



STIE
Perbanas
Surabaya



Proceeding

THE 2nd ICBB and CSR-UN CONFERENCE

- International Conference Business and Banking
- Corporate Social Responsibility University Network Conference

Kuta - Bali, 25 Februari 2012

Supported by:



Universitas
Warmadewa





FOREWORD FROM THE CHAIR OF COMMITTEE

Welcome to the 2nd International Conference on Business and Banking 2012 (ICBB 2012), with the theme: "*Transforming Values of Business and Banking in Challenging One-Market Asia*". In this event, we would like to express our appreciation to Warmadewa University Denpasar and University Sains Malaysia (USM) for their support and cooperation in this conference.

For publicity, this conference has been promoted and spread throughout universities and business organizations worldwide. So far, with such publicity, there have been 80 abstracts and full papers received from different countries namely Thailand, Malaysia, Taiwan, Australia, Norway, and the home country, Indonesia, with the total number of 26 universities and 2 business organizations.

This proceeding consists of 44 full papers with five categories as the following.

1. Accounting
2. Banking
3. Corporate Social Responsibility
4. Economics
5. Finance
6. Human Resource Management
7. Marketing Management
8. Strategic Management

Again, on behalf of the whole committee members, we would also like to express our deep gratitude and thanks to the reviewers for their dedication and time with their names as listed in the following.

1. Prof. Dr. Tatik Suryani, Prof. Dr. Wilopo and Dr. Suhartono, Lutfi, M.Fin form STIE Perbanas Surabaya Indonesia
2. Ass. Prof. Teay Sawyun from Assumption University Thailand
3. Prof. Staporn Tavornativas from Chandrakasem Rajabhat University Thailand
4. Dr. Shuo-Yan Chou form National Taiwan University of Science and Technology
5. Prof. Dr. I Made Sukarsa, SE, MS. From Warmadewa University Denpasar
6. Dr. Reevany Bustami. From Assistant Vice Rector University Sains Malaysia
7. Prof. Amine Tarazi., P.hD. from University of Limoges France

May all our endeavors during the conference be beneficial and fruitful.

Chair of the Committee

Soni Harsono.

TABLE OF CONTENTS

I. ACCOUNTING	
1. A STUDY ON THE RELATIONSHIP BETWEEN PARTICIPATION IN BUDGET SETTING WITH THE MANAGERIAL PERFORMANCE – INDONESIA EXPERIENCE	1
2. DIFFERENCES EARNINGS MANAGEMENT BETWEEN BANKING AND NON BANKING COMPANIES LISTED IN INDONESIA STOCK EXCHANGE	13
3. THE EFFECT OF BUDGET DECENTRALIZATION TOWARD LOCAL GOVERNMENT'S PERFORMANCE (STUDIES ON DISTRICT / CITY IN EAST JAVA)	31
4. THE THREAT LEVEL TOLERANCE IN THE COMPANY OF ACCOUNTING INFORMATION SYSTEM	59
5. THE IMPACT OF COMPANY'S CHARACTERISTICS ON CORPORATE SOCIAL RESPONSIBILITY (CSR) AND COMPANY'S PERFORMANCE	69
II. BANKING	
1. THE COMPARISON OF PERFORMANCE AMONG NINE BIGGEST BANKS IN INDONESIA BEFORE AND AFTER THE IMPLEMENTATION OF INDONESIA BANKING ARCHITECTURE	78
2. ANALYSIS OF FACTORS THAT INFLUENCE MUDARABAH FINANCING ON SHARIA BANK IN INDONESIA	115
3. SURVIVAL OF THE FITTEST: CONTAGION AS A DETERMINANT OF CANADIAN AND AUSTRALIAN BANK RISK	122
4. THE RELATIONSHIP BETWEEN INEFFICIENCY, RISK AND CAPITAL: EVIDENCE FROM COMMERCIAL BANKS IN ASEAN	130
5. CREDIT RISK TAKING AND CAPITAL POSITION: EVIDENCE FROM TWO STAGE REGRESSION	143
III. CORPORATE SOCIAL RESPONSIBILITY	
1. SUPPORTING CORPORATE GOVERNANCE MECHANISM AND CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE TO FIRM VALUE WITH GOING CONCERN AS INTERVENING VARIABLE (A Study in Public Companies that are included at Jakarta Islamic Index in Indonesia Stock Exchange)	154

