Analysis Of The Influence Of Third-Party Funds (DPK), Capital Adequacy Ratio (CAR), Return On Asset (ROA), Loan To Deposit Ratio (LDR) And Non Performing Loan (NPL) On The Distribution Of Banking Credit (Case study of BANK BRI, Mandiri and BNI period 2018-2020)

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ABSTRACT

Research Objective: the purpose of this study is to examine the dominant factors that affect the amount of bank credit. The selection of these factors is based on the results of previous research studies. The purpose of this study was to determine the effect of third party funds (DPK), capital adequacy ratio (CAR), return on assets (ROA), non-performing loans (NPL) and loan to deposit ratio (LDR) on bank lending partially.

Research Method: this research method uses quantitative research methods. The number of samples in this study were three state-owned banks registered with the OJK, namely Bank BRI, Bank BNI and Bank Mandiri for the period 2018-2020 (quarterly data). The data analysis methods used are classical assumption test, multiple regression analysis and t test with SPSS 26 program.

Research Result: the results of this study that the variables of Third Party Funds and Loan to Deposit Ratio variables have a positive and significant effect on lending while the variables of Capital Adequacy Ratio, Return to Assets and Non Performing Loans have no effect on lending.

Keywords: third party funds, capital adequacy ratio, return on assets, non-performing loans, loan to deposit ratio, lending
Introduction

One of the financial sectors that determines the stability of the economy in a country is banking. Banking is one of the fields that has an important role in terms of the development of a country. This is because all aspects of costs in development involve banking. Banks as financial institutions serve as financial intermediaries between parties who have excess funds with parties who need funds. This is seen in the main activities of banks that receive deposits from all levels of society in various forms, savings, deposits, and current accounts and provide credit to people who need funds. The role of financial institutions is indispensable by a country for the economic development of the country. Financial institutions have a considerable contribution to improving the welfare of society as well as the economic growth of a country. The provision of services by banks makes it very easy for people to get services in terms of financial transactions (Adnan et al., 2016). Credit distribution has a role to play in helping people carry out various activities, such as investment, distribution, and consumption of goods and services. Considering all these things related to money, it will indirectly have an impact on the smooth economic development activities of the community.

Channeling credit has many risks, especially credit risk. Credit risk is the risk that occurs due to failure to fulfill its obligation to make payments to the Bank. Therefore, an excellent credit analysis is needed so that the credit given to the community can be in accordance with the target and can return in accordance with the rules and agreements that have been agreed so that there is no default or default.

Several factors that can affect banks in distributing credit to parties in need, namely Third Party Funds (DPK), Capital Adequacy Ratio (CAR), Return on Asset (ROA), Non Performing Loan (NPL) and Loan to Deposit Ratio (LDR). DPK is a fund collected from the community, can be in the form of savings, current accounts and deposits. ROA is a bank measuring measure to measure the level of rentability or profitability of the Bank. CAR is a capital ratio that demonstrates the Bank's ability to provide funds for business development purposes and accommodate risks for losses caused by the Bank's operational activities. NPL is the ratio or percentage of the amount of credit that is problematic. LDR is a ratio used as a measuring tool for the bank's ability to pay all public funds and its own capital by relying on credit that has been distributed to the community. So that the Bank must improve performance to maintain the stability and profitability of the Bank in order to be able to provide a very important role to distribute credit to people in need.

The results of research that has been done before show there are many factors that affect the amount of banking credit distribution. In this study, these factors were limited to factors that predominantly influenced the distribution of banking credit that was deivized from banking credit theory and the results of upstream research studies. These factors are, Third Party Funds (DPK), Capital Adequacy Ratio (CAR), Return on Assets (ROA), Non Performing Loan (NPL) and Loan to Deposit Ratio (LDR) as independent variables and Credit Distribution as dependent variables. Penelitian is carried out at three state-owned banks that have been registered with OJK, namely Bank BRI, Bank Mandiri and Bank BNI. Observation period 2018-2020 (in quarterly form).

