

EMPIRICAL ANALYSIS OF GOOD CORPORATE GOVERNANCE AND CORPORATE VALUE ON SHARIA BANKING IN INDONESIA

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Abstrak:

The position of Islamic banking in Indonesia still needs improvement because currently the market share of Islamic banking is only 6.52% of the entire proportion of national banking. So that the government seeks to improve by launching the Roadmap for the Development of Indonesian Sharia Banking (RP2SI) 2020-2025. However, there are things that hinder the accelerated growth of the sharia banking business, including the absence of significant business model differentiation, sub-optimal quality and quantity of human resources. So that GCG analysis is needed to increase the value of Islamic banks. The purpose of this study is to see how much influence the GCG has on firm value using PBV theory. The research method used in this study is multiple linear regression analysis with secondary data of 13 Islamic Commercial Banks in Indonesia in 2017-2021. The results show that the Audit Committee, Corporate Governance Committee, and Risk Management Committee have a significant effect on firm value. Meanwhile, the Board of Commissioners, Remuneration and Nomination Committee, Risk Monitoring Committee and Institutional Ownership have no effect on company value.

Keywords: Good Corporate Governance; Firm Value; Sharia Bank

INTRODUCTION

Islamic Banking has become one of the important milestones in the financial sector (Hassan et al., 2020). So that the government pays more attention to improving the quality and quantity of reporting which is then regulated by the Financial Services Authority (OJK) (Disemadi & Shaleh, 2020). OJK has published the Indonesian Sharia Banking Development Roadmap (RP2SI) 2020-2025 (Safitri & Nasution, 2022). Where the roadmap is the result of development for planning and strategic development of Sharia Banking in Indonesia (Hasan, 2023). In accordance with its goal is to make Indonesia the center of economy and sharia in the world (Ahyani & Slamet, 2021).

However, if you look at the development of Sharia Banking growth in Indonesia, the launch of this roadmap is a little late considering that we are currently in 2022 (Sangadji et al., 2022). Namely, the position of Islamic banking in Indonesia is still quite far behind conventional banking (Utama, 2018). Where, the market share of Islamic banking is only 6.52% of the entire proportion of national banks (Septiatin, 2022).

Figure 1. *Sharia Banking Market Share 2021*



Source: Financial Services Authority (2021)\

Based on the results of the OJK transformation study in 2018, there are things that hinder the acceleration of Islamic banking business growth, including the absence of significant business model differentiation, suboptimal quality and quantity of human resources and low levels of literacy and inclusion (Financial Services Authority, 2021). The quality and quantity of human resources is one part of corporate governance (Lima & Galleli, 2021). If a company has quality human resources and sufficient quantity, then it can be said that the company has good organizational governance (Rudyanto & Veronica Siregar, 2018).

The Indonesian Sharia Banking Development Roadmap is prepared as a catalyst for accelerating the Islamic banking development process which relies on 3 (three) development directions, namely strengthening the identity of Islamic banking; Synergy of Islamic economic ecosystem; and strengthening licensing, regulation, and supervision. As the most basic identity of Islamic banking, sharia values are something that must be applied in all aspects of Islamic banking, both in terms of operations and human resources. The first development direction, namely strengthening the identity of Sharia banking, has a peculiarity in strengthening the corporate value of Sharia Commercial Banks in Indonesia. So researchers feel the need to test the value of companies with empirical analysis of the influence of good corporate governance.

Indonesia has two different banking systems so the risks faced are also different. Islamic banks manage risk better than conventional banks (Hassan et al., 2019), especially during the global financial crisis which made Islamic banks more efficient than conventional banks (Asmild et al., 2019), as well as better cost efficiency than conventional banks (Alqahtani et al., 2017). However, other facts show that the cost and profit performance of Islamic banks is worse than conventional banks (Alexakis et al., 2019). Indeed, during the crisis, Islamic banks were resilient to shocks, but during the end of the crisis period, the financial instability of Islamic banks was higher than that of conventional banks (Alqahtani & Mayes, 2018) coupled with worse performance with a decrease in capital, profitability, and efficiency (Alqahtani, Mayes, & Brown, 2017) (Olson & Zoubi, 2017). Seeing this, it is necessary to see how the practice of implementing GCG in Islamic banks, where corporate governance practices can improve company performance (Patel, Guedes, Soares, & da Conceição Gonçalves, 2018) which ultimately affects company value (Nazir & Afza, 2018).

