



THE IMPACT OF MERGER ON BANK SYARIAH INDONESIA FINANCIAL PERFORMANCE

Larasati Widiyanto Putri^{a,1}, Mega Noerman Ningtyas^{b,2*}

^{a,b} Universitas Islam Negeri Maulana Malik Ibrahim Malang, Jl Gajayana no.50, Malang, 65144, Indonesia

¹lwputri22@gmail.com, ²meganoerman@uin-malang.ac.id

*Corresponding author

INFO ARTIKEL

IMANENSI

Volume 7
Nomor 2
Halaman 1-12
Malang, September 2022
ISSN: 2339-1847
e-ISSN: 2683-9968

Kronologi Artikel:

Tanggal Masuk:
5 Juni 2022
Tanggal Selesai Revisi:
26 Juni 2022
Tanggal Diterima:
23 Agustus 2022

Kata Kunci:

Aktivitas perusahaan;
Bank Syariah Indonesia;
Kinerja keuangan;
Merger.

Keywords:

Company activities;
Financial performance;
Indonesian Islamic Banks;
Merger.



Abstrak: Dampak Merger Terhadap Kinerja Keuangan Bank Syariah Indonesia. Tujuan dari penelitian adalah menganalisis perbedaan kinerja keuangan pada Bank Syariah Indonesia (BSI) sebelum dan sesudah merger. Penelitian ini menggunakan uji beda paired sample t-test dengan tiga bank syariah digunakan sebagai sampel penelitian. Hasil penelitian menunjukkan bahwa kinerja keuangan pada sisi Likuiditas, Solvabilitas dan Profitabilitas menunjukkan bahwa BSI sesudah merger lebih baik dibanding saat sebelum merger, sebaliknya di sisi aktivitas BSI dinyatakan belum efektif dan efisien. Pada dasarnya merger dipilih sebagai strategi karena dianggap cara instan untuk mencapai tujuan perusahaan tanpa harus membuat bisnis baru dan memiliki pengaruh terhadap kinerja keuangan.

Abstract: The Impact Of Merger On Bank Syariah Indonesia Financial Performance. The purpose of this study is to analyze the differences in financial performance at Bank Syariah Indonesia (BSI) before and after the merger. This study uses a paired sample t-test difference test with three Islamic banks used as research samples. The results showed that the financial performance in terms of Liquidity, Solvency and Profitability showed that BSI after the merger was better than before the merger, on the other hand, on the activity side, BSI was declared ineffective and inefficient. Basically, merger was chosen as a strategy because it is considered an instant way to achieve company goals without having to create new business and have an influence on financial performance.

Disitasi sebagai: Putri, L.W., & Ningtyas, M.N. (2022). The Impact Of Merger On Bank Syariah Indonesia Financial Performance. *IMANENSI: Jurnal Ekonomi Manajemen, dan Akuntansi Islam*, 7(2), 1-12. <https://doi.org/10.34202/imanensi.7.2.2022.1-12>.

1. BACKGROUND

The goal of Bank Syariah Indonesia was to promote Indonesia as the global Islamic economy's hub and a new pillar of national economic strength. The state-sponsored merger of Islamic banks has been meticulously planned through the Islamic Economics Master Plan 2019-2024. This Sharia Economic Master Plan was developed

in collaboration with the Government of the Republic of Indonesia and all stakeholders of the National Sharia Finance Committee. Its mission is to assist Indonesia's sharia economy in growing. The document, as well as all stages of its development, is an attempt to increase the role of various sharia economic sectors in national development.

The merger of state-owned Islamic banks BRI Syariah, BNI Syariah, and Mandiri Syariah resulted in Bank Syariah Indonesia. After the merger, total assets will be around Rp 214.6 trillion, with core capital exceeding Rp 20.4 trillion, according to semester I/2021. In terms of assets, Bank Syariah Indonesia will be one of Indonesia's top ten banks and one of the top ten banks by market capitalization, asset value, and core capital in the world. BRIS will be the recipient bank for the merger of other state-owned Islamic banks into BRIS, known in this transaction as survivor banks (Wiyono, 2021). This merger activity brings together the strengths of the three Islamic banks in the hope of providing more comprehensive services, a wider reach, and greater efficiency.

