

Research Articles

The Effect of Corporate Governance Mechanisms on Company Value

Pasha Fadilla^{a)}, Zaenal Arifin

*Department of Management, Faculty of Business and Economics
Universitas Islam Indonesia, Sleman, Special Region of Yogyakarta
Indonesia*

^{a)}Corresponding author: 18311278@students.uii.ac.id

ABSTRACT

Corporate governance is a central issue used in measuring the capacity and value of a company. This study aims to analyze the effect of corporate governance mechanics on the value of a company that is included in the LQ-45 shares listed on the Indonesia Stock Exchange for the 2018–2020 period. Quantitative research design with a descriptive approach Purposive sampling was used to collect the data, which resulted in a total of 101 data points. Corporate governance indicators and company values include the Board of Independent Commissioners, Institutional Ownership; Dividend Policy; and Leverage. Multiple linear regression tests with a 90% confidence level ($p < 0.1$) were used to look at the data with SPSS software. The results of the study showed that corporate governance on the value of the company is influenced by the Independent Board of Commissioners ($p = 0.079$); institutional ownership ($p = 0.000$); and dividend policy ($p = 0.000$), but not affected by leverage ($p = 0.223$). Hence, suppose a company wants to have good corporate governance and increase the value of the company. In that case, it needs to pay attention to the most important things, like the Board of Independent Commissioners, institutional ownership, and dividend policy.

Keywords: corporate value, independent board of commissioners, institutional ownership, dividend policy, leverage.

INTRODUCTION

Corporate governance is a central issue used in measuring the capacity and value of a company (Putri and Siswanto, 2019; Jemunu, Apriyanto and Parawiyati, 2020). Corporate governance is utilized to control and regulate the company in order to improve the value and image of the company to related stakeholders (Wahyudi, 2018; Nawaz and Ohlrogge, 2022). However, to face increasingly fierce business competition, companies are essential. It is recommended to review the readiness and implementation of corporate governance in a company while still paying attention to its principles and maximizing the system that has been run. According to Januarita (2006), in implementing corporate governance, five



principles must be applied by a company, including transparency, accountability, responsibility, independence, and fairness. The better the implementation of these five principles, the better the company's goals and the competition level will be achieved (Fatchan and Trisnawati, 2018; Putra, Ahmad and Dalimunthe, 2022).

The company generally provides shareholders benefits, which are used as retained earnings, which is a dividend policy (Nurhayati, 2013). The Dividend Policy affects shareholders and institutions that have paid the company's dividends according to a predetermined time. The goal is to reduce doubts about the funds invested by shareholders and minimize agency conflicts (Jensen and Meckling, 2019). This is by the theory of Bird-In-Hand Yang put forward if the company's investors are more interested in dividends than capital gains. In addition, a dividend policy will positively impact a company's value. Research by (Octaviany, Hidayat and Miftahudin, 2019) revealed that the company is the value of the company is the impression of shareholders regarding the success of a company when organizing its resources, which is reflected in the company's share price. The achievement of increasing the value of a company is due to the synergy of cooperation between management and other elements, including shareholders (Adnyana and Sudaryati, 2022). Reviewing a company's governance in Indonesia that has not implemented all principles and has not produced good corporate value requires extraordinary efforts in assessing and identifying factors that could cause the agency's problems (Jensen and Meckling, 2019).

The Asian Corporate Governance Association (ACGA) report revealed that Indonesia was in the last place concerning the implementation of corporate governance for internal and external reasons. This shows that corporate governance in Indonesia needs serious attention from various elements. Research by Kusumaningtyas and Andayani (2015) revealed that institutional ownership and the board of commissioners play essential roles in realizing corporate governance regarding management and the company's audit committee. Another element that affects this problem is the relatively low value of the company in terms of leverage. Leverage is considered to be able to reduce the value of taxes by paying interest on company debt, which has implications for increasing a company's net profit. Leverage is an influential part of the company's value, but previous research has shown differences in results, so variable consistency cannot be applied carefully. Research by Wulandari, Irianto and Ludigdo (2017) and Aji (2019) revealed that leverage significantly influences the company's value. However, Dewi and Sujana (2019) research revealed that leverage has an insignificant negative influence on the company's value. Furthermore, the effect of good corporate governance on company values has been proven by previous researchers but obtained inconsistent results. Research by Purbopangestu and Subowo (2014) revealed that good corporate governance proxied by the independent board of commissioners (DKI), institutional ownership (KI), managerial ownership (KM), and audit committee (KA) got unequal results, including DKI's positive influence on company value. However, KI, KM, and KA do not influence company value.

