Banking Performance Analysis

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Abstract

This research was conducted to examine the effect of LDR, NPL and BOPO variables on the Banking Financial Performance. The population in this study amounted to 40 commercial banks listed on the Indonesia Stock Exchange (IDX) during 2016 to 2017. Samples obtained in this study amounted to 29 banks selected by purposive sampling method. The total observation data obtained in this study amounted to 90 research data during 2016 to 2017. Data analysis was performed using Microsoft Excel 2016 and testing the hypothesis in this study using Data Panel Regression Analysis with 9.0 E-Views program and a significant level of 5%. The results of the testing obtained by LDR have a significant effect on the financial performance of banks. NPL does not have a significant effect on banking financial performance. BOPO has a significant effect on banking financial performance.

Keywords: Categorized; Global Integration; World Harmony

Introduction

Bank as means by which this strategic role should be able to as a vehicle that can gather and transmit the funds the public responsibly. The extent to which the Community funds are managed effectively and efficiently, then the charge indicators will be seen as a financial performance. The financial performance of a bank depends very much on the success or failure of its operational activities. When its operational activities are successful then the function and role of the bank can be achieved. On the contrary when its operational activities experienced a failure then the bank's financial performance will be impaired. It can even lead to bankruptcy.Banking is a financial institution that has a role in the financial system in Indonesia. The existence of the banking sector have an important role in public life, where the vast majority of services involving the banking sector. This is because the banking sector is an agency that has a primary function as a financial intermediary between parties who have funds (surplus funds) with parties that need funding (deficit funding) as well as an institution that serves to smoothen traffic flow of payments. Therefore it is important for the Bank itself to maintain the trust of the community who put their funds in the Bank to keep the balance of likuidity in order for the Bank itself can get a high Profitability.

Profitability is one indicator of the success of a company or business entity because profit could be made the size of the efficiency and effectiveness of an enterprise. Profitability can also be used as a

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gauge to measure how big an enterprise management capabilities in generating profit over those assets that are stored in the company. Therefore profitability greatly affects the performance of a company.

The financial performance of banking can be seen from the aspect of Profitability contained in the financial report of the banking company itself. Profitability is the ability of the banking company in generating net profit during the period. In addition to that Profitability is also an indicator to measure the degree of banking performance. One of the ratios used to gauge a Bank's financial Performance is the Return On Asset (ROA). ROA focuses the company's ability to earn a profit in operations, knowing the financial performance on a banking company is very important because healthy whether a banking company, can be seen from the financial performance is mainly views of profitability in a banking company.Financial performance (ROA) by the year 2017 than in 2016. From 40 banking company listed on the indonesia Stock Exchange there are 23 banking or about 57.5% of the decline of banking financial performance of total banking company registered in IDX.

The banking company has a goal to gain optimal benefit by providing services in the form of funds or credit loan services to the community. With the purpose of banking management should always maintain the profitability of acquired, because the acquisition of profit is the yardstick of the success of the management of the bank. The smaller the profitability of a bank then will join the banking performance is declining, so otherwise.Profitability is one of the main objectives to be achieved are all companies. There are several factors that cause the profitability decreased resulting in a performance of a company come into decline. One factor is the increased earning assets or bad credit that where the customer is unable to pay the loan in accordance with the maturity that has been promised. With the increasing ratio of such credit resulted in a firm's profitability declined and the company's liquidity also decreases. The decline in financial performance can be affected by many factors. One factor in the liquidity of the banking company in order to carry out its activities need to maintain the level of Liquidity balance in order to get a high Profitability, one of them by providing loan funding to community with credit expects will be accepted.

Banking company in order to carry out its activities need to maintain the level of Liquidity balance in order to get a high Profitability, one of them by providing loan funding to the community with flower expects the credit will be accepted. The higher the levels of Liquidity may be aware that the funds given to the community in the form of credit increase, with a rise in credit given, then the Bank will get a return on the mortgage interest. Therefore the higher the liquidity of a Bank then the greater the credit also channeled by the Bank so that the greater the Profit obtained also the Bank itself.

Review of the literature

Financial performance of Banks

The Bank's operational activities have the purpose of optimum benefit to the road provides financial services to the community. With optimum profit, can provide advantages for the owner of the shares due to the share dividends and profits from an increase in their share prices, in addition to attract other investors to invest in shares. A good bank performance was marked by a high level of profitability (Muhdrajad & Suhardjono 2002).The health of the banks is the interests of all relevant parties, neither the owner, the management of the bank, both Governments (through bank of Indonesia) and users of the services of the bank. To assess the health of a bank can be seen from various establishments. This assessment aims to determine whether the bank is in a healthy condition, fairly healthy, less healthy and unhealthy so that bank of Indonesia as trustees and Trustees banks can provide direction or guidance of how the bank should run or even suspended the activities of its operations.

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The Loan to Deposit Ratio (LDR)

The Liquidity ratio is proxied with Loan to Deposit Ratio (LDR) in conventional banks is a comparison between the financing granted by the bank with a successful third-party funds disbursed by the bank. This ratio is used to measure the extent to which loan funds sourced from third party funds. From the results of such research States that for this variable is positive, so that it can be interpreted that the influence exerted by the variable LDR against ROA is positive. This condition means that the higher the value of LDR company then resulted in the higher ROA.

