



Jurnal Riset Akuntansi dan Keuangan

Journal homepage: <https://ejournal.upi.edu/index.php/JRAK/>



Political Connections Moderating Capital Structure and Growth Opportunities: Indonesian SOEs' Value Impact

Sagita Clarensia Napitupulu¹, Husnah Nur Laela Ermaya²

Faculty of Business and Management, Universitas Pembangunan Nasional "Veteran" Jakarta, Indonesia

*Correspondence: E-mail: sagitanapitupulu12@gmail.com, husnah_ermaya@upnvj.ac.id

ABSTRACT	INFO ARTIKEL
<p>This study aims to determine the effect of capital structure and growth opportunity on firm value with the moderating role of political connections of directors and commissioners. Profitability and firm size are used as control variables in this research. The study was conducted on state-owned enterprises (SOEs) listed on the Indonesia Stock Exchange (IDX) during the 2022–2024 period. The data used in this study consisted of 60 samples, excluding the financial sector. Panel data analysis was employed to test the research hypotheses using STATA version 14. The results of this study indicate that capital structure and growth opportunity have no significant effect on firm value. The political connections of directors strengthen the positive effect of capital structure and growth opportunity on firm value. However, the political connections of commissioners are proven not to moderate the relationship between capital structure and growth opportunity and firm value.</p> <p>© 2025 Kantor Jurnal dan Publikasi UPI</p>	<p>Article History: <i>Submitted/Received 20 Oct 2025</i> <i>First Revised 10 Nov 2025</i> <i>Accepted 17 Nov 2025</i> <i>First Available online 28 Nov 2025</i> <i>Publication Date 13 Dec 2025</i></p> <hr/> <p>Keyword: <i>capital structure, growth opportunity, political connection</i></p>

1. INTRODUCTION

Global uncertainty is a fundamental problem for the global economic system. The World Uncertainty Index (WUI) shows a generally increasing trend in economic uncertainty over the past 25 years, with sharp spikes occurring during the US invasion of September 11, 2001, the debt crisis in European countries, the COVID-19 pandemic in 2019, and the Russian war in Ukraine. By 2025, the surge in economic uncertainty will reach levels approaching the initial levels of the COVID-19 pandemic and is expected to reduce real output by 2.5% over the next two years. Therefore, countries need to increase policy buffers and implement structural reforms (International Monetary Fund, 2025).

Facing an unstable global economy, Indonesia utilizes fiscal management as a tool to address economic instability by directing state spending and revenue management policies focused on fully supporting national development. One policy that can be implemented is optimizing state revenues derived from Non-Tax State Revenue (PNBP) by optimizing dividend receipts at State-Owned Enterprises (SOEs). In addition to contributing to state revenue, SOEs also play a crucial role as agents of development. This fact indicates that SOEs have a strategic role, potentially acting as a policy buffer amidst economic uncertainty.

However, in support of the Nawa Cita priority agenda over the past few years, as outlined in the 2015-2019 Strategic Plan of the Ministry of State-Owned Enterprises (RENSTRA BUMN), SOEs have become the cornerstone of national development. The majority of SOE capital expenditure is allocated to accelerate strategic government infrastructure projects. In 2017, SOEs became the driving force behind the development of land, sea, and air infrastructure from Sabang to Merauke, strengthening national connectivity by constructing railways, toll roads, ports, and airports as part of national strategic projects. To support energy security, state-owned enterprises (SOEs) are implementing the 35,000-megawatt program by building new power plants and the One Price Fuel program, run by Pertamina, as the mandated recipient, by establishing new gas stations. Furthermore, SOEs are also playing a role in developing infrastructure projects related to telecommunications networks through fiber optics.

Due to the government's mandate to implement the National Strategic Projects from 2017-2019, SOEs began to experience problems due to the lack of State Capital Participation from the government. This situation was further exacerbated by the COVID-19 pandemic, which impacted nearly 90% of the 142 SOEs (Lisnawati, 2020). In the Kompas report, it was stated that PT Waskita Karya Tbk (Persero) experienced a 48.42% decrease in revenue and debt of 64.94 trillion rupiah due to the transfer of the Trans Java toll road project from the private sector which was not sustainable to complete, PT Hutama Karya experienced a 17.99% decrease in revenue and debt of 50.55 trillion rupiah due to the work on the Trans Sumatra toll road project, PT Wijaya Karya Tbk experienced a 39.23% decrease in revenue accompanied by a recorded debt burden of 24.28 trillion rupiah due to the Jakarta-Bandung high-speed train construction project, PT Adhi Karya Tbk experienced a 29.27% decrease in revenue and PT PP Tbk experienced a 32.84% decrease in revenue (Uly & Djumena, 2021). The downturn was also experienced by other state-owned companies due to government assignments that exceeded the company's fiscal capacity, such as Bio Farma experiencing losses from vaccine purchasing assignments in the national vaccination program.

