Comparative Analysis of Bank Health Levels Using the RGEC Method at PT. Bank Mandiri Tbk and PT Bank Central Asia Tbk Year 2018 - 2020

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Abstrak:

Tujuan dari penelitian ini ialah untuk membandingkan pada tingkat kesehatan bank antara PT Bank Mandiri (Persero) Tbk dengan PT Bank Central Asia Tbk melalui metode RGEC (Risk profile, Good Corporate Governance, Earnings, Capital) untuk Tahun 2018 s/d 2020. Dalam Jenis penelitian memakai penelitian deskriptif yang kuantitatif. Variabel yang dipakai peneliti yaitu metode RGEC dan Kesehatan Perbankan. Subjek penelitian ialah PT. Bank Mandiri dan PT. Bank Central Asia yang terdaftar pada Bursa Efek Indonesia (BEI) untuk tahun 2018-2020, Objek dalam Penelitian ini yaitu laporan kinerja tahunan pada dua bank tersebut. Metode dalam analisis data memakai analisis laporan keuangan dan laporan dari self-assessment GCG untuk metode RGEC. Dari hasil Penelitian menerangkan bahwa rata - rata dari nilai komposit untuk bank mandiri yaitu sebesar 91 % sedangkan BCA sebesar 96,67 % artinya dalam analisis RGEC untuk penilaian atas dasar rasio (NPL, LDR, Self Assesment GCG, ROA, NIM, CAR) bahwa bank BCA memiliki tingkat kesehatan yang lebih tinggi bila dibandingkan bank mandiri.

Kata Kunci: Kesehatan Bank, Nilai Komposit , RGEC

Abstract:

The purpose of this study is to compare the level of bank health between PT Bank Mandiri (Persero) Tbk and PT Bank Central Asia Tbk through the RGEC method (Risk profile, Good Corporate Governance, Earnings, Capital) for 2018 to 2020. The type of research uses quantitative descriptive research. The variables used by researchers are the RGEC method and Banking Health. The subjects of the study were PT. Bank Mandiri and PT. Bank Central Asia are listed on the Indonesia Stock Exchange (IDX) for 2018-2020, the object of this study is the annual performance report of the two banks. The data analysis used financial report analysis and reports from GCG self-assessment for the RGEC method. The study results explain that the average composite value for Bank Mandiri is 91%. In comparison, BCA is 96.67%, meaning that in the RGEC analysis for assessment based on the ratio (NPL, LDR, Self Assessment GCG, ROA, NIM, CAR) BCA Bank has a higher level of health when compared to Bank Mandiri.

Keywords: Bank Health, Composite Value, RGEC

INTRODUCTION

The economy of every country cannot be separated from the role of the banking world. Banking is currently an important and absolute part used to support the economy of a country and banking has an important role in life in society. In addition, banks are business entities that collect public funds in the form of savings and distribute them to the community in the form of loans. To build good relationships with the community, banks must have a good level of bank health. (Nasution, 2021, p. 218) Bank health is the ability of a bank to carry out its operational activities normally and to fulfill all obligations properly and by applicable regulations. (Budisantoso & Nuritomo, 2015, p. 73)

To analyze the health level of a bank, a method called the CAMELS method can be used, but over time the level of complexity of the bank's business makes the CAMELS method less effective and does not provide a conclusion that leads to an assessment. (Piu et al., 2018, p. 739) , then the assessment of the bank's health level will be revised to RGEC as regulated in the Decree of the Board of Directors of BI (PBI) Number 13/1/PBI/2011 concerning the Assessment of the Health Level of General Banks with the factors of Risk Profile, Good Corporate Governance, Earnings, and Capital using a risk approach (Risk-based Bank Rating). (Bank Indonesia, 2011, p. 6)

