

TABLE OF CONTENTS

COVER PAGE	
TITLE PAGE	
DECLARATION OF AUTHENTICITY OF FINAL PAPER AND UPLOAD AGREEMENT	i
APPROVAL PAGE BY FINAL PAPER ADVISOR.....	iii
APPROVAL PAGE BY FINAL PAPER DEFENSE COMMITTEE.....	iv
ABSTRACT	v
ABSTRAK	vi
PREFACE	vii
TABLE OF CONTENTS.....	ix
LIST OF FIGURES	xii
LIST OF TABLES	xiii
LIST OF APPENDICES	xiv
CHAPTER I INTRODUCTION	
1.1 Background.....	1
1.2 Problem Limitation.....	7
1.3 Problem Formulation	8
1.4 Objective of the Research.....	8
1.5 Benefit of the Research.....	9
1.5.1 Theoretical Benefit	9
1.5.2 Practical Benefit.....	10
CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT	
2.1 Theoretical Background.....	11
2.1.1 Agency Theory	11
2.1.2 Profitability	12
2.1.3 Leverage.....	13

2.1.4	Tax Avoidance	14
2.1.5	Earnings Management	15
2.2	Previous Research.....	18
2.3	Hypothesis Development.....	22
2.3.1	Profitability towards Earnings Management	22
2.3.2	Leverage towards Earnings Management.....	23
2.3.3	Tax Avoidance towards Earnings Management	23
2.3.4	Profitability, Leverage, Tax Avoidance towards Earnings Management	24
2.4	Research Model	25
2.5	Framework of Thinking.....	25
 CHAPTER III RESEARCH METHODOLOGY		
3.1.	Research Design	27
3.2.	Population and Sample	27
3.3.	Data Collection Method.....	29
3.4.	Operational Definition and Variable Measurement.....	30
3.4.1.	Independent Variable (X)	30
3.4.2.	Dependent Variable (Y).....	31
3.5.	Data Analysis Method	32
3.5.1.	Descriptive Statistics Analysis.....	32
3.5.2.	Classical Assumption Test.....	33
3.5.2.1	Normality Test.....	33
3.5.2.2	Multicollinearity Test.....	34
3.5.2.3	Autocorrelation Test.....	34
3.5.2.4	Heteroscedasticity Test	35
3.5.3.	Multiple Linear Regression Analysis	35
3.5.4.	Hypothesis Test.....	36
3.5.4.1	Coefficient of Determination (R^2)	36
3.5.4.2	Simultaneous F-test.....	36
3.5.4.3	Partial t-test	37

CHAPTER IV RESEARCH RESULT AND DISCUSSION

4.1	General View of Consumer Goods Companies.....	38
4.2	Research Result	52
4.2.1	Descriptive Statistics.....	52
4.2.2	Result of Data Quality Testing	54
4.2.2.1	Normality Test.....	54
4.2.2.2	Heteroscedasticity Test.....	58
4.2.2.3	Multicollinearity Test	60
4.2.2.4	Autocorrelation Test.....	61
4.2.3	Multiple Linear Regression Analysis	62
4.2.4	Result of Hypothesis Testing.....	64
4.2.4.1	Coefficient of Determination (R^2)	64
4.2.4.2	Simultaneous F-Test	65
4.2.4.3	Partial t-Test.....	66
4.3	Discussion.....	67
4.3.1	The Effect of Profitability towards Earnings Management	68
4.3.2	The Effect of Leverage towards Earnings Management	68
4.3.3	The Effect of Tax Avoidance towards Earnings Management.....	69
4.3.4	The Effect of Profitability, Leverage, and Tax Avoidance towards Earnings Management	70

