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ANALYSIS OF FINANCIAL PERFORMANCE IN BANKING COMPANIES LISTED ON THE INDONESIAN STOCK EXCHANGE PERIOD 2016-2021

Andi Runis Makkulau[1], Dedy Takdir Syaifuddin[2], Dhyta Rahmawati[3]

Author Details
[1] *Management Program of STIE Enam Enam Kendari, Indonesia.*
[2] *Faculty of Economics and Business, Halu Oleo University, Indonesia.*
[3] *Management Program of STIE Enam Enam Kendari, Indonesia.*

ABSTRACT

This study aims to determine the development of the financial performance of banking companies listed on the Indonesia Stock Exchange, especially State-Owned Commercial Banks (BUMN) for six years, namely 2016-2021 using quantitative descriptive analysis. Data collection techniques in this study used documentation and literature study methods. Researchers used data analysis techniques, namely the liquidity ratio which was measured using the Minimum Statutory Reserves ratio and the Loan to Deposit Ratio (LDR), the solvency ratio which was measured using the Capital Adequacy Ratio (CAR) and Primary Ratio (PR), and the profitability ratio which was measured using Return On Assets (ROA) and Operational Income Operating Costs (BOPO). Based on the ratio analysis that has been carried out, namely the liquidity ratio, solvency ratio, and profitability ratios. Where is the liquidity ratio for the performance of the four banks, namely Bank Mandiri (Persero) Tbk, Bank BRI (Persero) Tbk, Bank BNI (Persero) Tbk, and Bank BTN (Persero) Tbk. The results of the study found that the company's performance, measured by the liquidity ratio, was in the healthy category. Company performance is measured through solvency ratios in the healthy category. while company performance is measured through profitability ratios in the healthy category.

Keywords: *Financial Performance, Minimum Statutory Reserves, Loan to Deposit Ratio, CAR, PR, ROA, and Operational Income Operating Costs (BOPO).*

INTRODUCTION

The bank is an institution that carries out the intermediary function, in further development, the bank does not only carry out the intermediary function but also provides services in other services to the community, for example in payment traffic and other financial services, as a trust institution, banks are not only needed or useful for individuals in the community as a whole but also plays a very important role in the economic growth and development of a country. Today's banking competition is very tight which requires banks to manage management with the principle of prudence and better to maintain and improve the soundness of banks in the banking industry competition.

The level of soundness or financial condition of the Bank which is in the interest of all parties, both owners, managers (management) of the Bank, the public as users of Bank services, Bank Indonesia as the supervisor of the Bank, and other interested parties. The financial condition of the Bank can be used by interested parties to evaluate the Bank's performance in implementing principles, compliance with applicable regulations

The soundness level of a bank is a value that must be maintained by each bank, this is due to the good or bad level of bank soundness will affect the level of trust of parties who have direct dealings with the bank concerned such as investors, the government, Bank Indonesia, and the general public. In addition, the soundness level of the bank is also important for the bank itself to increase efficiency in running its business. One indicator to see the soundness of a bank is to assess the bank's financial reports published through any media which include information about the bank's financial position, performance, and cash flow.

The financial performance of a bank can be seen from the level of profitability, the higher the profit that a bank gets, the more guaranteed the survival of the bank. Another aspect that needs to be considered in a bank is the liquidity ratio and solvency ratio.

The liquidity ratio is used to consider the impact of a company's inability to meet its obligations. While the solvency ratio is used to determine the bank's ability to handle its obligations and the calculation results can be used as material for analysis in determining the company's policy.

Table1. Statistical Data on GWM, LDR, CAR, PR, ROA, and BOPO for 2016-2021

Year's	Variable					
	GWM%	LDR%	CAR%	PR%	ROA%	BOPO%
2016	6.74	92.17	21.00	12.71	2.56	76.43
2017	5.79	91.84	20.49	12.71	2.71	74.55
2018	6.54	94.33	19.72	12.50	2.75	72.66
2019	6.57	97.50	20.24	12.65	2.27	77.22
2020	3.81	86,78	19.16	10.44	1.20	86.54
2021	4.92	84.07	20.93	11.63	1.87	78.01
Growth%	3.92	83.07	19.93	10.63	0.87	77.01

Source: Company's Annual Financial Report (data processed, 2022)

Based on the table above, financial performance is represented by ratios that fluctuate every year. GWM banking companies experienced an average growth of 2.12% where GWM in 2016 was 7.78% and in 2021 it increased to 8.77%. And the LDR of banking companies experienced an average growth of 83.07% where the LDR in 2016 was 92.17% and in 2021 decreased to 84.07%.

