Original Research Article

Comparative Analysis Before And After Implementation Of Circular Letters Financial Services Authority Number 14 / SEOJK.03 / 2017 Concerning Assessment Of The Soundness Level Bank At PT. Bank Mega. Tbk

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Abstract

This study aims to comparative analyze between before (2016) and after (2017) the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017 concerning the health level of PT Bank Mega Tbk. The method used in this study is paired sample t-test. The results are not difference significant between Performance Ratio of Bank Mega in 2016 (before the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017) and Performance Ratio of Bank Mega in 2017 (after the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017).
Keywords: Bank and Financial Performance.

INTRODUCTION

In economic and banking conditions still full of challenges, we should be gratefulBank Mega's performance achievements in 2016. Through focused and measurable business conduct and supported by the precautionary principle, 2016 Bank Mega managed to record performance growth positive ones. Bank Mega remains healthy with strong capital and good liquidity. Bank recorded a growth in net profit of 10%to Rp1.16 trillion in 2016. While profit before tax increased 25% to Rp1.55 trillioncompared to the previous period in 2015 that is equal to Rp1.24 trillion. While bank assets Mega becomes Rp. 70.53 trillion or grows 3.4% from 2015 amounting to Rp 68.23 trillion, mainly driven by increased effects 65.6% to IDR 23.7 trillion.Third Party Funds (DPK) collected by the Bank as well increased, reaching Rp 51.07 trillion or increasing 2.7% from 2015 of IDR 49.74 trillion. This growth comes fýrom low-cost funds (demand deposits and Savings) which increased by 7.62% to IDR 16.26 trillion from the previous period amounting to IDR 15.10 trillion [1].

Financial Services Authority Circular number 14 / SEOJK.03 / 2017 dated March 17, 2017 concerning Rating of Commercial Bank Soundness in point III.1 Procedure for Assessing the Soundness of Commercial Banks Individually Assessment of Soundness Level of Commercial Banks Individually includes an assessment of risk profile factors , Governance, profitability and capital [2].

Based on the description of the background above, the problem is as follows: How is the comparative analysis of BPD financial performance before and after the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017 at PT Bank Mega Tbk.

This study aims to comparative analyze the implementation between before (2016) and after (2017) of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017 concerning the health level of PT Bank Mega Tbk.

Based on the reseach of Permana D (2017) that research have found that strategic clarity in term of align with vision, priority of strategy and scope of strategy have positive significant impact on strategy implementation success in Indonesian Islamic banking. The implications of these findings are further elaborated [3]. Ansori. H.R, Safira (2018) that the comparison showed that the CAR and NPL of the Conventional Commercial Bank variable affected the ROA, while the LDR had no effect. In contrast to the conventional, all variables Islamic Banks are CAR, LDR and NPL effect on ROA. [4]. Kusnanto (2018) that the Bank's Health Level in terms of RGEC at Sharia Commercial Banks in the period of 2013, 2014, and 2015 are in healthy criteria, so it is considered very capable of facing significant negative impacts from changes in business conditions and other external factors [5]. Helsinawati.*et.al* (2018) that the assessment financial performance of PT. Bank Bukopin Tbk before and after the application of branchless banking is not difference and not significant, but is not fixed value [6]. Wahyuningsih. D & Gunawan. R (2017) that thus bopo and liquidity (loan deposit ratio) simultaneously significant return to profitability on assets [7]. Riadi , *et.a*l (2016) that the soundness of banks in 2013 to 2015 from the risk profile aspect is classified as very healthy, Good Corporate Governance is quite healthy, earnings are very healthy, and Capital is very healthy [8] . Rahmaniah and Wibowo (2015) that the year 2011 to 2013 on the third BUS (Islamic Banks) nothing is declared unhealthy and potentially high financial distress, the three buses experienced a decline in the performance of earnings as measured by ROA and ROE and liquidity ratios that FDR, but the decline no significant effect and does not experience the potential of high financial distress [9]. Aprilia R. S.R. Puspitaningtyas. Z, and Prakoso. A (2018) that on the contrary, debt to equity ratio and return on assets not affect significantly on price to book value [10].

MATERIALS AND METHOD

Bank
According to Kasmir (2015) that the function of banks as financial intermediary institutions between people who are over-funded by the community lack of funds [11].

