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Comparative Analysis of Islamic Commercial Banks and Sharia Business Units in Indonesia

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Abstract

This study focuses on explaining the comparison between Islamic Commercial Banks and Islamic Business Units in Indonesia through financial risk which includes liquidity risk consisting of Liquid Assets to Total Assets, Financing to Deposits, and Cash to Deposits ratios. Then through credit risk which is represented by the ratio of Non-Performing Financing and operational risk which is represented by the ratio of Cash to Income. In addition, the size of the banking company is used as a control variable in this study. This study uses all Islamic banking operating in Indonesia from 2016 to 2020 with the purposive sampling method in obtaining the sample. As a result, the sample in this study consists of 14 Islamic Commercial Banks and 20 Sharia Business Units. The results are shown in testing this research data state that there are significant differences between Islamic Commercial Banks and Islamic Business Units in Indonesia from 2016 to 2020 when viewed from the ratio of Liquid Assets to Total Assets and Cost to Income. However, in the ratio of Financing to Deposit, Cash to Deposit, and Non-Performing Financing, it is shown that there is no significant difference between the Islamic Commercial Banks and the Sharia Business Units.

Keywords: *Financial Risk, Islamic Commercial Banks, Sharia Business Units, Financial Ratios, Comparison*

JEL Classification: G21 (Financial Economics – Banks)

1. INTRODUCTION

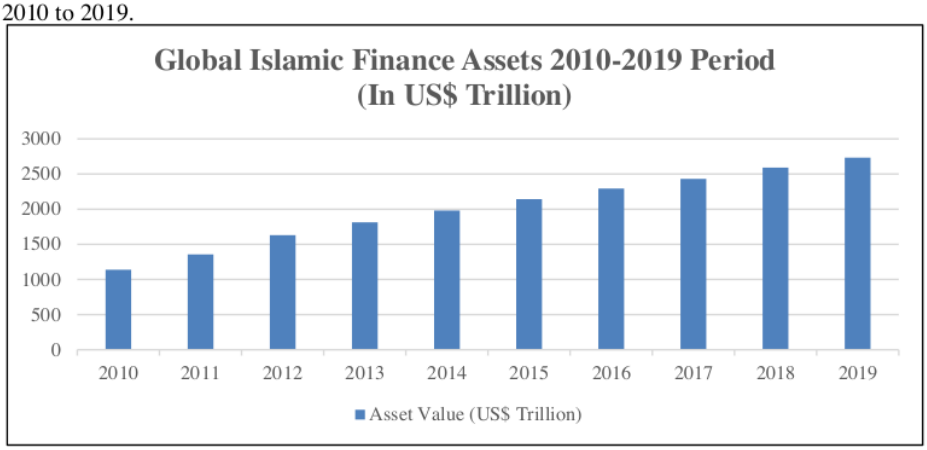
The banking industry began to change course since the 2008 economic crisis. This crisis started in the United States, which then followed the subprime mortgage market crisis, and then spread to other countries. This incident is due to the availability of easy credit in the United States where financial institutions lend money excessively without strong collateral. As a result, the level of household consumption increases and ends up increasing the overall public and private sector debt (Hussien et al., 2019).

From the conventional banking perspective, this crisis failed the relationship between lenders and borrowers. This is because in the conventional banking system, the risks that arise are only borne by the entrepreneur or the borrower and there is no inherent incentive for the lender to follow up and oversee the project related to the loan. Therefore, this triggers adverse selection and moral hazard, which worsens conventional banking conditions during this crisis (Hussien et al., 2019).

But on the other hand, Islamic banking has experienced positive and global developments to date thanks to this crisis. This is because the Islamic banking system which has a law prohibiting usury, collection, and payments related to interest rates in its transaction activities has become a solution in overcoming the falling supply of credit in conventional banking due to the crisis (Al-Tamimi et al., 2015). In addition, this sharia law also prohibits Islamic banks from financing immoral social activities and assuming a minimum of imperfect information such as asymmetric information and moral hazard (Hussien et al., 2019).

Currently, the Islamic banking financing system has been seen as an alternative solution to the conventional banking financing system, this is demonstrated by the rapid growth in the value

of Islamic financial assets that have the potential to serve around 1.7 billion Muslim population worldwide as well as increase interest in non-Muslim customers (Mennawi, 2020). Figure 1 shows the total value of the world's Islamic/Sharia financial assets and their percentage growth from 2010 to 2019.



