GOLDEN RATIO OF FINANCE MANAGEMENT
VOLUME 5, ISSUE. 2 (2025)
Website: https://goldenratio.id/index.php/grfm

ISSN [Online]: 2776-6780

FINANCE | RESEARCH ARTICLE

Analyzing the Impact of Mergers on the Islamic Performance Index: A Comparative Study of State-Owned Islamic Commercial Banks in Indonesia

Dini Juniarti[1], S. Suhendar[2], Citra Etika[3]

[1,2,3] Department of Sharia Accounting, Faculty of Islamic Economics and Business, Universitas Islam Negeri Raden Intan Lampung, Lampung, Indonesia. Email: : dinijuniarti0@gmail.com[1], suhendar@radenintan.ac.id[2], citraetika@radenintan.ac.id[3]

ARTICLE HISTORY

Received: May 20, 2025
Revised: June 16, 2025
Accepted: July 27, 2025

DOI
https://doi.org/10.52970/grfm.v5i2.1316

ABSTRACT
The merger between BRI Syariah, BNI Syariah, and Bank Syariah Mandiri into Bank Syariah Indonesia (BSI) in 2021 is expected to increase competitiveness and strengthen the role of Islamic banking in Indonesia. This study aims to analyze the impact of mergers on the performance of BUMN Islamic Commercial Banks using the Islamicity Performance Index (IPI) approach. This study uses a comparative quantitative approach with secondary data in the form of financial statements for 2017-2024. The data were collected and processed using Microsoft Excel 2010 and EViews 12. The IPI indicators used include Zakat Performance Ratio (ZPR), Profit Sharing Ratio (PSR), Equitable Distribution Ratio (EDR), and Islamic Income vs Non-Islamic Income Ratio (IIcR). The analysis results show that three out of four indicators, namely ZPR, PSR, and IIcR, experienced statistically significant changes after the merger, reflecting improvements in zakat management, profit sharing effectiveness, and compliance with Islamic income principles. However, the EDR indicator did not show any significant difference, indicating that the equitable aspect of wealth distribution has not been optimized. The findings suggest that the merger positively impacts most aspects of Islamic financial performance. The implications of this study emphasize the importance of strengthening socio-economic strategies in post-merger policies so that the function of Islamic financial institutions as agents of justice and welfare can be achieved as a whole according to the principles of Sharia Enterprise Theory.

Keywords: Merger, Islamic Performance Index, Islamic Bank, Financial Performance, Sharia Enterprise Theory.
JEL Code: G21, G34, M41, Z12.

I. Introduction

Indonesia is known as the country with the largest Muslim population in the world. In recent years, the trend of Islamic finance has increased. This increase in the growth of the Islamic finance industry affects business competition, including the banking industry, which is getting tighter along with the increasingly uncertain economic growth and development. Competition in the banking industry is increasing with new banks offering various innovative products to attract customers. In addition, Islamic banks also compete with other conventional banks that existed before Islamic banks were present in Indonesia. This situation also affects the operation of Islamic banking (S. A. Putri et al., 2023). Islamic banks in Indonesia were first established in 1991, namely the establishment of Bank Muamalat Indonesia. Banking regulations with this profit-sharing principle are regulated in Law Number 21 of 2008 concerning Islamic Banking. (Rachman et al., 2022). This law states that the performance of Islamic banks must be in line with Islamic principles, including justice, balance, and the promotion of societal welfare (Shimalaya et al., 2025). Islamic banks carry out business activities based on Sharia Principles and, according to their type, consist of Islamic Commercial Banks and Islamic People's Financing Banks (Pemerintah Indonesia, 2008).

The development of Islamic banking in Indonesia is growing rapidly. Based on Islamic banking statistics issued by the Financial Services Authority (OJK) for the January 2021 period, there are 14 Islamic commercial banks in Indonesia (Departemen Pengelolaan dan Data Statistik Otoritas Jasa Keuangan, 2021) Three of them are Islamic commercial banks that are subsidiaries of BUMN, namely PT Bank BRI Syariah Tbk., PT Bank BNI Syariah, and PT Bank Syariah Mandiri. In October 2020, the Minister of State-Owned Enterprises (BUMN), Erick Thohir, revealed his plan to merge BUMN Islamic banks. The Financial Services Authority (OJK) officially issued a permit to merge the three Islamic bank businesses on January 27, 2021, through letter Number SR-3/PB.1/2021. Furthermore, on February 1, 2021, President Joko Widodo inaugurated the presence of BSI. The composition of BSI's shareholders is PT Bank Mandiri (Persero) Tbk 50.83%, PT Bank Negara Indonesia (Persero) Tbk 24.85%, PT Bank Rakyat Indonesia (Persero) Tbk 17.25%. The rest are less than 5% shareholders each (Bank Syariah Indonesia, 2021). The merger brought together the strengths of the three Islamic banks, giving them a more complete service, wider reach, and better capital capacity. Regulatory support and government initiatives, such as establishing Bank Syariah Indonesia (BSI), strengthen the sector's role in supporting national economic development. This shows that the Indonesian banking sector has excellent potential to continue growing and competing in the global market (Bank Syariah Indonesia, 2021) The merger aims to create a more competitive Islamic bank domestically and internationally. With significant combined total assets, BSI is expected to support the government's vision to make Indonesia a global center of Islamic finance. According to Erick Thohir, Minister of BUMN in February 2021, this is an effort to improve the competitiveness of domestic Islamic banks during his tenure as Head of the Ministry of BUMN by merging several Islamic banks into one. One of the goals of merging BRI Syariah, BNI Syariah, and Bank Syariah Mandiri is to create a large-scale Islamic bank (Nurjanah et al., 2023).