In the CAR ratio, the company's average growth is 19.93%, where in 2016 it was 21.00% and decreased in 2021 by 20.93%. And the PR company's average growth is 10.63% whereas in 2016 it was 12.71% and in 2021 it decreased by 11.63%. The ROA of banking companies experienced an average growth of 0.87 where the ROA in 2016 was 2.56% and in 2021 decreased by 1.87%. And for BOPO the average growth is 77.01% whereas in 2016 it was 76.43%, in 2021 it will increase by 78.01%.

Based on the phenomena above, it can be concluded that banking companies are quite good. The main problem faced by banks with the current fluctuating economic conditions is liquidity. One reason is the level of bad loans in the banking system is increasing rapidly. Therefore the importance of financial statement

analysis for companies to see the level of liquidity, solvency, and profitability of banking companies in a certain period. So thus the researcher is interested in conducting research by choosing the title: "Financial Performance Analysis of Banking Companies Listed on the Indonesian Stock Exchange"

LITERATURE REVIEW
Empirical Study

Nurul, Suharti & Nurhayati, (2020) "An Analysis of Financial Performance Based on Liquidity, Solvency and Profitability Ratios in the Banking Sector". This study uses quantitative data types, based on the research results it can be concluded that the performance of Bank Negara Indonesia Tbk and Bank Danamon Indonesia Tbk for six years on the Liquidity Ratio to Bank Negara Indonesia which consists of Quick Ratio, Investing Policy Ratio and Cash Ratio has an average of 25.04%, 5.45%, and 21.98%. Bank Danamon Indonesia Tbk has an average Quick Ratio of 34.14%, an Investing Policy Ratio of 10.02%, and a Cash Ratio of 59.27% above 5% demand deposits. Companies are advised to use financial ratios on the ratio of liquidity obtained to stay above 5%. The solvency ratio is suggested to be able to clean up profits and emphasize better debt numbers. Meanwhile, the profitability ratio of the management is to monitor and improve its performance.

Maryani & Priyanto, (2022) "Analysis of Liquidity Ratios, Profitability Ratios and Solvency Ratios in measuring the financial performance of PT Mandom Indonesia". By using a quantitative descriptive method. The research results show that the financial performance of PT. Mandom Indonesia, Tbk. Judging from the Liquidity Ratio (CR and QR) it is said to be very healthy because it is above the average industry standard. While in terms of Profitability ratios (ROA and ROE) in a healthy condition, because they from year to year and meet the industry average. And in terms of Solvability Ratios (DAR and DER), it shows an unhealthy condition, because it is below the average industry standard.

Saladin & Damayanti (2019) "Analysis of Liquidity and Solvency Ratios in Assessing Financial Performance at PT. Unilever Indonesia Tbk. By using quantitative methods. The results showed the Liquidity Ratio level of PT. Unilever Indonesia Tbk during 2015-2017 as measured by the current ratio and quick ratio is considered not good because of the current debt of PT. Unilever Indonesia Tbk is greater than the current assets owned by the company. Solvability Ratio Level PT. Unilever Indonesia Tbk during 2015-2017 as measured by the debt to assets ratio and debt to equity ratio was considered not good because more than half of the company's funding was financed by debt and most of its capital was also funded by creditors.

Shabrina, (2019) "An Analysis of Profitability Ratios and Liquidity Ratios to Assess Financial Performance at PT. Astra International, Tbk. By using a quantitative descriptive method. Based on the results of this study, which used the results of measurements using a measuring instrument, the profitability ratio and the ratio were said to be unhealthy when viewed from the industry standard itself, which was 30%. From 2012 to 2016 the Liquidity Ratio: Current Ratio (CR) was declared unhealthy in terms of the industry standard itself, which was 200%. Meanwhile, the Quick Ratio (CR) experienced increases and decreases and was declared unhealthy in terms of the industry standard itself, which was 150%. Financial Performance at PT.Astra Internasional. Tbk obtains an average value of profitability using the Gross Profit Margin (GPM) generated for 5 (five) years showing the figure 12.8% and using return on equity (ROE) for 5 (five) years showing the company's financial performance from In terms of profitability, it is stated that it is not healthy. Then in terms of liquidity using the Current ratio (CR) for 5 (five) years it shows that the company's financial performance in terms of liquidity is stated to be unhealthy.