Source: World Bank Group (2020)

Figure 1. Global Islamic Finance Assets and Growth Percentage 2010-2019 Period (In US$ Trillion)

The development of Islamic finance in the world, which has experienced an increase in the number of Islamic financial assets from year to year, cannot be separated from the contribution of developments in Islamic banking in each country, including Indonesia. The development of Islamic banking in Indonesia over the past few years has also been quite rapid, this is shown by the Islamic Finance Country Index (IFCI) score which shows the position of a country's sharia economy internationally has always been in the top 10 for the last 10 years (Global Islamic Finance Report, 2020).

In addition to the IFCI score, the development of Islamic finance in Indonesia is also shown through the increase in the number of assets and the number of offices of Islamic banks in Indonesia over the last 5 years. However, the increase was adjusted based on the division of Islamic banking business forms in Indonesia which were divided into Sharia Commercial Banks (BUS), Sharia Business Units (UUS), and Sharia Rural Banks (BPRS). The thing that distinguishes these three forms of business lies in that BPRS are not allowed to obtain deposits in the form of demand deposits and cannot play a role in payment activities as is done by BUS and UUS (OJK, 2021).

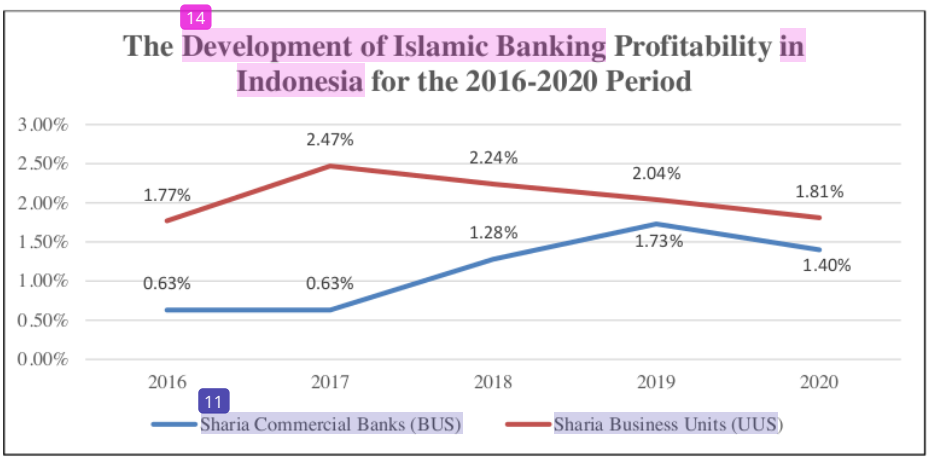
Table 1 below shows that although the number of offices and Islamic banks in Indonesia based on their respective forms of business experienced a decline in the last 5 years, they were still able to provide a significant increase in their total assets overall. In addition, it is also shown that the combined total assets of BUS and UUS represent 95% of the total financial assets of Islamic banking in Indonesia as a whole.

Table 1: Total Assets and Sharia Bank Offices in Indonesia 2016-2020 Period (In Billion Rupiah)

Business Form	Descriptions	2016	2017	2018	2019	2020
BUS	Total Assets	254.184	288.027	316.691	350.364	397.073
	Total Offices	1.869	1.825	1.875	1.919	2.034
UUS	Total Assets	102.320	136.154	160.636	174.200	196.875
	Total Offices	332	344	354	381	392

BUS-UUS	Total Assets	**356.504**	**424.181**	**477.327**	**524.564**	**693.948**
	Total Offices	**2.201**	**2.169**	**2.229**	**2.300**	**2.426**

Source: OJK (2021)



Source: OJK (2021)

Figure 2. The Development Percentage of Islamic Banking Profitability in Indonesia for the 2016-2020 Period

Based on Figure 2 above, it can be seen that profitability through the ROA ratio at BUS has shown a better development compared to UUS for the past 5 years. From 2016 to 2019, ROA on BUS has increased from 0.63% to 1.73%. However, in 2020 it decreased to 1.40% due to the COVID-19 Pandemic. Meanwhile, in UUS, the increase only occurred from 2016 to 2017, namely 1.77% to 2.47%. Then 2017 to 2020 experienced a continuous decline to 1.81% due to slowing financing and the COVID-19 pandemic as well (OJK, 2021).

