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THE PERFORMANCE REPUTATION OF BANK BTPN SYARIAH AND BANK MUAMALAT USES COMPARATIVE ANALYSIS WITH CAMEL AND RGEC MODELS

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Abstract

Using CAMEL and RGEC analytical models, this study aims to describe the reputation of BTPN Syariah compared to Muamalat Bank and to ascertain whether the financial performance and reputation of Indonesian Muamalat Banks and BTPN Syariah differ significantly. This study uses a quantitative descriptive method; that is, it describes the health of the Islamic banking industry based on the figures provided. This study shows that (1) the health assessment using CAMEL and RGEC methods leads to very different results. During 2018–2022, the health status of Bank BTPN Syariah using the CAMEL method showed good health status, while the health status of Bank Muamalat Indonesia using both methods showed excellent health status. Using the CAMEL and RGEC analysis models, it was found that there is a significant difference between the financial performance reputation of Bank BTPN Syariah and Bank Muamalat Indonesia. Based on the Mann Whitney U test, it was found that in the column Asymp.Sig. (2-tailed) for the CAMELS and RGEC tests is 0.027 or a probability less than 0.05 (0.027 < 0.05), indicating that there is a difference in the assessment of the level of health.

Keywords: *Performance Reputation, CAMEL Method, RGEC Method, Bank Health*

INTRODUCTION

Shariah banking encompasses all aspects of Islamic banks and Shariah-compliant businesses, such as their establishments, operations, procedures, and business practices. Islamic banks gather money from the general public through deposits and investments from moneyholders. The distribution of monies to other parties in need of money for purchases, sales, and commercial collaboration is another purpose (Rudi Setiyobono et al., 2019).

In general terms, Islamic banks are classified as financial organizations whose primary lines of operation are lending, payment processing, and custody. Islamic banks conduct business in line with the precepts of Islamic Shariah, which draws from the verses of the Quran and Hadith. As a result, Islamic banks must be able to avoid any actions that go against Islamic Shariah or include aspects of riba (Beck et al., 2013).

There are a few key distinctions between Islamic and conventional banks (Bilgin et al., 2021). The primary distinction is that, unlike regular banks, Islamic banks do not utilize an interest rate structure in any aspect of their operations. This has significant ramifications and influences the goods and operational facets of Islamic banks. Law No. 7 of 1992 on Banking (State Gazette of the Republic of Indonesia of 1992 No. 31, Supplement to State Gazette No. 3472) officially established Islamic banks.

A banking system built on Shariah principles is known as Islamic banking. This Shariah concept governs contracts based on Islamic law that banks enter into with other parties. These contracts may pertain to the

custody of cash or the Shariah-compliant financing of commercial ventures (Sudianto & Septiana, 2021).

One of the factors that banks must consider to continue to survive is the bank's performance. Banks must maintain their efficiency as financial institutions to operate optimally.

The word "Leistung" is translated as "performance." Work performance, execution, work output, or work results/work outcomes/work output are other synonyms for efficiency. In the words of Mangkunegara, an employee's performance is the outcome of both the quantity and the level of work he or she completes to carry out the tasks allocated to them. Performance can also refer to the amount and the level of outcomes a worker produces when completing the responsibilities delegated to him. Performance is the culmination of all accomplishments from all actions and activities during a sequence of work efforts inside a specific time frame to accomplish a goal.

CAMEL is a tool established by Bank Indonesia (BI) to analyze a bank's financial condition and evaluate bank management. CAMEL is a benchmark that is the subject of the bank inspection conducted by CAMEL and consists of five criteria: capital, assets, management, earnings, and liquidity (liquidity). A CAMEL rating of less than 81 indicates a weak financial position, which is reflected in the bank's balance sheet, such as an elevated ratio of long-term loans to total assets; if left unaddressed, the problem may affect the continuity of the bank's operations; banks on the watch list are considered problem banks and are scrutinized more frequently by banking regulators than non-problem banks; banks with a CAMEL rating above 81 are banks with high earnings and few long-term assets; CAMEL ratings have never been widely publicized (Ledhem & Mekidiche, 2020).

The RGEC method (risk profile, good governance, earnings, capital) is the new approach for evaluating the bank's soundness. Risk profile, strong governance, profits, and capital make up the RGEC approach. (Le et al., 2023).

