ANALYSIS OF SHARE OWNERSHIP AND THE BOARD OF DIRECTORS ON COMPANY PERFORMANCE IN COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE FOR THE 2016-2020 PERIOD

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ABSTRACT

This study aims to identify the relationship between share ownership and the board of directors on company performance. This study uses a profitability ratio policy as the dependent variable. The dependent variable in this study is measured by ROA (Return on Assets) and ROE (Return on Equity). Independent directors, number of directors in a company, family ownership, institutional ownership, foreign ownership, blockholder ownership as a measure of independent variables and leverage ratio, growth opportunities (growth), big 4, dividend payout ratio (dividend payout ratio), company size, company age as control variables. The population data of this study are companies listed on the Indonesia Stock Exchange (IDX), the data taken are company data from 2016 to 2020. The analytical method used is multiple linear regression analysis, while to measure the level of significance used partial test (t) and simultaneous test (f). Positive effect of independent directors on company performance, negative effect of board size on company performance, positive influence of block ownership on company performance. company performance, positive influence of institutional ownership on company performance, positive influence of foreign ownership on company performance, positive influence of family ownership on company performance. Company performance is measured by the ROA and ROE variables.

Keywords: *Profitability Ratios, Share Ownership Structure, Board of Directors, Company Performance.*

INTRODUCTION

Corporate governance is a concept applied by companies to increase transparency in company performance and accountability so that the goals desired by the company can be achieved as efficiently as possible. With the concept of corporate governance, the board of directors is expected to guarantee the rights of the company's shareholders. Kao et al. (Kao et al., 2019) explained that poor corporate governance could be one of the factors that led to the global financial crisis. The relationship between corporate governance and corporate performance are two important things to run simultaneously. Several literatures have discussed whether the board of directors can affect the company's performance. Due to the different divisions of power, non-independent directors tend to be reluctant to 'share' information related to the condition of the company. This then creates an information gap because non-independent directors do not want to be supervised by the board of directors. The lack of specific information about the company makes it difficult for independent directors to improve the monitoring ability of the board of directors.

Circumstances like this result in independent directors not being able to properly monitor the directors and also hindering independent directors from monitoring management, which will then harm the company's overall performance (Cavaco et al., 2016). Unhealthy business practices like this are shown in the share ownership structure which may be caused by the satisfaction of one party and harm to the other between the owners, supervisors and managers, weakening the supervision of commissioners and the law in an area. This method of performance must certainly be updated if the company seeks to encourage the implementation of an orderly governance mechanism.The decisive step that can be taken is a clear separation between ownership and control. Ownership and control often lead to conflicts due to different interests. If the shareholder focuses more on the company's performance, the director is more concerned with the interests of the employees in order to further improve the equipment and security for the efficiency of carrying out the company's operational activities. Even though they have the same goal, these differences in interests have an impact on the decline in company performance.The role of the board of directors and share ownership structure is needed to overcome this problem. Kao et al (Kao et al., 2019) revealed that the more boards of directors and supervisors a company has, the more it will improve the company's performance. With the increase in the company's performance, the company's image will also improve as long as the changes made are in line with the interests of management and shareholders. The stronger the monitoring carried out in the company, the better the company's performance. Investors and the board of directors jointly streamline the supervision of the work of the board of directors and departments and employees in making important decisions and actions that are being carried out or are being planned for the future.Institutional investors minimize abuse, use of positions for their own interests, Foreign investors do not often interact with company management, thus eliminating the possibility to make deals that benefit one party, investors from family circles directly interact in the company which will automatically involve themselves more often to supervision of the company in carrying out its activities, as well as investors from among these families can reduce administrative costs because some of the personal wealth will be issued directly to the company.This study focuses on the effect of internal control, namely the board of directors and external control, namely investors or shareholders, both of which play a major role in the performance of a company. Based on the above background, the researcher is interested in conducting research on the relationship between ownership structure and the board of directors on company performance, so this research is entitled "Analysis of the Effect of Ownership Structure and Board of Directors on Company Performance in Companies Listed on the Indonesia Stock Exchange in the 2016-2019 Period".

