

ABSTRACT

Earnings management is defined as an intervention in the process of preparing financial statements with the aim of benefiting management by maximizing profits or minimizing company profits. This can cause a company's financial statements not to reflect the actual conditions.

This study is to test and analyze the effect of Independent Commissioners and Managerial Ownership on Earnings Management with Control Variables of Company Size and Profitability in Infrastructure Sector Companies Listed on the Indonesia Stock Exchange for the 2019-2023 Period. The population in this study were infrastructure companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2023 period.

The method used in this study is quantitative. The sampling technique used is purposive sampling and 24 infrastructure companies were obtained with a period of five years so that the total sample was 120 samples. The data analysis technique in this study uses panel data regression analysis and uses EvIEWS 12 software.

The results of this study indicate that the independent commissioner and managerial ownership variables have a simultaneous effect on earnings management. Partially, independent commissioners have no effect on earnings management. The next independent variable, managerial ownership, has no effect on earnings management.

The results of this study are expected to be used by companies in the infrastructure sector as a consideration in order to present financial reports with integrity. Furthermore, it can be used as a consideration in the assessment for decision making in investing.

Keywords: *Earnings Management, Independent Commissioners, Managerial Ownership, Profitability, Size*