

ABSTRAK

Penelitian ini bertujuan untuk memberikan bukti empiris mengenai pengaruh *financial distress* dan profitabilitas terhadap *earning management*. *Earning management* dalam penelitian ini diukur menggunakan model Jones Modified. *Financial distress* dalam penelitian ini diukur menggunakan model Grover. Profitabilitas dalam penelitian ini diproksikan dengan *profit margin*, *return on asset*, *return on equity*, dan *earning per share*. Sampel penelitian yang digunakan adalah perusahaan *consumer goods industry* yang terdaftar di Bursa Efek Indonesia periode 2015-2017. *Purposive sampling* digunakan sebagai metode dalam pengambilan sampel dan diperoleh 108 sampel. Teknik analisis yang digunakan adalah analisis regresi panel dengan Stata 14. Hasil penelitian menunjukkan bahwa *financial distress*, *return on equity*, dan *earning per share* berpengaruh terhadap *earning management*, sedangkan *profit margin* dan *return on asset* tidak berpengaruh terhadap *earning management*.

Kata Kunci: *Financial Distress, Profitabilitas, dan Earning Management*

ABSTRACT

The aim of this research is to provide the empirical evidence that related to the effect of financial distress and profitability to earning management. Earning management is measured by Jones Modified Model. Financial distress is measured by Grover Model. Profitability is proxied by profit margin, return on asset, return on equity, and earning per share. The research sample of this study is a consumer goods industry which listed in Indonesia Stock Exchange 2015-2017. Purposive sampling is used as a sampling method and obtained 108 samples. The analysis technique used is panel regression analysis with Stata 14. The result of this study indicate that each of financial distress, return on equity, and earning per share has an effect in eraning management while profit margin and return on asset hasn't effect on earning management.

Keyword: Financial Distress, Profitability, and Earning Management