In recovery efforts, state-owned enterprises (SOEs) have undertaken restructuring and privatization to strengthen their capital structure and transparency. However, the reality has not yet reflected the expected conditions. The problems previously described indicate that government

intervention in SOEs has burdened their finances. SOEs also face governance issues and conflicts of interest, such as the corruption case at PT Pertamina (Persero). This case involved the management of crude oil and refined products from 2018 to 2023 at Pertamina's headquarters. There has also been the discovery of an ongoing corruption case related to the acquisition of liquefied natural gas (LNG) at the subholding of PT Pertamina Patra Niaga. Furthermore, there has been a case at PT Garuda Indonesia (Persero) Tbk involving fraudulent revenue recognition in 2018, corruption in aircraft procurement, bribery in engine procurement, and rental fee markups. Another case also occurred at PT Timah Tbk, namely the corrupt practices that occurred from 2015 to 2022 in the tin commodity trade system, as well as the corruption case at PT Jiwasraya, which marked a negative record for state-owned enterprise governance. This phenomenon resulted in a decline in the share prices of several companies, particularly those of state-owned construction companies.

For investors, company value is a key indicator of business sustainability, as interpreted through the company's stock price. When a company has a high stock price, the investors will have more confidence in the company's future business sustainability (Novita et al., 2022). Therefore, companies must pay attention to company value to attract investors. This can be done through signals conveyed in the company's financial reports. Companies have a responsibility to transmit signals to principals in order to lessen information asymmetry, according to signaling theory (Spence, 1973). Financial reports operate as corporate signals that indicate the company's financial performance and can impact investors' decision-making. Observations based on the financial performance phenomenon of state-owned enterprises (SOEs) demonstrate that in the company's financial reports, there is an increase in debt accompanied by a decline in income, although SOE assets tend to have considerable worth. This serves as the basis for the author to examine the role of capital structure and growth opportunities as corporate signals contained in financial reports that influence company value. Furthermore, the fact that SOEs are at least 51% state-owned indicates that SOEs are inextricably linked to government intervention and political connections. Corporate decisions related to capital structure and growth opportunities can be influenced by political connections through the strategic advantages they provide. Therefore, this study will test the effectiveness of political connections, which are identified as moderating factors in this study.

Signaling Theory

As the inventor of the concept of signaling theory, Spence (1973) explained that informed parties (companies) must send signals to uninformed parties (investors) to demonstrate their quality. These signals aim to reduce investor uncertainty in making investment decisions. A signal can be categorized as effective if it meets two main requirements. First, the higher the quality of a company will result in lower signal costs. Second, the signal can be demonstrated to function effectively.

The signals a company sends work by increasing disclosure to align agents and principals. These signals can serve to influence firm value through the information investors obtain. Supported by research by Yasar et al., (2020), signals provided by companies successfully elicit investor reactions, especially when the signals are delivered by parties with high credibility. Negative signals such as economic slowdown or the threat of inflation generate the highest market volatility, as indicated by investor responses in portfolio adjustments. Conversely, positive signals trigger investor reactions but with a smaller impact, while neutral signals are considered to reduce volatility because they are considered to contain no significant new information.

Regarding corporate signaling, Morris (1987) stated that high-quality companies are more likely to convey signals through accounting policies that increase transparency, such as clear financial reports, to help investors assess the company's quality. According to Owolabi and Inyang, companies with strong management capabilities will send signals through capital structure efficiency, which demonstrates the company's ability to deliver good performance. In addition, companies can also send signals through their growth opportunities. Companies that experience rapid growth demonstrate that they have a strong market position, increasing sales, and an expanding market share (Burhanuddin, 2022).

