Original Reasearch Article

# Comparative Analysis Implementation of Circular Letters Financial Services Authority Number 14 / SEOJK.03 / 2017 Concerning Assessment of The Soundness Level of Regional Development Banks (Case Study at Bank DKI and BPD Jawa Tengah)

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## Abstract

This study aims to analyze the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017 concerning the health level of regional government-owned banks through a comparative analysis between Bank DKI Jakarta ("Bank DKI")  and Regional Development Bank  Jawa Tengah ("BPD Jawa Tengah") in 2017, the soundness level of PT BPD Jawa Tengah before implementation (2016) and after implementation (2017) and the soundness level of Bank DKI before implementation (2016) and after implementation (2017). The method used in this study is RGEC (Risk Profile, Good Corporate Governance, Earning, Capital), while the long-term goal is modeling the financial performance strategy of the Regional Development Bank. The results of this study shows that the comparison of the performance of Bank DKI and PT BPD Jawa Tengah in 2017 are not significant difference; the comparison of the performance of PT BPD Jawa Tengah are not significant difference for 2016 and 2017, but the comparison the performance of Bank DKI for  2016 and 2017 are significant difference. The implementation of Circular Letter Number 14 / SEOJK.03 / 2017  regional development banks period 2016 (before) and 2017 (after), shows that the assessment of financial performance of  PT BPD Jawa Tengah are not significant difference, however  the  assessment of financial performance  of  Bank  DKI are  significant difference. In 2017 after the implementation of Circular Letter Number 14 / SEOJK.03 / 2017 the results shows that the comparison of the performance of PT BPD Jawa Tengah and Bank DKI are not significant difference.
**Keywords:** Commercial Bank, Financial Performance and RGEC Method (Risk Profile, Good Corporate Governance, Earning, Capital).

# INTRODUCTION

Persero Bank as a bank whose part or all of its shares are owned by the government including the BPD. Part of the BPD whose shares are owned by the Regional Government is PT B PD Jawa Tengah Jakarta and Bank DKI.

According to the Financial Services Authority Regulation Number 4 / POJK.03 / 2016 concerning Assessment of the Soundness of Commercial Banks in Chapter 1. General provisions of article 1 paragraph (2) .b.1 Directors for banks in the form of legal entities of Regional Corporation are Directors as Act Number 23 of 2014 concerning regional government as last amended by Act No. 9 of 2015, and article 1 paragraph (2). B.2 The Board of Commissioners for banks in the form of legal entities of Regional Companies is the Board of Commissioners as where Act Number 23 of 2014 concerning regional government as last amended by Law Number 9 of 2015 [1].

Financial Services Authority Circular number 14 / SEOJK.03 / 2017 dated March 17, 2017 concerning Rating of Commercial Bank Soundness in point III.1 Procedure for Assessing the Soundness of Commercial Banks Individually Assessment of Soundness Level of Commercial Banks Individually includes an assessment of risk profile factors , Governance, profitability and capital [2] The analyzing the soundness of the bank using an analysisof the Bank's Soundness Rating including an assessment of RGEC (Risk Profile, Good Corporate Governance, Earning, Capital) .

Based on the description of the background above, the problem is as follows: How is the comparative analysis of BPD financial performance in 2017 using  the RGEC method (Risk Profile, Good

Corporate Governance, Earning, Capital) after the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017 at Bank DKI and PT BPD Jawa Tengah?

The scope of this research is limited only to the assessment of the financial performance of Bank DKI and PT BPD Jawa Tengah by using the RGEC method from quantitative data presented on the Bank DKI website and PT BPD Jawa Tengah and analyzing the comparison of financial performance using comparative statistical analysis through different tests.

This study for know the comparative financial performance of BPD in 2017 using RGEC (Risk Profile, Good Corporate Governance, Earnings, Capital) after the implementation of the Financial Services Authority circular No. 14 / SEOJK.03 / 2017 on Bank DKI and PT BPD Jawa Tengah.

Based on the background, problem formulation and research objectives, the urgency of this study are: 1) In theory, this study analyzes the report on the financial performance of Regional Development Bank (BPD) in 2017 to determine the health of the bank in terms of RGEC analysis (Risk Profile, Good Corporate Governance, Earning, Capital) after the implementation of the Financial Services Authority circular number 14 / SEOJK.03 / 2017. 2) Become one form of information about mapping performance appraisal of Local Government Owned Banks. 3) As a form of management evaluation of the financial performance of the Regional Development Bank (BPD).

