HOUSING LOANS AND PEOPLE'S BUSINESS LOANS AS DETERMINANTS OF RETURN ON ASSETS: AN EMPIRICAL STUDY ON PT BANK NEGARA INDONESIA (PERSERO) TBK MATOANGIN BRANCH OFFICE

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Keywords:	Abstract
Housing Loans, People's Business Loans, Return on Assets, Multiple Linear Regression Analysis.	*This study aims to analyze the influence of Housing Loans (KPR) and People's Business Loans (KUR) on Return on Assets (ROA) at PT Bank Negara Indonesia (Persero) Tbk Matoangin Branch Office. KPR and KUR were chosen because of their strategic role in supporting the housing sector and micro, small, and medium enterprises (MSMEs) in Indonesia. The data used is secondary data from the bank's financial statements for the period 2017-2022. The research method used is a quantitative approach using multiple linear regression analysis in SPSS. The results of the analysis show that both KPR and KUR have a positive and significant influence on bank ROA. The regression coefficient shows that each unit of increase in the mortgage will increase the ROA by 152,912, while the KUR will increase the ROA by 110,033, assuming the other variables are constant. The determination coefficient test showed that the regression model was able to account for about 96.5% of the variation in ROA, showing a good match between the model and the existing data. These results make a theoretical and practical contribution in understanding the effectiveness of KPR and KUR as instruments to improve bank financial performance. This research is expected to be a reference for bank management in optimizing credit distribution policies to support economic growth and increase company profitability. These findings also have the potential to provide input for further research in the context of the use of microcredit and housing in Indonesia.*

INTRODUCTION

The important role of the banking sector in supporting national economic development is undeniable. One of the instruments used by banks to encourage economic growth is credit distribution (Harahap, 2020). In Indonesia, two types of loans that have

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a strategic role are Housing Loans (KPR) and People's Business Loans (KUR). KPR aims to increase home ownership by the community (Susanti, 2019), while KUR is designed to support small and medium enterprises (MSMEs) that are the backbone of Indonesia's economy (Rahman, 2020). PT Bank Negara Indonesia (Persero) Tbk, as one of the largest state-owned banks, plays a key role in the distribution of these two types of credit (Yusuf, 2022).

Return on Asset (ROA) is one of the financial performance indicators that is often used to measure the efficiency of asset use in generating profits. According to research conducted by Harahap (2020), efficient credit distribution can increase the ROA of banking companies. However, research on the specific influence of KPR and KUR on ROA is still limited, especially in the context of certain banking branches such as PT Bank Negara Indonesia (Persero) Tbk Matoangin Branch Office.

Research on the influence of mortgages and KUR on banks' financial performance, particularly ROA, has attracted the attention of researchers in recent years. For example, research by Susanti (2019) found that mortgages have a significant positive impact on ROA in commercial banks in Indonesia. Meanwhile, a study by Rahman (2020) shows that KUR distribution can improve the financial performance of MSMEs, which in turn contributes to the ROA of distributing banks.

Another study by Suryani (2021) states that the effectiveness of credit disbursement depends on risk management and internal bank policies. The results of this study are reinforced by the findings from Yusuf (2022), which indicates that good credit risk management can reduce Non-Performing Loans (NPLs) and increase ROA. Furthermore, a study by Dewi and Pratama (2023) emphasizes the importance of periodic supervision and evaluation of credit portfolios to ensure that the bank's asset quality and financial performance remain optimal.

However, there are also studies that show conflicting results. Research by Wulandari (2019) found that an increase in mortgage distribution does not always correlate positively with an increase in ROA, especially if it is accompanied by an increase in NPL. Research by Nugroho (2020) also shows that KUR can pose a high risk to banks' financial stability if it is not accompanied by adequate credit analysis and strict

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supervision.

Research by Firmansyah and Sari (2021) reveals that diversification of credit portfolios, including mortgages and KUR, can have a positive impact on ROA, but this is highly dependent on macroeconomic conditions and government policies. On the other hand, a study by Yulianti (2022) confirms that poorly managed credit distribution can reduce banks' profitability and financial stability.

