

Assessment Analysis of Bank Soundness Level using RGEC Approach in Banking Companies Listed on The IDX in 2019–2021

Alivia Saktia Anjani^a, Eni Indriani^b, Nungki Kartikasari^c

^{a,b,c}University of Mataram, Indonesia

* Corresponding author e-mail: nungkikartikasari@unram.ac.id

ARTICLE INFO

DOI: 10.32832/jm-uika.v14i1.9410

Article history:

Received:

21 January 2023

Accepted:

13 February 2023

Available online:

5 March 2023

Keywords:

Bank Performance, IDX listed bank, RGEC.

ABSTRACT

This study aims to analyze the soundness level of a bank using the Risk Profile, Good Corporate Governance, Earnings and Capital (RGEC) method in accordance with the Financial Authority Regulation Number 4/POJK.03/2016 in all banking sectors listed on the Indonesia Stock Exchange in 2019-2021. This research is descriptive research with a quantitative approach. The data used in this study is secondary data derived from the financial statements of the banking sector. The results showed that in 2019 there were sixteen banks that received a composite rating of one or very healthy, twenty five banks received a composite rating of two or healthy, two banks received a composite rating of three or quite healthy, there is no bank received a composite rating of 4 or less healthy and gets a rating of five or unhealthy. Then in 2020 there were eighteen banks that received a composite rating of one or very healthy, twenty one banks received a composite rating of two or healthy, four banks received a composite rating of three or quite healthy, six bank received a composite rating of four or less healthy. In 2021, there were nineteen banks that received a composite rating of one or very healthy, twenty three banks that received a composite rating of two or healthy, one bank that received a composite rating of three or quite healthy, six banks that received a composite rating of four less healthy, one bank that received a composite rating of five or not healthy.

1. INTRODUCTION

This study aims to analyze the soundness level of bank against banks listed on the Indonesia Stock Exchange in 2019-2021, this is because Indonesia is one of the countries infected with the Covid-19 virus which has caused all sectors to experience a very drastic decline, one of which is the banking (Ulhaq et al., 2023). This can be seen from the decline in the number of Gross Domestic Product (GDP) per capita. The Central Statistics Agency (BPS) recorded Indonesia's Gross Domestic Product (GDP) of IDR 59.1 million in 2019, then in 2020 it decreased by 3.7% to IDR 56.9 million. The decline in the GDP figure has led to an increase in the non-performing loan (NPL) rate, which indicates a decline in the performance of the banking sector and will have an impact on decreasing customer confidence (Desyaningrum, 2021). However, there was the incident of deposit fraud at Bank BNI which caused the customer to experience a loss of a number of deposit funds (Pebrianto, 2021). Several similar events was occurred in other Indonesian banks to maintain their customers trust. Customer trust in a banking sector can be obtained by maintaining the soundness of the bank. A healthy bank is a bank that can maintain public trust, perform the intermediary function, help smooth the flow of payments and can be used by the government in implementing various policies, especially monetary policy (Nufus et al, 2019). In addition to monetary policy, increasing bank confidence can also be done by maintaining the health of the banking system.

The Financial Services Authority has issued regulations to assess and maintain the soundness level of banks with the issuance of the Financial Services Authority Regulation Number 4/POJK.03/2016 concerning Assessment of the Soundness Level of Commercial Banks and the procedures for the assessment are regulated in the Financial Services Authority Circular Letter Number 14/SEOJK.03 /2017 concerning Assessment of the Soundness Level of Commercial Banks which requires self-assessment of the soundness level of banks. Based on the Financial Services Authority Regulation Number 4/POJK.03/2016 the soundness level of a bank is measured using the RGEC method (Risk Profile, Good Corporate Governance, Earnings, Capital). Previous research related to the soundness level of bank, only using the CAMELS method (Capital, Asset, Management, Earnings, Liquidity, Sensitivity to Market Risk) which according to Hafiz (2018) the CAMELS method does not provide an effective level of soundness of a bank. According to Amelia & Aprilianti (2018), the procedure for evaluating the CAMELS method is more focused on achieving profits, while the RGEC method focuses on minimizing risks that may occur. In addition, several studies are still analyzing the soundness level of a bank at just one bank, as in the research conducted Maramis (2020), Pramana & Artini (2016), Arifin et al, (2022), Paramartha and Darmayanti (2017). Then, research conducted by Rizal & Humaidi (2021) using only the Risk Profile, Earnings, and Capital variables with NPF, ROA, and CAR proxies.

Based on the Covid-19 incident and cases of skimming that affected banking performance, as well as various previous studies which still had limitations related to bank health which were the focus of the research conducted, this research was interested in raising the research focus on soundness level of bank "Analysis of Assessment of Bank Soundness Using the RGEC Approach (Risk Profile, Good Corporate Governance, Earnings, Capital) in Banking Companies Registered on the IDX for 2019-2021"

2. RESEARCH METHODS

This research is a descriptive study using a quantitative approach which explains the object under study by providing description of the problems that have been identified and studied intensively in detail (Dewi, 2018). In this study, researchers tried to observe and analyze the soundness of banks on the IDX during the 2019-2021 period using the RGEC approach in accordance with Financial Services Authority Circular Letter No. 14/SEOJK.03/2017.

The variables in this study can be identified so that the data obtained is convenient to process and collect. The variable in this research are Risk Profile which is proxied by Non Performing Loans (NPL) and Loan To Deposit Ratio (LDR). NPL is a formula used to calculate credit risk which describes a risk that can be experienced by a bank caused by the customer's failure or inability to return the amount of the loan received along with the interest in accordance with a predetermined period of time (Iyelda & Rimawan, 2022). According to the Financial Services Authority Circular Letter Number 14/SEOJK.03/2017 the amount of the NPL ratio can be calculated using the following formula:

$$NPL = \frac{\text{Value or the number of loans}}{\text{Total Portfolio}} \times 100\% \dots \dots \dots (1)$$

LDR is a formula used by the bank's ability to give back to the customers who have invested their funds using credits that have been given to their debtors (Russilawati & Mustikawati, 2018). According to the Financial Services Authority Circular Letter Number 14/SEOJK.03/2017 the amount of the LDR ratio can be calculated using the following formula:

$$LDR = \frac{\text{Total Loans}}{\text{Total Deposits}} \times 100\% \dots \dots \dots (2)$$

The other variable is GCG which is an assessment factor that is carried out by self-assessment taking into account the principles of governance of the bank's internal management. There are five basic principles in GCG assessment, namely transparency, accountability, responsibility, independence and fairness.

Then the Earnings variable using the Return On Assets (ROA) formula aims to measure the ability to generate profits through investing funds in all productive assets. According to the Financial Services Authority Circular Letter Number 14/SEOJK.03/2017, the ROA ratio is calculated using the following formula:

$$ROA = \frac{\text{Net Income}}{\text{Average Total Assets}} \times 100\% \dots \dots \dots (3)$$

The Net Interest Margin (NIM) ratio shows the level of a bank's net interest income. A high Net Interest Margin showed that the bank's performance in managing it is finances is very good, and vice versa, a low NIM indicates low interest income and poor bank performance can even incur losses. According to the Financial Services Authority Circular Letter Number 14/SEOJK.03/2017, the NIM ratio is calculated using the following formula:

$$NIM = \frac{Net\ Interest\ Income}{Average\ Invested\ Assets} \times 100\% \dots\dots\dots(4)$$

The next variable is Capital, which uses the Capital Adequacy Ratio (CAR) formula which is a comparison of the ratio of capital to Risk Weighted Assets (RWA). According to the Financial Services Authority Circular Letter Number 14/SEOJK.03/2017, the CAR ratio is calculated using the following formula:

$$CAR = \frac{Equity}{Risk\ Weighted\ Assets} \times 100\% \dots\dots\dots(5)$$

In determining the final results of the bank's soundness level, this research uses a composite rating by weighting the composite rating for each proxy that has obtained a rating. Each proxy has a maximum composite value of five, that means total composite value of the six proxies is thirty.