According to research Thaharah and Asyik (2016) and Octaviany, Hidayat and Miftahudin, (2019) independent commissioners supported by a company's dividend policy. Priya and Mohanasundari (2016) are seen as significantly influencing the value of the company. Based on differences in views and previous findings related to the influence of the corporate governance mechanism on the value of a company, this study aims to analyze the influence of the corporate governance mechanism on the value of a company that is included in the LQ-45 shares listed on the Indonesia Stock Exchange for the 2018-2020 period.

The indicators used in this study are the influence of independent boards of commissioners, institutional ownership, dividend policy, and leverage on company value. This research can provide information related to factors that can affect the implementation of corporate governance in a company and is used as a reference in the application of the system.

LITERATURE REVIEW AND HYPOTHESES

Corporate Governance

Najamuddin et al. (2022) and Nawaz and Ohlrogge (2022), define corporate governance as a series of systematic flows that are useful in organizing and providing direction or guiding business and business in a company that aims to increase the value of the company and ensure continuity in business (Rejeki and Winningsih, 2022; Zhang et al., 2022).

The foundation of sound corporate governance principles is essentially aimed at handing over success to the company's performance. The implementation of Corporate Governance is based on principles that must be obeyed by the decree of the Minister of SOEs of 2002 No. KEP-117M-MBU/2002, including a) Transparency, which is the clarity to carry out the process in making decisions and disclosure of significant materials and information about the company; b) Independence, the debate on the situation of the corporation is held professionally, and there is no conflict of interest and or effect and the insistence of other parties that are not in line with the laws and regulations; c) Accountability, namely the openness of functions, application, and responsibility of parts so that in organizing the corporation is carried out as well as possible; d) Accountability, namely the alignment of corporate administration based on existing laws and regulations; and e) Fairness and equality to meet the rights of stakeholders arising from the approvals and general laws and regulations.

Corporate Governance Mechanism

Corporate governance has legitimacy, accountability, and competence in policy and service sharing by jointly respecting the law and human rights. Corporate governance is referred to as the organizers and administrators of company performance activities, which are reviewed by the percentage of effectiveness depending on the character and counter of corresponding values (Al-ahdal et al., 2020). (Jensen and Meckling, 2019) theory suggests that corporate governance is essential in reducing agency and agency funding problems.

The company's existing corporate governance mechanism can reduce agency funds in achieving success goals and maximize company value. Corporations with an excellent corporate governance mechanism have high expectations that they can be organized as well as possible and have a low probability of managers having conflicts of interest. The existence of an independent board of commissioners is essential in increasing investors' trust in the company (Moin, Guney and el Kalak, 2020). The company and the board have good corporate governance and pay significant dividends. The higher the board, the more experience, and knowledge can advance the company and increase its value. Governance mechanisms are divided into monitoring and bonding.

The Effect of Corporate Governance on Company Value

Corporate governance is seen as a system and reference used in the policy foundation for a company because it already has legitimacy, accountability, and skills (Al-ahdal *et al.*, 2020). In the process, corporate governance can positively or negatively impact company values. According to Purbopangestu and Subowo (2014), quality corporate governance has four elements of evaluation: institutional ownership, managerial ownership; audit committee; and independent commissioners. Valeri, Rahim Matondang and Siahaan (2020) revealed that institutional ownership, managerial ownership, and audit committees do not affect the company's value. However, on the contrary, independent commissioners affect the company's value. In line with research by Rosid, Bahiroh and Vedrikho (2022) which revealed that good corporate governance proxied as the proportion of independents influences company value. However, board size and audit committees do not influence the company's value. The first hypothesis in this study is that:

H₁: *Independent board of commissioners positively affects company value*

Furthermore, institutional ownership is a measure of share ownership in a company (Suhartanti and Asyik, 2015). The company's ownership will provide a source of observation value to maximize the company's work activities (Kusumaningtyas and Andayani, 2015) Research by Iwanty and Surjandari (2022) and Muryati and Suardikha (2014) reveals that institutional ownership has an insignificantly positive influence on the company's value. This result is not in line with Dewi and Sanica, (2017) and Astrinika and Sulistyanto (2018), which revealed that institutional ownership negatively influences the company's value. The second hypothesis in this study is that:

H₂: *Institutional ownership positively affects the value of the company.*

In addition to institutional ownership, dividend policies can influence corporate governance on company values. Hermuningsih (2008) revealed that the dividend policy is the company's profit from shareholders. Research by Felmania (2014) revealed that the dividend policy significantly positively affects the company's value. Furthermore, Jiang and Jiranyakul (2013) suggested a positive effect between differentiated policies and company values. This indicates that investors are more organized with dividends in their payment methods and are seen as quality if the dividend distribution increases. Thus, the third hypothesis in this study is that:

