

ABSTRACT

The purpose of this research is to develop a conceptual theoretical approaches in an effort to address new gaps, both conceptually and on empirical about the influence of corporate governance mechanisms on firm performance, and Influence of capital structure on firm performance.

The population in this study include companies listed in Indonesia Stock Exchange from 2007 to 2011 serving the complete financial statements, as many as 307 companies. The number of samples set 154 research company specified with a bunch of systematic sampling. Analysis techniques to examine the entire hypothesis using path analysis via AMOS 16 software.

Research produces empirical evidence that growth based working capital management (MKBP) were able to overcome the gap (gap) conceptual and empirik about the influence of corporate governance mechanisms on firm performance, and about influence of capital structure on firm performance. The findings of the study are: (1) company growth based working capital management (MKBP) mediates the effect of board independen on firm performance; (2) company growth based working capital management (MKBP) mediates the effect of board size (BSIZE) on firm performance (FP); (3) board size influence to firm performance; (4) company growth based working capital management (MKBP) mediates the effect of leverage (LV) on firm performance; (5) company growth based working capital management mediates the effect of board size (BSIZE) and leverage (LV) on firm performance (KP) (6) the goodnes of Indirect path are $BIND \rightarrow MKBP \rightarrow KP$.

Keywords: Company growth based working capital management; board independen; board size; leverage; firm performance.