LITERATURE REVIEW

Based on research conducted by Rashid, (2020) independent directors contribute positively to improving company performance due to their extensive knowledge in business and managing resources, the ability to monitor independent directors reduces directors who carry out their own interests in their leadership, agrees with Merendino & Melville, (2019) that the presence of an independent director in operational oversight reduces the likelihood of financial statement fraud. The negative influence between company performance and independent directors clearly shows that there are weaknesses in independent directors in balancing the management of company performance (Cavaco et al., 2016).Independent Directors help drive the company's performance (Buachoom, 2018) high monitoring ability makes investors trust their money to get excessive returns. Ahmadi et al. (2018) reported that companies that employ independent directors of financial and non-financial management of the company are more optimal. However, in a study conducted by Waheed & Malik, (2019) the ability of independent directors is still less convincing because independent directors who come from outside are not aware of the company's strengths and weaknesses so they do not provide useful advice. Rouyer, (2016) in his research states that independent directors are good board monitors in reducing company cost management, where these results show that independent directors have a positive effect on company performance. Mishra & Kapil, (2018) reported a significant positive effect on the performance of accounting-based companies as measured using MBVE. The monitoring role is needed for companies experiencing agency problems but the concentration of controlling shareholders reduces the board's monitoring role (Waheed & Malik, 2019). Bhatt & Bhattacharya, (2015) conducted an analysis of a sample in the US which proved a negative and positive relationship between firm size and firm performance, the same results were shown in a sample of large companies in India, a positive relationship was shown for family-run firms. Supervision that further improves company performance because the right strategy and decision making directs management in carrying out business activities in obtaining company profits so that a clear positive relationship is created between board size and company performance (Hartono & Searce, 2017). The opinion of Hamdan & Al Mubarak, (2017) states that a large board size increases the company's ability to manage resources.In developing countries, experienced directors use their skills to work closely with managers in developing companies (Al Farooque et al., 2020). Companies that have a board size above optimal then have a large coordination cost, so Mishra & Kapil, (2018) in their research state that there is a negative relationship between board size and company performance and companies that have a below optimal board size have a positive relationship. The size of the board needed in the company depends on the characteristics and conditions of the environment required, with the company's board of advantages such as the presence of more experts, limiting the dominance of the CEO on the board and increasing organizational effectiveness, but the size of the board that is not ideal actually creates conflicts and disputes that hinder communication and decision making, based on this (Allam, 2018) states a positive and negative relationship between board size and firm performance. Based on research conducted by Kamardin, (2014) revealed the relationship between ownership by family members and company performance as measured by stock and market profitability, stating that share ownership (Rashid, 2020) of family members has a positive relationship. Family ownership is able to help companies manage their assets to generate high profits. The company does not spend a lot of administrative costs on family ownership, therefore it can control expenses to get a high sales value. Of course the above can reduce costs and improve company performance which is relevant to other research by Buachoom, (2018), Bin Khidmat et al., (2020), Bhatt & Bhattacharya, (2015).

According to Lin & Fu, (2017), Tsai & Tung, (2014) there is a positive relationship between institutional ownership and all company performance measurements based on research that has been carried out, namely institutional ownership supervision is able to utilize company resources and assets to generate maximum profits, increase sales and investment activities get a return greater than the price of capital. An explanation of the effectiveness of foreign share ownership in an effort to improve company performance in the research conducted by Rashid, (2020) there is a significant positive, foreign investors affect the company's profitability and help raise the value of the company in the broad outside market. In line with other research conducted by (Allam, 2018).

The relationship between the proportion of independent directors and the number of directors on the company's performance is positive which indicates the board has a lot of resources to monitor. A high proportion of Independents supervises and restricts management from using its position for its own benefit, focusing management on providing benefits to shareholders, the economy and the company's finances, as described in the Merendino & Melville study, (2019). Research conducted by Allam, (2018) regarding the independence of the board does not have a firm relationship, independent directors are based on the needs of the company, when experiencing a crisis, a proportion of directors will be needed to increase focus and facilitate the flow of information.

