INTERNATIONAL JOURNAL OF SOCIAL SCIENCE HUMANITY & MANAGEMENT RESEARCH

ISSN (print) 2833-2172, ISSN (online) 2833-2180

Volume 03 Issue 06 June 2024

DOI: 10.58806/ijsshmr.2024.v3i6n04 ,Impact Factor: 5.342

Page No. 592-601

The Effect of Good Corporate Governance on Asset Growth, Debt Growth, Equity Growth, and Ownership

Widi Hidayat[1], Tri Ratnawati[2]
[1]Universitas Airlangga, Indonesia
[2]Universitas 17 Agustus 1945 Surabaya, Indonesia

ABSTRACT: The purpose of this study was to test and analyza the effect of Good Corporate Governance on Asset Growth, Good Corporate Governance on Debt Growth, Good Corporate Governance on Equity Growth, Good Corporate Governance on Ownership, Asset Growth on Ownership, Debt Growth on Ownership, and Equity Growth on Ownership. This research was conducted on 31 manufacturing companies that have been listed on the Indonesia Stock Exchange. The research observation period was 3 years. The data source used is secondary data with documentation techniques obtained from the Indonesia Stock Exchange website and related company financial reports. The test results in this study used SmartPLS 3.0. The findings of this research indicate that good corporate governance partially has a significant effect on equity growth and good corporate governance partially has a significant on ownership.

KEYWORDS: Good Corporate Governance, Equity Growth, Ownership

I. INTRODUCTION

The Covid-19 pandemic has had a significant impact on businesses around the world, including manufacturing companies in Indonesia. During the pandemic, many manufacturing companies face challenges such as supply chain disruptions, decreased production capacity, and decreased consumer demand. Research on the financial performance of manufacturing companies during the Covid pandemic shows that companies with good corporate governance practices are better prepared to face challenges and achieve financial resilience (Xu et al., 2020).

Based on table 1, it is known that the condition of manufacturing companies in Indonesia during the pandemic period is dynamic and fluctuating as reflected in the value of earnings per share, price earning ratio, and price to book ratio from 2019 to 2021. Some companies recorded negative earning per share values and expensive price earning ratios. This also indicates that the company is experiencing financial difficulties in terms of revenue, increasing production costs, increasing debt, and so on.

Table 1. Condition of Manufacturing Companies in Indonesia During the Covid Pandemic

Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia (BEI)
Periode Tahun 2019 - 2021

No	Nama Perusahaan	EPS			PER			PBV		
		2019	2020	2021	2019	2020	2021	2019	2020	2021
1	AMFG	-305,00	-993,00	734,00	-11,25	-2,72	6,05	0,44	0,40	0,59
2	ARNA	29,41	44,35	64,79	14,82	15,33	12,35	2,72	3,83	3,73
3	CAKK	1,72	0,12	10,14	40,70	433,33	9,66	0,38	0,28	0,49
4	KIAS	-31,84	-3,64	-0,41	-2,01	-13,74	-121,95	1,06	0,88	0,88
5	KOIN	-19,01	41,92	-28,38	-5,79	2,41	-5,64	1,25	0,78	1,60
6	CCSI	0,06	0,03	0,04	4.300,00	8.066,67	17.000,00	0,79	0,71	2,24
7	SCCO	1.533,00	1.157,00	689,00	5,98	9,08	15,09	0,60	0,66	0,49
8	JECC	678,01	78,60	-312,00	9,11	71,25	-19,39	1,23	1,15	1,31
9	KBLI	104,30	-14,00	23,00	5,03	-27,43	12,17	0,88	0,65	0,46
10	KBLM	34,51	5,86	-11,61	8,81	36,86	-19,47	0,40	0,29	0,21
11	MLPL	-59,00	-54,00	14,00	-1,44	-1,31	26,43	0,24	0,26	1,20
12	ASII	536,00	399,00	499,00	12,92	15,10	11,42	1,50	1,25	1,07
13	BHIT	7,45	2,24	8,71	8,59	29,46	6,43	0,15	0,15	0,13
14	BNBR	447,16	-487,26	33,55	0,11	-0,10	1,49	0,44	0,72	0,80
15	EMTK	-268,80	37,08	96,06	-20,74	377,56	23,74	25,65	63,73	4,15
16	AMIN	29,96	9,47	-52,88	10,35	27,03	-3,59	1,62	1,32	1,45
17	APII	24,00	28,00	18,00	7,00	5,50	12,22	0,60	0,50	0,65
18	ARKA	1,47	-15,30	1,72	1.408,16	-3,59	31,40	33,89	1,20	1,14
19	ASGR	186,06	35,42	64,72	5,08	22,59	12,75	0,78	0,69	0,68
20	INTA	-132,00	-256,00	-123,00	-3,48	-0,74	-0,55	-6,30	-0,51	-0,13
21	JTPE	98,10	42,04	53,42	9,99	24,02	19,75	2,25	2,25	1,98
22	KONI	18,00	0,33	31,00	6,72	306,06	5,16	1,12	0,24	0,38
23	LION	2,00	-18,00	-8,00	234,00	-19,22	-42,75	0,52	0,41	0,40
24	MDRN	-11,33	-27,22	16,62	-4,41	-1,84	3,01	-1,16	-0,71	-0,93
25	MFMI	176,00	24,00	33,00	3,30	31,67	29,39	1,85	5,04	6,39
26	MLIA	98,49	41,67	489,06	7,61	13,32	4,52	0,39	0,27	0,86
27	SOSS	29,64	25,35	36,75	13,56	15,31	10,34	1,99	1,71	1,37
28	SPTO	77,29	42,59	72,97	10,80	13,74	8,77	1,33	0,81	0,84
29	TFAS	12,89	3,91	16,07	13,81	46,04	318,92	1,94	1,90	43,57
30	TIRA	2,13	4,02	-5,77	120,19	64,68	-76,60	0,90	0,94	1,57
31	VOKS	50,11	0,67	-50,73	6,23	352,24	-3,55	1,17	0,88	0,83