The Financial Services Authority since December 31, 2013, has officially become the supervisor of banking financial services institutions, where previously this function was held by Bank Indonesia, resulting in changes to several regulations, including the provisions for assessing the health level of general banks, namely through Bank Indonesia Regulation Number 13/1/PBI/2011 concerning the Assessment of the Health Level of General Banks dated January 5, 2011 and was amended to POJK No.4/POJK of 2016. 03/2016 Concerning the Assessment of the Health Level of General Banks. (Hayumurti & Setianegara, 2019, p. 31)

There are 8 risks, namely liquidity, credit, legal, market, operational, strategic, compliance, and reputation risks as indicators of the quality of implementation and interrelated risks in risk management for bank operations which are used as an assessment of the risk profile stated in Article 7 of POJK Number 4/POJK.03/2016. (Dewan Komisioner Otoritas Jasa Keuangan, 2016, p. 8) In assessing the Risk Profile aspect, the financial ratios studied are used, namely to measure credit risk using the Non-Performing Loan (NPL) ratio or the level of problematic credit, and to measure bank liquidity risk using the Loan to Deposit Ratio (LDR) ratio. (Putriana & Artati, 2019, p. 343) The assessment of the Good Corporate Governance aspect is an assessment of the performance of bank management in implementing the 5 principles of governance, to fulfill the 5 principles of good corporate governance, an assessment of 11 governance implementation factors is used, but this study took the results of the GCG self-assessment by the bank itself. (Putriana & Artati, 2019, p. 343) Earnings aspect assessment (rentability) is an assessment of the performance of banks that generate profits, for its measurement using the profitability ratio ROA (Return On Asset) and NIM (Net Interest Margin) to measure the ability of banks to generate profits. Capital aspect assessment (capital) for its assessment of the level of capital adequacy in capital management, usually the financial ratio used is the capital adequacy ratio or CAR (Capital Adequacy Ratio). The CAR ratio is the ability of banks to provide funds and is used to overcome possible risk of loss, protect customers, and to maintain the stability of the financial system as a whole.

Researchers in selecting research objects use state-owned and national private banks, so PT Bank Mandiri (Persero) Tbk is chosen as a conventional bank owned by the state, while PT Bank Central Asia Tbk. is a conventional bank from a private bank. Both banks are included in the ranks of the 2000 companies with the largest wealth in the world, based on the Top 2000 list in The World's Largest Public Companies published by Forbes in May 2021 for Indonesian companies. (Murphy et al., 2021) Several previous studies related to the level of banking health using the RGEC method from research results (Selaningrum & Usman, 2021), comparison between PT. Bank Rakyat Indonesia Tbk and PT Bank Mandiri Tbk show PT Bank Mandiri's health level is better compared to PT Bank Rakyat Indonesia for the period 2015 to 2019 and the results of the study (Putriana & Artati, 2019) comparing PT. Bank Mandiri with PT Bank Nasional Indonesia, namely, both have a very healthy health level for the period 2014 to 2018 and the results of the study (Rahayu & Suhendro, 2016), comparing PT Bank Mandiri and Bank Central Asia show overall financial ratio calculations, Bank BCA has a better bank health level predicate compared to Bank Mandiri for the period 2010 to 2014. The difference with this study is in the period of years studied, namely 2018 to 2020, and both banks are included in the Top 2000 list in the world.

Based on the description above, the problem can be formulated as How to compare the Health Level of banks between PT Bank Mandiri (Persero) Tbk and PT Bank Central Asia Tbk using the RGEC method (Risk profile, Good Corporate Governance, Earnings, Capital) for the period 2018-2020

The purpose of this study is to compare the health level of banks between PT Bank Mandiri (Persero) Tbk and PT Bank Central Asia Tbk using the RGEC method for 2018-2020.

