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DETERMINATION OF IMPAIRMENT LOSSES RESERVE AND ITS IMPACT ON INTEREST EARNED AT PT BANK MANDIRI (PERSERO) TBK FROM 2014-2018

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Abstract:

The purpose of this study is:

1) *To analyze how the different ways of determining impairment losses reserve will affect the interest earned*
2) *To make recommendation on the best way to determine the impairment losses reserve.*

This research method uses a quantitative approach based on time series data and cross sections. The population in this study is PT. Bank Mandiri (Persero) Tbk. In this study the sampling technique used probability sampling method. Determination of the sample using the simple random sampling method. Data analysis method in this study uses multiple regression analysis with the help of SPSS version 24.00. The results of the study show some conclusions as follows: 1) Delay in debt payment obligations (PKPU) is proven to have an influence on allowance for impairment losses (CKPN) with a positive relationship. 2) Credit quality (KK) is proven to have an influence on allowance for impairment losses (CKPN) in a negative direction. 3) Delayed debt payment obligations (PKPU) have been proven to influence interest earned with a negative relationship. 4) Credit quality (KK) is proven to have an influence on interest earned and 5) Allowance for impairment losses (CKPN) is proven to have an influence on interest earned with a negative relationship.

Keywords: Suspension of Debt Payment Obligations; Credit Quality; Non Performance Loan; Debt Repayment Obligation; Allowance for Impairment Losses; Interest Earned.

1. Introduction

The banking financial service sector is a very strategic business sector both in contributing to state revenues and in supporting business financing in the industrial sectors that are driven by the public. In the banking business, we know that there is interest income, moreover a bank which is a company that is known to provide credit facilities, interest is one of the income or profits from a bank's business activities which are charged to customers or bank borrowers who borrow. Interest income is income or profit obtained from banks or other financial companies where this income is obtained from the additional value obtained from loans or loans from customers, then the assumption is known as interest. In the course of its business sometimes debtors experience

defaults due to several things such as business losses, business failures, criminal violations by debtors and even bad intentions from debtors who intentionally do not want to pay their obligations to the bank.

Deferment of Debt Payment Obligations is an alternative debt settlement to avoid bankruptcy. According to Munir Fuady, the Postponement of the Obligation of Debt Payment (PKPU) is a certain period of time given by the law through the decision of the commercial court, in which within that time period the creditor and debtor are given an agreement to deliberate on the methods of paying their debts by providing a plan peace (composition plan) for all or part of the debt, including if necessary restructure the debt. Thus the postponement of debt payment obligations (PKPU) is a kind of moratorium in this case a legal moratorium but the impact of this PKPU credit quality will be good in the sense that the credit collectability will increase thereby reducing the allowance for impairment losses (CKPN) but if Delay in debt payment obligations (PKPU) / Bankruptcy is submitted by other creditors while the collectability of the debtor credit in question in our place is good (smooth), then PKPU will result in a decrease in credit collectability because the Delay in debt payment obligations (PKPU) process takes time so that it will burden allowance for impairment losses (CKPN). Delay in debt payment obligations (PKPU) requests can be submitted by creditors or debtors to the Commercial Court. Delay in debt payment obligations (PKPU's) application can be submitted before there is a bankruptcy request submitted by the debtor or creditor or it can also be submitted after the original bankruptcy application is submitted no later than at the first hearing of the request for bankruptcy statement. However, if a request for bankruptcy and Delay in debt payment obligations (PKPU) is submitted at the same time, the Delay in debt payment obligations (PKPU) application will be examined first.

In the Delay in debt payment obligations (PKPU) process it is very important, it is even the main goal for the debtor, where the debtor as the person who knows the existence of the company best, how the company is in the future both potential and difficulty paying its debts from the possibilities can still rise again from debt bondage -debt to all creditors. Therefore, these peace measures are to develop a new strategy for the debtor to be very important. However, due to the difficulty of repayment of debts which may be due soon which temporarily cannot be resolved, the debtor is forced to make a peace concept, which this concept will later be offered to creditors, thus the debtor can still later, of course if This peace was agreed by the creditors to continue the debtor's company. In other words, the ultimate goal of Delay in debt payment obligations (PKPU) is to achieve peace between the debtor and all creditors of the proposed / offered by the debtor. The purpose of determining credit collectability is to determine credit quality so that banks can anticipate credit risk early because credit risk can affect the business continuity of the bank. In addition, the determination of credit collectability is used to determine the level of potential reserves due to non-performing loans. Determination of credit quality refers to the provisions of Bank Indonesia, namely PBI No.14 / 15 / PBI / 2012 concerning Assessment of Asset Quality for Commercial Banks and SE BI No.7 / 3 / DPN dated January 31, 2005 concerning Assessment of Asset Quality of Commercial Banks. According to the BI, credit quality can be determined based on the following three parameters.