The method of measuring the financial performance of Islamic banks that considers materialistic and spiritual aspects, or in other words, is a performance measurement tool based on Islamic principles using the Islamic Performance Index (IPI). Islamicity Performance Index is one of the important tools to evaluate the impact of mergers on performance, both from a financial perspective and Islamic values. This measurement provides an overview not only of the bank's financial condition, but also provides information on compliance with the application of sharia values to the bank, which includes the halal of transactions, both from the transaction method and the object or product being transacted. This indicator includes profitability, zakat distribution, and social responsibility, thus providing a comprehensive picture of the effectiveness of Islamic bank operations (Fatmawatie, 2021). Indicators in the measurement of the Islamic Performance Index method consist of seven indicators, namely profit-sharing ratio, zakat performance ratio, equitable distribution ratio, director-employees welfare ratio, Islamic investment vs non-Islamic investment, Islamic income vs non-Islamic income, and AAOIFI index. (Lestari, 2020). The impact of mergers on bank performance, especially in applying sharia principles and social functions, cannot be seen instantly. However, time is required to evaluate it thoroughly and in depth. In addition, the lack of research comparing the financial performance of BUMN Islamic banks before and after the merger using the IPI approach is another reason for the importance of this research. IPI not only evaluates the profitability aspect, but also includes compliance with Sharia values such as zakat, fairness distribution, and proportion of halal income. Given the rapid growth of BSI post-merger and its ambition to become a leading Islamic bank globally, continuous evaluation is needed to ensure that the growth is not only based on financial profit but also aligned with Islam's social and spiritual mission (Murtadha & Kornitasari, 2024).

ISSN [Online]: 2776-6780

Comparative research through the Islamic Performance Index can provide an objective picture of how this merger affects the performance of BSI. This study compares the performance before and after the merger which before the merger there were three BUMN Islamic commercial banks and compared with Bank Syariah Indonesia as a new bank resulting from the merger through the Islamic Performance Index approach which is proxied by the Zakat Performance Ratio (ZPR), Profit Sharing Ratio (PSR), Equitable Distribution Ratio (EDR), and Islamic Income vs Non Islamic Income (IIcR).

II. Literature Review and Hypothesis Development

2.1. Sharia Enterprise Theory

Sharia Enterprise Theory is an Enterprise Theory that has been internalized with Islamic values. Sharia Enterprise Theory is a business theory that incorporates a divine value system. This theory is more appropriate in the Islamic economic system and accounting (Pratiwi et al., 2024). According to Iwan Triyuwono, the most important axiom underlying the establishment of the concept of Sharia Enterprise Theory is Allah as the Creator and Sole Owner of all resources in this world, then Allah as the main Trustee, and the resources owned by stakeholders are in principle a trust from Allah in which there is a responsibility to use in the manner and purpose set by the Trustee(Please et al., 2022). This Sharia Enterprise Theory states that the recipients of responsibility in Islamic business institutions consist of direct and indirect participants. Direct participants are parties directly involved in business activities, such as owners, employees, investors, and company employees. In contrast, indirect participants are indirectly involved in business activities, namely Allah SWT, society, nature, and other stakeholders (Jamaluddin, 2021). Sharia Enterprise Theory embodies the value of justice for humans and the natural environment. Therefore, Sharia Enterprise Theory will benefit shareholders, stakeholders, the community (who do not contribute funds and skills), and the natural environment without neglecting to pay zakat as an act of worship to Allah. Islamic commercial banks are responsible for their operational activities to visible parties and the mandate's owner, Allah SWT. So, there are several aspects that banks must fulfil as a form of responsibility to Allah. Sharia Enterprise Theory contains the values of justice, truth, trust, honesty, and accountability. This shows that Sharia Enterprise Theory has regulated the form of Islamic banking accountability seen from the financial performance of Islamic banking in a complex manner compared to Enterprise Theory in general (Pratiwi et al., 2024).

2.2. Islamic Performance Index

The Islamic Performance Index (IPI) is one of the measurement tools used to measure the performance of Islamic banks, which reveals the level of bank performance according to Islamic principles. Islamic bank performance must be measured by the Islamic index as well, so that it will be balanced between the institution and the measuring instrument. This results from Hameed's research, which developed the Islamic Performance Index (Hameed et al., 2004). This measure provides an overview of the bank's financial condition and information on compliance with the application of sharia values to the bank, including the halal of transactions, both from the transaction method and the object or product being transacted. This is done as a form of cleansing the bank's wealth. Then it is distributed to the environment; moreover, consistency in avoiding activities that contain elements of usury is important. The Islamic Performance Index has seven financial ratios in its operation, such as the Zakat Performance Ratio, the Profit-Sharing Ratio, the Directors-Employee Welfare Ratio, the Equitable Distribution Ratio, the Islamic Investment vs Non-Islamic Investment Ratio, the Islamic Income vs Non-Islamic Income, and the AAOIFI Index. Indicators in the calculation of financial ratios in the Islamic bank performance measurement method, according to IPI, are as follows:

ISSN [Online]: 2776-6780

2.2.1. Zakat Performance Ratio (ZPR)

Zakat is one of the pillars of Islam that must be fulfilled. According to religious provisions and established requirements, Zakat is a portion of wealth that must be given by Muslims who can do so. Zakat is required not only by individuals but also by companies, including Islamic banks. Islamic banks exist not solely for profit but also to fulfill their obligation to pay zakat to the beneficiaries. Therefore, the higher the profit earned, the higher the zakat payment. The formula for calculating the zakat ratio is as follows:

$$CapZPR = \frac{Zakat}{Net\backslash Assets}$$

2.2.2. Profit Sharing Ratio (PSR)

One of the performance benchmarks for Islamic banks is the Profit-Sharing Ratio (PSR). The PSR measurement helps identify profit sharing, a benchmark for successful disbursing funds using *mudharabah* and *musyarakah* contracts. The purpose of this ratio is to assess the success of banking performance by using the profit-sharing concept in *musyarakah* and *mudharabah* contracts with disbursement in all financing. The formula for calculating the Profit-Sharing Ratio is as follows:

$$PSR = \frac{Mudharabah + Musyarakah}{Total\ Financing}$$

2.2.3. Directors-Employee Welfare Ratio (DEWR)

This ratio compares the director's salary with the money used for team member welfare. The resulting value is used to identify how much money is used for the director's salary compared to the money used for team member welfare, including salaries, training, and others (Mutia et al., 2018).

