ABSTRACT

The implementation of Good Corporate Governance (GCG) is one of the efforts for the company to rise from the bad performance of the company after being hit by the monetary crisis. The basic principles of GCG basically have a purpose to promote and improve the performance of the company. This study aims to determine the effect of the implementation of Good Corporate Governance to the company's performance that will be measured by the ratio of Tobin's Q, Return On Assets (ROA), Return On Equity (ROE), and AssetsTurnOver (ATO).

The variables used include the independent variables of the GCG referring index from the results of research and rating Corporate Governance Perception Index (CGPI), and the dependent variable is the company's performance as measured by Tobin's Q ratio, Return On Assets (ROA), Return On Equity ROE), and Assets Turn Over (ATO). The sample of this research is the company that become the participants of Corporate Governance Perception Index (CGPI) in the year 2012 - 2015 taken with purposive sampling method. Data analysis method used is comparative causal research method by using simple linear regression test analysis.

The result of analysis shows that there is a significant influence between Good Corporate Governance on company performance measured by ROA and ROE, and there is no significant influence between Good Corporate Governance to company performance measured by Tobin's Q and ATO.

Keywords: Good Corporate Governance,* IICG*, company performance