THE INFLUENCE OF OWNERSHIP STRUCTURE AND FIRM GROWTH ON COMPANY FINANCIAL PERFORMANCE WITH FIRM SIZE AS THE MODERATING VARIABLE

(An Empirical Study on Go Public Textile Companies Listed in Indonesia Stock Exchange for the period 2012-2016)

A THESIS

Presented as Partial Fulfillment of the Requirements to Obtain the Bachelor Degree in Accounting Department



By:

AISYA DEWI FARADIBA

Student Number : 14312112

INTERNATIONAL PROGRAM

FACULTY OF ECONOMICS

UNIVERSITAS ISLAM INDONESIA

YOGYAKARTA

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A BACHELOR THESIS DEGREE

By

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Defended before the Board of Examiners

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DECLARATION OF AUTHENTICITY

Hereby I declare the originality of the thesis. I have not presented someone else's work to obtain my university degree, nor I have presented someone's else words, ideas or expressions without any of the acknowledgments. All quotations are cited and listed in the bibliography of the thesis. If in the future this statement is proven to be false, I am willing to accept any sanction complying with the determined regulation or its consequence.

Yogyakarta, August 30th, 2018



Aisya Dewi Faradiba

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MOTTO

"Hasbunallah wa'nimal wakil ni'mal maula wani'man nasir"

"For indeed, with hardship (will be) ease" - Al-Inshirah: 5

"Do not consider ourselves not able to before trying, learning, and practice."

"As ant do a million step to get sugar"

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Researcher,

Aisya Dewi Faradiba

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ABSTRACT

This study aimed to determine the influence of ownership structure and firm growth on the financial performance, as well as the role of firm size as a moderating variable on the ownership structure towards financial performance, and as a moderating variable on the firm growth towards financial performance. The type of study is an empirical study conducted on Go Public Companies listed in Indonesia Stock Exchange. The research sample was taken by a purposive sampling with the following criteria: (1) textile companies, (2) listed in Indonesia Stock Exchange for the period 2012 – 2016, (3) audited annual financial statements can be accessed directly during 2012 – 2016, thus it was obtained 16 companies. The data used in this study collected from the audited annual financial statements of the sample company. Data analysis methods to test the hypotheses were simple regression and moderated regression analysis (MRA). The results of this study indicated that: (1) Ownership structure had a positive and significant effect on the financial performance. It proved that the more ownership structure owned by institutions, the higher the financial performance of its company; (2) Firm growth had a positive and significant effect on the financial performance. It proved that the higher the growth of the company, the higher the financial performance of its company; (3) Firm size had a significant positive effect as a moderating variable towards the ownership structure on the financial performance. It proved empirically that, the bigger the size of the company, the stronger the influence of ownership structure on the financial performance; (4) Firm size had a significant positive effect as a moderating variable towards firm growth on the financial performance. It proved empirically that, the bigger the size of the company, the stronger the influence of firm growth on the financial performance.

Keywords: financial performance, firm size, ownership structure, firm growth, purposive sampling, moderating variable.

ABSTRAK

Penelitian ini bertujuan untuk mengetahui pengaruh struktur kepemilikan saham dan pertumbuhan perusahaan terhadap kinerja keuangan, serta peran ukuran perusahaan sebagai moderator pada pengaruh struktur kepemilikan saham terhadap kinerja keuangan, dan moderator pada pengaruh pertumbuhan perusahaan terhadap kinerja keuangan. Penelitian ini merupakan penelitian empiris yang dilakukan terhadap perusahaan Go Public Bursa Efek Indonesia. Sampel penelitian ini diambil secara purposive sampling dengan kriteria: (1) perusahaan tekstil, (2) terdaftar di BEI berturut-turut selama tahun 2012 - 2016, (3) laporan keuangan tahunan auditan dapat diakses secara langsung selama tahun 2012 – 2016, sehingga diperoleh 16 perusahaan. Data yang digunakan dalam penelitian ini diperoleh dari laporan keuangan tahunan perusahaan sampel. Metode analisis data untuk menguji hipotesis adalah analisis regresi sederhana dan regresi moderasi. Hasil penelitian ini menunjukkan: (1) Struktur kepemilikan berpengaruh positif dan signifikan terhadap kinerja keuangan. Hal ini membuktikan bahwa, jika struktur kepemilikan yang dimiliki oleh institusi semakin banyak maka kinerja keuangan perusahaan akan semakin tinggi; (2) Pertumbuhan perusahaan berpengaruh positif dan signifikan terhadap kinerja keuangan. Hal ini membuktikan bahwa, jika pertumbuhan perusahaan tinggi atau besar maka kinerja keuangan perusahaan akan semakin tinggi; (3) Ukuran perusahaan secara positif signifikan memoderasi pengaruh struktur kepemilikan terhadap kinerja keuangan perusahaan. Hal ini membuktikan secara empiris bahwa, semakin besar ukuran perusahaan maka pengaruh struktur kepemilikan terhadap kinerja keuangan keuangan perusahaan akan semakin kuat atau besar, dan (4) Ukuran perusahaan secara positif signifikan memoderasi pengaruh pertumbuhan perusahaan terhadap kinerja keuangan perusahaan. Hal ini membuktikan secara empiris bahwa, semakin besar ukuran perusahaan maka pertumbuhan perusahaan terhadap kinerja keuangan perusahaan akan semakin besar atau kuat.

Kata kunci: kinerja keuangan, ukuran perusahaan, struktur kepemilikan, pertumbuhan perusahaan, purposive sampling, variabel moderasi

CHAPTER I

INTRODUCTION

1.1. Background

The trade war that took place between the United States and China provided great opportunities for other countries, including Indonesia. The implementation of higher tariffs imposed by the United States on Chinese imported goods is an appropriate momentum for Indonesia to replace the position of Chinese goods exports to America. According to Shemi (2018) on retrieved from www.idntimes.com, Indonesia as a partner of the two countries must be prepared to take advantage of the trade war of the two countries. Indonesia has a large trade value for the United States and China, each worth US $ 20.3 billion and US $ 17.81 billion - the first and second largest of Indonesia's trade value.

The industrial sector in Indonesia is one of the critical industries that are expected to give a prominent contribution to foreign exchange reserves of the country, besides the agricultural sector, manufacturing, finance, mining, and others. As a developing country, Indonesia is expected to be able to compete with other country in the world by improving the performance of the company or industry concerned. Because if the company performance increases, it is not impossible that export income will increase as well which means the foreign exchange reserves will also increase.

One of the industrial areas with good growth prospects in the future is the textile industry. According to the Deputy Minister of Industry, The

Textile and Textile Products - *Tekstil dan Produk Tekstil* (TPT) industry is one of the essential sectors in Indonesia and as a mainstay commodity in the manufacturing industry (www.kemenperin.go.id, 2017). TPT industry has a very significant contribution in gaining export earnings and employment. This industry also has a strategic role in the process of industrialization because the products produced from fiber to consumer goods such as clothing have relevance to the industrial sector and other economic sectors in the country.

TPT industry, a labor-intensive sector, which is export-oriented, is targeted to grow around 1.6 - 1.8% in 2017 compared to 2016 which has reached 1.2%. Kemenperin noted that TPT industry can contribute foreign exchange of US $ 11.87 billion or Rp 159.05 trillion (exchange rate Rp 13.400 / US $). This figure is equivalent to 8.2% of total national exports in 2016. Given the importance of the role of the textile industry sector, the Ministry of Industry continues to improve the performance of textile and textile products (TPT) in the country, as it is one of the priority sectors of development to significantly contribute to the national economy (Chandra, 2017).

Seen from its performance, according to the Ministry of Industry, the national textile industry shows a positive return, both in domestic and export markets. In the first semester of 2017, the growth rate of the labor-intensive sector of export-oriented increased by 1.92% compared to the same period in the previous year which decreased by 0.13%. As of July 2017, textile exports also rose 2.71 percent to the US $ 7.12 billion. The

Ministry of Industry estimates that by the end of this year, textile exports will reach the US $ 12.09 billion and in 2019 will rise to the US $ 15 billion. Airlangga said the increase in export and domestic markets that began to stretch this, marked by increased utilization of production from local industry (Rini, 2017). The TPT industry has great potential to grow and develop in the future. Therefore, based on the National Industrial Development Master Plan (RIPIN) in 2015-2035, this sector is prioritized in its development to be able to give the significant contribution to the national economic growth.

The achievement and performance owned by the textile industries are exciting so that the author is eager to conduct an empirical study, especially about the factors inluencing the financial performance of textile industries. Based on some previous research, the company financial performance has influenced by the ownership structure and also the growth of the company.

The structure of ownership and growth of companies are variables that have a relationship with firm size. Therefore, it is possible that the firm size variable will be able to moderate the influence of ownership structure and the firm growth on financial performance.

Westman (2011) researched several European countries shows that the ownership structure has a positive and significant impact on bank profitability. Ling et al. (2015) showed the positive and significant influence of ownership structure on the profitability of the company to publicly traded companies in Malaysia. Similarly, Ozili & Uadiale (2017) against banking

companies in the UK, also showed that ownership structure has a significant and positive influence on the profitability. A study by Sari (2015) said that the capital structure could positively moderate the correlation between the ownership structures on the firm performance. Another investigation resulted from Nurcahyo (2014) indicated that managerial ownership, institutional ownership, and firm size has a significant positive effect on firm performance. Meanwhile, the public ownership has no significant effect. Abbasi & Malik (2015) revealed that firm growth has a positive and significant impact on the company financial performance. Also, firm size has positively moderated the influence of firm growth on company financial performance. A study done by Wahyuni (2015) proved that institutional ownership and managerial ownership has a significant influence on company financial performance. Fauzi & Musallam (2015) examined that the ownership structure and firm size has a significant impact on the company financial performance. Some research studied about firm growth; done by Fauzi & Suhadak (2015) resulted that the company growth has no significant and negative effect on profitability. Hutomo (2015) revealed that sales growth has no significant impact on profitability (ROA) and asset structure has no significant effect on profitability (ROA). Simultaneous test results have a positive and significant impact on liquidity, company growth and asset structure on profitability (ROA). Moreover, Armini & Wirama (2015) showed that the firm growth and managerial ownership does not affect the company performance. Odalo et al. (2016) affirmed that sales

growth has a positive and significant effect on financial performance measures ROA and ROE.

The difference of this study with previous studies is this study combined some variables that used on the prior research become one i.e. ownership structure (institutional ownership), firm growth, and firm size.

1.2. Problem Formulation

Based on the background of the study explained above, then the issues in this study stated as follows:

1. Does the ownership structure influence the financial performance of textile companies?
2. Does the firm growth influence the financial performance of textile companies?
3. Does the firm size strongly moderate the influence of ownership structure on financial performance of textile companies?
4. Does the firm size strongly moderate the influence of firm growth on financial performance of textile companies?

1.3. Research Objective

Based on the problem that exists, then the objectives of this study are as follows:

1. To know the influence of ownership structure on the financial performance of textile companies.
2. To know the influence of firm growth on the financial performance of textile companies.

3. To know the role of firm size as a moderating variable on the influence of ownership structure on the financial performance of textile companies.
4. To know the role of firm size as a moderating variable on the influence of firm growth on the financial performance of textile companies.

1.4. Research Contribution

1.4.1. Theoretical Benefits

In theory, the results of this study could provide empirical information to other researchers or academics about the influence of ownership structure and the firm growth on financial performance with firm size as moderating variable. Then, the result of this study could be used as a reference for the following researchers who are interested in developing it.

1.4.2. Practical Benefits

Practically, empirical research on the influence of ownership structure and firm growth on financial performance with firm size as a moderating variable could be used as a basis for decision-making management in preparing and evaluating its financial strategy.

1.5. Systematics of Writing

Consisting of five chapters of discussion and added with references and attachments. The systematics of writing are as follows:

CHAPTER I: INTRODUCTION

In the first chapter, it is explained a background of the study, problem formulation, research objectives, research contributions, and systematics of writing.

CHAPTER II: REVIEW OF RELATED LITERATURE

The second chapter contains some theoretical review related to thesis content, some references from previous research, hypothesis formulation, and research model.

CHAPTER III: RESEARCH METHOD

The third chapter describes the population and sample determination, the definition of operational variables, data search resources, data analysis method, and hypothesis testing.

CHAPTER IV: DATA ANALYSIS AND DISCUSSIONS

This chapter describes the results of data analysis used in this study which includes descriptive analysis and regression analysis. In addition, this chapter also described testing of the research hypothesis.

CHAPTER V: CONCLUSIONS AND RECOMMENDATIONS

This chapter contains the conclusion obtained from the results of data analysis and testing of research hypotheses. Besides, it also conveyed findings and suggestions.

CHAPTER II

REVIEW OF RELATED LITERATURE

2.1. Theoretical Review

2.1.1. Signaling Theory

The parties concerned with the company have different information about the prospects and risks faced by the company. Certain parties have more information than others. In general, the managers have more and better quality of information than outsiders such as investors.

