The Mediating Role Of Capital Structure In Corporate Governance On Firm Performance Of Family Companies

Iskandar Itan1*, Vinnie Chelencia2
1,2Fakultas Bisnis dan Manajemen, Universitas Internasional Batam
email: 1iskandar@uib.ac.id
2vinniechelencia13@gmail.com

Abstract
This study looks into the relationship of the performance of family businesses in Indonesia and its corporate governance. It also investigates the mediation effect of capital structure on this relationship. Board size, independent commissioner, female director, ownership concentration, managerial ownership, audit committee meetings are used as indicators of GCG measurement. Capital structure is measured by leverage. ROA and Tobin’s Q are used as indicators of measurement of firm performance. The panel data approach will be employed, using a sample of 117 companies registered on the Indonesia Stock Exchange between 2016-2020. The result of the study revealed the significant effect of board size, managerial ownership, and ownership concentration on the performance of the family businesses analysed, as measured by ROA. However, the result of the analysis using Tobin’s Q measure shows an insignificant effect. Furthermore, this study found capital structure to have a mediation effect on GCG and performance of a family business, through ownership concentration and managerial ownership.

Keywords: capital structure, firm performance, GCG.

INTRODUCTION
Good Corporate Governance (GCG) and capital structure are essential aspects used to maximize shareholders’ wealth. GCG is an indication that investors will get a return on capital with an optimal rate of return on investment. An optimal capital structure will minimize the risk and possibility of firm bankruptcy. The fundamental goal of corporate governance is to optimize profits of shareholders and owners of the firm, where shareholder profits are defined as the market price of the common shares outstanding. Companies can achieve the goal by balancing financial decision making with respect to optimal capital structure and financial decisions to help minimize capital costs. Furthermore, capital structure also includes debt and preferred stock and equity (Ahmed, Talreja, & Kashif, 2019).

Poor corporate governance as well as inefficient capital structure utilization may result in decreased firm performance. BBC News Indonesia (2019) reported that the Minister of State-Owned Enterprises Erick Tohir dismissed four directors of PT Garuda Indonesia in November 2019. The four directors were dismissed for allegedly being involved in luxury goods smuggling cases and customs violations. As a result of this case, PT Garuda Indonesia was fined by the Ministry of Transportation for not recording the cargo that entered the plane’s flight.

According to Taouab & Issor (2019), performance refers to certain
results obtained in economics, marketing, and management that give the firm the characteristics of efficiency, effectiveness and competitiveness and its structural and procedural components. Firm performance focuses on a firm's ability to efficiently maximize available resources to achieve consistent goals. Performance needs to be measured in order to learn and identify management strategies, predict future internal and external situations, monitor circumstances and actions relative to firm goals, and make decisions within the required period. The most important function of measuring firm performance is evaluating the achievement of the firm's strategy.

A family business generally starts as a small and local operation. Then, usually due to the leadership and vision of the founders, it could develop into a large multinational company, and becomes competitive with global public companies. Such transformation usually take several generations. During this time, the focus of the company moves from short-term business survival into long-term goals of diversification, professionalisation and internationalisation. The evolution usually goes hand in hand with profound shifts in the company’s strategy and corporate governance.

Zeitun (2014) conducted a study regarding GCG and ownership structure on firm performance in Qatar, Kuwait, Arab Saudi, Bahrain, and Oman. Ownership structure, growth, size of the company, as well as age of the company were shown to have a positive effect on ROA, and leverage did not have a mediating role. Okiro & Aduda (2015) conducted a study using a similar model on companies listed on the East African Stock Exchange Community. It was found that GCG has a positive, significant effect firm performance, while capital structure has no significant mediating role. Ahmed et al. (2019) conducted a study on the effect of GCG on the performance of companies in the automobile and fertilizer sector in Pakistan. Board size, current ratio, and non-current debt ratio have a positive effect on ROA. PeiZhi & Ramzan (2020) also conducted a study on how capital structure and GCG affects the performance of a company. In their study, GCG and capital structure were found to positively affect firm performance. In Indonesia, Chabachib et al. (2020) conducted a study on how GCG affects the performance of a company through its capital structure in 2018. The results show that only institutional ownership affects the firm’s performance significantly and negatively and the debt-to-equity ratio also mediates GCG’s effect on financial performance.

