

ASSESSMENT OF BANK PERSERO'S HEALTH LEVEL USING THE RGEC METHOD IN 2018

1st Dachlevie Riza;

2nd H.Dr.Iman Suriawinata SE,M.Com(Hons),Ak,CA;

3rd Dr. M. Anhar, SE, M.Sc;

Magister Akuntansi

Sekolah Tinggi Ilmu Ekonomi Indonesia

Jakarta, Indonesia

dachlevie@gmail.com; iman.suriawinata@stei.ac.id; m.anhar@ymail.com

ABSTRAK Kepercayaan masyarakat dalam memilih bank sebagai mitra bisnisnya didasarkan pada indikator kesehatan Bank yang ada pada bank tersebut.

Tujuan peneliti untuk menilai tingkat kesehatan bank-bank persero atau HIMBARA yaitu Bank Mandiri, Bank BNI'46, Bank Rakyat Indonesia dan Bank Tabungan Negara dengan metode **RGEC** yaitu **Risk Profile** terdiri dari **Net Performing Loan (NPL)**, **Loan To Deposit (LDR)**, **Good Corporate Governance (GCG)**, **Earning** yaitu **Return On Aset (ROA)**, **Net Interest Margin (NPM)** dan **Adequacy Capital** pada tahun 2018. Metode Penelitian adalah penelitian deskriptif kuantitatif merupakan penelitian komparatif. Data yang digunakan dalam penelitian ini adalah data sekunder, data tersebut diperoleh dari annual report tahun 2018 masing-masing website bank-bank persero. Hasil penelitian atas penilaian tingkat kesehatan bank-bank persero dua bank persero mempunyai nilai Presentase Peringkat Komposit yang sama yaitu 90% (Bank Mandiri dan Bank Rakyat Indonesia) dan nilai Presentase Peringkat Kesehatan Komposit Bank BNI'46 yaitu 93,33% sedangkan nilai Presentase Peringkat Kesehatan Komposit Bank Tabungan Negara yaitu 73,33%. Kesimpulan Peneliti 3(tiga) bank-bank persero yaitu Bank Mandiri, Bank BNI'46 dan Bank BRI adalah yang dengan katagori Sangat Sehat sedangkan 1(satu) bank persero yaitu bank BTN adalah dengan katagori Sehat.

Kata Kunci : Bank Persero, Tingkat Kesehatan, RGEC.

ABSTRACT Public confidence in choosing a bank as a business partner is based on health indicators Bank that existed at the bank .

The research objective was to assess the soundness level of state-owned banks or HIMBARA, namely Bank Mandiri, Bank BNI'46, Bank Rakyat Indonesia and Bank Tabungan Negara

using the RGEC method, namely the Risk Profile consisting of Net Performing Loans (NPL), Loan To Deposit (LDR), Good Corporate Governance (GCG), Earning namely Return on Assets (ROA), Net Interest Margin (NPM) and Adequacy Capital in 2018. the method's research is descriptive research kuantitatif is a comparative research. The data used in this research is secondary data, the data is obtained from the 2018 annual reports of each of the state banks' websites . The results of the research on the assessment of the health level of the state-owned banks, the two state-owned banks had the same Composite Rating Percentage value, namely 90% (Bank Mandiri and Bank Rakyat Indonesia) and the BNI'46 Bank Composite Health Rating Percentage value was 93.33% while the Rating Percentage value State Savings Bank Composite Health is 73.33%. Researcher's Conclusion 3 (three) state-owned banks, namely Bank Mandiri, Bank BNI'46 and Bank BRI are in the Very Healthy category, while 1 (one) state-owned bank, namely Bank BTN, is in the Healthy category.

Keywords: Persero Bank, Health Level, RGEC .



PIG PRELIMINARY

1.1. Background

Public confidence in choosing a bank as a business partner is based on the indicators of the health of the bank at the bank. The bank is a financial services business that collects funds from the public and distributes these funds in the form of providing loans or credit to the community, both individually and in the form of partnerships or legal entities.

From the moment the pitch two j adi on Indonesian banks is 1998 monetary crisis as a result of the weakening rupiah level reached Rp. 4,650, - even through the level of Rp. 17,000, - ; and deposit interest reached 60%, so that many banks were injected with liquidity by the government and closed banks (Monetary Crisis Memory 97/98 - Zulkifli Hasan, Chairman of the 2018 MPR).