Agency Theory

As the founders of the concept of agency theory, Jensen & Meckling (1976) stated that there is a strong reason that in carrying out their duties, the behavior of agents does not fully reflect the interests of the principal, thus giving rise to agency problems. Schemes used to address agency problems can be implemented through agency costs, including monitoring costs, which are costs charged to the principal as an effort to make sure the agent aligns their actions with the company's interests, bonding costs, which are costs borne by the agent as an effort to provide assurance that The agent has acted in the principal's best interests, and residual costs, which are expenses stemming from detriments caused by agent activities that do not align with the principal's interests when making choices.

The separation between principal and agent also creates agency problems through the proportion of company share ownership. A company's ownership structure is one aspect that influences a company's agency costs. Managers are motivated to deliver optimal performance when managerial share ownership is high. In addition to ownership structure, a company's financing structure also influences the amount of agency costs incurred by the company. When a company uses a large portion of debt, conflicting interests arise between shareholders seeking high returns and creditors seeking safe, low-risk projects. Therefore, creditors require protection through monitoring and covenants, which incur additional costs for the company but also limit opportunistic behavior by managers.

Despite the company's monitoring and incentives, the company still incurs irreversible losses (residual loss). Long-term agency costs are borne by shareholders because these costs reduce company profits, which can lower shareholder returns. Therefore, companies need to consider optimal scale, where the additional benefits from increasing company scale equal the additional costs resulting from agency costs.

Hypothesis

The Influence of Capital Structure on Company Value

To enhance a company's worth, the financial performance plays a crucial role that must be acknowledged. Financial performance showcases how effectively the company is directed in terms of funding operational endeavours, investments, and overall corporate financing. The management of funding for corporate activities is sourced from both internal and external avenues in the forms of debt, equity, retained earnings, and company reserves, each having a distinct arrangement. This arrangement constitutes the firm's capital structure, illustrating the balance between debt financing and equity utilized to sustain the company's operations (Prastyantini et al., 2024), (Setiawan et al., 2021). The strategic use of debt within the capital structure can foster growth for a company if

managed effectively. Adequate management of its capital structure can enhance profitability, create tax advantages, and lower capital expenses. The benefits derived are likely to outweigh the potential risks of financial distress that the company may encounter (Effendi, 2023), (Akhmadi et al., 2023), (Muliana & Ahmad, 2021), (Subagyo, 2021).

Aligned with signaling theory, companies must act as agents signaling their principals to communicate information about the organization that could sway investment choices. The signals emanating from companies can provoke responses from investors that impact the company's valuation (Yasar et al., 2020). In this context, capital structure serves as a financial metric presented in financial records, acting as a signal that can sway a company's value. When a company manages its capital structure efficiently, investors perceive this as a favorable sign of business growth and solid financial governance, influencing their interest in investing in shares, which may elevate the company's worth (Akhmadi et al., 2023), (Bui et al., 2023), (Irnawati et al., 2023), (Setiawan et al., 2021), (Muliana & Ahmad, 2021), (Subagyo, 2021).

H1: Capital Structure has a positive effect on Firm Value.

The Influence of Growth Opportunity on Company Value

The insights presented in a firm's financial statement highlight how the financial performance can sway a company's valuation. By analyzing the financial performance of a firm, investors can gauge its potential for expansion. A company's capacity for growth is observable through its available growth opportunity. Growth opportunity refer to a company's capability to position itself economically in comparison to similar entities. In a competitive landscape, the enhancement of a growth opportunity can fortify its stance to secure strategic benefits (Burhanuddin, 2022). Evaluating growth opportunity through asset expansion reflects a company's capacity to scale, which can lead to future profitability (Setiyowati et al., 2020).

In alignment with signaling theory, firms as agents must communicate signals to principals to impart information regarding the company that may affect investment choices. The signals that companies send can evoke responses from investors that influence corporate value (Yasar et al., 2020). In this context, growth opportunity can serve as a financial performance indicator transmitted by firms to principals via financial statements. The valuation of growth opportunity denotes effective debt management and an increase in assets that will impact future earnings. This influences investor enthusiasm for investment and serves as a favorable signal for the firm, as investors can perceive the potential for future growth and significant investment avenues (Suzan & Supriyadiputri, 2023), (Veda & Panji, 2021), (Setiyowati et al., 2020).

H2: Growth Opportunity have a positive effect on Company Value.

