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ANALYSIS OF FINANCIAL REPORT PERFORMANCE DURING A PANDEMIC COVID-19: CASE STUDY OF PT. BANK NEGARA INDONESIA (PERSERO), TBK

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ABSTRACT

Purpose: This study aims to determine the financial performance of PT. BNI (Persero) Tbk; the period of 2019, 2020 and 2021 with annual financial reports published in the annual report, OJK, and Bank Indonesia.

Design and Methodology: This study uses a descriptive quantitative approach that examines variables in measuring the quality of financial statements before COVID 19 and Post COVID 19 such as ROA, ROE, NPL, and LDR variables.

Finding: The results of processing research data such as ROA in 2019-2020, decreased by 1.12% from 2.55% to 1.43% and in the 2020-2021 period increased by 0.05%. Meanwhile, ROE decreased by 10.9 (2019-2020) and in 2020-2021 it increased by 5.86% from 3.96% to 9.82%. NPL gross 2019 was 1.87% then increased by 1.37% in 2020 to 3.24%. Meanwhile, in 2021 NPL gross increased by 0.67% from 3.24% in 2020 to 3.91% in 2021. NPL netto in 2019 was 0.84%, decreased by 0.24% in 2020. Meanwhile, in 2021 the NPL netto experienced a significant increase of 0.31% in 2020 worth 0.60% to 0.91% in 2021. The 2019 LDR of 93.61% experienced a decrease of 4.80% in 2020. Meanwhile, in 2021 LDR performance experienced a slight decrease of 0.61% from 2020 to 88.19% in 2021.

Research Implication: Financial performance of PT. BNI (Persero), Tbk. during the COVID-19 pandemic quite affected the financial performance of PT. BNI (Persero), Tbk. where in every financial performance that is examined has decreased. Some of the strategies used by PT. BNI (Persero), Tbk. to suppress the decline in financial performance is by temporarily relocating less productive outlets to productive ones, permanently closing unproductive outlets, taking turns open/closed for adjacent outlets, maintenance collection from credit units.

Originality: This comparative study compares financial performance before and after COVID 19.

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ANÁLISE DO DESEMPENHO DOS RELATÓRIOS FINANCEIROS DURANTE A PANDEMIA DE COVID-19: ESTUDO DE CASO DO PT. BANK NEGARA INDONESIA (PERSERO), TBK

RESUMO

Objetivo: Este estudo tem como objetivo determinar o desempenho financeiro do PT. BNI (Persero) Tbk; o período de 2019, 2020 e 2021 com relatórios financeiros anuais publicados no relatório anual, OJK e Bank Indonesia.

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Projeto e metodologia: Este estudo usa uma abordagem quantitativa descritiva que examina as variáveis na medição da qualidade das demonstrações financeiras antes da COVID 19 e depois da COVID 19, como as variáveis ROA, ROE, NPL e LDR.
Conclusões: Os resultados do processamento dos dados da pesquisa, como o ROA em 2019-2020, diminuíram 1,12%, de 2,55% para 1,43%, e no período de 2020-2021 aumentaram 0,05%. Enquanto isso, o ROE diminuiu 10,9 (2019-2020) e, em 2020-2021, aumentou 5,86%, de 3,96% para 9,82%. O NPL bruto de 2019 foi de 1,87% e depois aumentou 1,37% em 2020 para 3,24%. Enquanto isso, em 2021, o NPL bruto aumentou 0,67%, de 3,24% em 2020 para 3,91% em 2021. O NPL netto em 2019 foi de 0,84% e diminuiu 0,24% em 2020. Enquanto isso, em 2021, o NPL netto experimentou um aumento significativo de 0,31% em 2020, que valeu 0,60% para 0,91% em 2021. O LDR de 2019, de 93,61%, sofreu uma redução de 4,80% em 2020. Enquanto isso, em 2021, o desempenho do LDR sofreu uma ligeira redução de 0,61% de 2020 para 88,19% em 2021.
Implicações da pesquisa: O desempenho financeiro da PT. BNI (Persero), Tbk. durante a pandemia da COVID-19 afetou bastante o desempenho financeiro da PT. BNI (Persero), Tbk. onde em cada desempenho financeiro que é examinado diminuiu. Algumas das estratégias usadas pela PT. BNI (Persero), Tbk. para suprimir o declínio no desempenho financeiro são a realocação temporária de pontos de venda menos produtivos para pontos de venda produtivos, o fechamento permanente de pontos de venda improdutivos, o revezamento de abertura/fechamento de pontos de venda adjacentes e a cobrança de manutenção de unidades de crédito.
Originalidade: Este estudo comparativo compara o desempenho financeiro antes e depois da COVID 19.

Palavras-chave: Banco, COVID-19, Desempenho, Demonstrações Financeiras, Eficiência.

