Grobogan Regency Banking Movement to Rise against Covid-19 (Analysis Study of PT BPR BKK Purwodadi (Perseroda) Using the RGEC Method in 2019-2021)

Aldita Nada Buana [1], Yuli Tri Cahyono[2]

nadabuanaaldita@gmail.com , ytc115@ums.ac.id

[1] *Faculty of Economics and Business, University of Muhammadiyah Surakarta,Indonesia,*
[2]*Faculty of Economics and Business, University of Muhammadiyah Surakarta, Indonesia,*

ABSTRACT: *The Covid-19 pandemic has changed the Indonesian economy so that community financing has increased. Bank is a business entity that plays a role in the community by raising funds and distributing them to the community through credit or other conditions. During the operation, the bank needs to pay attention to the level of health. This study aims to determine the health level of banks using the RGEC method during the Covid-19 pandemic. This type of research is included in qualitative research. The object used in this study is PT BR BKK Purwodadi (Perseroda). The kind of data used in this study is secondary data. The method of data collection used in this study is documentation. in the form of documents obtained based on the financial statements of PT BPR BKK Purwodadi (Perseroda) for 2019-2021, which have been published through the site www.bankbkkpurwodadi.co.id. Data analysis techniques used use the significant factor. The data analysis results show that PT BR BKK Purwodadi (Perseroda) in 2019-2020 obtained the very healthy predicate, and for 2021 received the healthy predicate. Thus the bank shall maintain meningitis health.*

Keywords: Bank Health, Methods RGEC, Covid-19, PT BPR BKK Purwodadi (Perseroda)

I.   INTRODUCTION

The end of 2019 was the beginning of the country's shaky economy, and even the world after the WHO (World Health Organization) decreed the coronavirus pandemic disease (Covid-19). Long and continuous efforts are made in all aspects. In the face of Covid-19, the Indonesian government is rapidly reducing its economic impact. The economic impact caused by Covid-19 could be more significant than the health impact, and economic growth will slow down. In the event of an economic slowdown, the absorption of Labor will decrease, and unemployment and poverty will increase. This will change the economic and social order, causing MSMEs (micro, small, and Medium Enterprises) to collapse and many people to lose their jobs, impacting people's finances. The effect of the pandemic resulted in increased community financing.

PT BPR BKK Purwodadi (Perseroda) is a rural bank whose capital is owned by the provincial and district governments. It was established in 1970 when the economic conditions could be said to be poor, and people generally lacked capital for their business activities. PT BPR BKK Purwodadi (Perseroda) is a bank that aims to channel money to people who need Camm in Grobogan Regency and as a contributor to PAD (local revenue). The impact of Covid-19 on PT BPR BKK Purwodadi (Perseroda) affects the company's performance. Competition between banks is getting sharper; banks must continue to innovate to compete. Therefore, the

bank needs to assess its health of the bank regularly. Based on Bank Indonesia Regulation No. 13/1 / PBI/2011 on January 5, 2011, regarding changes in determining the health of a commercial bank.

The bank's soundness level is assessed by RGEC factors: Risk Profile, Good Corporate Governance, Earnings, and Capital. RGEC is considered to measure the bank's health and identify potential risks. This assessment includes an assessment of the inherent risks and the quality of implementing risk management in the bank's operational activities. Based on this background, researchers are interested in analyzing the level of bank health at PT BPR BKK Purwodadi (Perseroda). For this reason, the researcher took the title "Grobogan Regency banking movement in an effort to rise up against Covid-19, annual analysis study of PT BPR BKK Purwodadi (Perseroda) year 2019-2021"

II.   MATERIAL AND METHODS

2.1. Agency Theory)
According to Fauziyah (2017:28) agency theory is based on the incompleteness of contracts and the separation between ownership and management shareholders. There are two parties in the company that interact with each other, namely the company owner and company management. Bank performance measurement can be based on the theory because it is related to the company's management.

2.2. Definition Of Financial Performance
According to Rudianto (2013:189), financial performance is the results or achievements that the company's management has achieved in carrying out its functions to manage its assets during a specific period effectively. The company needs financial performance to determine and evaluate the extent to which the level of success of the company is based on economic activities that have been implemented.