According to signaling theory, insiders generally have a better understanding and more updated information relating to the current situation and the prospects of a company compared to outside investors (Arifin, 2005). Therefore, investors who have limited knowledge will interpret manager behavior. In this case, the manager behavior will be addressed as a signal to the investor. If the manager has confidence that the services and quality of the company are exceptional, then the manager will communicate it to the investor in the hope that the stock price may go up.

One of the credible information that investors believe as actual knowledge information is the use of debt. It indicates that the company has good prospects, because the use of debt has a high risk for the reputation of managers. If a company goes to bankrupt then the reputation of the manager will fall. Therefore, if a company uses the debt it is undoubtedly indicated that the manager has calculated that the company has good prospects and will be achieved by the manager. If the debt can lead to bankruptcy, the

manager will not decide to use the debt. Thus, the use of debt by the company is a sign or a positive signal (Hanafi, 2004).

2.1.2. The Structure of Ownership

The structure of ownership is the proportion of institutional ownership and managerial ownership in the ownership of the company shares (Sujono & Soebiantoro, 2007). There are two types of ownership in the ownership structure are as follows:

2.1.2.1. Institutional Ownership

Institutional ownership is the proportion of ownership by institutional investors. Institutional investors are believed to have an ability to monitor management actions better than individual investors. Institutions as shareholders are considered more capable of detecting errors that occur.

According to Ismiyanti & Mamduh (2004), there was a difference of opinion regarding institutional investors. The first opinion is based on the assumption that institutional investors are temporary owners, so only focus on current earnings. If changes in current earnings are not felt favorable anymore by investors, investors can liquidate their shares.

Institutional investors usually have a large number of shares, so if they liquidate their shares it will affect the value of the share in a whole. To avoid liquidation actions from investors, managers will make earnings management.

The second opinion assumed that institutional investors as the experienced investors (sophisticated). According to this opinion, investors are more focused on future earnings that relatively higher than current earnings. Gultom et al. (2013) explained that institutional investors spend much more time doing investment analysis and have access to information that is too expensive for other investors. Institutional investors will monitor effectively and not be easily tricked by managerial manipulation.

Having a high portion of institutional ownership will lead to greater oversight efforts by institutional investors to impede opportunistic manager behavior. Gultom et al. (2013) stated that institutional shareholders, with a large number of shareholdings, have an incentive to monitor corporate decision making. The greater the ownership by financial institutions, the greater the voting power and the drive to optimize the value of the company. Institutional ownership has advantages such as: (1) Having professionalism in analyzing information so as to test the reliability of information; and (2) Have a strong motivation to carry out stricter supervision on activities that occur within the company.

Christianti (2006) explained that institutional monitoring activities can change the corporate governance structure and increase shareholder wealth. Institutional monitoring can substitute other agency costs, so that agency costs decrease, and company value rises.

Winarto (2015) expressed that institutional ownership may suppress management's tendency to exploit discretionary in financial statements

thereby providing reported earnings quality. Percentage of certain shares owned by the institution may affect the process of preparing financial statements which are not impossible to have any deviations that aim to fool the institutional parties.

2.1.2.2. Managerial Ownership

Managerial ownership is the most substantial shareholding by the management of the company. The effect of managerial ownership on the earning quality with discretionary accrual and firm value measured by Tobins Q (Satmoko & Sudarman, 2011). Moreover, the results were the managerial ownership positively does affects earnings quality, while resulting negative effects on firm value. Managerial ownership is the share owned by management who actively involved in taking corporate decision done by directors and commissioners (Satmoko & Sudarman, 2011).

Because of the existences of managerial ownership in a company, it will create an interesting assumption that the value of the company will also increase as a result of increased managerial ownership. A large amount of managerial ownership will effectively monitor the company activities.

Brigham & Houston (2011) examined the relationship between managerial ownership and the number of boards of commisioners against corporate value. The study found that company value increased with managerial ownership up to 5%, then decreased when the managerial ownership around 5%-25%, and then increased again in line with the continuous increase of managerial ownership. According to Sujono &

Soebiantoro (2007) managerial ownership will encourage management to improve its performance, because they also own the company. Tambunan (2015) argued that the greater the ownership of management within the company, thus management would tend to improve its performance for the benefit of shareholders and for its own interests. The greater the performance, the greater the value of the company.

2.1.3. Financial Performance

Performance is the function of the ability of an organization to gain and manage the resources in several different ways to develop competitive advantage (Chen & Wong, 2004). There are two types of performance applied in a company, financial performance and non-financial performance. Financial performance emphasizes on variables related directly to financial report.

According to Weston & Copeland (2010) there are three types of financial performance as follows:

a. Profitability ratio, it measured the management effectiveness based on the results of investment sales.
b. Growth Ratio, it measured the company's ability to maintain its economic position in the economic growth and industry or market of the product in which it operates.
c. Valuation Measures, it measured the management's ability to achieve market values that exceed cash expenditure.

Therefore, the financial performance used in this study is profitability. Profitability is a form of management performance in managing the company (Petronila & Mukhlasin, 2003). The profitability can be various such as operating profit, net income, return on investment or assets, and rate of return on owner's equity. Profitability ratios showed the success in generating profits (Ang, 1997). Kusumawati et al. (2005) said profitability is the company ability to make a profit in the future and is an indicator of the success of the company operations. Horne & Wachowicz (2007) said that profitability ratios consist of two types, namely, ratios that show profitability about sales, i.e., gross profit margin and net profit margin), and profitability concerning investment i.e., return on assets (ROA) and return on equity (ROE).

Profitability is the result of management policies and decisions of a company (Brigham & Houston, 2001). Thus, it can be said that the profitability of the company is the ability of the company in generating net income from activities carried out in the accounting period. High profitability showed that the company has good prospects so that the investor will highly respect that signal and it can increase the value of the company (Sujono & Soebiantoro, 2007). Investors invested a share in a company to obtain a return, which consists of yield and capital gain. The higher the ability to earn profits, the greater the expected return by investors, thus it makes better the value of the company.

Profitability ratios in this study are represented by return on equity (ROE). ROE is used as a measurement of profitability ratios because it has

advantages that are easy to calculate and understand. The return on assets is measured by earning after tax to total assets (Ang, 1997). This reflected the company ability to use the company assets used for its operations in order to generate profitability. The greater the ROA, the better the performance of the company due to the rate of return on investment is more excellent.

ROE is a ratio that shows the rate of return earned by the owner or shareholder of the investment in the company. ROE compares the amount of net income to the equity of ordinary shares. The higher ROE indicates that the higher the rate of return on the investment made and the lower ROE signifies the return rate will be lower too. A prospective investor needs to look at the ROE of a company before deciding to invest in knowing how much will be generated from the investment it is doing (Sitepu, 2010).

According to Naim (1999) return on investment (ROI) and return on equity (ROE) are used to measure profitbality of the company. ROI represented the rate of return on the firm investment in assets. ROI is often called as Return on Assets (ROA). ROA is the ratio of net income to the total assets of the company. While ROE is a comparison between net profits after tax with equity that will be invested by shareholders in the company. This ratio shows the company's ability in capital equity to generate profits. ROE represents the rate of return on owner's equity. Owner's equity is the total net assets of the company.

2.1.4. The Influence of Firm Growth on Financial Performance

In maintaining the sustainability of its business, the company needs to improve the quality of its performance by expanding the business. One way to develop is to grow the company through increasing assets. Every company strives to achieve high growth every year because the growth of the company provides an overview of the company's development.

Mardiyah (2001) defined firm growth as the annual change of total assets. Meanwhile, Taswan (2013) stated that firm growth is a growth of total assets in which the past growth of total assets will either represent or predict the future profitability. It is also said that firm growth is a change, decrease or increase of total assets owned by a company. Asset growth is calculated as the percentage change in total assets at a particular time against the previous year (Saidi, 2004). Based on those definitions above, it can be depicted that firm growth is a change in the company total assets either increase or decrease at a certain period.

Firm growth is said to have a significant role in explaining the firm level of profitability (Ali, Mohammed, & Amer, 2015). Kasmir (2010) said that the firm growth is a growth ratio that reflects the ability of the company to maintain its economic position amid the growth of its economy and business sector. The company growth can be seen based on asset growth and sales growth. Fauzi & Suhadak (2015) defined asset growth as changes or annual growth rates in a year from the previous to the next total assets. Meanwhile, sales growth is a ratio showing the increase or decrease in sales made by the company each year (Harahap, 2013).

The rate of company growth represented the sales progress and company asset (Fauzi & Suhadak, 2015). The excess level of current assets can easily make a company create a low return on investment (Horne & Wachowicz, 2007). Based on these two statements, it can be interpreted that if there is idle money which is not used to produce goods, it will not either make money or increase the profitability of a company. Hence, it is suspected that the firm growth affects the profitability of the company.

For companies, the opportunity to grow or invest will increase the need for funds. It means that besides the available internal funds, additional funds from outside the company are needed, including debt (Ang, 1997). Companies with high growth rates will depend on funds from outside the company because funds from within the company are not sufficient to support high growth rates. Thus, companies with high growth rates will use more debt as a source of funding than companies with low growth rates (Hutomo, 2015). In this study, the firm growth is measured by measuring the growth of company assets which can be seen from the annual growth rate of the company's total assets in both previous and next year.

Growth is the impact on the flow of company funds from operational changes caused by the increase or decrease in business volume (Herfet, 1997). Both internal and external parties expect firm growth, excellent growth is a sign that the company is still alive. From the investor's point of view, firm growth is a sign that the company has a favorable aspect, and investors would expect a rate of return on investments showing good progress.

The rate of firm growth would show how far the company can use debt as its source of financing. In relation to leverage, firms with high growth rates should use equity as a source of financing to avoid agency costs between shareholders and company management, whereas companies with low growth rates should use debt as a source of financing because the use of debt will require the company to pay interest on a regular basis. The faster the growth of the company, the greater the fund needed for expansion. The greater the need for future financing, the greater the desire of the company to retain earnings. Thus, a growing company should not share profits as dividends but better be used for expansion. This growth potential can be measured by the amount of research and development costs. The higher the cost of R&D, the more the prospect of the company to grow (Sartono, 2001).

The firms with growth opportunities have moderately more development projects, new product lines, acquisitions of other companies and repair and replacement of existing assets. Moreover, growth opportunities and firm size are positively related to profitability (Bhutta & Hasan, 2013). Sales growth is considered positive for a company's survival and profitability. Asset growth is defined as the increase in the firm asset over time (Lasisi & Mustapha, 2018)

2.1.5. The Influence of Firm Size on Financial Performance

Firm size is a grouping of companies into several groups, including large, medium, and small companies. A firm size scale depicts the size of a company showed by the total assets (Suwito & Herawati, 2005). Thus, it can

be said that the firm size is the parameter used to gauge how big the company owns the assets.

According to Sujianto (2001) as cited in Sekartaji (2017), firm size described the size of a company which is shown by total assets, total sales, average total sales, and average total assets. Firm size is proxied by the total assets of the company every year (Suryaputri & Astuti, 2003). Firm size is a scale where the size of the company can be classified according to various ways, including the total assets, log size, stock market value, etc (Prasetyorini, 2013).

Size is an important predictor of the performance. Larger firms show better profitability while smaller firms cannot compete for larger firms in this regards (Abbasi & Malik, 2015). Organizational size effects have been the focus of many prior studies. The benefits of organizational size may accrue to the financial performance of the organization. Larger organizations seem able to generate stronger competitive capability than their smaller rivals as a result of their superior access to resources, greater market power, and economies of scale and scope (Glen, Lee, & Singh, 2003). According to Kioko (2013) in the results of the study by (Hall & Weiss, 1967) showed that the firm size proxied by the log of firm assets exhibit a positive relationship with profitability that represented by both Return On Equity (ROE) and Return On Assets (ROA)

Hence, it can be interpreted that the size of the company is one of the main factors influencing the level of public trust, both investor and

creditor. The bigger the size of the company, the higher the level of public trust. If public trust is high, then the company will be easier to seek capital in the market. It means, the profitability can be improved. In this study, firm size will be measured by using the logarithm of total assets.

2.2. Review of Previous Research Results

Some previous researchers have previously studied some studies related to ownership structure, firm growth in the company financial performance, and various implications.

Westman (2011) conducted a study entitled "The Impact of Management and Board Ownership on Profitability in Banks with Different Strategies". This study aimed to determine the influence of managerial ownership on the financial performance of banks. The sample used in this study were 37 banks in Europe. ROA and ROE were used as a tool for measuring financial performance, but ROE is more preferred since relating to shareholder's interest. Data analysis used to test the research hypothesis was done by using regression analysis. The results of this study indicated (1) managerial ownership has a positive and significant effect on ROE, (2) managerial ownership has a positive and significant effect on ROA.

