Financial Performance Assessment of Bank Syariah Indonesia Using The Risk Profile, Good Corporate Governance, Earnings And Capital Approach (2020–2024)

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Abstract.
Bank Syariah Indonesia (BSI), as the largest Islamic bank in Indonesia, must maintain its soundness level to perform its intermediation function optimally. This study aims to analyze the financial performance of BSI for the period 2020–2024 using the Risk Profile, Good Corporate Governance, Earnings, and Capital (RGEC) approach. This research employs a quantitative descriptive method utilizing secondary data derived from BSI's Annual Reports for the 2020–2024 period. The analysis is conducted by calculating the Non-Performing Financing (NPF) and Financing to Deposit Ratio (FDR) for the Risk Profile aspect; self-assessment results for Good Corporate Governance (GCG); Return on Assets (ROA), Operational Expenses to Operational Income (BOPO), and Net Operating Margin (NOM) for the Earnings aspect; as well as the Capital Adequacy Ratio (CAR) for the Capital aspect. The results indicate that the Risk Profile aspect is categorized as Healthy to Very Healthy, with NPF ranging from 1.76% to 3.02% and FDR from 73.39% to 84.97%. The GCG aspect consistently achieved Composite Rank 2 (Good). Regarding Earnings, ROA increased from 1.29% to 2.27%, BOPO decreased from 84.61% to 69.94%, and NOM rose from 1.30% to 2.15%, reflecting improved profitability and operational efficiency. Meanwhile, the CAR ratio remained between 18.24% and 22.09%, falling under the Very Healthy category. Based on the evaluation of all RGEC components, Bank Syariah Indonesia achieved Composite Rank 1 (PK-1) with a Very Healthy rating throughout 2020–2024, demonstrating its capacity to manage risks, implement good corporate governance, enhance profitability, and maintain capital adequacy.

Keywords: *Bank Syariah Indonesia, Financial Performance, Bank Soundness Level, RGEC, NPF, FDR, ROA, BOPO, NOM and CAR.*

I. INTRODUCTION

Banks play a vital role in maintaining economic stability and fostering growth in the real sector through their financial intermediation function. In the context of the Islamic financial system, Islamic banks operate in accordance with Islamic principles by avoiding *riba* (usury), *gharar* (uncertainty), and *maisir* (gambling). Since the establishment of Bank Syariah Indonesia (BSI) in 2021 as a result of the merger of three state-owned Islamic banks (Bank Syariah Mandiri, BNI Syariah, and BRI Syariah), the Islamic banking industry in Indonesia has experienced rapid development in terms of both total assets and market share (Financial Services Authority [OJK], 2022).

Financial performance serves as a primary indicator for evaluating a bank's success in executing its function as an intermediary institution. To assess bank soundness, the Financial Services Authority (OJK) established the RGEC framework (Risk Profile, Good Corporate Governance, Earnings, and Capital), which comprehensively evaluates both financial and non-financial conditions of a bank. This approach not only measures financial performance but also evaluates risk management and corporate governance. Assessing BSI through the RGEC approach is highly relevant to determine the extent to which the bank can sustain its business stability and continuity (OJK, 2017).

Bank financial performance measures the extent to which a bank can effectively and efficiently achieve its financial goals. This performance reflects the bank's capability to manage assets, liabilities, and capital to generate sustainable profits. According to Al-Rahbi, Al-Sleimi, and Al-Kiyumi (2022) in the *Journal of Islamic Accounting and Business Research*, Islamic bank financial performance is influenced by operational efficiency, liquidity, and risk management. In the context of Islamic banking, financial performance also indicates the bank's success in balancing profit objectives with adherence to Sharia principles.

Table 1.1. Secondary Data from the Financial Statements of Bank Syariah Indonesia (BSI)

Description	Value (IDR Million)				
	2020	2021	2022	2023	2024
Non-Performing Financing (NPF)	2,688,326	5,021,597	5,024,895	4,986,805	5,279,365
Total Financing	152,433,229	166,364,326	201,206,682	228,437,475	265,067,305
Third-Party Funds (TPF)	204,553,447	226,685,278	253,504,702	279,513,822	311,965,044
Operating Income	16,929,592	17,808,432	19,622,865	22,251,743	25,298,203
Operating Expenses	14,324,127	14,328,664	14,889,829	15,851,456	17,693,678
Average Productive Assets	200,243,433	226,017,534	260,135,364	302,277,853	354,091,133
Profit Before Tax	3,079,399	4,062,208	5,656,208	7,589,202	9,282,456
Profit After Tax	2,187,649	3,028,205	4,260,182	5,703,743	7,005,888
Total Assets	239,581,524	265,289,081	305,727,438	353,624,124	408,613,432
Capital	21,743,145	25,013,934	33,505,610	38,739,121	45,041,572
Risk-Weighted Assets (RWA)	119,220,938	113,236,674	165,097,526	184,114,292	210,397,070

