

THE ANALYSIS OF FINANCIAL PERFORMANCE FACTORS OF BANK BRI SYARIAT

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ABSTRACT

This study aims to analyze the affect factors of BRI Syariah financial performance bank with quantitative approach. In quantitative research which data source secondary, the research method often used is associative causal. The analytical method used is multiple linear regression with SPSS as a statistical tool. The results show that BOPO has a negative and significant effect on ROA. While CAR has a negative but not significant impact on ROA. Then NPF and FDR has positive but not significant effect on ROA. The simultaneous results of CAR, NPF, BOPO, and FDR has significant effect on ROA with a contribution value of 32.8%

Keywords : CAR, NPF, BOPO, FDR, ROA

PROEM

The development of Islamic banking in Indonesia based on PP No. 72 years of 1992 and Act No. 7 of the year 1992 about banking, then carried out changes to the law No. 10 year 1998 which contains in detail the operating runway Islamic banks and gave directives for banks conventional to open syariah branches or even convert themselves totally into Islamic Bank.

Statistical data from Bank of Indonesia for the period of July 2013 of Bank Syariah profit for the current year is Rp. 2.185 trillion, while the profits of Bank Syariah period July 2012 amounted to Rp. 1.527 trillion, meaning there is a trend increase in profit of Islamic Bank of Rp. 658 billion, while the Sharia Bank's net performing financing (NPF) increased from 6.68% in July 2012 and in July 2013 the NPF increased by 7.35%, but nonperforming loans haunted the business sector of Bank Syariat.

The health condition of a Sharia Bank can be analyzed through financial statements, which are useful for providing information to users of financial

statements as decision-making. Into Bank of Indonesia Regulation Number (PBI) Number. 3/22 / PBI / 2001 concerning Transparency of Bank Financial Condition, Bank Mandatory Prepares and Presents Financial Statements with Form and Scope as stipulated in Bank Indonesia Regulation as follows; (1) Annual Credit Report, (2) Quarterly Financial Statements, (3) Monthly Published Financial Statements, and (4) Consolidated Financial Statements. The financial statements that have been compiled and reported by the Sharia Bank are expected to reflect the condition and condition of the actual performance of Sharia Bank. The financial statements are useful to provide information on whether the Sharia Bank has performed the efficiency in the sense of having utilized, managed and achieved the optimal performance of Sharia Bank by using the existing funds.

Islamic banks which have good performance and are healthy, will boost public confidence towards Islamic banks to store and or placing their funds in Islamic banks. The increased funds that exist in Islamic banks, expected management to manage these funds with a sense of responsibility and professional. Financial report of Islamic banks has been in the audit will be used for management decision makers Islamic banks, financial reports are also useful information for shareholders or owners of the Islamic banks to assess the results of the performance management, whether is in compliance with the expectations and objectives of its shareholders or owners Bank Syariah. Based on some of the results of the research have been published that produces one of the variables that may increase the price of a stock is a good financial reports and good.

Data Bank of Indonesia raised the development of Syariah commercial banks in Indonesia based on financial ratios in accordance with PBI set.

Table 1 Public Islamic Bank financial ratios period 2010-2012

Financial Ratios	Years		
	2010	2011	2012
CAR	16,25%	16,63%	14,13%
BOPO	80,54%	78,41%	74,97%
FDR	89,67%	88,94%	100,00%
NPF	3,02%	2,52%	2,22%

Source : Bank of Indonesia, 2012

Financial reporting datas of Bank BRI Syariah published Period 2010 – 2012.

Table 2 Financial ratios of BRI Syariah Period 2010-2012

Financial Ratios	Years		
	2010	2011	2012
CAR	20,62%	14,74%	11,35%
BOPO	98,77%	99,25%	86,63%
FDR	95,82%	90,55%	100,96%
NPF Net	2,14%	2,12%	1,84%

Source : The financial statements of BRI Syariah, 2012

The data above shows the development of financial business bank of BRI Syariah as one result of the expansion of service network offices which facilitate the community using the banking services.

THEORETIC

Gitman Zuter (2009) describes Return On Assets measure the overall effectiveness of management in generating profit with its available Asset. Tadelin (2001) raised the Return On Asset illustrates the extent to which ability assets owned by the company can generate profit (profit). Hanafi (2008) stating the return on asset (ROA) is a ratio that measures the ability of Islamic banks generate profit by using the total assets (wealth) which owned the bank after adjusting fees to fund the asset. Hasibuan (2001) argues for the ROA is the ratio of profit before tax during the last 12 months against average volume effort in the same period.

