



ANALYSIS OF CAMEL METHOD AS A MEASUREMENT TOOL FOR BANK RAKYAT INDONESIA AGRONIGA Tbk FINANCIAL PERFORMANCE IN THE PERIOD 2015 - 2020

^{1*}Gita Rismawati, ²Ayu Puspa Lestiyadi

Universitas Pamulang, Tangerang Selatan, Banten, Indonesia

dosen02505@unpam.ac.id

Accepted: June 11, 2024

Published: June 26, 2024

Abstract

The purpose of conducting this study entitled "Analysis of the Camel Method as a Measuring Tool for Financial Performance of Bank Rakyat Indonesia Argoniaga Tbk for the 2015-2020" period is to find out or analyze financial performance using the CAMEL method at Bank BRI Agroniaga Tbk which is listed on the Indonesia Stock Exchange in 2015-2020, to see if Bank BRI Agroniaga Tbk. are in a healthy or unhealthy predicate. The type of research conducted by the author is descriptive with a quantitative approach. The population in this research is the Annual Financial Report of Bank BRI Agroniaga Tbk. The sample used in this research is the financial statements for the last 6 years of Bank BRI Agroniaga Tbk. Data collection techniques in this study are using literature studies, field studies and internet studies (secondary data). The data analysis technique used is to calculate the data that has been obtained and then first analyze it with financial ratios, then determine the final CAMEL value for each period by multiplying the credit value of each ratio with the CAMEL weight determined by BI. The ratios used include CAR (Capital aspect), NPL (Assets aspect), NPM (Management aspect), ROA and BOPO (Earning aspect), and LDR (Liquidity aspect). The results of this study show that the final value of the CAMEL aspect in 2015 was 96.02, in 2016 it was 95.03, in 2017 it was 94.87, in 2018 it was 92.05, then in 2019 it was 92.85 and in 2020 it was 84.69 all indicating that the CAMEL value was in the range 81 – 100 so that it can be stated that the financial performance of Bank BRI Agroniaga Tbk which is listed on the Indonesia Stock Exchange using the CAMEL method in 2015-2020 is in the HEALTHY predicate/category.

Keywords: Financial Performance, CAMEL Method

INTRODUCTION

Financial institutions are very important assets in the economic development of a country. In Indonesia, economic development cannot be separated from the large role of financial institutions. Banks as Financial Institutions are Business Entities that operate on the basis of public trust, this trust is obtained from the performance of the bank which is reflected in its financial reports concerning the financial position and performance of the bank.

Bank health is the result of quality research on various aspects that affect the performance of a bank. Efforts to restore public trust in the banking world require an assessment of banking management performance. Assessment of the level of bank health is used to determine whether the bank is in a Very Healthy, Healthy, Fairly Healthy, Less Healthy, or Unhealthy condition. Simply put, it can be said that a healthy bank is a bank that carries out its functions well, such as being able to maintain public trust, being able to carry out intermediary functions, and being able to implement monetary policy.

Analyzing financial reports is done through several procedures. The procedure that analyzes the bank's financial performance begins with reviewing financial report data, calculating, comparing, or measuring, interpreting and providing solutions. Calculations carried out to analyze the bank's financial performance can be done using various analysis techniques, including using CAMEL analysis and ratio analysis techniques.

Financial ratio analysis is an analysis technique that is often used, because it is the fastest technique to find out the financial performance of a bank. In addition, ratios are numbers or summaries that are easier to read and interpret. So, by using the ratio analysis technique it will be easier to compare companies periodically or in a time series.

The measurement of banking financial performance in general based on Bank Indonesia Circular Letter No. 6/23/DPNP/, dated May 31, 2004 consists of assessment aspects, namely Capital, Assets, Management, Earnings, and Liquidity which are usually referred to as CAMEL. To determine the extent of the company's financial performance, various ratios can be used, including the Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), Net Profit Margin (NPM), Return on Assets (ROA), Operating Costs to Operating Income (BOPO) and Loan to Deposit Ratio (LDR).