Political Connections Of Directors Moderate the Effect of Capital Structure on Company Value

To enhance corporate value through financial results, the acquisition of a company's assets also relies on external resources. The term of external resources refers to the use of debt within the company's capital framework. The capital structure includes the combination of loans and ownership that companies use to fund their activities (Setiawan et al., 2021). Through optimal capital structure management, companies are able to increase profitability, obtain tax savings, and reduce capital costs (Effendi, 2023), (Akhmadi et al., 2023), (Muliana & Ahmad, 2021), (Subagyo, 2021). In this case, companies often utilize political connections as a strategy to obtain important resources (Hillman et al., 2009). According to Regulation of the Financial Transaction Reports and

Analysis Center Number 11 of 2020 concerning Procedures for Utilizing the Politically Exposed Person Application, a Politically Exposed Person (PEP) is defined as a person who is or has been a state administrator or has public authority or an important function. Political connections become a competitive advantage through the acquisition of easy access to sources of financing, particularly loans from financial institutions or banks (Faccio, 2010). Easy access to funding sources will help companies increase their profitability, subsequently will enhance the worth of the business (Hardiningsih et al., 2024), (Nugrahanti & Nurfitri, 2022), (Setiawan et al., 2021), (Muliana & Ahmad, 2021), (Subagyo, 2021), (Momon et al., 2021).

In addition, the convenience provided by political connections also gives management more confidence in making decisions that will minimize agency problems within the company. In line with agency theory, it is explained that the use of debt in company financing will create agency problems between shareholders who want high returns and creditors who want safe projects with low risk. Thus, creditors need protection through monitoring and covenants that incur additional costs for the company, but at the same time can limit opportunistic behavior (Jensen & Meckling, 1976). In this case, the existence of political connections also becomes a form of government supervision that is responded to as a positive signal by investors because it indicates that the company has a low risk of default and greater corporate stability. This will affect investor interest in investing, thereby increasing the company's value through changes in the company's share price.

H3: Political connections of directors strengthen the positive influence of capital structure on firm value

Political Connections Of Directors Moderate the Effect of Growth Opportunity on Company Value

The financial performance of a company, as depicted in its financial documents, can impact its worth. Investors can gauge the growth potential of a company through its financial outcomes. A company's growth potential can be evaluated through the extent of its available growth opportunity. In a competitive landscape, growth opportunity can enhance its standing, enabling it to secure strategic benefits (Burhanuddin, 2022). The growth of a company, evaluated through asset expansion, will demonstrate its capability to enlarge its operations, which can yield profits in the future (Setiyowati et al., 2020). Growth opportunities signify a company's capacity to establish its place in the economic framework in comparison to similar firms. Abundant growth opportunities facilitate access to capital markets and allow for a company's enlargement, thus potentially generating profits down the line, which draws investors to purchase shares, consequently amplifying the company's worth (Suzan & Supriyadiputri, 2023), (Veda & Panji, 2021), (Setiyowati et al., 2020). To enhance growth opportunities, it is essential to acquire external resources to back expansion financing and company initiatives. One approach companies utilize is leveraging political connections to acquire assistance in securing funding and advancing projects (Faccio, 2010).

According to Regulation Number 11 of 2020 from the Financial Transaction Reporting and Analysis Center regarding the Procedures for Applying the Politically Exposed Person Application, a Politically Exposed Person (PEP) is described as an individual who is currently or has been a government official, holds public authority, or has significant responsibilities. The presence of political connections, particularly those possessed by the board of directors, as the company's management, will assist the company in attaining immediate advantages, including regulatory support, accessible financing with lower interest rates, tax incentives, and entry to pivotal state projects that aid in asset growth (Hardiningsih et al., 2024), (Nugrahanti & Nurfitri, 2022), (Momon et al., 2021), (Veda & Panji, 2021), (Setiyowati et al., 2020). Moreover, in accordance with agency theory, political connections can alleviate agency issues by providing competitive advantages.

Investors will react positively to this, recognizing that the company has backing for its operational longevity. Consequently, this will spur investor interest in supporting the company, influencing its value through an increase in share prices.