ANÁLISIS DE LOS RESULTADOS DE LA INFORMACIÓN FINANCIERA DURANTE LA PANDEMIA DE COVID-19: ESTUDIO DE CASO DEL PT. BANK NEGARA INDONESIA (PERSERO), TBK

RESUMEN
Objetivo: Este estudio pretende determinar el rendimiento financiero de PT. BNI (Persero) Tbk; el período de 2019, 2020 y 2021 con los informes financieros anuales publicados en el informe anual, OJK y Bank Indonesia.
Diseño y metodología: Este estudio utiliza un enfoque cuantitativo descriptivo que examina las variables en la medición de la calidad de los estados financieros antes de COVID 19 y después de COVID 19, como las variables ROA, ROE, NPL y LDR.
Conclusiones: Los resultados del procesamiento de los datos de la investigación, tales como el ROA en 2019-2020 disminuyó en un 1,12% de 2,55% a 1,43%, y en el período 2020-2021 aumentó en un 0,05%. Mientras tanto, el ROE disminuyó un 10,9 (2019-2020) y en 2020-2021 aumentó un 5,86% del 3,96% al 9,82%. La morosidad bruta en 2019 fue del 1,87% y luego aumentó un 1,37% en 2020 hasta el 3,24%. Mientras, en 2021, la morosidad bruta aumentó un 0,67%, pasando del 3,24% en 2020 al 3,91% en 2021. La morosidad neta en 2019 fue del 0,84% y disminuyó un 0,24% en 2020. Mientras, en 2021, la mora neta experimentó un aumento significativo, pasando del 0,31% en 2020, que valía el 0,60%, al 0,91% en 2021. La mora de 2019, del 93,61%, experimentó una reducción del 4,80% en 2020. Mientras tanto, en 2021, el rendimiento LDR se redujo ligeramente del 0,61% en 2020 al 88,19% en 2021.
Implicaciones de la investigación: El rendimiento financiero de PT. BNI (Persero), Tbk. durante la pandemia de COVID-19 afectó en gran medida al rendimiento financiero de PT. BNI (Persero), Tbk. donde en cada rendimiento financiero que se examina disminuyó. Algunas de las estrategias utilizadas por PT. BNI (Persero), Tbk. para suprimir el descenso de los resultados financieros son la reubicación temporal de los puntos de venta menos productivos en puntos de venta productivos, el cierre permanente de los puntos de venta improductivos, la apertura/cierre por turnos de puntos de venta adyacentes y el cobro por el mantenimiento de las unidades de crédito.
Originalidad: Este estudio comparativo compara los resultados financieros antes y después de la COVID 19.

Palabras clave: Banco, COVID-19, Rendimiento, Estados Financieros, Eficiencia.

INTRODUCTION

The COVID-19 pandemic first occurred in Wuhan, China at the end of December 2019. Several months later, cases related to this virus began to spread and infect people in various countries. The overall COVID-19 outbreak has had a devastating impact on most companies.

Many companies have experienced a decline in profits, even suffered losses during the COVID-19 pandemic (Raj, 2022); (Al-Hyari, 2023) (Widarni & Bawono, 2023). This condition is certainly bad news for investors because the company's condition has become uncertain and unstable. This condition will be responded negatively by investors, which in turn will have an impact on the company's financial performance. The government, in this case the Fiscal Policy Agency, the Ministry of Finance, conducted an analysis of the impact of the COVID-19 pandemic which was carried out using a dynamic microsimulation model designed to estimate the indicators of the Sustainable Development Goals, using the National Socio-Economic Survey (Susenas) and macroeconomic projections (Malikah, 2021). Against the economic shocks caused by the COVID-19 pandemic on child poverty and the success of social protection programs to reduce these impacts. The crisis had a significant impact on Indonesia's economic growth and poverty reduction efforts (Asriati et al. 2022). The Indonesian government has implemented an emergency fiscal stimulus package and temporarily expanded its social assistance program to help low-income families during the crisis.

The statement "Krisna (2018) in signal theory states that the sign that the company has been operating well can be reflected in good financial statements as well" suggests that according to signal theory as discussed by Krisna in 2018, a company's good financial performance is a positive indicator of its overall operational success. In other words, financial statements can be seen as a signal to investors and other stakeholders that the company is performing well and is likely to continue to do so in the future. This idea assumes that a company's financial performance is closely tied to its operational performance and that good financial results reflect effective management, efficient processes, and a strong competitive position in the market. The information presented in the financial statements is an important element for investors and businesspeople in making decisions because it presents information, records of past, current and future conditions" highlights the crucial role of financial statements in aiding decision-making for investors and businesspeople. Financial statements provide a comprehensive and standardized summary of a company's financial performance and position, which can be used to assess its overall health and potential for future growth.