2.3. Definition Of Financial Statements.
According to Hidayat (2018:2), financial statements are information that describes a company's financial condition, where the information can be used as a description of a company's financial performance.

2.4. Purpose of financial statements.
According to Wahyuni (2020:58), financial statements provide comprehensive information about the company's financial position, financial performance, and cash flow. Such information is essential and valuable for related parties to support making important and strategic economic decisions.

2.5. Bank Health.
Based on Article 29 of Law No. 7 of 1992 on banking, as amended by Law No. 10 of 1998 on Banking, banks are obliged to maintain their health level by the provisions of capital adequacy, asset quality, management quality, liquidity, profitability and solvency, as well as other aspects related to the bank's business. They are obliged to conduct business activities by the precautionary principle. According to Bank Indonesia Circular No. 13/24 / DPNP year 2011 on bank soundness assessment, that bank soundness assessment is a qualitative assessment of various aspects that affect the condition or performance of a bank through the assessment of soundness, Risk profile, Good Corporate Governance, Earnings, Capital.

2.6   Methods *RGEC*
To assess the soundness of the bank, by Bank Indonesia Regulation Number 13/1/PBI/2011 on the assessment of the health of commercial banks, banks are required to assess the health of the bank individually using a risk-based Bank Rating approach using assessment factors known as RGEC (Risk Profile, GCG, Earnings, and Capital). The assessment indicators used to measure the level of performance of banking companies are as follows:

a. Risk Profile

The risk profile is a condition of uncertainty in every company's activities. Business risks affect the company's business and ability to meet its obligations.

b. *Good Corporate Governance* (*GCG*)

According to Franita (2018: 10), GCG is a system that manages and oversees the business control process and as a form of accountability to shareholders without neglecting the interests of stakeholders (employees, creditors, and the community). There are five basic principles and assessment of self-assessment dilauan be permanent.

c. *Earning*

Bank earning ratio analysis is a tool to analyze or measure the business efficiency and profitability the bank concerned achieves.

d. *Capital*

Capital is a capital adequacy ratio that shows the ability of banks to provide funds used to overcome the possible risk of loss.

III. RESEARCH METHOD

Types of Research

This type of research is included in qualitative research, which is one type of research that is systematic, planned, and structured from the beginning to the end of research creation (Sugiyono, 2016:11). In this study, researchers analyzed the financial performance of PT BR BKK Purwodadi (Perseroda) during Covid-19 which took place during 2019-2021. The type of data used in this study is secondary data, namely data obtained indirectly as obtained through documents. The Data was obtained from the official website of PT BPR BKK Purwodadi (Perseroda) in 2019-2021, which has been published at www.bankbkkpurwodadi.co.id

Data Collection Techniques

The method of data collection used in this study is documentation. In this case, the data in the form of these documents were obtained based on the financial statements of PT BPR BKK Purwodadi (Perseroda) for the period 2019-2021, which have been published through the website www.bankbkkpurwodadi.co.id

Data Analysis Techniques

Data analysis techniques used by researchers in this study assess the level of bank health with rgec factor assessment coverage. The data that has been collected is then processed and analyzed descriptively. Researchers collected data on the financial statements of the company PT BPR BKK Purwodadi (Perseroda) which then researchers conducted an assessment of each RGEC factor, including:

1. For risk factor profile was analyzed using variables *NPL* dan *LDR.*

    a. *NPL*

    NPL is a tool to measure problem loans given by banks to customers. NPL is calculated by the formula (SEOJK.03, 2020):

$$NPL = \frac{Non-performing\ loans}{total\ Credit} \text{ X } 100\%$$

NPL assessment criteria are shown in Table 1

Table 1: NPL DETERMINATION CRITERIA MATRIX

Composite Rating	Description Criteria	Criteria
1	Very Healthy	0% < *NPL* < 2%
2	Healthy	2% < *NPL* < 5%
3	Quite Healthy	5% < *NPL* < 8%
4	Less Healthy	8% < *NPL* < 11%
5	Unhealthy	*NPL* > 11%

