

Comprehensive Analysis of the Health Level of BCA Syariah Bank Based on CAMELS Parameters Period 2019 – 2024

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Abstract

This study aims to analyze the financial health level of BCA Syariah Bank during the 2019-2024 period using the CAMELS approach, which includes aspects of Capital, Asset, Management, Earning, Liquidity, and Sensitivity to Market Risk. The method used is quantitative-descriptive with secondary data obtained from annual financial reports and OJK official publications. The analysis was conducted using the ratio assessment method and longitudinal trend measurement for six years. The results show that BCA Syariah is consistently in the healthy category. The Capital Adequacy Ratio (CAR) remains high despite a gradual decline, while the Non Performing Financing (NPF) ratio remains below the safe limit. Profitability indicators such as ROA and NIM showed an upward trend, accompanied by improved operational efficiency through a decrease in BOPO. The FDR ratio also stabilized within the optimal range, indicating good liquidity management. This study strengthens the CAMELS evaluation model in the context of Islamic banking and provides practical contributions for bank management and policy implications for regulators. This study also opens up room for further research with advanced quantitative approaches and broader objects.

INTRODUCTION

In the last two decades, Islamic banking has experienced rapid growth globally as part of an ethical and sustainable alternative financial system. According to the Islamic Financial Services Board (IFSB) 2023 report, total global Islamic banking assets have reached more than USD 2.5 trillion, growing by more than 11% over the previous year. This growth reflects the increasing public confidence in the sharia-based financial system that emphasizes fairness, transparency, and risk balance. However, this rapid growth is also accompanied by challenges to strengthening the risk management structure and governance of Islamic financial institutions. Bank stability and soundness are key to maintaining public trust and the long-term sustainability of the industry.

Indonesia, as a country with the largest Muslim population in the world, shows great potential in the development of the Islamic economy, including the banking sector. OJK's Sharia Banking Statistics recorded that as of March 2024, Indonesia's total sharia banking assets reached IDR 887.8 trillion, an annual increase of 13.84%. This growth indicates high confidence in Islamic banks, including BCA Syariah as part of the national bank group. However, amidst this positive growth, there are still fundamental issues related to operational efficiency, profitability, and risk governance that affect the soundness of Islamic banks. This calls for a thorough and consistent assessment of bank performance.

One of the recognized approaches in assessing bank soundness is the CAMELS method, which includes Capital Adequacy, Asset Quality, Management, Earnings, Liquidity, and Sensitivity to Market Risk. CAMELS is widely used by financial authorities such as OJK through POJK No.

4/POJK.03/2016 and BI Circular Letter No. 13/24/DPNP/2011. Evaluation through this method allows comprehensive analysis of various financial and operational dimensions of the bank, and provides an objective picture of the viability and sustainability of a banking institution. In the context of Islamic banking, CAMELS is also relevant to assess compliance with sharia principles through healthy and efficient financial performance.

Bank BCA Syariah is one of the national Islamic commercial banks that has shown a relatively stable performance. As part of the BCA group, the bank has the advantage of technological support and risk management systems. However, academic studies that specifically evaluate its health level through the CAMELS method longitudinally are still very limited. Research focusing on CAMELS trends from 2019 to 2024 is urgently needed to fill this gap and provide data-driven information to regulators, management, and academics. Moreover, the period covers the time before, during and after the COVID-19 pandemic which put significant pressure on the stability of the financial sector.

Stated that BCA Syariah showed a consistently healthy trend during 2018-2022 based on the CAMELS approach. However, the study did not include the dimension of sensitivity to market risk and did not examine in depth the relationship between CAMELS parameters. In addition, the quantitative approach used tends to be descriptive and has not examined the dominant contribution of each parameter to the overall health score of the bank. Therefore, a more analytically rigorous study with the integration of quantitative statistical techniques is required (Fitriani, 2022).

Another weakness of previous studies is the lack of focus on the relationship between CAMELS indicators in the context of crisis and recovery. (Imam Taufiq, 2022) showed that many Islamic banks experienced deteriorating health in terms of profitability and liquidity during the pandemic. However, the data is still aggregated and not specific to certain entities such as BCA Syariah. This study seeks to bridge the gap by presenting individualized annual analysis of specific banks, so that the results are more relevant and applicable in strategic decision-making.

