

ABSTRACT

This study aims to determine whether the mechanism of good corporate governance, profitability, firm size, and leverage can affect the practice of earnings management within a company. The population in this study is manufacturing companies listed on the Indonesia Stock Exchange in 2014-2015. The sample is determined by purposive sampling method with total sample of 61 companies. Data collection method used is by method of documentation. Data analysis and hypothesis testing used is multiple regression analysis with the help of program SPSS ver.17. The result of the research shows that good corporate governance, profitability, company size, and leverage have no effect on earnings management practices in a company.

Keywords: Good corporate governance mechanism, profitability, firm size, leverage, earnings management