Source: Processed Data (2026)

Based on the financial statement data of Bank Syariah Indonesia for the 2020–2024 period, BSI's total assets grew significantly from IDR 239.58 trillion to IDR 408.61 trillion. This asset growth reflects sustainable business expansion and BSI's increasing role within the national banking system. Additionally, total financing increased from IDR 152.43 trillion in 2020 to IDR 265.06 trillion in 2024. This growth demonstrates BSI's effectiveness in channeling public funds through diverse financing products aligned with Islamic principles (Bank Syariah Indonesia, 2024).

However, the expansion in financing was accompanied by an increase in Non-Performing Financing (NPF). Data shows that BSI's NPF rose from IDR 2.68 trillion in 2020 to IDR 5.27 trillion in 2024. Although it increased in nominal terms, the NPF ratio to total financing remained within acceptable limits, indicating that BSI's risk management can be categorized as fairly sound. Effective risk management is key to maintaining financial stability and supporting operational sustainability (Dendawijaya, 2009).

From the deposit-gathering aspect, Third-Party Funds (TPF) experienced steady growth, rising from IDR 204.55 trillion in 2020 to IDR 311.96 trillion in 2024. TPF growth signifies growing public trust in BSI while highlighting the effectiveness of the bank's strategy in attracting public funds through Sharia-based savings products. Strong deposit collection performance reinforces the intermediation function and serves as a vital foundation for productive financing growth (Kasmir, 2014).

Regarding Earnings (profit-generating capability), BSI's operating income continuously rose from IDR 16.93 trillion in 2020 to IDR 25.29 trillion in 2024. Pre-tax profit increased from IDR 3.08 trillion to IDR 9.28 trillion, while post-tax profit grew from IDR 2.18 trillion to IDR 7.00 trillion. This demonstrates BSI's ability to maintain efficiency and enhance profitability despite global economic challenges. Operational efficiency is further evidenced by a decreasing BOPO ratio alongside rising revenue, signaling management's competence in controlling operational costs (Harmono, 2017).

In terms of Capital, BSI's capital increased from IDR 21.74 trillion in 2020 to IDR 45.04 trillion in 2024. This growth illustrates the bank's ability to strengthen its capital structure to absorb risks associated with business expansion. Meanwhile, Risk-Weighted Assets (RWA) also increased from IDR 119.22 trillion to IDR 210.39 trillion, indicating greater risk exposure that remains well-balanced by strong capital adequacy. Robust capital strength serves as an essential indicator in evaluating a bank's soundness and its capacity to absorb potential losses (Rivai & Arifin, 2010).

Beyond financial factors, the implementation of Good Corporate Governance (GCG) represents a vital element in the RGEC framework. Sound corporate governance ensures transparency, accountability, and compliance with Islamic principles. As the largest Islamic financial institution in Indonesia, BSI must demonstrate a firm commitment to GCG implementation to maintain public trust and institutional reputation. Effective GCG contributes to long-term performance improvement and fosters a sustainable business environment (Sutedi, 2011).

Accordingly, analyzing financial performance using the RGEC framework serves as a critical step to comprehensively evaluate the soundness level of Bank Syariah Indonesia. Through assessments of Risk Profile, GCG, Earnings, and Capital, BSI's performance strengths and weaknesses throughout 2020–2024 can be identified. These findings are beneficial not only for internal bank management in formulating corrective strategies but also for regulators and the public in assessing the stability of the Islamic banking sector (OJK, 2020).

This study is expected to contribute to the academic literature in Islamic economics and finance, particularly regarding the application of the RGEC framework in Islamic banks. Furthermore, the findings can serve as a reference for policymakers and banking practitioners in improving the effectiveness of risk management, corporate governance, and profitability in Islamic financial institutions. Through a comprehensive analysis, this study provides a holistic overview of the performance and financial soundness of Bank Syariah Indonesia over the past five years (Ascarya, 2021).

