

THE EFFECT OF CORPORATE GOVERNANCE TOWARD BUSINESS
PERFORMANCE OF INDONESIAN RETAIL INDUSTRY LISTED IN IDX
(FROM 2010 UNTIL 2014)

By

DEWI ANGGRAINI
13111001

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SWISS GERMAN UNIVERSITY
 SWISS GERMAN UNIVERSITY

SWISS GERMAN UNIVERSITY
EduTown BSD City
Tangerang 15339
Indonesia

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STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

Dewi Anggraini

Student

Date

Approved by:

Margaretha Lingga, SE, MM

Thesis Advisor

Date

Dr. rer.nat Linus Pasasa

Thesis Co-Advisor

Date

Prof. Dr. Eric Jos Nasution, MBA, MA, PhD

Dean

Date

Dewi Anggraini

ABSTRACT

The Effect of Corporate Governance Toward Business Performance of Indonesian Retail Industry Listed in IDX (from 2010 until 2014)

By

DEWI ANGGRAINI

SWISS GERMAN UNIVERISTY

BSD City, Banten, Tangerang, Indonesia

Margaretha Lingga, SE, MM

Dr. rer.nat Linus Pasasa

Good corporate governance (GCG) is a concept that emphasizes the importance of shareholder rights to obtain information correctly, accurately and timely. It also shows the company's obligation to disclose all financial performance information in an accurate, timely and transparent way. This research will ascertain the correlation between corporate governance which using four pillar of corporate governance which are responsibility, accountability, fairness, and transparency, and business performance using financial ratios. Moreover, this research is conducted to emphasize on providing the empirical evidence for the company about the application of corporate governance toward the business performance.

The data will be gathered from annual report and audited financial statement of publicly listed of retail industry companies in Indonesian Stock Exchange from 2010-2014. The data is processed using SPSS and AMOS Statistical Software. As a result, from statistical result, corporate governance has positive correlation toward business performance. In addition, corporate governance plays the important role in the strategic management of company in resulting an effective business performance.

Keywords: Good Corporate Governance, Business Performance, GCG, IDX



DEDICATION

I dedicate this thesis to my beloved family, lecturers and friends.



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