H₃: *The policy dividend positively affects the company's value.*

Finally, the factor that can affect the value of the company is leverage. Leverage will be more in demand by investors because the use of leverage by the company will benefit. Research by Pratama and Wiksuana (2016), Cheng and Tzeng (2011) and Gill and Obradovich (2012) revealed that age has a positive effect on company value. In contrast to Pratiwi and Rahayu (2015) and Wahyudi and Sholahuddin (2022) research, leverage negatively affects the company's value. The fourth hypothesis in this study is:

H₄: *Leverage has a positive effect on the value of the company.*

METHOD

Conduct quantitative research with a descriptive approach (Darwin *et al.*, 2021). Purposive sampling was used to collect the data, which resulted in a total of 101 data points. This study used the population of companies listed on the LQ-45 Indonesia Stock Exchange (IDX) from 2018-2020. Corporate governance indicators and company values include the Board of Independent Commissioners, Institutional Ownership; Dividend Policy; and Leverage. Data analysis was performed by multiple linear regression tests with SPSS software with a 90% confidence level ($p < 0.1$). Also, the signs for each variable are based on equations or calculations, which are explained below:

- a. The Board of Independent Commissioners (DKI) is a commissioner who has independent actions, so in its management, it is not condoned by any party. The following equation measures the indicators of the independent board of commissioners (Amaliyah and Herwiyanti, 2019).

$$DKI = \frac{\text{Number of Independent Commissioners}}{\text{Number of Commissioners}} \times 100\%$$

- b. Institutional ownership (IP) is included in the shareholding of governments, financial institutions, incorporated institutions, foreign institutions, trust fees, and other institutions at the end of the year. The institutional ownership variable can be calculated from the total percentage of shares of another company located domestically or abroad. The following equation measures institutional ownership (Iwenty and Surjandari, 2022).

$$KI = \frac{\text{Number of Independent Commissioners}}{\text{Total Shares Outstanding}} \times 100\%$$

- c. The Dividend Policy (KD) uses the Dividend Payout Ratio (DPR) in its measurement. The Dividend Payout Ratio (DPR), in its measurement, compares dividends per share with earnings per share. The unit for measuring the Dividend Payout Ratio is by percentage. The following equation measures the dividend policy (Moin, Guney and el Kalak, 2020).

$$DPR = \frac{\text{Deviden per Share}}{\text{Earning per Share}} \times 100\%$$

- d. Leverage is the power of a company to finance its operations using bonds. This study considers the leverage variable with the debt-to-equity ratio (DER). The following equation measures leverage (Mipo, 2022; Sari et al., 2022).

$$DER = \frac{\text{Total Debt of the company}}{\text{Total Company Equity}} \times 100\%$$

- e. Company Value is an investor's point of view regarding the value contained in a company by estimating the price of a stock. The Company's Value uses Tobin's Q (TQ) in its measurements, as evidenced by Wahyudi and Sholahuddin (2022). The following equation measures the enterprise value indicator:

$$TQ = \frac{EMV (Price Per Share \times Number of Shares Outstanding. + DEBT (Total Debt))}{TA (Total Asets)} \times 100\%$$

RESULTS AND DISCUSSION

Descriptive Test Results

Descriptive statistics provide an overview or description of the data presented in table 1. In this study, Variable company value is an endogenous variable and is influenced in this way. A company's value is what an investor thinks the company is worth based on how much they think the stock price is.

Table 1. Descriptive Analysis Results

	N	Minimum	Maximum	Mean	Std. Deviation
DKI	101	.25	.83	.4426	.13171
KI	101	.17	.92	.6414	.13489
DPR	101	.00	8.01	.7288	.98021
DER	101	.14	16.08	2.0817	2.75047
TQ	101	.57	14.41	1.9139	1.88380
Valid N (listwise)	101				

Source: Data Processing (2022)

The Board of Commissioners is independent of the LQ-45 company on the IDX, which has a minimum value of 0.25 (25%). Then the maximum value is 0.83 (83%). The average value of the Independent Commissioner variable is 0.4426 (44.26%), with a standard deviation of the Independent Board of Commissioners of 0.13171. Furthermore, the institutional ownership of LQ-45 companies on the IDX has a minimum value of 0.17 (17%) and a maximum value of 0.92 (92%). Nilai means variable institutional ownership of 0.6414 (64.14%). Thus, 64.14% is the average share value in companies throughout 2018-2020 belonging to other institutions or institutions with average institutional ownership of 0.13489. Furthermore, the dividend policy indicator obtained a minimum value of 0.00 (0%) and the maximum value of 8.01 (801%). The Nilai mean for the dividend policy variable is 0.7288 (72.88%), which assumes the shares of LQ-45 companies listed on the IDX in 2018-2020 in dividend distribution with a policy average of 72.88% and dividend policy deviation of 0.98069.

