*European Research Studies Journal*
*Volume XXI, Issue 4, 2018*

*pp. 480-492*

# Antecedents and Outcomes of Corporate Governance: Evidence from Indonesia

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***Abstract:***

*This study empirically explores the relationship between three important decisions in financial theory and the business organization goals for 18 companies incorporated in the LQ-45 index listed on the Indonesia Stock Exchange (IDX) over the periods 2010-2017.*

*The purpose of this study is to investigate the effect of investment opportunities, dividend policy and financial decision on firm value and to examine the contribution of corporate governance in moderating the effect between investment opportunities to firm value.*

*This study employs panel data regression through Eviews 9 program specification methodology. The results of the panel data regression analysis indicate a positive and significant relationship between investment opportunities, financial decision, and firm value.*

*The results also indicate that corporate governance has a significant negative moderating effect on investment decision to firm value.*

***Keywords****: Investment opportunities, dividend decision, financial decision, company value, good governance.*

***JEL code****: D25, G32, G11.*

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## 1. Introduction

Maximizing company performance is equivalent to the shareholders' wealth (Mohamed Nurullah and Kengatharan, 2015), (Yunanto *et al.,* 2017). One of the indicators is the stock market price (Isshaq et al., 2009) whose value always fluctuates as a result of both fundamentals and macro enterprises. Investors or shareholders easily evaluate both the company performance and the value of the company by looking closely at the company's share price movements. Whether the owners' wealth is up or down is reflected in the stock price.

At the beginning of 2008 Jakarta Composite Index (JKSE) was at the level of 2600 and ten years later (2018) it has reached 6000 (Exchange, 2017), it has increased 130% means that the main objectives of the company have been achieved well generally. The owners of the company, the shareholders, the investors of the financial sector, exactly the stocks, can increase their wealth by more than 100%. Compared to other media, such as Government Bank deposits with 5% per annum, in 10 years the investor's wealth only reaches 50% far below the increase in shareholder wealth, let alone by including dividend income then certainly more superior. The company value, as well as the stock price, is a strategic issue for consideration of stakeholders or prospective investors and even the internal management of the issuer. Since the importance of these variables, it encourages researchers to investigate publicly traded companies in the Indonesia Stock Exchange (IDX. Various strategies will be implemented as a form of effort to achieve these objectives. Generally, there are three types of strategic decisions; investment decisions, funding, and dividends so that the maximized stockholders wealth can be achieved (Mohamed Nurullah and Kengatharan, 2015).

Investment opportunities to spend the funds into several assets both fixed and current investment in working capital. Purchased assets are adjusted to the characteristics of its business so that the company can run its business activities to produce goods or services to meet the needs of consumers if the company can operate efficiently the result of the profits can be realized. Indirectly, it can be stated that investment decisions either on fixed or current assets can create profits that can ultimately affect the company value (Azmat, 2014). The funding decision is a company activity to obtain a source of funding in order to purchase the assets needed by the company. There are many possibilities to obtain sources of funding both inside and outside the company. Both are sources of funds from outside or inside have different consequences taken by the company. The company chooses the best funding source that can push down the cost and maximize the profits that affect the company's value (Liang *et al.,* 2011).

The dividend policy is closely related to the source of funding since the profits of the listed company is divided by two, one is used to pay dividends and the other is kept by the company to increase the company's capital which is considered as an internal fund source. The greater the dividends paid to shareholders the smaller the funds held and the smaller the company's internal fund resources. As a result, companies should seek external sources of funds when the company needs funding sources. The company especially the General Meeting of Shareholders (AGM) will make a dividend decision that benefits the company and can increase the value of the company (Hauser, 2017), it means that the source of the funds is not always relied on the external that the cost can burden the company so that the profits are not maximized. Three strategic decisions are relied on to the size of the company's profits and affected on the company's stock price so that the size of the company's value or the shareholder wealth as the goal of a business enterprise. There is a causal influence between the three investment decisions, funding and dividends, and firm value (Baldacchino *et al.,* 2017; Giannakopoulou *et al.,* 2016).

