NPL | 0,54 | 0.77 |

Source: OJK-RI

From Table 3, from the first quarter of 2021 to the first quarter of 2023 BSI's NPL is better than Bank CIMB Niaga, but the two banks are still in the Very Healthy category because based on BI provisions, a maximum NPL of 2% is in the Very Healthy category. Healthy and a maximum of 5% to be declared Healthy

Table.4. BSI and CIMB-Niaga ROA ratios

| Periods | Ratio | BSI | CIMB-Niaga |
|---|---|---|---|
| Q1-2021 | ROA | 1.72 | 1.85 |
| Q2-2021 | ROA | 1.72 | 2.01 |
| Q3-2021 | ROA | 1.70 | 1.90 |
| Q4-2021 | ROA | 1.70 | 1.75 |
| Q1-2022 | ROA | 1.93 | 1.92 |
| Q2-2022 | ROA | 2.03 | 2.05 |
| Q3-2022 | ROA | 2.08 | 2.07 |
| Q4-2022 | ROA | 1.98 | 4.49 |
| Q1-2023 | ROA | 2,48 | 2.46 |

Source: OJK-RI

Table 4 shows that from the first quarter of 2021 to the 4th quarter of 2021, BSI's ROA is smaller than Bank CIMB Niaga's ROA. BSI is only better in Quarter 1-2022, Quarter 3-2022 and Quarter 1-2023, but in general it is still Very Healthy because it is still and in general the two banks are still Very Healthy because it is still above 1.5%,

Table.5. BSI and CIMB-Niaga NIM ratios

| Periods | Ratio | BSI | CIMB-Niaga |
|---|---|---|---|
| Q1-2021 | NIM | 6.13 | 4.99 |
| Q2-2021 | NIM | 6.13 | 4.95 |
| Q3-2021 | NIM | 6.29 | 4.86 |
| Q4-2021 | NIM | 6.04 | 4.71 |
| Q1-2022 | NIM | 6.01 | 4.29 |

| Q2-2022 | NIM | 6.16 | 4.36 |
|---|---|---|---|
| Q3-2022 | NIM | 6.22 | 4.43 |
| Q4-2022 | NIM | 6.31 | 3.19 |
| Q1-2023 | NIM | 2,73 | 4.52 |

Source: OJK-RI

From Table 5, from the first quarter of 2021 to the fourth quarter of 2022 it can be seen that NIM, a term that is equivalent to NOM (Net Operating Margin) in Islamic banking, NIM or NOM BSI in general is better than CIMB Niaga Bank's NIM. even so, both of them are still in the Very Healthy category because they are still above BI regulations, where NIM or NOM are in the Very Healthy category if they are above 3%.
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Table.6. BOPO BSI and CIMB-Niaga ratios

| Periods | Ratio | BSI | CIMB-Niaga |
|---|---|---|---|
| Q1-2021 | BOPO | 79.90 | 81.41 |
| Q2-2021 | BOPO | 79.90 | 78.71 |
| Q3-2021 | BOPO | 79.92 | 78.83 |
| Q4-2021 | BOPO | 80.46 | 76.49 |
| Q1-2022 | BOPO | 75.35 | 74.67 |
| Q2-2022 | BOPO | 74.50 | 74.10 |
| Q3-2022 | BOPO | 74.02 | 74.44 |
| Q4-2022 | BOPO | 75.88 | 74.10 |
| Q1-2023 | BOPO | 69,65 | 73.99 |

Source: OJK-RI

From Table.6, from the first quarter of 2021 to the first quarter of 2023, BOPO is visible , BSI in general is not good compared to Bank CIMB Niaga's BOPO, except for early 2023 but the BOPO of the two banks is still in the Very Healthy category, because it is below 94%.