Sources**:** Simatupang & Tobing, 2022

b. *LDR*

LDR is a ratio used to measure the number of funds provided compared to the number of public funds and own capital. The formula for finding the LDR is (SEOJK.03, 2020):

$$LDR = \frac{Total\ Credit}{Funds\ from\ third\ parties} \times 100\%$$

LDR assessment criteria are shown in Table 2

Table 2: LDR DETERMINATION CRITERIA MATRIX

Composite Rating	Description	Criteria
1	Very Healthy	50% < *LDR* < 75%
2	Healthy	75% < *LDR* < 85%
3	Quite Healthy	85% < *LDR* < 100%
4	Less Healthy	100% < *LDR* < 120%
5	Unhealthy	*LDR* > 120%

Sources: SE BI No.6/23./DPNP/2004.

2. For GCG factors taken from the annual report of PT BPR BKK Purwodadi (Perseroda), which has conducted a self-assessment of the Implementation of GCG. Banks must conduct periodic self-assessments, which includes at least 11 assessment factors for the Implementation of governance, namely:

a. Implementation of the duties and responsibilities of the Board of Directors.
b. Implementation of the duties and responsibilities of the Board of Commissioners.
c. Completeness and Implementation of committee tasks.
d. Handling of conflicts of interest.
e. Implementation of the compliance function.
f. Implementation of the internal audit function.
g. Implementation of the external audit function.
h. Application of risk management, including internal control system.
i. Provision of funds to related parties (related party) and the provision of significant funds (considerable exposure).
j. Transparency of the bank's financial and non-financial conditions, reports on the Implementation of governance and internal reporting.
k. Strategic plan of the bank.
GCG assessment criteria are shown in Table 3

Table 3: GCG DETERMINATION CRITERIA MATRIX

Rating	Composite Value	Description
1	Composite value < 1,5	Very good
2	1,5 < Coposit Value< 1,6	Good
3	2,5 < Coposit Value< 3,5	Good enough
4	3,5 < Coposit Value< 4,5	Less good
5	4,5 < Coposit Value< 5	Not good

Sources: Muhammad dan Abdi, 2021.

3. The ratio of ROA and ROE is used to assess the earning factor.
   a. ROA

ROA is a ratio used to measure the ability of bank management to obtain overall profits. The amount of ROA is calculated by the formula (SEOJK.03/2020):

$$ROA = \frac{LProfit\ after\ tax}{average\ total\ assets} \times 100\%$$

Roa assessment criteria are as shown in Table 4

Table 4: ROA DETERMINATION CRITERIA MATRIX

Composite Rating	Description	Criteria
1	Very Healthy	$ROA > 1,5\%$
2	Healthy	$1,25\% < ROA \leq 1,5\%$
3	Quite Healthy	$0,5\% < ROA \leq 1,25\%$
4	Less Healthy	$0\% < ROA \leq 0,5\%$
5	Unhealthy	$ROA \leq 0\%$

Sources : Simatupang dan Tobing, 2022.

b. *ROE*

ROE is an indicator to measure the bank's ability to obtain net income associated with dividend payments. The amount of ROE value is calculated by the formula (SEOJK.03/2022):

$$ROE = \frac{Net\ Profit\ After\ Tax}{Modal} \times 100\%$$

ROE assessment criteria are shown in Table 5

Table 5: ROE DETERMINATION CRITERIA MATRIX

Rating	Description	Criteria
1	Very Healthy	$ROE > 15\%$
2	Healthy	$12,5\% < ROE \leq 15\%$
3	Quite Healthy	$5\% < ROE \leq 12,5\%$
4	Less Healthy	$0\% < ROE \leq 5\%$
5	Unhealthy	$ROE \leq 0\%$

Sources: Sari, 2019.

