ABSTRACT

Good corporate governance is corporate governance therein explain the relationship between the various parties in the company that determines the direction and performance of the company . This study describes the relationship between good corporate governance and financial performance in the banking company . Indicators used to describe good corporate governance in this study consisted of BOC , Independent Commissioner , Institutional Ownership , Board of Directors , Audit Committee and the Total Ownership Managerial.

The sample used in this study is the conventional banking companies listed on the Indonesian Stock Exchange (BEI) in the period 2011-2013 in a row . Data collection research using purposive sampling method . Data obtained totaling 87 observations . The analytical method used is multiple linear regression , because in accordance with the purpose of this study was to analyze the influence of independent variables on the dependent variable.

The results showed that the Institutional Ownership , Board of Directors, Audit Committee , Managerial Ownership does not affect the financial performance (CFROA) . While the Board of Commissioners and Independent Commissioners effect on financial performance (CFROA).

Keywords : Board of Commissioners , Independent Commissioner , Institutional Ownership, Board of Directors , the Audit Committee Number , Managerial Ownership , Cash Flow Return on assets (CFROA) .