

## **ABSTRACT**

*Financial conditions tend to experience fluctuations that can be caused by internal or external factors for the company that will have an impact on profits earned by the company. Therefore, the company needs to maintain the company's condition so that the company's sustainability is stable so that it avoids financial distress. Financial distress is a declining financial condition faced by companies so that the impact cannot pay off obligations. If financial conditions continue to deteriorate, it can be expected that the company will go bankrupt.*

*The purpose of this study is to examine the effect of independen; liquidity, leverage, salesgrowth, company size, managerial ownership and institutional ownership and the dependent variable is financial distress. The objects used are companies in the basic and chemical industry sector and the consumer goods industry sector which are listed on the Indonesia Stock Exchange 2009-2018. The population in this study are companies in the basic and chemical industry sectors and consumer goods industry sectors listed on the IDX. In the selection of samples using a purposive sampling technique and the sample was drawn to 63 samples. The data analysis technique used is survival analysis technique with the Cox Proportional Hazard method and hypothesis testing and statistical tests.*

*Simultaneous test results, liquidity, leverage, salesgrowth, company size, managerial ownership, and institutional ownership have a significant influence on financial distress. Partial test results, salesgrowth and firm size have an influence on financial distress with a significant negative direction, institutional ownership has an influence on financial distress with a positive direction and liquidity, leverage, and managerial ownership have no influence on financial distress. Suggestions for researchers hereinafter, are expected to use other variables besides variables in research such as operating profit margin corruption, concentration of commissioners and directors, because to find out what variables can affect financial distress and can use objects of research in other sectors on the IDX or other institutions.*

**Keywords:** *Survival Analysis; Financial Distress; Managerial Ownership; Institutional Ownership; Liquidity; Leverage; Salesgrowth; Firm Size*