

ABSTRACT

THE INFLUENCE OF INSTITUTIONAL OWNERSHIP TO THE ACCOUNTING CONSERVATISM.

By

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This study aims to provide empirical evidence of the influence of institutional ownership to the conservatism accounting. Independent variables in this study was measured by Institutional Ownership percentage. Dependent variables in this study is Accounting Conservatism is measured by the size of the accrual. This study also uses control variable the Proportion of independent commissioner, leverage and size.

Sampling is done by purposive sampling method Manufacturing Company listed on the Indonesia Stock Exchange in 2009-2013. This research is examined by multiple linear regression with SPSS 21.

The result is Aktive Institutional Ownership has no effect on accounting conservatism. While Passive Institutional Ownership has negative effect on accounting conservatism. The Proportion of independent commissioner has positive effect on accounting conservatism, *leverage* has negative effect on accounting conservatism and there is no effect of firm size on accounting conservatism.

Keywords: Institutional Ownership, Accounting Conservatism, the Proportion of independent commissioner, *leverage*, *size*