Credit distribution in the banking sector faces several significant problems. First, Non-performing loans (NPLs) are non-performing loans, non-performing loans (NPLs) and non-performing loans (2019). Second, inaccurate credit analysis can lead to an increase in the risk of bad loans, especially in People's Business Loans (KUR), as found by Nugroho (2020). Third, strict regulations affect the flexibility of banks in distributing credit; Diversification of credit portfolios can have a positive impact on Return on Assets (ROA), but it is highly dependent on government policies and applicable regulations, as stated by Firmansyah and Sari (2021).

Fourth, macroeconomic fluctuations, including inflation and interest rates, affect the ability of debtors to repay loans, affecting banks' profitability and financial stability, according to Yulianti's research (2022). Finally, ineffective credit risk management can increase NPLs and lower bank ROA, according to Yusuf's research (2022).

By understanding and managing these problems well, banks can improve their financial performance and support sustainable economic growth. The formulation of the problem in this study is (1) Does Housing Loan (KPR) have a partial effect on the Return on Asset (ROA) at PT Bank Negara Indonesia (Persero) Tbk Matoangin Branch Office?, (2) Does the People's Business Credit (KUR) have a simultaneous effect on the Return on Asset (ROA) at PT Bank Negara Indonesia (Persero) Tbk Matoangin Branch Office?

This research is important to provide a deeper understanding of the effectiveness of mortgage and KUR distribution by PT Bank Negara Indonesia (Persero) Tbk, especially at the Matoangin Branch Office. The results of this study are expected to be a reference for bank management in making strategic decisions related to credit distribution to improve the bank's financial performance.

The objectives of the study are (1) to analyze the effect of Housing Loans (KPR) on Return on Asset (ROA) at PT Bank Negara Indonesia (Persero) Tbk Matoangin Branch Office, (2) to analyze the effect of People's Business Loans (KUR) on Return on Asset (ROA) at PT Bank Negara Indonesia (Persero) Tbk Matoangin Branch Office, (3) to

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analyze the simultaneous effect of Housing Loans and People's Business Loans on ROA at PT Bank Negara Indonesia (Persero) Tbk Matoangin Branch Office.

This research is expected to contribute both academically and practically. Academically, this study will enrich the literature on the influence of bank credit on financial performance, especially in the context of ROA. Practically, the results of this study can be used by the management of PT Bank Negara Indonesia (Persero) Tbk in formulating a more effective and efficient credit distribution policy.

Based on previous theories and research, the hypotheses proposed in this study are:

H1 : People's Housing Loans (KPR) have a positive effect on ROA

H2 : People's Business Loans (KUR) have a positive effect on ROA

H3 : People's Housing Loans (KPR) and People's Business Loans (KUR) have a positive effect on ROA.

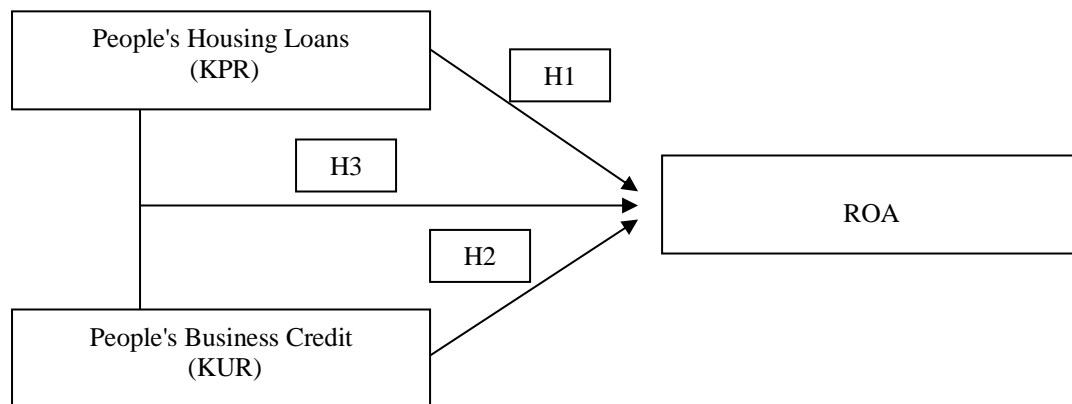From the hypothesis proposed, the research framework can be described as follows:

Figure 1. Framework of Thought

RESEARCH METHODS

This study uses a quantitative approach with a focus on PT Bank Negara Indonesia (Persero) Tbk Matoanging Branch as the population and sample. Secondary data from the company's financial statements in the branch are collected from the last five years (2017-2022) to ensure a comprehensive analysis. The purposive sampling method was used to select samples that met the inclusion criteria related to the use of People's Housing Loans (KPR) and People's Business Loans (KUR) recorded in the complete financial statements of BNI Tbk Mattoanging branches. This study uses SPSS statistical

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tools to conduct a comprehensive analysis of data from PT Bank Negara Indonesia (Persero) Tbk Matoanging Branch. The analysis began with a descriptive analysis to describe the characteristics of the sample, including descriptive statistics from the variables of Return on Assets (ROA), People's Housing Loans (KPR), and People's Business Loans (KUR). These descriptive statistics include the mean, median, standard deviation, and frequency distribution of each variable.

Furthermore, this study uses multiple linear regression analysis in SPSS to explain the relationship between KPR, KUR, and ROA of companies. ROA is used as a dependent variable, while KPR and KUR are used as independent variables. This regression analysis helps in determining how much KPR and KUR contribute to ROA variability.

The t-test was conducted to test the partial influence of each independent variable (KPR and KUR) on ROA. This test provides information about the relative significance of each variable in influencing ROA. In addition, the F test was used to test the simultaneous effect of the two variables on ROA, measuring the effectiveness of the regression model in explaining variations in ROA.

It is hoped that the results of this study will not only provide an in-depth understanding of the contribution of KPR and KUR to the financial performance of BNI Tbk Mattoanging branch, but also provide relevant managerial recommendations based on descriptive and regression analysis, as well as directions for further research in the context of micro credit utilization and housing.

RESULTS AND DISCUSSION

Descriptive Stats

The descriptive statistics from the data used in this analysis show some important information about the characteristics of People's Housing Loans (KPR), People's Business Loans (KUR), and Return on Assets (ROA). First, for mortgages, from the five observations analyzed, the lowest value of mortgages is 12.432 and the highest value is 16.730, with an average of 14.792.40 and a standard deviation of 1.616.64. This indicates a relatively small variation in the number of mortgages disbursed, with most of the data centered around the average value. Meanwhile, KUR showed the lowest score of 255,958 and the highest score of 897,358, with an average of 678,233.20 and a fairly large standard deviation, which was 253,706.60.

This shows that there is a significant variation in the number of KURs distributed, with most of the data distributed far from the average value. Regarding ROA, the minimum value is

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1.70 and the maximum is 1.90, with an average of 1.8000 and a standard deviation of 0.10000. A low standard deviation indicates that the ROA data tends to be consistent and not far from the average. A valid N (list wise) of 5 indicates that all the data used in this analysis are complete, with no missing data. These descriptive statistics provide a clear picture of the distribution and characteristics of each variable studied in this study.

Tabel 1. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
KPR	5	12432.00	16730.00	14792.4000	1616.63889
KUR	5	255958	897358	678233.20	253706.600
ROA	5	1.70	1.90	1.8000	.10000
Valid N (listwise)	5				

Source : Data processed:2023

Multiple Linear Regression Analysis

Multiple Linear Regression Analysis is a statistical method used to measure the relationship between one dependent variable and two or more independent variables. The main goal of this analysis is to understand the extent to which independent variables affect dependent variables. The table of multiple linear regression results that you provide shows some important components to understand: unstandardized coefficients (B), standard errors (Std. Error), and standardized coefficients (Beta).