Hendro Putra, (2016) "Analysis of Liquidity and Solvency Ratios in Assessing Financial Performance at PT. Bank Mandiri Tbk. By using a quantitative descriptive method, the calculation results of the calculation of liquidity ratio from 2012 to 2014 stated that the financial performance of PT. Bank Mandiri from 2012 to 2013 was not good because it was below the standard Current Ratio, namely 2. And the results of calculating the solvency ratio, it can be concluded that PT. Bank Mandiri is not good. This is because the amount of debt fluctuates and underperforms and making it difficult for the company to obtain good results. Based on the standard ratio in the calculation can be carried out financial performance analysis of PT. Bank Mandiri from

2012 to 2014, PT. Bank Mandiri is performing well because the Debt to Equity Ratio is below the industry standard. This shows the amount of debt is decreasing. It can be concluded that PT. Bank Mandiri is performing well.

Theoretical study
Bank

According to Law Number 10 of 1998 and amendments to Law Number 7 of 1992 concerning banking, it is stated that the definition of a bank is a business entity that collects funds from the public in the form of savings and distributes them to the public in the form of credit and/or other forms in the framework of improving the standard of living of many people (Purnamasari, 2022).

The role of banking is very important in advancing the country's economy. Almost all factors related to financial activities always require bank services. Banks are business funds that collect funds from the public in the form of savings and distribute them to the public in the form of credit and/or other forms to improve the standard of living of the common people (Hasibuan, 2014:1).

The bank is an entity whose business activities are engaged in finance as an intermediary to collect funds from the public and distribute them to people who need funds and provide other banking services to improve the standard of living of the people. While the definition of a financial institution is "Any company engaged in the financial sector where its activities either only collect funds, or only distribute funds or both collect funds and distribute funds (Kasmir, 2014: 24).

Financial Performance Concept

Financial performance is the result of financial reporting based on established financial standards. Financial performance analysis is an analysis carried out to see how far a company has carried out using the rules of financial implementation properly and correctly Fahmi, (2014).

Bank performance is part of the overall bank performance. Bank performance as a whole is a description of the achievements of the bank in its operations, both in terms of finance, marketing, raising and distributing funds, technology, and human resources.

According to Fahmi, (2014: 2) Financial performance is a description of the company's operating results contained in the financial statements in a certain period and is a reflection of management performance in that period. Theoretically, financial performance is the result of the implementation of company policies. The company's financial performance is a picture of the company's financial condition which is analyzed using financial analysis.

Measurement and Analysis of Financial Performance

Performance measurement can be used by companies to identify and make improvements to their operational activities to compete with other companies. According to (Hery, 2015: 25) measurement of financial performance is an attempt to assess the efficiency and effectiveness of a company in generating profits. While the analysis of financial performance is a process of examining financial performance which consists of reviewing financial data, calculating, measuring, interpreting, and providing solutions to the company's financial problems in a certain period.

Financial Statements

Financial statements are structures that present the financial position and financial performance of an entity. The general purpose of financial reports is for the public interest, in the form of presenting information about the financial position, performance, and cash flows of the entity, which is useful in making economic decisions for users.

Financial statement analysis is a considerate process to help evaluate the current and past financial position and results of financial operations, to select the most likely estimates and predictions regarding the condition and performance of the company in the future.

According to Munawir (2010: 35) "Financial statement analysis is an analysis of financial statements which consists of reviewing or studying the relationships and tendencies or tendencies (trends) to determine the financial position and results of operations and the development of the company concerned."

Financial Ratio Analysis

According to Mahmudi (2010), local government financial reports are a tool for controlling and evaluating the performance of local governments as a whole and work units within them. The main function of local government financial reports is to provide financial information to interested parties as a basis for decision-making. Based on these objectives, some problems arise that not all users of financial statements understand accounting well, and they will rely on financial information to make decisions. Thus, it is necessary to have an analysis of financial statements to help overcome the inability to understand and interpret these financial statements.