Tabel 1. Composite Rating Bank Soundness Level

| Composite Rating | Score (%) | Information |
|------------------|-----------|---------------|
| CR 1 | 81–100 | Very healthy |
| CR 2 | 61–80 | Healthy |
| CR 3 | 41–60 | Quite Healthy |
| CR 4 | 21–40 | Less Healthy |
| CR 5 | 0-20 | Unhealthy |

Source: Maspuhah & Haifah (2022)

3. RESULTS & DISCUSSION / HASIL & PEMBAHASAN

This research supports the existence of the Signaling Theory, where information about a banks soundness will signal investors and the public to manage their funds in the banking sector. If information about the soundness level of a bank is in a healthy condition, then it gives a signal that contains good news where the bank has good performance and can minimize the risks it faces and vice versa. Suppose information about the soundness level of a bank is in bad condition. In that case, it indicates declining quality and performance of the banking sector and will give a bad signal to stakeholders (Wulandari, 2022). Research related to the soundness level of a bank has been carried out (Safri et al., 2020), with the study's results showing that the RGEC method in assessing the soundness of a bank can influence investors actions which affects

investors stock value of each bank.

Table 2. Descriptive Statistics on Banks listed on the IDX for 2019-2021

| Proxy | | NPL | LDR | GCG | ROA | NIM | CAR |
|---------|------|--------|---------|------|--------|--------|---------|
| N | | 43 | 43 | 43 | 43 | 43 | 43 |
| Minimum | 2019 | 0,34% | 45,54% | 1 | -8,99% | 0,29% | 12,48% |
| | 2020 | 0,00% | 38,99% | 1 | -8,70% | 0,16% | 11,53% |
| | 2021 | 0,00% | 12,32% | 1 | -8,70% | -3,89% | 13,00% |
| Maximum | 2019 | 12,54% | 163,13% | 3 | 10,11% | 29,35% | 151,93% |
| | 2020 | 10,13% | 162,30% | 4 | 6,84% | 27,85% | 104,29% |
| | 2021 | 11,16% | 183,53% | 3 | 12,21% | 31,10% | 181,65% |
| Means | 2019 | 3,60% | 88,35% | 2,14 | 0,67% | 4,74% | 30,04% |
| | 2020 | 3,19% | 85,74% | 2,14 | 0,46% | 4,35% | 29,17% |
| | 2021 | 2,98% | 82,21% | 2 | 0,19% | 4,75% | 35,23% |

Source: Data Processed (2022)

Based on table two, it can be seen that the average NPL proxy value from 2019 to 2021 has received a healthy predicate and is in the second composite rank. The average value of the LDR proxy from 2019 to 2021 obtains a healthy predicate or gets a composite rating of two. The average value of GCG proxies from 2019 to 2021 is in the second composite rank and gets the title of healthy. The average ROA proxy value from 2019 to 2021 is considered unhealthy or has a composite rating of three. The average NIM proxy value from 2019 to 2021 gets a very healthy predicate and is in composite rank one. The average CAR proxy value from 2019 to 2021 gets a very healthy predicate in composite one rank.

Tabel 3. NPL Ratio Calculation Results

| No | Company | Composite Rating (CR) | | |
|----|--|-----------------------|------|------|
| | | 2019 | 2020 | 2021 |
| 1 | Bank Rakyat Indonesia Agroniaga Tbk | 3 | 2 | 2 |
| 2 | Bank Agris Tbk | 5 | 3 | 2 |
| 3 | Bank Artos Indonesia Tbk | 2 | 1 | 1 |
| 4 | Bank MNC Internasional Tbk | 3 | 3 | 2 |
| 5 | Bank Capital Indonesia Tbk | 2 | 1 | 1 |
| 6 | Bank Central Asia Tbk | 1 | 1 | 2 |
| 7 | Bank Harda Internasional Tbk | 4 | 2 | 1 |
| 8 | Bank Bukopin Tbk | 3 | 4 | 5 |
| 9 | Bank Mestika Dharma Tbk | 2 | 1 | 1 |
| 10 | Bank Negara Indonesia (Persero) Tbk | 1 | 2 | 2 |
| 11 | Bank Rakyat Indonesia (Persero) Tbk | 2 | 2 | 2 |
| 12 | Bank Tabungan Negara (Persero) Tbk | 2 | 2 | 2 |
| 13 | Bank Yudha Bhakti Tbk | 2 | 2 | 1 |
| 14 | Bank JTrust Indonesia Tbk | 1 | 2 | 2 |
| 15 | Bank Danamon Indonesia Tbk | 2 | 2 | 2 |
| 16 | Bank Pembangunan Daerah Banten Tbk | 2 | 2 | 2 |
| 17 | Bank Ganesha Tbk | 2 | 3 | 3 |
| 18 | Bank Ina Perdana Tbk | 2 | 1 | 2 |
| 19 | Bank Pembangunan Daerah Jawa Barat Tbk | 1 | 1 | 1 |
| 20 | Bank Pembangunan Daerah Jawa Timur Tbk | 2 | 2 | 2 |
| 21 | Bank QNB Indonesia Tbk | 3 | 2 | 1 |
| 22 | Bank Maspion Indonesia Tbk | 2 | 1 | 1 |
| 23 | Bank Mandiri (Persero) Tbk | 1 | 1 | 1 |
| 24 | Bank Bumi Arta Tbk | 1 | 2 | 2 |
| 25 | Bank CIMB Niaga Tbk | 2 | 2 | 2 |
| 26 | Bank Maybank Indonesia Tbk | 2 | 2 | 2 |
| 27 | Bank Permata Tbk | 1 | 1 | 1 |
| 28 | Bank BRI Syariah Tbk | 2 | 1 | 1 |
| 29 | Bank Sinarmas Tbk | 4 | 2 | 2 |
| 30 | Bank Of India Indonesia Tbk | 2 | 2 | 4 |
| 31 | Bank Tabungan Pensiunan Nasional Tbk | 1 | 1 | 1 |
| 32 | Bank Tabungan Pensiunan Nasional Syariah Tbk | 1 | 1 | 2 |
| 33 | Bank Victoria International Tbk | 3 | 3 | 3 |
| 34 | Bank Dinar Indonesia Tbk | 2 | 1 | 1 |
| 35 | Bank Artha Graha Internasional Tbk | 3 | 2 | 2 |
| 36 | Bank Mayapada Internasional Tbk | 2 | 2 | 2 |
| 37 | Bank China Construction Bank Indonesia Tbk | 2 | 2 | 2 |
| 38 | Bank Mega Tbk | 2 | 1 | 1 |
| 39 | Bank OCBC NISP Tbk | 1 | 1 | 2 |
| 40 | Bank Nationalnobu Tbk | 2 | 1 | 1 |
| 41 | Bank Pan Indonesia Tbk | 2 | 2 | 2 |
| 42 | Bank Panin Dubai Syariah Tbk | 2 | 2 | 1 |
| 43 | Bank Woori Saudara Indonesia 1906 Tbk | 1 | 1 | 1 |

