



Effect of Managerial Compensation and Leverage on Earnings Management: The Perspective of Agency Theory

Siska Dentina Pasaribu

Universitas Negeri Medan, pasaribusiska57@gmail.com

ARTICLE INFO

Article history:

Received: 28 May 2025

Accepted: 30 May 2025

Published: 30 May 2025

Keywords:

Managerial
Compensation,
Debt-to-Asset Ratio,
Earnings Management,
Agency Theory,

ABSTRACT

This study aims to examine the effect of managerial compensation and leverage, proxied by the debt-to-asset ratio (DAR), on earnings management practices from an agency theory perspective. The study was conducted on manufacturing companies listed on the Indonesia Stock Exchange from 2020 to 2024. This research uses a quantitative approach with an associative design. Data were obtained from annual financial reports and corporate governance reports available on the official IDX website. The analysis technique used is multiple linear regression, with earnings management measurement using the Modified Jones Model. The results showed that simultaneously, managerial compensation and leverage have a significant effect on earnings management. However, partially, only managerial compensation has a significant effect on earnings management, while DAR has no significant effect. This finding confirms that compensation design influences management's tendency to manipulate earnings more than the company's debt structure. This finding suggests that financial incentives offered to management have a greater impact on encouraging earnings management practices than debt-based financing structures.

1. INTRODUCTION

The company is an economic entity that operates to achieve its primary goal of maximizing company value and enhancing shareholder welfare. In this process, financial statements become the primary tool for companies to convey information on performance and financial condition to stakeholders, both internal and external. One of the most highlighted information in financial statements is profit, which is often used as an indicator of managerial success and the basis for decision-making by investors and creditors (Iriyanti et al., 2022).

Corresponding Author.

*Email: pasaribusiska57@gmail.com

In financial management practices, earnings are not only a measure of performance but also a strategic tool that managers can use to meet certain expectations. This phenomenon is known as earnings management, which is the action of managers who deliberately influence financial statements by using accounting policies within permissible limits (Martinus Robert Hutauruk et al., 2022). This becomes relevant within the framework of agency theory, which explains the conflict between owners (principals) and managers (agents) resulting from the separation of ownership and control functions within the company (Fiqriansyah et al., 2024).

One of the triggers for the emergence of earnings management practices is the design of managerial compensation based on earnings performance. Providing incentives to managers can be a tool to align the interests of agents and principals; however, it can also create a gap for managers to manipulate earnings to achieve incentive targets (Vania Donela, 2020). Additionally, other factors, such as company leverage, represented by the Debt-to-Asset Ratio (DAR), also influence managerial decisions in reporting earnings. Companies with high levels of debt tend to face pressure to maintain their credit reputation and comply with debt agreements, which in turn can encourage managers to engage in earnings management (Putra et al., 2024).

This condition becomes even more complex in the context of manufacturing companies, which have complex cost structures, lengthy production cycles, and high flexibility in applying accounting policies. This complexity provides ample room for managers to make judgments on accounting estimates that have the potential to be utilized for earnings management (Ariani & Yudiantara, 2023). In addition, the manufacturing sector is one of the dominant sectors on the Indonesia Stock Exchange (IDX) and makes a significant contribution to the national economy; therefore, the transparency and integrity of financial reports in this sector are crucial.

The results of research by Zumirel, which examines the effect of the Debt-to-Asset Ratio (DAR) and Debt-to-Equity Ratio (DER) on earnings management in state-owned companies listed on the Indonesia Stock Exchange for the 2019-2023 period. Shows that neither DAR nor DER has a significant effect on earnings management, with a p-value of 0.840 and 0.382, respectively. The negative coefficient of determination (Adjusted R²) also indicates that the model is unable to explain variations in earnings management practices adequately. Researchers argue that government funding support and the regulatory nature of state-owned companies are factors that reduce leverage pressure on managerial behavior (Putra et al., 2024).

