



## Determinants of Company Value: Pre and Post Crisis Global 2015

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### Article Information

#### Article History:

Received September 2020

Approved October 2020

Published March 2021

#### Keywords:

**Institutional Ownership,  
Capital Structure,  
Company Size,  
Company Value**

### Abstract

The purpose of this research was to study the determinant of the value of companies pre- and post-crisis global 2015 about companies registered on the Indonesian Stock Exchange 2012 - 2018. The population of this research were companies registered on the Indonesian Stock Exchange 2012 - 2018. The number of samples were 906 datas consist of 151 companies. The research sample was taken using purposive sampling technique. The datas analysis in this research used descriptive statistical analysis, a test model with the best panel data regression estimation, and multiple analysis. The model test results showed that the best panel data estimation model was the fixed effect model, while the best post data crisis estimation model was the random effect model. The hypothesis test results showed that institutional ownership did not influence with pre- and post-crisis company values, capital structure has a significant positive effect on pre- and post-crisis company values, company size had a significant negative effect on pre-crisis company values, and company size did not influence post-company value crisis. The conclusions of this research were that no contradiction about institutional ownership and capital structure to the values of the company both pre and post crisis, while the size of the company was related to the values of the company, where the pre-crisis influenced significant negative effect and post-crisis did not influence.

### INTRODUCTION

After the 2008 crisis, there was a crisis in 2015 where world economic growth decreased from 3.4% in 2014 to 3.1%. The impact of the world economic crisis resulted in the decline of national economic growth, namely from 5.02 % to 4.79% in 2015. The condition then affected all sectors of the company in Indonesia. Where in 2015 all sectors of the company experienced a decline in share prices, as explained in table 1.

From these data there are differences of share price in pre and post economic crisis occurred in 2015. Where before the economic crisis in 2015 there were many sectors that experienced a decline in share prices, whereas after the economic crisis in 2015 share prices rose again in 2016. It indicates that the economic crisis will affect the value of the company which is reflected by share prices.

During the last seven years there have been fluctuations in share prices in all sectors of the company. The share price itself reflects the value of the company if the company is to be sold. The purpose of establishing a company is to increase the value of the company, so that its achievement requires good corporate governance. In managing the company itself will involve a manager, where shareholders want managers to increase their prosperity. However, in reality, on the other hand, managers tend to be more concerned with increasing their prosperity by taking policies that benefit themselves. The existence of this difference in interests often creates a conflict between shareholders and managers which is called agency conflict. This occurs because managers prioritize personal interests that are contrary to the interests of shareholders which cause losses for the company which lead to a decline in company value (Jensen & Meckling, 1976).

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**Table 1.** Percentage of Stock Price Fluctuations

Year	Increase/Decline(%)								
	JKAGRI	JKMING	JKBIND	JKMISC	JKCONS	JKPROP	JKINFA	JKFINA	JKTRADE
2012	-3.87	-26.41	29.97	1.93	18.99	42.44	29.75	11.86	27.27
2013	3.73	-23.31	-8.70	-9.84	13.81	3.20	2.52	-1.78	4.84
2014	9.86	-4.22	13.09	8.47	22.21	55.76	24.71	35.41	13.11
2015	-26.87	-40.75	-24.98	-19.11	-5.19	-6.47	-15.42	-6.10	-3.31
2016	8.43	70.73	31.96	29.64	12.56	5.48	7.57	18.17	1.31
2017	-13.30	15.11	28.06	0.77	23.11	-4.31	12.14	40.52	7.08
2018	-3.21	11.45	24.01	0.96	-10.21	-9.64	-10.09	3.05	14.95

Agency conflict between principal and agent is indeed difficult to remove but it can be minimized by aligning the interests of the two parties, such as forming a mechanism. One mechanism that can reduce agency conflicts is by implementing good corporate governance. Good corporate governance is a system that regulates and controls the company to create added value for all stakeholders (Wiguna & Yusuf, 2019). The implementation of good corporate governance will affect the achievement of company value.

