

Effect of operational risk on financial performance in banking industry IDX

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Abstract: Seeing the phenomenon of the COVID-19 pandemic, it has resulted in changes in the work patterns of many banks in Indonesia. The presence of COVID 19 is able to change the current pattern of bank operations in Indonesia. The financial performance of a company is a measure of the company's profits or losses in a certain period of time. Which could be issues related to banking risk management such as exchange rate risk, operational risk and interest rate risk. To raise arguments about how risk affects financial performance can reduce the probability of bankruptcy and provide greater stability of banking. This study aims to determine the effect of the dependent variable on financial performance as measured by return on assets and return on equity and the independent variable net interest income, average asset turnover, total operating expense, interest over years, exchange rate. The purpose of this study is to examine the effect of operational risk on financial performance in the banking industry listed on the IDX.

Keywords: Risk exposure, Financial Performance, Banking industry IDX.

Abstrak: Melihat fenomena pandemi COVID-19 mengakibatkan perubahan pola kerja banyak bank di Indonesia. Kehadiran COVID 19 mampu mengubah pola operasional bank di Indonesia saat ini Kinerja keuangan suatu perusahaan merupakan ukuran keuntungan atau kerugian perusahaan dalam jangka waktu tertentu. Yang bisa menjadi Isu-isu yang terkait dengan manajemen risiko perbankan seperti risiko nilai tukar, risiko operasional dan risiko suku bunga. untuk meningkatkan argumen tentang bagaimana risiko mempengaruhi kinerja keuangan dapat mengurangi kemungkinan kebangkrutan dan memberikan stabilitas yang lebih besar dari perbankan Studi ini bertujuan untuk mengetahui pengaruh antara variable dependen financial performance yang diukur dengan return on assets dan return on equity dan variable independen net interest income, average asset turnover, total operating expense, interest over years, exchange rate. Risiko operasional terhadap kinerja keuangan pada industri perbankan yang tercatat di BEI

Kata kunci: Risiko Pasar; Kinerja keuangan; Industri perbankan pada IDX.

INTRODUCTION

The banking industry is related to the bank's work system covering the process of managing financial funds from cash to credit. The main function of banking is to accumulate and distribute public funds with the intention of to support the implementation of national development and increase equity in development and its outcomes. Banking is also one of the bases for economic growth and national stability to improve public finances.

(Muriithi, 2017) shows that operational risk affects performance but neither of these studies uses latent variables to represent operational and risk in a structural equation model (SEM) or combines risk and operations to assess the magnitude of their effect on financial institution performance. Therefore, this study seeks to determine the effect of operational risk and risk on bank performance by involving path analysis statistical techniques. Nitzl (2016) argues that SEM offers flexibility to test such models, allows one to use multiple predictors and criterion variables, construct latent (unobservable) variables, model errors in measurement for observed variables, and test mediation and moderating relationships in one model. Operational risk occurs due to incompetence and abuse of power, failed information processing, transmission, data retrieval, and inaccurate output (Sisimonda, 2021). According (Wolke, 2017), Operational risk requires the projection of losses as a result of rare or neglected processes, structures and guidelines. May be due to employee error, system failure or a scam. This is due to internal factors of operational risk including inadequate process problems, existing system failures, poor hardware and software maintenance, and communication errors. Rational risk is related to issues of external factors such as natural disasters, political, fraud and weak financial policy in institutions (Barakat, 2014).

Operational risk can be divided into several groups with the following categories: (1) Operational risk is the risk that makes the information system or internal control inefficient, resulting in losses. This risk can be further divided into fraud risk, risk of conveying incorrect information, unavoidable risks such as flooding and employee risk (Personnel Risk). (2) Legal risk is the risk that the conditions of the contract or agreement cannot be executed because it is not stated in the agreement or in connection with the applicable documentation and procedures.

