

ABSTRACT

Corporate governance aims to minimize costs and control the decisions of BUMN CEOs. BUMN CEOs attributes have a potential to be reason for earnings management. If BUMN implements corporate governance well, then the CEO's potential for earnings management can be related to the attributes of the CEO. Thus this study aims to test the truth that corporate governance affects of relationship between CEO attributes and earnings management, so corporate governance is included in the moderating variable. The population in this study were all BUMNs listed on the Indonesia Stock Exchange (IDX). The sample selection used purposive sampling technique from 2019 to 2022 according to predetermine criteria, so 20 BUMNs were obtained with 80 observations. The analysis use multiple regression analysis and uses the help of eviews software.

The results of this study can be concluded that accepting the hypothesis H1 there is a negative and significant influence between BUMN CEOs compensation and earnings management. Rejecting H2 that there is no effect of board diversity on earnings management. H3 is accepted that there is a negative influence between BUMN CEOs education on earnings management. H4 is rejected that there is no influence between BUMN CEOs tenure on earnings management. H5 is accepted that there is a negative influence between BUMN CEOs pay gap on earnings management. The results of this analysis also show that BUMN corporate governance is able to strengthen the effect of compensation on earnings management. Likewise, BUMN CEOs education on earnings management can be strengthened by corporate governance. Meanwhile, corporate governance is unable to strengthen the influence of BUMN CEOs attributes such as board diversity, tenure and pay gap on earnings management.

Keywords: CEO attributes, earnings management, and corporate governance.