The non-normalized coefficient (B) indicates how much change in the dependent variable for each single unit of change in the independent variable. The standard error is a standard error estimate of a coefficient, which is used to measure the accuracy of the coefficient estimate. The normalized coefficient (Beta) is the coefficient that has been normalized so that variables of different scales can be directly compared, showing how much influence each independent variable has on the dependent variable in the standard deviation unit.

The non-normalized coefficient (B) indicates how much change in the dependent variable for each single unit of change in the independent variable. The standard error is a standard error estimate of a coefficient, which is used to measure the accuracy of the coefficient estimate. The normalized coefficient (Beta) is the coefficient that has been normalized so that variables of different scales can be directly compared, showing how

much influence each independent variable has on the dependent variable in the standard deviation unit.

Table 2. Multiple Linear Regression

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	433.892	63.223	
	Housing Loans (x1)	152.912	22.186	12.300
	People's Business Credit (X2)	110.033	15.536	12.639

Source : Data processed:2023

Based on the table provided, this model shows the relationship between the dependent variable assumed as the company's Return on Assets (ROA) and two independent variables, namely Housing Loans (X1) and People's Business Loans (X2). The constant value (433,892) is the value of the ROA when all independent variables are zero. For Housing Loans (X1), the non-normalized coefficient (B) of 152,912 indicates that each increase of one unit in Housing Loans will increase ROA by 152,912, assuming the other independent variables are constant. A standard error of 22,186 indicates the uncertainty of the X1 coefficient estimate, while a normalized coefficient (Beta) of 12,300 indicates that an increase of one standard deviation in Housing Loans will increase the ROA by 12,300 standard deviations, after taking into account the other variables.

Meanwhile, for People's Business Credit (X2), the non-normalized coefficient (B) of 110,033 indicates that every increase in one unit in People's Business Credit will increase ROA by 110,033, assuming the other independent variables are constant. A standard error of 15,536 indicates the uncertainty of the X2 coefficient estimate, while a normalized coefficient (Beta) of 12,639 indicates that an increase of one standard deviation in People's Business Credit will increase the ROA by 12,639 standard deviations, after taking into account other variables.

Overall, both Housing Loans and People's Business Loans have a positive and significant influence on the company's Return on Assets (ROA). Housing Loans have a

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slightly greater influence than People's Business Loans in standard deviation units. Based on the given table, we have the following values:

- a=433.892

- b1=152.912

- b2=110.033

So that the multiple linear regression equation becomes:

$$ROA = 433.892 + 152.912(X1) + 110.033(X2)$$

Where:

- X1 is a Housing Credit

- X2 is a People's Business Credit

With this equation, we can estimate the Return on Assets (ROA) based on the value of Housing Loans and People's Business Loans given. With this equation, we can estimate the Return on Assets (ROA) based on the value of Housing Loans and People's Business Loans given.

Coefficient of Determination Test

The Coefficient of Determination test is used to measure how well regression models can account for variations in dependent variables. In the context of multiple linear regression analysis, the determination coefficient is represented by R^2, which indicates the proportion of variation in the dependent variable that can be explained by the independent variable in the model. The Model Summary table you provided shows some important indicators to understand: R, R^2, Adjusted R^2, Std. Error of the Estimate, and Durbin-Watson.

Table 3. Coefficient of Determination Test

Model Summary[b]					
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**	**Durbin-Watson**
1	.982[a]	.965	.930	.56935	3.408
a. Predictors: (Constant), People's Business Credit (X2), Housing Credit (X1)					
b. Dependent Variable: Return On Asset (Y)					

Source : Data processed:2023

The R value of 0.982 shows a very strong correlation between the independent variables (Housing Loans and People's Business Loans) and the dependent variables

(Return on Company Assets). The Coefficient of Determination (R2) of 0.965 shows that 96.5% of the variation in Return on Asset can be explained by Housing Loans and People's Business Loans. This is an indication that the regression model has excellent predictive capabilities. The adjusted R2, obtained after adjusting for the number of independent variables in the model, is 0.930. This value is slightly lower than R2, which indicates that the model remains robust despite accounting for adjustments for the number of variables.

