

ABSTRACT

The purpose of this research is to examine the influence of good corporate governance mechanism (proxies by independent commissioners and managerial ownership) and firm size towards financial performance in banking companies listed on Indonesia Stock Exchange in period of 2018-2020. This research is conducted by using 30 samples of banking companies listed on Indonesia Stock Exchange. The analytical method used in this research is a regression analysis of panel data using E-Views software of version 9. The results of this research show that good corporate governance mechanism (independent commissioners and managerial ownership) have no significant effect on financial performance, while firm size has positive and significant effect on financial performance. In the implementation of banking activities in any form must be carried out based on the principles of Good Corporate Governance in order to create a healthy banking condition in running its business. Banks in Indonesia are also expected to improve the quality of GCG implementation in accordance with applicable regulations.

Keywords: *good corporate governance mechanism, independent commissioners, managerial ownership, firm size and financial performance*