Many studies have been done related to the influence of investment, funding, and dividends on corporate value. Ardestani *et al.* (2013) examine the effect of funding and investment decisions on dividends, and the results indicate a significant influence. Rozaimah and Nurul (2006) examined the dividend policy of its effect on stock prices and obtained the result that dividend policy is a strong predictor of the ups and downs of stock prices. On the other hand, there are also some research results with contradictory results before Ibrahim Obeidat, (2009) noted the results of the study that no significant effect was found between the dividend policy on firm value. Dawar (2014) also noted a negative influence between funding decisions with the value of the company. In contrast to previous research, this study tries to include new variables of corporate governance which is expressed as a variable that moderates the influence of investment decisions on firm value. The results of this study are expected to confirm the controversy of previous research gap.

## 2. Literature Review

### 2.1 The value of the company

A profit-oriented company, profit-targeting is the goal of all operational activity, whether in the form of investment decisions, funding, and dividends. Profit is the initial stage that can shape the perception of investors about how they judge the company's, the shares will be appreciated higher or even lower than before. The perception of investors affects the aspect of demand and stock quotes in the capital market so that stock prices will change. There is the relation between profit and stock prices, the higher earnings the higher share prices and shareholder value as well as stock prices and firm value (Mohamed Nurullah and Kengatharan, 2015).

There are several indicators that reflect the value of the company, one of them is stock prices. The increasing stock prices can be interpreted as the increasing value of the company and also increasing shareholder value. Azmat (2014) use different indicators, Tobin's Q uses to measure company value. The indicator is the ratio between the market value of the company and the book value equity so that the higher the value the higher the value of the company. AlNajjar and Riahi-Belkaoui, (1999) used Return on Equity (ROE) indicators to assess firms, profitability ratios mirrors of net profit levels and further mirrors of high dividends distributed and ultimately stock prices (Hapsoro and Suryanto, 2017).

## 2.2 Corporate dividend and firm value

The dividend policy is an interesting issue for investors. It is one of the sources of income and a signal of company performance (Ardestani *et al.,* 2013). The amount of the dividend paid is an indicator of good or poor performance that affects the demand and supply side of stock price. It can be stated that the dividend policy influences the stock price (Barraza *et al.*, 2009). Company value is closely related to dividends paid, dividend policy is a strong predictor of the ups and downs of stock prices (Rozaimah and Nurul, 2006). Volatility profitability is significantly able to explain the volatility of stock prices, while the dividend payout ratio is stronger in explaining it (Barraza *et al.*, 2009). Yagil (2007) argues that there are debates on how the dividend policy affects stock prices, some of them say that the rise in stock prices is more influenced by operational profitability than the number of dividends paid, while others argue that dividend policies have a positive effect on the long-term performance of stock prices. Soewarno *et al.* (2017) notes in his research that dividend policy is a significant variable that influences corporate governance on corporate value. Therefore, the research hypothesis is stated as follows:

***Hypothesis 1****: The dividend policy has a significant effect on the firm value.*

## 2.3 Investment decision and corporate value

Investment decisions are the backbone of earning sources and with efficient and effective operational management can create profits. Internal funding sources in the form of undistributed profits could be used to support operations, it can conduct the operations in the long term, as well as for the organization's growth and enhance shareholder value. The investment opportunity is an important component related to the value of the company, it is explained that investment in both current and fixed assets have been selected slightly (e.g capital budgeting analysis) so it can generate cash flow and profits that will increase the value of the company (Kallapur and Trombley, 2001). A series of investment opportunities strongly influences the way the company looks at managers, shareholders, creditors, and investors. Therefore, the related hypothesis is as follows:

***Hypothesis 2****: The investment decision has a significant effect on the company value.*

## 2.4 Funding decisions and corporate values

The implementation of investment decisions required as funding sources that can be obtained from internal or external companies. The type of source of funds used affects the financial burden to be borne by the company, whether fixed and or non-fixed will affect finally the income and profit levels of the company. The high or low level of profit resulting from the large financial costs to be incurred arising from the use of various types of funding sources used. The composition of the use of funding sources will form a capital structure that implies the level of profit which is subsequently on the stock and value of the company. There is a significant influence between funding decisions and firm value. This is because with the use of relative long-term debt larger than the equity (capital) is likely to meet investor expectations. The tax savings due to the use of debt are estimated to be one of the causes of the fulfillment to add significantly to company value (Isshaq *et al.,* 2009). The hypothesis is as follows:

***Hypothesis 3****: The funding decision has a significant effect on the value of the firm.*

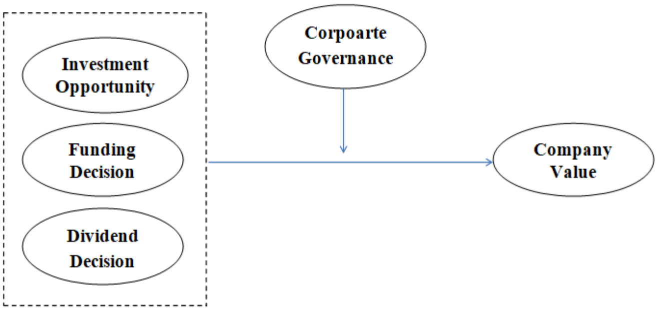
## 2.5 Investment decision, corporate governance, and corporate value

La Rocca (2007) in his study used Corporate Governance CG variables as a variable that moderates the influence of funding decisions on firm value. Current research modeling that variables moderates the influence between investment decisions and firm value, with one reason that investment decisions are also inseparable from the behavior of the directors so that the role of CG can further strengthen the company's objectives. One indicator of corporate governances is the number and intensity of the board of commissioners and independent commissioners. The effectiveness of the board of commissioners in controlling the behavior of Managerial (directors) over the use of corporate resources has a significant positive effect on firm value (Isshaq *et al.,* 2009). Large and small resources owned by the company reflects investment decisions and investment opportunity opportunities that can be used by directors/managers to develop business operations currently owned or to develop new operations of new products/services. The strategic contribution of the Board in controlling the behavior of directors so as to make the good investment decision and can realize the existence of the continuity of the company in the long term and the growing power of positive company eventually push the value of the company (Mohamed Nurullah and Kengatharan, 2015). Therefore, the research hypothesis is as follows:

***Hypothesis 4****: Corporate governance moderates the effect of investment decisions on corporate value.*

The final research framework is presented in Figure 1.

***Figure 1***. *Research Framework*




## 3 Research Methodology and Results

The type of this research is an explanatory research to be used to determine the causal relationship between variables in the study through hypothesis testing. This study empirically examines the influence of three strategic decisions on the firm value which is the main goal of a business organization. The population is all companies listed on the Indonesia Stock Exchange (IDX) from 2010 to 2017. The sampling method used is purposive sampling by choosing the sample from the population with certain consideration, the companies should: (1) be the issuer incorporated in the LQ-45 index; (2) be continually in the index from 2010 to 2017; (3) have completed financial report. Based on the result of purposive sampling, there are obtained 18 companies as the sample. The panel data further are analyzed through program Eviews 9.

### 3.1 Model selection

There are three models of multiple panel data regression analysis, the common effect model, the fixed effect model, and the random effect model. Steps on selecting the model through several tests include the Chow test, the Hausman test, and the Lagrange test. Chow test is used to select panel data regression analysis between common model and fixed model. After the fixed model has been selected, then the next step is the Hausman test, this test is used to choose between the fixed model and the random model. If it turns out that the fixed model is selected it can be concluded that multiple regression analysis will be used with fixed model. The second possibility is if in the first step the common model is selected, then the next step is to proceed with the Lagrange test to choose between common model and random model. In case of the common model it can be concluded that multiple regression will be used with the common model. The third possibility is that if the Hausman test selects the random model, then the next step is to conduct the Lagrange test to choose between the common model and the random model.

## 4 Results and Discussion

Results of empirical data are shown in Table1.

***Table 1:*** *Descriptive Statistics of Research Variables*

| | TOBINQ | DPR | DAR | DER | COM | IND_COM | PRICE |
|---|---|---|---|---|---|---|---|
| Mean | 2.566379 | 44.32444 | 0.515697 | 2.189861 | 6.666667 | 2.944444 | 12556.03 |
| Median | 1.220641 | 44.57000 | 0.480000 | 1.000000 | 6.000000 | 3.000000 | 6750.000 |
| Maximum | 22.55938 | 99.93000 | 0.910000 | 10.00000 | 10.00000 | 5.000000 | 83800.00 |
| Minimum | 0.170863 | 0.000000 | 0.120000 | 0.140000 | 4.000000 | 1.000000 | 488.0000 |
| Std. Dev | 4.250847 | 21.61626 | 0.227077 | 2.555671 | 1.638693 | 1.132963 | 15835.74 |
| Skewness | 3.080427 | 0.735062 | 0.244905 | 1.410524 | 0.391238 | 0.340754 | 2.33905 |
| Kurtosis | 11.94539 | 3.670342 | 2.063576 | 3.554478 | 2.145833 | 2.069831 | 8.432977 |
| Jarque-Bera | 707.8564 | 15.66374 | 6.700817 | 49.59452 | 8.051215 | 7.978005 | 308.3949 |
| Probabilty | 0.000000 | 0.000397 | 0.035070 | 0.000000 | 0.017853 | 0.18518 | 0.000000 |
| Sum | 369.5585 | 6382.720 | 74.39000 | 315.3400 | 960.0000 | 424.0000 | 1808068. |
| Sum Dq. Dev | 2583.967 | 66818.57 | 7.373633 | 933.9976 | 384.0000 | 183.5556 | 3.59E+10 |
| Observations | 144 | 144 | 144 | 144 | 144 | 144 | 144 |

