

ABSTRACT

This study aims to examine the effect of gender diversity in corporate governance on earnings management. This study uses female Chief Executive Officer (CEO), female Chief Financial Officer (CFO), female in board of commissioners, female in audit committee, and female corporate secretary as independent variables. The dependent variable in this study is earnings management which measured by discretionary accruals.

The population in this study is manufacturing companies listed on Indonesian Stock Exchange (IDX) from 2018-2019. This study consists of 202 samples which selected by using purposive sampling method. The data used in this study was secondary data collected from annual reports which can be accessed on Indonesian Stock Exchange (IDX) or company's website. This study uses the multiple linear regression to analyze the effect of female Chief Executive Officer (CEO), female Chief Financial Officer (CFO), female in board of commissioners, female in committee audit, and female corporate secretary on earnings management.

The result of this study shows that only one hypothesis from five hypotheses is supported, which is female in the audit committee has a negative significant effect on earnings management, while other hypotheses are not supported. Female Chief Financial Officer (CFO) and female corporate secretary have a positive significant effect on earnings management. Female Chief Executive Officer (CEO) and female in the board of commissioners have no significant effect on earnings management.

Keywords: corporate governance, diversity gender, earnings management