This is because the results of research (Mu'arrif, 2019) show that in the average test it was found that the implementation of GCG in Islamic banks is 'good', it has not been able to reach the level of 'very good'. In accordance with previous research (Nasimul Falah, 2015), the implementation of GCG in Islamic banks has not been in accordance with applicable standards and in some indicators still does not meet the transparency aspect. Research by Kristanti (2016), Melani (2017) and Putri (2018) states that there is a positive influence between Good Corporate Governance on company value. However, there are opposite results obtained by Tamarani (2015) who states that Good Corporate Governance does not affect the value of the company.

METHOD

This study will empirically investigate the effect of corporate governance on voluntary disclosure in the annual report of Islamic banks in Indonesia with elements of novelty in the form of variable control in the form of company size, company age, and institutional ownership status. This is based on the argument that the study of corporate governance and voluntary disclosure in banking (sharia) is dominated by descriptive qualitative methods. While this research was conducted using quantitative methods that focus on regression analysis of panel data, to test the validity of the alleged influence of corporate governance on voluntary disclosure in Islamic banking Indonesia.

Table 1. Research Data

No.	Information	Sum
1.	Sharia Banking registered with the Financial Services Authority (OJK)	198
2.	Sharia Banking is not a Sharia Commercial Bank (Sharia Business Unit)	(20)
3.	Sharia Banking is not a Sharia Commercial Bank (Sharia People's Financing Bank)	(164)
4.	Delisted Companies	(0)
5.	Companies That Do Not Publish Financial Statements Consistently	(2)
6.	Number of Company Samples	13
7.	Number of Study Year Periods	5
8.	Total Research Data	63

Source: Data processed (2022)

Data Analysis Methods

The data analysis methods used are classical assumption test and multiple regression test. Hypothesis testing will be carried out by regression analysis of panel data, with data sourced from the annual report of Sharia Commercial Banks in Indonesia from 2017 to 2021.

Operational Variables

The following is a description of the variables and the scale of measurement of variables used in this study.

Table 2. Operational Definition of Variables and Measurement Scales

Variabel	Pengertian	Rumus	Skala
Nilai Perusahaan (Y)	Nilai perusahaan merupakan indikator bagi pasar ketika melakukan penilaian atas perusahaan dengan menyeluruh yang menyebabkan menjadikan persial tersebut penting untuk investor (Subada dan Mardiaty, 2018).	$PBV = \frac{HS}{NBS}$ Di mana PBV: Price to Book Value HS: Harga Saham NBS: Nilai Buku Saham	Rasio
Dewan Komisaris (X1)	Dewan komisaris diprokanikan dengan jumlah dewan komisaris dalam suatu perusahaan (barik syariah) (Saha & Kabra, 2019; Wijayanti et al., 2019).	DK = jumlah anggota dewan komisaris	Rasio
Komite Audit (X2)	Komite audit dinilai dari jumlah anggota komite audit pada bank syariah (Fatmawati et al., 2018).	KA = jumlah anggota komite audit	Rasio
Komite Remunerasi dan Nominasi (X3)	Komite remunerasi dan nominasi dalam penelitian ini adalah anggota komite remunerasi dan nominasi secara menyeluruh yang ada di suatu bank syariah (Saha & Kabra, 2019).	KRN = jumlah anggota komite remunerasi dan nominasi	Rasio
Komite Tata Kelola Perusahaan (X4)	Penilaian variabel ini dilihat dari jumlah anggota yang tergabung dalam komite tata kelola perusahaan di bank syariah (Rokhaniyah, 2020).	KTKP = jumlah anggota komite tata kelola perusahaan	Rasio
Komite Manajemen Risiko (X5)	Komite manajemen risiko dilihat dari jumlah anggota komite manajemen risiko di bank syariah tertentu (Saha & Kabra, 2019).	KMR = jumlah anggota komite manajemen risiko	Rasio
Komite Pemantau Risiko (X6)	Komite pemantau risiko dinilai berdasarkan jumlah anggota komite manajemen risiko di bank syariah tertentu (Rokhaniyah, 2020).	KPR = jumlah anggota komite pemantau risiko	Rasio
Kepemilikan Institusi (X7)	Kepemilikan institusi diformulasikan dengan (Hitten, 2016; Rokhaniyah, 2020b).	KI = jumlah saham institusi / jumlah keseluruhan saham	Rasio
Ukuran perusahaan (k1)	Besar kecilnya perusahaan dilihat dari total aktiva yang dimilikinya.	Uk = Ln (total asset)	Rasio
Umur perusahaan (k2)	Dilihat dari tanggal perusahaan tersebut terdaftar di Otoritas Jasa Keuangan hingga 2021.	Um = lamanya perusahaan terdaftar OJK	Rasio
Status kepemilikan bank (k3)	Yaitu status kepemilikan bank syariah (BUMN - Non-BUMN).	d1 = 1, bank BUMN d2 = 0, bank non BUMN	Nominal