The benefits of this study provide knowledge about the use of financial ratios to assess the health level of banking through the RGEC method as a tool to assess banking performance.
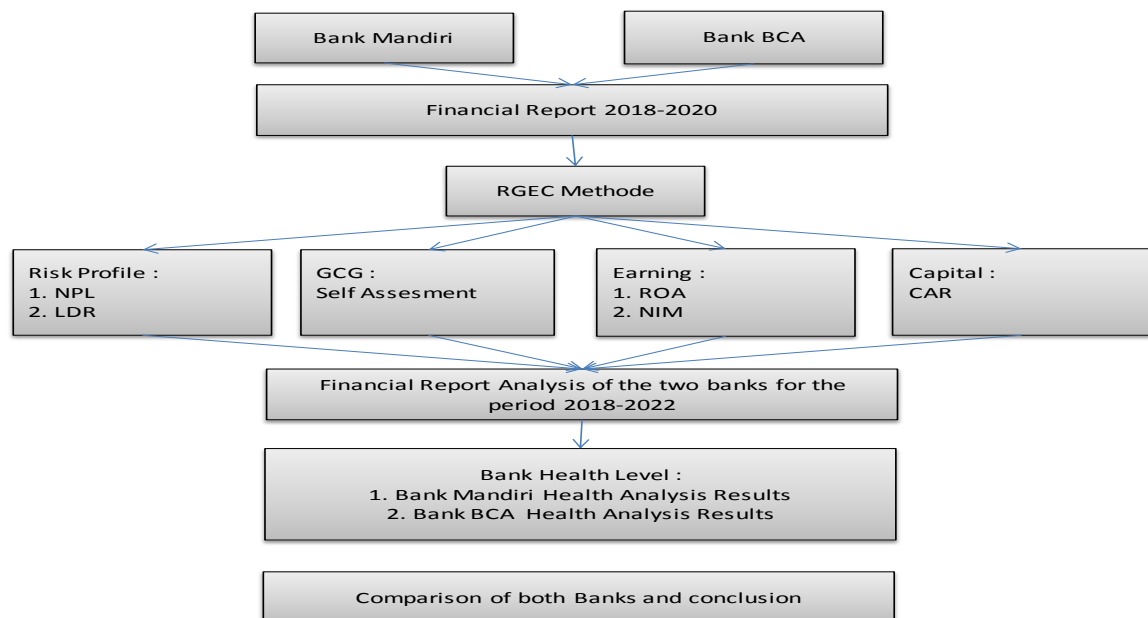

Figure 1: Research Framework Concept
Source: Processed Data, 2022

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METHOD

The type of research uses quantitative descriptive research. The descriptive research method is a method that describes and estimates objects according to what they are. (Sukardi, 2013, p. 157) Meanwhile, quantitative research is research that obtains findings by using statistical procedures or other methods of quantification. (Sujarweni, 2020, p. 39)

The subject of the research is a certain unit or thing as the object of the research that is located or attached (Anshori & Iswati, 2019, p. 114) The subject of the research used by PT. Bank Mandiri (Persero) Tbk, and PT. Bank Central Asia Tbk, in 2018-2020. While the object of the research is something that is subject to research or something that is researched. (Anshori & Iswati, 2019, p. 114) The object of the research used was the annual performance report from PT. Bank Mandiri and PT. Bank Central Asia for 2018-2020.

The data sources for this study were obtained from secondary data, Secondary data is data that is not received directly but is obtained through notes, books, and magazines in the form of books such as theories, magazines, government reports, company publication financial reports, articles, and so on. (Sujarweni, 2020, p. 89) Secondary data in the form of annual banking performance reports, namely the financial reports of the two Banks, reports on the GCG self-assessment of PT Bank Mandiri and PT Bank Central Asia for 2018-2020, and other documents related to this study. The data collection method for this study was carried out by taking documentation, data in the library, and data online obtained through the official website, namely www.idx.co.id, bca.co.id, and bankmandiri.co.id.

