

ABSTRACT

Junaidi. Effect of Good Corporate Governance Mechanism Against Profit Management

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This study aimed to determine whether there is influence of corporate governance mechanisms on earnings management partially or simultaneously in the year 2009-2011. The population in this study is a banking company listed on the Stock Exchange. Samples were determined by using purposive sampling. The research sample was obtained by 21 companies. Hypothesis testing using multiple linear regression analysis and t-test with the help of Microsoft Excel and statistics program R version 2.15.2. The test results show that (H1) there is the influence of the proportion of independent commissioners rejected earnings management, H2 are the size of the board of commissioners to influence earnings management accepted, (H3) there is the influence of the size of the audit committee on earnings management is rejected, and (H4) are good mechanisms influence corporate governance on earnings management accepted.

Keywords: corporate governance, independent board of directors, the composition of the board of directors and audit committee