Essentially, merger was chosen as a strategy because it was seen as a quick way to reach the company without having to start a new company. The merger can boost the company's success in terms of size, stock market, and ensuring business in a short period of time (Fernando & Edi, 2021). Apart from increasing efficiency, competitiveness, size, and performance, the primary motivation for banks to merge is to increase capital in order to meet the Capital Adequate Ratio (Sutedi, 2007). Merger activities have significant non-financial and financial consequences, regardless of the benefits and objectives of the bank that is merging. Employees, management, and other non-financial stakeholders can all see it this way (consumers, suppliers, and creditors). Meanwhile, its financial performance, as measured by its financial ratios, shows that it is doing well (Aprilia & Oetomo, 2015).

According to the findings of previous research, post-merger financial performance of Islamic banks in terms of liquidity, the bank's ability to pay short-term obligations is better than in the pre-merger period because the post-merger company's current assets are stronger. This is because the composition of total assets has changed as a result of the merger of several companies (Suudyasana, 2015). In terms of solvency, it demonstrates that financial performance has improved since the merger. This demonstrates that the capital required to cover total assets prior to the merger is greater than prior to the merger. The increase in capital following the merger may increase capital's ability to minimize asset risk prior to the merger. (Astuti & Drajat, 2021). Prior to the merger, the company's ability to increase profitability was limited (Maemunah, 2017). This demonstrates that the average proportion of profits derived from operational activities is higher after the merger than before the merger. The reason for this is an increase in the number of customers, which increases revenue significantly. Bank management's ability to manage equity to generate net income or profit is also successful. Meanwhile, according to Dinanti, et al (2021), post-merger financial performance describes a positive change after the merger when measured using the activity ratio. This means that if the turnover of assets or capital is transparently disclosed, it will send a strong signal to investors to invest in companies with a high activity ratio.

Similar studies that analyze the impact of mergers on conventional and Islamic bank financial performance include Afriani (2012), Lai, et al (2015), Pandjaitan & Wahyudi (2016), Sundari (2016), Putri & Afriyeni (2018), Goso, et al (2019),

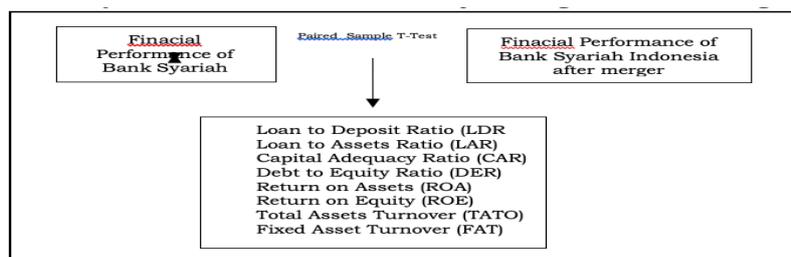
Rulikinanti et al (2019), Irawan (2021), Alimun, et al (2022), and Reskatya & Susilowati (2022). Based on the aforementioned issues, this study was conducted with the goal of comparing Bank Syariah Indonesia's financial performance before and after the merger. The study's findings can later be used to provide empirical evidence about the merger's impact on Bank Syariah Indonesia's financial performance whether there are differences.

2. METHOD

The research method used is quantitative. This study is comparative research. The financial performance of Bank Syariah Indonesia companies before and after the merger is compared in this study including liquidity, solvency, profitability, and bank activities covering all assets, total liabilities and equity. This study uses secondary data in the form of numbers from BRI Syariah, BNI Syariah, and Bank Syariah Mandiri's monthly financial statements for the one-year period prior to the merger (2020) and the financial statements of Bank Syariah Indonesia following the merger (2021), which are then analyzed using the use ratio. Secondary data was gathered from the official websites of Bank Syariah Indonesia (<https://www.bankbsi.co.id>) and the OJK (<https://www.ojk.go.id>), as well as other sources such as news, the internet, and books. The data collection technique used by the researcher is determined by the source and type of data used in this study.

The ratio analysis is divided into three major categories, according to Kasmir (2016) and Darmawan (2020) namely liquidity, solvency, and profitability, while Suwiknyo (2010) includes one additional ratio, the activity ratio. As a result, the authors of this study divide ratio analysis into four major groups when assessing bank financial performance, the ratio indicators used are Loan to Deposit Ratio (LDR) and Loan to Asset Ratio (LAR) on Liquidity Ratio, Capital Adequacy Ratio (CAR) and Debt to Equity Ratio (DER) on Solvency Ratio, Return On Assets (ROA) and Return On Equity (ROE) on Profitability Ratios, as well as Total Assets Turnover (TATO) and Fixed Asset Turnover (FAT) on Activity Ratio. The formulas for the ratios used in assessing the financial performance of post-merger banks are listed in Table 1.