The leverage indicator obtains a minimum value of 0.14 (14%) with a maximum value of 16.08 (1607.86%). The average value for the variable leverage of 2.0817 (208.17%) indicates that the shares of LQ-45 companies listed on the IDX in 2018-2020 were 208.16%, with an average deviation of 2.75047. The last calculation is on the company value of the LQ-45 company, which has a minimum value of 0.57 (57%) and a maximum value of 14.41 (1441.47%). The average value for the company value of 1.9139 (191.39%). Thus, the average company value of LQ-45 companies listed on the IDX in 2018-2020 is included in the high category with a deviation of the disclosure of the company's value of 1.88380, which shows a figure more minor than the average value.

Hipotesis Test Results

In hypothesis testing, several testing steps are carried out, which begin with the test of classical assumptions to know the normality of a data set, the presence or absence of multicollinearity, heteroskedasticity, and autocorrelation, followed by hypothesis testing with a t-test relating to the effect of corporate governance mechanisms on the value of the company. The results of hypothesis testing are presented in table 2.

The results of the study in table 2 show differences in results in each variable seen in the t-value of the table, followed by different probabilities. In the Independent Board of Commissioners (DKI) variable, a probability of 0.079 ($p < 0.1$) was obtained. Thus, there was a significant favorable influence from the Independent Board of Commissioners (DKI) on the company's value with the conclusion that H1 was accepted. Furthermore, in the variable, institutional ownership (KI) obtained a probability of 0.000 ($p < 0.1$). Thus, there is a significant favorable influence of institutional ownership (KI) on the company's value, with the conclusion H2 accepted. Furthermore, in the dividend policy variable (DPR), a probability of 0.000 ($p < 0.1$) was obtained. Thus, there is a significant favorable influence between the application of the dividend policy (DPR) on the value of the company and the conclusion that H3 is accepted. Finally, in the variable leverage (DER), a probability of 0.223 ($p > 0.1$) is obtained so that there is no positive and insignificant influence between leverage (DER) on the value of the company and the conclusion that H4 is rejected.

Table 2. Hypothesis Testing Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.202	.125		1.620	.108
DKI	.298	.168	.135	1.776	.079
1 KI	.735	.186	.316	3.954	.000
DPR	.242	.046	.441	5.257	.000
DER	.055	.044	.094	1.227	.223

a. Dependent Variable: TQ

Source: Data Processing (2022)

The Effect of an Independent Board of Commissioners on Company Value

The Variables of the Independent Board of Commissioners (DKI) positively affect the Company Value (TQ), indicating that many members of the Independent Board of Commissioners will increase the Company Value. This is in line with the research of Siallagan and Machfoedz (2006), (Purbopangestu and Subowo, 2014), Valeri, Rahim Matondang and Siahaan (2020) and Rosid, Bahiroh and Vedrikho (2022) which stated that the Independent Board of Commissioners (DKI) affects company value. If the process of embedding in the report carried out by the board of commissioners can be made more effective, it will improve a corporation's performance. The increase in a company's work due to better observations on the part of the independent commissioner will have implications for investors willing to pay more significant and higher values for the corporation's shares. These independent boards of commissioners are responsible for ensuring that the company is managed as well as possible. If a company is appropriately managed, investors will pay more attention to investing their capital in the company with the criteria that a corporation must have good

performance, which can be seen from the value of the profits obtained, thus increasing the value of the company and the welfare of shareholders (Nguyen, Nguyen and Hoang, 2022) The number of independent commissioners must be balanced with the number of shares owned by the shareholders and have at least 30% of the total members of the commissioners.

The Effect of Institutional Ownership on Company Value

Institutional Ownership (KI) variables have a positive effect on company value (TQ), which indicates that the amount of institutional ownership in a company can increase the value of the company. This is in line with the research conducted by Lemmon and Lins (2003), Iwenty and Surjandari (2022), and Muryati and Suardikha (2014) they suggest that institutional ownership has a positive influence on the value of the company. Increased institutional ownership makes one of the observational functions that take place effectively, and managers are increasingly vigilant when organizing loans. Bamahros et al. (2022 and Wahasusmiah and Arshinta (2022) explain that the existence of institutional ownership can review management groups effectively and increase the value of the company. Furthermore, Wahyudi (2018) explains that the higher the institutional ownership, the more efficient and effective the use of company assets, and the lower the rejection of waste carried out by management, which has implications for the shareholders who suffered losses. Managers can reduce the number of losses by focusing on manifested costs. Yanto (2018) stated that the existence of a significant profit determines the right company's prospects so that investors will respond positively to the situation. The increasing number of investors who invest in a budget to buy company shares will have implications for an increase in the share price, which will indirectly increase the company's value. A similar statement was revealed by Gwenda (2013), who found that institutional ownership has a positive effect on company value, which is the same as the results of this study.