The variables used in this study include Risk Profile, GCG, Earnings, Capital, and Bank Health with the following details:

1. Risk Profile / Risk Profile by SEOJK with Number 14 / SEOJK.03 / 2017 Concerning the Assessment of the Health Level of General Banks. (Kepala Eksekutif Pengawas Perbankan Otoritas Jasa Keuangan, 2017b) In assessing the quality of the implementation of risk management and inherent / attached risks in bank operations can be classified as a risk profile factor assessment. In the Risk Profile assessment, researchers for analysis use credit risk and liquidity risk as follows:

a. Non-performing loan (NPL)/ non-performing loan ratio is one of the indicators to assess the performance of bank functions with the formula of NPL. : (Ikatan Bankir Indonesia, 2015, p. 318)

$$\textit{Non-Performing Loan} = \frac{PROBLEM\ CREDIT}{TOTAL\ CREDITS} \times 100\% \ (1)$$

Table 1: Matrix of NPL Rating Determination Criteria

Ranking	Composite Value	Predicate
1	NPL ≤ 2%	Very Healthy
2	2% ≤ NPL < 5%	Healthy
3	5% ≤ NPL < 8%	Healthy Enough
4	8% ≤ NPL < 12%	Unwell
5	NPL ≥ 12%	Not healthy

Source: Codification of Bank Indonesia Regulations, 2012

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b. Loan to Deposit Ratio (LDR) is a ratio to assess the total amount of credit that has been given by the bank with the funds that have been received by the bank, with the formula from LDR : (Ikatan Bankir Indonesia, 2015, p. 316)

$$Loan\ to\ Deposit\ Ratio = \frac{TOTAL\ PAYMENT}{THIRD-PARTY\ FUNDS}\ x\ 100\%\ (2)$$

Table 2: LDR Ranking Determination Criteria Matrix

Ranking	Composite Value	Predicate
1	$50\% < LDR \leq 75\%$	Very Healthy
2	$75\% < LDR \leq 85\%$	Healthy
3	$85\% < LDR \leq 100\%$	Healthy Enough
4	$100\% < LDR \leq 110\%$	Unwell
5	$LDR > 110\%$	Not healthy

Source: Codification of Bank Indonesia Regulations, 2012

2. Good Corporate Governance by SEOJK Number 13 / SEOJK.03 / 2017 to measure the implementation of Governance for the general banking industry based on 5 (five) basic principles of Responsibility, Transparency, Independence, Accountability, and Fairness. The results of the GCG assessment can be obtained through self-assessment from the bank itself periodically, there are at least 11 (eleven) assessment factors for the implementation of governance. (Kepala Eksekutif Pengawas Perbankan Otoritas Jasa Keuangan, 2017a)

Self-assessment GCG bank (3)

Table 3: GCG Determination Criteria Matrix

Ranking	Information	Criteria
1	Very good	Composite Value $< 1,5$
2	Good	Composite Value $1,5 \leq NK < 2,5$
3	Pretty good	Composite Value NK $2,5 \leq NK < 3,5$
4	poorly	Composite Value $3,5 \leq NK < 4,5$
5	Not good	Composite Value $4,5 \leq NK < 5$

Source: LPPI, 2021

Table 3.1: Calculation of GCG composite value

No	Assessment Factors	Value (a)	Weight (b)	Rangking (a)x(b)
1.	Implementation of the duties and responsibilities of the board of directors	0	10%	0
2.	Implementation of duties and responsibilities of the board of commissioners	0	20%	0
3.	Completeness and implementation of committee duties	0	10%	0
4.	Handling of conflicts of interest	0	10%	0
5.	Implementation of compliance function	0	5%	0
6.	Implementation of internal audit function	0	5%	0
7.	Implementation of external audit function	0	5%	0
8.	Implementation of risk management including internal control systems	0	7,50%	0
9.	Provision of funds to related parties and provision of large funds (large exposure)	0	7,50%	0
10.	Transparency of the bank's financial and non-financial conditions, governance implementation reports and internal reporting	0	15%	0
11.	Bank strategic plan	0	5%	0
Total		0	100%	0

