

Received: December 2023 Accepted: January 2024

DOI: <https://doi.org/10.58262/ks.v12i2.375>

Comparative Analysis of the Performance of Sharia and Conventional Banks in a Reviewspiritual Capital

Charly Marlinda¹, Rahmawati², Wahyu Widarjo³, Eko Arief Sudaryono⁴, Endang Dwi Amperawati⁵

Abstract

This study aims to review Spiritual Capital with a prophetic paradigm: Shiddiq, Tabligh, Amanah, and Fatbonah (STAF) and conduct an empirical comparative study to reveal differences in the performance of Islamic banking and conventional banking in Indonesia in the pre- and post-Covid-19 pandemic. This study makes use of a sample of up to 39 banks, comprising 36 conventional banks and 3 Islamic banks that were drawn from the Indonesia Stock Exchange. Islamic spiritual hub It naturally stems from the prophetic perspective, which embraces global principles. use Rasulullah SAW as the finest example of spiritual principles (uswatun hasanah). Tabligh, Faith, and Fastness (STAFF).Intensive The personality of Prophet Muhammad SAW is excellent. Siddiq, or constantly adhering to the truth in word and deeds, is a quality that originates with Allah Allah Azza wa Jalla, the Lord of the Universe. When referring to company performance, intensive means managing corporate entities correctly and properly, not to the cost of all stakeholders. This study employs a quantitative methodology. The statistical program for social science, or SPSS, version 22.0 for Windows, is used to process data.using the Homogeneity, Normality, and Classical Assumption testsT-test for independent samples. The outcomes are The study's findings indicated variablesShiddiq, which measures profitability using proxies like Net Profit Margin and Earning Per Share, does not reveal any appreciable differences in the performance of Indonesia's two banking groups—Islamic and conventional—in terms of Spiritual Capital using a prophetic paradigm, either before or after the Covid-19 pandemic. Despite the fact that Islamic banking has a lower average profitability performance (NPM and EPS) than conventional banking, the rise of Islamic banking's profitability performance has been quite strong, keeping pace with the expansion of Indonesia's Islamic economy. Based on the findings of the study and the subsequent debate, it has been empirically demonstrated that there were disparities between Islamic and conventional banking performance in Indonesia prior to and following the Covid-19 epidemic, with all Islamic banks receiving the best audit opinion. Regarding the Amanah variable, studies conducted prior to the Covid-19 epidemic demonstrated notable variations in the operating outcomes of Islamic and conventional banks; however, these differences did not materialize following the pandemic.

Keywords: Comparative, Performance, Spiritual Capital.

Introduction

Background

There are interesting things that have happened in this decade related to the world economy. Since the globalized monetary crisis, many non-Muslim countries have switched

¹ Fakultas Ekonomi dan Bisnis, Universitas Sebelas Maret, Surakarta, Indonesia, Email: charly@stie-pembangunan.ac.id

² Fakultas Ekonomi dan Bisnis, Universitas Sebelas Maret, Surakarta, Indonesia, Email: rahmaw2005@yahoo.com

³ Fakultas Ekonomi dan Bisnis, Universitas Sebelas Maret, Surakarta, Indonesia, Email: widarjo@staff.uns.ac.id

⁴ Fakultas Ekonomi dan Bisnis, Universitas Sebelas Maret, Surakarta, Indonesia, Email: ekoarief_fe@staff.uns.ac.id

⁵ Fakultas Ekonomi dan Bisnis, Universitas Primagraha, Serang Banten, Indonesia, Email: ed4prof@gmail.com

to an inclusive sharia financial system as stated by the Senior Deputy Governor of Bank Indonesia, Destry Damayanti at the 2021 National Seminar on Sharia Economics and Finance. The findings' practical implication is that investors in Indonesia should educate themselves about investments and the country's financial markets. This outcome may affect which investment options have a higher potential loss and are more profitable. R.W. Murhadi and others (2023)

According to the prevalent viewpoint (Kayed & Hassan, 2011), the current global financial crisis is the result of rapid financial engineering, which results in the production of complicated and opaque financial products that are utilized for risk transfer, exceptionally high liquidity, and reckless lending practices. It has become increasingly difficult to maintain relationships between lenders and borrowers, and the opaque pricing of assets on the market, particularly in the market for structured credit instruments, has led to information problems. A number of factors have contributed to the emergence of incentive structures that encourage excessive risk-taking. These include oversights that are out of date and ineffective, risk management and accounting models that are flawed, and intentional partnerships between real estate developers, credit rating agencies, insurance providers, and financial institutions. Furthermore, it is evident from the local context that customers feel obligated to carry one or more credit cards in order to have access to money whenever they require it, even if they are short on funds for some necessities. This is the case even if they are unable to pay for certain necessities. In this scenario, department stores are the ones that incur the most significant financial losses as a result of the family enterprises of their customers. 2023: L. R. R. Navarro and others, among others

The majority, if not all, of the causes that contributed to or made it possible for crises to grow and spread are prohibited by Sharia laws and customs. As a result, it is believed that it is highly implausible that a crisis of this kind would occur under the Islamic financial system. The majority of individuals are of the opinion that the current global financial crisis is a genuine test of the Islamic financial services sector's durability and its capacity to market itself as a more trustworthy alternative to the conventional financial system.

In reality, the sharia economic and financial system addresses a wider range of topics, including welfare, social justice, morality, ethics, and human rights, in addition to religion and beliefs. This is consistent with the explanation provided by (Choudhury, 2019) regarding the Universal paradigm he proposed, which centers on the idea of unity and the interconnectedness of different entities and systems that encompass both the micro and macro worlds.

With the greatest number of Muslims worldwide and rising religious consciousness, Indonesia presents a favorable environment for sharia-based economic development. The ranking Global Islamic Economy Indicator Score (GIEI) for the year 2019/2020, which offers a thorough overview of the country countries that currently have the capacity to seize opportunities in the global Islamic economy, shows Indonesia's position in the global sharia economic map. Due to increases in the categories of Islamic Finance, Modest Fashion, and Halal Media & Recreation, Indonesia is now rated fifth, up from its prior ranking of tenth (OJK, 2019).

