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Do Corporate Social Responsibility, the Board of Commissioners, and Institutional Ownership Really Mean Increasing Company Value?

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A B S T R A C T

The objective of this study was to illustrate the impact of institutional share ownership, the existence of an independent board of commissioners, and corporate social responsibility on the firm Value through the calculation of profitability as a moderating factor. The study focused on mining companies listed in the PROPER Decree of the Minister of Environment and Forestry for 2019-2022 and those that were listed during the research year on the Indonesia Stock Exchange in the same era. The research method employed utilized a deliberate sampling approach, specifically a quantitative method called purposive sampling. To test this hypothesis, a partial test (t-test), R square test, and Moderated Regression Analysis (MRA) through Eviews 12 Student software were employed. The research findings indicated that institutional ownership and corporate social responsibility have a significant impact on firm Value, while the presence of an independent board of commissioners has no significant effect on firm Value. The impact of institutional ownership and the existence of an independent board of commissioners on firm Value is moderated by profitability, but the influence of corporate social responsibility on firm Value remains unaffected.

1. INTRODUCTION

In the context of the accelerating pace of economic development and intensifying competition, many large companies have opted to list on the Indonesia Stock Exchange or pursue a public offering. However, intense competition within various industrial sectors often accompanies this decision. The intensity of this competition necessitates that companies maintain the continuity and sustainability of their business by enhancing their company value. Numerous challenges and conflicts between managers and shareholders, commonly referred to as "agency problems," have emerged to achieve this objective. Often, the goals and interests of managers are not aligned with those of shareholders and the company. This discrepancy in objectives, known as agency conflict, leads to increased company costs, referred to as agency costs. These costs can reduce company profits and hurt stock prices and company value (Fajriana & Priantinah, 2016).

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To enhance firm Value, corporate activities tend to intensify, which in turn increases the level of corporate responsibility towards the environment. It can result in an imbalance that leads to social imbalance and environmental damage due to uncontrolled corporate activities that prioritize profitability. Therefore, to ensure business continuity, companies must establish contractual relationships with their surrounding communities. It involves integrating business activities into existing social and environmental structures. Corporate Social Responsibility (CSR) is a form of responsibility that agencies have towards social, economic, and ecological issues. It encourages them to be accountable for their actions to society in general, especially to the community around the area where the company operates. Fauziah et al. (2021) discovered that PLS analysis indicates that disclosure has a positive and insignificant effect on firm Value through investment efficiency. Tambunan et al. (2023) show that CSR does not affect financial performance. Improved disclosure and efficiency are associated with a notable increase in firm Value, although this increase is not statistically significant in the underinvestment scenario. Furthermore, disclosure is positively and significantly associated with an increase in firm value through Innovation in research and development activities. Tiurma & Gantino (2020) show that corporate social responsibility has a significant effect jointly on the ROA and ROE of coal mining sub-sector companies.

One of the factors influencing the increase in company value and the ability to act as a proxy for measuring the effectiveness of the company in achieving profits can be observed through profitability. The high level of profitability indicates the efficacy of managerial performance in enhancing and administering operational and financial resources to achieve net income. The utilization of profitability as a moderating variable is predicated on the tenet that profitability is a gauge of a company's profitability, as espoused by Kasmir (2017); Purba et al. (2023). Profitability reflects a company's proficiency in generating profits through its various asset management practices. Consequently, the degree of profitability can influence investors' perceptions of the company's prospective opportunities.

Moreover, numerous social and environmental harm from corporate operations have been documented. For example, PT Freeport has been accused of exceeding permitted wastewater discharge limits, and contaminating marine ecosystems. The next case that is still under discussion is that of PT Lapindo Brantas, which conducted oil and gas drilling in the Porong area of Sidoarjo. It was carried out negligently and breached the relevant drilling operating standards. As a result, the disaster of the emergence of hot mud accompanied by pungent gas occurred, submerging several residential areas around the company. This has resulted in the Lapindo company being unable to operate in the Porong, Sidoarjo area and the cessation of all community activities in the area.

