

Does Capable Non Performing Loans To Do Moderation Return On Assets : A Case Study In The Banking Sector In Southeast Asia

Deni Sunaryo ^a , Ety Puji Lestari ^b , Siti Puryandani ^c , Hersugondo ^d ,

^a Doctoral Student of Management Science Terbuka University, Jl.Pd.Cabe Raya Pamulang Tangerang Selatan, 15437, Banten, Indonesia and Serang Raya University, Banten Indonesia

^b Promoter Team for Doctor of Management Science Program Terbuka University, Jl.Pd.Cabe Raya Pamulang Tangerang Selatan, 15437, Banten, Indonesia

^c Promoter Team for Doctor of Management Science Program Universitas Terbuka and STIE Bank BPD Jateng Jl.Soekarno Hatta No.88,Tlogosari Kulon Pedurungan, 50196, Semarang, Indonesia

^d Promoter Team for Doctor of Management Science Program Universitas Terbuka and Diponogoro University, Jl.Prof.Sudarto No.13,Tembalang Semarang, 50275, Jawa Tengah Indonesia

[https://doi.org/10.35609/gcbssproceeding.2022.1\(37\)](https://doi.org/10.35609/gcbssproceeding.2022.1(37))

ABSTRACT

This study aims to determine the effect of Capital Adequacy Ratio, Loan to Deposit Ratio and Firm Size on Return on Assets with Non-Performing Loans as moderating variables. This study uses the object of the banking sector companies on the Southeast Asian for the period 2013-2020. The sampling method used is purposive sampling technique and cluster sampling obtained 10 companies with 80 samples data. The analytical technique used is descriptive statistical analysis, moderated regression analysis, multiple linear regression, t-test, and f-test. The results partially show that the CAR has a significant effect on ROA, LDR has a significant effect on ROA, and Firm Size has a significant effect on ROA. The results of the study simultaneously show that the CAR, LDR and Firm Size simultaneously have a significant effect on ROA. The results of the moderated regression analysis show that NPL do not moderate CAR to ROA, NPL moderate LDR to ROA, and NPL moderate Firm Size to ROA. For further researchers, it is hoped that they can add sample data and the research observation period becomes longer so that the research results obtained become more detailed and accurate, It is recommended for companies to maintain the value of the CAR, LDR and Firm Size at the ideal number or still within reasonable limits, reducing and suppressing the value and NPL.

Keywords: CAR, LDR, Firm size, ROA, NPL