

THE IMPACT OF GOOD CORPORATE GOVERNANCE

TOWARDS FIRM MARKET VALUE IN INDONESIA

THESIS

**Presented as Partial Fulfillment of the Requirements for the
Degree of Sarjana Ekonomi (S1) in Accounting Program**

Faculty of Economics

Universitas Atma Jaya Yogyakarta



Compiled by :

Monica Susilo

Student ID: 14 15 21008

FACULTY OF ECONOMICS

UNIVERSITAS ATMA JAYA YOGYAKARTA

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Has been read and approved by :

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Dewi Ratnaningsih, Dra., MBA., Akt. CA.

Yogyakarta, February 9th 2018

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International Financial Accounting Program Faculty of Economics
Universitas Atma Jaya Yogyakarta**

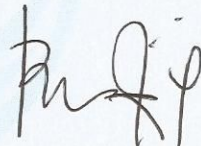
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AUTHENTICITY ACKNOWLEDGEMENT

I hereby declare that the thesis with the title :

THE IMPACT OF GOOD CORPORATE GOVERNANCE TOWARDS FIRM MARKET VALUE IN INDONESIA

Is really my own thinking and writing. I fully knowledge that my writings does not contain other or parts of other writing, except for those that have been cited and mentioned in the references.

Yogyakarta, February 9th 2018

A handwritten signature in black ink, appearing to be 'Monica Susilo', written in a cursive style.

Monica Susilo

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Praise to the Lord Jesus Christ for all his blessings and love, so that the researcher can complete thesis process with the title “The Impact of Good Corporate Governance towards Firm Market Value in Indonesia”.

This thesis is compiled as the partial fulfillment of the Requirements for the Degree of Sarjana Ekonomi (S1) in Accounting Program Faculty of Economics Universitas Atma Jaya Yogyakarta. The process of completion is supported from many parties directly and indirectly. Therefore, researcher would like to express gratitudes to :

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I realized the imperfections of this thesis due to the limited knowledge and capability. Therefore, constructive criticism and suggestions from readers are desirable. At the end, researcher hopes that this thesis could bring insights and benefits for the readers and related parties. Thankyou.

Yogyakarta, February 9th 2018

Signed,

Monica Susilo


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Abstract

This research examines the impact of Good Corporate Governance towards Firm Market Value in Indonesia. The population in this research is all banking companies listed in Indonesia Stock Exchange (IDX) year 2013-2016. Samples are taken using purposive sampling technique. The research uses 132 samples which are taken from 33 banking companies listed in Indonesia Stock Exchange (IDX) year 2013-2016.

The result of this research shows that Good Corporate Governance has no positive impact to the firm market value and followed by size as the control variable. But for the leverage variable, it shows an impact to the firm value. This research concludes that high or low the firm market value is not affected by Good Corporate Governance.

Keywords : Good Corporate Governance, Firm Market Value, Size, Leverage