ABSTRACT

This study is aimed to get empirical evidences from the effect of financial factor and non financial factor against fraud on commercial banks at Indonesia Stock Exchange (IDX). Financial factor is consisted of NIM, ROE, LDR, NPL, and CAR. Instead of it, non financial factor is consisted of predicate of GCG implementation, size of banks, and bank complexity.

The research was conducted by quantitative methods using secondary data. Secondary data were taken by annual report of each banks, report of GCG implementation, and directory of central bank. The population in this study was the whole commercial banks at BEI. The samples were selected by purposive sampling with some categorical. So, the amounts of the samples are 116 banks during the period of 2009 until 2012. The instrument of data analysis is using goodness of fit and multiple regression statistical tools.

The result is showed that the financial factor was measured by NIM has a positive significant impact on fraud, except ROE, LDR, NPL, and CAR which do not have significant impact on fraud. Bank complexity as non financial factor has a positive impact on fraud. Furthermore, the other proxy of non financial factor such as predicate of GCG implementation do not have significant impact on fraud banks, while the bigger size of banks would increase the opportunity of fraud.

Keywords: fraud on commercial banks, financial factor, non financial factor