

ABSTRACT

The purpose of this study is to examine whether managerial ability affects conditional and unconditional conservatism. The data used in this study uses secondary data taken from the company's annual report that is provided in Indonesian Stock Exchange website as well as Bloomberg's Financial Analysis (FA) and Equity Screening (EQS) for the period 2012 to 2022. In this study, the population are non-cyclical or consumer goods companies listed on the Indonesia Stock Exchange (IDX) and the sampling method used is purposive sampling technique. In the process of analysis, this research uses multiple linear regression with robust standard error method. The results of the analysis show that managerial ability affects in mixed way such as positive, negative and some even have no effect either to conditional conservatism. In addition, it affects positively to unconditional conservatism.

Keywords: managerial ability, conditional conservatism, unconditional conservatism.