

ANALYSIS OF COMPANY VALUE AT PT BANK RAKYAT INDONESIA (PERSERO) Tbk PERIOD 2018-2022

Rismawati

Faculty of Economics and business, Makassar State University
Correspondence author email: rismaawatii12@gmail.com

Anwar

Faculty of Economics and business, Makassar State University
anwar@unm.ac.id

Andi Mustika Amin

Faculty of Economics and business, Makassar State University
andimustika@unm.ac.id

Romansyah Sahabuddin

Faculty of Economics and business, Makassar State University
krtrenreng@yahoo.com

M Ikhwan Maulana Haeruddin

Faculty of Economics and business, Makassar State University
ikhwan.maulana@unm.ac.id

Abstract

Based on the results of research that researchers have conducted, it can be concluded that the shares of PT. Bank Rakyat Indonesia (Persero)., Tbk, which is one of the largest government-owned banks in Indonesia and the oldest in Indonesia. Over the years, with various banking facilities, PT. Bank Rakyat Indonesia (Persero) is trusted and reliable for the Indonesian people, making it one of the leaders in the banking world in providing financial services to underprivileged segments of society, including through microfinance programs and small business financing with programs designed to help the community. in overcoming current economic problems.

Keywords: Analysis, Company Value, Bank Rakyat Indonesia.

INTRODUCTION

Companies generally try to achieve their goals, both short-term goals, namely maximizing company profits, and long-term goals, namely being able to increase company value and improve the welfare of shareholders. Attracting investors'

attention to the company is the goal of increasing company value (Pramana and Mustanda, 2016).

Company value is investors' perception of the company's level of success in managing resources at the end of the current year which is reflected in the company's share price. The higher the share price, the higher the company value, conversely, the lower the share price, the lower the company value or the company's performance is less good. Company value is measured by price to book value (PBV), which is a ratio that measures company value by comparing the share price per share (Brigham & Houston, 2015).

(PBV) is the comparison between the share price and the book value per share. The higher the PBV, the higher the level of prosperity of shareholders, which is the main goal of a company. The PBV ratio can be used for all types of companies because book value can be a rational measure for assessing a company. The PBV ratio can be used to compare companies that have the same accounting standards in an industrial sector.

Banks as providers/financial services also pay great attention to the value of their company, currently banks are present with all types of services, especially In the digital/technological realm, the rapid development of information technology requires banks to innovate in customer service. Evolution in the form of digital banking services has become one of the options available to the banking industry. Digital banking services can make it easier for customers to open books, bank transactions, register, communicate and close accounts. This service can be accessed easily regardless of time and place. This aims to increase the efficiency of operational activities and the quality of banking services so as to increase customer satisfaction.

Banking with digital services is a system that allows bank customers to access accounts and general information about banking products and services via personal computers (PCs) or other smart devices. Online transactions make it easier for customers to carry out transactions without having to come directly to the bank or ATM, because online transactions can be accessed anytime and anywhere using computers, laptops and gadgets via a supported internet network (Kholis N, 2018), with the increasing use of transactions online will also have an impact on increasing transaction value.

Allen et al., (2002) define e-finance as a means of distributing financial market and banking services that uses electronics and computerization. This service can be provided by various banks that have physical offices and create a website and provide services through it or services can be provided through virtual banks. The internet can be used as part of a strategic channel and differentiation of low-cost financial service products such as credit cards. Financial transaction features that are widely used by the public include SMS banking, mobile banking and internet banking.

According to Financial Services Authority (OJK) Regulation no. 12/POJK.03/2018 concerning the implementation of digital banking services by commercial banks, where digital banking is defined as electronic banking service data developed to maximize customer use so that it is easier to serve and provide information to customers more quickly according to their needs (customer experience), and can be executed completely independently by the customer, taking into account all security aspects.

Looking at the data above which shows the transaction volume and transaction value on digital banking services provides good and important information for companies to be able to provide a broad picture regarding a situation. Companies that will make a policy or decision generally use data as a reference for decision making. With data, strategies can of course be more optimal because they are in accordance with the conditions in the field (Yohanes & Annisa, 2021).

