

ABSTRACT

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FACTORS THAT DETERMINE INCOME SMOOTHING PRACTICES
(xii + 52 pages; 1 figure; 10 tables; 2 appendices)

This research aims to prove empirically the impact of profitability, managerial ownership, financial leverage, cash holding and auditor reputation on income smoothing practices. This research uses secondary data which are financial statements of manufacturing companies listed on the Indonesian Stock Exchange throughout 2015-2017. Purposive sampling was used in this research with a total of 192 samples. Using logistic regression analysis, writer found that from all independent variable observed, there is no evidence supporting all the hypotheses made in the chapter 2. Contrary to the hypothesis proposed, profitability, managerial ownership, financial leverage and cash holding found has proven to have significant negative impact on income smoothing practices while auditor reputation has insignificant negative impact towards income smoothing practices.

References : 26 (1973-2018)

Keywords : income smoothing, earning management, profitability, managerial ownership, financial leverage, cash holding, auditor reputation, manufacturing companies.