Table 2. Ownership Structure of Manufacturing Companies in Indonesia During the Covid Pandemic

Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia (BEI) Periode Tahun 2019 - 2021							
No	Nama Perusahaan	Kepemilikan Manajerial			Kepemilikan Institusional		
		2019	2020	2021	2019	2020	2021
1	AMFG	0%	0%	0%	86%	86%	86%
1	ARNA	37%	38%	38%	14%	14%	14%
2	CAKK	45%	45%	45%	30%	30%	30%
3	KIAS	0%	0%	0%	94%	94%	94%
4	KOIN	0%	0%	0%	91%	91%	91%
5	CCSI	0%	0%	0%	80%	60%	60%
6	SCCO	0%	0%	0%	75%	75%	75%
7	JECC	0%	0%	0%	90%	90%	90%
8	KBLI	0%	0%	0%	50%	49%	49%
9	KBLM	0%	0%	0%	82%	82%	82%
10	MLPL	0%	0%	0%	78%	78%	55%
11	ASII	0%	0%	0%	50%	50%	50%
12	BHIT	4%	4%	3%	51%	48%	38%
13	BNBR	0%	0%	0%	60%	54%	25%
14	EMTK	43%	44%	40%	28%	28%	24%
15	AMIN	4%	4%	4%	58%	58%	58%
16	APII	6%	6%	6%	72%	72%	72%
17	ARKA	0%	0%	0%	75%	75%	69%
18	ASGR	0%	0%	0%	77%	77%	77%
19	INTA	27%	27%	27%	31%	26%	28%
20	JTPE	7%	7%	7%	66%	66%	66%
21	KONI	6%	6%	27%	72%	72%	39%
22	LION	0%	0%	0%	58%	58%	58%
23	MDRN	35%	35%	35%	34%	35%	35%
24	MFMI	0%	0%	0%	92%	92%	99%
25	MLIA	0%	0%	0%	67%	67%	67%
26	SOSS	0%	0%	0%	76%	76%	76%
27	SPTO	0%	0%	0%	60%	60%	60%
28	TFAS	0%	0%	0%	83%	88%	83%
29	TIRA	0%	0%	0%	90%	90%	90%
30	VOKS	6%	0%	0%	40%	40%	40%

Table 2 shows the ownership structure of manufacturing companies in Indonesia during the pandemic, based on this table it can be seen that companies that have an optimal and not too dominant ownership structure in terms of managerial and institutional ownership have resilience in the company's financial performance. An optimal and less dominant ownership structure reflects strong good corporate governance practices because it reduces conflicts between management and shareholders.

Strong good corporate governance practices, including effective ownership structures and strategic decision-making, play an important role in mitigating the negative impact of the crisis and enabling firms to adapt and thrive amid adversity. This suggests that good corporate governance practices play an important role in mitigating the negative impact of the pandemic on financial performance.

In line with Obrenovic et al.'s research, 2020 shows that companies with effective ownership structures and strategic decision-making have a greater chance of surviving and thriving during the pandemic because companies are able to adjust their operations, utilize digital platforms and technological advances, and diversify industries to ensure business continuity and financial success (Obrenovic et al., 2020). In conclusion, good corporate governance practices play an important role in improving the financial performance and resilience of Indonesian manufacturing firms during the Covid-19 pandemic (Abutaber et al., 2021).

The formulation of this research problem is:

1. Does Good Governance have a significant effect on Asset Growth?
2. Does Good Corporate Governance have a significant effect on Debt Growth?
3. Does Good Corporate Governance have a significant effect on Equity Growth?
4. Does Good Corporate Governance have a significant effect on Ownership?
5. Does Asset Growth have a significant effect on Ownership?