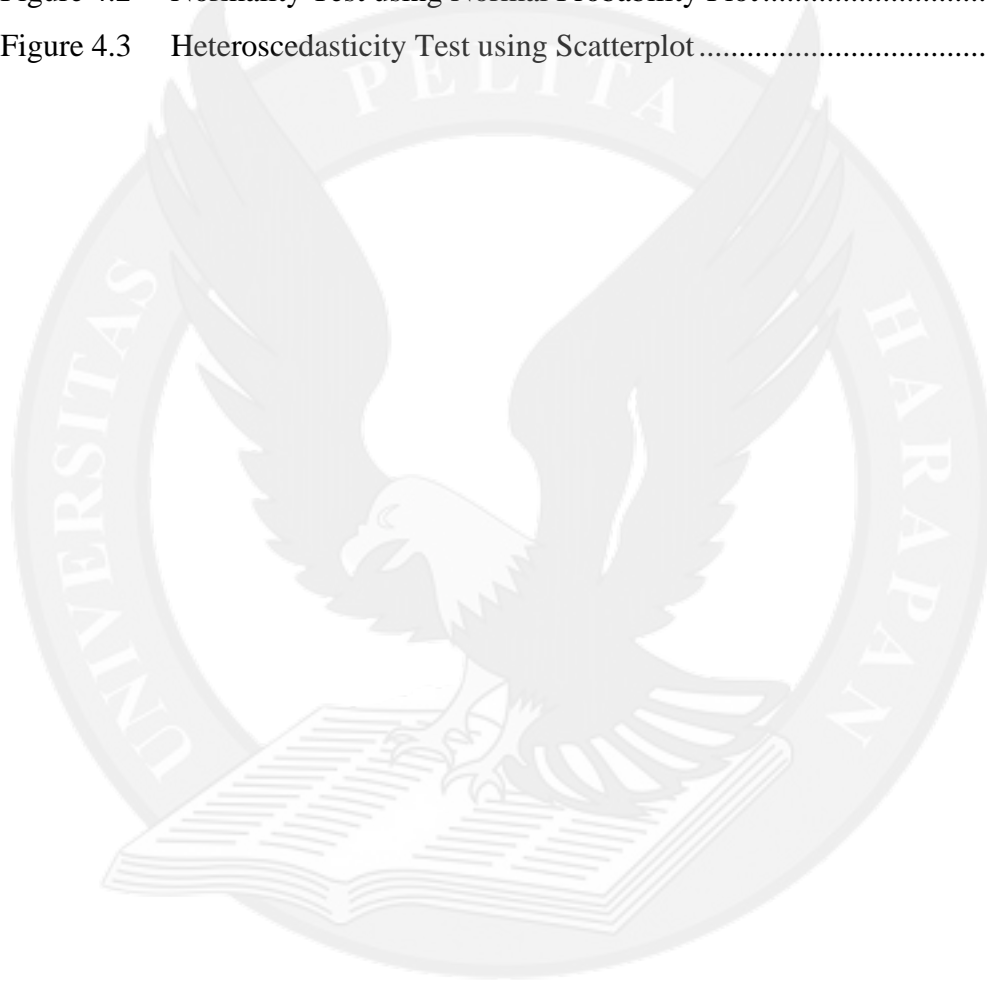
CHAPTER V CONCLUSION

5.1	Conclusion	71
5.2	Recommendation	73

REFERENCES	92
-------------------------	-----------

LIST OF FIGURES

Figure 2.1	Research Model	25
Figure 2.2	Framework of Thinking	26
Figure 4.1	Normality Test using Histogram.....	57
Figure 4.2	Normality Test using Normal Probability Plot.....	57
Figure 4.3	Heteroscedasticity Test using Scatterplot.....	58



LIST OF TABLES

Table 2.1	Summary of Previous Research	20
Table 3.1	Sample of Determination	28
Table 3.2	List of Samples	29
Table 4.1	Descriptive Statistics.....	52
Table 4.2	Normality Test using One-Sample Kolmogorov-Smirnov	55
Table 4.3	Normality Test using One-Sample Kolmogorov-Smirnov Test after Outliers Elimination.....	56
Table 4.4	Heteroscedasticity Test using Spearman Rho.....	59
Table 4.5	Multicollinearity Test using Tolerance and VIF.....	60
Table 4.6	Autocorrelation Test using Run Test	61
Table 4.7	Autocorrelation Test using Run Test after Outlier	62
Table 4.8	Multiple Linear Regression Analysis	63
Table 4.9	Coefficient of Determination Results	65
Table 4.10	F-test Results.....	66
Table 4.11	T-test Results	67

LIST OF APPENDICES

Appendix A: List of Samples.....	A-1
Appendix B: Data Sample of Companies.....	B-1
Appendix C: SPSS Output.....	C-1
Appendix D: Statistic Table.....	D-1

