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# FINANCIAL PERFORMANCE ANALYSIS OF BANK ACEH'S DURING THE COVID-19: RGEC APPROACHES

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## Abstrak

Pandemi Covid-19 telah berdampak pada berbagai sektor di Indonesia, termasuk industri perbankan. Penelitian ini bertujuan untuk membandingkan kinerja keuangan PT Bank Aceh Syariah sebelum dan selama masa pandemi Covid-19 dengan menggunakan metode analisis RGEC (Risk Profile, Good Corporate Governance, Earnings, Capital). Data sekunder yang digunakan dalam penelitian ini diperoleh dari laporan keuangan Bank Aceh Syariah yang dipublikasikan di situs web resmi bank. Analisis data dilakukan dengan menggunakan uji hipotesis independent sample t-test. Hasil penelitian menunjukkan bahwa tidak terdapat perbedaan yang signifikan pada rasio Non-Performing Financing (NPF), Financing to Deposit Ratio (FDR), Good Corporate Governance (GCG), Return on Assets (ROA), Return on Equity (ROE), Biaya Operasional terhadap Pendapatan Operasional (BOPO), dan Capital Adequacy Ratio (CAR) antara periode sebelum dan selama pandemi Covid-19. Temuan ini mengindikasikan bahwa Bank Aceh Syariah mampu mempertahankan kinerja keuangannya meskipun menghadapi tantangan yang ditimbulkan oleh pandemi. Kajian ini berkontribusi dalam memberikan pemahaman tentang tingkat ketahanan dan penyesuaian bank syariah dalam menghadapi krisis serta menggarisbawahi pentingnya manajemen risiko dan praktik tata Kelola Perusahaan yang baik.

**Kata Kunci:** Kinerja Keuangan, Pandemi Covid-19, RGEC, Bank Aceh Syariah

## Abstract

The Covid-19 pandemic has had a significant impact on various sectors in Indonesia, including the banking industry. This study aims to compare the financial performance of PT Bank Aceh Syariah before and during the Covid-19 pandemic using the RGEC (Risk Profile, Good Corporate Governance, Earnings, Capital) analysis method. Secondary data used in this research were obtained from the financial statements of Bank Aceh Syariah published on the bank's official website. Data analysis was conducted using the independent sample t-test hypothesis testing. The results indicate that there were no significant differences in the ratios of Non-Performing Financing (NPF), Financing to Deposit Ratio (FDR), Good Corporate Governance (GCG), Return on Assets (ROA), Return on Equity (ROE), Operating Expenses to Operating Income (BOPO), and Capital Adequacy Ratio (CAR) between the periods before and during the Covid-19 pandemic. These findings suggest that Bank Aceh Syariah has been able to maintain its financial performance despite the challenges posed by the pandemic. This study contributes to the understanding of the resilience and adaptability of Islamic banks in the face of economic shocks and highlights the importance of robust risk management and governance practices in ensuring financial stability during times of crisis.

**Keywords**: *Financial Performance, Covid-19 Pandemic, RGEC, Bank Aceh Syariah*

## A. INTRODUCTION

The COVID-19 pandemic has significantly impacted the global financial system, affecting both conventional and Islamic banks (Albanjari & Kurniawan, 2020). A bank's financial performance, which includes fund mobilization and allocation, is a crucial indicator of its overall health and stability (Rahman, Sudjana, & Zahroh, 2016). The trust and loyalty of fund owners are essential for the development of effective business strategies, while a lack of trust can lead to fund withdrawals and transfers, ultimately harming the bank's operations (Iswari & Amanah, 2015). Performance evaluation is critical for identifying a company's strengths and weaknesses, and comparing its performance against established standards helps determine whether it is progressing or regressing (Syaifullah, Anwari, & Akmal, 2020).

Within the Indonesian context, bank performance is rigorously assessed utilizing the RGEC (Risk Profile, Good Corporate Governance, Earnings, and Capital) method, a comprehensive framework encompassing risk profile, good corporate governance, earnings, and capital adequacy, as regulated by Financial Services Authority Regulation Number 4/POJK.03/2016. The RGEC method offers a comprehensive assessment of bank performance in Indonesia by focusing on key variables. The risk profile, measured through Non-Performing Financing (NPF) and Financing to Deposit Ratio (FDR), assesses credit and liquidity risk management. Good Corporate Governance (GCG) ensures transparency and accountability, which are essential for sustainable operations. Earnings, evaluated through profitability ratios like Return on Assets (ROA), Return on Equity (ROE), and Operating Expenses to Operating Income (BOPO), provide insights into financial performance and efficiency. Lastly, capital adequacy, measured by the Capital Adequacy Ratio (CAR), assesses a bank's financial strength and resilience. Studying these variables through the RGEC method allows stakeholders to understand a bank's overall health and stability within the Indonesian financial sector.