According to Asikin Z (2015) that Bank National Private Bank where all or part of it is owned bythe national private sector and its founding deed was established by the private sector [12].

Financial Performance
Financial performance is an achievement achieved by a company in a certain period that reflects the level of the company's health [13].

Hypothesis
- H_0: It is suspected that there are not differences in financial performance of PT Bank Mega Tbk before (2016) and after (2017) the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017 concerning the health level bank.
- Hi: It is suspected that there are differences in financial performance PT Bank Mega Tbk before (2016) and after (2017) the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017 concerning the health level bank

The following is a picture of the comparison period of Bank Financial Performance:
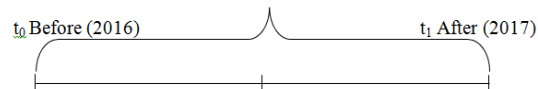
Pic-1: Period of Comparison of Bank Financial Performance

Data collection technique
In The data collection technique for this reseach used is library research / documentation which is a secondary data collection technique, namely the technique of collecting data indirectly through intermediary media (second parties). This research requires a company's financial report data to see data from the financial statements of by the website www.bankmega.com

Data analysis
1) Descriptive Analysis
2) Data Quality Analysis
   Statistics Test: Kolmogorov-Smirnov
   Test criteria:
   a. If sig > 0.05 then Ho is accepted
   b. If sig < 0.05 then Ho is rejected

3) Average Difference Analysis
   a) T test (Paired Sample t-test)
      The hypothesis in this study is as follows:
      - Ho: $\mu_1 - \mu_1 = 0$, means there is no difference of financial performance 2016 with 2017
      - Ha: $\mu_1 - \mu_1 \neq 0$, means there is differences of financial performance 2016 with 2017
      Statistics Test: T test (Paired Sample t Test)
      Test Criteria:
      1) If sig > 0.05 then Ho is accepted
      2) If sig < 0.05 then Ho is rejected
   b) Wilcoxon Test

      Statistics Test: Wilcoxon Test
      Test Criteria:
      1) If sig (2-tailed) > 0.05, then Ho is accepted
      2) If sig (2-tailed) < 0.05, then Ho is rejected [14] .

RESULTS AND DICUSSION
PT.Bank Mega Profile
Starting from a family owned business called PT. Karman Bank, and according to the deed of establishment, established on April 15, 1969, domiciled in Surabaya.Then in 1992 the name changed to PT. Mega Bank and relocating Headquarters to Jakarta. Along with the development of PT. In 1996 Mega Bank was taken over by PARA GROUP (PT. Para Global Investindo and PT. Para Rekan Investama) a holding company owned by a national businessman - Chairul Tanjung. Next PARA GROUP changed its name to CT Corpora [15].

To further enhance the image of PT. Mega Bank, on in June 1997 made changes to the Bank logo Mega in the form of the letter M in blue yellow withthe purpose of that as a trust financial institution society, will be more asily known through the logo the new company. In order to strengthen the capital structure then in 2000 PT. Bank Mega implements Initial Public Offering and listed on the JSE and BES. With thus some shares of PT. Bank Mega is owned by public and changed its name to PT. Bank Mega Tbk. When the economic crisis occurred, Bank Mega emerged as one of the banks that is not affected by crisis and continue to grow without government assistance together with Citibank, Deutche Bank and HSBC. PT. Bank Mega Tbk. with the motto "Mega Purpose You "grow rapidly and in a controlled manner become a well-known financial institution that is capable aligned with leading banks in Asia Pacific and have received various awards and achievements both at national, regional and regional levels international. In an effort to realize appropriate performance with the name it bears, PT.