Financial ratios are also a financial statement analysis tool that belongs to general analytical tools. The following are part of the common analysis tools:

1. Comparative Analysis of Financial Statements (Comparative Analysis)
2. Analysis of financial statements of the same size (Common Size Analysis)
3. Ratio Analysis (Ratio Analysis)
4. Analysis of Cash Flow Statement (Cash Flow Statement Analysis)

Types of Financial Ratios
Liquidity

According to Shaifuddin. DT et al, (2018: 59) in non-bank companies liquidity can be interpreted as the company's ability to fulfill its obligations which must be paid off immediately. In financial institutions, the problem of liquidity is a problem on two sides of a bank's balance sheet. As a trusted institution, a bank must be able to carry out its function as a fund collector and channel of funds to obtain a reasonable profit. Bank liquidity is the bank's ability to meet the possibility of withdrawing deposits and other obligations and/or meeting public needs in the form of credit and other placements of funds.

Solvability

The bank's solvency ratio is a measure of a bank's search for sources of funds to finance its activities. The solvency ratio is also a measuring tool to see bank wealth to see efficiency for the bank's management Syahyunan, (2013).

Profitability

According to Saifuddin. DT, (2008:333) Profitability is the ability of a company to generate profits compared to the capital used in the form of a percentage. The way to assess the profitability of a company varies depending on profits and which assets or capital will be compared with one another.

RESEARCH METHODS
Research design

This research is research using quantitative analysis methods with a descriptive approach which is a method that is carried out with the main objective to make a picture or describe a situation objectively.

Object of research

The object of this research is a state-owned commercial bank banking company listed on the Indonesia Stock Exchange for the 2016-2021 period.

Data Types and Sources
Data Type
        The type of data used in this study is in the form of quantitative descriptive data, which is data in the form of financial report figures, namely income statements and balance sheets of banking companies listed on the Indonesia Stock Exchange.

Data source
        The data source used in this study is secondary data, namely data taken from data obtained by the company in the form of written data such as documents in the form of balance sheets and income statements listed on the Indonesia Stock Exchange.

Population and Sample
Population
        According to Sugiyono (2015: 117) population is a generalized area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. The population is also not just the amount that exists in the object/subject being studied but includes all the characteristics possessed by the object or subject. This research was conducted at banking companies that were listed or went public on the Indonesia Stock Exchange from 2016 to 2021 where there were 46 companies.

Sample
        The sample is part of the number and characteristics possessed by the population. As for the method of determining the sample, the author uses purposive sampling. This is done by taking the subject based on the existence of a specific purpose.

Table 2. Number of Banking Company Samples

Number	Share	Bank Name	IPO date
1	BMRI	Bank Mandiri Tbk.	July 14, 2003
2	BBRI	Bank Rakyat Indonesia Tbk.	November 10, 2003
3	BBNI	Bank Negara Indonesia Tbk.	November 25, 1996
4	BBTN	State Savings Bank Tbk.	December 17, 2009

        Source: www.idx.co.id (Appendix I)

Data Collection Technique
The data collection technique that the authors use in this study uses the following techniques:
1. Documentation, namely data obtained by taking data from publications and financial reports of the Indonesia Stock Exchange (IDX) as well as from various other sources that can support this research for 2016 to 2021.
2. Literature study, namely data collection techniques using books and linear which is intended to obtain a theoretical basis that supports the discussions carried out.

Data Analysis Technique
        In compiling this thesis the writer uses a quantitative data analysis method with a descriptive approach where this method is the method used by the writer to collect quantitative data, namely data in the form of numbers or numbers which are interpreted into a table, then the writer interprets the data so that it can provide a real picture of the state of the company.
        In preparing this thesis the writer obtained data related to the research object. These data consist of profit and loss financial statements for the 6 years period 2016-2021. Some of the ratios that are often used in financial statement analysis are the liquidity ratio and the profitability ratio. This ratio allows the author to

compare the state of the company from one period to another so that it can be seen as an increase or decrease in the company's financial performance.