Good corporate governance mechanisms that can increase firm value and reduce agency conflicts are by placing share ownership. Institutional ownership is one of the share ownership that can reduce agency conflict. Institutional ownership is an institution or company that holds shares in a company (Wahyudi & Pawestri, 2006).

According to Damayanti and Suartana (2014) the higher the number of institutional ownership will improve the company's control system aimed at minimizing the level of fraud due to opportunistic actions by management which can later reduce the value of the company. A large institutional ownership indicates its ability to effectively monitor management and can increase company value (Gwenda & Juniarti, 2013).

According to Modigliani and Miller (1963), firm value is determined by the capital structure. The capital structure is a comparison between long-term debt and the company's own capital (Riyanto, 2008). Companies can use debt to obtain capital to carry out company operational activities and get maximum profit.

The trade off theory states that if a company uses large amounts of debt it will reduce taxes and cause operating income flowing to investors so that the value of the company will increase. Debt is able to increase the value of the company due to the effect of tax deductibles, namely companies that have debt will pay interest on loans that will reduce taxable income so as to provide

benefits for shareholders. With the tax it will lead to tax savings due to interest payments, so that between the value of the company and the capital structure has a positive relationship (Hasnawati & Sawir, 2015).

According to Pratiwi et al. (2016) the factor that can determine firm value is the size of the company. The size of the company can be reflected by the total assets owned by the company. The size of the company is one indicator of investors in assessing the company before providing sources of funding to the company. This means how mature the company is in running and operationalizing the company's assets so as to produce maximum profits and not harm the parties concerned.

Large-scale companies are relatively easier to get funding sources from debt. Therefore, there is a relationship between company value, debt, and company size. The larger size of the company is considered the easier to get funding sources both from internal and external companies. According to Pramana and Mustanda (2016) the larger size of the company, the easier to get the trust of creditors to get funding so that it can increase the value of the company.

There are several studies that have examined the value of the company before and after the crisis conducted by several previous studies. Some of them, Hasnawati and Sawir (2015) found that there were significant differences in the value of companies in three economic situations, namely before, during, and after the crisis. Before the crisis period (1993-1997) the results of the study showed that the size of the company had a positive effect, financing decisions which were proxied by debt had a negative effect, domestic PT ownership had no effect on company value. During the crisis period (1999-2003) the results showed that company size had a positive effect, while other variables did not affect company value. After the crisis period (2004-2008)

the results of the study showed that domestic PT ownership had a negative effect on company value. Company size has a positive effect on company value. The other five variables have no effect on company value. Rahman (2019) found that there were differences in the results of the company's value before and after the crisis. The effect of capital structure both before and after the global crisis is not significant on company value. Before the global crisis the direction showed was negative, but after the global crisis the direction showed was positive.

Based on several findings that give different results regarding the value of the companies before and after the crisis, the researcher is interested in testing the determinants of the pre and post crisis value of the company listed on the Indonesian Stock Exchange in the 2012-2018 period. The independent variables used are institutional ownership, capital structure, and company size.

The aim of this research is to find empirical evidence based on the theory and previous research on differences in the determinants of the company value of the pre and post crisis period on companies listed on the Indonesian Stock Exchange from 2012 - 2018.

### Hypotheses Development

According to Leff (1978) group of institutions can be more profitable than independent companies in some conditions. This is because groups of institutions provide the resources needed to turn opportunities into investment decisions. Institutional ownership is ownership of shares by other institutions such as government, financial institutions, legal entities or other institutions. The existence of institutional ownership can increase the level of monitoring by the institution of the company's operations to the maximum. The high level of monitoring carried out by institutions can reduce agency conflicts. Where the institution professionally monitors the development of its investments so that the level of control over management actions is very high and the potential for fraud can be suppressed and can minimize the manager's opportunistic behavior.