There are 3 stages in the processing of this research data, namely: 1) Calculate financial ratios, to assess financial performance; 2) Normality test using Kolmogorov-Smirnov, to determine whether the data is normally distributed. The data meets the assumptions to be processed in the next test, if the significance value is more than 0.05 so it can be called normally distributed. The results of the normality test determine the different tests that will be carried out afterwards. if it is normally distributed then use the Paired Sample T-Test, whereas if it is not normally distributed then use the Wilcoxon Signed Rank Test; 3) Different test using Paired Sample T-Test or Wilcoxon Signed Rank Test to prove whether there is a significant difference in performance between before the merger and after the merger processed using SPSS.



Picture 1. Conceptual Framework

Tabel 1. The formulas for the ratios used in assessing the financial performance of post-merger banks

Variable	Description/Function	Indicator
LDR	Ratio that indicates a bank's repayment capacity depositor withdrawals using credit provided as collateral (Darmawan, 2020). The higher the ratio, the less liquid the bank's holdings are.	$LDR = \frac{\text{Total Loans/Debt}}{\text{Total Deposit}} \times 100\%$
LAR	Ratio that assesses a bank's abilities to fulfill bank lending by utilizing total assets. The higher this ratio, the lower the level of liquidity Because the assets required to finance credit are becoming larger. (Christianty & Wenno, 2022).	$LAR = \frac{\text{Total Loans/Debt}}{\text{Total Assets}} \times 100\%$
CAR	The ratio used to measure how much of a bank's total risky assets are financed by its own capital (Christianty & Wenno, 2022).	$CAR = \frac{\text{Total Equity/Capital}}{\text{Risk - weighted assets (ATMR)}}$
DER	The ratio is used to assess a bank's ability to cover part or all of its forest both long term and short term with funds from equity/capital (Christianty & Wenno, 2022). For banks, the higher this ratio the better, because the potential profit will increase	$DER = \frac{\text{Total Liabilities}}{\text{Total Equity}} \times 100\%$
ROA	The ratio used to assess the performance of bank management in maximizing the value of assets owned (Thian, 2020) The greater this ratio, the higher the profit obtained and the stronger its position in asset management.	$ROA = \frac{\text{Net Profit Before Tax}}{\text{Total Assets}} \times 100\%$
ROE	A ratio is used to assess bank management's ability to manage available capital profitably (Christianty & Wenno, 2022). The increase in this ratio indicates that the bank's profits have increased.	$ROE = \frac{\text{Net Profit}}{\text{Total Equity}} \times 100\%$
TATO	A ratio that measures how effectively the company's overall assets are turned over (Silalahi & Ginting, 2020). The higher the TATO ratio, the more profitable the company's asset turnover will be.	$TATO = \frac{\text{Operating Income}}{\text{Total Assets}} \times 100\%$
FAT	A ratio used to evaluate a bank's ability to generate income from its fixed assets (Sukamulja, 2021). The greater the FAT ratio, the better the management of company assets.	$FAT = \frac{\text{Fixed Assets}}{\text{Total Assets}} \times 100\%$

3. RESULT AND DISCUSSION

In this study, two statistical tests are performed. After calculating the ratio, a normality test is used to see if the data is normally distributed, and a Paired Sample T-Test is used to see if the research hypothesis is correct. The results of testing the normality data are LDR, LAR, CAR, DER, ROA, ROE, TATO FAT before and before the merger using the Kolmogorov Smirnov test in Table 2. The data meets the assumptions for processing the next test, the Paired Sample T-Test, based on the test results. Because if the value is greater than 0.05, the data distribution is declared to meet the assumption of normality, whereas if the value is less than 0.05, it is interpreted as abnormal.