Apart from that, this research also wants to prove that digitalization can have a positive impact on company value according to research by Moridu (2020) and Salvi et al. (2021) with the increasing value of banking companies.

RESEARCH METHOD

The type of research used in this research is descriptive research, namely research used to analyze data by describing or illustrating the data that has been collected as it is without the intention of making generally accepted conclusions or generalizations. The descriptive analysis method is used to explain, describe and test the use of digital services to see whether they influence or constrain company value.

In conducting research, a research design is needed to create a series or description and explanation of the research so that it can help the research process. As in this research, it will be classified as quantitative descriptive research, where the research is a systematic, factual and accurate depiction of the facts and characteristics of the population. Research using quantitative methods is a scientific approach to managerial and economic decision making. This approach starts from data, processes data and manipulates raw data into useful information.

Population is a generalized area consisting of objects or subjects that have certain qualities and characteristics determined by the researcher to be studied and then conclusions drawn. Meanwhile, the sample is part of the population to be studied. The population in this research is all financial reports of PT Bank Rakyat Indonesia for the 2018-2022 period which are listed on the Indonesian Stock Exchange which are presented annually. So the sample taken in this research is a report registered on the Indonesian Stock Exchange (BEI) which relates to the financial performance report of PT Bank Rakyat Indonesia Tbk for the 2018-2022 period.

The type of data in this research is quantitative data, namely in the form of numbers. The purpose of the data source in this research is the subject from which this

data was obtained. Based on the data source obtained in this research is company value data from the financial reports for the 2018-2022 period at PT Bank Rakyat Indonesia.

Data analysis techniques are a tool used to answer the problems and hypotheses proposed. The data analysis technique that will be used in this research is the PBV (Price To Book Value) method which is calculated by comparing the share price with the company's book value. Determining the company value of PT Bank Rakyat Indonesia, Tbk for the 2017-2022 period can provide profitable results if the company has the right management. When efficient and successful company management produces a PBV worth at least 1 or more of the book value in a particular year, this condition is referred to as overvalued. On the other hand, if the PBV figure is less than 1, it is certain that the share price is lower than the company's book value, and the shares are undervalued.

RESULT AND DISCUSSION

One indicator in assessing or seeing whether a company is in a healthy condition and worthy of being the main investment destination or not. A high share price is a reflection of the corporate value of a company and can increase the attractiveness of investors to carry out investment activities in a company.

Looking at the results of PT's financial reports. Bank Rakyat Indonesia Tbk, based on Price to book value (PBV) calculations if related to the purpose of the company being established, namely to increase company value or company growth. Company growth that is easily visible is the high external assessment of the company's assets and the growth of the stock market. Company value is the price that is willing to be paid if the company is sold. Company value can be reflected through share prices. The higher the share price means the higher the rate of return to investors and that means the higher the value of the company related to the objectives of the company itself, namely to maximize shareholder prosperity (Gultom and Syarif, 2008).

Price to book value (PBV) is an indicator in assessing a company, according to theory (Brigham & Houston, 2015). The higher the PBV, the higher the level of prosperity of shareholders, which is the main goal of a company. However, to assess the Price to Book Value (PBV) of a company, you must first know the Book Value (BV) of the PT company. Bank Rakyat Indonesia, Book Value is the ratio used to view

The intrinsic price of shares is based on the assets owned compared to the total price of shares in circulation which is calculated and seen from an accounting perspective, the results of the Book Value calculation from 2018-2022 have increased from the last 5 years, after getting the value from the results of the Book Value calculation, then the Price calculation to Book Value (PBV) and the calculation results can be seen from the table of Price to Book Value (PBV) calculation results from 2018-2022 which has an average of 2.46 and has increased every year compared to the book

value every year which is still above or more than 1, then this condition is considered overvalued so it is worth buying but not suitable for long-term investment, so it is said that based on the results of the calculation above if it is related to the company value of PT. Bank Rakyat Indonesia shows an increase in company value in line with the increase in Price to Book Value (PBV) from year to year.