Source: LPPI, 2021

3. Earnings according to SEOJK Number 14 / Seojk.03 / 2017 that Assessment for the profitability factor consists of an evaluation of profitability performance, sources of profitability, sustainability of profitability (earnings' sustainability), and profitability management. (Kepala Eksekutif Pengawas Perbankan Otoritas Jasa Keuangan, 2017b) In assessing profitability, researchers take for analysis Return On Asset and Net Interest Margin, the formula of which is as follows:

a. "Return on Assets (ROA) is a ratio used to measure the ability of company management to generate income from managing its assets" with the ROA formula: (Hayumurti & Setianegara, 2019, p. 32)

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$$\text{Return On Assets} = \frac{PROFIT\ BEFORE\ TAX}{TOTAL\ ASSETS} \, x \, 100\% \ (4)$$

Table 4: ROA Determination Criteria Matrix

Ranking	Composite Value	Predicate
1	ROA > 1,5%	Very Healthy
2	1,25% < ROA ≤ 1,5%	Healthy
3	0,5% < ROA ≤ 1,25%	Healthy Enough
4	0% < ROA ≤ 0,5%	Unwell
5	ROA ≤ 0%	Not healthy

Source: Codification of Bank Indonesia Regulations, 2012

b. Net Interest Margin (NIM) is the difference between the interest income obtained by the bank and the interest income received by lenders on productive assets with the NIM formula: (Ikatan Bankir Indonesia, 2015, p. 317)

$$\text{Net Interest Margin} = \frac{NET\ INTEREST\ INCOME}{TOTAL\ AVERAGE\ PRODUCTIVE\ ASSETS} \, x \, 100\% \ (5)$$

Table 5: Matrix of NIM Determination Criteria.

Ranking	Composite Value	Predicate
1	NIM > 3%	Very Healthy
2	2% < NIM ≤ 3%	Healthy
3	1,5% < NIM ≤ 2%	Healthy Enough
4	1% < NIM ≤ 1,5%	Unwell
5	NIM ≤ 1%	Not healthy

Source: Codification of Bank Indonesia Regulations, 2012

4. Capital according to Number 14/ SEOJK. 03/ 2017 Concerning the Assessment of the Health Level of General Banks in the Capital aspect includes an assessment of the adequacy of Capital and the adequacy of Capital management. The assessment of the capital aspect can be obtained through the calculation of the Capital adequacy ratio with the following formula:

$$\text{Capital Adequacy Ratio} = \frac{CAPITAL}{ATMR} \, x \, 100\% \ (6)$$

Table 6: CAR Determination Criteria Matrix

Ranking	Composite Value	Predicate
1	CAR ≥ 12%	Very Healthy
2	9% ≤ CAR < 12%	Healthy
3	8% ≤ CAR < 9%	Healthy Enough
4	6% ≤ CAR < 8%	Unwell
5	CAR ≤ 6%	Not healthy

Source: Codification of Bank Indonesia Regulations, 2012

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5. By Number. 4/ POJK. 03/ 2016 that "Health Level is a result of evaluation/assessment of bank conditions reviewed from the risk and performance of the bank's health level. The assessment of the bank's health level is analyzed based on sources from the RGEC risk approach method" (Risk-based Bank Rating) with the following formula: (OTORITAS JASA KEUANGAN & REPUBLIK INDONESIA, 2016, p. 9)

$$\text{Composite Value} = \frac{\text{Composite Value Sum}}{\text{Total Composite Value}} \, x \, 100\% \, (7)$$

Table 7: Bank health rating table

Weight	Composite Rating	Information
86-100%	PK1	Very Healthy
71-85%	PK2	Healthy
61-70%	PK3	Healthy Enough
41-60%	PK4	Unwell
≤40%	PK5	Not healthy