Table.7. LDR ratio of Bank BSI and CIMB-Niaga

| Periods | Ratio | BSI | CIMB-Niaga |
|---|---|---|---|
| Q1-2021 | LDR | 77.28 | 83.69 |
| Q2-2021 | LDR | 74.53 | 76.78 |
| Q3-2021 | LDR | 74.53 | 75.06 |
| Q4-2021 | LDR | 73.39 | 72.80 |
| Q1-2022 | LDR | 74.37 | 74.19 |
| Q2-2022 | LDR | 78.14 | 78.62 |
| Q3-2022 | LDR | 81.45 | 84.47 |
| Q4-2022 | LDR | 79.37 | 83.19 |
| Q1-2023 | LDR | 79,14 | 79.57 |

Source: OJK-RI

From Table 7, in general, from the first quarter of 20121 to the first quarter of 2023, it can be seen that BSI's LDR or FDR is better than Bank Mandiri, where BSI is in the Very Healthy category, for Bank

Mandiri in general it is in a Healthy position. For previous studies, the authors did not find relevant research, namely research conducted by the authors, perhaps there were no researchers who did not or had not found the right reasons to compare the two banks.

## LITERATURE REVIEW
### *Bank And Bank Health Level*
Banks are intermediary institutions whose activities are collecting funds and channeling funds to improve people's welfare (Taswan, 2010), where the banking industry controls cash funds that are ready to be used at any time to improve the economic development of a nation (Dendawijaya, 2015). We can assess whether a bank is healthy or not when the bank has the ability to follow and implement various banking regulations because these banking regulations are structured so that a bank's operational activities can run smoothly on the one hand and obligations to various parties can be fulfilled on the other. (Avissa et al., 2018) Appropriate indicators are needed to assess a bank in a healthy or unhealthy condition, which is referred to as the soundness level of the bank. (Darmawan, P, 2018), stated that from the current risk-based regulations and assessment of the level of banking soundness, it appears that the government really wants bank managers to have full responsibility for day-to-day bank operations which of course shows the level of health of the bank.

### *CAMEL and RGEC*
The term CAMEL (Arinta, 2016) is an abbreviation of various indicators to measure whether a bank is in a healthy or unhealthy condition, namely; Capital (Capital Adequacy), Assets (Assets / Assets) Management (Ability Management), Earnings (Level of Rentability), Liquidity (Level of Liquidity). This term was introduced by Bank Indonesia as the highest authority in the monetary sector in this country, by issuing Circular Letter (SE) No.30/3/UPPB concerning the measurement of Bank Soundness Level ((Indonesia, 2012) dated 30 April 1997. The term CAMEL dated 30 May 2004 changed to CAMELS, added by L, (Level of sensitivity to changes in recent economic conditions). Then to respond to global challenges and avoid banking crises like the incident in 1997, the Monetary Authority developed a new method to measure banking performance with more precise measurement tools. The RGEC method is the most recent method introduced by the Monetary Authority in 2011 (OJK, 2021). This method places full responsibility for bank management on bankers, especially their ability to manage risk ((Putri & Ningtyas, 2023). There are several risks that they must be able to control; financing risk, market risk), liquidity , operational , legal , strategic , reputation and compliance risk, combined as Risk Profile, Good Corporate Governance (GCG), Earnings and Capital (RGEC)

### *1. Risk Profile*
The ability of banks to increase their profitability is of course very closely related to their ability to increase outstanding credit, because however until now the main source of bank income is from net interest income (Rate Income) while income from other sources, especially bank services (Fee Based Income). ) are mostly still complementary, even just to support smooth operations. But behind the high financing available, of course there are risks that must be faced, namely how the quality of credit owned is reflected in the level of credit collectibility. which exists . If most of the credit is current, the rate of return is, of course, this is what is really wanted. However, there are several problems in lending, for example; Inconsistent application of 5 C, misjudging prospective debtors, wrong credit guarantee appraisals, or debtor's internal problems causing the debtor's inability to pay, which was initially smooth to non-current, bad or even uncollectible, that's what's called credit risk. The way to measure this risk is to calculate Non-Performing Loans (NPL) ((Asraf et al., 2020). In order to be in a Very Healthy position, managers must be able to reduce this ratio as small as possible, which is a maximum of 2% of total credit. The high amount of credit disbursed will also determine a bank's ability to meet its maturing obligations, especially short-term ones. This is what is called liquidity risk. Consideration of liquidity security without sacrificing profitability is what matters. This risk is measured by the Loan to Deposit Ratio (LDR), which compares the total credit extended to debtors with deposits obtained from depositors.