So it can be said that the company value of PT. Bank Rakyat Indonesia, Tbk is still categorized as good. PT Bank Rakyat Indonesia Tbk is one of the largest government-owned banks in Indonesia and the oldest in Indonesia. For many years, recorded in the history of PT Bank Rakyat Indonesia Tbk, it has become a trusted and reliable bank for the Indonesian people. This bank has become one of the leaders in providing financial services to underprivileged segments of society, including through microfinance programs and small business financing. Apart from that, BRI also has programs designed to help the community overcome the economic problems currently being faced, this is what makes PT Bank Rakyat Indonesia Tbk, from year to year, it has made profits as shown in the financial report of PT Bank Rakyat Indonesia Tbk, posting a net profit in 2022 of 51.17 trillion. An increase compared to the same period in 2021 of 31.06 trillion.

CONCLUSION

Based on the results of research that researchers have conducted, it can be concluded that the shares of PT. Bank Rakyat Indonesia (Persero), Tbk, which is one of the largest government-owned banks in Indonesia and the oldest in Indonesia. Over the years, with various banking facilities, PT. Bank Rakyat Indonesia (Persero) is trusted and reliable for the Indonesian people, making it one of the leaders in the banking world in providing financial services to underprivileged segments of society, including through microfinance programs and small business financing with programs designed to help the community. in overcoming current economic problems.

In line with PT shares. Bank Rakyat Indonesia (Persero), Tbk, which is classified as overvalued after calculating the Book value and Price to Book Value (PBV), is said to be still very reasonable to buy with the results showing a positive trend in the value of the PT company. Bank Rakyat Indonesia (Persero), Tbk. Experiencing an increase from year to year, the company management is efficient and successful in maintaining the company's value and continues to grow. This is what makes PT Bank Rakyat Indonesia Tbk, from year to year obtain profits as in the financial report of PT Bank Rakyat Indonesia Tbk, posting a net profit in 2022 amounting to 51.17 trillion, an increase compared to the same period in 2021 of 31.06 trillion.

BIBLIOGRAPHY

- Allen, F., McAndrews, J., & Strahan, P. (2002). E-finance: an introduction. *Journal of financial services research*, 22, 5-27.
- Bambang Leo Handoko (2021) Signal Theory and its Relationship with Investor Decision Making. <https://accounting.binus.ac.id/2021/07/13/theoretica-sinyal-dan-keras-dengan-pengampilan-kebesaran-investor/>
- Brigham, E. F. and J. F. Houston. (2015). *Financial management*. Eleventh Edition. Jakarta: Salemba Empat.
- Christiawan, Y. J., & Tarigan, J. (2007). Managerial ownership: debt policy, performance and firm value. *Journal of Accounting and Finance*, 9(1), 1-8.
- Cindera, Iis and Kurniawan. (2022). Siliwangi University Journal of Non-cash transactions during the Covid-19 pandemic: is it true that it has decreased significantly
- Darmawi, H. (2011). *Banking management*. Literary Earth.
- Dwi Haryono Wiratno & Rahmawati Hanny Yustrianthe. (2022). Price earning ratio, company size and value in manufacturing companies in Indonesia. *Fair Value Scientific Journal of Accounting and Finance*. Vol. 4 No.
- Erdawati, L., & Febrianto, H. G. (2023). Volumes . 25 Issue 1 (2023) Pages 97-105 *Economic Forum: Journal of Economics, Management and Accounting* Issn: 1411-1713 (Print) 2528-150x (Online) Financial Performance of Islamic Banking with Internet Banking and Fee Based Income as a Predictor of Islamic Financial Performance Banking With Internet Banking And Fee-Based Income As Predictors. 1(1), 97–105.
- Estradiyanto, N. (2012). Protection for Bank Customers in Using Internet Banking Facilities Against the Occurrence of Cyber Crime in Indonesia.
- Fajria, R. N. (2023). Analysis of the Influence of Relationship Marketing, Service Quality, and the Use of Mobile Banking on Customer Loyalty at PT Bank Syariah Indonesia (Case Study of Communities in Semarang City). 11(1), 58–72. <https://doi.org/10.32497/Keunis.V11i1.3788>.
- Serafica Gischa. (2020) "The First Bank in the World, Banca Monte dei Paschi in Italy". <https://www.kompas.com/skola/read/2020/07/05/170653369/first-bank-in-the-world-banca-monte-dei-paschi-in-italy>.
- Harjito, Agus and Martono. (2011). *Financial management*. Econisia. Faculty of Economics, Indonesian Islamic University Yogyakarta
- Hartati, N. (2017). Comparative analysis of financial performance; foreign exchange banks and non-foreign exchange banks. *PROMOTION: Journal of the Economic Education Study Program*, 5(2).
- Hasanah, L. N. M. (2022). The Influence of Profitability, Capital Structure and Company Size on Company Value in Consumer Goods Industry Companies Listed on the Indonesian Stock Exchange in 2015-2019 (Doctoral dissertation, Indonesian College of Economics, Jakarta).
- I Gusti Ngurah Gede Rudangga (2016) The Influence of Company Size, Leverage, and Profitability on Company Value. *Unud Management E-Journal*, Vol. 5, No.7, Implementation, A., Zir, T. A., Ta, D. A. N., Pada, W., Murabahah, P., Bank, P. T.,