According to Gwenda and Juniarti (2013) institutional ownership will be able to monitor company management effectively and can increase company value. The greater institutional ownership, more efficient using of company assets and with effective supervision by the institution of the company, and is expected to act as a prevention against waste by company manage-

ment that can harm shareholders.

According to the study of Poluan and Wicaksono (2019) that institutional ownership has a positive influence on company value, where institutional involvement is able to limit managers' opportunistic behavior. With institutional ownership, the institution can conduct operational oversight to improve company performance, thereby increasing company value. This finding is in line with Nathania and Widjaja (2019) which says that institutional ownership has a positive effect on company value.

Based on the explanation above, this study concludes that institutional ownership has a positive effect on the value of the company before and after the 2015 global crisis.

H1: Institutional ownership has a positive effect on the value of the company before the 2015 global crisis

H2: Institutional ownership has a positive effect on company value after the 2015 global crisis

Based on capital structure theory which states that the company's funding policy in determining capital structure aims to optimize the value of the company. Meeting the funding needs of the company consists of two sources, namely internal (own capital) or external (debt). If in meeting the needs of funds from internal companies still have shortages, it is necessary to consider funding from external companies such as debt (Dibiyantoro, 2011) the years 2007-2009. Results showed that simultaneous, variable ROE, and NPM DER effect on the completeness of the disclosure index in the financial statements. This means that ROE, DER, and NPM affect management companies in the completeness of the disclosure of the company's annual financial statements. R Square value or the value of the coefficient of determination is equal to 50.7%. This means that 50.7% completeness of the disclosure index variation can be explained by variations of the three independent variables while the remaining amount of 49.3% explained by other factors outside the model. Based on the results of testing the partial variables ROE and DER do not significantly affect the completeness of the index variable disclosures in the financial statements. While NPM variables significantly influence the completeness of the index variable disclosures in the financial statements with the regression coefficient and significance value  $<0.05$  ( $p = 0.000$ ).

The trade off theory states that if a company uses large amounts of debt it will reduce taxes

and cause operating income flowing to investors so that the value of the company will increase. Debt is able to increase the value of the company due to the effect of tax deductibles, namely companies that have debt will pay interest on loans that will reduce taxable income so as to provide benefits for shareholders. This is in line with Hasnawati and Sawir (2015) which states that if there are taxes, interest payments will lead to tax savings, so that the relationship between the value of the company and the capital structure is positive. The higher the debt in the capital structure, the higher the value of the company, because the debt used aims to develop the company's prospects. Where in some conditions both before and after the crisis the addition of debt by the company is used to develop the company's prospects and aims to maximize the value of the company.

Research conducted by Mudjijah et al. (2019) which states that capital structure has a positive effect on company value. The results of the research shown by Rahman (2019) are also consistent with previous studies which stated that capital structure has a positive effect on company value after the global crisis, which means high capital structure will increase company value.

Based on the explanation above and supported by trade off theory, the research concludes that capital structure has a positive effect on the value of the company before and after the 2015 global crisis.

H3: Capital structure has a positive effect on the value of the company before the 2015 global crisis

H4: Capital structure has a positive effect on company value after the 2015 global crisis

According to Prastuti and Sudiarta (2016) the size of the company is the size of the company which is indicated by the total assets owned by the company. Large total assets will facilitate the company in using it for the course of the company's operations so that the benefits obtained are optimal and will increase the value of the company.

According to Hasnawati and Sawir (2015) company size can be expressed as a determinant of the financial structure for a number of different reasons. Company size is often associated with funding decisions set by companies to optimize company value (Suwardika & Mustanda, 2017). The size of a larger company will be easier to get funding sources either by investors or creditors so that it will increase the value of the com-

pany. The larger size of the company, the more attractive investors will be to invest their capital in the company and be a guarantee for creditors because they are considered capable of operating the company and are expected to have a profit in a relatively long time.