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

The many irregularities that occurred in the management of the national banking system were the cause of the collapse of the national banking system during the 1997-1998 monetary crisis. Irregularities that occur, among others, in terms of the Maximum Credit Lending Limit (LLL), especially distribution to the same business group as the bank. Also related to guarantees that are inappropriate but pass, giving fees to bank management (gratification) and others indicate many irregularities in the implementation of the elements in this GCG. The GCG factor rating consists of 5 (five) ratings and a smaller rating means that the company's GCG implementation is better and vice versa (Raizar Rachmi Revindaliza, 2021) Good GCG implementation shows that the bank manager is professional and trustworthy in leading the bank. The implementation of GCG in the company is carried out by self-assessment consisting of Governance Structure, Governance Process; and Governance Outcomes. This assessment is very important because the bank is a trust-based institution and most of its assets come from third party funds.

## *3 Earnings*

Return On Assets (ROA)
This ratio is one of the profitability ratios (earnings) which is often used as a measure of company performance in general, including banking. In the banking sector, ROA is a measure of whether a bank is healthy or not. The ratio of the level of net profit from asset management (Return On Assets (ROA) is a comparison between net profit after tax (EAT) with the total assets managed by the bank to obtain the net profit. The ROA ratio increases every period or so higher than the industry average means that bank managers are able to increase effectiveness, efficiency and optimize the management of their assets to generate net profits after tax (Wardana & Nurita, 2022) On the other hand, if it gets lower each period or lower than the industry average, then the effectiveness, efficiency and optimization of asset management means experiencing setbacks.

Net Interest Margin (NIM)
This ratio is to determine the level of effectiveness of the use of third party funds (depositors) to earn profits. From the NIM ratio, it can also be seen that the competitiveness of a bank is related to interest rates for both deposit and loan interest with competing banks, because basically interest rates are prices set by banks to both depositors and debtors. There are two interest factors, namely deposit interest from one side and loan interest from the other side. This ratio is very important because it greatly influences other profitability ratios because the majority of banking income is from interest income not from income from services (fee based income). The bank will be better and healthier if the NIM ratio is higher and conversely, the efficiency and optimization of bank funds will be lower if the NIM ratio is low. And if the NIM ratio is far below the industry average, it means that the bank's competitiveness is low and it cannot compete in the banking industry.

Return On Equity (ROE)
The ratio of the level of net profit from self-capital management (Return On Equity (ROE)) is a ratio that is also very important in assessing the financial performance as well as the soundness of a bank where the ratio is obtained from a comparison between total net profit after tax (Earning After Tax/EAT) with total equity paid-up by bank owners ROE ratio which increases every period or is higher than the industry average means that bank managers are able to increase effectiveness, efficiency and optimize their equity management to generate net profit after tax. , if it gets lower in each period or lower than the industry average, then the effectiveness, efficiency and optimization of equity management means experiencing a setback.

## *4. Capital*

Capital Adequency Ratio) shows the amount of bank assets containing risks funded by own capital paid up by the owner of the bank. The capital adequacy ratio (Capital Adequency Ratio/CAR) is obtained by comparing the paid-up capital with the Risk-Weighted Assets (ATMR) of a bank. Meanwhile (Riadi et

al., 2016) states that if the CAR is higher from one period to another, this indicates that the higher own capital is used to finance the formation of earning assets. The effect is that the cost of capital for its formation becomes smaller. But if the CAR is getting smaller, the cost of capital (Cost Of Capital) is also getting bigger because it means that more funds are being used from other parties and this results in higher interest costs.

### Bank Health Composite Rating

The following table is a financial performance indicator called the Composite Rating determined by the Central Bank (Indonesia, 2011) and the Financial Services Authority, (OJK), 2021).