CAR is the ratio between capital bank with assets weighted by risk. CAR into the guidelines for the bank in expanding in the area of financing. In practice the calculation of CAR is not as simple as defined by Bank Indonesia, CAR is a capital adequacy of banks (KPMM), KPMM is a comparison between capital Assets weighted by risk (RWA). Both the RWA as well as capital Bank require details and in common sense what to sign in as a component for calculating the RWA and how to calculate it. So does Capital need, outlined what could be classified and accounted for as a capital of the Bank. Guidance on this matter is regulated by Bank Indonesia through the basics terms SE BI No. 26/1/BPPP dated May 29, 1993.

BOPO is the ratio of operating income against operating expenses. Operating cost is the cost incurred by the bank in order to carry out its main business activities such as interest expense, marketing costs, labor costs and other

operating expenses. Operating income is the main income of the bank, which is income, derived from fund placement in the form of financing and other operating revenue.

According to Dunil (2005) NPL is a debtor or group who fall into the group that is substandard, doubtful and jammed. Mawardi (2005) suggests one of the risks arising out of banking activities is a growing emergence of non performing financing (NPF) are getting bigger.

Financing Debt Ratio (FDR) is a ratio that measures a bank's ability to meet financial obligations that must be met. These obligations in the form of call money that must be met at the time of the existence of a duty of clearing, where its fulfillment is done from current assets owned by the company (Suyono, 2005). LDR is calculated on the basis of a comparison between the total third-party funds with credit. Total financing is a financing is provided to third parties (not including loans to other banks). Third-party funds in question i.e., among others, giro, savings and deposits (excluding interbank). The best standard LDR is above 85%.

Referring to the theoretical explanation above, it can be proposed picture frame of thought.

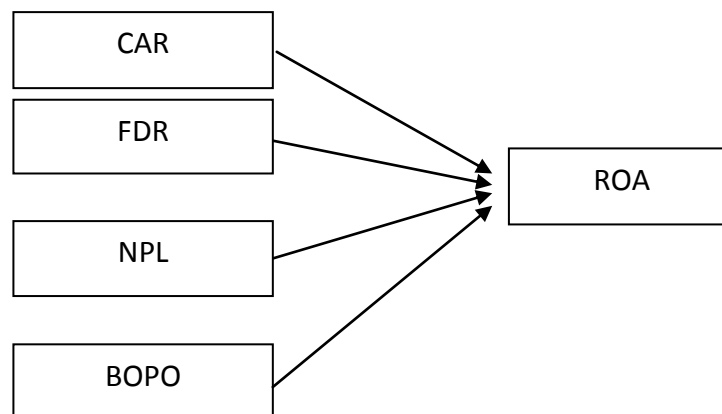


Figure 1 Mind Framework

METHOD

This research uses a quantitative approach with associative causal research method, while the data collection methods used are secondary data. As for the unit used is the analysis of the financial statements the bank BRI syariah 2010-2012 period, with multiple linear regression analysis methods and tools of SPSS statistics.