Source: Data Processed (2022)

Based on the codification of Bank Indonesia's assessment regarding the determination of a composite rating for credit risk by proxy for NPL, it was found that in 2019 banks that received a very healthy predicate or a composite rating of one had a ratio below 2% consisting of eleven banks. In 2020 it will consist of seventeen banks and in 2021 it will consist of seventeen banks. Then, in 2019, banks that obtain a healthy predicate or obtain a composite rating of two with a ratio above 2% to 5% consist of twenty three banks, twenty one banks in 2020, twenty two banks in 2021. Then, banks those that received the title of quite healthy or received a composite rating of three with a ratio above 5% to 8% in 2019 consisted of six banks, in 2020 consisted of four banks, and in 2021 consisted of two banks. Banks that receive a less healthy bank predicate or a composite rating of four with a ratio of 8% to 11% in 2019 consist of two banks, in 2020 consist of one bank and in 2021 consist of one bank. Banks that received an unhealthy predicate or a composite rating of five with a ratio of more than 11% in 2019 consisted of one bank, in 2021 consist of one bank.

Tabel 4. LDR Ratio Calculation Results

| No | Company | Composite Rating (CR) | | |
|----|--|-----------------------|------|------|
| | | 2019 | 2020 | 2021 |
| 1 | Bank Rakyat Indonesia Agroniaga Tbk | 3 | 2 | 3 |
| 2 | Bank Agris Tbk | 2 | 3 | 3 |
| 3 | Bank Artos Indonesia Tbk | 1 | 4 | 5 |
| 4 | Bank MNC Internasional Tbk | 2 | 1 | 1 |
| 5 | Bank Capital Indonesia Tbk | 1 | 1 | 1 |
| 6 | Bank Central Asia Tbk | 2 | 1 | 1 |
| 7 | Bank Harda Internasional Tbk | 2 | 3 | 4 |
| 8 | Bank Bukopin Tbk | 3 | 5 | 4 |
| 9 | Bank Mestika Dharma Tbk | 3 | 1 | 1 |
| 10 | Bank Negara Indonesia (Persero) Tbk | 1 | 1 | 1 |
| 11 | Bank Rakyat Indonesia (Persero) Tbk | 3 | 2 | 3 |
| 12 | Bank Tabungan Negara (Persero) Tbk | 4 | 3 | 2 |
| 13 | Bank Yudha Bhakti Tbk | 3 | 3 | 1 |
| 14 | Bank JTrust Indonesia Tbk | 1 | 1 | 1 |
| 15 | Bank Danamon Indonesia Tbk | 5 | 4 | 4 |
| 16 | Bank Pembangunan Daerah Banten Tbk | 3 | 5 | 1 |
| 17 | Bank Ganesha Tbk | 2 | 1 | 1 |
| 18 | Bank Ina Perdana Tbk | 1 | 1 | 1 |
| 19 | Bank Pembangunan Daerah Jawa Barat Tbk | 4 | 3 | 1 |
| 20 | Bank Pembangunan Daerah Jawa Timur Tbk | 1 | 1 | 1 |
| 21 | Bank QNB Indonesia Tbk | 3 | 3 | 2 |
| 22 | Bank Maspion Indonesia Tbk | 1 | 2 | 5 |
| 23 | Bank Mandiri (Persero) Tbk | 3 | 2 | 2 |
| 24 | Bank Bumi Arta Tbk | 3 | 2 | 1 |
| 25 | Bank CIMB Niaga Tbk | 4 | 3 | 3 |
| 26 | Bank Maybank Indonesia Tbk | 3 | 1 | 1 |
| 27 | Bank Permata Tbk | 4 | 4 | 5 |
| 28 | Bank BRIsyariah Tbk | 2 | 2 | 1 |
| 29 | Bank Sinarmas Tbk | 1 | 1 | 1 |
| 30 | Bank Of India Indonesia Tbk | 4 | 2 | 1 |
| 31 | Bank Tabungan Pensiunan Nasional Tbk | 5 | 5 | 5 |
| 32 | Bank Tabungan Pensiunan Nasional Syariah Tbk | 3 | 3 | 3 |
| 33 | Bank Victoria International Tbk | 2 | 2 | 3 |
| 34 | Bank Dinar Indonesia Tbk | 4 | 4 | 5 |
| 35 | Bank Artha Graha Internasional Tbk | 1 | 1 | 1 |
| 36 | Bank Mayapada Internasional Tbk | 3 | 1 | 1 |
| 37 | Bank China Construction Bank Indonesia Tbk | 4 | 2 | 1 |
| 38 | Bank Mega Tbk | 1 | 1 | 2 |
| 39 | Bank OCBC NISP Tbk | 3 | 1 | 1 |
| 40 | Bank Nationalnobu Tbk | 2 | 2 | 1 |
| 41 | Bank Pan Indonesia Tbk | 3 | 3 | 3 |
| 42 | Bank Panin Dubai Syariah Tbk | 3 | 4 | 4 |
| 43 | Bank Woori Saudara Indonesia 1906 Tbk | 5 | 5 | 5 |

Source: Data Processed (2022)

Based on the codification of Bank Indonesia's assessment regarding the determination of a composite rating for liquidity risk by proxy for LDR, it was found that in 2019 banks that received a very healthy predicate or a composite rating of one had ratios above 50% to 75% consisting of ten banks. In 2020 it will consist of fifteen banks and in 2021 it will consist of twenty two banks. Then, in 2019, banks that get a healthy predicate or get a composite rating of two with a ratio above 75% to 85% consist of seven banks, ten banks in 2020, four banks in 2021. Then, banks that get the predicate are quite healthy or received a composite rating of three with a ratio above 85% to 100% in 2019 consisting of fifteen banks, in 2020 consisting of nine banks, and in 2021 consisting of seven banks. Banks that received a less healthy bank predicate or composite rating of four with a ratio of 100% to 120% in 2019 consisted of seven banks, in 2020 consisted of five banks and in 2021 consisted of four banks. Banks that received an unhealthy predicate or a composite rating of five with a ratio of more than 120% in 2019 consisted of three banks, in 2020 consisted of four banks, and in 2021 consisted of six banks.

