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ANALYSIS OF CORPORATE GOVERNANCE OF CONVENTIONAL BANKS AND ISLAMIC BANKS IN INDONESIA

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Abstract

This study aims to analyze and compare the implementation of corporate governance between conventional and Islamic banks in Indonesia during the 2019-2023 period. The type of data used in this study is secondary data, namely annual data obtained from annual reports published on the official website of the Indonesia Stock Exchange (IDX) as well as conventional and Islamic banks in Indonesia. Data collection was conducted through library research and internet research. The data analysis methods used in this study are descriptive statistical tests and two-average hypothesis tests (independent sample t-tests). Five indicators are used: board size, use of Big 4 auditors, number of board meetings, presence of foreign directors, and gender proportion. Through descriptive statistical tests and independent sample t-tests, it was found that there were no significant differences between the two types of banks in corporate governance variables. This finding indicates the homogeneity of governance structures in the Indonesian banking sector, both conventional and Islamic. This study contributes to the corporate governance literature by describing the role of transparency and diversity principles in supporting banking digitalization.

Keywords: *corporate governance; conventional banks; Islamic banks; transparency; board structure*

A. INTRODUCTION

Corporate governance is one of the important things to increase efficiencyeconomic, including the relationship between parties involved in the company such as management, board of commissioners, shareholders and others who can influence the determination ofthe goals of a company, and as a means to improve supervision byDetermining appropriate performance monitoring techniques. Corporate governance plays a role in monitoring and controlling the company to prevent and avoid potential financial reporting fraud involving the company.

Corporate governance (GC) principles are a key foundation that shapes the direction and quality of an organization's operations. GC encompasses a set of rules, guidelines, and practices used to guide a company toward achieving its strategic goals. By properly implementing GC principles, a company can improve efficiency,

transparency, and accountability in all aspects of its operations.

Islamic banks are financial institutions that operate based on Islamic sharia principles. All their products and services must comply with Islamic values, such as the prohibition of usury.uncertainty, and gambling. Islamic banks are supervised by the National Sharia Council of the Indonesian Ulema Council (MUI) to ensure compliance with Islamic law. Meanwhile, conventional banks operatebased on general banking regulations and is free to apply an interest system to its products. BankSharia was founded with the noble aim of building a just and prosperous economyBased on Islamic principles, the success of Islamic banks is measured not only by financial profits but also by their contribution to society. Unlike conventional banks,which pursues maximum profitability, Islamic banks pay more attention to social aspects andenvironment in decision-making. The fundamental difference between Islamic and conventional banks lies in the contracts used. Islamic banks use contracts based on profit-sharing and cooperation principles, such as mudharabah, musyarakah, murabahah, and ijarah. These contracts are the foundation for Islamic banks in managing customer funds and providing mutual benefits. In contrast, conventional banks use a unilateral interest system, which is inconsistent with Islamic principles, which prohibit usury and does not involve profit-sharing. This study aims to answer two main questions does corporate governance have a positive and significant impact on conventional banks in Indonesia and does corporate governance have a positive and significant impact on Islamic banks in Indonesia. Considering the importance of these aspects, this study will examine "Corporate Governance Analysis of Conventional Banks and Islamic Banks in Indonesia"

B. METHODOLOGY

This study uses a quantitative approach with a comparative method. Data were obtained from the annual reports of conventional and Islamic banks in Indonesia listed on the Indonesia Stock Exchange (IDX) for a specific period. The independent variables are corporate governance indicators such as board size, the presence of a Big 4 audit firm, the number of board meetings per year, the number of foreign directors, and gender proportion. The moderating variables are conventional and Islamic banks in Indonesia. The sample size for conventional banks is 29, consisting of 4 state-owned commercial banks, 19 national private commercial banks, and 6 regional development banks. The following is a list of sample conventional banks:

Table 1. Sample of Conventional Banks

N0	Limited Liability Public Bank	No	National Private Commercial Bank
1	PT BANK RAKYAT INDONESIA (PERSERO) Tbk	12	PT BANK GANESHA Tbk
2	PT BANK MANDIRI (PERSERO) Tbk	13	PT BANK WOORI SAUDARA INDONESIA 19(Tbk