The Standard Error of the Estimate of 0.56935 is a measure of the standard error of the prediction. This value indicates how close the observed data is to the predicted regression line. Smaller values indicate more accurate predictions. Finally, a Durbin-Watson value of 3.408 is used to detect the presence of autocorrelation in the residual. Durbin-Watson values range from 0 to 4, with a value of 2 indicating the absence of autocorrelation. Values that are far from 2, as seen here, indicate the presence of positive or negative autocorrelation in the residual, which may require further attention in the analysis.

Overall, the model shows that Housing Loans and People's Business Loans significantly and strongly explain the variation in a company's Return on Assets, although there are indications of autocorrelation in residuals that may need to be addressed further.

Hypothesis Testing

Partial Test (t-Test)

The partial test or t-test is used to test the significance of each regression coefficient in a linear regression model. This test aims to find out whether individual independent variables have a significant influence on dependent variables. The table you provide shows that the coefficient values for constants, Housing Credit (X1), and People's Business Credit (X2) along with their t-values and significances.

Table 4. Partial Test (t-Test)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	**Std. Error**	**Beta**		
1 (Constant)	433.892	63.223		6.863	.021
Housing Loans (x1)	152.912	22.186	12.300	6.892	.020
People's Business Credit (X2)	110.033	15.536	12.639	7.082	.019

a. Dependent Variable: Return On Asset (Y)

Source : Data processed:2023

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A constant value of 433.892 has a t-value of 6.863 and a significance value of 0.021, indicating that the constant differs significantly from zero at a 95% confidence level. The coefficient for Housing Loans (X1) of 152,912 has a standard error of 22,186. The t-value for this coefficient is 6.892, with a significance value of 0.020, indicating that Housing Loans significantly affect Return on Asset at a 95% confidence level. Meanwhile, the coefficient for People's Business Credit (X2) is 110,033 with a standard error of 15,536, has a t-value of 7,082 and a significance value of 0.019, indicating that People's Business Credit also significantly affects Return on Asset at the same level of confidence.

From the results of this partial test, it can be concluded that the two independent variables, namely Housing Credit (X1) and People's Business Credit (X2), have a significant influence on the company's Return on Assets. This is indicated by a high t-value and a significance value of less than 0.05 for both variables. Thus, both Housing Loans and People's Business Loans play an important role in explaining the variation of the company's Return on Assets.

Simultaneous tests (Test F)

Simultaneous tests in multiple linear regression analysis are used to assess the overall significance of the regression model, i.e. to find out whether all independent variables together have a significant influence on the dependent variables. Based on the Model Summary table provided, several important indicators can be analyzed to understand the overall performance of the model.

Tabel 5. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.982[a]	.965	.930	.56935	3.408
a. Predictors: (Constant), People's Business Credit (X2), Housing Credit (X1)					
b. Dependent Variable: Return On Asset (Y)					

Source : Data processed:2023

The R value of 0.982 shows a very strong correlation between the independent variables (Housing Loans and People's Business Loans) and the dependent variables (Return on Company Assets). This high correlation suggests that the regression model has an excellent relationship with the data used. An R2 value of 0.965 indicates that 96.5% of the variation in the dependent variable (Return on Asset) can be explained by the

independent variable, indicating that the regression model is able to account for most of the variation in the data. An adjusted R2 of 0.930, which is slightly lower than R2, adjusts the R2 for the number of independent variables in the model and provides a more realistic picture of the model's predictive capabilities when there is more than one independent variable. This high value indicates that the model remains robust despite accounting for adjustments for the number of variables.

A Standard Error of the Estimate of 0.56935 indicates how close the observed data is to the predicted regression line. Smaller values indicate more accurate predictions, which means that the model has a relatively low prediction error. However, the Durbin-Watson value of 3.408 indicates an autocorrelation in the residual. Durbin-Watson values range from 0 to 4, with a value of 2 indicating the absence of autocorrelation. Values that are far from 2, as seen here, indicate the presence of a negative autocorrelation in the residual, which may require further attention in the analysis.