Market risk can be measured using interest rate policies carried out by monetary policy such as the central bank. Market risk can be further measured using foreign exchange risk exposure, net interest margin and financial leverage level. According to (McNeil et al., 2015) market risk is the possible loss of funds due to unfavorable interest rate trends, changes in foreign exchange rates, commodity prices and equities. It can be said that market risk can reduce profits from interest rates, changes in foreign exchange rates and prices due to volatile market conditions. Warzala, E. (1995), the risk can arise in situations financial institutions especially banks recognize financial instrument which are highly bare to market cost instability as guarantee for loans. The concept that any difference in the interest rates of two countries is equated with movements in the exchange rates of their currencies (Huang, 2009). This theory states that the difference in interest rates between two countries is equal to the difference between forwards. Interest rate risk is the risk that the fair value or future contractual cash flows of a financial instrument will be affected by changes in market interest rates. The Company's exposure to interest rate risk is mainly related to bank loans.

To minimize interest rate risk, the impact of changes in market prices depends on maturity mismatches and price resets embedded in the institution's assets, liabilities, and off-balance-sheet positions.

Contemporary foreign exchange exposure theory (Shapiro, 2003) argues that exchange rate fluctuations should affect the value of multinational companies mainly through foreign sales and foreign (net) assets, which must be denominated in the domestic currency of the parent company. currency risk mitigation to invest in microfinance institutions in developing countries found that there is a clear trade-off for investors that reduces currency risk in less developed countries in the form of fee contracts for the benefit of protection against currency fluctuations. Marston (2001) shows, foreign exchange exposure most likely depends on the competitive structure in an industry. It is widely believed that changes in exchange rates have important implications for financial decision-making and for the profitability of firms. One of the central motivations for the creation of the euro was to eliminate exchange rate risk to enable European firms to operate free from the uncertainties of changes in relative prices resulting from exchange rate movements

Financial performance is the determination of operational, organizational and employee effectiveness based on predetermined targets, standards and criteria periodically. Performance measurement is applied by the company to carry out improvements to its operational activities so that it can compete with other companies. Information on the company's financial performance can be used for the following matters: (1) To measure the achievements achieved by an organization in a certain period that reflects the level of success of the implementation of its activities. (2) Can be used as a basis for determining the company's strategy for the future. (3) Provide guidance in decision-making and organizational activities in general and divisions or parts of the organization in particular. (4) As a basis for determining investment policies in order to increase company efficiency and productivity.

The financial performance of company is a measure of the company profit or losses in a certain periode of time. Company as a whole over periode of time, and can be use to compare similar companies in the same industry and to compare industries or sectors in aggregation (Pandey, 2008). Financial performance consists of operating income, profit before interest and taxes, and net asset value. Companies monitor their profitability levels regularly to measure their financial performance through the use of profitability measures. The two most popular profitability measures are ROE and ROA. ROE measures accounting earnings for the period per shareholder equity dollar while ROA measures the return of individual dollars invested in assets.

Healthy banking can improve the financial function of the economy and accelerate the country's economy by maintaining its profitability from year to year. Profitability is used as the basis for measuring banking financial performance which influences important decisions for investors and banking finance (Menicucci & Paolucci, 2016). Based on research conducted (Al Zaidanin & Al Zaidanin, 2021) on financial performance using the ROA variable. The researcher clarifies and integrates the philosophical, methodological and pragmatic aspects of the doctoral thesis while helping the profession to be seen as a research-based discipline, comfortable with the language of meta-theoretical debate, (Sykes & Piper,

2015). The conceptual framework for this study shows the effect of operating and market risk exposure on the performance of banks listed on the IDX.