3	PT BANK NEGARA INDONESIA (PERSERO) Tbk	14	PT PRIMA MASTER BANK
4	PT NATIONAL SAVINGS BANK (PERSERO) Tbk	15	PT BANK SAHABAT SAMPOERNA
No	**National Private Commercial Bank**	16	PT BANK AMAR INDONESIA
1	PT BANK DANAMON INDONESIA Tbk	17	PT BANK JAGO TBK
2	PT BANK PERMATA Tbk	18	PT BANK MULTIARTA SENTOSA
3	PT BANK CENTRAL ASIA Tbk	19	PT BANK VICTORIA INTERNATIONAL Tbk
4	PT BANK MAYBANK INDONESIA Tbk	**No**	**Regional Development Bank**
5	PT BANK UOB INDONESIA	1	PT BPD SPECIAL REGION OF YOGYAKARTA
6	PT BANK OCBC NISP Tbk	2	PT BPD WEST SUMATRA
7	PT BANK ARTHA GRAHA INTERNATIONAL Tbk	3	PT BPD LAMPUNG
8	PT BANK BUMI ARTA Tbk	4	PT BPD SOUTH SULAWESI AND WEST SULAWESI
9	PT BANK HSBC INDONESIA	5	PT BPD EAST NUSA TENGGARA
10	PT BANK JTRUST INDONESIA Tbk	6	PT BPD CENTRAL SULAWESI
11	PT BANK MAYAPADA INTERNATIONAL Tbk		

Source: Indonesia Stock Exchange (IDX)

The sample size for Islamic banks was 15, consisting of 7 Islamic commercial banks and 8 Islamic business units. The following is a list of Islamic bank samples:

Table 2. Sample of Islamic Banks

N0	Islamic Commercial Bank	N0	Limited Liability Public Bank
1	PT BANK ACEH SYARIAH	**1**	PT BANK DANAMON INDONESIA Tbk
2	PT BANK MUAMALAT INDONESIA	**2**	PT BANK PERMATA Tbk
3	PT BANK VICTORIA SYARIAH	**3**	PT BANK MAYBANK INDONESIA Tbk

4	PT BANK SYARIAH INDONESIA Tbk	4	PT BANK OCBC NISP Tbk
5	PT BANK SYARIAH BUKOPIN	5	PT BPD NAGARI
6	PT BCA SYARIAH	6	PT BPD SOUTH SULAWESI AND WEST SULAWESI
7	PT BANK ALADIN SYARIAH Tbk	7	PT BANK JAGO Tbk
		8	PT NATIONAL SAVINGS BANK (PERSERO) Tbk

Source: Indonesia Stock Exchange (IDX)

C. RESULTS AND DISCUSSION

The Indonesia Stock Exchange (BEI), previously known as the Jakarta Stock Exchange (BEJ), is aThe securities trading institution in Indonesia, BEI, was founded in 1912 byThe Dutch East Indies government, but its operations were suspended several times, particularly during World War II and the early years of Indonesian independence. In 1977, the Jakarta Stock Exchange (JSX) was reopened by the Indonesian government to increase public access to investment. In 2007, the Jakarta Stock Exchange merged with the Surabaya Stock Exchange (SSX), and the name BEI began to be used.to date.

The IDX is an institution that functions as Indonesia's capital market, where trading in stocks, bonds, and other financial instruments occurs. The IDX plays a crucial role.in supporting the national economy through an efficient and transparent trading system.In this study, the IDX is the main source of data used, including to analyze conventional banks and Islamic banks registered as issuers in the capital market.

As the center of capital market activity in Indonesia, the IDX has thousands of companies listed as issuers. The data and information generated by the IDX, such as financial reports, stock indexes, and daily trading data, serve as primary sources for analysis and research.related to capital markets. The IDX also provides educational services and cutting-edge trading technology to support investment.