Ling et al. (2015) conducted a study entitled "Foreign Ownership, Foreign Directors and the Profitability of Malaysian Listed Companies". This study aimed to determine the effect of foreign ownership and managerial ownership towards the profitability of the go public company. The study was conducted on 348 companies go public in Malaysian listed

companies during 1999-2000. Return on equity (ROE) was used to measure profitability in this study. Data analysis was done by using multiple regression analysis. The results of this study show that (1) foreign ownership has a positive and significant effect on ROE, and (2) managerial ownership has a positive and significant effect on ROE.

Ozili & Uadiale (2017) did a study which has a title "Ownership Concentration and Bank Profitability." This study aimed to determine the effect of share ownership structure on bank profitability. The study was conducted using a sample of 43 go public banks in Nigeria, during the period 2006-2015. ROA, ROE, NIM, and REP are used to measure the financial performance. Data analysis used to test the research hypothesis was multiple regression analysis. The results of this study revealed that (1) managerial ownership has a positive and significant effect on ROE, (2) managerial ownership has a positive and significant effect on ROA.

Sari (2015) did a study entitled "Pengaruh Struktur Kepemilikan terhadap Kinerja Perusahaan dengan Struktur Modal sebagai Pemoderasi". This study aimed to determine the effect of ownership structure on company performance with capital structure as a moderating variable in chemical companies listed on Indonesia Stock Exchange during period 2011-2013. The sample was chosen by using purposive sampling technique to get 10 chemical companies. The regression equation in this research is moderated regression analysis (MRA) used to test whether moderating variable can strengthen or weaken the relationship between independent variables to dependent variable. The analysis technique used is multiple regression.

Based on multiple regression analysis with 5% significance level, this research shows that: 1) The first hypothesis; the influence of the relationship between the ownership structure on the company performance can be accepted with a significance level of 0.045 in the positive direction, 2) The second hypothesis; the influence of the relationship between capital structure on the company performance can be accepted with a significance level of 0.013 in the positive direction, and 3) The last hypothesis; the effect of capital structure as a moderating with the relationship between the ownership structure on the company performance can be accepted with a significant level of 0.051 in the positive direction. Thus, the capital structure is able to positively moderate the relationship between the ownership structure on the firm performance. The similarity of this research with the author's research is to examine the influence of ownership structure on the company performance. Meanwhile, the differences are: (1) the type of company or industry sector, (2) years of observations, and (3) moderating variable.

Nurcahyo (2014) examined a study entitled "Pengaruh Struktur Kepemilikan Saham dan Ukuran Perusahaan terhadap Kinerja Keuangan Perusahaan (Studi Empiris pada Perusahaan Manufaktur yang terdaftar di BEI Tahun 2010-2013)". This research discussed about the effect of shareholding structure and firm size on the company performance. The performance of the company in this research was measured by using return on assets (ROA). The independent variables in this research are managerial ownership, institutional ownership, public ownership, and firm size. The

dependent variable in this research was company financial performance. Population in this research was manufacturing company listed on Indonesia Stock Exchange or Bursa Efek Indonesia (BEI) during period 2010-2013. Total sample of this research was 36 companies. Sampling method used in this research was purposive sampling. Multiple regression analysis method used in this research. The results of this study indicated that managerial ownership, institutional ownership, and firm size had a significant positive effect on the company performance. Meanwhile, public ownership had no significant positive effect on the company performance. The similarity between this research and the author's research is to examine the influence of ownership structure on the company performance. The differences are: (1) the type of company or industry sector, (2) years of observations, and (3) another types of company financial measurement.

A study by Abbasi & Malik (2015) entitled "Firms' Size Moderating Financial Performance in Growing Firms: An Empirical Evidence from Pakistan". This study aimed to determine the influence of firm growth on the company financial performance with firm size as the moderating variable. The sample used in this research was 50 non-financial companies listed on Karachi Stock Exchange. This research was done by using data of 2012. The results of this research were: (1) firm growth had positive and significant effect on the company financial performance, (2) firm size has positively moderated the influence of firm growth on the company financial performance. The similarity between this research and the author's research are: (1) examining the influence of firm growth on the company financial

performance, (2) firm size is used as the moderating variable. The differences are (1) the location and time of study, (2) type of company, (3) another type of company financial measurement.

Wahyuni (2015) did a study entitled "Pengaruh Corporate Governance dan Struktur Kepemilikan Terhadap Kinerja Perusahaan pada Perusahaan LQ 45 di Bursa Efek Indonesia". This research aimed to determine the effect of corporate governance, institutional ownership, managerial ownership of the company financial performance. The sample used in this study were the companies that included in the LQ-45 group during 2009-2013. The total sample used in this study were 97 companies. The results of this study showed that (1) institutional ownership had a significant influence on the company financial performance, (2) managerial ownership had a significant influence on the company financial performance. The similarity between this research and the author's research is examining the influence of ownership structure on the company financial performance. The differences are (1) years of observations, (2) type of sample company.

Fauzi & Musallam (2015) the study entitled "Corporate Ownership and Company Performance: A Study of Malaysian Listed Companies." This study aimed to determine the influence of ownership structure on the financial performance of the company. The study was conducted using a sample of 190 publicly traded companies taken randomly at the Kuala Lumpur Stock Exchange in 1999. The results of this study represented that (1) the ownership structure had a positive significant influence on the

company financial performance, (2) firm size had a positive significant influence on the company financial performance. The similarity is the author examines the company financial performance as same as the previous researcher conducted. Meanwhile, the differences are (1) the location and time of doing research, (2) type of sample company, (3) another type of company financial measurement.

Fauzi & Suhadak (2015) conducted a study which has a title "Pengaruh Kebijakan Dividen dan Pertumbuhan Perusahaan terhadap Struktur Modal dan Profitabilitas (Studi Pada Sektor Mining yang Terdaftar di Bursa Efek Indonesia Periode 2011-2013)". This research aimed to know the influence of dividend policy and firm growth to capital structure and profitability. This research was conducted on Mining sector listed on Indonesia Stock Exchange (IDX) period 2011-2013. Mining sector was chosen because of this activities IDX further strengthen this sector with the aim to improve competitiveness and developing Mining industry. Type of this research is explanatory research with quantitative approach. The population of this research is the Mining sector listed on IDX period 2011-2013. The population in this research as many as 40 companies. This research sampled using a purposive sampling technique and retrieved 11 companies sample. Methods of data analysis used in this research using Partial Least Square (PLS). The results of this study indicated that the dividend policy has a significant and negative effect on the capital structure, the firm growth has a significant and negative effect on the capital structure, dividend policy has a significant and positive effect on profitability, the

company growth has no significant and negative effect on profitability, capital structure has a significant and negative effect towards profitability.

A study was done by Hutomo (2015) entitled “Pengaruh Faktor Likuiditas, Pertumbuhan Perusahaan dan Struktur Asset yang Mempengaruhi Kinerja Keuangan Dalam Industri yang Go Public di BEI Periode 2009-2012”. This study aimed to determine the effect of liquidity, firm growth and asset structure on the Return on Assets (ROA) of the company. The population of this study was manufacturing companies listed on the IDX for the period 2009-2012. The number of manufacturing companies listed on the IDX for the period 2009-2012 totaled 146 companies. Sample selection is made by purposive sampling method with the criteria of manufacturing companies listed on the Stock Exchange in the period 2009-2012 and compile the annual financial statements in a row from 2009 to 2012 to obtain 70 companies. The data analysis method uses multiple linear regression analysis. Based on the results of research that has been done it can be seen that the current ratio has a significant effect on profitability (ROA). Sales growth has no significant impact on profitability (ROA), and asset structure has no significant effect on profitability (ROA). Simultaneous test results have a positive and significant effect between liquidity, company growth and asset structure on profitability (ROA). 8.1% profitability (ROA) can be explained by liquidity, company growth and asset structure. Whereas, other variables outside the model describe the remaining 91.9%.

Research conducted by Armini & Wirama (2015) "Pengaruh Pertumbuhan Perusahaan, Kepemilikan Manajerial dan Kebijakan Dividen pada Kinerja Perusahaan." This research was aimed to determine the effect of company growth, management ownership and dividend policy on the company performance. The population in this research are companies listed in the capital market, and the number is not known or what called an infinite population. The sampling method used was purposive sampling method and obtained 314 sample which satisfies the criteria with the number of observations is 912. Tobin's Q ratio was used to measure the company performance. Multiple regressions analysis was used to test the hypothesis. The results showed that the firm growth and managerial ownership does not affect the company performance, while the dividend policy has a significant positive effect on company performance. The results of this study did not support the agency theory but supported the bird in the hand theory that proposed by Gordon and Lintner.

A previous study conducted by Odalo et al. (2016) entitled "Relating Sales Growth and Financial Performance in Agricultural Firms Listed in the Nairobi Securities Exchange in Kenya" aimed to determine the effect of sales growth on the financial performance of listed Agricultural Companies at Nairobi Securities Exchange in Kenya during 2003 - 2013. The study was anchored on the theory of the firm growth that recognizes that increments in sales over the years affects the financial performance of an organization. Panel design with descriptive and causal study design was adopted, and all the listed companies in the agriculture sector in Kenya were studied. Sales

increments in each year were used as a measure of sales growth while the financial performance was measured by return on assets (ROA), return equity (ROE) and earnings per share (EPS). Inferential statistics (correlation and regression) was used for data analysis. A pooled OLS regression model was used to incorporate the time and space movements. The study affirmed that sales growth had a positive and significant effect on financial performance measures ROA and ROE and negative and insignificant impact on EPS. From the study findings, there is clear evidence to conclude that as the firm increases sales, financial performance as measured by ROA and ROE also.

2.3. Hypothesis Development

The hypothesis proposed as a temporary result of the research problem formulation are:

The ownership structure is the proportion or percentage of institutional ownership and management ownership in the ownership of the company shares. The number of the ownership structure owned by institutional parties outside the company resulted in more stringent control and oversight by outside parties. This is due to the higher ownership structure by outsiders, then the votes obtained by external parties (institutional investors) in the Annual General Meeting Shareholders will be higher. The better the supervision and control of the company, the better the company financial performance. The result study done by Westman (2011), Ling et al. (2015), Ozili & Uadiale (2017), Nurcahyo (2014), Sari (2015),

and Fauzi & Musallam (2015) showed that ownership structure has a significant positive impact on financial performance. Thus it can be hypothesized:

H1: The ownership structure has a positive effect on financial performance.

The growth of the company is one indication of the company asset growth. Companies with positive growth indicate that the company is performing well. Thus, it can be expected that the higher the firm growth, the higher the financial performance. The study done by Odalo et al. (2016) found that sales growth had a significant positive effect on financial performance (both ROA and ROE). In contrast, Fauzi & Suhadak (2016), Hutomo (2015), and Armini & Wirama (2015) revealed that firm growth has a negative significant effect on financial performance. Therefore it can be hypothesized as follows:

H2: Firm growth has a positive effect on financial performance

The size of a company based on the value of its assets can directly demonstrate the company ability to operate its activities. Large firms are more flexible regarding applying their investment policies and debt policies, and thereby it could strengthen the influence of ownership structures on financial performance. In addition, Sari (2015) revealed that moderating variable is the second independent variable that able to strengthen or weaken the relationship between a dependent variable and independent variable.

H3: Firm size strongly positive moderates the effect of ownership structure on financial performance.

Besides the firm size could moderate on the ownership structure, is also expected to moderate the influence of the firm growth. The larger the size of the company, the greater the influence of firm growth on financial performance. Abbasi & Malik (2015) proved that firm size has a positive significant effect moderate the influence of firm growth on financial performance. Thus it can be hypothesized as follows:

H4: Firm size strongly positive moderates the effect of firm growth on financial performance.

2.4. Research Model

The research model which represents the relationship among variables in this study would be depicted as follows.

