ABSTRACK

Today, GCG / GCG is not only more focused on aspects of structure, as well as aspects of the process and the outcome and it has a controlling influence over the management of risk in the implementation of the bank's performance. This study attempts to identify more about the operational risks in the implementation of good corporate governance in banking with a view of Fraud Cost as an indicator of operational risk occurs and is measured by three aspects of governance as a catalyst.

This study used a simple linear regression statistical tools to test the hypothesis. The population of this study are shares in companies listed on the Stock Exchange in 2010 to 2012. The samples are 20 companies based on purposive sampling method.

The analysis finds that the governance committee structure that represented a negative effect and a significant negative effect on the total cost of fraud is happening.Governance process that is represented training and no significant negative effect on the total cost of fraud, while remuneration positive and significant impact on the total cost of fraud is happening. Governance outcomes that represented total internal deviation positive and significant effect on the amount of costs that occur Fraud.

Keywords: *corporate governance, Operational Risk.*