

ABSTRACT

Earnings management is an effort to change, conceal, and engineer figures in financial statements and play accounting methods and procedures that the company uses. In addition, earnings management measures are also used as tools by the management of the company to benefit.

Independent variables in this study are information asymmetry, leverage, and managerial ownership. While the dependent variable of this research is earnings management. This research aims to determine whether the influence of information asymmetry, leverage, and managerial ownership of earnings management both simultaneously and partially in mining companies on the Indonesia Stock Exchange.

The research population is a mining company listed on the Indonesia Stock Exchange period 2013-2017. The sampling technique in this study is a purposive sampling technique and obtained as many as 18 companies in a 5 year period after a total of 90 samples of the company. The method of data analysis in this research is the analysis of the regression of data panels using software Eviews Versie 9.

Based on the results of the study showed that simultaneously variable information asymmetry, leverage, and managerial ownership effect on earnings management. A partial variable of information asymmetry and leverage has no effect on earnings management, whereas the variable of managerial ownership has significant negative effect on earnings management.

Managerial ownership negatively affects earnings management which means if the interests of managers and owners can be aligned, the manager will not be motivated to manipulate information or perform earnings management so that the quality of information Profit can increase.

Keywords : Earnings Management, Information Asymmetry, Leverage, Managerial Ownership,