Source: Data processed (2022)

Here's the regression equation used:

$$PBV = \alpha + \beta_1 DK + \beta_2 KA + \beta_3 KRN + \beta_4 KTKP + \beta_5 KMR + \beta_6 KPR + \beta_7 KI + e$$

Information:

PBV : Corporate Value

DK: Board of Commissioners

KA : Audit Committee

KRN: Remuneration and Nomination Committee

KTKP : Corporate Governance Committee

KMR : Risk Management Committee

KPR : Risk Monitoring Committee

IP: Institutional Ownership

α :Constant

β : Regression Coefficient

e : Residual or error value

RESULTS AND DISCUSSION

Descriptive Statistical Analysis

This study analyzes the influence of Corporate Governance in terms of human resources who carry out organizational functions on Firm Value at Sharia Commercial Banks in Indonesia. This study used a sample with secondary data in the form of annual reports in the period 2017 to 2021. The data taken on the composition of GCG are HR components in the form of the Board of Commissioners (X1), Audit Committee (X2), Remuneration and Nomination Committee (X3), Corporate Governance Committee (X4), Risk Management Committee (X5), Risk Monitoring Committee (X6), and Institutional Ownership (X7). Meanwhile, the control variables are Company Size, Company Age, and Bank Status.

The following is a descriptive statistical table of the study.

Table 3. Descriptive Statistical Test Results

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Company Value (Y)	63	0,06	9,99	1,6154	1,84265
Board of Commissioners	63	2	9	3,65	1,019
Audit Committee	63	3	8	3,98	1,198
Remuneration and Nomination Committee	63	2	12	4,38	1,755
Corporate Governance Committee	63	0	8	3,06	2,285

Risk Management Committee	63	3	18	7,71	5,148
Risk Oversight Committee	63	3	10	4,33	1,414
Institutional Ownership	63	0,28	1,00	0,6096	0,22346
Company Size	63	6,50	12,49	9,6242	1,33192
Company Age	63	0	6	3,76	1,478
Status Bank	63	0	1	0,37	0,485

Source: Data processed (2022)

From the table of descriptive statistical test results above, it can be explained that as follows:

Company Value has a minimum value of 0.06; maximum value of 9.99; the mean value is 1.6154; and a standard deviation value of 1.84265. It can be seen that the standard deviation value is greater than the average value. This shows that the data is heterogeneous, that is, the distribution of Company Value data is wide and fluctuating. This fluctuation can be seen in the highest value of 9.99 at PT Bank Panin Dubai Syariah in 2021. Meanwhile, the lowest value of 0.06 was at PT Bank Aceh Syariah in 2021. The average value is at 1.6154 which means that the Company's Value as measured by price to book value (PBV) in all Sharia Commercial Banks in Indonesia is overvalued because it is more than 1.

The Board of Commissioners has a minimum score of 2; maximum value of 9; mean value of 3.65; and a standard deviation value of 1.019. It can be seen that the average value is greater than the standard deviation value. This shows that the data is homogeneous, that is, the distribution of data on the number of Board of Commissioners is narrow and has many similarities. It can be seen in the highest value, which is 9, at Bank Syariah Indonesia (BSI) in 2021. While the lowest value of 0.06 was at PT Bank Mega Syariah in 2018 and 2019 and PT Bank BRI Syariah in 2020. The average value is at 3.65 which means that the average number of members of the Board of Commissioners in all Sharia Commercial Banks in Indonesia is 3 members.

The Audit Committee has a minimum score of 3; maximum value of 8; mean value of 3.98; and a standard deviation value of 1.198. It can be seen that the average value is greater than the standard deviation value. This shows that the data is homogeneous, that is, the distribution of data on the number of Audit Committees is narrow and has many similarities. It can be seen in the highest value, which is 8, at Bank Syariah Indonesia (BSI) in 2021. While the lowest value of 3 is at PT Bank Aceh Syariah in 2017-2021; PT Bank Muamalat Indonesia in 2017, 2018, 2020, 2021; PT Bank Victoria Syariah in 2017; PT BCA Syariah in 2017, 2018, 2020, 2021; PT Bank Syariah Bukopin in 2017, 2019, 2020; PT Bank Mega Syariah in 2017, 2020, 2021; PT Bank Panin Dubai Syariah in 2017-2021; PT Bank Tabungan Pensiunan Nasional Syariah in 2020; PT Maybank Syariah (Aladin) in 2021; and PT Bank BNI Syariah in 2018. The average score is at 3.98 which

means that the average number of Audit Committee members in all Sharia Commercial Banks in Indonesia is 3 members.

