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THE INFLUENCE OF CORPORATE GOVERNANCE AND OWNERSHİP STRUCTURE ON FİRM PERFORMANCE: FAMİLY VS. NON-FAMİLY FİRMS REGİSTERED İN INDONESİA STOCK EXCHANGE

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Abstract

Corporate governance, especially the distinctive of the board of directors owned by family firms, is contrast from non-family firms. A family company is a company where in its activities there is family involvement in company management decisions and the involvement of family members in board positions. The differences placed on the distinctive of the board of directors are expected to deploy as companion roles and counselling differently, so that the level of differentiation of the board can be defined in a diversity of characteristics in the category of gender and independent directors that will ultimately affect the firm's performance. Family firms have characteristics in their ownership that show a different concentration impact on the firm's performance when it's in comparison to non-family companies. Therefore, this purpose of study is to analyse the influence of corporate governance and ownership structure among family firms and non-family firms on Companies recorded on the Indonesia Stock Exchange (IDX) in the period 2016-2020. This research technique uses panel regression results and test results using F test results, t tests, and coefficients of determination. This research technique uses panel regression results and test results using F test results, t tests, and coefficients of determination. The results showed that women's involvement had no significant effect on firm performance across the company, but had a significant negative effect on the performance of family firms and had a positive effect on the performance of non-family companies, and in ROA measurements in corporate performance, family companies were superior. But in Tobin's Q measurements, non-family companies are superior.

Keywords: *Corporate Governance, Family Fırm, Firm Performance, Ownership Structure*

Introduction

Public companies tend to have problems in corporate governance and ownership structures. This problem is always there, especially public companies owned by many ownership and corporate governance is one of the causes that can attract the attention of investors and especially companies that have managerial that can convince the company will produce benefit for the investors. In this research, corporate governance is deliberate by the characteristics of the board of directors.

Previous research have stated that corporate governance owned by family firms is different from non-family firms (Atmaja *et al*., 2009). Public companies recorded in Indonesia Stock Exchange (IDX) also consist of family and non-family firms. Others research have declared that the performance of family firms is superior than non-family firms (Anderson & Reeb, 2015; Arthadian *et al*., 2014; Budiarti & Venusita, 2018; Hansen & Block, 2020; Koji *et al*., 2020; Srivastava & Bhatia, 2020). Not only the results of the study that stated that the performance of family firms is superior to the performance of non-family firms, as in the research Filatotchev *et al*., 2005 and Mathova *et al*., 2014 which stated the opposite.

The differences placed on the distinctive of the board of directors are expected to deploy as companion roles and counseling differently, so that the level of differentiation of the board can be defined in a diversity of characteristics in the category of gender and independent directors that will ultimately affect the firm's performance (Menozzi *et al*., 2016). Family firms have characteristics in their ownership that show a different influence of concentration on the firm's

performance when it's correlated to non-family firms (Saidat *et al*., 2017).

Article about the diversity between family and non-family firms can be traced in any search engine, one of them is in the article (Kusuma, 2018). Kusuma, (2018) explain Pricewaterhouse Coopers in 2014 regarding family business, 95% of businesses in Indonesia are owned or managed by families and the average family business that develops in Indonesia successfully. Then the questions rise, is whether a business that managed without an affiliate relationship is also equivalent to success with family companies in Indonesia? This is the basis for researching the comparison of family and non-family firms.

Literature Review

a. Firm Performance

Firm's performance is very important to measure the effectiveness of company management, company performance serves as a major component to an organization's ability in corporate control. Performance requires measurement to analyzing and identify management strategies and to make decisions within the required period (Taouab & Issor, 2019).

Family firms as well as non-family firms mostly strive to improve the firm's performance in various ways (Taouab & Issor, 2019). Family firms are very important, reminding that the difference from other variety of organizations is the influence of the family in the company in terms of its entanglement in the ownership and / or management of the company (Aloulou, 2018). The concept of a family company is a company that qualifies as a family company that involves the family in running the company (Aloulou, 2018). However, in some cases the largest owners are only individuals, therefore to investigate whether the company is a family company by investigating whether there are other individuals with the same surname on the board of directors and with ownership of more than 10% (Saidat *et al*., 2020).

b. Board Structure

The involvement of women in boards of directors is as a minority group, this means that the companionship of one or two female directors has no significant effect on the firm's performance because their ideas are often ignored by other male directors (Saidat *et al*., 2020). Leadership of women and gender diversity of boards allegedly affect the firm's performance (Lafuente & Vaillant, 2019), there are generating factors raised about women's involvement on boards (Ahmad *et al*., 2019), according to (Moreno-Gómez *et al*., 2018) women also tend to be more reliable or more at risk of their work, because women are more elaborate in raising children. In family companies, women's involvement is suspected to worsen especially those who usually do not have a business education and are designated based on nepotism (Saidat *et al*., 2020). But in non-family firms, women's involvement in the company mostly has a strong business background and without nepotism so that it becomes part of the director. The following hypothesis is supposed to be proved based on the previous argument:

H_{1a} *There is a significant positive bounded by female boards of director members and Indonesia firms' performance.*

H_{1b} *There is a significant negative bounded by female boards of director members and Indonesia family firms' performance.*

H_{1c} *There is a significant positive bounded by female boards of director members and Indonesia non-family firms' performance.*

The involvement of independent directors is one of the main arguments in corporate governance and engagement of the capability to control top management and reduce agency issues, particularly information gap issues (Saidat *et al*., 2017). The involvement of independent directors and the firm's performance showed a negatively significant relationship (Arora & Sharma, 2016; Lim *et al*., 2019; Shahzad *et al*., 2019). Literature Saidat *et al*., (2017) states the explanation of the negative

influence of the involvement of independent directors may be that companies that have a high percentage of independent directors, the higher the likelihood of experiencing lower firm performance because independent directors are obscure with the firm's operational system, and cannot understand optimally about the difficulties experienced by the company, Koji *et al*., (2020) also states that with more and more involvement of independent directors it is possible to spend time during meetings in communication and decision making can lead to meetings that are less effective and adversely affect the firm's performance. Other research also stated that the involvement of independent directors is believed to have a conclusive outcome in the firm's performance, due to the role of independent directors as neutral directors among the majority and minority groups. The following hypothesis is supposed to be proved based on the previous argument:

H_{2a} *There is a significant positive bounded by independent directors and Indonesia firms' performance.*

H_{2b} *There is a significant positive bounded by independent directors and family firms' performance.*

H_{2c} *There is a significant positive bounded by independent directors and non-family firms' performance.*

Board size is one of the most essential corporate governance since it reveals how involved a board is in the company's concerns and activities because it shows the activities of board members in the affairs and activities of the company (Saidat *et al*., 2017), an escalation in board size also advantages firm performance only when adding the diversification of board (Arora & Sharma, 2016). Shahzad *et al*., (2019) research shows that board size has a positively significant consequence on a firm's performance, and Kyere & Ausloos, (2020) found that the outcome showed conclusive statistical significance of board size on two financial performance ratios (ROA and Tobin's Q). The following hypothesis is supposed to be proved based on the previous argument:

H_{3a} *There is a significant positive bounded by board size and Indonesia firms' performance.*

H_{3b} *There is a significant positive bounded by board size and family firms' performance.*

H_{3c} *There is a significant positive bounded by board size and non-family firms' performance.*

The frequency of board meetings has been scrutinized by research to consider the relationship between board meetings and firm's performance. (Arora & Sharma, 2016) establish significant positive influence among board meetings and firms performance, and concluded that a board that frequently holds meetings can improve the firm's performance, because through such meetings it provides an opportunity for directors to assess and recommend effective improvements to management's policies and internal controls. The larger size of the board and the growing number of board meetings also had a significant positive effect in improving the firm's market value performance (Farooque *et al*., 2019), Puni & Anlesinya, (2020) also found that the frequency of board meetings had a significant positive impact on the company's financial performance, and also on the literature of (Buachoom, 2018) and (Wijethilake *et al*., 2015) found that the hypothesis of the domination of board meeting frequency on the company's performance on the company's performance was affected. The outcome were significantly positive. The following hypothesis is supposed to be proved based on the previous argument:

H_{4a} *There is a significant positive bounded by frequency of board meetings and Indonesia firms' performance.*

H_{4b} *There is a significant positive bounded by frequency of board meetings and family firms' performance.*

H_{4c} *There is a significant positive bounded by frequency of board meetings and non-family firms' performance.*

c. Ownership Structure

Ownership structure is one of the most critical aspect that can subsidize to downsizing the critical level of agency issues in the company (Saidat *et al*., 2017). When a corporation has an effective proprietary structure, no single power can dominate the company when it comes to making decisions or conducting business. As a result, the firm's performance should not be influenced by several groups of individual shareholders, because all shareholders have the right to pick crucial issues related to the firm's performance based on their ownership. (Farooque *et al*., 2019).