Based on the information data, the author is interested in conducting research entitled: "Analysis of the CAMEL method as a measuring tool for the financial performance of Bank Rakyat Indonesia Agroniaga Tbk for the period 2015 - 2020.".

LITERATURE REVIEW

According to Bank Indonesia Circular Letter No. 13/24/DPNP/2011, the assessment of bank health level is a quantitative assessment of various aspects that affect the condition or performance of a bank through CAMEL (Capital, Asset, Management, Earnings, Liquidity). These five factors are indeed factors that determine the condition of a bank. If a bank experiences problems with one of these factors, then the bank will experience difficulties or even become unhealthy.

In the Capital aspect, what is assessed is the capital owned by the bank based on its obligations.provision of minimum bank capital. The assessment is based on CAR (Capital Adequacy Ratio).

InAssets aspect of the assessment is based on the quality of productive assets owned by a bank. Non Performing Loan (NPL) is a ratio that shows the ability of bank management in managing problematic loans from the total credit provided by the bank.

In the Management aspect, the assessment is based on the bank's compliance with applicable provisions and commitment to Bank Indonesia or other parties through the Net Profit Margin (NPM) ratio.

In the Earnings aspect, the assessment is based on the assessment of the componentsReturn On Assets (ROA) and Operating Costs and Operating Income (BOPO).

In the Liquidity aspect, the assessment is based on LDR. Loan to Deposit Ratio (LDR) is used to assess a bank's liquidity by dividing the amount of credit provided by the bank against third-party funds.

No	Year	Total Capital	Total ATMR	CAR
1	2015	1,370,675,905	6,196,867,449	22.12%
2	2016	1,966,244,530	8,303,739,379	23.68%
3	2017	3,175,341,385	10,735,800,044	29.58%
4	2018	4,416,738,376	15,582,815,435	28.34%

METHOD

This type of research is quantitative descriptive, according to Sugiyono (2017:8), quantitative research is "A research method based on the philosophy of positivism, used to research a certain population or sample, data collection using research instruments, data analysis is quantitative or statistical, with the aim of testing the established hypothesis".

The variables used in this study consist of financial ratio analysis, namely Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), Net Profit Margin (NPM), Return On Assets (ROA), Operating Costs to Operating Income (BOPO) and Loan to Deposit Ratio (LDR).

RESULTS AND DISCUSSION

1. Capital Aspect

In the Capital aspect, it influences the capital factor aimed at assessing the adequacy of bank

capital in securing the risk exposure that will arise. The ratio used is CAR, with the formula:

$$CAR = \frac{\text{Total Modal}}{\text{Total ATMR}} \times 100\%$$

5	2019	4,580,127,430	18,863,096,365	24.28%
6	2020	4,305,030,498	17,693,804,333	24.33%

Source: Herman Darmawi (2016:97)

2. Assets Aspect (Asset)

In the Assets aspect, the assessment is based on the quality of productive assets owned by a bank. Non Performing Loan (NPL) is a ratio that shows the ability of bank management in managing problematic loans from the total credit provided by the bank.

No	Year	Non-Performing Loans	Total Credit	NPL
1	2015	113,336,491	5,980,513,775	1.90%
2	2016	234,368,928	8,139,613,328	2.88%
3	2017	284,434,697	10,971,855,952	2.59%
4	2018	447,654,022	15,670,732,413	2.86%
5	2019	1,482,506,840	19,366,245,488	7.66%
6	2020	968,070,358	19,491,933,792	4.97%

Source: Hendy Herianto (2013:30)

