

Financial Performance Analysis of PT. Bank BRI Syariah, Tbk Using Economic Value Added (EVA) Analysis Method Before and after Initial Public Offering

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Abstract

This study analyzes the financial performance of PT. Bank BRISyariah, Tbk. The analysis of the bank's financial performance uses the Economic Value Added method. The purpose of this study is to find answers to the formulation of the problem posed, by analyzing the comparison of the financial performance of PT. Bank BRISyariah Tbk before, during IPO and after IPO, calculating components in Economic Value Added (Net Operating Profit After Tax (NOPAT) and Cost of Capital (Cost of Capital)). This study uses descriptive analysis research methods without using hypothesis testing. The data collection technique used for this research is the data source documentation technique using secondary data. The data used to be analyzed using the EVA method is the published financial statements issued by PT. Bank BRI Syariah, Tbk for the period 2017-2019.

Keywords: Financial performance, Islamic banks, and the EVA method.

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INTRODUCTION

Banks are basically entities that collect funds from the public in the form of financing or in other words carry out the function of financial intermediation. In the banking system in Indonesia, there are two kinds of banking operational systems, namely conventional banks and Islamic banks. According to Law no. 21 of 2008 concerning Sharia Banking, Sharia Bank is a bank that carries out business activities based on sharia principles, or Islamic law principles regulated in the fatwas of the Indonesian Ulema Council such as the principles of justice and balance ('adl wa tawazun), benefit (maslahah), universalism (alamyah).), and does not contain gharar, maysir, usury, zalim and haram objects. In addition, the Sharia Banking Law also mandates Islamic banks to carry out social functions by carrying out functions such as baitul mal institutions, namely receiving funds originating from zakat, infaq, almsgiving, grants, or other social funds and distributing them to waqf managers (nazhir) as desired. waqf giver (wakif).

Islamic banking recorded consistent growth. The percentage of Islamic banking financing to national banking continues to grow, from 5.97% to 5.98%. This result was contributed by higher growth in Islamic financing, which increased by 12.08% in 2018 compared to commercial banks, which increased by 12.05%. This reflects that the level of public acceptance of Islamic banking is increasing.

Tight conditions in banking liquidity due to global economic pressures and moderate economic growth also influenced the development of Islamic banking. Financing for Islamic Commercial Banks and Sharia Business Units was recorded to have grown by 12.64%, down from 15.23% in the previous year, while assets grew by 12.39%, from 18.98% in the previous year, and third party funds grew by 9.82% from 19.89% in the previous year. The more development of Islamic banks, of course, the more challenges it faces. Especially in improving bank performance itself, increasing bank performance is very useful for increasing the level of customer trust in Islamic banks [1]. Customers will certainly prefer Islamic banks with good performance. In measuring the financial

performance of a bank, the performance results can be seen from the bank's financial statements, such as the income statement, balance sheet, financial ratio report, and others.

The establishment of PT Bank BRISyariah Tbk cannot be separated from the acquisition by PT Bank Rakyat Indonesia (Persero) Tbk against Bank Jasa Arta on December 19, 2007. After obtaining a business license from Bank Indonesia through letter no. 10/67 / Kep.GBI / DPG / 2008 on 16 October 2008 BRISyariah officially operates on 17 November 2008 under the name PT Bank BRISyariah and all of its business activities are based on Islamic sharia principles.

BRISyariah focuses on targeting various segments in society. BRISyariah operates as a modern retail bank with financial services according to customer needs. In 2018, BRISyariah took even more definite steps by carrying out an Initial Public Offering on 9 May 2018 on the Indonesia Stock Exchange. This IPO makes BRISyariah the first sharia BUMN subsidiary to conduct an initial public offering.

Based on the data presented in the annual report of PT. Bank BRISyariah, Tbk in 2016-2018 shows that there are several dynamics in its financial ratios, namely:

Table-1: BRISyariah Bank Financial Ratio 2016-2018

| Financial Ratio | Years | | |
|----------------------------------|--------|---------|--------|
| | 2016 | 2017 | 2018 |
| NPF (Non Performing Financing) | 3,19% | 4,72% | 4,97% |
| FDR (Financing to Deposit Ratio) | 81,47% | 71,87 % | 75,49% |
| GCG (Good Corporate Governance) | 1,60 | 2 | 2 |
| ROA (Return on Asset) | 0,95% | 0,51% | 0,43% |
| NIM (Net Income Margin) | 6,67% | 5,84% | 5,39% |
| CAR (Capital Adequacy Ratio) | 20,63% | 20,29% | 29,27 |

Source: Processed based on the Annual Report and financial reports of PT. BRI Syariah 2016-2018

Meanwhile, based on the annual report of PT. Bank BRISyariah, Tbk in 2016-2018 financial data that

supports the calculation of Economic Value Added are as follows:

Table-2: Bank BRISyariah Financial Data for 2016-2018 (in million rupiah)

| Component | Years | | |
|--------------------------|-----------|-----------|-----------|
| | 2016 | 2017 | 2018 |
| Operation Profit | 239,232 | 139,494 | 157,473 |
| Revenue fund as Mudharib | 2,634,201 | 2,816,524 | 3,120,307 |
| Revenue Tax | 68,400 | 49,866 | 44,914 |
| Profit (loss) after tax | 170,209 | 101,091 | 106,600 |
| Profit (Loss) before tax | 238,609 | 150,957 | 151,514 |
| Equity (Total) | 2.510.013 | 2.602.841 | 5.026.640 |
| Cost of Debt | 86.911 | 86.752 | 110.734 |
| Capital (investation) | 1.979.000 | 1.979.000 | 4.858.057 |

Source: Processed based on the Annual Report and financial reports of PT. BRI Syariah 2016-2018

Every company aims to maximize the wealth of its shareholders. Measuring the company's financial performance is needed to determine success in achieving these goals. Analysis of the development of the company's financial performance can be obtained through analysis of the company's financial data arranged in financial reports. The problem faced by the company is that the measurement of performance based on financial statements is not reliable. In addition, the measurement based on financial ratios is very dependent on the accounting method or treatment used in preparing the company's financial statements, so that often the company's performance looks good and increases, in fact the performance does not increase or even decrease.

In order to overcome this problem, performance measurement can be used with the Economic Value Added (EVA) approach to measure performance based on value, because EVA is a measure of economic added value generated by a company as a result of activities or management strategies. EVA or economic value added is a method of financial management to measure the economic profit of a company which states that welfare can only be created when the company is able to meet all operating costs (Operating Costs) and capital costs (Cost of Capital).

This study aims to measure the financial performance of PT. Bank BRISyariah, Tbk before carrying out the initial Public Offering (IPO), the transition period from before to after the initial Public

Offering (IPO) and when it has been a full year selling its shares on the Indonesia Stock Exchange (IDX) using the financial analysis method Economic Value Added (EVA).

RESEARCH PROBLEM

"Shari'ah banks were originally developed as a response to economic groups and Muslim practitioners and banks who were trying to accommodate the pressure from various parties who wanted to provide financial transaction services that were carried out in line with the moral values and principles of Islamic shari'ah" [2]. Sharia banking must develop a strategy to improve business competence that is parallel to the conventional banking system and carried out comprehensively. The government has made efforts to realize this by taking steps: refinement, network development, development of monetary instruments and implementation of socialization activities" [3].

1. Is there a difference in the financial performance of PT. Bank BRISyariah Tbk before the IPO?
2. Is there a difference in the financial performance of PT. Bank BRISyariah Tbk when the IPO was just held?
3. Is there a difference in the financial performance of PT. Bank BRISyariah Tbk after the IPO?

LITERATURE

Definition and Form of the Bank

According to Law Number 10 of 1998, amendments to Law Number 7 of 1992 concerning banking: "Banks are business entities that collect funds from the public in the form of savings, and distribute them to the community in order to improve the standard of living of the people at large." According to Totok Budisanto and Nuritomo [4], the main function of a bank is to collect funds from the public and channel it back to the community for various purposes or as a financial intermediary. Specifically, a bank can function as: (1) Agent of trust an agency based on mutual trust, both in gathering and channeling back to the community. Given that a bank is a financial institution that is always related to money, this matter is so sensitive that it requires mutual trust between the depositors of funds, the collectors of funds, and the recipients of funds so that all banking actors feel safe and benefit from each other. (2) Agent of development an agency that moves funds to build and advance the economy. With banks carrying out their duties as collectors and distributors of funds to the community, it is hoped that the wheels of the community's economy will increase. Given that the bank provides investment services for people who have more funds, then the distribution of funds for business capital. If all bank duties run well, it is not impossible if every element of society experiences an increase in living rates. (3) agency that serves the community in order to globalize

funds to build the community's economy. Services proposed to the public are in the form of financial services that are closely related to the wheels of the economy.

Sharia banks are banking which includes everything concerning Islamic banks and sharia business units, including institutions, business activities, and methods and processes for carrying out their business activities. In relation to Islamic banking, there are two concepts in Islamic religious law, namely: prohibition of the use of the interest system, because interest (usury) is unlawful. As a substitute for interest, a profit sharing system is used. The principles that apply to Islamic banks:

- a. Financing based on the principle of profit sharing (mudharabah)
- b. Funding based on the principle of equity participation (musharakah)
- c. The principle of buying and selling goods for a profit (murabahah)
- d. Capital goods financing based on pure lease without choice (ijarah)
- e. Option of transfer of ownership of goods leased from the bank by another party (ijarah wa iqtina)

The main principle of Islamic financing is to prohibit the existence of *riba* (interest), *gharar* (ambiguity), speculation, and include some actual information in the contract. Islamic finance theory supports economic development directly into the world economy and physical transactions including prohibiting activities and products that are detrimental, Islamic finance theory also promotes economic and social justice [5].

