Evaluating the Financial Resilience and Sharia Compliance: A Comparative Analysis of Monetary Ratios in Sharia Banks and Conventional General Banks (2017-2019)

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Keywords:	Abstract
Sharia Accounting, Information system, Money ratio	This research discusses the important role of accounting in enterprise and decision-making, while identifying various issues it faces, such as economic, legal, social, statistical, and political aspects. The main issue that arises is the integration of accounting with social and religious values, especially in the context of Islamic accounting. The purpose of this study is to explain the efforts of Islamic accounting in building social reality through regulations that refer to divine values. The main focus of Islamic accounting is to apply the principles of sharia in human economic activity. The ultimate goal is to present an adequate report to Allah as the owner of everythisng. This research is based on literature study with content analysis method. Data were obtained from the financial statements and annual reports of conventional banks and Islamic banks during the 2017-2019 period. The results showed a comparison of financial performance between conventional banks and Islamic banks in financial ratios, including BOPO, LDR, ROE, ROA, and NPL. It was found that both conventional and Islamic banks meet the health standards set by Bank Indonesia in terms of CAR and NPL. Future studies may involve a larger sample of various Islamic and conventional banks to deepen the understanding of financial performance in the banking sector. Future research should also consider adding other variables that may affect financial performance.

1. INTRODUCTION

In the realm of accountancy, past information plays a pivotal role in enhancing the efficiency and decision-making processes of companies (Cahyadi et al., 2020, 2). Accountancy encounters a myriad of challenges when analyzing past transactions, including economic, legal, social, statistical, and political aspects (Ikhsan et al., 2015, 55). Accountancy itself is deeply intertwined with intricate social dynamics and the ever-evolving temporal landscape. When assessing the objective landscape, including religious norms, the historical contributions of Islamic societies, the prevailing capitalist economic systems, and evolving philosophies, one can discern the influence on the emergence of sharia accounting paradigms.

Accountancy, in this context, holds substantial importance in the business world, influencing decision-making methods based on the information it provides. This information is crucial at various stages of decision-making, whether in problem identification or

monitoring the implementation of decisions (Ikhsan et al., 2015). With the introduction of sharia accounting, the social reality seeks to construct itself through regulatory content within the divine network of power, viewed from the perspective of Khalifatullah Fil ardh. The ultimate aim of sharia accounting is to promote the principles of sharia in economic activities, aligning with humanity's role on Earth and recognizing the ultimate owner of everything, Allah SWT (Arwani 2016, 128). As Apriyanti highlighted in 2017, sharia accounting serves as a response to conventional financial transactions that may not align with Islamic values in Indonesia.

The government has established a viable pathway for Islamic banking by permitting conventional banks to establish Sharia-compliant branches or convert into full-fledged Islamic banks (Antonio, 2001). One key distinction between conventional and Islamic banks lies in profit-sharing. Conventional banks predominantly operate on an interest-based system, acting as intermediaries

between savers and borrowers, with interest serving as the primary mechanism. In contrast, Islamic banks operate on principles derived from Islam, such as Mudarabah, wherein the results are shared with clients, involving close oversight and collaboration between the bank and the client. The development of accountancy is not only driven by its own evolution but is also influenced by the broader business environment (Alim 2011, 154).

2. LITERATURE REVIEW

Sharia accounting is a process that involves grouping, recording, and summarizing financial transactions with Islamic principles known as Sharia accounting (Sumarin, 2012: 4). The concept of Sharia accounting involves the deconstruction of modern accounting principles into a more humanized form with provisions determined by Sharia accounting itself. The purpose of Sharia accounting is to bring business ethics into a more humane, emancipatory, theological, and transcendental perspective (Triyuwono, 2012:104).

The purpose of Sharia accounting, as explained by Sumarin (2012:104), is to understand the rights and obligations associated with transactions and unresolved economic issues in accordance with Sharia accounting principles. Sharia accounting also aims to provide clients with information from financial statements to support decision making. In this context, Sharia accounting also has a role in enhancing discipline, while adhering to Sharia accounting principles in the company's transactions and activities. Overall, the objective of Shariah accounting is to apply the concept of rules that contain a collection of basic laws that have been established to facilitate the analysis, measurement, and explanation of financial statements, which are applicable in both conventional and Shariah contexts.

Sharia accounting focuses on Islamic principles in financial reporting, with an emphasis on ethical values and compliance with sharia. In the banking sector, the influence of Sharia accounting is reflected in various financial ratios used to measure bank performance. These ratios include BOPO (Operating Expenses to Operating Income), LDR (Loan to Deposit Ratio), NPL (Non-Performing Loan), and CAR (Capital Adequacy Ratio).

