

INTISARI

Penelitian ini bertujuan untuk mengetahui apakah mekanisme *good corporate governance* yang meliputi kualitas audit dan struktur kepemilikan dapat mengurangi praktek *earning management* yang banyak dilakukan oleh badan usaha terbuka di Indonesia. Struktur kepemilikan diproksikan dengan *institutional shareholder* dan *capital concentration*, sedangkan kualitas audit diproksikan dengan *external auditor reputation*. Untuk mendukung hasil penelitian digunakan pula variabel independen berupa *firm size* dan *leverage*.

Penelitian ini menggunakan sampel badan usaha yang terdaftar di Bursa Efek Indonesia selama periode 2012-2014 kecuali sektor keuangan. Jumlah sampel yang digunakan dalam penelitian ini adalah 903 data dari 326 badan usaha selama 3 tahun penelitian.

Berdasarkan hasil pengujian, ditemukan bahwa variabel *auditor external reputation* sebagai proksi dari kualitas audit secara signifikan mampu menekan *absolute discretionary accrual* sebagai proksi dari *earning management*. Hal ini menunjukkan jika *auditor external reputation* dapat menekan praktek *earning management* yang dilakukan oleh badan usaha terbuka di Indonesia. Selain itu hasil penelitian menunjukkan jika keberadaan *institutional shareholder* justru meningkatkan praktek *earning management*, sedangkan keberadaan variabel kontrol berupa *leverage* dan *firm size* memiliki hubungan signifikan terhadap praktek *earning management*.

Kata Kunci: *audit quality*, *capital concentration*, *earning management*, *institutional ownership*

ABSTRACT

This research aims to determine whether good corporate governance mechanism which contain audit quality and ownership structure can alleviate earning management practice which has been done by many company in Indonesia. The ownership structure is proxied by institutional shareholders and capital concentration, while audit quality is proxied by external auditor reputation. To support the results of the research are also used independent variables such as firm size and leverage.

This research used a sample of listed company in the Indonesia Stock Exchange during the period 2012-2014 except for the financial sector. The samples used in this study were 903 data from 326 company for 3 years of the research.

Based on test results, it was found that the variable external auditor reputation as a proxy of audit quality is significantly alleviate the absolute discretionary accruals as a proxy of earnings management. It shows if the external auditor reputation can alleviate the practice of earnings management performed by company in Indonesia. In addition the results showed that the interests of institutional shareholders actually increase earnings management practices, while the presence of the control variables of leverage and firm size has a significant relationship to the practice of earnings management.

Keyword: *audit quality, capital concentration, earning management, institutional ownership*