

Research Article

Analysis Healthy Bank in Indonesia Period of 2015 – 2018 (Case Study at PT. Bank Danamon Tbk)

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Abstract: This study aims are analysis of performance Bank at PT Bank Danamon, Tbk by the RGEC (Risk Profile, Good Corporate Governance, Earning, Capital) method through a composite analysis. The result are is performance bank of PT Bank Danamon, Tbk the value of determination or composite on 2015, 2016, 2017 are very healthy and 2018 is healthy, and performance bank used RGEC method are Bank Performance for Risk Profile show NPL on 2015, 2016, 2017 are very healthy and 2018 is healthy, LDR since 2015, 2016, 2017 and 2018 are quite healthy. Bank Performance for Good Corporate Governance on 2015, 2016, 2017 and 2018 are healthy. Bank Performance for earning show ROA on 2015, 2016, 2017 and 2018 are very healthy, while NIM since 2015 until 2018 very healthy. Bank Performance for capital show CAR on 2015, 2016, 2017 and 2018 are very healthy.

Keywords: Bank and Healthy Bank.

INTRODUCTION

PT Bank Danamon Indonesia Tbk. It is expected to be the bank that cuts the most number of employees. From 2014-2018, the bank which will merge with Mitsubishi UFJ Financial Group has reduced 10,177 employees. Chairman of the Danamon Bank Work Union, Abdoel Moedjib, said that this had happened and was part of technology implementation. "Almost all parts are against, starting from the front office to the back office. This credit analyst could have needed up to 12 people in one branch, now only two to three people," he said as released by Bisnis.com, Wednesday, March 20, 2019. (Bisnis Tempo Co, 2019) Based on the above, the authors are interested in examining the performance or soundness of Danamon's bank.

This study aims to analyze of healthy bank at PT Bank Danamon Tbk with RGEC (Risk Profile, Good Corporate Governance, Earning, Capital) of 2015 until 2018 period through a composite analysis.

Based on the last studies are Korompis, Rotinsulu, and Sumarauw (Korompis, V.E, Rotinsulu,T.O., & Sumarauw,J.2015) there are differences in bank's financial performance

from RGEC factor between Bank BRI, Tbk and Bank Mandiri, TBK, where from *Risk Profile* factor from NPL and LDR where BRI is superior compared to Bank Mandiri, earning factor with ROA where BRI tends to decrease while Bank Mandiri Berflutuaktif, then from earning factor where BRI is higher than Bank Mandiri stated healthy and for and Capital where BRI is lower than Bank Mandiri. Rahmaniah and Wibowo (Rahmaniah, M., & Wibowo, H.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. Putri and Damayanthi (Putri, I.D.A.D.E., & Damayanthi, I.G.A.E. 2013) that an assessment of the RGEC factor that there is not difference in bank soundness between large banks and small banks. Riadi, *et al* (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.

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Widyanto (2019) that the comparison of the performance of DKI Bank and PT BPD Jawa Tengah in 2017 are not significant difference; the comparison of the PT BPD Central Java's performance is not significant difference for 2016 and 2017, but the comparison the The performance of Bank DKI for 2016 and 2017 is significant difference. The implementation of Circular Letter Number 14 / SEOJK.03 / 2017 regional development banks period 2016 (before) and 2017 (after), shows that the assessment of financial performance of PT BPD Central Java are not significant difference, however the assessment of financial DKI Bank's performance is a significant difference. In 2017 after the implementation of Circular Letter Number 14 /SEOJK.03 / 2017 the results show that the comparison of the performance of PT BPD Jawa Tengah and Bank DKI are not significant difference. 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. Pernamasari (2018) that the GCG index has no significant effect on the cost of debt and accrual income management has a significant effect on the cost of debt. It means earnings management is done by management to influence investor perception, especially to influence buying decision of company stock and influence company value.

MATERIALS AND METHODS

According to Purnamawati, Yuliarta & Sulindawati (2014) that Bank is an institution that acts as a financial intermediary (*financial intermediation*) the party with the surplus of funds (*surplus unit*) with the party who need the fund (*deficit unit*) as well as the institution functioning to smoothen the payment traffic (financial accounting)

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.(Otoritas Jasa Keuangan. 2017).