Table 2. Normality Test Result

Ratio	Significance Level	Description
LDR	0.999	Normal
LAR	0.997	Normal
CAR	1.000	Normal
DER	0.997	Normal
ROA	0.894	Normal
ROE	0.644	Normal
TATO	0.996	Normal
FAT	0.987	Normal

Table 3. Paired Sample T-Test

Ratio	t	Sig. (2-tailed)	α	Conclusion
LDR	3.482	0.005	0.05	Accepted
LAR	2.262	0.045	0.05	Accepted
CAR	-35.355	0.000	0.05	Accepted
DER	-1.377	0.196	0.05	Rejected
ROA	-4.914	0.000	0.05	Accepted
ROE	-5.018	0.000	0.05	Accepted
TATO	.729	0.481	0.05	Rejected
FAT	-2.638	0.023	0.05	Accepted

The Paired Sample T-Test statistical test results revealed a significant difference between before and after the merger, as indicated by a significance value of 0.005, which was less than $\alpha = 0.05$. Based on a different test using Paired Sample T-Test on liquidity with indicators of Loan to Deposit Ratio (LDR) and Loan to Asset Ratio (LAR), both of them show that there are significant differences after the merger. evidenced by the level of significance is smaller than 0.05 in the table 3. This shows the level of effectiveness of the bank in utilizing assets, channeling funds in the form of credit from funds collected from third party funds or using the total assets owned successfully. So the conclusion is that there are differences in the level of liquidity of Bank Syariah Indonesia after the merger for the better. The results of this study are in line with the research of Astuti & Drajat (2021), Alimun, et al (2022) and Lai, et al (2015), which states that there is a positive difference in bank liquidity after the merger because they have stronger financial support to provide more loans to customers, but this result is contradict of Afriani (2012).

A Paired Sample T-Test on the solvency ratio with indicators of the Capital Adequacy Ratio (CAR) and Debt to Equity Ratio (DER), the CAR ratio has a significant difference because the significance value is less than 0.05, whereas the DER ratio shows the opposite result. This is because a high DER at the bank shows the greater the number of customers who save their money in the bank, but it has not been maximized after the merger at Bank Syariah Indonesia. The results of this study are in line with research by Afriani (2012), Sundari (2016), and Irawan (2021) which state that there is no difference in DER in banks after a merger. So it can be concluded that Bank Syariah Indonesia is increasingly improving the performance of its banks in dealing with potential losses and can manage management performance correctly, measurably, and carefully, but it is still not effective in paying off part or all of its debts with its own capital.

Based on a different test using a Paired Sample T-Test on profitability ratios with indicators of Return on Assets (ROA) and Return on Equity (ROE), both of them show a significant difference after the merger evidenced by a significance level less than 0.05 in the table above. This shows the better performance of Bank Syariah Indonesia in generating profits after the merger which increases the bank's reputation in the eyes of investors. So the conclusion is that there are differences in the level of profitability of Bank Syariah Indonesia after the merger for the better. The results of this study are in line with research by Alimun, et al (2022), dan Reskatya & Susilowati (2022) which state that high profitability in banks indicates better financial performance, and the returns obtained also increase. but this result contradicts the research of Irawan (2021).

A Paired Sample T-Test on the activity ratio with indicators of the Total Assets Turnover (TATO) and Fixed Asset Turnover (FAT), the FAT ratio has a significant difference because the significance value is less than 0.05, whereas the TATO ratio shows the opposite result. This is because asset turnover did not increase significantly after the merger which resulted in revenue not increasing as well to accelerate the increase in profit generated. The results of this study are in line with the research of Kurniati & Asmirawati (2021) and Alimun, et al (2022) which state that there is no significant difference in TATO after the merger. So that it can be said that Bank Syariah Indonesia have not been effective or efficient in maximizing profits from the total turnover of assets owned.

3.1 Financial Performance of Bank Syariah Indonesia Before and After the Merger

Ratio analysis can be used to determine the financial performance of Bank Syariah Indonesia before and after the merger (Aprilia & Oetomo, 2015). The table below displays the results of the calculation of the ratios used to assess Bank Syariah Indonesia's financial performance in terms of liquidity, solvency, profitability, and activity. The financial performance of BSI before and after the merger is shown in Table 4. According to the table 4, the ratio indicators used to measure solvency and profitability are improving after the merger, but the liquidity and activity ratio is declining. This is evidenced by the results in the table above where the proxied liquidity ratio LDR and LAR ratio on average after the merger is smaller than before the merger. The average decreased to 74.43% and 65.15% which previously was 77.22% in the LDR ratio and 66.55% in the LAR ratio. but this decrease is a good sign because it indicates that the liquidity of Bank Syariah Indonesia is better after the merger, because the interpretation of the ratio is lower, indicating the level of effectiveness of the bank in channeling funds in the form of credit is achieved. The same thing is also found in the solvency ratio which is proxied by the CAR and DER ratios where the average financial performance after the merger is greater than before the merger. The average increased to 20.88% and 934.11% which previously was 17.58% in the CAR ratio and 949.69% in the DER ratio. This increase is a good sign because it indicates that the solvency of Bank Syariah Indonesia is better after the merger, because the higher the interpretation of the ratio, the better the bank's performance in dealing with the possible risk of loss and being able to manage management performance in a correct, measurable and prudent manner.

