

## ABSTRACT

*This study aims to analyze the effect of Non-Performing Loans (NPL), Loan to Deposit Ratio (LDR), Bank Size, Bank Diversification, Efficiency and Bank Age on ROA on conventional commercial banks listed on the Indonesia Stock Exchange in the 2014-2018 period. This study uses ROA as the dependent variable. Then the independent variables used in this study are Non Performing Loans (NPL), Loan to Deposit Ratio (LDR), Bank Size, Bank Diversification, and Efficiency with Bank Age control variable.*

*The population used in this research was go public commercial bank that listed in Indonesia Stock Exchange from 2014 – 2018 (40 bank) with only 30 bank was used as a sample, after purposive sampling technique was implemented. The analytical method was used in this research consist of two stages. Firstly, we used Data Envelopment Analysis (DEA) approach to provide estimates of bank efficiency. Secondly follows by Multiple Regression Linear which consist of the statistical  $f$  test, statistical  $t$  test, coefficient of determination ( $R^2$ ) test and the classic assumption test which includes normality test, autocorrelation test, multicollinearity test, and heteroscedasticity test.*

*The result of this research show that NPL has a negative and significant effect on ROA, LDR has a positive and insignificant effect on ROA, Bank Size has a positive significant effect on ROA, Bank Diversification has a positive and significant effect on ROA, Bank Efficiency has a positive and significant effect on ROA.*

***Keywords: NPL, LDR, Bank Size, Bank Diversification, Efficiency, Bank Age, Data Envelopment Analysis (DEA).***