6. Does Debt Growth have a significant effect on Ownership?
7. Does Equity Growth have a significant effect on Ownership?

THEORETICAL FRAMEWORK AND HYPOTHESIS

Corporate Finance

Corporate Finance deals with the capital structure of a company, including its funding and the actions management takes to increase the value of the company. Corporate finance also includes the tools and analysis used to prioritize and distribute financial resources. The goal of corporate finance is to maximize business value through resource planning and implementation while balancing risk and profitability.

Agency Theory

Jensen and Meckling (1976) argue that owners as principals and management as power holders have different interests in the employment relationship. The owner wants to get the maximum return on investment as quickly as possible, while management wants its interests to be considered as much as possible in the performance achieved. Information asymmetry can lead to conflicts of interest between agents and principles in achieving prosperity. This provides an opportunity for managers to manipulate financial statements in an effort to maximize their wealth (Cheng et al. 2012, Wasiuzzaman, 2015).

Signaling Theory

Signaling Theory emphasizes the importance of company information in making investment decisions. Morris (1987) says that by providing more information to management than other parties in the company, the problem of market information asymmetry can be solved. Published information provides signals to investors when making investment decisions. If the information has positive value (good news), then market participants are expected to respond and accept it (Spance, 1973). Company management is more motivated to disclose intellectual capital to external parties in the hope that it can bring financial benefits to the company in the future and increase company value.

One of the information published by the company that can be a signal for parties outside the company is the annual accounting report. information that is not related to financial and accounting reports. Annual reports should contain material information and present information that is considered relevant to both internal and external report users. All investors need information to assess the relative risk of each company so that they can diversify their portfolios and mix investments according to their desired risk appetite. If a company wants investors to buy its shares, then the company must publish its financial statements publicly and transparently.

Good Corporate Governance

The Cadbury Committee (in Siswantaya, 2007) defines good corporate governance as a set of rules governing the relationship between shareholders, company managers, creditors, government, employees and stakeholders relating to their rights and obligations. Good corporate governance arises from the company's interest in ensuring that the funds invested by the principal/shareholders can be used appropriately and efficiently. Uwuigbe et al. (2014) argue that the existence of good corporate governance can prevent or reduce fraud committed by company management.

Investment Decision

Investment decisions or also called the capital budgeting decision, are related to long-term investments that must be made, both in the form of tangible assets and intangible assets, this is the most important decision for management decisions, Rodoni and Ali (2010: 2). Investment decisions are decisions regarding the allocation of funds originating from within and funds originating from outside the company in various forms of investment (Purnamasari et al, 2009, in Gany Ibrahim Fenandar, 2012).

Investment decisions taken by a company are very important for the survival of the company concerned. This is because investment decisions concern the funds used for investment, the type of investment to be made, investment profitability and investment risks that may occur. This investment decision must bring investment income that can cover the costs incurred. The investment income received comes from the estimated investment income. In analyzing investment proposals or decisions regarding investment projects whether the investment proposal is feasible or not, the concept of cash flow is used, not the concept of profit. This is because the profit reported in the financial statements may not be cash.

Every use of money (investment) is designed to increase investor wealth. If the investment is made in the long term, it is important to pay attention to the concept of the time value of money (Husnan and Pudjiastuti, 2012: 194). The routine task of financial managers is to manage cash flow so that company operations run smoothly. In addition to these routine tasks, financial managers have a rather complex task, namely making investment decisions. This decision is very important along with the growth and development of the company. As the company develops, management must make investment decisions, such as opening branches, expanding the business or establishing other companies (Sutrisno, 2012: 121).

The Effect of Good Corporate Governance on Asset Growth, Debt Growth, Equity Growth, and Ownership

Debt Policy

Debt Policy is an important part of the company's financial policy. Debt policy is a company management policy that aims to obtain sources of financing for the company to finance the company's core activities. In addition, the company's debt policy also functions as a monitoring mechanism for the activities of the supervisory authority in managing the company. Sources of financing can be obtained from domestic and foreign capital. Internal capital comes from retained earnings, while external capital is money that comes from creditors and owners, participants or shareholders of the company.

Debt financing decisions have a limit to how much funds can be raised. If the debt ratio exceeds this standard, costs will increase rapidly, and this will affect the company's capital structure. One of these ratios is the LDE (Long Term Debt Ratio) which shows the extent to which debt can be covered by the company's capital or what portion of debt compared to the company's capital, the portion of debt must be smaller than capital. If the company has a lot of debt, it is likely that the company will face default. Default is a situation where the company cannot fulfill its debt payment obligations on time due to increasing obligations. Debt is considered to have limited advantages in terms of profit, and is considered weak in terms of control (Weston and Copeland, 1997: 260).