4. For the capital factor in this study used is CAR.

CAR is a capital adequacy ratio that shows banks' ability to provide funds to overcome the possible risk of loss. CAR can be obtained by the formula (SEOJK.03, 2020):

$$CAR = \frac{Capital\ bank}{risk-Weighted\ Assets} \times 100\%$$

The CAR assessment criteria are as can be seen in Table 6

Table 6: CAR DESIGNATION CRITERIA MATRIX

Rating	Ratio	Description
1	$CAR \geq 12\%$	Very Healthy
2	$9\% \leq CAR < 12\%$	Healthy
3	$8\% \leq CAR < 9\%$	Quite Healthy
4	$6\% \leq CAR < 8\%$	Less Healthy
5	$CAR < 6\%$	Unhealthy

Sources: Simatupang dan Tobing, 2022.

The composite rating was established on the basis of a comprehensive and structured analysis of the bank's soundness rating of each factor from 2019-2021 and taking into account the general principles of the bank's soundness rating. For the determination of the composite rating can be calculated by the formula (Simatupang dan Tobing, 2022):

$$\text{Composite Rating} = \frac{\text{Total Composite Value}}{\text{Total Overall Composite Value}} \times 100\%$$

Composite ratings are categorized into five ratings, as shown in Table 7

Table 7: MATRIX OF COMPOSITE RANKING CRITERIA

Rating	Ratio	Description
PK 1	Very Healthy	86% - 100%
PK 2	Healthy	71% - 85%
PK 3	Quite Healthy	61% - 70%
PK4	Less Healthy	41% - 60%
PK 5	Unhealthy	≤ 40%

Sources: Simatupang dan Tobing, 2022.

The last step is to draw conclusions about the assessment of the soundness of the bank in accordance with the regulations set by Bank Indonesia based on the calculation of the ratio that has been determined.

IV.   RESULTS

Data Description

PD BPR BKK Purwodadi was established in 1970 which was originally a non-bank financial institution called BKK (District Credit Bank). Economic conditions in that year can be said to be very concerned, so that in carrying out its business activities people lack capital. BKK developed so well, that on October 8, 1991, obtained the approval of the minister of finance as a rural bank with the number Kep-346/KM.13/1991 which aims to distribute capital to people who need Kamm in Grobogan Regency and as a contributor to PAD (local revenue).

Until now there are 18 BKK in Grobogan Regency which is still a separate unit, so that in running their business there is still often competition in providing services. Regarding this matter, PD BPR BKK Purwodadi in Grobogan Regency conducted a business merger or merger.

On October 21, 2005, in accordance with the decree of the Deputy Governor of Bank Indonesia number 7/7/KEP.DP G / 2005 on Business Incorporation permit and Central Java Governor Decree No. 503/68/2005 on approval of Business Incorporation permit, as many as 18 PD combine to PD PR BKK Purwodadi. On March 5, 2020, the decree of the Minister of Law and Human Rights of the Republic of Indonesia number Ahu-0013573.Ah.01.01 year 2020 on the ratification of the establishment of a Limited Liability Company Legal Entity, PD BPR BKK Purwodadi officially changed its legal entity status to PT BPR BKK Purwodadi (Perseroda).

Financial Perspective

Table 8 shows the summary information of the financial statements of PT BPR BKK Purwodadi (Perseroda) for 2019-2021.

Table 8: FINANCIAL REPORT DATA OF PT BPR BKK PURWODADI (PERSERODA) FOR 2019-2021

Number	Account name	2019	2020	2021
1	Risk Weighted Assets	Rp 653.647.428.788	Rp 435.149.256.588	Rp 450.594.273.800
2	Third-party funds	Rp 859.268.292.633	Rp 990.765.320.604	Rp 1.069.334.460.135
3	Problem Credit	Rp 35.096.924.074	Rp 45.619.546.000	Rp 56.604.387.704
4	Profit after Tax	Rp 28.417.495.577	Rp 31.775.660.340	Rp 34.610.768.102
5	Total Assets	Rp 877.529.188.166	Rp 1.014.564.290.971	Rp 1.093.046.992.055
6	Total Equity	Rp 68.606.301.969	Rp 83.008.051.527	Rp 86.185.617.561
7	Total Credit	Rp 771.656.286.369	Rp 840.528.790.000	Rp 910.582.943.994
7	Complementary Capital	Rp 3.875.180.936	Rp 5.439.365.707	Rp 5.632.428.423
8	Core Capital	Rp 100.279.716.302	Rp 117.651.738.930	Rp 124.788.911.672

Source: Secondary data processed author, 2023.