The Remuneration and Nomination Committee has a minimum score of 2; maximum value of 12; mean value of 4.38; and a standard deviation value of 1.755. It can be seen that the average value is greater than the standard deviation value. This shows that the data is homogeneous, that is, the distribution of data on the number of Remuneration and Nomination Committees is narrow and has many similarities. It can be seen in the highest value, which is 12 at Bank Syariah Indonesia (BSI) in 2021. While the lowest value of 2 is at PT Bank Aceh Syariah in 2019 and 2021. The average score is at 4.38 which means that the average number of members of the Remuneration and Nomination Committee in all Sharia Commercial Banks in Indonesia is 4 members.

The Corporate Governance Committee has a minimum score of 0; maximum value of 8; mean value of 3.06; and a standard deviation value of 2.285. It can be seen that the average value is greater than the standard deviation value. This shows that the data is homogeneous, that is, the distribution of data on the number of Corporate Governance Committees is narrow and has many similarities. It can be seen in its highest value, which is 8, at PT Bank Aceh Syariah in 2021 and PT Bank Victoria Syariah in 2017. While the lowest value of 0 is at PT Maybank Syariah (Aladin) 2017-2021, PT Bank BRISyariah in 2017-2020, PT Bank BNI Syariah in 2017-2020, and PT Bank Syariah Mandiri in 2017-2020. The average score is at 3.06 which means that the average number of members of the Corporate Governance Committee in all Sharia Commercial Banks in Indonesia is 3 members.

The Risk Management Committee has a minimum score of 3; maximum value of 18; mean value of 7.71; and a standard deviation value of 5.148. It can be seen that the average value is greater than the standard deviation value. This shows that the data is homogeneous, that is, the distribution of data on the number of Risk Management Committees is narrow and has many similarities. It can be seen in the highest value, which is 18, at PT Bank Aceh Syariah in 2017-2021 and PT Bank BRISyariah in 2020. While the lowest value of 3 is at PT Bank Jabar Banten Syariah in 2019, 2021; PT Bank Panin Dubai Syariah in 2019, 2021; PT Bank Tabungan Pensiunan Nasional Syariah in 2019-2020; and PT Bank Syariah Mandiri in 2019. The average value is at 7.71 which means that the average number of Risk Management Committee members in all Sharia Commercial Banks in Indonesia is 7 to 8 members.

The Risk Oversight Committee has a minimum score of 3; maximum value of 10; mean value of 4.33; and a standard deviation value of 1.414. It can be seen that the average value is greater than the standard deviation value. This shows that the data is homogeneous, that is, the distribution of data on the number of Risk Monitoring Committees is narrow and has many similarities. It can be seen in the highest value of 10 at PT Bank Syariah Mandiri in 2020 and Bank Syariah Indonesia (BSI) in 2021. While the lowest value of 3 was at PT Bank Aceh Syariah in 2017-2020; PT Bank Muamalat Indonesia in 2018; PT Bank Victoria Syariah in 2017-2018; PT BCA Syariah in 2017, 2018, 2020; PT Bank Mega Syariah in 2017, 2020, 2021; PT Bank Panin Dubai Syariah in 2019-2020; PT Bank Tabungan Pensiunan Nasional Syariah in 2018; PT Maybank Syariah (Aladin) in 2021; and PT Bank Syariah Mandiri in 2019. The average value is at 4.33 which

means that the average number of Risk Monitoring Committee members in all Sharia Commercial Banks in Indonesia is 3 members.

Institutional ownership has a minimum value of 0.28; maximum value of 1; mean value of 0.6096; and a standard deviation value of 0.22346. It can be seen that the average value is greater than the standard deviation value. This shows that the data is homogeneous, that is, the distribution of Institutional Ownership data is narrow and has many similarities. It can be seen in the highest value, which is 1, in PT Bank BNI Syariah and PT Bank Syariah Mandiri in 2017-2020. While the lowest value of 0.28 is at PT Bank Tabungan Pensiunan Nasional Syariah in 2021. The average value is at 0.6096 which means that the average Sharia Commercial Bank in Indonesia has an ownership amount of more than 50%.

Company Size has a minimum value of 6.5; maximum value of 12.49; the mean value is 9.6242; and a standard deviation value of 1.33192. It can be seen that the average value is much greater than the standard deviation value. This shows that the data is homogeneous. It can be seen in the highest value of 12.49 at Bank Syariah Indonesia (BSI) in 2021. While the lowest value of 6.5 was at PT Maybank Syariah (Aladin) 2018.