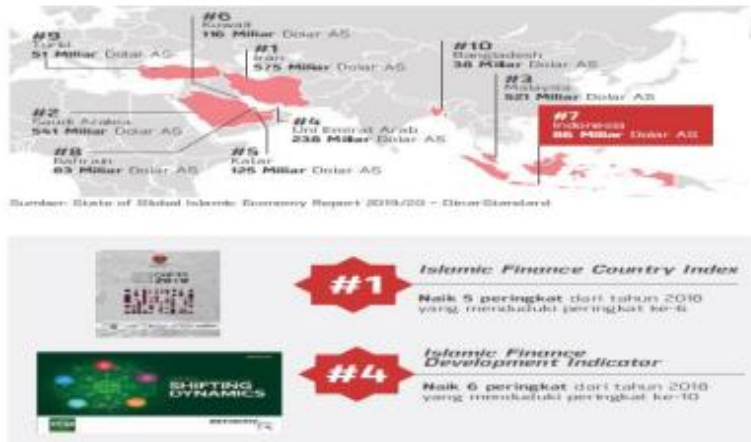


Figure 1. 1: Indonesia's Position in Global Islamic Finance.

In order to capitalize on the growing public interest in Islamic banking, the majority of Indonesia's conventional banks have established separate businesses or subsidiaries, such as BCA Syariah, BTN Syariah, Bank Mega Syariah, BNI Syariah, Bank Syariah Mandiri, BRI Syariah, and others, to concentrate on serving this expanding market. This is done in an effort to accommodate the growing demand for Islamic banking services. The Indonesian government recently merged three Islamic banks that are owned by the state: BNI Syariah, Bank Syariah Mandiri, and BRI Syariah. This move was made in an effort to reinforce the "blue plate" sharia entity (Siregar & Sissah, 2021).

According to the OJK, the report on the growth of sharia finance in Indonesia that was published in 2019/2020 fits this criteria. The sharia financial assets of Indonesia increased by 14.01%, going from IDR 1,287.65 trillion to IDR 1,468.07 trillion compared to the previous year. The Islamic banking sector has experienced tremendous expansion; as of the present moment, it is responsible for 36.67 percent of all Islamic financial assets and is expanding at a rate of 9.93 percent annually. 164 Islamic People's Financing Banks (BPRS), 20 Islamic Business Units (UUS), and 14 Islamic Commercial Banks (BUS) are the entities that make up the 6.18% market share of Islamic banking in the national financial sector.

Islamic financial institutions are required to adhere to a corporate governance framework that is referred to as "Good Corporate Governance." The Sharia Supervisory Board and the value-based corporate governance structure are two of the things that set it apart from financial institutions like other banks. The concept of Islamic spirituality is outlined in Bank Indonesia Regulation Number 11/33/PBI/2009. This regulation mandates that Sharia business units and Sharia commercial banks must execute superior corporate governance in order to serve as a "double guard" for Sharia banks.

Despite this, there have been allegations that exist regarding problems with Islamic banking. A recent example of this is a dispute that emerged between Yusuf Hamka, the owner of PT Citra Marga Nusaphala Persada Tbk (CMNP), the holding company of PT Citra Marga Lintas Jabar (CMLJ), and a group of sharia banks, which included Bank Muamalat and six Sharia Business Units (UUS) from PT Bank Pembangunan Daerah (BPD) Central Java, PT BPD Jambi, PT BPD South Kalimantan, PT BPD Yogyakarta, and PT BPD Sulselbar. This debate centered on the financial repercussions that would result from the construction of the Soreang-Pasir Koja

(Soroja) toll road. According to Yusuf Hamka, the company was the victim of "extortion" in the amount of Rp 20 billion since it failed to make its payment within the permitted two weeks, which resulted in penalties being imposed. Nevertheless, ultimately, a resolution was reached to the issue (cnnindonesia.com).

The authors intend to use the global Covid-19 pandemic as a trigger in order to evaluate the performance of Islamic and conventional banking in Indonesia. This is done with the intention of taking into consideration the contradictory phenomena that occur in the market for Islamic financial services. Nawaz (2016) carried out an investigation into conducting a performance comparison between Islamic banks and conventional banks.

In this study, a comparison is made between the performance of Islamic and conventional banks operating in fourteen different countries before and after the financial crisis (2006–2007 and 2009–2010, respectively). The comparison focuses on the effects of intangibles (such as intellectual capital) and financial resources on accounting-based and market-based measures, with a total of 568 observations.

The results show that both IC and financial capital resources are necessary for conventional or Islamic banks to create value at any time, both before and after a crisis (W Widarjo et al., 2017). The results also show a positive link between the accounting performance, IC, and financial capital of the two banking groups; nevertheless, the only variable that these variables significantly affect is the market value of Islamic banks.

The distinctions in profitability, capital adequacy, liquidity, operational efficiency, and asset quality between Malaysia's Islamic and conventional banks were also studied by Wasiuzzaman & Nair Gunasegavan (2013). In order to do this, they looked at the status of the economy and corporate governance at 14 banks (nine sharia and nine conventional) between 2005 and 2009. The study's conclusions demonstrate that conventional banks outperform Islamic banks in terms of average asset returns, bank size, and board participation. The operational efficacy, asset quality, liquidity, capital sufficiency, and board independence of sharia banks are significantly higher, nonetheless. All the parameters except board independence and profitability demonstrated notable distinctions between the two categories of institutions. All the factors that were found to be very relevant for profitability were included; the only ones not included were bank type, board makeup, and liquidity.

This inquiry builds upon the elements study in light of the findings. Intellectual capital, human capital, and its derivatives. The concept of Spiritual Capital—the theoretical factor that sets Islamic banks apart from conventional banks—is computed using the prophetic paradigm. The prophetic paradigm, which is based on prophetic qualities, has been used in a number of economic and business studies, including accounting. It has also been used in a small number of normative fields, including studies by Wibowo (2015) and Kusdewanti & Hatimah (2016). (Briando & Purnomo, 2019).