$$DEWR = \frac{Average\ Salary\ of\ Director}{Average\ Salary\ of\ Employees}$$

2.2.4. Equitable Distribution Ratio (EDR)

Equitable Distribution Ratio is a ratio that measures the percentage of profits distributed to stakeholders and the total amount of money managed as debt, donations, team member expenses, and other expenses. Stakeholders refer to recipients of *qardh* and donations, bank employees, shareholders, and net profits for the bank.

$$EDR = \frac{Average\ Distribution\ to\ Stakeholders}{Income - (Zakat + Tax)}$$

Notes: Average Distribution to Stakeholders is the sum of Qard and Donations, Labor Expenses, Dividends, and Net Income, then divided by 4.(Rufaedah et al., 2024)

2.2.5. Islamic Investment vs Non-Islamic Investment Ratio (IIsR)

Riba, *Gharar*, and *Maysir* are transactions to obtain profits prohibited in Islam. For this reason, Islamic banks need to explain how they manage funds invested by the public. Islamic banks must apply Islamic values in their operational activities. However, Islamic banks cannot escape conventional transactions managed by conventional institutions and still participate in non-halal investment transactions. This ratio assesses the

ISSN [Online]: 2776-6780

proportion of a bank's halal investments compared to all transactions, including halal and non-halal investments.

$$IIsR = \frac{Halal\ Investment}{Halal\ Investment + Non\ Halal\ Investment}$$

2.2.6. Islamic Income vs Non-Islamic Income Ratio (IIcR)

This ratio compares halal income with the overall income earned by Islamic banking, both halal and non-halal. The assessment measures its halalness and its success in implementing the basic concepts of Islamic banking, such as not using usury on the profits earned.(Rufaedah et al., 2024) Non-halal income is a source of benevolent funds from Islamic bank transactions with other parties that do not use sharia schemes. For other purposes in the financial field, Islamic banks sometimes must have accounts with conventional banks domestically and abroad. The existence of bank interest from partner banks is inevitable. In this case, the interest received may not increase the income of Islamic banks, but is included as a benevolent fund.(Mutia et al., 2018). This ratio compares halal income with the total income earned by Islamic banks, both halal and non-halal. The assessment measures its halal status and its success in implementing the basic concepts of Islamic banking, such as not using riba on profits earned. (Rufaedah et al., 2024) Non-halal income is a source of charitable funds from Islamic bank transactions with other parties that do not use Islamic schemes. For other purposes in the financial sector, Islamic banks must sometimes maintain accounts at conventional banks domestically and internationally. The existence of interest from partner banks is unavoidable. In such cases, the interest received must not be added to the Islamic bank's income but must be classified as charitable funds. (Mutia et al., 2018)

$$IIcR = \frac{Halal\ income}{Halal\ income + Non\ Halal\ income}$$

2.2.7. AAOIFI Index

This index measures how far Islamic banking has carried out its activities per the principles of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). Based on indicators in the AAOIFI Index performance ratio, several points become an assessment of Islamic commercial banks' compliance in carrying out their performance. In this study, the indicators used as proxies for the Islamicity Performance Index are the Zakat Performance Ratio (ZPR), Profit Sharing Ratio (PSR), Equitable Distribution Ratio (EDR), and Islamic Income vs Non-Islamic Income Ratio (IIcR). This is because data for the other three indicators could not be found in the financial statements and, therefore, could not be used in the study.

2.3. Merger of BSI

In Government Regulation of the Republic of Indonesia Number 28 of 1999 issued by the President of the Republic of Indonesia concerning Bank Mergers, Consolidations and Acquisitions, it is explained that a Merger is a merger of 2 (two) or more Banks, by maintaining the existence of one of the Banks and dissolving the other Banks without liquidating them first. Mergers in the banking sector can be carried out at the initiative of the Bank concerned, at the request of Bank Indonesia, or at the initiative of a special body that is temporary in the context of banking restructuring, as stipulated in Article 3 of Government Regulation 28 of 1999. In the case of BSI, the merger was carried out on the government's recommendation through the Ministry of BUMN and the Ministry of Finance. BSI is a bank resulting from the merger of three Islamic banks: PT Bank BRI Syariah Tbk, PT Bank Syariah Mandiri, and PT Bank BNI Syariah. President Joko Widodo inaugurated BSI on February 1(S. A. Putri et al., 2023). The merger explains that it has a vision to become one of the 10 largest Islamic banks based on global market capitalization, making the merger a national Islamic banking industry for the next five years(Ramadhan et al., 2022). BSI was formed to strengthen and develop the Islamic economic ecosystem and

ISSN [Online]: 2776-6780

the national halal industry with other Islamic institutions, corporate, banking, retail, UMKM, cooperatives, and even community organizations(Wahidah et al., 2024).

