ABSTRACT

This study aims to evaluate bank soundness level of Islamic Commercial Banks in Indonesia in the period 2019-2023 by using the analysis method stipulated in the Financial Services Authority Regulation No.8/POJK.03/2014 regarding the assessment of bank soundness level of Islamic commercial banks and Islamic business units through the RGEC approach. and sharia business units through the RGEC approach. Assessment factors in the RGEC method include Risk Profile (FDR and NPF), Good Corporate Governance (GCG Self Assessment), Earnings (ROA, ROE, and NOM), and Capital (CAR). In addition, this study also analyzes financial distress using Altman Z-Score.

The type of research conducted is qualitative descriptive research. The population used is 12 Islamic Commercial Banks (BUS) in Indonesia for the period 2019-2023. Data used used in this study are secondary data, in the form of annual reports, financial reports, sustainability reports, and Good Corporate Governance (GCG) reports. Governance (GCG) report. Data analysis using the RGEC method and Altman Z-Score Modification.

The results of this study indicate that the majority of Islamic Commercial Banks in Indonesia are in good health, with BMSI, BTPS, dan BBAS as the best bank with the best soundness level. Financial distress analysis using Altman Z-Score reveals that the majority of Islamic Commercial Banks are in the Distress and Gray categories.

Keywords: Bank Soundness Level, Risk Profile, Good Corporate Governance, Earnings, Capital