RESULT

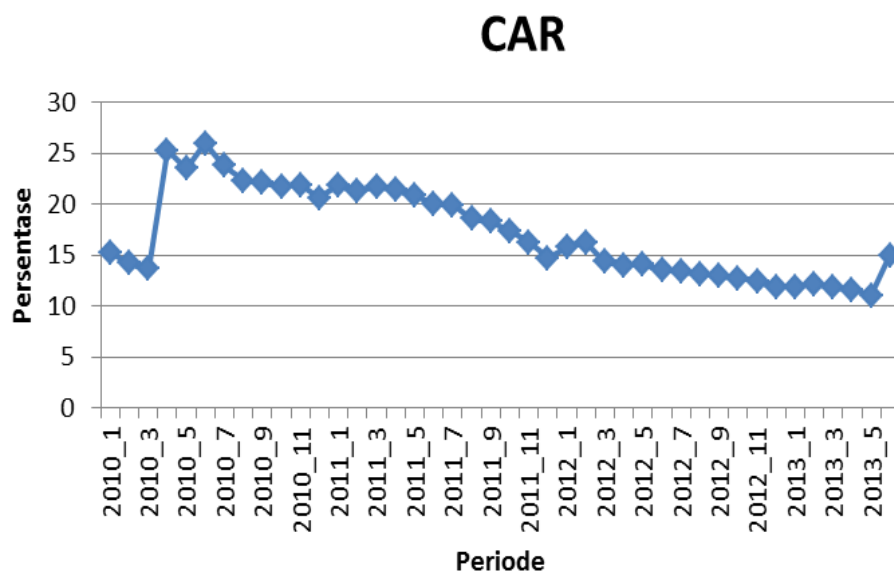


Figure 2 Chart of NPF Development of BRI Syariah Bank Period 2010 - 2013

The development of Bank BRI Syariah Non Performing Financing (NPF) shown in the figure above shows that the value of Bank BRI Syariah Non Performing Financing (NPF) has fluctuated from 2010 to June 2013. In February to March 2010, the value of Non Performing Financing (NPF) of Bank BRI Syariah is unchanged or fixed at 1.27%. However, the value of Non-Performing Financing (NPF) of Bank BRI Syariah of 1.27% can not be maintained, because based on figure 2 above, it is seen that in April 2010, the value of Non Performing Financing (NPF) of Bank BRI Syariah increased to 1.65% . This data also shows that many customers of Bank BRI Syariah are classified as substandard in paying the financing to Bank BRI Syariat.

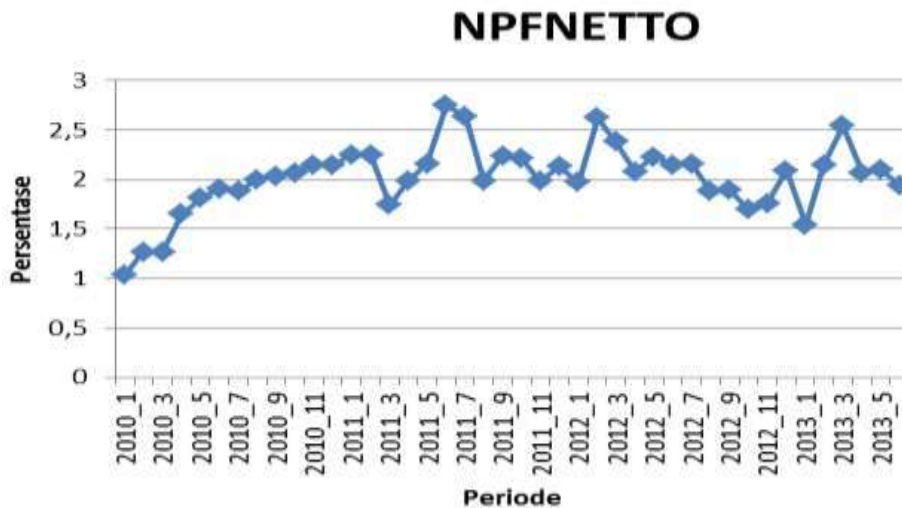


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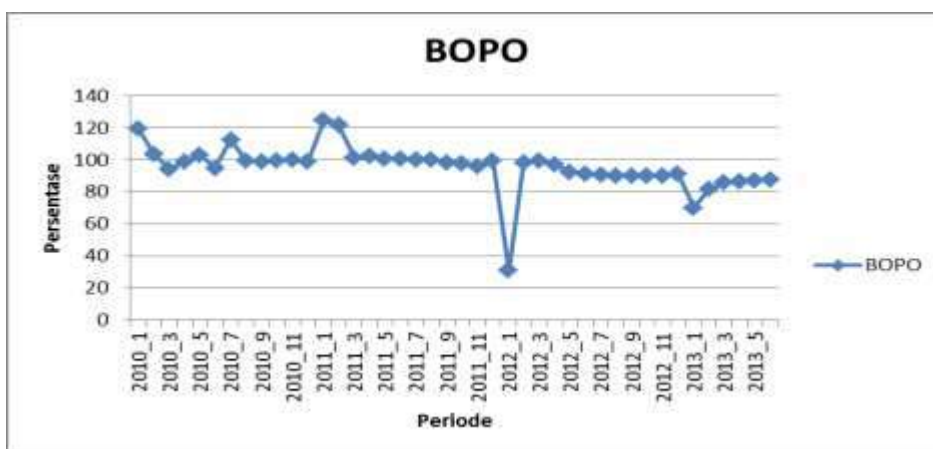


Figure 4 BOPO Development Chart of BRI Syariah Bank Period 2010 - 2013

In the beginning of 2010 seen in the picture above, shows the value of operational efficiency (BOPO) of Bank BRI Syariah is equal to 119.39%. The BOPO value of 119.39% indicates that the operational cost incurred by Bank BRI Syariah is greater than operating income. The operational efficiency of Bank BRI Syariah as measured from BOPO value decreased in February 2010 from 119.39% to 103.71%. The decline in the BOPO value of Bank BRI Syariah continued to occur until March 2010 to 94.06%. The decline in the BOPO value of Bank BRI Syariah indicates that BRI Syariah Bank continues to realize operational efficiency, as the operational cost decreases. However, the decrease in operational cost has not made the operational cost of Bank BRI Syariah smaller than operating income. This shows the value of BOPO Bank BRI Syariah in March 2010 is still above 1%.