Empirical research with a predictive viewpoint in the fields of business and economics has focused on Micro, Small, and Medium-Sized Enterprises (MSMEs) in Karanganyar, Central Java, Indonesia. Falikhatun & Suparno (2015) examined the impact of Islamic business principles on employee welfare in one such study. The results of the study show how Islamic business principles affect worker welfare. Numerous factors have a detrimental impact on employee welfare at MSMEs in Karanganyar, Central Java, but Tabligh, Fathanah, and Qana'ah have very little of an impact. Amanah, Istiqomah, and Shiddiq are some of these indications.

Given the boundaries between conventional and Islamic entities—banking companies in this case—this study aims to empirically investigate whether there are differences in the performance of these two groups of banks with respect to the most different side in principle, namely from Islamic Spiritual Capital based Prophetic.

In order to analyze Spiritual Capital in this study, the prophetic paradigm known as Shiddiq, Tabligh, Amanah, and Fathonah (STAF) will be used. This paper compares, using an empirical comparison methodology, the performance of Indonesia's Islamic and conventional banks before and during the Covid-19 outbreak.

Literature Review and Hypothesis Development

The Prophetic Paradigm

Spiritual Capital

Human resources are a vital element in any organization or company (Flamholtz, 1974) which determines its success and sustainability (Smith, 2003) by providing added value (value added) (Seetharaman et al., 2002). Artificial intelligence, which is echoed in this century, is one of the high-level technological products produced by human resources (Daim et al., 2006) with all the intelligence that God has bestowed upon them, which ultimately causes major transformations in life in all fields (Sonnier, 2008). Surely this element into wealth

Intellectual Capital (IC), which has been defined in accounting (Paoloni et al., 2020), but is still being debated until now (Petty & Guthrie, 2000), interprets human resources as wealth (Hodgson, 2014) with Human Capital as one aspect (Petty & Guthrie, 2000) (Mouritsen et al., 2001). Intellectual Capital (IC) is ensured to provide added value that gives great leverage to company performance (Lee' et al., 2020; Widarjo, 2011).

Danah Zohar revealed the concept Spiritual Quotient (SQ), which is hereinafter understood as Spiritual Capital as a component of Human Capital by explaining how it can be used to shift individuals and cultures from lower levels of motivation and action (fear, greed, anger, and self-affirmation) to higher levels (exploration, cooperation, inner power, mastery and service). (Marshall & Zohar, 2011).

Draft Spiritual Capital in general is a flexible concept (Mas-Machuca & Marimon, 2019), can be understood and interpreted in different ways that include various factors (George, 2006). Spiritual Capital can be applied to all religions and various non-religious activities that are benevolent, including companies that have been proven empirically by many studies of real effects Spiritual Capital on professional performance (Falikhhatun & Suparno, 2015; Golparvar & Abedini, 2014) and company performance (Salehi et al., 2017) even on a geographical-based macro scale (Neubert et al., 2017).

Islamic Spiritual Capital

Islamic spiritual capital Of course, it flows from the prophetic paradigm which has the nature of accepting universal values (Kamla et al., 2006). Taking the spiritual values exemplified by Rasulullah SAW as the best example (uswatun hasanah) (Pomeranz, 2004) with a description of its properties namely Intense, Tabligh, Trust and Fathonah (STAFF). Intense

Prophet Muhammad SAW has a noble personality. Siddiq is the nature that always conforms to the truth both in speech and behavior comes from the Lord of the Universe, Allah Allah Azza wa Jalla (Briando & Purnomo, 2019).

In the context of business performance, intense means proper and correct management of business entities, not to the detriment of all stakeholders (Falikhatun & Suparno, 2015).

Banking business performance is basically internalized quantitatively in banking financial performance (Hausberg et al., 2019). By measuring the level of profitability, the company's ability to gain profits is illustrated (Whittington, 2007) so that it can become a benchmark for overall banking management. Intense (good and right) by management by utilizing all available resources (Triuwono, 1997). To measure level Intense quantitatively researchers use Net Profit Margin (NPM) and Earning Per Share (EPS).

Net Profit Margin (NPM) is a proxy used to measure the level of banking profit from income earned (Finkel & Tuttle, 1971). As a profitability ratio (Kuswanto et al., 2017), NPM is calculated by comparing net profit and income. In other words, NPM observes how much profit a bank gets from income after deducting various costs (operational costs, interest, taxes and so on) (Nariswari & Nugraha, 2020).

Furthermore, to show profitability based on ownership in banking can be used Earning Per Share (EPS) where the banking profits earned are divided per share (Watung & Ilat, 2016). The more the EPS value increases from year to year, the better the banking performance because the company's profit increases, and the company can be said to grow (Indrawati et al., 2016).

Tabligh

Tabligh is communicative and argumentative skills. All company activities must be transparent, accessible to stakeholders (Falikhatun & Suparno, 2015). Financial reports that are presented periodically are a way for management to communicate accountability for business development and performance to stakeholders (Hay & Cordery, 2018): owners, employees, government and society with reference to applicable accounting principles (Zhang, 2018). The reliability of an entity's financial statements is confirmed by an audit report (Knechel et al., 2013) which is something that must be done by a companygo public.

The results of the audit are in the form of an opinion from the auditor on the audited financial statements (Jackson et al., 2008). It is this audit opinion that reveals whether the financial statements are fair or not. Therefore the results of banking audit reports with the audit opinion given can be a proxy that measures the level Spiritual Capital Prophetic approach to components Tabligh. The audit opinion consists of 5 (five) opinions (Bedard & Johnstone, 2010), namely: Unqualified Opinion

Unqualified Opinion (Exceptions), Qualified Opinion (Qualified Opinion), Modified Unqualified Opinion (Unqualified Opinion with Explanatory Paragraphs), Unfair Opinion (Adverse Opinion), and Disclaimer of Opinion (Disclaimer of Opinion) are examples of qualified opinions. Trust Amanah is defined as being dependable, accountable, or respectable (Falikhatun & Suparno, 2015). The interpretation given above may have bearing on the company's reputation because, according to Dowling (2006), a company's reputation is based on the values that people attach to it—such as authenticity, honesty, responsibility, and integrity—as soon as the company's image is expressed. which is nearly hard to alter, but their emotional connection to the company and/or how they perceive it can be altered (which fits the image). All parties involved have an image of a person in their minds if that person has a reputation.

