

**THE EFFECT OF CORPORATE GOVERNANCE AND LEVERAGE
ON COMPANY VALUE IN PRIMARY CONSUMER GOODS SECTOR COMPANIES
LISTED ON THE INDONESIA STOCK EXCHANGE (IDX)
FOR THE PERIOD 2018-2022**

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ABSTRACT

Increasing company value is an achievement by the wishes of the owner because, increasing company value, will attract more investors' confidence to invest in the business. In addition, the high value of the company will also increase the confidence of creditors to provide additional capital in the form of loans for the company. This study will examine the impacts of institutional proprietorship, independent commissioners, audit committee, and leverage (DAR) of Primary Consumer Goods Sector Companies' Cost to Book Value (PBV) listed on the IDX for the time period 2018–2022 will be tested and analyzed. This research employed a quantitative approach using secondary data. Purposive sampling was employed in the sampling procedure, and 30 firms were used as study samples. Multiple linear regression is the analytic method, and the tools are from IBM SPSS Statistic 22. According to this study's findings The independent commissioner variable's results from the t-test significantly affects Company Value (PBV). The audit committee, institutional proprietorship, and leverage (DAR) have no appreciable effects on company value (PBV). Following that, the F test showed that the factors institutional proprietorship, independent commissioners, audit committee, and leverage (DAR) were significant, all had an impact on Company Value (PBV) at the same time.

Keywords: Institutional Proprietorship, Independent Commissioner, Audit Committee, Leverage, and Company Value.

1. Introduction

Companies that have gone public want to sell their shares at a premium cost to entice investors to place money in the business. If so, then a company's worth will increase along with its share cost. A rise in corporate value will also result in greater shareholder wealth. "A soaring increase in Corporate Worth is a lengthy dream that the business hopes to accomplish, it will be seen from the company's stock market cost because investors will evaluate the company by observing the movement of the company's stock cost through the stock exchange for those who have gone public" (Retno, 2019).

Effendi, (2016) explains several Corporate Governance (CG) mechanisms, including the existence of Board of directors, institutional proprietorship, independent commissioners, and business size. Because independent commissioners frequently serve as the audit committee's chairman, they have an effective role in the audit committee's early identification (early warning) of potential irregularities or fraud in public businesses. Institutional proprietorship is one way the Corporate Governance (CG) mechanism is put into practice. Through strict oversight, institutional proprietorship can curb opportunistic managers' aims.

Increasing the level of leverage can affect the increase in Corporate Worth and be able to attract investor confidence where investors have the perception that the company can optimize its share cost through Corporate Worth. (Hery, 2017 p. 3).

2. Literature Review

2.1 Agency Theory

Silvia Indrarini, (2019: 12). Saying that the key tenet of agency theory is that there is a functioning connection between the owner (shareholder), who is the principal, and the management (the person appointed by the shareholders), who is the agent. Each party seeks to increase its profits because of its interests.

According to Jensen and Mecking (1976), there are two divisions of duties, namely the 'agent' who is occupied by a manager, and shareholders who will become 'principals'. Shareholders who become 'principals' for representation in making business decisions against managers who represent or become agents of shareholders. The emergence of a problem that causes the company proprietorship system that has an impact on the agent will not always make a decision that has the aim of meeting the needs of the principal. This agency theory has the aim that the difference between Conflicts between the principal and the agent are possible. Because managers in the company have their own goals, for example having the aim of getting a high bonus.

2.2 Institutional Proprietorship

Institutional proprietorship can also be interpreted as the largest share proprietorship by institutional investors who are not part of The management of the firm, as seen from the proportion of all shares owned by the institutional shareholders themselves. Institutional proprietorship is the proportion of companies that are voting rights with the total index of the proportion of shares that the organization owns of the total shares outstanding. (Saifi & Hidayat, 2017). And the formula is as follows:

| | | | |
|---------------------------------|---|--------|------------------------------|
| Institutional Proprietorship | $\frac{\text{Number of Institutional Shares}}{\text{Total Shares Outstanding}}$ | x 100% | Saifi & Hidayat (2017) |
|---------------------------------|---|--------|------------------------------|

2.3 Independent Commissioner

According to Financial Services Authority Regulation Number 55/Pojk.04/2015 on the Establishment and Management of Financial Institutions and Implementation Playbook for the Audit Committee, independent commissioners who are not from internal issuers or public companies and have satisfied the requirements are a part of the board of commissioners. Independent commissioners are those with no ties to or interests in the business. Additionally, at least 30% of the whole board of commissioners must be independent commissioners.

