

ABSTRACT

This research aims to analyze the influence of Age Diversity on Board, Capital Adequacy Ratio (CAR), Bank Size, and Loan Ratio to bank profitability that measured by Return on Assets (ROA) with Board Size and Female Director as a control variables.

The population used in this research is the go public commercial bank listed on the Bloomberg in the 2014-2017 period. The sampling technique used is purposive sampling so that the samples obtained were 45, data were obtained from the bank's annual report. The analytical method used is Ordinary Least Square which consists of statistical f test, statistical t test, coefficient of determination (R^2) test and the classic assumption test which includes normality test, multicollinearity test, autocorrelation test and heteroscedasticity test. During the observation period, it shows that the data in this research are normally distributed. It means that the data in this research has met the requirements for using multiple linear regression models.

The results showed that Age Diversity on Board has a negative and significant effect on bank profitability, Capital Adequacy Ratio (CAR) has a positive and significant effect on bank profitability, Bank Size has no significant positive effect on bank profitability, and Loan Ratio has no significant negative on a bank profitability.

Keyword: Age Diversity on Board, Capital Adequacy Ratio, Bank Size, Loan Ratio, Board Size, Female Director, Corporate Governance, Bank Profitability, ROA.