In the pursuit of enhancing the Value of the company, the intensity of the company's operations in running the business is on the rise. This, in turn, has led to an increase in the level of corporate responsibility towards the environment, which has the potential to result in social inequality and environmental damage due to the company's intensified and unregulated activities in the pursuit of increased profits. Consequently, to maintain a company's business, a social contract is required with the surrounding community. This is necessary to position the business as part of the existing social and environmental system. One sector that is consistently related to social and environmental issues is the mining sector.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

In the field of agency theory, Jensen & Meckling (1976) posited that institutional ownership can serve as an optimal means of monitoring managers. Institutional ownership is involved in the company's strategic decision-making process and operates independently of the company's internal parties. This mechanism is expected to reduce the opportunistic nature of managers and reduce agency costs incurred by shareholders, such as providing incentives to bind managers to their work. Institutional investors are also likely to possess greater resources than other shareholders, which enables them to become majority shareholders and support their role in monitoring manager performance (Martani et al., 2016). Research

conducted by Wang (2018) found that institutional ownership has a positive and significant effect on firm Value, indicating that firm Value is positively influenced by institutional ownership. Tiurma & Gantino (2020) found that institutional ownership of coal mining companies has a significant effect on ROA, but the effect is insignificant to the ROE and has no significant impact on the ROA and ROE infrastructure companies.
H1: Institutional ownership affects firm Value.

The role of the Board of Commissioners in a company is of great consequence, particularly in the implementation of Good Corporate Governance, as well as the board of directors (Azmi & Murialti, 2018). Irmalasari et al. (2022) posit that the Independent Board of Commissioners is the foundation of Corporate Governance, bearing the responsibility to guarantee the implementation of the company's strategy, oversee management in the execution of company operations, and enforce accountability. In essence, the Board of Commissioners serves as a supervisory mechanism and a guide for company managers. While management is responsible for the efficiency and competitiveness of the company, the BOC bears the responsibility of overseeing management, thereby becoming the center of the company's resilience and success. This research is in line with Siregar & Safitri (2019).
H2: The independent board of commissioners affects firm Value.

The growth of company value can be guaranteed sustainably if the company pays attention to economic, social, and environmental aspects. This is because sustainability is the result of balancing the interests of the economy, environment, and society. These dimensions are reflected in the implementation of Corporate Social Responsibility (CSR), which the company adopts as a form of responsibility and concern for the surrounding environment.
This hypothesis is consistent with the findings of Fauziah et al. (2020). The findings of this study provide empirical evidence that both quality and quantity of corporate social responsibility disclosure affects increasing firm value. The results also demonstrate that corporate social responsibility disclosure cannot enhance firm Value through Innovation due to the scarcity of research and development activity in most manufacturing companies. This is because research and development activities necessitate a protracted timeframe and intricate process, in addition to the ineffectiveness of patent protection. Innovation exerts a negligible influence on firm Value, given the substantial costs associated with research and development. These expenses can have a detrimental impact on profits, particularly when they are incurred in the pursuit of new products or processes. Nevertheless, innovation can be enhanced by disclosure of corporate social responsibility. Consequently, investment in corporate social responsibility disclosure can indirectly stimulate the development of innovative product and process activities within the company. Innovation functions as a partial mediator variable, whereby Innovation plays a partial mediating role between corporate social responsibility disclosure and firm Value.
H3: Corporate social responsibility affects firm Value.

This study employs a moderating variable, namely profitability, with the intention of assessing the extent to which profitability modifies the relationship between institutional ownership and firm value. In companies with a high level of profitability, the influence of the relationship between institutional ownership and firm Value is likely to be strengthened. Conversely, in companies with low profitability, the relationship between good corporate governance (GCG) and firm Value is expected to weaken. This hypothesis is consistent with the findings of Nurputri & Nuzula (2019), and Johanes et al., (2021).
H4: The effect of institutional ownership on firm Value is moderated by profitability.

The study will examine whether profitability can act as a moderating variable in the relationship between the independent board of commissioners and firm Value. If the company has a high level of profitability, then profitability can strengthen the relationship between the independent board of commissioners and firm Value. Conversely, if profitability is low, profitability can weaken the moderation of the relationship between the independent board of commissioners and firm Value. The results of the study Perwito et al., (2023) indicate that profitability exerts a positive influence in moderating the effect of the independent board of commissioners on firm Value.

H5: The independent board of commissioners exerts an influence on firm Value, with profitability serving as a moderating variable.