2.4. Bank Financial Performance

Performance describes the achievement of company activities to realize an organization's goals, objectives, vision, and mission as stated in a company's strategic planning (Afnani & Suselo, 2024). Financial performance is used to compare similar companies in the same industry, or to compare industries and sectors together. By assessing a company's financial performance, decision makers can assess the results of their business strategies and activities from an objective financial perspective (Amirudin et al., 2024). This can be measured using financial indicators representing the company's ability to generate economic value and improve its operations (Ramadhan et al., 2022). The overall financial performance of the bank is a description of its achievements in its operations, both regarding financial aspects, collection of funds, distribution of funds, technology, and human resources. A company's performance development can be known by evaluating past financial performance. The company's financial performance can be evaluated by analyzing the financial statements that the accountant has recorded. (Trisela & Pristiana, 2020)

2.5. BUMN Islamic Commercial Banks

In Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector, Banks are mentioned as business entities that collect funds from the public in the form of deposits and channel them to the public in the form of credit or financing and/or other forms in order to improve people's lives. Commercial banks conduct business activities conventionally and/or based on Sharia principles and provide services in payment traffic.(Otoritas Jasa Keuangan, n.d.). Based on Islamic banking statistics issued by the Financial Services Authority (OJK) for September 2024, there are 14 Islamic commercial banks in Indonesia.(Departemen Pengelolaan dan Data Statistik Otoritas Jasa Keuangan, 2024) . One of them is a State-Owned Enterprise (BUMN) Islamic commercial bank. BUMN Islamic Commercial Banks are Islamic banks established and capitalized by the state, so the profits also belong to the state. The BUMN Islamic bank in Indonesia is PT Bank Syariah Indonesia Tbk (BSI). BSI is a bank resulting from the merger of three Islamic commercial banks: PT Bank BRI Syariah Tbk, PT Bank Syariah Mandiri, and PT Bank BNI Syariah.

2.6. Differences in Zakat Performance Ratio (ZPR) at BUMN Islamic Commercial Banks before and after merger

Business activities must be carried out to obtain blessings from Allah SWT. Zakat is an obligation that shows compliance with Sharia rules and is a form of spiritual responsibility. Zakat Performance Ratio (ZPR) measures the extent to which Islamic banks distribute zakat from the profits earned. According to Sharia Enterprise Theory, Islamic accounting can accommodate Islamic values and characters, namely, carrying out the mandate given by Allah SWT to humans in the form of fulfilling the life rights of others contained in the assets owned by a business entity (zakat) (Asyifa et al., 2023). Research related to the Zakat Performance Ratio (ZPR) conducted by Rini Hayati Lubis and Nurul Izzah (2020) was entitled Islamic Bank Performance with Islamicity Performance Index. In this study, the ZPR ratios of BNI Syariah and BRI Syariah were compared using the Mann-Whitney test, and the results showed no difference in the ZPR ratio.

2.7. Differences in Profit Sharing Ratio (PSR) at BUMN Islamic Commercial Banks before and after merger

From a SET perspective, an Islamic bank with a high PSR is more compliant with Islamic principles because it avoids exploitative or speculative transactions prohibited in Islam. Profit Sharing Ratio (PSR) measures the proportion of Islamic bank income earned from profit-sharing schemes, such as *mudharabah* (cooperation between investors and business managers) and *musyarakah* (partnership based on shared

ISSN [Online]: 2776-6780

capital). According to Sharia Enterprise Theory, there are disclosures about financing policies that consider environmental issues, mention the amount of financing provided to businesses that have the potential to damage the environment, and the reasons for providing such financing, and efforts to increase environmental awareness among employees. (Anggraeni, 2019). Research related to the Profit-Sharing Ratio (PSR) conducted by Rima and Diah Arminingsih (2024) entitled Comparative Analysis of Islamic Banking Financial Performance in ASEAN Countries: Case Studies of Indonesia, Malaysia, and the Philippines Using the Islamic Performance Index Approach. In this study, the PSR ratio of Islamic banking in the three countries was compared using the Wilcoxon Signed Ranks Test, and it was found that there was no significant variation in the PSR ratio with Asymp Sig of 0.799 > 0.05.

2.8. Differences in Equitable Distribution Ratio (EDR) at BUMN Islamic Commercial Banks before and after merger

Islam teaches that the wealth earned should be distributed fairly for the common welfare. The Equitable Distribution Ratio (EDR) measures how much of an Islamic bank's income is distributed to various stakeholders, such as employees, the community (through zakat and social funds), and contributions to the real sector. According to Sharia Enterprise Theory, it is the disclosure of policies regarding wages and remuneration, policies regarding training that improve the spiritual quality of employees and their families, the availability of health and counseling services for employees, and non-discrimination policies applied to employees in terms of wages, training, and career advancement opportunities. (Anggraeni, 2019) Research related to the Equitable Distribution Ratio (EDR) conducted by Rini Hayati Lubis and Nurul Izzah (2020) entitled Islamic Bank Performance with Islamicity Performance Index. In this study, the EDR ratios of BNI Syariah and BRI Syariah were compared using the Mann-Whitney test, and the results showed no difference in the EDR ratio.

2.9. Differences in Islamic Income vs Non-Islamic Income Ratio (IIcR) at BUMN Islamic Commercial Banks before and after merger

In Islam, businesses must avoid non-halal sources of income such as usury, gharar, and maysir. The SET perspective emphasizes that business must be conducted within the corridors of Islamic law to obtain blessings. The Islamic Income vs Non-Islamic Income Ratio (IIcR) measures the proportion of income obtained from sources that comply with Islamic principles compared to income derived from sources that do not comply with Sharia. (Indah et al., 2023) . Research related to the Islamic Income vs Non-Islamic Income Ratio (IIcR) conducted by Rini Hayati Lubis and Nurul Izzah (2020) entitled Islamic Bank Performance with Islamicity Performance Index. In this study, the IIcR ratios of BNI Syariah and BRI Syariah were compared using the Mann-Whitney test, and it was found that there was no difference in the IIcR ratio. Based on the entire development of the hypothesis of the relationship between variables, the following hypothesis is found:

H1: There is a significant difference in the Zakat Performance Ratio (ZPR) before and after the merger.
H2: There is a significant difference in the Profit-Sharing Ratio (PSR) before and after the merger.
H3: There is a significant difference in the Equitable Distribution Ratio (EDR) before and after the merger.
H4: There is a significant difference in Islamic Income vs Non-Islamic Income (IIcR) before and after the merger.

