

ABSTRACT

The purpose of this study is to analyze the effect arising from the ownership structure with a proxy managerial ownership, institutional ownership, foreign ownership and characteristics of corporate governance by proxy size of the board of directors, and the size of the audit committee with the Investment Opportunity Set. Dependent variabel in this research is the Investment Opportunity Set measured by Market to Book Value of Asset (MBVA).

Total sample in this study are 11 companies listed in Indonesia Stock Exchange during 2013-2016. The sampling method used is purposive sampling method with predetermined criteria. This study uses multiple reggression analysis to examine the effect of the ownership structure and characteristic of the corporate governance on Investment Opportunity Set.

The results of this study indicate that the managerial ownership and size of the board of directors positively affects Investment Opportunity Set measured by Market to Book Value of Asset (MBVA). Foreign ownership and audit committees negatively affects Investment Opportunity Set measured by Market to Book Value of Asset (MBVA). But the institutional ownership has no effect on Investment Opportunity Set measured by Market to Book Value of Asset (MBVA).

Keywords : Manajerial Ownership, Institutional Ownership, Foreign Ownership, Board Size, Size of The Audit Committee Investment Opportunity Set.