RESEARCH RESULT
Analysis of the Development of Banking Company Performance in 2016-2021
1.) Analysis of Bank Mandiri Performance Development for 2016 -2021

The development of the performance of Bank Mandiri (Persero) Tbk is seen by using the liquidity ratio, solvency ratio, and profitability ratio. More details can be seen in the table below:

Table 3. Analysis of Bank Mandiri's financial performance for 2016-2021

Year's	Financial Ratio %					
	Liquidity		Solvency		Profitability	
	GWM	LDR	CAR	PR	ROA	BOPO
2016	6.50	87.84	9.36	13.23	1.95	80.94
2017	6.78	90.48	21.64	13.62	2.72	75.98
2018	6.92	95.46	20.96	13.94	3.17	66.48
2019	6.21	96.37	9.39	14.32	3.03	67.44
2020	3.50	82.95	19.90	11.52	1.64	80.03
2021	3.97	80.04	19.60	10.16	2.53	67.26
Growth (%)	2.97	79.04	18.60	9.16	1.53	66.26

Source: Processed Data, 2022

Based on table 3, the liquidity ratio of independent banks listed on the Indonesia Stock Exchange shows that there is an ability to generate profits that increase along with an increase in lending. In addition, bank liquidity results can also be declared healthy according to BI standards. The solvency ratio of Bank Mandiri shows an increase due to the increase in RWA compared to the capital owned. The greater the percentage owned, the better it shows the ability of capital to cover possible credit failures. In addition, bank solvency results can also be declared sound according to BI standards. The profitability ratio of Bank Mandiri has decreased due to the company's profits are not optimal in managing all the assets and equity owned by the company.

2.) Analysis of BRI Bank Performance Development for 2016 -2021

To find out the development of the performance of Bank Rakyat Indonesia (Persero) Tbk, namely by using liquidity ratios, solvency ratios, and profitability ratios. More details can be seen in the table below:

Table 4. Analysis of Bank Rakyat Indonesia's financial performance for 2016-2021

Year,s	Financial Ratio %					
	Liquidity		Solvability		Profitability	
	GWM	LDR	CAR	PR	ROA	BOPO
2016	6.94	87.77	22.91	14.68	3.84	68.69
2017	3.19	88.13	22.96	14.90	3.69	69.14
2018	6.15	89.57	21.21	14.29	3.68	68.48
2019	7.16	88.64	10:55	14.64	3.50	70.10
2020	3.19	83.66	20.61	13.15	1.98	81.22
2021	4.47	83.67	25.28	17.57	2.72	74.30
Growth (%)	3.47	82.67	24.28	16.57	1.72	73.30

Source: Processed Data, 2022.

Based on table 4 shows that from the results of calculating the liquidity ratio BRI bank can provide guarantees for every deposit given by its customers and can pay all debts and can fulfill all credit applications that are eligible for approval.

From the calculation of the bank solvency ratio, BRI experienced an increase and a decrease in credit values due to an increase in bank values. Assessment of the table PT. Bank Rakyat Indonesia is in good health. From the results of bank profitability, BRI was able to generate net profit and operating profit which increased from 2016 to 2021.

3.) Analysis of Bank BNI Performance Development for 2016 -2021

To find out the development of the performance of BNI (Persero) Tbk bank, namely by using the liquidity ratio, solvency ratio, and profitability ratio, the calculations can be seen in the following table:

Table 5. Analysis of Bank Negara Indonesia's financial performance for 2016-2021

Year's	Financial Ratio %					
	Liquidity		Solvability		Profitability	
	GWM	LDR	CAR	homework	ROA	BOPO
2016	6.80	90.40	19.40	13.98	2.70	73.60
2017	6.60	85.60	18.50	13.44	2.70	71.00
2018	6.50	88.80	18.50	12.89	2.80	70.10
2019	6.70	91.50	19.70	13.97	2.40	73.20
2020	5.40	87.30	16.80	11.57	0.50	93.30
2021	7.70	79.70	19.70	13.02	1.40	81.20
Growth (%)	6.7	78.70	18.70	12.02	0.40	80.20

Source: Processed Data, 2022.

Based on table 5, BNI's bank liquidity ratio from 2016 to 2021 shows the ability to generate increased profits in line with an increase in lending. In addition, bank liquidity results can also be declared healthy according to BI standards. Bank BNI's solvency ratio has experienced a capital increase to cover possible failures in the process of credit capital, the higher the level of solvency, the better. The results of the table's assessment of BNI's bank are in good health. From the results of bank profitability, BNI is less able to generate net profit but is capable of minimizing operational costs.