According to Saifi & Hidayat, (2017), The ideal people to carry out tasks and make excellent corporate governance a reality for businesses are independent commissioners. Controlling or supervising the effectiveness of the directors' board is the most important factor independent commissioner's job. Using the formula below:

| | | | |
|---------------------------------------|---|--|--------|
| Independent Board of Commissioners | = | $\frac{\text{Independent Commissioner}}{\text{Member of the Commissions Board}}$ | X 100% |
|---------------------------------------|---|--|--------|

2.4 Audit Committee

Each committee established by the Board of Commissioners is the Audit Committee, which reports to the Commissions Board and is mostly in charge of making sure that executives consistently and effectively uphold the fundamentals of effective corporate governance, particularly transparency. According to Jakarta Stock Exchange (BEJ), The Audit Committee is a panel chosen by the board of directors of the corporation, whose members are appointed and removed by the Board of Commissioners, and whose aim is to help the board of directors

in performing examinations or research deemed required for the board's tasks in administering the firm. (Mateus Wijaya, 2017).

The audit committee is calculated using the following formula:

$$\text{Audit Committee} = \sum \text{Audit Committee Member}$$

2.5 Leverage

Kasmir, (2014: 112) explains the leverage ratio, also known as the solvency ratio, is a formula used to assess the amount whereby a company's resources are funded with debt. Specifically, how much debt is carried by the corporation in relation to its assets, the leverage measure employed in this study is the Debt to Asset measure (DAR) This is a debt ratio that shows how much debt is being used to finance an organization's assets or debt's impact on asset management. The strategy involves comparing total debt assets to total assets.

According to Irham Fahmi, (2015), DAR displays how percent of the firm's total assets are supported by all creditors; the higher the DAR, the riskier the business since the bigger the debt utilised.

The formula for finding the Debt to Asset Ratio (DAR) can be used as follows:

| | |
|--|------------------------|
| $DAR = \frac{\text{Overall Debt}}{\text{Overall Asset}}$ | Irham Fahmi, (2015) |
|--|------------------------|

2.6 Corporate Worth

Because strong shareholder wealth follows high Corporate Worth, Corporate Worth is crucial. Owners of businesses want to a high firm value since this reflects a high level of shareholder wealth. According to Harmono (2018: 50), stock market value may be used to gauge a company's value. Cost Book worth (PBV) is utilized to compute in this study a corporate's worth. PBV is a crucial factor for investors to take into account when deciding which business shares to purchase. PBV is a tool used to evaluate how the market cost has performed in relation to its book value. PBV according to Fahmi (2013: 139) shows how highly a company's book worth shares is regarded by the market. PBV can be calculated using the formula below.:

| |
|---|
| $PBV = \frac{\text{Saham Cost}}{\text{Book Price of Shares}}$ |
|---|

2.7 Framework of Thought

2.7.1. Institutional proprietorship's impact on a company's value

Theoretically, institutional proprietorship of a corporation would increase with greater corporate governance. If a firm's owner can change management behavior and force the organization to execute in accordance with its predetermined course of action in order to achieve its objective of raising investor faith in the business, performance will improve. Higher institutional proprietorship of the corporation correlates with greater corporate governance. If a firm's owner can change management behavior and force the organization to execute in accordance with its predetermined course of action in order to achieve its objective of raising investor confidence in the company, performance will improve. Investors use the business value as a benchmark when choosing whether to acquire or sell their shares in a firm. Considering the findings of prior study by Setiyawati et al, (2012) Corporate Worth is positively impacted by institutional proprietorship.

H₁: Institutional proprietorship enhances the company's worth.

2.7.2. Independent Commissioners' Impact on Business Cost

At least 30% of the total board of commissioners must be independent commissioners. Since independent commissioners are connected to the business, their decisions cannot be contested. More independent commissioners are preferred since they are an indication that the board of commissioners is effectively directing and coordinating corporate operations.

H₂: Independent Commissioners enhance the value of the company.

