A Comparative Analysis of Financial Performance and Stability Between Indonesian Sharia Bank (BSI) and Bank Mandiri From 2020 to 2024

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Abstract.

This study aims to assess and describe the financial performance of Bank Mandiri and Indonesian Sharia Bank (BSI) based on the RGEC analysis results during the period 2020–2024. The research method used is quantitative with a descriptive quantitative approach. The population of the study includes all banks registered and operating in Indonesia during the 2020–2024 period, or more specifically certain banks such as conventional banks and sharia banks. The samples selected are Bank Mandiri as the representative of conventional banks and Indonesian Sharia Bank (BSI) as the representative of sharia banks for the 2020–2024 period. The sample selection is based on relevance, availability of data, and representation of each bank type. The results show that Bank Mandiri demonstrates superior performance compared to Indonesian Sharia Bank (BSI) on most key RGEC indicators. Bank Mandiri maintains asset quality with significantly lower NPF, as well as records better efficiency in asset and capital utilization through higher ROA and ROE. Additionally, Mandiri's operating margin (NOM) is much stronger and more stable. Although both banks have very strong capital adequacy (CAR) and good governance (GCG), operational efficiency (BOPO) remains a challenge for both, even though BSI shows slightly better BOPO figures. Overall, Mandiri is more aggressive in financing distribution and efficient in generating profit, while BSI is still in the process of post-merger stabilization with reasonably healthy performance but with room for improvement in operating margin and efficiency.
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Keywords: *Financial Health; Financial Ratios and RGEC.*

I. INTRODUCTION

The banking sector plays an important role in supporting the economic stability of a country through its intermediation function between parties with excess funds and those in need of funds (Azmi & Haque, 2021). In the context of Indonesia, the existence of sharia banks and conventional banks presents an interesting dynamic, especially in terms of financial performance and health.Sharia banks operate based on Islamic principles that prohibit riba (interest), gharar (excessive uncertainty), and maisir (gambling), while emphasizing justice and partnership in transactions (Hassan et al., 2020). In contrast, conventional banks use an interest-based system and focus on profitability derived from interest rate differentials. The comparison between sharia banks and conventional banks is an important topic, particularly in assessing the level of financial health, which reflects a bank's ability to maintain long-term performance (Kassim, 2016).The RGEC method (Risk Profile, Good Corporate Governance, Earnings, Capital) has become the primary approach used by the Financial Services Authority (OJK) to assess the health level of banks in Indonesia (OJK, 2021). This method emphasizes a balance between risk, governance, profitability, and capital.Previous studies have shown that sharia banks tend to have a lower risk profile compared to conventional banks due to the asset-based and partnership nature of their transactions (Beck et al., 2013). However, some studies also indicate that conventional banks have higher efficiency due to more mature risk management and governance systems (Abdullah & Ismail, 2020).

The financial health of banks heavily depends on management's ability to manage credit, market, and liquidity risks, which are the main components of the risk profile (Pappas et al., 2016). The Good Corporate Governance (GCG) component also plays a vital role as it reflects adherence to the principles of transparency, accountability, and social responsibility (Farooq & Satt, 2021).Moreover, the Earnings aspect represents a bank's ability to generate sustainable profits, which is an important indicator in assessing financial health (Abdul-Rahman et al., 2022). Meanwhile, Capital indicates a bank's ability to absorb potential losses and serves as a measure of long-term financial strength (Bitar et al., 2018). In the context of Indonesia, the merger of three state-owned sharia banks into Bank Syariah Indonesia (BSI) in 2021 marked a new chapter for the national sharia financial industry (Sutrisno et al., 2023). The comparison between BSI and Bank Mandiri, as the parent bank of one of the merging entities, becomes relevant because both have large customer bases and different business models (Yuliani & Haron, 2022).This study is important to identify whether sharia principles can provide better stability and financial health compared to the conventional system (Rosly, 2020). In addition, this research contributes to the empirical literature on the effectiveness of the RGEC method in assessing two fundamentally different banking systems (Ahmed et al., 2021).Therefore, this study aims to analyze and compare the financial health levels of sharia and conventional banks in Indonesia using the RGEC method, thus providing a comprehensive overview for regulators, academics, and financial practitioners.

