

ABSTRACT

The implementation of good GCG in Indonesia is still fairly weak. The results of a survey from the Asian Corporate Governance Association (ACGA) show Indonesia ranked 11th which is where it is ranked the lowest after China (ranked 9th) and the Philippines (ranked 10th). Which is where the weak implementation of GCG is due to the absence of awareness of a value and practice in running business activities.

Many factors affect the value of the company, which research on the factors that affect the value of the company itself has been done, including the financial performance of a company, dividend policy, corporate governance, stock prices and so forth. Therefore, the authors take conclusions to examine whether there is influence of GCG on corporate value based on the above background.

Data collection methods are conducted by measuring managerial ownership, institutional ownership, independent commissioner and corporate value through financial statements and annual reports that have been published in a resi on the Indonesia Stock Exchange. Data processing method using E-views.

Based on the results of data processing, it can be seen that the influence of Good Corporate Governance on the value of the company is still small, it means that GCG is applied in the company does not have a big effect on the value of the company. But GCG is an important aspect in running a company to achieve long-term goals.

Based on the results of the research, a banking company listed on the Indonesia Stock Exchange should adhere to the regulations that have been issued directly by Bank Indonesia on Good Corporate Governance covering ideal conditions of managerial ownership, institutional ownership and independent commissioners.

Keywords: Managerial Ownership, Institutional Ownership, Independent Commissioners, Corporate Values and Charges.