Based on the background above, the research questions in this study are formulated as follows:

1. What is the level of Risk Profile at Bank Syariah Indonesia (BSI) for the 2020–2024 period?
2. What is the level of Good Corporate Governance (GCG) implementation at Bank Syariah Indonesia (BSI) for the 2020–2024 period?
3. What is the level of Earnings performance at Bank Syariah Indonesia (BSI) for the 2020–2024 period?
4. What is the level of Capital adequacy at Bank Syariah Indonesia (BSI) for the 2020–2024 period?
5. How is the overall financial performance of BSI measured through the Risk Profile, GCG, Earnings, and Capital (RGEC) framework for the 2020–2024 period?

The objectives of this study are:

1. To analyze the Risk Profile level of Bank Syariah Indonesia (BSI) during the 2020–2024 period.
2. To evaluate the implementation of Good Corporate Governance (GCG) at Bank Syariah Indonesia (BSI) during the 2020–2024 period.
3. To assess the Earnings performance (profitability) of Bank Syariah Indonesia (BSI) during the 2020–2024 period.
4. To examine the Capital level (capital adequacy) of Bank Syariah Indonesia (BSI) during the 2020–2024 period.
5. To evaluate the overall financial performance of Bank Syariah Indonesia (BSI) based on the comprehensive analysis of all four RGEC components (Risk Profile, Good Corporate Governance, Earnings, and Capital) during the 2020–2024 period, thereby determining the bank's overall soundness level.

II. METHODS

This study adopts a quantitative approach using descriptive research methods. The quantitative approach is applied to produce numerical data that can be objectively measured, while the descriptive design aims to provide a systematic overview and explanation of the conditions of the subject under study. This research focuses on Bank Syariah Indonesia (BSI), covering an observation period from 2020 to 2024. The data utilized are quantitative, encompassing evaluation factors of bank soundness based on the RGEC framework (Risk Profile, Good Corporate Governance, Earnings, and Capital). The object of this study consists of the annual financial statements of Bank Syariah Indonesia, obtained directly from its official website at https://www.bankbsi.co.id/.

The data analysis steps used in this study to evaluate the bank's soundness level are as follows:

1. Collecting financial statement data of Bank Syariah Indonesia (BSI) for the 2020–2024 period from the official website.
2. Identifying and classifying data based on RGEC indicators: Risk Profile, Good Corporate Governance, Earnings, and Capital.

1. **Risk Profile**

a. *Credit Risk*

Credit risk can originate from various functional activities of the bank, such as lending and treasury operations. Credit risk is measured using the Non-Performing Financing (NPF) ratio, calculated as follows:

$$\mathrm{NPF} = \left(\frac{\text{Non-Performing Financing}}{\text{Total Financing}}\right) \times 100\%$$

Table 2.1. Evaluation Scale Criteria for NPF Rating

Rating	Value Criteria	Description
1	NPF < 2%	Very Healthy
2	2% ≤ NPF < 5%	Healthy
3	5% ≤ NPF < 8%	Fairly Healthy
4	8% ≤ NPF < 12%	Unhealthy
5	NPF ≥ 12%	Poor

Source: Bank Indonesia Circular Letter No. 13/24/DPNP (2011)

b. *Liquidity Risk*

Liquidity risk refers to the risk resulting from a bank's inability to meet its maturing obligations from cash flow sources and high-quality liquid assets. Liquidity risk arises from financial transactions or commitments. It is calculated using the Financing to Deposit Ratio (FDR) as follows:

$$\mathrm{FDR} = \left(\frac{\text{Total Financing}}{\text{Third-Party Funds}}\right) \times 100\%$$

Table 2.2. Evaluation Scale Criteria for FDR Rating

Rating	Value Criteria	Description
1	FDR < 75%	Very Healthy
2	75% < FDR ≤ 85%	Healthy
3	85% < FDR ≤ 100%	Fairly Healthy
4	100% < FDR ≤ 120%	Unhealthy
5	FDR > 120%	Poor

Source: Bank Soundness Level Assessment Standards (2012)

2. **Good Corporate Governance (GCG)**

The bank soundness evaluation is conducted comprehensively and structurally, integrating three governance aspects: governance structure, governance process, and governance outcome. The matrix for determining the GCG implementation rating is presented below:

Table 2.3. Evaluation Scale Criteria for GCG Rating

Rating	Value Criteria	Description
1	Composite Value < 1.5	Very Healthy
2	Composite Value 1.5 – 2.5	Healthy
3	Composite Value 2.5 – 3.5	Fairly Healthy
4	Composite Value 3.5 – 4.5	Unhealthy

5	Composite Value 4.5 – 5.0	Poor

Source: Bank Indonesia Regulation No. 9/12/DPNP (2007)

