

ABSTRACT

The aim of this study was to analyze the efficiency of banks in Indonesia with Stochastic Frontier Analysis (SFA). In addition, this study also tested the efficiency of inter-group comparison of the value of a bank in Indonesia. The value of bank efficiency is calculated based on the input and output variables are determined by the intermediation approach. Input variable used is the price of financial and price of labor, while the output variables used were net loans and other earning assets.

Furthermore, this study examines the effect of independent variables in the form of bank ownership and the size of the bank on the dependent variable is the value of bank efficiency. This study used a sample of commercial banks listed on the Indonesia Stock Exchange 2012-2014 period conducted by purposive sampling method based on certain criteria. Total final sample used in this study as many as 26 banks. Technical analysis is the Stochastic Frontier Analysis (SFA) and test equipment Two Ways ANOVA with two data models are cross section and panel data.

Statistical test results showed that the value of the efficiency study between groups of banks in 2012-2014 based on the ownership of the bank did not experience any difference either on the model of cross section and panel data. The results of different studies on the efficiency of inter bank based on the size of banks which show that there are differences in the efficiency of cross section in 2012 and 2014 but did not experience a difference in 2013 and on panel data model. Bank ownership variables and the size of the bank as an independent variable also has no effect on the efficiency of the bank.

Keywords : Frontier, ownership, size, efficiency.