

ABSTRACT

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IMPACT OF FIRM AND BOARD CHARACTERISTICS ON EARNINGS MANAGEMENT

(xvii + 74 pages; 10 tables; 5 figures; 3 appendices)

This research aims to empirically prove the impact of firm and board characteristics, consisting of firm leverage, firm size, audit quality, independence of board of directors, CEO duality, board size, share ownership, board composition, and size of audit committee towards earnings management.

The population in this study are manufacturing companies that have been listed on the Indonesia Stock Exchange in the period of 2013-2017. Sample used was a total of 100 manufacturing companies per year observed. Audit quality, independence of board of directors, CEO duality, board size, share ownership, board composition, and size of audit committee were taken from the annual reports of the companies. Data analysis method uses a multiple regression analysis.

The results of the analysis found that firm leverage, audit quality, and board composition has a significant effect on earnings management. On the other hand, firm size, independence of board of directors, CEO duality, board size, share ownership, and size of audit committee did not have a significant effect towards earnings management.

References : 51 (1976-2018)

Keywords : firm characteristics, board characteristics, earnings management, leverage, firm size