Economic Value Added (EVA) Method

The EVA method was first developed by Stewart & Stern, namely two financial analysts from the company Stern Stewart & Co. in 1993 [6]. The EVA model offers a fairly objective parameter because it departs from the concept of the cost of capital, which is reducing profits with the burden of capital costs, where the cost of capital reflects the level of company risk. This cost of capital also reflects the level of compensation or return expected by investors on a number of investments in the company. The positive EVA calculation results reflect a higher rate of return than the cost of capital. In Indonesia this method is known as the NITAMI (Economic Value Added) method. EVA / NITAMI is a financial management method for measuring economic profit in a company which states that welfare can only be created when the company is able to meet all operating costs and capital costs [7].

According to Brigham and Houston [8], EVA is the value added by management to shareholders for a certain year. EVA reflects the residual income that remains after the cost of all capital including equity capital is deducted. According to Youngdan O'Bryne [9], increased EVA and value creation can occur when a company achieves the following: (1) Increased returns on existing capital. If NOPAT increases while WACC and invested capital are constant, EVA will increase. (2) Profitable growth, because value is created when NOPAT growth exceeds WACC. (3) Disposal of assets that are destroying value. If the reduction in capital compensates more for the loss by increasing the difference between NOPAT and WACC, then EVA increases. (4) Longer period in which higher NOPAT is expected than WACC. (5) Reduction of capital costs.

Purpose and Benefits of the Economic Value Added (EVA) method

Abdullah [10] explains the objectives and benefits of implementing the EVA method as follows:

1. The purpose of applying the EVA method: With the calculation of EVA, it is expected to get a more realistic calculation of the company's economic value. This is because EVA is calculated based on the calculation of the cost of capital using market value based on creditors, particularly shareholders, and not using historical book values. The calculation of EVA is also expected to support the presentation of financial reports that will facilitate users of financial reports such as investors, creditors, employees, government, customers, and other interested parties.
2. Benefits of implementing the EVA model: The application of the EVA model is very useful as a means of measuring company performance where the focus of performance appraisal is value creation, Assessment of financial performance by applying the EVA model causes management attention in accordance with the interests of shareholders. With EVA, managers will act like shareholders, namely choosing investments that can maximize returns and minimize the level of capital costs so that company value can be maximized, EVA encourages companies to pay more attention to their capital structure policies, EVA can be used to identify projects or activities that provide a higher rate of return than the cost of capital.

Economic Value Added (EVA) Calculation Method

According to Brigham & Houston (2004), if the company only uses its own capital in its capital structure, mathematically EVA can be determined as follows:

EVA = Net Operating Profit After Taxes (NOPAT) - (capital x cost of capital)

However, when the company structure consists of debt and equity itself, mathematically EVA can be formulated as follows:

$$\text{EVA} = \text{NOPAT} - (\text{WACC} \times \text{TA})$$

Where:

NOPAT = Net Operating Profit After Taxes

WACC = Weighted Average Cost of Capital

TA = Total Asset

From the calculation, a conclusion will be drawn with the following results interpretations:

- a. If $\text{EVA} > 0$, this indicates economic value added for the company
- b. If $\text{EVA} < 0$, this indicates that there is no economic added value for the company
- c. Jika $\text{EVA} = 0$, hal ini menunjukkan posisi impas karena laba telah digunakan untuk membayar kewajiban kepada penyandang dana, baik kreditur maupun pemegang saham

EVA provides a better measure of the added value the company provides to shareholders. Therefore, managers who focus on EVA can be interpreted as operating in consistent ways to maximize shareholder prosperity. Calculation of Economic Value Added (EVA) which is expected to support the presentation of financial statements so that it will make it easier for financial reporting players, including investors, creditors, employees, customers, and other interested parties. There are several approaches that can be used to measure EVA, depending on the capital structure of the company. If in the capital structure the company only uses its own capital.

Financial Performance

Company performance can be said to be a formal effort carried out by the company to evaluate the efficiency and effectiveness of the company's activities that have been carried out in a certain period of time. According to Sucipto [11] the definition of financial performance is "the determination of certain measures that can measure the success of an organization or company in generating profits". Performance measurement is defined as "performing measurement", namely the qualifications and efficiency and effectiveness of the company in operating its business during the accounting period. Thus the notion of performance is a formal effort carried out by a company to evaluate the efficiency and effectiveness of company activities that have been carried out in a certain period of time [12].