Based on Paramartha's research. D. GDA and Mustanda. I. K that in the period of 2012 to 2014 Bank Central Asia was assessed from RGEC as ranked 1 (one) and very healthy [3]. According to Putri, R. L that Bank Rakyat Indonesia using RGEC for bank soundness in 2013 was very healthy, 2014 was very healthy, and 2015 was very healthy. The soundness of the bank from the risk profile aspect, earnings, good corporate governance, and capital in 2013, 2014 and 2015 was very healthy so that it was able to deal with the significant negative effects of changes in business conditions from other external factors [4]. Wahyuni. P. D, Utami. W that based on the analysis, it is known that institutional ownership, managerial ownership, the proportion of independent board and the proportion of independent audit committee do not affect the cost of equity capital [5]. Aprilia R. S. R. Puspitaningtyas. Z, and Prakoso. A that on the contrary, debt to equity ratio and return on assets not affect significantly on price to book value [6]. Ansori. H. R, Safira that the comparison showed that the CAR and NPL of the Conventional Commercial Bank variable affected the ROA, while the LDR had no effect. In contrast to the conventional, all variables Islamic Banks are CAR, LDR and NPL effect on ROA. [7]. Kusnanto that the Bank's Health Level in terms of RGEC at Sharia Commercial Banks in the period of 2013, 2014, and 2015 are in healthy criteria, so it is considered very capable of facing significant negative impacts from changes in business conditions and other external factors [8]. Christian. F. J, Tommy. P & Tulung. J that An healthy bank is a bank that can perform its functions properly. In other words, a healthy bank is a bank that is able to keep and maintain the trust of the community, can do the intermediassi function, it can help smooth the payment as well as lalulitas can be used by the Government in carrying out a wide range of its policies, especially monetary policy [9].

# MATERIAL AND METHOD
## General Principles of Commercial Bank Soundness Rating
Bank management needs to pay attention to general principles as a basis for conducting an assessment of the Bank's Soundness Level as follows:

1. Risk Oriented
The assessment of the Bank's Soundness is based on Bank Risk and the impact it has on the Bank's overall performance. This is done by identifying internal and external factors that can increase the risk or affect the Bank's financial performance at present and in the future. Thus, the Bank is expected to be able to detect the root causes of the Bank earlier and take preventive and remedial measures effectively and efficiently.

2. Proportionality
The use of parameters or indicators in each factor evaluating Bank Soundness is carried out by taking into account the characteristics and complexity of the Bank's business. Parameters or indicators for assessing the Bank's Health Level in the Financial Services Authority Circular are the minimum standards that must be used in assessing the Bank's Soundness Level. In addition, the Bank can use additional parameters or indicators in accordance with the characteristics and complexity of the business in assessing the Bank's Soundness so that it can better reflect the condition of the Bank.

3. Materiality and Significance
Banks need to pay attention to the materiality and significance of the assessment factors of the Bank's Soundness, namely the risk profile, Governance, profitability, and capital as well as the significance of the parameters or indicators of assessment on each factor in concluding the results of the assessment and ranking factors. Determination of materiality and significance is based on analysis supported by adequate data and information regarding the risks and financial performance of the Bank.

4. Comprehensive and structured

The assessment process is carried out thoroughly and systematically and is focused on the main problems of the Bank. The analysis is carried out in an integrated manner, namely by considering the interrelationships between Risks and between factors assessing the Soundness of the Bank and the consolidated subsidiaries. Analysis must be supported by key facts and relevant ratios to show the level, trend, and level of problems faced by the Bank [10].

## Financial Performance

Financial performance is an achievement achieved by a company in a certain period that reflects the level of health of the company [11].

Furthermore, in the Financial Services Authority Regulation Number 4 / POJK.03 / 2016 concerning Assessment of the Soundness of Commercial Banks in chapter 1. General Provisions, article 1 paragraph: 1) Banks are commercial banks as referred to in Act Number 7 of 1992 concerning banking as has been amended by Act Number 10 of 1998, including branch offices of banks that operate overseas, which carry out conventional business activities, paragraph. 2) Bank Soundness is the result of evaluating the condition of the bank carried out against bank risk and performance, paragraph. 3) Composite rating is the final rating of the bank's health rating [1].

