

ABSTRACT

Jesica, Effect of Information Asymmetry On Earnings Management Practices Against Manufacturing Company Registered In The Indonesia Stock Exchange (Under the Guidance of MY Dedi Haryanto, SE, Si Ak)

This study aims to examine the effect of information asymmetry on earnings management practices in manufacturing companies listed on the Indonesia Stock Exchange. The population in this study is a manufacturing company listed on the Indonesia Stock Exchange. While the sample in this study were 55 samples of manufacturing companies listed on the Indonesia Stock Exchange 2008-2010 period that have been selected by purposive sampling method. Variables used in this study was to test the information asymmetry effect on corporate earnings management practices. Test results show that information asymmetry does not significantly influence earnings management practices because it has a significance value greater than 0.05. Based on the resulting value of R Square of 0.023 indicates that the percentage given by the variable influence of asymmetry on earnings management, namely by 2.3% while the remaining 97.7% is influenced by factors other than information asymmetry.

Keywords: Information Asymmetry and Earnings Management.