The RGEC method evaluates the inherent risks and the effectiveness of risk management practices within bank operations. The key financial ratios employed to measure the risk profile factor are Non-Performing Financing (NPF) and Financing to Deposit Ratio (FDR). Good Corporate Governance (GCG), the second factor, refers to a system that regulates stakeholder relationships to achieve corporate objectives. The third factor, earnings, reflects a company’s ability to generate profits from capital invested in total assets, measured using ratios such as Return on Assets (ROA), Return on Equity (ROE), and Operating Expenses to Operating Income (BOPO). Finally, capital adequacy, the fourth factor, represents the minimum capital required to cover potential losses from risk-bearing assets and finance all fixed assets and inventories, measured by the Capital Adequacy Ratio (CAR) (Destiana, 2019).

However, the unique circumstances of the pandemic necessitate further investigation to understand how banks, particularly regional Islamic banks, have navigated this challenging period. Bank Aceh Syariah (BAS), a regional Islamic bank established in 1960, has also experienced the pandemic's impact on its financial performance. This study aims to examine the bank's financial performance during the pandemic and compare it to its pre-pandemic performance. An examination of Table 1 reveals a positive trend in Bank Aceh Syariah's total assets prior to the COVID-19 pandemic.

**TABLE 1**
**Financial Performance Report of Bank Aceh Syariah**

| No | Indicators | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|
| 1 | Asset | 18,759,191 | 22,612,006 | 23,095,159 | 25,121,063 | 25,480,963 | 27,023,471 |
| 2 | Liabilities | 2,960,7734 | 2,859,005 | 3,453,363 | 3,124,389 | 2,430,570 | 3,544,559 |
| 3 | Temporary shirkah funds | 13,724,8394 | 17,583,520 | 17,423,850 | 19,549,497 | 20,568,561 | 20,998,920 |
| 4 | Equity | 2,073,578 | 2,169,481 | 2,217,946 | 2,447,168 | 2,481,831 | 2,479,992 |

Source: Bank Aceh Financial Report, 2021

The period from 2016 to 2019 witnessed a significant increase in total assets. This positive trajectory continued from 2020 to September 2021, even amidst the pandemic, culminating in a total asset value of Rp 27,023,471 as of September 2021. The analysis of total liabilities for Bank Aceh Syariah paints a more nuanced picture. The pre-pandemic period, from 2016 to 2017, saw a decline in total liabilities. While there was an increase in 2018, the following year brought another, and quite substantial, decrease. Conversely, the period from 2020 to September 2021, corresponding to the COVID-19 pandemic, witnessed a rise in total liabilities to IDR 3,544,559.

Temporary shirkah funds at Bank Aceh Syariah exhibited a consistent upward trend throughout the period examined in Table 1. This growth persisted from 2016 to 2019, preceding the pandemic, and continued its rise from 2020 to September 2021, reaching a value of Rp 20,998,920 during the pandemic. Finally, Bank Aceh Syariah's equity experienced a moderate increase from 2016 to 2019, prior to the COVID-19 pandemic. However, during the pandemic period of 2020 to September 2021, there was a slight decrease in equity, bringing the value down to Rp 2,479,992. (Agritania, 2021) (Achmadi, 2021), pandemic.

Previous studies have investigated the financial performance of Islamic banks in Indonesia, such as BNI Syariah, BRI Syariah, Bank Muamalat, and BCA Syariah, before and during the Covid-19 pandemic (Achmadi, 2021; Agritania, 2021). However, research specifically focusing on regional Islamic banks, such as Bank Aceh Syariah, remains limited. This study addresses this gap by providing insights into the financial resilience and adaptability of a regional Islamic bank in facing the economic shock induced by the pandemic.

The findings of this study are expected to provide a better understanding of how regional Islamic banks have navigated the challenges posed by the Covid-19 pandemic and the effectiveness of their risk management and corporate governance practices in maintaining financial stability. These findings can serve as valuable input for policymakers, regulators, and stakeholders in the Islamic banking sector as they develop strategies to enhance the resilience of these institutions in the face of future economic uncertainties. Moreover, this study is expected to provide valuable insights for Bank Aceh Syariah's management in evaluating their current performance and identifying areas for improvement to ensure long-term sustainability and growth.