H1: Independent Director has a positive effect on company performance

The relationship between the number of directors on the board and the company's performance is about decision-making, this decision-making process must be fast and precise to be implemented immediately, decision-making affects the value of the company. Therefore, it is feared that an excessive number of directors will hinder the smooth decision making and confuse management in implementing the decision due to misinformation or other debates. The fewer the number of directors on the board, the more focused they are in making decisions, can move quickly to solve problems and score high marks

H2: The size of the board of directors has a positive effect on company performance

Institutional investor supervision prevents management from cheating, acting not according to operational standards and even preventing management actions from abusing power, because institutional investors always highlight the directors carrying out company activities, actions and decisions are under controlled supervision. The relationship between institutional investors and company performance based on the description above is positive. Investors also give their assets to the company to fund operational activities, and facilitate safe work processes. The higher the institutional share ownership, the higher the company's performance, this is based on research conducted by Hamdan & Al Mubarak, (2017)

H3: Block share ownership has a positive effect on company performance

H4: Institutional share ownership has a positive effect on company performance

Foreign investors usually do not have an intense interaction with management, but the proportion of foreign share ownership on the company's performance has a positive relationship, not intense interaction can reduce the risk of management making decisions that benefit one party. Foreign investors help companies automatically increase the value of the company in the market and even bring the company to the global market.

H5: Foreign share ownership has a positive effect on company performance

The relationship that occurs between share ownership by family members on company performance is about paying more attention to monitoring, families have more instincts towards the company to advance it, what comes to mind is how the company can continue to improve performance and generate large profits, this is according to previous research in the article made by (Arouri et al., 2014). In the study (Kamardin, 2014) the relationship between family-owned shareholding and company performance to produce greater efficiency, the greater the proportion of family ownership, the greater the monitoring, then the proportion of family shareholding is significantly positive on the company's performance.

H6: Family share ownership has a positive effect on company performance

RESEARCH METHODOLOGY

This study examines the accuracy of the significant influence between the characteristics of directors and ownership on company performance by using the previous research model that has been developed. This research is classified as quantitative research based on data collection in the form of numbers and presentations and then assessed for suitability of the facts obtained against the hypothesis. The data collected is the last year's report so that this research is also classified as historical research.

The data used in this study uses data from the Indonesia Stock Exchange (IDX) in 2016 – 2020 as the main ingredient. The criteria for data collection are (1) Companies listed on the IDX in 2016 – 2020; (2) The report issued by the company is a financial report that has been audited by an independent auditor during 2016 – 2020; (3) The reports taken contain the reports needed for the calculation of research variables.

The variables in this study are divided into 3 parts, namely the dependent variable, the independent variable and the control variable. The dependent variable is the company's performance, the measurement of the dependent variable uses a profitability ratio approach, namely Return on Assets (ROA) and Return on Equity (ROE). The independent variables include the proportion of independent directors, the number of directors on the board, the proportion of share ownership by block holders (personal), institutional shareholders, foreign shareholders and family members. Control variables include company size, growth opportunity, debt to asset ratio, dividend ratio paid to investors, age of a company.

RESEARCH RESULTS AND DISCUSSION

a. Descriptive Statistics

	N	Min	Max	Mean	Std Deviation
ROA	195	-5.81%	29.10%	5.45%	4.95%
ROE	195	-105.88%	255.46%	11.00%	21.43%
Independent Director	195	0	2	0 ,8	0.46
Number of Directors	195	3	9	5.36	1.7
Block Shares	195	33.55%	99.95%	70.48%	15.69%
Institutional Shares	195	21.40%	99.95%	77.82%	17.59%
Foreign Shares	195	0.16%	%	25.02%	20.41%
Family Shares	195	0.60%	99.00%	51.87%	20.79%
Company Size	195	10.83	14, 1	12.76	0.76
Growth Opportunity	195	-46.06%	46.06%	4.43%	15.89%
Dividend Payment	195	0.49%	98.50%	35.96%	22.97%
Debt	195	0, 10%	80.87%	23.94%	25.10%
Company Age	195	7	71	38.63	13.02
Big 4	195	0	1	0.41	0.49
Valid					

Table 1. Descriptive Statistics

Based on the data above, the companies studied are companies that have been listed on the Indonesia Stock Exchange (IDX) to be used as research objects. And the data used in the study is data from 2016-2020. The data used as samples amounted to 195 samples. Below is a brief overview of this research.

The lowest ROA variable value is -5.81 owned by PT Central Proteina Prima Tbk (CP Prima) with the code CPRO on the Indonesia Stock Exchange (IDX). At that time, the company engaged in processed food was experiencing a 2.9% decline in sales from 2018 due to reduced supply of raw materials from suppliers that the company processed to make processed food. Although in the same year the price of raw materials and the USD exchange rate were stable which caused the company's sales margin to increase, it still caused a decrease in the ROA ratio. However, the increase in sales margin also resulted in an increase in gross profit while general and administrative expenses rose slightly from the previous year, the value of EBITDA (Earning before Interest Tax and Depreciation) showed an increasing value from year to year, thus the company has achieved the target that has been previously set.