Table. 8. Bank Health Level Based on Composite Rating (%)

| PK | CAR | NPL | NIM | BOPO | LDR | ROA | ROE | KET |
|----|-----|-----|-----|------|-----|-----|-----|-----|
| 1 | ≥12 | <2 | > 3 | ≤ 94 | 50-75 | >1,5 | >23 | Very Healthy |
| 2 | 9-12 | 2-5 | 2-3 | 94-95 | 75-85 | 1.2-1.5 | 18-23 | Fairly Healthy |
| 3 | 8-9 | 5-8 | 1.5-2 | 95-96 | 85-100 | 0.5-1.25 | 13-18 | Less Healthy |
| 4 | 6-8 | 8-12 | 1-1.5 | 96-97 | 100-120 | 0-0.5 | 8-13 | Less Healthy |
| 5 | ≤6 | ≥12 | ≤1 | >97 | >120 | ≤0 | <8 | Not Healthy |

Source: PBI Codification (2012)

Composite Rating 1 (PK-1), meaning that the company (bank) is generally said to be Very Healthy (VH) so that it is expected to be very capable of overcoming various challenges and problems that occur due to very rapid macroeconomic changes, which ultimately change the environment business, either because of competition in similar industries, or as a result of various government policies issued to address these environmental changes. Meanwhile, Composite Rating 2 (PK-2), means the bank is Healthy (H) and Capable , Composite Rating 3 (PK-3), means Fairly Healthy (FH) and Quite Capable, Composite Rating 4 (PK-4), means Less Healthy (LH) and Less Capable then Composite Rating 5 (PK-5), means the bank is Unhealthy and Unable to overcome various challenges and problems that occur due to very rapid macroeconomic changes.

## RESEARCH METHODOLOGY

### Research Object

The author is interested in conducting this research, specifically related to the comparison of the effect of the financial performance of Bank Syariah Indonesia and Bank CIMB Niaga. on the level of profit of each bank with the following considerations: 1) Both banks are the 6th and 7th national banking rank in total assets which are currently (2023) exchanging positions in this order. 2) Both banks have controlling shareholders as the largest banks in Indonesia and Malaysia, BSI is owned by Mandiri as the largest bank in Indonesia and CIMB Niaga is owned by CIMB Malaysia, the largest bank in the neighboring country. 3) These banks are both public companies that have been listed on the Indonesia Stock Exchange (IDX), whose shares can be owned by the public and their financial performance is open to the public.

### Population and Sample

The author uses Quarterly data, namely from Quarter I in 2021 to Quarter I in 2023 with the consideration that 2021 is the beginning of the establishment of BSI as a bank resulting from the merger of BRI Syariah, BNI Syariah and Bank Mandiri Syariah, and Quarter 1 2023 is the latest data position in the publication of the Indonesian Financial Services Authority (OJK). From these data, 9 samples (N=9) were obtained per each bank, bringing a total of N=18 for the two banks. In this study, financial

performance indicators are shown by Capital Adequency Ratio (CAR), Non Performing Loans (NPL), Net Interest Margin (NIM), Operating Costs/Operating Income (BOPO) and Loan to Deposit Ratio (LDR) as predictor variables/ independent and for the level of profit is indicated by Return On Assets (ROA) as the dependent variable (tied).

### *Hypothesis testing*

The classic assumption test used by the author as an initial data test, before the research can proceed to the next stage, is the normality test and multicollinearity test (Zainuddin, 2016). Multiple Linear Regression Test to predict how things are going (the rise and fall of the dependent variable, when two or more independent variables as predictor factors are manipulated (increase and decrease in value) ((Rahadjeng, 2017), The determinant test is carried out to find out how much influence the independent variables have on the variable dependent and how much influence other factors outside these variables.From this determinant test, companies can identify problems related to these variables, and allocate company resources to the variables that have the greatest influence. T test (t- test) is used to determine the effect of each independent variable partially on the dependent variable. profit acquisition rate (ROA) ((Danar Maharudin, 2019).