Meanwhile, financial performance is more about evaluating the company's financial statements at a certain time and period. To find out the company's financial performance, it is generally necessary to analyze the financial statements, which according to Brigham and Houston [8] includes (1) comparing the

performance of the company with other companies in the same industry and (2) evaluating the trend of the company's financial position over time. . The company's financial statements report both the position of the company at a certain time and its operations over the past several periods. 10 From the above understanding, it can be concluded that financial performance is a formal effort that has been carried out by a company that can measure the company's success in generating profits, so that it can see the prospects, growth, and potential for good development of the company by relying on existing resources. A company can be said to be successful if it has achieved the standards and goals that have been set.

Financial performance can be assessed with several analytical tools. Based on the technique, financial analysis can be divided into 8 (eight) types, according to Jumingan [13], namely:

1. Comparative Analysis of Financial Statements, is an analysis technique by comparing the financial statements of two or more periods by showing changes, both in amount (absolute) and in percentage (relative).
2. Trend analysis (position tendency), is an analysis technique to determine the tendency of the financial condition to show whether it shows an increase or decrease
3. Per-component analysis (common size), is an analysis technique to determine the percentage of investment in each asset to total or total assets or debt
4. Analysis of Sources and Utilization of Working Capital, is an analytical technique to determine the amount of sources and uses of working capital over two time periods being compared
5. Analysis of sources and use of cash, is an analysis technique to determine the condition of cash along with the causes of changes in cash in a certain period of time
6. Financial Ratio Analysis, is a financial analysis technique to determine the relationship between certain items in the balance sheet and income statement, either individually or simultaneously
7. Analysis of Changes in Gross Profit, is an analysis technique to determine the position of profit and the causes of changes in earnings
8. Break Even Analysis, is an analysis technique to determine the level of sales that must be achieved so that the company does not experience losses

Previous Research

Lihawa, Montolalu, Tampi [14] in a study entitled Analysis of Corporate Financial Performance Appraisal Using the Economic Value Added (EVA) Method at PT. Bank Rakyat Indonesia (Persero) Tbk. The purpose of this study was to determine the company's financial performance using the Economic Value Added (EVA) method at PT. Bank Rakyat

Indonesia (Persero) Tbk. During the period 2015-2017. Economic Value Added Analysis (EVA) is one way to explore financial performance. Economic Value Added (EVA) is an indicator of investment implementation. To process the data that has been collected from the research results, the researchers in this study use the analysis of the company's financial performance using the Economic Value Added (EVA) method by calculating Net Profit After Tax, calculating Investment Capital, calculating the Average Cost of Capital, calculating the Cost of Capital. And Calculate Economic Value Added (EVA). After processing the data the results show that the financial performance of PT. Bank Rakyat Indonesia (Persero) Tbk during the period 2015 to 2017 the value of EVA continued to increase in the value of EVA in each research year. This proves that company managers are able to create economic added value for the company by maximizing profits that contribute to increasing the value of NOPAT and minimizing risk returns in investment which causes a decrease in the value of Capital Charges which results in an EVA value > 0. The results showed that during the period 2015 to 2017 PT. Bank Rakyat Indonesia (Persero) Tbk. get a positive value with the highest EVA in 2017 of Rp. 21,396,554 (in million rupiah) because in that year the company had the highest NOPAT than the previous two years and had a low enough capital cost so that the company could get a higher added value from 2015 and 2016. Then in 2016 the company had more EVA low from IDR 19,298,437 (in million rupiah) with a difference of 9.80% compared to 2017 and the lowest value creation in 2015 was IDR. 17,231,693 (in million rupiah) with a difference of 10.70% compared to the value of EVA in 2016.

