

ABSTRACT

This research aims to analyze the financial performance of Islamic commercial banks in Indonesia using the shariate value added statement (SVAS) and economic value added (EVA) approaches. Based on the SVAS theory proposed by Baydoun and Willet, SVAS uses the principle of full disclosure, reflecting the management's commitment to providing transparency regarding the business activities conducted and their impact on all stakeholders involved. Next, the EVA theory proposed by Grant has two main principles, namely the return on invested capital and wealth creation through investment decisions for stakeholders. This research was conducted using the two methods, namely SVAS and EVA. The research results indicate that the financial performance of Islamic banks in Indonesia from 2019 to 2024 remains dynamic and is influenced by various internal and external factors. The differences in SVAS and EVA achievements among banks indicate that the management of economic and sharia value added is not yet evenly distributed. Therefore, strengthening governance strategies, optimizing financial management, and developing innovative products are essential to achieve more balanced, competitive, and sustainable performance in the Islamic banking sector.

keywords: financial performance, shariate value added, economic value added