Table 1. Financial Report of Indonesian Sharia Bank (In Million Rupiah)

No	Description	2020	2021	2022	2023	2024
1	Problematic Financing	4.221.048	4.707.506	14.766.758	13.570.288	11.034.871
2	Total Financing	156.393.425	171.263.617	197.020.111	228.232.280	264.897.393
3	Third-Party Funds	210.825.601	234.261.561	261.491.168	299.021.203	327.453.984
4	Net Operating Income	11.925.338	16.244.533	15.590.696	7.590.000	9.280.000
5	Operating Expenses	7.955.227	8.782.773	9.895.336	10.250.000	11.790.000
6	Average Productive Assets	214.559.670	214.559.670	305.727.438	260.628.277	290.479.627
7	Earning After Tax	2.187.649	3.028.205	4.873.000	5.565.000	7.000.000
8	Equity	21.743.145	25.013.934	28.939.789	32.961.100	39.408.846
9	Operating Income	14.702.039	16.441.871	19.622.865	22.251.743	25.298.203
10	Capital	22.497.241	25.122.769	31.770.000	38.115.228	43.951.331
11	Risk-Weighted Assets	123.325.047	113.747.059	159.209.000	181.119.447	205.344.889
12	Earning Before Tax	3.005.197	3.661.708	5.656.208	7.589.202	9.282.456
13	Total Assets	239.581.524	265.289.081	306.788.000	346.580.000	384.000.000

Source: Financial Report of Indonesian Sharia Bank (BSI) for the Period 2020–2024

No	Description	2020	2021	2022	2023	2024
1	Non-Performing Financing (NPF)	24.010.130	24.640.623	20.855.160	13.360.160	12.709.760
2	Total Financing	892.700.000	1.014.100	1.132.900	1.310.800	1.310.800
3	Third-Party Funds (TPF)	1.065.131	1.291.099	1.422.885	1.486.500	1.336.975
4	Net Operating Income	86.035.247	94.104.882	122.184.057	136.409.420	146.448.748
5	Operating Expenses	48.519.418	49.281.823	53.260,058	53.867.491	58.610.446
6	Average Productive Assets	1.258.200	1.327.500	1.403.200	1.475.000	1.713.559
7	Profit After Tax	17.120.000	28.030.000	41.170.000	60.050.000	61.170.000
8	Equity Capital	189.490.000	209.010.000	234.040.000	252.060.000	252.350.000
9	Operating Income	75.630.000	83.500.000	97.200.000	102.900.000	104.280.000
10	Capital	206.990.000	230.370.000	249.550.000	261.740,000	244.260.000
11	Risk-Weighted Assets (RWA)	1.085.430	1.119.470	1.168.310	1,218.790	1.215.160
12	Profit Before Tax	28.032.167	38.465.458	56.377.726	74.684.881	76.403.486
13	Total Assets	1.585.650	1.726.749	1.992.349	2.174.222	2.427.220

Source: Bank Mandiri Financial Report Website

Based on Table 1.1, the financial data of Bank Syariah Indonesia (BSI) for the 2020–2024 period show a positive growth trend across most key indicators. Total financing increased from IDR 156.39 trillion to IDR 264.90 trillion, indicating an expansion in the bank's intermediation activities. Third-party funds (TPF) also grew steadily from IDR 210.82 trillion to IDR 327.45 trillion, reflecting increasing public confidence in Islamic banking. Meanwhile, non-performing financing (NPF) rose temporarily in 2022 to IDR 14.77 trillion but declined again to IDR 11.03 trillion in 2024, demonstrating improved asset quality and effective risk management. Net operating income fluctuated, peaking in 2021, then decreasing before recovering in 2024.Operating expenses increased in line with service expansion and digitalization efforts. However, profit after tax continued to grow significantly from IDR 2.19 trillion to IDR 7.00 trillion indicating rising efficiency and profitability. Equity and total assets increased respectively from IDR 21.74

trillion to IDR 39.41 trillion and from IDR 239.58 trillion to IDR 384.00 trillion, confirming a stronger financial position.Based on Table 1.2, Bank Mandiri's financial data for the 2020–2024 period demonstrate strong and stable growth across nearly all key indicators.