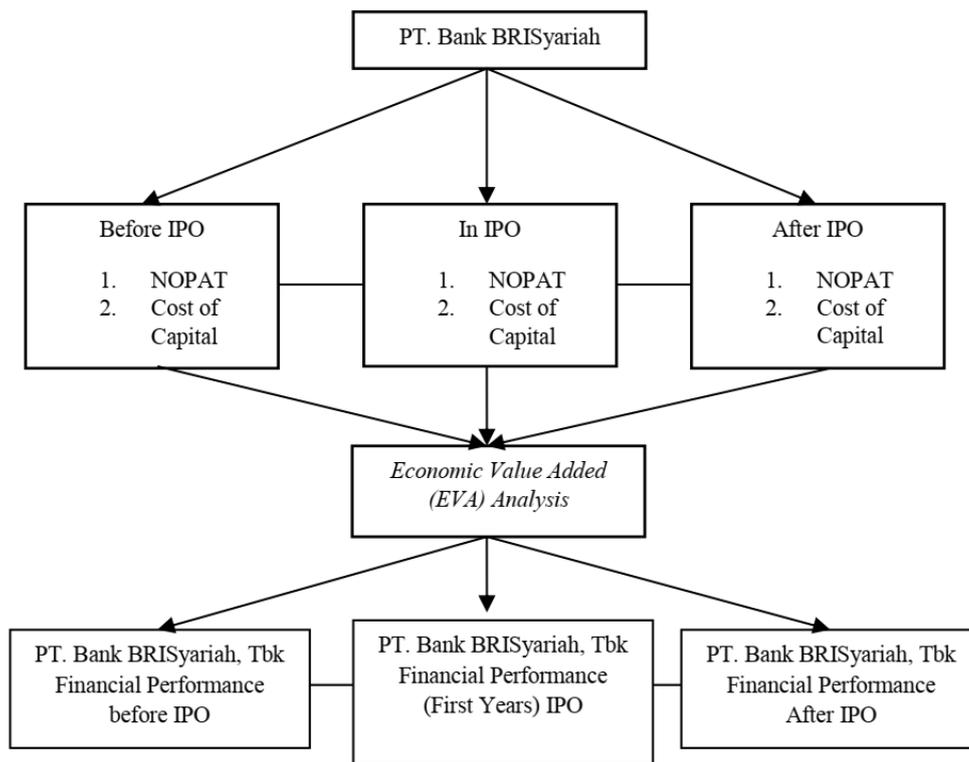
Meuthia Dewi [15], in a study entitled "Assessment of Company Financial Performance Using the EVA (Economic Value Added) Method (Case Study at PT. Krakatau Steel Tbk Period 2012-2016)". The purpose of this study is to determine the financial performance of PT. Krakatau Steel Tbk from 2012 to 2016 based on the EVA method. The data used in this research is in the form of financial report data for 2012-2016. The data analysis method used is descriptive statistical analysis method. From the data analysis based on the EVA method shows poor performance because for 5 years of research the company's EVA shows a negative value ((EVA < 0). In 2012 the value of EVA was -US \$ 158,582,000. Then in 2013 the value of EVA increased to -US. \$ 147,585,000, and in 2014, 2015 the value of EVA again decreased significantly by -US \$ 106,445,000 and -US \$ 246,777,000. In 2016 the company was again unable to increase the value of EVA to as much as -US \$ 65,937,000 This indicates that the company has not been able to create added value for its shareholders.

Putri Renalita Sutra Tanjung, 2019, Mercu Buana University) in study entitled “ANALYSIS OF THE EFFECT OF ECONOMIC VALUE ADDED AND OTHER FUNDAMENTAL FACTORS OF SHARE RETURNS”. This study aims to analyze the influence of EVA (Economic Value Added), DER (Debt to Equity Ratio), ROA (Return on Assets), and PER (Price to Earnings Ratio) to Stock Return. The sampling technique used is purposive sampling. The study was conducted on consistent companies included in the Compass-100 Index in Indonesia Stock Exchange with a research period of 3 (three) years (2014-2016). The estimation of the model used is panel data

regression. Test result shows that DER (Debt to Equity Ratio), ROA (Return on Assets), and PER (Price to Earnings Ratio) have an effect on stock return, the whole result of this research proves Agency Theory in the form Another is that managers are not only responsible for the shareholders but are also responsible to all stakeholders.

Frame of Work

Based on the background, theory and previous research, a framework of thought can be formed as follows:



RESEARCH METHOD

This research is a descriptive analysis research method, Collecting data, namely the results of research arranged based on data collected from various sources, Classify, namely the data that has been collected is classified or classified according to its type and Interpreting, namely looking for a clear picture of the problem under study in accordance with the data and information collected and classified according to its type. Where the results of the study are then compared

with the theory related to the problem to draw general conclusions.

The population of this research is PT. Bank BRISyariah, Tbk, data sources use secondary data, namely company documents in the form of financial reports published on www.brisyariah.co.id in the form of financial reports and annual reports from 2017 – 2019. The data analysis method used is Economic Value Added (EVA) analysis, according to Brigham & Houston [16]:

$$Cost\ of\ Equity\ (re) = \frac{Net\ Profit\ after\ Tax}{Total\ Equity} \times 100\%$$

$$1. \text{ Tax Rate} = \frac{\text{Tax Cost}}{\text{Net Profit Before Tax}} \times 100\%$$

1. Weighted Average Cost of Capital (WACC) The weighted average cost of capital (WACC) is the weighted average cost of debt components, preferred stock, equity and retained earnings. The formula

$$\text{WACC} = [(D \times rd) (1-\text{tax}) + (E \times re)]$$

2. Invested Capital: According to Widjaya [17], invested capital is the total amount of all loans excluding short-term loans without interest (Non Interest Bearing Liabilities). As for what is meant is trade payables, accrued expenses, tax payable, customer advances

$$\text{Invested Capital} = (\text{Total Debt} + \text{Equity}) - \text{Short term Debt}$$

From the calculation, a conclusion will be drawn with the following results interpretations:

- If $EVA > 0$, this indicates economic value added for the company.
- If $EVA < 0$, this indicates that there is no economic added value for the company.
- If $EVA = 0$, this indicates a break-even position because profit has been used to pay obligations to funders, both creditors and shareholders.

