

ABSTRACT

The current state of Islamic banking has fluctuated due to the lack of Islamic banking economies. The efficiency of Shariah Commercial Banks under BUMN needs to be known in each period as a form of performance parameters to improve quality in competing with banks outside of BUMN. This study aims to determine the level of efficiency of Islamic banking in Indonesia in 2014 - 2017 which includes four Sharia BUMN Banks namely Bank Syariah Mandiri, BNI Syariah, BTN Syariah and BRI Syariah. This study will use the Data Envelopment Analysis method that functions as an analytical tool in measuring efficiency and then uses tobit to determine what factors influence the level of efficiency.

The results of this study are that all Islamic banks have a perfect efficiency level of 100% for four years. Bank size has a positive effect on the level of efficiency of Islamic banking. Capitalization has a positive effect on the level of efficiency of Islamic banking. Profitability variables have a significant effect on the efficiency of Islamic banking and bank expenses have a negative influence on the level of efficiency of Islamic banks.

Keywords: Efficiency, Islamic Bank, DEA, TOBIT