*Source: Processed data.*

***Tobin – Q:*** This variable is used to measure investment decisions made by the company, the greater its value the greater the company's investment decisions. Companies with Tobin-q values above one can be said that the company has good prospects, otherwise if the value is below one means the prospect is not good. On average, the value of Tobin-q 2.57 is far above the value of 1, which means that the average investment decision made by the company is good. This condition prompted investors to be interested in the shares of the related company so that rising the demand of stocks pushed up the stock price that finally pushes the value of Tobin-q.

***Dividend Pay Out Ratio (DPR):*** This variable is used to measure the company's dividend policy. The larger the dividend paid the higher the Dividend Pay Out Ratio and vice versa. On the other hand, result in the size of the profits retained by the company which is the source of internal funds of the company. On average the company pays 44% of the net profit earned by the company.

***Debt Asset Ratio (DAR):*** This variable is used to measure how much is the source of debt funds used by the company. The higher the DAR number the higher the source of debt funds used by the company to operationalize the company. On average, companies use the source of debt funds by 52% to run the company.

***Commissioner and Independent Commissioner:*** The size of the number of commissioners and independent commissioners reflects the quality and the quantity of management and monitoring (corporate governance) against the management in running companies in terms of the pitch to achieve its objectives. The greater the number of commissioners and independent commissioners the more intense level of management and supervision of owners is.

***Stock Price:*** The central point of all these variables was predicted to influence stock prices, so the stock price is a strategic variable as an indicator of whether the company's objectives are achieved. This variable is used to measure how big the value of the company is, the higher the stock price the higher the value of the company and vice versa.

### 4.1 Multiple panel data regression analysis

Based on the theoretical framework, two different regression models of panel data are used to accommodate the research problem as well as to prove the hypotheses proposed in this research. The discussion of the models is then used to answer the research hypotheses through several model test steps. First, the data using the common model, then proceed with the Chow test and the Hausman test, the results of the two tests as shown in Tables 2 and 3.

***Table 2:*** *Chow Test Test Results*

| Effect Test | Statistic | d.f. | Prob. |
|---|---|---|---|
| Croos-section random | 17.261896 | (17.120) | 0.0000 |
| Croos-section Chi-square | 333.481074 | 17 | 0.0000 |

***Source****: Output data processing.*

Based on the significant Chi-square values as Table 2, the fixed model is better than the common model. Furthermore, the Hausman test is applied in Table 3.

***Table 3:*** *Hausman Test Results*

| Test Summary | | Chi-Sq Statistic | Chi-Sq. d.f. | Prob. |
|---|---|---|---|---|
| Cross-section random | | 17.261896 | 6 | 0.0084 |
| Cross-section random effects test comparisons: | | | | |
| Variable | Fixed | Random | Var(Diff.) | Prob. |
| DPR | -0.001167 | -0.001066 | 0.000000 | 0.7339 |
| TOBIN-Q | 0.211831 | 0.238273 | 0.000205 | 0.0646 |
| DAR | 0.717624 | 0.766170 | 0.007169 | 0.5564 |
| DER | -0.075783 | -0.063372 | 0.000038 | 0.0439 |
| COM | -0.007032 | -0.007376 | 0.000002 | 0.8003 |
| IND_COM | -0.029614 | -0.037487 | 0.000023 | 0.1033 |

***Source****: Output data processing.*

Based on significant Chi-square values in Table 3, the fixed effect model is better than the random effect model, so it is concluded that research chooses the fixed effects model.