The profitability ratios also get the same results where the average ROA and ROE ratios increase to 0.88% and 6.79% which previously were 0.68% in the ROA ratio and 5.19% in the ROE ratio. This increase is a good sign because it indicates that the profitability of Bank Syariah Indonesia is better after the merger, because the higher the interpretation of the ratio, the better the bank's performance in generating profits and improving the reputation of the bank in the eyes of investors. However, in the

average activity ratio, the ratio of TATO and FAT decreased to 3.04% and 242.20%, previously 3.07% for the TATO ratio and 504.72% for the FAT ratio. The decrease in this ratio indicates that the activities of Bank Syariah Indonesia have not been better after the merger, because the interpretation is that the greater the ratio, the more efficient the use of assets, the faster the increase in income to earn profits and this is inversely proportional to the results obtained in the activity ratio.

Table 4. The Differences in BSI Financial Performance Before and After the Merger

Ratio	Before Merger				After Merger
	BRIS	BNIS	BSM	Mean	BSI
	Liquidity				
LDR (%)	86,08	70,75	74,83	77,22	74,43
LAR (%)	71,75	61,60	66,31	66,55	65,15
	Solvency				
CAR (%)	16,67	20,34	15,73	17,58	20,88
DER (%)	872,47	882,24	1047,61	934,11	949,69
	Profitability				
ROA (%)	0,41	0,74	0,88	0,68	0,88
ROE (%)	2,63	5,48	7,48	5,19	6,79
	Activity				
TATO (%)	3,01	3,15	3,04	3,07	3,04
FAT (%)	469,39	737,47	307,29	504,72	242,20

3.1.1 Liquidity Ratio

Referring to the results of research that has been carried out using the three stages of data processing that has been carried out above, it can be seen that the financial performance of Bank Syariah Indonesia according to the LDR ratio is getting better after the merger. The resulting condition explains the LDR as measured by Total Loans divided by Total Deposit, detecting that prior to the merger, the financial performance of BRI Syariah was the highest with an average of 86% and BNI Syariah the lowest with an average value of 70%. But overall, the average financial performance of Bank Syariah Indonesia according to the calculation of the LDR ratio shows that it is lower after the merger, which is 74.43%. LDR can be used as an indicator to see how far the function of a bank as an intermediary institution can be achieved, and is used to assess the soundness and liquidity level of a bank. Based on the results that have been described, the financial performance of Bank Syariah Indonesia is more liquid after the merger, where these results are also strengthened by a different test which shows that there are differences in financial performance in the LDR ratio as an indicator in seeing how far the bank's function as an intermediary institution. According to Alimun, et al (2022) the ideal LDR value is <75%. So we can see that after the merger was carried out the bank's ability to disburse credit was more ideal than those banks before the merger was carried out.

LAR is a ratio that shows a bank's ability to meet credit requests by using its total assets as collateral. LAR is measured by Total Loans divided by Total Assets. From the data contained in the table, it can be seen that the LAR of BRI Syariah, BNI Syariah and Mandiri Syariah banks is 71.75%, 61.60%, 66.31%. This result is the

same as in the LDR ratio where the financial performance of BRI Syariah is the highest and BNI Syariah is the lowest. Overall, based on the calculation of the average Loan to Asset Ratio (LAR), the better after the merger to become Bank Syariah Indonesia with an average of 65.15% and strengthened by the results of the different test which shows that there are differences in financial performance in the LAR ratio as an indicator of the level of liquidity. with the total assets required to finance the credit. According to Lai, et al (2015), the LAR there is a difference in the positive direction after the merger because the financial condition of the merged bank is stronger than before so that it becomes stronger or declared more liquid.

