

MASLAHAH OF ISLAMIC BANKING MERGER DISCOURSES (INDONESIA CASE)

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İslami Bankacılık Birleşme Söylemlerinin Maslahati (Endonezya Örneği)
Öz

Endonezya hükümeti, İslami bankaların rekabet gücünü güçlendirmek için Endonezya'daki İslami bankaları, yani Bank Syariah Mandiri (BSM), Bank Rakyat Indonesia Syariah (BRIS) ve Bank Negara Indonesia Syariah'ı (BNIS) Bank Syariah Indonesia (BSI) ile birleştirdi. Bu nedenle, bu çalışmanın amacı, Endonezya'da bu kadar kısa sürede gerçekleştirilen İslami banka birleşmelerinin etkisini çalışan yaşı, çalışan deneyimi ve çalışan verimliliği faktörlerine göre analiz etmektir. Bu çalışmada kullanılan yöntem, faaliyet raporu adı verilen ikincil verilerden elde edilen nicel bir yöntemdir. Ayrıca, bu çalışmadaki problemlerin formülasyonu şunları içermektedir: (i) Her bir eski bankanın çalışanlarının yaş ve deneyimlerinde bir boşluk var mı?; (ii) Eski bankaların her birinin birleşmeden önceki performans ve üretkenlik koşulları nelerdi?; (iii) Eski bankanın üretkenliği ile karşılaştırıldığında birleştirilmiş bankanın üretkenliği nasıldır? Bu çalışmanın sonuçları, personel yönüyle ilgili bir iç çatışma potansiyeli olduğunu ve hem kâr hem de muazzam kâr ve varlıklara sahip eski bankalardan gelen varlıklar açısından verimlilikte azalma olduğunu belirtmektedir. Bu nedenle, bu çalışmanın anlamı, ihtilafları azaltmak ve hem dış hem de iç taraflara fayda veya maslahat sağlamak için birleşik İslami bankaya karşı takip eylemleri almaları için hükümet paydaşlarına bilgi sağlamaktır. Bu çalışmanın orijinalliği, personel faktörleri ve çalışan verimliliği ile ilişkili İslami bankaların birleşmelerini tartışmaktadır.

Anahtar Kelimeler: Birleşme, İslam Bankası, Verimlilik, Maslahat

Maslahah Of Islamic Banking Merger Discourses (Indonesia Case)
Abstract

The Indonesian government has merged Islamic banks in Indonesia, namely Bank Syariah Mandiri (BSM), Bank Rakyat Indonesia Syariah (BRIS), and Bank Negara Indonesia Syariah (BNIS) into Bank Syariah Indonesia (BSI) to strengthen the competitiveness of Islamic banks. Therefore, the purpose of this study is to analyze the impact of mergers of Islamic banks in Indonesia which were carried out in such a short period based on factors of employee age, employee experience, and employee productivity. The method used in this study is a quantitative method sourced from secondary data, namely the annual report. Furthermore, the formulation of the problems in this study includes: (i) Is there a gap in the age and experience of employees of each ex-legacy bank?; (ii) What were each ex-legacy bank's performance and productivity conditions before the merger?; (iii) How is the productivity of the merged bank when compared to the productivity of the ex-legacy bank?. The results of this study state that there is a potential for internal conflicts related to the staffing aspect and a decrease in productivity both in terms of profit and assets from ex-legacy banks with enormous profits and assets. Therefore, the implication of this study is to provide information to government stakeholders to take follow-up actions against the merged Islamic bank to mitigate conflicts and provide benefits or maslahah for both external and internal parties. The originality of this study is to discuss mergers of Islamic banks that are associated with staffing factors and employee productivity.

Keywords: Merger, Islamic Bank, Productivity, Maslahah.