The smaller the Non Performing Loan (NPL), the better the bank's management ability in managing problematic credit provided by the bank. The ratio used is NPL, with the formula:

$$NPL = \frac{\text{Kredit Bermasalah}}{\text{Total Kredit}} \times 100\%$$

3. Management Aspects

In this aspect, the assessment is based on the bank's compliance with applicable provisions and commitments to Bank Indonesia or other parties. The ratio used is NPM, with the formula:

$$NPM = \frac{\text{Laba Bersih}}{\text{Penjualan}} \times 100$$

No	Year	Net profit	Sale	NPM
1	2015	80,491,880	23,228,577	84.11%
2	2016	103,003,152	33,030,898	80.15%
3	2017	140,495,535	22,894,139	79.51%
4	2018	204,212,623	9,736,907	70.01%
5	2019	51,061,421	34,880,601	71.42%
6	2020	31,260,682	35,555,901	38.78%

Source: Sukmawati Sukamulja (2019:98)

4. Earning (Profitability) Aspect

In this aspect, the assessment is based on an assessment of the components of Return On Assets (ROA) and Operating Costs and Operating Income (BOPO).

Return On Assets (ROA) is a research tool to measure the effectiveness of a company in managing assets to obtain profits in a period. Return On Assets (ROA) has the following formula:

$$ROA = \frac{\text{Laba Sebelum Pajak}}{\text{Total Aset}} \times 100\%$$

No	Year	Profit before tax	Total Assets	ROA
1	2015	110,795,268	8,364,502,563	1.55%
2	2016	141,265,512	11,377,960,721	1.49%
3	2017	193,632,796	16,325,247,007	1.45%
4	2018	292,509,384	23,313,671,252	1.54%
5	2019	74,197,988	27,067,922,912	0.31%
6	2020	64,071,757	28,015,492,262	0.24%

Source: Frianto Pandia (2012:71)

Operating Costs and Operating Income (BOPO) is a ratio that shows the performance comparison between the operating costs used by the bank and the operating income that the bank is able to generate by measuring the level of efficiency or the bank's ability to carry out and control its operating costs. Operating Costs and Operating Income (BOPO) has the following formula:

$$BOPO = \frac{\text{Biaya Operasional}}{\text{Pendapatan Operasional}} \times 100\%$$

No	Year	Operating costs	Operating Income	BOPO
1	2015	211.198.040	55,231,685	88.63%
2	2016	228,668,758	70,694,067	87.59%
3	2017	240,385,053	55,105,854	86.48%
4	2018	281,302,960	51.224.102	83.55%
5	2019	312,040,493	73,866,002	96.64%
6	2020	315,820,017	71,347,707	97.12%

Source: Veithzal Rivai (2013:131)

5. Liquidity Aspect

In this aspect, the assessment is based on LDR. Loan to Deposit Ratio (LDR) is a ratio that measures the extent to which a bank is able to repay its obligations to customers who have invested funds with credits that have been given to its debtors. LDR has the following formula:

$$LDR = \frac{\text{Total Kredit}}{\text{Dana Pihak Ketiga}} \times 100\%$$

No	Year	Total Credit	Third-party funds	LDR
1	2015	5,980,513,775	6,862,051,180	87.15%
2	2016	8,139,613,328	9,223,778,503	88.25%
3	2017	10,971,855,952	12,419,279,000	88.33%
4	2018	15,670,732,413	18,064,536,000	86.73%
5	2019	19,366,245,488	21,144,601,000	91.59%
6	2020	19,491,933,792	22,995,279,000	84.76%

Source: Veithzal Rivai (2013:131)

6. CAMEL Aspects

After the calculation of the financial performance ratio at Bank BRI Agroniaga Tbk, then all the CAMEL ratios that have been calculated will be summarized. This is intended to be

able to see and assess whether the financial performance of Bank BRI Agroniaga Tbk can be categorized as HEALTHY or UNHEALTHY.

