



THE INFLUENCE OF THIRD PARTY FUNDS, CAPITAL ADEQUACY RATIO, NON PERFORMING LOANS, AND RETURN ON ASSETS ON CREDIT DISTRIBUTION IN COMMERCIAL BANKS LISTED ON THE BEI FOR THE 2015-2022 PERIOD

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Abstract— The purpose of this study was to determine the effect of third-party funds, capital adequacy ratio, non-performing loans, and return on assets on lending to commercial banks listed on the IDX in 2015–2022. The total population is 46 banking companies, and after going through several observations, 10 banking companies were determined to be the sample. This study uses a tool in the form of the computer software program IBM SPSS Statistics 20. The findings from the results of this study are that the Third Party Funds variable partially has a significant effect on credit distribution, the Capital Adequacy Ratio variable partially does not have a significant effect on credit distribution, the Non-Performing Loans variable partially has a significant effect on credit distribution, and the Return on Assets variable partially has no significant effect on credit distribution. Variable Third Party Funds, Capital Adequacy Ratio, Non-Performing Loans, and Return on Assets simultaneously have a significant effect on credit distribution.

Keywords—*third-party funds; capital adequacy ratio; nonperforming loans; return on asset; lending.*

I. INTRODUCTION

Banks are part of financial institutions that have an intermediation function that bridges the interests of parties who have excess funds (fund depositors or creditors) and parties who need funds (fund borrowers or debtors). According to Suseno & Piter (2003), parties who have excess funds, whether individuals, business entities, foundations, or government institutions, can store their excess funds in banks in the form of checking accounts, savings, or time deposits according to their needs and preferences. In its description it can be concluded that the bank's business includes 3 activities, namely collect funds, distribute funds, and provide other bank services.

Bank Indonesia (2022), in its Indonesian Economic Report, states that increasing world geopolitical tensions are increasingly worsening fragmentation and global economic and financial prospects. Worse fragmentation then triggers disruption of global supply chains and results in rising global energy and food prices.

According to Apsari (2015) in his research collecting third party funds (DPK) has a positive and significant effect on bank lending, the capital adequacy ratio (CAR) has a negative and not significant effect on bank lending, non-performing loans (NPL) has a negative and significant effect on disbursement banking credit, Return on Assets (ROA) has a positive and insignificant effect on bank lending and SBI interest rates have a positive and insignificant effect on bank credit distribution. According to Pratiwi & Hindasah (2014) in their research, DPK, CAR, ROA, NIM and NPL which are used as independent variables have a simultaneous and significant influence on lending. The DPK variable has a positive and significant influence on lending, while for the CAR and ROA variables each variable has no effect and is negative on lending. On the other hand, the NPL variable has a negative and significant influence on credit distribution.

According to Mamangkey et al. (2021) in their research, Third Party Funds have a significant effect on the amount of credit disbursement. Capital Adequacy Ratio does not have a significant effect on the amount of credit disbursement. Non Performing Loans do not have a significant effect on the amount of credit disbursement. Loan to Deposit Ratio has a significant effect on the amount of credit disbursement.

According to Fayaupon (2021) in his research, ROA has an insignificant negative effect on lending to commercial banks. NPL has a positive and insignificant effect on lending to commercial banks. The BI Rate has a significant positive effect on lending to

commercial banks. Simultaneously, ROA, NPL and BI Rate have a significant effect on credit distribution to commercial banks. According to Sari & Abundanti (2016) in their research, DPK had a significant positive effect on credit distribution to commercial banks on the Indonesia Stock Exchange for the 2011-2015 period. Meanwhile, ROA, inflation and SBI interest rates have an insignificant positive effect on credit distribution to commercial banks on the Indonesia Stock Exchange for the 2011-2015 period.

