

*THE EFFECT OF CORPORATE GOVERNANCE ON
FIRM PERFORMANCE IN MANUFACTURING SECTOR COMPANIES
REGISTERED IN INDONESIA STOCK EXCHANGE FOR 2013-2018 PERIOD*

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ABSTRACT

This study aims to analyze the factors that influence firm performance. In this study, the variables used are board independence, board size, board meeting frequency, director ownership, firm size, firm age, and firm growth. This study uses the manufacturing sector that has been listed on the Indonesia Stock Exchange (BEI) for the 2013-2018 period. Based on this research, it was found that the joint significance test of the variables Board Independence, Board Meeting Frequency, Board Size, Directors Ownership, Firm Age, Firm Growth, and Firm Size had a significant effect on Tobin's Q's Q. t test (individually), It was found that Directors Ownership and Firm Growth had a significant positive effect on Tobin's Q's Q, and the variable Board Independence, Board Size, and Firm Size had a significant negative effect on Tobin's Q's Q. The coefficient of determination (R²) shows that the dependent variable, Tobin's Q's Q, can be explained well independent variables, namely Board Independence, Board Meeting Frequency, Board Size, Directors Ownership, Firm Age, Firm Growth, and Firm Size.

Keyword: corporate governance, firm performance, board independence

PENGARUH *CORPORATE GOVERNANCE* TERHADAP
FIRM PERFORMANCE PADA PERUSAHAAN SEKTOR MANUFAKTUR
YANG TERDAFTAR DI BURSA EFEK INDONESIA PERIODE 2013- 2018

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INTISARI

Penelitian ini bertujuan untuk menganalisa faktor-faktor yang mempengaruhi *firm performance*. Dalam penelitian ini variabel yang digunakan adalah *board independence*, *board size*, *board meeting frequency*, *director ownership*, *firm size*, *firm age*, dan *firm growth*. Penelitian ini menggunakan sektor manufaktur yang telah terdaftar di Bursa Efek Indonesia (BEI) untuk periode 2013-2018. Berdasarkan penelitian ini, didapatkan bahwa uji signifikansi secara bersama-sama variabel *Board Independence*, *Board Meeting Frequency*, *Board Size*, *Directors Ownership*, *Firm Age*, *Firm Growth*, dan *Firm Size* memiliki pengaruh yang signifikan terhadap *Tobin's Q*. Uji t (secara individu), didapatkan bahwa *Directors Ownership* dan *Firm Growth* berpengaruh positif signifikan terhadap *Tobin's Q*, dan variabel *Board Independence*, *Board Size*, dan *Firm Size* berpengaruh negatif signifikan terhadap *Tobin's Q*. Dengan nilai koefisien determinasi (R^2) meunjukkan bahwa variabel dependen yaitu *Tobin's Q* dapat dijelaskan dengan baik oleh variabel independen yaitu *Board Independence*, *Board Meeting Frequency*, *Board Size*, *Directors Ownership*, *Firm Age*, *Firm Growth*, dan *Firm Size*.

Kata kunci: *corporate governance*, *firm performance*, *board independent*