***Table 4:*** *Fixed Model Panel Data Regression Multiple Regression Summary*

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|---|---|---|---|---|
| C | 3.471293 | 0.135606 | 25.59834 | 0.0000 |
| DPR | -0.001167 | 0.000973 | -1.199036 | 0.2329 |
| TOBINQ | 0.211831 | 0.059044 | 3.587673 | 0.0005 |
| DAR | 0.717624 | 0.261001 | 2.749511 | 0.0069 |

| | | | | |
|---|---|---|---|---|
| DER | -0.075783 | 0.020766 | -3.649355 | 0.0004 |
| TOKOM | -0.007032 | 0.003381 | -2.079961 | 0.0397 |
| TOIKOM | -0.029614 | 0.013231 | -2.238280 | 0.0270 |
| Effects Specification | | | | |
| Cross-section fixed (dummy variable) | | | | |
| R-squared | 0.947300 | Mean dependent var | 3.819423 | |
| Adjusted R-squared | 0.937200 | S.D. dependent var | 0.513489 | |
| S.E. of regression | 0.128680 | Akaike info criterion | -1.111958 | |
| Sum squared resid | 1.987038 | Schwarz criterion | -0.616989 | |
| Log-likelihood | 104.0610 | Hannan-Quinn criteria | -0.910830 | |
| F-Statistic | 93.78504 | Durbin-Watson stat | 1.356408 | |
| Prob (F-statistic) | 0.000000 | | | |

***Source**: Output data processing.*

## 4.2 Hypothesis development

***The effect of dividend decisions on corporate value:*** Based on Table 4, the result of dividend decision (X1) to firm value (Y1) with negative regression coefficient is -0.001, that means that the smaller the company pays in dividents, the bigger the company value is. However, the influence of these two variables is not significant because of the level of significance of 23% is far above the 5% significance level, so the hypothesis is rejected.

***The effect of investment decisions on corporate value:*** Based on the output results in Table 4, the effect of the decision of investment (X2) to firm value (Y1) with a regression coefficient is positive 0,21, that means that the bigger investment decisions that run the company, the greater the value of the company, and the smaller investment decision the lower the value of the company. The influence of this variable is significant because it has a significance level of 0.00%.

***The influence of funding decisions on corporate value.*** Table 4 obtained the effect of funding decision (DAR) on firm value (Y1) with a regression coefficient is 0.71, and the funding decision (DER) is -0.07. The result shows that the greater and better funding decisions, the greater the company value, and vice versa the smaller funding decision the lower the value of the company. The influence of both variables is significant because they have a significance level of 0.00%.

***The influence of investment decision on corporate value moderated by corporate governance:*** Based on the results in Table 4, the influence of good governance (Commissioner) on company value (Y1) with a regression coefficient - 0.007, and (Independent-Commissioner) - 0.029. The first has a significance level of 3.97% and the second 2.27% so both hypotheses are accepted.

## 5. Discussion

***The effect of investment decisions on corporate value:*** The results show that investment decisions significantly and positively affect the value of the company.

Tobin-Q is an indicator of an investment decision that reflects investors' appreciation compared to total assets. The higher the value the better prospects of the company so that investors in the future will be able to buy shares with relatively high prices compared to the relative value of the total assets of the company. The better the investment decision the higher the value of the company.

Investment decisions are interpreted as capital expenditures for the expansion of the company in the form of expanding existing products or developing new products (Ardestani *et al.,* 2013), so it is a good signal for investors, who are interested and able to buy shares of the company. The only hope when the investment decision is successful is the sales volume to rise, and if it is able to operate efficiently and effectively, the profit also increases, and finally the dividends received by investors also rise and the shareholders' maximization also increases. The increasing demand side of the stock tends to increase the stock price and ultimately the value of the company. These findings support the research by Kallapur and Trombley (2001) who found that firms with high firm value are consistent with better IOS (Investment Opportunity Set).

***The influence of funding decisions on corporate value:*** Two indicators of funding decision are the ratio between total debt to total assets (DAR) and equity (DER). DAR positively and significantly affects the value of the company, it means that the higher the source of debt funds used by the company the higher the stock prices. In the concept of financial leverage, the more sources of debt funds that are used will increase the profit as well as the risk that these two variables affect the stock price. The greater the profitability with the assumption of dividend payout (DPR) 100%, then the stock price will rise independently from the risk, the bigger will lower the stock price. There are many opinions on how big is the quantitative aspect between the percentage to rise because of early dividend policy compared with the percentage increase in risk.