In 2008 there was a crisis at Century Bank which resulted in decreased public confidence in saving at the bank, so that Bank Century was closed and this had caused panic among customers. The confusion that occurred caused customers to compete to withdraw their money at various small banks such as Bank Century This incident had an impact on several banks with a

sound predicate that began to get involved in problems and increased liquidity risk (Statement by the Governor of BI Budiono 2009).

Of the two incidents, namely the 1998 monetary crisis and the 2008 Century Bank crisis, the government as the regulator tightened general bank supervision by maintaining the health of banks through bank health reports which must be reported every year, namely the January to June period. the end of July of the same year and the period from July to December are reported to be the end of January of the following year, in which all bank operational activities are guarded and supervised by the OJK. The health of the bank as a reference for the level of public trust is if the banking institution in carrying out its bank operations is running well, it is able to fulfill its obligations. And this effort is made to maintain the condition of the bank in order to be able to fight external crises and internal conditions is to maintain the health of the bank. The health of the bank must always be maintained by the bank management so that public trust can be maintained, the intermediation function can be carried out properly, payment traffic runs smoothly and can carry out various policies from the government, especially monetary policy.

CHAPTER II LITERATURE REVIEW

2.1. Review of Previous Research Results

Nufus, *et al* (2019) examined the health level of PT. Bank Negara Indonesia (Persero) Tbk during the period from 2013 to 2017. To determine the soundness of the bank was carried out by using descriptive research techniques with a quantitative approach to the financial statements of the Persero Company Bank Negara Indonesia Tbk. These variables and measurements consist of *Risk Profile factors, Good Corporate Governance factors, Earning factors, Capital factors*. The results show that the health level of the Pesero Bank Negara Indonesia Tbk, in 2013 to 2017 as measured using the RGEC approach can be said to be a healthy bank, where the Risk Profile factor assessed through NPL, LDR, *Cash Ratio* describes risk management that has been implemented by good; factors of *Good Corporate Governance* of Persero Company Bank Negara Indonesia Tbk. already have and implement very good corporate governance; The *Earnings* or *Rentability* factor, whose assessment consists of ROA, has increased and this indicates an increase in the number of *assets* owned by Bank BNI followed by an increase in profits obtained by Bank BNI. By using

the CAR indicator, researchers prove that Bank BNI has a good *capital* factor, which is above the Bank Indonesia regulation of 8%.

Peneliti Ryan *et al.* (2018), examined using 3 (three) assessment factors in analyzing the health level of one of the state-owned banks, namely PT. Bank Mandiri (Persero) Tbk. 2013 - 2016 period, which includes the *Risk Profile* factor, namely the ratio of *Non Performing Loans* (NPL) and *Loan to Deposit* (LDR), *Profitability (Earning)* factors, namely the ratio of *Return to Assets* (ROA) and *Net Interest Margin* (NIM), and the *Capital Adequacy Ratio* (CAR) factor. The Good Corporate Governance (GCG) factor is not analyzed because it involves bank secrecy. The research method used in this research is descriptive research method with a quantitative approach. The research location was conducted at PT Bank Mandiri (Persero) Tbk. listed on the Indonesia Stock Exchange (IDX). The results showed that PT Bank Mandiri (Persero) Tbk. as a state-owned bank that has the largest assets, measured based on the ratio of *Non Performing Loans* (NPL), *Loan to Deposit Ratio* (LDR), *Return to Assets* ROA, *Net Interest Margin* (NIM) and *Capital Adequacy Ratio* (CAR) get Composite Rating 1 with predicate "very healthy". This reflects the condition of PT Bank Mandiri (Persero) Tbk. who are considered very capable of dealing with significant negative effects from changes in business conditions and other external factors, however if a weakness occurs it can be said that in general the weakness is insignificant.

2.2. Foundation Theory

In carrying out the three functions of the bank, the bank is obliged to refer to Law no. 7 of 1992 in particular Article 29 as amended by Law no. 10 of 1998 concerning Banking, namely, banks are required to maintain a soundness level in accordance with the provisions of capital adequacy, asset quality, management quality, liquidity, profitability and solvency, as well as other aspects related to bank business and are required to conduct business activities in accordance with the prudential principle. Berdasarkan POJK No 4 / POJK.3 / 2016 About Penilaian Kesehatan Commercial Bank dan SEOJK No. 14 / SEOJK.03 / 2017 declared a Commercial Bank shall assess their own health stages (*Self Assessment*), banks are required to conduct assessments (self-assessment) of the Bank with using a Risk-based Bank Rating (RBBR) approach both individually and on a consolidated basis, with the scope of the assessment covering the following factors: Risk profile : NPL and LDR, Good Corporate Governance (GCG), Profitability (earnings) : ROA and NIM, and Capital to produce a Bank Soundness Level Composite Rating.