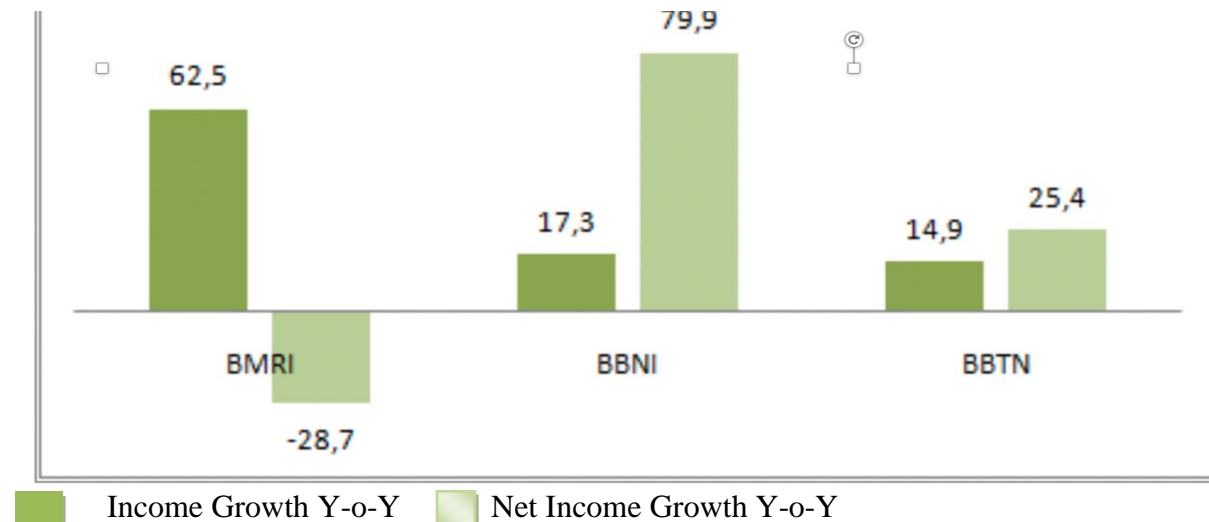Income Growth Y-o-Y   Net Income Growth Y-o-Y

Chart: Comparison of Bank Mandiri, BNI, BTN Semester I 2016 vs. Net Income Growth 2015

Interest Earned (interest income) is obtained from customers (debtors) who borrow funds in the form of credit. The amount of interest income depends on the amount of credit extended and the interest rate set. Each bank has a different interest rate policy that is adjusted to the cost of funds, strategy, and competition faced. Banks apply different interest rates for different types of loans or customer segments. For individual customers, credit cards and unsecured consumer loans are subject to higher interest rates by banks, while housing loans (KPR) or vehicle ownership loans that are guaranteed with purchased assets are charged lower interest rates than unsecured loans.

Interest Earned

Interest earned (IE) is the amount of interest earned during a certain period of time from the acquisition of investment results channeled in the form of credit by banks, interest earned from users of funds that are paid regularly from time to time as agreed. Interest earned is measured by earned interest data obtained from the financial statements of PT. Bank Mandiri (Persero) Tbk.

PPAP and Allowance for Impairment Losses (CKPN) Provisions

Introduction of PPAP and allowance for impairment losses (CKPN) in Decree of the Directors of Bank Indonesia No. 31/147 / KEP / DIR dated 12 November 1998, the formation or provision of funds was referred to as PPAP or Allowance for Earning Assets. In the PPAP, according to the Decree of the Board of Directors of Bank Indonesia No. 31/148 / KEP / DIR concerning the Formation of Allowance for Earning Asset Losses, the formation of reserves or allowance is assessed based on the collectability of the debtor's credit with the following conditions:

1) PPAP General Reserves: Current Category Credit <1%.
2) 1% of earning assets from Loans in the Current category (Current Loans are loans that do not have arrears in both interest payments and principal installments)
3) 5% x Special Mention Category Credits, are loans that have arrears of less than 0 to 90 days
4) 15% x (Unsettled Loans - Collateral Value), are loans with arrears of 91-120 days
5) 50% x (Doubtful Category Credit - Collateral Value) is credit that has arrears for 121-180 days
6) 100% x (Bad Credit Category - Collateral Value) is credit that has over 180 days in arrears

CKPN (Allowance for Impairment Losses)

Banks are required to form CKPN in accordance with applicable financial accounting standards (Banking Credit Business, IBI (2015). CKPN is strongly influenced by Non-Performing Loans (NPLs) or problem loans which are one of the key indicators to assess the performance of bank functions. In CKPN, formation or the allowance for funds is assessed from the results of the debtor's credit evaluation carried out by the bank.If according to a bank there is objective evidence that the credit of the debtor is impaired, the bank must establish a fund or reserve for the credit.

Deferment of Debt Payment Obligations (PKPU)

The definition of bankruptcy given by the Law is a general confiscation of all the assets of a Bankrupt Debtor whose management and settlement is carried out by a curator under the supervision of a Supervising Judge. Or in short, bankruptcy is a strike to make payments. Law Number 37 of 2004 concerning Bankruptcy and Obligation to Delay Debt Payment aims to protect the rights of both parties both creditors and debtors, which are reflected in the articles of the Law
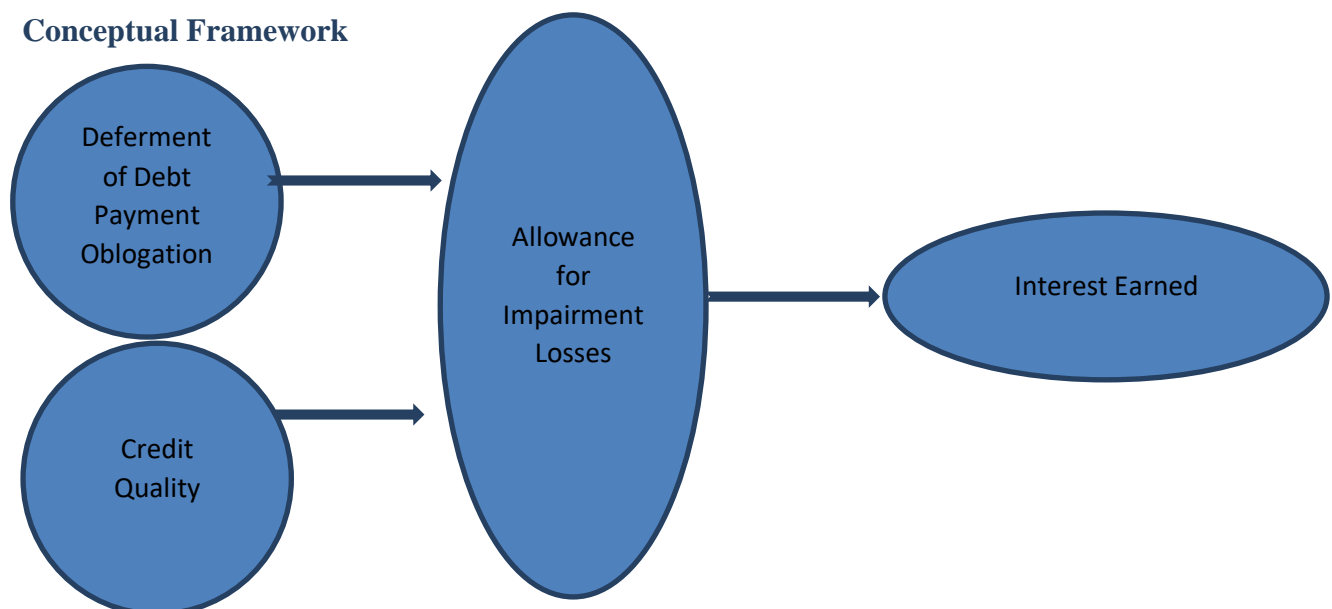
Credit Quality

Determination of credit quality refers to the provisions of Bank Indonesia, namely PBI number 14/15 / PBI / 2012 concerning Assessment of Commercial Bank Asset Quality and SE BI number 7/3 / DPNP dated January 31, 2005 Regarding Commercial Bank Asset Quality Assessment. Credit quality in this study was measured using total debit data from collectives 1 to 5 obtained from the financial statements of PT. Bank Mandiri (Persero) Tbk.