## Bank Health Ratio

Based on Bank Indonesia Regulation No. 13 of 2011 Article 6 , banks are required to evaluate the soundness of banks individually using a risk approach (Risk-Based Bank Rating) with the coverage of the following factors:

1) Risk Profile
    The formula used in calculating risk profiles is:
    a. Non Performing Loans (NPL).

$$NPL = \text{Problem Credit} / \text{Total Credit} \times 100\%$$

(Source: SE No.13 / 24 / DPNP / 2011)

    b. Loan to Deposit Ratio (LDR)

$$LDR = \text{Total Credit} / \text{Third Party Funds} \times 100\%$$

(Source: SE No.13 / 24 / DPNP / 2011)

2) Good Corporate Governance (GCG)
    Bank Indonesia again issued a 2013 Bank Indonesia Circular Letter 15/15 / DPNP concerning Evaluation of Good Corporate Governance in an effort to improve and improve the quality of Good Corporate Governance, banks must periodically conduct a comprehensive self assessment of the adequacy of Good implementation. Corporate Governance. Good analysis Corporate Governance is grouped in a governance system, namely (1) governance structure, (2) governance process, and (3) governance outcome. Bank will conduct assessment (self-assessment).

3) Rentability (Earning)
    Assessment of earnings is an important thing in a bank because it is one of the parameters in assessing the soundness of banks related to the ability of banks to obtain profits.

Profitability can be calculated using a formula, namely:
    a. Return on Asset (ROA)

$$ROA = \text{Profit Before Tax} / \text{Average Average Asset Total} \times 100\%$$

(Source: SE No.13 / 24 / DPNP / 2011)

b. Net Interest Margin (NIM)

$$NIM = \text{Net} / \text{Average Interest Income Earning Assets} \times 100\%$$

(Source: SE No.13 / 24 / DPNP / 2011)

4) Capital

$$CAR = \text{Capital} / \text{Weighted Assets by Risk} \times 100\%$$

(Source: SE No.13 / 24 / DPNP / 2011) [12]

## Hypothesis

a. $H_0$: It is suspected that there are not differences in financial performance between Bank DKI and BPD Jawa Tengah in 2017.
    Hi: It is suspected that there are differences in financial performance between Bank DKI and BPD Jawa Tengah in 2017.

b. $H_0$: It is suspected that there are not differences in BPD Jawa Tengah's financial performance in 2016 with 2017
    H1 : It is suspected that there are differences in BPD Jawa Tengah's financial performance in 2016 with 2017

c. $H_0$: It is suspected that there are not differences in the financial performance of Bank DKI in 2016 with 2017.
    Ha: It is suspected that there are differences in the financial performance of Bank DKI in 2016 with 2017.

## Research design

This research is a kind of quantitative descriptive research. The focus of the research in this study is as follows:

- Application of the RGEC method approach (Risk Profile, Good Corporate Governance, Earning, Capital) which consists of: a. Risk profile factors (risk profiles) are measured using the ratio of Non Performing Loans and Loan to Deposit Ratios b. Factor of Good Corporate Governance c. Earnings factors (earnings) are measured using the Return on Asset ratio and Net Interest Margin d. Capital factor (capital) is measured using the Capital Adequacy Ratio.
- Assessment of Bank Soundness level based on RGEC method ( Risk Profile, Good Corporate Governance, Earning, Capital) before (2016)

and after (2017) of the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017.

This research is a research comparative is research aimed at for test wo mb information based on something comparison that is Bank DKI and PT BPD Jawa Tengah, so researchers can see the differences in financial performance of these events using comparative research designs, that is research that aims to compare. As for what will be compared in this study are financial performance in 2016 (before) and 2017 (after) at Bank DKI and BPD Jawa Tengah.

The following is a picture of the comparison period of Bank Financial Performance:
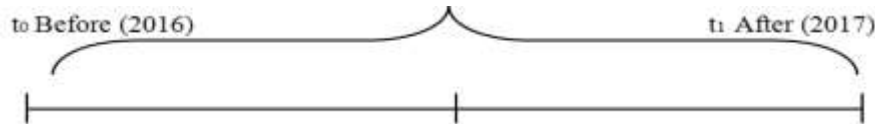


**Fig-1: Period of Comparison of Bank Financial Performance**

**Data Collection Technique**

In this research, the data collection technique used is library research / documentation which is a secondary data collection technique, namely the technique of collecting data indirectly through intermediary media (second parties). This research requires a company's financial report data to see data from the financial statements of Bank DKI and BPD Jawa Tengah quarterly obtained via the website www.bankdki.co.id , www.bpdjateng.co.id and www.ojk.go.id .