BOPO is a ratio that measures the efficiency of a bank's operating costs against its operating income. The lower the BOPO, the more efficient the bank's operating costs. This ratio is useful for comparing the efficiency of operating costs between Islamic banks and conventional banks.

LDR is a ratio that measures the bank's ability to channel customer funds in the form of loans. The higher the LDR, the greater the amount of customer funds used to provide loans. This ratio is important in assessing the bank's ability to maximize income from loan interest.

NPL is a ratio that measures the credit quality of a bank by considering the number of loans that cannot be repaid by customers. The higher the NPL, the greater the credit risk faced by the bank. A comparison of NPLs between Islamic banks and conventional banks can provide insight into the credit risk management and credit portfolio quality of both types of banks.

CAR is a ratio that measures a bank's ability to meet its capital requirements. The higher the CAR, the more capital the bank has to protect itself from potential losses. A comparison of CAR between Islamic banks and conventional banks can help understand the extent to which banks are adequately capitalized to deal with financial risks.

2.1 Information Systems

System information has the meaning as all the way it is made For collect, enter, process as well as save data and tutorials for sure Already useful set _ For save, manage, arrange as well as report information for the organization can reach goalyang desired that is Common goals (Krismiaji: 2005: 16). Whereas another explanation according to (La Midjan and Azhar Susanto: 2005: 8) System information Alone

alaah combined from individual humans, technology or facilities there are, media and procedures For control it. This thing useful For arrange all important transaction processes _ as well as assistance case management who knows internally or _ external and for provide exists base existing decisions _ before.

2.2 Financial Ratios

Ratio finance own understanding as tool For help analyze with discuss and combine connection One element with other existing elements in the A report finance matter This later called with financial elements. Based on explanation from (Kashmere, 2015:104), ratio finance Alone is something matter sort with compare something existing numbers _ in report finance and with compare This done with method notice existing components _ A report finances in it. Conclusion that can be withdrawn from matter This is ratio finances is things that count report in a way mathematics and how with research and compare report finances and all This own connection condition from report existing finances _ in a company during a moderate period happened.

3. RESEARCH METHODS

The research method used in this study follows a desk research approach, which is applied to explore the key issues identified in the abstract. This approach involves searching, identifying, and analyzing literature and research related to Islamic accounting and issues covering economic, legal, social, statistical, and political aspects in the context of enterprise and decision-making. In the context of the desk research method, the first step is to conduct a careful search in sources of various forms, such as books, scientific journals, research reports, as well as relevant electronic sources. This search enabled the development of a strong theoretical framework for understanding the integration of accounting with social and religious values, particularly in the context of Islamic accounting, in accordance with the issues identified. Once the relevant literature was identified, the data

analysis method used was content analysis. This approach helps in extracting a deeper understanding of the contextual data contained in the literature that has been found. Content analysis allows the development of objective and systematic conclusions about the important role of accounting in companies and decision making, as well as its relevance to divine values.

The use of the content analysis research method is based on three main requirements, namely analysis with objectivity that avoids researcher bias, a systematic approach that allows categorization and grouping of data with a structured method, and generalization to draw conclusions that are relevant to the issues identified in the abstract. The data collection method used is the documentation method. This study obtained data from financial reports and annual reports of conventional banks and Islamic banks during the 2017-2019 period. These data are obtained by searching for information from various relevant sources, such as the internet, journals, and other information media related to this research. This financial statement data is the basis for comparing financial performance between conventional banks and Islamic banks, focusing on financial ratios such as BOPO, LDR, ROE, ROA, and NPL, in accordance with the research objectives to evaluate financial performance in the context of Islamic accounting integration with social and religious values.

The results of this study enable a deeper understanding of how Islamic accounting contributes to building social reality through regulation that refers to divine values, as well as in applying sharia principles in human economic activity. With this deeper understanding, the research aims to provide an adequate report to Allah as the owner of all things, in accordance with the main focus of Islamic accounting.

Furthermore, the study can be expanded by using a larger sample of various Islamic and conventional banks to deepen the understanding of financial performance in the

banking sector, as well as considering the addition of other variables that may affect financial performance, as indicated in the abstract of this study.