Furthermore, the ROA variable with the maximum value was occupied by HM Sampoerna Tbk in 2018 with the code HMSP on the Indonesia Stock Exchange, the company that produces cigarettes continues to win the Indonesian cigarette market, this year the company's sales increased 0.1% compared to the previous year followed by an increase in net income of 7.7%. Overall, the samples collected by the researcher are companies that have a significant increase in performance from year to year with an average ROE ratio of 5.45%. The *mean (mean)* of the ROA variable is 5.45% and the standard deviation value is 4.95%, the average value *(mean)* is greater than the standard deviation, indicating that the sample data has a good distribution of data.

The highest ROE ratio of 255.46% and the lowest ratio of -105.88% is owned by PT Central Proteina Prima Tbk, with an average *(mean)* of 11%, and has a standard deviation of 21.43%. The standard deviation value is greater than the average value *(mean)* 21.43 > 11%, indicating that the distribution of the ROE variable data is not good, this is due to problems in the same company from the previous year which could not be resolved when there was a long drought, as a result.

The company, which is engaged in the food processing business, lacks supplies from farmers because its cultivation is disrupted by the difficulty of getting water sources, the company's sales are declining this year while general expenses must be paid as a result, the company's net profit has decreased. The increase in people's living standards and their preference for pets and sunny weather so that the supply of new ingredients from shrimp and fish farmers is smooth. implementation of cost efficiency. This is what affects the increase in the ROE ratio.

The number of independent directors from the 195 samples collected has a minimum value of 0 owned by several companies such as PT Pan Brothers Tbk, etc. The maximum score for independent directors is 2 owned by PT Multi Indocitra Tbk, the average *(mean)* is 0.80 and the standard deviation is 0.46. Public companies require greater supervision so that the functions of the board of directors can be carried out thoroughly, in carrying out their responsibilities independent directors are not influenced by anyone so that supervision will focus more on the sustainability and targets of the company. Companies that have independent directors always have good performance compared to companies that do not yet have independent directors as supervisors for the board of directors in carrying out their duties. Companies with stock exchange codes HMSP, JTPE, SCCO and GGRM have implemented independent directors on the board of directors and have profits that continue to increase every year.

The number of directors in a company also affects the performance of a company, if the company places directors in each division, the company's activities run more smoothly because the director can better support employees and their team together to achieve the goal of increasing company profits. Based on the table above, the number of directors from 195 samples has a minimum number of 3 directors owned by PT Indika Energy, PT Mitra Adiperkasa Tbk, PT Multi Indocitra Tbk, PT Pembangunan Graha Lestari Tbk, etc. While the highest number of directors is owned by PT Gudang Garam Tbk and PT Tempo Scan Pacific Tbk. The average (mean) number of directors is 5.36, and the standard deviation is 1.70. The average has a value greater than the standard deviation value which indicates that the data presented in this study has a good data distribution.

Share ownership in the sample companies in this study ranges from 33.55% to 99%, the average *(mean)* 70.48%, and the standard deviation shows 15.69%. Based on these data, the average value *(mean)* is greater than the standard deviation of 70.48% > 15.69%, this means that the data distribution is good. Block shareholders in a company often occupy managerial positions such as directors or staff, they are in these positions so that they can give direct decisions to the company.

Share ownership in this study shows a minimum value of 0.60% and a maximum value of 99.00%, in fact the company managed by family members with a minimum or maximum ownership composition does not affect the value of the company if the company is managed professionally. Members can reduce conflicts that occur within the company and are also able to maximize the supervisory function so that family share ownership prioritizes the value of their company.

Based on descriptive statistical test results from a total of 195 samples of institutional share ownership, the minimum value is owned by PT Ultra Jaya Milk Tbk of 21.40% and the highest value is owned by PT Fajar Surya Wisesa Tbk of 99.95%, the average *(mean)* 77.82 % and the standard deviation value is 17.59%, the average value *(mean)* is greater than the standard deviation value of 77.82% > 17.59% indicating that the data distribution is good.