## RESULTS AND DISCUSSION

Some of the results from the classic assumptions of BSI and Bank CIMB-Niaga can be seen in the following table;

Table 9. BSI Performance Normality Test Results

| One-Sample Kolmogorov-Smirnov Test | | |
|---|---|---|
| | | Unstandardized Residual |
| N | | 9 |
| Normal Parameters[a,b] | Mean | .0000000 |
| | Std. Deviation | .4598308 |
| Most Extreme Differences | Absolute | .173 |
| | Positive | .124 |
| | Negative | -.173 |
| Test Statistic | | .173 |
| Asymp. Sig. (2-tailed) | | .231[c,d] |

Source: Results of SPSS Data Processing

Table.9 shows the Asymp data. Sig. The (2-tailed) unstandardized residual of BSI's financial performance is 0.231 > 0.05, so it can be concluded that BSI's financial performance data is normally distributed.

Table 10. CIMB-Niaga Performance Normality Test Results

| One-Sample Kolmogorov-Smirnov Test | | |
|---|---|---|
| | | Unstandardized Residual |
| N | | 9 |
| Normal Parameters[a,b] | Mean | .0000000 |
| | Std. Deviation | .38398308 |
| Most Extreme Differences | Absolute | .162 |
| | Positive | .124 |

| | | |
|---|---|---|
| | Negative | -.162 |
| Test Statistic | | .162 |
| Asymp. Sig. (2-tailed) | | .200[c,d] |

Source: Results of SPSS Data Processing

Table.10 shows the Asymp data. Sig. (2-tailed) unstandardized residual of Bank CIMB Niaga's financial performance is 0.200 > 0.05, so it can be concluded that Bank CIMB Niaga's financial performance data is normally distributed.

Table 11. BSI Multicollinearity Test

| **Coefficientsᵃ** | | | | | | | |
|---|---|---|---|---|---|---|---|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics |
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | -31.354 | 18.133 | | -1.542 | .251 | | |
| | CAR | .776 | .356 | .545 | 1.545 | .322 | .406 | 1.567 |
| | NPL | -3.765 | 2.355 | -1.086 | -1.834 | .143 | .343 | 4.322 |
| | NIM | .098 | .245 | .134 | .354 | .731 | .788 | 1.563 |
| | BOPO | .166 | .172 | .437 | .829 | .475 | .251 | 4.752 |
| | LDR | .198 | .089 | .652 | 1.834 | .165 | .527 | 1.765 |
| a. Dependent Variable: R | | | | | | | | |

Source: Results of SPSS Data Processing

Table 11 shows the VIF values are: CAR (1,567 ), NPL (4,322 ), NIM (1,563) , BOPO (4,752), LDR (1.765) is less (<) than 10 . Meanwhile, the conditions for tolerance are CAR (0.406), NPL (0.343 ), NIM (0.788) , BOPO (0.251) , LDR (0.527 ) which is greater (>) than 0.1, so the conclusion is that there are no symptoms of multicollinearity in the data at BSI.

Table 12. CIMB-Niaga Multicollinearity Test

| **Coefficientsᵃ** | | | | | | | |
|---|---|---|---|---|---|---|---|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics |
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | -29.098 | 16.135 | | -1.803 | .169 | | |
| | CAR | .664 | .416 | .582 | 1.595 | .209 | .506 | 1.977 |
| | NPL | -3.821 | 2.015 | -1.093 | -1.896 | .154 | .203 | 4.922 |
| | NIM | .090 | .231 | .121 | .391 | .722 | .698 | 1.433 |
| | BOPO | .141 | .169 | .449 | .831 | .467 | .231 | 4.332 |
| | LDR | .126 | .070 | .642 | 1.801 | .170 | .530 | 1.885 |
| a. Dependent Variable: R | | | | | | | | |

Source: Results of SPSS Data Processing

Table 12 shows the VIF values are: CAR (1.977 ), NPL (4.922 ), NIM (1.433), BOPO(4.332) LDR (1.885) is less (<) than 10 . Meanwhile, the conditions for tolerance are CAR (0.506), NPL (0.203 ), NIM (0.698), BOPO(0.231) , LDR (0.530 ) which is greater (>) than 0.1, so the conclusion is that there are no symptoms of multicollinearity in the data at CIMB Bank -Commerce.