2.7.3. Audit Committee's Impact on Business Value

Rustiarini's research (2010) An audit committee's establishment is supposed to decrease agency conflicts, which can help Can reports presented to all interested parties trusted and increase Corporate Worth According to the statement, in the view of investors. As a result, the audit committee and Corporate Worth have a positive relationship. The audit committee is regarded by regulators, analysts, and investors as improving the accuracy of financial reporting. This demonstrates how an audit committee's existence significantly and favorably effects a company's worth.

H₃: The Audit Committee enhances the value of the company.

2.7.4. Leverage's Impact on Corporate Worth

Leverage is a fundraising strategy connected to the company's choice to raise capital. Companies that borrow money are obligated to pay interest and loan principal. Leverage is a ratio that relates total debt to total debt total a company's assets firm since it measures the extent to which funds are given by creditors. According to Modigliani and Miller (1963), the value of the corporation increases as debt percentage increases. Tshe ability to manage production operations and boost firm profits will be improved in direct proportion to the amount of debt held and the quality of management. Considering the foregoing explanation and the findings of earlier study, the following hypothesis is established:

H₄: Leverage enhances the value of the company.

3. Research Methods

3.1 Population

Sugiyono, (2018: 136) Population is a generalization region made up of things and persons with certain traits and features that are used in research to investigate and then form conclusions. The 117 key consumer goods businesses Indonesia Stock Exchange (IDX) listed for the years 2018 through 2022 comprise the study's sample.

3.2 Sample

Sugiyono (2018: 81) A sample is a subset of the population that is the subject of the study. Purposive sampling with criterion was utilized as the sample method in this investigation. The Indonesia Stock Exchange will first list firms in the primary consumer products industry for the years 2018 through 2022. Second, businesses that have been listed on the IDX continuously for five years between 2018 and 2022. Third, businesses that have released financial reports five years in a row for the years 2018 through 2022. Fourth, enterprises in the main consumer products industry that are profitable between 2018 and 2022. Fifth, information on major consumer goods firms with institutional proprietorship for the years 2018 to 2022. Sixth, organizations that release financial reports in rupiah. in order to create the final sample of 30 businesses.

3.3 Technical Analysis of Data

Analysis using multiple linear regression was choice's method for data analysis in this investigation. According to Sugiyono, (2018: 192) " A regression with one dependent variable and two or more independent variables is known as multiple linear analysis". Multiple linear regression analysis was used in this investigation examine if institutional proprietorship, an independent board of commissioners, an audit committee, and leverage (DAR) had an impact on the Corporate Worth (PBV). The study's a number of linear regressions equation:

$$y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + e$$

Description:

y = Company Cost

a = constant (the value of y, if X and X2)

b₁ = regression coefficient (increase or decrease)

x₁ = Institutional Proprietorship

x₂ = Independent Commissioner

x₃ = Audit Committee

x₄ = Leverage (DAR)

e = confounding variable (error term)

4. Research Results and Discussion

4.1 Descriptive Analysis Results

Descriptive Statistical Analysis Results

Descriptive Statistics

| | N | Minimum | Maximum | Mean | Std. Deviation |
|-----------------------|-----|---------|----------|---------|----------------|
| X1 | 150 | ,04956 | ,92475 | ,58724 | ,26349 |
| X2 | 150 | ,333 | ,833 | ,432 | ,128 |
| X3 | 150 | 2 | 6 | 3,067 | ,3411 |
| X4 | 150 | ,09791 | 1,19570 | ,42113 | ,19742 |
| Y | 150 | ,02532 | 60,67179 | 4,42097 | 9,24959 |
| Valid N (listwise) | 150 | | | | |

Source: SPSS output (author's data 2023)

Based on the results of descriptive statistical analysis in the table with a total of N data of 150 data, the findings of the investigation can be seen as follows:

1. Variable X1 institutional proprietorship obtained a minimal amount of 0.04956 in the CEKA enterprise in 2020 due to a decrease in total institutional shares due to the sale of shares from the institution. Then the maximum value of 0.92475 is found in the EPMT enterprise in 2019 - 2022 due to an increase in the total institutional shares of EPMT in 2019.
2. Variable X2 independent commissioners have a minimal amount of 0.333 in the ADES enterprise in 2018 - 2022. This is because ADES only There is one independent commissioner among the board's three members. Then the highest possible value of independent commissioners of 0.833 is found in the ULTJ enterprise in 2022. This is because in 2022 ULTJ has 5 independent commissioners out of a total of 6 commissioners.
3. The variable X3 audit committee has a minimal amount of 2 in the ULTJ enterprise in 2022, this is because in 2022 ULTJ has an audit committee of 2 people. Then the highest possible value of the audit committee of 6 is found in the MLBI enterprise in 2020 because in that year MLBI had a total audit committee of 6 people.
4. Variable X4, namely leverage (DAR), has a minimal amount of 0.09791 found in the CEKA enterprise in 2022 so the total assets financed by debt are only 9.7%. Then the maximum value of 1.19570 is found in the MLBI enterprise in 2018 if converted into a percentage form, a value of 119.5% is obtained, this means that all of the The assets of the corporation, debt is used to fund these projects. This situation may indicate the occurrence of extreme leverage.
5. Variable Y Corporate Worth obtained a minimal amount of 0.02532 in the MLBI

enterprise in 2018, this is because in 2018 the MLBI share cost was only 14.033 rupiah. Then the maximum value of 60.67179 is in the UNVR enterprise in 2019. This is because in 2019 UNVR's share cost reached Rp42,000 with total equity obtained of Rp5,281,862,000,000,-

4.2 Classical Assumption Test

a. Normality Test

The normality test determines whether or not the data is regularly distributed. the subsequent are the outcomes of the simultaneous normality test on research data.

Simultaneous Normality Test

One-Sample Kolmogorov-Smirnov Test

| | | Unstandardized Residual |
|----------------------------------|----------------|-------------------------|
| N | | 70 |
| Normal Parameters ^{a,b} | Mean | .0000000 |
| | Std. Deviation | 138448.955776 |
| Most Extreme Differences | Absolute | .079 |
| | Positive | .079 |
| | Negative | -.067 |
| Test Statistic | | .079 |
| Asymp. Sig. (2-tailed) | | .200 ^{c,d} |

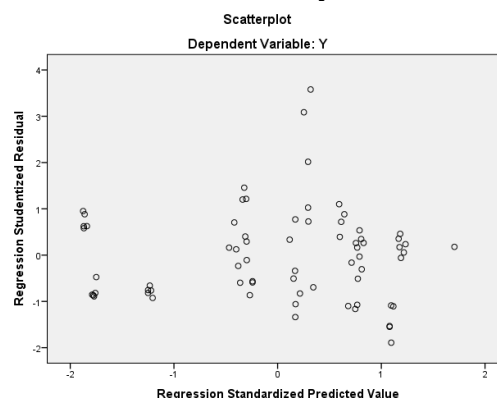
- a. Normal is the test distribution.
- b. Data-driven calculation.
- c. Correction of Lilliefors Significance.
- d. This is the actual significance's lower bound.

Source: SPSS 22 output (author's data 2023)

The table above demonstrates that the results of the normality test concurrently on the variables of institutional proprietorship, independent commissioners, audit committee, and leverage on Corporate Worth have normally distributed data, as indicated by the 2-tailed significant value of 0.200 > 0.05.

b. Heteroscedasticity Test

The heteroscedasticity test is used to assess if heteroscedasticity exists in the study data at hand. A scatterplot graph will be used in this study's heteroscedasticity test.



According to the picture above, explains that the points look spread out, meaning that The regression model has no heteroscedasticity.

c. Multicollinearity Test

| Model | | Collinearity Statistics | |
|-------|------------|-------------------------|-------|
| | | Tolerance | VIF |
| 1 | (Constant) | | |
| | X1 | .440 | 2.270 |
| | X2 | .493 | 2.027 |
| | X3 | .891 | 1.122 |
| | X4 | .685 | 1.460 |

a. Dependent Variable: Y

Source: SPSS 22 output (author's data 2023)

According to the table, the tolerance value for variable X1 institutional proprietorship is $0.440 > 0.10$, and the VIF value is $2.270 > 10$. Next, a tolerance value was acquired for variable X2 institutional proprietorship, and it is $0.493 > 0.10$, and the VIF value is $2.027 > 10$. The audit committee received a tolerance value of $0.891 > 0.10$ and a VIF value of $1.122 > 10$ for variable X3, and with the dependent variable Y, or Corporate Worth, the leverage the tolerance value was $0.685 > 0.10$ the VIF value is $1.460 > 10$ for variable X4. This indicates that the regression model is not multicollinear.

c. Autocorrelation Test

Autocorrelation Test

| Model | Durbin-Watson |
|-------|---------------|
| 1 | .417 |

a. Predictors: (Constant), X4, X2, X3, X1

b. Dependent Variable: Y

Source: SPSS 22 output (author's data 2023)

The value of Durbin-Watson in this investigation is 0.417, as seen in the table. If the rules are entered as $-2 < d < 2$ then $-2 < 0.417 < 2$, indicating the absence of autocorrelation and the Durbin Watson cost is between -2 and 2.

