

ABSTRACT

NUR RAMAWATI. *The Analysis Of The Factors Affecting Prudence (Study at Manufacturing Companies Industry Sector Automotive and Components listed on the Indonesian Stock Exchange). Accounting Studies Program. University of Esa Unggul Jakarta. 2015.*

This research aims to analyze the effect of debt covenant, bonus plan, political cost to prudence. Data Analysis using quantitative methods. Population in this research are manufacturing companies industry sector automotive and components based on data from Indonesian Stock Exchange 2010 – 2014 with total populations of 12 companies.

Data were analyze using multiple linear regression statistics methode and using SPSS 20. Furthermore tested using classical assumption test (Normality Test, Multicollinearity Test, Heteroskidastity test, Autocorrelation test), and hypothesis test (F-Test, Coefficient of Determination, T-test).

The result of this research are, the result of F test stated that Debt Covenant, Bonus Plan, Political Cost simultaneously affect significantly to prudence. The result of T test stated that hypothesis 1 is rejected that is debt covenant partially did not affect significantly to prudence, the hypothesis 2 is rejected that is bonus plan partially did not affect significantly to prudence. Furthermore the hypothesis 3 is accepted that is political cost partially affect significantly to prudence.

Keyword : Debt Covenant, Bonus Plan, Political Cost, Prudence