

ABSTRACT

Financial performance is an assessment of company performance that can assess whether or not a company is healthy by using the company's financial ratios. This study aims to determine the effect of the Independent Board of Commissioners, Audit Committee, Leverage and Profit Management both simultaneously and partially.

This study uses data from all companies listed on the Indonesia Stock Exchange for the period 2015-2018 in the Banking Sub-Sector. Purposive sampling technique used and obtained by 38 companies in 4 years so that 152 samples were observed. The analysis model used in this research is panel data analysis (time series & cross section) using Eviews 10 Software.

The results of this study indicate that the Independent Board of Commissioners, Audit Committee, Leverage and Earnings Management simultaneously influence the Company's Financial Performance simultaneously significantly influence the dependent variable, namely the financial performance of banking companies listed on the Indonesia Stock Exchange (IDX) in 2015-2018. Partially, the Independent Board of Commissioners has no positive effect on the Company's Financial Performance, the Audit Committee has a negative effect on the Company's Financial Performance, Leverage does not have a positive effect on the Company's Financial Performance and Profit Management has a negative effect on the Company's Financial Performance. Therefore, these variables can be used as important variables in the Company's Financial Performance. Based on the results of the study, researchers tried to provide some suggestions for further researchers, which should replace or add other variables that are suspected to affect the company in conducting ROA such as company size, managerial ownership, corporate social responsibility and capital structure.

Keywords: Independent Board of Commissioners, Audit Committee, Leverage, Earnings Management and Corporate Financial Performance