Introduction

Banking is one of the significant institutions in a country's economy. Indonesia has two types of banking operations: conventional and Islamic banks. According to Law Number 21 of 2008 concerning Islamic Banking, Islamic Banks are banks that carry out business activities based on sharia principles, or Islamic law principles that are regulated in fatwas of the Indonesian Ulema Council, such as the principles of justice and balance ('adl wa tawazun), beneficiaries to communities (maslahah), universalism (alamiyah), and does not contain transaction that contains gharar (uncertainty), maysir (gambling), riba (interest rate), zalim (unfairness) and illegitimate objects (haram) (Nugroho, 2022b, 2022c; Nugroho et al., 2022). The growth of Islamic banking in Indonesia is very rapid. This is evidenced by the end of 2020, where Islamic banks in Indonesia registered with the Financial Services Authority (OJK) as many as 14 sharia commercial banks, 20 sharia business units, and 164 Sharia People's Financing Banks (Nugroho et al., 2020, 2021). The rapid development of Islamic banking must be accompanied by good performance in terms of financial and non-financial aspects. Therefore, the performance of Islamic banking is an achievement that has been achieved during its operational activities. Furthermore, the development of the Islamic banking industry has experienced significant asset growth. According to Alfi (2021), asset growth from Islamic banks as of January 2021 was 13.51% year on year (YoY), with total assets as of January of Rp600.99 trillion sourced from Islamic Commercial Banks (BUS), Islamic Business Units (UUS), and Islamic rural Banks (BPRS).

When viewed from a historical aspect, the existence of Islamic banks in Indonesia began in 1992, namely with the establishment of Bank Muamalat Indonesia (Diantanti et al., 2021; Karyanto et al., 2021; Nasfi et al., 2022). However, in general, the journey of the Islamic banking industry in Indonesia can be explained as follows:

- Bank Muamalat Indonesia (BMI), the first Islamic bank in Indonesia, started its business and operated on May 1, 1992;
- PT Bank Syariah Mandiri (BSM) officially started its activities and operations on November 1, 1999;
- PT Bank BNI Syariah (BNIS), which has effectively carried out operations since June 19, 2010;
- PT Bank BRI Syariah (BRIS) officially operated under a license from Bank Indonesia on October 16, 2008;
- The signing of the conditional merger agreement on October 12, 2020, namely a merger agreement between Islamic banks signed by the Directors of BSM, BNIS, and BRIS;

- The legal merger occurred on February 1, namely the legal inauguration of the merger between BSM, BNIS, and BRIS into Bank Syariah Indonesia (BSI). However, operations still use their respective core banking;
- October 1, 2021, the merger of core banking operations from merger banks, namely BSM, BNIS, and BRIS, into one BSI core banking;
- On May 27, 2022, The Annual General Meeting of Shareholders, the fiscal year 2021, approved the entry of series A shares of the Government (Dwi Warna), which will make BSI a state-owned bank;

July 22, 2022, BSI officially became a state-owned enterprise marked by the placement of government shares in BSI through series A government shares (Dwi Warna). Based on the journey of Islamic banking in Indonesia above, until now, the banking industry in Indonesia continues to metamorphose in search of the perfect form to provide services and contribute significantly to the Indonesian nation, especially in improving public welfare. To realize this, the Indonesian government has merged from a Islamic bank that is a subsidiary of a state-owned enterprise because it is following the architecture and study made by the KNKS (National Committee for Sharia Economy and Finance) that there must be a state-owned Islamic bank (KNKS, 2019). However, the phenomenon related to the market share of the Islamic banking industry to the market share of national banks is still a challenge and needs to be improved. This is in line with the statement from the Deputy Director of Islamic Banking of the Financial Services Authority, Farid Falatehan that the market share of Islamic banking still low. However, it was established in 1992 and is still below 10%, or to be precise, it has only reached 6.74% (Nisaputra, 2022).

Furthermore, referring to the metamorphosis of the Islamic banking industry, that is, the event of a merger of Islamic banks carried out in a short period (in just four months), risks a non-comprehensive analysis of the feasibility study or merger evaluation could be happen. Some of the risks that may arise in the future include:

- Preparation of an inefficient organizational structure due to the allocation of positions to accommodate previous positions in merger banks (BSM, BNIS, BRIS);
- There is an inequality in the merger bank, and this is because the merger is not due to liquidity difficulties such as mergers during the monetary crisis. Still, due to the government's mission, the banks with the most capital and operating longer, namely BSM, will be the same as Islamic banks that have operated more recently, namely BNIS and BRIS. Therefore, employee experience, product portfolio, and employee competence from BSM have the potential to be harmed due to this merger process;

- The merger of BSM, BNIS, and BRIS does not increase the industrial market share of Islamic banks;
- The internal impact of the merger on corporate culture and conflicts of interest between inter-bank mergers (ex-legacy) requires relatively long-standing consolidation;
- BSM is an ex-legacy bank that had the most assets before the merger into BSI and tended to become aggrieved;
- BSI's operations as a bank that controls the market above 40%, there is a potential for BSI to be a monopoly player in the Islamic banking industry.