**Data Analysis**
1) Descriptive Analysis
2) Data Quality Analysis

   Statistics Test: Kolmogorov-Smirn ov

Test Criteria:
   a. If sig < 0.05 t then Ho is accepted
   b. If sig < 0.05 then Ho is rejected

3) Average Difference Analysis
a. T test (Paired Sample t-test)

The hypothesis in this study is as follows
- Ho: $\mu_1 - \mu_1 = 0$, means there is no difference of financial performance 2016 with 2017
- Ha: $\mu_1 - \mu_1 \neq 0$, means there is differences of financial performance 2016 with 2017

Statistics Test: T test (Paired Sample t Test)

Test Criteria:
   1) If sig > 0.05 then Ho is accepted
   2) If sig < 0.05 then Ho is rejected

b. Wilcoxon Test
Statistics Test: Wilcoxon Test
Test Criteria:
   1) If sig (2-tailed) > 0.05, then Ho is accepted
   2) If sig (2-tailed) < 0.05, then Ho is rejected

# RESULTS AND DICUSSION
**Performance of PT BPD Jawa Tengah Financial Performance**

| PT BPD Jawa Tengah Performance Ratio | | | |
|---|---|---|---|
| No | Bank Performance Ratio | (In percentage) | |
| | | Year 2017 | Year 2016 |
| 1 | Loan to Deposit Ratio (LDR) | 95,05 | 95,1 |
| 2 | Non Performing Loan (NPL) | 0,82 | 0,76 |
| 3 | Return on Asset (ROA) | 2,6 | 2,69 |
| 4 | Net Interest Margin (NIM) | 7,01 | 5,73 |
| 5 | Capital Asset Ratio (CAR) | 19,9 | 20,3 |

Source: Financial Services Authority / OJK (2018) [13]

PT BPD Jawa Tengah in 2016 and 2017 the financial performance ratio that has increased are NIM increased 0,28%, and NPL increased 0,06%, while the decreased are LDR decreased - 0,05%, ROA decreased -0.09% and CAR decreased - 0,40%.

**Statistic Analysis of PT BPD Jawa Tengah**
The desciptive stastistics as follows:

| Descriptive Statistics | | | | | |
|---|---|---|---|---|---|
| | N | Minimum | Maximum | Mean | Std. Deviation |
| PT BPD Jawa Tengah Performance Ratio (2017) (%) | 5 | , 82 | 95,05 | 25,0760 | 39,82165 |
| PT BPD Jawa Tengah Performance Ratio (2016) (%) | 5 | , 76 | 95,10 | 24,9160 | 39,97722 |
| Valid N (listwise) | 5 | | | | |

Source: Data processed (2019)

Based on data descriptive statistics PT BPD Jawa Tengah in 2017 minimum value of 0.82% and rhe maximum value of 95,05% and the mean of 25.0760 and standard deviation of 39.82165 and in 2016 the minimum value of 0, 76% and a maximum value of 95,10% and mean 24,9160 and standard deviation 39,97722.

| One-Sample Kolmogorov-Smirnov Test | | | |
|---|---|---|---|
| | | PT BPD Jawa Tengah Performance Ratio (2017) | PT BPD Jawa Tengah Performance Ratio (2016) |
| N | | 5 | 5 |
| Normal Parameters [a, b] | Mean | 25,0760 | 24,9160 |
| | Std. Deviation | 39,82165 | 39,97722 |
| Most Extreme Differences | Absolute | , 352 | , 346 |
| | Positive | , 352 | , 346 |
| | Negative | -, 271 | -, 273 |
| Kolmogorov-Smirnov Z | | , 786 | , 774 |
| Asymp. Sig. (2-tailed) | | , 566 | , 588 |
| a. The distribution test is Normal. | | | |
| b. Calculated from data | | | |

Source: Data processed (2019).