4. RESULTS AND DISCUSSION
4.1 Research result
a. BOPO (Shopping Operational to Income Operational)

Table 1. Bank BOPO Values 2017-2019

Kategori Bank	Nama Bank	Tahun			Rata-rata BOPO	Persentase Rata-rata BOPO	Predikat
		2017	2018	2019			
Bank Konvensional	BNI	1,813	1,875	1,727	1,805	180,5%	Tidak Sehat
	BRI	2,003	1,792	1,581	1,792	179,2%	Tidak Sehat
Bank Syariah	BNI	11,058	8,353	6,886	8,765	876,5%	Tidak Sehat
	BRI	4,553	4,365	3,227	4,048	404,8%	Tidak Sehat

If more value small from BOPO value means more _ from efficient banking when done operation. BOPO has good standards quoted from the letter of ownership BI circular number 13/24/DPNP BOPO value ≤92.52% can said Enough healthy. Refer to the provisions from the bank owned Indonesia, banks owned by conventional and sharia-owned banks have equivalent value _ or The same namely BOPO ≥95.94%. From p that's BOPO from the owned bank conventional and sharia- owned banks can said not enough healthy. BOPO from conventional banks ≥ 95.93% is shown as BOPO of owned banks conventional No healthy. And meanwhile with BOPO owned by a sharia bank ≥95.93% then It was shown that BOPO from sharia- owned banks was also lacking Healthy or No Healthy

b. LDR (Loan to Deposit Ratio)

Table 2. Bank LDR Values 2017-2019

Kategori Bank	Nama Bank	Tahun			Rata-rata LDR	Persentase Rata-rata LDR	Predikat
		2017	2018	2019			
Bank Konvensional	BNI	18,131	19,019	17,338	18,162	1816,2%	Tidak Sehat
	BRI	36,306	39,124	35,353	110,783	11073,3%	Tidak Sehat
Bank Syariah	BNI	0,061	0,173	0,250	0,161	16,1%	Sehat
	BRI	36,306	39,124	35,353	36,395	3639,5%	Tidak Sehat

High LDR value has the meaning that banking No have sufficient liquidity _ For finish his obligations with customers. But sufficient LDR value low It means banking have sufficient liquidity _ but owned income _ Enough low. Standard of a good LDR Followed from the letter of ownership BI Circular Number .13/24/DPNP with LDR value ≤94.755% is possible said Enough healthy, meanwhile in the provisions are Bank Indonesia, the LDR belongs to sharia banks more Good from conventional banks, the LDR owned by sharia banks is ≤94.755% which shows that the LDR of Islamic banks is sufficient Healthy or said healthy, while the LDR of conventional banks not enough healthy.

c. ROE (Return On Equity)

Table 3. Bank ROE Value 2017-2019

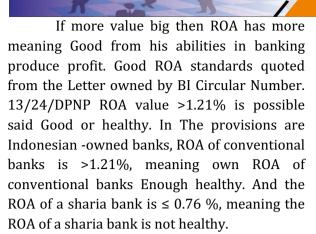| Kategori Bank	Nama Bank	Tahun			Rata-rata ROE	Persentase Rata-rata ROE	Predikat
		2017	2018	2019			
Bank Konvensional	BNI	0,997	0,025	0,022	0,348	34,8%	Sehat
	BRI	0,178	0,864	0,854	0,632	63,2%	Sehat
Bank Syariah	BNI	0,291	0,060	0,082	0,433	44,3%	Sehat
	BRI	0,221	0,021	0,031	0,184	18,4%	Sehat

If more value Big ROE has more meaning Good in ability from the bank produces profit from results the capital. Good ROE standards quoted from the Letter BI Circular No.13/24/DPNP >15% is possible said Good or healthy. In its certainty is at Bank Indonesia, there is ROE belonging to conventional banks and ROE belonging to sharia banks in good position _ or healthy. Conventional bank ROE >15% looks like conventional bank ROE Enough healthy, same case with a sharia bank's ROE of >15% visible in the ROE of a healthy Sharia Bank.

d. ROA (Return On Assets)

Table 4. Bank LDR Values 2017-2019

Kategori Bank	Nama Bank	Tahun			Rata-rata ROA	Persentase Rata-rata ROA	Predikat
		2017	2018	2019			
Bank Konvensi	BNI	0,019	0,018	0,021	0,019	1,9%	Sehat
	BRI	0,025	0,024	0,024	0,096	9,6%	Sehat
Bank Syariah	BNI	0,008	0,006	0,009	0,007	0,7%	Tidak Sehat
	BRI	0,002	0,002	0,001	0,001	0,1%	Sehat

If more value big then ROA has more meaning Good from his abilities in banking produce profit. Good ROA standards quoted from the Letter owned by BI Circular Number. 13/24/DPNP ROA value >1.21% is possible said Good or healthy. In The provisions are Indonesian -owned banks, ROA of conventional banks is >1.21%, meaning own ROA of conventional banks Enough healthy. And the ROA of a sharia bank is ≤ 0.76 %, meaning the ROA of a sharia bank is not healthy.

NPL (Non Performing Loan)

Table 5. Bank NPL Values 2017-2019.