Companies with robust financial performance are better positioned to allocate resources toward social activities (Kristanti, 2022). A company's profitability level can influence the relationship between CSR and firm Value. When profitability is high, the relationship between CSR and firm Value is strengthened. Conversely, when profitability is low, the relationship between CSR and firm Value is weakened.

This hypothesis is consistent with the findings of Machmuddah et al., (2020).

H6: Corporate Social Responsibility exerts an influence on Firm Value and profitability is moderated by the influence of corporate social responsibility.

3. RESEARCH METHOD

The Proper program has been listed on the Indonesia Stock Exchange, which can be accessed via https://proper.menlhk.go.id/proper/, www.idx.co.id and the websites of each research sample agency. The population and sample are described below. The research population consisted of mining companies that were included in the PROPER program issued by The Ministry of Environment and Forestry and those listed on the Indonesia Stock Exchange from 2019 to 2022. The research sample was selected using a purposive sampling approach. The samples obtained by this study were 14 company samples over a period of 4 years, resulting in 56 observations of research data. The following data criteria were determined in this study: (1). Mining sector companies that participated in the PROPER program issued by The Ministry of Environment and Forestry during the period 2019-2022. (2). Mining sector companies that participated in The Ministry of Environment and Forestry and were not listed on the IDX during the 2019-2022 period. (3). Mining sector companies that participated in The Ministry of Environment and Forestry and published annual and sustainability reports on the Indonesia Stock Exchange (IDX) consistently during the 2019-2022 period.

The sources used to support the data collection for this research are the annual reports and sustainability reports of the companies and the reference to the official website of the Indonesia Stock Exchange (www.idx.co.id) and the official websites of the agencies sampled in this study. The research employs panel data, which necessitates the use of E-views as the analytical tool.

Table 1. Operational Definition and Measurement of Variables

Variable	Definition	Measurement
Institutional Ownership	Ownership of company shares owned by institutions and the government	$\frac{\text{The number of institutional ownership}}{\text{The number of total share ownership}}$ (Johanes et al., 2021)
Independent Board of Commissioners	Members of the board of commissioners who come from outside the issuer or Public Company and fulfill the requirements as Commissioners, as stated in Financial Services Authority	$\frac{\text{Number of Independent Commissioners}}{\text{Total number of commissioners}}$ (Irmalasari et al., 2022)

	Regulation Number 33/PojK.04/2014	
Corporate Social Responsibility	A business model that helps a company be socially accountable to itself, its stakeholders, and the public	$CSRDIj = \frac{\sum Xij}{Nj}$ (Fauziah et al., 2021)
Firm Value	The ratio between the company assets' market value that is measured by the market value of the number of stocks outstanding and debts (enterprise value) and the replacement cost of the company's assets	Tobin's q = $\frac{\text{Market Value of Equity + Book Value of Liabilities}}{\text{Total Asset}}$ (Willim, 2015)
Profitability	The company's ability to earn profits in relation to sales, total assets and equity	ROA = $\frac{\text{Net Profit}}{\text{Total Asset}}$ (Tiurma & Gantino, 2020)

The Chow test was employed to assess the statistical significance of the observed differences between the two groups. The chi-square probability value was calculated to be 0.0000, which is less than 0.05 (Value of a). This indicates that the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted. Therefore, the preferred model is the finite element method (FEM). The overall Chow test results indicate that the chi-square probability value is 0.0000, which is less than 0.05 (value of a). This suggests that the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted. Therefore, the preferred model is the finite element method (FEM).

The Hausman test was also conducted. The results of the Hausman test indicate that the cross-sectional random Value is 0.0001, which is significantly below the Value of 0.05 (a). Consequently, the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted, thereby confirming the selection of the FEM model. The overall inter-correlation coefficient of the independent variables is below 0.80, indicating that there is no evidence of multicollinearity in the data. The results of the heteroscedasticity test indicate that the null hypothesis (H0) is accepted, as the probability of the results of the independent variables exceeds the set Value of 0.05. This figure suggests that there is no evidence of heteroscedasticity problems in the data. Moderated Regression Analysis (MRA) Test:

$$Y_{it} = \alpha + \beta_1 X1_{it} + \beta_2 X2_{it} + \beta_3 X3_{it} + \varepsilon \text{ .... } (1)$$
$$Y_{it} = \alpha + \beta_1 X1_{it} + \beta_2 X2_{it} + \beta_3 X3_{it} + \beta_4 X4_{it} + \beta_5 Z_{it} + \beta_5 X1.Z_{it} + \beta_5 X2.Z_{it} + \beta_5 X3.Z_{it} + \varepsilon \text{..........} (2)$$