NPL is a basic financial ratio that can provide information on the assessment of capital conditions, profitability, credit risk, market risk and liquidation. Usually the NPL ratio is a short-term target for banks. The higher the ratio of non-performing loans, the level of bank liquidity to third party funds (DPK) will be lower. This is because most of the funds channeled by banks in the form of loans are deposits of third party funds (DPK).

2. Materials and Methods

Conceptual Framework

Hypothesis

Based on the framework that has been made, in order to answer the problem of this research, the proposed hypothesis is as follows:

H1: Allegedly PKPU influences CKPN.

H2: Allegedly the falling credit quality affects CKPN.

H3: It is suspected that a large CKPN will reduce / decrease earned interest.

H4: It is suspected that a large Delay in debt payment obligations (PKPU) will reduce / decrease earned interest.

H5: It is suspected that large credit quality will increase / increase earned interest.

H6: It is suspected that a large Delay in debt payment obligations (PKPU) low credit quality will increase CKPN.

H7: It is suspected that a large Delay in debt payment obligations (PKPU) low credit quality will reduce / reduce interest earned.

Research Methods

This study uses a quantitative approach based on time series data and cross sections. The nature of this research is quantitative which in data processing uses statistical models. This research uses quantitative research methods that are classified into descriptive verification research through hypothesis testing. Research instruments used in research are tests and documentation. The population in this study is PT. Bank Mandiri (Persero) Tbk. In this study the sampling technique used probability sampling method. Determination of the sample using the simple random sampling method, which is a sampling technique that provides equal opportunities to every member in a population to be sampled (Siregar, 2013: 31). This study uses secondary data where data obtained from other parties or indirectly from the main source (company), in the form of data that is documentation. The data used in this study is the data series times, the data obtained from the financial statement data of PT. Bank Mandiri (Persero) Tbk.

The data analysis method used in this study is multiple regression

The relationship between independent variables with the dependent variable can be described through the following linear regression equation:

Model 1

$CKPN = \alpha + \beta 1 PKPU + \beta 2 KK + \varepsilon$

Model 2

$IE = \alpha + \beta 1 PKPU + \beta 2 KK + \varepsilon$

Model 3

$IE = \alpha + \beta 1 CKPN + \varepsilon$

Information:

CKPN = Allowance for impairment losses

IE = Interest earned

PKPU = Postponement of debt payment obligations

KK = Credit quality

α = Constant

β = Regression coefficient which indicates the number of increase or decrease in the dependent variable based on the independent variable

ε = Error (Interference)

The following steps are taken to prove the hypothesis: Hypothesis Test with t-test, F-test, and coefficient of determination.

3. Results and Discussions

Before doing multiple regression testing and hypotheses. The researcher first tests classical assumptions. The classic assumption test is used to obtain an estimated value or an unbiased coefficient value from the regression model. Following are the presentation of the classic assumptions in the regression model.

Normality Test

Based on the results of normality testing, it is known that the value of Kolmogorov-Smirnov in Model 1 is 0.154 and the significance is 0.071 while in model 2, it has a Kolmogorov-Smirnov value of 0.117 and a significance of 0.139, while in model 3 it has a Kolmogorov-Smirnov value of 0.130 and a significance of 0.064. These three moods have a significance value that is greater than 0.05, therefore it can be concluded that all models have normal distributed residual data.

Multicollinearity Test

Based on the multicollinearity test results, it is known that the multicollinearity test results in model 1, model 2 and model 3, indicate that there is no multicollinearity problem because in all research models each variable gets a tolerance value greater than 0.1 and a VIF of less than 10.

Heteroscedasticity Test

Based on the results of heteroscedasticity test, all models in the study are free from heteroscedasticity problems, because the independent variable model 1 is PKPU and KK while the independent variable model 2 is PKPU and KK, then model 3 namely CKPN has a significant value> 0.05

Autocorrelation Test

Based on the results of the autocorrelation test, it is known that the results of the autocorrelation test with the Durbin-Watson model 1, the DW-calculated value is 1.540. This value will be compared with the alpha table value of 5%, the number of samples (n) is 60 and the amount.