Because of the concentration of shareholder ownership, some dominant shareholders may act in ways that negatively impact a company's success. By appointing candidates for board positions, majority shareholders can influence the nomination of board members. As a result, there may be more opportunity to monitor the activity of directors. (Farooque *et al*., 2019). The following hypothesis is supposed to be proved based on the previous argument:

H_{5a} *There is a significant positive bounded by ownership concentration meetings and Indonesia firms' performance.*

H_{5b} *There is a significant positive bounded by ownership concentration meetings and family firms' performance.*

H_{5c} *There is a significant positive bounded by ownership concentration meetings and non-family firms' performance.*

Local investor ownership is considered one of the most crcial extraneous corporate governance in corporate governance system that can affect a company's performance (Saidat *et al*., 2017). This is because local investor ownership has different investment objectives and has the opportunity to make decisions, and has the power to monitor manipulation from managers and can also enchaned the performance of the company (Bowen *et al*., 2008). Dong & Ozkan, (2008) also explained ownership of local investors can use a variety of formal and informal mechanisms such as having voting power in shareholder activity and having a vote for board member elections to influence the company's management. The following hypothesis is supposed to be proved based on the previous argument:

H_{6a} *There is a significant positive bounded by local investor ownership and Indonesia firms' performance.*

H_{6b} *There is a significant positive bounded by local investor ownership and family firms' performance.*

H_{6c} *There is a significant positive bounded by local investor ownership and non-family firms' performance.*

Ownership of foreign investors can improve the company's performance (Koji *et al*., 2020; Saidat *et al*., 2017). This is because the ownership of foreign investors not only means contributing in financial terms, but also contributes to the knowledge, technology, innovation, and expertise in management of foreign companies, which is important for the growth of the company (Koji *et al*., 2020). Foreign shareholders are also likely to be stimulants for growth and changes in a company's performance (Koji *et al*., 2020). Foreign investors are also inclined to avoid companies with weak profitability and corporate governance, because investing in those companies would not help them meet their investment objectives. (Saidat *et al*., 2017). The following hypothesis is supposed to be proved based on the previous argument:

H_{7a} *There is a significant positive bounded by foreign ownership and Indonesia firms' performance.*

H_{7b} *There is a significant positive bounded by foreign ownership and family firms' performance.*

H_{7c} *There is a significant positive bounded by foreign ownership and non-family firms' performance*

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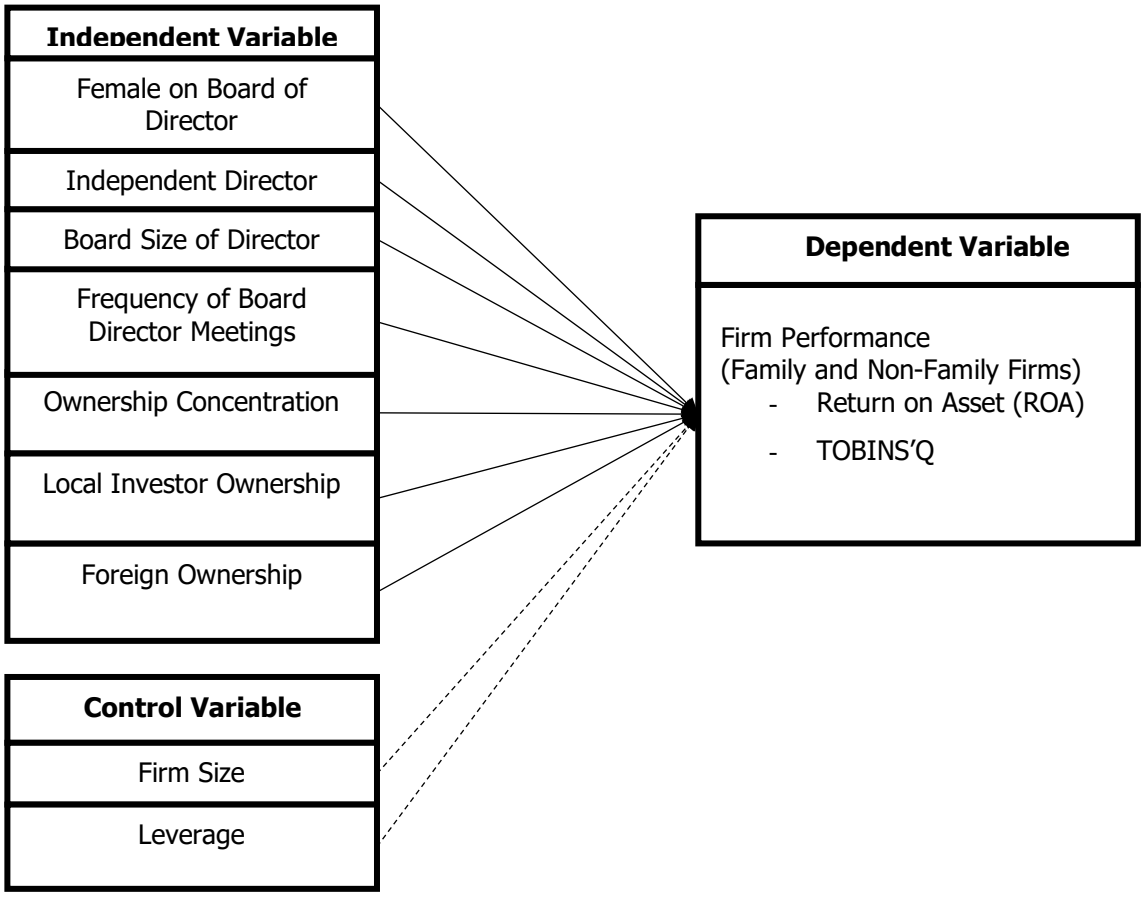

