

ABSTRACT

ANGELA VERONIKA. The Effect of Good Corporate Governance and Earning Management to Financial Performance on the Companies of Sector Property, Real Estate and Building Construction Are Listed in Indonesia Stock Exchange Period 2010 – 2012. (Supervised by Mrs.Yosevin Karnawati).

The purpose of this study was to determine the effect of managerial ownership , audit committee, board of directors, independent directors, institutional ownership and earnings management as the independent variable to the financial performance as the dependent variable. The sample of this research is companies of sector property, real estate and building construction are listed in Indonesia Stock Exchange period 2010 – 2012. The sampling technique use purposive sampling and produce 47 samples.

The data is processed use a computer statistics to test of quality of data, regression test, F test and t test. F test indicates that managerial ownership, audit committee, board of directors, independent directors, institutional ownership and earning management are jointly affect to financial performance and the research's model fit for use as a predictive tool. T test showed that managerial ownership, audit committee, board of directors, institutional ownership and earning management had no significant effect to financial performance. While the independent directors have significant effect to financial performance.

Keywords: financial performance, managerial ownership, audit committee, board of directors, independent directors, institutional ownership and earning management.