The CAMELS method consists of six main components: Capital, Assets, Management, Earnings, Liquidity, and Sensitivity to Market Risk. Each of these components is used to assess a different aspect of a bank's performance. Capital reflects capital adequacy, Assets assesses the quality of assets held by the bank, Management measures the effectiveness of internal governance, Earnings indicates the ability to generate profits, Liquidity evaluates the ability to meet short-term obligations, and Sensitivity to market risk estimates vulnerability to fluctuations in exchange rates or interest rates. This method is comprehensive because it covers financial and managerial aspects in an integrated analytical framework (Syafrida et al., 2020).

In a practical context, CAMELS evaluation results can be used as a reference by bank management in developing business strategies, managing risks, and improving operational efficiency. For regulators, the results of this analysis can be used as a basis for risk-based supervision. For the academic world, this research offers an empirical contribution that enriches the literature of Islamic bank performance evaluation in Indonesia. The existence of structured secondary data such as the bank's annual financial statements enables accurate and valid analysis.

This study aims to analyze the health level of BCA Syariah Bank from 2019 to 2024 using the CAMELS approach. In addition, this study also aims to determine which indicators contribute the most to the bank's health score, as well as how the trend changes from year to year. This study is also expected to be able to map the bank's weak and strong points periodically to be used in strengthening future business strategies.

The main hypotheses proposed in this study are: (H1) There is a significant difference between CAMELS dimensions on the overall health score of BCA Syariah Bank; and (H2) Capital Adequacy and Earnings aspects have a more dominant contribution than other aspects in maintaining bank health during the economic crisis and recovery period. These hypotheses were tested using a quantitative approach through trend analysis, correlation, and variable contribution testing using the scoring method.

The main research questions are formulated as follows: (1) What is the trend of CAMELS indicators at BCA Syariah Bank during 2019-2024? (2) Which indicators make a dominant contribution to the overall CAMELS score? (3) Are there differences in bank health performance patterns before and after the COVID-19 pandemic? These questions form the basis for the preparation of analytical instruments and the structure of the discussion.

The research method used is quantitative-descriptive, with secondary data sources from BCA Syariah annual reports, OJK publications, and current academic literature. The CAMELS assessment is conducted based on the weights set by the regulator and uses a scoring approach to assess the bank's health classification per year. The analysis was conducted on an annual and longitudinal basis to illustrate the dynamics of the bank's condition over a five-year period.

The theoretical contribution of this research is to strengthen the CAMELS assessment model in the context of Indonesian Islamic banking. This research also serves as a comparison for similar studies that have been conducted on other Islamic banks. The practical contribution is to provide input to management and regulators regarding areas that need to be strengthened in the aspects of capital, asset quality, management, profitability, and liquidity.

As such, this study fills a gap in the empirical literature and provides a comprehensive picture of the health performance of Islamic banks in the crucial post-pandemic period. It also provides a foundation for future studies that may utilize advanced quantitative approaches such as panel regression or machine learning for bank soundness prediction.

METHODS

Research methodology plays an important role in determining the validity of the results and the reliability of the research process. In this study, the approach used is tailored to the main objective of the research, which is to comprehensively analyze and evaluate the health level of BCA Syariah Bank based on CAMELS parameters during the 2019-2024 period. Using quantitative methods, this study seeks to answer research questions objectively through processing and analyzing numerical data obtained from official documents. In addition, this study also adopts longitudinal analysis, so as to identify trends or patterns of change over time that may be relevant to the dynamics of bank performance. Therefore, the methodology presented in this section includes the research design, data types and sources, population and sampling techniques, and data analysis techniques used to achieve these objectives.

This research uses a descriptive and comparative quantitative approach. This design was chosen to describe, analyze, and compare the health level of BCA Syariah Bank based on CAMELS parameters from 2019 to 2024. The research is non-experimental, because it does not involve manipulation of variables, but rather focuses on historical data that is already available in financial

reports and other official publications. The main focus of the research is to describe and identify trends in changes in each CAMELS indicator consisting of Capital Adequacy Ratio (CAR), Non Performing Financing (NPF), Good Corporate Governance (GCG), Return on Assets (ROA), Financing to Deposit Ratio (FDR), and sensitivity to market risk (if available). The CAMELS framework was chosen because it has been standardized by OJK and proven to be used in many previous studies to assess bank health.