Based on the data one sample of the Kolmogo rov smirnov test of PT BPD Jawa Tengah data is normally distributed where 2017 sig (tailed) 0.566> 0.005 means that data is normally distributed and 2016 sig (tailed) 0.588 > 0.005 means data is normally distributed

| Paired Samples Statistics | | | | | |
|---|---|---|---|---|---|
| | | Mean | N | Std. Deviation | Std. Mean Error |
| Pair 1 | PT BPD Jawa Tengah Performance Ratio (2017) (%) | 25,0760 | 5 | 39,82165 | 17,80878 |
| | PT BPD Jawa Tengah Performance Ratio (2016) (%) | 24,9160 | 5 | 39,97722 | 17,87835 |

Source: Data processed (2019).

PT BPD Jawa Tengah on the results of paired samples statistics from 5 data tested year 2017 standard deviation of 39.82165 and in 2016 standard deviation of 39.97722.

| Paired Samples Correlations | | | | |
|---|---|---|---|---|
| | | N | Correlation | Sig. |
| Pair 1 | PT BPD Jawa Tengah (2017) Performance Ratio (%) & PT BPD Jawa Tengah Performance Ratio (2016) (%) | 5 | 1,000 | .000 |

Source: Data processed (2019).

The results of paired sample correlations PT BPD Jawa Tengah in 2017 and 2017 from 5 data sig values there are 0,000 <0.05 means there is have correlation.

| Paired Samples Test | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Paired Differences | | | | | t | df | Sig. (2-tailed) |
| | | Mean | Std. Deviation | Std. Error Mean | 95% Confidence Interval of the Difference | | | | |
| | | | | | Lower | Upper | | | |
| Pair 1 | Performance ratio of PT BPD Jawa Tengah (2017) (%) - Performance ratio of PT | ,16000 | ,64896 | ,29022 | -,64579 | ,96579 | ,551 | 4 | ,611 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| BPD Jawa Tengah (2016) (%) | | | | | | | | | |

PT BPD Jawa Tengah paired sample test results in 2017 and 2016, sig 0.611> 0,05 mean $H_0$ is received and $H_1$ is rejected are not significant difference of financial performance.

| Ranks | | N | Mean Rank | Sum of Ranks |
|---|---|---|---|---|
| PT BPD Jawa Tengah (2017) Performance Ratio (%) - PT BPD Jawa Tengah Performance Ratio (2016) (%) | Negative Ranks | 3 [a] | 2.67 | 8.00 |
| | Positive Ranks | 2 [b] | 3.50 | 7.00 |
| | Ties | 0 [c] | | |
| | Total | 5 | | |
| a. PT BPD Jawa Tengah (2017) Performance Ratio (%) <PT BPD Jawa Tengah Performance Ratio (2016) (%) | | | | |
| b. PT BPD Jawa Tengah (2017) Performance Ratio (%)> PT BPD Jawa Tengah Performance Ratio (2016) (%) | | | | |
| c. PT BPD Jawa Tengah (2017) Performance Ratio (%) = PT BPD Jawa Tengah Performance Ratio (2016) (%) | | | | |

PT BPD Jawa Tengah data rank results in 2017 and 2016 from 5 data tested negative rank there are 3 with mean rank 2.67 and positive rank is 2 with mean rank 3.50

| Test Statistics [a] | |
|---|---|
| | PT BPD Jawa Tengah (2017) Performance Ratio (%) - PT BPD Jawa Tengah Performance Ratio (2016) (%) |
| Z | -, 135 [b] |
| Asymp. Sig. (2-tailed) | , 893 |
| a. Wilcoxon Signed Ranks Test | |
| b. Based on positive ranks. | |

PT BPD Jawa Tengah, the results of statistical tests with Wilcoxon signed ranks test produced sig (2 tailled) 0.893 > 0.05 means that $H_0$ is received and $H_1$ rejected means not difference significant of financial performance. Thus the results of the implementation of the Financial Services Authority's circular letter number 14 / SEOJK.03 / 2017 concerning the health level there were not significant differences in the financial performance of PT BPD Jawa Tengah.