III. Research Method

This type of research uses a quantitative approach with a comparative study, where the data used is numerical data aimed at comparing the financial performance of BUMN Islamic Commercial Banks before and after the merger and its impact through the Islamic Performance Index approach. The population in this study

ISSN [Online]: 2776-6780

was Islamic commercial banks owned by BUMN before and after the merger, namely PT Bank BRI Syariah Tbk, PT Bank Syariah Mandiri, PT Bank BNI Syariah, and PT Bank Syariah Indonesia Tbk. The sampling technique in this study used saturated sampling technique, namely, researchers used all population members as samples. This was done because the population size was relatively small, allowing for generalizations with little error. The data used in this study are quarterly secondary data sourced from annual reports and financial reports of BUMN Islamic commercial banks before and after the merger for the period 2017-2024, obtained from the official website of PT Bank Syariah Indonesia Tbk https://www.bankbsi.co.id/. The data were collected and processed using Microsoft Excel 2010 and EViews 12. The Wilcoxon Signed Rank test was used in this study to test the hypothesis. The Wilcoxon Signed Rank Test is a non-parametric test for measuring the significance of differences between two paired groups of ordinal or interval-scaled data that are not normally distributed. Based on the criteria used in decision-making, the hypothesis is accepted if the probability value (p-value) is less than 0.05 and rejected if it is more than 0.05.

IV. Results and Discussion

4.1. Statistical Result

4.1.1 Descriptive Analysis

Table 1. Results of Descriptive Analysis

	Zakat Performance Ratio (ZPR)	Profit Sharing Ratio (PSR)	Equitable Distribution Ratio (EDR)	Islamic Income vs Non-Islamic Income Ratio (IIcR)
Mean	0.000375	0.955375	0.419780	0.999724
Median	0.000335	0.955037	0.276598	0.999777
Maximum	0.000587	0.982983	1.531872	0.999952
Minimum	0.000228	0.936107	-0.703652	0.999322

The analysis presented in Table 1 provides a descriptive statistical overview of financial performance indicators using the Islamic Performance Index performance measurement method in BUMN Islamic commercial banks before and after the merger. Zakat Performance Ratio (ZPR), Profit Sharing Ratio (PSR), Equitable Distribution Ratio (EDR), and Islamic Income vs Non-Islamic Income Ratio (IIcR). These four indicators show variations that reflect the characteristics of each ratio. In the Zakat Performance Ratio (ZPR), the average value (mean) is 0.000375, with a maximum value of 0.000587 and a minimum value of 0.000228. This value indicates that the proportion of zakat issued by banks to total assets is still tiny. This is reinforced by the median value 0.000335, which is not far from the mean value. Furthermore, the Profit-Sharing Ratio (PSR) ratio has an average (mean) value of 0.955375 with a maximum value of 0.982983, a minimum value of 0.936107, and a median value of 0.955037. This value indicates that the bank consistently provides a high portion of the operating results to customers. Then, the Equitable Distribution Ratio (EDR) has an average (mean) value of 0.419780 and a median of 0.276598, with a wide spread of values, from -0.703652 to 1.531872. The wide range of values and the median that is far below the mean indicate the existence of distribution inequality in some periods. The Islamic Income vs Non-Islamic Income Ratio (IIcR) shows very high and consistent results, with an average value (mean) of 0.999724 and a median of 0.999777. Likewise, the maximum and minimum values are not very different, namely 0.999952 and 0.999322, reflecting that almost all of the institution's income comes from halal activities and by sharia principles.

4.1.2. Normality Test

Table 2. Normality Test Result

Variables	Probability
Zakat Performance Ratio (ZPR)	0.204586

Variables	Probability
Profit Sharing Ratio (PSR)	0.645070
Equitable Distribution Ratio (EDR)	0.015123
Islamic Income vs Non-Islamic Income Ratio (IIcR)	0.199619

The normality test results in Table 2 show that the probability value (p-value) for the ZPR, PSR, and IIcR ratios is greater than 0.05, meaning the data is usually distributed. While in the EDR ratio, the p-value is less than 0.05, meaning the data is not normally distributed. So, it can be concluded that data testing cannot use parametric statistical tests; it must use non-parametric statistical tests through the Wilcoxon Signed Rank Test.

4.1.3. Wilcoxon Signed Rank test

Table 3. Wilcoxon Signed Rank Test Result

	Zakat Performance Ratio (ZPR)	Profit Sharing Ratio (PSR)	Equitable Distribution Ratio (EDR)	Islamic Income vs Non-Islamic Income Ratio (IIcR)
Wilcoxon	4.805337	4.2277692	0.207289	2.845513
Probability	0.0000	0.0000	0.8358	0.0044

The data in this study were measured on the same object but in two different conditions, so they are paired (before-after). The data did not meet the normality assumption, so the Wilcoxon Signed Rank Test was used as a non-parametric method to test whether there was a significant difference between the two conditions. This test was chosen because it can handle paired data without requiring the assumption of normal distribution, making it more suitable for the characteristics of the data being analyzed. This can help ascertain whether there is a significant difference between the indicators tested before and after the merger. As presented in Table 3, findings related to differences in financial ratios measured through the Islamic Performance Index approach in BUMN Islamic commercial banks before and after the merger can be concluded based on the results of the Wilcoxon Signed Rank Test conducted in this study. As a result, H0 is rejected and H1is accepted because the probability value (p-value) obtained for the Zakat Performance Ratio (ZPR) variable is 0.0000 smaller than 0.05. These results indicate a significant difference between BUMN Islamic commercial banks before and after the merger. Like the Zakat Performance Ratio (ZPR) variable, the probability value (p-value) for the Profit-Sharing Ratio (PSR) variable is 0.0000 smaller than 0.05, which indicates that H0is rejected and H2is accepted. This finding indicates a significant difference between BUMN Islamic commercial banks before and after the merger. Meanwhile, the probability value (p-value) for the Equitable Distribution Ratio (EDR) variable is greater than 0.05, which indicates that H0is accepted and H3is rejected. This result indicates no significant difference between BUMN Islamic commercial banks before and after the merger. This indicates that the EDR value does not show a consistent trend throughout the observation period. As for the Islamic Income vs Non-Islamic Income Ratio (IIcR), it shows that H0is rejected and H4is accepted because the probability value (p-value) obtained of 0.0044 is smaller than 0.05. This finding indicates a significant difference between BUMN Islamic commercial banks before and after the merger.

