

*Thesis*  
*Master Management Study Program*  
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***ANALYSIS THE EFFECTS OF POLITICAL CONNECTION, CORPORATE GOVERNANCE AND FIRM CHARACTERISTICS ON FIRM PERFORMANCE OF LISTED COMPANIES IN INDONESIA STOCK EXCHANGE***

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*Abstract*

*This study aims to determine the influence of political connection, corporate governance and firm characteristics to firm performance on listed company in Indonesia Stock Exchange (IDX). Variables used in this study are political connection, independen commisioner, audit committee size, board of director size, firm size, leverage and growth of firm performance measured by Return on Assets (ROA) and Market to Book Ratio (MBR).*

*This research is based on the 427 companies listed on the IDX between 2012 to 2016. Data used in this research is from the financial statement of each public company. Data obtained from the particular statement will be tested with panel regression. Statistical softwares were used in this research test.*

*The result had indicated that political connection, independen commisioner and audit committee size have no significant impact either on ROA or MBR, board of director size and leverage negatively significant on ROA but have no signifcant impact on MBR, firm size negatively significant either on ROA or MBR, and growth proofed have positive significant either on ROA or MBR. Based on the result above we concluded that political connection have no impact either on ROA or MBR, on the otherhand corporate governance have impact on ROA but not in MBR, and firm characteristics have impact either on ROA or MBR.*

**Keywords:** *Firm performance, political connection, corporate governance, firm charateristics, Indonesia stock exchange, Indonesia.*