This study will examine the influence of independent variables, namely Third Party Funds (DPK), Capital Adequacy Ratio (CAR), Return on Assets (ROA), Non
Performing Loan (NPL) and Loan to Deposit Ratio (LDR) partially against dependent variables of credit distributors.

LITERATURE REVIEW

Signalling Theory

Brigham and Houston (2014) explained that the WA signal is a clue given by the company related to management actions in the company’s project assessment efforts. The main focus of signal theory is communicating actions taken by internal companies that cannot be observed directly by parties outside the company. This information can be useful for outsiders, especially investors when they are able to capture and interpret the signal as a positive signal or sinyal negative.

Signal theory is a statement in the form of encouragement that managers of companies that have good company information, so that managers will be encouraged to convey information about the company to prospective customers. Investors, with the aim that the company can increase the value of the company through signals in reporting on the company’s annual report (Scott, 2012).

Understanding the Bank

In Law No. 10 of 1998 on Banking, Bank is mentioned as a business entity that collects funds from the community in the form of deposits and distributes them to the community in the form of credit and or other forms in order to improve people's standard of living. A commercial bank is a bank that carries out business activities conventionally and or based on sharia principles, which initiates activities provide services in payment traffic (www.ojk.go.id).

Conventional Bank is a Bank that conducts business activities conventionally and based on its type consists of Conventional Commercial Bank and People's Credit Bank.

Conventional Commercial Bank (BUK) is a Conventional Bank that in its activities provide services in payment traffic. People's Credit Bank (BPR) is a conventional Convention Bank whose activities do not provide services in payment traffic (www.ojk.go.id).

Credit

The word credit comes from the Greek word “credere” which means belief. The meaning of the word has the implication that every credit activity must be based on trust. Without trust, there will be no credit or in turn there is no prospective customer agreeing on credit, because the provision of credit by the bank has economic value to the customer, both individually and business entity (Taswan, 2010). Credit is a form of giving the trust of a person or institution if the person given the trust in time will fulfill all obligations for what has been entrusted as entrusted according to what has been entrusted according to what has been entrusted, agreed, (Cashmere, 2012). Understanding according to Law no.10 of 1998, article 1 number 1, credit is the provision of money that can be equated with it, based on the agreement or loan agreement between the bank and other parties that require the borrower to pay off his debt after a certain period of time with interest.

Third Party Funds

Third party funds or DPK is money obtained from individuals, companies, governance, households, cooperatives, and foundations (Amrozi and Sulistyorini, 2020). DPK is all funds that have been collected by bankssourced from the wider community (Cashmere, 2000). DPK is a source of bank funds that come from the community as customers in the form of savings (savingdeposit), current account (demanddeposit), and deposit (timedeposit) (Masdjojo and Devi, 2013).
The greater the third party funds raised by the Bank, the role of the Bank to disburse funds to be channeled to underfunded parties through credit can also increase.

**Capital Adequacy Ratio**

Capital is an important basic element that must be owned by a bank. In the world of capital banking is illustrated by the use of capital adequacy ratio (CAR) or by another sense that capital adequacy ratio (CAR) is a capital ratio as an indicator to show that the ability of banks in the provision of funds, good for business development needs and can accommodate credit risks received as a result of bank operations. The higher car, the greater the financial resources that can be used for business development purposes.

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

and anticipate potential losses caused by credit distribution (Masdjojo and Devi, 2013). While according to Riyadi (2017) that CAR is one of the important ratios to withstand default risk, where the higher the CAR ratio, the better a company will be to withstand the risk of default in any credit or asset with high risk. So CAR is a ratio that must be owned by the Bank for minimum capital fulfillment. Regulation from Bank Indonesia No. 10/15/PBI/2008 explains "banks are obliged to provide minimum capital of 8% (eight percent) of risk-weighted assets (ATMR)". The capital adequacy ratio is as follows:

**Return on Assets**

ROA is one of the valuation methods used to measure the level of rentability or profitability of a bank, namely the level of profit that is achieved by a bank with all the funds in the bank, how the operational efficiency of a bank to earn a profit from every rupiah on assets owned. The higher the level of ROA, the more optimal the use of assets to generate income and the better the bank's position from the use of assets. Return on assets is an indicator that the ROA ratio increases then bank assets have been used optimally to obtain income. If the ROA ratio of a bank increases, it also increases the level of profit that will be achieved by the bank and the better the position of the bank in terms of asset security (Dendawijaya, 2003). The standard that has been determined by Bank Indonesia so that ROA can be categorized as good is estimated at 1.5%, but the benchmark is not a standard benchmark. The measurement of return on assets is as follows:

**Non-performing Loan**

NPL or problem credit is credit that has difficulty in terms of repayment (Masdjojo and Devi, 2013). NPL is the percentage of the amount of credit problems (with criteria of less smooth, doubtful, and bad) against the total credit issued by the bank. Problematic credit can be interpreted as a loan that has difficulty in repayment due to the existence of interest factors and or because external factors are beyond the debtor's control (Putri and Akmalia, 2016). NPL reflects credit risk, the greater the NPL the greater the credit risk borne by the bank. The greater the NPL shows that the bank is unprofessional in its credit management, while giving an indication that the level of risk on lending to the bank is quite high in line with the high NPL faced by banks (Masdjojo and Devi, 2013). In addition, the higher amount of problematic credit will also make banks reluctant to provide large amounts of credit because they have to form a write-off fund for large problem loans. The greater the bad loan experienced by banks, the distribution of credits to the community will decrease. Non-performing loan measurements are as follows:
NPL = \frac{\text{Total problem credit}}{\text{Total credit}} \times 100\% \\

\text{Loan to Deposit Ratio}

LDR is a ratio used to measure how far the bank's ability to pay all public funds and its own capital by relying on credit that has been distributed to the community (Masdjojo and Devi, 2013). LDR is also used to reduce bank liquidity risk in terms of anticipating sudden and massive withdrawals by depositors (bank rush) (Masdjojo and Devi, 2013). According to the provisions of the central bank, the safe limit of a bank's LDR is 110%, according to the recommendation of Bank Indonesia, a safe LDR is in the range of 78%-100% (PBI No. 12/19/PBI/2010). The loan to deposit ratio is as follows:

\[ \text{LDR} = \frac{\text{Credit}}{\text{DPK}} \times 100\% \]

\text{Previous Research}

\text{The Effect of Third Party Funds (DPK) on Credit Distribution}

Research on the influence of third-party funds on credit distribution has been conducted by several previous researchers. Research has been conducted by Masdjojo and Devi (2013), Fitrianingsih and Riyadi (2017), Permatasari and Yulianto (2018), Harmayati and Rahayu (2019), Effendy et al. (2019), Amrozi and Sulistyorini (2020), Novianti and Indraswarawati (2020), and Puspasari et al. (2020). The results of the study stated that third-party funds had a significant and positive effect on the distribution of banking credit. But there are other studies that contradict the results of the study, namely the results of research conducted by Pratiwi and Prajanto (2019) stated that third party funds have no effect on the distribution of banking credit.

\text{The Effect of Capital Adequacy Ratio (CAR) on Credit Distribution}

Research on the effect of capital adequacy ratio on credit distribution has been conducted by several researchers knowlu. Research conducted by Amrozi and Sulistyorini (2020), Fitrianingsih and Riyadi (2017), Pratiwi and Prajanto (2020), Triwidodo (2020), Harmayati and Rahayu (2019) that the capital adequacy ratio has no effect on the distribution of bank credit. According to Masdjojo and Devi (2013) and Permatasari and Yulianto (2018) stated that the capital adequacy ratio has a negative and significant effect on the distribution of banking credit. But according to Effendy et al. (2019) stated that the capital adequacy ratio has a significant effect on the distribution of banking credit.

\text{The Effect of Return on Assets (ROA) on Credit Distribution}

Research on the effect of return on assets on credit distribution has been conducted by several previous researchers. Research conducted by Masdjojo and Devi (2013), Novianti and Indraswarawati (2020), Pratiwi and Prajanto (2020), Triwidodo (2018) and Permatasari and Yulianto (2018) states that the return on assets has a positive and significant effect on the distribution of banking credit. Research conducted by Puspasari et al. (2018) stated that return on assets had no effect on credit distribution while research conducted by Harmayati and Rahayu (2019) and Permatasari and Yulianto (2018) stated that return on assets had a negative and significant effect on credit distribution.

