

ABSTRACT

This study aims to analyze the financial health and survival probability of financial institutions, specifically banking companies listed on the Indonesia Stock Exchange (IDX) for the 2015–2024 period. The initial assessment was conducted using the Altman Z Score approach, adapted for companies other than manufacturing companies. Subsequently, a survival analysis was conducted using the Cox Proportional Hazards Model regression method to examine the influence of macroeconomic factors, including inflation, interest rates, and economic growth, on companies experiencing financial distress.

A quantitative method with a descriptive approach was applied in this study. The data sampling process used documentation, namely by collecting data published by the companies in the form of annual financial reports referring to data published by the Indonesia Stock Exchange (IDX) and macroeconomic data from the Central Statistics Agency (BPS) and Bank Indonesia (BI). Purposive sampling was the chosen technique in this study, specifying banks that were actively listed and consistently published financial reports during the 2015–2024 period.

The research results show that inflation significantly influences the survival probability of banking companies experiencing financial distress, while interest rates and economic growth do not. This finding indicates that inflationary pressure is a major external factor affecting the long-term resilience of banks in Indonesia.

Keywords: *Financial Distress, Survival Analysis, Altman Z-Score, Cox Proportional Hazards.*