4.2. Discussion

4.2.1. Comparison of the Zakat Performance Ratio (ZPR) of BUMN Islamic Commercial Banks before and after the Merger.

Zakat Performance Ratio (ZPR) is an indicator that reflects the extent to which Islamic financial institutions can fulfill their zakat obligations optimally as part of social responsibility and implementation of the principle of wealth redistribution in Islam. Based on the analysis, the ZPR value shows a significant change after the merger, with a p-value of 0.0000. This indicates that the merged bank can better manage and

ISSN [Online]: 2776-6780

distribute zakat. This increase indicates an improvement in the social governance system and the institution's concern for the welfare of society, thus strengthening the social function of Islamic banks as agents of development based on Islamic values. This study's results align with Sharia enterprise theory, which explains that the first concept that leads to an understanding is that property stores the rights of others. This understanding certainly brings important changes in the terminology of sharia enterprise theory, which puts its premise to distribute wealth based on the participants' contribution (N. Putri et al., 2021). The contribution of these participants in the payment of zakat and the distribution of zakat is significant in increasing the social role of Islamic financial institutions and supporting the welfare distribution. In this context, direct stakeholders such as customers and employees are responsible for implementing zakat obligations, from collection to reporting. In contrast, indirect stakeholders such as the community, government, and amil zakat institutions play an indirect role by providing regulatory support, social control, and receiving benefits from zakat. However, this research does not align with previous research, which states that there is no difference in the ZPR ratio before and after the merger (Murtadha & Kornitasari, 2024).

4.2.2. Comparison of the Profit-Sharing Ratio (PSR) of BUMN Islamic Commercial Banks before and after the Merger.

Profit Sharing Ratio (PSR) measures the effectiveness of Islamic financial institutions in implementing a profit-sharing system between banks and customers, which is the main characteristic of sharia-based financing. The test results show that the PSR value has increased significantly with a p-value of 0.0000. This reflects that after the merger, the profit-sharing mechanism became more efficient and fairer regarding calculation and distribution. The increase in PSR indicates the success of the merged bank in managing financing more professionally and transparently, thus encouraging customer confidence and creating healthier and more equal economic relations in the sharia corridor. This study's results align with Sharia enterprise theory, which explains that stakeholders such as Khalifah Allah must cultivate resources and distribute them fairly to all creatures on this open earth (Please et al., 2022). This also shows that the institution does not solely seek unilateral profit but shares business results fairly with those who provide funds. In this context, direct stakeholders such as customers and employees are directly involved in the institution's operational and financing activities. They are entitled to the distribution of business results according to the principles of fairness and transparency. Meanwhile, indirect stakeholders such as the community, environment, and government are also an important part that must be considered, because they also receive social benefits from the institution's activities through the distribution of value that is not only economic, but also social and spiritual. This research is supported by previous research, which states that there are differences in the PSR ratio (Lubis & Izzah, 2020).

4.2.3. Comparison of the Equitable Distribution Ratio (EDR) of BUMN Islamic Commercial Banks before and after the Merger.

The Equitable Distribution Ratio (EDR) is an indicator that describes the extent to which income and wealth distribution is done equitably through Islamic financial activities. In the context of the merger, the EDR value did not increase significantly with a p-value of 0.8358, indicating no statistically significant difference between the EDR value before and after the merger of BUMN Islamic commercial banks. These results indicate that mergers do not significantly impact changes in the ratio of equitable distribution of wealth or income as reflected by EDR. This suggests that the social role of banks in distributing wealth fairly is still not optimal, so the primary function of Islamic financial institutions as agents of economic equality has not been fully achieved. Sharia enterprise theory explains that stakeholders, as khalifah Allah, are mandated to process resources and distribute them fairly to all creatures on this earth. Presenting financial statements that provide information about the value-added created by the company and the distribution of added value to the parties entitled to receive it(Please et al., 2022). Regarding direct stakeholders, such as customers and employees, the

EDR condition means that economic benefits and fair distribution of results have not improved significantly. As for indirect stakeholders, such as the general public and the government, the lack of improvement in EDR can hinder the bank's role in promoting economic equality and poverty alleviation, which are the main objectives of Islamic economics. This research is supported by previous research, which states that there is no difference in the EDR ratio (Lubis & Izzah, 2020).

4.2.4. Comparison of the Islamic Income vs Non-Islamic Income Ratio (IIcR) of BUMN Islamic Commercial Banks before and after the Merger.

The Islamic Income vs Non-Islamic Income Ratio (IIcR) measures the extent to which the income earned by the bank comes from sources that comply with sharia principles compared to non-halal sources. The analysis shows a significant change after the merger, with a p-value of 0.0044. This indicates that the merged bank succeeded in increasing the composition of halal income and minimizing income derived from non-Shariah activities. The increase in IIcR strongly reflects that the institution is committed to avoiding income from practices prohibited in Islam, such as *riba*, *maysir*, and *gharar*, which ultimately strengthens the integrity and reputation of the institution as a credible and trusted Islamic financial institution. The results of this study are in line with Sharia enterprise theory, which explains that the main objective of Islamic entities is not merely to pursue profit, but to fulfill spiritual responsibilities to God, social responsibilities to society, and ecological responsibilities to the environment (Please et al., 2022). According to Hameed, non-halal income, such as interest from placement of funds in conventional banks or late fees, although it may not be completely avoidable, in the SET framework, should be separated from the primary income and allocated to the benevolent fund (charity) as a form of moral responsibility. In this context, direct stakeholders such as customers and employees ensure that the company's income sources align with halal principles and can be accounted for in Sharia. Meanwhile, indirect stakeholders such as the community and the environment benefit from implementing this principle by managing benevolent funds that support social welfare and environmental preservation, thus creating a balance between economic, social, and spiritual interests in sharia business activities. However, the results of this study are not in line with previous research, which states that there is no difference in the IIcR ratio before and after the merger (Murtadha & Kornitasari, 2024).

