The Role of Business Models and Bank Competitiveness in Driving Bank Resilience Moderated by Ownership

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Abstract. The purpose of this study is to explain the business model and competitiveness of banks towards bank resilience that is moderated by bank ownership. The objects were National Banks and Foreign Banks in Indonesia. This research uses quantitative with explanatory research using secondary data. The population in this study are all national banks and foreign banks in Indonesia, which consists of book banks 2, bank 3, and bank 4. The sampling technique in this study is non-probability sampling, namely judgment sampling. Data analysis to test the research hypotheses was done by SEM (Structural Equation Modeling) testing GSCA (Generalized Structured Component Analysis). Based on the research gap conducted by research developing a model or concept of bank resilience that better understands, by using business model variables, bank competence together can be seen as new in this study. In addition, the model or concept of bank resilience by placing the Bank Ownership (foreign and national) as a moderating variable is also a new thing in this study.

Keywords: Business Model · Bank Competitiveness · Bank Resilience · Bank Ownership · SEM · GSCA

1 Introduction

Banks are institutions that play an essential character in the economy of a country and are organizations (business entities) classified as fast-growing. According to Law Number 10 of 1998, the bank has the primary function in collecting funds, channeling them back to the public in the form of credit or other, and playing a role in the flow of payments and the money circulation. Banks' function as intermediaries is closely related to community economic activities, both individual, company, and corporate. Given this significant role, banking performance will have a significant impact on the country's economy.

Subprime mortgages in 2007–2008, ended with the fall of Lehman Brother [1–3], have an impact on the world economic conditions [4], especially the banking sector since it plays an essential role in the economy and the financial system of developing countries [5].

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The simultaneous failure of several banks in the financial system can hurt other industries [6] and lead to fatal macroeconomic implications, and require enormous costs to be borne than the failure of non-financial companies [7].

This also caused the economic crisis that hit Indonesia in 1997 and adversely affected the condition of the Indonesian banking sector. The adverse impact could be seen when the 16 banks were liquidated, and the poverty rate increased up to 49.5 million people [8]. Furthermore, the Subprime Mortgage economic crisis that hit the United States in the second half of 2008, business activities, and financial institutions in the world also experienced financial shocks [9]. The banking sector is one of the institutions that suffered the most from the financial shocks, where 80% of the banking sector and many financial institutions were affected by the subprime crisis.

Learning from these experiences and challenges, health and banking resilience is essential to be assessed from several aspects. Indonesia's banks are shaded by the government (national banks) and private banks. There are 116 banks in Indonesia stated by OJK. The banking business, in its operations, requires capital support. The capital or business capital in a business is a basic need that must be met. One of the successes of an organization or business entity can be seen from the business capital owned by the organization (business entity). Business capital in banking needs to do to keep the bank surviving in carrying out its daily activities/operations and be used to keep the bank competing with other banks. The capital owned by a bank is beneficial to influence the competition of banks with others. Banks with high capital will easily compete with others that have lower capital levels.

The business model owned by a bank can also affect the balance of the bank (Bank Stability). This bank balance will attract trusting customers to deposit money in the bank. Besides being able to affect the balance of the bank (Bank Stability), the business model can also affect the resilience of the bank (Bank Resilience). Banks that have high bank resilience will be more attractive to customers. Banks will tend to increase the level of Resilience owned by banks. This is important and interesting to be used as a research topic, namely to reconstruct the Bank Resilience model.

A competitive and efficient financial sector essential for development and growth economy, specially developing countries. As a result, developing countries have loaded on liberalization economy and has initiated financial sector reforms. Policy reform aims to increase competition in the financial sector, including the banking world. According to Claessens et al. [10], competition in the financial sector is important because it influence the efficiency of the financial services production, the financial products quality, and the level of innovation in this sector. They argue that the competition level in the financial sector can impact the access of firms and households to financial services which in turn affects the overall growth economy. Thus, greater competition in the financial sector reduces intermediation costs. Furthermore, Besanko and Thakor [11] found competitive banking system leading to a higher rate of growth economy.