Source: Bank Indonesia, 2020

RESULTS

Table 8: NPL (Non-Performing Loan) Ratio						
Bank	Year	Non-Performing Loans	Total Credit	NPL	NPL AR	Predicate
Mandiri	2018	20.044	718.967	2,79%	2,79%	Healthy
	2019	18.840	792.351	2,39%	2,39%	Healthy
	2020	24.856	763.603	3,26%	3,29%	Healthy
	Average			2,83%	2,82%	Healthy
BCA	2018	7.594	537.914	1,41%	1,41%	Very Healthy
	2019	7.877	588.251	1,34%	1,34%	Very Healthy
	2020	10.327	575.649	1,79%	1,80%	Very Healthy
	Average			1,51%	1,52%	Very Healthy
Source: Data processed by researchers, 2022						

Table 8 shows the percentage of non-performing loans from the total credit distributed by Bank Mandiri throughout 3 years, in that year the percentage fluctuated, wherein 2018, 2019, and 2020 the percentage showed the numbers 2.79%, 2.39% 3.29%, likewise for BCA bank in 2018, 2019, 2020 the percentage also fluctuated, namely 1.41%, 1.34% 1.80% meaning that the condition of non-performing loans has increased, this is due to the weakening quality of credit or many debtors face obstacles in their cash flow so that debtors are unable to pay their debts to the bank.

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Table 9: LDR Ratio (Loan to Deposit Ratio)

Bank	Year	Total Credit	Third-party funds	LDR	LDR AR	Predicate
Mandiri	2018	718.967	766.009	93,86%	96,74%	Healthy Enough
	2019	792.351	850.108	93,21%	96,37%	Healthy Enough
	2020	763.603	963.594	79,25%	82,95%	Healthy
	Average			88,77%	92,02%	Healthy Enough
BCA	2018	537.914	629.812	85,41%	81,60%	Healthy
	2019	588.251	698.980	84,16%	80,47%	Healthy
	2020	575649	834.284	69,01%	65,80%	Very Healthy
	Average			79,53%	75,96%	Healthy
Source: Data processed by researchers, 2022						

Based on Table 9 for the LDR ratio of Bank Mandiri in 2018-2020, it decreased by 96.74%, 96.37%, and 82.95% respectively, as well as for BCA Bank 2018-2020 also decreased by 81.60%, 80.47%, and 65.80% respectively. The decrease in the LDR percentage of the two banks could occur due to a decrease in economic activity where this condition is due to banks being more selective in distributing their credit. Conversely, if the LDR percentage is too high, it means that the liquid assets held are limited because more funds are channeled into credit, and if there is a withdrawal by many depositors, it will affect the bank's liquidity. On the other hand, if a lot of funds are channeled, the excess the profit obtained will be greater because after being credited, the bank will receive interest income. This means that in managing BCA, maintaining sufficient liquidity is very important to fulfill its commitments to customers and other parties, namely in the context of providing credit, repaying customer deposits, and meeting operational liquidity needs, so Bank BCA has an average rating of "Healthy", while Bank Mandiri is " Healthy Enough".

Table 10 : Self-assesment Good Corporate Governance

Bank	Tahun	GCG	Predikat
PT Bank Mandiri (Persero) Tbk	2018	1	Very good
	2019	1	Very good
	2020	1	Very good
PT Bank Central Asia Tbk	2018	1	Very good
	2019	2	Good
	2020	1	Very good
Source: Data processed by researchers, 2022			

Table 10 shows the assessment results of the two banks above in terms of corporate governance between 2018-2020. Bank Mandiri with a rating of 1 (one) means that the company's management has implemented governance that is generally "Very Good" consistently for 3 years. While BCA Bank for self-assessment in 2018 and 2020 is ranked 1 (one) that BCA management has implemented Good Corporate Governance with the predicate "Very Good", but for 2019 it decreased to rank 2 (two) meaning that BCA management has implemented governance with the predicate "Good".

