

ABSTRACT

Earnings management practice is a common behavior carried out by management in a company. Earnings management is an action taken by company managers in manipulating the process of financial reporting or accounting information with the aim of obtaining personal or corporate profits.

This study aims to determine how the influence of Independent Board of Commissioners, Audit Committee, Possession of Institutional, Possession of Manajerial, and Size of the Company on earnings management and to determine the effect of of Independent Board of Commissioners, Audit Committee, Possession of Institutional, Possession of Manajerial, and Size of the Company bot simultaneously and partially on earnings management in Infrastructure, Utilities, and Transportation Sector Companies Included in the Calculation of Indonesian Sharia Stock Index on the Indonesia Stock Exchange (IDX) in 2015-2018

The population in this study are Infrastructure, Utilities, and Transportation Sector Companies Included in the Calculation of Indonesian Sharia Stock Index on the Indonesia Stock Exchange (IDX) in 2015-2018. The sample selection technique uses purposive sampling and obtained 16 companies with four years of observation so that 64 samples were observed. The analysis technique used in this study is panel data regression analysis using the SPSS 25 and Eviews.

The results showed that the independent board of commissioners, the audit committee, institutional ownership, managerial ownership, and company size simultaneously affected earnings management. Partially, the variables of independent commissioners, audit committees, institutional ownership, managerial ownership have no effect on management, while the size of the company has a positive effect on earnings management. From the results of the study it can be concluded that only company size has a significant effect on earnings management with a positive direction. Suggestions for investors to be more careful in making decisions in investing in a company.

Keywords: Independent Board of Commissioners, Audit Committee, Ownership Institutional, Managerial Ownership, Company Size, Earning management