Distribution of data on foreign share ownership in the selected sample is good, with an average *(mean)* of 25.02%, this value is greater than the ilia standard deviation of 20.41%. The maximum value is shown by PT Millenium Pharmacon International Tbk which is 73.43% and the lowest value is 0.16% owned by PT Pyridam Farma.

Based on the picture above from the 195 samples that have been collected, the company size variable has a minimum value of 10.83, a maximum value of 14.10 with an average *(mean)* of 12.76 and a standard deviation of 0.76. the mean value of *12.76* is greater than the standard deviation of 0.76, this indicates that the sample has a good distribution. The minimum value of the company size is owned by PT Pembangunan Graha Lestari Tbk and the maximum value is owned by PT Kertas Twiji Kimia Tbk.

Based on the results of descriptive statistical tests, the value of the growth rainbow from 195 samples of companies that have been collected has a minimum value of -46.17% and a maximum value of 46.06%. the average value *(mean)* is 4.43% and the standard deviation value is 15.89%, the standard deviation has a value greater than the average value *(mean)* 15.89% > 4.43% which means the distribution of the data is not good. The maximum value is owned by PT Harum Energy Tbk and the minimum value is owned by PT Jembo Cable Company Tbk.

Payment on the results of the descriptive statistical test above has a maximum value of 98.50% which is owned by HM Sampoerna Tbk and the minimum value is owned by PT Jembo Cable Company Tbk with the average descriptive statistical test result is 35.96%. The standard deviation shows a number smaller than the average *(mean)* of 22.97%, the standard deviation value which is smaller than the average value (mean) indicates that the distribution of data in this sample is good.

The debt ratio *(leverage)* in this study has a minimum value of Harum Energy in 2016 and a maximum value of 80.87% owned by PT Millenium Pharmacon International Tbk. The *mean (mean)* is 23.94% while the standard deviation is 25.10%. The standard deviation value is smaller than the average value (mean) 23.94% < 25.10%, which means that the distribution of the data is not good. The higher the ratio, the higher the risk of the company going bankrupt.

A company in the 195 samples collected has a minimum age of 7 years owned by PT Pembangunan Graha Lestari Tbk and PT Tower Bersama Infrastructure Tbk and a maximum age of 71 years owned by PT Budi Starch & Sweetener Tbk. The average value is greater than the standard deviation value which indicates that the distribution of the data is good with each value being an average (mean) of 38.63 and a standard deviation of 13.02.

In this study, the Big 4 variable is measured using a dummy so that the value of companies that do not use the services of auditors who are members of the Big 4 has a minimum value of 0 and companies that use the services of these auditors have a maximum value of 1. Average (mean) 0.41 and standard 0.49 deviation. The standard deviation value is higher than the average value *(mean)* 0.49 > 0.41 which means that the distribution of data in the selected sample is not good.

b. Outlier Test Results Test

Outlier data is needed to find out whether in the regression there is, the dependent and independent variables have a normal distribution or not. The assumption of normality is considered fulfilled if the numerical data shows that it is less than 3 and greater than -3. In this study there were

240 samples, after testing the outlier data, it was found that there were 45 samples of outlier data so that the data had to be removed because they did not have a normal distribution. After doing the outlier test, it was obtained that there were 195 samples of data for further data testing.

Panel Regression Test Results The combination of cross section and time series is called panel regression, the same cross section is measured at different times. The number of time units is the same for each individual (balanced panel), the number of time units is different for each individual (unbalanced panel). While the time series is one or more observed in one observation in a certain period of time.

c. Chow test results

The panel regression model is said to be feasible if *the fixed effect model (FEM)* is used to predict the dependent variable, if the probability value is less than 0.05. If the significant number is more than or equal to 0.05, then the panel data regression technique model is *pooled least square (PLS).* Researchers have conducted a Chow test on the data to determine which of the PLS and FEM models is the most appropriate to use in estimating panel data. In this test the ROA prob is 0.5791 so the correct method taken is the Partial Least Square (PLS) method as follows:

ROA			
Effects Test	Statistics	df	Prob.
Cross-section F	1.089.658	-44.139	240.625
Cross-section Chi-square	57.490.024	44	0.579166667
ROE			
Cross-section F	0.712255	-44.139	6,270833333
Cross-section Chi-square	39.443.679	44	4.632.638.889