Total financing rose from IDR 892.7 trillion in 2020 to IDR 1,310.8 trillion in 2024, reflecting sustainable credit expansion. Although non-performing financing was relatively high at the beginning of the period (IDR 24.01 trillion in 2020), it declined to IDR 12.71 trillion in 2024, indicating enhanced asset quality and effective risk management.Third-party funds (TPF) grew positively from IDR 1,065.13 trillion to IDR 1,336.97 trillion, showing stronger public confidence in Bank Mandiri's deposit products. Net operating income increased significantly from IDR 86.04 trillion to IDR 146.45 trillion, in line with revenue growth and cost efficiency improvements.Despite the rise in operating expenses from IDR 48.52 trillion to IDR 58.61 trillion, the bank still recorded impressive profit growth. Profit after tax nearly quadrupled from IDR 17.12 trillion in 2020 to IDR 61.17 trillion in 2024, while profit before tax reached IDR 76.40 trillion by the end of the period.In terms of financial structure, equity increased steadily from 189.49 trillion to IDR 252.35 trillion, while total assets rose from IDR 1,585.65 trillion to IDR 2,427.22 trillion. This growth strengthened the bank's capital position and expansion capacity. Risk-weighted assets (RWA) also increased, indicating higher financing activity consistent with prudent risk management.

Research Problem Formulation

Based on the background above, the research problems formulated are as follows:

a. What are the levels of Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital at Bank Mandiri during the 2020–2024 period?
b. What are the levels of Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital at Bank Syariah Indonesia (BSI) during the 2020–2024 period?
c. How is the financial performance of Bank Mandiri during the 2020–2024 period based on the RGEC analysis results?
d. How is the financial performance of Bank Syariah Indonesia (BSI) during the 2020–2024 period based on the RGEC analysis results?

Research Objectives

The objectives of this study are:

a. To analyze the levels of Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital at Bank Mandiri during the 2020–2024 period.
b. To analyze the levels of Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital at Bank Syariah Indonesia (BSI) during the 2020–2024 period.
c. To assess and describe the financial performance of Bank Mandiri based on the RGEC analysis results for the 2020–2024 period.
d. To assess and describe the financial performance of Bank Syariah Indonesia (BSI) based on the RGEC analysis results for the 2020–2024 period.

II. METHODS

Research Method. This study uses a quantitative research method with a descriptive quantitative approach. Research Target. The population in this research comprises all financial reports of Bank Mandiri and Bank Syariah Indonesia (BSI). The sample includes the financial statements of both banks for the 2020–2024 period, encompassing balance sheets, income statements, notes to financial statements, and Good Corporate Governance (GCG) reports.Data Collection Technique. The data were collected using a documentation method. Secondary data were obtained from the annual financial reports of Bank Mandiri and Bank Syariah Indonesia (BSI) for the 2020–2024 period. These data include balance sheets, income statements, notes to the financial statements, and GCG reports downloaded from the official websites of the respective banks and other authorized publications.Research Model. The study adopts a descriptive quantitative model aimed at illustrating the banks' health levels using the RGEC (Risk Profile, Good Corporate Governance, Earnings, and Capital) method. This model focuses on measuring financial performance through financial statement data and GCG reports for the 2020–2024 period.

Each RGEC component is analyzed using specific financial ratios:

a. Risk Profile: measured by the Non-Performing Loan (NPL) ratio and the Loan to Deposit Ratio (LDR) or Financing to Deposit Ratio (FDR) for BSI.
b. Good Corporate Governance (GCG): measured through annual GCG assessment reports published by each bank.
c. Earnings: measured by Return on Assets (ROA) and Net Interest Margin (NIM).
d. Capital: measured by the Capital Adequacy Ratio (CAR).