Figure 1. Research Framework

Research Methods

Ownership This research use a series of quantitative data methods, quantitative research is empirical research whose data retrieval method uses data that can be calculated. Researchers also used secondary data from the Indonesia Stock Exchange's official website (IDX). Data was obtained and collected in the form of yearly reports for family and non-family businesses registered in the IDX from 2016 to 2020. This study examined the effect of variable X (Board composition; female on board of directors, independent directors, board size, frequency of board director meetings, and ownership structure) on variable Y (Family and non-family Company Performance), controlled by control variables (firm size and leverage).

If two or more family members are collectively identified as the firm's largest shareholder and own at least 10% of the company's equity shares, the company is classified as a family business. However, because there are several factors to consider if the owner is only an individual, it is necessary to

dig deeper to see if there are other individuals with the same surname on the board of directors. In this case, it can be determined if at least two members of the same family are involved in the business, and it will be classified as a family business. (Saidat *et al*., 2020).

Table 1. Variable Definitions and Explanation

Description		Variable	Symbol	Measurement
Dependent		ROA	***ROA***	(Net income after tax / total asset) × 100
		Tobin's Q	***TOBIN'S Q***	Capital market value / total book value of assets
Independent	Corporate Governance	Female on Board of Director	***FEMBOD***	Total presence of women on the board of directors
		Independent Director	***INDTDR***	The total of independent director divided by total board of directors
		Board of Director Size	***BODSIZE***	The total board of directors
		Frequency of Board Director Meetings	***FOBM***	The total number of directors meeting frequency in a year
	Ownership Structure	Ownership Concentration	***OWNCON***	The total shares owned by shareholders who own 5% or more
		Local Investor Ownership	***OWNLOC***	The total percentage of shares owned by institutional owners, defined as the top five shareholders.
		Foreign Ownership	***OWNFOR***	The total number of shares (capital) held by foreign investors.
Control Variable		Firm Size	***FSIZE***	Log (total asset)
		Leverage	***LEVERAGE***	Total liabilities / total asset

Source: Created by author for the study, 2021.

The data analysis method will be carried out by being tested using the SPSS PLS program to analyze the quantitative data studied, and for regression outcome, using the e-views program. The use of regression outcome using e-views is due to SPSS inability to process time-series data. The study used PLS regression collected on multivariate to analytically examine probable relationships between board characteristics, ownership structure and corporate performance for family and non-family companies. Thus, the following model formula has been adapted to:

$$FP = \alpha + \beta FEMBOD + \beta 2INDTDR + \beta 3BODSIZE + \beta 4FOBM + \beta 5OWNCON + \beta 6OWNLOC + \beta 7OWNFOR + \varepsilon$$

where: FP = Financial Performance
FEMBOD = Female on Board of Director
INDTDR = Independent Director
BODSIZE = Board of Director Size
FOBM = Frequency of Board Director Meetings
OWNCON = Ownership Concentration
OWNLOC = Local Investor Ownership
OWNFOR = Foreign Ownership

FP is measured from ROA or Tobin's Q; ROA, net profit/loss divided by total assets, Tobin's Q, capital market value divided by total book value of assets, FEMBOD is the presence of women on the board of directors, measured by how much presence of women on the board, INDTDR is the involvement of independent directors, measured by how much the presence of independent directors on the board, BODSIZE, measurement by the number of directors on the board, FOBM, measured by the number of directors meeting frequency in a year, OWNCON is the total percentage of shares owned by shareholders who own 5% or more of the company, OWNLOC is the total percentage of shares owned by institutional shareholders who have been identified as the top 5 shareholders, and OWNFOR is the total percentage of shares (capital) owned by foreign shareholders.

Results and Discussion

a. Descriptive Analysis

Almost every research endeavor involves descriptive analysis, with the objective of discovering and identifying trends and variations in populations, developing new measurements of key phenomena, or simply describing samples in studies aimed at identifying causal effects. Some studies give great descriptive analysis, focusing on key characteristics of a phenomenon (Loeb *et al*., 2017). The company samples used was taken from the IDX website and the company's website in the period 2016 to 2020 which is secondary data. Detailed information regarding the amount of data available and which has been a sample of the study is presented in table 2 Below:

Table 2. List of Companies Sampled

Description	**Total**

Total number of listed companies on Indonesia Stock Exchange as in December 2020	732	firms
Less no. of listed companies on Indonesia Stock Exchange after December 2016	-92	firms
Less no. of companies with missing data	-209	firms
Less no. of financial firms	-63	firms
Final sample	368	firms
Years of research sample	5	year
Total data final sample	1.840	data

Source: Created by author for the study, 2021.