The performance or health of a bank can be assessed using various valuation indicators. The health of a bank is assessed according to the CAMEL method, a method for assessing the health of a bank based on BI Regulation No. 6/10/PBI/2004 of April 12, 2004. However, with the development of the business and the complexity of the bank's business, the CAMEL method is less effective in evaluating bank performance because the CAMEL method does not provide a conclusion that leads to a rating but provides ratings of different types of factors.

The globe was taken aback by the revelation of an unidentified pneumonia outbreak in December of 2019. China's Hubei Province's Wuhan is where the outbreak was initially identified. As a result of the virus's escalating global proliferation and nearly universal presence, the World Health Organization (WHO) declared COVID-19 a pandemic on March 11, 2020 (Brickell et al., 2020).

The increase in COVID-19 cases impacts the global economy, including Indonesia. Islamic banks are being tested again on their ability to perform well during the Covid-19 pandemic. OJK data shows that the risk pressure is higher for financing from Islamic banks than conventional banks. This is understandable, as Islamic banks are profit-sharing oriented, where returns are based on the results of bank customers' efforts. As the economy is affected by COVID-19, all business sectors will experience a decline, so Islamic banks' returns will also decline.

COVID-19 has affected different sectors, not only the healthcare sector but also other sectors, including banking. The impact of the COVID-19 pandemic on banks affects their performance, which will affect their health levels. Therefore, it is essential to maintain the health of the bank. Objective and precise benchmarks are needed to recognize the impact of Covid-19 on the health of banks. This objectivity can be achieved by comparing the

health of banks under normal environmental conditions, i.e., before they were exposed to the COVID-19 pandemic.

The health level of banks was assessed using the RGEC approach in a study conducted by Lotus Mega Fortania and Ulfi Kartika Oktaviani (2015). The study found that the health level remained consistently high throughout the study period, with a score ranging from 81 to 100. The RGEC approach method, specifically the DSM from 2011-2013, yielded a weight value of 96.25%, indicating a low level of financial distress. During the period of 2011-2013, both BMI and BNI Syariah had a low level of financial hardship. This indicates that their financial health was stable during this period, with a score of 81-100. Consequently, their overall health improved, as they achieved a healthy status.

An analysis of prior research indicates that the financial and operational performance of banks during the period of 2011-2013 shown a satisfactory level of robustness. The researcher plans to do an investigation on this study from 2019 to 2021. This decision is based on the observation of several past studies that have examined the performance of banks using the CAMEL method, which have yielded differing research outcomes. Hence, the researchers aim to examine the performance of Islamic banks before and during the pandemic by employing the CAMEL and RGEC methodologies for the period of 2019-2021.

THEORETICAL REVIEW

Sharia Bank

Islamic banks operate without relying on interest. Islamic banks are financial/banking institutions that base their businesses and products on the teachings of the Quran and the Hadith of the Prophet SAW. Put simply, Islamic banks are financial institutions that specialize in providing financing and other payment and money circulation services based on Islamic law principles. Antonio and Perwata Atmadja (1997) differentiate between two interpretations: Islamic banks and banks that adhere to the principles of Islamic Shariah. They adhered to the principles of Shariah, specifically Islamic muamalat procedures, to steer clear of practices that were believed to involve interest and instead focused on investment activities centered around profit sharing and trade finance.

As per Law No. 14 of 1967, a bank is a financial entity that primarily offers loans and services related to payments and money circulation. As to the Law of the Republic of Indonesia No. 10 of 1998 on Banking, a bank is an entity that receives funds from the general public in the form of deposits and subsequently disburses them to the public in the form of loans or other means, with the aim of enhancing the quality of life for numerous individuals.

Islamic banks, also known as Islamic banks, do not depend on interest. Bank Islam, often known as an interest-free bank, is a financial institution that operates in accordance with the principles of Islamic Shariah. Its business and products are developed based on the Quran and the hadiths of the Prophet SAW. Bank Islam primarily focuses on providing financing and other services related to payment and money circulation (Karim, 2014).

Islamic banking has basic principles that must be observed in carrying out its operational activities. This is because Islamic banking must be bound by the basic principles of Islamic Shariah in carrying out its Shariah activities through several elements, including:

1) Prohibition of transactions involving prohibited goods or services.
2) Prohibition of prohibited transactions systems and procedures for the acquisition of profits.