DISCUSSION AND RESEARCH RESULTS

The first step to get the value of EVA is the first to calculate the net profit after tax (NOPAT), the

net profit after tax (NOPAT) is divided into two, namely the NOPAT Financing Approach and the NOPAT Operating Approach. The second step is to calculate the capital (capital). Capital is all capital invested (invested capital) and taken the average and initial capital (capital at the end of last year) and final capital (capital at the end of the current year), assuming that management uses this capital to manage the company for a period of one year walk. After NOPAT and capital are obtained, the next step is to calculate the weighted average cost of capital. $\text{WACC} = [(D \times rd) (1-\text{tax}) + (E \times re)]$ which is then multiplied against the capital to obtain a capital charge. And the last is calculating the value of the EVA itself. NOPAT Calculation

The results of the analysis conducted on the financial statements of PT. Bank BRISyariah, Tbk shows an adjustment of equity equivalents. Adjustments to equity equivalents that must be added to income as adjustments, namely: deferred tax increase, increase in allowance for earning assets, addition of minority interests in net income of subsidiaries, then adjustments are made to profit sharing expenses so as not to double counting on the NOPAT operating approach calculation, due to expenses. Profit sharing is included in the cost of funds spent on operational management activities.

Table-3: Calculation table for NOPAT Financing Approach PT. Bank BRISyariah, Tbk (expressed in million rupiah)

| NOPAT Financing Approach | 2017 | 2018 | 2019 |
|---|------------|------------|------------|
| Net Profit | 29,045,049 | 32,418,486 | 34,413,825 |
| Deffered Tax Increase | 3,145,849 | 1,827,921 | (573,353) |
| Increase in Allowance for Earning Assets | (279,780) | (511,932) | (590,393) |
| Minority right in Company net profit (stock up 70%) | - | - | - |
| Adjusted Expenses agar tidak Double Counting | 0 | 0 | 0 |
| NOPAT Financing Approach | 31,913,135 | 33,736,493 | 33,252,098 |

Source: Processed from the financial statements of PT BRISyariah, Tbk

NOPAT financing approach is obtained based on data added successively from 2017-2019 (expressed in millions of rupiah), namely for 2017 net profit 29,045,049, deferred tax increase of 3,145,849, increase in allowance for earning assets - 279,780 while for minority rights on the company's net profit does not appear in the company's financial statements because the share ownership of PT. Bank BRISyariah above 70%. So that the NOPAT financing approach in 2017 is IDR 31,913,135. For 2018 net income 32,418,486, deferred tax increase of 1,827,921, increase in allowance for earning assets - 511,932 while minority

interest in the company's net income does not appear in the company's financial statements because of the share ownership of PT. Bank BRISyariah above 70%. So that the NOPAT financing approach in 2018 is IDR 33,736,493. For 2019 net profit 34,413,825, deferred tax increase of -573,353, increase in allowance for earning assets - 590,393 while minority interest in the company's net income did not appear in the company's financial statements because of PT. Bank BRISyariah above 70%. So that the NOPAT financing approach in 2019 is IDR 33,252,098.

Based on the data above, it can be seen that from 2017 to 2019 PT. Bank BRISyariah, Tbk, the NOPAT value tends to be stable both before the IPO

and after the IPO, although there has not been any positive effect from the IPO if only seen from the financing approach.

Table-4: NOPAT Operating Approach calculation table PT. Bank BRISyariah, Tbk (expressed in million rupiah)

| NOPAT Operating Approach | | | |
|--|------------|------------|------------|
| | 2017 | 2018 | 2019 |
| Pendapatan bagi hasil | 3,996,772 | 4,367,769 | 4,590,118 |
| Beban bagi hasil (adjusted agar tidak double counting) | 21,174,220 | 22,581,660 | 24,079,631 |
| Beban provisi dan komisi | 122,618 | 131,480 | 157,295 |
| Pendapatan bagi hasil (net) | 1,635,576 | 1,872,845 | 2,159,608 |
| Pendapatan operasional lainnya | 51,877 | 396,964 | 171,263 |
| Beban operasional lainnya | 1,670,577 | 2,243,816 | 2,369,788 |
| Pendapatan non operasional (net) | 7,704 | (12,462) | (3,116) |
| EBT (earning before taxes) | 150,957 | 151,514 | 116,865 |
| Operating taxes | (135,842) | 67,872 | 116,129 |
| Pos-pos luar biasa | (8,264) | 514 | (6,146) |
| Kenaikan pajak tangguhan | 3,145,849 | 1,827,921 | (573,353) |
| Laba setelah pajak | 101,091 | 106,600 | 74,016 |
| NOPAT Operating Approach | 31,913,135 | 33,736,493 | 33,252,098 |

Source: Processed from the financial statements of PT BRISyariah, Tbk

Through the above calculations, the NOPAT operating approach value of PT. Bank BRISyariah, Tbk in 2017 (in million rupiah) was 31,913,135, in 2018 it was 33,736,493 and in 2019 it was 33,252,098. From

these data, it can be seen that the NOPAT operating approach before until after the IPO is still stable and there has been no significant change either up or down.