Based on table 2 There are 364 companies that cannot be used as a sample of research because they do not have a complete annual report and are in the financial sector. The research was conducted by dividing the categories of companies into three, namely, all companies, family companies, and non-family companies. Information about the company category is presented in table 3 Below:

Table 3. List of Companies Sampled after Outlier

Description	All firms		Family firms		Non-family firms	
Final sample	368	firms	305	firms	63	firms
Years of research sample	5	years	5	years	5	years
Total data final sample	1.840	data	1.525	data	315	data
Total outlier data	-308	data	-112	data	-25	data
Final data sample	1.532	data	1.413	data	290	data

Source: Created by author for the study, 2021.

Table 4. Descriptive Stastistic for All Firms

Variable	N	Mean	Minimum	Maximum	Std. Deviation
ROA	1532	0,02387	-0,41594	0,41101	0,08342
TOBIN'S Q	1532	0,82566	0,00703	6,82159	0,98028
FEMBOD	1532	0,51436	0,00000	2,00000	0,66088
BODSIZE	1532	4,51371	1,00000	9,00000	1,66509
INDTDR	1532	0,16557	0,00000	0,50000	0,14424
FOBM	1532	15,57311	2,00000	47,00000	8,66907
OWNCON	1532	0,72017	0,18590	0,99711	0,16787
OWNLOC	1532	0,48262	0,00000	0,98307	0,30110
OWNFOR	1532	0,24836	0,00000	0,99997	0,29635
FSIZE (in million)	1532	10.217.898	20.782	29.583.000	20.075.599
LEVERAGE	1532	0,49274	0,00039	3,13860	0,28127

Source: Created by author for the study, 2021.

The result in table 4 this is from 1,532 firm data recorded on the IDX. In the first and second lines are the dependent variables in this study. The variable is the performance of the firm measured using the formula ROA and Tobin's Q, the resulting test of table 4 Of the 1.532 companies listed on the IDX, the mean on ROA and Tobin's Q generated values of 0.02387 and 0.82566 which means the average of 1.532 firm data is only negative 2.4% of the profit in total assets and amounting to 82.6% of the market capitalization value divided by the total asset book value. This shows that of the 1,532 data of family companies still do not have a high net income and have not been able to manage assets properly so that the profit received is only 2.4% of the total asset value, but at a market capitalization value of 82.6% which is a fairly high value, this means the market value of the number of shares outstanding is high against the firm's assets.Furthermore, the minimum value generated by the firm's performance with a ROA measurement of -0.41594 which means there are companies that have not been able to manage assets properly, while at a max-imum value of 0.41101 which means there are companies that can manage assets properly. The minimum value on a firm's performance using Tobin's Q formula shows a value of 0.00703 which means this value indicates there are companies that have not been able to manage the firm's market value properly, while the maximum value shows a value of 6.82159 which means there are companies that can manage the firm's market value very well. The next is variable shareholder ownership, samples taken from 2016 to 2020, from that period resulting in an average value on the concentration of ownership (OWNCON), local investor ownership (OWNLOC), and foreign investor ownership (OWNFOR) of 0.72017, 0.48262, and 0.24836. From the average value it can be stated that foreign investor ownership is lower than local investor ownership, and local investor ownership is lower compared to the concentration of ownership, this means less foreign investor ownership com-pared to the ownership of local investors in Indonesian companies. Variables of the involvement of female directors (FEMBOD) and independent directors (INDTDR) on the board showed an average of 0.51436 and 0.16557 which means that of the 1,532 companies, 51% of the in-volvement of female directors and 17% of the involvement of independent directors of the total board of direc-tors. The size of the board (BODSIZE) in the firm in the period 2016 to 2020 resulted in at least 1 member of the board of directors in a firm and at most there are 9 members of the board of directors in a firm. The fre-quency of board meetings (FOBM) shows that at least two board meetings are held twice a year, and at most board meetings occur 47 times a year. Descriptive statistical test outcome also present dummy variables of family ownership in table 5 below:

Table 5. Frequency Descriptive Stastistics

	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Non-Family Firms	315	17,1	17,1	17,1
Family Firms	1.525	82,9	82,9	100,0
Total	1.840	100,0	100,0	

Source: Created by author for the study, 2021.

