

ABSTRACT

This study aims to examine the effect of good corporate governance on the company's financial performance of manufacturing companies listed on the Indonesia Stock Exchange in 2018-2021. This study aims to find empirical evidence regarding the effect of corporate governance, institutional ownership structure, managerial ownership, leverage, and audit quality on the company's financial performance, so as to provide insight to investors and stakeholders to find out relevant accounting information in financial statements.

The research method used in this study is a quantitative approach with a population of 211 manufacturing companies and 156 manufacturing companies were taken as research samples. The data used in this study is secondary data obtained from the official website of the Indonesia Stock Exchange (IDX) which was used as the research sample. The analysis technique used is multiple linear regression.

The results of hypothesis testing state that the variables of good corporate governance in the form of managerial ownership, leverage and audit quality have a positive effect on financial performance, while in this study it was found that institutional ownership has a negative effect on financial performance.

Keywords : Good Corporate Governance, Company Financial Performance, Leverage, Audit Quality

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