ABSTRACT

The growing use of technology has had a profound effect on many industries, including the banking business. New business models and economic development sources, particularly in the banking and financial sectors, are being brought about by technological advancements in this digital age, which can boost the efficiency and productivity of an already expanding economy. Innovations in fintech (financial technology) have made banking much easier.

With the use of the Malmquist Productivity Index (MPI), this research intends to assess the efficiency of nine traditional Indonesian banks that provide mobile banking services. For this analysis, we utilized the following variables: Non-Perfoarming Loan (NPL), *CARital Adequacy Ratio* (CAR), Total asset (TA), *3rd Party Total Payments* (PA), *Market share of mobile transactions* (PH), *Gross Domestic Product* (GDP), dan *M2 Change Rate* (MS). *This research makes use of descriptive analysis to examine information included in the bank's annual report.*

Bank productivity was shown to be unaffected by independent factors including Non-Perfoarming Loan (NPL), *CARital Adequacy Ratio* (CAR), Total asset (TA), *3rd Party Total Payments* (PA), *Market share of mobile transactions* (PH)*Gross Domestic Product* (GDP), dan *M2 Change Rate* (MS) *variables indicate fintech technology, which has a substantial impact on enhancing banking productivity in Indonesia. According to the study's findings, technology plays a crucial role in boosting banking productivity, as seen by the adoption of fintech as a percentage of GDP and m2. The banking sector may use this new information to its advantage by putting more emphasis on technology innovation for increased efficiency and long-term development.*

Keywords: banking, fintech, productivity, Malmquist Productivity Index