

Determining Company Value with Good Corporate Governance as Moderating Variable in Jakarta Islamic Index

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Received: 08.05.2022

Accepted: 11.07.2022

Published: 10.12.2022

DOI: 10.47750/QAS/24.192.44

Abstract

The goal of this study is to investigate whether the Audit Committee, Independent Commissioner, Family Business, and Good Corporate Governance have a partial or simultaneous impact on firm value. Moreover, to evaluate the effectiveness of good corporate governance in moderating the impact of the audit committee, the independent commissioner, and the family firm on the value of the company. Quantitative methodology is employed. Multiple regression analysis and moderated regression analysis (MRA) were employed in the data analysis to examine the moderating variables. SPSS 25 and Process 3.1's macro syntax are the tools that are being used. All of the businesses included in this study's sample and population were listed on the Jakarta Islamic Index 70. (JII 70). The findings demonstrated that neither the Audit Committee nor the Family Firm had any influence on the firm's worth. Positive and significant effects on company value are caused by the Independent Commissioner and good corporate governance. All of these factors have an impact on the company's worth at the same time. According to the results of the MRA test, good corporate governance boosted rather than mitigated the influence of independent commissioners on company value as opposed to the audit committee and family firm.

Keywords: Good Corporate Governance, Company value

Introduction

Every corporation that runs a business wants that business to be successful for a very long time. Here, business growth is carried out by searching for investors, such as banks or parties that are interested in investing in the company. If a company has a high value, banks or investors will be intrigued to invest in it. The reason why investors believe that managers are managing the company successfully is that stock prices are correlated with high firm value. Applying excellent corporate governance is one of the ways to increase the company's worth. because it aids businesses in their analysis of investments and increases their economy and competitiveness through full disclosure of all financial transactions (Nurdiono et al., 2019).

Since timely financial reporting is crucial to the presentation of pertinent information, the principles of good corporate governance are anticipated to enhance the caliber of financial reports. The idea of good corporate governance highlights the significance of providing accurate, timely, and correct information to shareholders as well as the need to disclose all information about the company's performance, stakeholders, and ownership in an accurate, timely, and transparent manner (Indrarani, 2019). The practice of Good Corporate Governance implemented in businesses is rated by the Indonesian government. The initiative, specifically the Corporate Governance Perception Index (CGPI). Starting in 2021, this

rating has been conducted using a thematic methodology that is consistent with the company's business evolution. Here, CGPI is an annual program that evaluates how well good corporate governance has been implemented over a year.

In Indonesia, family businesses predominate over institutional ownership. According to a PWC (PricewaterhouseCoopers) survey, more than 95% (ninety-five percent) of Indonesian businesses are family-owned or -operated, compared to 60% (sixty percent) in Southeast Asia ("Indonesia Report Family Business Survey," 2014). If there are two or more family members who control the majority of the company's capital and take on managerial responsibilities, the business is considered to be a family business (Kraus et al., 2012). A strong audit committee is seen to be able to raise a company's value because it has the power and resources to safeguard stakeholders' interests through high-quality financial reporting, stringent oversight, risk management, and internal control (DeZoort et al., 2002).

JII70 is the stock exchange's designation for the 70 businesses on the Jakarta Islamic Index (JII), which is also known as JII. The most liquid sharia shares, or what might be referred to be chosen shares on the Indonesia Stock Exchange, are represented by JII70 (IDX). Only two Tbk. firms out of the 70 existing sharia shares in 2020 obtained a Good Corporate Governance rating from the CGPI program; the other 68 sharia shares did not receive a rating. A huge question arises over the shares of other firms that are

categorized as sharia shares in JII70 because there is only 2.56% (two-point five six percent) of them.

According to the description given, some factors are believed to influence the company's worth, including the Audit Committee, Independent Commissioner, Family Firm, and Good Corporate Governance as moderating factors. The existence of earlier researchers who conducted similar research lends validity to these characteristics. According to Safitri et al. (2018)'s study, independent commissioners have no impact on the value of a company. This contrasts with the study by Valensia and Khairani (2019), which found that independent commissioners have a beneficial impact on firm value.