According to Syaekani (2019) in his research, DPK, NPL, and LDR have a significant effect on credit distribution, while CAR and Interest Rates have a negative and insignificant effect on credit distribution. Meanwhile, DPK, NPL, LDR, CAR and interest rates simultaneously influence credit distribution. According to Febrianto (2013) in his research, third party funds and the loan to deposit ratio (LDR) have a significant positive effect on total loans. Meanwhile, non-performing loans (NPL), capital adequacy ratio (CAR), return on assets (ROA), and operational costs to operating income (BOPO) do not have a significant effect on the loan amount. The differences in research results that occurred above are interesting to research and test again for their truth. Therefore this study will examine the effects of commercial bank internal variables which include Third Party Funds (DPK), Return On Assets (ROA), Non Performing Loans (NPL), and Capital Adequacy Ratio (CAR) on total credit disbursement. The object of research for commercial banks was determined for the 2015-2022 period because the average Loan to Deposit Ratio (LDR) for commercial banks was still below Bank Indonesia's expectations of between 78% - 100%.

II. LITERATURE REVIEW

A. *Third-Party Funds (DPK)*

One of the reasons for the concentration of bank business in lending is the nature of bank business as an intermediary institution between surplus units and deficit units, and the main source of bank funds comes from the community, so morally they must distribute it back to the community in the form of credit (Dahlan Siamat, 2000). Third-party funds have the largest contribution from several sources of funds, so the amount of third-party funds successfully collected by a bank will influence its ability to distribute credit. Third-party funds consist of:

- 1) Current Account Savings (Demand Deposit);
- 2) Savings Deposits;
- 3) Time Deposits (Kasmir, 2005)

According to Bank Indonesia Circular Letter No. 6/23/DPNP dated May 31, 2004 concerning the Health Level Assessment System for Commercial Banks, funds entrusted by the public to banks can be in the form of current accounts, savings, and deposits:

1. Current accounts are deposits from which withdrawals can be made at any time using checks, giro bills, other means of payment, or by book transfer.
2. Savings are deposits from which withdrawals can only be made according to certain agreed-upon conditions and cannot be withdrawn by check, giro bill, or other similar instruments.
3. Deposits are deposits that can only be withdrawn at a certain time based on an agreement between the customer and the bank.

B. *Capital Adequacy Ratio (CAR)*

Capital has an important role in the continuity of the smooth operational performance of a bank (Siamat, 2000). The capital adequacy ratio is a bank performance ratio to measure the adequacy of capital owned by the bank to support assets that contain or produce risk (Dendawijaya, 2005: 121). The higher the CAR, the greater the financial resources that can be used to anticipate potential losses caused by lending. In other words, the large CAR value will increase banking confidence in extending credit. With a CAR above 20%, banks can spur credit growth by up to 20–25 percent a year (Wibowo, 2009).

According to Bank Indonesia Regulation Number 14/18/PBI/2012 concerning Minimum Capital Requirements for Commercial Banks, banks are required to provide minimum capital, which is calculated using the Minimum Capital Adequacy Ratio (KPMM), also known as the Capital Adequacy Ratio (CAR), the details of which are as follows:

1. 8% (eight percent) of risk-weighted assets (RWA) for a bank with a risk profile rating of 1 (one).
2. 9% (nine percent) to less than 10% (ten percent) of RWA for banks with a risk profile rating of 2 (two).
3. 10% (ten percent) to less than 11% (eleven percent) of RWA for banks with a risk profile rating of 3 (three).
4. 11% (eleven percent) to 14% (fourteen percent) of RWA for banks with a risk profile of rank 4 (four) or rank 5 (five).

According to Bank Indonesia Circular No. 6/23/DPNP dated May 31, 2004, CAR is formulated as follows:

$$CAR = \frac{\text{Modal}}{\text{ATMR}} \times 100\%$$

The ratio calculation results above are then compared with the minimum capital adequacy requirement, which is 8%. Based on these results, it can be seen whether the bank has met the adequacy requirements or not.