Activities in Islamic banking in improving their performance and profitability have the potential for various types of financial risks which are generally similar to risks in conventional banking, such as liquidity risk, credit risk, operational risk, and other risks (Mennawi, 2020). Then research on the effect of risk on banks on financial performance or bank profitability has grown rapidly and is in line with the increasing interest in Islamic finance after the Financial Crisis in 2007-2009. As a result, the research literature on financial performance in Islamic banking has also experienced rapid development (Suseno & Bamahriz, 2017).

In general, previous research on comparisons of various types of banking tends to lead to comparisons between conventional banks and Islamic banks such as the research conducted by Ibrahim (2015) on the comparison of the financial performance of conventional banks and Islamic banks in the United Arab Emirates, research by Milhem and Istaiteyeh (2015) on banking in Jordan, and research by Majeed and Zainab (2021) on banking in Pakistan. However, specific research on the comparison between Islamic Commercial Banks and Sharia Business Units, especially in Indonesia, is still limited to date.

Effect of Liquid Assets to Total Assets Ratio on Financial Performance

Liquid Assets to Total Assets Ratio (LA/TA) is one of the ratios in liquidity risk which explains the percentage of liquid assets from the total assets owned by a bank. Generally, liquid assets consist of cash and cash equivalents, reserves in the central bank, and short-term securities such as Sukuk. Therefore, the more liquid assets in the bank, the more awareness or prudence of banks towards liquidity risk (Mennawi, 2020).

The LA/TA ratio has a significant impact on the financial performance of banks. The results of the study illustrate that an increase in the LA/TA ratio of one unit can lead to an increase in the financial performance of Islamic banking in Sudan which is represented by the ROA ratio. This significant and positive influence is evidenced by the philosophy of these banks in maintaining more liquid assets to meet the majority of their depositors' funds by making short-term investments, especially in sharia sukuk through the money market. This research is similar to Mustafa's (2020) research which has a significant positive effect on financial performance in Islamic banking in Sudan and Musiega et al. (2017) which is also significantly positive for conventional banks in Kenya.

H_1: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the LA/TA ratio.

Effect of Financing to Deposits Ratio on Financial Performance

Financing to Deposit Ratio (FD) or Loan to Deposit Ratio is a ratio in liquidity risk that explains the percentage of the total investment made by the bank for the total deposit it has. The higher this ratio indicates the reduced liquidity for banks to meet their funding needs and illustrates the bank's income which is less than the expected results (Chowdhury & Zaman, 2018). FD ratio has a significant influence on financial performance. This finding is proven through the research of Ebenezer et al. (2019) which explains that the FD ratio has a significant positive effect on ROA in conventional banking in ASEAN-5 countries. This indicates that an increase in the FD ratio exposes banks to liquidity risk because they provide more credit than they receive deposits. This is also followed by a significant increase in liquidity management and excessive borrowing activity will increase the return on company assets, but on the other hand, reduce the return on company equity.

Hunjra et al. (2020) in their research explains that the FD ratio has a varied influence on financial performance, especially ROA in conventional banking countries in South Asia. In the banking sector in Bangladesh and Pakistan, the FD ratio has a significant negative effect. Then in Sri Lanka and India, the FD ratio has no significant effect. Overall, conventional banks in Pakistan, Bangladesh, India, and Sri Lanka continue to attach importance to their liquidity position and maintain the portion of loans and deposits needed to meet their obligations effectively and efficiently. This helps banks to manage their liquidity risk efficiently and ultimately has a positive impact on their financial performance.

Other research on the ratio of FD to financial performance is shown by Cheng et al. (2020), where the FD ratio has a significant positive effect on conventional banking in South Africa. However, the effect of the FD ratio on the financial performance of Islamic banking tends to show an insignificant effect. This is shown through the research of Al-Tamimi et al. (2015) and Jatoi et al. (2020) where the results are insignificant to the financial performance of Islamic banks in the GCC region countries and Pakistan.

H_2: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the FD ratio.

Effect of Cash to Deposits Ratio on Financial Performance

Cash to Deposit Ratio (CD) is defined as a ratio in liquidity risk which discusses the total amount of deposits that can be withdrawn by savers on cash equivalent assets available at the bank. The higher this ratio, the lower the risk of the bank experiencing a cash shortage (Mennawi, 2020). Banks that can maintain a higher CD ratio can increase the confidence of their depositors, this is because the most liquid asset is cash so this ratio determines the level of liquidity in the bank (Masood & Sharia, 2017).