**Financial Performance of DKI Bank**

Based on my last reseach Financial performance as follow:

**Financial Performance of Bank DKI**

| RGEC Component | RATIO (%) | | |
|---|---|---|---|
| | Th 2016 | TH 2017 | Growth |
| **I. Performance Ratio** | | | |
| **A. Risk Profil** | | | |
| 1.Non Performing Loan (NPL) | 5,35 | 3,76 | -1,59 |
| 2. Loan to Deposit Ratio (LDR) | 87,41 | 70,77 | -16,64 |
| **B. Good Corporate Goverment** | | | |
| **C. Earning** | | | |
| 1. Return on Asset (ROA) | 2,29 | 2,04 | -0,25 |
| 2. Net Interest Margin (NIM) | 7,27 | 5,31 | -1,96 |
| **D. Capital** | | | |
| 1.Capital Aset Ratio (CAR) | 29,79 | 28,77 | -1,02 |

**Statistic Analysis of DKI Bank**

Based on the results of tests on financial assessment of Bank DKI between 2016 and 2017 it can be concluded that there are significant differences in the assessment of financial performance on the DKI PBD, from 5 decreased banking financial ratios in Non Performing Loans (NPL) is 1.59%, Loan to Deposit Ratio (LDR) is 16.64%, Return on Assets (ROA) is

0.25%, Net Interest Margin (NIM) is 1.96% and Capital Assets Ratio (CAR) of 1, 02%. While Good Corporate Governance BPD is good enough to be awarded in 2016. The awards achieved by BPD DKI in relation to GCG are: 1) The Best Annual Report of BUMD in the category Bank in Indonesia Corporate Secretary Communication. 2) Six Best Reporting Banks Commercial Bank Report Period 2016. 3) Rank 1st area

of Good Corporate Governance, Risk Management, Legal Bank. 4) The Best GCG of BUMD Company with Very Good predicate for Bank Book III in Indonesia's financial sector Good Corporate Governance Award in 2016 and 5) Trusted Company in the Corporate Governance Perception Index Award [16].

**Financial Performance of PT BPD Jawa Tengah and DKI Bank**

| No. | Bank Performance Ratio | (In percentage) | |
|---|---|---|---|
| | | BPD Jawa Tengah | Bank DKI |
| 1 | Loan to Deposit Ratio (LDR) | 95.05 | 70.77 |
| 2 | Non Performing Loan (NPL) | 0.82 | 37.6 |
| 3 | Return on Asset (ROA) | 2.6 | 2.04 |
| 4 | Net Interest Margin (NIM) | 7.01 | 5.31 |
| 5 | Capital Asset Ratio (CAR) | 19.9 | 28.77 |

Performance Ratios of PT BPD Jawa Tengah and DKI Bank

Source: OJK (2018)

PT BPD Jawa Tengah and DKI bank financial performance ratio in 2017 for PT BPD Jawa Tengah is bigger: LDR 95, 05%> 7 0.77%, NIM 7.01% > 5.31% and ROA of 2.60%> 2.04%, while the financial ratio of PT BPD Jawa Tengah is smaller than

DKI bank is NPL 0.82 % <37.6 % and CAR 19.9 %< 28.77 %

**Statistic Analysis of PT BPD Jawa Tengah and Bank DKI**

| Descriptive Statistics | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| BPD Jawa Tengah Performance Ratio (%) | 5 | , 82 | 95.05 | 25.0760 | 39,82165 |
| Bank DKI Performance Ratio (%) | 5 | 2.04 | 70,77 | 28.8980 | 27,86912 |
| Valid N (listwise) | 5 | | | | |

Source: Data processed (2019).

Based on PT BPD Jawa Tengah descriptive statistical data in 2017 thr minimum value of 0.82% and the maximum value of 95.05% and mean of 25.0760 and standard deviation of 39.8216 and the data

descriptive statistic of Bank DKI in 2017 with a minimum value of 2.04 % and maximum value of 70.77 % and mean 28.8980 and standard deviation 27.86912.

| One-Sample Kolmogorov-Smirnov Test | | Jawa Tengah BPD Bank Performance Ratio (%) | Bank DKI Performance Ratio (%) |
|---|---|---|---|
| N | | 5 | 5 |
| Normal Parameters [a, b] | Mean | 25.0760 | 28,8980 |
| | Std. Deviation | 39,82165 | 27,86912 |
| Most Extreme Differences | Absolute | , 352 | , 201 |
| | Positive | , 352 | , 201 |
| | Negative | -, 271 | -, 168 |
| Kolmogorov-Smirnov Z | | , 786 | , 450 |
| Asymp. Sig. (2-tailed) | | , 566 | , 987 |
| a. The distribution test is Normal. | | | |
| b. Calculated from data. | | | |

Source: Data processed (2019)

Based on data from one sample kolmogorov smirnov test, PT BPD Jawa Tengah and Bank DKI are normally distributed data , where in 2017 sig (tailled) 0.566> 0.005 means data is normally

distributed and one data sample kolmogorov smirnov Bank DKi test data is normally distributed where 2017 sig ( tailled) 0.987> 0.005 means that data is normally distributed.