C. Non-Performing Loans (NPL)

Non-Performing Loan (NPL) is a ratio used to measure a bank's ability to cover the risk of debtors failure to repay credit (Darmawan in Soedarto, 2004). NPL reflects credit risk; the higher the NPL level, the greater the credit risk borne by the bank (Ali, 2004). As a result of high NPLs, banks must provide larger reserves so that, in the end, bank capital also erodes. Even though the amount of capital greatly affects the amount of credit expansion, Bank Indonesia (BI), through Bank Indonesia Regulation (PBI), stipulates that the ratio of non-performing loans (NPL) is 5%. The NPL calculation formula is as follows:

$$\text{Rasio NPL} = (\text{Kredit bermasalah} / \text{Total Kredit}) \times 100\%$$

For example, if a bank has 50 problem loans with a total credit of \$1,000, its NPL ratio is 5% ($50 / \$1,000 = 0.05$).

There are several things that cause the rise and fall of a bank's NPL, including the following:

1. The debtor's will or good faith: The debtor's financial ability to pay off the principal and interest on the loan will be meaningless without the debtor's own will and good faith.
2. Government and Bank Indonesia policies: Government policies can influence the high and low NPL of a bank; for example, the government's policy regarding increasing fuel prices will cause companies that use a lot of fuel in their production activities to require additional funds taken from budgeted profits for debt installment payments to meet costs. high production, so that the company will experience difficulties in paying its debts to the bank.
3. Economic conditions: Economic conditions have a big influence on debtors' ability to pay off their debts.

D. Return on assets (ROA)

Profit is net income or definite outcome performance, which shows the net effect of a policy on bank activities in one fiscal year. High profits make banks gain the trust of the public, which enables them to collect more capital so that they have the opportunity to lend more widely (Simorangkir, 2004).

The level of profit or profitability obtained by a bank is usually proxied by return on assets (ROA). To measure the ability of bank management to obtain profits or overall profits, this ratio is used. The greater the ROA value, the greater the level of profit achieved by the bank and the better its position in terms of asset use. Based on Bank Indonesia regulations, ROA is formulated as follows:

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

According to Dendawijaya (2005), the reason for using ROA is because Bank Indonesia, as a banking supervisor, prioritizes the profitability value of a bank as measured by assets, where most of the funds come from the community, and later, by the bank, they must also be channeled back to the community. Based on Bank Indonesia regulations, a good ROA standard is 1.5%, although this is not a requirement.

E. Hypothesis

A hypothesis is a temporary answer or conjecture that must be tested for truth (Siregar, 1017:65). To find out, analyze and prove the influence of TPF, CAR, NPL and ROA on credit distribution, the following hypothesis can be formulated:

H1: Third Party Funds (DPK) have a significant effect on lending.

H2: Capital Adequacy Ratio (CAR) has a significant effect on lending.

H3: Non-Performing Loans (NPL) have a significant effect on lending.

H4: Return On Assets (ROA) has a significant effect on lending.

H5: Third Party Funds (DPK), Capital Adequacy Ratio (CAR), Non-Performing Loans (NPL), and Return On Assets (ROA) simultaneously have a significant effect on credit distribution.

III. METHODOLOGY OF RESEARCH

A. Data collection methods

Data collection was also carried out using the documentation method through collecting, recording, and studying secondary data in the form of annual financial reports of commercial banks that go public and have been published on the official websites of the Indonesian Stock Exchange (IDX), Bank Indonesia, and the official website of the Central Statistics Agency, as well as media publications in print issued by Bank Indonesia.

B. Analysis Method

This study examines the relationship between a dependent variable, which in this case is total credit, and several independent variables, namely DPK, CAR, NPL, and ROA. The analytical model used in this study is a multiple linear data regression analysis model that aims to determine the effect of internal factors (independent variables) on total credit (dependent variable). This research uses tools, namely the IBM SPSS Statistics 20 computer software program.