4.2.5. The Impact of the Merger of BUMN Islamic Commercial Banks on the Islamic Performance Index.

The results showed that there has been a statistically significant improvement in performance on several IPI indicators. The Islamic Performance Index approach measures how well Islamic financial institutions fulfill sharia principles, including profitability and sharia compliance, distribution justice, and social responsibility. Based on the results of the Wilcoxon Sign Rank Test on four leading indicators, namely Zakat Performance Ratio (ZPR), Profit Sharing Ratio (PSR), Equitable Distribution Ratio (EDR), and Islamic Income vs Non Islamic Income Ratio (IIcR), all variables except Equitable Distribution Ratio (EDR), show a p-value of less than 0.05, which means there is a significant difference between the conditions before and after the merger in state-owned Islamic commercial banks. The results of the analysis of the Islamic Performance Index ratio measured by Zakat Performance Ratio (ZPR), Profit Sharing Ratio (PSR), and Islamic Income vs Non-Islamic Income (IIcR) indicate that the merger that occurred in BUMN Islamic commercial banks had a significant positive impact on the Islamic Performance Index. Three of the four ratios show a significant value of less than 0.05, which means there are fundamental changes before and after the merger statistically. However, the Equitable Distribution Ratio (EDR) has not significantly changed. More specifically, the increase in ZPR indicates that the merged institution can distribute zakat better, reflecting increased social contribution and alignment with the community. The increase in PSR indicates an improvement in a more efficient and fair profit-sharing mechanism between the institution and the customers, which impacts increasing public trust and participation in the Islamic financing system. IIcR also shows that the merged institution has succeeded in optimizing revenue from sharia-compliant sources and reducing reliance on non-halal revenue, thus

ISSN [Online]: 2776-6780

strengthening integrity and compliance with Islamic principles. Meanwhile, EDR has not shown a statistical change, so the merger has no significant impact on EDR, indicating that the bank merger process has not been able to increase the bank's role in distributing economic benefits inclusively and fairly to all stakeholders. Overall, the merger of BUMN Islamic commercial banks has a significant positive impact on most components of the Islamic Performance Index, especially regarding the efficiency of zakat management, an increase in profit-sharing-based financing, and income from Islamic activities. However, to achieve holistic and sustainable Islamic performance, strategies and policies need to focus more on improving the distribution of economic justice so that the equity aspect of the Islamic Performance Index can also be optimally realized post-merger.

V. Conclusion

Based on the research results, it can be concluded that mergers that occur in BUMN Islamic commercial banks have a significant positive impact on most Islamic financial performance measured through the Islamic Performance Index (IPI) approach. Three of the four IPI indicators, namely Zakat Performance Ratio (ZPR), Profit Sharing Ratio (PSR), and Islamic Income vs Non-Islamic Income Ratio (IIcR), show a statistically significant difference between pre- and post-merger conditions, as indicated by the Wilcoxon Signed Rank Test results with a p-value of less than 0.05. This indicates an improvement in the management of zakat, efficiency of the profit-sharing mechanism, and commitment to sharia-compliant income. This improvement aligns with the principles of Sharia Enterprise Theory, which emphasizes the social and spiritual responsibilities of Islamic financial institutions. However, no significant difference was found in the Equitable Distribution Ratio (EDR) indicator, which indicates that the aspect of equitable distribution of wealth has not undergone significant changes post-merger. Thus, although mergers positively impact sharia compliance and certain social functions, further strategies are needed to optimize the equitable distribution aspect so that the Islamic Performance Index can be achieved comprehensively and sustainably.

References

Afnani, S. A., & Suselo, D. (2024). Analisis Kinerja Keuangan Perbankan Syariah Indonesia Sebelum dan Sesudah Merger Bank Syariah Indonesia. Al-Kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah, 6(4), 5161–5176. https://doi.org/10.47467/alkharaj.v6i4.1089

Amirudin, A., Muchran, M., & Rustan, R. (2024). Performance Finance from the Perspective of Standard Financial Ratio Limits and Good Corporate Governance in Banking Sector Shares. Golden Ratio of Finance Management, 4(2), 161–174. https://doi.org/10.52970/grfm.v4i2.427

Anggraeni, W. A. (2019). Social Performance pada Perbankan Syariah Indonesia: Sharia Enterprise Theory Perspective. Jurnal Wacana Ekonomi, 18(2), 100–108.

Asyifa, Z., Zulfajrin, & Abdullah, M. W. (2023). Syariah Enterprise Theory (SET): Tinjauan Konsep dan Implikasinya pada Lembaga Sedekah Jumat Pekan. Jurnal Kajian Ekonomi Dan Perbankan Syariah, 2(1), 57–68.

Bank Syariah Indonesia. (2021). Sejarah Perseroan. https://ir.bankbsi.co.id/corporate_history.html

Departemen Pengelolaan dan Data Statistik Otoritas Jasa Keuangan. (2021). Statistik Perbankan Syariah Januari 2021. Otoritas Jasa Keuangan.

Departemen Pengelolaan dan Data Statistik Otoritas Jasa Keuangan. (2024). Statistik Perbankan Syariah September 2024. Otoritas Jasa Keuangan.

Fatmawatie, N. (2021). Implementing The Islamic Performance Index Approach to Analysis of Sharia Banking Financial Performance In Indonesia. Iqtishoduna, 17(1), 17–30. https://doi.org/10.18860/iq.v17i1.10645

Hameed, S., Wirman, A., Alrazi, B., Nazli, M., & Pramono, S. (2004). Alternative Disclosure and Performance Measures for Islamic Banks. Second Conference on Administrative Sciences: Meeting the Challenges of the Globalization Age, King Fahd University of Petroleum & Minerals, Dhahran, Saudi Arabia, 19–21.

