

ABSTRACT

The purpose of the study is to analyse the effect of corporate governance and capital structure on performance of property and construction firms listed at BEI in the year 2010 to 2015. The result during the research period doesn't always match with the previous research and the existing theory.

This study use annual report to find corporate governance, capital structure and firm performance variable such as board size, board composition, institutional ownership, managerial ownership, ROA, DER in construction and property firms listed in BEI in the year 2010 to 2015. The analytical method that has been used in this study is multiple regression analysis wuth SPSS.

The study revealed that there was a significant positive relationship between board size, board composition with ROA, while managerial ownership, institusional ownership and DER are not significant with ROA. For relationship Board size,board composition,and institusional ownership there was not siginificant with DER, while on managerial owiership has significant positive relationship with DER The study found that there is no intervening effect of capital structure (DER) on the relationship between coporate governance and firm performance in property and construction firm.

Keywords : board size, board composition, managerial ownership, institutional ownership, ROA, DER.