

ABSTRACT

Financial statement are an important thing for a company, because through financial reports the performance and quality of the company will be described and attract investors. Managers as those who managed the company will be most likely to carry out a practice commonly referred to as earnings management practice.

This study aims to determine the effect of prudence, corporate social responsibility (CSR), managerial ownership, and institutional ownership on earnings management in manufacturing companies listed on the Indonesia Stock Exchange for the 2017-2020 period.

Hypothesis testing using panel data regression using the Eviews 11. The sample of this study is a manufacturing company listed on the Indonesia Stock Exchange for the 2017-2020 period. The sample was selected using a purposive sampling method, there were 36 companies with 4 periods and produced 144 observations.

The results of this study indicate that prudence, corporate social responsibility (CSR), managerial ownership, and institutional ownership have a simultaneous effect on earnings management. It also shows that prudence has an effect on earnings management, while CSR managerial ownership, and institutional ownership have no effect on earnings management.

Suggestions in this study should be for the next researcher to add independent variables that have more influence on earnings management and increase the research period.

Keywords: *Prudence, Corporate Social Responsibility, Managerial Ownership, Institutional Ownership, Earnings Management.*