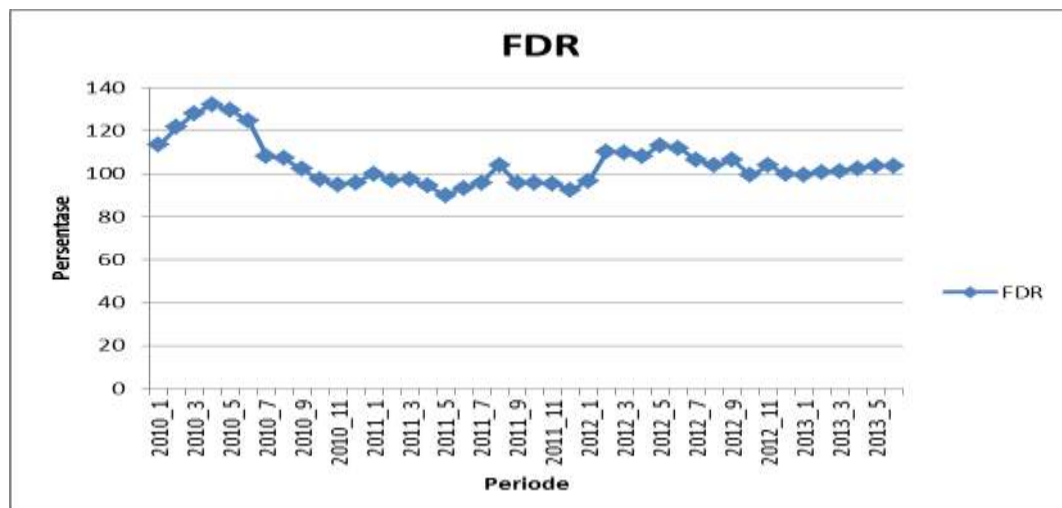


Figure 5 Chart Progress of Bank BRI Syariah FDR Period 2010 - 2013

The above figure shows the development of Bank BRI Syariah's Financing Deposit Ratio (FDR) seen in January 2010 of Bank BRI Syariah's Financing Deposit Ratio (FDR) of 113.39%. The Bank BRI Syariah Financing Deposit Ratio (FDR) value indicates that the financing disbursed to customers from Third Party Fund (DPK) groups is more than the amount of the Third Party Funds. The value of Financing Deposit Ratio (FDR) held by Bank BRI Syariah has indicated that in January 2010, Bank BRI Syariah has a good Financing Deposit Ratio (FDR) as it is above 85%. In other words, the Bank BRI Syariah Financing Deposit Ratio (FDR) value during the period of 2010 to June 2013 shows that Bank BRI Syariah

is capable of performing obligations on third party funds. This will generate public trust, and give impact to the capital increase for Bank BRI Syariah

