

ABSTRACT

Earnings management is an intervention on the preparation of financial statements with the aim of obtaining personal benefits (those who disagree say that this is only an effort to facilitate the impartial operation of a process). Earnings management is measured by a modified Jones model, where the model is the best model in detecting earnings management.

In this study, measurements will be made on the independent and dependent variables. Where the independent variable consists of good corporate governance (independent board of commissioners and audit committees), ownership structure (managerial ownership and institutional ownership) audit quality and audit tenure, on the dependent variable namely earnings management in manufacturing companies listed on the Indonesia Stock Exchange (IDX) the period 2015-2017. And the data is obtained from the company's annual report.

The population in this study are manufacturing companies listed on the Indonesia Stock Exchange in the period 2015-2017. The technique used in sample selection was purposive sampling and obtained as many as 29 companies. The method used for data analysis in this study is panel data regression analysis and using Microsoft Excel 2016 and Eviews 9.

The results of the study show good corporate governance (independent board of commissioners and audit committees), ownership structure (managerial ownership and institutional ownership) audit quality, and audit tenure have a simultaneous effect on earnings management. Whereas, partially it shows that in the good corporate governance the independent board of commissioners has a positive influence while the audit committee has no effect, for the ownership structure of managerial ownership variables and institutional ownership and audit quality does not affect earnings management. While the audit tenure variable has a negative effect on earnings management.

For the next researcher, it is suggested that the research period expand, replace the research object, and add other variables or replace the proxy used on the independent variable. It is recommended that you get different results and know the effect on earnings management.

Keywords: independent board of commissioners, audit committee, managerial ownership, institutional ownership, audit quality, audit tenure and earnings management.