3. **Earnings**

a. *Net Operating Margin (NOM)*

A bank's Net Operating Margin is significantly influenced by internal and external factors. The formula to calculate NOM is as follows:

$$\text{NOM} = \left(\frac{\text{Net Operating Income}}{\text{Average Productive Assets}}\right) \times 100\%$$

Table 2.4. Evaluation Scale Criteria for NOM Rating

Rating	Value Criteria	Description
1	NOM > 3%	Very Healthy
2	2% < NOM ≤ 3%	Healthy
3	1.5% < NOM ≤ 2%	Fairly Healthy
4	1% < NOM ≤ 1.5%	Unhealthy
5	NOM < 1%	Poor

Source: Financial Services Authority Regulation (POJK) No. 4/POJK.03/2016

b. *Return on Assets (ROA)*

Return on Assets measures the bank's ability to generate profit relative to its overall asset base. ROA reflects the productivity of a bank in managing funds to generate returns. The formula to calculate ROA is as follows:

$$\text{ROA} = \left(\frac{\text{Profit Before Tax}}{\text{Average Total Assets}}\right) \times 100\%$$

Table 2.5. Evaluation Scale Criteria for ROA Rating

Rating	Value Criteria	Description
1	ROA > 1.5%	Very Healthy
2	1.25% < ROA ≤ 1.5%	Healthy
3	0.5% < ROA ≤ 1.25%	Fairly Healthy
4	0% < ROA ≤ 0.5%	Unhealthy
5	ROA ≤ 0%	Poor

Source: Bank Soundness Level Assessment Standards (2012)

c. *Return on Equity (ROE)*

Return on Equity is a ratio used to measure a bank's capacity to generate net profit relative to its equity and dividend payouts. The formula to calculate ROE is as follows:

$$\text{ROE} = \left(\frac{\text{Net Profit After Tax}}{\text{Total Equity}}\right) \times 100\%$$

Table 2.6. Evaluation Scale Criteria for ROE Rating

Rating	Value Criteria	Description
1	ROE > 15%	Very Healthy
2	12.5% < ROE ≤ 15%	Healthy
3	5% < ROE ≤ 12.5%	Fairly Healthy
4	0% < ROE ≤ 5%	Unhealthy
5	ROE ≤ 0%	Poor

Source: Codification of Bank Indonesia Regulations (2012)

d. *Operating Expenses to Operating Income Ratio (BOPO)*

Operating Expenses to Operating Income (BOPO) is used to measure efficiency and operational capabilities. The formula to calculate BOPO is as follows:

$$\text{BOPO} = \left(\frac{\text{Operating Expenses}}{\text{Operating Income}}\right) \times 100\%$$

Table 2.7. Evaluation Scale Criteria for BOPO Rating

Rating	Value Criteria	Description
1	BOPO ≤ 83%	Very Healthy
2	83% < BOPO ≤ 85%	Healthy
3	85% < BOPO ≤ 87%	Fairly Healthy
4	87% < BOPO ≤ 89%	Unhealthy
5	BOPO > 89%	Poor

Source: Bank Indonesia (2012)

4. **Capital**

A bank with strong capital adequacy indicates financial health, as capital adequacy reflects the bank's ability to absorb losses, measured by the Capital Adequacy Ratio (CAR). The ratio is calculated using the following formula:

$$\text{CAR} = \left(\frac{\text{Capital}}{\text{Risk-Weighted Assets (RWA)}}\right) \times 100\%$$

Table 2.8. Evaluation Scale Criteria for CAR Rating

Rating	Value Criteria	Description
1	CAR ≥ 12%	Very Healthy
2	9% ≤ CAR < 12%	Healthy
3	8% ≤ CAR < 9%	Fairly Healthy
4	6% ≤ CAR < 8%	Unhealthy
5	CAR ≤ 6%	Poor

Source: Bank Soundness Level Assessment Standards (2012)

5. Determining the composite rating to assess the overall bank soundness level based on financial statements for the 2020–2024 period. The scoring weight for each checklist occurrence within each composite rank is assigned as follows:

a. **Rank 1**: Each checklist point is multiplied by 5.
b. **Rank 2**: Each checklist point is multiplied by 4.
c. **Rank 3**: Each checklist point is multiplied by 3.
d. **Rank 4**: Each checklist point is multiplied by 2.
e. **Rank 5**: Each checklist point is multiplied by 1.