Table 5 As many as 83% in Indonesia registered in IDX companies are family companies and as many as 17% registered in IDX companies are non-family companies.

b. Comparing the Means between Family and Non-Family Firms

Table 6. Comparison the Means for Family and Non-Family Firms

Variable	Mean		Difference in Means
	Family Firms	Non-Family Firms	
FEMBOD	0,60014	0,42759	0,17256
BODSIZE	4,63553	4,36897	0,26656
INDTDR	0,16904	0,14000	0,02903
FOBM	15,53715	21,20690	-5,66974
OWNCON	0,71959	0,67699	0,04260
OWNLOC	0,46747	0,51860	-0,05113
OWNFOR	0,25332	0,23996	0,01336
FSIZE	10.783.110	17.228.896	-0,12748
LEVERAGE	0,53823	0,60890	-0,07067
ROA	0,01830	0,00223	0,01607
TOBIN'S Q	0,95076	1,08870	-0,13794

Source: Created by author for the study, 2021.

Table 6 showing the average a comparison of family and non family firms, FEMBOD variables show an average of 60% involvement in family firms, and non-family firms having an average of 43%, suggesting family companies involve more female directors, one of the reasons family firms are superior is the possible act of nepotism that causes daughters / sisters / wives got a position on the board of directors. BODSIZE variables show a slight difference; both types of firms show the average outcome of Indonesian firms listed on the IDX, which have four boards of directors; however, family firms show a somewhat has higher average than non-family firms, which is influenced by the amount of data that is too significant between family and non-family firms.

INDTDR variable presents independent directors in family firms and the average non-

firm size compared to a family firm, this means the size of a non-family firm is larger than the size of a family firm. Leverage variables show the average non-family firm is high in class compared to the average family firm, this is because non-family firms are more

family firms does not have independent directors, with the percentage of companies that have independent directors at 17% and 14%, the percentage is classified as a minority in the size of the board of directors, because the obligation of the f to have independent directors is required to amount to 1 person (KEP-00001/BEI/ 01-2014) changed to the company no longer has such obligations, In other words, the company is exempt to determine for itself whether to appoint an independent director or not (Changes on regulation 1-A in January 2019). FOBM variables show the average family firm held a board meeting 15 times and in non-family firm 21 times, this shows that non-family firms hold more board meetings compared to family firms. The FSIZE vari-able shows a difference that is not much different, the average non-family firm shows a larger

likely to have higher debt levels to increase asset turnover, while family firms have low debt levels because to avoid debt risk.The firm's performance showed an average for the ROA measurement of family firms by 1.8% and non-family firms by 0.2%, this shows that family

firms are superior in corporate assets in generating income, but on the measurement of non-family firms are superior to family firms, this shows non-family firms have corporate value in higher markets compared to family firms.

c. Chow Test

The selection of the best model depends on the outcome of the first test, the chow test, using e-views software. The data test using a chisquare cross-section with a probability result of 0.0000, the conclusion obtained, can use FEM as the best model selection to be continued with the hausman test, because the probability is smaller by 0.05. Information is presented in table 7 below:

Table 7. Chow Test

Effect Test		Prob.	Result
All Firms			
ROA	Cross-Section Chi-Square	0,0000	Fixed Effect Model
TOBINS'Q	Cross-Section Chi-Square	0,0000	Fixed Effect Model
Family Firms			
ROA	Cross-Section Chi-Square	0,0000	Fixed Effect Model
TOBINS'Q	Cross-Section Chi-Square	0,0000	Fixed Effect Model
Non-Family Firms			
ROA	Cross-Section Chi-Square	0,0000	Fixed Effect Model
TOBINS'Q	Cross-Section Chi-Square	0,0000	Fixed Effect Model

Source: Created by author for the study, 2021.

d. Hausman Test

Test hausman to ensure the election of the right model. When it's in comparison to the chow test, the hausman test shows a probability of 0.8844, where if the probability value is greater than 0.05, then recommend using the REM test, and if below 0.05 is recommended using FEM test.

Table 8. Hausman Test

Effect Test		Prob.	Results
All Firms			
ROA	Cross-Section Random	0,0000	Fixed Effect Model
TOBINS'Q	Cross-Section Random	0,0031	Fixed Effect Model
Family Firms			
ROA	Cross-Section Random	0,0053	Fixed Effect Model
TOBINS'Q	Cross-Section Random	0,0000	Fixed Effect Model
Non-Family Firms			
ROA	Cross-Section Random	0,1215	Random Effect Model
TOBINS'Q	Cross-Section Random	0,0117	Fixed Effect Model

Source: Created by author for the study, 2021.

e. F Test

Probability on test f, if it shows a result below 0.05, it can be concluded that for independent variables as a whole can have no significant effect on dependent variables, whereas if above 0.05, it can be inferred for independent variables as a whole can have a significant outcome on dependent variables.