## B. LITERATURE REVIEW

The variables assessed using the RGEC method are crucial to study for several reasons. Firstly, the risk profile, which includes Non-Performing Financing (NPF) and Financing to Deposit Ratio (FDR), provides essential insights into a bank's credit risk management and liquidity risk. NPF measures the proportion of non-performing loans, indicating the bank's ability to manage credit risk effectively. A high NPF ratio suggests poor credit quality and potential losses. FDR, on the other hand, assesses liquidity risk by comparing the bank's total financing to its total deposits. Studying these ratios helps evaluate the bank's capacity to manage risks and maintain financial stability.

Secondly, Good Corporate Governance (GCG) is vital for ensuring transparency, accountability, and fairness in a bank's operations. Effective corporate governance helps align the interests of stakeholders, prevents fraud, and enhances decision-making processes. Examining GCG practices enables researchers to assess the bank's management quality, ethical standards, and ability to protect stakeholder interests, which are critical factors for long-term sustainability and growth.

Thirdly, profitability ratios such as Return on Assets (ROA), Return on Equity (ROE), and Operating Expenses to Operating Income (BOPO) provide valuable information about a bank's financial performance and efficiency. ROA measures the bank's ability to generate profits from its total assets, while ROE indicates the return on shareholders' equity. BOPO assesses the bank's operational efficiency by comparing operating expenses to operating income. Analyzing these ratios helps evaluate the bank's profitability, efficiency, and ability to generate returns for investors.

Finally, the Capital Adequacy Ratio (CAR) is a crucial measure of a bank's financial strength and ability to absorb potential losses. It represents the minimum capital required to cover risk-bearing assets and finance fixed assets and inventories. Studying CAR helps assess the bank's resilience to financial shocks and its ability to comply with regulatory requirements. A higher CAR indicates better financial stability and lower risk of insolvency.

Examining these variables provides a comprehensive understanding of a bank's financial performance, risk management practices, corporate governance, profitability, and capital adequacy. This knowledge is essential for various stakeholders, including regulators, investors, depositors, and the general public, to make informed decisions and ensure the stability and growth of the banking sector in Indonesia.

1. Non-Performing Financing (NPF)

In a study conducted by Isnain (Isnain, 2020), the NPF ratio between Bank Syariah Mandiri and BNI Syariah indicated that Bank Syariah Mandiri had a good ability to handle financing disbursed during its operational activities. Meanwhile, research by Agritania (Agritania, 2021) showed that the NPF ratio of Bank BNI Syariah was healthier and better compared to the NPF ratio of Bank BRI Syariah. Based on these findings, the author proposes the following hypothesis:

H1: There is a significant difference in the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC analysis method on the NPF ratio.

2. Financing to Deposit Ratio (FDR)

In a study by Rezeki and Noviarita (Rezeki & Noviarita, 2021), the FDR ratio analysis of Bank Muamalat Indonesia showed a decline during the COVID-19 pandemic in 2020. Research by Thamrin and Thamrin (Thamrin, 2021) found that the average FDR ratio of Islamic banks in Indonesia was 78.92% before the pandemic and 79.36% during the pandemic, indicating the FDR ratio remained in good condition as the average was below 110%. Based on these findings, the author proposes the following hypothesis:

H2: There is a significant difference in the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC analysis method on the FDR ratio.

3. GCG Factor (Self-Assessment)

Transparency, a key principle of Good Corporate Governance (GCG), fosters investor confidence when implemented effectively. To maintain trust, banks must optimize GCG practices. Febrianti (Febrianti, 2021) found that the self-assessment results of state-owned banks were healthy and good. Ihsan and Hosen (Ihsan & Hosen, 2021) showed that from

2015 to 2020, BNI Syariah consistently obtained a "good" rank (2) for its corporate governance due to effective GCG implementation, especially amidst current economic and business conditions. Based on these findings, the author proposes the following hypothesis:

H3: There is a significant difference in the self-assessment of GCG practices at Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC analysis method.

4. Return on Assets (ROA)

Anggraeni (Anggraeni, 2014) stated that working capital significantly impacts ROA, indicating better working capital leads to better ROA. Fitriani (Fitriani, 2020) found that Bank BNI Syariah's ROA ratio was much better than Bank BRI Syariah's, categorizing the former as "very healthy" and the latter as "moderately healthy." Based on these findings, the author proposes the following hypothesis:

H4: There is a significant difference in the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC analysis method on the ROA ratio.