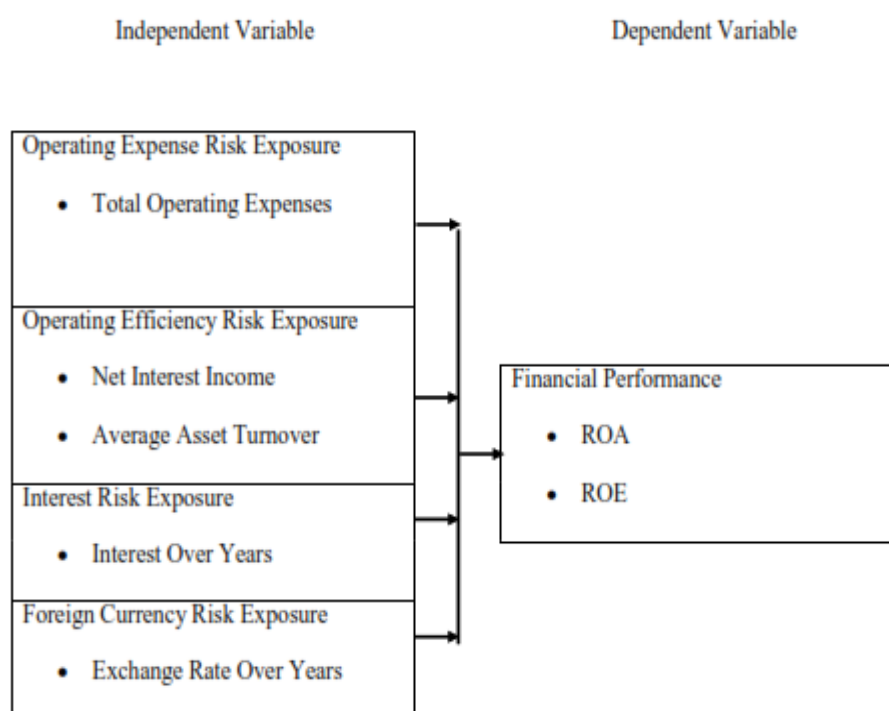


Figure 1. Concept Framework

The conceptual framework is part of the negotiation agenda to be researched, tested, reviewed and reformed as a result. Investigation and explain possible relationships between variables (Durham & Stokes, 2015). Conceptual frameworks are important for research because they clarify and integrate the philosophical, methodological and pragmatic aspects of a provisional doctoral. The conceptual framework for this study shows the effect of operating and market risk exposure on the performance of banks listed on the IDX. The conceptual framework is part of the negotiation agenda to be researched, tested, reviewed and reformed as a result.

(Eichhorn, 2004) observes that both market risk and credit risk have direct and indirect impacts on bank performance and sustainability. According to Rampini, Viswanathan, and Vuillemeay (2019), the risk management approach considers market risk as the main contributor to value losses which are explained as changes in the net value of assets. The main market factors that affect asset values include movements in interest rates, exchange rates, equities and commodity prices (Wu, Olson, & Dolgui, 2015) investment and make decisions that best serve the interests of shareholders (Saunders, Cornett, & McGraw, 2006).

This theory will be used to analyze the effect of operational cost risk and operational efficiency risk exposure on financial performance in the banking industry.

METHOD

Research design. The design of this study is a hypothesis test that aims to determine the effect of the dependent variable on financial performance as measured by return on assets and return on equity and the independent variables are net interest income, average asset turnover, total operating expense, interest over years, exchange rate. This analysis method uses secondary data. This study analyzes the banking industry listed on the Indonesian stock exchange.

Variable measurement. The variables in this study consisted of independent variables and dependent. The dependent variable is a variable whose value is influenced by several factors while the independent variable is a variable that takes effect. Both positively and negatively. Dependent variable ROA, ROE. Independent variable Total operating expenses, net income, Average asset turnover, interest over years, exchange rate.

Sampling Method. The data collection method in this study uses data secondary data or data taken indirectly through sources that have been published. The data is obtained from the financial and annual reports in Indonesia Stock Exchange website (www.idx.co.id) This sampling method uses purposive sampling as a sampling method taken based on several criteria that fulfill. The sample obtained is the banking industry which listed on the Indonesian stock exchange must meet several criteria. Following are the criteria used for this research: (1) Banking Industry listed on the Indonesia Stock Exchange and have no loss period 2016 – 2020. (2) Banks that publish financial statements and have been issued audit. (3) Banks that have complete data.

