

ABSTRACT

This study aims to examine the effect of accounting conservatism, financial distress, and good corporate governance (GCG) on earnings management. This study uses the dependent variable as earnings management, while the independent variable is accounting conservatism, financial distress, size of the board of commissioners, audit committee, institutional ownership, and managerial ownership.

The population used in this study are manufacturing companies listed on the Indonesia Stock Exchange in 2017 – 2022. By using purpose sampling in sample selection, 834 research samples were obtained for 4 consecutive years. This study uses four analytical methods of descriptive statistical analysis, classical assumption test, multiple linear regression test, and hypothesis testing.

The findings of this study reveal that accounting conservatism, size of the board of commissioners, audit committee, institutional ownership, and managerial ownership have a negative effect on earnings management. However, the results also reveal that financial distress has a positive effect on earnings management.

Keywords : Accounting Conservatism, Financial Distress, Size of the board of Commissioners, Audit Committee, Institutional Ownership, and Managerial Ownership.