ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh *Non-Performing Loan* (NPL) dan *Loan to Deposit Ratio* (LDR) terhadap profitabilitas pada Bank Perekonomian Rakyat (BPR) Konvensional di Kabupaten Lumajang. Profitabilitas diukur menggunakan *Return on Assets* (ROA) sebagai indikator utama. Penelitian ini menggunakan pendekatan kuantitatif dengan metode analisis regresi linier berganda. Data yang digunakan merupakan data sekunder berupa laporan keuangan triwulanan dari BPR Konvensional di Kabupaten Lumajang selama periode 2021 hingga 2023. Hasil penelitian menunjukkan bahwa *Non-Performing Loan* (NPL) berpengaruh negatif dan signifikan terhadap profitabilitas, sedangkan Loan to Deposit Ratio (LDR) berpengaruh positif terhadap profitabilitas. Temuan ini memberikan implikasi bagi pengelolaan risiko kredit dan likuiditas dalam upaya meningkatkan kinerja keuangan BPR.

Kata Kunci: *Non-Performing Loan, Loan to Deposit Ratio,* dan Profitabilitas

ABSTRACT

This study aims to analyze the effect of Non-Performing Loan (NPL) and Loan to Deposit Ratio (LDR) on the profitability of Conventional Rural Banks (BPR) in Lumajang Regency. Profitability is measured using Return on Assets (ROA) as the primary indicator. The study employs a quantitative approach using multiple linear regression analysis. The data used are secondary data in the form of quarterly financial reports from Conventional BPRs in Lumajang Regency for the period 2021 to 2023. The results show that Non-Performing Loan (NPL) has a negative and significant effect on profitability, while Loan to Deposit Ratio (LDR) has a positive effect on profitability. These findings provide implications for managing credit and liquidity risks in an effort to improve the financial performance of BPRs.

Keywords: *Non-Performing Loan, Loan to Deposit Ratio, and Profitability*