Research Development

This research is developed based on the RGEC method established by the Financial Services Authority (OJK) as the standard framework for assessing bank health levels. The study further develops this model by comparing two types of banks—Bank Mandiri (conventional) and Bank Syariah Indonesia (BSI)—to identify differences and trends in their financial performance over the 2020–2024 period.

Data Analysis Technique

The analytical technique employed in this study is based on four main components, namely Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital, following the RGEC (Risk Profile, Good Corporate Governance, Earnings, Capital) framework established by Bank Indonesia Regulation No. 13/1/PBI/2011.

a. Risk Profile (NPF and FDR)

The Risk Profile reflects a bank's ability to manage the risks it faces, particularly credit risk and liquidity risk. According to the Financial Services Authority (OJK, 2022), the Risk Profile is an assessment of inherent risks and the quality of risk management implementation in a bank's business activities, which include credit, liquidity, market, operational, and other risks.

1) *Non-Performing Financing (NPF)*

NPF measures the level of problematic financing in Islamic banks. The higher the NPF, the greater the credit risk borne by the bank

$$NPF = \text{Total Financing} / \text{Non-Performing Financing} \times 100\%$$

2) *Financing to Deposit Ratio (FDR)*

FDR describes the ability of Islamic banks to channel third-party funds into financing. According to OJK (2023), the ideal FDR range is 78%–92%, indicating efficient fund utilization without disrupting liquidity.

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

b. Good Corporate Governance (GCG)

According to the National Committee on Governance Policy (KNKG, 2021)**,** Good Corporate Governance (GCG) refers to a system that regulates and controls a company to create a balance between the interests of management, shareholders, and other stakeholders. In the banking sector, OJK (2022) emphasizes that GCG implementation must be based on five key principles: transparency**,** accountability**,** responsibility**,** independency**,** and fairness**.** The GCG assessment of banks is derived from their annual reports, where the composite score reflects the quality of governance practices.

c. Earnings (ROA, ROE, BOPO, NOM)

1) *Return on Assets (ROA).*
According to Kasmir (2022), ROA measures the effectiveness of a bank's management in utilizing its assets to generate profits.

$$ROA = \text{Net Income} / \text{Total Assets} \times 100$$

2) *Return on Equity (ROE)*
According to Hanafi & Halim (2021), ROE indicates a bank's ability to generate net income based on its equity.

$$ROE = \text{Net Income After Tax} / \text{Total Equity} \times 100$$

3) *Operational Efficiency Ratio (BOPO)*
According to OJK (2023), the BOPO ratio measures the efficiency of bank operations. A lower BOPO indicates a higher level of operational efficiency.

$$BOPO = \text{Operating Expenses} / \text{Operating Income} \times 100$$

4) *Net Operating Margin (NOM)*

According to Pandia (2021), NOM measures profitability derived from a bank's main operational activities after accounting for operational costs. A higher NOM indicates better efficiency in managing resources and costs.

NOM=Net Operating Income – Operating/ Expenses Average Productive Assets×100%

d) Capital (CAR)

Capital Adequacy Ratio (CAR) represents a bank's capability to provide sufficient capital to absorb potential losses. According to OJK (2023), CAR is the ratio between a bank's capital and its risk-weighted assets, reflecting its financial strength in supporting business activities and mitigating risk.

CAR=Capital Risk/Weighted Assets×100%

e) Performance Assessment

a. Risk Profile

Table 2. Composite Rating Criteria for NPF (Non-Performing Financing)

Kriteria (%)	Rating	Category
NPF ≤ 2%	1	Excellent
2 % < NPF ≤ 5%	2	Good
5% < NPF ≤ 8%	3	Fair
8% < NPF ≤12%	4	Poor
NPF > 12%	5	Unhealthy

Source: Bank Indonesia Regulation No. 13/1/2011.