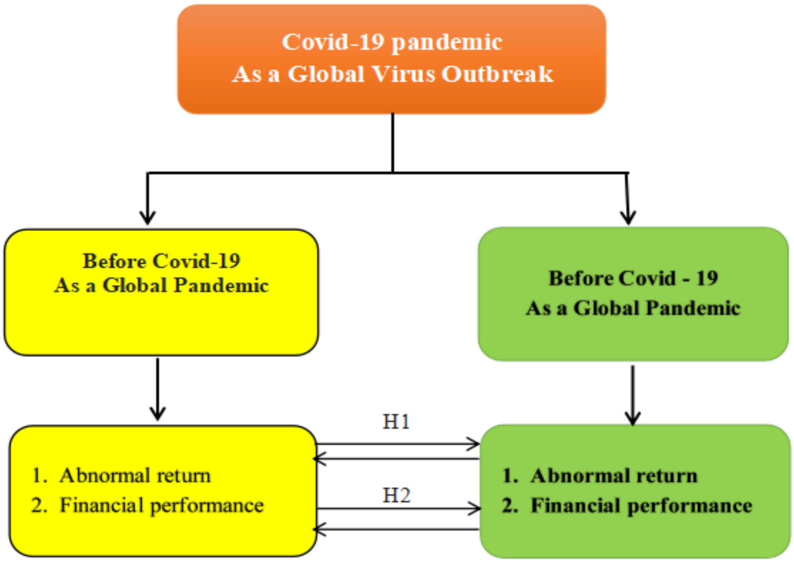
By analyzing financial statements, investors can make informed decisions about whether to invest in a particular company, by evaluating the company's profitability, liquidity, solvency, and overall financial health. Similarly, businesspeople can use financial statements to monitor their own financial performance, identify areas of strength and weakness, and make strategic decisions about the future direction of their business. The information contained in financial statements includes historical data, such as income statements and balance sheets, which provide insight into past performance, as well as forward-looking data, such as cash flow projections, which can help investors and businesspeople anticipate future conditions. As such, financial statements are a critical tool for anyone seeking to make informed decisions about their financial investments and business operations. This information will be responded by the market as a signal of good news or bad news. Company information that indicates a good news signal will increase the company's stock price, and vice versa. A study by Bateni (2014) to see how far the company's performance after the monetary crisis in 1998 contained an increase in the current ratio, which shows that the company can pay off its short-term obligations when they fall due so that the creditor's position is getting better" highlights the research conducted by Bateni in 2014 on the impact of the 1998 monetary crisis on the performance of companies. The study aimed to examine how well companies were able to manage their short-term financial obligations in the aftermath of the crisis. One of the measures used to assess a company's ability to meet its short-term obligations is the current ratio, which compares current assets to current liabilities. A higher current ratio indicates that a company has a greater ability to pay off its short-term debts when they fall due. Bateni's study found that the companies that were able to increase their current ratio in the post-crisis period were better able to manage their short-term financial obligations, which in turn improved the position of their creditors.

The study suggests that the ability of companies to manage their short-term financial obligations is an important factor in determining their overall financial health and resilience, particularly in times of economic crisis. The current ratio, along with other financial ratios, can provide valuable insights into a company's liquidity, solvency, and overall financial performance, and can help investors and other stakeholders make informed decisions about the company's prospects for future growth and success. This means that the company's money can monitor working capital items carefully, as well as a decrease in the solvency ratio, namely measuring the ratio of debt to equity and the balance of debt to total assets compared to the internal average. Shows risk reduction in the form of the company's inability to pay all obligations without reducing interest payments to creditors, thereby increasing the company's debt repayment rate. Likewise, research by Dreca (2013) to measure the level of company performance, obtained fluctuations in liquidity to changes in working capital every year and solvency is always above 100%, and fluctuations in profitability are caused by inefficient use of funds and costs in the company" highlights the research conducted by Dreca in 2013 to measure the performance of a company. The study examined the fluctuations in liquidity, solvency, and profitability of the company, and sought to identify the factors that contributed to these fluctuations.

Liquidity refers to a company's ability to meet its short-term financial obligations, and is typically measured by the working capital ratio, which compares current assets to current liabilities. Fluctuations in liquidity may indicate that a company is experiencing changes in its short-term cash flow and may need to take steps to manage its working capital more effectively. Solvency, on the other hand, refers to a company's ability to meet its long-term financial obligations, and is typically measured by the debt-to-equity ratio, which compares a company's debt to its equity. A solvency ratio above 100% indicates that a company has more assets than liabilities and is in a strong financial position. Finally, profitability refers to a company's ability to generate profits from its operations, and is typically measured by the net profit margin, which compares a company's net income to its revenue. Fluctuations in profitability may indicate that a company is experiencing inefficiencies in its use of funds, or that it is experiencing high costs that are impacting its ability to generate profits.

Overall, Dreca's study suggests that a company's performance can be measured by analyzing fluctuations in liquidity, solvency, and profitability, and by identifying the factors that contribute to these fluctuations. By monitoring these financial ratios over time, companies can identify areas of strength and weakness, and take steps to improve their financial performance and position. In this study, there are three ratios used to measure the bank's financial performance, namely the ratio of liquidity, solvency, and profitability. In this study, it was found that PT. BNI (Persero) Tbk tends to try to maintain and even improve its financial performance in the last three years in various ways including temporarily relocating less productive units/branches to more productive branches, permanently closing unproductive outlets/branches, opening/closing in turns. for adjacent outlets/branches, maintenance and collection both from funding units and credit units, as well as rationalization by means of prudential banking for employees who are considered less productive.

