

Financial Performance Analysis Using the CAMEL Method at PT Bank Mandiri Tbk for the Period 2021-2023

Ramadhana Lailina Puspita¹, Sri Murwanti²

¹Fakultas Ekonomi dan Bisnis, Universitas Muhammadiyah Surakarta, Sukoharjo, Jawa Tengah, 57162

²Fakultas Ekonomi dan Bisnis, Universitas Muhammadiyah Surakarta, Sukoharjo, Jawa Tengah, 57162

Email address: ramadhanalailina07@gmail.com

Abstract— This study aims to analyze the financial performance of PT Bank Mandiri Tbk for the period 2021-2023 using the CAMEL method, which covers the aspects of Capital, Assets, Management, Earnings, and Liquidity. The research method used is quantitative with secondary data analysis in the form of annual financial reports processed descriptively using the CAMEL ratio technique. The results show that all aspects of PT Bank Mandiri Tbk's CAMEL during this period were in the healthy category, with the Capital Adequacy Ratio (CAR), quality of productive assets, Net Profit Margin (NPM), Return on Assets (ROA), Operating Expenses to Operating Income (BOPO), and Loan to Deposit Ratio (LDR) all met or exceeded the standards set by Bank Indonesia. In conclusion, the financial performance of PT Bank Mandiri Tbk during 2021 to 2023 was healthy and stable in all CAMEL aspects, so the hypothesis that the bank's financial condition was unhealthy was not proven. This study also provides recommendations for improving performance through better cost control and asset management, as well as developing research using other methods for a more comprehensive perspective.

Keywords— Financial performance, CAMEL method, Bank Mandiri, financial analysis, bank health.

I. INTRODUCTION

Banks are business entities that constitute an integral part of both national and international monetary systems. The banking sector is strictly regulated by the government due to its significant impact on national interests. PT Bank Mandiri (Persero) Tbk is a state-owned commercial bank and is recognized as the largest bank in Indonesia in terms of assets, loans, and total customer deposits. As the leading bank in the country, Bank Mandiri plays a crucial role in maintaining financial stability and supporting economic development.

Financial reports show the financial condition of a company at a certain point or in a certain period or time period through an accounting process that includes balance sheets, profit and loss statements, equity change statements, and cash flow statements. According to (Sarapi et al, 2022) financial performance is an interpretation of finances used to ensure a company's effectiveness in following financial policies and implementing them optimally and effectively. Financial performance assessments reflect the results of strategic, operational, and financing decisions within a company. Therefore, a bank's financial performance can be assessed using its financial statements. To assess financial performance,

measures such as liquidity ratios are needed to assess how well a company can meet its obligations.

The performance of a bank can be assessed through the analysis of its financial statements. According to (Rudianto, 2013) financial performance represents the results or achievements attained by a company in managing its resources effectively within a specific period. Financial performance is therefore essential for companies to understand and evaluate the extent of their success based on financial activities. According to (Yuliana, 2020) further emphasizes that a bank can be considered successful if it provides benefits to all stakeholders, including bank managers, shareholders, the central bank, regulators, the government, and customers. The level of a bank's health reflects the outcomes of evaluating various factors that affect its financial condition and overall performance.

Based on Bank Indonesia Circular Letter number: 6/23/DPNP dated May 31 2004, bank health can be evaluated through quality assessment, by reviewing various elements that influence the condition and performance of the bank. One of the most widely applied approaches in assessing financial performance and bank soundness is the CAMEL method, which examines five key components: Capital, Asset quality, Management, Earnings, and Liquidity. The application of this method plays a critical role in evaluating and supervising banks, as each component provides insights into different aspects of financial health. Adequate capital ensures resilience against risks, strong asset quality reduces exposure to non-performing loans, efficient management improves operational effectiveness, earnings demonstrate profitability, and liquidity ensures the ability to meet short-term obligations. Together, these factors form a comprehensive framework to determine whether a bank is categorized as healthy, fairly healthy, less healthy, or unhealthy.

Previous studies indicate that major banks in Indonesia are generally classified as healthy; however, this condition requires continuous evaluation given the changing regulations, increasing industry competition, and global economic dynamics. The period of 2021–2023, for instance, represents a post-COVID-19 recovery phase that compelled the banking sector to enhance operational efficiency, manage credit risk, and maintain adequate liquidity. This study, therefore, examines the financial performance of PT Bank Mandiri Tbk

during the period 2021–2023 using the CAMEL method, with the objective of providing an in-depth analysis of the bank’s financial soundness across these three years.

