The Analysis of Differences in Financial Performance of Conventional Commercial Banks and Sharia Commercial Bank

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A R T I C L E I N F O	ABSTRACT
	The study aims to determine the difference in financial performance between Conventional Commercial Banks and Sharia Commercial Banks in Indonesia from 2015 to 2019. The financial ratios examined are CAR (Capital Adequacy Ratio), ROA (Return On Asset), ROE (Return On Equity), NPL (Non Performing Loan), LDR (Loan To Deposit Ratio). The population of conventional commercial banks is 96 banks and the population of Sharia commercial banks is 14 banks. After sampling with purposive sampling method, 11 conventional commercial banks and 11 Sharia commercial banks that meet the sampling criteria were obtained. This study used Kolmogrov Smirnov normality test analysis technique and independent sample t-test with the help of IBM SPSS Statistic 21. The result shows significant difference in finantial ratios between Conventional Commercial Banks and Sharia Commercial Banks in Indonesia from 2015 to 2019. *This is an open access article under the CC BY-NC license.*

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1. INTRODUCTION

Banks play a crucial role in the economy as financial intermediaries (Okello Candiya Bongomin et al., 2020). According to Article 1, paragraph (2) of Law No. 10 of 1998, which amends Law No. 7 of 1992 concerning banking, banks are business entities that gather funds from the public in the form of deposits and distribute them to the public in the form of credit or other means, to improve the lives of many people. There are two types of banks in Indonesia - one that operates conventionally and the other that operates based on Sharia principles and follows the profit-sharing model instead of charging interest.

The development of the Sharia finance industry in Indonesia started informally even before the issuance of a formal legal framework for banking operations (Hidayat et al., 2018). Various non-bank financing business entities had been established before 1992 that had applied the concept of profit sharing in their operational activities. This reflects the community's need for financial institutions that can provide financial services while following Sharia principles (Aviva et al., 2020)

The realization of a Sharia-compliant banking system has met the needs of the community, and the government has included this possibility in the new law (Abubakar & Handayani, 2021). Law No.7 of 1992 on Banking has indirectly opened up opportunities for banking business activities with a profit-sharing basis. Government Regulation No. 72 of 1992 on Banks Based on Profit-Sharing Principles has indirectly opened the opportunity for banking business activities that have the basis of

profit-sharing operations, which are elaborated in detail in Government Regulation No. 72 of 1992. These provisions have served as the legal basis for the operation of Sharia banks in Indonesia.

From 1992 until 1998, there was only one Sharia Commercial Bank operating, along with 78 Sharia Rural Banks (BPRS). However, in 1998, Law No. 10 of 1998 was passed to amend Law No. 7 of 1992 on banking. This amendment led to a series of changes that provided even greater opportunities for the development of Sharia banks. The law now regulates in detail the legal basis and types of businesses that can be operated and implemented by Sharia banks, while also providing guidance for conventional banks to open Sharia branches or even convert themselves totally into Sharia banks (Indra Tektona, n.d.)

It is interesting to note that despite the intensifying competition, conventional banks still dominate the banking industry in Indonesia (Adita & Kusuma, n.d.). This begs the question of whether Sharia banks can truly compete with their conventional counterparts. As a result, it is important to compare the financial performance of both conventional and Sharia banks to gain a better understanding of their respective strengths and weaknesses. Financial performance is a reflection of a company's operating activities that are presented through various financial figures (ASNIWATI & VIDDY, 2023). These figures can include revenue, profits, expenses, and other financial metrics that help evaluate the overall health of the company. The bank's financial performance can be gauged by analyzing its financial statements, such as the statements of financial position and comprehensive income (Ali Abebe, 2022) If these statements are prepared accurately and in compliance with accounting standards, they can provide a clear picture of the bank's performance over a specific period. This information is crucial in evaluating the bank's financial performance (Padberg, 2017)

Bank financial performance refers to the financial state of a bank during a specific period, which includes both raising and channeling funds (Dell et al., 2013). The evaluation of a bank's performance is achieved through an analysis of its financial statements, which is a crucial source of information, along with other factors such as industry trends, economic conditions, market share, management quality, and more (Hakim, 2018). A financial performance can be assessed based on its financial statements, which provide an overview of its overall financial state (Fatihudin & Mochklas, 2018). Report also reflects the management's performance during the period under consideration.

