Analysis of the Impact of Income and Total Assets on Net Profit in the Banking Industry From 2014 to 2023 (Case Study of Banking Companies Listed in IDX30)

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KEYWORDS	ABSTRACT
Revenue; Total Assets; Net Profit; Banking; IDX30.	Banking companies play a strategic role in supporting national economic growth, making their financial performance a primary concern for investors and stakeholders. Net profit is a crucial indicator for assessing a company's performance and sustainability, and it is theoretically influenced by revenue and total assets. Discrepancies in previous research findings regarding the influence of revenue and total assets on net profit indicate the need for further empirical studies, particularly in the banking industry, which is characterized by high liquidity and substantial market capitalization. This study aims to analyze the effect of revenue and total assets on net profit in banking companies indexed in IDX30 for the period 2014–2023. The research employs a quantitative method using secondary data in the form of annual financial reports from PT Bank Central Asia Tbk, PT Bank Rakyat Indonesia (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, and PT Bank Negara Indonesia (Persero) Tbk. Data analysis was conducted using multiple linear regression, preceded by classical assumption tests and supplemented by the coefficient of determination (R^2) test, F-test, and t-test. Data processing was performed using the Statistical Package for the Social Sciences (SPSS) application. The results indicate that revenue has a positive and significant effect on net profit. Furthermore, total assets also have a positive and significant effect on net profit. These findings suggest that increased revenue and optimal management of total assets—both current and fixed assets—play a substantial role in enhancing net profit in banking companies listed in the IDX30 index.

INTRODUCTION

Several studies have examined the relationship between revenue, total assets, and net profit in banking companies, with varying results. Halim (in Putri, 2018) stated that higher total assets lead to higher profits, as companies can utilize assets to increase sales volume, which in turn affects revenue. Pasaribu (2017) found that revenue has a positive effect on net profit in food and beverage companies. Budi Rahardjo (in Wulandari, 2017) also emphasized that the amount of profit earned by a company is influenced primarily by revenue. Zulkarnain (2020), in his study of banking companies listed in LQ45 on the Indonesia Stock Exchange,

found that total assets and revenue affect net profit. Alvi and Ikram (2015) examined the impact of total assets and net profit on return on equity in small and medium enterprises in Pakistan.

However, several studies report different findings. Sinaga (2022) stated that total assets partially have no effect on net profit. In his study of Islamic commercial banks registered with Financial Services Authority (OJK) in 2021, Husaen (2024) also found no effect of total assets on net profit. Pitriani et al. (2020) reported that operating income and sales volume had no significant effect on net profit. This inconsistency in prior research indicates the need for further investigation, particularly among banking companies listed in the IDX30 with a longer observation period (2014–2023).

The existence of companies, both state-owned and private, supports government efforts to enhance overall economic development (Kamaludin, 2017). Therefore, in conducting business activities, companies must carefully assess revenue, expenses, total assets, and net profit to evaluate performance and long-term sustainability based on the assets owned (Lassala et al., 2017; Lee, 2023; Wachira, 2018). A company earns a profit when revenue exceeds expenses; conversely, it incurs a loss when revenue is lower than expenses (Celestin, 2018; Osazefua, 2019).

In achieving corporate objectives, companies rely on assets as operational capital (Zulkarnain, 2020). Total assets consist of the overall value of fixed assets, current assets, and other assets, balanced with total liabilities and equity. Theoretically, total assets include current assets—representing working capital such as cash—and fixed assets, which are utilized for more than one year. Both categories contribute to operational efficiency and financial stability. In financial statements, assets are presented alongside liabilities and equity in the balance sheet for a specific period (Abiola-Adams et al., 2021; Agrawal, 2023; Laux, 2012).

A company with sustainable and stable operations is expected to experience growth in net profit. Net profit is defined as total revenue minus total expenses. It is presented in the income statement, which reports revenues, operating expenses, and net profit after tax. A growing company is typically characterized by increasing net profit over time.

In the capital market, companies are grouped into sectors based on industry classification. The Indonesia Stock Exchange has established multiple stock indices based on specific criteria, including the Jakarta Composite Index (JCI), LQ45, IDX30, and IDX80. These indices serve as investment benchmarks, assisting investors in making buy, hold, or sell decisions.