Non Performing Loan (NPL)

The non Performing Loan (NPL) ratio is to measure and know the customer having difficulty paying off in mortgage payment or often referred to as the bad debts at the banks. The ratio of Non Performing Loan (NPL) indicated in the higher NPL the bad performance of the banking company. The NPL Is a comparison between the bad debt to the total credit. This ratio indicates that the higher NPL ratios pointed out its credit quality is getting worse.

Operational Costs Against Operating Income (BOPO)

Against operating costs operating income (BOPO). The ratio is used to measure how the efficiency of corporations in the use of its assets. Through this ratio can be a yardstick of whether the management of the bank has been using all the factors of production effectively and efficiently. That the operational costs of the bank increasingly inefficient and experiencing a decline in profit.

Research methods

a. Dependent Variable
financial performance (Y)
Ratios can be formulated as follows:

$$ROA = \frac{profit\ before\ tax}{total\ assets} \times 100\%$$

b. Independen variable
   1) LDR (X1)
Ratios can be formulated as follows:

$$LDR = \frac{credit\ given}{third\ funds}\ 100\ \%$$

   2) NPL (X2)
Ratios can be formulated as follows:

$$NPL = \frac{problem\ loans}{credit\ total} \times 100\%$$

   3) BOPO (X3)
Ratios can be formulated as follows:

$$BOPO = \frac{operating\ cost}{operational\ income} \times 100\%$$

Sample and Population

The population in this research is a banking company that publishes financial reports published on the website of the Indonesia stock exchange (idx), with the following criteria:
Banking company listed on the Indonesia stock exchange (idx).

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Financial report data available during the research year 2016-2017.

Data analysis tecnique and test of classical Assumptions
Data analysis tecnique

Data analysis techniques used in this research is a type of quantitative analysis. So, all of the data collected in this study will then be analyzed and do test the hypothesis. Analysis and test of the hypothesis that data is done using the help of computer programs namely Microsoft Excel and Eviews 2016 version 9. To know the influence of LDR, BOPO and NPL against banking financial performance, this study uses regression analysis to the data panel. The use of panel data regression analysis because the data used in the study was the combined data from data time series and cross section data, where the samples will be used in the period up to 2016 2017.

Panel Data Regression Method

Methods of analysis used to test the hypothesis in this study was regersi of the data panel. The use of panel data regression analysis because the data used in this study was the combined data of time series data and tama cross section. Regression analysis was performed to analyze the independent variables namely: LDR, BOPO and NPL.
According to Ajiija, et al (2011, PG. 53) General form equations of regression data panel is as follows:

$$Y_{it} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \mu_{it}$$

information:
Y_{it}	= financial performance (ROA)
X_1	= likuidity (LDR)
X_2	= productive assets (NPL)
X_3	= operational efficiency(BOPO)
β	= constans
I	= name of commercial bank
t	= time periode
μ	= Error Term

Discussion

Research result

The object of the research used in this research are commercial banks listed on the Indonesia stock exchange (idx), consisting of public Bank Persero, national private commercial banks, the Bank of the mixture and the regional development banks. Based on information from www.idx.co.id number of banking company in Indonesia that registered in IDX until recently amounted to 43 banks. The following list of commercial banks registered in IDX:

Table 1 Banking Company Listed on the IDX
Period 2016-2017

No.	Company Code	Company name
1.	AGRO	Bank Rakyat Indonesia Agroniaga Tbk
2.	AGRS	Bank Agris Tbk
3.	ARTO	Bank Artos Indonesia Tbk.
4.	BABP	Bank MNC Internasional Tbk
5.	BACA	Bank Capital Indonesia Tbk
6.	BBCA	Bank Central Asia Tbk

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7.	BBHI	Bank Harda Internasional Tbk.
8.	BBKP	Bank Bukopin Tbk
9.	BBMD	Bank Mestika Dharma Tbk
10.	BBNI	Bank Negara Indonesia Tbk
11.	BBNP	Bank Nusantara Parahyangan Tbk
12.	BBRI	Bank Rakyat Indonesia (Persero) Tbk
13.	BBTN	Bank Tabungan Negara (Persero) Tbk
14.	BBYB	Bank Yudha Bhakti Tbk.
15.	BCIC	Bank JTrust Indonesia Tbk
16.	BDMN	Bank Danamon Indonesia Tbk
17.	BEKS	Bank Pembangunan Daerah Banten Tbk.
18.	BGTG	Bank Ganesha Tbk.
19.	BINA	Bank Ina Perdana Tbk
20.	BJBR	BPD Jawa Barat dan Banten Tbk.
21.	BJTM	Bank Pembangunan Daerah Jawa Timur Tbk
22.	BKSW	Bank QNB Indonesia Tbk
23.	BMAS	Bank Maspion Indonesia Tbk
24.	BMRI	Bank Mandiri (Persero) Tbk
25.	BNBA	Bank Bumi Arta Tbk
26.	BNGA	Bank CIMB Niaga Tbk
27.	BNII	Bank Maybank Indonesia Tbk
28.	BNLI	Bank Permata Tbk
29.	BSIM	Bank Sinarmas Tbk
30.	BSDW	Bank of India Indonesia Tbk
31.	BTPN	Bank Tabungan Pensiunan Nasional Tbk
32.	BVIC	Bank Victoria International Tbk
33.	DNAR	Bank Dinar Indonesia Tbk
34.	INPC	Bank Artha Graha Internasional Tbk
35.	MAYA	Bank Mayapada Internasional Tbk
36.	MCOR	Bank China Construction Bank Indonesia Tbk
37.	MEGA	Bank Mega Tbk
38.	NAGA	Bank Mitraniaga Tbk
39.	NISP	Bank OCBC NISP Tbk
40.	NOBU	Bank Nationalnobu Tbk
41.	PNBN	Bank Pan Indonesia Tbk
42.	PNBS	Bank Panin Dubai Syariah Tbk.
43.	SDRA	Bank Woori Saudara Indonesia 1906 Tbk