3.1.2 Solvency Ratio

Solvency ratio indicators used to assess the financial performance of Bank Syariah Indonesia between before and after the merger are CAR and DER. Capital Adequacy Ratio (CAR) is a ratio that shows how much of a bank's total assets that contain risks are financed by the bank's own capital. In the results of research that has been carried out using the three stages of data processing that has been carried out above, it can be seen that the financial performance of Bank Syariah Indonesia according to the CAR ratio is getting better after the merger. The resulting conditions explain the CAR as measured by Total Equity divided by Risk-weighted assets, detecting that prior to the merger, the financial performance of BNI Syariah was the highest and Mandiri Syariah the lowest. However, overall, the average financial performance of Bank Syariah Indonesia according to the calculation of the CAR ratio shows that it is higher after the merger, which is 20.88%. Based on the results that have been described, the financial performance of Bank Syariah Indonesia is increasingly solvable after the merger, where these results are also strengthened by a different test which shows that there are differences in financial performance in the CAR ratio and the provisions in assessing the soundness of banks in accordance with the requirements set by the Bank for International Settlements (BIS), a bank is said to be healthy if it has a CAR above 8%, stating that Bank Syariah Indonesia is a healthy and increasingly solvable bank.

DER is a ratio that shows a bank's ability to pay off part or all of its debt with funds from equity. DER is measured by Total Liabilities divided by Total Equity. From the data contained in the table, it can be seen that prior to the merger, the financial performance of Mandiri Syariah was the highest and BRI Syariah the lowest. However, overall, the average financial performance of Bank Syariah Indonesia according to the calculation of the DER ratio shows that it is higher after the merger, which is 949.69%. However, the increase was not so significant that when a different test was performed using the paired sample t-test, the DER ratio showed no significant difference. This means that the Bank Syariah Indonesia after the merger is better but has not been able to significantly increase its financial performance. According to Afriani (2012), this can be seen from the increasing amount of debt that cannot be matched by the bank's own capital. So that Bank Syariah Indonesia should pay more attention to this so that the increase is more significant because a high DER at the bank shows the greater the number of customers who save their money in the bank. The greater the number of customer deposits in the bank, the more funds that can be channeled as credit by the bank.

3.1.3 Profitability Ratio

The profitability ratio indicators used to assess the financial performance of Bank Syariah Indonesia between before and after the merger are ROA and ROE. Return on Assets (ROA) is a ratio used to measure a bank's ability to obtain overall benefits from its assets. In the results of the research that has been done above, it can be seen that the financial performance of Bank Syariah Indonesia according to the ROA ratio is

better after the merger. The resulting conditions explain the ROA as measured by Net Profit Before Tax divided by Total Assets, detecting that before the merger, the financial performance of Mandiri Syariah was the highest and BRI Syariah the lowest. However, overall, the average financial performance of Bank Syariah Indonesia according to the calculation of the ROA ratio showed that it was higher after the merger, which was 0.88%. Based on the results that have been described, the financial performance of Bank Syariah Indonesia is getting more profitable after the merger, where these results are also strengthened by a different test which shows that there are differences in financial performance in the ROA ratio. According to Alimun, et al (2022), the increase in ROA after the merger is because with the merger the company's expenses for all costs will be more efficient than before the merger.

ROE is a ratio used to measure the performance of bank management in managing available capital to earn a profit. ROE is measured by Net Profit divided by Total Equity. From the data contained in the table, it can be seen that the ROE of BRI Syariah, BNI Syariah and Mandiri Syariah banks is 2.63%, 5.48%, 7.48%. This result is the same as in the ROA ratio where the financial performance of Mandiri Syariah is the highest and BRI Syariah is the lowest. Overall, based on the calculation of the average ROE, the better after the merger into Bank Syariah Indonesia with an average of 6.79% and strengthened by the results of a different test which shows that there are differences in financial performance in the ROE ratio as an indicator of the level of profitability with total equity required to earn a profit. So we can see that after the merger, the bank's ability to earn a profit from both total assets and equity is more ideal than before the merger.

3.1.4 Activity Ratio

The activity ratio indicators used to assess the financial performance of Bank Syariah Indonesia between before and after the merger are TATO and FAT. Total Assets Turnover (TATO) is a ratio to measure how successful the overall assets of the bank are used to turn over effectively to increase revenue. In the results of the research that has been done above, it can be seen that the financial performance of Bank Syariah Indonesia According to the TATO ratio was better before the merger. The resulting conditions explain TATO as measured by Operating Income divided by Total Assets detecting that prior to the merger, the financial performance of BNI Syariah was the highest and BRI Syariah the lowest. However, overall, the average financial performance of Bank Syariah Indonesia according to the calculation of the TATO ratio shows that it is lower after the merger, which is 3.04%. Based on the results that have been described, the financial performance of Bank Syariah Indonesia In terms of activity has not been optimal after the merger, where the results are also strengthened by a different test which shows that there is no difference in financial performance in the TATO ratio. According to Alimun, et al (2022), this indicates that the effectiveness of Bank Syariah Indonesia using their assets is not much different from before the merger was carried out because this merger was carried out recently for about a year, so there have not been many changes in terms of the company's activities.