H4: Political Connections of Directors Strengthen the Positive Influence of Growth Opportunity on Company Value

Political Connections of Commissioners Moderate the Effect of Capital Structure on Company Value

In order to increase the value of the company through its financial performance, the acquisition of company resources also depends on external resources. The outside resources mentioned are intimately connected to the use of debt in the company's capital structure. The capital structure includes the combination of loans and ownership that companies use to fund their activities (Setiawan et al., 2021). Through optimal capital structure management, companies are able to increase profitability, obtain tax savings, and reduce capital costs (Effendi, 2023), (Akhmadi et al., 2023), (Muliana & Ahmad, 2021), (Subagyo, 2021). In this case, companies often use political connections as a strategy to obtain important resources (Hillman et al., 2009). In the Financial Transaction Reports and Analysis Center Regulation Number 11 of 2020 concerning Procedures for Utilizing the Politically Exposed Person Application, a Politically Exposed Person (PEP) is defined as a person who is or has been a state administrator or has public authority or an important function. Political connections become a competitive advantage through the acquisition of easy access to sources of financing (Faccio, 2010).

The strategic benefits of political connections related to funding sources, particularly through financial institutions and banks, will also influence the company's capital structure. Political connections obtained from the board of commissioners, as the entity tasked with overseeing and guiding management, will offer enhanced prospects for management to make more suitable choices regarding the procurement of company assets. This will minimize the occurrence of agency problems described in agency theory, namely the difference in interests between principals and agents when companies use debt as a source of financing (Jensen & Meckling, 1976). Debt usage provides the capital needed for business expansion, which can elevate the company's value and strengthen investor appeal through higher profitability (Setiawan et al., 2021), (Muliana & Ahmad, 2021), (Subagyo, 2021), (Nugrahanti & Nurfitri, 2022), (Hardiningsih et al., 2024), (Momon et al., 2021).

H5: Political Connection of Commissioners Strengthen the Positive Influence of Capital Structure on Firm Value.

Political Connections of Commissioners Moderate the Effect of Growth Opportunities on Firm Value

In enhancing corporate value through fiscal performance, the company's future performance indicators will be crucial in showcasing its expansion. This is interpreted through growth opportunity. During competitive times, growth opportunity can fortify the organization's stance to gain strategic advantages (Burhanuddin, 2022). The growth opportunity for expansion will be revealed by measuring company growth based on asset growth. The ability of a company to position itself in the economic system compared to its competitors indicates its growth potential. High growth opportunities make it easier to access capital markets and expand the size of the company,

which can yield future earnings, drawing investors to purchase equity, thus augmenting the company's worth (Suzan & Supriyadiputri, 2023), (Veda & Panji, 2021), (Setiyowati et al., 2020). In this context, initiatives to boost growth potential necessitate external resources to facilitate funding for expansion and organizational projects. Political ties represent one of the tactics employed by firms to secure assistance in securing funding and advancing company initiatives (Faccio, 2010).

In the Financial Transaction Reporting and Analysis Center Regulation Number 11 of 2020 concerning Procedures for Utilizing the Politically Exposed Person Application, a Politically Exposed Person (PEP) is defined as a person who is or has been a state administrator or has public authority or an important function. The political connections possessed by commissioners as supervisors and advisors to company management also influence the value of the company. The political connections possessed by commissioners enable them to provide support to companies in terms of regulations and licensing, low-interest financing, corporate tax facilities, and access to strategic state projects that contribute to asset growth (Hardiningsih et al., 2024), (Nugrahanti & Nurfitri, 2022), (Veda & Panji, 2021), (Momon et al., 2021), (Setiyowati et al., 2020). In line with agency theory, the existence of political connections will be able to minimize agency problems through the strategic advantages provided. This is likely to receive a positive reaction from investors because the company has support for its operational continuity. This will increase investor interest in investing, thereby influencing the company's value through an increase in the company's share price.

H6: Political Connection of Commisioners Strengthen the Positive Influence of Growth Opportunity on Firm Value

2. METHODOLOGY

The objective of this research is to investigate how political affiliations within state-owned companies function as a viable indicator within corporate governance frameworks, impacting capital structure and growth opportunity on firm value. The research utilized quantitative approaches and secondary information derived from corporate annual reports. From a total of 32 state-owned firms listed on the Indonesia Stock Exchange (IDX) during the period from 2022 to 2024, a sample of 20 enterprises was selected with 60 data points categorized through purposive sampling strategies. The selection criteria are detailed as follows:

Table 1. Research Sample Criteria

No	Criteria
1.	State-Owned Enterprises (SOEs) traded on the Indonesia Stock Exchange (IDX) regularly from 2022 to 2024, with the exception of the financial sector.
2.	State-Owned Enterprises (SOEs) traded on the Indonesia Stock Exchange (IDX) that released annual reports continuously from 2022 to 2024.
3.	SOEs traded on the Indonesia Stock Exchange from 2022 to 2024, for which comprehensive data for the research variables is fully presented.
Total Sample	60