Source : www.idx.co.id

The company that made the object of research is the companies that have meet the criteria on this research. As for the criteria used are as follows:

Table 1. research sample

No	Sample Selection Criteria	total
1.	Banking company listed on the Indonesia stock exchange (idx) during the period of 2016-2017	43
2.	Commercial banks that do not have annual financial statements that have been audited and published over a period of years until 2016 2017.	(0)
3.	The banking company does not earn a profit in succession during the period of observation.	(10)

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4. The banking company financial reports do not use IDR		(4)
The number of companies that meet the criteria		29
The number of years of observation		2
The total number of samples during the research period		58

Based on table 5 above by using purposive sampling method, selected 29th public Bank to serve as the research sample with 2-year observation period, bringing the total sample overall is 58 research data. The following are the names of the selected public Bank became the sample in this research:

Tabel 2. List of Commercial Bank Sample Names

No.	Company Code	Company Names
1.	AGRO	Bank Rakyat Indonesia Agroniaga Tbk
2.	BACA	Bank Capital Indonesia Tbk
3.	BBCA	Bank Central Asia Tbk
4.	BBKP	Bank Bukopin Tbk
5.	BBMD	Bank Mestika Dharma Tbk
6.	BBNI	Bank Negara Indonesia Tbk
7.	BBRI	Bank Rakyat Indonesia (Persero) Tbk
8.	BBTN	Bank Tabungan Negara (Persero) Tbk
9.	BBYB	Bank Yudha Bhakti Tbk.
10.	BDMN	Bank Danamon Indonesia Tbk
11.	BINA	Bank Ina Perdana Tbk
12.	BJBR	BPD Jawa Barat dan Banten Tbk
13.	BJTM	Bank Pembangunan Daerah Jawa Timur Tbk
14.	BMRI	Bank Mandiri (Persero) Tbk
15.	BNBA	Bank Bumi Arta Tbk
16.	BNGA	Bank CIMB Niaga Tbk
17.	BNII	Bank Maybank Indonesia Tbk
18.	BSIM	Bank Sinarmas Tbk
19.	BTPN	Bank Tabungan Pensiunan Nasional Tbk
20.	BVIC	Bank Victoria International Tbk
21.	DNAR	Bank Dinar Indonesia Tbk
22.	INPC	Bank Artha Graha Internasional Tbk
23.	MAYA	Bank Mayapada Internasional Tbk
24.	MCOR	Bank China Construction Bank Indonesia Tbk
25.	MEGA	Bank Mega Tbk
26.	NAGA	Bank Mitraniaga Tbk
27.	NISP	Bank OCBC NISP Tbk
28.	NOBU	Bank Nationalnobu Tbk
29.	PNBN	Bank Pan Indonesia Tbk

Source :www.idx.co.id

Calculation Financial Performance Of The Bank

In this research the Bank's financial performance as measured by return on assets (ROA) and compare between profit before taxes by total assets. This ratio measures the ability of the bank's management in gaining profit overall.

Calculation based on the financial performance of banking at 29 Bank which became a sample calculation is obtained as follows:

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Tabel 3. Return On Assets Data (precentage)