The CD ratio has a significant negative effect on banking financial performance. This finding is shown through the research of Suseno and Bamahriz (2017) where the CD ratio has a significant

negative relationship and influence on ROAA and ROAE in Islamic commercial banking in various countries such as in MENA (the Middle East and North Africa), Asia, Europe, and Africa. West. The higher the savings relative to cash, the more it will encourage an increase in ROAA and ROAE. Therefore, the more banks maintain their savings in cash (high CD ratio), the higher the potential for ROAA and ROAE to fall even though the rate is relatively small.

Another similar study regarding the effect of the CD ratio on financial performance is shown by Masood and Javaria (2017) where there is a significant positive effect of the CD ratio on Islamic banking in various countries internationally. However, Mennawi's (2020) research shows that the CD ratio does not have a significant impact on the financial performance of Islamic banking in Sudan.

H_3: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the CD ratio.

Effect of Non-Performing Financing Ratio on Financial Performance

Non-Performing Financing Ratio (NPF) or also known as NPL is a ratio in credit risk that explains the percentage of gross credit (financing) which is a doubtful proportion because it can reduce the value of the bank's investment portfolio. The term Non-Performing Loan (NPL) applies to conventional banking, while in Islamic banking it is termed as Non-Performing Financing because its operations are not related to interest rates. The high NPF ratio shows the increasing credit risk in banks (Mennawi, 2020).

A study conducted by Hunjra et al. (2020) found that the NPF ratio has a significant negative impact on the financial performance of conventional banking countries in South Asia. For banks in Bangladesh and India, it is shown that the NPF ratio has a significant negative impact on ROA. This indicates that credit risk is an important factor for the financial performance of banks in Bangladesh and India to reduce their credit risk and improve their financial performance. Then on banking in Pakistan, it was found that the NPF ratio only had a significant negative effect on ROE which indicated that banks in Pakistan focused on their equity in the form of managing loan payments from their borrowers to generate profits. Meanwhile, for banks in Sri Lanka, it was found that the NPF ratio only had a significant negative impact on ROA which indicated that banks in Sri Lanka were more focused on operations than their equity to generate income or profit.

The ratio of NPF to financial performance has a negative influence on Islamic banking in Sudan. Mennawi (2020) in his research explains that an adverse relationship between credit risk and bank financial performance is the expected result. This is because the failure of banks to complete their loans (financing) will increase operational costs and allow for reduced bank liquidity. This study is evidenced by the results where the NPF ratio has a significant negative impact on ROA on Islamic banking in Sudan.

Another study on the impact of the NPF ratio on banking financial performance was conducted by Cheng et al. (2020), which found that NPF had a significant positive impact on conventional banking in South Africa. On the other hand, there is also research by Alta'ani and Dali (2020) whose results show that NPF has an insignificant impact on conventional and Islamic banking in Jordan.

H_4: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the NPF ratio.

Effect of Cost to Income Ratio on Financial Performance

The Cost to Income Ratio or what is known as the BOPO ratio stands for Operational Expenses to Operating Income, which is a ratio of operational risk that discusses the factors that determine the capability of bank management to control operating expenses on its operating income. Operational activities in the banking industry generally generate operating expenses, operating income, and involve assets in the process (Suryaningsih & Sudirman, 2020).

Suryaningsih and Sudirman (2020) conducted research with similar findings on banking in Indonesia, which explained that operational risk in banks occurs due to inadequate or not functioning internal processes, such as system failure or human error. This causes an increase in operating costs and an increase in these costs can result in a decrease in profit before tax and then in the end will reduce the bank's overall profitability. Therefore, operational risk can come from a decrease in profit which is influenced by the operational cost structure and service failures carried out by the company. This result is in line with the findings carried out by Al-Tamimi et al. (2015), where the BOPO ratio is also significantly negative on the financial performance of banks in the GCC region.

On the other hand, different research results were found by Ali and Oudat (2020) where the ratio has an insignificant effect on financial performance, especially ROA in conventional commercial and investment banking in Bahrain. This is demonstrated by the ability of banks in Bahrain to use their available resources and investments to achieve profits and reduce their risk ratios. In addition, they also have careful control and financial security of all types of investment and loan-financing operations that they have. As a result, this creates a good reputation for the bank thereby increasing the volume of deposits and trust from customers, and ultimately increasing its overall asset return.