C. Analysis Tools

The researcher uses the following analytical tools:

Based on SEBI No. 6/23/DPNP Dated May 31, 2004,

1) Third Party Funds

(DPK), namely deposits from third parties consisting of current account deposits, savings deposits, and deposit deposits. So the following equation is obtained:

Third Party Funds = (Savings + Current Account + Deposits)

2) Capital Adequacy Ratio (CAR)

The capital adequacy ratio (CAR) is a capital ratio that shows the bank's ability to provide funds for business development purposes and accommodate the risk of fund losses caused by bank operational activities. Based on SEBI No. 6/23/DPNP dated May 31, 2004, the following equation is obtained:

$CAR = \text{Modal} / \text{ATMR} \times 100\%$

3) Non-performing loan (NPL)

A non-performing loan (NPL) is a comparison between non-performing loans (doubtful loans, non-performing loans, and bad loans) and total loans disbursed by banks. Based on SEBI No. 6/23/DPNP dated May 31, 2004, the following equation is obtained: NPL ratio = (problem credit/total credit) X 100%

4) Return on assets (ROA)

Return on assets (ROA) is a comparison between net income and the average total assets owned by the company (Kieso et al., 2007: 780). ROA is used to measure bank management's ability to obtain overall profits from total assets owned (Dendawijaya, 2009:118). Based on SEBI No. 6/23/DPNP dated May 31, 2004, the following equation is obtained:

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

Based on SEBI No. 6/23/DPNP dated May 31, 2004, total credit is the amount of credit disbursed by banks as one of the bank's main activities to generate income. So the following equation is obtained: Total Credit = (Total Credit Disbursed).

D. Descriptive Statistical Analysis

Descriptive statistics are used to analyze data by describing or illustrating the data that has been collected as it is without the intention of making generally accepted conclusions or generalizations. Descriptive statistics are used to provide an overview or description of data seen from the average value (mean), minimum value, maximum value and deviation value (standard deviation). So the following equation is obtained:

Average Value (Mean): $Mean = \frac{\sum xi}{n}$ or *Average* (Research Problem) n

Maximum Value : *Max* (Research Problem)

Minimum Value : *Min* (Research Problem)

$\sqrt{\frac{\sum n xi^2 - (\sum n xi)^2}{n(n-1)}}$

Standard Deviation: $\sqrt{\sum_{i=1}^n xi^2 - (\sum_{i=1}^n xi)^2}$

$n(n-1)$

Information :

xi = Research Variable

n = Total Number of Frequencies

E. Classic Assumption Test

The researcher carried out a classical assumption test to test the fulfillment of classical assumptions in order to avoid biased estimates so that the conditions needed to be met were that the data was normally distributed, there were no symptoms of multicollinearity, there were no symptoms of heteroscedasticity, and there was no autocorrelation. The regression model should provide Best Linear Unbiased Estimator (BLUE) results (Ghozali, 2012).

1) Normality test

2) Multicollinearity Test

3) Heteroscedasticity Test

4) Autocorrelation Test

F. Multiple Linear Regression Analysis

Multiple regression is a development of simple linear regression, which is both a tool that can be used to predict demand in the future based on past data and to determine the influence of one or more independent variables on one dependent variable. The tool used in this research is the IBM SPSS Statistics 20 computer program.

Hypothesis testing consists of the t test, the F test, and the coefficient of determination test.