Effect of Dividend Policy on Company Value

The Dividend Policy (DPR) variable positively affects company value (TQ). This indicates that the greater the dividend value of a company, the greater the interest of shareholders and investors. Brigham and Houston (2021) explain that the more investors who invest shares in a company, the greater the share price, which has implications for increasing the company's value. Research by Oktari, Mela and Zarefar (2018) and Lu et al. (2021) revealed that dividend policy positively affects the company's value. In line with Sari et al. (2022) who explained that the dividend policy has a significant positive effect on the value of the company, if the dividends distributed by shareholders are getting bigger, the company's work will be recognized as getting better and will have implications for increasing the value of the company. Furthermore, Nur (2018) stated that a dividend is a binding material for investors to invest their shares in a company. Halim (2018) explains that dividend payments are, in fact, communication indirectly to shareholders regarding the level of profitability of an enterprise. In this study, the dividend policy is proxied with a dividend payout ratio because it describes the percentage of each rupiah obtained and distributed to shareholders in cash.

The Effect of Leverage on Company Value

The leverage (DER) variable does not positively affect the company value (TQ), which indicates that a company financing its assets prefers to use the financing interval from retained earnings compared to using debt. This result contradicts Pratama and Wiksuana

(2016) research, which reveals that leverage affects the company's value. On the other hand, this study is consistent with Novari and Lestari (2016) and Bachrudin and Ngumar (2017) which explain that leverage does not affect the company's value. With sufficient costs and ownership by the company in funding its assets by acquiring its capital, the company can reduce its debt to other companies. The amount of debt the company uses can decrease the benefits obtained from the use of debt. This is because the benefits obtained are not comparable to the funds spent. Bachrudin and Ngumar (2017) explains that a small debt can increase a company's value. Leverage is a company's tool in raising company capital to increase profits and positively impact investors regarding the company's prospects. Signal Theory explains that profitable leverage occurs if the company has a high income.

RESEARCH LIMITATIONS

The limitation of this study is that it only reviews internal factors that can influence company values and the implementation of corporate governance but does not include external factors that can affect the company's value.

MANAGERIAL IMPLICATIONS

The research results are expected to be used as a reference in formulating policies and implementing good corporate governance in a company. In increasing the company's corporate value, it is necessary to pay attention to the quality and quantity of the Independent Board of Commissioners, Institutional Ownership, and Dividend Policy in the hope that the company's general goals can be achieved.

CONCLUSION

Corporate governance of the company's value is influenced by the Independent Board of Commissioners ($p = 0.079$); Institutional Ownership ($p = 0.000$); and Dividend Policy ($p = 0.000$), but not affected by leverage ($p = 0.223$). Thus, a company interested in realizing good corporate governance and increasing company value needs to pay attention to three central points, especially the Independent Board of Commissioners, institutional ownership, and dividend policy. In the future, further research is needed to be related to external variables that can affect the company's value with leverage variables replaced by the Audit Committee or Managerial ownership over a longer period.

REFERENCES

- Adnyana, I.M.D.M. and Sudaryati, N.L.G. (2022) "The potency of green education-based blended learning in biology students at the Hindu University of Indonesia," *BIO-INOVED: Jurnal Biologi-Inovasi Pendidikan*, 4(1), pp. 1–9.
- Aji, A.W. and Atun, F.F. (2019) "Pengaruh Tax Planning, Profitabilitas, Dan Likuiditas Terhadap Nilai Perusahaan Dengan Ukuran Perusahaan Sebagai Variabel Moderasi (Studi Kasus Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Tahun 2014-2018)," *Jurnal Ilmiah Akuntansi dan Humanika*, 9(3), pp. 222–234.
- Al-ahdal, W.M. *et al.* (2020) "The impact of corporate governance on financial performance of Indian and GCC listed firms: An empirical investigation," *Research in International Business and Finance*, 51, p. 101083.