However, these results differ from those in Aldona and Listari's research (2020), which examined manufacturing companies in the consumer goods sector. Using multiple linear regression models on 37 companies from 2016 to 2018, they found that DAR and DER had a significant effect on earnings management, while profitability variables such as ROA, ROE, and NPM did not exhibit a significant effect. This study confirms that the higher the leverage, the greater the tendency of managers to manipulate earnings in order to maintain positive perceptions of investors and creditors (Aldona & Listari, 2020).

This difference in results suggests that the industry sector context has a strong influence on the dynamics of the relationship between leverage and earnings management. The incentive structure, market pressure, and accounting flexibility in the private manufacturing sector differ significantly from those in the state-owned sector. Therefore, this study aims to re-examine the impact of leverage and managerial compensation on earnings management within the context of manufacturing companies listed on the IDX for the period from 2020 to 2024 in order to obtain a more comprehensive and in-depth understanding of a sector that is increasingly competitive and dynamic. The results of this study are expected to expand the literature related to earnings management practices within the agency framework, as well as provide policy recommendations for companies and regulators in structuring a more ethical

compensation system, strengthening supervision of corporate leverage, and encouraging financial reporting integrity.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

The Effect of DAR on Earnings Management

The debt-to-asset ratio (DAR) is a debt ratio used to measure the proportion of total debt to total assets. In other words, how much of the company's assets are financed by debt and how much the company's debt affects its asset management. If the ratio is high, meaning that there is more debt funding, it will be more difficult for the company to obtain additional loans because it is feared that the company will not be able to cover its debts. Vice versa, if the ratio is low, the smaller the company is financed with debt (Wulan Astriah et al., 2021). According to Scott in Noviyarti (2019), "Earning management is the choice by managers of accounting policies to achieve specific objectives." This statement explains that earnings management refers to a manager's actions taken through the choice of accounting policies to achieve specific objectives. Schipper proposes another definition, defining earnings management as a deliberate intervention in the external financial reporting process to obtain personal gain (Vania Donela, 2020). In the context of agency theory, companies that have high levels of debt face greater pressure from creditors to maintain stable financial performance and comply with debt covenants. This condition can encourage management to carry out earnings management as a strategy to maintain a positive image in the eyes of creditors and investors (Riswandi & Yuniarti, 2020). According to Brigham and Houston (2020), high leverage often requires management to maintain a positive accounting performance, ensuring market confidence and access to financing are sustained. Therefore, in high-leverage situations, managers tend to take discretionary accrual actions to modify reported earnings. The higher the DAR, the greater the pressure on management to present good financial reports, which in turn can encourage earnings management practices. However, companies with a high level of leverage tend to be more cautious. They are more closely monitored by external parties, such as creditors, which can decrease the possibility of earnings management due to strict supervision and restrictions on specific accounting policies (Putra et al., 2024). Based on this theory and logic, the following hypothesis can be developed:

H1: Debt-to-Asset Ratio (DAR) has a significant effect on earnings management.

The Effect of Remuneration on Earnings Management

Managerial remuneration is a form of compensation given to management for their services and performance in carrying out company operations. In the perspective of agency theory, the separation between ownership and control of the company can lead to conflicts of interest between the principal (shareholders) and the agent (manager). One mechanism to reduce this conflict is by providing incentives that are aligned with company goals, such as performance-based remuneration (Sudiantini et al., 2023).

However, remuneration linked to the achievement of financial targets has the potential to encourage managers to engage in earnings management, which is the act of accounting manipulation within the limits of applicable accounting policies to change earnings reports to appear more favorable or stable. Managers may be motivated to increase reported earnings in order to meet the targets set in their incentive schemes, especially in bonus-based compensation systems (Nugroho & Darsono, 2015).

The higher the remuneration given to managers, the greater the impetus for managers to carry out earnings management to maintain or increase the value of their incentives. However, large compensation can also increase managerial integrity and responsibility, because managers feel more valued and are obliged to maintain the credibility of financial statements (Vania Donela, 2020). Based on this thinking, the following hypothesis can be formulated:

H2: Managerial remuneration has a significant effect on earnings management.

3. RESEARCH METHOD

This research is a quantitative study with an associative design, which aims to determine the relationship and influence between two independent variables (managerial compensation and leverage) on one dependent variable (earnings management). The data used is secondary data which is processed and analyzed with the help of the SPSS program.