Issues pertaining to GCG and capital structure remain a challenge for companies. In Indonesia, there are still many cases of poor GCG and inefficient use of capital structure. The impact of these cases is very detrimental to firm's stakeholders. The scarcity of studies on the role of both capital structure and GCG on the performance of Indonesian companies, coupled with variable results from previous studies emphasize the importance of this study, particularly to determine the mediating role of capital structure in the relationship of GCG and performance of a company. A deeper investigation of the mediating effect of capital structure will add to the understanding of the occurrence of differences in firm performance.

Board size refers to the board of directors of a firm as a whole. Chabachib et al. (2020) found a positive, significant
effect of board size on firm performance. More members of the board mean that the firm have more resources to improve firm performance. In line with the results, Adekunle & Aghedo (2014), Ahmed et al. (2019), Detthamrong et al. (2017), Hamdan (2015), and Warrad & Khaddam (2020) also found a positive and significant effect. Therefore, the first hypothesis of this study is as follows:

\textbf{H_1:} Firm performance is significantly and positively affected by board size

An independent commissioner is a neutral person who has no affiliation with the board of directors, board of commissioners and shareholders Perdana & Raharja (2014). Chabachib et al. (2020) found a significant and positive effect of independent commissioners on firm performance. The higher the number of independent members on the board of commissioners, the better the oversight of management policies to improve firm performance. Nugroho & Agustia (2017) and Tulung & Ramdani (2018) found a significant and positive effect. Therefore, the second hypothesis of this study is as follows:

\textbf{H_2:} Firm performance is significantly and positively affected by independent commissioners

Female directorship reflect the diverse characteristics of the board. Detthamrong et al. (2017) found a significant and positive effect of female directorship on firm performance. The number of female directorship can offer different perspectives on firm management so as to improve firm performance. In line with the results, Habib (2016) and PeiZhi & Ramzan (2020) also found a similar result. Therefore, the third hypothesis of this study is as follows:

\textbf{H_3:} Firm performance is significantly and positively affected by female directorship

Ownership concentration is an internal technique by which shareholders can control and influence the firm's management to maintain certain interests. Detthamrong et al. (2017) found ownership concentration to have a significant, positive effect on firm performance. High ownership concentration tends to result in better oversight of management to maximize firm performance. Agency problems between owner and manager can be avoided by concentration of ownership. Al-Matari & Al-Arussi (2016), Okiro & Aduda (2015) and (Itan & Junnestine, 2021) found a significant and positive effect. Therefore, the fourth hypothesis of this study is as follows:

\textbf{H_4:} Firm performance is significantly and positively affected by ownership concentration

Managerial ownership refers to shares owned by directors and commissioners of the firm. Chabachib et al. (2020) found a significant, positive effect of managerial ownership on firm performance. Managers would feel a sense of ownership of the firm and will align their interests with the firm's principal goals so as to improve firm performance. Therefore, the fifth hypothesis of this study is as follows:

\textbf{H_5:} Firm performance is significantly and positively affected by managerial ownership

An audit committee is a committee within the firm that is responsible for
overseeing the performance of external and internal auditors with regular supervision of the financial reporting process. Yameen et al. (2019) found audit committee meetings to significantly and positively affect firm performance. Frequent audit committee meetings tend to minimize problems in recording financial statements because should problems arise, further action on the matter will be decided by the audit committee in the meeting. Therefore, the sixth hypothesis of this study is as follows:

\[ H_6: \text{Firm performance is significantly and positively affected by audit committee meetings} \]

Capital structure leads to firm’s strategies in operationalizing its assets through equity and debt. Bashir et al. (2020) conducted a study using capital structure as the mediating variable and demonstrated a positive effect. Companies with high leverage invest in better projects thereby improving their performance. High leverage decreases the agency costs of external equity, improving the performance of the firm by motivating the managers to take debt-taking decisions in the interests of shareholders. Therefore, the seventh hypothesis of this study is as follows:

\[ H_7: \text{Capital structure mediates the effect of GCG on firm performance} \]

Based on the hypotheses above, the study’s conceptual framework is formulated as follows:

*Figure 1*

Conceptual Framework

GCG
- Board Size
- Independent Commissioner
- Female Directorship
- Ownership Concentration
- Managerial Ownership
- Audit Committee Meetings

Capital Structure
- Leverage

Firm Performance
- Return on Assets (ROA)
- Tobin’s Q

Control
- Firm Size
- Firm Age
- Cash Flow to Total Assets Ratio
- Fixed Assets Ratio
RESEARCH METHODS

This study is conducted with a quantitative method and was developed using hypothesis testing to determine the relationship between independent variables and dependent variables. The variables tested were measured using numbers and there was the involvement of statistical measures in testing these numbers. Based on the characteristics of the problem, this study was a comparative causal study, where there were causal relations between variables. This study examined the effect of board size, independent commissioners, female directorship, ownership concentration, managerial ownership, audit reputation, audit committee size, and capital structure on ROA and Tobin's Q in 117 family companies that met the criteria listed on the IDX from 2016 to 2020. Secondary data was used in this study which was sourced from other parties through an existing media intermediary, not directly from the source.

| Table 1 | Measurement of Variables |
|---------|--------------------------|
| Acronym | Variable | Measurement |
| Dependent (Firm Performance): | | |
| ROA | Return on Assets | Earnings before interest and tax divided by book value of total assets |
| Q | Tobin’s Q | Market value of ordinary shares divided by book value of total assets |
| Independent (Corporate Governance): | | |
| BD_SIZE | Board Size | Total number of directors sitting on board |
| COMM_IND | Independent Commissioner | Percentage of independent commissioners divided by total commissioners |
| BD_WOMEN | Female Directorship | Percentage of female directors divided by total directors |
| OWN_TOP3 | Ownership Concentration | Percentage of top three shareholders |
| MAN_OWN | Managerial Ownership | Percentage of shares owned by directors and commissioners divided by total number of shares issued |
| AUD_MEET | Audit Committee Meetings | Total meetings held by audit committee in one year |
| Mediating (Capital Structure): | | |
In line with the study by De Massis et al. (2013), this study defined a cut-off point of 25% share ownership of a family and at least 2 (two) people occupying positions in the company in order to be qualified as a family company. A panel regression analysis method was used to analyze the data. This method was used to determine whether there was a relation between variables based on longitudinal (merging of cross sectional and time series data). For the purposes data analysis, this paper will make use of Eviews to do panel regression.

**DISCUSSION**

| Variable | N       | Min     | Max     | Mean    | Std. Deviation |
|----------|---------|---------|---------|---------|----------------|
| ROA      | 526     | -1.08   | 0.47    | 0.03    | 0.09           |
| Q        | 526     | 0.01    | 5.37    | 0.70    | 0.68           |
| BD_SIZE  | 526     | 2.00    | 12.00   | 4.81    | 1.88           |
| COMM_IND | 526     | 0.00    | 1.00    | 0.40    | 0.12           |
| BD_WOMEN | 526     | 0.00    | 0.66    | 0.14    | 0.17           |
| OWN_TOP3 | 526     | 35.54   | 97.69   | 68.19   | 15.41          |
| MAN_OWN  | 526     | 0.00    | 76.93   | 10.56   | 18.64          |
| AUD_MEET | 526     | 0.00    | 52.00   | 6.26    | 4.90           |
| LEV      | 526     | 0.01    | 1.91    | 0.48    | 0.23           |
| Asset*   | 526     | 46.760  | 163.136.516 | 13.123.257 | 22.187.000   |
| LNFAGE   | 526     | 0.00    | 31.00   | 16.29   | 9.03           |
| NCFOTA   | 526     | -0.25   | 0.48    | 0.06    | 0.08           |
| PPETA    | 526     | 0.00    | 0.92    | 0.34    | 0.24           |