Figure 1. Conceptual Framework



Banks as intermediary financial institutions that operate by collecting funds from the public in the form of savings, current accounts and deposits and channeling these funds back to people who need them in the form of credit/loans with the aim of improving the welfare of the community itself (UU RI, No. 10 of 1998).). The banking industry and society itself must maintain good financial performance for the sake of operational continuity. The function of this bank is very important to maintain public trust in saving their funds in the bank. If the bank is unable to maintain its financial performance properly, the bank concerned will be declared unhealthy so that public confidence in saving their funds will decrease or even disappear. This condition will have a systematic impact on business continuity banks and public trust in the banking world (Smaoui & Ghouma, 2020). The long-term effect can make the bank concerned unable to develop and even be liquidated due to lack of operational funds to meet various obligations.

The bank's financial performance analysis will analyze financial performance with a high level of prudence (prudential banking) with the aim of knowing the actual condition of the bank, so that stakeholders will get a real picture of the company's performance that is whether the bank in question is in an improving condition, conservative, or not. may get worse. In this case, interested parties such as the public will estimate the financial performance in the next period. However, there will still be an element of uncertainty in it. every company, both large and small, profit-oriented and non-profit, will pay great attention to the company's finances (Geogescu Ruliana, 2014). Activity restrictions due to the COVID-19 pandemic have affected economic activity nationally in all business activities without exception which have an impact on the economic sector. Agum, C. W., et al, (2020) stated that the overall COVID-19 outbreak had a negative impact on most companies. Many companies have experienced a decline in financial performance, even experiencing losses during the COVID-19 pandemic" highlights the research conducted by Agum in 2020, which aimed to investigate the impact of the COVID-19 pandemic on companies' financial performance. The study found that the overall outbreak of COVID-19 had a negative impact on most companies, with many experiencing a decline in financial performance and even losses. The pandemic had a significant impact on supply chains, customer demand, and business operations, leading to reduced revenue and increased costs. Industries such as tourism, hospitality, and transportation were among the hardest hit, with many companies in these sectors experiencing significant financial losses.

The findings of this study suggest that the COVID-19 pandemic has had a significant impact on the financial performance of companies, highlighting the need for companies to be resilient and adaptable in the face of unexpected events. Companies that can manage their costs effectively, innovate their business models, and diversify their revenue streams may be better equipped to weather the challenges posed by the pandemic and other unexpected events in the future. This condition is certainly bad news for investors because the company's condition becomes uncertain and unstable. This condition will be responded negatively by investors. The urgency of this research is as a proof-of-concept that external risk factors in the risk profile can affect the soundness of the bank. This is because companies, including banks, need to periodically analyze their performance to find out their business conditions and determine government policies through POJK in the future. President Joko Widodo stated in his speech that “the COVID-19 pandemic is a heavy blow to the Indonesian economy. Not only that, but the pandemic has also caused world economic growth to slow down.” In connection with this, the authors conducted research that: (1). What is the impact of the COVID-19 pandemic on the financial performance of PT. Bank BNI, especially in terms of asset growth, net income, and financial health ratios; (2). What factors affect the financial performance of PT. Bank BNI during the COVID-19 pandemic, and how can the company adjust its business strategy to overcome this challenge; (3). How does the COVID-19 pandemic affect the demand for and supply of PT. Bank BNI, and how does the company respond to these changes in terms of improving financial performance; (4). What are the policies implemented by the government and regulators to reduce the impact of COVID-19 on the banking sector, and how do they impact the financial performance of PT. Bank BNI; (5). How PT. Can Bank BNI optimize its financial performance during the COVID-19 pandemic by utilizing technology and innovation in its banking services.

RESEARCH METHOD

Based on the data, this type of research is quantitative research with quantitative data measurement and objective statistics through scientific calculations using statistical data analysis and interpretation. The relationship of the variables is causal where the research data is in the form of numbers and the analysis uses statistics (Sugiyono, 2010). The sample taken in this study is PT. Bank Negara Indonesia (Persero) Tbk, is one of the SOEs that has a good reputation and has outlets throughout Indonesia and even abroad. The financial reports used as data sources are published financial reports for the period 2019 - 2021. Meanwhile, based on the data sources, this type of research is library research, in which this research focuses on the results of data collection from libraries, websites related to object of research.

This research uses descriptive and verification analysis. Verificative analysis using 2 approaches, namely, comparative research is research conducted for the purpose of comparing one sample with another sample, either independent or paired samples and correlational and causal research including associative research, namely research conducted for the purpose of analyzing the relationship or influence between two or more variables. If it only aims to analyze the relationship between variables, it is called correlational research (Heryana, 2020). Sources of research data can be divided into two, namely: (1). Data obtained directly from the main source, namely PT. BNI (Persero), Tbk. which is the object of this research. (2). Are data obtained from a second source and is a complement to the main or primary data. In this case, secondary data is in the form of annual reports, research results, scientific works, articles and other literature as well as information related to research topics. Completely collected data from observations through the analysis process and compiled through several stages to form a conclusion from the right analysis. The stages of data processing and analysis that the researchers did were editing, classification, analysis and conclusion.