Referring to these phenomena, the formulation of the problems in this study is as follows: (i) Is there a gap in the age and experience of employees of each ex-legacy bank?; (ii) What were each ex-legacy bank's performance and productivity conditions before the merger? ; (iii) How is the productivity of the merged bank when compared with the productivity of the ex-legacy bank?. Therefore, based on the phenomenon and problem formulation, the purpose of this conceptual paper is to analyze the impact of the merger of Islamic banks in Indonesia from the internal aspects of the organization, namely related to staffing and productivity. In addition, the implication of this conceptual paper is to provide scientific characteristics related to the merger of Islamic banks so that it can be used as a reference for the following researchers. Furthermore, the novelty of this conceptual paper is to discuss related issues that may occur due to the merger of Islamic banks, which is the first time it has occurred in Indonesia.

Methodology

The method used in this conceptual paper is qualitative descriptive, which discusses the formulation of questions based on scientific studies that researchers have done before, both sourced from journals and books that have been published. Therefore, to limit the discussion on the conceptual paper, the research question of this research includes:

- Is there a gap in the age and experience of employees of each ex-legacy bank?
- What are each ex-legacy bank's performance and productivity conditions before the merger?
- How is the productivity of the merged bank when compared to the productivity of an ex-legacy bank?

Findings

Age Differences and Employee Experience Differences from Ex-Legacy Banks
 The merger of Islamic banks must benefit all stakeholders, including internal parties (Utami et al., 2021)). In addition, merger action was carried out at the government's initiation, where the three banks were not in a condition of liquidity difficulties (Akram et al., 2021; Nugroho, 2022a). Therefore, management must address differences in organizational age, portfolio, employee experience, intellectual capital, and IT capital fairly and transparently in preparing organizational structure and compensation. This should be a concern because there is a potential conflict of interest in the merger process that benefits a group of parties who know the merger information in advance to create unethical actions or actions. For example, when viewed from the age of employees of ex-legacy banks (merger participants), it can be known as follows:

Table 1. Number of Employees Based on Age Range from 2017 to 2020 (Bank Syariah Mandiri-BSM)

| Number of Employees by Age Range | 2020 | Portion | 2019 | Portion | 2018 | Portion | 2017 | Portion |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| > 30 Years Old | 6533 | 76.14% | 6159 | 72.02% | 5793 | 66.51% | 5254 | 59.21% |
| ≤ 30 Years Old | 2047 | 23.86% | 2393 | 27.98% | 2917 | 33.49% | 3620 | 40.79% |
| Total | 8580 | 100% | 8552 | 100% | 8710 | 100% | 8874 | 100% |

Source: BSM (2020)

Based on data on the age range of BSM employees (table 1), the portion of BSM employees over 30 years old in 2020 was 76.14%, or 6533 people.

Table 2. Number of Employees Based on Age Range from 2017 to 2020 (Bank Negara Indonesia Syariah-BNIS)

| Number of Employees by Age Range | 2020 | Portion | 2019 | Portion | 2018 | Portion | 2017 | Portion |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| > 30 Years Old | 2824 | 49.22% | 2630 | 47.44% | 1845 | 38.77% | 1581 | 35.17% |
| ≤ 30 Years Old | 2914 | 50.78% | 2914 | 52.56% | 2914 | 61.23% | 2914 | 64.83% |
| Total | 5738 | 100% | 5544 | 100% | 4759 | 100% | 4495 | 100% |

Based on data on the age range of BNIS employees (table 2), the portion of BNIS employees over 30 years old in 2020 was 49.22%, or 2824 people.