Table-5: Comparison table of NOPAT Financing Approach with NOPAT Operating Approach PT. Bank BRISyariah, Tbk (expressed in million rupiah)

| Operating Approach dan Financing Approach Comparison | | | |
|--|------------|------------|------------|
| | 2017 | 2018 | 2019 |
| Average NOPAT Operating Approach | 31,913,135 | 33,736,493 | 33,252,098 |
| Average NOPAT Financing Approach | 31,913,135 | 33,736,493 | 33,252,098 |
| Difference | 0 | 0 | 0 |

Source: Processed from the financial statements of PT BRISyariah, Tbk

In the comparison of the average value of the NOPAT operating approach and the average value of the NOPAT financing approach, an equivalent value is obtained and there is no difference so that a balance can be seen.

Capital Calculation

Capital is calculated based on the financial and operating approaches and adjustments to the value of equity are made by adding all debt obligations that bear both long-term and short-term expenses, reducing deferred tax, reducing allowance for possible losses in administrative accounts and allowance for doubtful accounts.

Average capital financing approach PT. Bank BRISyariah, Tbk which in 2017 (in million rupiah)

amounted to 28,817,864 when before the IPO there was a significant change in 2018, namely to become 47,744,083 and then increase even more in 2019 to 53,853,584. This shows that the calculation of the average value of the capital financing approach associated with incoming capital has an influence on the values of capital financing.

Average capital operating approach PT. Bank BRISyariah, Tbk which in 2017 (in million rupiah) amounted to 28,817,864 when before the IPO there was a significant change in 2018, namely to become 47,744,083 and then increase even more in 2019 to 53,853,584. The value above shows a positive increase and increase from the previous year, so the components in the average operating capital approach are considered to be able to meet the company's operating needs.

Table-6: Comparison table of Capital Financing Approach with Capital Operating Approach PT. Bank BRISyariah, Tbk (expressed in million rupiah)

| Perbandingan Capital Operating Approach dan Capital Financing Approach | | | |
|--|------------|------------|------------|
| | 2017 | 2018 | 2019 |
| Average Capital Operating Approach | 28,817,864 | 47,744,083 | 53,853,584 |
| Average Capital Financing Approach | 28,817,864 | 47,744,083 | 53,853,584 |
| Difference | - | - | - |

Weighted Average Cost of Capital (WACC) Calculation

The weighted average cost of capital (r^w) is a combination of the level of the cost of capital on

debt (r^d) and the level of the cost of capital on equity (r^e), according to its portion of the capital structure.

Table-7: Calculation of Capital Costs and Weighted Average Table PT. Bank BRISyariah, Tbk (expressed in million rupiah)

| Weighted Average Cost of Capital (WACC) Calculation | | | |
|---|------------|------------|------------|
| | 2017 | 2018 | 2019 |
| WACC | | | |
| Debt Total | 28,940,543 | 32,842,537 | 38,035,452 |
| Debt Proportion | 92% | 87% | 90% |
| Total Equity | 2,602,841 | 5,026,640 | 5,088,036 |
| Equity Proportion | 8% | 13% | 10% |
| Debt Proportion + equity | 100% | 100% | 100% |
| Total Capital | 1,979,000 | 4,858,057 | 4,858,057 |
| Capital Cost on debt (Rd) | 0.07 | 0.15 | 0.13 |
| Capital Cost on Equity (Re) | 0.76 | 0.97 | 0.95 |
| RWACC | 0.83 | 1.11 | 1.08 |

Source: processed from the financial statements of PT BRISyariah, Tbk

Weighted Average Cost of Capital (WACC), the average cost level shows the proportion of debt of PT. Bank BRISyariah, Tbk in 2017 was 92% with a proportion of 8% equity, for 2018 the proportion of debt was 87% with a proportion of equity 13% and for 2019 the proportion of debt of PT. Bank BRISyariah, Tbk is at 90% and the proportion of its equity is 10%.

After calculating the cost of capital for debt (R_d) and cost of capital on equity (R_e) for each year (2017-2019), the RWACC for 2017 is 0.83, 2018 is 1.11 and 2019 is 1.08.

Capital Charge is the total cost of capital, which is the result of the weighted average cost of capital (r^w) multiplied by the capital invested.