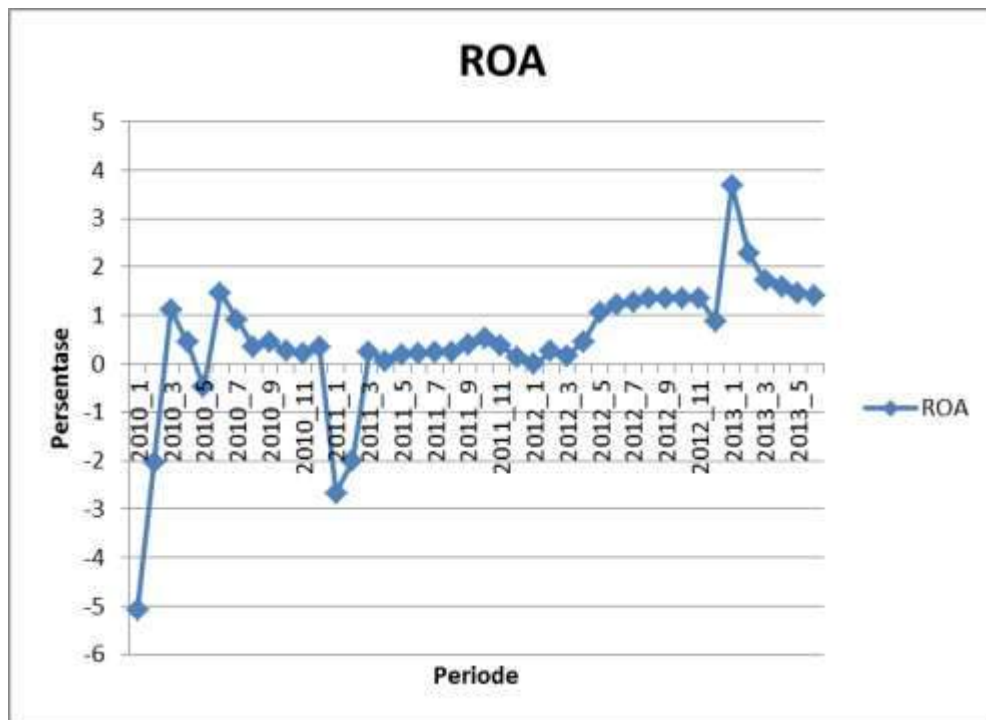


Figure 6 ROA Development Chart of BRI Syariah Bank BRI Period 2010 - 2013

The picture above shows that the value of Return On Assets (ROA) of Bank BRI Syariah is -5.08% in the period of January 2010. The Bank's negative Return On Assets (ROA) BRI Syariah continues from January 2010 to February 2010. However, Return On Assets (ROA) of Bank BRI Syariah is at level above 0%, Return On Asset (ROA) of Bank BRI Syariah again in negative position. This data shows that Bank BRI Syariah experienced a negative Financing Deposit Ratio (FDR) is 5 times. The first period occurred in January and February 2010, May 2010, January and February of 2011.

Table 3 The Results of Multiple Regression Analysis

	B	SE	t	Sig.
Constant	2.273		0.764	0.450
CAR	-0.037	0.3663	-0.808	0.424
NPF NETTO	1.085	0.0704	1.818	0.077
BOPO	-0.052	0.7530	-3.740	0.001*
FDR	0.016	0.0324	0.782	0.439
<i>F value of model</i>	5.999			0.001*
<i>R²</i>	0.393			
<i>Adjusted R²</i>	0.328			

The table above shows that CAR, NPF NETTO, BOPO, and FDR variables affect the ROA of BRI Syariah Bank. It can be seen from the adjusted value of R2 is 0.328 and the F statistic value is 5.999, and has a significance value smaller than 0.05 that is 0.001. This result means that 32.8% of BRI Syariah Bank ROA can be explained by four independent variables ie CAR, NPF NETTO, BOPO, and FDR. Thus, the model can be applied to explain the ROA of Bank BRI Syariat.

1. Hypothesis 1

The result of regression analysis in table 3 above, it can be seen that the significance value for the NPF NETTO variable on BRI Syariah Bank ROA is 0.077. This result shows that NPF NETTO variable has an effect but not significant to ROA of Bank BRI Syariah

2. Hypothesis 2

The result of regression analysis in table 3 above, it can be seen that the significance value for the NPF NETTO variable on BRI Syariah Bank ROA is 0.077. This result shows NPF NETTO variable has influence but not significant to ROA of Bank BRI Syariah

3. Hypothesis 3

Significant value that exists in the table above, it is seen that the value of significance for operational efficiency variables or BOPO on ROA Bank BRI Syariah is 0.001. These results indicate that the operational efficiency variables (BOPO) have a negative effect on BRI Syariah Bank ROA significantly

4. Hypothesis 4

The result of significant value in the table above, that the significance value for the variable of FDR to BRI Syariah Bank ROA is 0.439. These results indicate that the FDR variable has a significant influence on the ROA of Bank BRI Syariat.

5. Hypothesis 5

Significant value in the table above, it is seen that the significance value for variables CAR, NPF, BOPO, and FDR simultaneously to BRI Syariah Bank

ROA is 0.001. These results indicate that the value of $p > 0.05$, which means the null hypothesis, is rejected and the alternative hypothesis is accepted.

CONCLUSION

1. The result of multiple regression analysis, proving BOPO variable has a negative and significant effect to ROA variable PT. Bank BRI Syariah. While the CAR variable has negative but not significant effect on the variable ROA Bank of BRI Syariah. Variables of NPF and FDR have positive but not significant influence to ROA variable.
2. The result of multiple regression analysis shows that together CAR, NPF, BOPO, and FDR variables have a significant influence on the variable ROA of BRI Syariah with Effective Contribution Value of CAR variable to ROA of BRI Syariah is 36.63%

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