Tabel 5. GCG Ratio Calculation Results

| No | Company | Composite Rating (CR) | | |
|----|--|-----------------------|------|------|
| | | 2019 | 2020 | 2021 |
| 1 | Bank Rakyat Indonesia Agroniaga Tbk | 2 | 2 | 2 |
| 2 | Bank Agris Tbk | 2 | 2 | 2 |
| 3 | Bank Artos Indonesia Tbk | 2 | 2 | 2 |
| 4 | Bank MNC Internasional Tbk | 3 | 2 | 2 |
| 5 | Bank Capital Indonesia Tbk | 3 | 3 | 3 |
| 6 | Bank Central Asia Tbk | 2 | 1 | 1 |
| 7 | Bank Harda Internasional Tbk | 3 | 3 | 2 |
| 8 | Bank Bukopin Tbk | 2 | 3 | 2 |
| 9 | Bank Mestika Dharma Tbk | 2 | 2 | 2 |
| 10 | Bank Negara Indonesia (Persero) Tbk | 2 | 2 | 2 |
| 11 | Bank Rakyat Indonesia (Persero) Tbk | 2 | 2 | 2 |
| 12 | Bank Tabungan Negara (Persero) Tbk | 2 | 2 | 2 |
| 13 | Bank Yudha Bhakti Tbk | 2 | 2 | 2 |
| 14 | Bank JTrust Indonesia Tbk | 3 | 3 | 2 |
| 15 | Bank Danamon Indonesia Tbk | 2 | 2 | 2 |
| 16 | Bank Pembangunan Daerah Banten Tbk | 3 | 4 | 3 |
| 17 | Bank Ganesha Tbk | 2 | 2 | 2 |
| 18 | Bank Ina Perdana Tbk | 2 | 2 | 2 |
| 19 | Bank Pembangunan Daerah Jawa Barat Tbk | 2 | 2 | 2 |
| 20 | Bank Pembangunan Daerah Jawa Timur Tbk | 3 | 3 | 2 |
| 21 | Bank QNB Indonesia Tbk | 2 | 2 | 2 |
| 22 | Bank Maspion Indonesia Tbk | 2 | 2 | 2 |
| 23 | Bank Mandiri (Persero) Tbk | 1 | 1 | 1 |
| 24 | Bank Bumi Arta Tbk | 2 | 2 | 2 |
| 25 | Bank CIMB Niaga Tbk | 2 | 2 | 2 |
| 26 | Bank Maybank Indonesia Tbk | 2 | 2 | 2 |
| 27 | Bank Permata Tbk | 2 | 2 | 2 |
| 28 | Bank BRIsyariah Tbk | 2 | 2 | 2 |
| 29 | Bank Sinarmas Tbk | 2 | 2 | 2 |
| 30 | Bank Of India Indonesia Tbk | 3 | 3 | 3 |
| 31 | Bank Tabungan Pensiunan Nasional Tbk | 2 | 2 | 2 |
| 32 | Bank Tabungan Pensiunan Nasional Syariah Tbk | 2 | 2 | 2 |
| 33 | Bank Victoria International Tbk | 2 | 3 | 2 |
| 34 | Bank Dinar Indonesia Tbk | 2 | 2 | 2 |
| 35 | Bank Artha Graha Internasional Tbk | 3 | 2 | 2 |
| 36 | Bank Mayapada Internasional Tbk | 2 | 2 | 2 |
| 37 | Bank China Construction Bank Indonesia Tbk | 2 | 2 | 2 |
| 38 | Bank Mega Tbk | 2 | 2 | 2 |
| 39 | Bank OCBC NISP Tbk | 1 | 1 | 1 |
| 40 | Bank Nationalnobu Tbk | 2 | 2 | 2 |
| 41 | Bank Pan Indonesia Tbk | 2 | 2 | 2 |
| 42 | Bank Panin Dubai Syariah Tbk | 2 | 2 | 2 |
| 43 | Bank Woori Saudara Indonesia 1906 Tbk | 2 | 2 | 2 |

Source: Data Processed (2022)

Based on table five, it was found that in 2019 banks that received a very healthy predicate or a composite rating of one consisting of two banks. In 2020 it will consist of three banks and in 2021 it will consist of two banks. Then, in 2019, banks that get a healthy predicate or get a composite rating of two consist of thirty three banks, thirty two banks in 2020, four banks in 2021. Then, banks that get the predicate are quite healthy or received a composite rating of three in 2019 consisting of eight banks, in 2020 consisting of seven banks, and in 2021 consisting of seven banks. Meanwhile, there were no banks that received a composite rating of four or less healthy and a composite rating of five or unhealthy in 2019 and 2021. In 2020, one bank that received a composite rating of four or less healthy.

Tabel 6. ROA Ratio Calculation Results

| No | Company | Composite Rating (CR) | | |
|----|--|-----------------------|------|------|
| | | 2019 | 2020 | 2021 |
| 1 | Bank Rakyat Indonesia Agroniaga Tbk | 4 | 4 | 5 |
| 2 | Bank Agris Tbk | 5 | 5 | 4 |
| 3 | Bank Artos Indonesia Tbk | 5 | 5 | 4 |
| 4 | Bank MNC Internasional Tbk | 4 | 4 | 4 |
| 5 | Bank Capital Indonesia Tbk | 4 | 4 | 4 |
| 6 | Bank Central Asia Tbk | 1 | 1 | 1 |
| 7 | Bank Harda Internasional Tbk | 5 | 2 | 1 |
| 8 | Bank Bukopin Tbk | 4 | 5 | 5 |
| 9 | Bank Mestika Dharma Tbk | 1 | 1 | 1 |
| 10 | Bank Negara Indonesia (Persero) Tbk | 1 | 3 | 2 |
| 11 | Bank Rakyat Indonesia (Persero) Tbk | 1 | 2 | 1 |
| 12 | Bank Tabungan Negara (Persero) Tbk | 4 | 3 | 3 |
| 13 | Bank Yudha Bhakti Tbk | 4 | 4 | 5 |
| 14 | Bank JTrust Indonesia Tbk | 4 | 5 | 5 |
| 15 | Bank Danamon Indonesia Tbk | 1 | 3 | 3 |
| 16 | Bank Pembangunan Daerah Banten Tbk | 5 | 5 | 5 |
| 17 | Bank Ganesha Tbk | 4 | 4 | 4 |
| 18 | Bank Ina Perdana Tbk | 4 | 4 | 4 |
| 19 | Bank Pembangunan Daerah Jawa Barat Tbk | 2 | 2 | 2 |
| 20 | Bank Pembangunan Daerah Jawa Timur Tbk | 1 | 2 | 2 |
| 21 | Bank QNB Indonesia Tbk | 4 | 5 | 5 |
| 22 | Bank Maspion Indonesia Tbk | 3 | 3 | 3 |
| 23 | Bank Mandiri (Persero) Tbk | 1 | 2 | 1 |
| 24 | Bank Bumi Arta Tbk | 3 | 3 | 3 |
| 25 | Bank CIMB Niaga Tbk | 1 | 4 | 4 |
| 26 | Bank Maybank Indonesia Tbk | 2 | 3 | 2 |
| 27 | Bank Permata Tbk | 3 | 3 | 3 |
| 28 | Bank BRI Syariah Tbk | 4 | 3 | 2 |
| 29 | Bank Sinarmas Tbk | 4 | 4 | 4 |
| 30 | Bank Of India Indonesia Tbk | 3 | 3 | 5 |
| 31 | Bank Tabungan Pensiunan Nasional Tbk | 2 | 2 | 1 |
| 32 | Bank Tabungan Pensiunan Nasional Syariah Tbk | 1 | 1 | 1 |
| 33 | Bank Victoria International Tbk | 5 | 5 | 5 |
| 34 | Bank Dinar Indonesia Tbk | 4 | 4 | 5 |
| 35 | Bank Artha Graha Internasional Tbk | 5 | 4 | 5 |
| 36 | Bank Mayapada Internasional Tbk | 4 | 4 | 3 |
| 37 | Bank China Construction Bank Indonesia Tbk | 4 | 4 | 4 |
| 38 | Bank Mega Tbk | 1 | 1 | 1 |
| 39 | Bank OCBC NISP Tbk | 2 | 2 | 1 |
| 40 | Bank Nationalnobu Tbk | 4 | 3 | 4 |
| 41 | Bank Pan Indonesia Tbk | 2 | 2 | 1 |
| 42 | Bank Panin Dubai Syariah Tbk | 5 | 4 | 4 |
| 43 | Bank Woori Saudara Indonesia 1906 Tbk | 2 | 2 | 2 |