The Capital Adequacy Ratio (CAR) is a measure of a bank's ability to support assets that involve risk, and is expressed as the ratio of capital adequacy owned by the bank to such assets (Kepramareni et al., 2022). The calculation for the CAR involves dividing the bank's capital by its risk-weighted assets (RWA). It is believed that the better the performance of a bank, the higher its CAR ratio (Kurniawati et al., 2018). This is because the bank's capital is better able to bear the risk of each risky productive asset credit. Therefore, a higher CAR ratio is considered a positive sign for a bank's financial health (Nurwulandari et al., 2022).

ROA, which stands for Return on Assets, is a measure of the bank's ability to generate profit using its assets (Diaz & Pandey, 2019). It is calculated based on BI Circular Letter No.13/24/DPNP dated 25 October 2011, and is one of the profitability ratios used to assess a company's ability to generate earnings from its assets. By assessing the company's ability based on past profit income, ROA can provide valuable insights into how effectively it uses its assets to generate revenue and profits (Diaz & Pandey, 2019). This information can then be used to make informed decisions about allocating resources in the next period for optimal results.

ROE, which stands for Return on Equity, represents the ratio between a bank's net profit and its capital (Norman, 2017). ROE is an essential indicator for shareholders and potential investors to measure the bank's ability to earn net income associated with dividend payments (Choiriyah et al., 2021). Increase this ratio means an increase in the net income of the profit in question is related to possible dividend payments (especially for banks that have gone public).

Non-Performing Loan (NPL) for Sharia banks uses a different term, Non-Performing Financial (NPF) (Nurullaily, 2016a). This is because Sharia banks use a financing system instead of credit. But NPL and NPF have the same meaning. A non-performing loan is one way or a key for a bank to assess whether the bank is functioning well or not (Khan et al., 2020). The NPL will allow the bank to assess how much capital the bank has. NPL is related to non-performing loans; not all banks

have customers who diligently pay their credit, but there are also customers who are late in paying their credit, not only for a month or two months but for months (Ben Salem et al., 2020).