Bank Mega Tbk. adhering to the principle of professionalism, openness and caution with the capital structure strong as well as the latest banking products and facilities. Every stage of business that Bank Mega goes through sometimes got a challenge. But with armed confidence and enthusiasm to continue to be who best, so as to be able to give the best also for the nation, all elements of the Bank agreed to further reinforce these ideals. Transformation the new Bank Mega logo in its new form becomes a reflection of the spirit of all elements of Bank Mega in realize the ideals of Indonesia. The transformation of the new Bank Mega logo was carried out in the year 2013 is a deep reflection of hope Bank Mega to take part in developing Indonesia becomes a nation that has excellence and abstinence give up so that you are always able to realize welfare and life that continue to be better. Affirmation of the symbol "M" which has been a lot known, a representation of aspirations, optimism, opportunities and aspirations of the Indonesian people as well the desire to build a family future and a better and more prosperous nation. A series of warm colors symbolizes energy and the spirit of Bank Mega, new thinking and comprehensive financial solutions for customers as well Bank Mega personnel. To further reinforce us pinning the yellow that depicts intelligence and hope, combined with gray which symbolizes processes and systems sophisticated. The orange color represents optimism and energy that shows that Bank Mega always see and do things positively and thus always struggling to get positive result [15].

Financial Perforrmance PT Bank Mega Tbk
Table 1 show Financial Performance of PT. Bank Mega. Tbk as follow:

Table-1: Performance Ratio of Pt Bank Mega, Tbk

Performance Ratio of Bank	2017(%)	2016(%)
1. Minimum Capital Requirement (KPMM)	24,11	26,21
2. Problematic productive assets and non-productive assets of total productive assets and non-earning assets	1,03	1,67
3. Problematic productive assets against total earning assets	1,02	1,65
4. Reserve for impairment losses (CKPN) of financial assets to earning assets	0,68	0,85
5. Non Performing Loan (NPL) gross	2,01	3,44
6. Non Performing Loan (NPL) net	1,41	2,59
7. Return on Asset (ROA)	2,24	2,36
8. Return on Equity (ROE)	11,66	10,91
9. Net Interest Margin (NIM)	5,80	7,01
10. Operational Expenses on Operating Income(BOPO)	81,28	81,81
11. Loan to Deposit Ratio (LDR)	56,47	55,35

Source: Otoritas Jasa Keuangan (2018) [16], [17].

Based on table 1 Ratio Performance of bank are had 9 data decreasing are Minimum Capital Requirement (KPMM) of -2,10%. . Problematic productive assets and non-productive assets of total productive assets and non-earning of -0.64%. Problematic productive assets against total earning assets of -0,63%, Reserve for impairment losses (CKPN) of financial assets to earning assets of -0,17%,

Gross NPL of -1,43%, Net NPL of -1,18%, Return on Assets (ROA) of -0,12%, Net Interest Margin (NIM) of -1,21%,Operational Expenses on Operating Income and (BOPO) of -0,53%, Ratio Performance of bank are had

2 data increasing are Return on Equity (ROE) of 0,75% and Loan to Deposit Ratio (LDR) of 1,12%.

The Result of Statistics Test
The Result of Statitis Test as follows:

Table-2: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Performance Ratio of Bank Mega 2017 (%)	11	,68	81,28	17,0645	27,12307
Performance Ratio of Bank Mega 2016 (%)	11	,85	81,81	17,623	26,8809
Valid N (listwise)	11				

Source : Team Analysis (2019)

The table2. Descriptive Statistics show that Performance Ratio of Bank Mega in 2017 are minimum of 0,68%, maximum of 81,28%, mean of 17, 0644 % and deviation standard of 27.12307% . The

Performance Ratio of Bank Mega in 2016 are minimum of 0, 85%, maximum of 81,81%, mean of 17, 623 % and deviation standard of 26.8809%

Table-3: One-Sample Kolmogorov-Smirnov Test

		Performance Ratio of Bank Mega 2017 (%)	Performance Ratio of Bank Mega 2016 (%)
N		11	11
Normal Parameters[a,b]	Mean	17,0645	17,623
	Std. Deviation	27,12307	26,8809
Most Extreme Differences	Absolute	,306	,326
	Positive	,306	,326
	Negative	-,273	-,266
Kolmogorov-Smirnov Z		1,016	1,081
Asymp. Sig. (2-tailed)		,254	,193
a. Test distribution is Normal.			
b. Calculated from data.			

Source: Team Analysis (2019)

The table 3. Test of One-Sample Kolmogorov-Smirnov show that Performance Ratio of Bank Mega in 2017 had sig (2-tailed) of 0,254 > 0.05 are the data had normal distribution. Performance Ratio of

Bank Mega in 2016 had sig (2-tailed) of 0,193 > 0.05 are the data had normal distribution.