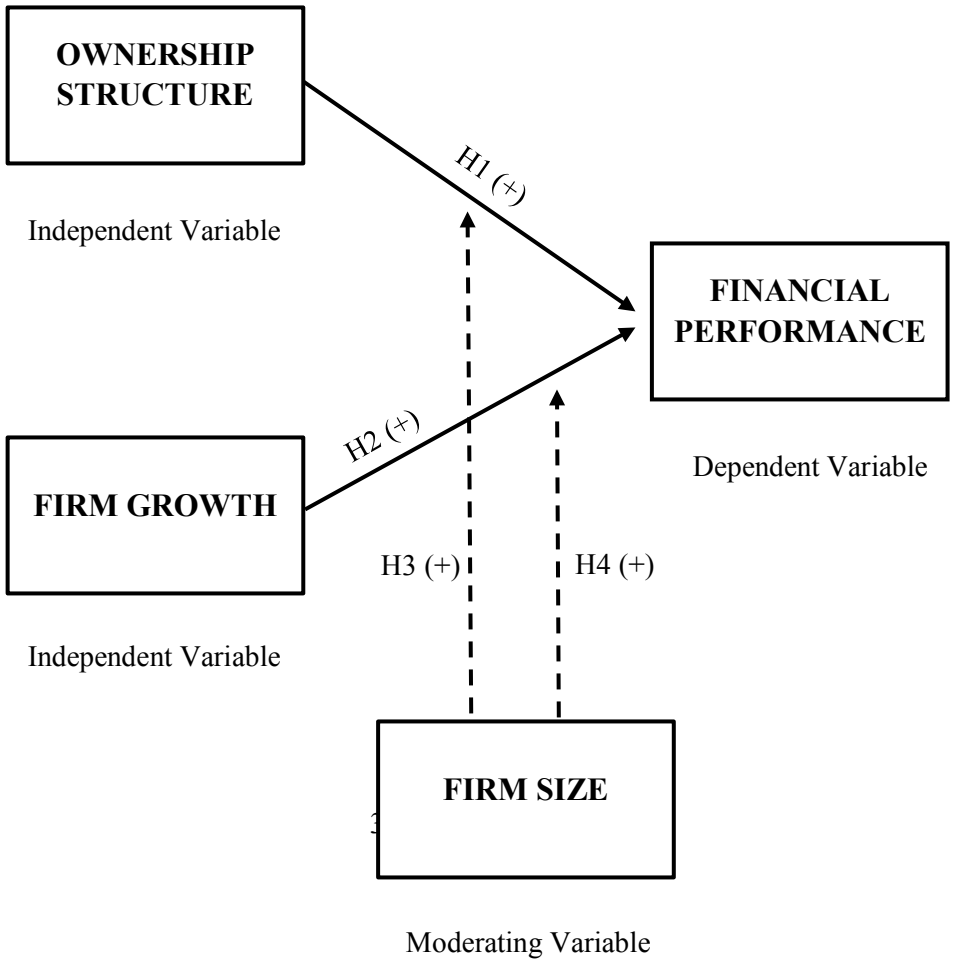


Figure 2 1. Research Model

CHAPTER III

RESEARCH METHOD

3.1. Types of Study

Aliaga and Gunderson (2000) in pursuance of Essays (2013) defined quantitative research as "explaining phenomena by collecting numerical data that are analyzed using mathematically based methods (in particular statistics)." According to Creswell (2003) researcher primarily uses post-positivist approach to develop knowledge when quantitative research is selected (i.e., cause and effect thinking, use of measurement and observations, and test of theories), employs strategies of inquiry such as experiments and surveys, and collects data on predetermined instruments that yield statistical information. Based on the characteristics reflected by the problems, this research is classified as quantitative research.

3.2. Population and Sample

3.2.1. Population

The population of this study are all textile industries listed in the Indonesia Stock Exchange (BEI).

3.2.2. Sample

The sample of this study is part of the population member. The sample was taken by purposive sampling, with certain criteria: (1) textile companies, (2) listed in BEI in succession during 2012-2016, (3) audited annual financial reports that can be accessed directly during 2012-2016.

Table 3 1. List of Sample Companies

No.	Company Name	No.	Company Name
1.	Apac Citra Centertext	11.	Panasia Indo
2.	Argo Pantes	12.	Polychem Indonesia
3.	Asia Pacific Fibers	13.	Ricky Putra
4.	Century Textile Industry (PS)	14.	Sri Rejeki Isman
5.	Century Textile Industry (B)	15.	Star Petrochem
6.	Eratex Djaya	16.	Sunson Textile
7.	Ever Shine Textile	17.	Tifico
8.	Indo Rama	18.	Trisula Int.
9.	Nusantara Inti Corpora	19.	Unitex
10.	Pan Brothers		

Source: IDX Fact, 2016.

3.3. Data Sources and Data Collection Techniques

According to Hartono (2007) data collection techniques in research can be taken by several methods, i.e., direct observation, opinion, archival, and analytical strategies. In this research, the technique that the researcher used is an archival method to get secondary data taken from any sources. All data that used in this research is secondary data that already available or existed. The data source that used is the Audited Annual Financial Report of the Textile Companies listed in Indonesia Stock Exchange or Bursa Efek Indonesia (BEI) for the period 2012-2016 that published on IDX website.

3.4. Definition of Operational Variables

In this research, there are three types of variables that used that is independent variable, dependent variable, and also moderating variable.

3.4.1. Independent Variable

The independent variable is a variable that influences or causes the change in the occurrence of the dependent variable. The independent variables used are the ownership structure and firm growth.

The Ownership Structure

Since the number of shares owned by the institution is relatively much more than managerial ownership, the ownership structure that would be the focus of this study is the institutional ownership structure. Institutional ownership (IO) is the proportion of ownership by institutional investors as measured by the percentage of shares owned by institutional investors reported in the financial statements. Institutional ownership is calculated using the following formula (Hardiningsih, 2009).

IO = Number of shares owned by the institution / Total number of shares

Firm Growth

The percentage change in total assets measures the firm growth in this study. It measured by using the following formula (Fauzi & Musallam, 2015).

FG = Total assets year t / [Total assets year t - Total assets year (t-1)] x 100%

3.4.2. Dependent Variable

The dependent variable is the variable that is affected or that resulted from the independent variable. Financial performance used as a dependent variable.

Financial Performance

Financial performance in this research measured by profitability. Profitability is the ability of a company to generate profit. The measurement of profitability in this study used the ratio between net incomes earned divided by the company with its own capital (equity) which is return on equity (Brigham & Houston, 2001). It formulated as follows:

ROE = Net Income / Equity x 100%

3.4.3. Moderating Variable

Moderating variable is a variable that influences (strengthens or weakens) the relationship between independent and dependent variables. This variable often referred to as second independent variable. Firm size is used as a moderating variable.

Firm Size

Firm size is the size of the company regarding total assets. It measured by using the formula (Brigham & Houston, 2001).

FS = log (Total Assets)

3.5. Data Analysis Method

3.5.1. Descriptive Statistics

Descriptive statistics are used to describe the main financial variables disclosed by companies in the financial statements for the period 2012-2016. The analytical tool used is the minimum value, maximum value, average value, and standard deviation to describe the research variables.

3.5.2. Classical Assumption Test

Before being used to perform hypothesis testing, multiple regression models would be tested through classical assumptions. The classical assumption test in the regression analysis is necessary to ensure that regression coefficient obtained based on unbiased data analysis. Regression models that have a regression coefficient of bias can cause errors in their use. Therefore, a regression model before being used to make a decision must first be ensured that the model has an unbiased regression coefficient, through a classical assumption test. The classical assumption test included: normality test, autocorrelation test, heteroscedasticity test, and multicollinearity test. (Widarjono, 2007).

3.5.2.1. Normality Test

The normality test on error disturbance of the regression model in this research performed by using non-parametric test (Kolmogorov-Smirnov). According to this method, if the Kolmogorov-Smirnov statistics are not significant (sig>0.05) then the data distribution being tested is a normal distribution (Widarjono, 2007).

3.5.2.2. Autocorrelation Test

Autocorrelation test on regression model of this research done by using Durbin-Watson test. According to this method, if the Durbin-Watson (DW) statistics approaches 2.0; thus there is no autocorrelation (Widarjono, 2007).

3.5.2.3. Heteroscedasticity Test

Heteroscedasticity test on regression model of this research done by using Spearman rank correlation method. If an independent variable has a Spearman rank correlation that is not significant, thus the independent variable does not experience heteroscedasticity (Widarjono, 2007).

3.5.2.4. Multicollinearity Test

Multicollinearity test in this research done by using VIF method. According to this method, if an independent variable has a value VIF<10, thus it can be concluded that the independent variable does not experience multicollinearity (Widarjono, 2007).

3.5.3. Simple Regression Analysis

Simple Regression is a test to predict the relationship between two continuous variables (variable X to Y)**.** The formulation of simple regression as follows:

$$ROE = b_0 + b_1OS + e \qquad (1)$$

$$ROE = b_0 + b_1FG + e \qquad (2)$$

3.5.4. Moderated Regression Analysis

Moderated Regression analysis is a specific test of linear multiple regression in which the regression equation contains elements of interaction (multiplying two or more independent variables). Hence, it could be formulated as follows:

$$ROE = b_0 + b_1OS + b_2FS + b_3OSxFS + e \quad (3)$$

$$ROE = b_0 + b_1FG + b_2FS + b_3FGxFS + e \quad (4)$$

Information: ROE = Profitability of the company; OS = Ownership Structure; FG = Firm Growth; FS = Firm Size.

3.5.5. Hypothesis Testing

Hypothesis testing of this entire study done by using a t-test. This statistical test is a partial test which used to test between the independent variables to the variables that associated with the assumption that other variables are considered as constant. The criteria of hypothesis testing are as follows:

1. If the value of sig<0.05 or $t\text{-}_{count} > t\text{-}_{table}$ thus Ho is rejected and Ha is accepted
2. If the value of sig≥0.05 or $t\text{-}_{count} \leq t_{table}$ thus Ho is accepted and Ha is rejected.

CHAPTER IV

DATA ANALYSIS AND DISCUSSIONS

In this chapter, it presented the description of the research object, the results of the analyzed data, and the data discussions. Data analysis

presented in this research are descriptive statistical analysis, the classical assumption test, simple regression analysis method, moderated regression analysis method, and hypothesis testing. The data in this research were collected and processed by using a computer program IBM SPSS Statistics 25.

4.1. Description of Research Object

Research object that used as the population in this research is Go Public Textile Companies during 2012-2016. The total of these companies is 19 companies. The sample object of this research determined by using purposive sampling method with some considerations or criteria as follows: (1) textile companies, (2) successively listed in IDX during 2012-2016, (3) audited annual financial reports that directly accessed during 2012-2016. Based on those criteria, there are three companies have not fulfilled the criteria so that they could not be included as the sample of this research.

Table 4 1. Sample Selection

No.	Criteria of the company	Total
1.	Textile companies listed in IDX during 2012-2016	19
2.	Textile companies listed in IDX during 2012-2016 whose audited annual financial reports are not fully accessible	(3)
3.	Textile companies fulfilled the sample criteria during 2012-2016	16

From the total of 19 Go Public Textile companies (100%) listed in IDX, there were 3 companies (15.79%) that did not meet the qualification of criteria data collection, namely: CNTX (Century Textile Industry Series B), ADMG (Polychem Indonesia Tbk), and UNITEX (Unitex Tbk). For CNTX

and ADMG, their financial statements were not published on the IDX website when the researcher took the data. Meanwhile, UNITEX has become go private or exited membership of the IDX. The rest of 19 companies, 16 companies (84.21%) were qualified because their audited annual financial reports are fully accessed.

4.2. Descriptive Statistics

Descriptive statistics used on this research aimed to describe or explain each research variables based on its statistical value. The statistics used in the descriptive statistics analysis are the minimum value, maximum value, mean value, and standard deviation value.

Table 4 2. Descriptive Statistics of Research Variables

	N	Minimum	Maximum	Mean	Std. Deviation
ROE	80	-161.46	207.09	5.82	38.31
FG	80	-32.33	56.17	5.46	16.51
OS	80	19.48	90.19	57.31	16.59
FS	80	5.22	7.26	6.04	.51
Valid N (listwise)	80				

Source: secondary data, 2018.

Based on the descriptive statistics presented in table 4.1, it can be described as follows:

1. Profitability of the company (ROE) during 2012-2016 has a mean value of 5.82%. The minimum ROE value is -161.46% belonging to PT Centuri Textile Industries PS in the year 2012. Meanwhile, the maximum ROE value is 207.09% belonging to PT Asia Pacific Investama in the year of 2016. The standard deviation of ROE is 38.31%, which means the value of ROE average fluctuation ranges from -38.31% to + 38.31%.

2. Firm growth (FG) during 2012-2016 has a mean value of 5.46%. The minimum value is -32.33% belonging to PT Evershine Textile Industries in the year 2016, and the maximum value is 56.17% belonging to PT Panasia Indo Resource in the year 2013. The standard deviation of firm growth is 16.51%, which means the value of firm growth average fluctuation ranges from -16.51% to +16.51%.
3. Ownership Structure (OS) during 2012-2016 has a mean value of 57.31%. The minimum value is 19.48% hold by PT Ricky Putra Globalindo in the year of 2016, and the maximum value is 90.19% belonging to PT Indo Rama Synthetic in the year of 2012. The standard deviation of the ownership structure is 16.59%, which means the value of the average fluctuation is between -16.59% to +16.59%.
4. Firm size (FS) during 2012-2016 has a mean value of 6.04. The minimum value is 5.22 hold by PT Star Petrochem in the year of 2016 with the maximum value of 7.26 belonging to PT Indo Rama Synthetic in the year of 2016. Then, the standard deviation of firm size is 0.51 which means the value of firm size average fluctuation ranges from -0.51 to +0.51.

