

**THE EFFECT OF GOOD CORPORATE GOVERNANCE, FREE CASH
FLOW, LEVERAGE AND SALES GROWTH ON PROFIT
MANAGEMENT IN SHARIA BANKING COMPANIES**

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ABSTRACT

Earnings information in financial statements can be used as engineering targets by management to maximize their satisfaction, because there will be parties who will focus on paying attention to profit issues and this is a special concern and is realized by management, especially managers whose performance is measured based on the earnings information, thus encouraging the emergence of actions to manage earnings or commonly known as earnings management. This study aims to determine the effect of managerial ownership, institutional ownership, board of commissioners, audit committee, free cash flow, leverage and sales growth on Islamic banking earnings management for the 2016-2019 period. This study uses the Associative method with hypothesis testing using panel data using E-views ver.3 software. The results of this study indicate that the results of the t-test calculation (partial) show that partially the leverage variable has a significant effect on Islamic banking earnings management for the 2016-2019 period. Meanwhile, the variables of managerial ownership, institutional ownership, board of commissioners, audit committee, free cash flow, and sales growth have no significant effect on Islamic banking earnings management for the 2016-2019 period.

**Keywords: Managerial Ownership, Institutional Ownership, Board of
Commissioners, Audit Committee, Free Cash Flow,
Leverage, Sales Growth and Earnings Management**