Table 2. Chow Test Results

d. Hausman Test Results

Statistical Hausman Test follows the Chi Square statistical distribution with a degree *of freedom value of k*, where k is the number of independent variables. If the Hausman statistical value is greater than the critical value, then H0 is rejected and the correct model is the Fixed *Effect* other hand, if the Hausman statistical value is smaller than the critical value, the correct model is the Random *Effect model.*

The purpose of the Hausman test is to find out the best method to use between fixed effects or random effects. If the probability value in the random cross-section is greater than 0.05, the model chosen is a random effect model and vice versa. After conducting the Hausman test, the researcher found out that the prob, random cross section ROA showed 0.3653 and ROE showed 6.9076, with these results the best method used was REM (Random Effect Model) as follows:

ROA			
Test Summary	Chi-Sq.statistics	Chi-Sqdf	Prob.
Cross-section random	18143701	10	0.3653
ROE			
Test Summary	Chi-Sq.statistics	Chi-Sqdf	Prob.
Cross-section random	2182742	10	69.076

Table 3. Hausman test results

e. F Test Results

The F test was conducted to determine whether the Independent variable had an effect on the Dependent Variable Simultaneously, if the significant value was <0.05 then the independent variable had an effect on the dependent variable, if on the contrary the significant value was > 0.05 then the independent variable had no effect. to the dependent variable simultaneously.

Test Cross-Section Random Effects			
Dependent Variable	Sig	Regression Model	Conclusion
ROA	0.1230	Random Effect Model	Not Significant
ROE	0.6956	Random Effect Model	Not Significant

Table 4. F Test Results

Based on the data shown above, the independent variable cannot explain the dependent. This research variable refers to research conducted by (Kao et al., 2019) in Taiwan where there are differences in the state of the company in a region so that when the same variable will show different results due to circumstances companies in a different area.

f. Test Results

The T Test is one of the statistical tests used to test the truth or falsity of the null hypothesis which states that between two *the mean sample* taken randomly from the same population, there is no significant difference (Sudjiono, 2010). The results of the T test explain that the effect of each independent variable on the dependent or dependent variable. The data criteria for two independent samples and random samples from a normal distribution function to estimate the average interval of a sample, to know the limits of acceptance of a hypothesis and to test whether or not a statement can be trusted or not.

Variable	ROA	ROE
Independent Director	Insignificant	Not Significant
Board of Directors Size	Insignificant	Insignificant
Block Ownership	Insignificant	Insignificant
Institutional Ownership	Insignificant	Insignificant
Foreign Ownership	Insignificant	Insignificant
Family Ownership	Insignificant	Insignificant
Company	Insignificant	Insignificant
Growth Size	Insignificant	Significant
Leverage	Not Significant	Not Significant
Dividend Payout Ratio	Insignificant	Insignificant
Company Age	Insignificant	Not Significant

Table 5. T-Test Results

g. Test R Square (R^2/Coefficient of Determination)

Generally, the *R Square* is used to see understanding the ability of the independent variable in explaining the dependent variable. If the result of the R test is close to 1, it can be concluded that the independent variable can explain the dependent variable as a whole.

	ROA	ROE
Dependent Variable	**R-Squared**	**R-Squared**
Company Performance	0.084772	0.043006

Table 6. *R-Square*

Based on the results of testing the coefficient of determination in the table above, ROA shows that the value R^2 0.084772 and ROE is 0.043006 which means that the dependent namely the company's performance as measured by ROA and ROE cannot be explained by independent variables, namely independent directors, number of directors, block share ownership, family share ownership, institutional share ownership and foreign share ownership. In this study, the ROA was 8.48%, while the remaining 91.52% was explained by other variables outside the research model. And for ROE is 4.30%, while the remaining 95.70% is explained by other variables outside this research model.

CONCLUSION

This study aims to determine the relationship between block shareholders, constitutional shareholders, foreign shareholders, family shareholders, independent directors and the number of directors in the company on company performance as measured by asset returns, equity returns, market valuation of equity and market valuation of the company's assets.

Limitations The research carried out still has many shortcomings including (1) There are controlling shareholder companies that do not issue financial reports and some controlling companies are registered abroad so that access to financial reports and annual reports is limited; (2) The study only took samples from companies listed on the Indonesia Stock Exchange (IDX). It is hoped that further researchers can enrich samples from other countries.

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