5. Return on Equity (ROE)

ROE, a profitability ratio, shows a company's ability to generate profits from its equity. Surya and Asiyah (Surya & Asiyah, 2020) found that Bank Syariah Mandiri's ROE ratio was higher than Bank BNI Syariah's during the 2019-2020 pandemic period. Agritania (Agritania, 2021) showed that Bank BNI Syariah's ROE ratio was healthier and better than Bank BRI Syariah's. Based on these findings, the author proposes the following hypothesis:

H5: There is a significant difference in the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC analysis method on the ROE ratio.

6. Operating Expenses to Operating Income (BOPO)

BOPO, the ratio of operating expenses to operating income, indicates better performance when lower as it shows the company efficiently utilizes expenses to generate high profits. Operational funds come from various capital sources, including equity (Wijaya, 2018). Febrianti (Febrianti, 2021) found that the 2020 BOPO ratio increased slightly but significantly compared to 2019. Sullivan and Widoatmodjo (Sullivan & Widoatmodjo, 2021) showed that the average 2019-2020 BOPO ratio increased, indicating less efficient operational expenses and potentially greater problematic conditions for banks. Based on these findings, the author proposes the following hypothesis:

H6: There is a significant difference in the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC analysis method on the BOPO ratio.

7. Capital Adequacy Ratio (CAR)

Surya and Asiyah (Surya & Asiyah, 2020), comparing the financial performance of Bank BNI Syariah and Bank Syariah Mandiri during the pandemic, found that CAR of Bank BNI

Syariah was higher than Bank Syariah Mandiri's, indicating a higher CAR reflects a bank's better ability to face potential loss risks. Achmadi (Achmadi, 2021) showed that the CAR ratio between Bank Muamalat and Bank BCA Syariah indicated the latter had better capital adequacy. Based on these findings, the author proposes the following hypothesis:

H7: There is a significant difference in the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC analysis method on the CAR ratio.

## C. DATA AND METHODOLOGY

### 1. Research Design

This study employs a comparative research design using a quantitative approach. Comparative research involves comparing the existence of one or more variables across two or more samples at different times (Sugiyono, 2013). The population for this study consists of all financial reports from Bank Aceh Syariah. The sample includes quarterly reports from Bank Aceh Syariah spanning the years 2016 to 2021. Specifically, the study uses 16 observations from the four years before the pandemic and 7 observations from the two years during the pandemic.

This study utilizes secondary data sourced from the quarterly reports of Bank Aceh Syariah from 2016 to 2021. The data from the four years prior to the COVID-19 pandemic serves as a benchmark for assessing the bank's financial performance, while the data from the two years during the pandemic is used for comparison. The researcher aims to determine whether there are significant differences in the bank's financial performance between the pre-pandemic and pandemic periods.

The data collection technique employed in this study is documentation, which involves reviewing the quarterly reports of Bank Aceh Syariah. Documentation is a data collection method that entails studying documents to obtain data or information relevant to the research problem. This study analyzes financial statements using the RGEC approach, as stipulated in Bank Indonesia Regulation Number 13/1/PBI/2011. The steps for assessing the bank's financial performance are as follows:

- Collecting the required data from the bank's financial statements that correspond to the research variables.
- Conducting analytical calculations based on the variables of NPF, FDR, GCG, ROA, ROE, BOPO, and CAR.
- Drawing conclusions from the results of the calculations performed on these variables.

## D. RESULTS AND DISCUSSION

### 1. Comparison of Risk Profile Before and During the Pandemic

The risk profile aspect utilizes two ratios to measure financial performance: the Non-Performing Financing (NPF) ratio and the Financing to Deposit Ratio (FDR).

a. Financing Risk

In this study, financing risk is measured using the NPF ratio. To determine the specific level of difference, a t-test is required to test the developed hypotheses. The results of this test can be seen in the Table 2.

**Table 2**
**Independent Sample t-Test for NPF Ratio**

| NPF Ratio | Levene's Test | | t-Test (95%) | | |
|---|---|---|---|---|---|
| | **F** | **Sig.** | **t** | **Sig. 2- tailed** | **Mean diff.** |
| Equal variances assumed | 7.921 | 0.010 | 0.275 | 0.786 | 0.03902 |
| Equal variances not assumed | | | 0.395 | 0.697 | 0.03902 |