Research results Hasnawati and Sawir (2015) show that company size has a positive influence on company value in three economic conditions, namely before the crisis, during the crisis, and after the crisis, meaning that the greater the size of a company, the higher company's value is considered. The results of research shown by Pratiwi et al. (2016) size, growth opportunity, asset structure, cost of financial distress, and tax shields effects as the capital structure determiners on the manufacturing companies registered at Indonesia Stock Exchange. The differences between the factors of capital structure determiners (consisting of profitability, size, growth opportunity, asset structure, cost of financial distress, and tax shields effects and Dewi and Sudiarta (2017) are also consistent with previous research which states that company size has a positive effect on company value.

Based on the explanation above, this research concludes that company size has a positive effect on the value of the company before and after the 2015 global crisis.

H5: Company size has a positive effect on the value of the company before the 2015 global crisis

H6: Company size has a positive effect on company value after the 2015 global crisis

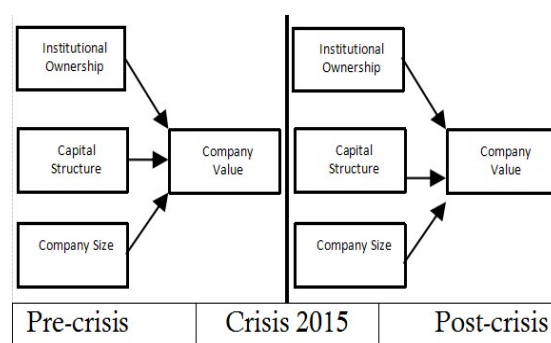


Figure 1. Research Model

## METHOD

The type of research conducted on the object under study is a research with a quantitative approach based on the method of science discovery, namely researchers build hypotheses and empirically test hypotheses that are built. The po-

pulation in this study are all companies listed on the Indonesia Stock Exchange in 2012-2018. The sampling technique in this study uses purposive sampling with the aim of getting representative samples in accordance with specified criteria. The criteria used in the sampling of this study are as follows:

**Table 2.** Research Sample Criteria

Research Criteria	Total
Companies listed on the IDX successively for the period 2012-2018.	411
Companies that do not publish complete annual reports in a row during the 2012-2018 period, which are published through <a href="http://www.idx.co.id">www.idx.co.id</a> and or the company's official website.	(222)
Companies that do not present data needed for complete research purposes during 2012-2018.	(38)
Number of Samples	151
Duration of observation	6 years
Number of observations	906

The dependent variable in this study is company value. Company value is the price of the company if the company is to be sold to investors. In this study, the company's value is proxied by using Price to Book Value (PBV) which can be used to measure the performance of the stock market price of the book value of shares (Sukrini, 2012).

$$PBV = (\text{Market price per share}) / (\text{Book value per share})$$

The independent variables used in the study is the institutional ownership, capital structure, and company size.

Institutional ownership is the percentage level of share ownership by other institutions or institutions, meaning that the company's shares are partially sold to certain institutions, thereby increasing supervision and minimizing fraud committed by managers (Tambalean et al., 2018). In this study institutional ownership is the number of shares owned by institutional investors compared to the number of shares outstanding (Hidayanti & Paramita, 2014).

$$INST = (\text{Number of shares owned by the institution}) / (\text{Number of shares outstanding})$$

Capital structure is a comparison between long-term debt with own capital (Riyanto, 2008). In this study, the capital structure is measured using Debt to Equity Ratio (DER) to measure the ability of companies to fulfill obligations in paying debt with their own capital collateral. DER is a ratio used to measure a company's ability to return the cost of debt using its own capital as measured by total debt and total capital (Pantow et al., 2015).