The type of data used in this study is secondary data, in the form of quantitative data obtained from the annual financial statements of Bank BCA Syariah for the 2019-2024 period as well as comparative data from the official publication of the Financial Services Authority (OJK). The data was obtained through the official website of Bank BCA Syariah and the OJK Syariah Banking Statistics page. The data collection technique was carried out using the documentation method, namely by recording and recapitulating all CAMELS ratio data according to the observation year. The data collected includes CAR, NPF, GCG, ROA, BOPO, FDR, as well as additional information on external economic conditions if needed to interpret changes in indicator values.

The population in this study is all Islamic commercial banks in Indonesia that have been operating during the 2019-2024 period. However, because this research is a case study, the object specifically selected is BCA Syariah Bank. This study uses purposive sampling technique, which is a sampling technique based on certain criteria set by the researcher. The criteria used are: (1) banks that have status as Islamic commercial banks, (2) have complete annual financial reports during the 2019-2024 period, and (3) have not experienced mergers, acquisitions, or changes in institutional status during that period. BCA Syariah was selected because it is relatively institutionally stable and represents an Islamic bank with strong infrastructure support.

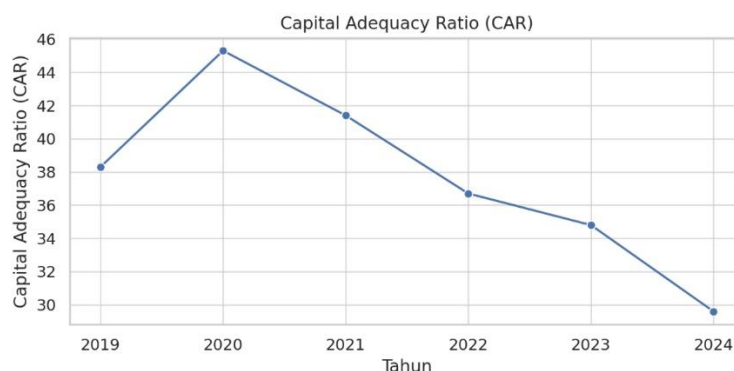
Data analysis in this research was conducted using descriptive statistical analysis, which presents numerical data in the form of tables, graphs, as well as calculations of average, maximum, minimum, and standard deviation values. Data from each CAMELS indicator is calculated annually and analyzed longitudinally to observe trends and dynamics of the financial performance of Bank BCA Syariah over six years. Each indicator will be scored based on the classification from OJK, and then the final results will be averaged to determine the classification of the bank's health level (Very Healthy, Healthy, Fairly Healthy, Unhealthy, or Not Healthy). Data processing and visualization were conducted with the help of Microsoft Excel software, which allows for systematic and efficient quantitative data analysis.

RESULTS AND DISCUSSION

This study aims to analyze the financial health of BCA Syariah through the CAMELS

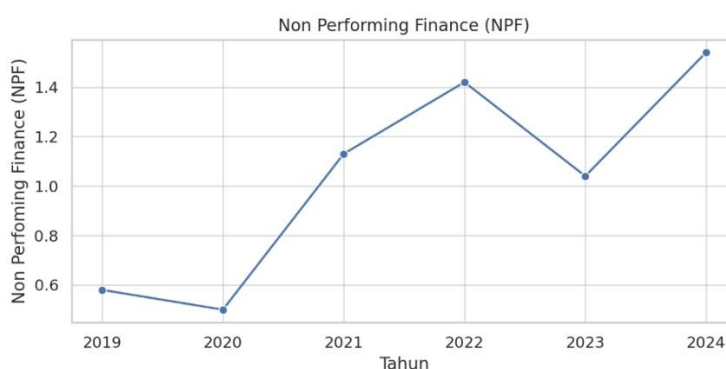
approach which includes Capital, Asset, Management, Earning, Liquidity, and Sensitivity ratios. Quantitative data collected during the 2019-2023 period was analyzed descriptively and displayed in the form of a five-year trend. The results of the analysis indicate that BCA Syariah is generally in a healthy and stable condition, with some important dynamics to be further examined. The following presents the main findings based on each CAMELS indicator:

Capital Adequacy Ratio



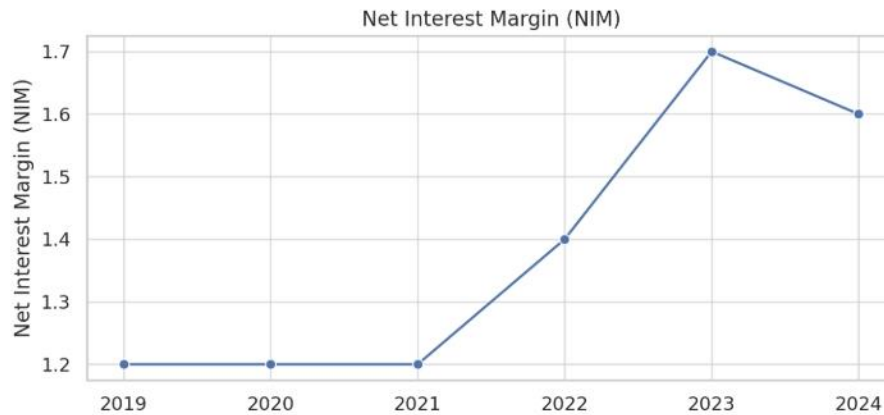
The CAR ratio illustrates the level of capital adequacy of banks against risk-weighted assets. BCA Syariah's CAR was recorded at a very high 45.3% in 2020 and declined gradually to 29.6% in 2024. Despite the decline, this value still far exceeds the minimum requirement set by OJK of 8%. This decline can be attributed to an increase in financing disbursements leading to an increase in risk-weighted assets (RWA), but has not been offset by an increase in core capital. Nevertheless, the bank remains in a very healthy position in terms of capital.

Non Performing Financing (NPF)



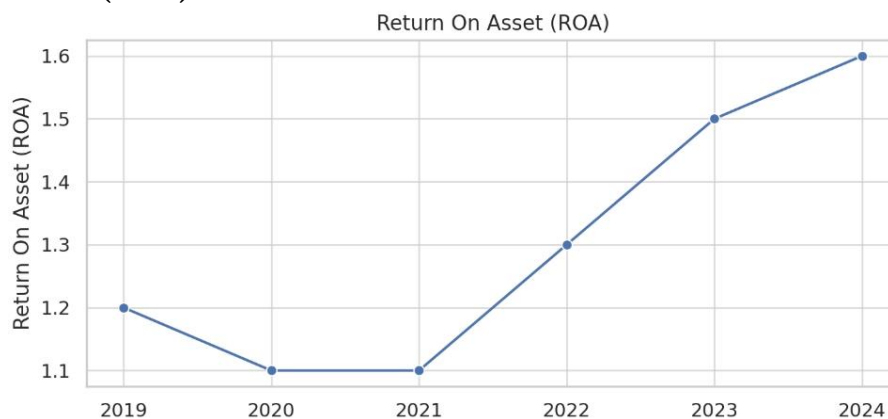
NPF indicates the quality of a bank's financing. Over the past six years, BCA Syariah's NPF has remained below the maximum threshold of 5% (OJK version), even reaching 0.50% in 2020. The gradual increase to 1.54% in 2024 reflects financing challenges, possibly influenced by post-pandemic economic fluctuations. However, this figure is still in the very healthy category. The low NPF also indicates the effectiveness of the risk assessment process and conservative strategy in disbursing financing.

Net Interest Margin (NIM)



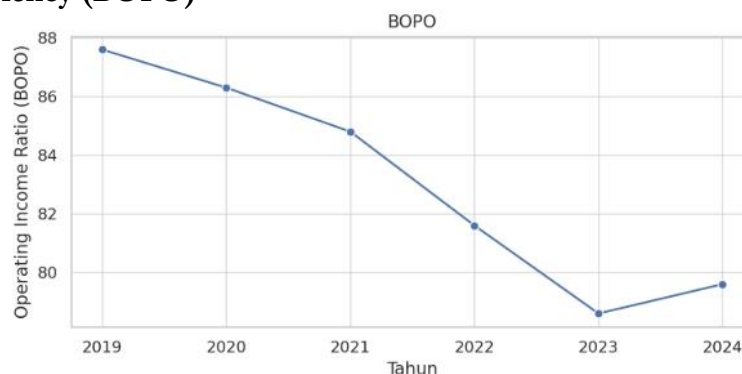
NIM is used to measure the efficiency of margin income on productive assets. BCA Syariah's NIM value was relatively stable (1.2%) until 2021 and began to increase significantly in 2023 (1.7%) and fell slightly in 2024 (1.6%). The increase in NIM indicates improvements in productive asset management, as well as the bank's ability to set competitive profit margins against the cost of funds. It also reflects that the bank is able to manage its financing portfolio optimally without overburdening customers.

