

# **The Effect of Good Corporate Governance Mechanism, and Earning Management on Company Financial Performance**

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**Final Year Project**

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**Bahria University**  
Discovering Knowledge

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## **Abstract**

The aim of this study was to look at the result of GCG mechanisms, and earnings management on money performance. From the great company governance variables, researchers used proxies to the quantity of board of directors, institutional ownership, social control ownership, the proportion of freelance board of directors; variety of audit committees additionally unconcealed the influence of earnings management on financial performance. This study uses a sample of twenty five producing corporations listed on the Republic of Indonesia stock market by mistreatment purposive sampling that's financially printed reports between 2012 and 2016. The strategy of research of this study uses multi-regression and single regression. The results of this study indicate that

- Board of administrators has no result on earnings management,
- Institutional possession doesn't have a major positive effect on earnings management,
- Social control ownership does not have a meaty influence on earnings management,
- The presence of the freelance Board of Commissioners has no significant effect on earnings management,
- The scale of the audit committee does not have a having a meaning or purpose affectionateness earnings management,
- At the same time GCG don't seem to be features a significant influence on earnings management,
- Earnings management has no vital determiner on money performance, associate degreeed
- GCG mechanisms and earnings management along have an effect on finance performance.