Everyone's experiences and contacts with the organization—albeit through other people's filters—form the foundation of their reputation. According to Davies et al. (2001), perceptions about a company's reputation impact other organizations.

Feast of the Month

Falikhatusun and Suparno (2015) claim that Fathonah possesses intellectualism, intelligence, knowledge, and innovativeness. If we use the term "innovative," then Fastah can be considered a business innovation.

The concept of innovativeness as behavior, according to De Jong (Jong et al., 2015), is individual behavior that seeks to contribute concepts, procedures, products, or ideas that are novel and helpful in a work, group, or organization. According to Janssen (Jansen et al., 2006), creative behavior, on the other hand, is the generation, introduction, and implementation of new concepts or ideas in the workplace, groups, or organizations in order to enhance the performance of responsibilities within the individual, group, or organization.

A study on the impact of human, financial, and social capital on innovation and business performance was carried out by Neubert et al. (2017). This study, which focuses on the role of microcredit entrepreneurs' spiritual capital in Kenya and Indonesia, demonstrates the important influence that spiritual capital entrepreneurs have on innovation and commercial performance.

Performance of the Company

According to Neely (2005), performance is the efficacy and efficiency of an action, and measurement is the process of quantification. Tangen (2004) argues that performance measurement is a multifaceted process that requires the use of at least three distinct disciplines: accounting, management, and economics. It is not sufficient to gauge financial performance on its own.

A number of considerations, including the measurement's intended use, the amount of detail needed, the amount of time available, the availability of specified data, and the cost of the measurement, must be taken into account in order to select the best performance measurement for the business (Tangen, 2004).Hypothesis for Research

This section explains how research hypotheses and empirical examinations of earlier research are developed into new hypotheses.

Spiritual Capital in the Prophetic Framework: High-level and organizational effectiveness.

H1: *The review indicates that, prior to and during the post-pandemic period of Covid-19, Islamic and conventional banking in Indonesia performed very differently. Spiritual Capital with the Prophetic paradigm: Intense.*

Spiritual Capital in the Prophetic Framework: Tabigh and Business Results.

H2: *The research reveals notable variations in Indonesia's Islamic and conventional banking sectors' performance prior to and during the Covid-19 pandemic Spiritual Capital with the Prophetic paradigm: Tabigh.*

On the prophetic paradigm, place your trust in the performance of your firm.

H3: *According to the review, traditional and Islamic banking in Indonesia performed quite differently during the pre-pandemic period of Covid-19 Spiritual Capital with the Prophetic paradigm: Trust.*

Spiritual Capital in the Prophetic Framework: Fast-paced business outcomes

H4: *According to the review, Islamic and conventional banking in Indonesia performed quite differently in the pre-post-pandemic era of Covid-19 Spiritual Capital with the Prophetic paradigm:Fathonah.*

The research scheme that can be formulated for this research is as presented in Figure 2.1

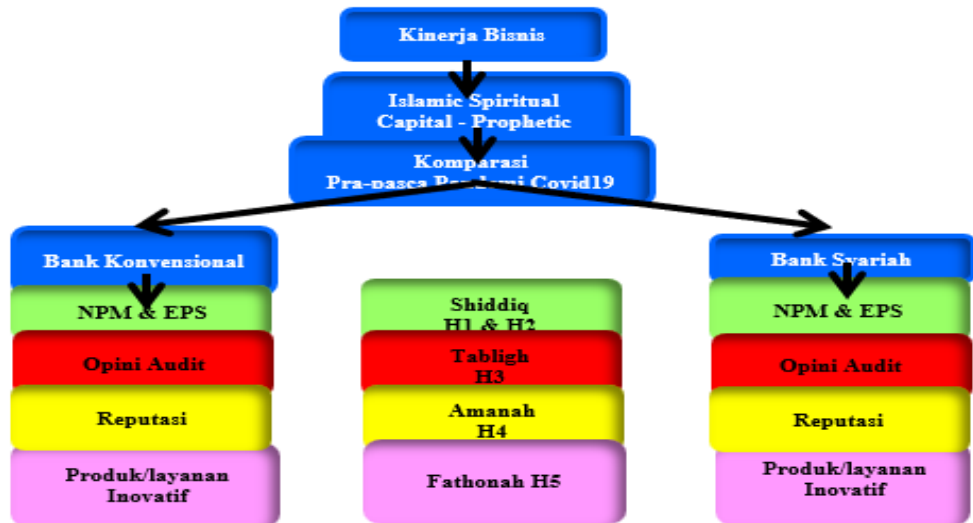


Figure 2. 1: Research Scheme.

Types of research

This study uses a quantitative method that focuses on measurements that have specific terminology and a set of techniques because the goal is to precisely capture the details of the empirical social world and reveal what we find in the results of measurements in the form of numbers (Djamba & Neuman, 2002).

Data Collection Techniques

The process of gathering data involves following methodical, set methods in order to gather the required information. This study employed many methods of data collection, including library research and documentation procedures.

Populace

This study's population consists of 39 banks that are listed on the IDX and are classified as Islamic and conventional banks. The observation period for this study is from 2018 to 2020.

Taking Samples

Saturated sampling was the method used to choose the study's sample, which included up to 39 banks drawn from the Indonesian stock exchange, three of which were Islamic banks and the other 36 ordinary banks.

Techniques for Processing Data

The author's own data, specifically secondary data extracted from already-published sources, was used in data processing procedures for this work. The information comes from Islamic and conventional banking records available on the Indonesian stock exchange and through the RTI application, covering the years 2018 through 2020. Companies that fit the requirements for the study sample. The author of this study employed the statistical program for social science, or SPSS, version 22.0 for Windows as a processing tool.

