

ABSTRACT

This research aims to know the influence of corporate governance mechanism like board independent commissioners, managerial ownership, and institutional ownership, auditors independency, leverage ratio, and free cash flow on earnings management practices.

This research use samples of 20 BUMN company's on Indonesian Stock Exchange in 2011-2015. Sampling method used is purposive sampling. Then, there is 20 sample that include outlier should be excluded from samples of observation. So, the final amounts of the sample are 80 data. Multiple regression used to be analysis techniques.

The empirical result of this study show that board independent commissioners, leverage ratio, and free cash flow have significant influence on earnings management practices. Auditors independency, managerial ownership, and institutional ownership have no significant influence to earnings management practices.

Keywords: Corporate governance mechanism, earnings management practices, auditors independency, leverage ratio, free cash flow, BUMN, ownership structure.



ABSTRAK

Penelitian ini untuk mengetahui pengaruh mekanisme *corporate governance*, seperti dewan komisaris independen, kepemilikan manajerial, dan kepemilikan institusional, serta independensi auditor, *leverage ratio*, dan *free cash flow* terhadap praktik manajemen laba.

Penelitian ini menggunakan sampel 20 perusahaan BUMN yang terdaftar di BEI tahun 2011-2015. Metode sampling dalam penelitian ini adalah *purposive sampling*. Setelah melalui tahap pengolahan data, terdapat 20 data outlier yang harus dikeluarkan dari sampel penelitian, sehingga jumlah sampel akhir yang layak diobservasi yaitu 80 data. Teknik analisis yang digunakan adalah regresi berganda.

Hasil analisis menunjukkan bahwa variabel dewan komisaris independen, *leverage ratio*, dan *free cash flow* berpengaruh secara signifikan terhadap praktik manajemen laba. Independensi auditor, kepemilikan manajerial, dan kepemilikan institusional tidak berpengaruh secara signifikan terhadap praktik manajemen laba.

Kata kunci: Mekanisme *corporate governance*, praktik manajemen laba, independensi auditor, *leverage ratio*, *free cash flow*, BUMN, struktur kepemilikan.