On the other side, distinguishing a healthy bank from any problem bank is important. This is because it can determine policies that must be carried out on top of the banking early warning supervisory system [5]. Strong and resilient banking systems are the foundation for sustainable economic growth and development, specifically in developing countries [12]. It is also important and engaging to be a research topic.

Just like the other companies, banks seek competitive advantage by leveraging their comparative advantages in terms of access to specialized resources, available market opportunities, and managerial skills [13]. Competition in the banking sector is important for producing effective financial services, high quality financial products, and high level of financial innovation [14]. The 2007 financial crisis also made financial innovation and bank funding structures a potential source of damage to bank stability in activities stated by OCDC in 2010. Similarly, the instruments of financial such as loan sales, credit default swaps, and derivatives have become an important source of volatility in the financial sector. Meanwhile, the discussion on whether competition affects banking stability continues [15], the question of why the comp st rates recover and other pullers come into play edition should have an effect on improving financial health remains an area that has remained relatively unexplored by previous research.

Traditional banks are being challenged by new digital players. That companies such as Alibaba, Amazon, Facebook, and Trecent are endangering to take several business field such as mobile and digital payments. Banking practice Mckinsey projects predicts ROE in 2025 could gain 9.3%, when interest rates recover and other pullers participated. Yet, if retail and corporate customers shift their financial to digital at the same pace as people adopt new technologies, the ROE banking industry has fallen further [16]. However, technology is not only a danger to banks, it also enables the productivity gains banks need. Many institutions are digitizing their administrative work and consumer services for efficiency reasons. In addition, technology can improve the use of big data, analytics, and artificial intelligence (artificial intelligence) in risk modeling and underwriting. This could avoid a repeat of the 2008 crisis and improve profitability.

In addition, the lack of corporate governance as a major contributor to influencing the magnitude of the impact and the depth of the crisis [17]. IMF stated that the main cause of the 1998 Asian crisis was bad corporate governance. This happened because many companies failed to implement consistent corporate governance, especially in corporate business ethics [18]. Gibson [19] asserts that the effect of the Corporate Governance mechanism on the performance of companies in emerging markets is very problematic. In countries that have a legal system and do not do an adequate job to protect the rights of shareholders, then Good Corporate Governance (GCG) cannot operate properly [20]. Furthermore, the Basel Committee on Banking Supervision also concluded that weak banking GCG results in financial system resilience.

Another important aspect that needs to be considered in the banking business is the ownership aspect of a bank. Banks usually have a national ownership structure as well as a foreign ownership structure, based on the number of shares owned. Ownership structure can affect the size of the capital owned which is a factor that determines the level of resilience of a bank.

Considering the things that have been described, it is interesting and important to study the determinants of Bank Resilience. Several variables that have a relationship with Bank Resilience are Business Model, Corporate Governance, Bank Stability, and Bank Ownership (foreign and national). Several previous studies and studies on the determinants of Bank Resilience, particularly the Business Model, Corporate Governance, Bank Stability, and Bank Ownership (foreign and national) will be explained later.

Research linking the variables of Bank Resilience with the variables of Business Model, Corporate Governance, Bank Stability, and Bank Ownership (foreign and national) together is still difficult to obtain. Especially the position of the Bank Ownership variable as moderating. This can also be seen as a research gap in this dissertation research.

Based on the research gap, it is necessary to conduct research on the development of the model/concept of Bank Resilience. Efforts to develop a more comprehensive concept of Bank Resilience, involving the variables of Business Model, Corporate Governance, Bank Stability, and Bank Ownership (foreign and national) together can be viewed as a novelty in this study. On the other hand, the concept of Bank Resilience by placing Bank Ownership (foreign and national) as a moderating variable is also a novelty in this study.