Source: SPSS Processed Data, 2021

A comparative analysis of Non-Performing Financing (NPF) ratios was conducted to assess the impact of the COVID-19 pandemic on Bank Aceh Syariah's financing risk profile. The NPF ratio, representing the proportion of loans deemed unlikely for repayment, serves as a critical indicator of a bank's asset quality and overall financial stability. An independent samples t-test was employed to rigorously examine potential differences in mean NPF ratios between the pre-pandemic and pandemic periods. Levene's test for equality of variances confirmed the homogeneity of variances across the two groups, validating the application of the t-test under the assumption of equal variances. The resulting p-value of 0.786, exceeding the conventional alpha level of 0.05, indicated a statistically insignificant difference in mean NPF ratios between the pre-pandemic and pandemic periods. This finding suggests that the observed difference is likely attributable to random variation rather than a systematic effect of the pandemic. To ensure the robustness of the analysis, an additional t-test was performed without assuming equal variances, yielding a p-value that further corroborated the initial conclusion of no statistically significant difference. Therefore, the statistical analysis provides no evidence to support a significant change in Bank Aceh Syariah's NPF ratio during the pandemic compared to the pre-pandemic period. This suggests that the bank's financing risk profile remained relatively stable despite the economic disruptions induced by the global health crisis.

b. Liquidity Risk

In this study, liquidity risk is measured using the Financing to Deposit Ratio (FDR). To determine the specific level of difference, a t-test is required to examine the developed hypotheses. The comparison of the FDR ratio is presented in Table 3.

**Table 3**
**Independent Sample t-Test for NPF Ratio**

| NPF Ratio | Levene's Test | | t-Test (95%) | | |
|---|---|---|---|---|---|
| | F | Sig. | t | Sig. 2- tailed | Mean diff. |
| Equal variances assumed | 2.269 | 0.147 | -0.306 | 0.763 | -0.92250 |
| Equal variances not assumed | | | -0.404 | 0.690 | -0.92250 |

Source: SPSS Processed Data, 2021

Table 3 presents the results of an independent samples t-test examining potential differences in the Financing to Deposit Ratio (FDR) of Bank Aceh Syariah before and during the COVID-19 pandemic. The FDR, a key indicator of a bank's liquidity, measures the proportion of deposits utilized for financing activities. A higher FDR, while reflecting greater utilization of deposits for potentially profitable lending, can also signal heightened liquidity risk should there be unexpected surges in withdrawals.

Prior to conducting the t-test, Levene's test for equality of variances was employed to assess the validity of assuming equal variances between the two groups. With a significance value of 0.147, exceeding the conventional 0.05 threshold, the assumption of equal variances was deemed tenable. Subsequently, the t-test results, under the equal variances assumed condition, yielded a significance value (2-tailed) of 0.763. This value, notably greater than 0.05, indicates that the observed difference in mean FDR ratios between the pre-pandemic and pandemic periods is statistically insignificant. This implies that the pandemic's impact on Bank Aceh Syariah's FDR, and by extension its liquidity risk profile, was not statistically discernible. This conclusion is further supported by the non-significant result ($p = 0.690$) obtained from the t-test conducted without assuming equal variances, reinforcing the robustness of the analysis. Therefore, the findings suggest that Bank Aceh Syariah maintained a relatively stable liquidity position throughout the analyzed timeframe, despite the economic uncertainties brought about by the pandemic.

2. **GCG Comparison before and during Pandemic**

The assessment of Good Corporate Governance (GCG) practices at Bank Aceh Syariah is based on the annual corporate governance reports from 2016 to 2020. Table 4 presents the GCG assessment results, revealing a consistent pattern of improvement in the bank's corporate governance framework.

**Table 4**
**Comparison of GCG before and during Pandemic (2016- 2021)**

| Pre-Pandemic | | | During Pandemic | | |
|---|---|---|---|---|---|
| Year | Rank | Predicate | Year | Rank | Predicate |
| 2016 | 3 | Fair | 2020 | 2 | Good |
| 2017 | 3 | Fair | 2021 | - | - |
| 2018 | 3 | Fair | | - | - |
| 2019 | 2 | Good | | - | - |

Sumber: GCG Report of Bank Aceh, 2021

From 2016 to 2018, the pre-pandemic period, Bank Aceh Syariah consistently achieved a rank of 3 in its GCG self-assessment, corresponding to a "Fair" predicate. This indicates that while the bank had established a foundational GCG framework, there were areas identified for improvement in terms of implementation and effectiveness. However, a notable shift occurred in 2019, where the bank's GCG rating improved to a rank of 2, earning a "Good" predicate. This suggests a strengthening of the bank's governance practices and a commitment to enhancing its GCG framework.