4. RESULTS

Based on the results of research, regarding the effect of Institutional Ownership, Independent Board of Commissioners, Corporate Social Responsibility on Firm Value, and Profitability as moderating of mining companies listed in the PROPER Decree of the Minister of Environment and Forestry for the 2019-2022 period can be seen as follows:

Table 2. Equation 1 Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
α	-10.76522	4.150898	-2.593468	0.0133
Institutional Ownership (X1)	12.01433	3.770124	3.186719	0.0028
Independent Board of Commissioner (X2)	-0.977649	2.283519	-0.428133	0.6709
Corporate Social Responsibility (X3)	6.715229	2.990962	2.245174	0.0305

Source: E-Views (2022)

The regression analysis results presented in Table 2. yield the following regression equation:

Yit = -10.7652 + 12.0143*X1 - 0.9776*X2 + 6.7152*X3

Table 3. Equation 2 Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
α	-11.90047	3.833887	-3.104021	0.0038
Institutional Ownership (X1)	12.21089	3.770124	3.580448	0.0010
Independent Board of Commissioner (X2)	1.664863	2.283519	0.712194	0.4811
Corporate Social Responsibility (X3)	6.971909	2.990962	2.515751	0.0166
Profitability (Z)	27.75003	12.06105	2.300797	0.0275
KI.ROA (X1.Z)	-11.36173	4.868907	-2.333528	0.0225
DKI.ROA (X2.Z)	-33.27201	14.15949	-2.349803	0.0246
CSR.ROA (X3.Z)	-10.27901	11.26819	-0.912215	0.3679

Source: E-Views (2022)

The regression analysis results in Table 3 yield the following regression equation:

Yit = α + β1X1it + β2X2it + β3X3it + β4X4it + β5KI.Zit + β5X1.Zit + β5X2.Zit + β5X3.Zit +ε..(2)

Yit = -11.900 + 12.2109I*X1 + 1.6649*X2 + 6.9719*X3 + 27.7500*Z

The regression equation can be expressed as follows:

11.3617*X1.Z - 33.2720*X2.Z - 10.2790*X3.Z

Hypothesis Test

Based on the data presented in Table 3., the t-statistic Value for institutional ownership is 3.186719 with a probability figure of 0.0028, which is lower than the significance level α = 0.05. It implies that institutional ownership has a positive and significant impact on firm Value. Therefore, H1 is accepted. The findings indicate that the existence of an independent board of commissioners does not have a substantial effect on firm Value. Hence, H2 is rejected. Table 3. suggests that the t-statistic Value of CSR is 2.245174 with a probability of 0.0305, which implies that the Value of α = 0.05 is lower.

Table 4. t-Test

Variable	Coefficient	t-Statistic	Prob.	Description
Institutional Ownership (X1)	12.01433	3.186719	0.0028	Significant
Independent Board of Commissioner (X2)	-0.977649	-0.428133	0.6709	Insignificant
Corporate Social Responsibility (X3)	6.715229	2.245174	0.0305	Significant
KI.ROA (X1.Z)	-11.36173	-2.333528	0.0225	Significant
DKI.ROA (X2.Z)	-33.27201	-2.349803	0.0246	Significant
CSR.ROA (X3.Z)	-10.27901	-0.912215	0.3679	Insignificant

Source: E-Views (2022)

Consequently, it can be concluded that the independent board of commissioners exerts a positive and considerable impact on firm Value. H3 is accepted. Table 3. indicates that the probability value of the interaction variable of profitability with institutional ownership is 0.0262, which is below the Value of α = 0.05. Consequently, profitability serves to mitigate the impact of institutional ownership on firm Value. Consequently, H4 is accepted. Table 3. indicates that the probability value of the interaction variable between profitability and institutional ownership is 0.0286, which is lower than the Value of α=0.05. It suggests that the profitability of the independent board of commissioners influences firm Value. Consequently, H5 is accepted. Table 3. indicates that the probability value of the interaction variable between profitability and CSR is 0.2408, which exceeds the Value of α = 0.05. This Value suggests that profitability has no effect on CSR on firm Value, and thus H6 is rejected.