* = in million

Source: Data Author, 2021
According to Forbes Advisor (2021), a good average ROA is 5%, thus, it can be concluded that companies listed on the IDX have not achieved a good ROA target. The Tobin’s Q showed an average of 0.700, indicating that on average the companies have a market value of 70% of the total assets owned. An average of 4.811 was found on the board size indicating that on average the companies have at least 4 directors. Independent commissioners showed an average of 0.403 which indicates that 40.30% of the board of commissioners are independent. According to the Regulation of Financial Services Authority Number 33/POJK.04/2014, companies are required to have independent commissioners of 30% of the total commissioners, thus, it can be concluded that the majority of the companies on the IDX have complied with the applicable policy. Female directorship showed an average of 0.141, indicating that female directorship in the companies make up 14.10% of the total number of directors. This shows that female director composition is relatively low in the IDX companies. Ownership concentration showed an average of 68.196, indicating that that on average the three largest shareholders of companies on the IDX own 68.20% of the company's shares. Managerial ownership showed an average of 10.563, indicating that the average company management owns 10.56% of the company's shares. Audit committee meetings showed an average of 6.263, indicating that audit committees conduct at least 6 meetings in a year. Leverage showed an average of 0.489, indicating that on average the companies have a debt proportion of 48.90% of the total assets.

Baron & Kenny (1986) presented the following three steps regression for testing the mediation. The first step is to regress the mediator on the independent variable (Step 1). This is to verify the independent variable as a significant predictor of the mediator. Then, regress the dependent variable on the independent variable (Step 2). This will be to verify the independent variable as a significant predictor of the dependent variable. Lastly, regress the dependent variable on the mediator as well as the independent variable (Step 3). This verifies the mediator as a significant predictor of the dependent variable, whilst controlling for the independent variable.

| Variable       | Coeffici | Prob.  |
|----------------|----------|--------|
| Step 1 (GCG » ROA) |
| C              | -2.19    | 0.00   |
| BD_SIZE        | 0.01     | 0.02   |
| COMM_IND       | 0.01     | 0.78   |
| BD_WOMEN       | -0.00    | 0.84   |
| OWN_TOP3       | 0.00     | 0.00   |
| MAN_OWN        | -0.00    | 0.00   |
| Step 2 (GCG » LEV) |
| C              | 2.57     | 0.00   |
| BD_SIZE        | -0.01    | 0.05   |
| COMM_IND       | 0.01     | 0.77   |
BD_WOMEN  -0.05  0.25  
OWN_TOP3  -0.00  0.00  
MAN_OWN  0.00  0.00  
AUD_MEET  0.00  0.32  
LNTA  0.09  0.00  
LNFAGE  -0.13  0.07  
NCFOTA  -0.05  0.45  
R-squared  0.90  
Adjusted R-squared  0.86  

**Step 3 (GCG » LEV » ROA)**

C  -1.49  0.00  
BD_SIZE  0.00  0.12  
COMM_IND  0.01  0.67  
BD_WOMEN  -0.02  0.49  
OWN_TOP3  0.00  0.00  
MAN_OWN  -0.00  0.05  
AUD_MEET  0.00  0.58  
LEV  -0.27  0.00  
LNTA  0.05  0.00  
LNFAGE  0.05  0.00  
NCFOTA  0.28  0.00  
PPETA  0.12  0.01  
R-squared  0.90  
Adjusted R-squared  0.86  