The IDX30 Index measures the price performance of stocks with high liquidity and large market capitalization, supported by strong company fundamentals. Banking companies consistently included in the IDX30 are publicly listed companies with substantial liquidity and capitalization. Index composition is evaluated annually and may change if companies fail to meet qualitative criteria (financial condition, growth prospects) and quantitative criteria (transaction value, frequency, market capitalization).

The banking companies included in the IDX30 index in 2024 are PT Bank Central Asia Tbk, PT Bank Rakyat Indonesia (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, and PT Bank Negara Indonesia (Persero) Tbk. To maintain their IDX30 classification, these companies must sustain strong market capitalization and consistently increasing net profit to

attract investors. Alvi and Ikram (2015) argue that investors expect substantial returns based on net profit performance.

Financial data from these four banks show fluctuating net profit over the 2014–2023 period, while total assets and revenue have generally increased (Alowaimer, 2025; Yousif et al., 2025). This condition raises questions regarding the consistency of the relationship between revenue, total assets, and net profit (Al Hayek, 2018).

The research gap arises from differing empirical findings. While Halim (in Putri, 2018) and Pasaribu (2017) suggest that total assets and revenue positively influence net profit, other scholars, such as Sinaga (2022) and Husaen (2024), found no significant effect of total assets. Similarly, Pitriani et al. (2020) reported that operating income and sales volume do not significantly affect net profit. Moreover, annual report data from the four IDX30 banks indicate that net profit does not always move proportionally with increases in total assets and revenue.

Based on this background and research gap, this study is titled "Analysis of the Influence of Revenue and Total Assets on Net Profit in the Banking Industry 2014–2023 (Case Study of Banking Companies Indexed in IDX30)."

The novelty of this research lies in its specific focus on the four largest banking companies in Indonesia consistently included in the IDX30 during the 2014–2023 period—PT Bank Central Asia Tbk, PT Bank Rakyat Indonesia (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, and PT Bank Negara Indonesia (Persero) Tbk. These banks possess the largest market capitalization and highest liquidity in Indonesia, serving as performance barometers for the national banking sector. The research covers a ten-year period, including post-global crisis recovery and the COVID-19 pandemic era, providing a comprehensive perspective on the consistency of revenue and total asset effects on net profit across varying economic conditions. The study employs multiple linear regression analysis supported by classical assumption tests (normality, multicollinearity, heteroscedasticity) and comprehensive statistical testing (F-test, t-test, and coefficient of determination), ensuring methodological robustness.

The objective of this study is to analyze the effect of revenue and total assets on net profit, both simultaneously and partially, in banking companies indexed in IDX30 during 2014–2023. It also aims to measure the extent to which revenue and total assets contribute to explaining net profit variation. Theoretically, the study enriches financial management and accounting literature concerning determinants of profitability in the banking sector. Practically, the findings provide insights for management in optimizing asset utilization and revenue strategies to enhance profitability, assist investors in evaluating financial indicators before investment decisions, and support regulators in formulating policies that encourage efficient asset management and sustainable revenue growth in Indonesia's banking industry.

METHOD

This research employs a quantitative research method. Quantitative research is used to examine specific populations and is grounded in the philosophy of positivism, with the objective of testing predetermined hypotheses (Arikunto, 2014). The study was designed using secondary data sources, including literature, articles, academic journals, and relevant

internet sources related to the research topic. The population examined consists of banking companies indexed in the IDX30, totaling four companies: PT Bank Central Asia Tbk, PT Bank Rakyat Indonesia (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, and PT Bank Negara Indonesia (Persero) Tbk. According to Singarimbun and Efendi (1992), if the population is fewer than 100 units, the entire population may serve as the research sample (population research). Therefore, this study applies the census method, which involves examining all elements, objects, events, or phenomena under investigation.

The analysis method used is quantitative descriptive analysis based on total asset data, revenue, and net profit from the four banking companies over the period 2014–2023. The collected data were tested using classical assumption tests as statistical prerequisites for multiple linear regression analysis, including normality, multicollinearity, and heteroscedasticity tests. To examine the relationship between independent and dependent variables, multiple linear regression analysis was conducted, along with a coefficient of determination (R^2) test. An F-test was performed to assess simultaneous effects, and a t-test was conducted to evaluate partial effects.