The following are the results of the assessment using the RGEC method at PT BPR BKK Purwodadi (Perseroda) in 2019-2021.

1. Assessment of bank soundness in 2019
   Composite bank health rating Data is as shown in Table 9

TABLE 9: COMPOSITE RATING OF PT BPR BKK PURWODADI (PERSERODA) FROM EVERY ASPECT OF RGEC IN 2019

Year	Number	Aspect	Results	1	2	3	4	5	Predicate	Composite rating
						Criteria				
2019	1	*Risk Profile:*								Very Healthy
		NPL	4,55%		V				Healthy	
		LDR	89,80%			V			Quite Healthy	
	2	*GCG:*								
		Self Assesment	2,37		V				Healthy	
	3	*Earnings :*								
		ROA	3,24%	V					Very Healthy	
		ROE	41,42%	V					Very Healthy	
	4	*Capital:*								
		CAR	15,93%	V					Very Healthy	
		Composite value	30	15	8	3	_	_	$\frac{26}{30}$X 100% = 86,67%	

Source: Secondary data processed author, 2023.

Based on the data in Table 9 the number of composite values is equal to 30 obtained from the multiplication of the number of assessment components amounting to 6 with the number of existing ratings of 5. If you have provided a checklist in each ranking that is in accordance with the results of the calculation of each indicator, namely from PK-1 which is worth 15 (the value is obtained from the ratio of ROA, ROE, and CAR), in PK-2 the value is 8 from the NPL ratio and the GCG aspect of PK-3 is obtained from the LDR ratio, so that the sum of the actual value in 2019 is 26. The value is further divided by its composite value of 30 and multiplied by 100%. The result of this calculation is a composite value of the health level of bank PT BPR BKK Purwodadi (Perseroda) in 2019 of 86.67% with a very healthy predicate.

2. Assessment of bank soundness in 2020

   Composite bank health rating Data is as shown in Table 10.

TABLE 10: COMPOSITE RATING OF PT BPR BKK PURWODADI (PERSERODA) FROM EVERY ASPECT OF RGEC IN 2020

Year	Number	Aspect	Results	1	2	3	4	5	Predicate	Composite rating
2020										Very Healthy
	1	*Risk Profile:*								
		NPL	5,43%			V			Quite Healthy	
		LDR	84,84%		V				Healthy	
	2	*GCG:*								
		Self Assesment	2,29		V				Healthy	
	3	*Earnings :*								
		ROA	3,13%	V					Very Healthy	
		ROE	38,28%	V					Very Healthy	
	4	*Capital:*								
		CAR	28,29%	V					Very Healthy	
		Composite value	30	15	8	3	_	_	$\frac{26}{30}$X 100% = 86,67%	

Source: Secondary data processed author, 2023

Based on the data in Table 10 the number of composite values of 30 obtained from the multiplication of the number of components of the assessment of 6 with the number of existing ratings of 5. If you have provided a checklist in each ranking that is in accordance with the results of the calculation of each indicator, namely from PK-1 which is worth 15 (the value is obtained from the ratio of ROA, ROE, and CAR), on PK-2 is worth 4 from the LDR ratio, and GCG aspects. In PK-3, it is obtained from the NPL ratio, so that the sum of the actual values in 2020 is 26. The value is further divided by its composite value of 30 and multiplied by 100%. The results of these calculations show a composite value of the health level of bank PT BPR BKK Purwodadi (Perseroda) in 2020 of 86.67% with a very healthy predicate.

3. Assessment of the soundness of banks in 2021

   Composite bank health rating Data is as shown in Table 11.