6. Interpreting the composite ratings obtained from the checklist evaluation. The formula used to calculate the overall composite score weight across all factors is as follows:

$$\text{Composite Score} = \left(\frac{\text{Total Score Obtained}}{\text{Maximum Score}}\right) \times 100\%$$

Table 2.9. Composite Rating Weight Criteria

Composite Rating	Composite Score	Description
1	86 – 100	Very Healthy
2	71 – 85	Healthy
3	61 – 70	Fairly Healthy

4	40 – 60	Unhealthy
5	< 40	Poor

Source: Bank Indonesia Circular Letter No. 12/24/DPNP (2011)

III. RESULT AND DISCUSSION

RESULT

3.1. Recapitulation of BSI's RGEC Soundness Level Assessment Results (2020–2024)

Ratio	Formula	2020	2021	2022	2023	2024	Criteria
NPF (%)	Non-Performing Financing ÷ Total Financing × 100%	1.76	3.02	2.50	2.18	1.99	Very Healthy, Healthy, Very Healthy, Very Healthy, Very Healthy
FDR (%)	Total Financing ÷ Third-Party Funds (DPK) × 100%	74.52	73.39	79.37	81.73	84.97	Very Healthy, Very Healthy, Very Healthy, Healthy, Healthy
GCG	Self Assessment	2 (Good)	2 (Good)	2 (Good)	2 (Good)	2 (Good)	Good
ROA (%)	Profit Before Tax ÷ Total Assets × 100%	1.29	1.53	1.85	2.15	2.27	Very Healthy
BOPO (%)	Operating Expenses ÷ Operating Revenue × 100%	84.61	80.46	75.88	71.24	69.94	Very Healthy
NOM (%)	(Operating Revenue − Operating Expenses) ÷ Average Productive Assets × 100%	1.30	1.54	1.82	2.12	2.15	Healthy – Very Healthy
CAR (%)	Capital ÷ Risk-Weighted Assets (RWA) × 100%	18.24	22.09	20.29	21.04	21.41	Very Healthy

Source: Processed data (2026)

Based on the calculation results of the Risk Profile, Good Corporate Governance, Earnings, and Capital (RGEC) ratios, the financial soundness of Bank Syariah Indonesia (BSI) over the 2020–2024 period demonstrated exceptionally strong performance across all assessment aspects. In terms of the Risk Profile aspect, the Non-Performing Financing (NPF) ratio fluctuated over the observation period. The NPF ratio stood at 1.76% in 2020, rose to 3.02% in 2021, and subsequently declined to 2.50% in 2022, 2.18% in 2023, and 1.99% in 2024. All NPF values remained well below the maximum regulatory threshold of 5%, indicating that BSI successfully maintained its financing quality. According to the assessment criteria, the NPF ratio was categorized as "Very Healthy," except in 2021 when it was categorized as "Sound."

Also within the Risk Profile aspect, the Financing-to-Deposit Ratio (FDR) exhibited an upward trend, increasing from 74.52% in 2020 to 84.97% in 2024. This growth signifies an increasingly optimal intermediary performance in allocating financing relative to third-party funds. The FDR values from 2020 to 2022 fell under the "Very Healthy" category, whereas in 2023 and 2024, they shifted to the "Sound" category. Despite the increase, the FDR remained within a safe range, ensuring the bank's liquidity was well-maintained.

Regarding Good Corporate Governance (GCG), the self-assessment results consistently recorded a Composite Rank of 2 ("Good") from 2020 to 2024. This indicates that good corporate governance principles were implemented effectively, thereby supporting the bank's operational sustainability and risk management. Furthermore, under the Earnings aspect, the Return on Assets (ROA) ratio gradually increased from 1.29% in 2020 to 2.27% in 2024. This improvement reflects the bank's enhanced capacity to generate profits from its total assets. All ROA values remained in the "Very Healthy" category, demonstrating high profitability.The Operational Efficiency Ratio (BOPO) showed a declining trend from 84.61% in 2020 to 69.94% in 2024. A lower BOPO ratio indicates greater cost efficiency in managing operational expenses relative to operational income. All BOPO values were classified as "Very Healthy," mirroring year-over-year operational efficiency gains.

Meanwhile, the Net Operating Margin (NOM) increased from 1.30% in 2020 to 2.15% in 2024, signaling improved performance of productive assets in generating net operating income. Overall, the NOM ratio ranged from "Sound" to "Very Healthy," highlighting an improvement in the quality of earnings derived from earning assets. In the Capital aspect, the Capital Adequacy Ratio (CAR) remained relatively high and stable throughout the study period, ranging between 18.24% and 22.09%. All CAR figures significantly exceeded the regulatory minimum requirement, placing the bank consistently in the "Very Healthy" category. This confirms that BSI maintains strong capital adequacy to absorb operational and financing risks. Overall, the comprehensive RGEC framework evaluation indicates that Bank Syariah Indonesia (BSI) maintained a "Very Healthy" financial performance over the 2020–2024 period. This status is evidenced by a low non-performing financing level (NPF), well-managed liquidity (FDR), effective corporate governance (GCG), rising profitability metrics (ROA and NOM), enhanced operational efficiency via reduced cost margins (BOPO), and robust capital buffers (CAR). Consequently, BSI successfully preserved its financial stability and demonstrated resilient risk-absorption capacity throughout the period studied.

