



**THE DETERMINANTS OF BANK EFFICIENCY IN MALAYSIA:
CONVENTIONAL VS ISLAMIC**

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ABSTRACT

This study examines the factors affecting the bank's efficiency. The dependent variable of this study is Bank's efficiency and the independent variable are capitalization, asset quality and operational cost. This study is conducted to find the effect of those factors towards the changes in bank's efficiency. The sample of the study consists of four (4) conventional bank and four (4) Islamic Banks that are listing in Bursa Malaysia. While data collected covers of 10 years period starting from 2006 to 2015 also based on the availability of the data for that period. This study used quantitative secondary data which is panel data and multiple regression model represented by the ordinary least squares (OLS) as the technique to look factor that affect the Bank's efficiency in Malaysia. As indicated by previous research, it is expected that quantitative secondary data are more relevant in explaining the bank's efficiency in Malaysia than qualitative secondary

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