Structure of Ownership

Ownership structure is the ownership of shares in a company that can reflect the division of power and influence in the company's operational activities. Ownership structure is seen from the agent-based approach and asymmetric information processing. Agent approach, ownership structure as a mechanism that reduces conflicts of interest between managers and shareholders. The asymmetric information approach considers the ownership structure mechanism as a way to reduce the information imbalance between insider trading and the public through information disclosure in the capital market.

Hypothesis

H1 : Good Corporate Governance has a significant effect on Asset Growth.
H2 : Good Corporate Governance has a significant effect on Debt Growth.
H3 : Good Corporate Governance has a significant effect on Equity Growth.
H4 : Good Corporate Governance has a significant effect on Ownership.
H5 : Asset growth has a significant effect on Ownership.
H6 : Debt growth has a significant effect on Ownership.
H7 : Equity Growth has a significant effect on Ownership.

II. RESEARCH METHOD

This study uses a quantitative approach with a correlational method to test the effect of independent variables and intervening variables on the dependent variable. The research was conducted on 31 manufacturing companies that have been listed on the Indonesia Stock Exchange. The research observation period is as of December 31, 2019, 2020, 2021 or for 3 years. The data source used is secondary data with documentation techniques obtained from the Indonesia Stock Exchange website and related company financial reports. The test results in this study used SmartPLS 3.0.

Conceptual Framework

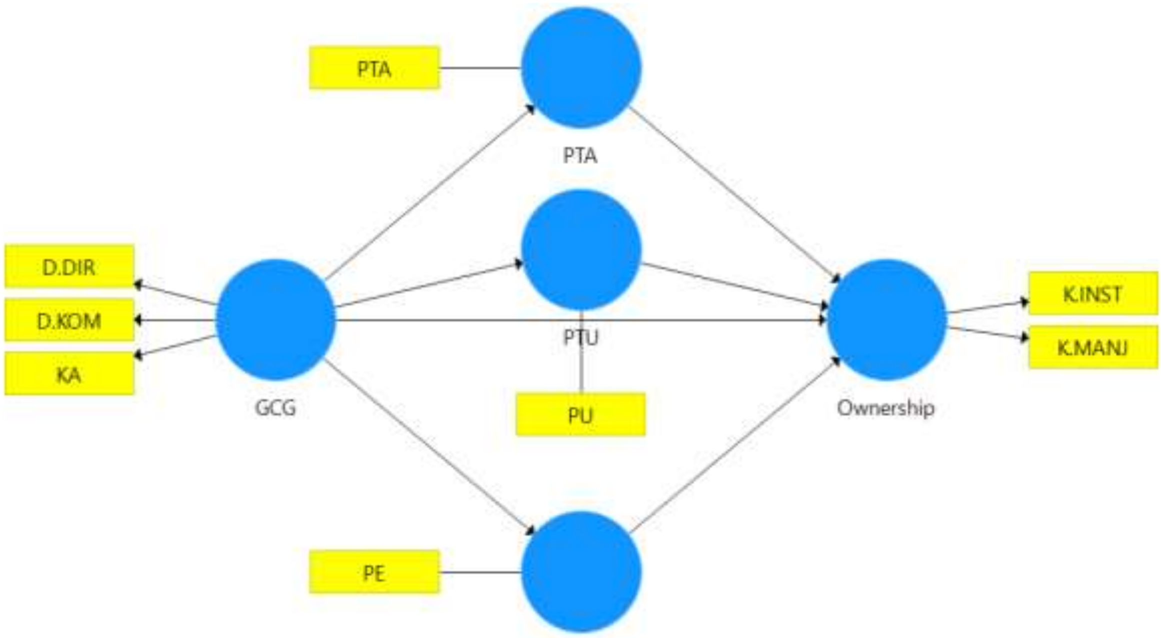

Image 2. Conceptual Framework

III. DATA ANALYSIS AND DISCUSSION

Instrument Testing

Data processing uses SmartPLS 3.0 with reliability and validity testing which is seen with 4 variants, namely Cronbach's Alpha, rho_A, Composite Reliability, Average Variance Extracted (AVE). The data is presented in table 1 as follows:

Table 3. Reliability and Validity Results

Variable	Cronbach 's Alpha	Rho_A	Composite Reliability	AVE
GCG	0,766	0,908	0,889	0,801
Pertumbuhan Aset	1,000	1,000	1,000	1,000
Pertumbuhan Utang	1,000	1,000	1,000	1,000
Pertumbuhan Ekuitas	1,000	1,000	1,000	1,000
Ownership	1,000	1,000	1,000	1,000

Hypothesis Testing

Hypothesis testing in this study involves an assessment of T-Statistics and P-Values. The research hypothesis is considered significant if the T-Statistics are more than 1.96 and the P-Values are less than 0.05 (<α=5%). The hypothesis testing results obtained are as follows:

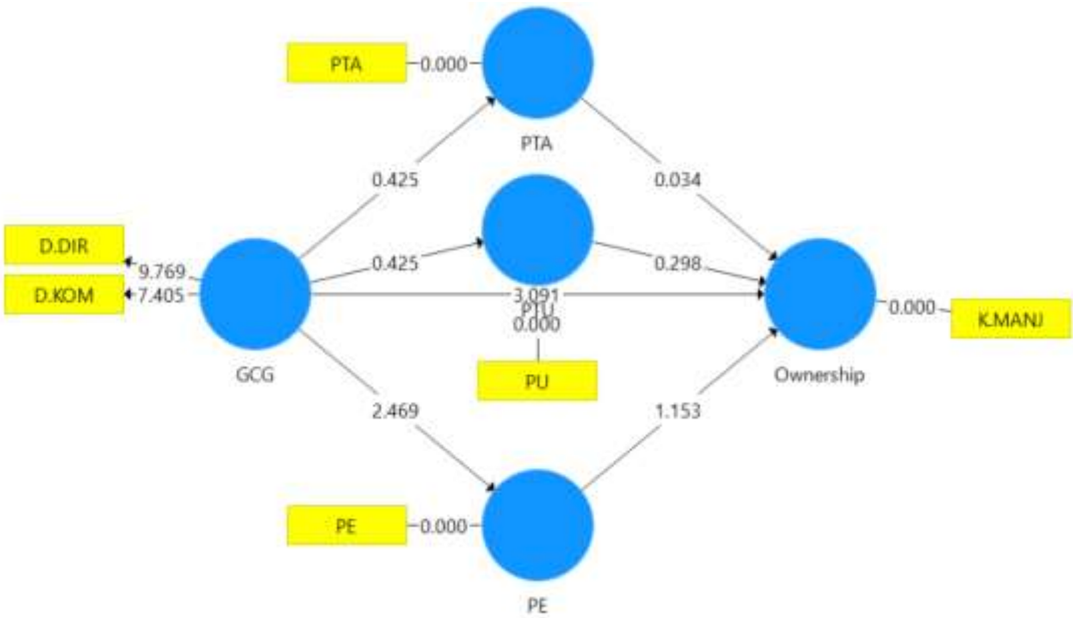

Image 3. Bootstrapping Result

The Effect of Good Corporate Governance on Asset Growth, Debt Growth, Equity Growth, and Ownership

Table 4. Hypothesis Results

Variable	Original Sample	Standard Deviation	T-Statistics	P-Values
GCG -> PTA	0,040	0,095	0,425	0,671
GCG -> PTU	-0,036	0,084	0,425	0,671
GCG -> PE	-0,161	0,065	2,469	0,014
GCG -> Ownership	-0,280	0,090	3,091	0,002
PTA -> Ownership	-0,009	0,267	0,034	0,973
PTU -> Ownership	-0,065	0,216	0,298	0,765
PE -> Ownership	0,121	0,091	0,105	1,153

Table 5. Indirect Effect Results

Variable	Original Sample	Standard Deviation	T Statistics	P-Values
GCG -> PTA -> Ownership	0,000	0,027	1,026	0,989
GCG -> PTU -> Ownership	0,002	0,022	0,013	0,916
GCG -> PE -> Ownership	-0,020	0,019	0,105	0,306

Data Analysis and Discussion

Good Corporate Governance has no significant effect on Asset Growth

Based on table 4, it is known that the coefficient value is 0.040 (positive) with a T-statistic number of 0.425 (<1.96) and a P-Values number of 0.671 (>α = 5%). So it can be concluded that good corporate governance partially has no significant effect on asset growth. The first hypothesis, which states that good corporate governance has an effect on asset growth, cannot be accepted (H1 is rejected). This does not support Saifi M's (2019) research which states that the portion of the independent board of commissioners, institutional ownership, and managerial ownership has a positive and significant effect on financial performance as measured by ROA. In addition, the good corporate governance that has been implemented by the company has not been able to manage company assets efficiently and maximize company value in the long term. Good corporate governance should encourage transparency, accountability, and good planning in management decision making. This can help companies to manage resources efficiently, avoid waste, and focus on initiatives that generate added value for shareholders. By optimizing operations, a company can increase its asset growth over time. Some factors that are considered responsible for the negative impact are economic conditions that experience the impact of Covid-19, which affects revenue, cash flow, operating costs to an increase in the amount of company debt.