Table.13. BSI Multiple Linear Regression Test

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -31.354 | 18.133 | | -1.542 | .251 |
| | CAR | .776 | .356 | .545 | 1.545 | .322 |
| | NPL | -3.765 | 2.355 | -1.086 | -1.834 | .143 |
| | NIM | .098 | .245 | .134 | .354 | .731 |
| | BOPO | .166 | .172 | .437 | .829 | .475 |
| | LDR | .198 | .089 | .652 | 1.834 | .165 |

Source: Results of SPSS Data Processing

From the data in Table 13. the regression line equation is obtained:

$$Y = -31.354 + \{0.776\ X1 - 3.765\ X2 + 0.098\ X3 + 0.166\ X4 + 0.198\ X5\}$$
or
$$ROA = -31.354 + \{0.776\ CAR - 3.765\ NPL + 0.098\ NIM + 0.166\ BOPO + 0.198\ LDR\}$$

Table.1 4. CIMB Niaga's Multiple Linear Regression Test

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -29.098 | 16.135 | | -1.803 | .169 |
| | CAR | .664 | .416 | .582 | 1.595 | .209 |
| | NPL | -3.821 | 2.015 | -1.093 | -1.896 | .154 |
| | NIM | .090 | .231 | .121 | .391 | .722 |
| | BOPO | .141 | .169 | .449 | .831 | .467 |
| | LDR | .126 | .070 | .642 | 1.801 | .170 |

Source: Results of SPSS Data Processing

From the data in Table 14. the regression line equation is obtained:

$$Y = -29.098 + \{0.664\ X1 - 3.821\ X2 + 0.090\ X3 + 0.141\ X4 + 0.126\ X5\}$$
or
$$ROA = -29,098 + \{0,664\ CAR - 3,821\ NPL + 0,090\ NIM + 0,141\ BOPO + 0,126\ LDR\}$$

*Determinant Coefficient Test (R2)*

The determinant test is carried out to find out how much influence the independent variables have on the dependent variable and how much influence other factors outside these variables have, so that the allocation of company resources is strengthened on the variable with the greatest influence.

Table.15. BSI Determination Coefficient Test

| Model Summary[b] | | | | |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | 1.000[a] | .999 | .948 | .01004 |
| a. Predictors: (Constant), CAR, NIM, NPL, BOPO,LDR | | | | |
| b. Dependent Variable: ROA-BSI | | | | |

Source: Results of SPSS Data Processing

From Table 15, in the BSI, the determinant coefficient (R2) shows an Adjusted R Square figure of 0.948 or 94.8%, meaning that the variation in the level of profitability can be explained by the variables CAR, NPL, NIM, BOPO and LDR, the remaining 5.2% can be explained by other factors.

Table.16. CIMB Niaga Determination Coefficient Test

| Model Summary[b] | | | | |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .893[a] | .798 | .664 | .52704 |
| a. Predictors: (Constant), CAR, NIM, NPL, BOPO,LDR | | | | |
| b. Dependent Variable: ROA-CIMB Niaga | | | | |

Source: Results of SPSS Data Processing

From Table 16, at CIMB Niaga Bank, the determinant coefficient (R2) shows an Adjusted R Square figure of 0.664 or 66.4%, meaning that the variation in the level of profitability can be explained by the variables CAR, NPL, NIM, BOPO and LDR, the remaining 23.6% can be explained by another factor.

*Partial Hypothesis Test (t-Test)*
The t test is used to test whether each independent variable individually has a significant effect on the dependent variable at a significant level of 0.05, with the test results in table 17 below;

Table .17. BSI t test results

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -31.354 | 18.133 | | -1.542 | .251 |
| | CAR | .776 | .356 | .545 | 1.545 | .322 |

| | | | | | |
|---|---|---|---|---|---|
| NPL | -3.765 | 2.355 | -1.086 | -1.834 | .143 |
| NIM | .098 | .245 | .134 | .354 | .731 |
| BOPO | .166 | .172 | .437 | .829 | .475 |
| LDR | .198 | .089 | .652 | 1.834 | .165 |

Source: Results of SPSS Data Processing

On the BSI based on the results of the t test for each variable, the sig. CAR (0.322> 0.05), NPL(0.143 >0.05), NIM (0.731> 0.05), BOPO (0.475>0.05) and LDR (0.165>0.05). It means that CAR, NPL, NIM, BOPO, LDR partially have no significant effect on the level of profit.