Table 1. Sample

Sample Criteria	Amount Company
Banking companies in Indonesia listed on the Indonesia stock exchange (IDX) during the 2016-2020 period	43
Banking companies in Indonesia listed on the IDX have experienced losses during the period 2016-2020	(15)
Banking companies in Indonesia are listed on the IDX that are not have complete data for the period 2016-2020	0
Number of sample companies	28
5 years research period (2016-2020)	5
Amount of research data	140

Data Testing Method. The causal effect of the independent variable on the dependent variable done by using regression analysis based on random effects model. In banking industry companies listed on the Indonesian stock exchange. The data is then processed using SPSS. Effect of market operational risk in banking industry companies listed on the Indonesian stock exchange

$$Y_{it} = \beta_0 + \beta_1 O_Exp_{it} + \beta_2 O_EFF_{it} + \beta_3 INT_RATE_{it} + \beta_4 F_EXCH_RISK_{it} + \beta_5 \varepsilon_{it} \dots (1)$$

Y_{it}	= Financial performance as Returns on Asset
β	= Is the time-invariant intercept
O_EXP_{it}	= Operation expense risk exposure
O_EFF_{it}	= Operation efficiency risk exposure
INT_RATE_{it}	= Interest rate risk exposure
$F_EXCH_RISK_{it}$	= Foreign exchange rate risk exposure
ε_{it}	= is an error term
i	= Total banking industry data and t = refers to a period of 5 years

Research instrument test

Descriptive statistics. Descriptive statistics is a method that explains about characteristics of data related to data collection and presentation into a more informative form with the aim of providing the description and description of the data using a statistical approach seen from the minimum, maximum, mean, and standard deviation values.

Normality test. The normality test aims to determine whether the data used in this study has a normal distribution or not. This is done using the Kolmogorov - Smirnov Test by looking at the value of its significance. If the significance value is > 0.05 then the data is distributed normal and vice versa. The following are the results of the normality test presents the significance value of the data used in this study.

Multicollinearity Test. The multicollinearity test aims to determine the correlation between independent variables in a multiple linear regression. This test is done by calculating the tolerance value or the value of VIF (Value Inflating factor) on each independent variable. If the tolerance value > 0.10 or the value of VIF < 10 then the data has no multicollinearity disorder and otherwise.

Autocorrelation Test. The autocorrelation test aims to determine whether or not there is a correlation between errors that occur at different times. This test is done by looking at the value of Durbin Watson (DW) in a regression model. If Durbin Watson (DW) coefficient value lies between du and $4-du$ then the model The regression is said to be free from autocorrelation.

Multiple Regression Test. Multiple regression testing aims to find out how much big influence Total Operating Expense, Net Income, Average Turnover and Interest Over Years, Exchange Rate Over Years on Return on Assets.

Determination Coefficient Test (R^2). The coefficient of determination test aims to find out how much the ability of the independent variable to explain the variation of the variable dependent by looking at the value of the coefficient of determination which ranges between 0 and 1.

Uji F. The coefficient of determination test aims to find out how much the ability of the independent variable to explain the variation of the variable dependent by looking at the value of the coefficient of determination which ranges between 0 and 1.

Uji T. Partial testing aims to find out how much the influence of each independent variable on the dependent variable by looking at the significance value. If the significance value is > 0.05 then the independent variable has no significant effect on the variable dependent and vice versa.

Hypothesis Testing. In testing the hypothesis, the goal is to ensure that each of the independent variables, intervening variables, and control variables significantly influence the dependent variable. The basis for making decisions on hypothesis testing is as follows:

H1: Operational cost risk has no significant effect on financial performance.

H2: Operational efficiency risk has no significant effect on financial performance.

H3: Interest rate risk has no significant effect on financial performance.

H4: The risk of foreign exchange rates has no significant effect significant to financial performance.

RESULTS

Descriptive Analysis

Table 2. Statistic descriptive

	N	Minimum	Maximum	Mean	Std. Deviation
ROA	140	0,00	0,12	0,0186	0,01796
TOTAL OPERATING EXPENSE	140	5.529.772	54.240.342.000.000	7.015.678.038.967	12.014.372.183.331
NET INCOME	140	3.331.186	36.790.651.000.000	4.630.944.185.338	9.550.802.066.454
AVERAGE ASET TURNOVER	140	0	0	0	0
INTEREST OVER YEARS	140	7.517.351	38.666.742.000.000	4.932.441.658.829	7.983.804.143.892
EXCHANGE RATE OVER YEARS	140	3.473	14.380	13.831	947
Valid N (listwise)	140				

The average number of Total Operating Expense in the study period has a fairly large average because the Bank has a large enough operating expense to support the company's growth.