No.	Company name	Year	
		2016	2017
1.	Bank Rakyat Indonesia Agroniaga Tbk	1.24	1.19
2.	Bank Capital Indonesia Tbk	0.89	0.70
3.	Bank Central Asia Tbk	3.82	3.11
4.	Bank Bukopin Tbk	1.30	0.11
5.	Bank Mestika Dharma Tbk	2.35	2.99
6.	Bank Negara Indonesia Tbk	2.37	2.42
7.	Bank Rakyat Indonesia (Persero) Tbk	3.76	3.29
8.	Bank Tabungan Negara (Persero) Tbk	1.55	1.48
9.	Bank Yudha Bhakti Tbk.	2.23	0.29
10.	Bank Danamon Indonesia Tbk	2.52	3.01
11.	Bank Ina Perdana Tbk	0.97	0.78
12.	*BPD Jawa Barat dan Banten Tbk*	*1.43*	*1.42*
13.	Bank Pembangunan Daerah Jawa Timur Tbk	3.37	3.18
14.	Bank Mandiri (Persero) Tbk	1.79	2.41
15.	Bank Bumi Arta Tbk	0.15	0.17
16.	Bank CIMB Niaga Tbk	1.07	1.56
17.	Bank Maybank Indonesia Tbk	1.57	1.45
18.	Bank Sinarmas Tbk	1.58	1.34
19.	Bank Tabungan Pensiunan Nasional Tbk	2.85	2.03
20.	Bank Victoria International Tbk	0.36	0.47
21.	Bank Dinar Indonesia Tbk	0.74	0.51
22.	Bank Artha Graha Internasional Tbk	0.35	0.31
23.	Bank Mayapada Internasional Tbk	1.79	1.22
24.	Bank China Construction Bank Indonesia Tbk	0.65	0.48
25.	Bank Mega Tbk	2.19	2.00
26.	Bank Mitraniaga Tbk	0.73	0.36
27.	Bank OCBC NISP Tbk	1.70	1.87
28.	Bank Nationalnobu Tbk	0.34	0.32
29.	Bank Pan Indonesia Tbk	1.66	1.39
	Maksimum	3.82	3.29
	Minimum	0.15	0.11
	average	1.63	1.44

source: Annual report on IDX (data processed)

From table 7 above, is well known in the year 2016 the acquisition value of the average Return On Assets (ROA) of 1.63% could be said to be in a category that the bank has a good performance because of a Inbox in the rankings I with the value of the specified Regulations Bank ROA Indonesia i.e. ROA > 1.5%. The highest value obtained by Central Asia Bank Tbk amounting to 3.82% for Central Asia Bank Tbk obtained a value of 1.5% > ROA which means have a good banking performance. The acquisition value of the Return On Asset (ROA) lowest obtained by Bumi Arta Bank, Tbk amounting to 0.15% because the Bumi Arta Bank Tbk obtains value of 1.5% ROA < which means it has less banking performance is good.

In the 2017 the acquisition value of the average Return On Assets (ROA) of 1.44% could be said to be in a category that the bank has a good performance because of a Inbox in the rankings I with the value of the specified Regulations Bank ROA Indonesia i.e. ROA > 1.5%. The highest value obtained by

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Central Asia Bank Tbk amounting to 3.29% for Central Asia Bank Tbk obtained a value of 1.5% > ROA which means have a good banking performance. The acquisition value of the Return On Asset (ROA) lowest obtained by PT Mestika Dharma Bank Tbk amounting to 0.11% for PT Mestika Dharma Bank Tbk obtained a value of 1.5% ROA < which means it has less banking performance is poorly.

In the 2016 bank who have ROA above an average of 1.63% there are 11 banks or 39.93% including Capital Indonesia Bank Tbk, Mestika Dharma Bank Tbk, Negara Indonesia Bank Tbk, Rakyat Indonesia (Persero) Bank Tbk, Yudha Bhakti Bank, Danamon Bank Tbk Indonesia Tbk, pembangunan daerah Jawa Timur Bank, Mandiri Bank (Persero) Tbk, Mayapada Internasional Bank Tbk and Pan Indonesia Bank Tbk While 18 other banks or 62.07% were below average.In the 2017 bank who have ROA above an average of 1.44% there are 14 banks or 44.27% including Capital Indonesia Bank Tbk, Central Asia Bank Tbk, Mestika Dharma Bank Tbk, Negara Indonesia Bank Tbk, Rakyat Indonesia Bank (Persero) Tbk, tabungan negara Bank (Persero) Tbk, Danamon Indonesia Bank Tbk, pembanguan daerah jawa timur banks, Mandiri Bank (Persero) Tbk, CIMB Niaga Bank Tbk, Maybank Bank Indonesia Tbk, tabungan pensiunan nasional Bank, Mega Bank Tbk and OCBC NISP Bank Tbk. While 15 banks other or 55.73% under the average.

LDR (Loan to Deposit Ratio)

In this study using ratio LDR (Loan to deposit ratio) that is a comparison between the credit given by the third-party funds. This ratio measures the ability of banks in financing using funds in the collect from third parties.
Based on a calculation of liquidity risk at 29 public Bank which became a sample calculation is obtained as follows:

Tabel 4. Loan to deposit ratio data (LDR) (percentage)