- Amaliyah, F. and Herwiyanti, E. (2019) “Pengaruh kepemilikan institusional, dewan komisaris independen, dan komite audit terhadap nilai perusahaan sektor pertambangan,” *Jurnal Akuntansi*, 9(3), pp. 187–200.
- Astrinika, R. and Sulistyanto, H.S. (2018) “Pengaruh Corporate Social Responsibility dan Mekanisme Corporate Governance Terhadap Nilai Perusahaan,” *JEMAP: Jurnal Ekonomi, Manajemen, Akuntansi dan Perpajakan*, 1(2), pp. 265–276.
- Bachrudin, B. and Ngumar, S. (2017) “Pengaruh ukuran perusahaan, leverage, dan kepemilikan manajerial terhadap nilai perusahaan,” *Jurnal Ilmu dan Riset Akuntansi (JIRA)*, 6(4), pp. 1473-1491.
- Bamahros, H.M. *et al.* (2022) “Corporate Governance Mechanisms and ESG Reporting: Evidence from the Saudi Stock Market,” *Sustainability*, 14(10), p. 6202.
- Brigham, E.F. and Houston, J.F. (2021) *Fundamentals of financial management*. Cengage Learning.
- Cheng, M.-C. and Tzeng, Z.-C. (2011) “The effect of leverage on firm value and how the firm financial quality influence on this effect,” *World Journal of Management*, 3(2), pp. 30–53.
- Darwin, M. *et al.* (2021) *Metode penelitian pendekatan kuantitatif*. 1st edn. Bandung: Media Sains Indonesia.
- Dewi, I.A.P.T. and Sujana, I.K. (2019) “Pengaruh Likuiditas, pertumbuhan penjualan, dan risiko Bisnis terhadap nilai Perusahaan,” *E-Jurnal Akuntansi*, 26(1), pp. 85–110.
- Dewi, K.R.C. and Sanica, I.G. (2017) “Pengaruh kepemilikan institusional, kepemilikan manajerial, dan pengungkapan corporate social responsibility terhadap nilai perusahaan pada perusahaan manufaktur yang terdaftar di bursa efek indonesia,” *Jurnal Ilmiah Akuntansi dan Bisnis*, 2(1), pp. 231–246.
- Fatchan, I.N. and Trisnawati, R. (2018) “Pengaruh good corporate governance pada hubungan antara sustainability report dan nilai perusahaan (studi empiris perusahaan go public di Indonesia periode 2014-2015),” *Riset Akuntansi dan Keuangan Indonesia*, 1(1), pp. 25–34.
- Felmania, M. (2014) “Good corporate governance mechanism, corporate social responsibility disclosure on firm value: empirical study on listed company in indonesia stock exchange,” *International Journal of Finance and Accounting Studies*, 2(1), pp. 1–10.
- Gill, A. and Obradovich, J. (2012) “The impact of corporate governance and financial leverage on the value of American firms,” *International Research Journal of Finance and Economics*, 91(2), pp. 46–56.
- Gwenda, Z. (2013) “Pengaruh Penerapan Good Corporate Governance (GCG) Pada Variabel Share Ownership, Debt Ratio, dan Sektor Industri Terhadap Nilai Perusahaan,” *Business Accounting Review*, 1(2), pp. 137–150.
- Halim, A. (2018) “Analisis Investasi dan Aplikasinya (Edisi 2),” *Salemba Empat* [Preprint].

