

INFLUENCE OF MECHANISM GOOD CORPORATE GOVERNANCE TO EARNINGS MANGEMENT WERE LISTED IN INDONESIA STOCK EXCHANGE

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ABSTRACT

The purpose of this research is to exemine influence of mechanism corporate governance, that is managerial ownership, institutional ownership, presence of independent of commissioner, size of director, and size of audit committee to earnings management. This research used samples from 39 companies listed in Indonesia Stock Exchange (IDX), by using purposive sampling which were published financial report among 2009-2011. The method of analysis of this research used multi regression and statistic descriptif.

The results of this research show that (1) managerial ownership had negative significant influence to earnings management, (2) institutional ownership had negative influence but not significant influence to earnings management, (3) presence of independent of commissioner had negative significant influence to earnings management, (4) size of director had positive influence but not significant influence to earnings management, (5) size of audit committee had negative significant influence to earnings management, (6) simultaneously of managerial ownership, institutional ownership, presence of independent of director, size of directors and size of audit committee had significant influence to earnings management.

Key Words: *Managerial Ownership, Institusional Ownership, Presence of Independent of Commissioner, Size of Director, Size of Audit Cimmittee.*