4.3. Classical Assumption Test

The classical assumption test is a type of statistical test to determine whether a population normally distributed or not (Wibisono, 2013). This typical test is crucial because many researchers often assume that the observed population has a normal distribution, before performing data processing on an observation.

This research used two types of regression analysis in which each regression analysis is different. They are simple regression and moderated regression analysis. Simple regression analysis used to test the first and second hypothesis. Meanwhile, the moderated regression analysis used to test the third and fourth hypothesis. So the classical assumption test was done four times according to the regression model used.

4.3.1. Normality Test

The normality test in this regression model disturbance error performed by using a non-parametric Kolmogorov-Smirnov test. The results of the normality test for two types of regression presented as follows:

Table 4 3. Kolmogorov-Smirnov H1

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	35.35703087
Most Extreme Differences	Absolute	.156
	Positive	.141
	Negative	-.156
Test Statistic		.016
Asymp. Sig. (2-tailed)		.070[c]

Table 4 4. Kolmogorov-Smirnov H2

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	35.10675714
Most Extreme Differences	Absolute	.176
	Positive	.176
	Negative	-.121
Test Statistic		.018
Asymp. Sig. (2-tailed)		.080[c]

Table 4 5. Kolmogorov-Smirnov H3

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	29.98128346
Most Extreme Differences	Absolute	.167
	Positive	.167
	Negative	-.154
Test Statistic		.017
Asymp. Sig. (2-tailed)		.091[c]

Table 4 6. Kolmogorov-Smirnov H4

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	32.32019890
Most Extreme Differences	Absolute	.141
	Positive	.141
	Negative	-.131
Test Statistic		.141
Asymp. Sig. (2-tailed)		.065[c]

Source: secondary data processed, 2018

Based on the data analysis above, the statistical value of Kolmogorov-Smirnov for H1 is 0.016 with sig = 0.070 (see on table 4.3), H2 is 0.018 with sig = 0.080 (see on table 4.4), H3 is 0.017 with sig = 0.091 (see on table 4.5), and H4 is 0.141 with sig = 0.065 (see on table 4.6). At the level of significance (α) 5% or 0.05 then the value of sig.> 0.05, which means the Kolmogorov-Smirnov statistics are not significant. Thus it can be concluded

that the disturbance error of all of these regression model has a normal distribution, which means it meets the assumption of normality.

4.3.2. Autocorrelation Test

The autocorrelation test in this regression model done by using the Durbin-Watson test. The results of the autocorrelation test for two types of regression presented as follows:

Table 4 7. Autocorrelation Test H1

Model	Change Statistics			
	df1	df2	Sig. F Change	Durbin-Watson
1	1	78	.000	2.074

Table 4 8. Autocorrelation Test H2

Model	Change Statistics			
	df1	df2	Sig. F Change	Durbin-Watson
1	1	78	.000	1.992

Table 4 9. Autocorrelation Test H3

Model	Change Statistics			
	df1	df2	Sig. F Change	Durbin-Watson
1	3	76	.000	2.222

Table 4 10. Autocorrelation Test H4

Model	Change Statistics			
	df1	df2	Sig. F Change	Durbin-Watson
1	3	76	.000	2.271

Source: secondary data processed, 2018

Based on the results of regression analysis that have done, obtained statistical value of Durbin-Watson (DW) for H1 is 2.074 (see on table 4.7),

H2 is 1.992 (see on table 4.8), H3 is 2.222 (see on table 4.9), and H4 is 2.271 (see on table 4.10). Since the values of all Durbin Watson are around 2.0, it concluded that in the regression model there is no autocorrelation, which means meeting the autocorrelation assumption.

4.3.3. Heteroscedasticity Test

Heteroscedasticity test in this regression model done by using Spearman rank correlation method. If an independent variable has a Spearman rank correlation which is not significant, then it does not experience heteroscedasticity. The results of the heteroscedasticity test for two types of regression presented as follows:

Table 4 11. Heteroscedasticity Test H1

			ABS_RES	OS
Spearman's rho	ABS_RES	Correlation Coefficient	1.000	-.069
		Sig. (2-tailed)	.	.545
		N	80	80
	OS	Correlation Coefficient	-.069	1.000
		Sig. (2-tailed)	.545	.
		N	80	80

Table 4 12. Heteroscedasticity Test H2

			ABS_RES	FG
Spearman's rho	ABS_RES	Correlation Coefficient	1.000	-.042
		Sig. (2-tailed)	.	.714
		N	80	80
	FG	Correlation Coefficient	-.042	1.000
		Sig. (2-tailed)	.714	.
		N	80	80

Table 4 13. Heteroscedasticity Test H3

			ABS_RES	OS	FS	OSFS
Spearman's rho	ABS_RES	Correlation Coefficient	1.000	.047	.153	.018
		Sig. (2-tailed)	.	.679	.176	.877
		N	80	80	80	80
	OS	Correlation Coefficient	.047	1.000	.177	.809
		Sig. (2-tailed)	.679	.	.117	.000
		N	80	80	80	80
	FS	Correlation Coefficient	.153	.177	1.000	.454
		Sig. (2-tailed)	.176	.117	.	.000
		N	80	80	80	80
	OSFS	Correlation Coefficient	.018	.809	.454	1.000
		Sig. (2-tailed)	.877	.000	.000	.
		N	80	80	80	80

Table 4 14. Heteroscedasticity Test H4

			ABS_RES	FG	FS	FGFS
Spearman's rho	ABS_RES	Correlation Coefficient	1.000	.184	.212	.166
		Sig. (2-tailed)	.	.103	.079	.141
		N	80	80	80	80
	FG	Correlation Coefficient	.184	1.000	.115	.977
		Sig. (2-tailed)	.103	.	.310	.000
		N	80	80	80	80
	FS	Correlation Coefficient	.212	.115	1.000	.120
		Sig. (2-tailed)	.079	.310	.	.288
		N	80	80	80	80
	FGFS	Correlation Coefficient	.166	.977	.120	1.000
		Sig. (2-tailed)	.141	.000	.288	.
		N	80	80	80	80

Source: secondary data processed, 2018

From the results of the heteroscedasticity test analysis above, all significance values > 0.05. These results revealed that there are no symptoms of heteroscedasticity in either simple regression model or moderated regression model. Thus, it made perfect to be used for further analysis.

4.3.4. Multicollinearity Test

In this research, multicollinearity test done by using VIF (Variance Inflation Factor) method. According to this method, if an independent variable has a VIF value <10, then it is concluded that the independent

variable does not meet multicollinearity. The results of multicollinearity test of the third and the fourth hypothesis presented as follows:

Table 4 15. Multicollinearity Test H3

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	OS	.277	3.611
	FS	.733	1.365
	OSFS	.235	4.254

a. Dependent Variable: ROE

Table 4 16. Multicollinearity Test H4

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	FG	.051	1.711
	FS	.992	1.008
	FGFS	.051	1.745

a. Dependent Variable: ROE

Source: secondary data processed, 2018

Based on the results of multicollinearity test that have done. It explained as follows.

Multicollinearity Test H3 (see table 4.15):

1) The ownership structure (OS) has a value of VIF = 3.611. Since the value of VIF = 3.611 <10 then it is concluded that the dependent variable - ownership structure does not experience multicollinearity with other independent variables.
2) Firm Size (FS) has a value of VIF = 1.365. Due to this value of VIF = 1.365<10 thus, firm size does not have multicollinearity with other independent variables.

3) Interaction of two variables (OS×FS) has a value of VIF = 4.245. Since the value of VIF = 4.245<10 then it is concluded that the interaction between ownership structure and firm size (OS×FS) does not have multicollinearity with other independent variables.

Multicollinearity Test H4 (see on table 4.16):

1) The firm growth (FG) has a value of VIF = 1.711. Since the value of VIF = 1.711 <10 then it is concluded that the independent variable – firm growth does not experience multicollinearity with other independent variables.
2) Firm Size (FS) has a value of VIF = 1.008. Due to this value of VIF = 1.008<10 thus, firm size does not have multicollinearity with other independent variables.
3) Interaction of two variables (FG×FS) has a value of VIF = 1.745. Since the value of VIF = 1.745<10 then it is concluded that the interaction between firm growth and firm size (FG×FS) does not have multicollinearity with other independent variables.

From the results of the multicollinearity test analysis above, all VIF value <10. According to these results, it concluded that there is no multicollinearity problem in this regression model and able to used for further analysis.

4.3.5. Hypothesis Testing

Hypothesis testing in this study used statistical method of a t-test. As for the results of hypothesis testing in this study are as follows:

1) The First Hypothesis Testing

The first hypothesis of this study suspected that the ownership structure (OS) has a positive effect on financial performance (ROE). Hypothesis testing done by using simple regression analysis. The results of the simple regression analysis are summarized in table 4.17 as follows:

Table 4 17. Simple Regression Analysis Results

The Influence of Ownership Structure on Financial Performance (ROE)

Independent Variable	Regression Coefficient (β)	Significance (sig.)
OS	0.385	0.000
N = 80 R^2 adj = 0.363; F=13.571; sig.=0,000 Durbin-Watson=2.074		

Source: Secondary data processed, 2018.

The first hypothesis testing of this research has formulated as follows:

H_{o1}: $\beta_1 \leq 0$ The OS does not affect financial performance (ROE).

H_{a1}: $\beta_1 > 0$ The OS variable affects financial performance (ROE).

Based on the result of simple regression analysis presented in Table 4.17, the value of standard variable regression coefficient of OS is equal to $\beta 1$ = 0.385 with a sig. = 0.000. At the level of significance (α) 5% or 0.05 then the value of sig. <0.05, which means the effect of OS variable on financial performance (ROE) is significant. It showed that the first hypothesis of this study could be truly proven, where the ownership structure of the company has a positive and significant influence on the financial performance of the company.

2) The Second Hypothesis Testing

The second hypothesis of this study suspected that firm growth (FG) has a positive effect on financial performance (ROE). Hypothesis testing done by using simple regression analysis. The results of the simple regression analysis summarized in Table 4.18. following:

Table 4 18. Simple Regression Analysis Results

The Influence of Firm Growth (FG) on Financial Performance (ROE)

Independent Variable	Regression Coefficient (β)	Significance (sig.)
FG	0.400	0.000
N = 80 R^2 adj = 0.149; F=14.881; sig.=0,000 Durbin-Watson=1.992		

Source: secondary data processed, 2018.

The second hypothesis testing of this research has formulated as follows:

H_{o2}: $\beta_1 \leq 0$ The firm growth (FG) does not affect financial performance (ROE).

H_{a2}: $\beta_1 > 0$ The firm growth (FG) affects financial performance (ROE).

Based on the result of simple regression analysis presented in Table 4.18, the value of standard variable regression coefficient of FG is equal to $\beta 1$ = 0.400 with a sig. = 0.000. At the level of significance (α) 5% or 0.05 then the value of sig. <0.05, which means the effect of firm growth (FG) on financial performance (ROE) is significant. It showed that the first hypothesis of this study could be truly proven, where the firm growth has a positive and significant influence on the financial performance of the company.

3) The Third Hypothesis Testing

The third hypothesis of this study suspected that: firm size (FS) moderates the influence of ownership structure (OS) on financial performance (ROE). Hypothesis testing done by using moderated regression analysis. The results of the moderated regression analysis are summarized in table 4.19 below:

Table 4 19. Moderated Regression Analysis Results

The Influence of Ownership Structure (OS) on Financial Performance (ROE) moderated by Firm Size (FS)

Independent Variable	Regression Coefficient (β)	Significance (sig.)
OS	0.172	0.317
FS	0.224	0.036
OS×FS	0.617	0.001
N = 80 R^2 adj = 0.363; F=16.029; sig.=0,000 Durbin-Watson=2.222		

Source: Secondary data processed, 2018.

The third hypothesis testing of this research has formulated as follows:

H_{o3}: $\beta_3 \leq 0$ Interaction of two variables (OS×FS) does not affect financial performance (ROE).

H_{a3}: $\beta_3 > 0$ Interaction of two variables (OS×FS) affects financial performance (ROE).

Based on the result of moderated regression analysis presented in Table 4.19, the value of standard variable regression coefficient of interaction between two variables (OS×FS) is equal to $\beta 3 = 0.617$ with a sig. = 0.001. At the level of significance (α) 5% or 0.05 then the value of sig. <0.05, which means the influence of interaction between two variables (OS×FS) is

significant. It can be determined that firm size as a moderating variable has a significant positive effect of moderating the influence of ownership structure (OS) on financial performance (ROE).

4) The Fourth Hypothesis Testing

The fourth hypothesis of this study suspects that: firm size (FS) moderates the influence of firm growth (FG) on financial performance (ROE). Hypothesis testing is done by using moderated regression analysis. The results of the moderated regression analysis are summarized in table 4.20 as follows:

Table 4 20. Moderated Regression Analysis Results

The Influence of Firm Growth (FG) on Financial Performance (ROE) moderated by Firm Size (FS)

Independent Variable	Regression Coefficient (β)	Significance (sig.)
FG	1.160	0.009
FS	0.453	0.000
FG×FS	1.017	0.021
N = 80 R^2 adj = 0.260; F=10.259; sig.=0,000 Durbin-Watson=2.271		

Source: Secondary data processed, 2018.

