ABSTRACT

THE ANALYSIS EFFECT OF INSTITUTIONAL OWNERSHIP ON FIRM PERFORMANCE (CASE STUDY ON THE PROPERTY AND REAL ESTATE COMPANY THAT LISTED IN INDONESIAN STOCK EXCHANGE 2008-2010)

This study investigates the impact of institutional ownership on firm performance. Institutional ownership as independent variable and Debt to Asset Ratio as a control variable. The study also tried to examine whether the institutional ownership is a independent variable. Company performance is proxied by Return On Asset (ROA) as dependent variable. Data that used in this research is financial report from each company, publized through website www.idx.co.id.

Analysis method that used in this research is kuantitatif methods, by testing assumptions of classical, and then using multiple linear regression as statistical analysis. The population of this research are the Property and Real Estate companies that listed in Indonesian Stock Exchange in the period of 2008 until 2010. The sampling method that used is purposive sampling with total sample of 21 companies a year.

Result from this study indicates that institutional ownership haven’t significant influence on firm performance. In this case shows that the large number of institutional ownership in a company that guarantees the realization of improved corporate performance by creating a professional performance by using superior human resource.