4.3 Multiple Linear Regression Analysis

Multiple Linear Regression Analysis Results

| Model | | Unreliable Coefficients | | Normative Coefficients |
|-------|------------|-------------------------|------------|------------------------|
| | | B | Std. Error | Beta |
| 1 | (Constant) | 439390.254 | 200004.866 | |
| | X1 | -.565 | 1.116 | -.092 |
| | X2 | -194.676 | 114.758 | -.290 |
| | X3 | -16333.888 | 58620.789 | -.035 |
| | X4 | -.168 | 1.337 | -.018 |

a. Dependent Variable: Y

Source: SPSS 22 output (author's data 2023)

The top table demonstrates that the coefficient value in the equation for multiple linear regression is known. The shape of numerous linear regression equations may be observed from this value in column B as follows.

$$Y = \alpha + \beta X_1 + \beta X_2 + \beta X_3 + \beta X_4 + e$$

$$\text{Corporate Worth} = 0,439390.254 + (-0,565) + (-0,194.676) + (-0,16333.888) + (-0,168)$$

The equation may then be read as follows for each:

- a. The constant value (y) of 0.439490.254 indicates that the corporate worth variable's value is equal to 0.439490.254 if the values of institutional proprietorship, independent commissioners, audit committee, and leverage (DAR) are all equal to 0 (zero).
- b. According to the institutional proprietorship regression coefficient of -0.565, the value of the firm will drop by -0.565 the next year for every unit increase in the institutional proprietorship variable's value.
- c. According to the independent commissioners' regression coefficient of -0.194.676, the value of the firm will drop by 0.194.676% the next year for every change in the independent commissioners' value of 1 unit.
- d. The audit committee's regression coefficient of - 0.16333.888 demonstrates that for each additional unit of the audit committee's value, the firm value will fall by - 0.16333.888 the following year.
- e. The audit committee's regression coefficient of - 0.16333.888 indicates that for demonstrates that for each additional unit of the audit committee's value, the firm value will fall by - 0.16333.888 the following year.

4.4 Data Analysis Test

a. Correlation and Determination Coefficient Test

Correlation and Determination Test

| Model | R | R Square | Adjusted R Square | Std. An Error in the Estimate | Durbin-Watson |
|-------|-------------------|----------|-------------------|-------------------------------|---------------|
| 1 | .249 ^a | .062 | .004 | 142645.32787 | .417 |

- a. Predictors: (Constant), X4, X2, X3, X1
- b. Dependent Variable: Y

Source: SPSS 22 output (author's data 2023)

The institutional proprietorship variable, independent commissioners, audit committee, and leverage (DAR) on Corporate Worth correlate with a moderate level of relationship because they are in the coefficient interval and relationship level (0.40 - 0.599), according to the simultaneous correlation test, which explains that the correlation value or closeness value (R-value) is 0.249.

The results of the coefficient of determination test indicate that the R square value is 0.249, or translated into a percentage, 24.9%. This means that the institutional proprietorship variable (X1), independent commissioners (X2), audit committee (X3), and leverage (X4) had a 24.9% influence on the Corporate Worth variable, while the rest of the elements — 100% - 24.9% = 75.1%—have an impact on Corporate Worth too, including profitability, company size, and managerial proprietorship, which the authors do not examine.

b. Partial Test (t-test)

Partial Hypothesis Test (t-test)

| Model | | T | Sig. |
|-------|------------|--------|------|
| 1 | (Constant) | 2.197 | .032 |
| | X1 | -.506 | .614 |
| | X2 | -1.696 | .009 |
| | X3 | -.279 | .781 |
| | X4 | -.126 | .900 |

- a. Dependent variabel: Y

Source: SPSS 22 output (author's data 2023)

Based on partial hypothesis testing in table, it can be explained as follows:

1. Institutional proprietorship's impact on a company's value
Based on table above, it can be determined that the calculated t value is -0.506 and the t table value is -1.66691, meaning that the calculated t value -0.506 > t table -1.66691 with a significant value of 0.614 > 0.05, which means that **H1 is rejected**, indicating that no major impact exists of institutional proprietorship on corporate worth in enterprises in the primary consumer products sector for the period of 2018–2022.
2. The Effect of Independent Commissioner on Corporate Worth
According to the top table, the t value is -1.696 and the t table value is -1.66691, which means that the t value is -1.696 < t table -1.66691 with a significant value of 0.009 < 0.05, which means that **H2 is accepted** that the adverse impact of is very large of independent commissioners on corporate worth in enterprises in the primary consumer products sector for the period of 2018–2022.
3. The Effect of Audit Committee on Corporate Worth
Based on the top table, it is obtained that the calculated t value is - 0.279 then the t table value is - 1.66691, which means that the calculated t value - 0.279 > t table - 1.66691 It is significant for 0.781 > 0.05, this means that **H3 is rejected** because there is no discernible impact of the audit committee on corporate worth in enterprises in the primary consumer products sector for the period 2018 - 2022.
4. Leverage's Effects on Corporate Worth
Based on the top table, it can be determined that the calculated t value is - 0.126 and the t table value is - 1.66691, meaning that the calculated t value - 0.126 > t table - 1.66691 It is significant for 0.900 > 0.05, which means that **H4 is rejected** because there is no discernible impact of leverage on corporate worth in enterprises in the primary consumer products sector for the years 2018 to 2022.

c. Simultaneous Test (F test)

Simultaneous Test (F test)

ANOVA^a

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|-------------------|----|-----------------|-------|-------------------|
| 1 | Regression | 87411203850.733 | 4 | 21852800962.683 | 3.074 | .037 ^b |
| | Residual | 1322599821529.609 | 65 | 20347689561.994 | | |
| | Total | 1410011025380.342 | 69 | | | |

a. Dependent Variable: Y

b. Predictors: (Constant), X4, X2, X3, X1

Source: SPSS 22 output (author's data 2023)

Based on the SPSS 22 calculation results in table, which are displayed in the ANOVA^a above, it is known that the Fhitung value is 3.074 > FTable 2.51 at a significance level of F 0.037 > 0.05, so it can be interpreted that **H5 is accepted** that there is a concurrent In main consumer goods business sector companies listed on the IDX for the years 2018 through 2022, institutional proprietorship, independent commissioners, audit committees, and leverage all have an impact on corporate worth.

4.5 Discussion

4.5.1. The Effect of Institutional Proprietorship on Corporate Worth

According to the regression study results, institutional proprietorship has a regression coefficient of -0.565, meaning that for per unit rise in institutional proprietorship variable's value, corporate worth will fall by -0.565 the following year.

The t-test then produced the result that the t-count value was -0.506 and the t-table value was -1.66691, meaning that the t-count value -0.506 > t-table -1.66691 with a significant value

of $0.614 > 0.05$, it is possible to conclude that the idea that institutional proprietorship has no demonstrable effect on corporate worth **H1 is rejected**.

This research is in accordance with study by Riny, Sonya Enda Natasha, and Syafira Ulya Firza (2022) and Oktaviani Wiariningsih, Achmad Tavip Junaedi, and Harry P. Panjaitan (2019) which affirm that corporate worth is unaffected by institutional proprietorship. In other words, the presence or lack of institutional proprietorship in a firm has no impact on whether its value rises or falls.

4.5.2. The Effect of Independent Commissioners on Corporate Worth

Based on the value in the regression analysis, the regression coefficient of -0.194 for independent commissioners states that with every change in the worth of the independent commissioner varying by one unit, the Corporate Worth will decrease by -0.194 in the following year.

The t-test then produced the result that the t-count value was -1.696 and the t-table value was -1.66691 , which means that the t-count value -1.696 t-table -1.66691 with a significant value of $0.009 < 0.05$, means that it is **H2 acceptable** that independent commissioners have a significant negative impact on corporate worth.

The results of this study are in line with the research of Henryanto Abaharis & Wela Gusada (2021), Nita Putri Herdiani, Tenny Badina and Rira Rosiana (2022), and Jeny Andari and Willy Sri Yuliandhari (2020) They assert that independent commissioners significantly and negatively impact corporate value. This implies that the Corporate Worth will rise as the value of independent commissioners declines. Because everyone has various ideas, it will be harder to make judgments in a corporation as there are more independent commissioners, which will have an impact on the corporate worth.