Based on the obtained data, processing was carried out using the Statistical Package for the Social Sciences (SPSS) application. SPSS was selected because it is a widely used digital application for quantitative research, particularly in the social sciences, communication, marketing, education, politics, language, health, and related disciplines. The use of this analytical tool supports the completion of the study titled "Analysis of the Influence of Revenue and Total Assets on Net Profit in the Banking Industry for the Period 2014–2023 (Case Study of Banking Companies Indexed in IDX30)."

Revenue and total assets are two key factors associated with a company's net profit (Figure 1). Understanding the relationship between these variables provides strategic insight for companies in enhancing profitability and sustaining long-term growth.
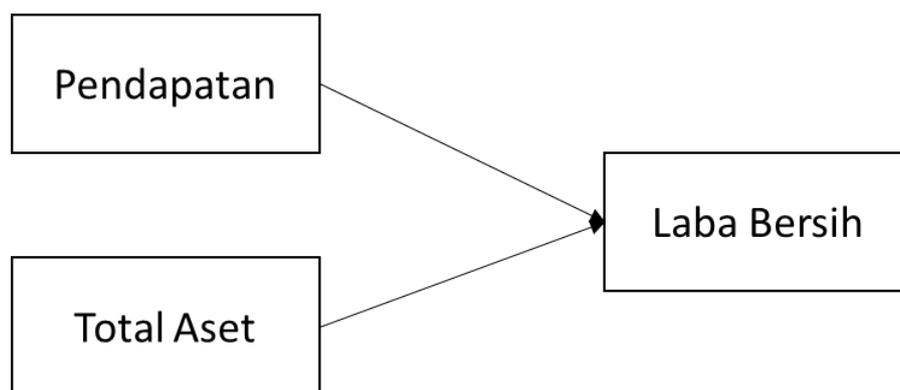
Figure 1 Research Framework
Source: Developed for this study (2025)

RESULTS AND DISCUSSIONS

In four banking companies indexed on IDX30 (PT. Bank Rakyat Indonesia (Persero) Tbk, PT. Bank Negara Indonesia (Persero) Tbk, PT. Bank Mandiri (Persero) Tbk, PT. Bank Central Asia Tbk.) shows revenue, total assets, and net profit in 2014 – 2023 for the last 10 years which vary as in table 4. In this analysis, revenue and total assets are the X variables that will be tested against net profit which is the Y variable.

Analysis of the Impact of Income and Total Assets on Net Profit in the Banking Industry From 2014 to 2023 (Case Study of Banking Companies Listed in IDX30)

Based on the descriptive statistics in table 5, it can be seen that the minimum total income of these four banks is Rp. 31,783 billion, while the maximum value is at Rp. 198,970 billion. On average, the income owned by the four banks indexed on the IDX30 over the past 10 years is worth Rp. 76,094 billion. Then table 5 also shows the total assets of the four banks indexed on the IDX30 over the past 10 years with a minimum value of Rp. 416,574 billion, a maximum value of Rp. 2,174,219 billion, and on average have total assets worth Rp. 1,194,888.55 billion. Meanwhile, the results of the descriptive statistical analysis also show that the minimum net profit of the four banks indexed on the IDX30 is worth Rp. 3,280 billion, the maximum net profit is Rp. 60,425 billion, and on average is at Rp. 25,931.825 billion. The data shows that the total assets held by banking companies are quite substantial, in line with their revenue and net profit. However, it's important to note that this will depend heavily on the size of the company. The larger the company, the greater the total assets.

	id	Perusahaan	Tahun	(Dalam miliar rupiah)		
				Pendapatan (X1)	Total Aktiva (X2)	Laba Bersih (Y)
1	1	BBCA	2014	41373	553156	16486
2			2015	47876	594373	18019
3			2016	53779	676739	20606
4			2017	56982	750320	23310
5			2018	63034	824788	25855
6			2019	71623	918989	28570
7			2020	75165	1075570	27147
8			2021	78473	1228345	31440
9			2022	87476	1314732	40756
10			2023	99945	1408107	48658
11	2	BBRI	2014	75122	801984	24227
12			2015	85434	878426	25411
13			2016	94016	1004802	26285
14			2017	102912	1127448	29045
15			2018	111583	1296898	32418
16			2019	126214	1416758	34413
17			2020	138498	1610065	18660
18			2021	149531	1678097	30755
19			2022	158271	1865639	51408
20			2023	198970	1965007	60425
21	3	BMRI	2014	41812	855039	20654
22			2015	48500	910063	21152
23			2016	54477	1038706	14650
24			2017	54453	1124700	21443
25			2018	57329	1202252	25851
26			2019	61247	1411244	36431
27			2020	64034	1541964	18398
28			2021	74850	1725611	30551
29			2022	90371	1992544	44952
30			2023	98009	2174219	60051
31	4	BBNI	2014	31783	416574	11049
32			2015	34967	508595	9141
33			2016	40888	603032	11410
34			2017	44744	709330	13771
35			2018	48771	808572	15092
36			2019	52012	845605	15384
37			2020	49152	839910	3280
38			2021	55865	964838	10898
39			2022	61472	1029837	18312
40			2023	62747	1086664	20909

