ABSTRACT

This study aims to examines the effect of good corporate governance to companies performance in Indonesia. Independent variables in this study is the number of the board of commissioners, the proportion of the independent commissioner, the proportion of the audit committee, and the proportion meetings of the audit committee. Dependent variables in this study is corporate performance is measured by market capitalization.

Data collection using purposive sampling method to the manufacturing companies listed in Indonesia Stock Exchange in 2013-2015. There was 303 companies used as sampel. The method of analysis of this study used multiple regression.

These results of the study indicates that there is significant positive effect between the number of the board of commissioners, the proportion of the audit committee, and the proportion of meetings of the audit committee to company performance. But, there is no effect between the proportion of the independent commissioner to company performance.

Keywords: good corporate governance, company performance, market capitalization.