Conventional banks are financial institutions that operate on an interest-based system as a form of return for services such as savings, time deposits, and loans. Sharia banks, on the other hand, operate under Islamic sharia principles, which avoid riba (interest).and speculative or uncertain activities. The Sharia-based financial system uses mechanisms such as profit sharing, sale and purchase transactions (murabahah), and various other contracts.

Table 3. Descriptive Statistics of Conventional Banks

	N	Minimum	Maximum	Mean	Standard Deviation
CONVENTIONAL BANK	**29**	**1**	**1**	**1.00**	**.000**
Bdsize					
2019	**29**	**3**	**12**	**6.48**	**2,923**
2020	**29**	**3**	**12**	**6.66**	**3,003**
2021	**29**	**3**	**12**	**6.66**	**2,943**
2022	**29**	**3**	**12**	**6.83**	**2,929**
2023	**29**	**3**	**12**	**6.83**	**2,804**
Big4					
2019	**29**	**0**	**1**	**.86**	**.351**
2020	**29**	**0**	**1**	**.86**	**.351**
2021	**29**	**0**	**1**	**.86**	**.351**
2022	**29**	**0**	**1**	**.86**	**.351**
2023	**29**	**3**	**12**	**6.83**	**2,804**
NumBdM					
2019	**29**	**0**	**167**	**25.59**	**30,482**
2020	**29**	**0**	**115**	**28.90**	**25,140**
2021	**29**	**0**	**155**	**31.24**	**33,594**
2022	**29**	**0**	**136**	**29.10**	**27,853**
2023	**29**	**0**	**132**	**29.97**	**31,361**
Foreign					
2019	**29**	**0**	**4**	**.52**	**.986**
2020	**29**	**0**	**2**	**.48**	**.738**
2021	**29**	**0**	**3**	**.62**	**.942**
2022	**29**	**0**	**4**	**.55**	**.985**
2023	**29**	**0**	**3**	**.55**	**.948**
Gender					
2019	**29**	**0**	**4**	**1.24**	**.951**
2020	**29**	**1**	**11**	**5.21**	**2,610**
2021	**29**	**0**	**3**	**1.24**	**.872**
2022	**29**	**1**	**11**	**5.31**	**2,634**
2023	**29**	**0**	**4**	**1.34**	**1.111**

Based on the results of the descriptive statistical test calculations for conventional banks in Indonesia, it can be seen that n or the number of conventional bank data is 29. Each variable will be described according to the data in the descriptive statistical test table as follows:

1. BoardSize(Bdsize)
   Based on statistical testing of the size of the board of directors, it is known that the minimum value in 2019 to 2023 is 3, which means that there are companies in the sample that have the smallest number of board members, namely three people. This shows that not all companieshave a large board of directors, some choose to have a smaller structure forEfficiency in decision-making. The maximum value from 2019 to 2023 is 12, meaning that some companies have up to 12 board members. Companies with larger boards may have more perspectives and expertise in management but may also face challenges in coordination and decision-making. The average (mean) number of board directors in various companies over the five years shows a slight increasing trend over time, such as in 2019 at 6.48, 2020 to 2021 at6.66, 2022 to 2023 is 6.83, this shows that the average size of the board of directorsincreases every year although the changes are not too drastic. The standard deviation is smallerfrom the average, meaning that the size of the board of directors in various companies does not vary much orextremely spread, in other words most companies have relatively similar board sizes without too much difference.

2. Big4
   Based on statistical testing, it is known that the minimum value is from 2019 to 2023is 0 which means there are companies in the sample that do not use auditor services from Big 4,This indicates that not all companies are audited by the Big 4; some may use other auditors or have internal audit systems. The maximum value from 2019 to 2023 is 1, meaning that some companies in the sample use the services of Big 4 auditors. This indicates that some companies prefer Big 4 auditors, possibly due to their reputation and higher audit standards. The average value (mean) from 2019 to 2023 is 0.86, meaning that most companies in the sample are more likely to be audited.
   By Big 4 because the average is close to 1. Although not all companies use auditors from Big 4, a number of companies prefer these leading auditors. The mean and standard deviation values for Big 4 indicate that the data are not too dispersed, as most companies have similar patterns in selecting auditors. If the standard deviation is smaller than the mean,0.86 means that the majority of companies do useBig4, with little variation between companies that do not use and those that consistently use these auditors.