Table 8. F Test

	F	Significant
All Firms		
ROA	5,65336	0,00000
TOBINS'Q	19,75753	0,00000
Family Firms		
ROA	6,28378	0,00000
TOBINS'Q	30,07295	0,00000
Non-Family Firms		
ROA	6,57520	0,00000
TOBINS'Q	9,45879	0,00000

Source: Created by author for the study, 2021.

f. t Test

Female directors' engagement had no effect on a firm's performance in ROA metrics for all firms, including family and non-family enterprises, according to the findings of the t test study. In Tobin's Q measurements, women's engagement had no significant effect across the firm, but had significant negative effects on family firms and significant positive effects on non-family firms. Across all firms, both family and non-family firms, the outcomes of board size parameters and board meeting frequency had no significant impact on the firm's performance in ROA and Tobin's Q measures. In all firms, including family and non-family firms, the involvement of independent directors had a significant positive effect on the firm's performance in ROA measurements. In Tobin's Q measurements, the involvement of independent directors had an insignificant effect across firms and non-family firms, but a significant positive influence in family firms.

According to Tobin's Q measures, the concentration of foreign investor ownership and ownership had no effect on a firm's performance in ROA measurements across firms as well as family and non-family firms. The concentration of ownership has a significant negative effect on the total firm, but no effect on family and non-family enterprises.The ownership of foreign investors has no significant effect on non-family companies but has a significant positive effect on the entire firm and the family firm. Tobin's Q and ROA measurements showed similar outcome on local investor ownership, local investor ownership had a significant positive effect on all companies and family companies, but had no significant effect on non-family firms.

Firm size variables have a large negative impact on the overall firm, but have a significant favorable impact on family and non-family businesses. The study's findings had a significant negative impact on the firm's performance in all companies, including family and non-family firms, according to the leverage variable on the ROA measurement, whereas the study's findings had no significant impact on the firm's performance in all companies, including family and non-family firms, according to the leverage variable on Tobin's Q measurements.

Table 9. Corporate Governance and Ownership Structure to Firms' Performance (ROA)

	ROA								
	All Firms			Family Firms			Non-Family Firms		
Variable	t	Sig	Results	t	Sig	Results	t	Sig	Results
C	2,341	0,019		-4,936	0,000		-3,268	0,001	
FEMBOD				-0,437	0,662	Insig	0,188	0,851	Insig
BODSIZE	-0,334	0,738	Insig	1,007	0,314	Insig	0,777	0,438	Insig
INDTDR	2,772	0,006	Sig. positive	3,262	0,001	Sig. positive	2,275	0,024	Sig. positive
FOBM	0,441	0,660	Insig	0,039	0,969	Insig	-0,820	0,413	Insig
OWNCON	0,461	0,645	Insig	-1,824	0,069	Insig	-0,069	0,945	Insig
OWNLOC	1,413	0,158	Insig	-0,081	0,935	Insig	2,091	0,038	Sig. positive
OWNFOR	0,545	0,586	Insig	-0,025	0,803	Insig	-0,415	0,679	Insig
FSIZE	-2,235	0,026	Sig. negative	4,897	0,000	Sig. positive	2,922	0,004	Sig. positive
LEVERAGE	-7,631	0,000	Sig. negative	-7,504	0,000	Sig. negative	-4,661	0,000	Sig. negative
Adj R-Square		51,83%			53,30%			14,79%	

Source: Created by author for the study, 2021.

Table 10. Corporate Governance and Ownership Structure to Firms' Performance (Tobin's Q)

	Tobin's Q								
	All Firms			Family Firms			Non-Family Firms		
Variable	t	Sig	Results	t	Sig	Results	t	Sig	Results
C	12,289	0,000		7,828	0,000		3,483	0,001	
FEMBOD				-3,148	0,002	Sig. negative	3,585	0,000	Sig. positive
BODSIZE	1,704	0,089	Insig.	1,611	0,108	Insig.	0,092	0,927	Insig.
INDTDR	1,862	0,063	Insig.	2,302	0,022	Sig. positive	-0,481	0,631	Insig.
FOBM	1,327	0,185	Insig.	1,171	0,242	Insig.	0,153	0,879	Insig.
OWNCON	-2,033	0,042	Sig. negative	-1,387	0,166	Insig.	-0,496	0,620	Insig.
OWNLOC	2,965	0,003	Sig. positive	2,058	0,040	Sig. positive	1,961	0,051	Insig.
OWNFOR	2,336	0,020	Sig. positive	2,302	0,022	Sig. positive	-1,437	0,152	Insig.
FSIZE	-12,132	0,000	Sig. negative	-7,673	0,000	Sig. negative	-3,546	0,001	Sig. negative
LEVERAGE	1,301	0,193	Insig.	0,869	0,385	Insig.	-0,822	0,412	Insig.
Adj R-Square		81,26%			86,26%			67,51%	

Source: Created by author for the study, 2021.