Company Age has a minimum value of 0; maximum value of 6; mean value of 3.76; and a standard deviation value of 1.478. It can be seen that the average value is greater than the standard deviation value. This shows that the data is homogeneous. It can be seen in the highest value, which is 6, the majority of which Sharia Commercial Banks have been registered with the OJK. While the lowest value of 0 is Bank Syariah Indonesia (BSI) which was only established in 2021.

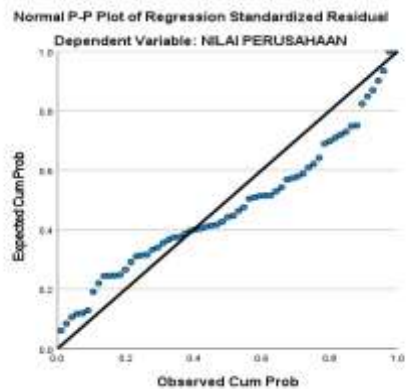
Bank status has a minimum value of 0; maximum value of 1; mean value of 0.37; and a standard deviation value of 0.485. It can be seen that the standard deviation value is greater than the average value. This shows that the data is heterogeneous. It can be seen in the highest value, which is 1 is the government commercial banks, namely PT Bank Aceh Syariah, PT Bank Jabar Banten Syariah, PT Bank BRISyariah, PT Bank BNI Syariah, PT Bank Syariah Mandiri, and Bank Syariah Indonesia (BSI).

Classical Assumption Test

The classic assumption tests used in this study are normality tests, multicollinearity tests, heteroscedasticity tests, and autocorrelation tests.

The Normality Test is used to assess the distribution of normally distributed data or not using a P-Plot. The data tested is normal, where the distribution of points follows a diagonal line (Field, 2018). This is reinforced by the results of the Kolmogorov-Smirnov test which states that the data are normally distributed.

Figure 3. Normality Test Results



Source: Data processed (2022)

Multicollinearity test using Coefficients – Collienarity Statistic table. This test was carried out with the aim of determining whether a regression model found a correlation between the dependent variable and the dependent variable (Ghozali, 2016).

Table 4. Multicollinearity Test Results

Variable	Collinearity Statistics	
	Tolerance	BRIGHT
Board of Commissioners	0,487	2,053
Audit Committee	0,290	3,451
Remuneration and Nomination Committee	0,415	2,410
Corporate Governance Committee	0,362	2,764
Risk Management Committee	0,512	1,953
Risk Oversight Committee	0,310	3,223
Institutional Ownership	0,404	2,474
Company Size	0,410	2,437
Company Age	0,822	1,217
Status Bank	0,454	2,202
Dependent Variable: COMPANY VALUE		

Source: Data processed (2022)

From the table above, it is found that all variables have a Tolerance value of > 0.1 and a VIF value of < 10 . So it can be concluded that there is no multicollinearity problem in this research data. Heteroscedasticity test to test whether the variants in a constant model are the same or not the same.

Table 5. Heteroscedasticity Test Results

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Itself.
	B	Std. Error	Beta		
(Constant)	0,410	1,312		0,313	0,756
Board of Commissioners	-0,220	0,181	-0,196	- 1,216	0,229
Audit Committee	-0,566	0,200	-0,593	- 2,838	0,006
Remuneration and Nomination Committee	-0,094	0,114	-0,144	- 0,823	0,414
Corporate Governance Committee	-0,197	0,094	-0,392	- 2,099	0,041
Risk Management Committee	-0,120	0,035	-0,539	- 3,427	0,001
Risk Oversight Committee	0,213	0,163	0,263	1,303	0,198
Institutional Ownership	-0,962	0,906	-0,188	- 1,061	0,293
Company Size	0,507	0,151	0,591	3,364	0,001
Company Age	0,110	0,096	0,142	1,146	0,257
Status Bank	-0,048	0,393	-0,020	- 0,121	0,904
Dependent Variable: ABRESID					

Source: Data processed (2022)

From the data above, it was found that overall there were no symptoms of heteroscedasticity because the significance value was > 0.05 . However, there are several independent variables whose significance value is < 0.05 , namely the Audit Committee, Corporate Governance Committee, and Risk Management Committee.

Autocorrelation Test

to find out if there is a correlation between a series of observational data described by time (*time series*) or space (*cross section*). According to Ghozali (2016) autocorrelation can arise due to successive observations throughout time related to each other. This problem arises because residuals are not free from one observation to another. This study used an autocorrelation test with Durbin-Watson.