Loan Deposit Ratio (LDR) is a ratio that compares the amount of credit provided with the amount of third-party funds (Yanti & Hartono, 2019). This variable is measured by calculating the total loans compared to the whole third-party funds. LDR is used for conventional banks, while Sharia banks use FDR (Financing to Deposit Ratio) (Kasanah et al., 2022). Financing to Deposit Ratio (FDR) or Loan to Deposit Ratio (LDR) is a ratio used to measure and describe the comparison between the amount of credit (financing) disbursed to customers and the amount of funds received (Nurullaily, 2016b). According to government regulations, the maximum amount of this ratio is 110%. Through this ratio, the bank's ability to repay withdrawals made by customers by relying on loans provided as a source of liquidity can be seen.
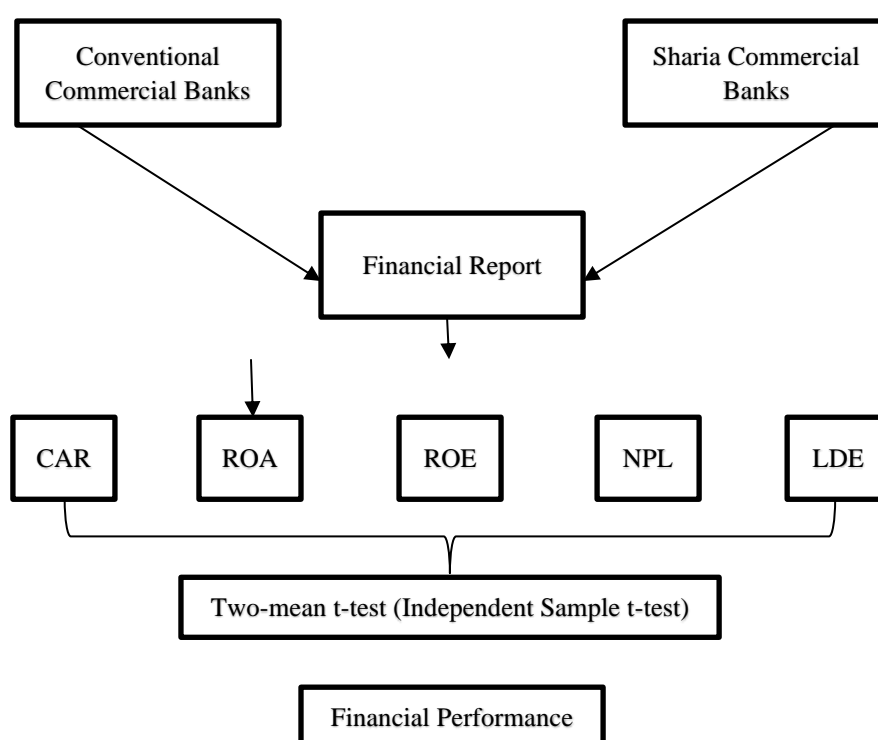

Figure 1. Framework of Research

2. RESEARCH METHOD

The population in this study are conventional commercial banks and Sharia commercial banks in Indonesia. Based on Indonesian Banking Statistics data for December 2019 released by the Indonesian Financial Services Authority, there are 96 conventional commercial banks, while Sharia Banking Statistics data for December 2019 shows 14 Sharia commercial banks in Indonesia. There are 96 traditional retail banks, while Sharia Banking Statistics data for December 2019 shows 14 Sharia commercial banks in Indonesia.

This study uses a non-probability sampling technique, namely, purposive sampling. Purposive sampling is based on the researcher's subjective considerations, where conditions are made as criteria that the sample must meet (Prof. Dr. Mohamad Rizan et al., 2022) After analysing based on the sampling criteria, the researchers decided on a sample of conventional commercial banks in this study, namely Bank Central Asia, Bank Rakyat Indonesia, Bank Negara Indonesia, Bank Mandiri, Bank Bukopin, Bank Jabar Banten, Bank Maybank, Bank Tabungan Pensiunan Nasional, Bank Victoria, Bank Mega, Bank Panin. Bank, Victoria Bank, Mega Bank, Panin Bank. Sharia commercial banks selected as samples are Bank Central Asia Sharia, Bank Rakyat Indonesia

Sharia, Bank Negara Indonesia Sharia, Bank Mandiri Sharia, Bank Bukopin Sharia, Bank Jabar Banten Sharia, Bank Maybank Sharia, Bank Tabungan Pensiunan Nasional Sharia, Bank Victoria Sharia, Bank Mega Sharia, Bank Panin Sharia.

3. RESULTS AND DISCUSSIONS
Normality Test of Data (Kolmogrov Smirnov)

The data normality test is a test to determine the distribution form of data, which is usually or abnormally distributed (Ghasemi & Zahediasl, 2012). This test is a prerequisite for data analysis using the Independent Sample T-Test. The Independent Sample T-test can be used if data passes the normality test. The Kolmogorov- Smirnov is a data normality test using the Kolmogorov-Smirnov rule (Hanusz & Tarasińska, 2015). Data requirements are typically distributed if the probability or p> 0.05, while if the probability or p < 0.05, then the data is not normally distributed (Greenland et al., 2016).