The fourth hypothesis testing of this research has been formulated as follows:

H_{o4}: $\beta_3 \leq 0$ Interaction of two variables (FG×FS) does not affect financial performance (ROE).

H_{a4}: $\beta_3 > 0$ Interaction of two variables (FG×FS) affects financial performance (ROE).

Based on the result of moderated regression analysis presented in Table 4.20, the value of standard variable regression coefficient of interaction between two variables (FG×FS) is equal to β4 = 1.107 with a sig. = 0.021. At the level of significance (α) 5% or 0.05 then the value of sig. <0.05, which means the influence of interaction between two variables (FG×FS) is significant. It can be determined that firm size as a moderating variable has a positive and significant effect of moderating the influence of firm growth (FG) on financial performance (ROE).

4.4. Discussions

4.4.1. The Influence of Ownership Structure on Financial Performance

Based on the results of hypothesis testing that has been done, empirically proven that the ownership structure has a positive and significant impact on financial performance. It implies that, if the share ownership structure increases, the company financial performance also tends to increase; on the other hand, if the share ownership structure decreases, the company financial performance also tends to decrease.

As the signaling theory has put forward, it defined that a company with good quality will give a signal to the market. Thus the market is expected to differentiate between good and bad quality companies. To be effective regarding interpreting the signal, then it must be captured well and appropriately perceived by the market. Manager behavior will be interpreted as a signal by the investor. If the manager assures that the company

prospects are right, then the manager will communicate this to investors in the hope that the share price can rise. Concerning the ownership structure, in this case, institutional ownership. If an institutional investor captures a positive signal from the manager, then naturally the number of shares owned by investors will increase. With the increase in the number of shares, the supervision from the institutional investors (outside parties) will be more strict. This is due to as the increase of institutional ownership, then the voting rights by institutional investors will also increase. If the company well managed, so that the financial performance will also automatically increase. According to Gultom et al. (2013) it stated that institutional shareholders, with large shareholdings, have incentives to monitor corporate decision making. The greater the amount of institutional ownership, the greater the encouragement to optimize the company performance.

This findings supported the following results of study conducted by Westman (2011), Ling et al. (2015), Ozili & Uadiale (2017), Nurcahyo (2014), Sari (2015), and Fauzi & Musallam (2015) revealed that the ownership structure has a positive significant on financial performane.

4.4.2. The Influence of Firm Growth on Financial Performance

The results of this study indicated empirically that firm growth has a positive and significant impact on financial performance. This implies that, if the firm growth continues to increase then the financial performance of the company also tends to increase; on the other hand, if the firm growth has

decreased then the company financial performance also tend also to decrease.

According to Kasmir (2010), the company growth is a growth ratio that reflects the company's ability to maintain its economic position amid the growth of its economy and business sector. Both internal and external parties expect firm growth, excellent growth is a sign that the company is still alive. From the investor's point of view, firm growth is a sign that the company has a favorable aspect, and investors would expect the rate of return on investments showing good progress. The firms with growth opportunities have moderately more development projects, new product lines, acquisitions of other companies and repair and replacement of existing assets. Moreover, growth opportunities and firm size are positively related to profitability (Bhutta & Hasan, 2013). Sales growth is considered positive for a company's survival and profitability. Asset growth defined as the increase in the firm asset over time (Lasisi & Mustapha, 2018).

The result of this study supported research conducted by Odalo et al (2016) which revealed that sales growth had a positive and significant effect on financial performance measuring by both ROA and ROE but had a negative and insignificant effect on EPS. On the other hand, it also in contrast with the research conducted by Fauzi & Suhadak (2015) showed that the company growth has no significant negative effect on profitability. Hutomo (2015) has proved that sales growth has no significant effect on profitability (ROA), and asset structure has no significant effect on profitability (ROA), and Armini & Wirama (2015) revealed that the

company growth and managerial ownership has no effect on the company performance.

4.4.3. The Firm Size Moderates the Influence of Ownership Structure on Financial Performance

In this study, also proven empirically that firm size can significantly positively serve as a moderating variable influencing ownership structure on financial performance. It implied that the larger the size of the company, then the stronger the influence of ownership structure on financial performance.

Firm size is a parameter or variable used to determine how big the company is. The higher the total assets owned by the company shows that the company classified into a big company. Conversely, the lower the total assets belong to the company indicates that the company classified as a small company. Thus, the greater the total assets indicate that, the greater the assets owned by the company so that investors will be more secure in investing in that company. Firm size measured by using the logarithm of total assets. Firm size is proxied by the total assets of the company every year (Suryaputri & Astuti, 2003). It means that the size of the company measured by its assets shows how much assets are owned by the company. Companies with a high amount of assets controlled will use its resources as maximum as they can to produce the maximum business profits. Meanwhile, a company with the small number of assets will also generate profits even relatively smaller.

Due to the ownership structure has a positive and significant effect on financial performance or profitability and firm size also has a significant positive effect on financial performance, this makes possible that firm size can moderate the effect of ownership structure on the financial performance. As in this study, it empirically proved that firm size could significantly act as a moderating variable of the influence of ownership structure on financial performance. It implied that, if the size of the company gets bigger, then the influence of ownership structure on financial performance will stronger.

This study supported a study done by Sari (2015) revealed that moderating variable is the second independent variable that able to strengthen or weaken the relationship between the other independent variables towards independent variables.

4.4.4. The Firm Size Moderates the Influence of Firm Growth on Financial Performance

This study also proved that the size of the company has a significant positive impact served as a moderating variable that influences the firm growth on financial performance.

Based on the facts above, it implied that the larger the size of the company, then the stronger the influence of firm growth on financial performance. In sum, it is very worthwhile for the management to pay attention not only to the firm growth but also the firm size regarding maximizing the financial performance of the company.

The similar results found in a study done by Abbasi & Malik (2015) in which in this research, the firm size had a significant moderating effect between the relationship of firm growth and firm performance that accepted by the statistical results.

CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1. Conclusion

Based on the results and hypothesis testing explained on the previous chapter. Thus, it concluded that:

1. The ownership structure had a significant positive influence on the financial performance. It proved that, the more the ownership structure owned by the institution, the higher the financial performance of that company.
2. The firm growth had a significant positive influence on the financial performance. It proved that, the better the firm growth, the higher the financial performance of that company.
3. The firm size had a significant positive to moderate the influence of ownership structure on the company financial performance. It proved empirically that, the larger the size of the company, then the stronger the influence of ownership structure on financial performance.
4. The firm size had a significant positive to moderate the influence of firm growth on the company financial performance. It proved empirically that, the larger the size of the company, then the stronger the influence of firm growth on financial performance.

5.2. Research Limitation

In this study some limitations might affect the results of the study, as follows:

1. Since this study only uses a sample of companies that are in the textile sector, the results of this study can not be applied widely or generally. As such, the results of this study could not be applied to sectors other than the textile sector.
2. The selection of a relatively short period which is only five years, resulted in low test power so that the level of accuracy of information was still relatively small. Therefore, the researchers suggest for further research to use the annual report data for a more extended period so that the number of samples increases.

5.3. Recommendation

There are some suggestions for both company and further research, as follows:

5.3.1. For Company

The results of this study could be used by the manager of the company in preparing the company financial strategy. In other words, the results of this study can be followed up by the manager of the company by making efforts to improve the company financial performance, through increased firm growth, and shareholding structure.

5.3.2. For Science

For science, especially for researchers who will or are researching the financial performance of the company, the results of this research can be used as a reference. Also, the results of this study also provide opportunities for the next researchers to develop the model of this study, i.e., add more

population, change the variables, use other companies, and extend the period of observation. Therefore, it would be obtained better results.

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APPENDICES

Appendix 1 – Descriptive Statistics of Research Variables

Summarize

Case Processing Summary[a]

	Cases					
	Included		Excluded		Total	
	N	Percent	N	Percent	N	Percent
ROE	80	100.0%	0	0.0%	80	100.0%
FG	80	100.0%	0	0.0%	80	100.0%
OS	80	100.0%	0	0.0%	80	100.0%
FS	80	100.0%	0	0.0%	80	100.0%

a. Limited to first 100 cases.

Case Summaries[a]

	ROE	FG	OS	FS
1	26.23	-12.38	54.67	6.2302
2	-23.69	4.76	45.71	5.6342
3	7.81	-11.61	60.82	5.8425
4	22.25	-32.33	76.61	5.7990
5	-23.46	.16	47.77	5.5426
6	.53	-6.67	25.00	6.0437
7	25.25	-11.64	58.77	6.2409
8	4.88	-1.74	27.98	6.8048
9	1.42	-10.07	57.85	6.4908
10	2.66	-3.26	19.48	6.0646
11	17.93	10.29	56.07	6.9179
12	-1.46	-31.98	40.99	5.5587
13	.05	-15.04	48.19	5.3182
14	1.00	-13.49	33.08	6.6094
15	10.14	2.01	40.16	5.7680
16	.19	-5.27	35.90	5.6410
17	34.48	5.01	55.87	6.2808
18	17.22	6.69	79.28	5.6131
19	30.74	25.87	62.10	5.8902
20	-79.30	-3.97	26.76	5.6207

21	-25.48	-3.58	36.43	5.5419
22	3.41	21.87	53.88	7.0718
23	46.46	-4.99	60.53	6.2888
24	3.99	29.78	59.82	6.8123
25	1.92	-.35	60.45	6.5325
26	3.37	2.29	60.78	6.0785
27	20.11	21.98	58.59	6.8707
28	-4.29	-7.74	44.68	5.6792
29	.06	-19.39	53.49	5.3790
30	-.57	8.34	73.57	6.6644
31	11.38	8.78	41.45	5.7592
32	.16	4.30	75.46	5.6633
33	139.77	-29.31	75.03	6.7585
34	11.77	2.93	73.34	5.5830
35	17.70	5.28	63.40	5.7602
36	-27.18	-1.78	46.92	5.9376
37	-17.16	54.02	47.97	5.5572
38	1.33	4.57	59.80	6.9646
39	58.88	-2.65	62.95	6.3099
40	4.94	37.05	87.12	6.6587
41	8.81	-26.84	75.57	6.5340
42	3.81	10.29	74.39	6.0685
43	21.68	43.53	71.01	6.7629
44	-4.96	-2.98	63.49	5.7116
45	.07	9.16	64.78	5.4560
46	-1.61	-2.29	64.37	5.6266
47	11.61	14.30	55.95	5.7192
48	.16	-4.17	75.01	5.6442
49	25.01	22.82	53.85	6.3701
50	-5.29	18.79	79.28	5.5701
51	6.88	20.52	62.10	5.7366
52	-22.31	11.73	46.76	5.9452
53	-30.36	56.17	39.43	5.2197
54	.55	24.37	27.75	6.9443
55	48.08	13.94	61.12	6.3213
56	10.55	30.19	57.14	6.4578

57	3.63	10.10	72.31	6.6372
58	3.51	9.47	23.84	6.0213
59	13.35	9.81	67.96	6.5147
60	-4.87	.91	58.25	5.7244
61	.12	-1.11	58.36	5.4143
62	-3.22	14.33	28.95	5.6364
63	17.07	18.43	54.22	5.6523
64	.34	17.25	35.68	5.6619
65	-53.72	27.92	36.00	5.2576
66	-161.46	1.07	27.94	5.4797
67	7.15	3.07	63.96	5.6369
68	-11.74	10.10	46.78	5.8910
69	-.49	-16.95	72.50	5.8615
70	.33	1.47	90.19	6.8230
71	207.09	.23	74.79	7.2561
72	10.97	2.40	69.21	6.3017
73	4.03	7.98	61.47	6.5910
74	4.63	11.39	76.30	5.9781
75	14.55	14.40	76.45	6.4699
76	-4.96	1.89	78.92	5.7204
77	.19	10.23	84.91	5.4191
78	2.68	5.62	69.76	6.5692
79	18.30	6.47	68.85	5.5638
80	.15	3.86	66.73	5.5797
Total N	80	80	80	80

a. Limited to first 100 cases.