Table 6. Autocorrelation Test Results

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.545a	0,297	0,162	1,68703	1,011
a. Predictors: (Constant), Bank Status, Board of Commissioners, Company Age, Manaj Committee. Risk, Institutional Ownership, Risk Monitoring Committee, Company Size, Remuneration Committee, Governance Committee, Audit Committee					
b. Dependent Variable: COMPANY VALUE					

Source: Data processed (2022)

From the table above, it is found that the Durbin-Watson value is 1.011. These results prove that there are no symptoms of autocorrelation. According to Durbin Watson (in the book Field, 2018), it is said that if Durbin Watson's value is between 1-3, then no autocorrelation occurs.

Test the hypothesis

The t test is a temporary answer to the problem formulation, regarding the relationship between variables (Sugiyono, 2018). Here are the results of the t test. The value of t table with n=54 with $\alpha=0.05$ two-tailed is 2.00488.

Table 7. Test Results t

Coefficients ^a				
	Unstandardized Coefficients	Standardized Coefficients	t	Itself.
	B	Beta		
	Std. Error			

(Constant)	2,947	2,184		1,349	0,183
Board of Commissioners	-0,508	0,301	-0,281	-1,685	0,098
Audit Committee	-0,950	0,332	-0,617	-2,858	0,006
Remuneration and Nomination Committee	0,033	0,190	0,032	0,175	0,862
Corporate Governance Committee	-0,314	0,156	-0,390	-2,016	0,049
Risk Management Committee	-0,187	0,058	-0,523	-3,217	0,002
Risk Oversight Committee	0,365	0,272	0,280	1,343	0,185
Institutional Ownership	0,271	1,508	0,033	0,180	0,858
Company Size	0,446	0,251	0,322	1,775	0,082
Company Age	0,162	0,160	0,130	1,011	0,317
Status Bank	-0,222	0,655	-0,059	-0,339	0,736

Dependent Variable: COMPANY VALUE

Source: Data processed (2022)

From the table above, it can be concluded as follows:

H1: The Board of Commissioners has a positive effect on the Company's Value

The results of the analysis showed that the Board of Commissioners did not have a significant effect on the Company's Value (sig. 0.098), where the significance value was >0.05 . This result is appropriate when viewed at the value of t , t calculate $< t$ table, which is $1.685 < 2.00488$. If t is calculated $< t$ table, then H_0 is accepted so that it can be concluded that the Board of Commissioners does not have a significant effect on the Company's Value.

H2: Audit Committee has a positive effect on Company Value

The results of the analysis show that the Audit Committee has a significant effect on the Company's Value (sig. 0.006), where the significance value is <0.05 . This result is appropriate when viewed at the value of t , t calculate $< t$ table, which is $2.858 > 2.00488$. If t is calculated $> t$ table, then H_0 is rejected so that it can be concluded that the Audit Committee has a significant effect on the Company's Value.

H3: Remuneration and Nomination Committee has a positive effect on Company Value

The results of the analysis showed that the Remuneration and Nomination Committee had no significant effect on the Company Value (sig. 0.862), where the significance value was >0.05 . This result is appropriate when viewed at the value of t , t calculate $< t$ table, which is $0.175 < 2.00488$. If t is calculated $< t$ table, then H_0 is accepted so that it can be concluded that the Remuneration and Nomination Committee has no significant effect on the Value of the Company.

H4: Corporate Governance Committee positively affects Corporate Value

The results of the analysis show that the Corporate Governance Committee has a significant effect on the Corporate Value (sig. 0.049), where the significance value is < 0.05 . This result is appropriate when viewed at the value of t , t calculate $< t$ table, which is $2.016 > 2.00488$. If t counts $> t$ table, then H_0 is rejected so that it can be concluded that the Corporate Governance Committee has a significant effect on Corporate Value.

H5: Risk Management Committee has a positive effect on Company Value

The results of the analysis show that the Risk Management Committee has a significant effect on the Company Value (sig. 0.002), where the significance value is < 0.05 . This result is appropriate when viewed at the value of t , t calculate $< t$ table, which is $3.217 > 2.00488$. If t is calculated $> t$ table, then H_0 is rejected so that it can be concluded that the Risk Management Committee has a significant effect on Company Value.

H6: Risk Monitoring Committee has a positive effect on Company Value

The results of the analysis showed that the Risk Monitoring Committee had no significant effect on the Company Value (sig. 0.185), where the significance value was > 0.05 . This result is appropriate when viewed at the value of t , t calculate $< t$ table, which is $1.343 < 2.00488$. If t is calculated $< t$ table, then H_0 is accepted so that it can be concluded that the Risk Monitoring Committee does not have a significant effect on the Value of the Company.