IV. RESULT AND DISCUSSION

A) Result

The research objects taken are banking companies listed on the Indonesia Stock Exchange (BEI) for the 2015–2022 period and issuing financial reports and annual reports during that period. There were 46 banks that went public and were listed on the Indonesian Stock Exchange during the research period, as can be seen in the table on the attached page. By applying purposive sampling techniques, 10 banks were obtained as samples in this research. So, comprehensively, there were 80 observations made (10 banking companies x 8 years). The majority of companies that go public and are listed on the Indonesian Stock Exchange occupy a large market share, and it is easier for the public to monitor the company's financial performance. The list of companies sampled in this research can be seen in Table 1 below.

| No | Kode Bank | Nama Bank |
|----|-----------|-----------------------------|
| 1 | BBRI | Bank Rakyat Indonesia Tbk. |
| 2 | BMRI | Bank Mandiri Tbk. |
| 3 | BBCA | Bank Central Asia Tbk. |
| 4 | BBNI | Bank Negara Indonesia Tbk. |
| 5 | BBTN | Bank Tabungan Negara Tbk. |
| 6 | BNGA | Bank CIMB Niaga Tbk. |
| 7 | BNII | Bank Maybank Indonesia Tbk. |
| 8 | NISP | Bank OCBC NISP Tbk. |
| 9 | PNBN | Bank Panin Tbk. |
| 10 | BDMN | Bank Danamon Indonesia Tbk. |

(sumber : www.idx.co.id, data diolah, 2023)

From the results of descriptive statistical calculations in table 4.2, it can be seen that TPF has the lowest value of IDR 87,280,244 at PT. Bank OCBC NISP Tbk. in 2015 and the highest value was IDR 1,307,884,013,- at PT. Bank Rakyat Indonesia Tbk. in 2022, and for an average value of IDR 404,504,977,- with a standard deviation of IDR 349,442,798,-. Furthermore, the CAR variable has the lowest value of 15.17% at PT. Maybank Indonesia Tbk. in 2015 and the highest value was 30.07% at PT. Bank Panin Tbk. in 2022, and for an average value of 21.36% with a standard deviation of 3.13%.

Furthermore, the NPL variable has the lowest value of 0.72% at PT. Bank Central Asia Tbk. in 2015 and the highest value was 4.78% at PT. State Savings Bank Tbk. in 2019, as well as an average value of 2.79% with a standard deviation of 0.80%. After that, the ROA variable has the lowest value of 0.06% at PT. Bank Tabungan Negara Tbk. in 2019 and the highest value was 3.72% at PT. Bank Negara Indonesia Tbk. in 2020, and for an average value of 1.62% with a standard deviation of 0.77%. Meanwhile, the total credit variable has the lowest value of IDR 85,577,341 at PT. Bank OCBC NISP Tbk. in 2015 and the highest value was IDR 1,172,987,237 at PT. Bank Mandiri Tbk. in 2022, and for an average value of IDR 350,855,887, - with a standard deviation of IDR 296,866,694.

Based on the multiple linear regression equation, the results of the regression analysis can be given the following explanation.

1. A constant value of 0.850 can be interpreted as if all independent variables are zero, then the dependent variable for credit distribution is 0.850.
2. The regression coefficient for the third party funds variable is 0.961, meaning that if there is an increase in the third party funds variable of Rp. 1,000,- then the increase in the credit distribution variable will also be 0.961.
3. The regression coefficient for the capital adequacy ratio variable is -0.018, meaning that CAR has a negative effect on credit distribution. If the CAR variable increases by 1%, it will reduce credit distribution by -0.018.
4. The regression coefficient for the non-performing loan variable is 0.044, meaning that there is an increase in the non-performing loan variable by 1%, so the increase in the credit distribution variable is also 0.044.
5. The regression coefficient for the return on assets variable is 0.024, meaning that there is an increase in the return on assets variable of 1%, so the increase in the credit distribution variable is 0.024.

Based on the results of the SPSS version 20 analysis, the influence of each independent variable can be seen as follows.