Year	CAMEL Ratio		Ratio Value (%)	Credit Score (%)	Weight (%)	Weight Value
2015	Capital	CAR	22.12	100	25	25
	Assets	NPL	1.90	100	30	30
	Management (Management)	NPM	84.11	84.11	25	21.02
	Profitability (Earning)	ROA	1.55	100	5	5
		BOPO	88.63	100	5	5
	Liquidity	LDR	87.15	100	10	10
TOTAL VALUE OF CAMEL IN 2015						96.02
2016	Capital	CAR	23.68	100	25	25
	Assets	NPL	2.88	100	30	30
	Management	NPM	80.15	80.15	25	20.03
	Profitability (Earning)	ROA	1.49	100	5	5
		BOPO	87.59	100	5	5
	Liquidity	LDR	88.25	100	10	10
TOTAL VALUE OF CAMEL IN 2016						95.03
2017	Capital	CAR	29.58	100	25	25
	Assets	NPL	2.59	100	30	30
	Management	NPM	79.51	79.51	25	19.87
	Profitability (Earning)	ROA	1.45	100	5	5
		BOPO	86.8	100	5	5
	Liquidity	LDR	88.33	100	10	10
TOTAL VALUE OF CAMEL IN 2017						94.87
2018	Capital	CAR	28.34	100	25	25
	Assets	NPL	2.86	100	30	30
	Management	NPM	70.01	70.01	25	17.5
	Profitability (Earning)	ROA	1.54	100	5	5
		BOPO	82.99	100	5	5
	Liquidity	LDR	86.73	100	10	10
TOTAL VALUE OF CAMEL IN 2018						92.5
2019	Capital	CAR	24.28	100	25	25
	Assets	NPL	7.66	100	30	30
	Management	NPM	71.42	71.42	25	17.85
	Profitability (Earning)	ROA	0.31	100	5	5
		BOPO	96.64	100	5	5
	Liquidity	LDR	91.59	100	10	10
TOTAL VALUE OF CAMEL IN 2019						92.85
2020	Capital	CAR	24.33	100	25	25
	Assets	NPL	4.97	100	30	30
	Management	NPM	38.78	38.78	25	9.69
	Profitability (Earning)	ROA	0.24	100	5	5
		BOPO	97.12	100	5	5
	Liquidity	LDR	84.76	100	10	10
CAMEL VALUE TOTAL IN 2020						84.69

DISCUSSION OF RESEARCH RESULTS

From the results of the CAMEL ratio calculation that has been obtained, the results of the financial health assessment with the CAMEL ratio can be seen in the last 6 years, namely 2015 to 2020 at Bank BRI Agroniaga Tbk showing a CAMEL value in the range of 84.69 - 96.02 so that it can be stated that all are in the healthy predicate because they have met Bank Indonesia standards.

From the table above, namely the results of the calculation of the net value of each ratio listed in the table above, it can be seen that the total net value of all CAMEL aspects in 2015 was 96.02, in 2016 it was 95.03, in 2017 it was 94.87, in 2018 it was 92.05, then in 2019 it was 92.85 and in 2020 it was 84.69 all showing CAMEL values in the range of 81 - 100 so that it can be stated that the financial performance of Bank BRI Agroniaga Tbk listed on the Indonesia Stock Exchange using the CAMEL method in 2015-2020 is in the HEALTHY predicate/category.

CONCLUSION

After calculating and analyzing each aspect of CAMEL (Capital, Asset, Quality, Management, Earning, Liquidity), it can be concluded that the elements included in CAMEL with their values have their respective very important roles in determining whether or not a bank is feasible to operate. From the results obtained, it can be seen that all final CAMEL values for the last 6 years starting from 2015 to 2020 have changed each year, but all final values are still in the healthy predicate because they are in the range of 81-100.

Thus, it can be concluded that the financial performance of Bank BRI Agroniaga Tbk listed on the Indonesia Stock Exchange using the CAMEL method is in the HEALTHY predicate.