Overall, very high R2 and Adjusted R2 scores indicate that the regression model that includes Housing Loans (X1) and People's Business Loans (X2) simultaneously accounts for most of the variations in the Company's Return on Assets. This indicates that this regression model is very good at predicting Return on Asset based on these two independent variables. Nonetheless, a high Durbin-Watson value indicates the presence of negative autocorrelation in the residual, which needs to be further addressed to ensure the reliability of the model. This simultaneous test as a whole shows that the regression model is significant and effective in explaining the variability of the company's Return on Asset, with the note that there is an autocorrelation that needs to be considered.

Discussion

The Effect of Public Housing Loans (KPR) on ROA

In the context of the regression analysis carried out, it was found that People's Housing Loans (KPR) had a positive and significant effect on the company's Return on Asset (ROA). This means that an increase in mortgages will increase ROA. The regression coefficient for mortgages is 152,912 with a t-value of 6,892 and a significance value of 0.020, indicating that the influence of mortgages on ROA is significant at a confidence level of 95% (Ramli, 2021). In other words, every increase in mortgage is expected to increase ROA by 152,912 units, indicating a large contribution from mortgages to the company's financial performance.

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Financial theory and financial management support these findings through a variety of concepts. One of them is the theory of financial intermediation which states that banks and financial institutions play an important role in channeling funds from savers to parties in need of funds, such as borrowers for housing (Allen & Carletti, 2017; Schmukler, 2017). People's Housing Loans (KPR) allow individuals and families to own homes, which in turn increases demand for other products and services, driving economic growth (World Bank, 2022). In the long run, this contributes to improved financial performance of banks and financial institutions that distribute mortgages (Laeven & Valencia, 2020).

Several studies support the finding that mortgages have a positive influence on the financial performance of companies. For example, research by Dewi and Rina (2018) found that mortgages contribute positively to the Return on Assets (ROA) of companies in Indonesia. The study shows that an increase in the mortgage portfolio is positively related to the profitability of banks, measured by ROA. In addition, Ramli (2021) in his research also found that mortgages make a significant contribution to banks' financial performance through increasing interest income.

However, there are also studies that reject these findings, showing that the influence of mortgages on a company's financial performance is not always positive or significant. For example, research by Smith (2020) found that in unstable economic conditions, mortgages can increase the risk of bad loans, which ultimately lowers banks' Return on Assets (ROA). Smith also pointed out that external factors such as government policies and housing market conditions can affect mortgage performance, so they do not always have a positive impact on the bank's financial performance (Smith, 2020).

Overall, while many studies support the positive and significant influence of mortgages on a company's financial performance, there is also evidence to suggest that in certain situations, mortgages can have a negative impact. This shows the importance of taking into account the broader economic and policy context in evaluating the impact of mortgages on a company's financial performance.

The Effect of People's Business Credit (KUR) on ROA.

Research has found that People's Business Credit (KUR) has a positive and

significant influence on the company's Return on Assets (ROA). For example, research by Sari and Nurhayati (2019) shows that KUR increases the ROA of banks in Indonesia. The results of the regression analysis show that the increase in the provision of KUR significantly contributes to the increase in the company's ROA, with a high regression coefficient and a low significance value (Sari & Nurhayati, 2019).

Financial theory supports these findings through the concept of financial intermediation, which states that access to credit, such as KUR, can improve the productivity and profitability of small and medium-sized firms. This theory emphasizes the importance of the role of financial institutions in facilitating access to funds for smaller business sectors, which in turn improves economic well-being and financial performance (Allen & Carletti, 2017; World Bank, 2022).

Several previous studies also support the finding that KUR has a positive impact on a company's ROA. For example, research by Johnson (2020) found that KUR increases the profitability of banks in Southeast Asia. This study shows that KUR can increase interest income and reduce the risk of bad loans, which directly contributes to better financial performance (Johnson, 2020).