Work Reputation

The company's progress is determined by its reputation. This can increase the company's profits and branding. A company with a good image not only attracts customers but also employees. A good reputation is a good name. If it is associated with the company, then its reputation is the company's good name in the

eyes of the general public. The company's reputation is the public perception of the company and all its business activities. The public evaluates not only the products released by the company but also how it conducts its business.

Corporate reputation refers to the history or history of the company, especially about other parties, whether it has a better relationship or not. Corporate reputation is one of the factors that can influence consumers' decision to purchase a product or service from a company. Reputation or brand becomes an issue of attitude and trust toward brand awareness and image (Angela & Ketut, 2020)

The good reputation that the bank has is the basis for customers' confidence to continue to use the savings services and make savings decisions. The reputation of the bank is considered important by customers to entrust their funds to the management of the bank in question. The better the bank's reputation from the customer's point of view, the stronger the customer's decision to save with that bank.

Reputational Risk

Reputational risk is a risk caused, among other things, by a negative image of an Islamic bank in connection with its business activities. A negative public opinion of a bank means a loss of reputation for the Islamic bank. According to the BI regulations for risk management of Islamic banks and UUS, reputational risk arises from a decline in stakeholder confidence due to a negative public perception of banks. An indicator of reputational risk in Islamic banks is the large number of negative opinions of the public about an Islamic bank, which leads to the Islamic bank becoming untrustworthy.

Based on the explanation of Article 3(1)(e) of the POJK MR BPRS, reputational risk arises from a decline in stakeholder confidence due to a negative perception of the BPRS. Reputational risk can arise from various business activities of BPRS, including events that have damaged BPRS's reputation, such as negative news in the mass media, breaches of business ethics, and customer complaints (Arsyadona & Siregar, S., Harahap, Sugianto, 2020).

A bank's reputation risk is a collection of images of the bank among the public or stakeholders. Reputation reflects the public perception of a bank's actions. It can also be caused by negative publicity against a bank (Arsyadona & Siregar, S., Harahap, Sugianto, 2020).

The reputational risk may not have a direct financial impact, but it is slowly eroding customer confidence. Banks are one of the industries that are very sensitive to public trust. Things that have a strong impact on reputation, namely management, shareholders, services provided, application of Sharia principles, and publicity.

Performance

Islamic banks, also known as Islamic banks, do not depend on interest. Bank Islam, known for its interest-free approach, is a financial institution that aligns its business and products with the teachings of the Quran and the hadiths of the Prophet SAW. In essence, Bank Islam focuses on providing financing and other services in payment and money circulation, all in accordance with the principles of Islamic Shariah. (Umar & Norawati, 2022).

Performance, in essence, refers to the outcome of an employee's efforts in terms of both the quality and quantity of work they are able to accomplish while completing their major obligations and responsibilities. Performance can be assessed from two perspectives: the individual employee's performance and the overall performance of the organization. Employee performance is the outcome of an individual's efforts inside a company.

On the other hand, organizational performance is the collective results of an organization's actions. The term "performance" is derived from the notion of labor performance, which refers to the measurable results produced by an individual. As to the comprehensive Indonesian dictionary, performance is described as: 1) the successful completion of a task or goal, 2) the exhibition

of one's capabilities or expertise, and 3) the ability to effectively carry out work or assignments. Performance, particularly in the context of labor, pertains to the result of an employee's exertion in terms of both the caliber and volume of work accomplished. It quantifies the extent to which an individual effectively carries out their designated duties.

RESEARCH METHODOLOGY

This study is classified as quantitative research. Quantitative methods are referred to as scientific procedures because they adhere to scientific principles, including being based on actual and empirical evidence, being objective, measurable, rational, and systematic. This approach is commonly referred to as the discovery technique, as it enables the identification and advancement of many emerging sciences and technologies. This approach is referred to as a quantitative method due to the fact that the study data is expressed in numerical form and is examined using statistical analysis. (Sugiyono, 2016).

This study employs a quantitative, descriptive approach to provide a numerical summary of the state of Islamic banking, which is subsequently discussed in detail. The data included in this study is derived from secondary sources. Secondary data is obtained from other parties, including information or existing research items, documentary data, literature review forms, files, written records, and tables related to the research, journals, books, articles, and financial reports of Bank Panin Dubai Syariah.

