

ABSTRACT

The purpose of this study was to analyze the effect of Agency Cost, Insider Ownership, Institutional Ownership, blockholder Ownership, Board Size and Independent Commissioner Board on Financial Distress manufacturing companies in BEI. The independent variables in this study is the Agency Cost, Insider Ownership, Institutional Ownership, blockholder Ownership, Board Size and Independent Commissioner Board. The dependent variable in this study is the Financial Distress (Y).

The population in this research was manufacturing companies listed on the Stock Exchange from the year 2012-2014 amounted to 141 companies. Mechanical sampling in this research was purposive sampling and obtained a sample of 24 companies. Source of data obtained from: the financial statements for 2012 - 2014 were obtained from BEI and the Indonesian Stock Exchange (IDX) annual in 2012 - 2014. The data analysis method used was logistic regression analysis techniques.

The results showed that the Agency Cost has a significant positive effect on the Financial Distress. Blockholder Ownership and Independent Board has a significant negative effect on the Financial Distress. While the Insider Ownership, Institutional Ownership and Board Commissioner Size has not significant effect on Financial Distress.

Keywords: Agency Cost, Insider Ownership, Institutional Ownership, Blockholder Ownership, Board Size Commissioner, Independent Board and Financial Distress