Istia'adah's (2015) research demonstrates that the audit committee has an impact on corporate value. Gosal et al. (2018)'s research findings demonstrate that the audit committee has no impact on business value, contrary to Febrianty and Mertha's (2021) findings. The findings of the study by Safitri et al. (2018) demonstrate that a Family Company has a direct impact on firm value based on other variables in the research.

According to Erdianty and Bintoro's (2015) research, the relationship between financial performance and firm value cannot be moderated by management ownership, which is used as a proxy for good corporate governance. The study of Fatoni and Yuliana (2021) also came to the same conclusion that good corporate governance cannot attenuate the relationship between profitability and firm value. Contrary to Muliani et al. research found that good corporate governance might help a company's financial performance go downhill, as a moderating factor, good corporate governance, according to research by Karina and Setiadi, diminishes the link between company value and corporate social responsibility.

With good corporate governance acting as a moderating variable, this study aims to investigate whether independent commissioners, audit committees, and family businesses have a partial impact on the value of the company.

Theoretical Basis

Company Value

Company value, in the opinion of Dang et al. (2020), is the potential and benefits produced by the company in the form of value established reasonably and at fixed prices. According to investors' perceptions of managers' success in managing the company concerning stock prices, firm value can be defined as that (Sujoko and Soebiantoro, 2007). Because growth in the firm's worth will also be accompanied by an increase in share price, which might indicate the success of shareholders, the value of the company is crucial for the business (Indrarini, 2019). The stock price, which is determined by supply and demand and represents the company's success, can be used to determine a company's value (Harmono, 2011). The following equation is used to calculate a company's value:

$$(PBV) \text{ Company value} \\ = (\text{Market price per share}) \\ / (\text{Book value per share})$$

According to Widiyati (2020) Company, Value is formulated:

$$\text{Company Value} = (\text{Total Equity}) / \\ (\text{Number of outstanding shares})$$

Audit Committee

Based on OJK regulation Number 55 /POJK.03/2016 The audit committee is a committee formed by the board of commissioners and responsible to the board of commissioners in carrying out the duties and functions of the board of commissioners. In addition, members of the audit committee are appointed and dismissed by the board of commissioners. The audit committee consists of at least 3 (three) members, namely independent commissioners and parties outside the company (OJK, 2016).

Independent Commissioner and President Commissioner

Independent Commissioner is a member of the board of commissioners who is not related to the shareholders, the board of directors, or one of the commissioners (Hanani and Dharmastuti, 2015). The existence of Independent Commissioners in the company is believed to have a fairly high level of independence. This is because independent commissioners are independent and free from the influence of the company's managerial system so that they will be effective in supervising company management (Sing et al., 2015). Based on the Law of the Republic of Indonesia Number 40 of 2007 concerning Limited Liability Companies, the meaning of the board of commissioners is the person in charge of supervising either in general or specifically following the articles of association and can provide advice to the board of directors. The company's articles of association may provide for the existence of 1 (one) or more independent commissioners and 1 (one) delegated commissioner. Independent commissioners are appointed based on the resolutions of the GMS from parties who are not affiliated with the main shareholders, members of the board of directors, and or other members of the board of commissioners. Commissioners' Independent commissioners are commissioners who come from outside the company/company. The formula for calculating the proportion of independent commissioners is as follows:

$$PDKI = (DK \text{ outside}) / UDK \times 100$$

Explanation:

PDKI : Proportion of independent board of commissioners
DK Outside : Number of commissioners from outside the company
UDK : Size or total of the entire board of commissioners (Wibowo, 2016).

Family Firm

A family business is owned and run by one or more members of the family. In some nations, several family firms are even more dominant than other companies, play a significant part in the nation's economic development, and have a large worker pool (McGee, 2013). Family businesses typically have more powerful incentives because they invest their wealth and place a higher priority on business achievement (Pakthuanthon et al., 2012). As a result, family businesses typically cut back on their profits management

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strategies since they believe that doing so could result in future losses for the business (Borralhoa et al., 2020). The following factors are used to determine the family business:

- Affiliated companies
- Companies holding positions in companies
- Companies that have more dominant share ownership

Good Corporate Governance

The idea of "good corporate governance" has to do with each department's job description, organizational structure, and allocation of tasks, powers, and responsibilities. Going Concerned is the term used to describe an entity's viability. In going concern accounting, the ability of the corporation to sustain business operations and perform as an entity in business (Effendi and Ulhaq, 2021).