To conduct the study, the researchers used SPSS statistical software to facilitate processing research data. This study aims to compare the health status of two banks, BTPN Syariah and Muamalat Indonesia, using CAMELS and RGEC analysis methods, according to the type of research conducted.

1. Descriptive statistics

Descriptive statistics involves collecting data, presenting data, determining statistical values, and creating graphs or images on a particular topic. This method analyzes data by explaining or describing the collected data based on the existing data without drawing broad conclusions or generalizations. In this study, the authors used descriptive statistics to analyze the data by creating descriptions based on mean, maximum value, minimum value, and standard deviation.

2. Normality test

The normalcy test evaluates the distribution of data in a group or variable to ascertain if the data distribution adheres to a consistent pattern. The test is typically conducted using SPSS. If the p-value of the normality test exceeds 5% or 0.05, it can be inferred that the data adheres to the normal distribution. Conversely, if the significance value is less than 5%, the data does not conform to a normal distribution. If the p-value of the normality test is greater than 0.05, the T-test for independent samples is employed. Conversely, if the p-value is less than 0.05, the Mann-Whitney test is utilized.

The Mann-Whitney U test is a statistical analysis method used to determine the significance of the disparity between two separate and unrelated samples. The purpose of this test is to ascertain the presence of two separate samples from either the same or different populations. This test is conducted when the conditions for a normal distribution still need to be satisfied, indicated by a significance value of less than 5% in the normality test. If the value is asymptotic. The p-value (Sig) is less than the significance level of 0.05 (5%), indicating that the null hypothesis (H0) is accepted. This implies that there is no statistically significant difference between the two samples. Alternatively, if the significance value is below 0.05 (5%), the null hypothesis (H0) is rejected, indicating a substantial distinction between the two independent samples.

DISCUSSION

Research Results and Discussion

Indonesia's GDP will grow positively in 2023. Compared to the previous year, when real economic growth was only 5.01%, it reached

5.03%. A comparatively low inflation rate—4.33% as opposed to 5.51% in the prior year—was the main driver of this rise in economic growth. The execution of additional programs and rising government expenditure on infrastructure development across the country will significantly affect the growth of the national economy in 2023. Due to entrepreneurs' increased caution while handling the evolution of national political circumstances, the private sector's contribution to economic growth tends to stall.

Statistical Data Analysis of Health Level of CAMELS and RGEC Methods

a) Descriptive Statistical Analysis

Descriptive statistics offer a comprehensive summary of data, including the mean, maximum, minimum, and standard deviation of each variable. The table below displays the outcomes of the descriptive statistical computations for CAMELS and RGEC.

Table 1: CAMELS Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
BANKBTPNS	6	9.68	478.91	193.2550	183.70087
BMI	6	.27	439.11	141.5200	184.15457
Valid N (listwise)	6				

Sumber : data sekunder diolah (2023)

Based on the results of the statistical analysis above, the table above can be explained as follows:

1. From 2018 to 2022, the data indicates that Bank BTPN Syariah's CAMELS value ranged from a low of 9.68 to a maximum of 478.91, with an average value of 193.2550. The result indicates that the standard deviation is less than the average, suggesting a uniform distribution.
2. According to the table provided, the CAMELS value at Bank Muamalat Indonesia ranged from a minimum of 0.27 to a maximum of 439.11 during the period of 2018-2022. The average CAMELS value was 141.5200. This suggests that the distribution is asymmetrical.

Table 2: RGEC Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
BANKBTPNS	6	.00	478.91	135.4383	178.15753
BMI	6	.27	295.49	54.0650	118.43908
Valid N (listwise)	6				

sumber : data sekunder diolah (2023)

The table above can be elucidated based on the outcomes of the statistical analysis shown earlier.