**Source:** Data Author, 2021

In the first step, board size showed a positive significant effect on ROA, so hypothesis 1 is supported. A large number of directors can improve company performance. According to Yameen et al. (2019), the bigger the size of the board, the more accurate the decision will be because the more experienced and knowledgeable people can improve the company's performance. This result support the findings of Adekunle & Aghedo (2014), Ahmed et al. (2019), Detthamrong et al. (2017), Hamdan (2015), and Warrad & Khaddam (2020). Independent commissioners showed a positive effect on ROA, meaning that a large number of directors may improve company performance but not significantly. According to Chabachib et al. (2020), a high composition of independent commissioners, as objective parties, will improve the company's performance because it increases the supervisory role in managing the company and reduces the possibility of conflicts of interest arising. The existence of an independent commissioner as an independent and objective party balances interests between stakeholders such as managers, creditors, debtors, or other parties concerned in the interests of the company (Nugroho & Agustia (2017). The result support the findings of Nugroho & Agustia (2017), Putra (2016), and Tulung & Ramdani (2018). Female directorship showed a negative effect on ROA, so hypothesis 3 is not supported. The greater the composition of female directorship, the company's performance will decrease. According to Damardi (2011), gender diversity can increase the likelihood of conflict, lengthy decision-making processes, and differing views on how to respond to risk, ultimately resulting in lower company performance. This result support the findings of Damardi (2011). Ownership concentration showed a positive effect on ROA. Company performance will improve in line with the increasing share proportion of the three major shareholders. According to Detthamrong et al. (2017), high concentration of ownership will put pressure on company management so that company performance increases. This result support the findings of Al-Matari & Al-Arussi (2016) and Okiro & Aduda (2015). Managerial ownership showed a negative effect on ROA, so hypothesis 5 is not supported. Company performance will decrease along with the
increase in the proportion of shares owned by directors and commissioners. According to Al-Matari & Al-Arussi (2016), dominant managerial ownership will reduce external involvement in providing different resources and experiences to maximize company performance. This result support the findings of Al-Matari & Al-Arussi (2016) and Saepudin & Yunita (2019). Audit committee meetings showed a positive effect on ROA. The more frequent meetings are held by the audit committee, the higher the company's performance. According to Darko et al. (2016), the audit committee does not carry out its supervisory role effectively if the audit committee is not active. Therefore, this result support the findings of Tertius & Christiawan (2015).

In the second step, ownership concentration showed significant negative effect on leverage. The company's leverage will decrease along with the increase in the proportion of shares of the three major shareholders. The higher the leverage level, the higher the risk level. Major shareholders tend to avoid high levels of risk that can jeopardize the survival of the company. Meanwhile, with a low level of leverage, the company will be limited by the resources that can be utilized to improve the company's performance. Managerial ownership showed a significant positive effect on leverage. The level of leverage will be higher in line with the increase in the proportion of shares of directors and commissioners. Directors and commissioners who own shares in the company will try to improve the company's performance through increasing leverage to open access to resources that can maximize profits for the company so that directors and commissioners can also benefit as shareholders. The ownership concentration and managerial ownership variables have met the second requirement of the mediation test. Meanwhile, the board size variable was eliminated since it does not affect leverage significantly.

In the third step, ownership concentration showed a coefficient of 0.002, indicating a positive relation, and a significance value of 0.000, indicating a significant effect. The coefficient of the ownership concentration variable saw a decrease of 0.001 from 0.003 to 0.002. The results suggest a partial mediation of ownership concentration on company performance. When company's leverage level can be controlled with the possibility of high profits, the major shareholders may lower their concern for the company's survival risk. Managerial ownership showed a coefficient of -0.002, indicating a negative relation, and a significance value of 0.052, indicating an insignificant effect. These results suggest a full mediating effect, where when leverage is controlled, managerial ownership no longer significantly affects company performance. When the company has leverage that can provide the company access to resources that can improve the company's performance, the directors and commissioners who own shares in the company are less likely to create conflicts of interest that can affect the company's performance. These results support the proof of hypothesis 6.

Table 4
| Regression Result - Tobin’s Q |
|-----------------------------|
| Variable        | Coefficient | Prob. |
| C              | 8.44        | 0.00  |
| BD_SIZE        | -0.01       | 0.47  |
| COMM_IND       | -0.10       | 0.66  |
| BD_WOMEN       | -0.09       | 0.60  |
Board size showed a negative effect on Tobin’s Q, so hypothesis 1 is not supported. According to Mohamed et al. (2013), large board sizes are less efficient due to slow decision-making and difficulty arranging board meetings. This result support the findings of Darko et al. (2016). Independent commissioner showed a negative effect on Tobin’s Q, so hypothesis 2 is not supported. The greater the composition of independent performance will decrease. However, the addition or reduction of the number of independent commissioners does not significantly affect the company’s performance. This result support the findings of Lukas & Basuki (2015). Female directorship showed a negative effect on Tobin’s Q, so hypothesis 3 is not supported. Gender diversity can increase the likelihood of conflict, lengthy decision-making processes, and differing views on how to respond to risk, ultimately resulting in lower company performance (Damardi, 2011). This result support the findings of Darko et al. (2016). Ownership concentration showed a positive effect on Tobin’s Q. High concentration of ownership will put pressure on company management so that company performance increases (Detthamrong et al., 2017). This result support the findings of Mohamed et al. (2013). Managerial ownership showed a positive effect on Tobin’s Q. Managers would feel a sense of ownership of the firm and will align their interests with the firm's principal goals so as to improve firm performance (Chabachib et al., 2020). Audit committee meetings showed a negative effect on Tobin’s Q, so hypothesis 6 is not supported. The frequency of audit committee meetings does not significantly affect the company's performance. This result support the findings of Darko et al. (2016).