FAT is a ratio to evaluate the bank's ability to utilize its fixed assets to generate income. FAT is measured by Fixed Assets divided by Total Assets. From the data contained in the table, it can be seen that the FAT of BRI Syariah, BNI Syariah and Mandiri Syariah banks is 469.39%, 737.47%, 307.29%. Overall, based on calculations, the average FAT was getting better before the merger, after the merger into Bank Syariah Indonesia the average dropped to 242.20%. This significant decrease is also reinforced by the results of a different test which shows that there are differences in financial performance in the FAT ratio as an indicator of the level

of activity turnover with fixed assets to earn a profit. So we can see that after the merger, the ability of bank activities to earn profits from both total assets and fixed assets is still not optimal after the merger. According to Alimun, et al (2022), this is closely related to the effectiveness of Bank Syariah Indonesia in using their business assets, so that in terms of earning income.

4. CONCLUSION

According to the results of a Paired Sample T-Test on the liquidity ratio with the indicators of the Loan to Deposit Ratio (LDR) and Loan to Asset Ratio (LAR) ratios mentioned above, there is a significant difference in the financial performance of Bank Syariah Indonesia before and after the merger. This is supported by results with a significance level of less than 0.05. The profitability ratio, as measured by the Return On Assets (ROA) and Return On Equity (ROE) ratio indicators, shows the same results. While there is only one ratio indicator that shows a substantial difference after the merger in the ratio of solvency and activity, it is the ratio of Capital Adequacy Ratio (CAR) and Fixed Asset Turnover (FAT). The Debt to Equity Ratio (DER) and Total Assets Turnover (TATO) ratio indicators, on the other hand, show the opposite with values greater than 0.05 where there is no difference after the merger. This is because the ability of banks to cover part or all of their long-term and short-term debts with bank funds originating from the bank itself is getting better after the merger. This can be seen from the increasing number of debts (liabilities) which cannot be matched by the bank's own capital. Meanwhile, in the TATO ratio, the assets owned increased after the merger but the asset turnover has not been able to make the income obtained also increase significantly. So it is necessary to take steps to optimize asset turnover to increase revenue.

Referring to the results described above, it is hoped that this research can be used as a reference for customers and potential investors who will invest in Bank Syariah Indonesia. Bank Syariah Indonesia's financial performance has improved since the merger, though several ratio indicators have yet to show a significant difference in favor of improvement. This can be used as a reference in the future to further improve it through supervision of how the bank performs the overall turnover of assets owned to earn a profit and how the bank pays part or all of its forest with funds from capital, both long term and short term.

Our suggestion is Bank Syariah Indonesia will focus more on building strategies that can increase customer interest so that the activities or operations of Bank Syariah Indonesia become better, in addition to the success of Bank Syariah Indonesia in managing financial performance. It is necessary to maintain liquidity and profitability. Suggestions for further research include expanding the observation period, considering that this research has a research limitation, namely the observation period carried out only one year before and after the merger, this is due to adjusting the financial statements available at the time the researcher conducts this research, so that in the future it is expected to be able to expand the observation period and add indicators ratio such as market ratio to better describe the actual financial condition.

REFERENCE

- Afriani, D. A. (2012). *Analysis of Financial Performance Before and After Bank Merger (Case Study: Bank UOB Indonesia)*.
- Alimun, P. R., Kasim, A., & Mamonto, A. (2022). Analisis Kinerja Keuangan Bank Syariah Sebelum Dan Setelah Merger Dilihat Dari Rasio Profitabilitas, Likuiditas Dan Aktivitas. *Mutanaqishah: Journal of Islamic Banking*, 2(1).