Good Corporate Governance has no significant effect on Debt Growth

Based on table 4, it is known that the coefficient value is -0.036 (negative) with a T-statistic of 0.425 (<1.96) and P-values of 0.671 (>α = 5%). So it can be concluded that good corporate governance partially has no significant effect on debt growth. The second hypothesis, which states that good corporate governance has an effect on debt growth, cannot be accepted (H2 rejected). This does not support the research of Sovi and Lilis (2019) which states that good corporate governance has a significant effect on debt policy because good corporate governance is able to supervise companies in debt funding decisions. In addition, good corporate governance is often associated with an effective risk management system with good risk assessment and management, companies can avoid situations where debt growth becomes uncontrollable due to lack of understanding or poor risk management. Some factors that are considered responsible for the negative impact are economic conditions that experience the impact of Covid-19 so that companies need external funding through debt to maintain the continuity of the company's business.

Good Corporate Governance has a significant effect on Equity Growth

Based on table 4, it is known that the coefficient value is -0.161 (negative) with a T-statistic of 2.469 (> 1.96) and P-values of 0.014 (<α = 5%). So it can be concluded that good corporate governance partially has a significant effect on equity growth. The third hypothesis which states that good corporate governance has an effect on equity growth is accepted (H3 accepted). This supports Nadya and Anna's research (2013) which shows that good corporate governance has a positive effect on company performance supported by equity benefits. Good corporate governance strengthens investor confidence in the company. Investors tend to have more trust in companies that are well-managed and have high transparency practices. This can encourage investors to buy the company's shares, which in turn will increase the demand for shares and stock prices, and increase the company's equity. In line with the research of Jensen and Meckling (1976) found that the implementation of good corporate governance improves company performance. According to Nuswandar (2009), management will work efficiently and effectively to reduce the cost of capital and risk. If equity growth is high, this indicates that the company uses its equity capital effectively to generate profits. High profits indicate that the company is doing well and is attractive to investors. Equity growth as a measure of company performance is believed to provide a good or bad picture of the company's performance because the core of implementing the principles of good corporate governance is to improve company performance (Hidayah, 2008).

Good Corporate Governance has a significant effect on Ownership

Based on table 4, it is known that the coefficient value is -0.280 (negative) with a T-statistic number of 3.091 (> 1.96) and a P-Values number of 0.002 (<α = 5%). So it can be concluded that good corporate governance partially has a significant effect on ownership. The fourth hypothesis, which states that good corporate governance has an effect on ownership, can be accepted (H4 accepted). This is in line with the theory of Jensen and Meckling (1976) which states that institutional ownership is very important to reduce disagreements between management and shareholders. Institutional ownership is considered to function as an effective tool to oversee management decisions with increased institutional ownership, management performance can be better monitored, this helps management avoid actions that harm the principal.

The principle of good corporate governance reinforces the separation between ownership and control in a company. This means that shareholders have the power to elect and supervise the board of directors, which should be responsible for the management of the company. Fragmented or concentrated ownership can be affected by the level of control held by management. In addition, good corporate governance practices also strengthen the protection of minority shareholders' rights, such as voting rights and access to information. This can increase minority investors' confidence in the company, which in turn will affect their ownership in the company.

Asset Growth has no significant effect on Ownership

Based on table 4, it is known that the coefficient value is 0.040 (positive) with a T-statistic number of 0.425 (<1.96) and a P-Values number of 0.671 (>α = 5%). So it can be concluded that good corporate governance partially has no significant effect on asset growth. The fifth hypothesis which states good corporate governance, cannot be accepted (H5 is rejected). A significant increase in assets often requires additional financing, which can be obtained through the sale of additional shares. This can lead to dilution of existing shareholders when the company issues new shares. Thus, an increase in assets can change individual or community ownership in an entity. Also, a significant increase in assets may attract new investors, both private and institutional, who may wish to purchase the company's shares. The arrival of such new investors may lead to changes in the ownership structure, bringing new shareholders into the company. However, it is important to keep in mind that the impact of asset growth on ownership structure can differ greatly depending on various factors, including the industry, business strategy, market conditions, and preferences of the business owner. In certain situations, asset growth may not significantly change the ownership structure, but in other situations, significant changes may occur.

Debt Growth has no significant effect on Ownership

Based on table 4, it is known that the coefficient value is -0.065 (negative) with a T-statistic of 0.298 (<1.96) and P-values of 0.765 (>α = 5%). So it can be concluded that partial debt growth has no significant effect on ownership. The sixth hypothesis, which states that debt growth affects ownership, cannot be accepted (H6 rejected). A significant increase in debt can also change the power dynamics within the company. Debt holders, such as banks or bond issuers, may take an interest in the company and influence strategic decisions. However, the direct owners do not change because debt holders do not own shares in the firm, but have a significant financial interest. In addition, existing shareholders can make decisions about the capital structure of the company, including decisions about how much debt to take on. However, the direct impact of debt growth on a company's equity can be more complex and depends on factors such as investor preferences, corporate strategy, and market conditions.