- Hermuningsih, S. (2008) "Pengaruh profitabilitas, growth opportunity, struktur modal terhadap nilai perusahaan pada perusahaan publik di Indonesia," *Bulletin of Monetary Economics and Banking*, 16(2), pp. 127–148.
- Iwenty, K.I. and Surjandari, D.A. (2022) "The Effect of Sales Growth, Responsibility, and Institutional Ownership on Tax Avoidance with Profitability as Moderating Variables," *Journal of Economics, Finance and Accounting Studies*, 4(1), pp. 423–436.
- Januarita, R. (2006) "Pedoman umum good corporate governance Indonesia." Komite Nasional Kebijakan Governance.
- Jemunu, M.D., Apriyanto, G. and Parawiyati, P. (2020) "Good Corporate Governance, Pengungkapan Sustainability Report dan Manajemen Laba terhadap Nilai Perusahaan," *AFRE (Accounting and Financial Review)*, 3(2), pp. 93–102.
- Jensen, M.C. and Meckling, W.H. (2019) "Theory of the firm: Managerial behavior, agency costs and ownership structure," in *Corporate Governance*. Gower, pp. 77–132.
- Jiang, J. and Jiranyakul, K. (2013) "Capital structure, cost of debt and dividend payout of firms in New York and Shanghai stock exchanges," *International Journal of Economics and Financial Issues*, 3(1), pp. 113–121.
- Kusumaningtyas, T.K. and Andayani, A. (2015) "Pengaruh good corporate governance terhadap nilai perusahaan yang terdaftar pada indeks SRI-KEHATI," *Jurnal Ilmu dan Riset Akuntansi (JIRA)*, 4(7).
- Lemmon, M.L. and Lins, K. v (2003) "Ownership structure, corporate governance, and firm value: Evidence from the East Asian financial crisis," *The journal of finance*, 58(4), pp. 1445–1468.
- Lu, J. *et al.* (2021) "The moderating role of corporate social responsibility in the association of internal corporate governance and profitability; evidence from pakistan," *International journal of environmental research and public health*, 18(11), p. 5830.
- Mipo, M. (2022) "Pengaruh Profitabilitas, Leverage, Ukuran Perusahaan Terhadap Nilai Perusahaan Dengan CSR Sebagai Moderating Variable Pada Perusahaan Manufaktur di BEI," *Owner: Riset dan Jurnal Akuntansi*, 6(1), pp. 736–745.
- Moin, A., Guney, Y. and el Kalak, I. (2020) "The effects of ownership structure, sub-optimal cash holdings and investment inefficiency on dividend policy: evidence from Indonesia," *Review of Quantitative Finance and Accounting*, 55(3), pp. 857–900.
- Muryati, N.N.T.S. and Suardikha, I.M.S. (2014) "Pengaruh Corporate Governance Pada Nilai Perusahaan," *E-jurnal Akuntansi*, 9(2), pp. 425–429.
- Najamuddin, Y. *et al.* (2022) "Corporate governance mechanism and profitability: A special assessment on the board of commissioners and audit committee," *International Journal of Research in Business and Social Science (2147-4478)*, 11(4), pp. 239–245.
- Nawaz, T. and Ohlrogge, O. (2022) "Clarifying the impact of corporate governance and intellectual capital on financial performance: A longitudinal study of Deutsche Bank (1957–2019)," *International Journal of Finance & Economics*, pp. 1–16. Available at: <https://doi.org/10.1002/ijfe.2620>.

- Nguyen, A., Nguyen, T. and Hoang, P. (2022) "The impact of corporate governance quality on capital structure choices: does national governance quality matter?," *Cogent Economics & Finance*, 10(1), p. 2073003.
- Novari, P.M. and Lestari, P.V. (2016) "Pengaruh ukuran perusahaan, leverage, dan profitabilitas terhadap nilai perusahaan pada sektor properti dan real estate." Udayana University.
- Nur, T. (2018) "Pengaruh growth opportunity, profitabilitas dan struktur modal terhadap nilai perusahaan dengan dividen sebagai variabel intervening pada perusahaan manufaktur yang terdaftar di BEI pada periode 2014-2017," *Jurnal Manajemen Dan Bisnis Indonesia*, 5(3), pp. 393–411.
- Nurhayati, M. (2013) "Profitabilitas, likuiditas dan ukuran perusahaan pengaruhnya terhadap kebijakan dividen dan nilai perusahaan sektor non jasa," *Jurnal Keuangan & Bisnis Program Studi Magister Manajemen Sekolah Tinggi Ilmu Ekonomi Harapan*, 5(2), pp. 144–153.
- Octaviany, A., Hidayat, S. and Miftahudin, M. (2019) "Pengaruh Ukuran Perusahaan dan Leverage terhadap Nilai Perusahaan dengan Profitabilitas sebagai Variabel Intervening," *Jurnal Riset Inspirasi Manajemen Dan Kewirausahaan*, 3(1), pp. 30–36.
- Oktari, V., Mela, N.F. and Zarefar, A. (2018) "The Influence of Good Corporate Governance on Company Value in Jakarta Islamic Index Companies," *Jurnal Akuntansi Keuangan dan Bisnis*, 11(1), pp. 69–78.
- Pratama, I.G.B.A. and Wiksuana, I.G.B. (2016) "Pengaruh ukuran perusahaan dan leverage terhadap nilai perusahaan dengan profitabilitas sebagai variabel mediasi." Udayana University.
- Pratiwi, N. and Rahayu, S. (2015) "Pengaruh Profitabilitas, Leverage, Good Corporate Governance, dan Ukuran Perusahaan terhadap Nilai Perusahaan," *eProceedings of Management*, 2(3), pp. 3146-3152.
- Priya, P.V. and Mohanasundari, M. (2016) "Dividend policy and its impact on firm value: A review of theories and empirical evidence," *Journal of Management Sciences and Technology*, 3(3), pp. 59–69.
- Purbopangestu, H.W. and Subowo, S. (2014) "Pengaruh good corporate governance Terhadap Nilai Perusahaan Dengan corporate social responsibility Sebagai Variabel intervening," *Accounting Analysis Journal*, 3(3), pp.321-333.
- Putra, A.D., Ahmad, G.N. and Dalimunthe, S. (2022) "Pengaruh Profitabilitas, Firm Age, dan Corporate Governance Terhadap Corporate Social Responsibility dengan Ukuran Perusahaan sebagai Variabel Moderasi," *Jurnal Bisnis, Manajemen, dan Keuangan-JBMK*, 3(1), pp. 270–283.
- Putri, V.A. and Siswanto, E. (2019) "Pengaruh penerapan corporate governance terhadap tingkat financial distress (Studi pada perusahaan sektor pertambangan yang terdaftar di Bursa Efek Indonesia periode 2013-2017)," *Jurnal Manajemen Indonesia*, 19(3), pp. 277–291.
- Rejeki D. and Winningsih, P. (2022) "good corporate governance (GCG) dan corporate social responsibility (CSR) sebagai determinasi nilai perusahaan (Studi Empiris pada Perusahaan perusahaan LQ45 yang terdaftar di Bursa Efek Indonesia periode 2017–2020)," *Jurnal Akuntansi dan Bisnis Krisnadwipayana*, 9(1), pp. 520–536.