Table-8: Capital Charge Calculation Table PT. Bank BRISyariah, Tbk (expressed in million rupiah)

| Perhitungan Capital Charge | | | |
|----------------------------|------------|------------|------------|
| | 2017 | 2018 | 2019 |
| WACC (%) | 82.87 | 111.44 | 108.25 |
| Invested Capital | 28,817,864 | 47,744,083 | 53,853,584 |
| Capital Charge | 23,881,497 | 53,205,135 | 58,297,824 |

Source: Processed from the financial statements of PT BRISyariah, Tbk

EVA Value Calculation

Performance appraisal through the EVA method produces varied EVA values. This is due to the amount of capital that is owned each year. The positive EVA value in 2017 is due to the fact that the company is still in a phase where the balance between capital, income and the relationship with operating and financing is still closed and has not yet entered the

influence of outside capital or due to IPOs and then decreased in 2018 and 2019 due to the influx of capital from outside through the sale of shares greatly affected the company's operating and financing, causing the value to be a significant / significant minus, namely from 8,031,638 in 2017, dropping drastically to -19,468,642 in 2018 and -25,045,726 in 2019.

Table-9: Calculation of EVA Value Table PT. Bank BRISyariah, Tbk (expressed in million rupiah)

| EVA Value Calculation | | | |
|---------------------------------------|------------|--------------|--------------|
| | 2017 | 2018 | 2019 |
| Performance Summary | | | |
| NOPAT | 31,913,135 | 33,736,493 | 33,252,098 |
| Average Capital | 28,817,864 | 47,744,083 | 53,853,584 |
| NOPAT/Average Capital (r) | 111% | 71% | 62% |
| Weighted Average Cost of Capital (c*) | 83% | 111% | 108% |
| Eva Spread Method | | | |
| Profit Spread (r-c*) | 28% | -41% | -47% |
| Average Capital | 28,817,864 | 47,744,083 | 53,853,584 |
| EVA=(r-c*) x Average Capital | 8,031,638 | (19,468,642) | (25,045,726) |
| Eva Residual Income Method | | | |
| NOPAT | 31,913,135 | 33,736,493 | 33,252,098 |
| Weighted Average Cost of Capital (c*) | 83% | 111% | 108% |
| Average Capital | 28,817,864 | 47,744,083 | 53,853,584 |
| Capital Charge | 23,881,497 | 53,205,135 | 58,297,824 |
| EVA=NOPAT-Capital Charge | 8,031,638 | (19,468,642) | (25,045,726) |

Source: Processed from the financial statements of PT BRISyariah, Tbk

Table-10: Table Comparison of the Value of the EVA Spread Method and the EVA Residual Income Method PT. Bank BRISyariah, Tbk (expressed in million rupiah)

| | 2017 | 2018 | 2019 |
|----------------------------|-----------|--------------|--------------|
| EVA Spread Method | 8,031,638 | (19,468,642) | (25,045,726) |
| EVA Residual Income Method | 8,031,638 | (19,468,642) | (25,045,726) |
| Difference | - | - | - |

Source: Processed from the financial statements of PT BRISyariah, Tbk

Based on the results of calculations using the EVA concept, it can be seen that the value of EVA will be positive if the NOPAT value exceeds the capital charge, which means that added value is created and the value of EVA will increase if the increase in NOPAT value is greater and the increase in capital charge means that there is an increase or improvement in added value even though it is possible. The EVA value is still negative.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

In general, the performance of PT. Bank BRISyariah, which is shown in the value of company profits, tends to be stable since 2017, the condition has not yet been IPO, in 2018 when the IPO was conducted and in 2019 after the IPO was conducted. However, based on the calculation of the Economic Value Added (EVA) value above which takes into account the components of capital, cost of funds, operating and financing, several conclusions can be drawn, namely:

1. The financial performance of PT. Bank BRISyariah, Tbk in 2017, prior to the IPO, was still good and positive, because it did not yet accommodate the calculations of capital from other parties.
2. The financial performance of PT. Bank BRISyariah, Tbk in 2018, when an IPO was conducted in the middle of the year, immediately

decreased and became negative, this could be due to the entry of capital from outside which then affected the company's financing and operating costs.

3. The financial performance of PT. Bank BRISyariah, Tbk in 2019, after the IPO was conducted, still showed a negative value, which means that the company has not yet obtained a solution or policy that can reduce risks in changes to the company's capital structure.

Recommendations

Based on the calculation results of Economic Value Added (EVA) and the conclusions obtained in this study, the researchers provide the following suggestions:

1. Initial public offering (IPO) is a policy that has a long-term vision, so that PT. Bank BRISyariah, Tbk and also other companies that intend to open up investment space within the company need to think about the readiness of capital inflows to affect the company's operating and financing.
2. The company should prioritize the balance between the desire to increase capital with the possibility of increasing or decreasing company performance, so that in the future it does not affect the company's value in the eyes of investors.
3. It is necessary to do research again in measuring the performance of PT. Bank BRISyariah before, during and after conducting IPO, using other

methods, so that PT. Bank BRISyariah is actually and opens the possibility if there are other causes that are considered to affect the company's performance besides the components that are carried out in the calculation of Economic Value Added (EVA) in this study.

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