\text{The Effect of Non Performing Loans (NPL) on Credit Distribution}

Research on the influence of non-
Performing loans on credit distribution has been conducted by several previous researchers. Research conducted by Masdjojo and Devi (2013) and Effendy et al. (2019) states that non-performing loans have no significant effect on bank credit distribution. Research conducted by Fitrianingsih and Riyadi (2017), Triwidodo (2018) and Permatasari and Yulianto (2018) stated that non-performing loans have a negative effect and insignificant on credit distribution. Meanwhile, according to Amrozi and Sulistyorini (2020) and Harmayati and Rahayu (2019) that non-performing loans have no effect on credit distribution. Another opinion was also obtained by research conducted by Puspasari et al. (2018) that non-performing loans have a positive and significant effect on the distribution of banking credit.

**Effect of Loan to Deposit Ratio (LDR) on Credit Distribution**

Research on the loan to deposit ratio to credit distribution has been conducted by several previous researchers. Research conducted by Amrozi and Sulistyorini (2020), Masdjojo and Devi (2013), Puspasari et al. (2018), Harmayati and Rahayu (2019) states that the loan to deposit ratio has a positive and significant effect on the distribution of banking credit. Another study conducted by Triwidodo (2018) stated that the loan to deposit ratio has no effect on the distribution of banking credit.

**Hypothesis**

Based on the background of the problem, literature review and review of the results of previous research, the hypothesis of this study is as follows:

H1: Third party funds have a positive and significant effect on the distribution of credit to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020

H2: Capital adequacy ratio has a positive and significant effect on credit distribution to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020

H3: Return on assets has a positive and significant effect on credit distribution to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020

H4: Non performing loans have a negative and significant effect on the distribution of credit to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020

H5: Loan to deposit ratio has a positive and significant effect on the distribution of credit to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020

**METHOD**

**Type of research**

This research uses quantitative research methods using uji hypotheses and statistical tests to get results in the form of conclusions. This research includes a type of descriptive research.

**Tenik Sample Withdrawal**

The population in this study is a state-owned bank that is officially registered with OJK. While in determining this sample using a non-probability sampling technique (purposive sampling), the number of samples in this study is three state-owned banks that have been registered with OJK.

**Data Collection Methods**
The data collection in this study uses documentation methods. The type of data used in this study is secondary data taken from the data of the publication report on a quarterly banking basis that has been officially published through the official OJK (www.ojk.go.id) website.

Data Analysis Methods

Data that has been obtained through a series of data collection methods is still being processed further. Further processing in this study is expected to produce data that can answer the problem. The data processing circuit is as follows:
1. Classic assumption test
   This classical assumption test consists of a normality test, a multicollinearity test, and a heteroskedasticity test and an autocorrelation test.
2. Multiple linear regression analysis
3. Test hypotheses using the t test

Researcher Variables

The variables selected in this study are third-party funds (DPK), capital adequacy ratio (CAR), return on assets (ROA), non performing loans (NPL), loan to deposit ratio (LDR) as independent variables while for dependent variables are credit distribution.

ANALYSIS

Research Result Descriptive statistical analysis

The purpose of descriptive analysis is to or provide an overview of the objects studied through sample or population data. The results of descriptive statistical analysis can be seen in the following table:

<table>
<thead>
<tr>
<th>Source: OUTPUT SPSS 26 (processed data)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party Funds</td>
<td>36</td>
<td>460,415,333</td>
<td>1,062,702,079</td>
<td>756,611,467</td>
</tr>
<tr>
<td>Capital Adequacy Ratio</td>
<td>36</td>
<td>16.07</td>
<td>22.55</td>
<td>19.7781</td>
</tr>
<tr>
<td>Return on Asset</td>
<td>36</td>
<td>1.38</td>
<td>8.8</td>
<td>3.0761</td>
</tr>
<tr>
<td>Non Performing Loan</td>
<td>36</td>
<td>1.75</td>
<td>4.25</td>
<td>2.6597</td>
</tr>
<tr>
<td>Loan to Deposit Ratio</td>
<td>36</td>
<td>82.56</td>
<td>97.94</td>
<td>90.6122</td>
</tr>
<tr>
<td>Credit Distribution</td>
<td>36</td>
<td>414,966,619</td>
<td>884,269,043</td>
<td>884,960,857</td>
</tr>
</tbody>
</table>

Based on table 1, the Third Party Fund variable (DPK) has a minimum value of Rp 460,419,333 and a maximum value of Rp 1,062,702,079 with an average of Rp 756,611,467. The lowest DPK in Bank BNI in the first quarter of 2018 while the highest DPK in Bank BRI in the third quarter of 2020.

The Variable Capital Adequacy Ratio (CAR) has a minimum value of 16.07% and has a maximum value of 22.55% with an average of 19.78%. The lowest CAR value was in Bank BNI in the first quarter of 2020 while the highest CAR value was in Bank BRI in the fourth quarter of 2019.

Variable Return on Assets (ROA) has a minimum value of 1.38% and has a maximum value of 8.8% with an average of 3.08% The lowest ROA value was in Bank BNI in the second quarter of 2020 while the highest ROA value was in Bank BNI in the second quarter of 2020.

Variable Non Performing Loan (NPL) has a minimum value of 1.75% and has a maximum value of 4.25% with an average of 2.66%. The lowest NPL value was in Bank BNI in the second quarter of 2019 while the highest NPL value was in Bank BNI in the fourth quarter of 2020.

Variable Loan to Deposit Ratio (LDR) has a minimum value of 82.58% and has a maximum tilapia of 97.94% with an average of 90.61%. The lowest LDR value was in Bank BRI in the third quarter of 2020 while the highest...
LDR value was in Bank Mandiri in the second quarter of 2019.

Credit Distribution Variable has a minimum value of Rp 414,960,819 and has a maximum value of Rp 884,269,043 with an average of Rp 684,960,857. The lowest credit distribution value was in Bank BNI in the first quarter of 2018 while the highest credit distribution was bank BRI in the first quarter of 2020.

**Classic Assumption Test**

In the classic assumption test in this study consists of:

a. Normality Test

The normality test is used to see if the regression model is normal or not. In this study can be seen from the results of the graph analysis, namely the normal probability plot graph as shown below.

![Normal Probability Plot](image)

Based on the normal probability plot graph such as the picture above it can be seen that the scattering points follow a diagonal line then it can be concluded that the data is distributed normally.

b. Multicollinearity Test

The results of the multicollinearity test can be seen through table 2 below:

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>(Constant)</td>
<td></td>
</tr>
<tr>
<td>Third Party Funds</td>
<td>0.51</td>
</tr>
<tr>
<td>Capital Adequacy Ratio</td>
<td>0.528</td>
</tr>
<tr>
<td>Return on Asset</td>
<td>0.863</td>
</tr>
<tr>
<td>Non Performing Loan</td>
<td>0.633</td>
</tr>
<tr>
<td>Loan to Deposit Ratio</td>
<td>0.594</td>
</tr>
</tbody>
</table>

Based on the table of multicollinearity test results above it can be known that the variable tolerance value of Third Party Funds is 0.51, Capital Adequacy Ratio is 0.528, Return on Assets is 0.863, Non Performing Loan is 0.633 and Loan to Deposit Ratio is 0.594 greater than 0.10 and also the value of Third Party Funds is 1.962, Capital Adequacy Ratio is 1.895, Return on Assets is 1.159, Non Performing Loan is 1.579 and Loan to Deposit Ratio is 1.683 smaller than 10.00. It can be concluded that there is no multicollinearity.

c. Heteroskedasticity Test

The results of the heteroskedasticity test can be seen through the scatterplot graph below:

From the display of the scatterplot graph of heteroskedasticity tests above, it is seen that the dots are scattered randomly and do not form a certain clear pattern. This indicates that heteroskedasticity does not occur, so the regression model is worth using.

d. Autocorrelation Test

The study used the Durbin-Watson test to detect the or absence of autocorrelation. Dw’s scores in this study can be seen in the table below:

<table>
<thead>
<tr>
<th>Model</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.272</td>
</tr>
</tbody>
</table>
Based on the Durbin-Watson test results table above, dw value is known which is 1.272 then this value will be compared with the signification table value of 5%, the sample number N = 36 and the number of independent variables 5 (K = 5). Based on the table obtained the value du = 1.80 with dl = 1.175. Therefore, with the provisions dl ≤ d ≤ du then with a value of d = 1,272 located between dl and du (1,175 ≤ 1,272 ≤ 1,800) so there is no definitive conclusion about the or absence of autocorrelation symptoms. Then the next to detect the or absence of gejala autocorrelation is to use the Test run test that can be seen in the table below:

Table 4 Run test results

<table>
<thead>
<tr>
<th>Unstandardized Residual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test Valuea</td>
</tr>
<tr>
<td>217027.8638</td>
</tr>
<tr>
<td>Cases &lt; Test Valuea</td>
</tr>
<tr>
<td>18</td>
</tr>
<tr>
<td>Cases &gt;= Test Valuea</td>
</tr>
<tr>
<td>18</td>
</tr>
<tr>
<td>Total Cases</td>
</tr>
<tr>
<td>36</td>
</tr>
<tr>
<td>Number of Runs</td>
</tr>
<tr>
<td>14</td>
</tr>
<tr>
<td>With</td>
</tr>
<tr>
<td>-1.522</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
</tr>
<tr>
<td>0.128</td>
</tr>
</tbody>
</table>

Based on the table of run test results above it is known that the signification value of 0.128 is greater than 0.05 so it can be concluded that there are no symptoms of autocorrelation.

4.2. Multiple Linear Regression Analysis

The results of multiple linear regression analysis conducted with the SPSS program are shown in the table as follows:

Table 5 Multiple Linear Regression

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>-749048006.5</td>
<td>3.1318122.41</td>
<td>-24.996</td>
<td>0</td>
</tr>
<tr>
<td>Third Party Funds</td>
<td>0.892</td>
<td>0.009</td>
<td>1.05</td>
<td>96.195</td>
</tr>
<tr>
<td>Capital Adequacy Ratio</td>
<td>-92673.728</td>
<td>79576.702</td>
<td>-0.801</td>
<td>-0.038</td>
</tr>
<tr>
<td>Return on Asset</td>
<td>284949.31</td>
<td>95476.706</td>
<td>0.013</td>
<td>1.507</td>
</tr>
<tr>
<td>Non-Performing Loan</td>
<td>3597066.32</td>
<td>248999.701</td>
<td>0.154</td>
<td>1.445</td>
</tr>
<tr>
<td>Loan to Deposit Ratio</td>
<td>8241184.005</td>
<td>43799.088</td>
<td>0.238</td>
<td>13.175</td>
</tr>
</tbody>
</table>

Analysis Results

Based on the table above it is known that the results of the calculation of multiple linear regression above obtained the following equation: Credit distribution = -749048006.5 + 0.892DPK + -92673.728CAR + 1589498.35ROA + 3597066.32NPL + 8241184.005LDR + e. From the equation it can be known that:

1. Constant of -749048006.5 means if third party funds, Capital Adequacy Ratio, Return on Assets, Non Performing Loans, Loan to Assets, Non Performing Loan, Loan to Deposit Ratio are worth 0, then the distribution of credit value is -749048006.5.

2. The Third Party Fund Variable (DPK) has a regression coefficient value of 0.892. The value of the positive regression coefficient indicates that the DPK has a positive relationship direction towards credit distribution. This illustrates that if the variabel DPK rises one percent, assuming other variables remain it will direction towards credit distribution. This illustrates that if the LDR variable rises one percent, assuming other variables remain it will increase the Distribution of Credits by 8241184.005, increase the Credit Distribution by 1,007.