Method of Data Analysis

Data analysis techniques are methods for turning data into information that makes the features or attributes of the data easily comprehensible and helpful in solving issues pertaining to research operations. The traditional assumption test, which consists of a homogeneity and normalcy test, was employed in this study's data analysis. The independent t test hypothesis was then utilized to compare the research variables under investigation.

Discussion

Research Result

Normality Test

The results of the Normality Test for 2018, 2019 and 2020 for comparative conventional and Islamic banks are as follows:

Table: Sharia and Conventional Banking Normality Test in 2018.

	BANK	Tests of Normality					
		Kolmogorov-Smirnov ^a			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
EPS	Sharia	.319	3	.112	.698	3	.111
	conventional	.216	36	.700	.713	36	.331
NPM	Sharia	.295	3	.233	.837	3	.185
	conventional	.328	36	.670	.505	36	.221
TABLIGH	Sharia	.	3	.363	.	3	.531
	conventional	.319	36	.771	.601	36	.611
TRUST	Sharia	.298	3	.251	.839	3	.223
	conventional	.300	36	.113	.815	36	.211
FATHONAH	Sharia	.283	3	.336	.863	3	.272
	conventional	.301	36	.231	.722	36	.326

a. Lilliefors Significance Correction.

Table 4.1 above shows the outcomes of the Shapiro-Wilk and Lilliefors tests that were performed on the siddiq variable when it was evaluated using EPS. When the test p values (Sig) for both groups are greater than 0.05, the Lilliefors test indicates that the data for each group is normally distributed. In the Shapiro-Wilk test, groups 1 and 2 had P values of 0.111 > 0.05 and 0.311 > 0.05, respectively. The results of the Shapiro-Wilk and Kolmogorov-Smirnov tests from 2018 indicated that both groups had a normal distribution because every result in both groups was greater than 0.05.

Additionally, the results of the Shapiro-Wilk and Lilliefors test of the siddiq variable utilizing NPM measurement are shown in Table 4.1 above. If the p value (Sig) of the Lilliefors in the two groups is more than 0.05, then the data for each group is normally distributed according to the Lilliefors test. In the Shapiro-Wilk test, groups 1 and 2 had P values of 0.185 > 0.05 and 0.221 > 0.05, respectively. The 2018 Shapiro-Wilk and Kolmogorov-Smirnov tests show that the two groups have the same normal distributions because all 0.221 > 0.05.

Additionally, the results of the Shapiro-Wilk and Lilliefors test of the tabligh variable, which gauges it using audit opinion indicators, are shown in Table 4.1 above. In the Shapiro-Wilk test, group 1's and group 2's P values were 0.531 > 0.05 and 0.611 > 0.05, respectively. The

Lilliefors test > 0.05 p values (Sig) for the two groups show that each group's data is normally distributed. The 2018 Shapiro-Wilk and Kolmogorov-Smirnov tests show that both groups have a normal distribution because every result is greater than 0.05.

Moreover, the results of the Shapiro Wilk and Lilliefors test on the reputation-based trust variable are shown in Table 4.1 above. If the p value (Sig) of the Lilliefors in the two groups is more than 0.05, then the data for each group is normally distributed according to the Lilliefors test. In the Shapiro-Wilk test, the P values for groups 1 and 2 were $0.223 > 0.05$ and $0.223 > 0.05$, respectively. The 2018 Shapiro-Wilk and Kolmogorov-Smirnov tests show that both groups have a normal distribution because every result is greater than 0.05.

Additionally, Table 4.1 above displays the findings of the Shapiro-Wilk and Lilliefors test from the fathonah variable utilizing product innovation as a measurement. If the p value (Sig) of the Lilliefors in the two groups is more than 0.05, then the data for each group is normally distributed according to the Lilliefors test. In the Shapiro-Wilk test, group 1's and group 2's P values were $0.272 > 0.05$ and $0.326 > 0.05$, respectively. The 2018 Shapiro-Wilk and Kolmogorov-Smirnov tests show that both groups have a normal distribution because every result is greater than 0.05.

Table: Sharia and Conventional Banking Normality Test in 2019.

		Tests of Normality					
	BANK	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
EPS	Syariah	.323	3	.636	.658	3	.503
	Konvensional	.261	36	.360	.706	36	.500
NPM	Syariah	.392	3	.711	.698	3	.311
	Konvensional	.383	36	.500	.531	36	.600
TABLIGH	Syariah	.	3	.332	.	3	.712
	Konvensional	.390	36	.231	.623	36	.310
AMANAHAH	Syariah	.283	3	.113	.863	3	.272
	Konvensional	.286	36	.231	.796	36	.330
FATHONAH	Syariah	.283	3	.612	.863	3	.272
	Konvensional	.301	36	.361	.722	36	.510

a. Lilliefors Significance Correction.

The results of the Shapiro-Wilk and Lilliefors test for the siddiq variable, which is utilized in the measurement of EPS, are presented in the table that can be found above. According to the Lilliefors test, the data for each group is considered to have a normal distribution if the p value (Sig) of the Lilliefors in both groups is more than 0.05. In the Shapiro-Wilk test, the P values for group 1 were 0.503 or greater than 0.05, and for group 2, the P values were 0.500 or greater than 0.05. All of the values that were found in the Shapiro-Wilk and Kolmogorov-Smirnov tests were more than 0.05, which means that it is possible to draw the conclusion that the distributions of the two 2019 groups are normal.

As an additional point of interest, the results of the Shapiro-Wilk and Lilliefors test of the siddiq variable utilizing NPM measurement are presented in Table 4.2, which may be found above. According to the Lilliefors test, the data for each group is considered to have a normal distribution if the p value (Sig) of the Lilliefors in both groups is more than 0.05. When the Shapiro-Wilk test was performed, the P values for groups 1 and 2 were 0.311 and 0.600, respectively, which were greater than 0.05. Given that all of the 0.221 values are more than 0.05, the Shapiro-Wilk and Kolmogorov-Smirnov tests that were carried out in 2019 reveal that

the two groups have normal distributions that are identical to one another.

