

ABSTRACT

The purpose of this research is to examine the effect of the corporate governance mechanism, which consists of proportion of independent commissioner, board of director, audit committee, frequency of board meetings and concentration of ownership on financial performance.

This research examines property and real estate sub-sector companies listed on the Indonesia Stock Exchange from 2017-2019 with a total sampel of 25 companies. Sampling based on purposive sampling method that follows certain criteria. The analysis method used is Multiple Linear Regression.

The results showed that board of director and ownership concentration had a significant positive effect on financial performance, proportion of independent commissioner and audit committee has no significant effect on financial performance and frequency of board meeting had a significant negative effect on financial performance.

Keywords: financial performance, corporate governance mechanism, proportion of independent commissioner, board of director, audit committee, frequency of board meeting, concentration of ownership.