ABSTRACT

The company's financial performance is the ability of a business entity to manage and control its resources whose increases and decreases are influenced by several factors such as corporate governance and financial risk. This study aims to determine whether managerial ownership, independent commissioners, audit committees, Non-Performing Loans (NPL) and Loan to Deposit Ratio (LDR) affect the increase and decrease in bank financial performance as a proxy for Return on Assets (ROA).

This study uses data on bank sub-sector companies listed on the Indonesia Stock Exchange (IDX) in the 2017-2021 period. The data collection technique used was purposive random sampling. The data generated were 15 (fifteen) samples of the banking sub-sector companies in this study.

The results of this research are that managerial ownership, independent commissioners, audit committees, Non-Performing Loans (NPL) and Loan to Deposit Ratio (LDR) simultaneously have an influence on a bank's financial performance. Partially, only the audit committee has a negative effect on the bank's financial performance. Meanwhile, for managerial ownership, independent commissioners, Non-Performing Loans (NPL) and Loan to Deposit Ratio (LDR) have no influence on the bank's financial performance.