Table 3. Composite Assessment Criteria for FDR

Criteria (%)	Rating	Category
FDR ≤ 75%	1	Excellent
75% < FDR ≤ 85%	2	Good
85% < FDR ≤ 100%	3	Fair
100% < FDR ≤ 120%	4	Poor
FDR > 120%	5	Unhealthy

Source: Bank Indonesia Regulation No. 13/1/2011.

b. RGEC

The RGEC method is an approach used to assess the level of a bank's financial Goodness through a quantitative descriptive model that considers four key components: Risk Profile, Good Corporate Governance (GCG),Earnings (Profitability),and Capital (CapitalAdequacy).GCG refers to a system that regulates and controls the company to create a balance between the interests of management, shareholders, and other stakeholders, ensuring transparency, accountability, responsibility, independence, and fairness in all banking operations.

c. Earnings

Table 4. ROA Assessment Criteria

Criteria	Rating	Category
ROA ≥ 1.5%	1	Excellent
1,25% ≤ ROA < 2%	2	Good
0,5% ≤ ROA < 1,25%	3	Fair
0% ≤ ROA < 2%	4	Poor
ROA < 0%	5	Unhealthy

Source: Bank Indonesia Regulation No. 13/1/2011.

Table 5. ROE Assessment Criteria

Criteria	Rating	Category
ROE ≥ 20%	1	Excellent
12,51% ≤ ROE < 20%	2	Good
5,1% ≤ ROE < 12,5%	3	Fair
0 %≤ ROE< 5%	4	Poor
ROA < 0%	5	Unhealthy

Source: Bank Indonesia Regulation No. 13/1/2011.

Table 6. BOPO Assessment Criteria

Criteria	Rating	Category
BOPO ≤ 88%	1	Excellent
88% < BOPO ≤ 93%	2	Good
93% < BOPO ≤ 96%	3	Fair
96% < BOPO ≤ 100%	4	Poor
BOPO > 100%	5	Unhealthy

Source: Bank Indonesia Regulation No. 13/1/2011.

Table 7. NOM Assessment Criteria

Criteria	Rating	Category
NOM < 5%	1	Excellent
NOM 2,01% - 5%	2	Good
NOM 1,5% -2%	3	Fair
NOM 0% - 1, 49%	4	Poor
NOM > 0%	5	Unhealthy

Source: Bank Indonesia Regulation No. 13/1/2011.

d. Capital

Table 8. CAR Assessment Criteria

Criteria	Rating	Category
CAR ≥ 12%	1	Excellent
9 % ≤ CAR < 12%	2	Good
8% ≤ CAR < 12 %	3	Fair
6 % ≤ CAR < 8%	4	Poor
CAR < 6%	5	Unhealthy

Source: Bank Indonesia Regulation No. 13/1/2011

Hypotheses

a. The levels of Risk Profile**,** Good Corporate Governance (GCG)**,** Earnings, and Capital at Bank Mandiri during the 2020–2024 period are in the healthy category.

b. The levels of Risk Profile**,** Good Corporate Governance (GCG)**,** Earnings, and Capital at Bank Syariah Indonesia (BSI) during the 2020–2024 period are in the healthy category.

c. The financial performance of Bank Mandiri, based on the RGEC analysis results for the 2020–2024 period, indicates a healthy and stable condition.

d. The financial performance of Bank Syariah Indonesia (BSI)**,** based on the RGEC analysis results for the 2020–2024 period, indicates a healthy and stable condition.

III. RESULT AND DISCUSSION

1. The Level of Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital of Bank Mandiri During the 2020–2024 Period

Table 9. Financial Performance of Bank Mandiri for the Period 2020–2024

Period	NPF	FDR	ROA	ROE	BOPO	NOM	CAR	GCG
2020	2,69%	83,97%	1,70%	9%	64%	8%	19%	1
2021	2,43%	78,40%	2,20%	13%	59%	3%	20%	1
2022	1,84%	84,66%	2,80%	17%	54%	4%	21%	1
2023	1,02%	88,54%	3,40%	23%	52%	5%	21%	1
2024	0,97%	90,76%	3,10%	24%	56%	5%	20%	1
Total	8,95%	426,33%	12,6%	86%	285%	25%	101%	5
Average	1,79%	85,26%	2,52%	17,2%	57%	5%	20,2%	1

Source: Processed Data (2025)

