

ABSTRACT

This study is aimed to investigate the effect of impression management of the company performance. The impression management was measured by selectivity, distortion, narcissism and the company's performance was measured by ROA and Tobin's Q. This study also used leverage and size as control variables. Multiple regression analysis was used to test all listed companies in Indonesia Stock Exchange during the year of 2011-2015. The result of this study is selectivity has positive influence on financial and market performance. Then, distortion has negative effect on financial and market performance. However, narcissism has not significant influence on financial and market performance. Thus, impression management has significant effect on company's performance. The finding of study is the company with displays more favorable graph tends to improve company's performance. The company that has poor performance tends to have greater company risk. As a result, the companies tend to distort their graphs. This research can be applied to stakeholder to show company performance whether it is in good or bad performance. The further study may be increase the number of sample by using annual report as basic to do assess impression management.

Keywords: company performance, sustainability report, impression management, selectivity, distortion, narcissism, ROA, Tobin's Q