Source: Data Processed (2022)

Based on the codification of Bank Indonesia's assessment regarding the determination of composite ratings for ROA proxies, it was found that in 2019 banks that received a very healthy predicate or a composite rating of one had a ratio above 2% consisting of ten banks. In 2020 it will consist of four banks and in 2021 it will consist of ten banks. Then, in 2019, banks that obtain a healthy predicate or obtain a composite rating of two with a ratio above 1.25% to 2% consist of six banks, nine banks in 2020, six banks in 2021. Then, banks that receive a quite healthy rating or receive a composite rating of three with a ratio above 0.5% to 1.25% in 2019 consisting of four banks, in 2020 consisting of ten banks, and in 2021 consisting of six banks. Banks that received a less healthy predicate or a composite rating of four with a ratio below 0.5% in 2019 consisted of sixteen banks, in 2020 consisted of thirteen banks and in 2021 consisted of eleven banks. Banks that received an unhealthy predicate or a composite rating of five with a ratio of 0% or negative in 2019 consisted of seven banks, in 2020 consisted of seven banks, and in 2021 consisted of ten banks.

Tabel 7. NIM Ratio Calculation Results

| No | Company | Composite Rating (CR) | | |
|----|--|-----------------------|------|------|
| | | 2019 | 2020 | 2021 |
| 1 | Bank Rakyat Indonesia Agroniaga Tbk | 1 | 1 | 1 |
| 2 | Bank Agris Tbk | 2 | 2 | 2 |
| 3 | Bank Artos Indonesia Tbk | 5 | 1 | 1 |
| 4 | Bank MNC Internasional Tbk | 1 | 1 | 2 |
| 5 | Bank Capital Indonesia Tbk | 2 | 5 | 5 |
| 6 | Bank Central Asia Tbk | 1 | 1 | 1 |
| 7 | Bank Harda Internasional Tbk | 1 | 2 | 1 |
| 8 | Bank Bukopin Tbk | 2 | 5 | 5 |
| 9 | Bank Mestika Dharma Tbk | 1 | 1 | 1 |
| 10 | Bank Negara Indonesia (Persero) Tbk | 1 | 1 | 5 |
| 11 | Bank Rakyat Indonesia (Persero) Tbk | 1 | 1 | 1 |
| 12 | Bank Tabungan Negara (Persero) Tbk | 2 | 2 | 1 |
| 13 | Bank Yudha Bhakti Tbk | 1 | 1 | 1 |
| 14 | Bank JTrust Indonesia Tbk | 5 | 5 | 5 |
| 15 | Bank Danamon Indonesia Tbk | 1 | 1 | 1 |
| 16 | Bank Pembangunan Daerah Banten Tbk | 5 | 5 | 5 |
| 17 | Bank Ganesha Tbk | 1 | 1 | 3 |
| 18 | Bank Ina Perdana Tbk | 1 | 2 | 3 |
| 19 | Bank Pembangunan Daerah Jawa Barat Tbk | 1 | 1 | 1 |
| 20 | Bank Pembangunan Daerah Jawa Timur Tbk | 1 | 1 | 1 |
| 21 | Bank QNB Indonesia Tbk | 2 | 3 | 2 |
| 22 | Bank Maspion Indonesia Tbk | 1 | 2 | 2 |
| 23 | Bank Mandiri (Persero) Tbk | 1 | 1 | 1 |
| 24 | Bank Bumi Arta Tbk | 1 | 1 | 1 |
| 25 | Bank CIMB Niaga Tbk | 1 | 1 | 1 |
| 26 | Bank Maybank Indonesia Tbk | 1 | 1 | 1 |
| 27 | Bank Permata Tbk | 1 | 1 | 1 |
| 28 | Bank BRISyariah Tbk | 1 | 1 | 1 |
| 29 | Bank Sinarmas Tbk | 1 | 1 | 1 |
| 30 | Bank Of India Indonesia Tbk | 1 | 2 | 1 |
| 31 | Bank Tabungan Pensiunan Nasional Tbk | 4 | 1 | 1 |
| 32 | Bank Tabungan Pensiunan Nasional Syariah Tbk | 1 | 1 | 1 |
| 33 | Bank Victoria International Tbk | 4 | 5 | 3 |
| 34 | Bank Dinar Indonesia Tbk | 2 | 1 | 1 |
| 35 | Bank Artha Graha Internasional Tbk | 2 | 2 | 1 |
| 36 | Bank Mayapada Internasional Tbk | 2 | 5 | 5 |
| 37 | Bank China Construction Bank Indonesia Tbk | 1 | 2 | 2 |
| 38 | Bank Mega Tbk | 2 | 1 | 1 |
| 39 | Bank OCBC NISP Tbk | 1 | 1 | 1 |
| 40 | Bank Nationalnobu Tbk | 2 | 1 | 1 |
| 41 | Bank Pan Indonesia Tbk | 1 | 1 | 1 |
| 42 | Bank Panin Dubai Syariah Tbk | 5 | 4 | 1 |
| 43 | Bank Woori Saudara Indonesia 1906 Tbk | 2 | 1 | 1 |

Source: Data Processed (2022)

Based on the codification of Bank Indonesia's assessment regarding the determination of composite ratings for NIM proxies, it was found that in 2019 banks that received a very healthy predicate or composite rating of one had ratios above 3% consisting of twenty six banks. In 2020 it will consist of twenty seven banks and in 2021 it will consist of twenty nine banks. Then, in 2019, banks that get a healthy predicate or get a composite rating of two with a ratio above 2% to 3% consist of eleven banks, eight banks in 2020, five banks in 2021. Then, there is no bank that gets a quite healthy or receive a composite rating of three with a ratio above 1.5% to 2% in 2019, in 2020 it will consist of one bank, and in 2021 it will consist of three banks. Banks that received a less healthy predicate or a composite rating of four with a ratio of below 1% to 1.5% in 2019 consisted of two banks, one bank in 2020, and in 2021 no one bank received an unhealthy predicate. Banks that received an unhealthy predicate or a composite rating of five with a ratio below 1% in 2019 consisted of four banks, in 2020 consisted of six banks, and in 2021 consisted of six banks.