H7: Institutional Ownership has a positive effect on Company Value

The results of the analysis showed that Institutional Ownership did not have a significant effect on Company Value (sig. 0.858), where the significance value was > 0.05 . This result is appropriate when viewed at the value of t , t calculate $< t$ table, which is $0.180 < 2.00488$. If t is calculated $< t$ table, then H_0 is accepted so that it can be concluded that Institutional Ownership does not have a significant effect on Company Value.

H8: Control Variables positively affect Company Value

The results of the analysis showed that the Control Variables in the form of Company Size, Company Age and Bank Status did not have a significant effect on Company Value because the significance value was > 0.05 . This result is appropriate when viewed at the value of t , t calculate $< t$ table, which is $1.775 < 2.00488$ for Company Size; $1.011 < 2.00488$ for Company Age; $0.339 < 2.00488$ for Bank Status. If t is calculated $< t$ table, then H_0 is accepted so that it can be concluded that the Control Variable does not have a significant effect on Company Value.

In the results of multiple linear regression analysis, the results of the regression equation are obtained as follows:

$$PBV = 2.947 - 0.508 DK - 0.950 KA + 0.033 KRN - 0.314 KKTKP - 0.187 KMR + 0.365 KPR + 0.271 KI + e$$

Explanation:

Constant value ($c = 2.947$)

Based on the equation above, the constant is 2.947 and is positive, which means that if DK, KA, KRN, KTKP, KMR, KPR, and KI are equal to 0 (zero), the company's value will increase by 2.947.

The coefficient value of the Board of Commissioners is -0.508 and has a negative sign. This shows that for every 1% increase in DK, the PBV rate will decrease by 0.508.

The value of the coefficient from the Audit Committee is -0.950 and has a negative sign. This shows that for every 1% increase in train, the PBV rate will decrease by 0.950.

The coefficient value of the Remuneration and Nomination Committee is 0.033 and has a positive sign, so this shows that every increase in KRN by 1%, the PBV rate will increase by 0.033.

The coefficient value of the Corporate Governance Committee is -0.314 and marked negative, so hereby indicates that for every increase in KKTP by 1%, the PBV rate will decrease by 0.314.

The coefficient value of the Risk Management Committee is -0.187 and marked negative, this indicates that for every increase in KMR of 1%, the PBV level will decrease by 0.187.

The value of the Risk Monitoring Committee coefficient is 0.365 and has a positive sign, so this indicates that for every increase in mortgage by 1%, the PBV rate will increase by 0.365.

The value of the coefficient of Institutional Ownership is 0.271 and has a positive sign, this indicates that for every increase in IP by 1%, the PBV rate will increase by 0.271.

The f test is a test used to determine whether all independent variables or independent variables included in the model have an influence together on the dependent variable or dependent variable (Ghozali, 2012). The following is the result of the f test from the Anova table.

Table 8. Test Results f

ANOVAa					
	Sum of Squares	df	Mean Square	F	Itself.
Regression	62,517	10	6,252	2,197	.033b
Residual	147,995	52	2,846		
Total	210,512	62			
a. Dependent Variable: COMPANY VALUE					
b. Predictors: (Constant), Bank Status, Board of Commissioners, Company Age, Manaj Committee. Risk, Institutional Ownership, Risk Monitoring Committee, Company Size, Remuneration Committee, Governance Committee, Audit Committee					

Source: Data processed (2022)

It can be seen that the significance value is smaller than 0.05, which is obtained by 0.033. This means that all independent variables have a positive effect on performance variables. While the value of f table with $N_1=7$, $N_2=55$ with $\alpha=0.05$ is obtained at 2.18. so that the value of $f_{table} < f$ is calculated so that H_0 is rejected. So it can be concluded that the independent variable regression model studied is statistically significant to Company Value.

The Coefficient of Determination test is used to test the quality of a regression line equation with an R-Square value (Gujarati, 2004). The R-Square value gives an idea of the suitability of the independent variable in predicting the dependent variable. The following is a table of R-Square values before the control variable and after the control variable.

Table 9. Coefficient of Determination Test Results

	Before there are control variables	Once there is a control variable
R	.481a	.545a
R Square	0,231	0,297
Adjusted R Square	0,134	0,162
Std. Error of the Estimate	1,71521	1,68703
a. Predictors: (Constant), Bank Status, Board of Commissioners, Company Age, Manaj Committee. Risk, Institutional Ownership, Risk Monitoring Committee, Company Size, Remuneration Committee, Governance Committee, Audit Committee		
b. Dependent Variable: COMPANY VALUE		
c. Control Variables: Company Size, Company Age, Bank Status		

Source: Data processed (2022)

Based on the table above, before the existence of variable control, all independent GCG variables contributed in influencing Company Value by 23.1%, the remaining 76.9% was influenced by other variables that were not included in this research model. Meanwhile, after the existence of variable control, all independent GCG variables contributed to influencing Company Value by 29.7%, the remaining 70.3% was influenced by other variables that were not included in this research model. This means that after the variable control, it was found that the contribution increased by 6.6%.