1.1. Credit Risk using the *Non-Performing Loan* (NPL) ratio.

Is the ratio used to calculate the percentage of the number of non-performing loans faced by a bank. NPL can be formulated as follows:

$$X100\% \tag{2.1}$$

Source: SEOJK Number 14 / SEOJK.03 / 2017

Non-performing loans are all loans to non-bank third parties with a collectibility of substandard, doubtful, and loss. Total credit is credit to non-bank third parties.

If the ratio calculation results are lower, the NPL at the bank is healthier, and vice versa.

Table 2.1 . NPL Composite Rating Matrix

Rating	Criteria	Predicate
1	0% <NPL≤2%	Very healthy
2	2% <NPL≤3.5%	Healthy
3	3.5% <NPL≤5%	Fairly Healthy
4	5% <NPL≤8%	Unwell
5	> 8%	Not healthy

Source: PJOK No. 4 / PJOK.3 / 2016

1. 2. Liquidity Risk

Loan to Deposit Ratio (LDR) is the ratio used to assess the level of liquidity of a bank, by comparing the credit channeled with the funds collected from the public so that the bank's ability to pay its short-term obligations can be seen. LDR can be formulated as follows:

$$\tag{2.2}$$

Source : SEOJK Number 14 / SEOJK.03 / 2017

Table 2.2. LDR Composite Rating Matrix

Rating	Criteria	Predicate
1	50% <LDR≤75%	Very healthy
2	75% <LDR≤85%	Healthy
3	85%	Fairly Healthy

	<LDR≤100%	
4	100% <LDR≤120%	Unwell
5	> 120%	Not healthy

Source: PJOK No. 4 / PJOK.3 / 2016

2. *Good Corporate Governance (GCG)*

The GCG factor assessment is an assessment of the quality of bank management on the implementation of GCG principles. The principles of GCG and the focus of assessment on the implementation of GCG principles are guided by Bank Indonesia regulations regarding the implementation of GCG for commercial banks by taking into account the characteristics and complexity of the bank's business. The principles of good corporate governance (GCG) include:

- 2.1. Accountability (*Accountability*)
- 2.2. Accountability (*Responsibility*)
- 2.3. Openness (*Transparency*)
- 2.4. Fairness (*Fairness*)
- 2.5. Independency (*independency*)

Table 2.3. GCG Composite Rating Matrix

Rating	Criteria	Predicate
1	81% ≤GCG≤100%	Very healthy
2	61% ≤GCG≤80%	Healthy
3	41% ≤GCG≤60%	Fairly Healthy
4	21% ≤GCG≤40%	Unwell
5	0% ≤GCG≤20%	Not healthy

Source: PJOK No. 4 / PJOK.3 / 2016

3. *Earnings (profitability)*

Earnings is an indicator of a bank's health assessment in terms of profitability. Profitability assessment indicators are ROA (Return On Assets) and NIM (Net Interest Margin). The characteristics of a bank in terms of profitability are the bank's performance in generating profits, the stability of the components of profit in increasing capital and the prospects for future profits.

The assessment of the earnings factor is based on ratios, namely:

- 3,1, *Return On Assets (ROA)*

Return On Assets (ROA) is a ratio used to measure a bank's ability to obtain net profits associated with dividend payments. ROA can be formulated as follows :

(2.4)

Source : SEOJK Number 14 / SEOJK.03 / 2017

Table 2.4. ROA Composite Rating Matrix

Rating	Criteria	Predicate
1	$> 1.5\%$	Very healthy
2	$1.25 < ROA \leq 1.5\%$	Healthy
3	$0.5\% < ROA \leq 1.25\%$	Fairly Healthy
4	$0\% \leq ROA \leq 0.50\%$	Unwell
5	$< 0\%$	Not healthy

Source: PJOK No. 4 / PJOK.3 / 2016

3.2. Net Interest Margin

Net Interest Margin (NIM), including an indicator in determining profitability (*Earning*) related to bank net interest income, namely credit interest income less public funds interest expense, can be formulated as follows:

(2.5)

Source : SEOJK Number 14 / SEOJK.03 / 2017

Table 2.5. NIM Composite Rating Matrix

Rating	Criteria	Predicate
1	$> 3\%$	Very healthy
2	$2\% < NIM \leq 3\%$	Healthy
3	$1.5\% < NIM \leq 2\%$	Fairly Healthy
4	$1\% < NIM \leq 1.5\%$	Unwell
5	$\leq 1\%$	Not healthy

Source: PJOK No. 4 / PJOK.3 / 2016

4. Capital: Capital Adequacy Ratio (CAR)

Bank capital refers to the copy of POJK Number 4 / POJK.03 / 2016 concerning Amendments to POJK Number 11 / POJK.03 / 2016 concerning the Minimum Capital Requirement for Commercial Banks and POJK No. 12 / POJK.03 / 2020 Concerning Consolidation of Commercial Banks.