3. Number of Board Meetings
   Based on statistical testing, it is known that the minimum value is from 2019 to 2023is 0 means that there are companies in the sample that do not hold any board of directors meetings at all in a given year, this indicates that even though board of directors meetingsConsidered important in decision-making, some companies may

not hold formal meetings or rely solely on informal communication. The maximum value in 2019 was 167, 2020 was 115, 2021 was 155, 2022 was 136, and 2023 was 132. This indicates that some companies are very active in meetings and decision-making compared to other companies. The average value (mean) in 2019 was 25.59, 2020 was 28.90, 2021 was 31.24, 2022 was 29.10, and 2023 was 29.97. This indicates that most companies do hold regular board meetings to create policies and oversee business operations. The mean and standard deviation of NumBdM indicate that some companies hold meetings frequently while others rarely, and some companies also have a fairly uniform number of meetings.

4. Foreign
   Based on statistical testing, it is known that the minimum value is from 2019 to 2023is 0 meaning there are companies in the sample that have no foreign ownership at all,This indicates that not all companies have foreign investors; some may be wholly owned by domestic investors. The maximum value in 2019 was 4, 2020 was 2, 2021 was 3, 2022 was 4, and 2023 was 3, indicating that there are companies with ownership structures entirely controlled by foreign shareholders.High foreign ownership can influence business strategy, management policies, and international engagement. The mean value in 2019 was 0.52, and in 2020 it was 0.48.2021 was 0.62, and 2022 to 2023 was 0.55. This shows that morecompanies owned by local investors compared to foreign ones. The mean and standard deviation values for Foreign investors indicate that the majority of companies have similar ownership patterns.partly foreign owned or fully domestic.

5. Gender
   Based on statistical testing, it is known that the minimum value in 2019 is 0, 2020 is 1, 2021 is 0, 2022 is 1, and 2023 is 0, which means that there are companies in the sample that do not have female members on the board of directors, this shows that there are still companies in the sample that do not have female members on the board of directors.There are companies that have a completely male board of directors with no female representation in leadership. The maximum value in 2019 was 4, 2020 was 11, 2021 was 3, 2022 was 11, and 2023 was 4, meaning there were companies that had at least one woman on the board of directors during that period, indicating that some companies have begun to accommodate gender diversity in their board structure. The average value (mean) in 2019 was 1.24, 2020 was 5.21, 2021 was 1.24, 2022 was 5.31, and 2023 was 1.34. This shows that more and more companies are starting to include women in leadership. The average value and standard deviation of gender show that the average value is greater than the standard deviation, so the majority of companies have a relatively similar pattern of gender representation, either without women at all or with minimal representation.

Table 4. Descriptive Statistics of Islamic Banks

	N	Minimum	Maximum	Mean	Standard Deviation
Islamic Bank	**15**	**2**	**2**	**2.00**	**.000**
Bdsize					
2019	**15**	**3**	**10**	**5.67**	**2,469**
2020	**15**	**4**	**10**	**6.13**	**2,264**
2021	**15**	**4**	**10**	**6.60**	**2,165**
2022	**15**	**3**	**10**	**6.40**	**2,473**
2023	**15**	**4**	**10**	**6.47**	**2,264**
Big4					
2019	**15**	**0**	**1**	**.93**	**.258**
2020	**15**	**0**	**1**	**.93**	**.258**
2021	**15**	**0**	**1**	**.93**	**.258**
2022	**15**	**0**	**1**	**.93**	**.258**
2023	**15**	**0**	**1**	**.93**	**.258**
NumBdM					
2019	**15**	**6**	**167**	**46.20**	**44,984**
2020	**15**	**4**	**134**	**51.27**	**36,802**
2021	**15**	**9**	**155**	**48.33**	**38,750**
2022	**15**	**9**	**136**	**43.40**	**30,484**
2023	**15**	**9**	**102**	**38.73**	**27,587**
Foreign					
2019	**15**	**0**	**2**	**.27**	**.594**
2020	**15**	**0**	**2**	**.40**	**.632**
2021	**15**	**0**	**2**	**.53**	**.834**
2022	**15**	**0**	**2**	**.33**	**.617**
2023	**15**	**0**	**2**	**.33**	**.617**
Gender					
2019	**15**	**0**	**4**	**1.07**	**1,100**
2020	**15**	**1**	**8**	**4.53**	**2,066**
2021	**15**	**0**	**3**	**1.20**	**1,014**
2022	**15**	**1**	**8**	**4.80**	**1,897**
2023	**15**	**0**	**4**	**1.40**	**1,298**

