



UNIVERSITAS ANDALAS
DEPARTMENT OF ACCOUNTING
FACULTY OF ECONOMICS
ANDALAS UNIVERSITY

THESIS

**ANALYSIS THE EFFECT OF CORPORATE GOVERNANCE
MECHANISM ON EXTERNAL AUDITOR SELECTION**

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<p style="text-align: center;">Anlysis The Effect of Corporate Governance Mechanism on the Selection of External Auditor Thesis by: M. Ikbal Ibrahim Thesis Advisor: Dra. Husna Roza, M.Com(Hons), Ak.</p> <p style="text-align: center;">ABSTRACT</p> <p><i>This study aims to analyze the effect of corporate governance mechanism that proxied with the largest percentage of share ownership, the size of the board of commissioners, and the effectiveness of the audit committee on the selection of external auditors in the bank subsector companies listed on the Indonesia Stock Exchange. This study uses the classification of Big 4 and non Big 4 auditors as a proxy of the audit quality the company will choose. The study used 82 observations during the 2017-2018 period.</i></p> <p><i>The results showed a significant positive effect between the largest percentage of share ownership and the size of the board of commissioners on the selection of external auditors by the company.</i></p> <p>Keywords: <i>Corporate governance, audit committee effectiveness, largest shareholding, selection of external auditors, board size</i></p>			

ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh mekanisme *corporate governance* yang diproksi dengan persentase kepemilikan saham terbesar, ukuran dewan komisaris, dan efektivitas komite audit terhadap pemilihan auditor eksternal pada perusahaan subsektor bank yang terdaftar di Bursa Efek Indonesia. Penelitian ini menggunakan klasifikasi auditor *Big 4* dan non *Big 4* sebagai proksi dari kualitas audit yang akan dipilih perusahaan. Penelitian menggunakan 82 observasi selama periode 2017-2018.

Hasil penelitian menunjukkan adanya pengaruh positif signifikan antara persentase kepemilikan saham terbesar dan ukuran dewan komisaris terhadap pemilihan auditor eksternal oleh perusahaan.

Kata Kunci: *Corporate governance*, efektivitas komite audit, kepemilikan saham terbesar, pemilihan auditor eksternal, ukuran dewan komisaris