Capital or capital has indicators including the ratio of the capital adequacy ratio and the bank's capital adequacy to anticipate potential losses in accordance with the risk profile accompanied by very strong capital management in accordance with the characteristics, business scale and complexity of the bank's business.

Capital Adequacy Ratio (CAR) or capital adequacy ratio, the calculation formula is as follows:

$$\text{CAR} = (2.6)$$

Source: SEOJK Number 14 / SEOJK.03 / 2017

Table 2.6. CAR Composite Rating Matrix

Rating	Criteria	Predicate
1	$\geq 12\%$	Very healthy
2	$9\% \leq \text{CAR} < 12\%$	Healthy
3	$8\% \leq \text{CAR} < 9\%$	Fairly Healthy
4	$6\% < \text{CAR} < 8\%$	Unwell
5	$\leq 6\%$	Not healthy

Source: PJOK No. 4 / PJOK.3 / 2016

CHAPTER III RESEARCH METHODOLOGY

3.1 Research Approach

This research is a comparative study, namely the type of research that leads to differences in variables in an aspect under study, conducted to determine how the influence of the independent variables, namely *non-performing loans (NPL)*, *loan to deposit (LDR)*, *good corporate governance (GCG)*, *return on assets (ROA)*, *net interest margin (NIM)* and *capital or capital adequacy ratio (CAR)* on the dependent variable, namely bank health. The data used is a quantitative approach or the data is in numeric or numeric form and the data required for

research is data from the 2018 financial statements. The form of this research is quantitative descriptive research that uses numerical and graphic methods to identify a number of data, summarizes the information contained in the data and present the information in the desired form (Kuncoro, Mudrajad, 2007: 12).

This type of research is intended to obtain information on the health of banks based on annual reports: Bank Mandiri, Bank BNI, Bank BRI and Bank Tabungan Negara 2018. The research will focus on reports on GCG implementation and financial reports to determine financial ratios so that can determine the soundness of the bank.

The research data will be analyzed and it will be concluded whether the bank is in a very healthy, healthy, fairly healthy, unhealthy or unhealthy condition based on the composite rating obtained.

3. 2 Analysis of Data

The data analysis technique used in this research is descriptive data analysis technique by analyzing financial statements using the RGEK method with the approach of the Financial Services Authority Regulation No.4 / POJK.03 / 2016 concerning risk-based assessment of the soundness of commercial banks. The data collected is then processed using a formula in accordance with the operational definition. The steps used to assess the soundness of a bank for each factor and its components are as follows:

- a. Collecting data from financial reports and reports on the implementation of GCG for Bank Mandiri, Bank BNI, Bank BRI and Bank BTN related to research variables.
- b. Ranking the ratio of each factor, namely the ratio of NPL, LDR, GCG, NIM, ROA and CAR with ratings of Very Healthy, Healthy, Fairly Healthy, Unhealthy and Unhealthy.
- c. The final step of assessing the health level of the bank to determine the composite rating for the assessment of the health level of Bank Mandiri, Bank BNI, Bank BRI and Bank BTN in 2018 is to calculate the weight obtained from the overall composite rating (PK) of each assessment component as follows:

- 1) Rank 1 (PK1) = Very Healthy with a weight of 5

Rating 1: reflects the condition of the Bank which is generally very healthy so that it is considered very capable of dealing with significant negative impacts from changes in business conditions and other external factors as reflected in the rating of the assessment factors, including risk profile, implementation of Good Corporate Governance, profitability, and general

capital. very good. In the event that there are weaknesses, in general these weaknesses are not significant.

2) Rank 2 = Healthy with a weight of 4

Rating 2: reflects the condition of the Bank which is generally healthy so that it is considered capable of facing significant negative impacts from changes in business conditions and other external factors as reflected in the rating of assessment factors, including risk profile, implementation of Good Corporate Governance, profitability, and generally sound capital. If there are weaknesses, in general these weaknesses are less significant.

