

ABSTRACT

Good corporate governance mechanism is a system that can increase the value of the company. This study was conducted to obtain evidence on the analysis of the effects of good corporate governance mechanisms (institutional ownership, managerial ownership, independent board of commissioners, audit committee, and size of the board director) on company value. The object of this study is a manufacturing company listed on the Indonesia Stock Exchange during 2012-2016. Pursuant to purposive sampling method, obtained 28 company as sample, so 5 year observation there are 127 annual report analyzed. The analytical tool used is multiple regression statistics, where the dependent variable is firm value (measured by Tobin's Q), and the independent variables are institutional ownership, managerial ownership, independent board of commissioners, audit committee and size of the board director .

The results of the model feasibility study showed that the mechanism of good corporate governance is proxied by institutional ownership and managerial ownership of the value of the company. However, independent board of commissioners, audit committees, and board size have no effect on corporate value.

Keywords: corporate value, Tobin's Q, institutional ownership, managerial ownership, independent board of commissioners, audit committee and size of the board director .