This company is very good at maximizing revenue to get a net profit with an average of 4,630,944,185,338.

the average banking company has a large average interest income with a value of 4,932,441,658,829 with a large value because the bank's source of income is derived from interest lent to customers

That the average banking company has a large average Exchange Rate with a value of 13,831 due to the fact that the exchange of dollars to rupiah is influenced by global economic conditions which causes the dollar against rupiah to continue to increase.

that the average banking company has an average Return on Assets of 1.9% which means that from the total sample the company maximizes the net profit of the company's total assets.

Table 3. Normality test

	Unstandardized Residual	Conclusion
Asymp. Sig. (2-tailed)	0.857	Data is normally distributed

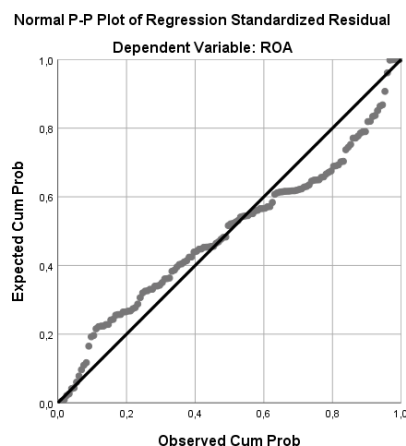


Figure 2. Normality test

Based on the results in the table above, it can be seen that the significance value of the resulting value is 0.857, which is greater than 0.05 so that it can be concluded that the regression model in this study so that it can be concluded that the regression model in this study has met the assumption of normality or it can be said that the data in this study are normally distributed.

Table 4. Multicollinearity Test

Model	Tolerance	VIF	Conclusion
Total Operating Expense	0.072	1.829	There is no multicollinearity
<i>Net Income</i>	0.141	1.769	There is no multicollinearity
<i>Average Asset Turnover</i>	0.761	1.313	There is no multicollinearity
<i>Interest Over Years</i>	0,243	1,117	There is no multicollinearity
<i>Exchange Rate Over years</i>	0.942	1.062	There is no multicollinearity

Based on the results in the table above, there is no average more than 10 and the VIF value is more than 10 so it can be concluded that In the regression model in this study, there is no multicollinearity disorder between independent variable or can be said to have met the assumptions multicollinearity

Table 5. Autocorrelation test

Model	Tolerance	VIF	Conclusion
Total Operating Expense	0.072	1.829	There is no multicollinearity
<i>Net Income</i>	0.141	1.769	There is no multicollinearity
<i>Average Asset Turnover</i>	0.761	1.313	There is no multicollinearity

<i>Interest Over Years</i>	0.243	1.117	There is no multicollinearity
<i>Exchange Rate Over years</i>	0.942	1.062	There is no multicollinearity

Based on the results in the table above, it shows the value of Durbin Watson of 1.755 with the number of independent variables (k) = 5 of 140 samples that used in this study (N) and a significance level of 0.05. Mark du is 1.798 while the value of $4-du$ is 2.202, so du DW $4-du$ or 1.798 1.855 2.225, it can be concluded that the regression model on In this study, there is no autocorrelation or no error relationship with time, it can be concluded that the regression model in this study does not there is autocorrelation.

Table 6. Multiple regression

Model	Tolerance	VIF	Conclusion
Total Operating Expense	0.072	1.829	There is no multicollinearity
<i>Net Income</i>	0.141	1.769	There is no multicollinearity
<i>Average Asset Turnover</i>	0.761	1.313	There is no multicollinearity
<i>Interest Over Years</i>	0.243	1.117	There is no multicollinearity
<i>Exchange Rate Over years</i>	0.942	1.062	There is no multicollinearity

from the regression model above, the interpretation can be described as follows:

The negative constant of 0.027 states that the value of the dependent variable if is ssumed to be 0, then the Return on Assets as the dependent variable will be decreased by 0.027.

