

ABSTRACT

This research have purpose for know the effect of independent commissioners, managerial ownership, and institusional ownership towards financial distress prediction. This research expected can help research about financial distress prediction on coal mining subsector companies listed in the indonesian stock exchange in the period of 2009-2015.

This research using the foundation of agency theory and good corporate governance. This research using three variable independent namely independent commissioners, managerial ownership, and institusional ownership with one variable dependent namely financial distress prediction with using proxy altman z-score.

This research is quantitative research with using the techique of regression analysis panel data. Population in this research namely company subsector coal mining in the listed in the indonesian stock exchange in the period of 2009-2015. The sampling of technique in the research using purposive sampling method with a total population 22 company, 1 outlier data, and obtained a sample of 5 companies in accordance wityh the predetermined criteria

From the result of data processing, can be concluded independent commissioners, managerial ownership, and institusional ownership does not have significant toward financial ditress prediction towards agains a negative. While the institutioal ownership has a significant effect on the prediction of financial distress to the negative direction.

Based on the result of this research, companies should pay attention to the factors that may indicate a companies experiencing financial distress, so companies that are experiencing financial ditress can come out of such conditions and companies that are in the gray area can anticipate in order to avoid the condition of financial distress. For investors and potential investors shoul pay attention to good corporate governance in the company if want to invest to avoid companies experiencing financial distress and lead to investors experiencing loses.

Keywords : Independent Commissioners, Managerial Ownership, Institusional Ownership, Financial Distress Prediction, Altman Z-Score