4.) Analysis of Bank BTN Performance Development for 2016 -2021

To find out the development of the performance of bank BTN (Persero) Tbk, this can be seen by using the liquidity ratio, solvency ratio, and profitability ratio. For more details, see the calculation in the following table:

Table 6. Analysis of the financial performance of the State Savings Bank for 2016-2021

Year's	Financial Ratio %					
	Liquidity		Solvability		Profitability	
	GWM	LDR	CAR	PR	ROA	BOPO
2016	6.72	102.66	20.34	8.93	1.76	82.48
2017	6.57	103.13	18.87	8.29	1.71	82.06
2018	6.58	103.49	18.21	8.89	1.34	85.58
2019	6.19	113.50	17.32	7.65	0.13	92.12
2020	3.16	93.19	19.34	5.53	0.69	91.61
2021	3.55	92.86	19.14	5.76	0.81	89.28
Growth (%)	2.55	91.86	18.14	4.76	-0.19	88.28

Source: Processed Data, 2022.

Based on table 6, it can be seen that the development of the performance of Bank BTN (Persero) Tbk, from 2016 to 2021. From the results of calculating the liquidity ratio, Bank BTN can provide guarantees to be given to its customers and can pay all of its debts. Bank BTN's solvency ratio has increased in capital to cover possible failures in the process of unhealthy credit and PR capital due to reduced capital to cover unavoidable losses on assets, the higher the level of solvency, the better. The results of the table's assessment are that

BTN bank is in good health. Bank BTN's profitability ratio decreased management's ability to generate operating profit and was able to reduce operational costs.

DISCUSSION
Liquidity Ratios Available in Banking Companies

The liquidity ratio as measured using the Statutory Reserves (GWM) and Loan to Deposit Ratio (LDR) in banking companies for 2016-2021 can be explained as follows:

a.) Statutory Reserves (GWM)

At Bank Mandiri (Persero) Tbk the minimum reserve requirement (GWM) in 2016, 2017, and 2018 the company has increased. Whereas in 2019, 2020, and 2021 the GWM decreased, Bank Rakyat Indonesia (Persero) Tbk GWM in 2017 and 2018 the company has decreased. Whereas in 2016, 2019, 2020, and 2021 the company's GWM has increased, Bank Negara Indonesia (Persero) Tbk GWM in 2016, 2017, 2018, 2019, and 2021 the company has increased. Whereas in 2020 the GWM has decreased, the State Savings Bank (Persero) Tbk GWM from 2016 to 2019 the company has increased, while in 2020 and 2021 the GWM decreased.

Based on the results of the Minimum Statutory Reserves above, shows that the value is to the criteria set by Bank Indonesia Regulations. Bank Indonesia has a role in gradually increasing the rupiah reserve requirement for Conventional Commercial Banks (BUK) and Islamic Banks to meet liquidity each year. GWM is used for expansion or to increase bank liquidity if it is lowered. And conversely, to put the brakes on bank lending if it is increased or reduces bank liquidity. The GWM policy is aimed at influencing liquidity so that it can affect interest rates and the bank's lending capacity. Calculations

From the explanation above, it can be seen that overall the minimum statutory reserve is in the healthy category. Whereas in 2017 and 2018 at Bank Rakyat Indonesia (Persero) Tbk, it experienced a decline because it was below the value of 6.5% of DPK.

b.) *Loans to Deposits* (LDR)

At Bank Mandiri (Persero) Tbk Loan to Deposit Ratio (LDR) in 2016, until 2021 where the results of this ratio are in the range <110% indicating a healthy predicate, Bank Rakyat Indonesia (Persero) Tbk Loan to Deposit Ratio (LDR) From 2016 to 2021 the company's LDR results are in the range <110% which indicates a healthy predicate, Bank Negara Indonesia (Persero) Tbk Loan to Deposit Ratio (LDR) from 2016 to 2021 the results of this ratio are in the range <110% which means shows a healthy predicate, and at the State Savings Bank (Persero) Tbk Loan to Deposit Ratio (LDR) in 2019 it shows a result of more than 110%, which means unhealthy. Meanwhile, in 2016, 2017, 2018, 2020, and 2021 the results of the LDR ratio are in the range <110% which indicates a healthy predicate.

Based on the results of the calculation above, the Loan to Deposit Ratio (LDR) is by Bank Indonesia Circular Letter No.6/23/DPNP 2004, the maximum standard for Loans to Deposit Ratio (LDR) is around 85% - 110%. . If the LDR value is below 75%, this means that the bank is only able to pay back the withdrawal of third party funds from the credit it has distributed, the lower the LDR level, the more liquid it means that the bank can meet its short-term obligations.

