

**THE IMPACT OF CHARACTERISTICS OF BOARD  
COMMISSIONERS, THE AUDIT COMMITTEE AND THE  
EXTERNAL AUDITOR TO THE EARNINGS MANAGEMENT  
PRACTICE STUDIES AT EMITEN IN BEI YEAR 2009-2011**

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**ABSTRACT**

*This research was about how the characteristic of board commissioners, the audit committee and the external auditor effect the earnings management practice. The purpose of this research is to know which variable from that characteristic significantly effect the earnings management practice. The earnings management is measured based on Discretionary Revenues by Stubben (2010). Total sample for this research is 324 companies, researcher got it with purposive sampling method. Data was collected from the annual report and was analyzed with multiple regression analysis.*

*The results indicated that nationality of board commissioners, nationality of audit committee and independency of audit committee have significant effect on earnings management, but other variables which are Gender of board commissioners, Gender of audit committee, Education background of board commissioners, Education background of audit committee, age of board commissioners, age of audit committee, independence of board commissioners and external audit are does not have significant effect on earnings management. This finding gives contribution for management about importance of board commissioners, audit committee diversity and external auditors to good corporate governance implementation.*

*Keywords : earnings management, characteristic board commissioner, audit committee, external auditor, discretionary revenues*