Data Analysis Methods

A panel data regression model is applied in this research, which involves a combination from two data, both time series and cross-sectional data. Data processing was carried out using several tests including descriptive statistical tests to see the distribution of research data, panel data model evaluations to identify the most suitable model among the Common Effect Model, Fixed Effect Model, and Random Effect Model, which were determined using the Chow Test, Lagrange Multiplier Test, and Hausman Test. Classic assumption testing encompassed normality testing, multicollinearity assessment, heteroscedasticity evaluation, and autocorrelation analysis to ensure that the estimation outcomes from the model are unbiased. Additionally, a number of statistical methods were used in the study to test the hypotheses. These include the R² test, which assesses the model's explanatory capability, F-test, which measures overall significance, and the t-test, which examines the significance of each independent variable individually.

Operational Variabels

Under the influence of moderating variables, this research looked at the effect of the independent factors on the dependent variable. In addition, control variables were included to enhance the accuracy of the analysis. The measurements for each variable are as follows:

Table 2. Variable Measurements

Variables	Measuremet
Firm Value (Tobin & Brainard, 1976)	$Tobin's Q = \frac{(Maket Value of Equity (MVE)) + Total Liability}{Total Assets}$
Capital Structure (Prastyantini et al., 2024).	$DER = \frac{Total Debt}{Total Equity} * 100\%$
Growth Opportunity (Ariyadni & Irawati, 2023)	$Growth Opportunity = \frac{Total Aset (t) - Total Aset (t - 1)}{Total Aset (t - 1)} * 100\%$
Political Connections of Directors (Iswari et al., 2019)	$PC_BOD = \frac{Jumlah Dewan Direksi terkoneksi Politik}{Total Dewan Direksi Perusahaan}$
Political Connections of Commissioners (Iswari et al., 2019)	$PC_BOC = \frac{Jumlah Dewan Komisaris terkoneksi Politik}{Total Dewan Komisaris Perusahaan}$
Profitability (Akhmadi et al., 2023)	$ROE = \frac{Net Income}{Total Equity} * 100\%$
Firm Size (Veda & Panji, 2021)	$Firm Size = Ln Total Aset$

3. RESULT AND DISCUSSION

Descriptive Statistical Analysis

Statistical analysis utilizing descriptive tests was performed to illustrate the characteristics and spread of the research data. The findings from the descriptive statistical analyses are outlined below:

Table 3. Descriptive Statistical Test Results

	<i>Obs</i>	<i>Min.</i>	<i>Max.</i>	<i>Mean</i>	<i>Std. Deviation</i>
TOBIN'S Q	60	0.6344523	3.48245	1.190628	0,6372554
DER	60	-7.731656	7.306101	1.422747	2.997036
GO	60	-0.4870914	0.4188408	-0.0190572	0.1389858
PC_DIR	60	0	0.2	0.0179365	0.0547197
PC_COM	60	0	1	0.6052381	0.2367
SIZE	60	27.15001	33.33372	30.87183	1.383793
ROE	60	-0.8966	0.4346	-0.0251783	0.2642009

Source: STATA v.14, processed data (2025)

Based on Table 3, statistical results using 60 observation data show that the dependent variable in the form of company value (Tobin's Q) obtained an average value of 1.190628, meaning that the value of state-owned companies in the market is on average higher than the replacement cost of their assets. However, the range of company values with the smallest value of 0.6344523 and the largest value of 3.48245 indicates that the market in assessing state-owned companies does not have a homogeneous perception. In addition, there is an independent variable in the form of Capital Structure (DER) which obtained an average value of 1.422747 or 142.3% indicating that the proportion of debt in state-owned companies is 1.42 times greater than the company's equity. However, the range between the smallest DER value of -7.731656 and the largest DER value of 7.306101 indicates that financing strategies in state-owned companies are not yet uniform, some companies are able to utilize their debt optimally, but there are also companies that are in a condition with a high debt burden. In addition, there is a dependent variable in the form of Growth Opportunity (GO) with an average value of -0.0190572 which means a slowdown in state-owned companies marked by a decrease in company assets compared to the previous year. The range of growth opportunity (GO) values with the smallest value of -0.4870914 and the largest value of 0.4188408 means that state-owned companies have diverse industrial conditions with different management capabilities. Meanwhile, the moderating variable, namely direct connection of directors (PC_DIR), has an average of 0.0179365 or 1.79%, meaning that when compared to the total board of directors in a state-owned company, an average of 1.79% of them have political connections. The standard deviation is 0.0547197 with a minimum value of 0 and a maximum value of 0.20 or equivalent to 20%. In addition, there are also political connections of commissioners (PC_COM) with an average of 0.6052381 or equivalent to 60.52%, meaning that compared to the total board of commissioners in a state-owned company, an average of 60.52% of them have