Efforts to develop a more comprehensive model/concept of Bank resilience, involving the variables of business model, corporate governance, bank competitiveness, bank performance, and capital ownership (foreign and national) together can be seen as a novelty in this study. Based on these descriptions and the potential for the banking sector in Indonesia in the future, further research is carried out on "The Role of Business Models and Bank Competitiveness in Driving Bank Resilience Moderated by Ownership: Studies on National Banks and Foreign Banks in Indonesia".

2 Literature Review

2.1 Business Model (X1)

The notion of a business model is something new. This term arose in an academic journal in 1957 and was initially used as the title of an academic journal written by Jones and published in 1960. However, the concept of business models became known by many people from 1990 onwards when changes in the business environment and business models were discussed by most people in the context of the internet [21–23]. Recently, the concept of the business model is used as a general way to explain how companies connect with partners, customers, and suppliers [24].

Many studies have developed various definitions of business models. Academics provide a reasonably diverse understanding of the business model. Even so, the business model's understanding can be classified into 3 (three) groups, namely the business model as a way or method, the business model is identified from the elements (components), and the business model as a business strategy. The business model's understanding as a method is a way to create value, while the business model is identified from its components; for sample, a business model consists of product components, benefits and revenues, customers, assets, and knowledge. The business model as a business strategy defined as a tool for formulating a company's business strategy. In general, the business model is a picture of the relationship between superiority and sources owned by the company and the activities undertaken to acquire and create value, which enables the company able to generate earnings. In describing business models, the Business Model Canvas (BMC) is a strategic tool that explains the reasons for how companies create, deliver, and capture value.

The Business Model Generation, or what is often called the Business Model Canvas is a tool to help us see more accurately the appearance/form of the business that will be undertaken. It contains a business plan with nine key elements by transforming complex business concepts into simple concepts displayed on a single canvas. This business plan is well integrated and includes strategic analysis inside and outside the company [25]. According to Eisenmann [26], Business Model is an assumption about how a company will profit in the long term: what the company will sell to whom, how the company will generate revenue, when the company will depend on its business partners and what about the cost. Another definition of a business model according to Osterwalder and Pigneur [25] is that "The business model explain the reasons for how the organization creates, delivers, and obtain values".

2.2 Bank Ownership (X2)

Bank, in terms of ownership, is whoever involved in establishing the bank. Bank ownership can be seen from the bank's deed of establishment and ownership of its shares. Banks are classified into Domestic-Foreign Banks and State Owned-Private Banks. Domestic-foreign banks are divided into 2: 1) Domestic Bank is a condition where more than 50% of the bank's share is owned by domestic, both by the government and national private parties. 2) Foreign Bank is a condition where more than 50% of the bank's share is owned by a foreign party, both foreign private and foreign government [27]. Meanwhile, the State Owned-Private Bank is divided into 2: 1) State-Owned banks are banks that the state owns more than 50% of its share. 2) Private Banks are banks with more than 50% ownership of shares owned by private parties, both national and foreign private. The ownership structure is a comparison between the number of shares owned by insiders and those owned by investors. The shareholding structure is the percentage of institutional, managerial and foreign ownership in a company's shareholding [28]. According to Law No. 25 of 2007 concerning Investment, article 1 paragraph 6 mentions that foreign investors are foreign citizens, foreign business entities, and/or foreign governments that invest in the territory of the Republic of Indonesia. Multinational companies or foreign ownership see the benefits of legitimacy derived from their stakeholders, which, based on home markets (markets where they operate), can provide long-term high existence.

Zadek and Tarazi state that the concentration of family ownership in a bank tends to be personally beneficial and causes various detrimental transactions (expropriation) to minority shareholders (entrenchment effect). Therefore, banks with concentrated family ownership should have a higher provision for losses than banks that are not concentrated in family ownership. This argument is supported by various factual data which shows that 40% of bank failures in the world are caused by the practices of giving credit to the owners or group companies themselves.