Descriptives

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
ROE	80	-161.46	207.09	5.82	38.31
FG	80	-32.33	56.17	5.46	16.51
OS	80	19.48	90.19	57.31	16.59
FS	80	5.22	7.26	6.04	.51
Valid N (listwise)	80				

Appendix 2 – Simple Regression Analysis ROE = f(OS)

Correlations

		ROE	OS
Pearson Correlation	ROE	1.000	.385
	OS	.385	1.000
Sig. (1-tailed)	ROE	.	.000
	OS	.000	.
N	ROE	80	80
	OS	80	80

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	OS[b]	.	Enter

a. Dependent Variable: ROE

b. All requested variables entered.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.385[a]	.148	.137	35.58296	.148	13.571

Model Summary[b]

Model	Change Statistics			
	df1	df2	Sig. F Change	Durbin-Watson
1	1	78	.000	2.074

a. Predictors: (Constant), OS

b. Dependent Variable: ROE

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17182.737	1	17182.737	13.571	.000[b]
	Residual	98759.451	78	1266.147		
	Total	115942.188	79			

a. Dependent Variable: ROE

b. Predictors: (Constant), OS

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	45.113	14.387		3.136	.002
	OS	.889	.241	.385	3.684	.000

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	-27.8011	35.0375	5.8219	14.74798	80
Residual	-141.18140	185.73816	.00000	35.35703	80
Std. Predicted Value	-2.280	1.981	.000	1.000	80
Std. Residual	-3.968	5.220	.000	.994	80

a. Dependent Variable: ROE

NPar Tests

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	35.35703087
Most Extreme Differences	Absolute	.156
	Positive	.141

	Negative	-.156
Test Statistic		.016
Asymp. Sig. (2-tailed)		.070[c]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Nonparametric Correlations

Correlations

			ABS_RES	OS
Spearman's rho	ABS_RES	Correlation Coefficient	1.000	-.069
		Sig. (2-tailed)	.	.545
		N	80	80
	OS	Correlation Coefficient	-.069	1.000
		Sig. (2-tailed)	.545	.
		N	80	80

Appendix 3 – Simple Regression Analysis ROE = f(FG)

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	FG[b]	.	Enter

a. Dependent Variable: ROE

b. All requested variables entered.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.400[a]	.160	.149	35.33108	.160	14.881

Model Summary[b]

Model	Change Statistics			
	df1	df2	Sig. F Change	Durbin-Watson
1	1	78	.000	1.992

a. Predictors: (Constant), FG

b. Dependent Variable: ROE

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18575.921	1	18575.921	14.881	.000[b]
	Residual	97366.267	78	1248.285		
	Total	115942.188	79			

a. Dependent Variable: ROE

b. Predictors: (Constant), FG

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.394	4.114		.339	.736
	FG	.993	.258	.400	3.858	.000

a. Dependent Variable: ROE

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	-30.7280	44.6392	5.8219	15.33422	80
Residual	-140.07230	166.72411	.00000	35.10676	80
Std. Predicted Value	-2.384	2.531	.000	1.000	80
Std. Residual	-3.965	4.719	.000	.994	80

a. Dependent Variable: ROE

NPar Tests

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	35.10675714
Most Extreme Differences	Absolute	.176
	Positive	.176
	Negative	-.121
Test Statistic		.018
Asymp. Sig. (2-tailed)		.080[c]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Nonparametric Correlations

Correlations

			ABS_RES	FG
Spearman's rho	ABS_RES	Correlation Coefficient	1.000	-.042
		Sig. (2-tailed)	.	.714
		N	80	80
	FG	Correlation Coefficient	-.042	1.000
		Sig. (2-tailed)	.714	.
		N	80	80

Appendix 4 – Moderated Regression ROE = f(OS, FS, OSFS)

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	OSFS, FS, OS[b]	.	Enter

a. Dependent Variable: ROE

b. All requested variables entered.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.623[a]	.388	.363	30.56729	.388	16.029

Model Summary[b]

Model	Change Statistics			
	df1	df2	Sig. F Change	Durbin-Watson
1	3	76	.000	2.222

a. Predictors: (Constant), OSFS, FS, OS

b. Dependent Variable: ROE

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	44930.877	3	14976.959	16.029	.000[b]
	Residual	71011.311	76	934.359		
	Total	115942.188	79			

a. Dependent Variable: ROE

b. Predictors: (Constant), OSFS, FS, OS

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	137.308	46.915		2.927	.005
	OS	.397	.394	.172	1.007	.317
	FS	16.776	7.852	.224	2.136	.036
	OSFS	.179	.054	.617	3.332	.001

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	OS	.277	3.611
	FS	.733	1.365
	OSFS	.235	4.254

a. Dependent Variable: ROE

Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions			
				(Constant)	OS	FS	OSFS
1	1	3.895	1.000	.00	.00	.00	.00
	2	.086	6.734	.02	.03	.01	.12
	3	.017	15.223	.00	.74	.02	.55
	4	.003	39.214	.98	.22	.97	.32

a. Dependent Variable: ROE

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	-39.2110	52.1562	5.8219	23.84838	80
Residual	-125.29885	154.93378	.00000	29.98128	80
Std. Predicted Value	-1.888	1.943	.000	1.000	80

Std. Residual	-4.099	5.069	.000	.981	80

a. Dependent Variable: ROE

NPar Tests

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	29.98128346
Most Extreme Differences	Absolute	.167
	Positive	.167
	Negative	-.154
Test Statistic		.017
Asymp. Sig. (2-tailed)		.091[c]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Nonparametric Correlations

Correlations

			ABS_RES	OS	FS	OSFS
Spearman's rho	ABS_RES	Correlation Coefficient	1.000	.047	.153	.018
		Sig. (2-tailed)	.	.679	.176	.877
		N	80	80	80	80
	OS	Correlation Coefficient	.047	1.000	.177	.809
		Sig. (2-tailed)	.679	.	.117	.000
		N	80	80	80	80
	FS	Correlation Coefficient	.153	.177	1.000	.454
		Sig. (2-tailed)	.176	.117	.	.000

		N	80	80	80	80
	OSFS	Correlation Coefficient	.018	.809	.454	1.000
		Sig. (2-tailed)	.877	.000	.000	.
		N	80	80	80	80

Appendix 5 – Moderated Regression ROE = f(FG, FS, FGFS)

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	FGFS, FG, FS[b]	.	Enter

a. Dependent Variable: ROE

b. All requested variables entered.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.537[a]	.288	.260	32.95192	.288	10.259

Model Summary[b]

Model	Change Statistics			
	df1	df2	Sig. F Change	Durbin-Watson
1	3	76	.000	2.271

a. Predictors: (Constant), FGFS, FS, FG

b. Dependent Variable: ROE

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33419.163	3	11139.721	10.259	.000[b]
	Residual	82523.025	76	1085.829		
	Total	115942.188	79			

a. Dependent Variable: ROE

b. Predictors: (Constant), FGFS, FS, FG

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	195.458	44.108		4.431	.000
	FG	2.692	.997	1.160	2.701	.009
	FS	33.939	7.276	.453	4.665	.000
	FGFS	.389	.165	1.017	2.365	.021

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	FG	.051	1.711
	FS	.992	1.008
	FGFS	.051	1.745

a. Dependent Variable: ROE

Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions			
				(Constant)	FG	FS	FGFS
1	1	2.577	1.000	.00	.00	.00	.00
	2	1.396	1.358	.00	.01	.00	.01
	3	.024	10.461	.00	.98	.00	.98
	4	.003	27.166	1.00	.00	1.00	.01

a. Dependent Variable: ROE

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	-73.9451	50.8386	5.8219	20.56763	80
Residual	-131.91222	156.25134	.00000	32.32020	80
Std. Predicted Value	-3.878	2.189	.000	1.000	80

Std. Residual	-4.003	4.742	.000	.981	80

a. Dependent Variable: ROE

NPar Tests

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	32.32019890
Most Extreme Differences	Absolute	.141
	Positive	.141
	Negative	-.131
Test Statistic		.141
Asymp. Sig. (2-tailed)		.065[c]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Nonparametric Correlations

Correlations

			ABS_RES	FG	FS	FGFS
Spearman's rho	ABS_RES	Correlation Coefficient	1.000	.184	.212	.166
		Sig. (2-tailed)	.	.103	.079	.141
		N	80	80	80	80
	FG	Correlation Coefficient	.184	1.000	.115	.977
		Sig. (2-tailed)	.103	.	.310	.000
		N	80	80	80	80
	FS	Correlation Coefficient	.212	.115	1.000	.120
		Sig. (2-tailed)	.079	.310	.	.288
		N	80	80	80	80

	FGFS	Correlation Coefficient	.166	.977	.120	1.000
		Sig. (2-tailed)	.141	.000	.288	.
		N	80	80	80	80

Appendix 6 – Sample Company Data

OWNERSHIP STRUCTURE

No.	Code	Company Name	2012	2013	2014	2015	2016
1	ARGO	Argo Pantes	56.00	53.85	55.03	55.87	54.67
2	CNTB	Century Textile PS	67.94	79.28	73.34	79.28	85.71
3	ERTX	Eratex Djaja	63.96	62.10	63.40	62.10	60.82
4	ESTI	Ever Shine Textile Industry	66.78	76.76	76.92	76.76	76.61
5	HDTX	Panasia Indo Resources	72.50	59.43	77.97	36.43	27.77
6	INDR	Indo Rama Synthetics	90.19	27.75	59.80	53.88	25.00
7	MYTX	Asia Pacific Investama	64.79	61.12	62.95	60.53	58.77
8	PBRX	Pan Brothers	69.21	27.14	87.12	89.82	27.98
9	POLY	Asia Pacific Fiber	61.47	72.31	75.57	60.45	57.85
10	RICY	Ricky Putra Globalindo	76.30	23.84	74.39	60.78	19.48
11	SRIL	Sri Rejeki Isman	76.45	67.96	71.01	58.59	56.07
12	SSTM	Sunson Textile Manufactures	78.92	58.25	63.49	44.68	40.99
13	STAR	Star Petrochem	84.91	58.36	64.78	53.49	48.19
14	TFCO	Tifico Fiber Indonesia	69.76	28.95	64.37	73.57	33.08
15	TRIS	Trisula International	68.85	54.22	55.95	41.45	40.16

16	UNIT	Nusantara Inti Corpora	66.73	35.68	75.01	75.46	35.90
Min			**56.00**	**23.84**	**55.03**	**36.43**	**19.48**
Max			**90.19**	**79.28**	**87.12**	**89.82**	**85.71**

TOTAL ASSETS (Billion Rp)

No.	Code	Company Name	2011	2012	2013	2014	2015	2016
1	ARGO	Argo Pantes	1,304,556	1,809,814	2,345,033	1,813,547	1,909,100	1,698,856
2	CNTB	Century Textile PS	298,555	301,776	371,585	382,809	410,252	430,770
3	ERTX	Eratex Djaja	420,114	433,415	545,316	575,740	776,686	695,887
4	ESTI	Ever Shine Textile Industry	699,514	778,092	881,536	866,099	833,065	629,513
5	HDTX	Panasia Indo Resources	850,170	726,955	1,658,609	3,607,059	3,482,406	3,487,897
6	INDR	Indo Rama Synthetics	6,555,120	6,653,020	8,796,268	9,217,073	11,796,705	11,059,490
7	MYTX	Asia Pacific Investama	1,799,254	1,803,323	2,095,467	2,041,304	1,944,326	1,741,558
8	PBRX	Pan Brothers	1,955,065	2,003,098	2,869,248	4,557,725	6,490,724	6,379,475
9	POLY	Asia Pacific Fiber	3,588,450	3,899,450	4,337,340	3,419,605	3,407,683	3,095,999
10	RICY	Ricky Putra Globalindo	842,499	950,760	1,050,255	1,170,752	1,198,194	1,160,396

11	SRIL	Sri Rejeki Isman	2,525,620	2,950,550	3,271,382	5,793,302	7,425,318	8,277,385
12	SSTM	Sunson Textile Manufactures	515,423	525,337	530,156	514,794	477,793	362,031
13	STAR	Star Petrochem	235,625	262,466	259,578	285,745	239,345	208,055
14	TFCO	Tifico Fiber Indonesia	3,500,625	3,708,923	4,329,157	4,232,153	4,617,261	4,068,280
15	TRIS	Trisula International	342,555	366,248	449,009	523,901	574,346	586,113
16	UNIT	Nusantara Inti Corpora	365,250	379,901	459,119	440,727	460,539	437,482

FIRM GROWTH

No.	Code	Company Name	2012	2013	2014	2015	2016
1	ARGO	Argo Pantes	27.91768	22.82352	-29.30644	5.00513	-12.37562
2	CNTB	Century Textile PS	1.06735	18.78682	2.93201	6.68930	4.76310
3	ERTX	Eratex Djaja	3.06888	20.52040	5.28433	25.87223	-11.61094
4	ESTI	Ever Shine Textile Industry	10.09881	11.73452	-1.78236	-3.96536	-32.33484
5	HDTX	Panasia Indo Resources	-16.94947	56.17080	54.01769	-3.57951	0.15743
6	INDR	Indo Rama Synthetics	1.47151	24.36542	4.56549	21.86739	-6.66590
7	MYTX	Asia Pacific Investama	0.22564	13.94171	-2.65335	-4.98774	-11.64291
8	PBRX	Pan Brothers	2.39794	30.18735	37.04649	29.78095	-1.74386
9	POLY	Asia Pacific Fiber	7.97548	10.09582	-26.83746	-0.34986	-10.06732
10	RICY	Ricky Putra Globalindo	11.38679	9.47341	10.29227	2.29028	-3.25734
11	SRIL	Sri Rejeki Isman	14.40172	9.80723	43.53165	21.97907	10.29392
12	SSTM	Sunson Textile Manufactures	1.88717	0.90898	-2.98411	-7.74415	-31.97571
13	STAR	Star Petrochem	10.22647	-1.11258	9.15747	-19.38624	-15.03929
14	TFCO	Tifico Fiber Indonesia	5.61613	14.32690	-2.29207	8.34062	-13.49418
15	TRIS	Trisula International	6.46911	18.43192	14.29507	8.78303	2.00763
16	UNIT	Nusantara Inti Corpora	3.85653	17.25435	-4.17310	4.30192	-5.27039