There are no GCG variables that have a significant effect on the company performance as measured with Tobin’s Q, thereby not meeting the criteria established by Baron & Kenny (1986) for testing the mediating role of leverage.

**CONCLUSION**

Leverage is found to mediate ROA through ownership concentration partially and managerial ownership fully. When company’s leverage level can be controlled with the possibility of high profits, the major shareholders may lower their concern for the company's survival risk. When leverage is controlled, managerial ownership no longer significantly affects company performance. When the company has leverage that can provide the company access to resources that can improve the company's performance, the directors and commissioners who own shares in the company are less likely to create conflicts of interest that can affect the company's performance.

Family companies should implement effective corporate governance and there is a need also to appoint independent commissioners that are really independent with experience and skills in specific areas in order for the companies to perform better.
Some limitations of this study are the sample in this study only comprises companies categorized as family companies and only uses data with a period of 5 years. Therefore, for future research, it is recommended to expand the sample scale beyond 5 years, expand the scope of the sample, develop a research topic by broaden the research object.

REFERENCES
Adekunle, S. A., & Aghedo, E. M. (2014). Corporate Social Responsibility and Financial Performance of Selected Quoted Companies in Nigeria. NG-Journal of Social Development, 5(4), 168–189. https://doi.org/10.12816/0033096
Agustia, W. C. N. D. (2017). Corporate Governance, Tax Avoidance, and Firm Value. AFEBI Accounting Review (AAR), 2(2), 61–92.
Ahmed, F., Talreja, S., & Kashif, M. (2019). Effects of Corporate Governance and Capital Structure on Firms’ Performance: Evidence from Major Sectors of Pakistan. Indonesian Capital Market Review, 10(2), 90–104. https://doi.org/10.21002/icmr.v10i2.10873
Al-Matari, E. M., & Al-Arussi, A. S. (2016). The effect of the ownership structure characteristics on firm performance in oman: Empirical study. Corporate Ownership and Control, 13(2), 93–100. https://doi.org/10.22495/cocv13i2p10
Baron, R. M., & Kenny, D. A. (1986). The Moderator-Mediator Variable Distinction in Social Psychological Research. Conceptual, Strategic, and Statistical Considerations. Journal of Personality and Social Psychology, 51(6), 1173–1182. https://doi.org/10.1037/0022-3514.51.6.1173
Bashir, Z., Ali, G., & Javed, A. (2020). Corporate governance and capital structure as driving force for financial performance: Evidence from non-financial listed companies in Pakistan Corporate governance and capital structure as driving force for financial performance: Evidence from non-fin. (September).
BBC News Indonesia. (2019). Kasus Garuda Indonesia: Erick Thohir pecat sejumlah direktur terkait dugaan penyelundupan motor Harley Davidson.
Chabachib, M., Irawan, B. P., Hersugondo, H., Hidayat, R., & Pammngkas, I. D. (2020). Corporate governance, firm performance and capital structure: Evidence from Indonesia. Research in World Economy, 11(1), 48–55. https://doi.org/10.5430/rwe.v11n1p48
Damardi, S. (2011). Board diversity and firm performance: the Indonesian evidence. Corporate Ownership and Control, 8(38721).
Darko, J., Aribi, Z. A., & Uzonwanne, G. C. (2016). Corporate governance: the impact of director and board structure, ownership structure and corporate control on the performance of listed companies on the Ghana stock exchange. Corporate Governance (Bingley), 16(2), 259–277. https://doi.org/10.1108/CG-11-2014-0133
De Massis, A., Kotlar, J., Campopiano,
G., & Cassia, L. (2013). Dispersion of family ownership and the performance of small-to-medium size private family firms. *Journal of Family Business Strategy, 4*(3), 166–175. https://doi.org/10.1016/j.jfbs.2013.05.001

Detthamrong, U., Chancharat, N., & Vithessonthi, C. (2017). Corporate governance, capital structure and firm performance: Evidence from Thailand. *Research in International Business and Finance, 42* (September 2016), 689–709. https://doi.org/10.1016/j.ribaf.2017.07.011

Forbes Advisor. (2021). Return On Assets (ROA) Definition – Forbes Advisor.