political connections. The standard deviation value is 0.2367 with a minimum value of 0 and a maximum value of 1 or equivalent to 100%. Meanwhile, SIZE and ROE as control variables each have a mean value of 30.87183 and -0.0251783 with a standard deviation of 1.383793 and 0.2642009.

Regression Model Selection

Table 4. Results of Determining the Panel Data Regression Estimation Model

Chow Test	Probability = 0.0000
Lagrange Multiplier Test	Probability = 0.0001
Hausman Test	Probability = 0.0003

Source: STATA v.14, processed data (2025)

The Hausman test, which compared the fixed effect model to the random effect model, was performed after the Lagrange multiplier test and the Chow test, both of which produced probability values of less than 0.05. The likelihood values that were derived formed the basis for this conclusion. In this study, the Hausman test found a probability value of $0.0003 < 0.05$, indicating that the fixed effect model was the most accurate.

Classical Assumption Test

Normality Test

Table 5. Normality Test Results

Variabel	Skewness	Kurtosis
TOBINS'S Q	2.381123	8.601204
DER	-0.6184979	4.58099
GO	0.0063622	5.266437
PC_COM	-0.4401013	2.362455
PC_DIR	2.745949	8.697404
SIZE	-0.5412855	2.961336
ROE	-1.355337	5.201959

Source: STATA v.14, processed data (2025)

From the Table 5, after applying the winsorization treatment, the normality test results for each variable show a skewness value of less than ($<$) 3 also a kurtosis value of less than ($<$) 10, confirming that the data follow a normal distribution.

Multicollinearity Test

Table 6. Multicollinearity Test Results

<i>Variables</i>	<i>Tolerance</i>	<i>VIF</i>
DER	0.225656	4.43
GO	0.513008	1.95
DERPC_DIR	0.436255	2.29
DERPC_COM	0.397778	2.51
GOPC_DIR	0.449333	2.23
GOPC COM	0.554067	1.80
SIZE	0.606714	1.65
ROE	0.310601	3.22

Source: STATA v.14, processed data (2025)

Subsequent to implementing analysis through Principal Component Analysis (PCA), the multicollinearity assessment reveals tolerance values greater than 0.10 and VIF values under 10, which validates the lack of multicollinearity among the study variables.

Heteroscedasticity and Autocorrelation Test

Table 7. Heteroscedasticity and Autocorrelation Test Results

Heteroscedasticity Test	Probability = 0.0000
Autocorrelation Test	Probability = 0.0271

Source: STATA v.14, processed data (2025)

There is heteroscedasticity and autocorrelation in the research data. Therefore, robustness is used to address these issues.

Hypothesis Test

Table 8. Panel Data Regression Test

<i>Regression Model: Fixed Effect Model</i>					
<i>Variables</i>	<i>Coefficient</i>	<i>Robust Std. Err.</i>	<i>P > t </i>	<i>Hypotheses</i>	<i>Conclusion</i>
DER	0.0080184	0.0200968	0.347	<i>H₁: +</i>	<i>H₁: Rejected</i>
GO	-0.0017387	0.0184375	0.463	<i>H₂: +</i>	<i>H₂: Rejected</i>

DERPC_DIR	0.2630108	0.0860885	0.0035	$H_3: +$	$H_3: Accepted$
DERPC_COM	-0.0018408	0.0039342	0.3225	$H_4: +$	$H_4: Rejected$
GOPC_DIR	8.386185	1.151366	0.000	$H_5: +$	$H_5: Accepted$
GOPC COM	-0.0505035	0.0648905	0.223	$H_6: +$	$H_6: Rejected$
SIZE	-0.1497011	0.3013079	0.3125		
ROE	-0.0099047	0.1540465	0.4745		
<i>Number of Obs</i>			60		
<i>R-Square</i>			0.3035		
<i>Prob > F</i>			0.0000		

Source: STATA v.14, processed data (2025)

According to Table 8, the R^2 value is 0.3035, which is 30.35%. This means that the combination of capital structure (measured by DER) and growth opportunity (GO), along with the effect of political connections of directors and commissioners, explains 30.35% of the changes in the company's value, as shown by TOBIN'S Q.

