

ABSTRACT

Enterprise value is one of the important matrixes required in business, such as shareholder disputes, business reorganizations, takeovers, and mergers and acquisitions. The primary objective of this study is to investigate the influence of corporate governance and company-level political connection on a company's enterprise value.

Samples are chosen using the purposive sampling method. The population is companies listed on the Indonesia Stock exchange, which follows the CGPI Assessment from 2016-2019, resulting in 65 samples. SPSS version 25 is used to analyze the data. The variables included the dependent variable, enterprise value (Y); the independent variable, political connection (X1); and corporate governance (X2).

The result indicates that political connection affects the enterprise value of companies listed on the Indonesia stock exchange. On the contrary, there is no significant effect given by corporate governance as measured by the CGPI score on enterprise value in companies in Indonesia.

Keywords: Enterprise Value, Corporate Governance, Political Connections