Based on Bank Indonesia circular number 13/24/ DPNP of 2011 concerning Rating of soundness of bank (Bank Indonesia. 2013) cited by Faizal & Rodiana (2019) as follows:

1. RISK PROFILE

A. Non-Performing Loans (NPL)

Scale Criteria

- 0% <NPL <2% Very Healthy (VH)
- 2% <NPL <5% Healthy (H)
- 5% <NPL <8% Quite Healthy (QH)

- 8% <NPL <11% Unwell (UW)
- NPL > 11% Not Healthy (NH)

B. LOAN TO DEPOSIT RATIO (LDR)

Scale Criteria

- 50% <LDR≤75% Very Healthy (VH)
- 75% <LDR≤85% Healthy (H)
- 85% <LDR≤100% Quite Healthy (QH)
- 100% <LDR≤120% Unwell (UW)
- LDR > 120% Not Healthy (NH)

2. GOOD CORPORATE GOVERNANCE (GCG)

Based on Bank Indonesia circular number 15/15 / DPNP of 2013 (Bank Indonesia. 2013) concerning Rating of soundness of banks is GCG Scale Criteria as follows

- 1 = Very Healthy (VH)
- 2 = Healthy (H)
- 3 = Quite Healthy (QH)
- 4 = Unwell (UW)
- 5 = Not Healthy (NH)

3. EARNING

A. Scale Criteria of Return on Assets (ROA)

- ROA > 1.5% Very Healthy (VH)
- 1.25% <ROA≤1.5% Healthy (H)
- 0.5% <ROA≤1.25% Quite Healthy (QH)
- 0% <ROA≤0.5% Unwell (UW)
- ROA < 0 Not Healthy (NH)

B. Scale Criteria Of Net Interest Margin (Nim)

- NIM > 3% Very Healthy (VH)
- 2% <NIM≤ 3% Healthy (H)
- 1.5% <NIM≤ 2% Quite Healthy (QH)
- 1% <NIM≤1.5% Unwell (UW)
- NIM <1% Not Healthy (NH)

4. CAPITAL

Scale Criteria of Capital Adequacy Ratio (CAR)

- CAR > 11% Very Healthy (VH)
- 9.5% <CAR≤ 11% Healthy (H)
- 8% <CAR≤ 9.5% Quite Healthy (QH)
- 6.5% <CAR≤ 8% Unwell (UW)
- CAR <6.5% Not Healthy (NH)

OBJECT AND TIME OF RESEARCH

This research was conducted at of PT. Bank Danamon Tbk. The research time period is 2015 until 2018. The data from secondary data at www.danamon.co.id and www.ojk.go.id

RESULTS AND DISCUSSION

Performance of Pt. Bank Danamon Tbk

Tabel 1. PERFORMANCE OF PT BANK DANAMON INDONESIA TBK

Performance Factor	(Procentage)			
	2018	2017	2016	2015
1. Risk Profile				
a. Non Performing Loan (NPL)	2.05	1.88	1.96	1.98
b. Loan to Deposit Ratio (LDR)	94.95	93.29	91	87.53
2. Good Corporate Governance (GCG)	2	2	2	2
3. Earning				
a. Return on Asset (ROA)	2.99	3	2.26	2.58
b. Net Interest Margin (NIM)	6.22	7.03	7.36	7.14
4. Capital				
a. Capital Adequacy Ratio (CAR)	22,79	23,24	22,3	20,89

Source: Otoritas Jasa Keuangan 2019)

Bank Performance of PT Bank Danamon Tbk show performance bank ratio period of 2015 -2018 by RGEC (Risk Profile, Good Corporate Governance,

Earning and Capital) Method show the performance bank is fluctuation not fixed, only GCG is fixed.

Table 2. Bank Performance for Risk Profile

PT BANK DANAMON TBK				
Performance Ratio	(Procentage)			
	2018	2017	2016	2015
Risk Profile				
A. Non Performing Loan (NPL)				
a. 0% <NPL <2% Very Healthy (VH)				
b. 2% <NPL <5% Healthy (H)				
b.5% <NPL <8% Quite Healthy (QH)				
c. 8% <NPL <11% Unwell (UW)				
e. NPL > 11% Not Healthy (NH)				
Performance Ratio of NPL	2.05	1.88	1.96	1.98
Rating	Healthy	Very Healthy	Very Healthy	Very Healthy
B. Loan to Deposit Ratio (LDR)				
Performance Criteria:				
a. 50% <LDR≤75% Very Healthy (VH)				
b. 75% <LDR≤85% Healthy (H)				
c. 85% <LDR≤100% Quite Healthy (QH)				
d. 100% <LDR≤120% Unwell (UW)				
e. LDR > 120% Not Healthy (NH)				
Performance Ratio of LDR	94.95	93.29	91	87.53
Rating	Quite Healthy	Quite Healthy	Quite Healthy	Quite Healthy