Habib, M. A. (2016). *Relationship Between Corporate Governance and Firm Performance: A Case Study In Bangladesh. 3218*(21), 1120.

Hamdan, E. A. A. (2015). THE Impact of Corporate Governance on Firm Performance: Evidence from Bahrain Stock Exchange. *Ekp, 13*(5), 1576–1580.

Itan, I., & Junnestine, J. (2021). Role of Ownership Concentration in CSR Disclosure on Financial Performance. *Jurnal Ipteks Terapan, 15*(3), 348–359.

Lukas, S., & Basuki, B. (2015). the Implementation of Good Corporate. *The International Journal of Accounting and Business Society, 23*(1), 47–72.

Mohamed, E. K. A., Basuony, M. A., & Badawi, A. A. (2013). The impact of corporate governance on firm performance in Egyptian listed companies. *Corporate Ownership and Control, 11*(1), 691–705. https://doi.org/10.22495/cocv11i1c7art6

Okiro, K., & Aduda, P. J. (2015). The Effect of Corporate Governance and Capital Structure on Performance of Firms Listed at the East African Community Securities Exchange. *European Scientific Journal, 11*(7), 517–546.

PeiZhi, W., & Ramzan, M. (2020). Do corporate governance structure and capital structure matter for the performance of the firms? An empirical testing with the contemplation of outliers. *PLoS ONE, 15*(2), 1–25. https://doi.org/10.1371/journal.pone.0229157

Perdana, R. S., & Raharja. (2014). Analisis Pengaruh Corporate Governance Terhadap Nilai Perusahaan. *Diponegoro Journal of Accounting, 3*(3), 1–13.

Putra, B. P. D. (2016). Pengaruh Dewan Komisaris, Proporsi Komisaris Independen, Terhadap Kinerja Perusahaan. *Jurnal Manajemen Teori Dan Terapan| Journal of Theory and Applied Management, 8*(2), 70–85. https://doi.org/10.20473/jmtt.v8i2.2724

Saepudin, N. L., & Yunita, I. (2019). Influence Analysis of Managerial Ownership and Institutional Ownership on Firm Performance in Indonesia Stock Exchange. *International Journal of Science and Research (IJSR), 8*(1), 236–240.

Taouab, O., & Issor, Z. (2019). Firm Performance: Definition and Measurement Models. *European Scientific Journal ESJ, 15*(1), 93–106. https://doi.org/10.19044/esj.2019...
Tertius, M. A., & Christiawan, Y. J. (2015). Pengaruh Good Corporate Governance Terhadap Kinerja Perusahaan. *BUSINESS ACCOUNTING REVIEW*, 3(1), 223–232. https://doi.org/10.17509/jaset.v1i1.8907

Tulung, J. E., & Ramdani, D. (2018). Independence, size and performance of the board: An emerging market research. *Corporate Ownership and Control*, 15(2), 201–208. https://doi.org/10.22495/cocv15i2c1p6

Warrad, L., & Khaddam, L. (2020). The effect of corporate governance characteristics on the performance of jordanian banks. *Accounting*, 6(2), 117–126. https://doi.org/10.5267/j.ac.2019.12.001

Yameen, M., Farhan, N. H., & Tabash, M. I. (2019). The impact of corporate governance practices on firm’s performance: An empirical evidence from Indian tourism sector. *Journal of International Studies*, 12(1), 208–228. https://doi.org/10.14254/2071-8330.2019/12-1/14

Zeitun, R. (2014). Corporate Governance, Capital Structure and Corporate Performance: Evidence from GCC Countries. *Review of Middle East Economics and Finance*, 10(1), 75–96. https://doi.org/10.1515/rmeef-2012-0028