3. The Capital Adequacy Ratio (CAR) variable has a regression coefficient of -92673.728. The negative regression coefficient value indicates that CAR has the opposite relationship to Credit Distribution. This illustrates that if the
CAR variable rises one percent, assuming other variables remain it will decrease the Credit Distribution by -92673.728.

4. The \textit{Return on Assets} (ROA) variable has a regression coefficient of 1589498.35. The positive regression coefficient value indicates that ROA has a positive relationship to Credit Distribution. This illustrates that if the ROA variable rises one percent, assuming the other variable remains it will increase the Credit Distribution by 1589498.35.

5. The \textit{Non Performing Loan} (NPL) variable has a regression coefficient value of 3597066.32. The positive regression coefficient value indicates that the NPL has a positive relationship direction towards the edit distribution. This illustrates that if the NPL variable rises by one percent, assuming other variables remain it will increase the Credit Distribution by 3597066.32.

6. The \textit{Loan to Deposit Ratio} (LDR) variable has a regression coefficient value of 8241184.005. The value of the positive regression coefficient indicates that the LDR has a positive relationship.

The first hypothesis regarding third party fund (DPK) research variables as independent variables. Test result t is based on table 5 that the coefficient of DPK shows a significance level of 0.00 (< 5%). For the resulting calculated value is 96,135 while the value t of the table is ± 1,696. Since the calculated t value is greater than the table's t value (96.135 > 1,696), Ho is rejected and H1 is accepted. So it can be concluded that DPK affects the distribution of credit to banking companies positively and significantly.

**Hypothesis II**

The second hypothesis regarding the \textit{Capital Adequacy Ratio} (CAR) research variable as an independent variable. The result of the t test is based on table 5 that the coefficient of the CAR shows a significance level of 0.915 (>5%). For the resulting calculated t value is -0.108 while the table t value is ± 1,696. Karena the value of t calculated is less than the value of the table t (-0.108 < 1,696), then Ho is accepted and H2 is rejected. So it can be concluded that CAR has no effect on the distribution of credit to banking companies.

**Hypothesis III**

The third hypothesis regarding \textit{the return on assets} (ROA) research variable as an independent variable. Test result t is based on table 5 that the coefficient of the ROA shows a significance level of 0.121 (>5%). For the resulting t value is 1,597 while the value of t tabelnya is ± 1,696. Since the calculated value is less than the table's t value (1,597 < 1,696), Ho is accepted and H3 is rejected. So it can be concluded that ROA has no effect on the distribution of credit to banking companies.

**Hypothesis IV**

The fourth hypothesis regarding \textit{non-performing loan} (NPL) research variables as independent variables. The t test results are based on table 5 that the coefficient of the NPL indicates a significance level of 0.159 (>5%). For the resulting calculated t value is 1,445 while the table t value is ± 1,696. Since the calculated t value is less than the table's t value (1,445 < 1,696), Ho is accepted and H4 is rejected. So it can be concluded that NPL has no effect on the distribution of credit to banking companies.

**Hypothesis V**

The fifth hypothesis regarding \textit{the Loan to
**Deposit Ratio** (LDR) research variable as an independent variable. The t test results are based on table 5 that the coefficient of the NPL indicates a significance level of 0.00 (<5%). For the resulting calculated t value is 23,971 while the table t value is ± 1,696. Since the calculated t value is less than the table's t value (23,971 > 1,696), Ho is rejected and H5 is accepted. So it can be concluded that LDR affectshi credit distribution to banking companies positively and significantly.

**Discussion**

**The Effect of Third Party Funds on Credit Distribution**

Based on the results of the research it is known that the variables of Third Party Funds have a positive and significant effect on the distribution of credit to three state-owned banks (BRI, Mandiri, BNI) registered with OJK in 2018-2020, this is evidenced by the t test, namely the signification rate of 0.915 > 0.05 (5%). This is because the Third Party Funds are generally the largest funds held. This is in accordance with the function of the bank as a collection of funds from the community. The results of this study are in line with research conducted by Adnan et al. (2016), Amrozi and Sulistyorini (2020), Fitrianingsih and Riyadi (2017), Pratiwi and Prajanto (2020), Triwidodo (2018), Harmayati and Rahayu (2019) which stated that the **Capital Adequacy Ratio** had no effect on the Credit Distribution. But reject the research conducted by Pratiwi and Prajanto (2020) and Effendy et al. (2019) which stated that the Capital Adequacy Ratio has a positive and significant influence on Credit Distribution.