Table .18 CIMB Niaga t-test results

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -29.098 | 16.135 | | -1.803 | .169 |
| | CAR | .664 | .416 | .582 | 1.595 | .209 |
| | NPL | -3.821 | 2.015 | -1.093 | -1.896 | .154 |
| | NIM | .090 | .231 | .121 | .391 | .722 |
| | BOPO | .141 | .169 | .449 | .831 | .467 |
| | LDR | .126 | .070 | .642 | 1.801 | .170 |

Source: Results of SPSS Data Processing

At Bank CIMB Niaga, based on the results of the t test for each variable, the sig. CAR (0.209> 0.05), NPL(0.154 >0.05), NIM (0.722> 0.05), BOPO (0.467>0.05) and LDR (0.170>0.05), which means that for CAR, NPL, NIM, BOPO, LDR partially does not has a significant effect on the level of profit.

***Simultaneous Test (F-Test)***
To carry out the interpretation, the researcher uses the results of the F test compared to the research significance level of 0.05, with the following conditions;

1. If the sig. the results of the F test > 0.05, then Ho is accepted and H1 is rejected, which means that there is no significant effect on each performance indicator simultaneously on profit.
2. If the sig. the results of the F test <0.05, then Ho is rejected and H1 is accepted, which means that there is no significant effect on each performance indicator simultaneously on profit.

Table .19. BSI F Test Results

| ANOVAª | | | | | | |
|---|---|---|---|---|---|---|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | .531 | 5 | .106 | 1053.091 | .000ᵇ |
| | Residual | .000 | 3 | .000 | | |
| | Total | .531 | 8 | | | |
| a. Dependent Variable: ROA -BSI | | | | | | |
| b. Predictors: (Constant), CAR, NIM, NPL, BOPO,LDR | | | | | | |

Source: Results of SPSS Data Processing

For BSI, sig. (0.000) where (0.000 < 0.05 then H0 is rejected and H1 is accepted. It means that all financial performance indicators (CAR, NPL, NIM, BOPO, LDR) simultaneously have a significant effect on the level of profit.

Table. 20. CIMB Niaga F Test Results

| ANOVA[a] | | | | | | |
|---|---|---|---|---|---|---|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 4.647 | 5 | .929 | 2.364 | .025[b] |
| | Residual | 1.180 | 3 | .393 | | |
| | Total | 5.826 | 8 | | | |
| a. Dependent Variable: ROA- CIMB Niaga | | | | | | |
| b. Predictors: (Constant), CAR, NIM, NPL, BOPO,LDR | | | | | | |

Source: Results of SPSS Data Processing

For Bank CIMB Niaga, sig. (0.025) where (0.025 < 0.05 then H0 is rejected and H1 is accepted. It means that all financial performance indicators (CAR, NPL, NIM, BOPO, LDR) simultaneously have a significant effect on the level of profit.

**CONCLUSION**

Simultaneously, all financial performance indicators (CAR, NPL, NIM, BOPO, LDR) both at BSI and Bank CIMB Niaga have a significant influence between all these financial performances on the level of profit (ROA). But partially, on all of these financial performance indicators (CAR, NPL, NIM, BOPO, LDR) both at BSI and Bank CIMB Niaga there is no significant influence between all these financial performances on the level of profit (ROA). As a suggestion for the both banks, increase all financial performance indicators because this greatly affects the company's profit achievement (ROA). For BSI, increase all performance because it has been proven that BSI is able to overtake Conventional Banks, while for Bank CIMB Niaga it must be more careful because it has the closest competitor to become the 6th largest bank in Indonesia

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