Bank Performance of PT Bank Danamon Tbk for Risk Profile show NPL on 2018 of 2.05 % mean healthy, NPL on 2017 of 1.88% mean very healthy, NPL on 2016 of 1.96% mean very healthy and NPL on 2015 of 1.98 % mean very healthy, while LDR on 2018

of 94.95 % mean quite healthy, LDR on 2017 of 93.28 % mean quite healthy, LDR on 2016 of 91 % mean quite healthy and LDR on 2015 of 87.53 % mean quite healthy,

Table 3. Bank Performance for Good Corporate Governance

PT BANK DANAMON TBK				
Performance Ratio	(Procentage)			
	2018	2017	2016	2015
Good Corporate Governance (GCG)				
Performance Criteria				
a. 1 = Very Healthy (VH)				
b. 2 = Healthy (H)				
c. 3 = Quite Healthy (QH)				
d. 4 = Unwell (UW)				
e. 5 = Not Healthy (NH)				
Performance Ratio of GCG	2	2	2	2
Rating	Heathy	Heathy	Heathy	Heathy

Bank Performance of PT Bank Danamon Tbk for Good Corporate Governanc show GCG on 2018 of 2 mean healthy, GCG on 2017 of 2 mean healthy, GCG on 2018 of 2 mean healthy, GCG on 2018 of 2 mean healthy.

Table 4. Bank Performance for Earning

PT BANK DANAMON TBK				
Performance Ratio	(Procentage)			
	2018	2017	2016	2015
A. Return on Assets (ROA)				
Performance Criteria				
a. ROA > 1.5% Very Healthy (VH)				
b. 1.25% <ROA≤1.5% Healthy (H)				
c. 0.5% <ROA≤1.25% Quite Healthy (QH)				
d. 0% <ROA≤0.5% Unwell (UW)				
e. ROA < 0 Not Healthy (NH)				
Performance Ratio of ROA	2.99	3	2.26	2.58
Rating	Very Healthy	Very Healthy	Very Healthy	Very Healthy
B. Net Interest Margin (NIM)				
Performance Criteria				
a. NIM > 3% Very Healthy (VH)				
b. 2% <NIM≤ 3% Healthy (H)				
c. 1.5% <NIM≤ 2% Quite Healthy (QH)				
d. 1% <NIM≤ 1.5% Unwell (UW)				
e. NIM <1% Not Healthy (NH)				
Performance Ratio of NIM	6.22	7.03	7.36	7.14
Rating	Very Healthy	Very Healthy	Very Healthy	Very Healthy

Bank Performance of PT Bank Danamon Tbk for earning show ROA on 2018 of 2.99 % mean very healthy, ROA on 2017 of 3 % mean very healthy, ROA on 2016 of 2.26 % mean very healthy and ROA on

2015 of 2.31 % mean very healthy, while NIM on 2018 of 6.22 % mean very healthy, NIM on 2017 of 7.03 % mean very healthy, NIM on 2016 of 7.36 % mean very healthy and NIM on 2015 of 7.14 % mean very healthy.

Table 5. Bank Performance for Capital

PT BANK DANAMON TBK				
Performance Ratio	(Procentage)			
	2018	2017	2016	2015
Capital Adequacy Ratio				
Performance Criteria				
a. CAR > 11% Very Healthy (VH)				
b. 9.5% <CAR≤ 11% Healthy (H)				
c. 8% <CAR≤ 9.5% Quite Healthy (QH)				
d. 6.5% <CAR≤ 8% Unwell (UW)				
e. CAR <6.5% Not Healthy (NH)				
Performance Ratio of CAR	22.79	23.23	23.3	20.89
Rating	Very Healthy	Very Healthy	Very Healthy	Very Healthy

Bank Performance of PT Bank Danamon Tbk for capital show CAR on 2018 of 22.79 % mean very healthy, CAR on 2017 of 23.23 % mean very healthy, CAR on 2016 of 23.3% mean very healthy and CAR on 2015 of 20.89 % mean very health,

Table 6. Bank Performance Ranking of 2015 at

PT BANK DANAMON TBK							
Performance Ratio	Score	Ranking					Scale
		1	2	3	4	5	
1. Risk Profile							
a. Non Performing Loan (NPL)	1.96	5					VH
b. Loan to Deposit Ratio (LDR)	87.53			3			QH
2. Good Coporate Governanc (GCG)							
			4				
3. Earning							
a. Return on Asset (ROA)	2.58	5					VH
b. Net Interest Margin (NIM)	7.14	5					VH
4. Capital							
a. Capital Adequacy Ratio (CAR)	20.89	5					VH
Composite Ranking (A)	27	20	4	3	0	0	
Composite Score (B)	30						
Composite Value (A/B)	0,900						