II. METHODOLOGY

This study employs a quantitative descriptive approach using secondary data obtained from the audited annual financial statements of PT Bank Mandiri (Persero) Tbk for the period 2021–2023. The sampling technique applied is purposive sampling, with the requirement that the reports are officially published, cover the full fiscal year, and provide sufficient information for CAMEL analysis. Data collection was conducted through documentation by compiling and recording relevant financial information from the official website of Bank Mandiri for the period 2021–2023. The collected data were then processed and analyzed using Microsoft Excel to facilitate ratio calculations.

The bank’s financial performance was evaluated using the CAMEL method, which measures five aspects of bank soundness (Sujarweni, 2024) :

- Capital (Capital Adequacy Ratio/CAR)
Capital is a measurement based on the adequacy of banking capital.

TABLE I. CAR Assessment Criteria

Ratio Value (%)	Predicate
$CAR \geq 12$	Very Healthy
$9 \leq CAR < 12$	Healthy
$8 \leq CAR < 9$	Fairly Healthy
$6 \leq CAR < 8$	Unhealthy
$CAR \leq 6$	Unhealthy

- Asset quality (Productive Asset Quality/KAP)
Assets (asset quality) are an assessment of the bank's financial condition according to the quality of assets managed by the bank.

TABLE II. KAP Assessment Criteria

Ratio Value (%)	Predicate
$KAP < 0$	Very Healthy
$0 \leq KAP < 3$	Healthy
$3 \leq KAP < 6$	Fairly Healthy
$6 \leq KAP < 9$	Unhealthy
$KAP \geq 9$	Unhealthy

- Management efficiency (Net Profit Margin/NPM)
Management is the process of arranging resources and how to use or distribute funds effectively in accordance with banking principles.

TABLE III. NPM Assessment Criteria

Ratio Value (%)	Predicate
$NPM > 9.5$	Very Healthy
$8 > NPM \leq 9$	Healthy
$6 > NPM \leq 7$	Fairly Healthy
$4 > NPM \leq 5$	Unhealthy
$NPM \leq 3$	Unhealthy

- Earnings (Return on Assets/ROA and BOPO ratio)

Earning (profit) is a calculation of financial performance based on the bank's ability to produce profits. Profit calculations can be done using ROA and BOPO.

TABLE IV. ROA Assessment Criteria

Ratio Value (%)	Predicate
$ROA > 1.5$	Very Healthy
$1.25 > ROA \leq 1.5$	Healthy
$0.5 > ROA \leq 1.25$	Fairly Healthy
$0 > ROA \leq 0.5$	Unhealthy
$ROA \leq 0$	Unhealthy

TABLE V. BOPO Assessment Criteria

Ratio Value (%)	Predicate
< 93.52	Healthy
$93.52 - 94.73$	Fairly Healthy
$94.73 - 95.92$	Unhealthy
> 95.92	Unhealthy

- Liquidity (Loan to Deposit Ratio/LDR)
Liquidity is an evaluation of the performance of banking finances based on the company's capability to pay off all debts.

TABLE VI. LDR Assessment Criteria

Ratio Value (%)	Predicate
< 94.75	Healthy
$94.75 - 98.75$	Fairly Healthy
$98.75 - 102.25$	Unhealthy
> 102.5	Unhealthy

Each indicator was compared with the standards set by Bank Indonesia to classify the bank into one of the official health categories like very healthy, healthy, fairly healthy, less healthy, or unhealthy. This approach provides a comprehensive assessment of PT Bank Mandiri’s financial condition over the study period.

III. RESULT AND DISCUSSION

Evaluation of bank soundness levels as stipulated in Bank Indonesia Regulation No. 13/PBI/2021 analysis of the soundness of PT Bank Mandiri Tbk for the period 2021-2023 using the CAMEL method based on information taken from the financial statements of PT Bank Mandiri Tbk as shown in Table VII.