No.	Company name	year	
		2016	2017
1.	Bank Rakyat Indonesia Agroniaga Tbk	88.68	88.41
2.	Bank Capital Indonesia Tbk	55.35	50.61
3.	Bank Central Asia Tbk	78.45	80.45
4.	Bank Bukopin Tbk	86.04	79.56
5.	Bank Mestika Dharma Tbk	80.93	81.02
6.	Bank Negara Indonesia Tbk	90.29	85.51
7.	Bank Rakyat Indonesia (Persero) Tbk	87.93	87.84
8.	Bank Tabungan Negara (Persero) Tbk	93.90	93.91
9.	Bank Yudha Bhakti Tbk.	93.54	90.41
10.	Bank Danamon Indonesia Tbk	88.42	92.34
11.	Bank Ina Perdana Tbk	76.52	77.62
12.	BPD Jawa Barat dan Banten Tbk	80.81	87.68
13.	Bank Pembangunan Daerah Jawa Timur Tbk	90.48	79.69
14.	Bank Mandiri (Persero) Tbk	86.82	90.49
15.	Bank Bumi Arta Tbk	79.03	82.10
16.	Bank CIMB Niaga Tbk	95.24	93.92
17.	Bank Maybank Indonesia Tbk	90.29	85.51
18.	Bank Sinarmas Tbk	76.21	77.79
19.	Bank Tabungan Pensiunan Nasional Tbk	95.42	96.22
20.	Bank Victoria International Tbk	67.18	70.25
21.	Bank Dinar Indonesia Tbk	82.49	69.80
22.	Bank Artha Graha Internasional Tbk	85.11	81.11

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23.	Bank Mayapada Internasional Tbk	91.40	90.08
24.	Bank China Construction Bank Indonesia Tbk	86.47	79.52
25.	Bank Mega Tbk	55.37	57.48
26.	Bank Mitraniaga Tbk	50.07	42.02
27.	Bank OCBC NISP Tbk	90.15	93.75
28.	Bank Nationalnobu Tbk	86.93	70.11
29.	Bank Pan Indonesia Tbk	87.66	88.32
	Maksimum	95.42	96.22
	Minimum	50.07	42.02
	average	82.66	80.81

source: Annual report on IDX (data processed)

In table 5 above, be aware that the year 2016 the banking industry has an average value of Loans to Deposit Ratio (LDR) of 82.66% could be said to be in the category of financial performance of banks in channeling credit good enough because the entry in rank III with a value of LDR assigned Bank Indonesia i.e. 85% ≤ 100% LDR <. The highest value obtained by tabungan pensiunan nasional Bank Tbk amounting to 95.42% mean that tabungan pensiunan nasional Bank Tbk has good credit channeling. While the value of the Loan to Deposit Ratio (LDR) lowest obtained by PT Mitraniaga Bank 50.07% of the mean that PT Mitraniaga Bank channeling credit less good.

While in the 2017 gains the average value of Loan to Deposit Ratio (LDR) of 80.81% could be said to be in a category is good enough because banks entered in the ranking of III. The highest value of the Loan to Deposit Ratio (LDR) obtained by the tabungan pensiunan nasional Bank Tbk amounting to 96.22% and the value of the Loan to Deposit Ratio (LDR) lowest obtained by PT Mitraniaga Bank of 42.02%.In the 2016 bank which has a LDR above an average of 82.66% there are 18 or 62.06% including Rakyat Indonesia Bank, Agroniaga Bank, Bukopin Bank Tbk, Negara Indonesia Bank Tbk, Rakyat Indonesia Bank (Persero) Tbk, Tabungan Nasional Bank (Persero) Tbk, Yudha Bhakti Bank Tbk., Danamon Indonesia Bank Tbk, Pembangunan Daerah Jawa Timur Bank, Mandiri Bank (Persero) Tbk, CIMB Niaga Bank Tbk, Maybank Bank Indonesia Tbk, Tabungan Pensiunan Nasional Bank, Artha Graha Bank Tbk International Bank Tbk, Mayapada International Bank Tbk, the Bank of China Construction Bank Indonesia Tbk, OCBC NISP Bank Tbk, the Nationalnobu Bank, Pan Indonesia Bank Tbk and Tbk, while 11 other banks or around 37.93% under the average.

In the 2017 bank which has a LDR above average by 80.81% there are 14 banks or 48.28% including Rakyat Indonesia Bank, Agroniaga bank, Mestika Dharma Bank Tbk, Tbk, Negara Indonesia Bank Tbk, Rakyat Indonesia Bank (Persero) Tbk, Tabungan Nasional (Persero) Tbk, Yudha Bhakti Bank Tbk., Danamon Indonesia Bank Tbk, BPD Jawa Baat and Banten, Mandiri Bank (Persero) Tbk, Bumi Arta Bank, Tbk, CIMB Niaga Bank Tbk Maybank Bank Indonesia Tbk, Tabungan Pensiunan Nasional bank, Artha Graha Bank Tbk International Bank, Mayapada Internasional Bank Tbk, OCBC NISP Bank Tbk and Pan Indonesia Bank Tbk, while 15 other banks or around 51.72% under the average.