1. The table indicates that from 2018 to 2022, Bank BTPN Syariah's RGEC value ranged from a low of 0.00 to a maximum of 478.91, with an average of 178.15753. This suggests that the standard deviation is higher than the mean, indicating an uneven distribution of data.
2. According to the provided table, the data from 2018 to 2022 reveals that Bank Muamalat Indonesia's RGEC value ranges from a minimum of 0.27 to a maximum of 295.49, with an average of 54.0650. This suggests that the standard deviation is larger than the mean, indicating an unequal distribution of data.

b) Normality Test

The normality test is employed to ascertain whether the data has a normal distribution. The purpose of this normality test is to ascertain whether a parametric or nonparametric test should be employed. In the case of the normality test for CAMELS and RGEC, Bank BTPN Syariah and Bank Muamalat Indonesia utilized the Shapiro-Wilk statistical test. The independent sample t-test is employed when the data follows a normal distribution, while the Mann-Whitney-U test is used when the data does not conform to a normal distribution. The CAMELS and RGEC normalcy tests were conducted on Bank BTPN Syariah and Bank Muamalat Indonesia for the years 2018-2022, and the findings are as follows:

1. CAMELS Method Normality Test

Table 3: CAMELS Normality Test

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
BANKBTPNS	.266	6	.200*	.901	6	.378
BMI	.263	6	.200*	.816	6	.081

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Sumber :data sekunder diolah (2023)

According to the table, the Shapiro Wilk's normality test indicates that Bank BTPN Syariah's CAMELS has a significant value of 0.378, which is above the threshold of 0.05 or 5%. Therefore, it can be stated that the data for Bank BTPN Syariah's CAMELS is normally distributed. Bank Muamalat Indonesia has a p-value of 0.081, which is below the significance level of 0.05. Therefore, the data for Bank Muamalat Indonesia's CAMELS is not regularly distributed. Bank BTPN Syariah exhibits a dataset that adheres to a normal distribution, but Bank Muamalat Indonesia's dataset deviates from a normal distribution. Hence, the Mann-Whitney test is employed to compare the two banks.

2. RGEC Method Normality Test

Table 4: RGEC Normality Test

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
BANKBTPNS	.318	6	.058	.778	6	.037
BMI	.455	6	.000	.541	6	.000

a. Lilliefors Significance Correction

Sumber : Data Diolah (2023)

Based on the table above, showing the normality test using Shapiro Wilk, it can be seen that RGEC at Bank BTPN Syariah has a significance value below 0.05 or 5% with a value of 0.37. Therefore, Bank BTPN Syariah's RGEC is not normally distributed. Bank Muamalat Indonesia has a significance value below 0.05, which is 0.00. This means that Bank Muamalat Indonesia's RGEC is distributed elsewhere. Overall, RGEC Bank BTPN Syariah and Bank Muamalat Indonesia have data that do not follow a normal distribution. Therefore, the statistical test used next is the Mann-Whitney Test.

3. Whitney-U Mann *Test*

Table 5: *Mann Whitney-U* CAMELS Rank Method

	CAMELS	N	Mean Rank	Sum of Ranks
BANK	BTPNS	6	4.00	24.00
	BMI	6	9.00	54.00
	Total	12		

Test Statistics[a]

	BANK
Mann-Whitney U	3.000
Wilcoxon W	24.000
Z	-2.402
Asymp. Sig. (2-tailed)	.016
Exact Sig. [2*(1-tailed Sig.)]	.015[b]

a. Grouping Variable: CAMELS

b. Not corrected for ties.

Sumber : Data Diolah (2023)

Based on the table above, it can be seen that in the column Asymp.Sig. (2-tailed) for the CAMELS test is 0.016, or probability below 0.05 (0.016 < 0.05), so it accepts the hypothesis of this study, which states that there are differences in the assessment of the health level of Bank BTPN Syariah and Bank Muamalat Indonesia based on the CAMELS method.

Table 6: *RGEC* Mann Whitney-U Test Ranks

	RGEC	N	Mean Rank	Sum of Ranks
BANK	BTPNS	8	6.00	48.00
	BMI	8	11.00	88.00
	Total	16		

Test Statistics[a]

	BANK
Mann-Whitney U	12.000
Wilcoxon W	48.000
Z	-2.102
Asymp. Sig. (2-tailed)	.036
Exact Sig. [2*(1-tailed Sig.)]	.038[b]

a. Grouping Variable: RGEC

b. Not corrected for ties.

Sumber : Data Diolah (2023)

From the data in the table, it is evident that the value in the Asymp.Sig. (2-tailed) column for the RGEC test is 0.036. This suggests that the chance is less than 0.036, which is smaller than 0.05. Thus, this discovery substantiates the research hypothesis that posits a disparity in health-level evaluation between Bank BTPN Syariah and Bank Muamalat Indonesia, as per the RGEC technique.