Jensen and Meckling [29] stated that institutional ownership has a main character in minimize conflicts agency that happen between shareholders and managers. The presence of institutional investors is thought to be optimal in monitoring management performance by monitoring every decision taken by the management as the company's manager.

2.3 Bank Competitiveness (Y1)

Competitiveness is an essential factor that has an impact on the variety of industries, including the banking industry [30]. Competitiveness is a concept that is often used in economics to understand how a company or seller forms market prices and pricing decisions. From this understanding, it can be seen that the place to do competitiveness is the market. The market is the right place for sellers and buyers to meet product prices [31]. Having been judged from the strength, the market can be divided into three: perfect competition market, monopoly markets, and monopolistic markets. To calculate the bank's competitiveness, the thing that must be known is the bank's power market. Market power is the ability of a company to influence product prices directly related to competition or competitiveness between companies [32]. The greater the competition between competing companies, the smaller the market power of each company. Competitiveness between banks can decrease when viewed from the aspect of franchise value. Franchise value is a paradigm in bank decision making that has a vital role in reducing banking competitiveness and credit risk [33]. Franchise value also plays an essential role in taking risks to protect its franchise value [34]. However, if strong competitiveness occurs in the Islamic banking environment, it will reduce its franchise value while reducing its profit margin, thereby making banks increase their courage in taking risks. The existence of competitiveness can impact variability, profitability, efficiency, and non-financial aspects, such as target markets and company image. This variability is known as risk, and the most common proxy used by Islamic banking is non-performing financing (NPF). According to the Dictionary of Bank Indonesia, NPF is a measure of non-performing loans consisting of loans that clarify less smooth, doubtful, and bad loans for Islamic banks.

2.4 Bank Resilience (Y2)

The resilience concept first introduced as a movement toward complex system theory in ecological systems studies in the 1970s [35]. The resilience concept was initially brought by Holling [36]. He defined resilience as "the ability of a system to absorb shock under uncertain circumstances and restore the initial equilibrium state before the change." Nonetheless, resilience research has grown to focus on out-of-equilibrium conditions that stabilize over time. This conditions can move the system to a different balance point [36]. Therefore, stability and resilience are complementary goals in the complex system analysis. The system must be able to respond to shocks and transition to new equilibrium states as part of the evolutionary process.

When it comes to banking system, we need to look at the aggregated system rather than analyzing individual institutions in order to grasp the full dynamics of a complex system. Matteucci et al. [37] showed that the system as a whole is greater than the sum of its parts, so it cannot be a simple aggregation. Cecchetti and Tucker [38] state that resilience criteria are the center of financial stability. The financial system needs to be resilient, so that it can sustain its core services of payments, credit provision, risk transfer, and recovery in the face of major shocks.

The bank health level is measured by the CAMEL ratio, which stands for Capital, Asset Quality, Management Quality, Earnings, Liquidity, and Liquidity [39]. An assessment by the CAMEL ratio is used to measure the bank's health level. The healthier the

Table 1. Summary table for literature review.

Researcher (Year)	Variable	Definition
Zoot and Amit [24]	Business Model (X1)	A business model illustrates the content, structure and governance of transactions designed in a way that creates value through exploiting business opportunities.
Berger et al. [27]	Bank Ownership (X2)	In terms of ownership, a bank is anyone who took part in establishing the bank. Bank ownership can be seen from the deed of establishment of the bank and the ownership of the shares it owns.
Tabak et al. [30]	Bank Competitiveness (Y1)	Competitiveness is an important factor that has an impact on various industries including the banking industry.
Gunderson and Holling [36]	Bank Resilience (Y2)	He originally defined resilience as "the ability of a system to absorb shock in a uncertain state and return its initial equilibrium state prior to the change".

bank's condition, the better the bank's performance. The bank can overcome the risks that will arise, and the bank's resilience to the risks will increase so that the bank can be free from bankruptcy problems. Therefore, this can increase investor confidence so that stock returns will boost and increase bank resilience (Table 1).