Table 4.8 Bank Soundness Assessment Using the RGEC Method

RGEC Component	**Indicator**	**2020–2024 Period Result**	**Soundness Level**
Risk Profile	NPF	1.76%–3.02%	Very Healthy
	FDR	73.39%–84.97%	Very Healthy–Healthy
Good Corporate Governance	Self Assessment	Rank 2	Good
Earnings	ROA	1.29%–2.27%	Very Healthy
	BOPO	84.61% decreased to 69.94%	Very Healthy
	NOM	1.30% increased to 2.15%	Healthy–Very Healthy
Capital	CAR	18.24%–22.09%	Very Healthy
Final Conclusion	**RGEC**	BSI's financial performance during 2020–2024 was in the **Very Healthy** category.	**Composite Rating 1 (CR-1) / Very Healthy**

Source: Processed data (2026)

Based on the recapitulation of the bank soundness assessment using the Risk Profile, Good Corporate Governance, Earnings, and Capital (RGEC) method, it can be concluded that the soundness level of Bank Syariah Indonesia (BSI) during the 2020–2024 period was in a Very Healthy condition. This is evidenced by all assessment components achieving predicates ranging from Good to Very Healthy, resulting in BSI obtaining an overall Composite Rating of 1 (CR-1), categorized as Very Healthy.

In the Risk Profile component, the Non-Performing Financing (NPF) ratio ranged from 1.76% to 3.02%. This value indicates that BSI's level of problematic financing remained within safe limits and was well-controlled. Although an increase occurred in 2021, the NPF ratio declined again in the subsequent years. Consequently, BSI's financing risk aspect during the study period earned a Very Healthy predicate. Additionally, the Financing to Deposit Ratio (FDR) ranged from 73.39% to 84.97%. This ratio demonstrates that the bank's ability to channel third-party funds into financing was at an optimal level without disrupting the bank's liquidity position. Based on these results, BSI's liquidity aspect fell into the Very Healthy to Sound category, reflecting the well-maintained capability of the bank to fulfill its short-term obligations.

In the Good Corporate Governance (GCG) component, self-assessment results consistently indicated Rating 2 (Good) throughout the 2020–2024 period. This indicates that the implementation of good corporate governance principles has run effectively, encompassing aspects of transparency, accountability, responsibility, independence, and fairness. Thus, the implementation of GCG at BSI is deemed to have supported professional and sustainable corporate management.

Furthermore, in the Earnings component, the Return on Assets (ROA) ratio showed an increase from 1.29% in 2020 to 2.27% in 2024. This increase demonstrates that the bank's capability to generate profit from its owned assets improved progressively, earning the profitability aspect a Very Healthy predicate.

The Operating Expenses to Operating Income (BOPO) ratio experienced a decrease from 84.61% to 69.94% during the study period. The decline in BOPO indicates that the bank's operational efficiency increased as operating expenses were successfully suppressed relative to the operating income generated. Therefore, the BOPO ratio stood in the Very Healthy category.

Meanwhile, the Net Operating Margin (NOM) ratio increased from 1.30% to 2.15%. This improvement indicates that the capability of earning assets to generate net operating income strengthened. Based on these findings, the NOM aspect fell into the Sound to Very Healthy category, reflecting enhanced effectiveness in the management of BSI's productive assets.

In the Capital component, the Capital Adequacy Ratio (CAR) ranged from 18.24% to 22.09%, remaining well above the regulatory minimum requirement. The high CAR ratio demonstrates that BSI possesses extremely adequate capital to absorb potential risks arising from operational and financing activities. Consequently, the capital aspect achieved a Very Healthy predicate.

Overall, the assessment results of all RGEC components indicate that Bank Syariah Indonesia (BSI) maintained an exceptional bank soundness level throughout the 2020–2024 period. This is substantiated by the low level of non-performing financing (NPF), well-preserved liquidity conditions (FDR), sound corporate governance implementation (GCG), continuously increasing profitability (ROA and NOM), enhanced operational efficiency (BOPO), and high capital adequacy (CAR). Consequently, BSI attained Composite Rating 1 (CR-1) with a "Very Healthy" predicate, demonstrating that the bank possesses an outstanding capability to withstand changing business conditions and potential risks while conducting sustainable operational activities.