Source: SPSS output

Based on calculations from the descriptive statistical test table for Islamic banks in Indonesia, it can be seen that n or the number of Islamic bank data is 15. Each variable will be described according to the data in the table above as follows:

1. BoardSize(Bdsize)

   Based on statistical testing, it is known that the minimum value in 2019 was 3, 2020 to 2021 was 4, 2022 was 3, and 2023 was 4, this indicates that the minimum number of board members is 3, which indicates a smaller management structure and may be more efficient in decision-making. The maximum value in 2019 to 2023 is10, this means that there are companies that have up to 10 people on the board of directors, which canThis indicates a more complex leadership structure with more perspectives in decision-making. The mean score in 2019 was 5.67, and in 2020 it was 6.13.The 2021 board structure was 6.60, 2022 board structure was 6.40, and 2023 board structure was 6.47. This indicates that most companies in the sample have relatively similar board structures. The mean and standard deviation of Bdsize indicate that the mean is greater than the standard deviation, indicating that most companies have similar or similar board structures.

2. Big4

   Based on statistical testing, it is known that the minimum value from 2019 to 2023 is 0, this means that in the sample companies there are those that do not use the services of Big4 auditors.during the period, this indicates that some companies chose auditors other than the Big 4, perhaps due to costs, local preferences, or internal company policies. The maximum value atThe mean value for the period from 2019 to 2023 is 1, meaning that there are companies in the sample that consistently use Big 4 auditors during that period. This indicates that some companies are consistently audited by Big 4, which can be an indicator of the level of credibility of financial reports and higher audit standards. The average value (mean) from 2019 to 2023 is 0.93, meaning that more companies in the sample choose Big 4 as their auditors. The average value and standard deviation of Big 4 indicate that the average value is greater than the standard deviation, meaning that the majority of companies have a uniform pattern in selecting auditors, whether using Big 4 or not.

3. Number of Board Meetings

   Based on statistical testing it is known that the minimum value in 2019 was 6, 2020is 4, 2021 to 2023 is 9, this means that all companies in the sample are indeedheld board meetings, albeit with varying frequencies, indicating that each company in the sample has a formal decision-making mechanism through board meetings. The maximum value in 2019 was 167, 2020 was 134, 2021 was 155, 2022 was 136, and 2023 was 102. Companies with a high number of meetings may have a more complex organizational structure, require more frequent coordination, or face business challenges that require regular discussion. There was a decrease in the maximum number of meetings from 2019 to 2023, which may indicate efficiency in meetings or changes in regulations related to board meetings. The average value (mean) in 2019 was 46.20, 2020 was 51.27, 2021

was 48.33, 2022 was 43.40, and 2023 was 38.73. This indicates that most companies in the sample have a regular meeting schedule. Companies with a number of meetings around the average may have balanced governance, not too frequent meetings but sufficient for strategic decision-making. The mean and standard deviation values of NumBdM indicate that the mean value is greater than the standard deviation, meaning that the majority of companies have a number of meetings that are not very different from each other.