$$DER = (\text{Debt Total}) / (\text{Equity Total})$$

The size of the company is a big or small picture of the company that shows the success of the company which is reflected by the total assets owned by the company (Dewi & Sudiartha, 2017). In this study the size of the company is measured using total assets because the total assets are used for the company's operational activities and are relatively more stable. According to Pratiwi et al. (2016) size, growth opportunity, asset structure, cost of financial distress, and tax shields effects as the capital structure determiners on the manufacturing companies registered at Indonesia Stock Exchange. The differences between the factors of capital structure determiners (consisting of profitability, size, growth opportunity, asset structure, cost of financial distress, and tax shields effects company size is how much assets owned by a company that can be formulated as follows:

$$\text{Size} = \ln (\text{Total Assets})$$

This research uses descriptive statistical analysis, classical assumption test, and hypothesis testing. In addition, the analysis technique used to test the hypotheses formulated in this study uses Eviews 9. The multiple regression equation model in this study is as follows:

The pre-crisis period of 2015

$$PBV_{it} = \alpha_1 + \beta_2 INST_{it} + \beta_3 DER_{it} + \beta_4 SIZE_{it} + \mu_{it} \quad (2012-2014)$$

The post-2015 global crisis period

$$PBV_{it} = \alpha_1 + \beta_2 INST_{it} + \beta_3 DER_{it} + \beta_4 SIZE_{it} + \mu_{it} \quad (2016-2018)$$

Explanation:

PBV<sub>it</sub> = Company value

α<sub>1</sub> = Constant

β<sub>2</sub> β<sub>3</sub> β<sub>4</sub> = Coefficient of the independent variable

INST<sub>it</sub> = Institutional ownership

DER<sub>it</sub> = Capital Structure (Debt Earning Ratio)

SIZE<sub>it</sub> = Company Size  
 $\mu_{it}$  = Components of combined times series  
 and cross section errors

## RESULT AND DISCUSSION

### Descriptive Statistical Analysis

Based on Table 3 descriptive statistics for the value of companies proxied by PBV have an average value of three years pre and three years after the crisis decreased by 0.65 from 2.62 to 1.97. The pre and post crisis maximum values have a positive tendency of 53.59 and 82.44 obtained by PT Unilever Tbk in 2014 and 2017. While the minimum pre and post crisis values have negative values of -2.32 and -24.52 obtained by PT Bakrie & Brother Tbk in 2013 and PT Century Textile Industry Tbk 2017. Large standard deviation of pre and post-crisis shows the numbers 4.60 and 5.41 which means that the pre-crisis PBV has a data deviation of 4.60 and after the crisis has a data deviation of 5.41.

Descriptive statistical results for institutional ownership are proxied by INST which shows the average value of three years before the crisis and three years after the crisis increased by 0.01 from 0.65 to 0.65. The maximum pre and post crisis value has a positive tendency of 0.99 obtained by PT ABM Investama Tbk in 2014 and 0.99 obtained by PT Pakuwon Jati Tbk in 2017. While the minimum pre and post crisis value has a positive tendency of 0.12 obtained by PT Citra Marga Nusaphala Persada Tbk in 2012 and 0.03 obtained by PT Bakrie Sumatera Plantations Tbk in 2017. The pre standard deviation value shows the number 0.21 which means that the pre-crisis INST variable has a data deviation of 0.21 and the post standard deviation shows the number 0.21 which means that the post INST variable has a data deviation of 0.21.

The capital structure variable in this study proxied by DER shows the average value of DER three years before and three years after the crisis

decreased by 0.45 from 2.05 to 1.59.

The maximum pre and post crisis value has a positive tendency of 64.05 obtained by PT Central Proteinaprima Tbk in 2012 and 162.19 obtained by PT Eterindo Wahanatama Tbk in 2016. While the minimum pre and post crisis value has a negative tendency of -2.32 obtained by PT Bumi Resources Tbk in 2013 and -166.74 obtained by PT Citra Marga Nusaphala Persada Tbk in 2017. The standard deviation of pre and post crisis shows numbers of 4.25 and 13.41, which means that pre-crisis DER has a data deviation of 4.25 and after the crisis has deviations the data is 13.41.

