

# **Productivity Analysis at Sharia Life Insurance Companies In Indonesia: Malmquist Productivity Index (MPI)**

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## **ABSTRACT**

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This research aims to analyse productivity levels of Sharia Life Insurance companies in Indonesia during 2014 to 2019. Sharia Life Insurance Company can improve its quality by evaluating the value of the productivity index. The productivity level measurement in this study uses the Malmquist Productivity Index (MPI) method. Samples used by as many as 10 sharia life insurance companies in Indonesia. The input variable used consists of equity, total expense and total investment, while the output variable consists of total profit and investment income. This study also uses output orientation and intermediation. The results in this study show that Indonesian sharia life insurance has an average productivity (TFPCH) of 0.945 which means it has not achieved optimal productivity. This is more due to the low value of technological change. The management of sharia life insurance companies in Indonesia can focus on innovating technology and product distribution to increase its productivity. The results of this study can be used as an evaluation material for sharia insurance companies in Indonesia in managing their resources and can see which parts should be improved in order to increase productivity levels.

**Keywords:** Productivity; Malmquist Productivity Index; MPI; Sharia Life Insurance; Indonesia