**Effect of Return on Assets on credit distribution**

Based on the results of the study it is known that the **Return on Assets** (ROA) variable has no effect on credit distribution at three state-owned banks (BRI, Mandiri, BNI) registered with OJK in 2018-2020, this is evidenced by the t test, namely the level of signification of 0.121 > 0.05 (5%). In this study the small amount of ROA did not affect the results of banking credit distribution. In theory, the larger the ROA, the funds rolled out for credit distribution are getting bigger. The results of this study support research conducted by Harmayati and Rahayu (2019) and Permatasari and Yulianto...
(2018) which states that ROA has no effect on Credit Distribution. But reject the research conducted by Pratiwi and Prajanto (2020), Novianti and Indraswarawati (2020) and Masdjojo and Devi (2013) which stated that ROA had a positive and significant effect on credit distribution.

**Copyinh Non Performing Loan to credit distribution**

Based on the results of research it is known that the *Non Performing Loan* variable has no effect on credit distribution at three state-owned banks (BRI, Mandiri, BNI) registered with OJK in 2018-2020, this is evidenced by the t test, namely the level of signification 0.159 > 0.05 (5%). This is because the increase in non-performing loans can not necessarily affect the distribution of credit to banks. The greater the NPL level of a bank, the bank can be said to be unprofessional in managing its credit. It can also be interpreted that the high level of NPL is still within the limits of reasonableness so that credit distribution can still be done. The results support research conducted by Amrozi and Sulistyorini (2020), Harmayati and Rahayu (2019) which states that *Non Performing Loans* have no effect on Credit Distribution. But reject the research conducted by Puspasari et al. (2018) and Effendy et al. (2019) which stated that Non Performing Loans have a significant effect on Credit Distribution.

**Effect of Loan to Deposit Ratio on credit distribution**

Based on the results of research it is known that the *Variable Loan to Deposit Ratio* (LDR) affects the Distribution of Credit to three state-owned banks (BRI, Mandiri, BNI) registered with OJK in 2018-2020. This is evidenced by the t test, namely the signification rate of 0.000 < 0.05 (5%). This is because the higher the LDR, the higher the distribution of credit channeled. The amount of credit provided will be greatly influenced by the funds received by the bank, so it will ultimately affect the magnitude of the LDR ratio. LDR will show the level of the bank's ability to channel Third Party Funds collected by the bank. The results of this study are in line with research conducted by Adnan et al. (2016), Amrozi and Sulistyorini (2020), Mardjojo and Devi (2013), Puspasari et al. (2018), Harmayati and Rahayu (2019) who stated that the *Loan to Deposit Ratio* has a positive and significant effect on Credit Distribution. But rejecting the research has been done by Triwidodo (2018) which states that the *Loan to Deposit Ratio* has no effect on credit distribution

**CONCLUSIONS**

Based on the results of the analysis using descriptive analysis and statistical analysis (multiple linear regression) as well as hypothesis testing, the following conclusions can be taken:

1. Third Party Fund Variables have a positive and significant effect on the distribution of credit to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020.
2. The *Capital Adequacy Ratio* variable has no effect on the distribution of credit to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020.
3. The *Return on Assets* variable has no effect on the distribution of credit to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020.
4. *Non Performing Loan* variables have no effect on credit distribution to banks listed in the LQ45 Index in 2014-2018.
5. The Loan to Deposit Ratio variable has

REFERENCES


Brigham & Houston. 2014. Basics a positive and significant effect on the distribution of credit to state-owned banks (BRI, Mandiri, BNI) registered with OJK for the period 2018-2020.