Table 1 shows that the financial ratio data of conventional and Sharia banks, based on the Kolmogorov-Smirnov normality test, produces a significant value of more than 0.05, meaning that all variables are typically distributed in this study.

Table 1. Data Normality Test Results (Kolmogrov Smirnov)

Bank BCA				Bank BCA Sharia			
Ratio	Kolmogorov-Smirnova			Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.272	5	0.200	CAR	0.217	5	0.200
ROA	0.349	5	0.146	ROA	0.349	5	0.146
ROE	0.223	5	0.200	ROE	0.144	5	0.200
NPL	0.376	5	0.200	NPL	0.211	5	0.200
LDR	0.259	5	0.200	LDR	0.189	5	0.200
Bank BRI				**Bank BRI Sharia**			
Ratio	Kolmogorov-Smirnova			Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.280	5	0.200	CAR	0.186	5	0.200
ROA	0.236	5	0.200	ROA	0.226	5	0.200
ROE	0.286	5	0.200	ROE	0.185	5	0.200
NPL	0.348	5	0.147	NPL	0.214	5	0.200
LDR	0.194	5	0.200	LDR	0.221	5	0.200
Bank BNI				**Bank BNI Sharia**			
Ratio	Kolmogorov-Smirnova			Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.286	5	0.200	CAR	0.283	5	0.200
ROA	0.254	5	0.200	ROA	0.389	5	0.200
ROE	0.238	5	0.200	ROE	0.237	5	0.200
NPL	0.230	5	0.200	NPL	0.277	5	0.200
LDR	0.154	5	0.200	LDR	0.215	5	0.200

Bank Mandiri				**Bank Mandiri Sharia**		
Ratio	Kolmogorov-Smirnova		Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.374	5	0.121	CAR	0.313	5	0.122
ROA	0.271	5	0.200	ROA	0.314	5	0.120
ROE	0.279	5	0.200	ROE	0.309	5	0.134
NPL	0.203	5	0.200	NPL	0.179	5	0.200
LDR	0.320	5	0.104	LDR	0.286	5	0.200
Bank Bukopin				**Bank Bukopin Sharia**		
Ratio	Kolmogorov-Smirnova		Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.197	5	0.200	CAR	0.251	5	0.200
ROA	0.333	5	0.174	ROA	0.341	5	0.158
ROE	0.134	5	0.060	ROE	0.396	5	0.110
NPL	0.183	5	0.200	NPL	0.248	5	0.200
LDR	0.299	5	0.165	LDR	0.199	5	0.200
BANK BJB				**BJB Sharia**		
Ratio	Kolmogorov-Smirnova		Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.275	5	0.200	CAR	0.264	5	0.200
ROA	0.232	5	0.200	ROA	0.346	5	0.150
ROE	0.161	5	0.200	ROE	0.355	5	0.138
NPL	0.419	5	0.200	NPL	0.286	5	0.200
LDR	0.285	5	0.200	LDR	0.230	5	0.200
Bank Bank Maybank				**Bank Maybank Sharia**		
Ratio	Kolmogorov-Smirnova		Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.175	5	0.200	CAR	0.275	5	0.200
ROA	0.291	5	0.192	ROA	0.192	5	0.200
ROE	0.168	5	0.200	ROE	0.199	5	0.200
NPL	0.244	5	0.200	NPL	0.365	5	0.200
LDR	0.263	5	0.200	LDR	0.325	5	0.092
BTPN				**BTPN Sharia**		
Ratio	Kolmogorov-Smirnova		Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.

