ABSTRACT

THE EFFECT OF NON PERFORMING LOAN (NPL) ON RETURN ON ASSETS (ROA) AT PT BANK PEMBANGUNAN DAERAH JAWA BARAT DAN BANTEN Tbk PERIOD 2014-2023

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A decrease in NPL generally leads to an increase in profit, which should raise ROA. However, based on the financial statements of PT Bank Pembangunan Daerah Jawa Barat dan Banten over the past ten years, it was observed that even though NPL had decreased, ROA also declined. The purpose of this study was to analyze the effect of Non Performing Loan on Return On Assets at PT Bank Pembangunan Daerah Jawa Barat dan Banten for period 2014-2023. This research used a quantitative approach with a descriptive method. The sampling technique used was purposive sampling. The data used in this study were secondary data obtained from officially published financial reports on the website https://bankbjb.co.id. The statistical analysis technique used is simple linear regression. The data processing used in this research is SPSS version 26. Based on the analysis result Non Performing Loan had an influence on Return On Assets by 18,7% while the remaining 81,3% is influenced by several other factors not examined in this research. From the results of the t test result between Non Performing Loan and Return On Assets, the table is 2,306 then the calculated t is 1,357, so it can be concluded that t count < t table, namely 2,357 < 2,306 with a significance of 0,212 > 0,05 which means that Non Performing Loan had no significant effect on Return On Assets at PT Bank Pembangunan Daerah Jawa Barat dan Banten for the period 2014-2023.

Keyword: Non Performing Loan (NPL), Return On Assets (ROA)