The data collection method in this study uses empirical data, where in this study secondary data is obtained by collecting and recording financial reports downloaded from the official website of the Indonesia Stock Exchange (www.idx.co.id) from companies that have been published on the IDX.

The sampling method uses Purposive sampling with the following criteria: Manufacturing companies and listed in 2020-2024., Did not experience losses during the study period; published complete financial reports during the study period; Present information regarding managerial compensation or remuneration, whether in the form of salaries, bonuses, incentives, or other forms of compensation, which can be found in the notes to the financial statements (CALK); Have the financial information needed to calculate leverage and the components of the Modified Jones Model in assessing earnings management; Publishing GCG reports during the research period; Using reports with rupiah currency.

The Variable of Managerial compensation refers to the total remuneration received by the Board of Commissioners and Directors for their services in managing the company. This variable is measured by the total remuneration value listed in the Corporate Governance section of the annual report, including base salary, bonuses, allowances, and other performance incentives. Leverage refers Debt to Assets Ratio (DAR) is one measure of leverage that shows the proportion of a company's assets financed by debt. The higher the DAR value, the greater the company's dependence on external funds (debt) in its capital structure.

$$DAR = \frac{\text{Total Utang}}{\text{Total Aset}}$$

Earnings management is a strategic approach used by managers to deliberately manipulate earnings figures through the selection of certain accounting policies and procedures by established accounting standards, to optimize their utility and the market value of the organization (Fiqriansyah et al., 2024).

The Jones Model standard is to test whether managers manage earnings to shape accounting numbers to benefit from important regulatory relief.

1. Calculate total accruals (TAC), namely net income in year t minus operating cash flow in year t, with the following formula:

$$TAC = NI_{it} - CFO_{it}$$

2. Total accruals (TA) are estimated with Ordinary Least Square as follows:

$$\frac{TA_{it}}{A_{it-1}} = \beta_1 \left(\frac{1}{A_{it-1}} \right) + \beta_2 \left(\frac{\Delta Rev_{it}}{A_{it-1}} \right) + \beta_3 \left(\frac{\Delta PPE_{it}}{A_{it-1}} \right) + \varepsilon$$

3. With regression coefficient:

$$NDA_{it} = \beta_1 \left(\frac{1}{A_{it-1}} \right) + \beta_2 \left(\frac{\Delta Rev_{it}}{A_{it-1}} - \frac{\Delta Rec_{it}}{A_{it-1}} \right) + \beta_3 \left(\frac{\Delta PPE_{it}}{A_{it-1}} \right)$$

4. Discretionary accruals (DA) as a measure of earnings management is determined by the following formula:

$$DA_{it} = \frac{TA_{it}}{A_{it-1}} - NDA_{it}$$

Description:

- DA_{it} = Discretionary Accruals of company i in the period of year t
 NDA_{it} = Nondiscretionary Accruals of company i in the period of year t
 TA_{it} = Total accruals of company i in the period of year t
 NI_{it} = Net income of company i in the period of year t
 CFO_{it} = Cash flow from operating activities of company i in the period of year t
 A_{it-1} = Total assets of company i in the period of year t-1
 ΔRev_{it} = Revenue of company i in year t minus revenue of company i in year t-1
 PPE_{it} = Property, plant and equipment of company i in the period of year t
 ΔRec_{it} = Accounts receivable of company i in year t minus revenue of company i in year t-1.
 E = Error

Data Analysis Techniques

The data analysis used in this study is a multiple regression analysis model. The multiple regression equation is as follows:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Description:

- Y = Earning Management
 A = Constant
 B = Regression Coefficient
 X₁ = Managerial Compensation
 X₂ = Leverage
 E = Error Value