The independent variable is 2 (k = 2), then the Durbin Watson table values obtained are dl = 1.514 and du = 1.652. From the Durbin-Watson value of 1.540 it can be concluded that dl <d <du with a value of 1.514 <1.540 <1.652. So, it is stated that there is no positive autocorrelation.

Furthermore, the results of autocorrelation testing of model 2 with Durbin-Watson, the DW-Calculate value of 1.620. This value will be compared with the alpha table value of 5%, the number of samples (n) of 60 and the number of independent variables of 2 (k = 2), then the Durbin Watson table values obtained are dl = 1.514 and du = 1.652. From the Durbin-Watson value of 1.620 it can

be concluded that dl <d <du with a value of 1.514 <1.620 <1652. So it is stated that there is no positive autocorrelation. Model 3 autocorrelation test results can be seen in the table below.

The results of autocorrelation testing of model 3 with Durbin-Watson, the DW-calculated value of 1.603. This value will be compared with the alpha table value of 5%, the number of samples (n) of 60 and the number of independent variables of 1 (k = 1), then the Durbin Watson table values obtained are dl = 1.549 and du = 1.616. From the Durbin-Watson value of 1.606 it can be concluded that dl <d <du with a value of 1.549 <1.603 <616. So it is stated that there is no positive autocorrelation.

Multiple Regression Analysis

Table 1: Model 1 Multiple Regression Test Results

Coefficients					
Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std. Error**	**Beta**		
1 (Constant)	-7573.425	20547.497		-.369	.714
PKPU	.238	.087	.901	14.285	.000
KK	-.611	.020	.520	-30.999	.000
a. Dependent Variable: CKPN					

Unstandardized Coefficients Model Standardized Coefficients t Sig.
B Std. Beta Error
1 (Constant) -7573,425 20547,497 -,369 .714
PKPU .238 .087 .901 14.285 .000
KK-611 .020 .520 -30.999 .000
Dependent Variable: CKPN

CKPN = -7573, 425 + 0,238PKPU - 0,611KK + e
- a (constant) = -7573,425; states if the postponement of debt payment obligations (PKPU) and credit quality (KK) does not exist or is 0, then the allowance for impairment losses (CKPN) will have a value of 0. Delayed debt payment obligations (PKPU) = 0.238, explaining that if there is an increase in the debt repayment obligation (PKPU) variable by one unit, the allowance for impairment losses (CKPN) will increase by 0.238.

Credit quality (KK) = -0.611, explaining that if there is an increase in the variable credit quality (KK) by one unit, the allowance for impairment losses (CKPN) will decrease by 0.611

Table 2: Multiple Regression Test Results Model 2

Coefficients					
Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std. Error**	**Beta**		
1 (Constant)	4606156.097	79902.581		57.647	.000
PKPU	-1.224	.337	-.572	-3.630	.001
KK	.603	.077	1.238	7.861	.000
a. Dependent Variable: Interest Earn					

Interest Earn = 4606156,097 - 1,224PKPU + 0,603KK + e
- a (constant) = 4606156,097; states if the postponement of debt payment obligations (PKPU) and credit quality (KK) does not exist or is 0, then the interest earned will have a value of 4606156,097.
- Delayed debt payment obligations (PKPU) = -1.224, explaining that if there is an increase in the variable delay of debt payment obligations (PKPU) by one unit, then the interest earned will decrease by 1,224.
- Credit Quality (KK) = 0.603, explaining that if there is an increase in the variable credit quality delay (KK) by one unit, then the interest earned will increase by 0.603

Table 3: Model 3 Multiple Regression Test Results

Coefficients a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	4554108.084	58734.532		77.537	.000
CKPN	-1.069	.075	-.883	-14.302	.000
a. Dependent Variable: Interest Earn					

Unstandardized Coefficients Model Standardized Coefficients t Sig.
B Std. Beta Error
1 (Constant) 4554108,084 58734,532 77,537 .000
CKPN -1.069 .075 -.883 -14.302 .000
a. Dependent Variable: Interest Earn

Interest Earn = 4554108,084 - 1,069CKPN + e
- a (constant) = 4554108,084; states if the allowance for impairment losses (CKPN) does not exist or is 0, then the interest earned will have a value of 4554108,084.