Going Concern Assumption

Moving Forward One of the assumptions utilized in the creation of financial statements is the assumption. The ability to maintain a company's viability is necessary for the going concern assumption. The accrual basis, which is the basis for documenting transactions carried out at the time the transaction occurs and not when cash is received or given, is required when generating financial statements. The financial statements of an entity must be prepared using other assumptions, such as liquidation and realizable value as a foundation for recording, if the entity cannot maintain its

viability (Junaidi and Nurdiono, 2016). Managerial Ownership (KM), one of the metrics used to measure the application of good corporate governance, is determined by:

$$KM = (\text{number of management shares}) / (\text{Total Shares Outstanding}) \times 100$$

Method

To ascertain the impact or relationship between two or more variables, this study employs an associative quantitative methodology. The 70 companies listed on the Jakarta Islamic Index (JII) and the 70 sharia shares traded on the stock exchange serve as the population and sample, respectively.

Variables

Both independent and dependent variables are used in this study's variables. The Audit Committee, Independent Commissioners, Family Firm, and Good Corporate Governance are the independent factors in this study. While firm value is the study's dependent variable.

Research Indicators

The indicators in this study can be seen in table 1:

| Variable | Indicator |
|---------------------------|---|
| Audit Committee | Audit committee = Number of Audit Committee |
| Independent Commissioner | $PDKI (DK \text{ outside}) / UDK \times 100$ |
| Family Firm | > 50% share majority |
| Good Corporate Governance | $KM = (\text{Total Management Share}) / (\text{Total shares outstanding}) \times 100$ |
| Company value | Market to Book Ratio = share price : book value per share |

Table 1. Research Indicator

Conceptual Framework

The conceptual framework can be seen in Figure 1 below:

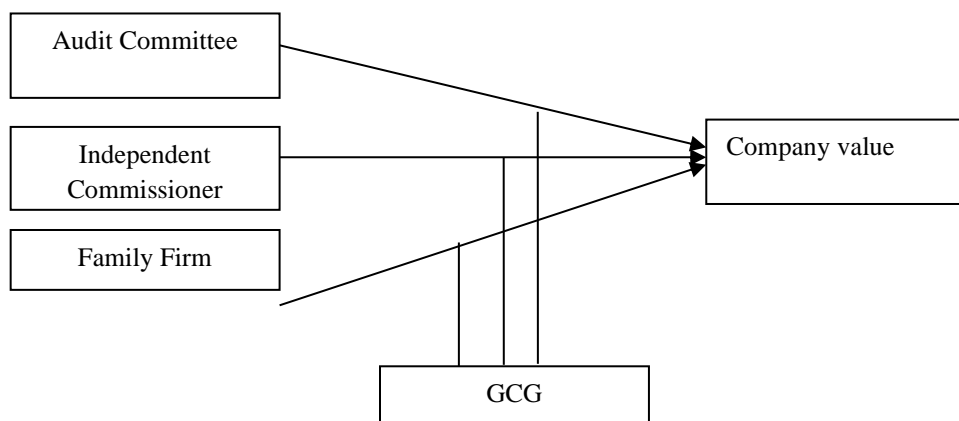


Figure 1. Conceptual Framework

The equations that can be made from the conceptual framework model are:

$$\begin{aligned} \hat{Y} &= \alpha + \beta_1 \text{audit_committee} + \beta_2 \text{independent_commissioner} + \beta_3 \text{family_Firm} + \beta_4 \text{GCG} + e \\ \hat{Y} &= \alpha + \beta_1 \text{audit_committee} + \beta_2 \text{GCG} + \beta_3 \text{audit_committee} * \text{GCG} + e \\ \hat{Y} &= \alpha + \beta_1 \text{independent_commissioner} + \beta_2 \text{GCG} + \beta_3 \text{independent_commissioner} * \text{GCG} + e \\ \hat{Y} &= \alpha + \beta_1 \text{FAMILY_FIRM} + \beta_2 \text{GCG} + \beta_3 \text{FAMILY_FIRM} * \text{GCG} + e \end{aligned}$$

Note:

Y : Company value
 α : Constanta
 β_1 – β_4 : Coef.
 e : error

Based on the conceptual framework, the following hypotheses can be formulated:

- H1 : The audit committee affects firm value
 H2 : Independent commissioners affect firm value
 H3 : Family Firm affects firm value
 H4 : Good Corporate Governance affects the value of the company

H5 : The Audit Committee, Independent Commissioner, Family Firm and Good Corporate Governance simultaneously affect the Company's Value

H6 : The Audit Committee has an effect on firm value with Good Corporate Governance as a moderating variable

H7 : Independent Commissioner has an effect on firm value with Good Corporate Governance as a moderating variable

H8 : Family Firm has an effect on firm value with Good Corporate Governance as a moderating variable

Data Analyze

Analysis of the data used in this study is multiple linear regression with a t-test to determine the effect of each independent variable on the dependent variable. Meanwhile, to determine the simultaneous effect of independent variables on the dependent variable using the F test. As for testing the effect of moderating variables that can affect the independent variable on the dependent variable, the Moderated Regression Analysis (MRA) test uses the Process 3.1 macro syntax developed by Andrew F. Hayes.

Result and Discussion

Multiple Regression Equation

| Coefficients | | | | | | |
|--------------|--------------------------|-----------------------------|------------|---------------------------|--------|-------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -733.609 | 346.579 | | -2.117 | 0.038 |
| | Audit_committee | -16.483 | 57.027 | -0.033 | -0.289 | 0.773 |
| | independent_commissioner | 14.271 | 4.603 | 0.358 | 3.101 | 0.003 |
| | FAMILY_FIRM | -0.149 | 1.930 | -0.009 | -0.077 | 0.939 |
| | GCG | 7.091 | 3.361 | 0.239 | 2.110 | 0.039 |

Table 2. Multiple Regression
 Source: data analyzed

From the regression model of all the variables above, the form of the equation based on Unstandardized beta coefficients can be stated as follows:

$$\hat{Y} = -733,609 - 16,463 \text{audit_committe} + 14,271 \text{independent_commissioner} - 0,149 \text{FAMILY_FIRM} + 7,091 \text{GCG}$$

The regression equation can be explained as follows:

It can be seen that the constant value of -733,609 indicates that the audit committee, independent commissioner, family firm, and Good Corporate Governance with 0, then the firm value is -733,609.

The value of 1 audit committee is -16,463 meaning that every time there is a decrease in the number of audit committees by one unit, the company value will decrease by 16,463 assuming other variables are constant.

The value of 2 independent commissioners is 14,271, meaning that every time there is an increase in the number of

independent commissioners by one unit, the company's value will decrease by 14.271 with the assumption that other variables are constant.

The value of 3 family firms of -0.149 means that every time there is a decrease in the number of families by one unit, the value of the firm will decrease by -0.149 assuming other variables are constant.

The value of 4 Good Corporate Governance of 7.091 means that every time there is an increase in the rating of Good Corporate Governance by one unit, the value of the company will increase by 7.091 with the assumption that other variables are constant.

Hypothesis Testing

The output results from table 2 describe the hypothesis test using the t-test as follows:

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Partial Significance Test (t-Test)

Meanwhile, based on the probability of significance for each variable, it is explained below:

The significance probability value of the Audit Committee of 0.773 indicates that the audit committee has no effect on firm value, this is also seen in the value of the t table which is greater than the t count, where t count (-0.289) < t table (1.9944). This means that the higher the audit committee will not affect the increase or decrease in firm value.

The significance probability value of the Independent Commissioner of 0.03 indicates that the independent commissioner affects firm value, this is also seen in the value of t table which is smaller than t arithmetic, where t count (3.101) > t table (1.9944) shows a sign that positive. This means that more and more independent commissioners will increase the value of the company and vice versa, the fewer

the number of commissioners, will decrease the value of the company.

A family Firm significance probability value of 0.939 indicates that Family Firm does not affect firm value, this is also seen in the t table value is greater than t arithmetic, where t count (-0.077) < t table (1.9944). This means that the higher the Family Firm will not affect the fluctuations in the value of the company.

