

ABSTRACT

ANALYSIS OF THE INFLUENCE OF THE QUALITY OF AUDIT AND MANAGEMENT MOTIVATION TOWARDS PROFIT MANAGEMENT (STUDIES ON COMPANIES THAT ARE DOING AN IPO IN INDONESIA)

By

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This research aims to obtain empirical evidence on the influence of audit quality management and motivation towards the management of profits at a time when companies do IPO in Indonesia. Quality audits in the proxy's with the size of the auditor (auditor of the big ten) and auditor industry specialists. Motivation management in the proxy's with bonus plan and leverage while management proxy profit using a modification of the model of Jones for calculating the discretionary accrual.

The population in this study is a company IPO in Indonesia 2008-2013. Based on the purposive sampling method, during the six years of observation of the sample obtained as many as 57 companies. The hypothesis in this study were tested using multiple regression analysis to examine the effect of independent variables on the dependent variable.

The results showed that the size of the auditors and bonus plans affect the earnings management practices in companies doing IPOs. While the industry specialist auditors and leverage no effect on earnings management practices in companies doing IPOs.

Keywords : *audit quality , earnings management , motivational management , auditors big ten , auditor industry specialist*