Data editing is carried out to complete deficiencies and or eliminate errors contained in the data that has been collected from the field. After editing, the researchers grouped the data, both data obtained from observations and other related data. So that the data obtained really contains the existing problems, and then the researchers group the data based on the research focus. After grouping the data, the researchers then analyzed the research data by the aim is to make the data that has been obtained easier to understand. Then the researcher makes conclusions that produce a concise, clear and precise picture. To be able to obtain the validity of the data using the triangulation method, the researchers did the following: (1). Conducting discussions with bank officers related to the research carried out; (2). Clarifying data with various data sources (3). Utilizing various methods so that checking the validity of the data can be carried out. This assessment is carried out to find out how the bank's financial performance in the last few periods, namely before the pandemic, during the pandemic and the new normal. That this will be useful in describing financial performance has an important role in the continuity of the bank's business so that in this study a quantitative descriptive approach is used. This study uses financial ratios such as ROA, ROE, NPL gross, NPL nett, LDR ratios while still paying attention to the standard deviation which reflects the deviation that occurs.

RESULTS AND DISCUSSION

Descriptive Statistics

The variables used to include Return on Assets (ROA), Return on Equity (ROE), Non-Performing Loans (gross NPL), Non-Performing Loans (net NPL), and Loan to Deposit Ratio (LDR). The following are descriptive statistics of each financial risk performance variable used in this study during the pre-COVID-19 (2019) pandemic, the COVID-19 pandemic (2020) and after the COVID-19 pandemic (2021):

Table 1. Descriptive Statistics

Variable	N	Average (COVID-19 Pandemic Condition)			Minimum Value (COVID-19 Pandemic Conditions)			Maximum Value (COVID-19 Pandemic Conditions)			Std Deviation (COVID-19 Pandemic Conditions)		
		Before	Time	After	Before	Time	After	Before	Time	After	Before	Time	After
ROA	12	2.55	1.43	1.48	2.40	0.37	0.77	2.73	2.65	1.67	0.11	0.94	0.23
ROE	12	14.86	3.96	9.82	14.06	1.08	7.77	15.92	8.74	10.55	0.58	2.34	0.76
NPL Bruto	12	1.87	3.24	3.91	1.62	2.30	3.65	2.27	4.35	4.27	0.19	0.72	0.21
NPL Net	12	0.84	0.60	0.91	0.67	0.28	0.73	1.25	0.95	1.03	0.17	0.18	0.08
LDR	12	93.61	88.80	88,19	89.45	83.04	85.14	96.86	93.27	91.03	2.54	3.53	1.65

Source: Data Processed by Author (2023)

Based on Table. 1 shows the value of N or the amount of data studied is time series data for 12 months for each cycle, before, during and after the COVID-19 pandemic. ROA which had the largest average before the COVID-19 pandemic, which was 2.55%. While the minimum and maximum ROA values were greatest before the COVID-19 pandemic, respectively 2.4% and 2.73%. Then, the highest standard deviation value during the COVID-19 pandemic was

0.94%, so that during the pandemic it tends to be the distribution of data every month experiences conditions of fluctuating variations compared to data before and after the COVID-19 pandemic.

ROE which had the largest average before the COVID-19 pandemic, which was 14.86%. While the minimum and maximum ROE values were greatest before the COVID-19 pandemic, respectively 14.06% and 15.92%, respectively. Then, the highest standard deviation value during the COVID-19 pandemic was 2.34%, so that during the pandemic period the data distribution tends to experience fluctuating variations in conditions compared to data before and after the COVID-19 pandemic. Gross NPL which has the largest average after the COVID-19 pandemic, which is 3.91%. Meanwhile, the minimum value of Gross NPL is greatest after the COVID-19 pandemic is 3.65% and the maximum value of Gross NPL is greatest during the COVID-19 pandemic of 4.35%. Then, the highest standard deviation value during the COVID-19 pandemic was 0.72%, so that during the pandemic period the data distribution tends to experience fluctuating variations compared to data before and after the COVID-19 pandemic. NPL Netto which has the highest average after the COVID-19 pandemic, which is 0.91%. While the minimum NPL Netto value was greatest at the time after the COVID-19 pandemic was 0.73% and the maximum NPL Netto value was greatest before the COVID-19 pandemic was 1.25%. Then, the highest standard deviation value during the COVID-19 pandemic was 0.18%, so that during the pandemic period the data distribution tends to experience fluctuating variations compared to data before and after the COVID-19 pandemic. LDR which has the largest average after the COVID-19 pandemic, which is 93.61%. While the minimum and maximum LDR values were greatest before the COVID-19 pandemic, respectively 89.45% and 96.86%, respectively. Then, the highest standard deviation value during the COVID-19 pandemic was 3.53%, so that during the pandemic period the data distribution tends to experience fluctuating variations compared to data before and after the COVID-19 pandemic.

Normal Distribution Test

The results of the Normal Distribution Test for all variables from 2019-2021 for 12 months are shown in the table 2 as follows:

Table 2. Normality Test with Kolmogorov Smirnov Test

Variable	Kolmogorov-Smirnov (Z)			Probability (Asymp. Sig. 2-tailed)		
	2019	2020	2021	2019	2020	2021
ROA	0,46	0,767	1,335	0,980	0,599	0,057
ROE	0,306	0,545	0,852	1,000	0,928	0,463

NPL Bruto	0,484	0,544	0,539	0,973	0,929	0,934
NPL Net	0,792	0,622	0,479	0,557	0,834	0,976
LDR	0,443	0,584	0,737	0,989	0,885	0,650

Source: Data Processed by Author (2023)

Based on Table 2 it can be concluded that all variables, namely ROA, ROE, NPL Bruto, NPL Netto and LDR from 2019-2021 have significant probability values (Asymp. Sig) greater than α= 0.05, so it can be concluded that all data are not normally distributed and also research observations are quite few and limited. Thus, a comparative test using non-parametric analysis with the Wilcoxon test will be used to compare paired data between the years before the COVID-19 pandemic (2019), the COVID-19 pandemic (2020) and after the COVID-19 pandemic (2021).

