ABSTRACT

This study aims to examine and analyze the impact of Good Corporate Governance implementation on the financial performance of companies, with firm size as a moderating variable. Financial performance is measured using Return on Assets (ROA), while GCG mechanisms are represented by variables such as the board of directors, board of commissioners, and audit committee, with leverage as a control variable.

The sample for this study consists of banking companies listed on the Indonesia Stock Exchange (IDX) during the 2016-2021 period. A total of 119 companies were selected using purposive sampling. The data analysis method employed is Moderated Regression Analysis (MRA).

Agency theory drives the concept of GCG in business management, where GCG is expected to minimize conflicts by overseeing the financial performance of agents. The results of this study indicate that GCG simultaneously affects financial performance, with independent variables including the board of directors, board of commissioners, and audit committee, moderated by firm size and with leverage as a control variable.

Keywords*: Financial Performance, Board of Directors, Board of Commissioners, Audit Committee, Firm Size, Leverage.*