Source: Otoritas Jasa Keuangan (2016) processed data

The determination of composite PT Bank Danamon, Tbk in 2015 is the composite rating of 27, composite score of 30 results from 6 ratios multiple high score is 5. Total value of composite of 0.90 mean the performance bank of PT Bank Danamon Tbk is Very Healthy

Table 7. Bank Performance Ranking of 2016 at

PT BANK DANAMON TBK							
Performance Ratio	Score	Ranking					Scale
		1	2	3	4	5	
1. Risk Profile							
a. Non Performing Loan (NPL)	1.96	5					VH
b. Loan to Deposit Ratio (LDR)	91			3			QH
2. Good Coporate Governance (GCG)							
	2		4				
3. Earning							
a. Return on Asset (ROA)	2.26	5					VH
b. Net Interest Margin (NIM)	7.36	5					VH
4. Capital							
a. Capital Adequacy Ratio (CAR)	23.4	5					VH
Composite Ranking (A)	27	20	4	3	0	0	
Composite Score (B)	30						
Composite Value (A/B)	0,900						

Source: Otoritas Jasa Keuangan (2017) processed data

Based on the determination of composite PT Bank Danamon, Tbk in 2016 is the composite rating of 27, composite score of 30 results from 6 ratios multiple

high score is 5. Total value of composite of 0.90 mean the performance bank of PT Bank Danamon Tbk is Very Healthy

Table8. Bank Performance Ranking of 2017 at

PT BANK DANAMON TBK							
Performance Ratio	Score	Ranking					Scale
		1	2	3	4	5	
1. Risk Profile							
a. Non Performing Loan (NPL)	1.88	5					VH
b. Loan to Deposit Ratio (LDR)	93.29		4	3			QH
2. Good Coporate Governance (GCG)							
	2						
3. Earning							
a. Return on Asset (ROA)	3	5					VH
b. Net Interest Margin (NIM)	7.03	5					VH
4. Capital							
a. Capital Adequacy Ratio (CAR)	23.23	5					VH
Composite Ranking (A)	27	20	4	3	0	0	
Composite Score (B)	30						
Composite Value (A/B)	0,900						

Source: Otoritas Jasa Keuangan (2018) processed data

Based on the determination of composite PT Bank Danamon, Tbk in 2017 is the composite rating of 27, composite score of 30 results from 6 ratios multiple

high score is 5. Total value of composite of 0.90 mean the performance bank of PT Bank Danamon Tbk is Very Healthy

Table 9. Bank Performance Ranking of 2018 at

PT BANK DANAMON TBK							
Performance Ratio	Score	Ranking					Scale
		1	2	3	4	5	
1. Risk Profile							
a. Non Performing Loan (NPL)	2.05		4				VH
b. Loan to Deposit Ratio (LDR)	94.95			3			QH
2. Good Coporate Governance (GCG)							
	2		4				
3. Earning							
a. Return on Asset (ROA)	2.99	5					VH
b. Net Interest Margin (NIM)	6.22	5					VH

4. Capital							
a. Capital Adequacy Ratio (CAR)	22.79	5					VH
Composite Ranking (A)	26	15	8	3	0	0	
Composite Score (B)	30						
Composite Value (A/B)	0,867						

Source: Otoritas Jasa Keuangan (2019) processed dat

Based on the determination of composite PT Bank Danamon, Tbk in 2018 is the composite rating of 26, composite score of 30 results from 6 ratios multiple high score is 5. Total value of composite of 0.867 mean the performance bank of PT Bank Danamon, Tbk is Healthy

CONCLUSION

Based on result and discussion so the conclusion is performance bank of PT Bank Danamon, Tbk the value of determination or composite 2015, 2016, 2017 are very healthy and 2018 is healthy, and performance bank used RGEC method are Bank Performance for Risk Profile show NPL on 2015, 2016, 2017 are very healthy and 2018 is healthy, LDR since 2015, 2016, 2017 and 2018 are quite healthy. Bank Performance for Good Corporate Governance on 2015, 2016, 2017 and 2018 are healthy. Bank Performance for earning show ROA on 2015, 2016, 2017 and 2018 are very healthy, while NIM since 2015 until 2018 very healthy. Bank Performance for capital show CAR on 2015, 2016, 2017 and 2018 are very healthy.

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