Decreases Allowance for impairment losses (CKPN) = -1.069, explains that if there is an increase in the variable allowance for impairment losses (CKPN) by one unit, the interest earned will decrease by 1.069

Hypothesis Testing
Hypothesis Test with t Test
Based on Table 1 above, for model 1 it can be explained that the PKPU variable obtained a positive beta value of 0.238 with a t-statistic value of 14.285> t-table 2.002 and a significant value of 0.000 <0.05. These results indicate that the PKPU variable is partially proven to have an influence on CKPN with the direction of a positive relationship.

Based on Table 1 above, for model 1 it can be explained that the KK variable obtained a negative beta value of 0.611 with a t-statistic value of -30.999> t-table 2.002 and significant 0.000 <0.05. These results indicate that the KK variable is partially proven to have an influence on CKPN in a negative direction.

Based on Table 2 above, for model 2 it can be explained that the PKPU variable obtained a negative beta value of 1.224 with a t-statistic value of 3.630 and a t-table value of 2.002 (df = 57; alpha =

0.05) and a significant value of 0.001 <0.05. These results indicate that the PKPU variable is partially proven to have an influence on interest earned with a negative relationship.

Based on Table 2 above, for model 2 it can be explained that the KK variable obtained a positive beta value of 0.603 with a t-statistic value of 7.861 and a t-table value of 2.002 (df = 57; alpha = 0.05) and a significant value of 0.000 <0.05. These results indicate that the KK variable is partially proven to have an influence on interest earned with a positive relationship direction.

Based on Table 3 above, for model 3 it can be explained that the CKPN variable obtained a negative beta value of -1.069 with a t-statistic value of -14.302 and a t-table value of 2.001 (df = 59; alpha = 0.05) and a value of significant 0,000 <0.05. These results indicate that the CKPN variable is partially proven to have an influence on interest earned with a negative relationship.

Hypothesis Test with F Test

Table 4: Simultaneous Hypothesis Results (Test F) Model 1

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6531024873000.000	2	3265512437000.000	783.012	.000b
	Residual	237715597500.000	57	4170449080.000		
	Total	6768740471000.000	59			
a. Dependent Variable: CKPN						
b. Predictors: (Constant), KK, PKPU						

Based on Table 4 above, the results of the simultaneous hypothesis testing of model 1 can be explained that the variable delays in debt payment obligations (PKPU) and credit quality (KK) obtain an F-statistic value of 783,012 and a significant value of 0,000 <0.05 so that Ho6 is rejected and Ha6 is accepted . These results indicate that the variable delay in debt payment obligations (PKPU) and credit quality (KK) is proven to simultaneously have an influence on the allowance for impairment losses (CKPN).

Table 5: Simultaneous Hypothesis Results (Test F) Model 2

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6337696582000.000	2	3168848291000.000	50.248	.000b
	Residual	3594689880000.000	57	63064734740.000		
	Total	9932386462000.000	59			
a. Dependent Variable: Interest Earn						
b. Predictors: (Constant), KK, PKPU						

Based on Table 5 above, the results of simultaneous hypothesis testing of model 2 can be explained that the variable delay in debt payment obligations (PKPU) and credit quality (KK) obtained an F-statistic value of 50,248 and an F-table value of 3.159 (df1 = 2 df2 = 57; alpha = 0.05) and a significant value of 0.000 <0.05 so that Ho7 is rejected and Ha7 is accepted. These results indicate that the variable delay in debt payment obligations (PKPU) and credit quality (KK) are proven to simultaneously have an influence on interest earned.

Furthermore, the results of the coefficient of determination test are carried out to determine the magnitude of the effect simultaneously between the independent variables on the dependent variable, this is indicated by the magnitude of the coefficient of determination (R2). The results of testing the coefficient of determination in this study can be seen in the following table.

Table 6: Model Determination Coefficient Results 1

Model Summary			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.982a	.965	.964	64579.01424
a. Predictors: (Constant), KK, PKPU			
b. Dependent Variable: CKPN			

Based on table 6 above, the results of testing the coefficient of determination in model 1 obtained an R-Square value of 0.965 or 96.5% meaning that the postponement of debt payment obligations (PKPU) and credit quality (KK) jointly contributed to the reserve variable impairment loss (CKPN) of 96.5%, while the remainder (3.5%) is influenced by other variables outside the research model.