3 Methods

This research used a quantitative approach with explanatory research using secondary data (panel data). Population was all national and foreign banks in Indonesia, consisting of book banks 2, 3, and 4 collected over seven years from 2013 to 2019. The following Table 2 are banks selected as samples.

The sampling technique chosen was nonprobability sampling, namely, judgment sampling. The panel data analyzed was $21 \times 7 = 147$ units. The data collection method was by searching for documents related to the studied variables, then identifying them, and doing tabulation at the end. Data were tabulated according to the format under the GeSCA software worksheet. Data analysis for testing the research hypotheses was done with SEM GSCA (Generalized Structured Component Analysis) approach. According to the background previously explained, this study's conceptual framework was built based on the theory and supported by several previous studies. Based on the theoretical basis, the conceptual framework in this study was as Fig. 1 follows:

Table 2. Research samples.

Book	Bank
Book 4	1) BRI
	2) Mandiri
	3) BNI
	4) BTN
	5) BCA
	6) CIMB NIaga
Book 3	1) Danamon*)
	2) Maybank Indonesia *)
	3) UOB Indonesia *)
	4) OCBC NISP *)
	5) BTPN Sumitomo*)
	6) Mayapada
	7) Bukopin
	8) Panin
	9) Mega
	10) Permata*)
Book 2	1) Rabobank Indonesia *)
	2) Commonwealth Indonesia *)
	3) Mandiri Taspen
	4) BRI Agro
	5) Sinarmas

Information: *) Foreign Bank, namely a Bank with at least 51% of its shares owned by foreign parties.

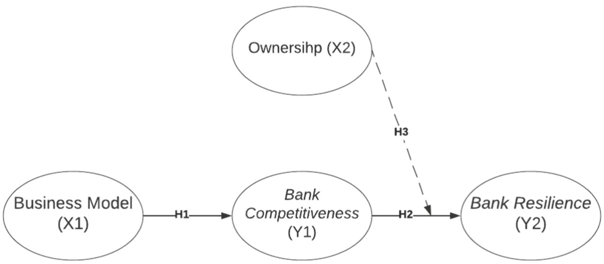

Fig. 1. Conceptual framework.

- H1: There is an influence of the Business Model on Bank Competitiveness. Chen, Lei et al. [40] in their research entitled "Rethinking bank business models: the role of intangibles". This study shows that the models used reveal how intangible and tangible sources of funds interact in the bank's process of creating value, how they proactively react to environmental changes, how tangible banks are understood by external observers such as analysts, and how bankers and analysts are different in their views.
- H2: There is an effect of Bank Competitiveness on Bank Resilience [41]. Shanmugaraja et al. [41] conducted a research entitled "Resilience and competitiveness of small and medium size enterprises". The findings of this study demonstrate that SMEs have a major impact on the economic growth of the regions or nations where they are headquartered. Research interests include factors affecting their competitiveness and resilience. The resilience of SMEs has been studied in this article using the right theory and empirical research.
- H3: There is an effect of National and Foreign Ownership as a moderation on the relationship between Bank Competitiveness and Bank Resilience. Cull et al. [42] conducted a study entitled "Bank Ownership: Trends and Implications". This report summarizes the most recent international developments in bank ownership and gathers data on how ownership patterns affect competition and bank performance. According to the research, foreign-owned banks in emerging nations are more effective than local ones, they foster competition in the host banking industry, and they aid in credit stabilization when the host nation experiences certain shocks. There are compromises, though, as foreign-owned banks have the potential to cause external shocks and may not always make credit more accessible. There is minimal evidence of a positive impact of government control of banks, especially for emerging nations.

4 Results

4.1 Goodness of Fit

Goodness of Fit test the adequacy of the model with the research data. The goodness of fit in question is an index or measure of the goodness of relationships between constructs. See Table 3.

