

ABSTRACT

The existence of different levels of bank's performance in each Indonesian banks and the existence of banks with underlevel performance makes research on the factors that influence bank's performance becomes more important to be examined. The aim of the research is to analyze the effect of size, size, Non-performing Loan (NPL), Equity to Asset Ratio (EAR), Loan to Deposit Ratio (LDR), reserve requirement (GWM), labor productivity and market concentration on the performance of listed conventional banks in Indonesia. The bank's performance in this research is measured by Return on Asset (ROA).

The research sample used are 25 listed conventional banks in Indonesia for the 2014-2018 period. The data selection method used in this research is purposive sampling method. The data used was obtained from bank's annual report, Publication Report and Indonesia's Banking Statistics (SPI), released by Financial Service Authority (OJK). The hypothesis testing of this study using multiple linear regression analysis with SPSS 26 program.

The study found that size, Equity to Asset Ratio (EAR), labor productivity and market share have a significant positive effect on bank's performance. Non-performing Loan (NPL) have a significant negative effect on bank's performance. Loan to Deposit Ratio (LDR) and Reserve requirement (GWM) have a positive but not significant effect on bank's performance.

Keywords: Return on Asset, size, Non-performing Loan, Equity to Asset Ratio, Loan to Deposit Ratio, reserve requirement, labor productivity, market concentration and market share