Discussion

In general, bank health assessment using the CAMEL and RGEC methods uses ratio components that are not much different in the capital component; both use the CAR ratio, in the component Same profitability-the same uses the ROA ratio, but in the CAMEL method, it is added with the BOPO ratio and in the RGEC method it is added with the NPM ratio. The liquidity component uses the FDR ratio, but the CAMEL ratio is added with the liability ratio clean against core capital (Ledhem & Mekidiche, 2020).

1. Description of the reputation of Bank BTPN Syariah and Bank Muamalat Indonesia's performance using CAMEL and RGEC analysis models

In the Camel method, the bank's health standards emphasize laboratory capabilities, so evaluating product quality outside the units mentioned above is essential. The quality of the active product in question plays a vital role in the use of this method, which represents about 25% of all components (Ashuri et al., 2022). The assessment of factor components in the CAMEL method is concluded by assigning a weight value to each component. Then, the overall weight or credit scores results are given a healthy, moderately healthy, less healthy, and unhealthy predicate (Hosen, 2022).

Unlike the CAMEL approach, the RGEC approach emphasizes on portfolio quality by specifically analyzing risk rather than just focusing on sales. This ensures a thorough evaluation of the strength level of portfolio A. From both risk assessment and return on sales. The risk profile encompasses 10 distinct categories of hazards that require careful consideration: credit risk, market risk, liquidity risk, operational risk, legal risk, systemic risk, compliance risk, reputation risk, yield risk, and financial risk. RGEC methodologies are employed for the analysis of components, and a scale of 1 to 5 is utilized to assign summary ratings based on the predictions, ranging from very healthy to unhealthy. The CAMEL and RGEC methodologies were used to analyze the volume of Bank BTPN Syariah and Bank Muamalat Indonesia for the period of 2018-2022. The outcomes of this analysis are as follows:

Tabel 4. 34

Penilaian Tingkat Kesehatan Metode CAMEL dan RGEC

Periode	Bank BTPN Syariah		Bank Muamalat Indonesia	
	CAMEL	RGEC	CAMEL	RGEC
2018	sehat	Sangat Sehat	sehat	sehat
2019	sehat	Sangat Sehat	sehat	sehat
2020	sehat	Sangat Sehat	sehat	sehat
2021	sehat	Sangat Sehat	sehat	sehat
2022	sehat	Sangat Sehat	sehat	sehat

Sumber : Data Diolah (2023)

Based on the table above, assessing health levels using the two methods has very different results. In 2018-2022, Bank BTPN Syariah's health level using the CAMEL method showed healthy results, while in the RGEC method, the results were very healthy. Bank Muamalat Indonesia in 2018-2022 using different methods shows the same results, namely Healthy.

This research bears resemblance to a study named "Assessment of the Health Level of Sharia Banks with the CAMEL and RGEC Methods (Study on BNI Syariah Banks in 2011-2015)" conducted by Ahsan Putra Hafiz in 2018. The study findings indicated that the evaluation of Bank BNI Syariah's health status using the CAMELS approach resulted in an average rating of "very healthy," whereas the RGEC method yielded an average rating of "healthy." Hence, in order to uphold the efficiency of Bank BNI Syariah, it is imperative to consistently sustain the bank's overall financial well-being.

2. A significant difference between the reputation of Bank BTPN Syariah's financial performance and Bank Muamalat Indonesia using CAMEL and RGEC analysis models

In the CAMEL assessment, it can be concluded that if the asset quality and liquidity indicators have a wrong value, it can be predicted that the bank's condition is in an unhealthy position. However, in the assessment of the bank's health level using the RGEC method, if the risk profile or profitability indicator has a wrong value, it is not necessarily the state of the bank to be in an unhealthy position as long as the risk handling owned by the bank is good so that it is considered able to minimize risk. Meanwhile, in the RGEC method, if there is a problem in one of the indicators of bank health assessment, as long as the problem can be minimized through risk profile management, the bank's condition is still in a healthy position.