1. H1 states that third party funds have an influence on credit distribution. According to the results of the t test, it shows that the third party funds variable is obtained from a tcount value of 64.039 which is greater than the t table value of 1.99210, and the significance value of 0.000 is smaller than 0.05, so it can be concluded that the third party funds variable has a significant effect on distribution. credit, so the first hypothesis is accepted.
2. H2 states that the capital adequacy ratio has an effect on credit distribution. According to the results of the t test, it shows that the capital adequacy ratio variable obtained a t value of -5.304, which is smaller than the t table of 1.99210 and the

significance value is 0.000, which is smaller than 0.05, so it can be concluded that the capital adequacy ratio variable has no significant effect on credit distribution, so this second hypothesis is rejected.

3. H3 states that non-performing loans have an effect on credit distribution. Based on the results of the t test carried out, it shows that the non-performing loan variable obtained a tcount value of 2.803 which is greater than the ttable of 1.99210 and the significance value is 0.006 which is smaller than 0.05, so it can be concluded that the non-performing loan variable has a significant effect on credit distribution variable, so this third hypothesis is accepted.

4. H4 states that return on assets has an effect on credit distribution.

Based on the results of the t test carried out, it shows that the return on assets variable obtained a t value of 1.197 which is smaller than t table of 1.99210 and the significance value is 0.235 which is greater than 0.05, so it can be concluded that the return on assets variable has no significant effect on the credit distribution variable, so this third hypothesis is rejected.

From the results of the F test, it can be said that the regression model has a good level of model suitability. This shows that the variables third party funds, capital adequacy ratio, non-performing loans and return on assets together (simultaneously) have an influence on credit distribution. Thus, this research is worthy of being continued, and in this case it means that the fifth hypothesis which states third party funds, capital adequacy ratio, non-performing loans and return on assets influential and significant on lending to commercial banks listed on the IDX and the R square value means that the influence of the variables third party funds, capital adequacy ratio, non-performing loans and return on assets simultaneously on the credit distribution variable is 98.9% with the remainder influenced by other variables not included in this research.

B) Discussion

Based on the research results described above, the next discussion is the results of the analysis. This research was conducted to determine the influence of third-party funds, capital adequacy ratio, non-performing loans, and return on assets on credit distribution to commercial banks listed on the IDX. A total of 46 banking companies are listed on the Indonesian Stock Exchange, but there are only 10 banking companies in this research. The banking companies in this sample meet the criteria where total productive assets remain at more than IDR 100,000,000,000, even though in 2020 the COVID-19 pandemic occurred in Indonesia.

1) The Influence of Third-Party Funds on Credit Distribution

Based on the results of research conducted by the author, it shows that the variable value of third-party funds is 0.000, while the significant level value used as a reference is 0.05 or 5%, so it can be concluded that the significance value is $0.000 < 0.05$. Apart from that, the statistical value produces a tcount that is greater than ttable, namely $64.039 > 1.99210$ with a regression coefficient of 0.961, which means that third-party funds have a significant effect on credit distribution. This supports the theory that third-party funds are the largest source of funds in banking activities, especially in lending to a banking company. So it can be concluded that as the amount of third-party funds increases, the amount of credit distribution tends to increase.

The results of this research support previous research conducted by Pratiwi & Hindasah (2014) and Sari & Abundanti (2016), which stated that third-party funds have a significant effect on credit distribution.

2) Effect of CAR on Credit Distribution

Based on the results of research carried out by the author, it shows that the capital adequacy ratio variable value is 0.000, while the significance level value used as a reference is 0.05 or 5%, so the significance value is $0.000 < 0.05$. Apart from that, the statistical value produces a tcount that is smaller than ttable, namely $-5.304 < 1.99210$, and the regression coefficient is -0.018, which means that the capital adequacy ratio has no significant effect on credit distribution. This is supported by the theory contained in Bank Indonesia circular letter No. 6/23/DPNP dated May 31, 2004, where the results of the ratio calculation for the minimum capital requirement must be more than 8%, or 0.08. So it can be concluded that if the results of the ratio calculation for the minimum capital requirement are more than 8%, the capital of the bank concerned has met the provisions or is influential. On the other hand, if it is less than 8%, then the bank capital in question does not meet the requirements or has no effect. The results of this research support previous research conducted by Syaukani (2019).

