

**THE CONCENTRATION OF INSTITUTIONAL OWNERSHIP AND LEVERAGE
ON EARNINGS MANAGEMENT, SHAREHOLDER VALUE AND COST OF
EQUITY CAPITAL**

**KONSENTRASI KEPEMILIKAN INSTITUSIONAL DAN LEVERAGE
TERHADAP MANAJEMEN LABA, NILAI PEMEGANG SAHAM DAN COST
OF EQUITY CAPITAL**

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ABSTRACT

This study empirically tested the effect of Institutional Ownership and leverage on earnings management, shareholder value and cost of equity capital. By using the sample for 4 years from 2007 to 2010 as many as 135 companies. Hypothesis testing is done by path analysis. results of research that has been done as follows: 6 hypothesis is accepted and the second hypothesis is not supported by statistics. The concentration of institutional ownership affects earnings management and cost of capital, but had no effect on shareholder value. Leverage effect on shareholder value but does not affect earnings management. Earnings management affect shareholder value and the Cost of Capital. And shareholder value affects the cost of capital.

Keywords: Institutional Ownership, Earning Management, Shareholder Value, COC

ABSTRAK

Penelitian ini menguji secara empiris pengaruh konsentrasi kepemilikan institusional dan leverage terhadap manajemen laba, nilai pemegang saham dan cost of equity capital. Dengan menggunakan sampel penelitian selama 4 tahun dari tahun 2007 sampai dengan tahun 2010 sebanyak 135 perusahaan. Uji hipotesis dilakukan dengan path analysis. hasil penelitian yang telah dilakukan yaitu: 6 hipotesis diterima dan 2 hipotesis tidak didukung secara statistika. Konsentrasi kepemilikan institusional berpengaruh terhadap manajemen laba dan cost of capital, namun tidak berpengaruh terhadap Nilai pemegang saham. Leverage berpengaruh terhadap nilai pemegang saham namun tidak mempengaruhi manajemen laba. Manajemen laba mempengaruhi Nilai pemegang saham dan Cost of Capital. Dan Nilai pemegang saham berpengaruh terhadap cost of capital.

Key word : Kepemilikan Institusional, Manajemen Laba, Nilai Pemegang Saham, COC