3) Rank 3 = Fairly Healthy with a weighting value of 3

Rating 3: reflects the condition of the Bank which is generally quite healthy so that it is considered capable of dealing with significant negative impacts from changes in business conditions and other external factors as reflected in the rating of the assessment factors, including risk profile, implementation of Good Corporate Governance, profitability, and general capital. pretty good. In the event that there are weaknesses, in general these weaknesses are quite significant and if they are not successfully resolved by the management it can disrupt the continuity of the Bank's business.

4) Rank 4 = Unhealthy with a weight of 2

Rating 4: reflects the condition of the Bank which is generally unhealthy so that it is deemed unable to face significant negative impacts from changes in business conditions and other external factors as reflected in the rating of the assessment factors, including risk profile, implementation of Good Corporate Governance, profitability, and general capital. not good. There are weaknesses that are generally significant and cannot be properly resolved by management as well as disturbing the continuity of the Bank's business.

5) Rank 5 = Unhealthy with a weighted value of 1

Rating 5: reflects the condition of the Bank which is generally unhealthy so that it is considered unable to face any significant negative effects from changes in business conditions and other external factors as reflected in the rating of the assessment factors, including risk profile, implementation of Good Corporate Governance, profitability, and generally less capital. good. There are weaknesses that are generally very significant so that to overcome them requires financial support from shareholders or sources of funds from other parties to strengthen the financial condition of the Bank.

The smaller order of factor ratings reflects a better condition of the Bank.

d. The composite rating that has been obtained from multiplying each table for each state-owned bank is then determined by weight by percentage. To calculate the weight of each factor, the formula used is as follows:

(3.7)

What is meant by the total composite value is the sum of the weighted values of the 6 (six) variables resulting from the formula for each of the 6 variable ratios (1.NPL, 2. LDR, 3.GCG, 4. ROA, 5. NIM and 6. CAR) if the percentage . Can be seen in Formula 2.1 and Table 2.1. regarding NPL; Formula 2.2 and Table 2.2 regarding LDR; Formula 2.3 and Table 2.3 regarding GCG; Formula 2.4 and Table 2.4 regarding ROA; Formula 2.5 and Table 2.5 regarding NIM and Formula 2.6 and Table 2.6 regarding CAR with categories:

- PK 1 (Very Healthy) weight value 5
- PK 2 (Healthy) weight value 4
- PK 3 (Fairly Healthy) weighted value 3
- PK 4 (Unhealthy) weight value 2
- PK 5 (Unhealthy) weight value 1

Total Composite Value Overall is 6 variables with each weighting the same value, namely 5 (five) or 6 variables multiplied by 5 for a total of 30 (thirty).

So that from the total composite value divided by the total composite value as a whole in times 100%, it can be seen that the overall bank soundness rating is whether the bank is:

- Very Healthy (PK1)
- Healthy (PK2)
- Fairly Healthy (PK3)
- Less Healthy (PK4) and
- Unhealthy (PK5)

The weight / percentage for determining the composite rating of all components is as follows:

Table 3.7 Weight of Composite Rating by RGEK Method

Weight	Composite Rating	Result
86-100	PK 1	Very healthy
71-85	PK 2	Healthy
61-70	PK 3	Fairly Healthy
41-60	PK 4	Unwell
≤40	PK 5	Not healthy

Source: PJOK No. 4 / PJOK.3 / 2016

CHAPTER IV RESULTS AND DISCUSSION

4.5. Bank Soundness Rating Analysis

From the results of the assessment of the health ratings of 4 (four) state-owned banks using the RGEC method, the researchers made a summary as follows:

Table 4.12. Results of the Summary of Soundness Level of State-Owned Banks in 2018

RGEC FACTOR	INDEPENDENT		BNI		BRI		BTN	
	% SCORE	COMPOSITE RANKING	% SCORE	COMPOSITE RANKING	% SCORE	COMPOSITE RANKING	% SCORE	COMPOSITE RANKING
RISK PROFILE								
NPL	2.79	PK2	1.90	PK1	2.14	PK2	2.82	PK2
LDR	93.93	PK3	88.80	PK3	89.57	PK3	103.25	PK5
GCG	93.86	PK1	88.38	PK1	89.06	PK1	87.97	PK1
EARNING								
ROA	3.17	PK1	2.80	PK1	3.68	PK1	1.34	PK4
NIM	5,52	PK1	5.30	PK1	7.45	PK1	4.32	PK1
CAPITAL	20.96	PK1	18.50	PK1	21.21	PK1	18.21	PK1
TOTAL SCORE		90.00		93.33		90.00		73.33
RESULTS		VERY HEALTHY		VERY HEALTHY		VERY HEALTHY		HEALTHY

From the summary above (table.4.12) The percentage Composite Rating of Bank Mandiri and Bank BRI has the same value, namely 90% with very healthy results, but the results of the assessment of the two banks for NPL, GCG, Bank Mandiri ROA are better, but for NIM, BRI Bank CAR is better.

