

ABSTRACT

Devi Hardianti Rukmana. 2014, *THESIS*. Title: "*The Analysis Measurement Efficiency of Earnings Growth in Bank Pembangunan Daerah (BPD) in Indonesia and method of Data Envelopment Analysis (DEA) Period 2010-2012*".

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Efficiency in the banking sector is one of the performance parameters are quite popular, widely used as an answer to the difficulties in calculating the measures of bank performance. Measuring cost efficiency can also increase its profit. The purpose of this study was to determine the relationship between the efficiency of the earnings growth rate and to know the difference between BPD significant efficiency in Indonesia.

This research type using quantitative methods, data used secondary data, data collection techniques in this study using the documentation. Analysis of the data used by collecting the data is then processed and analyzed using the DEA method that aims to measure the efficiency of BPD in Indonesia and to connect with the efficiency of profit growth. The analytical method used was method of Data Envelopment Analysis (DEA), Test One Sample Kolmogorov Smirnov normality and correlation test.

The results showed that there was a significant relationship between earnings growth efficiency with DEA method in BPD in Indonesia. The existence of a direct and positive correlation relationship or being enough, meaning that the higher the efficiency the increased earnings growth based on the theory of Ang (1997) which states that the company's efficient use of the entire assets of the company to generate net sales and the faster turnover of assets of a company to support the activities of net sales, increased revenue earned thus obtained income increased as well. It can be deduced that the company has a high efficiency that can generate optimum output with minimum input. So from the optimal output company can produce optimal profit anyway.