Wilcoxon Signed Rank test for comparative test of financial performance before and, during and after the COVID-19 pandemic.

By using SPPS 22 the Wilcoxon test results are obtained which are presented in the table as follows:

Table 3. Wilcoxon Test Comparative ROA 2019 with 2020 and 2021 with 2020

Financial Performance	Z	Asymp.Sig
ROA_2019 x ROA_2020	-2,981	0.003
ROA_2021 x ROA_2020	0.000	1.000

Source: Data Processed by Author (2023)

Based on Table 3 shows that the probability value (Asymp.Sig) of the comparison of ROA financial performance in 2019 with 2020 is 0.003 < α= 5%, then H0 is rejected, meaning that there is a difference between the performance of Return On Assets before the COVID-19 Pandemic (in 2019) during the COVID-19 pandemic (in 2020). Meanwhile, the probability value (Asymp.Sig) comparing the financial performance of ROA in 2021 with 2020 is 1,000 >α=5%, then H0 is accepted, meaning that there is no difference between the performance of Return on Assets before the COVID-19 pandemic (in 2020) and the period of return on assets. COVID-19 pandemic (Year 2021). This can be explained in Table. 4 ROA Financial Performance between 2019 to 2020 and 2020 to 2021.

Table 4. ROA Performance 2019 with 2020 and 2020 with 2021

Variable	2019 year 2020				2020 year 2021			
	Before the COVID-	COVID-19	Change	Information	Before the COVID-	COVID-19	Change	Information

	19 Pandemic	Pandemic Period			19 Pandemic	Pandemic Period		
ROA (%)	2.55	1.43	- 1.12	Decrease	1.43	1.48	0.05	Increase

Source: Data Processed by Author (2023)

Based on Table. 4 obtained ROA in 2019 of 2.55% then decreased by 1.12% in 2020 which was the period of the COVID-19 pandemic to 1.43%. Meanwhile, in 2021 ROE performance after the COVID-19 pandemic increased slightly by 0.05% from 2020 to 1.48% in 2021.

Table 5. Wilcoxon Test Comparative ROE 2019 with 2020 and 2021 with 2020

Financial Performance	Z	Asymp.Sig
ROE_2019 Dengan ROE_2020	-3,059	0,002
ROE_2021 Dengan ROE_2020	-3,059	0,002

Source: Data Processed by Author (2023)

Based on Table. 5 shows that the probability value (Asymp.Sig) of the comparison of ROE financial performance in 2019 with 2020 is 0.002 <α=5%, then H0 is rejected, meaning that there is a difference between the performance of Return on Equity before the COVID-19 Pandemic (in 2019) and the period COVID-19 pandemic (year 2020). Meanwhile, the probability value (Asymp.Sig) comparing the financial performance of ROE in 2021 with 2020 is 0.002 < = 5%, then H0 is rejected, meaning that there is a difference between the performance of Return on Equity before the COVID-19 Pandemic (in 2020) and the pandemic period. COVID-19 (Year 2021).

Table 6. ROE Performance Changes 2019 with 2020 and 2021 with 2020

Variable	2019 year 2020				2020 year 2021			
	Before the COVID-19 Pandemic	COVID-19 Pandemic Period	Change	Information	Before the COVID-19 Pandemic	COVID-19 Pandemic Period	Change	Information
ROE (%)	14.86	3.96	- 10.90	Decrease	3.96	9.82	5.86	Increase

Source: Data Processed by Author (2023)

Based on Table. 6 obtained ROE in 2019 of 14.86% then experienced a sharp decline of 10.90% in 2020 which was the period of the COVID-19 pandemic to 3.96%. Meanwhile, in 2021 ROE performance after the COVID-19 pandemic experienced a significant increase again by 5.86% from 2020 to 9.82% in 2021.

Table 7. Wilcoxon Test Gross NPL Comparison 2019 with 2020 and 2021 with 2020

Financial Performance	Z	Asymp.Sig
NPL BRUTO_2019 x NPL BRUTO_2020	-3,059	0,002
NPL BRUTO_2021 x NPL BRUTO_2020	-1,961	0,05

Source: Data Processed by Author (2023)

Based on Table. 7 shows that the probability value (Asymp.Sig) comparing the financial performance of NPL (gross) in 2019 with 2020 is 0.002 < = 5%, then H0 is rejected, meaning that there is a difference between the performance of Non-Performing Loans (gross) before the COVID-19 Pandemic. (In 2019) with the COVID-19 pandemic period (Year 2020). Meanwhile, the probability value (Asymp.Sig) comparing the financial performance of NPL (gross) in 2021 with 2020 is 0.05 = 5%, then H0 is rejected, meaning that there is a difference between the performance of Non-Performing Loans (gross) before the COVID-19 pandemic (Year 2020) with the COVID-19 pandemic period (Year 2021). This can be explained in Table. 8 Financial Performance of NPL (gross) between 2019 to 2020 and 2020 to 2021 as follows:

Table 8. Changes in Gross NPL Performance 2019 with 2020 and 2021 with 2020

Variable	2019 year 2020				2020 year 2021			
	Before the COVID-19 Pandemic	COVID-19 Pandemic Period	Change	Information	Before the COVID-19 Pandemic	COVID-19 Pandemic Period	Change	Information
NPL BRUTO (%)	1,87	3,24	1,37	Decrease	3,24	3,91	0,67	Increase

Source: Data Processed by Author (2023)

Based on Table. 8 obtained NPL (gross) in 2019 of 1.87% then increased by 1.37% in 2020 which was the COVID-19 pandemic period to 3.24%. Meanwhile, in 2021 the performance of NPL (gross) after the COVID-19 pandemic still slightly increased by 0.67% from 2020 to 3.91% in 2021.

Table 9. Wilcoxon Test Comparative NPL NETTO 2019 with 2020 and 2021 with 2020

Financial Performance	Z	Asymp.Sig
NPL NETTO_2019 x NPL NETTO_2020	-3,061	0,002
NPL NETTO_2021 x NPL NETTO_2020	-2,747	0,006

Source: Data Processed by Author (2023)

Based on Table. 9 shows that the probability value (Asymp.Sig) of the comparison of NPL (net) financial performance in 2019 with 2020 is 0.002 < = 5%, then H0 is rejected, meaning that there is a difference between the performance of Non-Performing Loans (net) before the COVID-19 pandemic (In 2019) with the COVID-19 pandemic period (Year 2020). Meanwhile, the probability value (Asymp.Sig) comparing the financial performance of NPL (net) in 2021 with 2020 is 0.006 < = 5%, then H0 is rejected, meaning that there is a difference between the performance of Non-Performing Loans (net) before the COVID-19 pandemic (Year 2020) with the COVID-19 pandemic period (Year 2021).

Table 10. Changes in NET NPL Performance Variable Year 2019 to 2020 Year 2021 to 2020

Variable	2019 year 2020				2020 year 2021			
	Before the COVID-19 Pandemic	COVID-19 Pandemic Period	Change	Information	Before the COVID-19 Pandemic	COVID-19 Pandemic Period	Change	Informa tion
NPL NETTO (%)	0,84	0,60	0,24	Decrease	0,60	0,91	0,31	Increase

Source: Data Processed by Author (2023)

Based on Table 10, the NPL (net) in 2019 was 0.84% and then decreased by 0.24% in 2020 which was the period of the COVID-19 pandemic to 0.60%. Meanwhile, in 2021 the NPL (net) performance after the COVID-19 pandemic experienced a significant increase of 0.31% from 2020 to 0.91% in 2021.

Table 11. LDR Comparative Wilcoxon Test 2019 with 2020 and 2021 with 2020

Financial Performance	Z	Asymp.Sig
LDR_2019 x LDR_2020	-2,353	0,019
LDR_2021 x LDR_2020	-0,549	0,584

Source: Data Processed by Author (2023)

Based on Table 10, the NPL (net) in 2019 was 0.84% and then decreased by 0.24% in 2020 which was the period of the COVID-19 pandemic to 0.60%. Meanwhile, in 2021 the NPL (net) performance after the COVID-19 pandemic experienced a significant increase of 0.31% from 2020 to 0.91% in 2021.

Table 12. LDR Comparative Wilcoxon Test 2019 with 2020 and 2021 with 2020

Financial Performance	Z	Asymp.Sig
LDR_2019 x LDR_2020	-2,353	0,019

LDR_2021 x LDR_2020	-0,549	0,584

Source: Data Processed by Author (2023)

Based on Table 11, it shows that the probability value (Asymp.Sig) of the comparison of LDR financial performance in 2019 with 2020 is 0.019<α=5%, then H0 is rejected, meaning that there is a difference between the performance of the Loan to Deposit Ratio before the COVID-19 pandemic (Year 2016). 2019) with the COVID-19 pandemic (Year 2020). Meanwhile, the probability value (Asymp.Sig) for the comparison of LDR financial performance in 2021 with 2020 is 0.584 > = 5%, then H0 is accepted, meaning that there is no difference between the performance of the Loan to Deposit Ratio before the COVID-19 pandemic (in 2020) and during the COVID-19 pandemic (Year 2021).

Table 13. LDR Performance Changes2019 with 2020 and 2021 with 2020

Variable	2019 year 2020				2020 year 2021			
	Before the COVID-19 Pandemic	COVID-19 Pandemic Period	Change	Information	Before the COVID-19 Pandemic	COVID-19 Pandemic Period	Change	Information
LDR (%)	93,61	88,80	-4,80	Decrease	88,80	88,19	-0,61	Increase

Source: Data Processed by Author (2023)

Based on Table 12, the LDR in 2019 was 93.61% and then decreased by 4.80% in 2020 which was the period of the COVID-19 pandemic to 88.80%. Meanwhile, in 2021 the performance of LDR after the COVID-19 pandemic experienced a slight decline again by 0.61% from 2020 to 88.19% in 2021.