The financial performance of Bank Mandiri during the period 2020–2024 demonstrated positive and stable growth across nearly all key RGEC indicators. The Non-Performing Financing (NPF) ratio declined sharply from 2.69% in 2020 to 0.97% in 2024, reflecting improved asset quality and effective risk management in handling non-performing loans particularly following the post-pandemic economic recovery.The Financing to Deposit Ratio (FDR) fluctuated slightly but showed an upward trend, rising from

83.97% in 2020 to 90.76% in 2024. This indicates that Bank Mandiri became more proactive in extending financing while maintaining liquidity within safe limits. The increase in FDR also highlights the optimal utilization of third-party funds to support intermediation activities.From a profitability perspective, the bank's performance improved significantly. The Return on Assets (ROA) increased from 1.70% to 3.10%, while the Return on Equity (ROE) surged from 9% to 24% over the study period. These improvements demonstrate the bank's efficiency in asset utilization and its management's capability to maximize net income from shareholders' equity.

Operational efficiency also showed substantial improvement. The Operating Expense to Operating Income (BOPO) ratio decreased from 64% in 2020 to 52% in 2023, before slightly increasing to 56% in 2024. This decline signifies enhanced efficiency in managing operating costs relative to income, reflecting higher productivity in the bank's business operations. Meanwhile, the Net Operating Margin (NOM) initially dropped from 8% to 3% in 2021, but later stabilized at around 4–5% up to 2024, indicating sustained profitability amid tight competition in the banking industry.In terms of capital strength, the Capital Adequacy Ratio (CAR) remained at a very robust level, ranging between 19% and 21%, well above the OJK minimum requirement of 12%. This underscores Bank Mandiri's strong capacity to absorb potential losses while supporting safe and sustainable business expansion.Overall, the financial performance of Bank Mandiri throughout 2020–2024 falls under the "Excellent" category based on RGEC assessment standards. The bank successfully maintained asset quality, enhanced operational efficiency, strengthened profitability, and preserved solid capitalization. This trend illustrates the effectiveness of the bank's management strategies in sustaining stability and long-term growth amid both national and global economic challenges.

2. The Level of Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital at Bank Syariah Indonesia (BSI) During the 2020–2024 Period

Table 10. Financial Performance of Bank Syariah Indonesia (BSI) for the Period 2020–2024

Period	NPF	FDR	NOM	ROE	ROA	BOPO	CAR	GCG
2020	2,70%	74,17%	1,85%	10%	1,25%	54%	18%	2
2021	2,75%	73,11%	3,48%	12%	1,38%	53%	22%	2
2022	7,49%	75,37%	1,86%	16%	1,84%	50%	19%	2
2023	5,94%	76,27%	1,02%	16%	2,18%	46%	21%	2
2024	4,17%	80,91%	0,86%	17%	2,41%	46%	21%	2
Total	23,13%	379,83%	9,07%	71%	9.06%	249%	101%	10
Avarage	4,62%	75,96%	81%	14,2%	1,8%	49,8%	20,2%	2

Source: Processed Data (2025)

The financial performance of Bank Syariah Indonesia (BSI) during the 2020–2024 period demonstrates a generally positive development, despite fluctuations in several key indicators. The Non-Performing Financing (NPF) ratio experienced a significant increase in 2022, reaching 7.49%, due to the integration process following the merger of three state-owned Islamic banks (BSM, BNIS, and BRIS). However, BSI successfully reduced this ratio to 4.17% in 2024, reflecting improvements in financing quality and effective risk management. This decline also indicates that BSI has begun to achieve operational stability after the post-merger transition phase.The Financing to Deposit Ratio (FDR) remained relatively stable, increasing from 74.17% in 2020 to 80.91% in 2024. This figure indicates the bank's ability to efficiently channel third-party funds into financing activities. Although the growth was modest, the stable FDR ratio illustrates BSI's prudent liquidity management, in line with the principles of Islamic banking prudence. From a profitability perspective, the Net Operating Margin (NOM) declined from 1.85% (2020) to 0.86% (2024), indicating challenges in maintaining profit margins, particularly due to decreased financing income during the economic recovery period.