From the explanation above, it can be seen that overall LDR is in the healthy category. Even though the BTN bank in 2019 showed results of more than 110% which indicated an unhealthy category. This was due to the slower growth of third-party funds when compared to credit growth. The Regional Government Dependency Ratio shows a value of 73.21 percent, which means that the dependence value of Southeast Sulawesi Province is in the very high category.

Solvability Ratios Available in Banking Companies

a.) *Capital Adequacy Ratio*(CAR)

At Bank Mandiri (Persero) Tbk the results of the Capital Adequacy Ratio (CAR) from 2016 to 2021 are in the range of > 12% which indicates a very healthy predicate, bank BRI (Persero) Tbk Capital Adequacy Ratio (CAR) in 2016 to with 2021 being in the range of > 12% which shows a healthy predicate, so it is said that 2016 to 2021 has very good performance, bank BNI (Persero) Tbk in 2016, 2017, 2018, 2019, 2020 and 2021 the results of the company's Capital Adequacy Ratio (CAR) are in the range > 12% indicating a healthy predicate, and bank BTN (Persero) Tbk. the results of the Capital Adequacy Ratio (CAR) for 2016 to 2021 are in the range > 12% indicating a healthy predicate.

Based on the results of the calculation of the Capital Adequacy Ratio (CAR) above by the standards set by Bank Indonesia No. 9/24/DPBS 2007, which is more than 8% for the healthy category, for the unhealthy category the value range is 6% - 8%. The Capital Adequacy Ratio (CAR) has an important role to show how big or small a bank's ability to bear the risk of losses that can occur unpredictably.

The explanation above shows that the results obtained are by the criteria set by Bank Indonesia, it shows that BUMN banking companies in terms of capital have good performance. That is, being able to pay all bank assets that contain risks (loans, investments, securities, bills at other banks) with their capital and also funds from sources outside the bank.

b.) *Primary Ratio* (PR)

At Bank Mandiri (Persero) Tbk in 2016 to 2021 the results of the Primary Ratio (PR) are in the range of 9% -12% which indicates a healthy predicate, bank BRI (Persero) Tbk Primary Ratio (PR) in 2016 to 2021 is in the range of > 12% which means it is in the healthy predicate, bank BNI (Persero) Tbk in 2016, 2017, 2018, 2019, 2020 and 2021 Primary Ratio (PR) is in the range of 9% - 12% which shows a healthy predicate, and at bank BTN (Persero) Tbk Primary Ratio (PR) in 2016 to 2021 is in the range of 6% -8% which shows an unhealthy predicate. This is due to the low capital owned so it cannot cover unavoidable losses.

Based on the calculation results above, the Primary Ratio (PR) is by the standard set by Bank Indonesia No. 6/23/DPNP 2004, which is more than 12% for the very healthy category, for the unhealthy category the value range is 6% -8%. The Primary Ratio (PR) will be higher if the equity capital is greater. Or the primary ratio will be high when total assets decrease. The higher the PR, the better the level of capital ratios.

The explanation above, the results obtained by state-owned banking companies from 2016 to 2021 are to the the criteria set by Bank Indonesia, this shows that the company can use its capital which is then invested in company assets which have increased from year to year.

Profitability Ratios Available in Banking Companies

a.) *Return on Assets*(ROA)

Return On Assets(ROA) Bank Mandiri (Persero) Tbk and Bank Rakyat Indonesia (Persero) Tbk from 2016 to 2021 are in the range of > 1.5% which indicates they are in the healthy category, bank BNI (Persero) Tbk Return On Assets (ROA) from 2016 to 2019 is in the range of >1.5% which indicates a healthy category. Whereas in 2020 and 2021 less than 1.5% is in the unhealthy category, this is due to the ability of company management to manage assets which should generate profits due to Covid-19, and Return On Assets (ROA) at bank BTN (Persero) Tbk in 2016 and 2017 are in the range of > 1.5% which indicates a healthy predicate. Whereas from 2018 to 2021 the company's ROA is in the range of less than 1.5%, which means it is considered unhealthy.

Based on the calculation results of Return on Assets (ROA) by with Bank Indonesia Circular No. 9/24/DPBS 2007 is a minimum of 1.5%. The greater the ROA owned by a company, the more efficient use of assets will increase profits. Large profits will attract investors because the company has a higher rate of return.