- Aprilia, N. S., & Oetomo, H. W. (2015). Perbandingan Kinerja Keuangan Sebelum dan Sesudah Akuisisi pada Perusahaan Manufaktur. *Jurnal Ilmu Dan Riset Manajemen (JIRM)*, 4(12), 1–19.
- Astuti, D., & Drajat, D. Y. (2021). Analisis Perbandingan Kinerja Keuangan Sebelum dan Sesudah Merger pada PT Bank Woori Saudara Indonesia 1906 Tbk. *Jurnal Sain Manajemen*, 3(1), 30. <http://ejurnal.ars.ac.id/index.php/jsm/index>
- Dinanti, A. P. M., Ubaidillah, M., & Novitasari, M. (2021). Analisis Perbandingan Kinerja Keuangan Sebelum Dan Sesudah Merger Dan Akuisisi (Studi Empiris pada Perusahaan yang melakukan Merger dan Akuisisi di tahun 2016). *Seminar Inovasi Manajemen Bisnis Dan Akuntansi (SIMBA) 3*. <https://amp.kompas.com>
- Fernando, & Edi. (2021). Analisis Perbandingan Kinerja Perusahaan Sebelum Dan Sesudah Merger Dan Akuisisi Pada Perusahaan Yang Terdaftar Di BEI. *Conference on Management, Business, Innovation, Education and Social Science*, 1(1).
- Goso, Muhani, M., & Amriani. (2019). Analisis Manajemen Laba dan Kinerja Keuangan Bank Mandiri Sebelum dan Sesudah Merger Di BEI. *Equilibrium: Jurnal Ilmiah Ekonomi, Manajemen Dan Akuntansi*, 7(1), 34–43.
<https://www.bankbsi.co.id>
<https://www.ojk.go.id>
- Irawan, F. (2021). Pengaruh Merger Terhadap Kinerja Keuangan Perusahaan Yang Terdaftar Di Daftar Efek Syariah Periode Tahun 2015-2020. *Jurnal Iqtishaduna: Economic Doctrine*, 4(2), 570–680.
- Lai, K. Y., Ling, T. P., Eng, T. K., Cheng, L. S., & Ting, L. F. (2015). Financial Performance of Malaysia Local Banks: During Periods of Pre-Merger and Post-Merger. *Journal of Economics, Business and Management*, 3(9). <https://doi.org/10.7763/joebm.2015.v3.293>
- Maemunah, H. (2017). Pengaruh Merger Terhadap Rentabilitas pada Bank Danamon (Studi Kasus di Bursa Efek Surabaya). *Inventory : Jurnal Akuntansi*, 1(2), 24–34.
- Pandjaitan, F. L., & Wahyudi, S. (2016). Analisis Kinerja Keuangan pada Bank CIMB Niaga Setelah dan Sebelum Merger. *Diponegoro Journal of Management*, 5(4), 1–15. <http://ejournal-s1.undip.ac.id/index.php/dbr>
- Putri, K. A., & Afriyeni, E. (2018). Komparasi Rasio Keuangan PT. Bank CIMB Niaga, Tbk Sebelum dan Sesudah Merger. *Jurnal Ilmiah Polibisnis*, 10(1), 1–10.
- Reskatya, L., & Susilowati, L. (2022). Komparasi Kinerja Keuangan Sebelum dan Selama Pandemi Covid-19 Pada Bank Syariah Indonesia. *Jurnal At-Tamwil: Kajian Ekonomi Syariah*, 4(1).
- Rulikinanti, D., DP, R. W., & Indrianasari, N. T. (2019). Analisis Kinerja Keuangan PT. Bank CIMB Niaga Sebelum dan Sesudah Merger (Yang Terdaftar di BEI Tahun 2006, 2007, 2010, 2011). In *Jurnal Riset Akuntansi* (Vol. 1, Issue 3). <http://jkm.stiewidyagalumajang.ac.id/index.php/jra>
- Sarwono, J., & Suhayati, E. (2010). *Riset Akuntansi Menggunakan SPSS* (1st ed.). Graha Ilmu.
- Sundari, R. I. (2016). Kinerja Merger dan Akuisisi pada Perusahaan Go Public. *Telaah Bisnis*, 17(1).
- Sutedi, A. (2007). *Hukum Perbankan : Suatu Tinjauan Pencucian Uang, Merger, Likuidasi, dan Kepailitan*. Sinar Grafika .
- Suudyasana, A. (2015). Analisis Perbedaan Kinerja Keuangan Sebelum dan Sesudah Merger. *Jurnal Ilmu & Riset Akuntansi*, 4(3).
- Wiyono, W. M. (2021). Dampak Merger 3 (Tiga) Bank Syariah BUMN Terhadap Perkembangan Ekonomi Syariah. *Cakrawala Hukum Majalah Ilmiah Fakultas Hukum Universitas Wijaya Kusuma*, 23(1), 65–73.

Halaman ini sengaja dikosongkan