The available data for the pandemic period is limited to the year 2020, where Bank Aceh Syariah maintained its "Good" rating (rank 2) from the previous year. This consistency in performance amidst the challenges posed by the pandemic is noteworthy, as it demonstrates the bank's resilience and ability to sustain sound governance practices during a period of economic uncertainty. However, it is important to acknowledge that the absence of data for 2021 in the provided table limits the extent to which conclusions can be drawn regarding the pandemic's impact on the bank's GCG performance beyond 2020. Further analysis incorporating the most recent data would be necessary to comprehensively assess the bank's governance trajectory in the face of the ongoing global health crisis.

Overall, the trend depicted in Table 4 suggests a commitment from Bank Aceh Syariah to enhance its corporate governance framework. The transition from a "Fair" to a "Good" rating reflects the bank's proactive efforts to strengthen its GCG practices, potentially bolstering stakeholder confidence and contributing to long-term sustainability.

**3. Earning Comparison Before and During the Pandemic**

This segment of the analysis focuses on the comparison of Bank Aceh Syariah's earnings performance before and during the COVID-19 pandemic, utilizing three key financial ratios: Return on Assets (ROA), Return on Equity (ROE), and Operating Expenses to Operating Income (BOPO). These ratios provide a comprehensive assessment of the bank's profitability, efficiency in asset utilization, and cost management.

a. Return on Asset

Return on Assets (ROA) measures the bank's effectiveness in generating profits by optimizing its asset base. Table 5 presents the results of an independent samples t-test examining potential differences in ROA between the pre-pandemic and pandemic periods. Levene's test for equality of variances (p = 0.127) indicates that the assumption of equal variances is tenable. The t-test results under the equal variances assumed condition yield a significance value (2-tailed) of 0.111, exceeding the conventional 0.05 threshold. This suggests that the observed difference in mean ROA between the two periods is not statistically significant, implying that the pandemic did not have a discernible impact on the bank's ability to generate profits from its assets.

**Table 5**
**Independent Sample t-Test Rasio ROA**

| NPF Ratio | Levene's Test | | t-Test (95%) | | |
|---|---|---|---|---|---|
| | F | Sig. | t | Sig. 2- tailed | Mean diff. |

| | | | | | |
|---|---|---|---|---|---|
| Equal variances assumed | 2.531 | 0.127 | 1.663 | 0.111 | 0.53571 |
| Equal variances not assumed | | | 2.364 | 0.028 | 0.53571 |

Source: SPSS Processed Data, 2021

b. Return on Equity

Return on Equity (ROE) assesses the bank's proficiency in generating profits utilizing its shareholders' equity. Table 6 presents the t-test results for ROE, with Levene's test (p = 0.134) confirming the validity of the equal variances assumption. The t-test significance value (2-tailed) of 0.091, while marginally above the 0.05 threshold, suggests that the difference in mean ROE between the pre-pandemic and pandemic periods is not statistically significant at the conventional level. This finding indicates that the bank maintained its ability to generate returns for shareholders despite the challenges posed by the pandemic.

**Table 6**
**Independent Sample t-Test Rasio ROE**

| NPF Ratio | Levene's Test | | t-Test (95%) | | |
|---|---|---|---|---|---|
| | F | Sig. | T | Sig. 2- tailed | Mean diff |
| Equal variances assumed | 2.430 | 0.134 | 1.774 | 0.091 | 4.44277 |
| Equal variances not assumed | | | 2.386 | 0.027 | 4.42770 |

Source: SPSS Processed Data, 2021

c. Operating Expense to Operating Income

The Operating Expenses to Operating Income (BOPO) ratio evaluates the bank management's efficiency in controlling operating costs relative to operating income. Table 7 presents the t-test results for BOPO, with Levene's test (p = 0.228) supporting the equal variances assumption. The t-test significance value (2-tailed) of 0.355 exceeds the 0.05 threshold, indicating no statistically significant difference in mean BOPO between the two periods. This suggests that the bank effectively managed its operating expenses in relation to its operating income, maintaining cost efficiency throughout the pandemic.

**Table 7**
**Independent Sample t-Test Rasio BOPO**

| NPF Ratio | Levene's Test | | t-Test (95%) | | |
|---|---|---|---|---|---|
| | F | Sig. | t | Sig. 2- tailed | Mean diff |
| Equal variances assumed | 1,543 | 0,228 | -0,946 | 0,355 | -5,75830 |
| Equal variances not assumed | | | -1,403 | 0,178 | -5,75830 |

Source: SPSS Processed Data, 2021

These findings suggest that the pandemic did not have a statistically apparent impact on the bank's profitability, efficiency in utilizing assets to generate profits, or its ability to control operating expenses relative to operating income. It is important to acknowledge that while the analysis indicates no statistically significant differences, the observed pvalues, particularly for ROE, are relatively close to the 0.05 threshold. This advocates that further investigation with a larger sample size or a longer observation period might reveal potential subtle effects of the pandemic on the bank's earnings performance. Nonetheless, based on the available data, the analysis concludes that Bank Aceh Syariah demonstrated resilience in maintaining its earnings performance during the initial phase of the pandemic.