H_5: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the BOPO ratio.

2. RESEARCH METHOD

The design of this research utilizes descriptive research with a theoretical approach. Then based on the problem, this research is classified as comparative causal research. Therefore, the author's comparative causal research leads to a causal relationship between the 3 (variables) studied by the author, namely the independent variable, the dependent variable, and the control variable.

The selection of the author's sample in the form of BUS and UUS without including BPRS based on differences in general activities, where BPRS is prohibited from obtaining savings in the form of demand deposits and cannot participate in business operations like BUS and UUS. In addition, Islamic financial assets from BUS and UUS have represented 95% of Islamic banking financial assets overall during the last 5 years. (OJK, 2021). The number of samples studied by the author is 34 companies which are divided into 14 BUS and 20 UUS operating in Indonesia. Overall, the number of samples in this study was 170 observational data, with 70 data being divided through BUS and 100 data through UUS.

In addition, this study also uses non-probability samples with purposive sampling method as the data collection method. Purposive sampling is the process of obtaining a non-probability sample in which the researcher selects a sample arbitrarily based on the characteristics, uniqueness, attitudes, experiences, and perceptions possessed by them (Cooper & Schindler, 2014). The sample criteria in this study are as follows:

a. Is a Sharia Commercial Bank (BUS) and Sharia Business Unit (UUS) registered with the Indonesian Financial Services Authority (OJK).
b. Have complete financial report data and use rupiah currency, also are based on the last 5 (five) years starting from 2016 to 2020.

In this study, there are 3 (three) kinds of variables used by the author, namely the dependent variable, the independent variable, and the control variable. The dependent variable in this study is the company's performance. Then the independent variables in the study are Liquid Assets to Total Assets Ratio (LA/TA), Financing to Deposit Ratio (FD), Cash to Deposit Ratio (CD), Non-Performing Financing Ratio (NPF), and Cost to Income Ratio (BOPO). While the control variable

in this study is the size of the bank company. Explanations related to the variables used by the author in this study are described in Table 3 as follows:

Table 3: Formulation of Research Operational Variables

Variable Type	Variable	Formulation	Notation
Dependent Variable	Return on Assets	Net Income / Total Assets	ROA
Independent Variable	Liquid Assets to Total Assets	Liquid Assets / Total Assets	LA/TA
	Financing to Deposits	Total Financing / Total Deposits	FD
	Cash to Deposits	Cash & Cash Equivalent / Total Deposits	CD
	Non-Performing Financing	Non-Performing Financing / Total Financing	NPF
	Cost to Income	Operating Costs / Operating Income	BOPO
Control Variable	Bank Size	Logarithm (Log) of Total Assets	SIZE

Source: Author data processed (2021)

In this study, the author use secondary data in data collection. This secondary data contains financial reports owned by Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) registered with the Indonesian Financial Services Authority (OJK) from 2016 to 2020. In addition, this secondary data was obtained through 2 (two) ways, which are internally through the official websites of related companies (BUS and UUS) and externally through the official website of the Financial Services Authority (OJK).

Next in analyzing the secondary data of this study, the authors used panel data. Panel data is a combination or combination of cross-sectional and time-series data. In addition, the steps in analyzing or testing the research data include descriptive statistical analysis which then ends with T-test Differential Test. Overall, the analysis and testing of this author's research data use the IBM SPSS Statistics 26 software.

3. RESULTS AND DISCUSSION

3.1. Descriptive Statistics

Descriptive statistics in this study are described by several values such as the highest (maximum) and lowest (minimum) values, then the value of central tendency as measured by the mean (mean), and the dispersion value as measured by the distribution of variability in the data (standard deviation) on the author's research variables. The descriptive statistics in this study are divided into two parts based on the author's research sample, namely through Islamic Commercial Banks (BUS) and Sharia Business Units (UUS).

Descriptive Statistics on BUS

Descriptive statistics on the author's research variables regarding the differences between Islamic Commercial Banks and Sharia Business Units in Indonesia through BUS are described in table 4 below.