4. Foreign

Based on statistical testing, it is known that the minimum value is from 2019 to 2023is 0, based on this minimum value it shows that there are companies that do not haveforeign ownership at all. The maximum value in 2019 to 2023 is 2, thisindicates that there are companies with a foreign ownership score of 2. The mean value in 2019 was 0.27, 2020 was 0.40, 2021 was 0.53, and 0.33 from 2022 to 2023. This indicates that more companies are still owned by local investors than foreign investors. The mean and standard deviation of the Foreign ownership index indicate that the standard deviation is greater than the mean, indicating that there are companies with significantly different foreign ownership, from no foreign ownership at all to highly dominant foreign investors.

5. Gender

Based on statistical testing, it is known that the minimum value in 2019 is 0, 2020 is 1, 2021 is 0, 2022 is 1, and 2023 is 0, if the minimum value is 0, it means there isCompanies that have no female members at all on the board of directors, this indicates that some companies still have a completely male leadership structure during that period. The maximum value in 2019 was 4, 2020 was 8, 2021 was 3, 2022 was 8, and 2023 was 4, this means that there are companies that have more women on the board of directors showing a trend of better gender representation, this could indicate a more inclusive company policy and diversity in leadership. The average value (mean) in 2019 was 1.07, 2020 was 4.53, 2021 was 1.20, 2022 was 4.80, and 2023 was 1.40. This shows that female representation is increasing, indicating a positive trend in gender inclusion in the business environment. The mean and standard deviation valuesof Gender show that the standard deviation is greater than the mean value, meaning there are large differences between companies, where some already have many women on the board of directors while others are still entirely male.

Table 5. Independent T-Test

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Standard Error Difference	Lower	Upper
Bdsize 2019	Equal variances assumed	2,808	,101	,924	42	,361	,802	,868	-,949	2,554
	Equal variances not assumed			1,018	36,682	,315	,802	,788	-,796	2,400
2020	Equal variances	4,86	,033	1,1	42	,25	,989	,864	-,755	2,732

2022	Equal variances assumed	1,804	.186	1,412	42	.165	1,228	.869	-.527	2,982
	Equal variances not assumed			1,527	35,099	.136	1,228	.804	-.404	2,859
2023	Equal variances assumed	1,957	.169	1,335	42	.189	1,094	.820	-.560	2,749
	Equal variances not assumed			1,473	36,897	.149	1,094	.743	-.411	2,599
Big4 2019	Equal variances assumed	.007	.935	-.041	42	.967	-.005	.112	-.230	.221
	Equal variances not assumed			-.041	28,358	.967	-.005	.112	-.233	.224
2020	Equal variances assumed	.007	.935	-.041	42	.967	-.005	.112	-.230	.221
	Equal variances not assumed			-.041	28,358	.967	-.005	.112	-.233	.224
2021	Equal variances assumed	.007	.935	-.041	42	.967	-.005	.112	-.230	.221
	Equal variances not assumed			-.041	28,358	.967	-.005	.112	-.233	.224
2022	Equal variances assumed	.007	.935	-.041	42	.967	-.005	.112	-.230	.221
	Equal variances not assumed			-.041	28,358	.967	-.005	.112	-.233	.224
2023	Equal variances assumed	.007	.935	-.041	42	.967	-.005	.112	-.230	.221
	Equal variances not assumed			-.041	28,358	.967	-.005	.112	-.233	.224
Num BdM 2019	Equal variances assumed	3,342	.075	-1,182	42	.244	-14,814	12,533	-40,106	10,479
	Equal variances not assumed			-1.002	18,939	.329	-14,814	414,790	-45,776	16,148
2020	Equal variances assumed	2,194	.146	-1,952	42	.058	-18,103	9,272	-36,816	.609

	Equal variances not assumed			-1,746	21,334	.095	-18,103	10,369	-39,647	3,440
2021	Equal variances assumed	5,183	.028	-1,903	42	.064	-24,825	13,046	-51,153	1,502
	Equal variances not assumed			-1.655	20,031	.113	-24,825	14,999	-56,109	6,458
2022	Equal variances assumed	.863	.358	-1,700	42	.097	-17,763	10,450	-38,852	3,325
	Equal variances not assumed			-1,505	20,862	.147	-17,763	11,799	-42,311	6,785
2023	Equal variances assumed	2,747	.105	-1,937	42	.060	-21,634	11,170	-44,177	.908
	Equal variances not assumed			-1,769	22,456	.090	-21,634	12,226	-46,961	3,692
Foreign 2019	Equal variances assumed	4,958	.031	1,149	42	.257	.317	.276	-.240	.874
	Equal variances not assumed			1,359	41,512	.182	.317	.233	-.154	.789