- Rosid, A., Bahiroh, E. and Vedrikho, R. (2022) "Pengaruh Profitabilitas Terhadap Nilai Perusahaan Dengan Kebijakan Dividen Sebagai Variabel Intervening," *Jurnal Manajemen Retail Indonesia*, 3(1), pp. 58–69. Available at: <https://doi.org/10.33050/jmari.v3i1.2165>.
- Sari, E.P. *et al.* (2022) "Kebijakan Dividen Sebagai Pemediasi Pengaruh Antara Leverage Dan Profitabilitas Terhadap Nilai Perusahaan Pada Perusahaan Indeks LQ 45," *JAP (Jurnal Akuntansi dan Pajak)*, 22(2), pp. 01–11.
- Siallagan, H. and Machfoedz, M. (2006) "Mekanisme Corporate Governance, Kualitas Laba dan Nilai Perusahaan," *Symposium Nasional Akuntansi 9 Padang*, (61), pp. 23–26.
- Suhartanti, T. and Asyik, N.F. (2015) "Pengaruh Corporate Governance Terhadap Nilai Perusahaan Dengan Kinerja Keuangan Sebagai Variabel Moderating," *Jurnal Ilmu dan Riset Akuntansi (JIRA)*, 4(8), pp. 1-15.
- Thaharah, N. and Asyik, N.F. (2016) "Pengaruh mekanisme corporate governance dan kinerja keuangan terhadap nilai perusahaan LQ 45," *Jurnal Ilmu dan Riset Akuntansi (JIRA)*, 5(2), pp.1-18.
- Valeri, M., Rahim Matondang, A. and Siahaan, E. (2020) "The Influence of Employee Participation and Employee Readiness to Employee Commitments against Corporate Strategy (Spin off) Through Organizational Support as a Moderating Variable on BPD Banks," *International Journal of Research and Review*, 7(2), pp. 56–71.
- Wahasumiah, R. and Arshinta, F.A.B. (2022) "Pengaruh Ukuran Perusahaan, Investment Opportunity Set, dan Corporate Governance terhadap Nilai Perusahaan dengan Kinerja Keuangan Sebagai Variabel Intervening pada Perusahaan LQ45," *MBLA*, 21(1), pp. 1–17.
- Wahyudi, F.A. and Sholahuddin, M. (2022) "The Effect of Profitability, Leverage, and Firm Size on Firm Value (Case of Registered Company In Jakarta Islamic Index 2015-2020 period)," in *International Conference on Economics and Business Studies (ICOEBS 2022)*. Atlantis Press, pp. 380–385.
- Wahyudi, S. (2018) "Analysis of effect of firm size, institutional ownership, profitability, and leverage on firm value with corporate social responsibility (csr) disclosure as intervening variables (study on banking companies listed on bei period 2012-2016)," *Jurnal Bisnis Strategi*, 27(2), pp.95-109.
- Wulandari, A., Irianto, G. and Ludigdo, U. (2017) "Telaah Kritis Atas Konsep Good Corporate Governance Ditinjau Dari Shari'ate Enterprise Theory," *Jurnal Ekonomi dan Keuangan Islam*, 1(2), pp. 123–139.
- Yanto, E. (2018) "Effect of Corporate Social Responsibility and Good Corporate Governance on the Value of Company with Profitability as Moderating Variables," *JAAF (Journal of Applied Accounting and Finance)*, 2(1), pp. 36–49.
- Zhang, L. *et al.* (2022) "Examining the Role of Stakeholder-Oriented Corporate Governance in Achieving Sustainable Development: Evidence from the SME CSR in the Context of China," *Sustainability*, 14(13), p. 8181.