In addition, the results of the Shapiro-Wilk and Lilliefors test of the tabligh variable are presented in the table that can be seen above. This test examined the tabligh variable by making use of audit interpretation indications. According to the Lilliefors test, the data for each group is considered to have a normal distribution if the p value (Sig) of the Lilliefors in both groups is more than 0.05. Within the context of the Shapiro-Wilk test, the P values for group 1 and group 2 were 0.712 and 0.310, respectively, which were greater than 0.05. All of the values that were found in the Shapiro-Wilk and Kolmogorov-Smirnov tests were more than 0.05, which means that it is possible to draw the conclusion that the distributions of the two 2019 groups are normal.

In addition, the results of the Shapiro-Wilk and Lilliefors test on the reputation-based trust variable are presented in the table that can be seen above, which is headed "Table 4.2." According to the Lilliefors test, the data for each group is considered to have a normal distribution if the p value (Sig) of the Lilliefors in both groups is more than 0.05. When the Shapiro-Wilk test was performed, the P values for groups 1 and 2 were 0.272 and 0.330, respectively, which were greater than 0.05. All of the values that were found in the Shapiro-Wilk and Kolmogorov-Smirnov tests were more than 0.05, which means that it is possible to draw the conclusion that the distributions of the two 2019 groups are normal.

In addition, the outcomes of the Shapiro-Wilk and Lilliefors test, which was conducted on the fathonah variable and utilized product innovation as a measurement, are presented in Table 4.2, which may be found above. According to the Lilliefors test, the data for each group is considered to have a normal distribution if the p value (Sig) of the Lilliefors in both groups is more than 0.05. The Shapiro-Wilk test yielded P values of $0.272 > 0.05$ for group 1 and $0.510 > 0.05$ for group 2, respectively. Both of these values are not significant. All of the values that were found in the Shapiro-Wilk and Kolmogorov-Smirnov tests were more than 0.05, which means that it is possible to draw the conclusion that the distributions of the two 2019 groups are normal.

Table 4. 1: Sharia and Conventional Banking Normality Test for 2020.

Test of Homogeneity of Variance					
		Levene Statistic	df1	df2	Say.
EPS	Based on Mean	1.339	1	37	.236
	Based on Median	.865	1	37	.368
	Based on Median and with adjusted df	.865	1	33.368	.369
	Based on trimmed mean	1.121	1	37	.297
NPM	Based on Mean	.698	1	37	.309
	Based on Median	.536	1	37	.369
	Based on Median and with adjusted df	.536	1	33.000	.369
	Based on trimmed mean	.783	1	37	.382
TABLIGH	Based on Mean	33.623	1	37	.710
	Based on Median	1.980	1	37	.168
	Based on Median and with adjusted df	1.980	1	33.000	.168
	Based on trimmed mean	27.367	1	37	.000
TRUST	Based on Mean	3.058	1	37	.151
	Based on Median	3.992	1	37	.053
	Based on Median and with adjusted df	3.992	1	36.393	.053
	Based on trimmed mean	3.007	1	37	.053
FATHONAH	Based on Mean	1.253	1	37	.270
	Based on Median	.225	1	37	.638
	Based on Median and with adjusted df	.225	1	33.530	.638
	Based on trimmed mean	.781	1	37	.382

The homogeneity test findings utilizing the Levene's Test technique, the siddiq variable with EPS values in 2018, are displayed in Table 4.4 above. Given a p value (sig) of 0.236 where >0.05 , indicating homogeneity or a comparable variation between the groups.

Additionally, the results of the homogeneity test using the Levene's Test technique and the siddiq variable with NPM data in 2018 are displayed in Table 4.4 above. with a significance level (sig) of 0.309, more than 0.05, indicating homogeneity or a similar variance between the groups.

Additionally, the homogeneity test results for the tabligh variable in 2018 are displayed in Table 4.4 above using the Levene's Test method. with a significance level (sig) of 0.710, more than 0.05, indicating homogeneity or a similar variation between the groups.

Additionally, the results of the homogeneity test using the Levene's Test technique for the variable trustworthiness in 2018 are displayed in Table 4.4 above. Having a p value (sig) = 0.151 where >0.05 , indicating homogeneous data or similar variation between groups

Additionally, the results of the homogeneity test for the fathonah variable in 2018 using the Levene's Test technique are displayed in Table 4.4 above. Having a p value (sig) of 0.270 where >0.05 , indicating homogenous data or similar variance between groups

Table 4. 3: 2019 Sharia and Conventional Banking Homogeneity Test.

Test of Homogeneity of Variance					
		Levene Statistic	df1	df2	Sig.
EPS	Based on Mean	.950	1	37	.336
	Based on Median	.388	1	37	.389
	Based on Median and with adjusted df	.388	1	36.286	.389
	Based on trimmed mean	.636	1	37	.330
NPM	Based on Mean	1.898	1	37	.177
	Based on Median	.603	1	37	.332
	Based on Median and with adjusted df	.603	1	33.105	.332
	Based on trimmed mean	1.039	1	37	.315
TABLIGH	Based on Mean	91.077	1	37	.210
	Based on Median	2.530	1	37	.120
	Based on Median and with adjusted df	2.530	1	33.000	.121
	Based on trimmed mean	73.091	1	37	.000
TRUST	Based on Mean	1.136	1	37	.291
	Based on Median	.768	1	37	.387
	Based on Median and with adjusted df	.768	1	36.120	.387
	Based on trimmed mean	.822	1	37	.370
FATHONAH	Based on Mean	1.363	1	37	.370
	Based on Median	.213	1	37	.638
	Based on Median and with adjusted df	.225	1	33.330	.618
	Based on trimmed mean	.787	1	37	.332

The homogeneity test results for 2019 using the Siddiq variable Levene's Test technique with EPS data are displayed in Table 4.5 above. showing a p value (sig) of 0.336 where >0.05 , indicating homogeneity or a similar variance between groups. Additionally, the results of the

homogeneity test in 2019 utilizing the Siddiq variable Levene's Test technique with NPM measurements are displayed in Table 4.5 above. Having a p value (sig) of 0.330 where >0.05 indicates homogeneity or a similar variance between the groups.

