

ABSTRACT

This study aims to examine the effect of the Company's internal and external governance monitoring mechanisms on real earnings management. In addition, this study also examines the difference in the influence between the Company's internal and external governance monitoring mechanisms on real earnings management before and during the covid-19 pandemic. This research approach is a quantitative approach with data sourced from bloomberg and annual reports. The research was conducted on manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2017-2022. Sample selection using purposive sampling technique and obtained a sample of 129 companies with 774 observations. Data analysis techniques using the SEM-PLS method with SmartPLS 3.0 software. The results prove that multiple commissionerhip, commissioners compensation, audit committee financial/accounting background has a negative and significant effect on real earnings management. In addition, audit committee meetings have a significant positive influence on real earnings management. Meanwhile, audit quality, audit tenure, and audit report lag have no effect on real earnings management. Other research results show that there is no difference in influence between the Company's internal and external governance monitoring mechanisms before and during the Covid-19 pandemic.

Keywords: *Corporate Governance, Real Earnings Management, Covid-19 Pandemic*