3) Effect of NPL on Credit Distribution

Based on the results of research conducted by the author, it shows that the value of the non-performing loan variable is 0.006, while the level value is The significance used as a reference is 0.05, or 5%, so the significance value is $0.006 < 0.05$. Apart from that, the statistical value produces a tcount that is greater than ttable, namely $2.803 > 1.99210$, and a regression coefficient of 0.044, which means that non-performing loans have a significant effect on credit distribution. This is supported by the theory contained in the Bank Indonesia Regulations, where Bank Indonesia has set the NPL amount at 5%. So if problem loans are greater than credit distribution, banks must provide larger reserves so that the bank's own capital will also experience a large impact. On the other hand, if the NPL amount is smaller than credit distribution, banks do not have to provide larger reserves so that the bank's own capital will also experience a large impact. This is also caused by the amount of capital, which greatly influences the size of credit expansion or distribution. The results of this research support previous research conducted by Syaukani (2019)

4) Effect of ROA on Credit Distribution

Based on the results of research conducted by the author, it shows that the return on assets variable value is 0.235, while the significance level value used as a reference is 0.05 or 5%, so the significance value is $0.235 > 0.05$. Apart from that, the statistical value produces a tcount that is smaller than ttable, namely $1.197 < 1.99210$, and a regression coefficient of 0.024, which means that return on assets does not have a significant effect on credit distribution.

High profits make banks gain the trust of the public, which allows them to collect more capital so that they have the opportunity to lend funds easily. Based on Bank Indonesia regulations, a good ROA standard is 1.5% and this provision is not a requirement. The results of this research support previous research conducted by (Febrianto 2013).

5) *The Influence of DPK, CAR, NPL, and ROA on Credit Distribution*

Based on the results of data processing, the results of the f-test show that the significant value of third party funds (X1), capital adequacy ratio (X2), non-performing loans (X3), and return on assets (X4) is $0.000 < 0.05$ and the fcount is $1716.149 > 2.49$ ftable, which means that third party funds (X1), capital adequacy ratio (X2), non-performing loans (X3), and return on assets (X4) simultaneously have a significant effect on credit distribution at commercial banks listed on the IDX. This identifies that if significant third-party funds (X1), capital adequacy ratio (X2), non-performing loans (X3), and return on assets (X4) increase, this will increase the policy decisions made by banks. The results of this research are supported by previous research conducted by Apsari (2015).

V. CONCLUSION

Based on the results of the data obtained by the researcher, the discussion described in the previous chapter, the evaluation results regarding the research model evaluation data and hypothesis testing carried out in this research, several conclusions in this research were produced, namely as follows.

1. Third Party Funds have a significant influence on credit distribution to commercial banks listed on the IDX. This means that as the amount of third party funds increases, the amount of credit disbursement tends to increase.
2. Capital Adequacy Ratio does not have a significant effect on credit distribution to commercial banks listed on the IDX. This means that even if the amount of bank capital in a bank increases or decreases, the amount of credit distribution has no effect.
3. Non-Performing Loans have a significant effect on credit distribution to commercial banks listed on the IDX. This means that as the number of non-performing loans increases at a bank, the bank must provide larger reserves so that the bank's own capital will also experience a large impact.
4. Return On Assets does not have a significant effect on credit distribution to commercial banks listed on the IDX. That is, even though the amount of profit at a bank increases or decreases, the amount of credit distribution has no effect.
5. Third party funds, Capital Adequacy Ratio, Non-Performing Loans, and Return On Assets simultaneously have a significant influence on credit distribution to commercial banks listed on the IDX. This means that if third party funds (X1), Capital Adequacy Ratio (X2), Non-Performing Loans (X3), and Return On Assets (X4) increase significantly, it will increase the policy decisions made by banks.

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