	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.218	5	0.200	CAR	0.206	5	0.200
ROA	0.319	5	0.105	ROA	0.209	5	0.200
ROE	0.155	5	0.200	ROE	0.367	5	0.126
NPL	0.318	5	0.109	NPL	0.221	5	0.200
LDR	0.464	5	0.101	LDR	0.267	5	0.200

Bank Victoria				**Bank Victoria Sharia**			
Ratio	Kolmogorov-Smirnova			Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.260	5	0.200	CAR	0.230	5	0.200
ROA	0.240	5	0.200	ROA	0.322	5	0.100
ROE	0.220	5	0.200	ROE	0.331	5	0.078
NPL	0.344	5	0.054	NPL	0.297	5	0.171
LDR	0.270	5	0.200	LDR	0.314	5	0.119

Bank Mega				**Bank Mega Sharia**			
Ratio	Kolmogorov-Smirnova			Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.248	5	0.200	CAR	0.447	5	0.200
ROA	0.205	5	0.200	ROA	0.246	5	0.200
ROE	0.201	5	0.200	ROE	0.245	5	0.200
NPL	0.138	5	0.200	NPL	0.167	5	0.200
LDR	0.239	5	0.200	LDR	0.226	5	0.200

Bank Panin				**Bank Panin Sharia**			
Ratio	Kolmogorov-Smirnova			Ratio	Kolmogorov-Smirnova		
	Statistic	df	Sig.		Statistic	df	Sig.
CAR	0.156	5	0.200	CAR	0.156	5	0.200
ROA	0.212	5	0.200	ROA	0.454	5	0.200
ROE	0.192	5	0.200	ROE	0.462	5	0.200
NPL	0.267	5	0.200	NPL	0.337	5	0.064
LDR	0.237	5	0.200	LDR	0.234	5	0.200

Source: Processed by researchers using SPSS version 21 (2023)

Independent Sample t-Test

The two-sample test is conducted to determine whether there is a difference in the average (mean) between two populations by looking at the average of the two samples. The purpose of the hypothesis test in the form of a two-mean difference test in this study is to verify the truth/error of the hypothesis, or in other words, to determine whether to accept or reject the hypothesis that has been made (Mindrila & Phoebe, n.d.). In addition to the two-average difference test (Independent Sample

T-Test), there is also an F test, which helps know if the variance of the financial ratios of Conventional Commercial Banks and Sharia Commercial Banks is the same or different.

If we assume an F count with equal variance (assuming both variances are equal), it has immense value. If it's greater than 0.05, then it's stated that the two variants are identical. If both variances are similar, then you should use the basis of equal variance assumed (assuming both variances are equal) for the t count. If the t count is significant at less than 0.05, then the financial performance of Conventional Commercial Banks and Sharia Commercial Banks is different. There is a significant difference between Conventional Commercial Banks and Sharia Commercial Banks. However, if the t count sig is greater than 0.05, it can be stated that the financial performance of Conventional Commercial Banks with Sharia Commercial Banks is not significantly different. If an F count with Equal variance is assumed (assuming both variances are equal), it has a sig value. <0.05, then it is stated that the two variances are different. If the two variances are other, then the t-test should use the Equal variance, not assumed (assuming the two variances are not equal) basis for the t-count. If t count with Equal variance not considered has sig. > 0.05, it can be stated that the financial performance of Conventional Commercial Banks and Sharia Commercial Banks has no significant difference, but if sig. <0.05, it can be noted that the performance of Conventional Commercial Banks with Sharia Commercial Banks has a considerable difference.

Table 2. The Differences in Financial Performance of Conventional Commercial Banks and Sharia Commercial Bank Based on Ratio