4. RESULTS

$$TAC = NI_{it} - CFO_{it}$$

EMITEN	TAHUN	NI	CFO	TAC
INDF	2020	8,752,066	13,855,497	-5,103,431
	2021	11,203,585	14,692,641	-3,489,056
	2022	9,192,569	13,587,686	-4,395,117
	2023	11,493,733	18,460,624	-6,966,891
	2024	12,284,996	10,341,979	1,943,017
SIDO	2020	934,016	1,035,754	-101,738
	2021	1,260,898	1,199,317	61,581
	2022	1,104,714	1,107,137	-2,423
	2023	950,648	1,055,394	-104,746
	2024	1,171,026	1,150,929	20,097
KLBF	2020	2,799,622	4,221,549	-1,421,927
	2021	3,232,007	2,825,946	406,061
	2022	3,450,083	1,271,888	2,178,195
	2023	2,778,404	2,908,095	-129,691
	2024	3,246,569	4,785,179	-1,538,610
GGRM	2020	7,647,729	17,477,714	-9,829,985
	2021	5,605,321	5,325,167	280,154
	2022	2,779,742	9,867,984	-7,088,242
	2023	5,324,516	4,409,263	915,253
	2024	980.804	6,527,071	-6,526,090
GJTL	2020	318,914	2,598,595	-2,279,681
	2021	79,896	294,416	-214,520
	2022	-190,572	721,191	-911,763
	2023	1,167,268	1,276,811	-109,543
	2024	1,186,922	1,835,022	-648,100

$$\frac{TA_{it}}{A_{it-1}} = \beta_1 \left(\frac{1}{A_{it-1}} \right) + \beta_2 \left(\frac{\Delta Rev_{it}}{A_{it-1}} \right) + \beta_3 \left(\frac{\Delta PPE_{it}}{A_{it-1}} \right) + \varepsilon$$

Emiten	Ait-1	TAC/Ait-1	1/Ait-1	REVit/Ait-1	PPE/Ait-1
INDF	96,198,559	-0.053051013	1.03952E-08	0.053415707	0.476752661
	163,136,516	-0.021387339	6.12984E-09	0.107971835	0.28658097
	179,356,193	-0.024504964	5.5755E-09	0.064032659	0.264337279
	180,433,300	-0.038612002	5.54221E-09	0.004840232	0.262119531
	186,587,957	0.010413411	5.3594E-09	-0.20958707	0.247579215
SIDO	3,536,898	-0.028764754	2.82734E-07	0.075766109	0.443400969
	3,849,516	0.015997076	2.59773E-07	0.178092259	0.412545629

	4,068,970	-0.000595482	2.45762E-07	-0.03820549	0.395883233
	4,081,442	-0.025663969	2.45011E-07	-0.07340371	0.380879601
	3,890,706	0.005165386	2.57023E-07	0.090768616	0.387199907
KLBF	20,264,726	-0.070167591	4.93468E-08	0.023645916	0.402559699
	22,564,300	0.017995728	4.43178E-08	0.139536347	0.354277421
	25,666,635	0.084864845	3.89611E-08	0.104116025	0.309997201
	27,241,313	-0.00476082	3.6709E-08	0.055637259	0.292864995
	27,057,568	-0.056864312	3.69582E-08	0.080518767	0.305621518
GGRM	78,647,274	-0.124988248	1.2715E-08	0.050268646	0.350998027
	78,191,409	0.003582926	1.27891E-08	0.13305752	0.380861944
	89,964,369	-0.078789437	1.11155E-08	-0.00220725	0.360436463
	88,562,617	0.01033453	1.12914E-08	-0.06469654	0.277216673
	92,450,823	-0.070589855	1.08166E-08	-0.21954931	0.238592922
GJTL	18,856,075	-0.120899021	5.30333E-08	-0.13283936	0.465204397
	17,781,660	-0.012064115	5.62377E-08	0.107388512	0.484680508
	18,449,075	-0.049420527	5.42033E-08	0.09899434	0.474346979
	19,016,012	-0.005760566	5.25873E-08	-0.01050846	0.464987401
	18,975,738	-0.034154139	5.26989E-08	0.055781072	0.472334357

$$NDA_{it} = \beta_1 \left(\frac{1}{A_{it-1}} \right) + \beta_2 \left(\frac{\Delta Rev_{it}}{A_{it-1}} - \frac{\Delta Rec_{it}}{A_{it-1}} \right) + \beta_3 \left(\frac{\Delta PPE_{it}}{A_{it-1}} \right)$$

