

ABSTRACT

Technological growth has now become a conversation in Indonesia, one of which is Financial Technology or (FinTech). The development of FinTech has adjusted the growth of technology combined with finance in the banking industry in order to meet the needs of its customers in conducting financial transactions that are easier and also innovative. One of them is by looking at the profitability ratio or profit ability by the banking industry because it is considered to be able to describe the success of a bank.

This study aims to determine whether there is a significant difference in profitability in private Islamic banking companies before and after collaborating with FinTech companies by measuring the profitability ratios of ROA, ROE, NIM, and BOPO in each Islamic banking. This research uses quantitative and descriptive methods with an event study approach. Based on the implementation time, this research includes time series research.

The results of this study indicate that at Bank BCA Syariah there is no significant difference in the ratio of Return On Assets and Return On Equity before and after collaborating with FinTech. As for Bank Mega Syariah, there are also no significant differences in the ratio of Return On Assets and Operating Expenses and Operating Income before and after collaborating with FinTech. Furthermore, at Bank Muamalat Syariah, all the variables show a significant difference before and after collaborating with FinTech companies. The results of this study can be implemented as consideration and reference for management and also sharia banking decision makers to increase company profitability after collaboration with FinTech companies.

Keywords: FinTech, Profitability, Private Islamic Banking