The significance probability value of Good Corporate Governance of 0.039 indicates that Good Corporate Governance affects the value of the company, this is also seen in the value of t table which is greater than t arithmetic, where t count (2.110) > t table (1.9944), indicating significant positive ones. The higher the value of Good Corporate Governance, the higher the value of the company and vice versa, the lower the value of Good Corporate Governance, the lower the value of the company.

Simultaneous Significance Test (F Test)

| ANOVA | | | | | | |
|-------|------------|----------------|----|-------------|-------|------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 3209667.201 | 4 | 802416.800 | 3.547 | .011 |
| | Residual | 14705761.942 | 65 | 226242.491 | | |
| | Total | 17915429.143 | 69 | | | |

Table 3. F-test
Source: data analyzed

Based on the table, the calculated F value is 3.547 > 2.51 F table. Judging from the significance also obtained a value of 0.011 < 0.05. Because the calculated F value is greater than the F table and 0.011 < 0.05 then, H5 = Simultaneously Good Corporate Governance, Independent Commissioner, Audit Committee, and Family Firm have a positive and significant effect on Company Value. This means that together the higher the value of Good Corporate Governance, the number of Independent Commissioners, the Audit Committee, and the Family Firm will increase the value of the company and vice

versa, the lower the value of Good Corporate Governance, the number of Independent Commissioners, the Audit Committee and the Family Firm, the lower the value of the company.

MRA Test

Good Corporate Governance as a moderator of the influence of the Audit Committee on Company Value

| Model Summary | R | R-sq | MSE | F | df1 | df2 | p |
|---|-----------------------|---------|--------|--------|----------|---------|-------|
| | 0.247 | 0.016 | 254823 | 1.4351 | 3.000 | 66.000 | 0.240 |
| Model | Coeff | s.e | t | p | LICI | ULCI | |
| constant | 227.051 | 645.914 | 0.351 | 0.726 | -1062 | 1516 | |
| Audit committee | -131.921 | 199.637 | -0.660 | 0.511 | 0530.512 | 226.670 | |
| GCG | 1.040 | 8.859 | 0.117 | 0.906 | -16.648 | 18.729 | |
| Int_1 | Committee audit X GCG | | | | | | |
| Test (s) of highest order unconditional interaction (s) | | | | | | | |
| | R2-chng | F | df1 | df2 | p | p | |
| X*W | 0.007 | 0.515 | 1.000 | 66.000 | 0.476 | 0.476 | |
| Level of confidence 95.0000 | | | | | | | |

Table 3. MRA Test for Audit Committee
Source: data analyzed

The form of the equation from the output results above is

$$Y = 227.051 - 131.921 \text{ COMMITTE_AUDIT} + 1.040 \text{ GCG} +$$

$$19142 \text{ COMMITTEE_AUDIT} \times \text{GCG}$$

is not significant with t value = 0.7179 and p value 0.4754 >

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0.05 in the interaction results. Based on this, H6 = Good Corporate Governance cannot moderate the influence of the Audit Committee on Company Value.

Good Corporate Governance as a moderator of the influence of Independent Commissioners on Company Value

| Model Summary | R | R-sq | MSE | F | df1 | df2 | p |
|--|----------|----------|---------|---------|-------|--------|-------|
| | 0.549 | 927.230 | 2.475 | 9.492 | 3.000 | 66.000 | 0.000 |
| Model | Coeff | se | t | p | LLC | ULCI | |
| Constant | 2406.407 | 972.230 | 2.475 | 0.015 | -67.2 | -11.61 | |
| Indep Commissioner | -55.992 | 20.912 | -2.667 | 0.009 | -97.7 | -14.23 | |
| GCG | -39.430 | 13.931 | -2.830 | 0.006 | -67.2 | -11.61 | |
| Int1 | 1.015 | 0.297 | 3.415 | 0.001 | 0.421 | 1.609 | |
| Product terms key | | | | | | | |
| Int1: K_INDEP X GCG | | | | | | | |
| Covariance matrix of regression parameter estimate | | | | | | | |
| | Constant | K_INDEP | GCG | Int1 | | | |
| Constant | 945231 | -19880.6 | -13300 | 277.782 | | | |
| Indep_Commissioner | -19880.6 | 437.345 | 278.842 | -6.099 | | | |
| GCG | -13300.1 | 278.842 | 194.089 | -4.042 | | | |
| Int1 | 277.782 | -6.099 | -4.042 | 0.088 | | | |
| Test(s) of highest order unconditional interaction(s): | | | | | | | |
| | | | R2-chng | F | df1 | df2 | p |
| X * W | | | 0.123 | 11.66 | 1.000 | 66.00 | .001 |