Figure 1 Descriptive statistics of revenue, total assets, and net profit in banking companies in the IDX30 index for the period 2014 – 2023 (in billion Rupiah)

Source: Developed for this study (2025)

Analysis of the Impact of Income and Total Assets on Net Profit in the Banking Industry From 2014 to 2023 (Case Study of Banking Companies Listed in IDX30)

Table 1. Descriptive Statistics of Revenue, Total Assets, and Net Profit of Banking Companies in the IDX30 Index for the Period 2014–2023 (in billion Rupiah)

Descriptive Statistics

	N	Minimum	Maximum	Mean	Standard Deviation
Income	40	31783.00	198970.00	76094.0000	36796.76581
Total assets	40	416574.00	2174219.00	1119488.5500	439269.57571
Net profit	40	3280.00	60425.00	25931.8250	13233.37364
Valid N (listwise)	40				

Source: Developed for this study (2025)

Classical assumption test

Normality test

Normality tests are used to assess data quality before moving on to further analysis techniques. Normality tests are necessary because, even though sample data meets the requirements for quantitative analysis, there are still instances where the data distribution is not normally distributed. Therefore, a normality test is necessary to ensure the data used is normally distributed. Several methods for normality testing exist, such as Shapiro-Wilk, Lilliefors, Kolmogorov-Smirnov, and Jarque-Bera. This study used the Kolmogorov-Smirnov test with the following test requirements (Wilcox, 2012):

- Ho ($p \leq 0.05$) : data is not normally distributed
- Ha ($p > 0.05$): data is normally distributed

One-Sample Kolmogorov-Smirnov Test

		Standardized Residual
N		40
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.97402153
Most Extreme Differences	Absolute	.134
	Positive	.099
	Negative	-.134
Kolmogorov-Smirnov Z		.847
Asymp. Sig. (2-tailed)		.469

a. Test distribution is Normal.
b. Calculated from data.

Figure 2 Normality Test Results

Source: Developed for this study (2025)

The results of the analysis of this normality test show that the Kolmogorov Smirnov value is more than 5%, namely 0.469 (0.469) > 0.05 and it is stated that the normality test can be fulfilled.

Multicollinearity Test

The next classical assumption test in this study is the multicollinearity test. The multicollinearity test aims to examine the relationship/correlation between each variable. A good regression model should have no correlation between independent variables. If the independent variables are correlated with each other, then the variables are not organic.
The testing requirements for the Multicollinearity test are :

a. Ho (VIF ≥ 10): there is a correlation between independent variables
b. Ha (VIF < 10): there is no correlation between independent variables

Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	Pendapatan	.432	2.313
	Total aset	.432	2.313

a. Dependent Variable: Laba bersih

Figure 3 Multicollinearity Test Results
Source: Processed Secondary Data with SPSS (2025)

The results of the analysis of the multicollinearity test show that the income and total assets variables have a value of 2.313 (2.313<10), which means that there are no problems with the model and variables to be tested (Table 4).

Heteroscedasticity Test

The heteroscedasticity test aims to determine whether there is inequality in the variance of the residuals from one observation to another in the regression model. If the variance of the residuals from one observation to another remains constant, it is called homoscedasticity, and if it differs, it is called heteroscedasticity.