Tabel 8. CAR Ratio Calculation Results

| No | Company | Composite Rating (CR) | | |
|----|--|-----------------------|------|------|
| | | 2019 | 2020 | 2021 |
| 1 | Bank Rakyat Indonesia Agroniaga Tbk | 1 | 1 | 1 |
| 2 | Bank Agris Tbk | 1 | 1 | 1 |
| 3 | Bank Artos Indonesia Tbk | 1 | 1 | 1 |
| 4 | Bank MNC Internasional Tbk | 1 | 1 | 1 |
| 5 | Bank Capital Indonesia Tbk | 1 | 1 | 1 |
| 6 | Bank Central Asia Tbk | 1 | 1 | 1 |
| 7 | Bank Harda Internasional Tbk | 1 | 1 | 1 |
| 8 | Bank Bukopin Tbk | 1 | 1 | 1 |
| 9 | Bank Mestika Dharma Tbk | 1 | 1 | 1 |
| 10 | Bank Negara Indonesia (Persero) Tbk | 1 | 1 | 1 |
| 11 | Bank Rakyat Indonesia (Persero) Tbk | 1 | 1 | 1 |
| 12 | State Savings Bank (Persero) Tbk | 1 | 1 | 1 |
| 13 | Bank Yudha Bhakti Tbk | 1 | 1 | 1 |
| 14 | Bank JTrust Indonesia Tbk | 1 | 2 | 1 |
| 15 | Bank Danamon Indonesia Tbk | 1 | 1 | 1 |
| 16 | Banten Regional Development Bank Tbk | 1 | 1 | 1 |
| 17 | Bank Ganesha Tbk | 1 | 1 | 1 |
| 18 | Bank Ina Perdana Tbk | 1 | 1 | 1 |
| 19 | West Java Regional Development Bank Tbk | 1 | 1 | 1 |
| 20 | East Java Regional Development Bank Tbk | 1 | 1 | 1 |
| 21 | Bank QNB Indonesia Tbk | 1 | 1 | 1 |
| 22 | Bank Maspion Indonesia Tbk | 1 | 1 | 1 |
| 23 | Bank Mandiri (Persero) Tbk | 1 | 1 | 1 |
| 24 | Bank Bumi Arta Tbk | 1 | 1 | 1 |
| 25 | Bank CIMB Niaga Tbk | 1 | 1 | 1 |
| 26 | Bank Maybank Indonesia Tbk | 1 | 1 | 1 |
| 27 | Bank Permata Tbk | 1 | 1 | 1 |
| 28 | Bank BRIsyariah Tbk | 1 | 1 | 1 |
| 29 | Bank Sinarmas Tbk | 1 | 1 | 1 |
| 30 | Bank Of India Indonesia Tbk | 1 | 1 | 1 |
| 31 | National Pension Savings Bank Tbk | 1 | 1 | 1 |
| 32 | Sharia National Pension Savings Bank Tbk | 1 | 1 | 1 |
| 33 | Bank Victoria International Tbk | 1 | 1 | 1 |
| 34 | Bank Dinar Indonesia Tbk | 1 | 1 | 1 |
| 35 | Bank Artha Graha Internasional Tbk | 1 | 1 | 1 |
| 36 | Bank Mayapada Internasional Tbk | 1 | 1 | 1 |
| 37 | Bank China Construction Bank Indonesia Tbk | 1 | 1 | 1 |
| 38 | Bank Mega Tbk | 1 | 1 | 1 |
| 39 | Bank OCBC NISP Tbk | 1 | 1 | 1 |
| 40 | Bank Nationalnobu Tbk | 1 | 1 | 1 |
| 41 | Bank Pan Indonesia Tbk | 1 | 1 | 1 |
| 42 | Bank Panin Dubai Syariah Tbk | 1 | 1 | 1 |
| 43 | Bank Woori Saudara Indonesia 1906 Tbk | 1 | 1 | 1 |

Source: Data Processed (2022)

Based on table seven, almost all banks are rated one or very healthy in the assessment of the Capital indicator through a CAR proxy which shows that the entire banking sector has a CAR ratio of more than 12%. In 2019, bank that obtain a healthy predicate or obtain a composite rating of two with a ratio above 9% to 12% consist of one bank. A bank that received the title of quite healthy or received a composite rating of three with a ratio above 8% to 9%, ratio 6% above 8% received the title of less healthy, and ratio above 6% received the title of unhealthy.

Tabel 9. Bank Composite Rating

| No | Company | Score | | | Bank Composite Rating | | |
|----|--|-------|------|------|-----------------------|------|------|
| | | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| 1 | Bank Rakyat Indonesia Agroniaga Tbk | 73 | 80 | 73 | 2 | 2 | 2 |
| 2 | Bank Agris Tbk | 63 | 67 | 73 | 2 | 2 | 2 |
| 3 | Bank Artos Indonesia Tbk | 67 | 73 | 73 | 2 | 2 | 2 |
| 4 | Bank MNC Internasional Tbk | 73 | 80 | 80 | 2 | 2 | 2 |
| 5 | Bank Capital Indonesia Tbk | 77 | 70 | 70 | 2 | 2 | 2 |
| 6 | Bank Central Asia Tbk | 93 | 100 | 97 | 1 | 1 | 1 |
| 7 | Bank Harda Internasional Tbk | 67 | 77 | 87 | 2 | 2 | 1 |
| 8 | Bank Bukopin Tbk | 70 | 43 | 47 | 2 | 3 | 3 |
| 9 | Bank Mestika Dharma Tbk | 87 | 97 | 97 | 1 | 1 | 1 |
| 10 | Bank Negara Indonesia (Persero) Tbk | 97 | 87 | 77 | 1 | 1 | 2 |
| 11 | Bank Rakyat Indonesia (Persero) Tbk | 87 | 87 | 87 | 1 | 1 | 1 |
| 12 | Bank Tabungan Negara (Persero) Tbk | 70 | 77 | 83 | 2 | 2 | 1 |
| 13 | Bank Yudha Bhakti Tbk | 77 | 77 | 83 | 2 | 2 | 1 |
| 14 | Bank JTrust Indonesia Tbk | 70 | 60 | 67 | 2 | 3 | 2 |
| 15 | Bank Danamon Indonesia Tbk | 80 | 77 | 77 | 2 | 2 | 2 |
| 16 | Bank Pembangunan Daerah Banten Tbk | 57 | 47 | 63 | 3 | 3 | 2 |
| 17 | Bank Ganesha Tbk | 80 | 80 | 73 | 2 | 2 | 2 |
| 18 | Bank Ina Perdana Tbk | 83 | 83 | 77 | 1 | 1 | 2 |
| 19 | Bank Pembangunan Daerah Jawa Barat Tbk | 83 | 87 | 93 | 1 | 1 | 1 |
| 20 | Bank Pembangunan Daerah Jawa Timur Tbk | 90 | 87 | 90 | 1 | 1 | 1 |
| 21 | Bank QNB Indonesia Tbk | 70 | 67 | 77 | 2 | 2 | 2 |
| 22 | Bank Maspion Indonesia Tbk | 87 | 83 | 73 | 1 | 1 | 2 |
| 23 | Bank Mandiri (Persero) Tbk | 93 | 93 | 97 | 1 | 1 | 1 |
| 24 | Bank Bumi Arta Tbk | 83 | 83 | 87 | 1 | 1 | 1 |
| 25 | Bank CIMB Niaga Tbk | 83 | 77 | 77 | 1 | 2 | 2 |
| 26 | Bank Maybank Indonesia Tbk | 83 | 87 | 90 | 1 | 1 | 1 |
| 27 | Bank Permata Tbk | 80 | 80 | 77 | 2 | 2 | 2 |
| 28 | Bank BRI Syariah Tbk | 80 | 87 | 93 | 2 | 1 | 1 |
| 29 | Bank Sinarmas Tbk | 77 | 83 | 83 | 2 | 1 | 1 |
| 30 | Bank Of India Indonesia Tbk | 73 | 77 | 70 | 2 | 2 | 2 |
| 31 | Bank Tabungan Pensiunan Nasional Tbk | 70 | 80 | 83 | 2 | 2 | 1 |
| 32 | Bank Tabungan Pensiunan Nasional Syariah Tbk | 90 | 90 | 87 | 1 | 1 | 1 |
| 33 | Bank Victoria International Tbk | 63 | 57 | 63 | 2 | 3 | 2 |
| 34 | Bank Dinar Indonesia Tbk | 70 | 77 | 70 | 2 | 2 | 2 |
| 35 | Bank Artha Graha Internasional Tbk | 70 | 80 | 80 | 2 | 2 | 2 |
| 36 | Bank Mayapada Internasional Tbk | 73 | 70 | 73 | 2 | 2 | 2 |
| 37 | Bank China Construction Bank Indonesia Tbk | 73 | 77 | 80 | 2 | 2 | 2 |
| 38 | Bank Mega Tbk | 90 | 97 | 93 | 1 | 1 | 1 |
| 39 | Bank OCBC NISP Tbk | 90 | 97 | 97 | 1 | 1 | 1 |
| 40 | Bank Nationalnobi Tbk | 77 | 87 | 87 | 2 | 1 | 1 |
| 41 | Bank Pan Indonesia Tbk | 83 | 83 | 87 | 1 | 1 | 1 |
| 42 | Bank Panin Dubai Syariah Tbk | 60 | 63 | 77 | 3 | 2 | 2 |
| 43 | Bank Woori Saudara Indonesia 1906 Tbk | 77 | 80 | 80 | 2 | 2 | 2 |