The Influence of the Board of Commissioners on Corporate Value

The results of the research found that the Board of Commissioners did not have a significant effect on the Company's Value. Among the main duties of the board of commissioners is to contribute to providing advice on policies carried out by the board of directors. These suggestions are certainly what support the development and performance of the institution. However, the quantity of the Board of Commissioners does not determine the amount of company value. This is in accordance with the results of Nurohkmah research (2021) stating that the proportion of independent board of commissioners has no effect on company value.

The Effect of the Audit Committee on Company Value

The results of the study found that the Audit Committee had a significant effect on the Company's Value. The audit committee plays a role in efforts to improve the quality of financial reporting. The results are in accordance with the results of previous research which states that the number of audit committee members in a company must be adjusted to the complexity of the company while always paying attention to the element of effectiveness in the decision-making process so as to contribute to the value of the company and also the quality of financial statements (Nurohkmah, 2021; Wardani, 2019).

The Effect of the Remuneration and Nomination Committee on Company Value

The Remuneration and Nomination Committee has no significant effect on the Company's Value. The quantity of the Remuneration and Nomination Committee does not necessarily make the company's value good, but there needs to be synergy from other divisions to provide a good image for the company. This is in accordance with the results of Widyaningrum's research (2019) stating that the Remuneration and Nomination Committee does not have a significant effect on company value. Similarly, Natalylova's research (2013) also states that it has no effect on Company Value.

The Effect of Corporate Governance Committee on Corporate Value

The Corporate Governance Committee has a significant effect on Corporate Value. The corporate governance committee has the main responsibility to jointly with the Board of Commissioners perform supervisory and guarantee functions on the implementation of good corporate governance in all aspects and all levels of the organization within the company (Islamic bank) (PT. Bank Muamalat Indonesia, Tbk, 2018). The existence of this committee will support the achievement of company performance, so it is very likely that it will have an impact on increasing company value. (Rokhaniyah, 2020).

The Effect of the Risk Management Committee on Company Value

The Risk Management Committee has a significant effect on the Company's Value. The risk management committee has the main responsibility in terms of assessing the risk exposure of Islamic banks as a whole, including ensuring that risk exposure is managed properly. In addition, this committee plays a role in instilling risk management at all levels of the organization in Islamic banks. All of these responsibilities are intended to support the duties and responsibilities of the board of directors. So that a sufficient composition of the Risk Management Committee will have a good impact on the value of the company. This is in accordance with the results according to Sa'diyah's research (2019) stating that the risk management committee has a significant effect on company value.

The Effect of the Risk Monitoring Committee on Company Value

The Risk Monitoring Committee has no significant effect on the Company's Value. The number of risk monitoring committees has been regulated in Bank Indonesia regulations, which is a minimum of 3 people consisting of independent parties and chaired by independent commissioners. In accordance with the results of Widyaningrum's research (2019), the Risk Monitoring Committee has no effect on company value.

The Effect of Institutional Ownership on Company Value

Institutional ownership does not have a significant effect on Company Value. The proportion of institutional ownership does not have a significant impact on the development of company value. This is in accordance with the results of Sari's research (2021) stating that institutional ownership does not have a positive effect on company value.

The Effect of Research Control Variables on Company Value

Control variables in the form of Company Size, Company Age and Bank Status do not have a significant effect on Company Value. This is in accordance with Sa'diyah's research (2019) stating that Company Size and Bank Status do not have a significant effect on Company Value. While Suhartati (2013) stated that Company Size has a significant effect on Company Value. According to Muzayin's research (2022), the size and age of the company have a significant effect on the value of the company.

CONCLUSION

Based on the results of empirical analysis in this study, it was found that the Audit Committee, Corporate Governance Committee, and Risk Management Committee had a significant effect on the company's value. Meanwhile, the Board of Commissioners, Remuneration and Nomination Committee, Risk Monitoring Committee and Institutional Ownership have no effect on the company's value. While simultaneously, the independent GCG variable has a significant influence on the Company's Value. If tested with control variables in the form of Company Size, Company Age, and Bank Status, it was found that the contribution increased by 6.6%, which was 29.7% and the remaining 70.3% was influenced by other variables that were not studied in this study.

This study seeks to provide an overview of Indonesian Sharia banking, but only uses Sharia Commercial Banks as the main object. So it is possible to better expand the object by looking at Sharia Business Units in Indonesia with comprehensive GCG variables.

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