ABSTRACT

INFLUENCE OF OWNERSHIP STRUCTURE AND COMPANY SIZE TO AGENCY COST

By

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The purpose of this study was to determine the effect of ownership structure and firm size in the sector of consumer goods manufacturing company listed on the Indonesia Stock Exchange on the agency cost in the period 2008-2012.

Researchers using purposive sampling method and obtain the 33 companies that meet the criteria in this study. 165 total number of data observations. Testing is done by using multiple regression analysis.

Statistical tests indicate that the variable structure of family ownership, institutional ownership structure and the structure of foreign ownership does not affect the agency cost, while the firm size variable significant negative effect on agency cost.

Key word: The structure of family ownership, institutional ownership structure, foreign ownership structure, company size and agency cost.