TABLE 11: COMPOSITE RATING OF PT BPR BKK PURWODADI (PERSERODA) FROM EVERY ASPECT OF RGEC IN 2021

Year	Number	Aspect	Results	1	2	3	4	5	Predicate	Composite rating
2021										Healthy
	1	*Risk Profile:*								
		NPL	6,22%			V			Quite Healthy	
		LDR	85,15%			V			Quite Healthy	
	2	*GCG:*								
		Self Assesment	2,23		V				Healthy	
	3	*Earnings :*								
		ROA	3,17%	V					Very Healthy	
		ROE	40,16%	V					Very Healthy	
	4	*Capital:*								
		CAR	28,94%	V					Very Healthy	
		Nilai Komposit	30	15	4	6	_	_	$\frac{25}{30}$X 100% = 83,33%	

Source: Secondary data processed author, 2023

    Based on the data in Table 11, the number of composite values of 30 was obtained by multiplying the number of components of the assessment by 6 with the number of existing ratings of 5. If you have provided a

checklist in each ranking that is by the results of the calculation of each indicator, namely from PK-1, which is worth 15 (the value is obtained from the ratio of ROA, ROE, and CAR), and PK-2, GCG aspects are obtained and PK-3 is obtained from the NPL and LDR ratios so that the sum of the actual values in 2021 is 25. The value is further divided by its composite value of 30 and multiplied by 100%. The result of this calculation is a composite value of the health level of bank PT BPR BKK Purwodadi (Perseroda) in 2020 of 83.33% with the predicate healthy.

Discussion Of Analysis Results

    Based on the results of research using the RGEC method at PT BPR BKK Purwodadi (Perseroda) in 2019-2021, the analysis results were obtained as described below.

a. *Risk profile*
    Financial ratios in this study used two indicators to assess the health of the bank as seen from the aspect of risk profile, namely the credit risk factor calculated using the NPL ratio and Liquidity Factor using the LDR ratio.

    1) NPL
        The average value of NPL during 2019-2021, respectively, is 4.55%, 5.43%, and 6.22%. The value increased in 2020 and 2021, which was due to high credit growth followed by a slowdown in economic development due to the beginning of the covid-19 disease that required all partners to limit their social activities. In addition, bank management is still less careful in analyzing prospective customers. The increase in NPL value affects other ratios, namely a decrease in ROA and ROE profits, and also a decrease in capital. The NPL value obtained during 2019-2021 is in accordance with Bank Indonesia regulations in setting a maximum NPL limit of 11%. PT BPR BKK Purwodadi (Perseroda) in 2019 has a healthy NPL predicate. Although in 2020-2021 there was an increase in the NPL value, it is still classified as a bank in a fairly healthy predicate.

    2)   *LDR*
        The LDR value during 2019-2021 experienced fulktuasi (nik down), which was 89.80%, 84.84%, 85.15%. In 2020 it decreased, but for 2021 it increased again. Although the bank has increased, the value is still classified as a fairly healthy predicate. An increase in the value of LDR affects other ratios, namely a decrease in profit ROA and ROE, and also a decrease in capital. In that period the bank showed that the ability to meet its short-term obligations is still quite good. For the coming year, the bank should be able to tighten the amount of credit granted and must always maintain the principle of prudence in channeling funds to customers. Credit risk will increase if the LDR value is too high,which can indicate too aggressive a bank in lending. If the LDR shows a low value, it will affect the amount of profit and indicate that the amount of credit that has been disbursed has decreased. Banks must maintain the LDR value set by Bank Indonesia. The ideal value standard is 78-92%. During 2019-2021 PT BPR BKK Purwodadi (Perseroda) has shown values in the ideal LDR range.

b. **GCG**
    The quality of bank management can be seen based on the assessment of bank governance in implementing GCG principles. The smaller the value indicates the better the governance of banking. GCG values during 2019-2021 were 2.37%, 2.29%, and 2.23%, respectively. It is seen that the value has decreased from year to year, but still at the same rank as the previous year, namely with the predicate healthy. This indicates that PT BPR BKK Purwodadi (Perseroda) has good management quality, so that stakeholder confidence will increase if the Implementation of GCG is done well, because by looking at the GCG of a bank, it can be known the risks that may occur if making transactions with the bank.

c. **Earnings**

There are two financial ratios to assess the soundness of the bank as seen from the earnings factor in this study, namely by using the formula ROA and ROE.