Return On Asset (ROA)



ROA is a key indicator of profitability that shows how efficiently a bank generates profits from its assets. BCA Syariah's ROA increased from 1.1% in 2020-2021 to 1.6% in 2024. This increase in ROA reflects success in increasing revenue without the need to significantly increase assets. It also reflects good operational effectiveness and cost control.

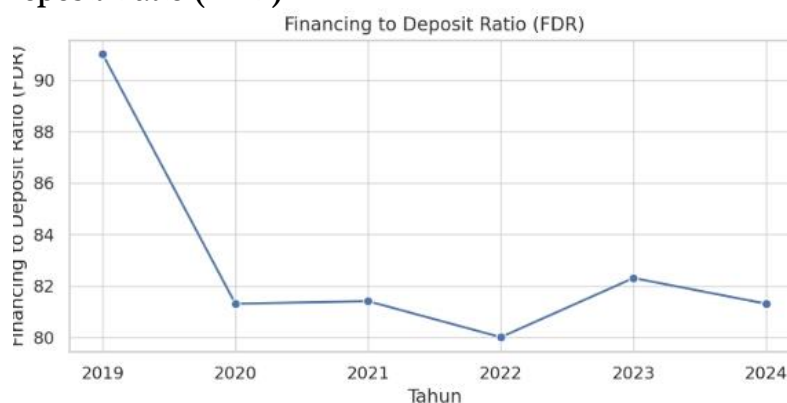
Operating Efficiency (BOPO)



The BOPO (Operating Expenses to Operating Income) ratio shows the bank's

operational efficiency. The lower the BOPO, the more efficient the bank is in managing costs. BCA Syariah's BOPO continues to decline from 87.6% (2019) to 78.6% (2023), before rising slightly to 79.6% in 2024. This decline signifies an improvement in the bank's management performance in controlling operating expenses and increasing operating income.

Financing to Deposit Ratio (FDR)



FDR measures the level of bank liquidity based on the ratio of total financing to total third party funds (DPK). BCA Syariah's FDR value during the study period was stable within the optimal range (80-90%), from 91.0% (2019) to 81.3% (2024). A healthy FDR indicates that the bank is able to channel its funds productively while maintaining liquidity. This reflects prudence in financing expansion and prudent liquidity strategies.

CONCLUSION

This study was conducted to assess the financial health level of BCA Syariah Bank during the 2019-2024 period using the CAMELS approach which includes the dimensions of Capital Adequacy, Asset Quality, Management, Earnings, Liquidity, and Sensitivity to Market Risk. This research uses a quantitative-descriptive approach by analyzing secondary data obtained from annual financial reports and OJK publications. Bank BCA Syariah's Capital Adequacy Ratio (CAR) shows a very strong performance, with a ratio that is always well above the OJK minimum requirement. Although there is a downward trend in CAR from 45.3% (2020) to 29.6% (2024), this is still within very healthy limits and indicates that the bank is able to absorb credit and operational risks optimally. This decrease in CAR reflects a more aggressive financing expansion strategy post-pandemic, but still under adequate risk control.

Non-performing financing (NPF) remained below the healthy threshold of 5% throughout the study period, indicating excellent financing quality and effective credit risk management. The lowest value occurred in 2020 (0.50%), and although it increased to 1.54% in 2024, it is still in the very healthy category. Profitability as measured by Return on Asset (ROA) and Net Interest Margin (NIM) has improved from year to year. ROA increased from 1.1% to 1.6%, indicating that the bank's assets are being managed efficiently to generate profits. NIM also showed a positive trend until it peaked at 1.7%, reflecting the bank's ability to set competitive financing margins. Operational efficiency represented by the BOPO ratio showed significant improvement, from 87.6% (2019) to 78.6% (2023), signaling management's ability to control costs and increase operating income in a sustainable manner. Liquidity as reflected in the Financing to Deposit Ratio (FDR) was within the optimal range (80-90%) during the observation period, reflecting the bank's prudence in channeling financing while maintaining liquidity. A stable FDR indicates that third party funds are managed productively but prudently.

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