Table 4: Descriptive Statistics of Research Variables on BUS in Indonesia

Variable	Minimum	Maximum	Mean	Standard Deviation
Return on Assets	-0,108	0,136	0,013	0,041
Liquid Assets to Total Assets	0,855	0,984	0,945	0,031
Financing to Deposit	0,001	5,066	0,967	0,673
Cash to Deposit	0,000	554,830	8,423	66,257

Non-Performing Financing	0,000	0,050	0,020	0,017
Cost to Income	0,562	2,174	0,945	0,253
Bank Size (Billion Rupiah)	662	126.908	23.164	27.808

Source: Author Processing Using IBM SPSS Statistics 26 (2022)

Based on the output results for BUS through SPSS software in table 4 above, it can be seen that:

a. The research observation data for the BUS sample amounted to 70 data.
b. The minimum value of ROA is -0.108; LA/TA is 0.855; FD is 0.001; CD is 0.000; NPF is 0.000; BOPO of 0.562; and SIZE of Rp 662 billion.
c. The maximum value of ROA is 0.136; LA/TA of 0.984; FD is 5,066; CD of 554,830; NPF is 0.050; BOPO of 2,174; and SIZE, which is Rp 126,908 billion.
d. The mean value of ROA is 0.013; LA/TA is 0.945; FD is 0.967; CD is 8,423; NPF is 0.020; BOPO of 0.945; and SIZE of Rp 23,164 billion.
e. The standard deviation of the ROA is 0.041; LA/TA is 0.031; FD of 0.673; CD of 66,257; NPF is 0.017; BOPO of 0.253; and SIZE of IDR 27,808 billion.

Descriptive Statistics on UUS

Descriptive statistics on the author's research variables regarding the differences between Islamic Commercial Banks and Sharia Business Units in Indonesia through UUS are described in table 5 below.

Table 5: Descriptive Statistics of Research Variables on UUS in Indonesia

Variable	Minimum	Maximum	Mean	Standard Deviation
Return on Assets	-0,022	0,071	0,024	0,018
Liquid Assets to Total Assets	0,632	0,998	0,963	0,056
Financing to Deposit	0,485	3,385	1,043	0,379
Cash to Deposit	0,043	1,536	0,360	0,298
Non-Performing Financing	0,000	0,755	0,024	0,077
Cost to Income	0,060	1,611	0,558	0,279
Bank Size (Billion)	568	44.783	7.631	10.467

Source: Author Processing Using IBM SPSS Statistics 26 (2022)

Based on the output results for UUS through SPSS software in table 5 above, it can be seen that:

a. The research observation data for the BUS sample amounted to 100 data.
b. The minimum value of ROA is -0.022; LA/TA is 0.632; FD is 0.485; CD is 0.043; NPF is 0.000; BOPO is 0.060; and SIZE of Rp 568 billion.
c. The maximum value of ROA is 0.071; LA/TA is 0.998; FD is 3,385; CD is 1,536; NPF is 0.755; BOPO is 1.611; and SIZE of Rp 44,783 billion.
d. The mean value of ROA is 0.024; LA/TA is 0.963; FD is 1.043; CD of 0.360; NPF of 0.024; BOPO of 0.558; and SIZE of IDR 7,631 billion.
e. The standard deviation of the ROA is 0.018; LA/TA is 0.056; FD is 0.379; CD is 0.298; NPF of 0.077; BOPO of 0.279; and SIZE of Rp 10,467 billion.

3.2. Difference T-Test

Difference T-test is used to determine the significance of the difference between the two data groups where in this study, the two data groups are two sample groups consisting of Islamic Commercial Banks (BUS) and Sharia Business Units (UUS). In addition, the T-test Differential

Test in this study uses the Independent T-test type of test which begins with the Levene Test or F Test first before entering the T-test Differential Test.

Levene Test (F-Test)

The F test is intended to test the variance inequality contained in the variables of the two sample groups contained in this study. This variance inequality is seen through the significance value where if it is below 0.05 then the variance is declared different, and vice versa if the value is above 0.05 then the variance is declared the same. In addition, for variances that are declared the same, Equal Variance Assumed data will be used in the next T-test Difference Test. Likewise, the variance that is declared unequal is using Equal Variance Not Assumed data for the T-test Difference Test. Table 6 below is Levene's test on BUS and UUS as the two groups of the author's research data.

