

ABSTRACT

Although industry of Conventional Bank in Indonesia has always increased its income by an average of 17.2% per year in the period 2008-2017, but the Return On Assets ratio tends to decrease by an average of -1.26% per year. The increasing of the financial technology industry has also reduce the financial business market in Indonesia. This condition increasingly requires the banking industry to be better maintain its performance in order to remain competitive in the face of competition in the financial industry. One indicator to measure the performance of a banking company is by measuring the level of it's efficiency.

In this research will measure the level of efficiency of Conventional Banks in Indonesia. Data samples were taken by purposive sampling method with the criteria of banks actively operating during 2008-2017 and routinely providing financial reports to Bank Indonesia or the Financial Services Authority. The analysis was carried out in two stages, first the measurement of efficiency using the CCR model of Data Envelopment Analysis (DEA) method which is output-oriented, the second measures the level of correlation of input and output variables towards the efficiency of using the Pearson correlation.

This research provides results that The Bangkok Bank Comp. LTD is the most efficient bank, while Deutsche Bank AG is the most inefficient bank throughout the study period. The efficiency trend of all banks has increased quite well from year to year. However, banks that have low efficiency in general are still not maximal in channeling loans to debtors. Based on the bank type BPD is the most efficient, second is the Bank Campuran bank, third is the PERSERO Bank, the fourth is the BUSN Devisa bank, the fifth is the BUSN Non Devisa bank and the six is the Foreign Bank based on the average value of efficiency throughout the study period.

Keyword : Perbankan Umum Konvensional, Bank, Efisiensi, Data Envelopment Analysis (DEA), pearson correlation.