DISCUSSION

Financial performance is an effort made by a company that can measure the company's success in generating profits, so that it can see the growth and potential for good company development. A company can be said to be successful if it has achieved the standards and objectives that have been set. Measurement of financial performance can be done by comparing the resulting profitability ratios with the ratio of the industry average and applicable standards from Bank Indonesia, as presented in table 4.1. industry and derived from Bank Indonesia standards. In table 4.1 we can compare the value of each financial variable or indicator ROA, ROE, gross NPL, net NPL and LDR for each year. ROA's financial performance during 2019 and 2020 can be said to be quite good because there is a difference between the performance of

Return on Assets before the COVID-19 Pandemic (Year 2019) and the COVID-19 pandemic (Year 2020). This shows that the company is less than optimal in asset management which has an impact on the amount of profit earned in that year. However, the overall performance of the ROA indicators during 2019-2021 shows that there is a difference between the ROA financial performance in 2019 and 2020 between the performance of Return on Assets before the COVID-19 Pandemic (Year 2019) and the COVID-19 pandemic period (Year 2020). Meanwhile, the financial performance of ROA in 2021 and 2020, there is no difference between the performance of Return on Assets before the COVID-19 pandemic (Year 2020) and the COVID-19 pandemic (Year 2021). The performance assessment regarding how to manage each company's capital investment in generating profits (ROE) shows a good trend throughout 2019-2021. This can be seen from the comparison of the ROE value in the three years, which shows that there is a difference between the performance of Return on Equity before the COVID-19 Pandemic (in 2019) and during the COVID-19 pandemic (in 2020), which also shows that the investment management efforts made by the company are proven has been effective in generating profits. ROA performance in 2019 and 2020 there is a difference between the performance of Return on Assets before the COVID-19 Pandemic (in 2019) and during the COVID-19 pandemic (in 2020). Meanwhile, the comparison of ROA financial performance in 2021 with 2020, there is no difference between Return on Asset performance before the COVID-19 pandemic (Year 2020) and the COVID-19 pandemic (Year 2021) can be said to be less good. NPL (gross) in 2019 and 2020 there is a difference between the performance of Non-Performing Loans (gross) before the COVID-19 Pandemic (Year 2019) and the COVID-19 pandemic (Year 2020). Meanwhile, the financial performance of NPL (gross) in 2021 and 2020, there is a difference between the performance of Non-Performing Loans (gross) before the COVID-19 pandemic (Year 2020) and the COVID-19 pandemic (Year 2021).

The financial performance of NPL (net) in 2019 and 2020, there is a difference between the performance of Non-Performing Loans (net) before the COVID-19 pandemic (Year 2019) and the COVID-19 pandemic (Year 2020). Meanwhile, the financial performance of NPL (net) in 2021 there is a difference between the performance of Non-Performing Loans (net) before the COVID-19 pandemic (Year 2020) and during the COVID-19 pandemic (Year 2021). The financial performance of the LDR in 2019 and 2020, there is a difference between the performance of the Loan to Deposit Ratio before the COVID-19 pandemic (in 2019) and during the COVID-19 pandemic (in 2020). While the comparison of LDR financial performance in

2021 with 2020 there is no difference between the performance of the Loan to Deposit Ratio before the COVID-19 pandemic (Year 2020) and the COVID-19 pandemic (Year 2021).

CONCLUSIONS

Based on the results of the study it can be concluded that: (1). There is a difference between the performance of ROA, ROE, gross NPL, net NPL and LDR before the COVID-19 pandemic (Year 2020) and during the COVID-19 pandemic (Year 2021); (2). The financial performance of ROA, ROE, gross NPL, net NPL and LDR during 2019-2021 can be said to be good as reflected in the value of each financial performance indicator showing the optimization of PT. Bank Negara Indonesia, (Persero), Tbk in managing its assets and capital in generating an average profit is categorized as good because it has a ratio that is still in accordance with what has been set in the POJK; (3). The strategy used by PT. Bank Negara Indonesia (Persero), Tbk. to suppress a deeper decline in financial performance by temporarily relocating less productive units/branches to more productive branches, permanently closing unproductive outlets/branches, taking turns opening/closing for adjacent outlets/branches, maintenance and collection both from the funding unit and from the credit unit, as well as rationalization by means of prudential banking for employees who are considered unproductive very well. To maintain the stability of the financial performance of PT. Bank Negara Indonesia, (Persero), Tbk. In entering the COVID-19 endemic period, it is recommended to be able to channel credit on a limited basis, especially to the corporate credit unit and focus on credit maintenance in the SME unit. The strategy undertaken by PT. Bank Negara Indonesia, (Persero), Tbk. to maintain its financial performance so as not to sink further is already good. Efforts are needed to further improve revenue performance by increasing bank operational activities, in order to maintain financial performance stability in the future by paying special attention to conducting more intensive collections as a profit-oriented unit.

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