Table-4: Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Performance Ratio of Bank Mega 2017 (%)	17,0645	11	27,12307	8,17791
	Performance Ratio of Bank Mega 2016 (%)	17,623	11	26,8809	8,1049

Source: Team Analysis (2019)

The table 4. Paired Samples Statistics show that Performance Ratio of Bank Mega 2017 had deviation standard of 27.12307% and standard error

mean of 8,17791 Performance Ratio of Bank Mega in 2016 had deviation standard of 26.8809% and standard error mean of 8,1049.

Table-5: Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	Performance Ratio of Bank Mega 2017 (%) & Performance Ratio of Bank Mega 2016 (%)	11	,999	,000

Source: Team Analysis (2019)

The Paired table 5. Samples Correlations of Performance Ratio of Bank Mega in 2017 and Performance Ratio of Bank Mega in 2016 had sig 0.0000 < 0.05 that the sample had correlation.

Table-6: Paired Samples Test

		Paired Differences					t	df	Sig.(2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Performance Ratio of Bank Mega 2017 (%) - Performance Ratio of Bank Mega 2016 (%)	-,55818	,93977	,28335	-1,18953	,07317	-1,970	10	,077

Source: Team Analysis (2019)

The table 5 Paired Samples Test of Performance Ratio of Bank Mega in 2017 minus Performance Ratio of Bank Mega in 2016 had sig (2-tailes) of 0. 077 > 0.05 that the H_0 is accepted and H_1 is rejected there are not difference significant between Performance Ratio of Bank Mega in 2017 and Performance Ratio of Bank Mega 2016.

Table-7: Ranks

		N	Mean Rank	Sum of Ranks
Performance Ratio of Bank Mega 2017 (%) - Performance Ratio of Bank Mega 2016 (%)	Negative Ranks	9[a]	5,89	53,00
	Positive Ranks	2[b]	6,50	13,00
	Ties	0[c]		
	Total	11		
a.	Performance Ratio of Bank Mega 2017 (%) < Performance Ratio of Bank Mega 2016 (%)			
b.	Performance Ratio of Bank Mega 2017 (%) > Performance Ratio of Bank Mega 2016 (%)			
c.	Performance Ratio of Bank Mega 2017 (%) = Performance Ratio of Bank Mega 2016 (%)			

Source: Team Analysis (2019)

Table of ranks of Performance Ratio of Bank Mega in 2017 and Performance Ratio of Bank Mega 2016 show the Negative ranks are 9 sample, mean ranks 5.89 and sum of ranks 53, and positive ranks are 2 sample mean ranks 6.50 and sum of ranks 13.

Wilcoxon Signed Test Statistics[a]	
	Performance Ratio of Bank Mega 2017 (%) - Performance Ratio of Bank Mega 2016 (%)
Z	-1,778[b]
Asymp. Sig. (2-tailed)	,075
a. Wilcoxon Signed Ranks Test	
b. Based on positive ranks.	

Source: Team Analysis (2019)

The table Wilcoxon Signed Ranks Test of Performance Ratio of Bank Mega in 2017 minus Performance Ratio of Bank Mega in 2016 had sig (2-tailes) of 0. 075 > 0.05 that the H_0 is accepted and H_1 is rejected there are not difference significant between Performance Ratio of Bank Mega in 2016 (before the implementation of the Financial Services) Authority's circular letter number 14 / SEOJK.03 / 2017) and Performance Ratio of Bank Mega in 2017 (after the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017)

CONCULSION

Ratio Performance of bank are had 9 data decreasing are Minimum Capital Requirement (KPMM), problematic productive assets and non-productive assets of total productive assets and non-earning, problematic productive assets against total earning assets, Reserve for impairment losses (CKPN) of financial assets to earning assets, Gross NPL, Net NPL, Return on Assets (ROA), Net Interest Margin (NIM), Operational Expenses on Operating Income and (BOPO), Ratio Performance of bank are had 2 data increasing are Return on Equity (ROE) and Loan to Deposit Ratio (LDR) but not difference significant. The results of this aims are not difference significant between Performance Ratio of Bank Mega in 2016 (before the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017) and Performance Ratio of Bank Mega in 2017 (after the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017).

REFERENCES