

*Undergraduate Thesis  
Bachelor of Accounting Program  
Odd Semester 2018/2019*

**ANALYSIS OF THE EFFECT OF CORPORATE GOVERNANCE  
ON PERFORMANCE MERGER AND ACQUISITION**

NPM: 1542162  
Jimmy Tjong

Abstract

This study aims to determine the relationship between corporate governance and the performance of mergers and acquisitions. The performance of mergers and acquisitions is measured using the cumulative abnormal return (CAR) as the dependent variable. While the measurement of corporate governance, namely board size, independent board, gender diversity of the board, executive compensation, management ownership, institutional ownership, CEO tenure and CEO share ownership are used as independent variables. The study used 53 issuers on the Indonesia Stock Exchange to carry out mergers and acquisitions during the period 2010-2015 as research samples. Sampling uses purposive sampling method. The data analysis method used to analyze the hypothesis is multiple regression analysis.

The results of the study reveal a significant relationship between corporate governance on the performance of simultaneous mergers and acquisitions (F test sig. = 0.00). The results of hypothesis testing indicate that the board size, gender diversity of the board, executive compensation, management ownership, institutional ownership and CEO ownership do not significantly influence the performance of mergers and acquisitions. While other independent variables such as CEO tenure have a significant positive influence on the performance of mergers and acquisitions. Independent boards have a negative but significant influence on the performance of mergers and acquisitions.

*Keywords: performance of mergers and acquisitions, corporate governance, managerial ownership, CEO tenure, executive compensation*