

## **ABSTRACT**

*The purpose of this study is to empirically examine the effect of good corporate governance to corporate performance (Tobin's Q) in the non-financial services company. Corporate governance components in this study is proportion of independent board, managerial ownership, institutional ownership, foreign ownership, the independence of the audit committee, and the quality of audit, with firm size as a control variable.*

*Population in this study is non-financial services company which listed on BEI in periode 2009-2011, with the sampling method is purposive sampling method. This research was conducted by using documentation method which used data from annual financial statements listed in Indonesia Stock Exchange (BEI) and the data from Indonesian Capital Market Directory (ICMD). The method of data analysis is used a multiple regression analysis. The sample used in this study amounted to 111 non-financial services company listed on the Indonesia Stock Exchange in the period 2009-2011.*

*The results of this research demonstrate that good corporate governance have a significant effect on firm performance with institutional ownership variable, independence of audit committee, quality of audit, and firm size. The higher institutional ownership, independence of audit committee, quality of audit, and firm size, it will improve the performance of a company. Independence of commisaris variable, manajerial ownership, and foreign ownership has no significant effect on firm performance (Tobin's Q).*

*Keyword: good corporate governance, proportion of independent board, managerial ownership, institutional ownership, foreign ownership, independence of audit committee, quality of audit, firm size, firm performance (Tobin's Q)*