Table 11: ROA Ratio (Return On Assets)						
Bank	**Year**	**Profit before tax**	**Total Assets**	**ROA**	**ROA AR**	**Predicate**
Mandiri	2018	33.943	1.202.252	2,82%	3,17%	Very Healthy
	2019	36.441	1.318.246	2,76%	3,03%	Very Healthy
	2020	23.298	1.429.334	1,63%	1,64%	Very Healthy
	Average			2,40%	2,61%	Very Healthy
BCA	2018	32.707	824.788	3,97%	4,01%	Very Healthy
	2019	36.289	918.989	3,95%	4,02%	Very Healthy
	2020	33.568	1.075.570	3,12%	3,32%	Very Healthy
	Average			3,68%	3,78%	Very Healthy
Source: Data processed by researchers, 2022						

Referring to Table 11, namely the growth of the Return On Assets (ROA) value of Bank Mandiri from 2018 to 2020 has decreased every year from 3.17% in 2018 to 3.03% in 2019, likewise in 2020 it fell to 1.64%, while BCA bank the ROA calculation is higher when compared to Bank Mandiri for 2018 to 2020, where BCA bank obtained an ROA of 4.01% in 2018, 4.02% in 2019, but for 2020 the BCA ROA value decreased by 3.32%. The decrease in ROA could be due to several factors, for example, competition between banks which is very tight, the entry of new competitors from financial services institutions, such as pawnshops, finance companies, leasing, insurance, and other factors in the form of an increase in CKPN because there are banking efforts to prevent an increase in credit risk. With fluctuating credit risk will affect the optimization of banks in generating profits. However, Bank Mandiri and Bank BCA for 3 years for the ROA category are ranked 1, namely "Very Healthy", and when viewed from the average for Bank BCA is greater when compared to Bank Mandiri.

Table 12: NIM (Net Interest Margin) Ratio						
Bank	**Year**	**Net interest income**	**Total Productive Assets**	**NIM**	**NIM AR**	**Predicate**
Mandiri	2018	57.330	1.105.948	5,18%	5,52%	Very Healthy
	2019	61.248	1.217.328	5,03%	5,46%	Very Healthy
	2020	58.022	1.321.286	4,39%	4,48%	Very Healthy
	Average			4,87%	5,15%	Very Healthy
BCA	2018	45.291	734.401	6,17%	6,13%	Very Healthy
	2019	50.477	818.694	6,17%	6,24%	Very Healthy
	2020	54.161	1.005.423	5,39%	5,70%	Very Healthy
	Average			5,91%	6,02%	Very Healthy
Source: Data processed by researchers, 2022						

Table 12 shows the NIM ratio is the ability of the bank to manage its productive assets to obtain net interest income, where Bank Mandiri received a NIM percentage of 5.52% in 2018, 5.46% in 2019, and 2020 4.48%, meaning that there was a decrease in productive assets every year as well as net interest income which decreased, although the decrease for 3 years Bank Mandiri still received the predicate "Very Healthy". Meanwhile, the NIM for Bank BCA was higher than Bank Mandiri from 2018 to 2020, although Bank BCA's NIM also fluctuated in 2018 by 6.13%, increasing in 2019 to 6.24% and decreasing in 2020 to 5.70% Bank BCA's NIM still has the predicate "Very Healthy".

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Table 13: CAR (Capital Adequacy Ratio)						
Bank	Year	Total Capital	ATMR	CAR	CAR AR	Predicate
Mandiri	2018	167.558	799.235	20,96%	20,96%	Very Healthy
	2019	188.828	882.906	21,39%	21,39%	Very Healthy
	2020	164.657	827.461	19,90%	19,90%	Very Healthy
	Average			20,75%	20,75%	Very Healthy
BCA	2018	156.052	651.532	23,95%	23,40%	Very Healthy
	2019	177.888	721.917	24,64%	23,80%	Very Healthy
	2020	186.953	695.144	26,90%	25,83%	Very Healthy
	Average			25,16%	24,34%	Very Healthy
Source: Data processed by researchers, 2022						