2020	Equal variances assumed	1,592	.214	.671	42	.506	.149	.223	-.300	.599
	Equal variances not assumed			.711	33,258	.482	.149	.210	-.278	.577
2021	Equal variances assumed	.826	.369	.534	42	.596	.154	.289	-.428	.736
	Equal variances not assumed			.555	31,672	.583	.154	.277	-.411	.719
2022	Equal variances assumed	3,689	.062	1,025	42	.311	.285	.278	-.276	.846
	Equal variances not assumed			1,194	40,849	.239	.285	.239	-.197	.767
2023	Equal variances assumed	4,387	.042	1,059	42	.296	.285	.269	-.258	.828
	Equal variances not assumed			1,221	40,268	.229	.285	.233	-.187	.757
Gender 2019 P	Equal variances assumed	.027	.870	.548	42	.587	.175	.319	-.469	.818
	Equal variances not assumed			.523	25,045	.606	.175	.334	-.514	.863
L	Equal variances assumed	1,338	.254	.867	42	.391	.674	.777	-.894	2,241

	Equal variances not assumed			.935	34,805	.356	.674	.721	-.790	2,137
2020										
P	Equal variances assumed	.485	.490	.141	42	.888	.041	.293	-.550	.633
	Equal variances not assumed			.134	24,940	.894	.041	.308	-.593	.676
L	Equal variances assumed	1,883	.177	.665	42	.510	.510	.768	-1,039	2,059
	Equal variances not assumed			.737	37,290	.466	.510	.692	-.892	1,913
2021										
P	Equal variances assumed	.431	.515	-.147	42	.883	-.055	.374	-.810	.700
	Equal variances not assumed			-.140	24,829	.890	-.055	.394	-.866	.756
L	Equal variances assumed	.880	.354	.095	42	.924	.076	.795	-1,528	1,680
	Equal variances not assumed			.102	34,264	.919	.076	.742	-1,431	1,583
2022										
P	Equal variances assumed	.607	.440	.019	42	.985	.007	.358	-.715	.729
	Equal variances not assumed			.018	24,184	.986	.007	.380	-.777	.791
L	Equal variances assumed	.006	.937	.462	42	.647	.418	.906	-1,410	2,247
	Equal variances not assumed			.460	28,079	.649	.418	.910	-1,446	2,283
2023										
P	Equal variances assumed	.316	.577	-.423	42	.674	-.129	.304	-.742	.485
	Equal variances not assumed			-.407	25,571	.687	-.129	.316	-.779	.522
L	Equal variances assumed	.049	.826	.640	42	.526	.522	.816	-1.124	2,168
	Equal variances not assumed			.651	29,798	.520	.522	.802	-1.116	2,160

Source: SPSS output

Based on the results of the Independent T-Test calculation, it can be seen that for most variables, there is no significant difference in the average between the two groups. Each variable will be described according to the data in the table above as follows:

1. BoardSize

   No significant difference was found in the size of the board of directors between the compared groups in all years 2019-2023, because the p-value (Sig. 2-tailed) is always greater than 0.05, meaning the difference is not significant and could occur due to normal fluctuations in the data, this

means that the differences that appear are simply natural variations in the size of the board of directors and not due to factors that actually affect the company's leadership structure. The board structure of the two groups is relatively uniform and does not show striking differences during the analysis period.

2. Big4
   There is no significant difference in the use of Big4 auditors between the two groups in all years because the p-value (Sig. 2-tailed) is always greater than 0.05. The t-statistic value also shows that there is no significant difference in the pattern of use of Big4 auditors between the two groups.groups have the same tendency in selecting auditors from Big4 firms, withoutmajor changes over the last five years.

