

ABSTRACT

IMPLICATION OF ASYMMETRY INFORMATION, MANAGERIAL COMPANSATION, DEBT COVENANT AND POLITICAL COST ON EARNINGS MANAGEMENT PEACTIES (Manufacturing Company Listing In BEI Period 2010-2013)

by

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The purpose of this study was to determine the effect signification on asymmetry information, managerial compansation, debt covenant and political cost of the earnings management practices in manufacturing company period 2010-2013. This type of study is explanatory research, that is to test hypothesis. The technique used in sampling is purposive sampling. This results showed that corelation value have relationship in lowest category, and in asymmetry information and managerial compansation partially have aeffect but insignificant of the earnings management practices with both have a positive relationship. However, debt covenant and political cost partially have a significant effect of the earnings management practices where on debt covenant have a positive relationship and biaya politic have a negative relationship. Simultaneous asymmetry information, managerial compansation, debt covenant and political cost showed significant effect of the earnings management practices.

Keyword: Asymmetry Information, Managerial Compensation, Debt Covenant, Political Cost and Earnings Management