

**UNIVERSITAS INTERNASIONAL BATAM**

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*Bachelor Thesis  
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**ANALYSIS EFFECT OF GOOD CORPORATE GOVERNANCE ON FIRM  
PERFORMANCE IN SERVICE COMPANIES LISTED IN INDONESIA  
STOCK EXCHANGE (IDX)**

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*Abstract*

*The purpose of this study was to examine the influence of corporate governance relations on the performance of service companies listed on the Indonesia Stock Exchange (IDX). Purposive sampling is used as a data selection method with 150 service companies listed on the Stock Exchange in the 2012 to 2016 period that have been selected for use in this study or 750 observation data. Data selection is based on secondary data with documentation techniques for corporate financial reporting that have been carried out by the company on the IDX.*

*The program used to conduct data processing is to use SPSS version 22 and E-Views version 9, the purpose of doing this is to find the value of descriptive statistics and outlier tests and determine the best model through panel regression method. In panel regression, the best model that will be determined is Pooled Least Square (PLS), Fixed Effect Model (FEM), and Random Effect Model (REM) and perform chow test, thirst test, Lagrange multiplier test, f test, t test, and test the coefficient of determination*

*Independent variables used in this study are using good corporate governance with indicators of Independent Commissioners (KIND), Board of Directors (DD), Audit Committee (KA), Institutional Ownership (KINT), Managerial Ownership (KM) and Company Size (SIZE) influential on company performance using indicators of Return on Equity (ROE) and Return on Assets (ROA). The results of this study indicate that all corporate governance variables affect the company's performance except the audit committee variable.*

**Keywords:** *corporate governance, independent commissioner (KIND), board of directors (DD), audit committee (KA), managerial ownership (KM), institutional ownership (KINT), company size (SIZE), return on equity (ROE), return on asset (ROA), company performance*