ABSTRACT


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Banking institutions is one of the backbone of the economy of a country both micro and macro, because it has the function of the intermediary or as an intermediary between the owners of capital (funds suppliers) with user funds (fund users). One of a group of banks that played a role in moving the economy is the Regional Development Bank (BPD). Currently the external environment and internal situation of banks experiencing rapid development followed by the increasing complexity of risk banking activities that required the application of risk management. The purpose of this study is to determine and analyze the effect of the application of quantitative risk management to profit performance.

In this study using quantitative research methods. The population in this study is the Regional Development Bank (BPD) are listed in Bank Indonesia during 2008-2012. The samples used were 26 BPD in Indonesia. Methods of data analysis using multiple linear regression, where the independent variables consisted of CAR (X1), ROA (X2), NPL (X3), ROA (X4), and LDR (X5). The dependent variable is the profit performance.

The results of simultaneous analysis with a significance level of 5% variable CAR (X1), ROA (X2), NPL (X3), ROA (X4), and LDR (X5) effect on profit performance. In partial CAR positive and significant effect. ROA variable has no effect on profit performance. That is because although ROA increased, but if the increase is not due to an increase in return but because of a decrease in assets, the profit will go down. Variable NPL, ROA and LDR positive and significant impact.