NPL (Non Performance Loan)

In this study uses the ratio of NPL (Non Performance Loan) and compare between bad debt with a total credit. The ratio measures the extent to which the bank's ability to manage the troubled credit channeled by the bank.   Calculation based on earning assets at 29 public Bank which became a sample calculation is obtained as follows:

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Tabel 5. Non Performing Loan (NPL) Data (percentage)

No.	Company Name	Year	
		2016	2017
1.	Bank Rakyat Indonesia Agroniaga Tbk	2.88	2.59
2.	Bank Capital Indonesia Tbk	3.17	2.77
3.	Bank Central Asia Tbk	1.31	1.49
4.	Bank Bukopin Tbk	3.72	1.09
5.	Bank Mestika Dharma Tbk	3.59	2.58
6.	Bank Negara Indonesia Tbk	2.96	2.29
7.	Bank Rakyat Indonesia (Persero) Tbk	2.13	2.23
8.	Bank Tabungan Negara (Persero) Tbk	2.60	2.66
9.	Bank Yudha Bhakti Tbk.	2.52	2.14
10.	Bank Danamon Indonesia Tbk	3.29	2.74
11.	Bank Ina Perdana Tbk	3.13	4.60
12.	BPD Jawa Barat dan Banten Tbk	0.98	0.83
13.	Bank Pembangunan Daerah Jawa Timur Tbk	4.77	4.59
14.	Bank Mandiri (Persero) Tbk	4.00	3.45
15.	Bank Bumi Arta Tbk	1.82	1.70
16.	Bank CIMB Niaga Tbk	3.54	3.45
17.	Bank Maybank Indonesia Tbk	1.98	1.34
18.	Bank Sinarmas Tbk	1.15	3.26
19.	Bank Tabungan Pensiunan Nasional Tbk	0.79	0.90
20.	Bank Victoria International Tbk	4.17	3.18
21.	Bank Dinar Indonesia Tbk	1.41	2.57
22.	Bank Artha Graha Internasional Tbk	3.15	7.02
23.	Bank Mayapada Internasional Tbk	2.11	5.65
24.	Bank China Construction Bank Indonesia Tbk	3.03	3.07
25.	Bank Mega Tbk	3.99	2.31
26.	Bank Mitraniaga Tbk	2.38	1.03
27.	Bank OCBC NISP Tbk	1.79	1.87
28.	Bank Nationalnobu Tbk	0.00	0.09
29.	Bank Pan Indonesia Tbk	2.56	2.33
	Maksimum	4.77	7.02
	Minimum	0.00	0.09
	Average	2.58	2.61

source: Annual report on IDX (data processed)

From table 6 above, can be known by the year 2016 the banking industry has an average rating of Non Performance Loans (NPL) of 2.58% can be said to be in the category healthy banks because the entry in the rankings with a value NPL II assigned the Bank Indonesia i.e. the NPL < 5%. The highest value obtained by the Pembangunan Daerah Jawa Timur Bank Tbk amounting to 4.77% constitute the Pembangunan Daerah Jawa Timur Bank Tbk has bad credit. While the lowest value obtained by Nationalnobu Bank Tbk i.e. 0.00% may imply that the Bank Nationalnobu Tbk nothing has bad credit.
While in the 2017 the banking industry has an average rating of Non Performance Loans (NPL) of 2.58% rated the highest NPL obtained Artha Graha Internasional Bank Tbk 7.02% and the lowest by the Nationalnobu Bank Tbk 0.09%.In the 2016 bank have NPL above average there are 15 banks or 51.72% of whom are Rakyat Indonesia Bank Tbk Agroniaga Bank, Bukopin Bank Tbk, Mestika Dharma Bank Tbk, negara Indonesia Bank Tbk, Tabungan Negara Bank (Persero) Tbk, Danamon Indonesia Bank Tbk,

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Ina Perdana Tbk Bank, Pembangunan Daerah Jawa Timur Bank, Mandiri Bank (Persero) Tbk, CIMB Niaga Bank Tbk, Victoria International Bank Tbk, Artha Graha Internasional Bank Tbk, The Bank China Construction Bank Indonesia Tbk, while 14 other banks or about 48.27% under the average.In the 2017 bank have NPL above average there are 12 banks or 41.37% of whom are Rakyat Indonesia Bank Tbk, Tabungan Negara Bank (Persero) Tbk, Danamon Indonesia Bank Tbk, Ina Perdana Bank Tbk, Pembangunan Daerah Jawa Timur Bank, Mandiri Bank Tbk. (Persero) Tbk, CIMB Niaga Bank Tbk, Sinarmas Bank, Victoria International Bank Tbk, Artha Graha Internasional Bank Tbk, Mayapada Internasional Bank Tbk, the China Construction Bank Indonesia Tbk, while 17 other banks or approximately 58.62% under the average.

BOPO (Operational Costs Against Operating Income)

In this study using a ratio using BOPO (operational costs against operating income) ratio measures the ability of the bank's management in controlling operational costs against operating income. Based on the calculations of the Bank on 29 BOPO into samples retrieved the calculation as follows:

Tabel 6. Operational Efficiency Calculation (BOPO) (percentage)