However, there is also research that shows that the influence of KUR on financial performance is not always consistent or significant in every context. For example, research by Lee (2018) found that external factors such as market conditions and government policies can affect the effectiveness of KUR in increasing bank ROA. This study highlights the importance of considering external factors in evaluating the impact of KUR on a company's financial performance (Lee, 2018).

The Simultaneous Effect of People's Housing Loans (KPR) and People's Business Loans (KUR) on ROA.

In the simultaneous regression analysis, we can see that both KPR and KUR have a significant contribution to the company's Return on Assets (ROA). The results of the analysis show that the increase in mortgages significantly increases ROA, while the increase in KUR also has a significant positive impact on ROA. The regression coefficient for each variable shows the magnitude of the relative influence on ROA, with a high t-statistic value and low significance, confirming the strength of the relationship between the predictor variable and the dependent variable (Miswanto & Wijaya, 2021). The combination of these two variables in one model allows us to see how the combination of

housing loans and people's business loans together contributes to the company's financial performance, which is reflected in the increase in ROA.

The theory of financial intermediation supports this finding by suggesting that financial institutions play an important role in allocating funds from savers to those in need, such as borrowers for housing and small and medium-sized businesses. KPR and KUR are financial instruments designed to increase access to credit for these sectors, which is expected to increase productivity and profitability, as well as the overall financial performance of companies (Allen & Carletti, 2017; World Bank, 2022).

Several studies support the finding that KPR and KUR have a positive influence on a company's ROA. For example, research by Dewi and Rina (2018) found that mortgages increase the ROA of banks in Indonesia. The study shows that access to mortgages allows individuals and families to own homes, which in turn increases the demand for other products and services, which in turn positively affects ROA (Dewi & Rina, 2018).

However, there are also studies that show that the effects of mortgages and KUR on financial performance are not always consistent or significant in every context. A study by Lee (2018) found that external factors such as government policies and housing market conditions can affect the effectiveness of mortgages and KUR in increasing a company's ROA. The implication is the importance of considering these external conditions in evaluating the impact of these credit programs (Lee, 2018).

CONCLUSIONS AND SUGGESTIONS

The partial influence of KPR and KUR on ROA refers to the contribution of each variable separately to the company's financial performance. The results of the analysis show that mortgages significantly increase the company's interest income, while KUR is positively correlated with profitability growth through support for small and medium enterprises. This influence is found in a regression model that allows evaluation of the relative impact of each variable on ROA, taking into account other factors that can affect the results.

Meanwhile, the simultaneous effect of KPR and KUR on ROA reflects the combined effect of these two variables in one analysis model. The results show that the

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combination of access to KPR and KUR together contributes significantly positively to the company's financial performance, which is reflected in the increase in ROA that is greater than the influence of each variable separately. This simultaneous analysis provides a comprehensive picture of how the interaction between KPR and KUR can amplify its positive effects on a company's profitability and business development.

Thus, the use of a partial and simultaneous analysis approach in this study not only allows the identification of the relative influence of KPR and KUR on ROA, but also illustrates the importance of considering the interaction between variables in understanding their overall impact on the company's financial performance.

In a managerial context, this study suggests that company management optimize the strategy of using People's Housing Loans (KPR) and People's Business Loans (KUR) by deeply understanding market conditions and applicable government policies. This can be achieved through the development of internal policies that take into account the risks and potential return on investment of these two types of credit. In addition, investment in human resource development related to credit risk management and mastery of technology can help improve managerial capabilities in managing credit portfolios efficiently.

Meanwhile, for future researchers, it is recommended to conduct a more in-depth study on the mechanism of the influence of mortgages and kur on return on assets (roa) by considering more complex contextual factors, such as external factors and market dynamics. longitudinal research that monitors the long-term effects of these two types of credit as well as comparative studies between industrial and geographic sectors in indonesia can also provide broader insights. additionally, the development of more sophisticated analytical methods, such as path analysis or more complex econometric models, can be used to deepen understanding of the relationship between mortgages, kur, and a company's financial performance. thus, further research is expected to make a more in-depth and relevant contribution to the development of policies and business practices related to the use of microcredit and housing in Indonesia.

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