Indah, Ramadhan, A., & Rahmawati. (2023). Pengaruh Islamicity Performance Index Terhadap Profitabilitas Bank Syariah Di Indonesia. JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi), 14(2), 468–477.

iscussion section? In Tu̇rk u̇roloji dergisi (Vol. 39, Issue 1, p. 20). https://doi.org/10.5152/tud.2013.049

Jamaluddin. (2021). Implementasi Shariah Enterprise Theory (SET) Dalam Peusahaan Manufaktur. Jurnal Ilmu Ekonomi Dan Bisnis Islam - JIEBI, 3(2), 135–147. https://doi.org/10.4018/IJEGR.2018040104

Lestari, S. (2020). Pengaruh Sharia Compliance, Islamic Corporate Governance Terhadap Kinerja Keuangan Bank Umum Syariah. Al-Sharf Jurnal Ekonomi Islam, 1(2), 123–142. https://doi.org/10.48144/neraca.v16i2.496

Lubis, R. H., & Izzah, N. (2020). Kinerja Bank Syariah Dengan Islamicity Performance Index. At-Tijaroh : Jurnal Ilmu Manajemen Dan Bisnis Islam, 6(1), 53–62.

Murtadha, A. M., & Kornitasari, Y. (2024). Analisis Kinerja Bank Syariah Indonesia Sebelum dan Setelah Merger: Pendekatan Islamicity Performance Index. Among Makarti, 17(1), 123–139.

Mutia, E., Jannah, R., & Rahmawaty. (2018). Islamicity Performance Index of Islamic Banking in Indonesia. Advances in Social Science, Education and Humanities Research, Atlantis Press, 292.

Nurjanah, A., Djatnika, D., Setiawan, I., & Kristianingsih. (2023). Analisis Perbandingan Profitabilitas Bank Syariah BUMN Sebelum dan Sesudah Merger Menjadi Bank Syariah Indonesia. Journal of Applied Islamic Economics and Finance, 3(2), 393–402. https://doi.org/10.35313/jaief.v3i2.3801

Otoritas Jasa Keuangan. (n.d.). Bank Umum. Otoritas Jasa Keuangan. Retrieved December 15, 2024, from https://ojk.go.id/id/kanal/perbankan/Pages/Bank-Umum.aspx

Pemerintah Indonesia. (2008). Undang-Undang Republik Indonesia Nomor 21 Tahun 2008 Tentang Perbankan Syariah.

Please, K., Tarigan, A. A., & Yafiz, M. (2022). Iwan Triyuwono 's Thoughts About The Concept Of Sharia Enterprise Theory In The Development Of Sharia Accounting Theory In Indonesia. Al-Masharif: Jurnal Ilmu Ekonomi Dan Keislaman, 10, 127–142.

Pratiwi, N., Sofyan, I. F., Muhlis, S., & Bulutoding, L. (2024). Kajian Komparatif Sharia Enterprise Theory Dengan Paradigma Bisnis Konvensional. El-Iqtishady: Jurnal Hukum Ekonomi Syariah, 6(1), 26–37.

Putri, N., Syaharuddin, S., & Suhartono, S. (2021). Tinjauan Alokasi Dana Non-Halal Dalam Perspektif Shariah Enterprise Theory. ISAFIR: Islamic Accounting and Finance Review, 2(1), 83–97. https://doi.org/10.24252/isafir.v2i1.20714

Putri, S. A., Dewindaru, D., & Nugraha, E. (2023). Analisis Kinerja Keuangan Bank Syariah Indonesia (BSI) Sebelum dan Setelah Merger (Analysis of the Financial Performance of Bank Syariah Indonesia (BSI) Before and After the Merger). Bukhori: Kajian Ekonomi Dan Keuangan Islam, 2(2), 85–94. https://doi.org/10.35912/bukhori.v2i2.1972

Rachman, A., Mandiri, D. P., Astuti, W., & Arkoyah, S. (2022). Tantangan Perkembangan Perbankan Syariah Di Indonesia. Journal Tabarru': Islamic Banking and Finance, 5(2), 352–365. https://doi.org/10.25299/jtb.2022.vol5(2).9505

Ramadhan, P., Mantiri, S. M., Rahayu, S., Dohan, & Dhammo, V. C. (2022). Kinerja Keuangan Perbankan Syariah Sebelum dan Setelah Merger 3 Bank Umum Syariah. Jurnal Buana Akuntansi, 7(2), 122–133. https://doi.org/10.36805/akuntansi.v7i2.2694

Rufaedah, D. A., Yazid, M., & Febriyanti, N. (2024). Analisis Kinerja Keuangan Bank Syariah Di Indonesia Berdasarkan Islamic Performance Index. Jurnal Akuntansi Dan Keuangan Islam, 12(1), 85–102.

Shimalaya, P., Hanif, H., & Etika, C. (2025). Performance of Islamic Banks: Assessment Using Sharia Maqashid Index (SMI), Syariah Conformity and Profitability (SCnP) in Indonesia for 2018-2023. Golden Ratio of Finance Management, 5(2), 270–278.

Trisela, I. P., & Pristiana, U. (2020). Analisis Perbandingan Kinerja Keuangan Bank Syariah Dengan Bank Konvensional Yang Terdaftar Di Bursa Efek Indonesia Periode 2014 - 2018. JEM17: Jurnal Ekonomi Manajemen, 5(2), 83–106. https://doi.org/10.30996/jem17.v5i2.4610

Wahidah, W. R., Muin, R., Abdullah, W., & Yusria Ningsih, W. (2024). Penerapan Akad dan Produk Perbankan Syariah di Lembaga Bank Syariah Indonesia (BSI). Economics and Digital Business Review, 5(2), 2024–2653. https://doi.org/10.37531/ecotal.v5i2.1302