Source: Data Processed (2022)

Banks with a composite rating of 1 or very healthy in 2019 consist of sixteen banks. Then the banks that got a composite rating of 2 or healthy in 2019 consisted of twenty five banks. Banks with a rating of 3 or sound enough consist of two banks. In 2020, eighteen banks had a composite rating of 1 or very healthy. Then, banks that get a composite rating of 2 or healthy consist of twenty one banks, and banks that get a composite rating of 3 or quite healthy consist of four banks. Banks with a composite rating of 4 or sound enough consist of six banks. In 2021, nineteen banks will receive a composite rating of 1 or very healthy. Then the bank that achieved a composite rating of 2 or healthy comprised twenty three banks. One bank has a composite rating of 3 or less sound. In this study, Commercial Banks or Conventional Banks have relatively healthy bank soundness. Even Bank Mandiri and Bank Rakyat Indonesia received the title of very healthy for three consecutive years. This shows a good signal for investors and the public to manage their funds in the commercial banking sectors. Then, private banks in this study indicate a more diverse level of soundness than commercial banks, which tend to be more stable. For example, Bank Bukopin received a healthy predicate in 2019, then a quite healthy predicate in 2020, and in 2021 it received a quite healthy predicate. Bank Jtrust Indonesia received a healthy predicate in 2019, then in 2020 it received a quite healthy predicate, and in 2021 it will again receive a healthy predicate. Private banks have received the title of very healthy for three consecutive years, such as Bank Maybank Indonesia, Bank Bumi Arta, Bank Mega, and other similar things. The banking sector, which is included in the Regional Owned Enterprises such as the Bank Pembangunan Daerah Jawa Barat and the Bank Pembangunan Daerah Jawa Timur, has received the title of very healthy for three consecutive years. Still, the Bank Pembangunan Daerah Banten received the title of quite healthy in 2019 and 2020, and in 2021 got a healthy predicate. Sharia banks, such as the Bank Tabungan Pensiunan Nasional Syariah and Bank BRISyariah, get the title of being relatively very healthy. Then, sharia banks can provide a good signal and the right choice for investors and the public in managing their funds.

Discussion

The results of the assessment of the soundness level of different banks show that the soundness level of banks changes from time to time due to several factors, namely skimming or duplicate cards and deposit counterfeiting, which causes a decrease in customer confidence in the banking sector which causes people to be reluctant to save and borrow money. Then in 2020 the Covid-19 pandemic occurred which caused Bank Indonesia to issue several policies, one of which was related to providing Short Term Liquidity Loans (PLJP) for Conventional Commercial Banks and providing Short Term Liquidity Financing for Islamic Commercial Banks (PLJPS), which affected the CAR proxy (Sasongko, 2020). In addition, OJK also issues credit reconstruction policies or provides convenience to debtors with the potential to experience difficulties handling their obligations. This credit reconstruction policy is in the form of reducing interest rates, extending the term, reducing principal arrears, adding credit/financing facilities, and converting credit/financing into Temporary Equity Participation. This affects the proxy value of LDR and NPL because bad loans are getting higher (OJK, 2020).

In 2021, Bank Indonesia will issue a policy to carry out economic recovery, especially in the banking sector, namely a monetary stimulus policy that allows Bank Indonesia to set low interest rates and liquidity to reduce the inflation rate (Rosana, 2020). This causes an increase in the

amount of credit that will stabilize the circulation of money in Indonesia and provide opportunities for the business sector to rise. The increase in the amount of credit and relaxation in liquidity will cause the banking sector to experience an increase in income which will affect the soundness of the bank.

The Risk Profile indicator in this study uses NPL and LDR proxies. The NPL ratio in this study shows that during 2019-2021, the average banking sector received a healthy predicate, but there were several banking sectors that still had an unhealthy predicate. This indicates that the banking sector has a good ability to overcome the non-performing loans it experiences, although there are some that have not yet overcome them. The LDR ratio in this study shows that during 2019-2021, the average banking sector has earned a fairly healthy rating. This indicates the ability of the banking sector is quite good in meeting its short-term obligations.

The GCG proxy describes an assessment of bank management governance. Based on the assessment that has been carried out on GCG indicators by self-assessment, it was found that on average the banking sector received a healthy predicate. This shows that the banking sector has implemented 3 aspects of governance, namely governance structure, governance process, and governance outcome.

Earnings indicators in this study use ROA and NIM proxies. The ROA ratio in this study shows that during 2019-2021, the average banking sector received an unhealthy rating. The smaller the value of the ROA ratio at a bank indicates that the bank's management is lacking in managing assets to increase income and reduce costs incurred (Monoarfa et al., 2020). The NIM ratio in this study shows that during 2019-2021, the average banking sector earned a healthy predicate. This shows that the level of net interest income in the banking sector is quite high because it is driven by several factors such as bank inclusion finance (Nathasya & Setyawan, 2019), bank funding sources, improvement in Indonesia's investment rating, banking liquidity conditions (Yudistira, 2018).

The Capital indicator in this study uses the CAR proxy. The CAR proxy shows the bank's ability to overcome possible risk of loss. The CAR ratio in this study shows that during 2019-2021, the average banking sector received a very healthy rating. This shows that the banking sector is able to prepare for the risk of loss and possible losses in the future.

4. CONCLUSION & SUGGESTION

Based on the results of the analysis and discussion regarding the assessment of the soundness level of a bank using the RGEC method for the banking sector listed on the IDX in 2019-2021, it can be concluded that the assessment of the Risk Profile variable uses two ratios, namely the credit risk factor using the NPL ratio and the liquidity risk factor using using the LDR ratio. The results showed that the average NPL and LDR ratio got a composite rating of two which indicated a healthy predicate. Then, the assessment on the measurement of Good Corporate Governance using the self-assessment method obtained a rating of two which indicates a healthy predicate. Furthermore, the assessment of the Earnings variable using the ROA ratio and NIM ratio indicates that the average ROA ratio obtains a composite rating of four which is quite healthy. Meanwhile, the average value of the NIM ratio gets a composite rating of 1 which indicates a very healthy predicate. Assessment of the Capital variable using the CAR ratio obtains an average composite rating of 1 which indicates a very healthy predicate.