Additionally, the results of the homogeneity test using the Levene's Test technique for the tabligh variable in 2019 are displayed in Table 4.5 above. with a p value (sig) of 0.210, where >0.05 , indicating homogeneity or a similar variance between the groups. Additionally, the results of the homogeneity test using the Levene's Test technique for the variable trustworthiness in 2019 are displayed in Table 4.5 above. Having a p value (sig) of 0.291 where >0.05 , indicating homogeneous data or similar variation between groups

Additionally, Table 4.5 above displays the 2019 results of the homogeneity test for the fathonah variable using the Levene's Test technique. Having a p value (sig) of 0.291 where >0.05 , indicating homogeneous data or similar variation between groups

Table 4. 4: 2020 Sharia and Conventional Banking Homogeneity Test.

Test of Homogeneity of Variance					
		Levene Statistic	df1	df2	Sig.
EPS	Based on Mean	2.012	1	37	.163
	Based on Median	.762	1	37	.388
	Based on Median and with adjusted df	.762	1	36.001	.389
	Based on trimmed mean	1.669	1	37	.203
NPM	Based on Mean	1.133	1	37	.293
	Based on Median	.619	1	37	.337
	Based on Median and with adjusted df	.619	1	33.019	.337
	Based on trimmed mean	.736	1	37	.393
FATHONAH	Based on Mean	.569	1	37	.366
	Based on Median	.319	1	37	.521
	Based on Median and with adjusted df	.319	1	33.000	.522
	Based on trimmed mean	.362	1	37	.505
TRUST	Based on Mean	1.619	1	37	.211
	Based on Median	1.575	1	37	.217
	Based on Median and with adjusted df	1.575	1	36.999	.217
	Based on trimmed mean	1.687	1	37	.202

The homogeneity test results for the siddiq variable with EPS values in 2020 are displayed in Table 4.6 above, which was conducted using Levene's Test technique. Given a p value (sig) of 0.163 where >0.05 , indicating homogeneity or a similar variance between the groups.

Additionally, the results of the homogeneity test with the Levene's Test technique, the siddiq variable with NPM measurements in 2020, are displayed in Table 4.6 above. Given a p value (sig) of 0.293 where >0.05 , indicating homogeneity or a comparable variation between the groups.

Additionally, the homogeneity test results for the variable trust in 2020 are displayed in Table 4.6 above using the Levene's Test method. Given a p value (sig) of 0.211 where >0.05 , indicating homogeneity or a similar variance between the groups.

Additionally, the results of the homogeneity test for the fathonah variable in 2020 using the Levene's Test technique are displayed in Table 4.6 above. with a p value (sig) of 0.366 where >0.05 , indicating homogenous

Hypothesis Test

The hypothesis testing from a comparison of Islamic and conventional banking is as follows:

Table 4. 5: Comparative Results of Islamic and Conventional Banking.

	Levene's Test for Equality of Variances			Independent Samples Test			
	F	Sig.	t	Sig. (2-tailed)	Mean difference	95% Confidence Interval of the Difference	
						Lower	Upper
Pra-pandemi Covid-19							
2018 year							
Intense: NPM	.698	.309	-.163	.871	-60.50713	-812.12617	691.11188
EPS	1.339	.236	-.676	.503	-82.93671	-331.31801	165.53659
Tabligh			3.212	.000*	.33286	.17732	.50829
Trust	3.058	.051	2.517	.016*	1.25000	.23387	2.25613
Fathonah	1.253	.270	-.369	.632	-.39286	-2.08865	1.30293
Post-pandemic Covid-19							
2019 year							
Intense: NPM	1.898	.177	-.721	.376	-39.78571	-151.65098	72.07955
EPS	.950	.336	-.567	.573	-55.20713	-252.63033	132.22613
Tabligh			3.761	.000*	.30000	.22926	.57073
Trust	1.136	.291	-.532	.598	-.36329	-1.75190	1.02332
Fathonah	.839	.365	-.818	.318	-.33286	-1.53919	.65338
2020							
Intense: NPM	1.133	.293	-.608	.537	-36.78571	-202.72697	109.15553
EPS	2.012	.163	-.376	.637	-28.15000	-138.05563	91.75563
Tabligh	-	-	-	-	-	-	-
Trust	1.619	.211	.051	.959	.02857	-1.09678	1.15392
Fathonah	.569	.366	-1.030	.310	-.55713	-1.65338	.53919
*Sig <5%							

The table mean difference for the siddiq variable in 2018 with an NPM measurement of -60.50713 is shown in table 4.7. This figure illustrates the -60.50713 difference in average between Islamic and traditional banking. It is said that Islamic banking has a lesser value than traditional banking when the t count is negative, or 0.163. It may be concluded that there is no discernible difference between Islamic and conventional banking in the siddiq variable comparison using NPM measurements during the pre-pandemic Covid-19 period since the probability value is greater than 0.05, or 0.380. In the post-pandemic years of 2019 and 2020, the same thing occurred.

In addition, in 2018 the Shiddiq variable with EPS measurement is -82.93671. This figure illustrates the -82.93671 difference in average between Islamic and traditional banking. Hence the t-count is negative (-0.676), which is interpreted as indicating that Islamic banking is less valuable than traditional banking. It may be concluded that there is no discernible difference between Islamic and traditional banking in the siddiq variable comparison utilizing EPS measurements during the pre-pandemic Covid-19 period as the probability value is greater than 0.05, or 0.236. In the aftermath of the pandemic, this also occurs in 2019 and 2020.

Table 4.7 also shows that in 2018, the Tabligh variable's value mean difference was 0.33286. This figure indicates that there is a 0.33286 difference between the average Islamic and conventional banking. Since the probability value is less than 0.05, or 0.000, it can be concluded that there is a significant difference between Islamic and conventional banking when the variables are compared. Tabligh during the Covid-19 pre-pandemic period. This also occurred in 2019 following the pandemic, although 2020 saw no testing due to a lack of data.