Kategori Bank	Nama Bank	Tahun			Rata-rata NPL	Persentase Rata-rata NPL	Predikat
		2017	2018	2019			
Bank Konvensio	BNI	0,022	0,019	0,023	0,021	2,1%	Sehat
	BRI	0,013	0,011	0,013	0,012	1,2%	Sehat
Bank Syariah	BNI	0,023	0,002	0,005	0,003	3%	Sehat
	BRI	0,027	0,004	0,027	0,019	1,9%	Sehat

If it gets a higher score, the NPL of a bank can be said to be unhealthy. A good NPL standard is quoted from BI circular No. 13/24/DPNP with a credit value in the range of 0.00% - ≤10.35%. NPL can be said to be healthy. Because according to Bank Indonesia regulations, from the table above conventional banks and sharia banks are in good or healthy condition because it can be seen that the NPL value of conventional banks and sharia banks is assessed at 0.00% - ≤10.35%.

e. CAR (Capital Adequacy Ratio)

Table 6. Bank CAR Values 2017-2019

Kategori Bank	Nama Bank	Tahun			Rata-rata CAR	Persentase Rata-rata CAR	Predikat
		2017	2018	2019			
Bank Konvensional	BNI	0,055	0,050	0,038	0,212	21,2%	Sehat
	BRI	4,731	5,065	3,847	4,547	454,7%	Sehat
Bank Syariah	BNI	0,115	0,098	0,089	0,367	36,7%	Sehat
	BRI	0,176	0,403	0,665	1,224	124,4%	Sehat

If value big from CAR show ability from method good banking _ when finish problem possibility exists risk from loss. If seen good CAR standards quoted from the letter of ownership BI Circular Number.13/24/ DPNP, CAR > 8% because That's CAR from the bank said healthy. In the results determination by Bank Indonesia, bank conventional also with

sharia banks already seen that is at in sufficient conditions _ Healthy or said Healthy namely >8%.

4.2 Research Discussion

Sharia accounting encompasses the principles of conducting business transactions in accordance with the guidelines provided by Islamic jurisprudence. It is closely tied to "muamalah" in Islamic studies, referring to activities involving humans that carry moral accountability to Allah SWT. Sharia accounting aligns with the values espoused in Islam, emphasizing responsibility, truth, and justice, all of which must conform to the teachings of the Qur'an and Al-Hadith. It is a fundamental reality that must be upheld. Human life, as guided by Islamic teachings, seeks prosperity, happiness, and success in both this world and the hereafter.

This is based on the relationships between individuals and God and among individuals themselves. Consequently, it calls for ideal behavior that aligns with Sharia law. Sharia accounting, as a component of information systems, prominently reflects Islamic values within the realm of accounting and information systems. It serves the purpose of addressing significant moral challenges. The primary objective of developing Sharia accounting information systems is to provide data for conducting new business activities. This is aimed at enhancing the accuracy, quality, and structural presentation of information. It also serves to improve internal accounting controls and auditing processes, thereby reducing clerical workload and related costs (Tabe 2013). To explore the distinctions between conventional and Sharia-compliant banks, this study employs various measurement tools to quantify and assess the differences..

5. CLOSING
5.1 Conclusion

From the explanation on taken conclusion that Accountancy Sharia is For deconstruct modern accounting is becoming

form humanist and conditional will value. There is objective exists sharia accounting for make adap from business with humanity emancipatory then, transcendentall as well as theological. With This with Sharia accounting reality will own construct with load start from obedience to the divine network is carried out use perspective Khalifatulah Fil Ardh. And the basics system information type sharia accounting more indented to Islamic values are good That in object accountancy or system information, then That system information own big responsibility _ in moral issues.

Viewed results from study from Analysis Financial Performance Comparison from Islamic banks and conventional banks. According to Ratio his finances, the bank found on the Indonesian Stock Exchange in 2018 2017-2019 period, yes withdrawn conclusion that the CAR of Sharia banks and conventional banks be in a good position , p This own hukti namely, the CAR of Islamic banks and conventional banks is >8% the same with existing standards at Bank Indonesia. NPL from conventional banks and from sharia banks already is at in a good position or good. Proven from the value of the Bank 's NPL conventional and sharia- owned banks are 0.005% - ≤10.35%.

The implication of these findings is that both Islamic banks and conventional banks have good financial performance and meet the standards set by Bank Indonesia. This suggests that Islamic banks can compete with conventional banks in terms of financial performance, despite having different principles in terms of sharia compliance. The findings may also provide useful information for investors and stakeholders in choosing the right bank to invest or work with.

5.2 Suggestion

1. Study furthermore should use more Lots sample or sample all over Sharia Banking and Banking Conventional. Expected can expand study about performance finance in banking.

2. Study furthermore recommended add variable from study This with other variables or other than those used in study This so that can expand literature about comparison performance finance

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