Table 4. MRA Test for Independent Commissioner

Source: data analyzed

The output in the form of the equation is:

$$Y = 2406.40 - 55.998 \text{ INDEPENDENT COMMISSIONER} \\ - 39.430 \text{ GCG} \\ + 1.0154 \text{ INDEPENDENT COMMISSIONER} \\ \times \text{GCG}$$

< 0.05 on the results of the interaction of the Independent Commissioner with Good Corporate Governance. Thus, Good Corporate Governance moderates the influence of independent commissioners on firm value. Moderation is meant to strengthen because the value of t is positive.

Good Corporate Governance as a moderator of the influence of the Family Firm on the value of the company

is significant with a value of t = 3.4150 with a p value of 0.0011

| Outcome variable: Company value | | | | | | |
|--|----------|-----------|--------|--------|---------|---------|
| R | R-sq | MSE | F | df1 | df2 | p |
| 2464 | .0607 | 254962.84 | 1.422 | 3.000 | 66.000 | .2441 |
| | Coeff | se | t | p | LLCI | ULCI |
| constant | 139.9972 | 936.8416 | .1494 | .8817 | -1730.4 | 2010.47 |
| Family firm | -3.4023 | 9.9166 | -.3431 | .7326 | -23.201 | 16.3969 |
| GCG | 0.671 | 14.093 | .0477 | .962 | -27.467 | 28.810 |
| Int1: Family firm X GCG | | | | | | |
| Test(s) of highest order unconditional interaction(s): | | | | | | |
| | R-chng | F | df1 | df2 | p | |
| | 0.003 | 0.210 | 1.000 | 66.000 | 0.648 | |
| Level of confidence for all: 95.0000 | | | | | | |
| Number of bootstrap samples: 5000 | | | | | | |

Table 5. MRA Test for Family Firm

Source: data analyzed

The equation of the output above is $Y = 139,972 - 3.4023X + 0.6718W + 0.684XW$ not significant with the t value on the interaction result of 0.4583 and p value 0.6483 > 0.0, thus Good Corporate Governance does not moderate the influence of Family Firm on firm value, in strengthening or weakening its influence.

Discussion

The audit committee does not affect firm value, as indicated by the significance value of the audit committee of 0.773. This is also indicated by the fact that the value of the t table is greater than the t count, where t count (-0.289) t table (1.9944), and H1 = the audit committee does not affect firm value. This indicates that the company's worth will not change depending on whether an audit committee is present or absent. This supports the findings of studies by Gosal et al. (2018) and

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Febrianty and Mertha (2021), both of which claim that the audit committee has no impact on firm value. In contrast to the findings of Istiadah's (2015) study, which found that the audit committee has an impact on firm value.

The audit committee's major responsibility is to support the board of commissioners in overseeing the internal control system, the efficiency of the internal audit, and the accuracy of the company's financial statements. The responsibilities of the audit committee also directly address the possibility of corporate fraud and can safeguard shareholders' financial positions. Bukit Asam Tbk. and Wijaya Karya (Persero) Tbk. are the only two companies listed in JII70 shares in 2020 that are included in the ranking of Good Corporate Governance practices, according to the rating results in JII70 Shares in Good Corporate Governance practices from the CGPI (Corporate Governance Perception Index) program. The existence of an audit committee ought to guarantee the application of efficient corporate governance and financial reporting. However, if there are too many audit committee members working for the company, it will affect their effectiveness and negatively affect the company's performance, which could affect the company's worth.

The independent commissioner has a positive impact on firm value, according to the research data in Table 1, which also shows that the value of t table is smaller than t arithmetic, with t count (3.101) > t table (1.9944) displaying a positive sign. This means that H2 = independent commissioner has a positive impact on firm value. This can be taken to mean that the company's value increases and vice versa as the number of independent commissioners increases. This supports the research by Safitri et al. (2018) that found an Independent Commissioner to have a favorable impact on firm value. The research of Sondokan et al. (2019) shows that independent commissioners have no impact on business value, in contrast to what is stated here.