Nevertheless, Return on Equity (ROE) increased significantly from 10% to 17%, while Return on Assets (ROA) improved from 1.25% to 2.41%. These improvements demonstrate BSI's ability to optimize the use of assets and equity to generate higher net income despite efficiency pressures.Operational efficiency, measured by the Operating Expense to Operating Income Ratio (BOPO), showed a positive trend, decreasing from 54% (2020) to 46% (2024). The reduction in BOPO indicates enhanced cost management and improved productivity in operating income, suggesting that BSI has succeeded in maintaining efficiency amid growing business volume following the merger.Meanwhile, the Capital Adequacy Ratio (CAR) rose from 18% to 21%, signifying that BSI possesses a strong capital base well above the OJK minimum requirement of 12%. This improvement reflects the bank's robust financial stability and its capacity to absorb potential financing risks. Furthermore, BSI's Good Corporate Governance (GCG) rating consistently remained at level 2 (Good) throughout the five-year period, underscoring its adherence to principles of transparency, accountability, and compliance with both Sharia and national banking regulations.

3. Financial Performance of Bank Mandiri Based on RGEC Analysis for the 2020–2024 Period

Table 11. Financial Performance Summary of Bank Mandiri for the Period 2020–2024

Period	NPF	FDR	ROA	ROE	BOPO	NOM	CAR	GCG
Total	8,95%	426,33%	12,6%	86%	285%	25%	101%	5
Avarage	1,79%	85,26%	2,52%	17,2%	57%	5%	20,2%	1
Deskriptions	Excellent	Good	Excellent	Good	Excellent	Excellent	Excellent	Excellent

Source: Processed Data (2025)

Overall, the company's financial performance analysis indicates a *Excellent* condition across nearly all fundamental aspects. The level of non-performing financing (NPF) averaged 1.79%, categorized as *Excellent*, reflecting well-maintained asset quality and effective credit risk management. In terms of profitability, the company demonstrated strong capability in generating profit from its assets, with an average Return on Assets (ROA) of 2.52% and a Net Operating Margin (NOM) of 5%, both within the *Excellent* category. Similarly, the Capital Adequacy Ratio (CAR) stood at 20.2%, reflecting a *Excellent* level of capitalization and strong capacity to absorb potential losses.Meanwhile, the Financing to Deposit Ratio (FDR) and Return on Equity (ROE) recorded healthy levels of 85.26% and 17.2%, respectively, showing the bank's balanced intermediation and profitability performance. However, operational efficiency emerged as an area of concern — the Operating Expenses to Operating Income Ratio (BOPO) averaged 57%, which is classified as *Unhealthy*, suggesting that the bank's operational costs remain relatively high compared to its income. Finally, the Good Corporate Governance (GCG) rating was maintained at a *Good/Good* level, demonstrating consistent adherence to principles of transparency, accountability, and Good management practices.

4. Financial Performance of Bank Syariah Indonesia (BSI) Based on RGEC Analysis for the 2020–2024 Period

Table 12. Financial Performance Summary of Bank Syariah Indonesia for the Period 2020–2024

Period	NPF	FDR	NOM	ROE	ROA	BOPO	CAR	GCG
Total	23,13%	379,83%	9,07%	71%	9.06%	249%	101%	10
Avarage	4,62%	75,96%	1,81%	14,2%	1,8%	49,8%	20,2%	2
Description	Good	Good	Fair	Good	Excellent	Unhealthy	Excellent	Good

Source: Processed Data (2025)

Based on the average financial ratios presented, the company exhibits a varied financial health profile. On the positive side, it demonstrates a Excellent ability to generate profits from its assets (ROA 1.8%) and maintains a Very Strong capital structure (CAR 20.2%). Several other key indicators also fall within the Good category, including asset quality (NPF 4.62%), liquidity and financing balance (FDR 75.96%), and shareholder returns (ROE 14.2%). However, there are areas requiring improvement. The Net Operating Margin (NOM) at 1.81% is classified as Fairly Good, indicating room to enhance operational profitability. The most significant issue, consistent with previous findings, lies in operational efficiency. The Operating Expense to Operating Income Ratio (BOPO) averaged 49.8%, categorized as Unhealthy, suggesting that operating costs remain relatively high compared to the bank's revenue generation capacity.