3. Number of Board Meetings
   The years 2019-2023 are not significant because the p-value (Sig. 2-tailed) is always greater than 0.05,although 2020 and 2021 approached the significance limit Sig. 0.058 and 0.064. There are indications that the number of management boards may differ across years, but they are not strong enough tois said to be statistically significant. The t-statistic value also shows that both groups have a relatively similar pattern of the number of meetings.

4. Foreign
   There is no significant difference in the Foreign variable for all years because the p-value (Sig. 2-tailed) is always greater than 0.05, indicating that the difference is not significant and that the variation in foreign ownership that appears is likely due to normal fluctuations in the data. The proportion of foreign ownership between the two groups is relatively stable and shows no significant changes.

5. Gender
   No significant difference was found in Gender distribution because the p-value (Sig. 2-tailed) was alwaysgreater than 0.05 between groups, so that the variation in gender representation between groupspossibility happen Because fluctuations normal in data. Second group own compositionSimilar genders, with no significantly different patterns. The t-statistic value alsoshows that both groups have a relatively equal number of women on the board of directors.

The homogeneity trend is seen in aspects such as Board Size, Big4, Foreign, Gender, Number of Board Members.Meetings which shows similarities in strategy or policy between the two groups.Some differences appear in certain variables, but they only occur in certain years, not across all years.consistently throughout the period.In both Islamic and conventional

banks, larger board sizes are associated with higher levels of fintech disclosure. This may be attributed to the increased diversity of perspectives and expertise brought by larger boards.which enhances the bank's ability to adopt and disclose sound practices.sophisticated fintech. For example, boards with larger members tend to have a broader spectrum of skills and knowledge than smaller boards. This diversity has the potential to enhance the board's oversight capabilities. Therefore, it is anticipated that companies with larger boards will exhibit higher levels of voluntary disclosure.

The presence of Big 4 audit firms is a significant factor in both types of banks. Big 4 firms bring higher standards of transparency and regulatory compliance. Following the theoryreputation, Big4 audit firms are more motivated to provide high-quality audits formaintain and uphold their reputation.

This comprehensive study has provided an in-depth analysis of corporate governance practices in Indonesian banks, encompassing both Islamic and conventional institutions, over the period from 2019 to 2023. Descriptive and correlation analyses indicate differences, yet varying levels, in the level of governance across these banks. The findings of this study are a positive correlation across various corporate governance factors, particularly board size and frequency.the meeting.

This study establishes the important role of corporate governance in determining corporate governance practices.corporate governance. Important factors such as a larger board size and The involvement of Big 4 audit firms emerged as a consistent predictor of improved corporate governance. This finding highlights the notion that an effective governance framework, characterized by a broad board of directors and prestigious audit relationships.

A key aspect of this study is the observation that Islamic banks generally maintain a higher level of governance compared to conventional banks. This may be due to the unique governance structure and operational model characteristic of Islamic banks, which may inherently prioritize technological advancement and transparency.

D. CONCLUSION

This study examines the influence of corporate governance on the performance and transparency of conventional and Islamic banks in Indonesia. The findings indicate that corporate governance has a negative and insignificant impact on both banking models.

In conventional banks, corporate governance indicators do not affect conventional banks in Indonesia, because there are no significant differences in governance variables such as Board Size, Big4, Number of Board Meetings, Foreign, and Gender, which shows that governance between the two groups is relatively uniform without any statistically different patterns.

Similarly, corporate governance indicators have no effect on Islamic

banks in Indonesia, as there are no significant differences in governance variables such as Board Size, Big 4, Number of Board Meetings, Foreigners, and Gender, indicating that the leadership structure in Islamic banks is relatively homogeneous with no significant differences between groups. Statistically, there is no strong evidence that governance has a significant effect on Islamic banks.in Indonesia. Overall, the research results confirm that corporate governance is a significant determinant of bank performance in both models. However, the governance framework needs to be tailored to the institutional characteristics and operational principles of each type of bank to achieve optimal effectiveness.

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