**Independent t test (different test of two independent groups)**

| Group Statistics | | | | | |
|---|---|---|---|---|---|
| | Bank name | N | Mean | Std. Deviation | Std. Mean Error |
| Performance Ratio (%) | BPD Jawa Tengah | 5 | 25.0760 | 39,82165 | 17,80878 |
| | Bank DKI | 5 | 28,8980 | 27,86912 | 12,46345 |

Source: Data processed (2019)

Based on the results of different test two independent groups between BPD Jateng (Jawa Tengah) and Bank DKI of 5 Data of BPD Jawa Tengah results mean of 25.0760 , and standard deviation of 39.82165, while the results of Bank DKI mean 28.8980 and a standard deviation of 27.8 6912.

| Independent Samples Test | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Difference Error | 95% Confidence Interval of the Difference | |
| | | | | | | | | | Lower | Upper |
| Performance Ratio (%) | Equal variances assumed | ,345 | ,573 | -,176 | 8 | ,865 | -3,82200 | 21,73684 | -53,94725 | 46,30325 |
| | Equal variances not assumed | | | -,176 | 7,160 | ,865 | -3,82200 | 21,73684 | -54,98926 | 47,34526 |

Source: Data processed (2019)

Based on the results of independent sampling test that are BPD Jawa Tengah (Jawa Tengah) and Bank DKI for Equal variance assumed is lower - 53,94725 and upper 46,3 0325, whereas the results of the independent sample test between BPD Jawa Tengah and DKI Bank for equal variance not assumed are l ower - 54,98926 and upper 47,34526.

| Mann-Whitney Test Ranks | | | | |
|---|---|---|---|---|
| | Bank name | N | Mean Rank | Sum of Ranks |
| Performance Ratio (%) | BPD Jawa Tengah | 5 | 5,00 | 25.00 |
| | Bank DKI | 5 | 6.00 | 30.00 |
| | Total | 10 | | |

Source: Data processed (2019)

Based on the test results Man Whitney of PT BPD Jawa Tengah of 5 the data mean rank 5 with a sum of ranks 25, while Bank DKI of 5 the data mean rank 6 with the sum of ranks 30.

| Test Statistics [a] | |
|---|---|
| | Performance Ratio (%) |
| Mann-Whitney U | 10,000 |
| Wilcoxon W | 25,000 |
| Z | -,522 |
| Asymp. Sig. (2-tailed) | ,602 |
| Exact Sig. [2 * (1-tailed Sig.)] | ,690 [b] |
| a. Variable Grouping: Bank Name | |
| b. Not corrected for ties. | |
| Source: Data processed (2019). | |

Based on the statistical test sig (2 tailled) 0.602 > 0.05 means that $H_0$ is accepted and $H_1$ is rejected means that there is not significant difference in financial performance between PT. BPD Jawa Tengah with Bank DKI .

# CONCLUSION AND SUGGESTION
## CONCLUSION

Based on the comparison of the performance of Bank DKI and PT BPD Jawa Tengah in 2017 are not significant difference and the comparison of the

performance of PT BPD Jawa Tengah of 2016 and 2017 are not significant difference, but the comparison of the performance of Bank DKI of 2016 and 2017 are significant difference. The implementation of Circular Letter Number 14 / SEOJK.03 / 2017 Regional Development Banks (BPD) period 2016 (before) and 2017 (after) shows that the assessment of financial performance of PT BPD Jawa Tengah are not significant difference, however the assessment of financial performance of Bank DKI are significant difference. In 2017 after the implementation of Circular Letter Number 14 / SEOJK.03 / 2017 the results shows that the comparison of the performance of PT Bank BPD Jawa Tengah and Bank DKI are not significant difference.

### SUGGESTION

Bank DKI although there is significant difference in its financial performance with PT BPD Jawa Tengah, but the performance of BPD Jawa Tengah is better than Bank DKI, so it is expected that DKI banks can improve their performance to be better.

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