

ABSTRACT

The objective of this research is to analyze the influence of Corporate Governance on the level of firm's value. Measurement of corporate governance use Corporate Governance Perception Index (CGPI) by Indonesia Institute of Corporate Governance (IICG). This research refers to research conducted by Akbar et al. (2016) with some modification.

Population of this research are companies that listed both in Indonesian Stock Exchange (IDX) and CGPI rank by IICG during 2012-2015. All data were collected by using purposive sampling method with criteria company publish audited financial statements. A total data of 72 observations were analyzed. Multiple linear regression analysis was used as a main analysis tool.

The results of this research show that CGPI has no significantly influence the level of firm's value. Whereas, between all control variables, only profitability (ROA) has significant effect on the level of firm's value. Based on the test results of Coefficient of Determination R^2 Test, the independent variable and control variables influence the firm's value of 30,60%.

Keywords: Firm's value, Tobin's Q, Corporate Governance, Corporate Governance Perception Index.