IV. DISCUSSION

Based on the analysis of the bank soundness level of Bank Syariah Indonesia (BSI) using the Risk Profile, Good Corporate Governance, Earnings, and Capital (RGEC) method during the 2020–2024 period, it is found that BSI's general soundness condition falls into the Very Healthy category. This is demonstrated by all assessment indicators maintaining predicates ranging from Good to Very Healthy. The findings indicate that BSI successfully maintained a balance between risk management, corporate governance implementation, profitability, and capital adequacy in supporting the bank's operational activities.

1. Risk Profile Discussion

The Risk Profile assessment was conducted using the Non-Performing Financing (NPF) ratio and the Financing to Deposit Ratio (FDR). Both ratios depict the bank's capability in managing financing risk and maintaining liquidity.

The results indicate that BSI's NPF ratio during 2020–2024 ranged from 1.76% to 3.02%. The highest value occurred in 2021 at 3.02%, while the lowest was recorded in 2020 at 1.76%. Despite an increase in 2021, the NPF value remained well below the regulatory maximum threshold of 5%, thus remaining classified as sound. The decline in NPF during the 2020–2024 period indicates that BSI's financing quality improved progressively and that the bank effectively controlled non-performing financing risks.

This downward trend in the NPF ratio indicates that BSI's financing management became increasingly selective in asset deployment and more effective in monitoring the quality of disbursed financing. This condition reflects that credit risk or financing risk was managed adequately without disrupting the bank's operational stability or profitability.

Meanwhile, the FDR increased from 74.52% in 2020 to 84.97% in 2024. This growth demonstrates that third-party funds successfully mobilized were channeled more optimally into financing for the public.

Although it experienced an increase, the FDR remained within the ideal range stipulated by regulators, ensuring that BSI's liquidity position was well preserved.

These findings align with banking theory stating that a lower NPF ratio correlates with lower financing risk exposure for the bank. Conversely, an FDR within the ideal range indicates that the bank can maintain a balance between financing distribution and its capability to fulfill obligations to fund-depositing customers. Consequently, BSI's Risk Profile aspect during the study period fell into the Sound to Very Healthy category.

2. Good Corporate Governance (GCG)

The Good Corporate Governance (GCG) assessment in this study utilized Self-Assessment results published in BSI's Annual Reports. Based on the evaluation, BSI consistently achieved Rating 2 (Good) throughout the 2020–2024 period.

These results indicate that the implementation of good corporate governance principles—namely transparency, accountability, responsibility, independence, and fairness—was executed effectively. The consistency of the GCG rating demonstrates that BSI possesses well-functioning internal control systems, risk management frameworks, and supervisory mechanisms.

Sound GCG implementation contributes to heightened public, investor, and regulatory trust in BSI. Furthermore, strong corporate governance supports more effective decision-making processes, thereby mitigating operational and compliance risks. Thus, the findings indicate that the implementation of Good Corporate Governance at BSI aligns with sound governance principles, thereby supporting the enhancement of the company's financial performance.

3. Earnings

The Earnings aspect in this study was measured using the Return on Assets (ROA), Operating Expenses to Operating Income (BOPO), and Net Operating Margin (NOM) ratios. The results show that the ROA ratio increased consistently from 1.29% in 2020 to 2.27% in 2024. This upward trajectory indicates that BSI's capability to generate earnings from its assets improved progressively, reflecting that the bank's assets were utilized more productively to generate income.

In addition, the BOPO ratio decreased from 84.61% to 69.94%. The reduction in BOPO indicates enhanced operational efficiency, as operating income growth outpaced the increase in operating expenses. A lower BOPO value demonstrates that the bank operates with greater cost efficiency in conducting its business activities. Meanwhile, the NOM ratio rose from 1.30% to 2.15% over the study period. This improvement indicates that BSI's earning assets generated increasingly higher net operating income, reflecting enhanced effectiveness in productive asset management year after year. Collectively, these three ratios demonstrate that BSI's profitability improved throughout the study period. This condition signifies that BSI's post-merger business strategy successfully strengthened the bank's earnings generation capacity while boosting operational efficiency.

4. Capital Discussion

The Capital aspect was assessed using the Capital Adequacy Ratio (CAR).