The independent commissioner has a favorable impact on the independent commissioner, according to the study's findings. This is because firms listed on JII70 shares dominate the number of independent commissioners relative to the overall number of commissioners, with companies like Unilever Indonesia Tbk dominating the board of commissioners by as much as 83% and Global Mediacom Tbk by as much as 75%. Independent commissioners are unbiased in their oversight of the company's administration since they are unaffected by special affiliations such as share ownership or familial ties. The independent commissioner must promote the development of good corporate governance while putting it into practice.

Based on testing the information in Table 1, Family Firm has a significance value of 0.939 > 0.05. This is also demonstrated by the fact that the value of the t table is greater than the value of the t arithmetic, where t count (-0.077) t table (1.9944), and thus H3 = Family Firm does not affect firm value. This means that the number of shares held by shareholders who are still related to the company will not have an impact on whether its value rises or falls. The findings of this study are at odds with those of Safitri et al. (2018)'s study, which found that family firms had an impact on business value. According to the study's findings, family firms have no impact on a company's worth. This is because, on average, family firms account for a larger portion of the companies listed in the JII70 index. Only 8 out of the 70 businesses are not classified as family businesses. Sariguna Primatirta Tbk, Puradelta Lestari Tbk, Era Jaya Swasembada Tbk, Matahari Department Store Tbk, PP London Sumatra Indonesia Tbk, PP (Persero) Tbk, and Selamat Sempurna Tbk are the eight businesses that are

excluded from the family firm category. The number of family-owned businesses will have an impact on management choices.

The value of sig is known to represent the outcome of the data processing in table 1. H4 = Good Corporate Governance has an impact on firm value is inferred from the value of the t table is more than the t count, where t count (2.110) > t table (1.9944), showing a positive sign. Good Corporate Governance is 0.039 0.05. This indicates that the more effectively a firm implements good corporate governance in the course of doing its business, and vice versa, the better the value of the organization will be. The computed F value is 3.547 > 2.51 using table 2 as the basis. Based on the significance, a value of 0.011 0.05 was likewise obtained. H5 = Simultaneously Good Corporate Governance, Independent Commissioner, Audit Committee, and Family Firm have a positive and substantial effect on Company Value because the calculated F value is bigger than F table and 0.011 0.05. If all independent variables—Good Corporate Governance, Independent Commissioner, Audit Committee, and Family Firm—are tested concurrently and there is an increase, it will have an impact on the increase in company value, and vice versa.

The Good Corporate Governance variable is tested using the MRA test using SPSS 25 and the syntax macro-Process 3.1 created by Andrew F. Hayes. The results of the interaction show that the value of t = 0.7179 and p value of 0.4754 > 0.05 are not significant. Corporate governance with an effective audit committee. This indicates that the influence of the Audit Committee on Company Value cannot be strengthened or weakened by the presence of Good Corporate Governance as a moderator. H6: The audit committee's impact on company value is unaffected by good corporate governance.

Table 4's output findings reveal the interaction between the Independent Commissioner and Good Corporate Governance variables at a value of t = 3.4150 and a p value of 0.0011 0.05. Good corporate governance can thereby limit the impact of the Independent Commissioner on the value of the company. The Independent Commissioner's impact over the 12.34% Company Value can be strengthened by good corporate governance, according to the R2-chng value of 0.1234, which is positive. Companies that follow the guidelines of good corporate governance can raise their worth in the eyes of investors, especially if an independent commissioner is present to directly monitor the board of directors' decisions. This can boost investor confidence in the company.

Following data processing, table 5's results showed a t value of 0.4583 and a p value of 0.6483, both of which were not statistically significant at a p value greater than 0.05. According to this finding, H8 = Good Corporate Governance is neither strengthening nor weakening the effect of Family Firm on Firm Value.

Conclusion

The study's findings and analysis lead to the following conclusion: The Audit Committee and the Family Firm have no significant impact on the firm's worth. Positive and significant effects on company value are caused by the Independent Commissioner and good corporate governance. All of these factors have an impact on the company's worth at the same time. According to the results of the MRA test, good corporate governance boosted rather than mitigated the influence of independent commissioners on company value as opposed to

the audit committee and family firm.

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