Equity Growth has no significant effect on Ownership

Based on table 4, it is known that the coefficient value is 0.121 (positive) with a T-statistic number of 0.105 (<1.96) and a P-Values number of 1.153 (>α = 5%). So it can be concluded that partial equity growth has no significant effect on ownership. The seventh hypothesis, which states that equity growth affects ownership, cannot be accepted (H7 rejected). Significant equity growth can attract new investors to buy the company's shares. The entry of new investors can change the ownership structure by bringing new shareholders into the company or increasing the ownership of existing shareholders. However, it is important to note that the impact of equity growth on ownership structure may vary depending on factors such as management decisions, corporate strategy, and shareholder preferences. In addition, an increase in total share capital may not have a significant direct impact on ownership structure, depending on how the increase is financed and implemented.

IV. CONCLUSION, IMPLICATION, SUGGESTION DAN LIMITATIONS

Conclusion

1. Good Corporate Governance partially has no significant effect on Asset Growth in manufacturing companies listed on the Indonesia Stock Exchange Observation Period 2019 - 2021.
2. Good Corporate Governance partially has no significant effect on Debt Growth in manufacturing companies listed on the Indonesia Stock Exchange Observation Period 2019 - 2021.
3. Good Corporate Governance partially has a significant effect on Equity Growth in manufacturing companies listed on the Indonesia Stock Exchange Observation Period 2019 - 2021.
4. Good Corporate Governance partially has a significant effect on Ownership in manufacturing companies listed on the Indonesia Stock Exchange Observation Period 2019 - 2021.
5. Ownership partially has no significant effect on Asset Growth in manufacturing companies listed on the Indonesia Stock Exchange Observation Period 2019-2021.
6. Asset growth partially has no significant effect on Ownership in manufacturing companies listed on the Indonesia Stock Exchange Observation Period 2019 - 2021.
7. Debt Growth partially has no significant effect on Ownership in manufacturing companies listed on the Indonesia Stock Exchange Observation Period 2019 - 2021.
8. Equity Growth partially has no significant effect on Ownership in manufacturing companies listed on the Indonesia Stock Exchange Observation Period 2019 - 2021.

Suggestion

This research can be used as a recommendation for future researchers as empirical evidence regarding the effect of Good Corporate Governance on asset growth, debt growth, equity growth, and ownership. In addition, the findings of this study can be used as a reference for future researchers using intervening variables or indicators that have not been used in research that may provide significant results on the ownership variable, considering the results of this study show insignificant results.

REFERENCES

1) Attarie, P. N., Ratnawati, T., & Moehaditoyo, S. H. (2018). Effect of Investment Decisions, Capital Structure, Profit Management, Cash Flow of Corporate Social Resposibility Reporting, Financial Performance and Value of Manufacturing Companies Listed in Indonesia Stock Exchange. *Archives of Business Research*, *6*(5).
2) Aditya, A. 2017. Pengaruh Struktur Modal, Profitabilitas, Kebijakan Dividen Dan UkuranPerusahaan Terhadap Nilai Perusahaan Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Tahun 2010-2015. Skripsi. Fakultas Ekonomi dan Bisnis Universitas Sumatera Utara.
3) Febrianto, G. N., Riyadi, S., & Nugroho, M. (2018). Influences Analysis Of Macroeconomics, Risk Management, Good Corporate Governance, Earnings, Capitals Toward Company Performances And Company Values In National Private Public Bank Of Go Public Foreign Exchanges Listed In Indonesian Stock Exchange.
4) Gunawana, J. N., & Hidayatb, H. W. (2020). ANALISIS STRUKTUR BIAYA, PENGELUARAN MODAL, DAN PROFITABILITAS PERUSAHAAN SEBELUM DAN
5) SESUDAH PERUBAHAN KEEMPAT UU PPH 1984 (Studi pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia). *Jurnal Ekonomi dan Bisnis Airlangga Volume*, *30*(1).
6) Hermawanti, P., & Hidayat, W. (2016). Pengaruh Earning Per Share (Eps), Price Earning Ratio (Per), Debt to Equity (Der), Return on Asset (Roa), Dan Return on Equity (Roe) Terhadap Harga Saham Studi Kasus Pada Perusahaan Go Public Sektor Property Dan Real Estate Yang Terdaftar Di Bursa Efek In. *Jurnal Ilmu Administrasi Bisnis*, *5*(3), 28-41.
7) Hidayat, W. (2009). *Analisis Pengaruh Faktor Ekstern terhadap Keputusan Intern Keuangan, Arus Kas Bebas dan Pendapatan Saham pada Perusahaan Manufaktur yang Listed di Bursa Efek Indonesia*. Airlangga University.
8) HIDAYAT, W., SOETEDJO, S., TJARAKA, H., SEPTIARINI, D. F., HERLI, M., ULUM, B., ... & RAHAYU, D. I. (2020). The Effect of Macroeconomics on Stock Prices: Case Study Indonesian. *Revista Espacios*, *41*(17).
9) Husna, A., & Satria, I. 2019. Effects of Return on Asset, Debt To Asset Ratio, Current Ratio, Firm Size, and Dividend Payout Ratio on Firm Value. International Journal of Economics and Financial Issues.
10) Kusumaningrum, N., & Hidayat, W. (2020). Indonesia Stock Exchange: What affects thedividend policy on mining companies?. *Opción: Revista de Ciencias Humanas y Sociales*, (27), 52.
11) Mudjijah, S., Khalid, Z., & Astuti, D. A. S. 2019. Pengaruh Kinerja Keuangan dan Struktur Modal Terhadap Nilai Perusahaan yang Dimoderasi Variabel Ukuran Perusahaan. Jurnal Akuntansi Dan Keuangan, 8(1), 41–56.
12) Pratiwi, D. O., Ratnawati, T., & Maqsudi, A. (2023). The Effect of Asset Growth, Sales Growthand Capital Structure on Financial Distress and Value of the Firm in Sub-Sector Food and Beverage with Good Corporate Governance as Moderation. *IJEBD (International Journal of Entrepreneurship and Business Development)*, *6*(1), 53-69.