1) ROA

The average value of ROA during 2019-2021 in a row is 3.24% 3.13% 3.17%. In 2020, ROA decreased in line with the increase in the NPL ratio and the decrease in the LDR ratio, which indicates an increase in credit disbursement during Covid-19. However, in 2021 ROA experienced an increase. Judging from the results of the achievements during the year, PT BPR BKK Purwodadi (Perseroda) including banks in the criteria of very healthy which means showing its ability to obtain a profit by utilizing its assets has been running very healthy. This is in accordance with the determination of the ROA rating matrix which is fairly healthy, which is above 15%.

2) *ROE*

The average ROE value during 2019-2021 was 41.42% 38.28% 40.16%. In 2020 ROE decreased. This is in line with the increase in the NPL ratio and the decrease in the LDR ratio, which indicates an increase in credit disbursement during Covid-19. However, in 2021 ROE has increased with the reminder, the capital will also experience an increase. Judging from the results of the achievements during the year, the bank is included in the very healthy criteria, which is in accordance with the determination of the ROE rating matrix which is fairly healthy, which is above 12%. Thus PT BPR BKK Purwodadi (Perseroda) during the year showed performance in managing a capital company running very well.

d. *Capital*

The bank's health level which can be seen from the capital aspect calculated using the CAR ratio during 2019-2021 has a CAR value of 15.93%, 28.29%, and 28.94%, so it is included in the very healthy criteria. The value of the CAR from year to year experienced a very significant increase. The greater the value indicates that the bank is able to support in the event of operating losses and can provide large loans. Of course, this can increase public confidence that will channel funds to the bank. Banks that have KPMM (minimum capital provision obligation) above 12% as PT BPR BKK Purwodadi (Perseroda) means including banks in the category of very healthy.

e. **Aspect RGEC**

The assessment of health status during 2019-2021 using the RGEC assessment method reviewed from the aspects of risk profile, GCG, Earnings, and Capital was at Composite Rating 1 (PK-1) in 2019 and 2020 with a value of 86.67% with very healthy criteria and obtained Composite Rating 2 (PK-2) in 2021 with a result of 83.83% with healthy criteria. From the rating, PT BPR BKK Purwodadi (Perseroda) is considered very capable of dealing with unstable business conditions due to the negative influence of other external factors.

V.   CONCLUSION

Based on the results of the discussion that has been done can be concluded that the level of Health of PT.BPR BKK Purwodadi (Perseroda) during 2019-2021 using the RGEC method was in Composite Rating 1 (PK-1) in 2019 with a value of 86.67% with very healthy criteria, in 2020 with a value of 86.67% with very healthy criteria and obtained Composite Rating 2 (PK-2) in 2021 with a result of 83.83% with healthy criteria. From the rating, PT BPR BKK Purwodadi (Perseroda) is considered very capable of dealing with unstable business conditions due to the negative influence of other external factors.

Research Limitations:

1. The limitations in this study as follows:

2. In this study researchers only use some ratios without using other ratios so that the assessment of the overall health of the bank is still lacking.
3. In this study, the researchers did the calculation independently so that the calculation results are different from the published banking financial statements.
4. In this study only use one object company wrote that only applies to the object of research.

Suggestion:

The suggestions in this study as follows:

1. **On behalf of the bank**

    a. Assessment of the risk factor profile that is studied from the credit risk aspect, namely using the NPL ratio in the face of the covid-19 pandemic, banks must be more careful in providing credit to customers and must follow the regulations set by Bank Indonesia regarding credit in order to avoid bad debts.

    b. The bank must continue to improve and maintain the health of the bank for the next year if the bank is included in the criteria of very healthy will automatically increase the trust of the public, customers, employees, and shareholders.

2. **For further research**

    For further research, it is expected to expand its reach and add some financial ratios so that the results obtained are more accurate in calculating using the RGEC method.

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