

ABSTRACT

THE EFFECT OF FINANCIAL DISTRESS AND GOOD CORPORATE GOVERNANCE MECHANISMS ON EARNINGS MANAGEMENT

*(Empirical Study of Banking Sector Companies Listed on the Indonesia Stock
Exchange for the Period of 2017-2021)*

By

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This study aims to determine the effect of Financial Distress and Mechanism Good Corporate Governance on Earnings Management in Banking companies listed on the Indonesia Stock Exchange in 2017-2021. The sample used was 43 companies with total of 205 observations companies. The data analysis method is carried out using descriptive analysis to test the effect of the independent variables on the dependent variable. The results of this study indicate that Institutional Ownership, Managerial Ownership have a positive effect on Earnings Management. Meanwhile, Financial Distress, Proportion of Independent Board of Commissioners, Audit Committee have no effect on Earnings Management.

Keywords: *Financial Distress, Institutional Ownership, Managerial Ownership, Proportion of Independent Board of Commissioners, Audit Committee, Earnings Management.*

ABSTRAK

PENGARUH *FINANCIAL DISTRESS* DAN MEKANISME *GOOD CORPORATE GOVERNANCE* TERHADAP *EARNINGS MANAGEMENT*
(Studi pada Perusahaan Sektor Perbankan yang Terdaftar di Bursa Efek Indonesia Tahun 2017-2021)

Oleh

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Penelitian ini bertujuan untuk mengetahui pengaruh Financial Distress dan Mekanisme Good Corporate Governance terhadap Earnings Management pada perusahaan keuangan yang terdaftar di Bursa Efek Indonesia tahun 2017-2021. Sampel yang digunakan adalah 43 perusahaan dengan total 205 observasi perusahaan. Metode analisis data dilakukan dengan menggunakan analisis deskriptif untuk menguji pengaruh variabel independen terhadap variabel dependen. Hasil penelitian ini menunjukkan bahwa Kepemilikan Institusional, Kepemilikan Managerial berpengaruh positif terhadap Earnings Management. Sedangkan Financial Distress, Proporsi Dewan Komisaris Independen, Komite Audit tidak berpengaruh terhadap Earnings Management.

Kata Kunci : Financial Distress, Kepemilikan Institusional, Kepemilikan Managerial, Proporsi Dewan Komisaris Independen, Komite Audit, Earnings Management.