

ABSTRACT

Earnings management is a fraudulent practice carried out by companies with the aim of meeting certain targets. There have been cases of earnings management at state-owned enterprises, namely PT Waskita Karya Tbk. and PT Wijaya Karya Tbk., which are suspected of manipulating their financial reports so that they do not reflect their actual financial conditions. Therefore, this study was conducted to analyze the factors that can influence earnings management at state-owned enterprises.

This study aims to examine gender diversity, independent commissioners, corporate social responsibility, firm age, earning power, and earnings management. This study also aims to analyze the simultaneous and partial effects of gender diversity, independent commissioners, corporate social responsibility, firm age, and earning power on earnings management in state-owned enterprises listed on the Indonesia Stock Exchange (IDX) from 2020 to 2024.

This study uses a quantitative method with purposive sampling. The total sample in this study consisted of 23 companies, resulting in 115 observations. The analysis method used was panel data regression analysis processed using Eviews 13.

The results of this study indicate that gender diversity, independent commissioners, corporate social responsibility, firm age, and earning power have a simultaneous effect on earnings management. In addition, earning power has a positive effect on earnings management. On the other hand, gender diversity, independent commissioners, corporate social responsibility, and firm age have no effect on earnings management.

Based on the research findings, companies are advised to improve the integrity of their financial reports when earning power is high, as companies have greater potential to engage in fraudulent practices. Investors are advised to be more vigilant towards companies with high earning power as there is a possibility of financial statement manipulation.

Keywords: Gender Diversity, Independent Commissioners, Corporate Social Responsibility, Firm Age, Earning Power, Profit Management