Bank	CAR (%)	ROA (%)	ROE (%)	NPL (%)	LDR (%)
Bank BCA	32.60	3.94	19.68	1.24	90
Bank BCA Sharia	22.18	1.14	3.98	0.94	79.7
Bank BRI	22.04	3.78	22.58	0.25	87.98
Bank BRI Sharia	21.92	0.59	4.38	4.04	78.41
Bank BNI	29.12	2.64	15.68	2.44	88.82
Bank BNI Sharia	17.75	1.48	11.76	2.92	82.15
Bank Mandiri	20.68	2.80	15.99	2.97	90.04
Bank Mandiri Sharia	15.03	0.86	8.14	4.25	76.41
Bank Bukopin	17.04	0.64	7.19	5.56	89.61
Bank Bukopin Sharia	13.02	-0.05	0.44	6.03	84.94
Bank BJB	17.95	2.48	19.94	1.86	95.58
Bank BJB Sharia	17.68	1.93	19.03	11	90.63
Bank Maybank	114.83	1.45	11.59	3.16	252.55
Bank Maybank Sharia	17.97	-3.97	9.63	15.83	90.75
Bank BTPN	31.60	10.28	29.62	0.9	109.82
Bank BTPN Sharia	24.43	2.72	11.28	1.44	94.52
Bank Victoria	20.01	0.41	5.67	4.73	88.56
Bank Victoria Sharia	18.58	-0.76	3.92	5.91	71.37
Bank Mega	34.19	2.38	13.29	2.46	101.7
Bank Mega Sharia	23.92	1.26	5.74	2.88	92.08
Bank Panin	19.23	1.77	7.99	2.83	101.77
Bank Panin Sharia	17.52	-1.75	-16.96	5.21	92.08

Source: Processed by researchers using SPSS version 21 (2023)

According to Table 3, it can be observed that conventional commercial banks have a higher CAR ratio compared to Islamic commercial banks. This signifies that the capital quality of conventional commercial banks is superior to that of Islamic commercial banks.

Furthermore, it can be noted that conventional commercial banks have a higher ROA ratio in comparison to Islamic commercial banks. This suggests that conventional commercial banks generate more profits, which has a positive effect on their asset utilization position.

Based on the ROE ratio, it can be inferred that conventional commercial banks generate higher profits from their capital when compared to Islamic commercial banks. This is because the ROE ratio of conventional commercial banks is higher than that of Islamic commercial banks. As a result, the capital quality of conventional commercial banks is considered to be better than that of Islamic commercial banks.

It can be observed that the NPL ratio of conventional commercial banks is lower compared to Islamic commercial banks. This indicates that the credit risk faced by conventional commercial banks is relatively smaller than that of Islamic commercial banks. As a result, conventional commercial banks are less likely to face financial difficulties due to credit risk.

In addition, it can be noted that conventional commercial banks have a higher LDR ratio when compared to Islamic commercial banks. This signifies that the liquidity level of conventional commercial banks is higher than that of Islamic commercial banks. Liquidity is a crucial aspect of a bank's financial health as it indicates the bank's ability to meet its cash and collateral obligations without incurring significant losses (Sekoni & Muttalib, 2015).

4. CONCLUSION

According to the analysis of the Capital Adequacy Ratio (CAR) ratio using Independent Sample T-Test, it has been found that there is a significant difference between conventional commercial banks such as Bank BCA and Bank Bukopin, and Sharia commercial banks such as Bank BCA Sharia and Bank Bukopin Sharia. While conventional commercial banks (Bank BNI, Bank BRI, Bank Mandiri, Bank BJB Banten, Bank Maybank, Bank BTPN, Bank Victoria, Bank Mega, Bank Panin) with Sharia commercial banks (Bank BNI Sharia, Bank BRI Sharia, Bank Mandiri Sharia, Bank BJB Banten Sharia, Bank Maybank Sharia, Bank BTPN Sharia, Bank Victoria Sharia, Bank Mega Sharia, Bank Panin Sharia) there is no significant difference.

Based on the ratio of ROA (Return On Asset) after the analysis of two different means (Independent Sample T-Test), there is a significant difference between conventional commercial banks (Bank BCA, Bank BNI, Bank BRI, Bank Mandiri, Bank BTPN, Bank Mega) with Sharia commercial banks (Bank BCA Sharia, Bank BNI Sharia, Bank BRI Sharia, Bank Mandiri Sharia, Bank BTPN Sharia, Bank Mega Sharia). While conventional commercial banks (Bank Bukopin, Bank BJB Banten, Bank Maybank, Bank Victoria, Bank Panin) with Sharia commercial banks (Bank Bukopin Sharia, Bank BJB Banten Sharia, Bank Maybank Sharia, Bank Victoria Sharia, Bank Panin Sharia) there is no significant difference.

