

## ABSTRACT

*The objective of this study is to examine the comparison of corporate governance and bank monitoring model in affecting industrial manufacturing company performance in Indonesian Stock Exchange from 2010 to 2012. Variables that were tested in this study are corporate governance and bank monitoring variables which can affecting firm performance.*

*This study uses multiple linear regression method to test the research hypotheses with a sample of 82 industrial manufacturing company in Indonesia Stock Exchange from 2010 to 2012. The number of observation that used in the study is 246 observations. Furthermore, this study also use non-nested test to discover which model is more superior when affecting firm performance.*

*The result show that board size, independent commissioner, and ownership concentration as corporate governance variables, with magnitude of bank loans and length of bank loans outstanding period as bank monitoring variables, has a significant positive effect on industrial manufacturing company in Indonesian Stock Exchange from 2010 to 2012. Moreover, based on non-nested test results, in shareholder view points, corporate governance model is more superior than bank monitoring model in affecting industrial manufacturing company performance in Indonesia Stock Exchange from 2010 to 2012.*

*Keywords: Corporate Governance, Bank Monitoring, Agency Theory, Agency Problem, Firm Performance*

## INTISARI

Penelitian ini bertujuan untuk membandingkan model *corporate governance* dan *bank monitoring* dalam mempengaruhi kinerja perusahaan industri manufaktur di BEI periode 2010-2012. Variabel-variabel yang diuji adalah variabel-variabel *corporate governance* dan *bank monitoring* yang dapat mempengaruhi kinerja perusahaan.

Penelitian ini menggunakan metode analisis regresi linier berganda untuk menguji hipotesis dengan sampel berupa 82 perusahaan industri manufaktur di BEI periode 2010-2012. Jumlah observasi adalah 246 poin observasi. Selain itu, penelitian ini juga melakukan uji *non-nested* terhadap model *corporate governance* dan *bank monitoring* untuk menemukan model mana yang lebih unggul dalam mempengaruhi kinerja perusahaan.

Temuan penelitian menunjukkan bahwa variabel-variabel *corporate governance* yaitu *board size*, *independent commissioner*, dan *ownership concentration*, serta variabel-variabel *bank monitoring*, yaitu *magnitude of bank loans* dan *length of bank loans outstanding period* memiliki pengaruh positif signifikan terhadap kinerja perusahaan industri manufaktur di BEI periode 2010-2012. Selain itu, berdasarkan hasil uji *non-nested*, model *corporate governance* lebih unggul daripada model *bank monitoring* dalam mempengaruhi kinerja perusahaan industri manufaktur di BEI periode 2010-2012 dari sudut pandang pemegang saham,

Kata kunci : *Corporate Governance, Bank Monitoring, Agency Theory, Agency Problem, Firm Performance.*