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Performance Analysis of Sharia Insurance Companies: Post-Regulatory and COVID-19 Impact Evidence from Indonesia

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ABSTRACT

This study examines the performance of Sharia insurance companies in Indonesia by emphasizing the importance of understanding how various internal and external factors influence the industry's resilience, especially after regulatory changes and during the COVID-19 period. The main objective is to identify the key determinants that shape Sharia insurance performance and to assess differences across company types, time periods, and policy environments. Using a quantitative design, the study analyzes 45 Sharia insurance companies from 2017 to 2024 through panel data regression and Generalized Least Squares across three macroeconomic models involving GDP, GDP per capita, and per capita expenditure. The findings reveal that liquidity, return on equity, leverage, underwriting risk, and company size significantly affect company performance, while inflation, GDP, and GDP per capita show no meaningful influence; however, per capita expenditure emerges as a significant external factor. The study contributes to the existing literature by introducing per capita expenditure as a new determinant and providing deeper insights into performance variations between local and foreign companies, between COVID-19 and non-COVID periods, and before and after regulatory changes.

Keywords: Sharia Insurance Performance, COVID-19, Policy, Economic Development, Indonesia

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