

ABSTRACT

The success of a banking institution is reflected in its profitability, which is the result of all ongoing banking company operations and activities. Financial reports can provide an overview of the level of profitability achieved by banking companies. This research aims to examine the influence of CAR, Liquidity, Efficiency, Credit Risk and Bank Size on the profitability of Sharia Rural Banks (BPRS) registered with the OJK for the 2018-2021 period.

Sample selection was carried out using a purposive sampling method, with research sample criteria (a) being registered with the OJK, (b) having a complete report for 2018 – 2021 at the OJK with a positive ROA. Researchers analyzed using Eviews version 12 with Random Effect Model (REM).

The research results show that the Operational Efficiency Ratio (BOPO), Credit Risk (NPF), Bank Size, and Covid as Control variables have a negative influence on Profitability (ROA), while CAR and FDR have no influence on ROA. In the model feasibility test, the significance value of the panel data equation is 0.000, meaning that the variables CAR, FDR, BOPO, NPF, Assets and Covid control together have a significant influence on the profitability variable. Based on the results of the R-Square determination test, it produces 0.85686, which means ROA is influenced by CAR, FDR, Operational Efficiency Ratio (BOPO), Credit Risk (NPF) and Assets, as well as the Covid control variable of 85.69%, and 14.31 % influenced by factors outside the variable.

Keywords: *BOPO, CAR, FDR, NPF, ROA, Bank Size.*