Descriptive statistical results for company size are proxied by SIZE which shows three years before the crisis and three years after the crisis increased by 0.38 from 28.99 to 29.37. The pre and post crisis maximum values have a positive tendency of 33.95 and 34.35 obtained by PT Bank Central Asia Tbk in 2014 and 2018. While the pre and post crisis minimum values have a positive interest of 21.28 obtained by PT Atlas Resources Tbk in 2012 and 21.76 obtained by PT Lotte Chemical Titan Tbk in 2018. The magnitude of the pre-standard deviation shows 1.82 which means that the pre-crisis SIZE variable has a data deviation of 1.82 and the post-standard deviation shows 1.852385 which means that the post-deviation SIZE has a data deviation of 1.85.

### Multiple Regression Analysis

Table 4 shows the results of the regression analysis of the fixed effect model panel regression data for the pre and random effect models for the post, with the regression equation as follows:

Pre-crisis regression equation

$$PBV_{pra} = 30.63114 + 0.373606INST + 0.239977DER - 0.991495SIZE + e$$

Post-crisis regression equation

$$PBV_{pasca} = 0.891929 + 0.081484INST + 0.080517DER + 0.030546SIZE + e$$

**Table 3.** Descriptive Statistical

	PBV		INST		DER		SIZE	
	PRE	POST	PRE	POST	PRE	POST	PRE	POST
Mean	2.62	1.97	0.65	0.65	2.05	1.59	28.99	29.37
Median	1.48	1.02	0.66	0.67	0.97	0.98	29.10	29.36
Maximum	53.59	82.44	0.99	0.99	64.05	162.19	33.95	34.35
Minimum	-2.32	-24.52	0.12	0.03	-24.12	-166.75	21.78	21.76
Std. Dev.	4.60	5.41	0.21	0.21	4.25	13.41	1.82	1.85
Observations	453	453	453	453	453	453	453	453

**Table 4.** Regression Results

	Model	
	Pre	Post
INST	0.37 (1.29)	0.08 (0.06)
DER	0.24 (20.60)***	0.08 (7.87)***
SIZE	-0.99 (-6.40)***	0.03 (0.16)
Constant	30.63 (7.21)	0.89 (0.16)
Observation	453	453
Adj-R <sup>2</sup>	0.93	0.12

Note: () is t statistic, \*\*\* significance at the 5% level

The pre-crisis institutional ownership variable has a coefficient value of 0.37 with a t-statistic of 1.29 which is not significant at the 5% level. This means that institutional ownership does not significantly influence pre-crisis company values. Whereas after the crisis, institutional ownership has a coefficient value of 0.08 with a t-statistic of 0.06 and is not significant at the 5% level. This result shows that institutional ownership has no significant effect on the post-crisis company value. This can be concluded that the alternative hypothesis one (Ha1) and alternative hypothesis four (Ha4) which states institutional ownership has a positive effect on the value of the company before and after the 2015 global crisis is rejected.

The pre-crisis capital structure variable has a coefficient value of 0.24 with a t-statistic of 20.60 and is significant at the 5% level with the direction of a positive relationship. Whereas after the crisis, the capital structure has a coefficient value of 0.08 with a t-statistic of 7.87 and significant at the 5% level with the direction of a positive relationship. This shows that the capital structure has a positive and significant effect on the value of the company before and after the global crisis. This can be concluded that the alternative hypothesis two (Ha2) and alternative hypothesis five (Ha5) which states the capital structure has a positive effect on the value of the company before and after the 2015 global crisis is accepted.