The 4 (four) state-owned banks have 3 (three) banks that have VERY HEALTHY results, namely Bank Mandiri, Bank Negara Indonesia and Bank Rakyat Indonesia. This means that it reflects the condition of the Bank which is generally very healthy so that it is considered very capable of dealing with significant negative effects from changes in business conditions and other external factors as reflected in the rating of the assessment factors, including risk profile, implementation of Good Corporate Governance, profitability, and capital that are generally very good. . In terms of weaknesses, in general these weaknesses are not significant (Summary Table), however, 1 (one) state-owned bank, namely Bank Tabungan Negara has HEALTHY results. This means that it reflects the condition of the Bank which is generally healthy so that it is considered capable of facing significant negative effects from changes in business conditions and other external factors as reflected in the rating of the assessment factors, including risk profile, implementation of Good Corporate Governance, profitability, and generally good capital. If there are weaknesses, in general these weaknesses are less significant (Summary Table).



CHAPTER V CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

The author concludes from the results of the assessment of the health level of a Persero Bank using the RGEC method which consists of 6 variables, namely *Non Performing Loans (NPL)*, *Good Corporate Governance (GCG)*, *Return on Assets (ROA)*, *Net Interest Margin (NIM)* and *Capital Adequacy Ratio (CAR)* in 2018 are as follows:

1. Assessment of NPL Composite Rating.

Three (3) state-owned banks, namely: Bank Mandiri; Bank Rakyat Indonesia and Bank Tabungan Negara with a composite rating of PK2 means that the condition of the three state-owned banks is healthy while for Bank Negara Indonesia, the composite rating is PK1, which means that the condition of the bank is very healthy.

2. LDR Composite Rating Assessment.

Three (3) state-owned banks, namely: Bank Mandiri; Bank Negara Indonesia and Bank Rakyat Indonesia with a composite rating of PK3 means that the condition of the three state-owned banks is quite healthy while for the State savings bank with a composite rating is PK5, which means that the condition of the bank is not healthy.

3. Assessment of GCG Composite Rating.

The four (4) state banks for CGC with a composite rating are PK1 which means they are very healthy.

4. ROA Composite Rating Assessment .

Three (3) state-owned banks, namely: Bank Mandiri; Bank Negara Indonesia and Bank Rakyat Indonesia with a composite rating of PK1 means that the condition of the three state-owned banks is very healthy, while for Bank Tabungan Negara with a composite rating of PK4, it means that the condition of the bank is not healthy.

5. Assessment of NIM Composite Rating and CAR Composite

The four (4) state banks for NIM and CAR with a composite rating are PK1 which means they are very healthy.

5.2. Suggestion

1. Based on the *Risk Profile* of the *Net Performing Loan* (NPL), PT. Bank Mandiri (Persero) Tbk., Which has an NPL of 2.79% and PT. Bank Tabungan Negara (Persero) Tbk., Which has an NPL of 2.82%, should be more selective in lending in order to reduce problem loans. Actions are taken to reduce the NPL to get to the level of 0 to 2% by approaching the customer for bank management so that we can find out what causes arrears on loan principal and credit interest so that bank management can provide solutions including restructuring for 1 year to pay the interest first after 1 year then pay the principal installments or write off by selling the credit guarantee so that from the guarantee the customer can pay off the loan, both principal and interest, to avoid interest on credit, even the possibility of the customer getting excess proceeds from the sale of the guarantee with the loan.

2. Based on the *Risk Profile* (LDR), PT. State Savings Bank Tbk. those who have a *Loan to Deposit Ratio* (LDR) of 103.25% in lending should ensure optimal use of public funds in order to anticipate if there is a risk of loss not to interfere with the bank's core capital. To reduce the LDR percentage to the level of 75%, management through the marketing funding team by increasing public funds for *new customers*, for example providing *special* interest rates for deposits of 3 months, 6 months and 12 months with a certain nominal and by means of a back to back loan, which means a deposit guarantee. .

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