The Mann Whitney-U Test indicates that the Asymp.Sig. (2-tailed) value for the CAMELS and RGEC test is 0.027, which is below the significance level of 0.05 (0.027 < 0.05). Therefore, the hypothesis of this study, which states that there are differences in the assessment of the health level of Bank BTPN Syariah and Bank Muamalat Indonesia based on the CAMELS and RGEC methods, is accepted. The categorization of CAMELS is determined by evaluating the financial and operational status of banks using specific financial indicators outlined in Bank Indonesia regulation No.9/1/PBI/2007. Nevertheless, the CAMELS method has not yet integrated these aspects comprehensively, thereby failing to offer a comprehensive overview of bank management. The analysis of each component and factor of CAMELS is conducted independently, without taking into account the interplay between different parameters. The CAMELS method of health assessments primarily emphasizes profit and growth.

The results of the research conducted by Eva Febrianti (2021) have similarities with the research discussed here. This study used the RGEC analysis method, which consisted of four assessment indicators. First, the risk profile is evaluated based on the components of NPF (Non-Performing Financing) and FDR (Financing et al.). Second, GCG (Good et al.) indicators are assessed through self-assessment. Third, profitability is analyzed using three components, namely ROA (Return on Assets), BOPO (Operating et al.), and NIM (Net Interest Margin). Finally, capital is evaluated through the CAR (Capital et al.) component. Data processing in this study used the Independent Simple T-Test. From the research results during the 2016-2020 period, it can be concluded that Bank Panin Dubai Syariah and Bank Victoria Syariah show a level of health that has little. This means that the two banks have relatively similar financial health based on the results of analysis using the RGEC method and the four assessment indicators mentioned.

Meanwhile, RGEC's evaluation method uses profit achievement and growth and short- and long-term risk assessment. The ratings in the RGEC method are determined by the banks themselves based on assessing their risk profile and sound management, considering transparency and compliance with Bank Indonesia and the Financial Services Authority. The second evaluation criterion includes profitability and capital based on return on capital and solvency ratios in the bank's financial statements, reflecting the impact of the strategies implemented by the bank's administration. Therefore, the RGEC method provides a more comprehensive bank soundness assessment solution.

This study concluded that the results are in line with previous research by Karmila (2016) entitled "Comparative Analysis of the Health Level of State-Owned Banks Using the CAMEL Method (Capital et al., Earnings, Liquidity) for the 2009-2014 Period". Previous research on state-owned banks (BRI, BNI, BTN, and Mandiri) in the same period showed some critical findings. The results showed no significant difference in the health level of the four state-owned banks for the last six years (2009-2014). Significant differences are found in the parameters of PPAP (Allowance for

Elimination of Productive Assets) and NPM (Net et al.), which indicates a variation between the banks in terms of these parameters. However, the parameters of CAR (Capital Adequacy Ratio), KAP (Quality of Productive Assets), ROA (Return on Assets), BOPO (Operating et al.), and LDR (Loan to Deposit Ratio) showed no significant difference between the four state-owned banks. To maintain the title as a healthy bank with the most significant assets in Indonesia, state-owned banks are advised to improve their financial performance. This can include improving parameters that show significant variation, such as PPAP and NPM, and continuously monitoring and optimizing other parameters to achieve better financial health.

In their research, Adam Fahmi and Nurul Husnah (2021) showed that the RGEC method is more comprehensive than the CAMEL method because it links assets with credit risk and liquidity with liquidity risk, while management links with GCG to measure bank health. This is done using RGEC, which combines all the factors present in both methods to calculate the bank's health.

COVER

The research findings indicate that the evaluation of the Bank's health status using the CAMEL and RGEC techniques at Bank BTPN Syariah and Bank Muamalat Indonesia for the period of 2018-2022 may be summarized as follows:

1. From 2018 to 2022, Bank BTPN Syariah's health condition was analyzed using the bank's CAMEL method, which was in the healthy category. However, the assessment using RGEC's bank category method is in a very healthy area. For 2018-2022, Bank Muamalat Indonesia is in the position of the healthy category targeted using the CAMEL and RGEC methods.
2. Health level assessment using CAMELS and RGEC methods, Bank BTPN Syariah, and Bank Muamalat Indonesia obtained different results. In contrast, RGEC methods focus on lab performance and growth and raise awareness of potential risks that may arise now and in the future. The CAMELS method focuses solely on lab performance and growth. Therefore, using the RGEC method becomes a more feasible alternative to determining bank security standards.

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