Among the calculations of the five proxies that have been carried out, the ROA proxy is a proxy

that has a reasonably low value. Many banks have proxies that are quite healthy to unhealthy in ROA proxies. This is not surprising because according to OJK data, ROA has continuously decreased. In 2020, industry-wide ROA as of May was at the level of 2.08%, which is lower than the previous year's (Sitanggung Sautlan, 2020). While inversely proportional to the ROA proxy, the CAR proxy has a fairly good proxy value, in which the entire banking sector gets the title of healthy and very healthy. This is due to following the provisions made by the government, where the CAR proxy for each bank is at least 8% based on Bank Indonesia Regulation Number 3/21/PBI/2001 Article 2 concerning Minimum Bank Liability which is then updated in the Minimum Capital Requirement for Commercial Banks.

Suggestion

Based on the results and limitations of the research, there are suggestions that can be given by researchers, namely that in future studies researchers can add research objects, not only to banks listed on the Indonesian Stock Exchange. In further research, you can add variables Operational Costs Against Operating Income (BOPO), *Interest Rate Risk* (IRR), Loan to Asset Ratio (LAR), Return on Equity (ROE). In future research, researchers can add external factors that can affect the soundness of a bank, such as the inflation factor, the bank's intermediary function, and the growth of Gross Domestic Product.

ACKNOWLEDGEMENT.

THANK YOU AND APPRECIATION FOR THE ORGANIZERS, INTERNATIONAL E-CONFERENCE MANAGEMENT & SMALL MEDIUM ENTERPRISE.

REFERENCES

- [1] Amelia, E., & Aprilianti, A. C. (2018). Penilaian Tingkat Kesehatan Bank: Pendekatan CAMEL & RGEC (Studi pada Bank Maybank Syariah Indonesia Periode 2011-2016). *Jurnal Akuntansi Dan Keuangan Islam*, 6(2), 189–207.
- [2] Arifin, Ramly, R. Y., & Rahman, E. (2022). *Pengukuran Tingkat Kesehatan Bank Menggunakan Metode Risk Profile, Good Corporate Governance, Earning, Dan Capital*. 5, 12–25.
- [3] Desyaningrum, R. (2021). *Banyak Kasus Saldo di ATM Tiba-tiba Hilang Secara Misterius, Berikut Tips Terhindar dari Kejahatan Skimming*. Grid.ID. <https://www.grid.id/read/042708133/banyak-kasus-saldo-di-atm-tiba-tiba-hilang-secara-misterius-berikut-tips-terhindar-dari-kejahatan-skimming>
- [4] Dewi, M. (2018). Analisis Tingkat Kesehatan Bank Dengan Menggunakan Pendekatan Rgec (Risk Profile, Good Corporate Governance, Earnings, Capital). *Ihtiyath : Jurnal Manajemen Keuangan Syariah*, 2(2). <https://doi.org/10.32505/ihtiyath.v2i2.710>
- [5] Hafiz, A. P. (2018). Penilaian Tingkat Kesehatan Bank Syariah dengan Metode CAMEL dan RGEC (Studi Pada Bank BNI Syariah Tahun 2011 - 2015). *Ekonomi Syariah*, 2(1), 66–83.
- [6] Iyelda, N., & Rimawan, M. (2022). *Analisis Non Performing Loan (NPL) Dan Debt To Equity Ratio (DER) Terhadap Harga Saham Pada Perbankan Yang Listing Di Bursa Efek Indonesia*. 1(3).
- [7] Maramis, P. A. (2020). Analisis Tingkat Kesehatan Bank Dengan Metode Rgec (Risk Profile, Good Corporate Governance, Earning, Capital) Pada Pt. Bank Mandiri (Persero) Periode 2015 - 2018. *Jurnal Pembangunan Ekonomi Dan Keuangan Daerah*, 20(3), 1. <https://doi.org/10.35794/jpekd.28212.20.3.2020>
- [8] Maspufah, H., & Haifah, H. (2022). Analisis Tingkat Kesehatan Bank Pada Bank BUMN di Indonesia (Bank BUMN Yang Terdaftar di BEI Tahun 2017-2019). *Relasi: Jurnal Ekonomi*, 18(2), 116–156. <http://jurnal.itsm.ac.id/index.php/relasi/article/view/586%0Ahttp://jurnal.itsm.ac.id/index.php/relasi/article/download/586/542>

- [9] Monoarfa, A., Murni, S., & Untu, V. N. (2020). Faktor-Faktor Yang Mempengaruhi ROA Studi Kasus Pada Bank Umum Syariah Yang Terdaftar Di BEI Periode 2014-2019. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi Universitas Sam Ratulangi Manado*, 8(3), 389–399.
- [10] Nufus, K., Triyanto, F., & Muchtar, A. (2019). Analisis Tingkat Kesehatan Bank Dengan Metode RGEC (Studi Kasus PT.Bank BNI (Persero) Tbk). *Jurnal SEKURITAS (Saham, Ekonomi, Keuangan Dan Investasi)*, 3(1), 76. <https://doi.org/10.32493/skt.v3i1.3264>
- [11] Paramartha dan Darmayanti, M. (2017). Penilaian Tingkat Kesehatan Bank Dengan Metode RGEC Pada PT Bank Mandiri,Tbk. *E-jurnal Manajemen Unud Vol 6. E-Jurnal Manajemen Unud*, 6(2), 948–974.
- [12] Pebrianto, F. (2021). *Kasus Pemalsuan Deposito, BNI: Penerbitan Bilyet dan Transaksi Tak Libatkan Bank*. Tempo.Co. [tpps://bisnis.tempo.co/read/1506079/kasus-pemalsuan-deposito-bni-penerbitan-bilyet-dan-transaksi-tak-libatkan-bank](https://bisnis.tempo.co/read/1506079/kasus-pemalsuan-deposito-bni-penerbitan-bilyet-dan-transaksi-tak-libatkan-bank)
- [13] Pramana, K., & Artini, L. (2016). Analisis Tingkat Kesehatan Bank (Pendekatan Rgec) Pada Pt. Bank Danamon Indonesia Tbk. *E-Jurnal Manajemen Universitas Udayana*, 5(6), 3849–3878.
- [14] Rizal, F., & Humaidi, M. (2021). Analisis Tingkat Kesehatan Bank Syariah di Indonesia 2015-2020. *Etihad: Journal of Islamic Banking and finance*, 1(1), 12–22. <https://doi.org/10.21154/etihad.v1i1.2733>
- [15] Safri, H., Prayoga, Y., & Hendry, R. S. M. (2020). *Analysis The Bank's Health Level And Return Of Stock Of Banking In Indonesian Stock Exchange*. 129–138.
- [16] Wulandari, P. (2022). Pengaruh Indikator Kesehatan Bank, Pertumbuhan Laba, Terhadap Return Saham Perbankan Putri. *Jurnal Akuntansi, Manajemen Dan Ekonomi*, 2(1), 68. <https://doi.org/10.33474/jimmu.v5i1.6725>
- [17] Ulhaq, R. N., Munandar, J. M., & Rifin, A. (2023). *Jurnal Manajemen (Edisi Elektronik)*. 14(1), 141–155. <https://doi.org/10.32832/jm-uika>.