Table 6: Levene Test on BUS and UUS in Indonesia

Variable	Levene Test Results	Sig.	Equal Variance Assumed	Equal Variance Not Assumed
Liquid Assets to Total Assets (LA/TA)	1,624	0,204	√	-
Financing to Deposit (FD)	0,059	0,809	√	-
Cash to Deposit (CD)	5,723	0,018	-	√
Non-Performing Financing (NPF)	1,783	0,184	√	-
Cost to Income (BOPO)	7,464	0,007	-	√
Bank Size (SIZE)	0,779	0,379	√	-

Source: Author Processing Using IBM SPSS Statistics 26 (2022)

Based on the results of Levene's test above, it can be seen that the variables that have a significant value below 0.05 are the CD and BOPO variables. Therefore, these two variables are declared to have different variances and will use Equal Variance Not Assumed data for the T-test Difference Test later. Meanwhile, the variables LA/TA, FD, NPF, and SIZE have a significance value above 0.05 so that the variance is declared the same and will use the Equal Variance Assumed data for the T-test Difference Test.

Difference T-Test Results

Differential Test T-test is intended to determine the significance of the difference between the two groups of data contained in this study. The significance of the difference is known through the significance value on the mean equation T-test which is based on the results of the previous Levene test to determine whether the data is Equal Variance Assumed or Equal Variance Not Assumed. If the significance value is less than 0.05 then the two data groups are declared to be significantly different and conversely, if the value is greater than 0.05 then the two data groups are declared not significantly different. Table 7 below describes the results of the T-test Differences in BUS and UUS in Indonesia as two different groups of sample data in the author's study.

Table 7: Results of T-test Differences on BUS and UUS in Indonesia

Variable	T-Test Results	Sig.	Conclusion	Hypothesis
Liquid Assets to Total Assets (LA/TA)	-2,431	0,016	Significantly Different	Accepted

Financing to Deposit (FD)	-0,940	0,348	Not Significantly Different	Rejected
Cash to Deposit (CD)	1,018	0,312	Not Significantly Different	Rejected
Non-Performing Financing (NPF)	-0,478	0,633	Not Significantly Different	Rejected
Cost to Income (BOPO)	9,399	0,000	Significantly Different	Accepted
Bank Size (SIZE)	6,183	0,000	Significantly Different	-

Source: Author Processing Using IBM SPSS Statistics 26 (2022)

3.3. Hypothesis Analysis

H_1: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the LA/TA ratio.

The results of the T-test Difference show that the Liquid Assets to Total Assets or LA/TA variable with Equal Variance Assumed data has a result of -2.431 with a significance value of 0.016. With this significance value below 0.05, it can be concluded that when viewed from the LA/TA ratio as one of the liquidity risks in a bank, there is a significant difference between Islamic Commercial Banks and Islamic Business Units in Indonesia during the 5 years starting from 2016 to 2020.

In addition, the mean value of the LA/TA ratio in both samples shows that BUS has an LA/TA ratio of 94.5% which is smaller than the LA/TA ratio in UUS which is 96.3%. This indicates that from 2016 to 2020, UUS had a better LA/TA rate than BUS. This is because the greater the LA/TA ratio, the more liquid a banking company's assets are for all of its assets and the more aware and careful the company is of liquidity risk. Overall, because there is a significant difference between BUS and UUS in Indonesia seen from the LA/TA ratio, the hypothesis from the T-test Differential Test results against H_1 is proven and accepted.

H_2: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the FD ratio.

The Difference T-test shows that the Financing to Deposit or FD variable with data of the Equal Variance Assumed type produces a value of -0.940 with a significance of 0.348. This significance value is above 0.05, so it can be concluded that Islamic Commercial Banks and Sharia Business Units in Indonesia during the period 2016 to 2020 do not have a significant difference through the FD ratio.

Then if seen from the mean value, BUS has an FD ratio of 96.7% which is also smaller than the FD ratio of UUS which is 104.3%. This value indicates that UUS in Indonesia has a better FD level than BUS in Indonesia from 2016 to 2020. This is because the greater the value of the FD ratio, the more efficient the banking company is in using its deposit funds for credit activities, so in this case, UUS has a higher level of efficiency than BUS. But overall, because there is no significant difference in the FD ratio between BUS and UUS in Indonesia, the hypothesis from the results of the T-test Differences against H_2 in this study was not proven and was rejected.

