

ABSTRACT

The aims to this study was to examine the effect of political connection, ownership structure, and cash holdings on corporate performance. Sample of this study used companies that registered on Indonesia Stock Exchange during 2013-2016. This research was made because there are differences in results between studies with each other.

The samples were selected by purposive sampling method and do outlier to remain 30 companies. The analysis used multiple regression with SPSS 24.0, which is preceeded by a test consisting of the classical assumption test for normality, multicollinearity test, heteroscedasticity test and autocorrelation test. Hypothesis testing is using F test and t test.

The result of this research show that political connection, institutional ownership, and cash holdings have significant positive effect on corporate performance and foreign ownership variable have significant negative effect on corporate performance. But public ownership have insignificant effect on corporate performance. Moreover it found that the value of the adjusted R square is 5.4%. This means that 94.6% is explained by other variables outside the model.

Keywords: *Corporate performance, political connection, institutional ownership, foreign ownership, public ownership, and cash holdings.*