ABSTRACT

An Analysis of Factors that Influence the Debtor Credit Collectability at the Area II Jakarta Branch – PT. Bank XYZ, Tbk

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The purpose of this study was to analyze factors that influence the debtor credit collectability at the Area II Jakarta Branch – PT. Bank XYZ, Tbk. The data were collected from 101 debtor companies in the Small Medium Enterprise sector which covers West Jakarta and surrounding areas. Credit collectability was determined from the debtor ability to pay that reflected from the conditions of loan collectability. Ordinal Logistic Regression was used to analyze the data. The results of the study showed from 10 variables analyzed, there were 3 variables that significantly influence the level of loan collectability (total loans per total assets ratio, types of collateral and total sales per total assets ratio). The results suggested that fixed assets collateral were preferred to determine credit feasibility, Cautions must be given to total loans that are close to total assets were increase bad debt probabilities, and total sales per total assets ratio were used as a primary consideration in financial feasibility analysis.