1. Suggestion

After conducting research, discussion, and formulating conclusions from the research results, the author provides several suggestions related to the research that has been conducted to be used as input and useful considerations for interested parties, including:

1. The average result of the calculation of Bank BRI Agroniaga's financial ratio using the CAMEL method is included in the healthy category, so it is expected that Bank BRI Agroniaga will further improve or maintain it. This is necessary to ensure good performance in terms of capital, asset quality, management, profitability and liquidity in the future.
2. For further researchers who are interested or will research bank health, it is expected that this study can be used as a reference for further researchers by adding other factors that can affect the value of the company such as RGEC (Risk profile, Good Corporate Governance, Earning and Capital) because it is seen that the development of the banking industry in Indonesia is increasing rapidly and this method emphasizes the importance of management quality and considering existing risks so that other measuring instruments are needed that are more varied so that the results that can be obtained are even more comprehensive. And can also expand the same research for different banks.

REFERENCES

- Darmawi, H. (2016). *Manajemen Risiko Edisi 2*. Jakarta: Bumi Aksara.
- Fahmi, I. (2014). *Analisis Laporan Keuangan*. Bandung: Alfabeta.
- Handoko, T. H. (2011). *Manajemen*. Yogyakarta: BPFE Yogyakarta.
- Harahap. (2013). *Analisis Kritis Laporan Keuangan*. Jakarta: Rajawali Pers.
- Hariyani, I. (2013). *Restrukturisasi dan Penghapusan Kredit Macet*. Jakarta: PT Gramedia.

- Hasibuan, M. S. (2012). *Manajemen Sumber Daya Manusia*. Jakarta: PT Bumi Aksara.
- Hasibuan, M. S. (2016). *Manajemen Dasar Pengertian Dan Masalah*. Jakarta: Bumi Aksara.
- Herdiyanti. (2012). *Bank dan Lembaga Keuangan Lainnya*. Jakarta: Salemba Empat.
- Herianto, H. (2013). *Selamatkan Perbankan*. Jakarta: PT. Mizan Publika.
- Hery. (2012). *Analisis Laporan Keuangan*. Jakarta: Bumi Aksara.
- Iskandar, Syamsu. (2013). *Bank dan Lembaga Keuangan Lainnya*. Jakarta : In Media
- Kasmir. (2012). *Analisis Laporan Keuangan*. Jakarta: Raja Grafindo Persada.
- Kasmir. (2013). *Bank dan Lembaga Keuangan Lainnya*. Jakarta: Rajawali Pers.
- Kasmir. (2014). *Pengantar Manajemen Keuangan*. Jakarta: Kencana Prenada Media Group.
- Martono, A. H. (2013). *Manajemen Keuangan*. Yogyakarta: Ekonisia.
- Muhammad. (2014). *Manajemen Dana Bank Syariah*. Jakarta: Raja Grafindo Persada.
- Munawir. (2014). *Analisis Informasi Keuangan*. Yogyakarta: Liberty.
- Pandia, F. (2012). *Manajemen Dana dan Kesehatan Bank*. Jakarta: PT. Rineka Cinta
- Permana. (2012). *Analisis Tingkat Kesehatan Bank Berdasarkan Metode CAMELS dan Metode RGEC*. Surabaya: Universitas Negeri Surabaya.
- Rivai, V. (2013). *Credit Management Handbook*. Jakarta: Rajawali Persada.
- Rudianto. (2012). *Pengantar Akuntansi Konsep & Teknik Penyusunan Laporan Keuangan*. Jakarta: Erlangga.
- Sugiyono. (2017). *Metode Penelitian Administrasi*. Bandung: Alfabeta.
- Sukamulja. S. (2019). *Analisis Laporan Keuangan Sebagai Dasar Pengambilan Keputusan Investasi*. Yogyakarta: BPF.
- Sutrisno. (2013). *Manajemen Keuangan Teori Konsep Dan Aplikasi*. Yogyakarta: Ekonisia.
- Tandelilin, E. (2017). *Pasar Modal Manajemen Portofolio & Investasi*. Yogyakarta: Kanisius.
- Zarkasyi. (2014). *Good Corporate Governance Pada Badan Usaha Manufaktur Perbankan dan Jasa Keuangan Lainnya*. Bandung: Alfabeta.