EMITEN	A1 (1/AIT-1)	A2((REVIT-RECIT)/AIT-1)	A3(PPE/AIT-1)	NDA
INDF	2.81667E-07	0.011272751	-13.27327084	-13.26199781
	0.000166094	0.030224069	-7.978700786	-7.948310623
	0.000151074	0.018129226	-7.35941418	-7.34113388
	0.000150172	0.001975555	-7.297669867	-7.29554414
	0.000145218	-0.065279078	-6.892852936	-6.957986796
SIDO	-0.000333908	0.990393482	0.134793895	1.124853468
	-0.000306792	1.141842232	0.125413871	1.266949311
	-0.000290245	1.032544486	0.120348503	1.152602743
	-0.000289359	0.927678957	0.115787399	1.043176997
	-0.000303544	1.077719599	0.117708772	1.195124826
KLBF	2.73135E-07	0.000941668	-2.349740963	-2.348799022
	2.45299E-07	0.045391831	-2.067917304	-2.022525227
	2.1565E-07	0.015373753	-1.80945366	-1.794079691
	2.03184E-07	0.015027881	-1.709452977	-1.694424893
	2.04564E-07	0.020254294	-1.783912799	-1.7636583
GGRM	-1.50546E-08	0.068714084	-0.548258918	-0.479544849
	-1.51423E-08	0.215080313	-0.594906356	-0.379826058
	-1.31608E-08	0.00722694	-0.563001756	-0.555774829

	-1.33691E-08	-0.102536356	-0.433012443	-0.535548811
	-1.28068E-08	-0.360490864	-0.372682144	-0.733173021
GJTL	6.47006E-09	-0.136050738	-0.164682357	-0.300733088
	6.861E-09	0.132858921	-0.1715769	-0.038717972
	6.6128E-09	0.088915754	-0.167918831	-0.07900307
	6.41565E-09	-0.024225169	-0.16460554	-0.188830702
	6.42926E-09	0.029455867	-0.167206362	-0.137750489

$$DA_{it} = \frac{TA_{it}}{A_{it-1}} - NDA_{it}$$

EMITEN	TAC/AIT-1	NDA	DAC (Y)
INDF	-0.053051013	-13.26199781	13.20894679
	-0.021387339	-7.948310623	7.926923284
	-0.024504964	-7.34113388	7.316628917
	-0.038612002	-7.29554414	7.256932138
	0.010413411	-6.957986796	6.968400207
SIDO	-0.028764754	1.124853468	-1.153618221
	0.015997076	1.266949311	-1.250952235
	-0.000595482	1.152602743	-1.153198226
	-0.025663969	1.043176997	-1.068840966
	0.005165386	1.195124826	-1.18995944
KLBF	-0.070167591	-2.348799022	2.278631432
	0.017995728	-2.022525227	2.040520955
	0.084864845	-1.794079691	1.878944536
	-0.00476082	-1.694424893	1.689664072
	-0.056864312	-1.7636583	1.706793988
GGRM	-0.124988248	-0.479544849	0.354556601
	0.003582926	-0.379826058	0.383408984
	-0.078789437	-0.555774829	0.476985392
	0.01033453	-0.535548811	0.545883341
	-0.070589855	-0.733173021	0.662583166
GJTL	-0.120899021	-0.300733088	0.179834068
	-0.012064115	-0.038717972	0.026653857
	-0.049420527	-0.07900307	0.029582544
	-0.005760566	-0.188830702	0.183070136
	-0.034154139	-0.137750489	0.103596349

normality test

Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
DAR	.164	25	.082	.923	25	.059
REMUNERASI	.134	25	.200*	.922	25	.058
MANAJEMEN LABA	.154	25	.131	.933	25	.104

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

The Shapiro-Wilk test is the method used in normality testing in this study. The decision-making criteria in this test are if the significance value (Sig.) is greater than 0.05 then the data is said to be normally distributed, while if the significance value is smaller than 0.05 then the data is not normally distributed. Based on the test results, a significance value of 0.058 is obtained for the managerial compensation variable, 0.059 for the leverage variable, and 0.104 for the earnings management variable. Because all significance values are greater than 0.05, it can be concluded that the data in this study are normally distributed.