The regression coefficient of Total Operating Expense is positive at 6.476 states that if Total Operating Expense as an independent variable is assumed to be 0 while other variables are considered constant, then Total Operating Expense as an independent variable will decrease of 6,476.

The net income regression coefficient is positive at 8,794 stating that if Net Income as the independent variable is assumed to be 0 while other variables are considered constant, then Net Income as an independent variable will increase by 8,794.

The regression coefficient of Average Asset Turnover is positive at 0.660 states that if Average Asset Turnover as an independent variable is assumed to be 0 while other variables are considered constant, then Average Asset Turnover as an independent variable will increase by 0.660.

Interest Over years regression coefficient is negative at 6.743 stating that if Interest Over years as the independent variable is assumed to be while other variables are considered constant, then Interest Over years as the independent variable will decrease by 6.473.

Exchange Rate Over years regression coefficient is positive at 0.100 states that if Exchange Rate Over years as an independent variable is assumed to be 0 while other variables are held constant, then Exchange Rate Over years as an independent variable will increase by 0.100.under the title table.

Table 7. Determination coefficient test

Model	R	R Square	AdjustedR Square	Std. Error of the Estimate
1	,746 ^a	0,557	0,540	0,01218

It can be seen that the adjusted value is 0.557 which means the variability of Return on Assets as a variable dependent variable that can be explained by the independent variable is 55%. And by 100% - 55% = 45% can be explained by the variables others outside of this research model.

Table 8. Result F test

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	0,025	5	0,005	33,657	,000b
1 Residual	0,020	134	0,000		
Total	0,045	139			

There is a simultaneous influence of the independent variables in this study on the dependent variable which is indicated by a significance value of 0.000 or less than 0.05 so it can be concluded that the independent variables jointly have a significant effect on the dependent variable.

Based on the test results above, it can be concluded as follows:

The significance value of Total Operating Expense is 0.045, which means it is smaller of 0.05 while the value of the coefficient B shows a positive result of 6.476 so it can be concluded that the variable Total Operating Expense has a significant positive effect on the Return On Assets variable, then H1 rejected.

The significance value of Net Income is 0.000, which means it is smaller than 0.05 while the value of the coefficient B shows a positive result of 8,794 so it can be concluded that the Net Income variable has a positive effect on the Return On Assets variable, then H2 is accepted.

The significance value of Average Asset Turn Over is 0.000 which means more greater than 0.05 while the value of the coefficient B shows a positive result of 0.660 so it can be concluded that the variable Average Asset Turn Over has a positive effect on the Return On Assets variable, so H3 is rejected.

The significance value of Interest Over Years is 0.798, which means it is greater than 0.05 while the coefficient value shows a negative result of 6.743 so it can be concluded that the Interest Over Years variable does not effect on Return On Assets, then H4 is rejected.

The significance value of the Exchange Rate Over Years is 0.374, which means more greater than 0.05 while the coefficient value shows a positive result of 0.100 so it can be

concluded that the Exchange Rate Over Years. Variable has no effect on Return On Assets, then H5 is rejected.

DISCUSSION

Hypothesis Testing Results

Analysis of the Effect of Total Operating Expense on Financial Performance. Based on the results of partial regression testing, it is known that the value of the significance of the Total Operating Expense variable is $0.045 < 0.05$ while the value of the coefficient B shows a positive result of 6.476 which means Total Operating Expense variable has a significant positive effect on Financial Performance so that it can be concluded that the hypothesis H1 is accepted.

Operating Costs and Operating Income Ratio is the ratio between operating costs and operating income. Operating costs are costs incurred by banks in carrying out their activities, while operating income is all forms of income obtained from bank activities. The Effect of Operating Costs and Operating Income Ratios on changes in Profit where Operating Costs and Operating Income Ratios show a negative effect, the smaller the Operating Costs and Operating Income Ratios indicate the more efficient the bank in managing its activities so that ROA/Return On Assets will increase.

