

## ABSTRACT

### **THE INFLUENCE OF MANAGERIAL OWNERSHIP, INSTITUTIONAL OWNERSHIP AND SIZE OF BOARD DIRECTORS ON EARNING MANAGEMENT**

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This research was aimed to know the influence of managerial ownership, institutional and size of board directors on earning management.

The methodology used in this research was: 1) data was collected from documentation. Documentation is taken from firm's released annual financial statement on Jakarta Stock Exchange from 1999 to 2003, 2) all data were tested by using multiple linear regression. Regression analytic is using t-test for testing the influence of individual independent variable and F-test for testing the influence together of independent variable on dependent variable.

The final result of this research showed that individually managerial ownership does not significantly influence on earning management, while institutional ownership significantly influences on earning management and board of directors significantly influences on earning management. Managerial ownership, institutional ownership and board of directors significantly influence together on earning management.

Keywords: managerial ownership, institutional ownership, size of board directors, earning management.