No.	Nama Perusahaan	Tahun	
		2016	2017
1.	Bank Rakyat Indonesia Agroniaga Tbk	87.59	86.48
2.	Bank Capital Indonesia Tbk	87.23	88.89
3.	Bank Central Asia Tbk	60.51	61.94
4.	Bank Bukopin Tbk	80.94	91.15
5.	Bank Mestika Dharma Tbk	78.40	69.04
6.	Bank Negara Indonesia Tbk	64.79	62.16
7.	Bank Rakyat Indonesia (Persero) Tbk	57.42	57.34
8.	Bank Tabungan Negara (Persero) Tbk	81.76	78.68
9.	Bank Yudha Bhakti Tbk.	81.91	96.93
10.	Bank Danamon Indonesia Tbk	77.16	71.96
11.	Bank Ina Perdana Tbk	90.77	90.57
12.	BPD Jawa Barat dan Banten Tbk	86.71	86.25
13.	Bank Pembangunan Daerah Jawa Timur Tbk	72.37	68.77
14.	Bank Mandiri (Persero) Tbk	58.49	61.10
15.	Bank Bumi Arta Tbk	80.45	79.14
16.	Bank CIMB Niaga Tbk	94.29	81.48
17.	Bank Maybank Indonesia Tbk	83.48	85.72
18.	Bank Sinarmas Tbk	89.39	92.66
19.	Bank Tabungan Pensiunan Nasional Tbk	75.68	78.81
20.	Bank Victoria International Tbk	96.55	94.90
21.	Bank Dinar Indonesia Tbk	91.61	94.13
22.	Bank Artha Graha Internasional Tbk	95.77	95.87
23.	Bank Mayapada Internasional Tbk	82.88	87.17
24.	Bank China Construction Bank Indonesia Tbk	91.97	88.33
25.	Bank Mega Tbk	86.17	81.29
26.	Bank Mitraniaga Tbk	93.02	96.17
27.	Bank OCBC NISP Tbk	66.62	68.52
28.	Bank Nationalnobu Tbk	98.00	80.05
29.	Bank Pan Indonesia Tbk	72.18	71.30
	Maksimum	98.00	96.93
	Minimum	57.42	57.34

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average		81.52	80.92

source: Annual report on IDX (data processed)

In table 7 above, be aware that the year 2016 the banking industry has an average value of operating expenses and operating income (BOPO) of 81.52% could be said to be in the category of banks whose performance is very good as it enters in the rankings I with the value of the Bank Indonesia stipulated BOPO i.e. BOPO ≤ 94%. The highest value obtained by Nationalnobu Bank Tbk amounting to 98.00% due to a high level of efficiency gain. While the value of operating expenses and operating income (BOPO) lowest obtained by Rakyat Indonesia Bank (Persero) Tbk amounting to 57.42%.In the 2017 acquisition value of average operating expenses and operating income (BOPO) of 80.92% can be said to be in the category of banks whose performance is very good as it entered the ranks of the highest Value I. operating expenses and income operational (BOPO) obtained by the Yudha Bhakti Bank Tbk amounting to 96.93% and operating expenses and operating income (BOPO) lowest obtained by Rakyat Indonesia Bank (Persero) Tbk amounting to 57.34%.

In the 2016 bank have BOPO above average among them there are 17 banks or 58.62% were Rakyat Indonesia Bank Tbk., Agroniaga Bank, Capital Indonesia Bank Tbk, Tabungan Negara Bank (Persero) Tbk, Yudha Bhakti Bank Tbk., Ina Perdana Bank Tbk, BPD Jawa Barat and Banten Tbk, CIMB Niaga Bank Indonesia Tbk, Maybank Bank, Sinarmas Bank, Victoria International Bank Indonesia Bank Tbk Dinar Banks, Artha Graha Internasional Bank Tbk, Mayapada Internasional Bank Tbk, The China Construction Bank, Mega Bank Tbk, Mitraniaga Bank tbk, the Bank Nationalnobu Tbk , while 12 other banks or around 41.37% below average.In the 2017 bank have BOPO above average there are 14 banks or 48.27% including Rakyat Indonesia Bank Tbk., Agroniaga Bank, Capital Indonesia Bank Tbk, Bukopin Bank Tbk, Yudha Bhakti Bank Tbk, Ina Perdana Bank Tbk, BPD Jawa Barat and Banten Tbk, CIMB Niaga Bank Indonesia Tbk, Maybank Bank, Victoria International Bank Tbk, Indonesia Tbk, Dinar Banks, Artha Graha Internasional Bank Tbk, Mayapada Internasional Bank Tbk, the China Construction Bank Indonesia Tbk, Mega Bank Tbk, Mitraniaga Bank while 15 other banks or around 51.72% below average.

Hypothesis test and analysis
Descriptive Statistics

Descriptive statistical analysis was performed to find out which picture or description each independent variable. Independent variables used in this study was the LDR, BOPO and NPL. In the statistical analysis of the data can illustrate by looking at the value of the maximum, minimum, average (mean) and deviation standart. Based on the results of the data processing using the program E-Views 9.0 then can be obtained the following results:

Tabel 7. Descriptive Statistics Result

	ROA	LDR	NPL	BOPO
Mean	0.015376	0.817362	0.025990	0.812226
Maximum	0.038200	0.962200	0.070200	0.980000
Minimum	0.001100	0.420200	0.000000	0.573400
Std. Dev.	0.010029	0.124013	0.013051	0.116388
Observations	58	58	58	58

source: *E-Views* 9.0

From table 8 output E-views 9.0 above descriptive statistics to find out how big the rate of Return on Assets (ROA), Loan to Deposit Ratio (LDR), Non Performance Loans (NPL) and Operational Efficiency (BOPO). As for the interpretation of the results of the above descriptive statistics are as follows:

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The Financial Performance Of Banking (ROA)

The average ROA from 29 Banks for two years is 0.015376 or 1.53%. Where the ROA is the lowest at PT Mestika Dharma Bank Tbk amounting to 0.11% in 2017. For the highest ROA is owned by Bank Central Asia Tbk amounting to 3.82% in 2016. Known from 29 banking company for 2 years there are observations 86.21% value is above average. And only 13.79% who have ROA under the average. From this it can be shown that the return on assets of the company generated profit to the total assets of 29 commercial banks registered in IDX on the 2016-2017 average of almost all equally good. With a Standard deviation of banking financial performance (ROA) of 0.010029.