Analysis of the Effect of Net Income on Financial Performance. Based on the results of partial regression testing, it is known that the value of the significance of the Net Income variable is $0.003 < 0.05$ while the value of coefficient B shows a positive result of 8,794 which means the variable Net Income has a positive effect on Financial Performance so that it can be concluded that the hypothesis H2 is accepted.

Net Profit Margin is the ratio used to measure the profit margin on sales. This ratio describes net sales income based on total sales. This measurement can be done by comparing net profit after tax with net sales. The higher the Net Profit Margin ratio, the better the company's ability to earn high profits. According to (Hasanah & Didit, 2018) which states that the ratio of return on investment, or the power to generate company profits, will occur if there is an increase in asset turnover, an increase in net profit margin or both.

Analysis of the Effect of Average Asset Turn Over on Financial Performance. Based on the results of partial regression testing, it is known that the value of the significance of the Average Asset Turn Over variable is $0.000 < 0.05$ and the value of positive B coefficient of 0.660 which means the variable Average Asset Turn Over has a positive effect on Financial Performance so that it can be concluded that hypothesis H3 is rejected.

Total Asset Turnover is a ratio that measures the intensity of the company in using its assets. The measure used for the most relevant use of assets is sales. Total Asset Turnover is a comparison between total sales and total assets of a company. The more efficient the company in using its assets to gain profit, the better the level of profitability. If the company is not efficient in using its assets, it will increase the company's burden in the form of investments that are not profitable. States that if in analyzing this ratio for several periods it

shows a trend that tends to increase, giving an illustration that the more efficient the use of assets so that operating results will increase.

Analysis of the Effect of Interest Over Years on Financial Performance. Based on the results of partial regression testing, it is known that the value of the significance of the Interest Over Years variable is $0.798 > 0.05$ and the value of coefficient B is negative of 6.743, which means that the Interest Over Years variable is not have a significant effect on Financial Performance so that it can concluded that hypothesis H4 was rejected.

Net Interest is a value that measures a bank's ability to generate net interest income by placing earning assets. Net Interest Margin is the difference between the total cost of financing interest and the total cost of borrowing interest. Thus, the amount of Net Interest will affect the Bank's profit and loss which in turn affects the performance of the bank. Every increase in Net Interest will result in an increase in Return on Assets because every increase in net interest income, which is the difference between total interest costs and total interest income, results in an increase in profit before tax, which in turn results in an increase in Return on Assets.

Analysis of the Effect of Exchange Rate Over Years on Financial Performance. Based on the results of partial regression testing, it is known that the value of the significance of the Exchange Rate Over Years variable is $0.374 > 0.05$ and the value of the positive B coefficient is 0.100 which means the Exchange Rate Over Years variable does not have a significant effect on Financial Performance so that it can be concluded that the hypothesis H5 is accepted.

This study proves that fluctuations in the exchange rate of the rupiah against the dollar have an effect on changes in ROA in a bank. This study shows that the rupiah exchange rate against the dollar has experienced an appreciation, this has an impact on the appreciation of bank profitability (ROA), the appreciation of the rupiah exchange rate against the dollar only has a significant impact on banks that have a direct relationship with foreign currencies and this significant effect indicates that the size of the The exchange rate in the 2017–2020 period had a major impact on the rise and fall of bank ROA.

CONCLUSIONS

Based on the results of the research that has been done, the following conclusions are obtained: (1) Total operating expenses has a significant effect on financial performance Net Income has a significant effect on Financial Performance. (2) Average Asset Turn Over has a significant effect on Financial Performance. (3) Interest Over Years variable is not have a significant effect on Financial Performance. (4) Exchange Rate Over Years variable does not have a significant effect on Financial Performance

The results of the research carried out are expected to be applied to banks or investors. where for banks can be a benchmark of the bank's financial performance. With evidence from Operating Costs Operating Income which shows whether the bank has used all its production factors effectively and successfully. If it meets the standards, the bank is able to channel credit smoothly because the bank's financial performance is also smooth. and For

Investors For investors, it can be taken into consideration for investors who invest in the banking industry. Investors can see the financial performance of the bank that will invest in the bank from the bank's income. If the bank has good profitability, the bank's financial performance is also good.

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