Conclusion

Based on the outcome of the t test, the involvement of female director's show that female had insignificant effect on the firm's performance with ROA measurements so that the H_{1a} and H_{1b} was rejected. The outcome of the research are diverse from previous research. D'Amato, (2017) establish that the involvement of female directors had a significant negative outcome on the performance of companies that had low levels of profitability, and the study Jadiyappa *et al*., (2019) found that the variable period of women's engagement showed significant negative, it can be concluded that women's involvement is worse than the involvement of men on boards of directors Ahmad *et al*., (2019) also found women's involvement in the board could increase board conflicts that would adversely affect the firm's performance, while Abdullah & Ismail, (2016), Chtioui *et al*., (2016), Moreno-Gómez *et al*., (2018), Parola *et al*., (2006), and Sarkar & Selarka, (2020) found that female directors had a significant positive outcome on the firm's performance. Literature Ahmad *et al*., (2019), D'Amato, (2017), Jadiyappa *et al*., (2019), and Lafuente & Vaillant, (2019) found the outcome of research that female directors have a significant negative influence on the firm's performance. The study of company performance using Tobin's Q metrics H_{1a} and H_{1b} was not accepted. In family businesses, having a female board of directors has a considerable detrimental impact on the company's performance. This means that family firms tend to do nepotism that require women based on family, not based on ability, this causes the more female directors are also decreasing the firm's performance in the market. In non-family firms, the outcome showed a significant positive effect, this means women who tend to become on the board without acts of nepotism because it is not based on family, but based on ability to improve the firm's performance in the market. Based on the results of the test, the involvement of independent directors in the board in family companies has a significant positive effect on the performance of the company with ROA measurements across companies, family companies and non-family companies, so that the H_{2a}, H_{2b}, and H_{2c} hypotheses are accepted.

Based on the outcome of the t test the board size had no significant outcome on the company's performance with measurement ROA and Tobin's Q so that the hypotheses H_{3a}, H_{3b}, and H_{3c} were rejected, with no significant impact supported by Vieira, (2017) finding that board size variables had no significant outcome on the company's performance, but Shahzad *et al*., (2019) showed that board size had a positively significant outcome on the company's performance, And Kyere & Ausloos, (2020) found that the outcome showed positive statistical significance of board size on two ratios of financial performance (ROA and Tobin's Q). Based on the outcome of the t test, the frequency of board meetings has no significant outcome on the company's performance with roa and tobin's Q measurements so that the H_{4a}, H_{4b}, and H_{4c} hypotheses are rejected, in the literature of Koji *et al*., (2020) found that the variable frequency of board meetings had no significant outcome on the company's performance, so as to support the outcome of the t test. Arora & Sharma, (2016) found a significant positive influence among board meetings and company performance, and concluded that a board that regularly held meetings could improve the company's performance, because through such meetings it provided an opportunity for directors to assess and recommend effective improvements to management's policies and internal controls. The larger size of the board and the growing number of board meetings also have a significant positive outcome in improving the performance of the company's market value (Farooque *et al*., 2019). Based on the outcome of the test, OWNCON had no significant outcome on the performance of the company with ROA measurements across companies, family companies, and non-family companies so that the H_{5a}, H_{5b}, and H_{5c} hypotheses were rejected. Ahmad *et al*., (2019), Arayssi & Jizi, (2018), and Arora & Sharma, (2016) found that ownership structure variables had a positive

outcome on a company's performance, whereas in Koji *et al*., (2020) found that family ownership had a significant negative outcome, institutional ownership and foreign ownership had a significant positive outcome on the company's performance, Chtioui *et al*., (2016) also found the outcome of institutional ownership and ownership variables. Families have a significant positive outcome on the company's performance, while Lim *et al*., (2019) found the outcome of institutional ownership negatively affect the company's performance, Menozzi *et al*., (2016) found that family ownership had a significant negative outcome on the company's performance. On the performance of measurement company Tobin's Q, owncon's outcome showed a significant positive outcome on the company's performance across the company, but a significant outcome on family companies and non-family companies so that H_{5a} was accepted, H_{5b} and H_{5c} were rejected. Based on the outcome of the test, OWNLOC and OWNFOR are not significant to the performance of the company with ROA measurements across the company and family companies. OWNFOR also has no significant outcome on non-family companies, but OWNLOC has a positive outcome on the company's performance, so H_{6a}, H_{6b}, H_{7a}, H_{7b}, and H_{7c} are unproven and H_{6c} proven. OWNLOC and OWNFOR had a significant conclusive outcome on the firm's performance with Tobin's Q measurements across companies and family companies, but the impact was not significant on non-family companies, meaning local investor ownership and foreign investor ownership had more impact across the company and family companies in the market, but had little impact on non-family companies, so H_{6a}, H_{6b}, H_{7a}, and H_{7b} are unproven and H_{6c} and H_{7c} are proven.

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