LDR (Loan to Deposit Ratio)

Average of 29 Banks LDR for 2 years is 0.015376 or 1.53%. There are some companies that are within the boundaries of banking Loan to Deposit Ratio (LDR) set by PBI, namely of 78%-92%. But there are also several banks that the value of the LDR outside of the limit set by PBI itself. Companies that have the lowest value of LDR Mitraniaga Bank Tbk is owned by of 42.02% in 2017. For the highest LDR is owned by Pensiunan Negara Bank Tbk amounting to 96.22% in 2017. There are some companies that are within the boundaries of banking Loan to Deposit Ratio (LDR) set by PBI, namely of 78%-92%. But there are also several banks that the value of the LDRnya outside of the limit set by PBI itself. Known from 29 banking company for 2 years of observation there is 56.90% value is above average. And only 43.10% LDR rated below average. With a Standard deviation of liquidity (LDR) of 0.124013.

NPL   (Non Performing Loan)

The average NPL from 29 Banks for two years is 0.025990 or 2.59% and remained above the minimum limit of Non Performing Loan (NPL) set by PBI by 5%. NPL is the lowest Nationalnobu Bank Tbk i.e. 0.00% in 2016. For the highest NPL is owned by the Artha Graha Internasional Bank Tbk 7.02% in 2017. Known from 29 banking company for 2 years there are observations 48.28% value is above average. And only 51.72% NPL value is below the average. With a Standard Deviation of productive Assets (NPL) of 0.013051.

BOPO

Average of 29 BOPO Bank for 2 years is 0.812226 or 81.22% and remained above the minimum Operational Efficiency (BOPO) set by PBI amounting to 95% $96\% \leq BOPO <$. The lowest BOPO is owned by Capital Indonesia Bank Tbk amounting to 57.34% in 2017. For the highest BOPO is owned by Nationalnobu Bank Tbk amounting to 98.00% in 2016. Known from 29 banking company for 2 years there are observations 55.17% value is above average. And only 44.83% rated BOPO below the average Standard Deviation of operational Efficiency (BOPO) of 0.116388.

The Influence of LDR Against Banking Financial Performance

Based on the first hypothesis test, proved that the variable LDR influential indicated with a probability level of 0.0034 smaller than 0.05.
Influence on LDR ROA may imply that the higher the credit given to society, it means more likely that revenue will come from the bank that accepted mortgage interest.

The Influence of NPL Against Banking Financial Performance

Based on the second hypothesis test, proved that the NPL variables do not affect significantly the level of probability indicated with 0.7696 greater than 0.05 on regression coefficient of-0.015894 indicates that the variable Assets Productive has no effect.The test results of productive Assets (NPL) against the financial performance of banking is no effect significant. This is not in keeping with previous

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theories which explained that the NPL variable influence on ROA who said that the lower the NPL, then the ROA will be higher and vice versa if the NPL high then it will make the ROA declined. This is due to the value of the Allowance of productive Assets (PPAP) is still able to cover bad debt. Banking profit can still be increased by high NPL because the bank was still able to obtain sources of profit not only from flowers but also from other profit sources such as fee based income which also gives a relatively high against the influence of the rate of ROA.

The Influence of BOPO Against Banking Financial Performance

Based on the third hypothesis test, it is evident that variables significantly influential BOPO indicated a probability level of 0.0000 is smaller than the regression coefficient of 0.05 on-indicates that the variable 0.063140 BOPO has negative influence on performance of banking finance.The test results of financial Performance against banking BOPO is significant negative effect. BOPO variables used to measure the level of efficiency and ability in conducting the activities of the bank's operations. The increase in the ratio of increase in operating costs means BOPO is not proportional to the increase in operational revenues. A company can be said to be the most efficient or good conditions is a small but growing operating costs followed by operational revenue increase. For research on a bank registered in IDX period 2016 2017 obtained the fact that an increase in the ratio of BOPO precisely followed with a reduction ratio of ROA, it means operating costs increased but decreased interest income, this happens because most of the operational cost is used for the improvement of other productive assets.

Conclusion

Based on the data analysis and discussion that's been conducted, then obtained a conclusion as follows:
  a. The results of the study prove that significant influence on LDR financial performance of banking.
  b. The results of this research proves that the NPL did not have an effect on the financial performance of banking.
  c. The results of this research proves that influential BOPO significantly to the banking financial performance.

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