ABSTRACT

The purpose of this study is to determine whether good corporate governance has an effect on the financial performance of banking companies. The population in this study is Conventional Banks listed on the IDX in 2019-2022 and the sample in this study is 10 Conventional Banks. The sampling technique used in this study is purposive sampling.

This research methodology uses a quantitative method. The data used is secondary data with data collection techniques using audited financial reports and annual reports published by conventional banks listed on the Indonesia Stock Exchange during the 2019-2022 period. The research variables consist of independent variables, namely the independent board of commissioners, institutional ownership, managerial ownership, audit committee, board of directors and the dependent variable, namely return on assets (ROA). The data analysis technique for this study uses multiple linear regression analysis with the help of IBM SPSS software.

The results of this study indicate that the independent board of commissioners, institutional ownership, managerial ownership, audit committee, and board of directors simultaneously affect the dependent variable, namely financial performance. Based on the results of the t-test (partial), it shows that GCG has a positive and significant effect on financial performance. Independent board of commissioners and audit committee have a significant positive effect on financial performance. Institutional ownership has no effect on financial performance. Managerial ownership and board of directors have a significant negative effect on financial performance.

Keywords : *Good Corporate Governance, Financial Performance, Conventional Banks*