Min			**-16.95**	**-1.11**	**-29.31**	**-19.39**	**-32.33**
Max			**27.92**	**56.17**	**54.02**	**29.78**	**10.29**

ROE (%)

No.	Code	Company Name		2012	2013	2014	2015	2016
1	ARGO	Argo Pantes		-53.72	25.01	139.77	34.48	26.23
2	CNTB	Century Textile PS		-161.46	-5.29	11.77	17.22	-23.69
3	ERTX	Eratex Djaja		7.15	6.88	17.70	30.74	7.81
4	ESTI	Ever Shine Textile Industry		-11.74	-22.31	-27.18	-79.30	22.25
5	HDTX	Panasia Indo Resources		-0.49	-30.36	-17.16	-25.48	-23.46
6	INDR	Indo Rama Synthetics		0.33	0.55	1.33	3.41	0.53
7	MYTX	Asia Pacific Investama		207.09	48.08	58.88	46.46	25.25
8	PBRX	Pan Brothers		10.97	10.55	4.94	3.99	4.88
9	POLY	Asia Pacific Fiber		4.03	3.63	8.81	1.92	1.42
10	RICY	Ricky Putra Globalindo		4.63	3.51	3.81	3.37	2.66
11	SRIL	Sri Rejeki Isman		14.55	13.35	21.68	20.11	17.93
12	SSTM	Sunson Textile Manufactures		-4.96	-4.87	-4.96	-4.29	-1.46
13	STAR	Star Petrochem		0.19	0.12	0.07	0.06	0.05
14	TFCO	Tifico Fiber Indonesia		2.68	-3.22	-1.61	-0.57	1.00
15	TRIS	Trisula International		18.30	17.07	11.61	11.38	10.14
16	UNIT	Nusantara Inti Corpora		0.15	0.34	0.16	0.16	0.19

Min				**-161.46**	**-30.36**	**-27.18**	**-79.30**	**-23.69**
Max				**207.09**	**48.08**	**139.77**	**46.46**	**26.23**

FIRM SIZE

No.	Code	Company Name		2012	2013	2014	2015	2016
1	ARGO	Argo Pantes		6.257634	6.370149	6.258529	6.280829	6.230157
2	CNTB	Century Textile PS		5.479685	5.570058	5.582982	5.613051	5.634245
3	ERTX	Eratex Djaja		5.636904	5.736648	5.760226	5.890245	5.842539
4	ESTI	Ever Shine Textile Industry		5.891031	5.945240	5.937568	5.920679	5.799005
5	HDTX	Panasia Indo Resources		5.861508	6.219744	6.557153	6.541879	6.542564
6	INDR	Indo Rama Synthetics		6.823019	6.944298	6.964593	7.071761	7.263735
7	MYTX	Asia Pacific Investama		6.256074	6.321281	6.309908	6.288769	6.240938
8	PBRX	Pan Brothers		6.301702	6.457768	6.658748	6.812293	6.804785
9	POLY	Asia Pacific Fiber		6.591003	6.637223	6.533976	6.532459	6.490801
10	RICY	Ricky Putra Globalindo		5.978071	6.021295	6.068465	6.078527	6.064606
11	SRIL	Sri Rejeki Isman		6.469903	6.514731	6.762926	6.870715	6.917893
12	SSTM	Sunson Textile Manufactures		5.720438	5.724404	5.711633	5.679240	5.558746
13	STAR	Star Petrochem		5.419073	5.414268	5.455979	5.379024	5.218178
14	TFCO	Tifico Fiber Indonesia		6.569248	6.636403	6.626561	6.664384	6.609411
15	TRIS	Trisula International		5.563775	5.652255	5.719249	5.759174	5.767981
16	UNIT	Nusantara Inti Corpora		5.579670	5.661925	5.644170	5.663266	5.640960

Min				**5.42**	**5.41**	**5.46**	**5.38**	**5.22**
Max				**6.82**	**6.94**	**6.96**	**7.07**	**7.26**

Appendix 7 - Summary of Previous Studies

PRIOR STUDIES

Study	Place	Variables	Data Sources	Theory	Methodology	Significant Determinants Findings
Westman (2011) "The Impact of Management & Board Ownership on Profitability in Banks with Different Strategies"	European Countries Banks	Dependent: Profitability (ROA & ROE) Independent: -Ownership (management and board ownership) -Strategy (non interest income to total operating income & non loan earning assets to total earning assets) -Control variables (firm size, deposits, equity, investment, country, year)	Using a sample of 867 bank-year observations from banks headquartered in 37 different European countries	Agency Theory	- Descriptive statistics - Regression Analysis - Robustness Test	1. Managerial ownership had a significant positive effect on ROE 2. Managerial ownership had a significant positive effect on ROA
Ling, Chick, & Seong (2015) "Foreign Ownership, Foreign Directors and the Profitability of	Malaysian Listed Companies (Bursa Malaysia)	Dependent: Profitability (ROE) Independent: -foreign equity ownership -foreign directors	348 selected sample from target population of 978 companies	- Internalisation theory - Resource-based theory - Upper echelon theory - Agency theory	Fixed-effect Panel Data Regression	1. Foreign ownership had a significant positive effect on ROE 2. Managerial ownership had a significant positive effect on ROE

Malaysian Listed Companies"		-foreign equity ownership -foreign chairman -foreign executive director -firm size -capital intensity ratio		- Rescue Acquisition hypothesis		
Ozili & Uadiale (2017) "Ownership Concentration and Bank Profitability"	Nigerian Banks (Nigeria)	Dependent: Profitability (ROA, ROE, NIM, REP) Independent: Different levels of ownership concentration (high & disperse concentrate)	27 sample taken from 43 banks	Agency theory	-Descriptive statistics -Multiple regression -Static and dynamic panel model	1. Managerial ownership had a significant positive effect on ROE 2. Managerial ownership had a significant positive effect on ROA
Sari (2015) "Pengaruh Struktur Kepemilikan terhadap Kinerja Perusahaan dengan Struktur Modal Sebagai Pemoderasi"	Chemical Companies Listed in BEI (Indonesia)	Dependent: Profitability (ROE) Independent: Managerial ownership Moderating: -capital structure (DER)	10 companies	-Agency theory -Trade off theory	-Descriptive statistics -Moderated regression analysis	1. Managerial ownership had a significant positive effect on ROE 2. Capital structure had a significant positive effect on ROE 3. Capital structure had a significant positive efffect moderate the influence of managerial ownership on profitability (ROE)
Nurcahyo (2014) "Pengaruh Struktur	Manufacturing Companies Listed in	Dependent: Profitability (ROA) Independent:	36 companies	-Agency theory	-Descriptive statistics -Multiple linear regression	1. Managerial ownership had a significant positive effect on ROA 2. Institutional ownership had a significant positive effect on ROA

Kepemilikan Saham dan Ukuran Perusahaan terhadap Kinerja Keuangan Perusahaan (Studi Empiris pada Perusahaan Manufaktur yang Terdaftar di BEI tahun 2010-2013"	BEI (Indonesia)	-Managerial ownership -Institutional ownership -Public ownership -Firm size				3. Public ownership had no significant effect on ROA 4. Firm size had a significant positive effect on ROA
Abbasi & Malik (2015) "Firm's Size Moderating Financial Performance in Growing Firms: An Empirical Evidence from Pakistan"	Companies Listed in Karachi Stock Exchange (Pakistan)	<u>Dependent:</u> Firm performance (ROA) <u>Independent:</u> Firm growth <u>Moderating:</u> Firm size	50 companies	-Firm growth theory -Trade off theory	-Descriptive statistics -Moderated regression analysis	Firm size had a positive significant effect moderated the influence of firm growth on financial performance (ROA)
Wahyuni (2015) "Pengaruh Corporate Governance & Struktur	LQ-45 Companies Listed in BEI (Indonesia)	<u>Dependent:</u> Firm performance (ROE) <u>Independent:</u> -Corporate governance	97 companies	-Agency theory	-Multiple linear regression	1. Corporate governance had no significant effect on financial performance measured by Tobins Q 2. Corporate governance had a significant effect on financial performance measured by ROE 3. Institutional ownership had no significant effect on financial performance measured by Tobins Q

Kepemilikan terhadap Kinerja Perusahaan pada Perusahaan LQ 45 di Bursa Efek Indonesia"		-Institutional ownership -Managerial ownership				4. Institutional ownerrship had a significant negative effect on financial performance measured by ROE 5. Managerial ownership had a significant positive effect on financial performance measured by Tobins Q 6. Managerial ownership had a significant positive effect on financial performance measured by ROE.
Fauzi & Musallam (2015) "Corporate Ownership & Company Performance: A Study of Malaysian Listed Companies"	Malaysian Stock Exchange (Malaysia)	Dependent: Firm performance (Market To Book Value Ratio/MTBVR) Independent: -Government-linked investment companies ownership (GLICs) -Board ownership -Control variables (firm size, firm age, leverage ratio, profitability, capital intensity, investment and liquidity)	190 sample from 760 non financial companies (selected random)	-Agency theory	-Descriptive analysis -Pearson's correlation -Panel data analysis -Regression analysis -Robust analysis	1. GLICs ownership had a significant positive effect on MTBVR 2. Board ownership had a significant negative effect on MTBVR 3. Firm size had a significant positive effect on MTBVR
Fauzi & Suhadak (2015) "Pengaruh Kebijakan Dividen & Pertumbuhan Perusahaan	Mining Companies Listed in BEI (Indonesia)	Dependent: ROA, ROE, NPM Independent: -Capital structure -Profitability	11 sample from 40 companies (purposive sampling)	-Signaling theory -Pecking order theory	-Descriptive statistics -Partial Least Square	1. Dividend policy had a significant negative effect on capital sctructure 2. Firm growth had a significant negative effect on capital structure 3. Dividend policy had a significant positive effect on profitability 4. Firm growth had a negative and no significant effect on profitability

terhadap Struktur Modal dan Profitabilitas (Studi Pada Sektor Mining yang Terdaftar di Bursa Efek Indonesia 2011-2013)"						5. Capital structure had a significant negative effect on profitability
Hutomo (2015) "Pengaruh Likuiditas, Pertumbuhan Perusahaan dan Struktur Asset yang Mempengaruhi Kinerja Keuangan dalam Industri yang Go Public di BEI 2009-2012"	Manufacturing Companies Listed in BEI (Indonesia)	Dependent: ROA Independent: -Liquidity (CR) -Firm Growth -Asset Structure	70 sample from 146 companies (purposive sampling)	-Agency theory -Firm Growth theory	-Multiple Linear Regression	1. Current ratio had a significant effect on ROA 2. Sales growth had no significant effect on ROA 3. Asset structure had no significant effect on ROA
Armini & Wirama (2015) "Pengaruh Pertumbuhan Perusahaan,	Companis Listed in BEI (Indonesia)	Dependent: Firm Performance (Tobins Q) Independent: -Firm Growth	304 companies	-Agency theory -Bird in the hand theory -Signaling theory	-Multiple Linear Regression	1. Firm growth and managerial ownership had no effect on financial performance measured by Tobins Q 2. Managerial ownership had a significant negative effect on financial performance measured by Tobins Q 3. Dividend policy had a significant postive effect on financial performance measured by Tobins Q

Kepemilikan Manajerial & Kebijakan Dividen pada Kinerja Perusahaan"		-Managerial ownership -Dividend Policy (DPR)				
Odalo et al. (2016) "Relating Sales Growth & Financial Performance in Agricultural Firms Listed in the Nairobi Securities Exchange in Kenya"	Agricultural Firms Listed in the Nairobi Securities Exchange (Kenya)	<u>Dependent:</u> Firm Performance (ROA, ROE, EPS) Independent: Sales Growth	Population of the study was 7 listed agricultural companies in Kenya and 220 financial accounting personnel.	Firm growth theory	-Panel regression model -Correlation analysis -Regression analysis	Sales growth had a significant positive effect on financial performance (both ROA and ROE) Sales growth had a negative and no significant effect on EPS