Based on the ratio of ROE (Return On Equity) after the analysis of the difference test of two averages (Independent Sample T-Test) on significant differences between conventional commercial banks (Bank BCA, Bank BNI, Bank BRI, Bank Mandiri, Bank BJB Banten, Bank BTPN, Bank Mega) with Sharia commercial banks (Bank BCA Sharia, Bank BNI Sharia, Bank BRI Sharia, Bank Mandiri Sharia, Bank BJB Banten Sharia, Bank BTPN Sharia, Bank Mega Sharia). While for conventional commercial banks (Bank Bukopin, Bank Maybank, Bank Victoria, Bank Panin) with Sharia commercial banks (Bank Bukopin Sharia, Bank Maybank Sharia, Bank Victoria Sharia, Bank Panin Sharia) there is no significant difference.

Based on the ratio of NPL (Non-Performing Loan) after the analysis of two means different test (Independent Sample T-Test), there is a significant difference between conventional commercial banks (Bank BCA, Bank BRI, Bank BTPN) with Sharia commercial banks (Bank BCA Sharia, Bank BRI Sharia, Bank BTPN Sharia). While conventional commercial banks (Bank BNI, Bank Mandiri, Bank Mega, Bank BJB Banten, Bank Bukopin, Bank Maybank, Bank Victoria, Bank Panin) with Sharia commercial banks (Bank BNI Sharia, Bank Mandiri Sharia, Bank Mega Sharia, Bank BJB Banten Sharia, Bank Bukopin Sharia, Bank Maybank Sharia, Bank Victoria Sharia, Panin Sharia) there is no significant difference.

Based on the LDR ratio (Loan Deposit Ratio) after an analysis of two different means (Independent Sample T-Test), there are significant differences in conventional commercial banks (Bank BCA, Bank BRI, Bank Victoria, Bank Mega, Bank Panin) with Sharia commercial banks (Bank BCA Sharia, Bank BRI Sharia, Bank Victoria Sharia, Bank Mega Sharia, Bank Panin Sharia). While conventional commercial banks (Bank Mandiri, Bank BNI, Bank Bukopin, Bank BJB Banten, Bank Maybank, Bank BTPN) with Sharia commercial banks (Bank Mandiri Sharia, Bank BNI Sharia, Bank Bukopin Sharia, Bank BJB Banten Sharia, Bank Maybank Sharia, Bank BTPN Sharia) there is no significant difference.

From the result of research, there are three suggestions made. First, conventional commercial banks' financial performance is better than Sharia commercial banks. However, the LDR ratio is still lower than that of Sharia retail banks, so traditional commercial banks must increase their liquidity. One way that can be taken is to raise third-party funds. Second, Sharia commercial banks have better liquidity than conventional commercial banks, but in terms of profitability and capital, they are still lower than traditional commercial banks. Hence, Sharia commercial banks need to increase their profitability and capital. Profitability can be increased by improving the services and products offered, expanding to generate profits and reducing costs by reducing unproductive operational activities while increasing capital; one way can be taken to raise capital. In addition, Sharia commercial banks can also follow in the footsteps of Bank Panin Sharia, which sells its shares on the Indonesia Stock Exchange so that the bank's capital will be more substantial. Third, future research is expected to expand the research sample to conventional and Sharia commercial banks and other types of banking. In addition, further research is also likely to not only examine aspects of Capital Adequacy Ratio (CAR), Return On Asset (ROA), Return On Equity (ROE), Non-Performing Loan (NPL), Loan Deposit Ratio (LDR) but also use more ratios to measure banking performance.

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