Institutional Ownership Affects Company Value.

From the test results, the probability value for institutional ownership is 0.0028, which is smaller than the Value of α=0.05. This indicates that institutional ownership has an impact on firm Value. A percentage increase in institutional ownership is likely to increase firm Value because it increases monitoring of managerial performance and reduces the opportunistic behavior of managers. This may have a positive impact on the overall firm Value. The theory proposed by Saraswati (2012) also shows that institutional investors serve as a tool to increase firm Value through participation in the capital market, which has an impact on the firm's share price. Lins et al., (2017) also emphasize that institutional ownership contributes positively to firm Value by increasing the effectiveness of monitoring and encouraging managers to be more prudent in managing credit. Arif (2017) states that companies with institutional ownership of more than 5% demonstrate the ability to monitor management. Effective monitoring will ensure the welfare of shareholders who have the potential to change the management structure of the company. This finding supports studies conducted by Wang (2018) which confirm that institutional ownership contributes positively and significantly to firm Value.

Independent Board Does Not Affect Firm Value.

The presentation of the independent board of commissioners has no significant effect on firm Value, as evidenced by the t-statistic Value of -0.428133 and a probability of 0.6709, which exceeds the Value of α = 0.05. The independent board of commissioners is only considered a formal obligation to comply with the rules of the Financial Services Authority, which precludes them from effectively carrying out the supervisory function (Voinea et al., 2020). The Financial Services Authority Regulation Number 33 of 2014 requires that companies listed on the IDX must have a percentage of at least 30% of the total board of commissioners as independent commissioners. However, in 2019, PT Timah Tbk only had a percentage proportion of independent commissioners of 20%, which then decreased to 17%

in 2022. Vale Indonesia Tbk has a proportion of 25% in 2019. The proportion of independent commissioners in mining companies is not dominant, which allows management to take opportunistic actions that can cause agency problems. The findings of this study align with Irmalasari et al., (2022) perspective, which posits that independent commissioners are an indispensable component of the board of commissioners, with no ties or affiliations with company management.

Corporate Social Responsibility Affects Company Value.

The probability value of the variable between CSR and firm Value is 0.0262, which is lower than the Value of α = 0.05. Consequently, it can be concluded that the application of CSR influences firm Value. This finding indicates that there is a significant impact on firm Value. The study concludes that the implementation of good CSR practices contributes to an increase in firm Value. This is under the concept of legitimacy, which conveys that strong CSR implementation can form a positive perception among external stakeholders, which will ultimately cause impact on the influence of high and low company value. The company has a role to provide benefits to all internal and external parties involved. The objective of increasing the Value of the company can be achieved by paying attention to the economic, environmental, and social sides. It is therefore expected that the company's awareness of the implementation and reporting of CSR activities will increase. The law states that companies operating in the natural environment sector are required to implement CSR. In addition to financial gain, companies must demonstrate a commitment to environmental responsibility and a broader social responsibility than simply fulfilling shareholder interests. These results support the research of Harjoto & Laksmana (2018).

Institutional Ownership Affects Firm Value With Profitability as A Moderating Variable.

The probability value of the interaction between the variables of profitability and institutional ownership is 0.0262, which is lower than the Value of α = 0.05. Therefore, it can be concluded that profitability can control the effect of institutional ownership on firm Value.
The results of this study support the research of Putri et al., (2020) who concluded that an institution that has a high level of profitability, the amount of profits earned by the firm will become larger. These profits can be used as additional capital or distributed as dividends, which in turn can increase institutional ownership. Institutional ownership, which provides more effective oversight of management performance, encourages management to make more prudent decisions. This oversight ensures shareholder welfare, which is reflected in strong company performance and increased profitability. In addition, institutional ownership has the potential to increase firm Value through the use of information and the mitigation of agency conflicts. With an increase in institutional ownership, agency activities will continue to be monitored by the relevant supervisory body.

The Independent Board of Commissioners Exerts an Influence on Firm Value, with Profitability Serving as A Moderating Variable.