H_3: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the CD ratio.

The results of the Difference T-test in this study indicate that the Cash to Deposit or CD variable with Variance Not Assumed data has a result of 1.018 with a significance value of 0.312. The result of this significance value is greater than 0.05, which means that there is no significant difference between Islamic Commercial Banks and Sharia Business Units in Indonesia from 2016 to 2020 when viewed from the CD ratio.

Then, the ratio of CD through the mean in these two samples is shown to be 842.3% for BUS and 36% for UUS. Through this value, it can be seen that the CD rate at BUS is better than UUS in Indonesia during the period 2016 to 2020. This is because the CD ratio is the proportion of total

deposits in the form of cash and cash equivalents in banks that can be withdrawn by savers. Therefore, BUS has a better CD rate because it has a larger proportion of deposits than UUS. However, the H_3 hypothesis in this study was declared unproven and rejected because the difference between BUS and UUS in Indonesia during that period was not significant through this CD ratio.

H_4: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the NPF ratio.

The results of the Difference T-test showed that the Non-Performing Financing or NPF variable in this study using Equal Variance Assumed data resulted in a value of -0.478 with a significance of 0.633. With this significance value above 0.05, it can be concluded that there is no significant difference between Islamic Commercial Banks and Islamic Business Units in Indonesia from 2016 to 2020 when viewed through the NPF ratio.

In addition, based on the mean value of the ratio of these two samples, it is shown to be 2% for BUS and 2.4% for UUS. Through this value, it can be seen that the NPF level at BUS is considered healthier than the NPF level at UUS, although it is only 0.4% different. This is because the NPF ratio is the level of non-performing financing in sharia banking and based on Bank Indonesia, the tolerance level for this NPF level is limited to a maximum of 5%. Therefore, the lower the NPF level of a bank, the more the bank is kept away from credit risk. But overall, because there is no significant difference between BUS and UUS in Indonesia over 5 years through the NPF ratio, hypothesis H_4 in the study was declared unproven and rejected.

H_5: There is a significant difference between Islamic Commercial Banks (BUS) and Sharia Business Units (UUS) in Indonesia when viewed from the BOPO ratio.

In the results of the T-test Difference, it is shown that the variable Cost to Income or BOPO in this study using Equal Variance Not Assumed data has test results and significance values of 9.399 and 0.000. Then because this significance value is below 0.05, the conclusion that can be drawn is that there are significant differences in Islamic Commercial Banks and Sharia Business Units in Indonesia in the period 2016 to 2020 when viewed from the BOPO ratio.

On the other hand, when viewed from the mean value, the BOPO ratio in these two samples is shown to be 94.5% for BUS and 55.8% for UUS. Through this value, it can be seen that the BOPO level at Islamic Commercial Banks is better than Sharia Business Units from 2016 to 2020. This is because the BOPO ratio is the level of banking operational efficiency based on operating expenses and operating income. In addition, the limit set by Bank Indonesia for the level of BOPO ratio in this bank is 60% to 70% minimum. Therefore, BUS is classified as having a healthy level of operational efficiency, while UUS is classified as having an unhealthy level of operational efficiency. As a result, overall, the results of the T-test Difference against the H_5 hypothesis in this study were proven and accepted because there were significant differences between BUS and UUS in Indonesia during the 5 years.

4. CONCLUSION

This research overall aims to determine the comparison between Islamic Commercial Banks and Islamic Business Units in Indonesia as measured by liquidity risk, credit risk, and operational risk. The results of this study found that there are significant differences between Islamic Commercial Banks and Islamic Business Units in Indonesia in the LA/TA ratio as liquidity risk and the BOPO ratio as operational risk. In terms of comparison, the LA/TA ratio at UUS is better or more liquid than LA/TA at BUS and the BOPO ratio at BUS is better and healthier than BOPO at UUS. While the ratio of FD, CD, NPF there is no significant difference between Islamic Commercial Banks and Sharia Business Units in Indonesia. Recommendations for future research are as follows:

a. Conducting similar research with a period of more than 5 years.
b. Conduct similar research by adding other Islamic banking objects, such as Sharia Rural Banks (SPRS).
c. Conduct similar research by adding other variables, such as profit-sharing financing to total financing, Allowance for Impairment Losses (CKPN) for financial assets to earning assets, and non-performing productive assets to total earning assets.

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