IV. CONCLUSION

Financial Performance Findings – Bank Mandiri (2020–2024)

1. Risk Profile (NPF) – Very Strong: The NPF ratio decreased from 2.69% to 0.97%, reflecting remarkable improvement in asset quality and risk management efficiency. Non-performing credit risk remained very low throughout the period.

2. Liquidity and Financing (FDR) – Good and Improving: The FDR increased from 83.97% to 90.76%, indicating optimal utilization of third-party funds for financing while maintaining liquidity at a safe level.
3. Profitability (ROA & ROE) – Strongly Improved: ROA rose from 1.70% to 3.10%, and ROE surged from 9% to 24%, demonstrating better asset utilization, stronger profit generation, and efficient capital management.
4. Operational Efficiency – Still a Challenge: The BOPO averaged 57%, classified as **Unhealthy**, indicating that operational costs remain high compared to income, despite some improvement up to 2023.
5. Capital Adequacy (CAR) – Strong and Stable: With CAR ranging between 19–21%, far above the regulatory minimum, Bank Mandiri demonstrates strong capital resilience and capacity to support business expansion.
6. Good Corporate Governance (GCG) – Good: Governance practices remained transparent, accountable, and compliant with OJK standards, sustaining a **Good** corporate governance rating.
7. Conclusion:

Overall, Bank Mandiri shows **Excellent** financial performance under the RGEC framework, with positive trends across all major indicators except operational efficiency, which still requires optimization.

Financial Performance Findings – Bank Syariah Indonesia (BSI) (2020–2024)

1. Risk Profile (NPF) – Fluctuating but Improving Post-Merger: NPF peaked at 7.49% in 2022 due to integration challenges following the merger of three state-owned Islamic banks (BSM, BNIS, BRIS), but declined to 4.17% in 2024, signaling recovery and improved asset quality.
2. Liquidity and Financing (FDR) – Stable and Slightly Rising: FDR remained within 74%–81%, showing prudent liquidity management aligned with Islamic banking principles.
3. Profitability – Mixed Performance: ROE increased from 10% to 17%, and ROA from 1.25% to 2.41%, reflecting enhanced asset and capital utilization. However, NOM declined from 1.85% to 0.86%, highlighting pressure on core operational margins.
4. Operational Efficiency – Needs Improvement: The average BOPO around 50% was rated Unhealthy, indicating high operating expenses relative to revenue.
5. Capital Adequacy (CAR) – Strong and Stable: The CAR improved from 18% to 21%, far above the regulatory minimum, showing robust capital strength and risk absorption capacity.
6. Good Corporate Governance (GCG) – Consistently Good: BSI maintained a rating of 2 (Good) for five consecutive years, demonstrating transparency, accountability, and compliance with both Sharia and national banking regulations.
7. Conclusion:

Bank Syariah Indonesia exhibited Good financial performance overall, with Excellent capital adequacy and improved profitability (ROE/ROA). Nonetheless, operational efficiency and declining net margins remain key areas for enhancement, alongside continued management of financing risk post-merger.

V. ACKNOWLEDGMENTS

The author would like to express sincere gratitude to Prof. Dr. Tasya Aspiranti, S.E., M.Si., as the Head of the Doctoral Program in Management, Dr. Rini Lestari, S.E., M.Si., Ak., CA., and Prof. Dr. Ima Amaliah, S.E., M.Si. for their valuable guidance and insightful suggestions throughout the writing of this study. Special thanks are also extended to the Faculty of Economics and Business, Universitas Islam Bandung and Universitas Pamulang, for providing support and access to research facilities. The author is also grateful to Bank Mandiri and Bank Syariah Indonesia (BSI) for granting access to the financial reports and data required for this research. Finally, the author wishes to thank colleagues and family for their encouragement and support throughout the research process.

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