

ABSTRACT

This study aims to determine the effect of good corporate governance mechanism on financial distress (studies on various industrial sector companies in companies listed on the Indonesia Stock Exchange period 2015-2020).

The method used in this research is descriptive and associative methods. This study uses secondary data in the form of financial reports and reports on the implementation of good corporate governance mechanisms obtained from the official website of the Indonesia Stock Exchange. The statistical analysis used in this research is the classical assumption test, partial hypothesis test using the t test, simple linear regression test, correlation analysis and the coefficient of determination.

Keywords: Managerial Ownership, Institutional Ownership, The Size of The Board of Commissioners, Audit Committee, independent board of commissioners, and Financial Distress.