2.	CUSTOMERS PERCEPTION TO CORPORATE SOCIAL RESPONSIBILITY: THE CASE IN INDONESIA'S BANKING INDUSTRY	167
3.	INSTITUTIONALIZING CORPORATE SOCIAL RESPONSIBILITY WITHIN CORPORATE COMMUNICATIONS IN THE SURVEY OF THE INDONESIAN ORGANIZATIONS	176
4.	ISO 26000 AND OF GLOBAL REPORTING INITIATIVE: A THEMATIC COMPARATIVE ANALYSIS OF TWO CSR STANDARDS	189
5.	INDONESIAN CSR IN BIFURCATION: OBLIGATION VERSUS DISCRETION	196
IV.	ECONOMICS	
1.	THE INFLUENCE OF COMPETITIVENESS COMMODITY TOWARD INDONESIAN REAL EXPORT OF NON OIL AND GAS TO CHINA: AN ILLUSTRATION OF ACFTA AND ASEAN ECONOMIC COMMUNITY 2015	203
2.	PRIVATE SAVINGS, DEMOGRAPHIC AND MACROECONOMIC FACTORS IN EMERGING ECONOMIES	224
V.	FINANCE	
1.	CALL FOR VALUES. IS IT A REMEDY FOR WORLD ECONOMIC SLOWDOWN	231
2.	PUBLIC REVOLVING FUND: LESSON FROM EAST JAVA	241
3.	CONSTRUCTING OPTIMUM PORTFOLIO : A COMBINATION BETWEEN DATA ENVELOPMENT ANALYSIS AND MARKOWITZ MODEL	251
4.	GOVERNANCE PRACTICE IN INDONESIAN STATE-OWNED ENTERPRISES (SOES)	259
5.	THE EX-POST TEST OF CORPORATE GOVERNANCE IMPACT TOWARD FINANCIAL DISTRESS AND FINANCIAL PERFORMANCE	276
6.	ANOMALY TESTING: AN EVENT STUDY OF HOLIDAY ANOMALY IN KOMPAS 100 INDEX	288
7.	RISK ANALYSIS: SHARIA BOND VS CONVENTIONAL BONDS	298
8.	ANALYZING OF FACTORS THAT AFFECTS BANKING SECTOR SHARES HOLDING PERIOD	311

RISK ANALYSIS: SHARIA BOND VS CONVENTIONAL BONDS

Zainul Kisman

STEKPI School of Business and Management-Jakarta.

Email: zainulkisman@yahoo.com, zainulkisman@stekpi.ac.id

ABSTRACT

This paper presents an empirical research of conventional and sharia bonds in Indonesian Stock Exchange. Model are formulated from Altman Model which is modified and adapted to the conditions that exist in conventional /sharia bond. The result of the research is expected to be a second opinion for investors interested in investing in bonds. The result suggest that Investors who want to invest in sharia bonds does not have to worry. Because the results of this study indicate that in general, sharia bond rating, continuity risk, operating risk, solvency risk is not significantly different compare to conventional bonds.

Key words: Conventional Bond, Sharia Bond, Rating, Liquidity risk, Continuity Risk, Operating Risk, Solvency Risk.

I. RATIONALE OF THE RESEARCH:

In the capital market, there are many investment instruments but the most popular ones are stocks and bonds. Both instrument is attractive in providing returns to investor. But behind the return, those instrument also have a considerable investment risk. For this reason an investor should make an assessment fundamentals before investing.

Fundamental analysis of securities (stocks and bonds) is an analysis that is quite difficult for an investor. Because this analysis starts from the analysis of economic, market, industry and company analysis on which we will choose to invest. Moreover, the data will be used for analysis are often not available, even if it is available the cost is quite expensive to acquire. It cheaper then the data is often questionable. Even if the data are sufficiently reliable data, an investor needs more capability to process data so that it is ready for use.

One example of the data needed investors, especially bond investors is the data about company rating that reflects the obligor risk. About this rating, there are some problems faced by investors. First, sometimes the publication of data is too late. While investment decisions should be done immediately, ratings data has not been published. The second problem, often once rating that has been published by the rating agencies need to be adjusted again because there is fairly significant change about the obligor, industry, domestic and global economy that is not accounted for previously. While the third problem concerns this rating is independency of institution that asses the obligor.

Therefore, investors need to predict the rating of the bonds using other alternative (second opinion) by using other variables that influence rating. In this way, it will be able to assist investors in rating the bonds. This rating is one of the necessary for investors, the simplest and most widely used to determine whether bonds are worth buying or not. On the basis of the above



THE 2nd ICBB and CSR-UN CONFERENCE

STIE
Perbanas
Surabaya



Certificate

This is to certify that

Zainul Kisman

Has participated as a

PRESENTER

In

2nd International Conference on Business and Banking
&

CSR-UN University Network

Surabaya, 2nd – 3rd Februari 2012

Prof. Dr. Dra.Psi. Tatik Suryani, MM.
Rector

Soni Harsono, SE., M.Si.
Head of Committee

Supported by:



BANK MASPION