The pre-crisis company size variable has a coefficient of -0.99 with a t-statistic of -6.38 and is significant at the 5% level with a negative relationship. That is, company size has a significant negative effect on pre-crisis company value. Whereas after the crisis, company size has a coefficient value of 0.03 with a t-statistic of 0.02 and

is not significant at the 5% level. This shows that the size of the company does not significantly influence the value of the company after the crisis. It can be concluded that the alternative hypothesis three and alternative hypothesis six which states the size of the company has a positive effect on the value of the company before and after the 2015 global crisis is rejected.

The pre- and post-crisis adjusted R-squared values in this study had different results. The pre Adj-R<sup>2</sup> value was 95% while the post Adj-R<sup>2</sup> value was 11%. This shows that in the pre-crisis period the ability to predict the independent variable was good at explaining the variation of the independent variable. While, in the post-crisis period the ability to predict independent variables was not good at explaining the variation of the independent variables.

#### **The influence of institutional ownership on the value of the company before the 2015 global crisis**

The first hypothesis in this study is that institutional ownership has a positive effect on the value of the company before the global crisis of 2015. The analysis results obtained state that institutional ownership has no significant effect on company value. This shows that the first hypothesis in this study was rejected.

The variable institutional ownership has no effect on the value of the company, this is because share ownership spreads so that the control of the majority shareholder becomes dominant in decision making that will have an impact on the decline in the value of the company. Institutional ownership can initially increase the value of the company, but at some point will turn down the value of the company. This is because institutional shareholders can reallocate their capital from one company to another, where if the company that is currently experiencing losses or has not been able to provide maximum profits will reallocate its capital to companies that can provide maximum profits.

These results are in line with Hasnawati and Sawir (2015) which states that institutional ownership has no effect on the company value before the crisis. This result is also supported by Agustina (2017) who found that institutional ownership has no effect on company value.

#### **Effect of capital structure on the value of the company before the 2015 global crisis**

The second hypothesis in this study is that capital structure has a positive effect on the pre-crisis global company value 2015. Based on the



results of the research test shows that the capital structure has a positive and significant effect on the pre-crisis company value. It is concluded that the second hypothesis in this study was accepted.

The results of this study are in accordance with the trade off theory which states that if a company uses large amounts of debt it will reduce taxes and the company's operating profit will increase. This is due to the tax deductible effect, which is a company that has debt will pay interest on the loan which will reduce taxable income. This means that in meeting the funding needs of the company tends to prioritize debt funding to third parties compared to the use of own capital.

Companies that use debt are considered safer than issuing new shares. Companies that use high debt are able to reflect the confidence of third parties in the company in getting loans from external parties. This is used as a positive response by investors and the use of debt can be used by companies to develop the company's prospects so that the company's value has increased.

The results of this study are supported by research conducted by Suranto et al. (2017) which states that capital structure has a positive and significant effect on company value. Research with the same results was also carried out by Mudjijah et al. (2019) which states that capital structure has a significant positive effect on company value.

#### **The effect of company size on the value of the company before the 2015 global crisis**

The third hypothesis in this study is that company size has a positive effect on the value of the company before the 2015 global crisis. The results obtained indicate that company size has a negative and significant effect on company value. This shows that the third hypothesis in this study was rejected.

The company size variable has a negative and significant effect on pre-crisis company value, meaning that the market does not assume that the larger the size of the company, the higher the value of the company. This is because companies that have large total assets have not been able to manage them effectively. This can cause the accumulation of assets due to the long turnover of the company's assets. Ineffective company performance can reduce the value of the company and can influence investors in investing their capital into the company.

The results of this study are the same as the study conducted by Pantow et al. (2015) who found that company size had a negative effect on company value. This result is also supported by Prastuti and Sudiarta (2016) and Israel et al.

(2018) which states that company size has a negative effect on company value.

#### **The effect of institutional ownership on company value after the 2015 global crisis**

The fourth hypothesis in this study is that institutional ownership has a positive effect on company value after the 2015 global crisis. The results of the study state that institutional ownership has no significant effect on company value. It can be concluded that the fourth hypothesis in this study was rejected.