The 2018 value of the Amanah variable is 1.25000. This figure illustrates the 1.25000 difference on average between Sharia and regular banking. Considering that the t count is positive at 2,517, it may be concluded that Islamic banking is more valuable than traditional banking. Hence the probability value, which is 0.051, is higher than 0.05. such that it may be concluded that, in the pre-pandemic Covid-19 period, there is no discernible difference in the trustworthiness metrics between Islamic and conventional banking. However, 2019 values are different. The Trust variable's mean difference is -0.36329. This figure illustrates the -0.36329 difference in average between Islamic and traditional banking. Considering that the t-count is negative (-0.532), it may be concluded that Islamic banking is less valuable than regular banking. and even though this will occur in 2020, the likelihood value is larger than 0.05, specifically 0.291, indicating that there is no discernible difference between Islamic and conventional banking in the comparison of trust factors following the pandemic.

In 2018, the Fathonah variable is -0.39286. This figure illustrates the -0.39286 difference in average between Islamic and traditional banking. The value of Islamic banking is allegedly lower than that of regular banking when the t count is negative, or -0.369. ... a probability value larger than 0.05, 0.271, indicating that there is no discernible difference between Islamic and conventional banking when comparing the fathonah variable in the period leading up to the Covid-19 epidemic. This also occurred in 2019 following the pandemic, although 2020 saw no testing due to a lack of data.

Discussion

According to table 4.7's summary of the independent sample t-test test results, all variables are not significant because the Levene's test value is less than 0.05 ($p < 0.05$), meaning that the two groups' variances were equal during the observation period, which ran from 2018 to 2020 (pre-pandemic COVID-19 to post-pandemic COVID-19). Exceptions are limited to variables. Compared to the other two groups, Because all Islamic banks obtained the same view in 2018 and 2019, namely an unqualified opinion, Tablighat the proxy-right by audit opinion differs. 2020 audit reports exhibit variability. Not tested because none of the banks under examination have made them public.

With a p-value of greater than 0.05, it can be concluded from the probability values provided that conventional banking performed better than Islamic banking both before and during the Covid-19 pandemic. These results concur with the research conducted in 2013 by Wasiuzzaman & Nair Gunasegavan. Changing exclusions Tabligh Where $p\text{-value} < 0.05$ is good from the Covid-19 pre-pandemic period to the pandemic, which lasted from 2018 to 2020. Consequently, Tabligh proxy outperformed traditional banks, as per the audit conclusion released by Syariah Banks.

Interestingly, Islamic banks outperformed conventional banks before the pandemic for the Amanah variable ($p\text{-value} < 0.05$). However, the trust variable showed a $p\text{-value} > 0.05$ when the outbreak started and persisted for two years. This illustrates that the reputation-based trust

variable performs just like traditional banks do. This, of course, is not what the researchers had expected, as normatively, spirituality acts as a stabilizer when a "shock" negatively affects the performance of an individual or organization/entity (Yasaransi, 2020).

Nevertheless, if we look at value-mean differences for all variables that are lowering, the performance of Islamic banks has occasionally improved, and the difference's area is getting smaller. The value-mean differences NPM in 2018 (pre-pandemic) - 60.50713 to - 39.78571 in the first year of the Covid-19 pandemic and decreased again in 2020, though not as high as the previous year, namely -36.78571, indicate the significant improvement in Islamic banks' performance, particularly in the Shiddiq variable. This condition is consistent with the publication by OJK regarding the Report on the Development of Islamic Finance in Indonesia in 2019 and 2020, which saw a very large increase in 2019 and a not so large increase in 2020.

Conclusions, Implications, Limitations and Suggestions

Conclusion

Several inferences can be made from the test results and discussion in the preceding section. These include the following: Intense, which measures profitability with proxy Net Profit Margin and Earning Per Share, does not demonstrate any appreciable variations in the performance of two (two) banking groups in Indonesia, namely Islamic and conventional banking, with respect to Spiritual Capital using the Prophetic paradigm, both prior to and following the Covid-19 pandemic. While the average performance and profitability (NPM and EPS) of conventional banking is better than that of sharia banking, the growth in profitability performance has kept pace with the expansion of the sharia economy in Indonesia.

The performance of Islamic and conventional banks in Indonesia before and after the Covid-19 outbreak has been objectively demonstrated to differ, with all Islamic banks receiving the best audit opinion. What's fascinating is Amanah, where research findings from before the Covid-19 outbreak demonstrated that Islamic and conventional banking performed significantly differently, but this did not hold true after the pandemic. This suggests that Amanah's performance in sharia banking has declined. Islamic banking has to pay attention to this circumstance since, as a competitive advantage, it carries spiritual ideals that ought to have been reliably proven throughout a pandemic.

Implications, Suggestions, and Limitations

1. Implications

a. Theoretical Implications

This research has theoretical implications for applicability Spiritual Capital with the prophetic paradigm in companies in Indonesia even though the influence is not significant enough. This requires a more intensive and in-depth study related Spiritual Capital with the Prophetic paradigm not only in the normative realm but also can be implemented

and empirically proven in the business environment. Because this is needed, in line with the awareness and significant growth of the sharia economy in Indonesia and the world.

b. Practical Implications

This research provides an understanding of Islamic banking management in order to further improve its Spiritual Capital as value-added which became a main-core excellence in boosting company performance. The absence of significant differences compared to conventional banking is an early warning that in the future will erase the competitive advantage that is now being echoed: Islamic Value, which is of course very closely related to Spiritual Value.

2. Limitations

This study has several limitations, including the use of proxies that are still few and simple, as well as the operational test equipment. It is hoped that further research can expand the scope not only in Indonesia but across countries.

3. Advice

Future research can develop measuring variables Islamic Spiritual Capital by expanding the identification because the area of this study is very broad and dynamic so that the development of different measurement tools is a necessity.