Hypothesis Test

Coefficient of Determination Test (R²)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.862 ^a	.744	.721	.80922

a. Predictors: (Constant), REMUNERASI, DAR

Based on the test results, the Adjusted R Square (R²) value is 0.721 or 72.1%. This value indicates that the independent variables in this study, namely managerial compensation and leverage (DAR), are able to influence the dependent variable, namely earnings management by 72.1%. Thus, there are other variables outside the model that are not examined in this study amounting to 27.9% which also affect earnings management.

Test f (simultaneous)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	41.840	2	20.920	31.947	.000 ^b
	Residual	14.406	22	.655		
	Total	56.246	24			

a. Dependent Variable: MANAJEMEN LABA

b. Predictors: (Constant), REMUNERASI, DAR

Based on the test results shown in Appendix Table 3, the Fcount value is 31.947 with a significance level of $0.000 < \alpha (0.05)$. Thus, it can be concluded that H_1 is accepted and H_0 is rejected, meaning that simultaneously the independent variables, namely managerial compensation and leverage (DAR), have a significant effect on the dependent variable, namely earnings management. These results indicate that the regression model used is feasible to explain the relationship between the variables in the study.

T test (partial)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.373	.380		-3.614	.002
	DAR	-.314	.773	-.045	-.407	.688
	REMUNERASI	1.708	.000	.871	7.897	.000

a. Dependent Variable: MANAJEMEN LABA

Based on the test results conducted, the results obtained are:

Debt to Asset Ratio (DAR)

The Debt to Asset Ratio (DAR) variable has a tcount value of -0.407 with a significance level of $0.688 > 0.05$. Thus, it can be concluded that partially the DAR variable has no significant effect on earnings management. This means that the amount of corporate debt to total assets is not sufficient to influence earnings management practices in the companies studied.

Remuneration

The remuneration variable has a tcount value of 7.897 with a significance level of $0.000 < 0.05$. This shows that partially the remuneration variable has a significant effect on earnings management. This means that the higher the remuneration provided, the greater the influence on earnings management practices carried out by company management.

Multiple Regression Equation

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.373	.380		-3.614	.002
	DAR	-.314	.773	-.045	-.407	.688
	REMUNERASI	1.708	.000	.871	7.897	.000

a. Dependent Variable: MANAJEMEN LABA

The multiple linear regression equation formed in this study is as follows:

$$Y = -1,373 - 0,314X_1 + 1,718X_2$$

The constant value of -1.373 indicates that if the Debt to Asset Ratio (DAR) and remuneration variables are considered to be zero, the earnings management value is estimated at -1.373. The coefficient on the DAR variable of -0.314 means that every 1 unit increase in DAR is expected to reduce earnings management by 0.314 units, assuming other variables remain constant. While the coefficient on the remuneration variable of 1.718 indicates that each increase of 1 unit in remuneration is predicted to increase earnings management by 1.718 units, assuming other variables do not change.

5. CONCLUSION

This study aims to obtain empirical evidence regarding the effect of managerial compensation and leverage (proxied by Debt to Asset Ratio) on earnings management. This study uses a sample data of 25 observations derived from the annual financial statements of five manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2020-2024 period, using purposive sampling technique. Based on the hypothesis testing and analysis that has been carried out, it can be concluded as follows: (1). Managerial compensation has a significant effect on earnings management, which indicates that financial incentives encourage managers to polish earnings reports. (2). leverage proxied by Debt to Asset Ratio does not show a significant effect, so debt pressure is not proven to trigger earnings management practices in this study.

Limitations in this study include: (1). The managerial compensation variable used is still in the form of total remuneration, which consists of various components such as salaries, bonuses, and benefits. This study does not specifically separate the incentive compensation part (variable pay). (2). The limited number of samples in five companies and a five-year period may affect the generalizability of the research results. (3). The independent variables used in this study are only two, so their contribution in explaining variations in earnings management is not comprehensive. There are other possible factors such as profitability, company size, or ownership structure that also affect earnings management.