TABLE VII. Bank Mandiri Financial Report Data for 2021-2023

Note	2021	2022	2023
Bank Capital (tier 1)	196,048,380	223,271,290	258,956,049
Bank Capital (tier 2)	12,155,070	13,198,928	14,966,831
Risk-Weighted Assets (RWA)	1,064,602,090	1,203,506,671	1,245,624,433
Loans granted	82,428,247	1,172,599,882	1,359,832,195
Consumer financing receivables	19,108,322	23,757,727	32,749,796
Non-performing productive assets to total productive assets	1.60%	1.09%	0.68%
Net profit	28,028,155	41,170,637	55,060,057
Net interest income (expense)	73,062,494	84,903,354	95,886,574

Net premium income	1,787,933	14,380,273	13,721,691
Commissions/provisions/fees	15,684,714	19,081,231	20,495,686
Other income	9,590,053	11,949,058	16,859,680
Profit before tax	38,358,421	56,377,726	74,684,881
Total assets	1,725,611,128	1,992,544,687	2,174,219,449
Labor expenses	22,677,112	24,641,746	24,423,089
Promotional expenses	1,390,826	1,885,314	2,205,063
Other expenses	25,444,205	27,060,080	27,182,555
Current accounts	413,072,630	541,801,050	584,713,021
Savings accounts	486,852,911	552,752,472	586,991,559
Deposits	391,250,578	396,291,070	405,245,039

Bank Mandiri's Capital Adequacy Ratio (CAR) shows very strong figures, namely 19.55% in 2021, 19.64% in 2022, and a significant increase to 21.99% in 2023. All of these figures are well above Bank Indonesia's minimum requirement of 8%. The increase in 2023 demonstrates an effective capital management strategy, giving the bank room for business expansion while maintaining resilience against potential risks of loss. This condition confirms that Bank Mandiri's capital structure is very healthy.

TABLE VIII. Ratio CAR Bank Mandiri Period 2021-2023

Year	Ratio (%)	Predicate
2021	19.55	Healthy
2022	19.64	Healthy
2023	21.99	Healthy

The Productive Asset Quality Ratio (KAP) declined from 1.60% in 2021 to 1.08% in 2022, and fell slightly again to 0.67% in 2023. All of these values are well below the 10% threshold set in accordance with Bank Indonesia Regulation No. 30/12/KEP/DIR/1997. This means that Bank Mandiri is able to maintain the quality of its credit portfolio, with a relatively low level of non-performing loans. This condition demonstrates the effectiveness of good credit risk management, especially amid the post-pandemic economic recovery. Assets of good quality can be seen through the low level of non-performing productive assets; the lower the percentage of non-performing assets, the better the bank's performance.

TABLE IX. Ratio KAP Bank Mandiri Period 2021-2023

Year	Ratio (%)	Predicate
2021	1.60	Healthy
2022	1.08	Healthy
2023	0.67	Healthy

Management performance efficiency is reflected in the Net Profit Margin (NPM), which increased from 27.99% in 2021 to 30.88% in 2022, and rose again to 37.46% in 2023. NPM of 27.99% indicates that for every Rp100 of operating income, approximately Rp27.99 is generated as net profit. According to Bank Indonesia regulations, an NPM ratio of more than 5% can be categorized as good. This upward trend indicates that the bank is increasingly able to reduce operating costs while optimizing revenue. This demonstrates increasingly efficient management in resource allocation, thereby enhancing Bank Mandiri's competitiveness in the national banking industry.

TABLE X. Ratio NPM Bank Mandiri Period 2021-2023

Year	Ratio (%)	Predicate
2021	27.99	Healthy
2022	30.88	Healthy
2023	37.46	Healthy

The bank's profitability performance shows a positive trend. Return on Assets (ROA) increased from 2.22% in 2021 to 2.82% in 2022, and reached 3.43% in 2023. Despite a significant increase in the ROA ratio, Bank Mandiri still received a "healthy" rating because its ratio was >1.215 in accordance with Bank Indonesia regulations. The assessment of the bank's health is based on the profitability aspect at PT. Bank Mandiri, which can be categorized as healthy based on the results of the analysis obtained. This increase in ROA indicates that the bank's ability to generate profits from its assets is improving.

TABLE XI. Ratio ROA Bank Mandiri Period 2021-2023

Year	Ratio (%)	Predicate
2021	2.22	Healthy
2022	2.82	Healthy
2023	3.43	Healthy

On the other hand, the BOPO ratio decreased significantly from 49.44% in 2021 to 40.19% in 2022, and fell again to 36.61% in 2023. Based on Bank Indonesia's standard provisions, a minimum BOPO value of 93.52% can be categorized as healthy. This decline in BOPO means that operating costs are relatively lower than income, so that the bank's efficiency has increased from year to year.

