

## ABSTRACT

*This study aimed to obtain empirical evidence about the influence of auditor quality, managerial ownership, IFRS Convergence to earnings management of the manufacturing companies in Indonesia. Auditor quality was proxied by auditors' big four and industry specialist auditors. Kaznic models used to calculate discretionary accruals (a proxy for earnings management).*

*The population of this study was a company listed on the Indonesia Stock Exchange in 2010-2012. The sample of this study was the manufacturing companies listed in Indonesia Stock Exchange in 2010-2012 using purposive sampling method that fulfilled the criteria for sample selection. The sample used counts of 345 companies. The statistic method used was multiplied analysis linear regression with hypothesis testing of statistic t and F test.*

*The results of this study showed that the audit quality of the Big Four auditor, the Industry Specialist Auditors and IFRS Convergence had negative effect on earnings management. Meanwhile Managerial Ownership had no significantly influenced on earnings management in the manufacturing companies in Indonesia.*

*Keywords: Auditor Quality, Managerial Ownership, IFRS Convergence, Earnings Management*