The probability value of the interaction variable of profitability with the independent board of commissioners is 0.0286, which is less than the α = 0.05 value. Therefore, it can be concluded that profitability has no moderating effect on the effect of the independent board of commissioners on firm Value. As the company's profitability increases, it has the option to either retain the profits as capital or distribute them as dividends to investors. An independent board of commissioners with effective supervision can enhance investor confidence, thereby amplifying the impact of profitability on firm Value. A high level of profitability has the potential to strengthen the relationship between the independent board of commissioners and firm Value. This occurs due to an increase in the quality of supervision that occurs along with an increase in company performance. Investors tend to have the confidence to invest only when the level of company performance increases, which will ultimately lead to an increase in company value through an increase in stock prices. Following the agency theory, the implementation of good corporate governance is expected to be able to reduce and handle various interest issues. Thus, it is hoped that the company's operational activities will be able to move efficiently and optimally. The results of this study support the research of Yoon & Chung (2018).

There Is No Evidence That Corporate Social Responsibility Affects Firm Value, With Profitability Acting As A Moderating Variable.

The probability value of the interaction variable of profitability with CSR value on firm Value, namely 0.3975, is higher than the Value of α = 0.05. This indicates that profitability weakens the relationship between CSR and firm Value. This indicates that when profitability is considered as a moderating variable, no effect is observed on the relationship between CSR and firm Value. This implies that there is no discernible positive impact of corporate social responsibility on firm Value when firm profitability is high. Conversely, there is no negative impact of CSR on firm Value when firm profitability is low. This finding is consistent with research conducted by Estiasih et al., (2019), which demonstrates that CSR moderated by profitability does not enhance its effect on firm Value. This can be attributed to variations in revenue with different profit values for each company each year, as well as the focus of companies that are centered on achieving profits alone. Research conducted by Jadiyappa et al., (2019) indicates that companies with high levels of profit tend to perceive no need to actively disclose their social responsibility activities. They assume that readers of annual reports are already sufficiently interested in high profitability. In their view, CSR disclosure by companies is more of an obligation to comply with the law regarding companies that must be socially responsible to the public.

5. CONCLUSION

The regression results indicate that the probability value of the effect of institutional ownership on firm Value is 0.0028, which is lower than the Value of α = 0.05. This suggests that the impact of institutional ownership on firm Value is significant. The regression results indicate that the probability value of the effect of the independent board of commissioners on firm Value, namely 0.6709, is higher than the Value of α = 0.05. Consequently, it can be stated that the effect of the independent board of commissioners on firm Value is not significant. Corporate social responsibility (CSR) has a significant impact on firm Value, as evidenced by the results of the multivariate regression analysis (MRA). The probability value of the effect of CSR on firm Value is 0.0305, which is lower than the Value of α = 0.05. The results of the MRA regression analysis demonstrate that the probability value of the interaction variable between institutional ownership and profitability is 0.0262, indicating that the Value of α=0.05 is lower. Therefore, it can be concluded that profitability exerts a moderate influence on firm Value. The results of the MRA regression analysis indicate that the probability value of the interaction variable between the independent board of commissioners and profitability is 0.0286, which implies that the Value of α=0.05 is lower. Therefore, it can be concluded that profitability has a moderate effect on firm Value. The results of the MRA regression analysis indicate that the probability value of the interaction variable between Corporate Social Responsibility (CSR) is 0.2408, exceeding the Value of α = 0.05. Consequently, it can be posited that the level of profitability does not influence the impact of CSR on firm Value.

For those engaged in future research, it is recommended that the profitability ratio be measured under the following guidelines. It is recommended that different measurement proxies be employed, such as The following financial ratios may be used for the measurement of profitability: return on equity (ROE), return on investment (ROI), gross profit margin (GPM), and operating profit margin (OPM). The margin (GPM) and operating profit margin (OPM) are two additional measurement proxies that can be employed. For future researchers, it is recommended that they utilize other proxies in addition to those previously mentioned. In addition, the following corporate governance factors should be considered: the audit committee, managerial ownership, and the board of directors. The ownership structure, managerial ownership, and the composition of the board of directors are also relevant considerations. For future researchers, it is recommended that the ratio of company value be measured. It is recommended that different measurement proxies be employed, such as The Price-Earnings Ratio (PER), the Price-Book Value (PBV), and the Earning Per Share (EPS) are among the most commonly used proxies for measuring the ratio of company value. It is recommended that the sector be expanded or that additional research be conducted to obtain more reliable results.

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