

ABSTRACT

This research aims to examine the influence of financial distress, managerial ownership, and systematic risk on accounting conservatism. Financial distress encourages the tightening of accounting conservatism in order to respond the increasing level of risk, managerial ownership mitigates agency problems which are the basis for implementing accounting conservatism, and systematic risk increases the company's operational risk, especially for shareholders, which then encourages them to obtain more accurate financial information.

The sample used in this research is manufacturing sector companies listed on the IDX in the 2021-2023 period. Samples are processed and used to test hypotheses using multiple linear regression analysis methods, R determination, F-Test, and T-Test, based on the normality assumption given by classical assumption testing.

The research results show that financial distress has a positively significant influence on accounting conservatism, but managerial ownership and systematic risk do not influence it significantly. This indicates that only relatively large risks can affect management and stakeholders.

Keywords: Accounting Conservatism, Financial Distress, Managerial Ownership, Systematic Risk, Risk