According to the trade-off theory, the amount of debt owned by the company being in a safe condition it will raise the price of shares and the value of the company (Ahmed Sheikh and Wang, 2011). Even the increasing debt sends a good signal (signaling theories) to investors, thus raising stock prices (Akorsu, 2014). Alternative sources of funding include both internal and external, and the low-cost aspects of capital due to tax factors are a wise consideration for choosing debt and ultimately supports the packing order theory (Akorsu, 2014). This empirical finding supports the results by Abor (2005).

In contrast to funding decisions, as measured by DER, which also has a significant effect on firm value but it has negative effect on it, it can be interpreted that the larger amount of debt sources used, the lower the value of the company. The value of a company as measured by the stock price has a fluctuating value depending on the factors that affect it. One of them is the risk factor. The higher the level of use of debt (financial leverage) the higher the risk of finance that faced with risks affecting stock prices. The fundamental analysis says stock price is the ratio between dividends paid at the cost of own capital (shares). The higher the risk level the higher the cost of capital, because the amount of capital cost is influenced by the level of risk (calculation of capital costs with CAPM).

The difference between positive and negative effects between the DAR and DER indicators for the same variable is the funding decision related to the meaning of both indicators. DER is directly related to own capital (equity), so investor directly knows the composition of equity compared with debt that makes him focus on the capacity of debt repayment at the same level of risk. On the other hand, DAR does not directly show the capacity of servicing debt because the comparator is total assets. The higher the DER the higher the risk level, so that the value of the company is decreased by the stock price. Another factor that results in different outcomes is that DERs are directly linked to equities that directly reflect the interests of shareholders. Differ to DAR, is a right of the creditor and not of the owner of the company. If it is related to trade of theory, it means that the level of debt used by the company has reached its maximum point so that the higher the debt level the higher the rate profit/dividend due to the use of debt which is lower than the increase of risk variable and the end result decreases the stock price and the firm value (Ahmed and Wang, 2011).

***The effect of the investment decision on corporate value moderated by good governance:*** The result shows that the influence of investment decision on firm value is negatively and significantly moderated by good governance, through the indicator of the number of the commissioners and independent commissioners. It is interpreted that the existence of independent commissioners and commissioners weaken the positive influence of funding decisions on the value of the company. Differing to the intent and purpose of its existence in which the commissioner as a shareholder's representation serves the controller and the supervisor of the company run by the management company in the framework of achieving the maximization of shareholders' wealth.

In contrast to previous research results where commissioners' existence significantly affects the firm's value, this finding is consistent with the initial goal of its existence to control the management so that investors appreciate it positively as reflected in rising stock prices (Isshaq *et al.*, 2009). Soewarno *et al.* (2017) also notes the results of the same study where good governance has a positive and significant impact on firm value. The different results are analyzed because of the different perception of investors towards the existence of commissioners and independent commissioners. For the investors, the number of commissioners are closely related to costs, more commissioners higher cost, and harder in making strategic decision-making with respect to the way the company operates. Increased cost aspects are related to the existence many commissioners and poor coordination on strategic issues which makes the performance of the company lower. Reaction investor to this condition is contrary to the concept of wealth maximization so they are not interested in the shares of related companies which is reflected in the decline in stock prices. These findings indirectly support the results of Liu *et al.* (2018) stating that the negative effects between the product market competition on firm performance are further moderated by good governance.

The findings of Liu *et al.* (2018) that the existence of good governance exacerbates the negative influence between the competition of the product market on the performance of the company, while the results of the current research, good governance exacerbate the positive influence of investment decisions on firm value. One similar conclusion between the results of the current research with other previous ones is that all equally worsened the company's performance as well as its corporate value.

## 6. Conclusion

This study empirically investigates the effect of investment opportunities, dividend policy and financial decisions on firm value and examined the contribution of corporate governance in moderating the influence of investment opportunities, dividend policy and financial decisions towards company value. The results reveal that the investment decisions have a significant positive effect on company value and corporate value, funding decisions have a significant negative effect on corporate value, and corporate governance has a significant negative effect on investment and firm value.

The results of this paper have implications for all stakeholders that good corporate governance is the key to success in increasing company value. The results of the paper support the previous evidence that good corporate governance is a "dead price" that must be done in managing the company. This study made a major contribution to the literature by providing insight into good corporate governance practices that can encourage an increase in the value of companies listed in the Indonesia Stock Exchange. The study has limitations because it only examines listed companies in the Indonesia Stock Exchange incorporated in the LQ-45 index. Future research can combine all companies listed on the market as research objects and make comparisons between industries so that a general conclusion will better explain the conditions in each industry group.

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