For Table 13, the CAR ratio of Bank Mandiri from 2018 to 2020 is as follows 20.96%, 21.39%, and 19.90% facing fluctuations as well but there is no significant difference in the ratio value even though Bank Mandiri is still predicated "Very Healthy". Likewise, BCA Bank, BCA received a CAR percentage in 2018-2020 of 23.40%, 23.80%, and 25.83% during these 3 years the CAR ratio is still predicated "Very Healthy", meaning that the capital obtained by Bank Mandiri and Bank BCA has been sufficient to cover at any time if a case occurs due to credit effects, market effects, and operational effects and its value is higher than the CAR value of Bank Mandiri.

DISCUSSION

Table 14: Composite value results of PT Bank Mandiri (Persero) Tbk, and PT Bank Central Asia Tbk		
Year	Bank Mandiri	Bank Central Asia
2018	90%	96,67%
2019	90%	93,33%
2020	93,33%	100%
Source: Data processed by researchers, 2022		

The assessment of the bank's health level as a whole is reviewed from the aspects of Risk Profile, Good Corporate Governance, Earnings, and Capital (RGEC), and the results of the composite rating evaluation of PT Bank Mandiri (Persero) Tbk can be observed in table 7 with a composite value of 90% in 2018, a value of 90% in 2019 and 93.33% in 2020, which means that every year it gets PK 1 "Very Healthy". On the other hand, the composite value at BCA Bank is 96.67% in 2018, 93.33% in 2019, and 100% for 2020, meaning that every year it is included in PK 1 "Very Healthy". Both banks have had a composite rating of Very Healthy for 3 years, this reflects the condition of Bank Mandiri and Bank BCA as universally very healthy so that it is considered capable of experiencing significant negative impacts from changes in business conditions and other external aspects when viewed from the average value of the two banks, the average value shows that Bank BCA has a higher average than Bank Mandiri, which is 96.67% while Bank Mandiri has an average value of only 91%. From the results of this analysis, it can be determined that Bank BCA through RGEC measurements gets a higher score, it can be said that its health level is better than Bank Mandiri. This study is by research conducted by Rahayu and Suhendra (2016) that the health level of Bank Central Asia is better than Bank Mandiri. The assessment of the level of banking health, provides an overview for bank managers, especially company management, to improve company performance professionally

in managing the bank and as a debtor, provide trust in banking for the security of funds managed by the bank and provide banking facilities needed by debtors.

CONCLUSION AND SUGGESTIONS

CONCLUSION

Based on the results of the analysis conducted by the researcher in the previous chapter, it can be concluded as follows:

1. In terms of the Risk Profile aspect, Bank BCA is better than Bank Mandiri based on the NPL and LDR ratios, while in terms of Good Corporate Governance, Bank Mandiri is better than Bank BCA based on the Self-assessment measure.
2. In terms of Earnings based on the ROA and NIM ratios, as well as in terms of Capital with the CAR ratio, Bank BCA is better than Bank Mandiri.
3. On average, Bank Mandiri's composite value is 91% lower than BCA's 96.67%, meaning that in the RGEC analysis based on the ratio assessment consisting of NPL, LDR, Self Assessment GCG, ROA, NIM, and CAR, Bank BCA has a better level of health compared to Bank Mandiri.

SUGGESTIONS

Based on the research results and conclusions that have been put forward, the researcher provides the following suggestions:

1. The performance of Bank Mandiri and Bank BCA is very good and has an average assessment result of very healthy for the entire ratio except for the LDR aspect for both Healthy banks, this needs to be evaluated for the management of this aspect for the coming year.
2. This research only uses six indicators, namely NPL, LDR, Self-assessment GCG, ROA, NIM, and CAR to analyze it, suggestions for further researchers to add new information, in addition to the existence of other indicators/measurements including the observation period to be added for more optimal results.

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