There are several methods for testing heteroscedasticity, including the Park test, the Glejser test, the plot graph, and the Spearman test. In this analysis, the Glejser test is used to test for heteroscedasticity in the data used.
Testing requirements :

1. Ho (p ≤ 0.05): there is determination of the residual variable
2. Ha (p > 0.05): no determination occurs in the residual variable (free from heteroscedasticity symptoms)

Analysis of the Impact of Income and Total Assets on Net Profit in the Banking Industry From 2014 to 2023 (Case Study of Banking Companies Listed in IDX30)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.069	.269		.258	.798
	Pendapatan	-4.771E-7	.000	-.027	-.118	.907
	Total aset	6.111E-7	.000	.414	1.800	.080

a. Dependent Variable: absres

Figure 4 Heteroscedasticity Test Results

Source: Processed Secondary Data with SPSS (2025)

The results of the analysis of the data used show that there are no symptoms of heteroscedasticity in the regression model because p X1 (0.907) and p X2 (0.080) > 0.05.

Multiple Linear Regression Equation Test

Data used for the multiple linear regression equation test uses variables X and Y as the variables examined in this study. The X variables used include X1, which is income, and X2, which is total assets. Meanwhile, the Y variable used is net profit (Table 10).

Variables Entered/Removed [b]

Model	Variables Entered	Variables Removed	Method
1	Total assets, Revenue	.	Enter

Figure 5 Input data

Source: Processed Secondary Data with SPSS (2025)

a) The value of the determinant coefficient R^2

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.824[a]	.679	.662	7697.70798

a. Predictors: (Constant), Total aset, Pendapatan
b. Dependent Variable: Laba bersih

Figure 6 Linear Regression Analysis Results

Source: Processed Secondary Data with SPSS (2025)

The results of the linear regression analysis show the R^2 value of 0.662, which means that statistically the variable Y is explained by variables X1 and X2 and is influenced simultaneously by 66.2%.

b) F test

The results of the F test show a probability of 0.000, which indicates that the research model is close to the theoretical model (Table 12).

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.637E9	2	2.319E9	39.131	.000[a]
	Residual	2.192E9	37	59254708.11		
	Total	6.830E9	39			

a. Predictors: (Constant), Total aset, Pendapatan
b. Dependent Variable: Laba bersih

Figure 7 F Test Results
Source: Processed Secondary Data with SPSS (2025)

It is known that p (0.000) < 0.05, meaning that income and total assets are two variables that have a significant influence on net profit in banking companies indexed on IDX30 in the period 2014 – 2023.

c) t-test

The results of the t-test on the variables studied in this study show that both X variables have a significant effect on the company's net profit.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1645.759	3380.275		-.487	.629
	Pendapatan	.107	.051	.297	2.100	.043
	Total aset	.017	.004	.576	4.068	.000

a. Dependent Variable: Laba bersih

Figure 8 t-Test Results
Source: Processed Secondary Data with SPSS (2025)

This is shown in table 9 that for variable X1, namely income, it has p X1 (0.043) < 0.05, which indicates that income has a significant effect on net profit. Then the results of variable X2 show that p X2 (0.000) < 0.05, which means that Total Assets have a significant effect on Net Profit of Banking Companies indexed on IDX30 in the period 2014 - 2023.

Overall, the results of the linear regression analysis and t-test indicate a positive and significant effect of revenue on net profit. This is because any increase in revenue leads to an increase in net profit, even though the company's operating expenses must also be taken into account. The same trend is observed in the linear regression analysis and t-test on total assets on net profit, which show a positive and significant effect. This is because a company's increasing total assets contribute to increasing net profit.

CONCLUSION

Based on this research, it can be concluded that revenue and total assets have a positive and significant effect on the net profit of four banking companies indexed on the IDX30 in the period 2014 - 2023. This occurs because overall total assets consisting of

current and fixed assets will greatly support the company's activities so that it can operate normally and will affect the level of net profit obtained. The same thing also happens to revenue because along with the increase in revenue, net profit will also be able to increase. It is recommended that banking companies continue to optimize their asset management strategies to ensure that both current and fixed assets are utilized efficiently to support operational activities and maximize profitability. Additionally, companies should focus on revenue diversification and innovation in financial products and services to sustain revenue growth, which in turn will contribute to increasing net profit. For future research, it is suggested to expand the scope by including more banking companies or other sectors, as well as incorporating additional variables such as operational costs, capital structure, or macroeconomic factors to gain a more comprehensive understanding of the determinants of net profit in the banking industry.

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Muhammad Haston Samudra Wicaksono

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