Table 3. Number of Employees Based on Age Range from 2017 to 2020 (Bank Rakyat Indonesia Syariah-BRIS)

| Number of Employees by Age Range | 2020 | Portion | 2019 | Portion | 2018 | Portion | 2017 | Portion |
|----------------------------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|-------------|
| > 30 Years Old | 2,522 | 56.3% | 2,606 | 56.5% | 2,815 | 60.4% | 2,950 | 59.3% |
| ≤ 30 Years Old | 1,955 | 43.7% | 2,005 | 43.5% | 1,846 | 39.6% | 2,021 | 40.7% |
| Sub Total | 4,477 | 100.0% | 4,611 | 100.0% | 4,661 | 100.0% | 4,971 | 100.0% |
| Employee BRI in Aceh | 1,680 | 27% | - | - | - | - | - | - |
| Total | 6,157 | 127% | 4,611 | 100% | 4,661 | 100% | 4,971 | 100% |

Source: BRISyariah (2020)

Based on data on the age range of BRIS employees (table 3), the portion of BRIS employees over the age of 30 in 2020 was 56.3%, or 2522 people.

Therefore, based on table 1, table 2, and table 3, it is known that there is a large gap, namely the age range of employees between BSM, which has an age range of employees > 30 years of 6533 people or 76.14% of the number of BSM employees. This shows that BSM, as a bank that was first established, has employees whose age is above the average of BNIS and BRIS employees. In addition, what if an analysis is carried out based on the employee's length of service? It can be known as follows:

- BSM, which was inaugurated on November 1, 1999, has an average employee working period of 9 years and 3 months;
- BRIS, which was inaugurated on November 17, 2008, has an average employee working period of 5 years and three months;
- BNIS which was inaugurated on June 19, 2010, has an average employee working period of 5 years and three months for BNIS employees. Referring to the condition of the age difference of the employees and the average working period of the employees who carry out the merger, if an adequate and fair merger feasibility study is not carried out, there are potential conflicts such as:

- There is injustice in compensation. Potential conflicts over the provision of compensation can occur because each ex-legacy bank (BSM, BRIS, and BNIS) previously had different policies in providing salaries, incentive benefits, bonuses, etc. These differences can cause conflicts if they are not studied thoroughly related to the experiential aspects of the educational aspect and aspects of the work portfolio of each employee in determining the amount of equitable compensation. In addition, there is a need for transparent socialization related to the determination of compensation.
- There is injustice in the determination of positions. The potential conflict with the merger is that not all positions in ex-legacy banks can be attributed to the organizational structure of Islamic banks resulting from the merger. Thus, there is a potential for a contest for positions that are carried out unfairly and transparently.
- There is an injustice in the giving of appreciation
- The potential for jealousy related to the appreciation given can be a conflict. This is because there are differences in performance between ex-legacy banks which causes differences in the types and forms of appreciation or incentives. Therefore, it is necessary to have a comprehensive study related to the provision of appreciation so that there are no harmed parties.
- There are gaps in competence and work experience
- The difference in average age and work experience impacts each ex-legacy employee's causes different ways of thinking and working. Therefore, there is a potential for conflict where subjective assumptions assume what the ex-legacy is doing is the most correct.
- There is a clash of work cultures
- Each ex-legacy bank has a different work culture before. This can cause conflicts against different values adopted and differences in business processes and business models of each legacy bank.
- There is unfair competition

The merger has an impact on the merging of the organizational structures of the three ex-legacy banks into one organizational structure of the merged Islamic bank, namely Bank Syariah Indonesia, which has the potential to make it challenging to develop a career at the merged bank. Therefore, there is the possibility of intense competition, which has the opportunity for unethical and immoral actions.

Performance and Productivity before the Merger Bank Syariah Mandiri (BSM)

Bank Syariah Mandiri is an ex-legacy bank with the most prominent assets and long-

est-established. Below is a table of BSM performance by profit and asset aspects:

Table 4. BSM Performance for the 2017-2020 Period (Million Rupiah)

| Performance | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|------------|------------|-------------|-------------|
| Profit before tax and zakat | 499,600 | 836,600 | 1,809,264 | 1,977,597 |
| Assets | 87,939,800 | 98,341,100 | 112,291,867 | 126,907,940 |

Following table 4 above, the profit and BSM assets over the past four years have continued to increase. The profit position before tax and zakat in December 2020 was Rp1.9 trillion, with assets of Rp126.9 trillion. Furthermore, the growth of the performance of BSM is as follows:

Table 5. BSM Performance Growth for the 2017-2020 Period

The increase in profit during the 2017-2020 period was 296% or a total of Rp1.47 trillion. Meanwhile, profit growth for 2019-2020 increased by 9%, or Rp168.33 billion. Furthermore, if analyzed based on the number of BSM employees owned during the 2017-2020 period, it is as follows:

Table 6. Number of BSM Employees for the 2017-2020 Period

| Growth 2017-2020 | Growth 2019-2020 |
|------------------|------------------|
| 296% | 9% |
| 1,477,997 | 168,333 |

Referring to table 6 above, BSM employees from 2017-2020 decreased by -3.31%, and from 2019-2020 increased by 0.33%. Therefore, when analyzed, the productivity of the number of employees versus the profit and assets of BSM is as follows:

Table 7. Productivity Per BSM Employee for The Period 2017-2020

| Employee Productivity Ratio | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|-------|--------|--------|--------|
| Profit Productivity Ratio | 56 | 96 | 212 | 230 |
| Asset Productivity Ratio | 9,910 | 11,291 | 13,130 | 14,791 |

According to table 7 above, the productivity of BSM employees to profit continues to increase, namely by Rp230 million per employee in 2020 against Rp14.79 billion per employee assets. Moreover, profit productivity employee ratio formulation as follow:

Profit before tax and zakat (n)

Number of Employees (n)

So as, asset productivity employee ratio formulation as follow:

Assets (N)

Number of Employees (n)

Bank Rakyat Indonesia Syariah (BRIS)

Bank Rakyat Indonesia Syariah is an ex-legacy bank with the second largest assets. Below is a table of BRIS performance based on profit and asset aspects:

Table 8. BRIS Performance for the 2017-2020 Period (Million Rupiah)

| Performance | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|------------|------------|------------|------------|
| Profit before tax and zakat | 139,494 | 157,473 | 118,378 | 433,258 |
| Assets | 31,543,384 | 37,915,084 | 43,123,488 | 57,715,586 |

Following table 8 above, the profit and BRIS assets over the past four years decreased in 2019. The profit before tax and zakat position in December 2020 was Rp433.2 billion, with assets of Rp57.7 billion. Furthermore, the growth of the performance of BRIS is as follows:

Table 9. BRIS Performance Growth for the 2017-2020 Period

| Growth 2017-2020 | Growth 2019-2020 |
|------------------|------------------|
| 211% | 266% |
| 293,764 | 314,880 |

Based on table 9, the increase in profit during the 2017-2020 period was 211%, or a total of Rp293.7 billion, while the profit growth for the 2019-2020 period increased by 266%, or 314.8 billion. Furthermore, if analyzed based on the number of BRIS employees owned during the 2017-2020 period, it is as follows:

Table 10. Number of BRIS Employees for the 2017-2020 Period

| Year | 2020 | 2019 | 2018 | 2017 |
|----------------|------|------|------|------|
| BRIS employees | 6157 | 4611 | 4661 | 4971 |

Referring to table 10 above, the number of employees from 2017-2020 increased by 23.86%, and from 2019-2020 increased by 33.53%. Therefore, when analyzed, the productivity of the number of employees versus the profit and assets of BRIS is as follows:

Table 11. Productivity Per Employee BRIS Period 2017-2020

| Employee Productivity Ratio | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|----------|----------|-------|-------|
| Profit Productivity Ratio | 28.06 | 33.79 | 26 | 70 |
| Asset Productivity Ratio | 6,345.48 | 8,134.54 | 9,352 | 9,374 |

Based on table 11 above, employee productivity to BRIS profit in 2019 has decreased. However, in 2019 it became Rp70 million per employee. However, in terms of assets, it increased from 2019 to Rp9.3 billion per employee.

Bank Negara Indonesia Syariah (BNIS)

Bank Negara Indonesia Syariah is an ex-legacy bank that has the lowest assets among other ex-legacy. Below is a table of BNIS performance based on profit and asset aspects:

Table 12. BNIS Performance for the 2017-2020 Period (Million Rupiah)

| Productivity | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|------------|------------|------------|------------|
| Profit before tax and zakat | 422,910 | 567,780 | 799,949 | 688,990 |
| Assets | 34,822,442 | 41,048,545 | 49,980,240 | 55,009,340 |

Table 12 above shows that BNIS assets have continued to increase over the past four years. The profit position before tax and zakat in December 2020 was Rp688.9 billion, with assets of Rp55 trillion. In addition, the performance growth from the aspect of profit and assets from BNIS is as follows:

Table 13. BNIS Performance Growth for the 2017-2020 Period

| Growth 2017-2020 | Growth 2019-2020 |
|------------------|------------------|
| 63% | -14% |
| 266,080 | (110,959) |

Based on table 13, BNIS's profit increase during the 2017-2020 period was 63%, or a total of Rp266 billion, while BNI's profit growth for 2019-2020 contracted by 14% or minus Rp110 billion. In addition, the number of BNIS employees in the 2017-2020 period is contained in the table as follows:

Table 14. Number of BNIS Employees for the 2017-2020 Period

| Year | 2020 | 2019 | 2018 | 2017 |
|---------------|------|------|------|------|
| BNIS Employee | 5738 | 5723 | 4942 | 4737 |

Based on table 14 above, BNIS employees from 2017-2020 increased by 21.13%, and from 2019-2020 increased by 0.26%. Therefore, BNIS productivity based on profit and asset aspects is as follows:

Table 15. Productivity Per Employee BNIS Period 2017-2020

| Employee Productivity Ratio | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|-------|-------|-------|-------|
| Profit Productivity Ratio | 89 | 115 | 140 | 120 |
| Asset Productivity Ratio | 7,351 | 8,306 | 8,733 | 9,587 |

According to table 15 above, the productivity of employees to BNIS's profit in 2020 is lower than in 2019, which is Rp120 million per employee. However, in terms of assets, it increased from 2019, which was Rp9.6 billion per employee.

Performance and Productivity after Islamic Bank Merger

The merged bank of the three ex-legacy, namely BSM, BRIS, and BNIS, is Bank Syariah Indonesia (BSI); when compared with productivity based on profit aspects and asset aspects, it can be seen in the table below:

Table 16. Ratio Productivity Comparison Islamic Bank before and after Merger

| Employee Productivity | 2020 | | | 2021 | Difference | | |
|---------------------------|--------|-------|-------|--------|------------|-------|-------|
| | BSM | BNIS | BRIS | BSI | BSM | BNIS | BRIS |
| Profit Productivity Ratio | 230 | 120 | 70 | 203 | -28 | 83 | 133 |
| Asset Productivity Ratio | 14,791 | 9,587 | 9,374 | 13,598 | - 1,194 | 4,011 | 4,224 |

Moreover, according table 15 above, it can be explained as follows:

- The impact of the merger is an increase in the number of bank employees resulting from the merger, in this case, BSI in 2021 to 19,510 people;
- The impact of the merger in 2021 on the employee productivity ratio based on the BSM profit aspect was a decrease of Rp28 million per employee, which previously the profit productivity per BSM employee in 2020 was Rp230 million per employee. This is because BSI's profit productivity ratio in 2021 is Rp203 million per employee;
- On the other hand, employee productivity based on the profit aspect of BNIS and BRIS has increased by Rp83 million per employee and Rp133 million per employee, respectively;
- The employee productivity ratio based on the asset aspect of BSM decreased by Rp.2 billion per employee. This is due to employee productivity based on the aspect of BSM assets before the merger (in 2020) of Rp14.8 billion per employee, while employee productivity based on the aspect of BSI assets after the merger (in 2021) became Rp13.6 billion;
- On the other hand, employee productivity based on the asset aspects of BNIS and BRIS increased by Rp9.6 billion per employee and Rp9.4 billion per employee, respectively.

Conclusion and recommendations:

The merger of Islamic Banks in Indonesia is the first merger of Islamic banks in In-

onesia and also the fastest merger in the world. Therefore, there is a potential conflict that needs to be mitigated early. Some things that need to be considered so that the merger of Islamic banks can provide benefits for all stakeholders are as follows:

- Differences in the average age and experience of employees from each ex-legacy bank have the potential to cause obstacles in communication;
- There is a potential for a study of the merger that is not comprehensive, so there is a possibility that there are parties who are harmed by this Islamic bank merger action;
- The potential decrease in employee motivation is due to decreased career expectations, a lack of transparency in determining positions, and the amount of remuneration received.

In addition, there is a possibility that the determination of leaders in the work unit at the middle level is not based on a fit and proper test so that there is the potential for disharmony at work and a decrease in the quality of work results. Furthermore, the merger of Islamic banks in Indonesia should provide benefits to the community if the number of outlets or coverage increases and also the products and products created are in accordance with the needs and desires of the community, and not just because of the political will of the government.

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