Institutional ownership does not affect the value of the company, this means that the level of institutional ownership does not affect the level of the company. High and low institutional ownership significantly can not increase the value of the company. Companies with high institutional ownership control do not always provide good enough performance results, so this cannot provide a positive signal to shareholders. This means that institutional ownership has not been able to become a mechanism of supervision by shareholders of the company's management so that it does not have an impact on increasing the value of the company.

The results of this study are supported by research conducted by Sukmawardini and Ardiansari (2018) which states that institutional ownership has no effect on company value. Research with the same results was also conducted by Sari and Ardiansari (2019) who stated that institutional ownership had no effect on company value.

#### **Effect of capital structure on company value after the 2015 global crisis**

The fifth hypothesis in this study is that capital structure affects the value of the company after the 2015 global crisis. The results show that the capital structure has a positive and significant effect on the value of the company before the 2015 global crisis. It can be concluded that the fifth hypothesis in this study was accepted.

Capital structure, especially high debt, is one form of funding decisions that can have implications for increasing the value of the company. A high level of debt makes the company improve its performance so that the profits generated can increase. Good performance will make it easy in the process of debt payment in the future. That is because creditors have trust in the company and will be responded positively by investors because they think companies that have high levels of debt are considered to use debt for operational activities which can later generate high profits thereby increasing company value.



The results of this study are in line with research conducted by Pratiwi et al. (2016) size, growth opportunity, asset structure, cost of financial distress, and tax shields effects as the capital structure determiners on the manufacturing companies registered at Indonesia Stock Exchange. The differences between the factors of capital structure determiners (consisting of profitability, size, growth opportunity, asset structure, cost of financial distress, and tax shields effects which states that capital structure has a positive and significant effect on company value. The results of the same study were also carried out by Israel et al. (2018) which states that capital structure has a significant positive effect on company value.

#### **Effect of company size on company value after the 2015 global crisis**

The third hypothesis in this study is that the size of the company has a positive effect on the value of the company before the 2015 global crisis. The results obtained indicate that the size of the company has no significant effect on company value. This shows that the sixth hypothesis in this study was rejected.

The company size variable does not affect the value of the company after the crisis, this proves that investors in carrying out investment activities are more likely to assess the company's performance first, which is seen in published financial statements rather than looking at the size of a company. The size of the company can not guarantee the high value of the company, this is because before it can pay off its debts, the company has not dared to take other investment activities.

The results of this study are supported by research conducted by Manoppo and Arie (2016) and Languju et al. (2016) which states that company size has no effect on company value. The same results were also conducted by Suwardika and Mustanda (2017) who found the results of the study of company size had no effect on company value.

#### **CONCLUSION AND RECOMMENDATION**

Based on the results of research and discussion of the determinants of company value: pre and post-crisis 2015 in companies listed on the Indonesia Stock Exchange in 2012 – 2018, it can be concluded as follows: institutional ownership has no effect on the value of the company pre-global crisis 2015 in companies listed on the Indonesia Stock Exchange from 2012 to 2014. The capital structure has a significant positive

effect on the value of the company before the global crisis in 2015 at companies listed on the Indonesia Stock Exchange from 2012 to 2014. Company size has a significant negative effect on the value of the pre-crisis 2015 company in companies listed on the Indonesia Stock Exchange from 2012 to 2014. Institutional ownership has no effect on company value after the 2015 global crisis in companies listed on the Indonesia Stock Exchange in 2016 - 2018. Capital structure has a significant positive effect on company value after the 2015 global crisis in companies listed on the Indonesia Stock Exchange from 2016 to 2018. Company size has no effect on company value after the 2015 global crisis in companies listed on the Indonesia Stock Exchange 2016 - 2018.

Suggestions for further research if you want the same research, it is expected that the observation period to be carried out is more extended, so that it can provide better research results, and add different variables in the post-crisis period such as the implementation of good corporate governance and company growth.

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