13) Ratnawati, T., Hidayat, W., Fadika, I. N., & Nurhalyza, T. Good Corporate Governance (Gcg) Mediates the Influence of Funding Decisions on the Value of Manufacturing Companies in Indonesia.
14) Riyadi, S. (2018). The Influence of Investment Decisions, Funding Decisions, Risk of Strategy, To Efficiency, Finance Performance, Value of Firm, Good Corporate Governance As Moderating Variable In The Mining Company Coal Sub Sector Go Public In Indonesia StockExchange. *Archives of Business Research*, *6*(6), 375-383.
15) Ridwan, Cecep dkk (2019), Pengaruh Debt to Equity Ratio, Return on Equity, Earning PerShare Dan Dividend Payout Ratio Terhadap Price Earning Ratio Pada Perusahaan Manufaktur Sub Sektor Kimia yang Terdaftar di Bursa Efek Indonesia Periode 2013- 2017. Jurnal Ekonomika dan Manajemen, Vol. 8 No. 2
16) Ross, A. S., R. W. Westerfield., Dan B. D. Jordan. 2008. Fundamentals Of Corporate Finance, 9 Th Ed. New York: McGraw-Hill.
17) Ross, S.A., R.W.Westerfield & J.Jaffe. 2013. Corporate Finance, 10 Th Ed. New York: McGraw-Hill.
18) Ross, S.A., R.W.Westerfield & B.D. Jordan. 2013. Fundamentals Of Corporate Finance, 10 Th Ed. New York: McGraw-Hill.
19) Saifi, M. (2019). Pengaruh Corporate governance dan struktur kepemilikan terhadap kinerja keuangan perusahaan. *Profit: Jurnal Administrasi Bisnis*, *13*(2), 1-11.
20) Saleh, H., Priyawan, S., & Ratnawati, T. (2015). The influence of assets structure, capital structure, and market risk on the growth, profitability and corporate values (Study inManufacturing companies listed in Indonesia stock exchange). *International Journal of Business and Management Invention*, *4*(12), 45-53.
21) Sugiharto, Tri Ratnawati dan Srie Hartutie Moehaditoyo. 2016. Risk Management Mediates the Influence of Good Corporate Governance, Managerial Shareholder, and Leverage on Firm Value. IOSR Journal of Business and Management (IOSR-JBM), EISSN 2278-478X p-ISSN 2319–7668, Vol. 18. Issue 11, Ver. VI (November 2016), Pp. 62–70.
22) Ukhriyawati, Catur F. Tri Ratnawati, dan Slamet Riyadi. 2017. The Influence of Asset Structure, Capital Structure, Risk Management and Good Corporate Govern of Financial Performance and Value of the Firm through Earnings and Free Cash Flow as an Intervening Variable in Banking Companies Listed in Indonesia Stock Exchange. International Journal of Business and Management, Vol. 12, No.8, ISSN 1833-3850, E-ISSN 1833-8119, Pp. 249–260.
23) Wahyudi, U. dan Prawesti, HP. 2006. Implikasi Kepemilikan Terhadap Nilai Perusahaan denganKeputusan Keuangan sebagai Variabel Intervening, 23–26. SNA Padang.
24) Wasiuzzaman, Shaista. (2015). Working Capital and Firm Value in an Emerging Market. International Journal of Managerial Finance, Vol. 11, Issue 1, 2015, pp. 60–79.
25) Yanti, S., Brahmayanti, I. S., & Ratnawati, T. (2023). The influence of Asset Structure, Capital Structure, Ownership Structure on Financial Performance with Business Risk as Intervening and Good Corporate Governance (GCG) as Moderation (Mining Companies Listed on the Indonesia Stock Exchange (BEI)). *International Journal of Economics (IJEC)*, *2*(2), 263-270.