Based on the research findings, BSI's CAR ranged from 18.24% to 22.09%, standing comfortably well above the regulatory minimum requirements. This demonstrates that BSI possesses exceptional capital adequacy to support operational activities and absorb potential risks.

A robust capital base empowers the bank to expand its financing portfolio without compromising institutional soundness. Furthermore, high capital adequacy bolsters investor and public confidence in the bank's financial stability. Consequently, the Capital aspect indicates that BSI's capitalization during the study period remained in the Very Healthy category, equipping the bank with an outstanding capacity to withstand potential losses or economic uncertainties.

5. Discussion of BSI's Financial Performance Based on the RGEC Method

Based on the overall assessment of all RGEC components, Bank Syariah Indonesia attained Composite Rating 1 (CR-1) with a "Very Healthy" predicate throughout the 2020–2024 period. This outcome indicates that BSI demonstrated an exceptional capability in risk management, corporate governance implementation, profit generation, and capital maintenance.

From the Risk Profile aspect, a low NPF ratio indicates preserved financing quality, while the FDR reflects the bank's capability to balance fund mobilization and financing distribution. Under Good Corporate Governance, the consistency of ratings confirms effective governance application. Furthermore, the Earnings aspect exhibited enhanced profitability marked by rising ROA and NOM alongside declining BOPO. Regarding the Capital aspect, a high CAR demonstrates that BSI possesses more than adequate capital to support business growth and absorb prospective risks.

These research findings indicate that BSI's post-merger institutional strengthening successfully elevated the bank's financial performance on a sustainable basis. Growth in assets, financing, third-party funds, and net income—paired with preserved asset quality and capital adequacy—proves that BSI executes its intermediary function effectively without compromising prudential banking principles. Therefore, based on the RGEC method, Bank Syariah Indonesia during the 2020–2024 period is classified as having a "Very Healthy" bank soundness level (CR-1) with favorable prospects for maintaining stability and enhancing competitiveness in Indonesia's Islamic banking industry.

V. CONCLUSION

Based on the research findings regarding the financial performance analysis of Bank Syariah Indonesia (BSI) using the Risk Profile, Good Corporate Governance (GCG), Earnings, and Capital (RGEC) method for the 2020–2024 period, the conclusions are drawn as follows:

1. Risk Profile. The Risk Profile level of Bank Syariah Indonesia (BSI) during the 2020–2024 period indicates a sound to Very Healthy condition. This is evidenced by the Non-Performing Financing (NPF) ratio ranging from 1.76% to 3.02%, thereby remaining comfortably below the maximum threshold mandated by regulators. Furthermore, the Financing to Deposit Ratio (FDR) increased from 74.52% to 84.97% while remaining within the ideal operational range. These conditions demonstrate that BSI successfully managed financing risk and sustained optimal liquidity.
2. Good Corporate Governance. The Good Corporate Governance (GCG) level of Bank Syariah Indonesia (BSI) for the 2020–2024 period fell into the Good category, consistently achieving Rating 2 based on self-assessment results. These results indicate that the implementation of good corporate governance principles—encompassing transparency, accountability, responsibility, independence, and fairness was executed effectively, thereby supporting sound corporate management.
3. Earnings. The Earnings level of Bank Syariah Indonesia (BSI) during the 2020–2024 period exhibited favorable growth. This is reflected by the upward trajectory of the Return on Assets (ROA) ratio from 1.29% to 2.27% and the Net Operating Margin (NOM) from 1.30% to 2.15%, alongside the reduction in the Operating Expenses to Operating Income (BOPO) ratio from 84.61% to 69.94%. These metrics reflect that BSI's profitability and operational efficiency experienced continuous improvement throughout the study period.
4. Capital. The Capital level of Bank Syariah Indonesia (BSI) across the 2020–2024 period was classified in the Very Healthy category. This is demonstrated by the Capital Adequacy Ratio (CAR) ranging from 18.24% to 22.09%, which stands well above the minimum regulatory requirements. This condition proves that BSI possesses exceptional capital adequacy to support operational activities, business expansion, and the absorption of prospective risks.
5. Overall RGEC-Based Financial Performance. The overall financial performance of Bank Syariah Indonesia (BSI) using the RGEC method for the 2020–2024 period attained Composite Rating 1 (CR-1) with a "Very Healthy" predicate. These findings indicate that BSI demonstrates an outstanding capability in managing risks, implementing robust corporate governance, driving profitability, and maintaining capital adequacy. Consequently, BSI's financial performance during the 2020–2024 period is evaluated as exceptionally sound, mirroring the company's success in preserving financial stability and enhancing competitiveness within the Islamic banking sector.

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