Table 7: Model Determination Coefficient Results 2

Model Summary			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.799a	.638	.625	251126.92950
a. Predictors: (Constant), KK, PKPU			
b. Dependent Variable: Interest Earn			

Based on table 7 above, the results of testing the coefficient of determination in model 2 obtained an R-Square value of 0.638 or 63.8% meaning that the postponement of debt payment obligations (PKPU) and credit quality (KK) together contributed to the variable interest earned 63.8%, while the remainder (36.2%) is influenced by other variables outside the research model.

Table 8: Results of the Model Determination Coefficient Result 3

Model Summary			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.883a	.779	.775	194503.18660
a. Predictors: (Constant), CKPN			
b. Dependent Variable: Interest Earn			

Based on table 8 above, the results of testing the coefficient of determination in model 3 obtain an R-Square value of 0.779 or 77.9% meaning that the allowance for impairment losses (CKPN) together contribute to the interest earned variable of 77.9%, while the rest of (22.1%) is influenced by other variables outside the research model.

Discussion of Research Results
Hypothesis testing presented in this study shows that all hypotheses tested using the multiple regression analysis method, indicate that all hypotheses were accepted. The following is a discussion of each of these hypotheses.

1) That the Postponement of the Obligation for Debt Payment affects the Allowance for Impairment Losses, PKPU affects the CKPN because when the PKPU process, which lasts up to 270 days, will have an impact on the delay in obtaining a bank interest, so that the credit quality goes down, which in turn puts a burden on CKPN reserves. In accordance with Hypothesis 1, PKPU has negative influence on CKPN.

2) Credit Quality affects CKPN, this study provides the same results as the theory that credit quality (NPL) has a significant effect on CKPN because poor credit quality will burden the provision (CKPN). Hypothesis 2, Credit Quality influences CKPN.

3) In this study proves that CKPN has an influence on Interest Earned and this is in accordance with previous theories and research by IBI (2016), a high Allowance for Impairment Losses will reduce the income from Interest earned. Hypothesis 3: CKPN has a negative effect on Interest Earned.

4) Delayed debt payment obligations (PKPU) will indirectly affect Interest Earned. This happens because after the PKPU process runs, the debtor is not allowed to make any transactions, including interest payments to the Bank. Hypothesis 4: PKPU has a negative effect on Interset Earned.

5) Credit quality (KK) has a significant effect on Interest earned. Hypothesis 5: Credit Quality affects Interest Received.

6) Deferment of Obligations for Debt Payments and Credit Quality significantly influences the allowance for impairment losses (CKPN). Hypothesis 6: PKPU and KK influence CKPN.

7) Deferral of Debt Payment Obligations and Credit Quality significantly influences and earned interest. Hypothesis 7 PKPU and KK affect Interest earned.

4. Conclusions and Recommendations

Based on the results of tests that have been carried out through statistical calculations, the conclusions obtained in this study are as follows:

1) Delayed debt repayment obligations (PKPU) are proven to have an influence on CKPN with a positive direction.

2) Credit quality (KK) is proven to have an influence on CKPN in a negative direction.

3) Delayed debt payment obligations (PKPU) have proven to influence interest earned with a negative relationship.

4) Credit quality (KK) is proven to have an influence on interest earned.

5) Allowance for impairment losses (CKPN) is proven to have an influence on interest earned with a negative relationship.

6) Delayed debt payment obligations (PKPU) and credit quality (KK) have been proven to simultaneously have an effect on the allowance for impairment losses (CKPN) because they obtained an F-statistic value of 783,012 greater than the F-table value of 4,007 (df = 58; alpha = 0.05) and a significant value of 0.000 <0.05.

7) Delayed debt repayment obligations (PKPU) and credit quality (KK) simultaneously proved to have an influence on interest earned because they obtained an F-statistic value of 50,248 greater than an F-table value of 4,007 (df = 58; alpha = 0.05) and a significant value of 0,000 <0.05.

8) Considering that PKPU has a negative impact on CKPN, banks should maintain that debtors maintain their ability to continue to generate business profits so that debtors can minimize the possibility of PKPU by other creditors.

9) The bank maintains the quality of the debtor's credit so that it remains smooth so that the Allowance for Impairment Losses remains low, namely by implementing an early warning system in monitoring the health of the debtor.

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