- Syariah, A., Kunci, L., & Karya, K. (2020). Compiled by: Ahmad Juliadi Faculty Islamic Economics and Business Ar-Raniry State Islamic University Banda Aceh 2020 M / 1441 H.
- Cashmere. (2000). Banking management. Revised Edition. Jakarta: Rajawali Press.
- Kharima, B. M. (2019). The Impact of Digital Banking on the Financial Performance of Banking Companies Registered on BEI 2014-2018. Upt Sebelas Maret University Library, 15.
- Kholis, N. (2018). Banking in the new digital era. *Economicus*, 9(1), 80-88.
- Kweon, J. A. (2008). Financial Management(10th Edition). PT. Macanan Jaya Cemerlang, Jakarta.
- Margaretha, F. (2015). Impact of Electronic Banking. *Journal of Finance and Banking*. Moridu, I., Economy, F., Business, D., Muhammadiyah, U., Banggai, L., Banggai, L.,
- Tengah, S., & Banking, D. (2020). The Influence of Digital Banking on the Value of Banking Companies (Study at Pt. Bank Negara Indonesia (Persero) Tbk). 3(2), 67-73.
- Muktar, B. (2016). Banks and other financial institutions. Prenada Media. Nurastuti, W. (2017). Banking technology.
- Nguyen, N. (2018). Hidden Markov Model for Stock Trading. *International Journal of Financial Studies*, 6(2), 36. <https://doi.org/10.3390/ijfs6020036>
- Ningsih, M. R., & Mahfudz, M. S. (2020). The impact of the Covid-19 pandemic on Islamic banking industry management: comparative analysis. *POINT: Journal of Economics and Management*, 2(1).
- Nuraini, M., Husni, T., & Adrianto, F. (2022) . The Influence of Electronic Service Innovation Banking, Fee Based Income and the Effectiveness of Internal Control on the Value of Banking Companies Listed on the Indonesian Stock Exchange. *J-Mas (Journal of Management and Science)*, 7(2), 787. <https://Doi.Org/10.33087/Jmas.V7i2.650>
- Nurudin. (2007). Introduction to Mass Communication. Jakarta : PT RajaGrafindo Persada
- Nursanit, Faris Faruqi and S. Rahayu. (2019). The Influence of Managerial Ownership, Institutional Ownership, Capital Structure, Company Growth and Profitability on Company Value in Manufacturing Companies in Indonesia 2015-2018. *STEI Journal of Economics*.
- Parasuraman, A., Zeithaml, V.A. and Berry L.L. (1988) "SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality", *Journal of Retailing*.