**4. Capital Comparison Before and During Pandemic**

The comparative analysis of Bank Aceh Syariah's capital performance before and during the COVID-19 pandemic focuses on the Capital Adequacy Ratio (CAR). This ratio serves as a critical indicator of a bank's ability to absorb potential losses arising from credit, market, and operational risks. Table 8 presents the results of an independent samples t-test conducted to examine significant differences in the CAR between the pre-pandemic and pandemic periods. Levene's test for equality of variances yields a significance value of 0.008, which is below the 0.05 threshold.

This indicates that the assumption of equal variances is not met, and the interpretation of the t-test results should refer to the "Equal variances not assumed" row. The t-test results, assuming unequal variances, show a significance value (2-tailed) of 0.038. This value is less than the conventional 0.05 threshold, suggesting the presence of a statistically significant difference in Bank Aceh Syariah's CAR between the pre-pandemic and pandemic periods.

**Table 8**
**Independent Sample t-Test Rasio CAR**

| **NPF Ratio** | **Levene's Test** | | **t-Test (95%)** | | |
|---|---|---|---|---|---|
| | **F** | **Sig.** | **T** | **Sig. 2- tailed** | **Mean diff** |
| Equal variances assumed | 3.205 | 0.008 | 1.837 | 0.080 | 1.11071 |
| Equal variances not assumed | | | 2.231 | 0.038 | 1.11071 |

Sumber: Data Diolah SPSS, 2021

These findings indicate that the COVID-19 pandemic had a significant impact on Bank Aceh Syariah's capital adequacy. The significant difference in the CAR warrants further investigation to understand the underlying factors contributing to this change. Increased credit risk, reduced profitability, or changes in regulatory policies during the pandemic could be potential factors influencing the CAR. However, it is important to note that this analysis focuses on a single financial ratio and a limited time frame. Further research incorporating more comprehensive data and a longer observation period is necessary to gain a deeper understanding of the pandemic's impact on Bank Aceh Syariah's capital performance.

Additionally, comparing the bank's CAR with industry benchmarks and regulatory requirements would provide a more contextualized assessment of its capital adequacy during the pandemic. In conclusion, the statistical analysis reveals a significant difference in

Bank Aceh Syariah's CAR between the pre-pandemic and pandemic periods, suggesting that the COVID-19 pandemic had a notable impact on the bank's capital adequacy. This finding highlights the need for continued monitoring and proactive risk management strategies to ensure the bank's resilience in the face of economic uncertainties. Further research incorporating a more comprehensive dataset and a longer time frame would provide valuable insights into the long-term implications of the pandemic on the bank's capital performance.

## 5. Discussion

This study analyzes the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC analysis method. The variable indicators used in this research include the NPF, FDR, GCG, ROA, ROE, BOPO, and CAR ratios. The study aims to evaluate whether there are significant differences in the bank's financial performance between the pre-pandemic and pandemic periods.

a. Non-Performing Financing (NPF)

The independent sample t-test results for the NPF ratio show that the average NPF before the pandemic was 1.6719%, while during the pandemic, it was 1.6329%. Although there is a slight decrease, the statistical test results show a sig. 2-tailed value of 0.697, indicating no significant difference between the NPF ratio before and during the pandemic. This result is consistent with the research by Faly (Faly, 2016), which also found no significant difference in the NPF ratio of Bank Panin Syariah before and after going public. This finding demonstrates that Islamic banks, particularly Bank Aceh Syariah, have resilience in facing crises and are capable of maintaining the quality of their financing.

b. Financing to Deposit Ratio (FDR)

The FDR ratio shows a slight increase from 69.2475% before the pandemic to 70.1700% during the pandemic. However, the t-test results yield a sig. 2-tailed value of 0.763, indicating no significant difference between the FDR ratio before and during the pandemic. This result aligns with the research by Faly (Faly, 2016), which also found no significant difference in the FDR ratio of Bank Panin Syariah before and after going public. The stability of the FDR indicates that Islamic banks like Bank Aceh Syariah are able to maintain liquidity and their intermediary function well, even when faced with a pandemic situation.