Based on Table 3, the results of the feasibility testing of the model as a whole, all criteria have reached the recommended rule of thumb value limit, so that the modeling results are acceptable or feasible for analysis.

Measurement Model (Outer Model). The Outer Model contains a factor load for each indicator. Indicators that have significant factor load state that the indicator can be considered essential and has a strong effect on the variables they reflect. In this section, an outer model for each research variable will be presented. See Table 4.

Table 4 shows that the Business Model (X1) variable with the best indicator in describing the Business Model variable (X1) is the X15 indicator in Group 1 with a weight of 0.395 and the X13 indicator in Group 2 with a weight of 0.373. This shows that indicators X15 and X13 are the most powerful indicators in reflecting the Business Model (X1).

Table 3. Goodness of fit.

Group	Index	Criteria	Results	Conclusion
1	Sympson's paradox ratio (SPR)	Acceptable if ≥0.7, ideally = 1	1.000	Ideal
	R-squared contribution ratio (RSCR)	Acceptable if ≥0.9, ideally = 1	1.000	Ideal
	Statistical suppression ratio (SSR)	Acceptable if ≥0.7	1.000	Acceptable
2	Sympson's paradox ratio (SPR)	Acceptable if ≥0.7, ideally = 1	1.000	Ideal
	R-squared contribution ratio (RSCR)	Acceptable if ≥0.9, ideally = 1	1.000	Ideal
	Statistical suppression ratio (SSR)	Acceptable if ≥0.7	1.000	Acceptable

Table 4. Outer model for each research variable.

Variable	Indicator	Indicator weight	
		Group 1	Group 2
X1	X11	0.079	0.156
	X12	0.334	−0.269
	X13	0.206	**0.373**
	X14	0.387	0.273
	X15	**0.395**	−0.081
	X16	0.204	−0.058
	X17	0.203	0.363
Y1	Y11	**0.537**	**0.531**
	Y12	0.490	0.518
	Y13	0.326	0.110
Y2	Y21	**0.586**	−0.353
	Y22	0.235	**0.626**
	Y23	−0.536	0.462
	Y24	−0.204	0.122

Furthermore, the Bank Competitiveness (Y1) variable shows the best indicator in describing the Bank Competitiveness (Y1) variable is the Y11 indicator in Groups 1 and 2. This indicates that indicator Y11 is the most powerful indicator in reflecting Bank Competitiveness (Y1).

Finally, the most powerful and dominant indicator in reflecting the Bank Resilience (Y2) variable is the Y21 indicator in Group 1 with a weight of 0.586 and the Y22 indicator in Group 2 with a weight of 0.626. Thus, indicators Y21 and Y22 are the most powerful indicators in reflecting the Bank Resilience (Y2) variable.

Structural Model (Inner Model). The inner model (structural model) basically tests the research hypothesis. Hypothesis testing is done by t-test on each path coefficient of direct effect partially.

The structural model is divided into two results: (1) Estimated results and testing directly, (2) Estimated results and indirect effects. Direct and indirect estimates of results and tests for Groups 1 and 2 are presented in Table 5.

Table 5 indicates that the estimated direct effect test results for Group 1 show a significant relationship. A significant relationship is a relationship between Business Model (X1) and Bank Competitiveness (Y1) because it has a coefficient of −0.264 and a p-value of <0.05. This indicates that the Business Model (X1) can affect Bank Competitiveness (Y1) directly.

Furthermore, the estimated direct effect test results for Groups 1 and 2 have three non-significant relationships. The insignificant relationship is the relationship between Bank Competitiveness (Y1) to Bank Resilience (Y2) in Group 1, Business Model (X1) and Bank Competitiveness (Y1) in Group 2, and Bank Competitiveness (Y1) and Bank Resilience (Y2) in Group 2, because they have a p-values of >0.05. This indicates that Bank Group Competitiveness (Y1) cannot directly influence Bank Resilience (Y2), Group 2 Business Model (X1) cannot directly influence Bank Competitiveness (Y1), and Group 2 Bank Competitiveness (Y1) cannot influence Bank Resilience (Y2) directly.