TABLE XII. Ratio BOPO Bank Mandiri Period 2021-2023

Year	Ratio (%)	Predicate
2021	49.44	Healthy
2022	40.19	Healthy
2023	36.61	Healthy

Liquidity is calculated using the LDR ratio. The LDR ratio is applied as a measure of the ratio between the total loans disbursed by the bank and the total funds collected from third parties. Bank Mandiri's Loan to Deposit Ratio (LDR) is relatively stable, at 79.51% in 2021, 78.76% in 2022, and 80.32% in 2023. This figure is still within the healthy range according to Bank Indonesia's provisions, which is 94.75%. The stability of the LDR indicates that Bank Mandiri is able to distribute credit optimally without disrupting liquidity, while still having the ability to meet short-term obligations to customers.

TABLE XIII. Ratio LDR Bank Mandiri Period 2021-2023

Year	Ratio (%)	Predicate
2021	79.51	Healthy
2022	78.65	Healthy
2023	86.23	Healthy

Thus, if all of the ratio calculations are adjusted to the standard bank health assessment table based on Bank Indonesia regulations, it can be stated that PT Bank Mandiri Tbk's financial performance from 2021 to 2023 is in the healthy category in all aspects of CAMEL. Overall, the findings of this

study show that PT Bank Mandiri (Persero) Tbk has successfully maintained solid financial performance during the study period. Positive performance in all five aspects of CAMEL not only strengthens the company's internal stability, but also contributes to public confidence and the resilience of the national banking system.

IV. CONCLUSION

The analysis indicates that the financial performance of PT Bank Mandiri Tbk, assessed using the Capital, Asset, Management, Earning, and Liquidity (CAMEL) framework, is satisfactory. All CAMEL components were found to meet or surpass the minimum regulatory thresholds set by Bank Indonesia. Therefore, the hypothesis asserting that PT Bank Mandiri Tbk exhibited an unhealthy financial condition during the period 2021–2023, as evaluated through the CAMEL methodology, is not substantiated.

V. RECOMMENDATIONS

This study offers several implications. From a practical perspective, the management of PT Bank Mandiri Tbk is advised to consistently maintain operational efficiency, control costs, and improve the quality of productive assets in order to sustain financial health and competitiveness. The results may also serve as a consideration for investors and the public when making investment decisions, as the bank has shown stable and healthy performance throughout the study period.

From a theoretical perspective, this research contributes to the literature on financial performance analysis in banking by applying the CAMEL method as a comprehensive evaluation

tool. However, the study is limited to the 2021–2023 period and relies on a single analytical method, which may not fully capture broader financial and macroeconomic dynamics.

Future research is recommended to extend the observation period and to integrate alternative frameworks such as RGEC, SCnP, or the Z-Score method. Including external factors such as macroeconomic conditions, regulatory changes, and industry competition would also enrich the analysis and provide more comprehensive insights into bank performance.

REFERENCES

- [1] Bank Indonesia. (1997). Tatacara Penilaian Tingkat Kesehatan Bank Perkreditan Rakyat. In *Peraturan bank Indonesia*.
- [2] Bank Indonesia. (2004a). Peraturan Bank Indonesia No. 6/10/PBI/2004 tentang Sistem Penilaian Tingkat Kesehatan Bank Umum. In *Peraturan bank Indonesia* (Vol. 1, Issue 1). <https://peraturan.bpk.go.id/Details/137709/peraturan-bi-no-610pbi2004>
- [3] Bank Indonesia. (2004b). *Surat Edaran Nomor 6/23/DPNP tanggal 31 Mei 2004 perihal Sistem Penilaian Tingkat Kesehatan Bank*. 6, 1–3.
- [4] Rudianto. (2019). Akuntansi manajemen “INFORMASI UNTUK PENGAMBILAN KEPUTUSAN STRATEGIS.” In *Aditya Media Publishing* (Vol. 53, Issue 9).
- [5] Sarapi, N. M., Pangemanan, S. S., & Gerungai, N. Y. T. (2022). Analisis Pengukuran Kinerja Keuangan Dengan Menggunakan Metode Economic Value Added (EVA) Dan Financial Value Added (FVA) Pada PT Indocement Tunggul Prakarsa Tbk Periode 2018-2020. *LPPM Bidang EkoSosBudKum (Ekonomi, Sosial, Budaya, Dan Hukum)*, 5(2), 399–406.
- [6] Sujarweni, V. W. (2024). *Analisis Laporan Keuangan: Teori, Aplikasi & Hasil Penelitian*.
- [7] Yuliana, S. (2020). *PENILAIAN TINGKAT KESEHATAN BANK DENGAN MENGGUNAKAN METODE REC PADA PT BANK BRI SYARIAH TBK PERIODE 2014-2018*.