c. Good Corporate Governance (GCG)

The GCG assessment of Bank Aceh Syariah shows no significant difference between the pre-pandemic and pandemic periods. The 2020 GCG implementation report maintains the same rank as in 2019, which is rank 2 with a "Good" predicate. This finding indicates that the bank's corporate governance has remained consistent and stable during the pandemic. This result is in line with the research by Budianto and Sofyan (Budianto & Soufyan, 2021), which also found no significant difference in the GCG principles of Bank Aceh Syariah before and after conversion.

d. Return on Assets (ROA)

The ROA ratio shows a decrease from 2.3100% before the pandemic to 1.7743% during the pandemic. However, the t-test results yield a sig. 2-tailed value of 0.111, indicating no significant difference between the ROA ratio before and during the pandemic. This finding suggests that the bank's ability to generate profits from its assets has slightly declined during the pandemic, but the difference is not statistically significant. This result is consistent with the research by Hayati (Hayati, 2021), which found no significant difference in the ROA ratio between state-owned and private banks.

e. Return on Equity (ROE)

The ROE ratio also shows a decrease from 19.4856% before the pandemic to 15.0429% during the pandemic. The t-test results yield a sig. 2-tailed value of 0.091, indicating no significant difference between the ROE ratio before and during the pandemic. This finding suggests that the bank's ability to generate profits from its equity has slightly declined during the pandemic, but the difference is not statistically significant. This result aligns with the research by Muslim (Muslim, 2016), which found no significant difference in the ROE ratio between banks in Maluku, North Maluku, and Papua.

f. Operating Expenses to Operating Income (BOPO)

The BOPO ratio shows an increase from 75.0731% before the pandemic to 80.8314% during the pandemic. The t-test results yield a sig. 2-tailed value of 0.355, indicating no significant difference between the BOPO ratio before and during the pandemic. This finding suggests that the bank's operational efficiency has slightly decreased during the pandemic, but the difference is not statistically significant. This result is consistent with the research by Dewi (Dewi, Saputera, & Prihatma, 2021), which found no significant difference in the BOPO ratio between Bank Mandiri and Bank Syariah Mandiri.

g. Capital Adequacy Ratio (CAR)

The CAR ratio shows a decrease from 20.2550% before the pandemic to 19.1443% during the pandemic. The t-test results yield a sig. 2-tailed value of 0.080, indicating no significant difference between the CAR ratio before and during the pandemic. This finding suggests that the bank's capital adequacy has slightly decreased during the pandemic, but the difference is not statistically significant. This result aligns with the research by Dina Islamiyati and Mochammad Khoirul Anwar (Islamiyati & Anwar, 2018), which found no significant difference in the CAR ratio between BCA Syariah and BRI Syariah.

## E. CONCLUSION

This study aimed to analyze the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic using the RGEC method for the period 2016 to 2021. The key findings of the research, based on the independent sample t-test statistical analysis, indicate that there are no significant differences in the NPF, FDR, GCG, ROA, ROE, BOPO, and CAR factors between the financial performance of Bank Aceh Syariah before and during the COVID-19 pandemic. Overall, the findings reveal that Bank Aceh Syariah has maintained its financial performance during the COVID-19 pandemic. Although there are some changes in the financial ratios, these changes are not statistically significant. This finding suggests that the bank has demonstrated resilience in facing the economic challenges during the pandemic.

The research has several important implications. First, it highlights the resilience of Islamic banks, particularly Bank Aceh Syariah, in facing crises and maintaining their financial performance. Second, it emphasizes the importance of good corporate governance (GCG) in contributing positively to the resilience of Islamic banks. Third, the study underscores the need for Islamic banks to improve operational efficiency and diversify their products to maintain profitability. Finally, it stresses the crucial role of maintaining capital adequacy for Islamic banks to remain resilient in the face of risks and uncertainties.

**Limitation of the Study**

However, the study has some limitations that should be considered when interpreting the results. The sample size used in the research is relatively small, and the comparison of data between the pre-pandemic and pandemic periods is not balanced. These limitations may affect the generalizability of the findings. For future research, it is recommended to use a larger sample size and a more balanced comparison of data between the pre-pandemic and pandemic periods. Additionally, future studies could explore other factors that may influence the financial performance of Islamic banks during crises, such as government policies, market conditions, and customer behavior. Researchers could also consider using qualitative methods, such as interviews with bank managers and customers, to gain deeper insights into the challenges and strategies employed by Islamic banks during the pandemic.

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