The explanation above, the results obtained by BUMN banking companies from 2016 to 2021 are by those determined by Bank Indonesia, this shows that BUMN banks have good performance, meaning an increase in net profit generated from every rupiah of funds embedded in total assets.

b.) Operating Expenses Operating Income (BOPO)

At Bank Mandiri (Persero) Tbk and Bank Rakyat Indonesia (Persero), Operational Revenue Operating Expenses (BOPO) from 2016 to 2021 are in the range <94% which indicates a healthy predicate, Operational Income Operational Expenses (BOPO) at bank BNI in 2016 to 2021 it shows a range of <94%, which means it is in a healthy predicate. Even though in 2020 and 2021 it has increased, this is due to the Covid-19 pandemic resulting in the inability of banks to manage operational costs, and at bank BTN (Persero) Tbk Operating Expenses Operating Income (BOPO) in 2016 to 2021 has experienced an average increase average of 88.28%. even so, BOPO is in the range of <94% and is said to be healthy.

Based on the results of the calculation of Operational Income Operating Costs (BOPO) by Bank Indonesia Regulation No. 9/24/DPBS Year 2007 is <94%. Operational Costs Operational Income (BOPO) is used to show a bank's ability to manage operational costs, the smaller the BOPO, the more effective the company is in managing operational costs and vice versa. Thus it can be said that the smaller the BOPO, the better.

The explanation above, the results obtained by state-owned banking companies from 2016 to 2021 are those determined by Bank Indonesia, and banking companies can manage operational costs so that companies are more effective in managing their operational costs.

CONCLUSIONS AND SUGGESTION

Conclusion

Based on the explanation contained in the previous chapter regarding the analysis and discussion of research results, it can be concluded that the development of the performance of each bank is seen from the analysis of liquidity ratios, solvency ratios, and profitability ratios for each bank, including:

1. Liquidity Ratio

   The performance of the liquidity ratio in state-owned banking companies, namely Bank Mandiri, Bank BRI, Bank BNI, and Bank BTN for the period 2016 to 2020 with the calculation of the Minimum Statutory Reserves (GWM) and Loan to Deposit Ratio (LDR) has an average value for six consecutive years -respectively by 4.54% and 85.32%. The results are in a very healthy category and are declared liquid and reflect good financial performance.

2. Solvency Ratio

   The solvency ratio performance in state-owned banking companies, namely Bank Mandiri, Bank BRI, Bank BNI, and Bank BTN for the period 2016 to 2021 by calculating the Capital Adequacy Ratio (CAR) and Primary Ratio (PR) has an average of 23.22% and 15. 51%. The results are in the healthy category and declared solvable because every year the debt can be paid from total assets as well as from own capital.

3. Profitability Ratio

   The performance of the profitability ratios in state-owned banking companies, namely Bank Mandiri, Bank BRI, Bank BNI, and Bank BTN for the period 2016 to 2021, results are in the healthy category and declared profitable because they have Return on Assets (ROA) and Operational Costs in Operational Income (BOPO) values with an average value of 2.67% and 72.48%. This means that the bank's ability to generate profits is quite well and can manage its operational costs.

Suggestion

Suggestions that can be given related to the results of this study are as follows:

1. It is recommended for bank management to be able to maintain the minimum reserve requirement (GWM) and a bank loan-to-deposit ratio (LDR) in the coming year, to balance third-party funds with credit distribution.

2. It is recommended for management to maintain the Capital Adequacy Ratio (CAR) and increase the Primary Ratio (PR) to obtain relatively small debt. This proves that the bank can manage capital and can emphasize the number of risks.

3. It is recommended for bank management continue to maintain Operational Costs in Operational Income (BOPO) and increase the percentage of Return on Assets (ROA) to continue to increase income in generating profits by using assets owned by the bank.

4. Investors can make Statutory Reserves, Loan to Deposit Ratio (LDR), Capital Adequacy Ratio (CAR), Primary Ratio (PR), Return on Assets (ROA), and Operational Income Operational Costs (BOPO) to be components in investing in the company banking. Can provide consideration in assessing company performance to see the financial performance, especially in LDR and ROA so that it can assist in making decisions in investing in banking companies.

5. Future researchers, it is expected to carry out further research by expanding the sample period and research data used so that it can be seen whether the results will be the same or not. And it is also advisable to use other variables besides the Minimum Statutory Reserves, Loan to Deposit Ratio (LDR), Capital Adequacy Ratio (CAR), Primary Ratio (PR), Return on Assets (ROA), and Operational Income Operational Costs (BOPO) as financial performance variables.

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