4.5.3. The Effect of Audit Committee on Corporate Worth

According to the results of the regression analysis, the audit committee has a regression coefficient of -0.16333 , meaning that for per unit rise in audit committee variable's value, corporate worth will fall by -0.16333 the following year.

The t-test then yielded the result that the t-count value was -0.279 and the t-table value was -1.66691 . This means that the t-count value -0.279 ttable -1.66691 with a significant value of $0.781 > 0.05$, means that **H3 is rejected**, meaning that the audit committee has no appreciable impact on business value.

This study supports studies by Indah Susetyowati (2020) and Nurhaiyani (2018), which found no impact of the audit committee on corporate value. As a result, the company's value creation will not be impacted by the vast number of audit committees.

4.5.4. The Effect of Leverage on Corporate Worth

According to the results of the regression study, the regression coefficient for leverage is -0.268 , meaning that the value of each additional unit of the leverage variable, corporate worth will fall by -0.268 the following year.

The t-test then yielded the result that the t-count value was -0.0126 and the t-table value was -1.66691 , which means that the t-count value was -0.0126 and the t-table value was -1.66691 with a significant value of $0.900 > 0.05$, meaning that **H4 is rejected** because there is no discernible impact of leverage on corporate worth.

This study supports studies by Putri Nadhiyah (2021) and Wastam Wahyu Hidayat (2019), which found no relationship between leverage and corporate value. This is because Corporate Worth is more strongly tied to equity than leverage, which means that leverage has no effect on Corporate Worth. Leverage is closely related to finance.

4.5.5. The Effect of Institutional Proprietorship, Independent Commissioners, Audit Committee, and Leverage on Corporate Worth

According to the results of the F test, the simultaneous effects of institutional proprietorship, independent commissioners, audit committees, and leverage on corporate

worth are accepted in primary consumer goods industry sector companies listed on the IDX for the years 2018 to 2022, with the F-count value being $3.074 > F\text{-table } 2.51$ and a significance level of $F 0.037 < 0.05$.

In other words, during the years 2018 through 2022, the Indonesia Stock Exchange's core consumer goods sector businesses will create a different amount of corporate worth depending on the combination of institutional proprietorship, independent commissioners, audit committees, and leverage.

5. Conclusions and Suggestions

5.1 Conclusions

The authors can draw the following conclusions from their study based on the outcomes of their data analysis using SPSS 22.

1. Because there is no discernible relationship between institutional proprietorship and corporate worth (PBV) in enterprises in the primary consumer products sector for the years 2018 to 2022, the findings of the study on institutional proprietorship variables **H1 are disregarded.**
2. Because there is a considerable negative impact of independent commissioners on Corporate Worth (PBV) in the core consumer products industry over the period of 2018 to 2022, the findings of the independent commissioners research study **H2 are approved.**
3. Because there was no discernible impact of the audit committee on Corporate Worth (PBV) in enterprises in the primary consumer products sector for the years 2018 to 2022, the findings of the research on audit committee **H3 are disregarded.**
4. Because leverage (DAR) has no discernible impact on corporate worth (PBV) in enterprises in the primary consumer products sector for the years 2018 to 2022, the results of leverage study (DAR) **H4 are disregarded.**
5. Because institutional proprietorship, independent commissioners, audit committees, and leverage (DAR) had an impact on corporate worth (PBV) simultaneously in primary consumer goods sector companies listed on the IDX for the period of 2018 to 2022, **the study's results H5 are accepted.**

5.2 Suggestions

1. Companies must continually work to enhance their corporate governance practices in order to maintain and grow their market value and draw in new investors. In addition, it must also always pay attention to the leverage that is owned every year because if the company has experienced extreme leverage, it will be difficult for the company and can reduce company performance and Corporate Worth will also decrease.
2. For future researchers, it is better to replace the components of the corporate governance variables that the author has not examined include additional elements, such as management proprietorship, public proprietorship, and the board of directors to show varied results such as profitability, liquidity, company size, financial performance and others which are expected to affect Corporate Worth with proxies that the author has not examined such as Cost to Earning Ratio (PER).

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