Furthermore, the estimated indirect effect test results for Groups 1 and 2 show a significant relationship. The significant relationship is Bank Competitiveness (Y1) as a mediation between the influence of the Business Model (X1) relationship and Bank Resilience (Y2) because it has a p-value <0.05. This indicates that the mediation of Bank Competitiveness (Y1) and Business Model (X1) can influence Bank Resilience (Y2).

Table 5. Hypothesis testing.

Hypothesis	Path Coeff.	P-value	Result
Direct effect			
X1 → Y1	−0.264	0.009	Sig.
Y1 → Y2	0.087	0.227	Non sig.
X1 → Y1	−0.183	0.055	Non sig.
Y1 → Y2	−0.168	0.071	Non sig.
Indirect effect			
X1 → Y1 → Y2	−0.023	0.032	Sig.
X1 → Y1 → Y2	0.031	0.028	Sig.

5 Discussion

5.1 Business Model on Bank Competitiveness

The Business Model (X1) variable with the best indicator in describing the Business Model variable (X1) is the X15 indicator in Group 1 with a weight of 0.395 and the X13 indicator in Group 2 with a weight of 0.373. This shows that indicators X15 and X13 are the most powerful indicators in reflecting the Business Model (X1). This shows that indicators X15 and X13 are the most powerful indicators in reflecting the Business Model (X1).

This is in line with research conducted by Hove et al. [43] which shows that Islamic banking as a form of business model has a positive effect on entrepreneurial motivation and competitiveness, while the relationship between entrepreneurial motivation and SME business performance has no significant effect. Research results from Octarina & Setiawati also show that the bank size category has a positive effect on bank competitiveness. Bank competitiveness is more intense for large and medium-sized banks, while less intense for small-scale banks.

Bank Competitiveness on Bank Resilience. Furthermore, the Bank Competitiveness (Y1) variable shows the best indicator in describing the Bank Competitiveness (Y1) variable is the Y11 indicator in Groups 1 and 2. This indicates that indicator Y11 is the most powerful indicator in reflecting Bank Competitiveness (Y1).

This is in line with the research results from Shanmugaraja et al. [41] which show that SMEs make a significant contribution to the economic development of the regions or countries where they exist [3]. Consequently, the characteristics affecting their resilience and competitiveness are areas of research of interest. In this article, an attempt has been made to learn the resilience of SMEs through appropriate theory and empirical analysis.

The results of this study also strengthen the conclusions of Louati [44] which shows that increased competition in the Islamic banking sector encourages banking stability as a whole. Furthermore, whether there is low or high competitiveness, Islamic bank size is positively related to financial stability. However, large conventional banks operating in markets with limited competition are increasingly engaging in risky behavior. The authors conclude that capitalization has a positive effect on stability only when competitiveness is low.

6 Conclusion

Bank Competitiveness is directly influenced by Business Model. Whereas the Bank Competitiveness as mediation can affect the relationship of Business Model to Bank Resilience in Groups 1 and 2. Furthermore, the Bank Competitiveness shows the best indicator in describing the Bank Competitiveness variable is the Y11 indicator in Groups 1 and 2. This indicates that indicator Y11 is the most powerful indicator in reflecting Bank Competitiveness.

Based on the research gap conducted by research developing a model or concept of bank resilience that better understands, by using business model variables, bank competence together can be seen as new in this study. In addition, the bank resilience by placing the Bank Ownership (foreign and national) as a moderating variable is also a new thing in this study. In further research, it is hoped that other variables can be developed such as corporate governance or bank performance to determine its relationship to bank competitiveness or bank resilience.

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