Suggestions that can be used in future research are to use the board of directors bonus variable specifically as a proxy for managerial compensation, because total remuneration does not necessarily reflect incentives that are directly related to earnings performance. In addition, it is recommended to increase the number of samples and consider other relevant variables so that the research model becomes more comprehensive. Research can also use other approaches in measuring earnings management, such as real earnings management, to strengthen the results obtained.

REFERENCES

- Aldona, L., & Listari, S. (2020). Pengaruh Rasio Profitabilitas dan Rasio Leverage Terhadap Manajemen Laba Studi Empiris pada Perusahaan Manufaktur Sektor Industri Barang Konsumsi yang terdaftar di BEI tahun 2016-2018. *Jurnal Ilmiah Akuntansi Kesatuan*, 8(1), 97–106.
- Ariani, N. G. P. A., & Yudiantara, I. G. A. P. (2023). Praktik Manajemen Laba Pada Perusahaan Manufaktur. *Jurnal Ilmiah Akuntansi Dan Humanika*, 13(3), 397–406.
- <https://doi.org/10.23887/jiah.v13i3.64097>
- Fiqriansyah, R., Amandayu, I., Br Tarigan, K., & Orchidia, W. (2024). Manajemen Laba dengan Pendekatan Model Jones. *Jurnal Akuntansi Dan Keuangan West*

Science, 3(01), 39–46.

<https://doi.org/10.58812/jakws.v3i01.910>

Iriyanti, D., Murni, S., & Untu, V. N. (2022). Pengaruh Struktur Modal, Ukuran Perusahaan Dan Profitabilitas Terhadap Nilai Perusahaan Industri Otomotif Di Bursa Efek Indonesia Periode 2016-2020. *Jurnal Emba*, 10(04), 557–567.

Nugroho, S., & Darsono. (2015). *Pengaruh Kompensasi, Kepemilikan Manajerial, Diversifikasi Perusahaan Dan Ukuran Kap Terhadap Manajemen Laba*. 4(1976), 1–13.

Putra, Z. A. S., Anan, M., & Mulyan, S. (2024). Pengaruh Debt To Asset Ratio Dan Debt To Equity Ratio Terhadap Manajemen Laba Pada Perusahaan Bumh Yang Terdaftar Di Bursa Efek Indonesia Periode 2019-2023 Zumirel. *WORKSHEET: Jurnal Akuntansi Fakultas*, 1(November), 44–51.

Riswandi, P., & Yuniarti, R. (2020). Pengaruh Manajemen Laba Terhadap Nilai Perusahaan. *Pamator Journal*, 13(1), 134–138.

<https://doi.org/10.21107/pamator.v13i1.6953>

Sudiantini, D., Fitri Andini, D., Syifa Khaerunisa, D., Listyanto Putra, D., & Putri Armayani, D. (2023). Analisa Mengenai Pemberian Kompensasi Terhadap Kinerja Karyawan Di Perusahaan. *SIBATIK JOURNAL: Jurnal Ilmiah Bidang Sosial, Ekonomi, Budaya, Teknologi, Dan Pendidikan*, 2(6), 1673–1682.

<https://doi.org/10.54443/sibatik.v2i6.886>

Vania Donela, H. N. (2020). Pengaruh Kompensasi Eksekutif Terhadap Manajemen Laba Dengan Profitabilitas Sebagai Variabel Moderating (Studi Empiris Pada Perusahaan Perbankan Yang Terdaftar Di Bursa Efek Indonesia). *JAAKFE UNTAN (Jurnal Audit Dan Akuntansi Fakultas Ekonomi Universitas Tanjungpura)*, 8(1), 43–72.

<https://doi.org/10.26418/jaakfe.v8i1.40436>

Wulan Astriah, S., Trinanda Akbar, R., & Apriyanti, E. (2021). Pengaruh Ukuran Perusahaan, Profitabilitas Dan Leverage Terhadap Manajemen Laba. *Jurnal Akuntansi*, 10(2), 387–401.