Then, the Simultaneous Significance Test (F-Test) shows how well the independent and moderating factors together explain the dependent variable. The result shows that Prob > F is 0.000, which is smaller than the significance level of 0.05. This means all the factors together do a good job of explaining the dependent variable.

Moreover, the results from the Partial Significance Assessment were used to check how the independent factors affect the dependent variable. For the capital structure factor, the t-test showed a coefficient of 0.0080184 for the first hypothesis. This suggests a positive effect, but the significance value of 0.347 is higher than 0.05, meaning the coefficient hasn't had a real impact on the firm's value. Thus, it is determined that H1 is rejected.

The second hypothesis looked at how growth opportunity affects firm value. The t-test for this variable showed a coefficient of -0.0017387, which means there's a negative link between growth opportunity and firm value. But even though the coefficient is negative, the significance value of 0.463 is still higher than 0.05, showing the relationship isn't statistically significant. Thus, it is determined that H2 is rejected.

The third hypothesis tested the moderating effect of political connections of directors on the relationship between capital structure and firm value. The t-test results for this interaction (capital structure factor moderated by political connections of directors, denoted as (DERPC_DIR) produced a coefficient of 0.2630108, accompanied by a significance value of 0.0035, which is less than the threshold of 0.05. This suggests that the political connections of directors significantly enhance the effect of capital structure on firm value. Therefore, based on this finding, H3 is accepted.

The fourth hypothesis looked at how growth opportunity affects firm value, and it considered the role of directors' political connections (GOPC_DIR) as a mediator. The t-test results showed a coefficient of 8.386185 and a significance level of 0.000, which is less than or equal to 0.05. This

suggests that directors' political connections might help increase the positive effect of growth opportunity on business value. Therefore, H4 is accepted.

For the fifth hypothesis, the t-test results on the capital structure factor and its effect on firm value, with commissioners' political connections (DERPC_COM) acting as a moderator, showed a coefficient of -0.0018408. The significance level was 0.3225, which is higher than 0.05. This means that commissioners' political connections do not reduce the impact of capital structure on firm value, even though the coefficient suggests a negative effect. Consequently, it is concluded that H5 is rejected.

The t-test findings for the growth opportunity factor on company value, as moderated by the political connections of commissioners (GOPC_COM), show a coefficient value of -0.0505035 in the sixth hypothesis. Although this number suggests a negative effect, the significance level of 0.223 \geq 0.05 indicates that political connections of commissioners are insufficient to moderate the growth opportunity on company value. Consequently, it is concluded that H6 is rejected.

Discussion Results

Capital Structure Does Not Affect Firm Value

The capital structure pertains to the extent of debt utilized by a company to facilitate its operational undertakings (Prastyantini et al., 2024), (Setiawan et al., 2021). It embodies the anticipated rate of return, associated risks, and revenue for the business (Akhmadi et al., 2023). Incorporating debt within a company's capital framework can enhance profitability, provide tax advantages, and lower the capital expenses. Nevertheless, leveraging debt also introduces a substantial interest obligation for the organization. In scenarios where managerial proficiency is lacking, the reliance on debt may lead to adverse outcomes (Irnawati et al., 2023), (Akhmadi et al., 2023), (Bui et al., 2023), (Subagyo, 2021), (Muliana & Ahmad, 2021). On the other hand, studies by Prastyantini et al., (2024), Ferriswara et al., (2022), Burhanuddin (2022), yielded similar results, suggesting that how a company is funded doesn't really affect its value. Variations in debt proportions within the capital framework didn't change how these publicly traded state-owned companies were valued on the Indonesia Stock Exchange. Additionally, this study disputes the signaling theory, which claims that a company's signals may affect its value (Spence, 1973). However, this study reveals that signals in the form of capital structure in state-owned businesses do not affect the swings in a company's value. This could be because the advantages gained from the capital structure haven't yet reached the ideal point, which is when the expenses associated with employing debt outweigh the advantages. As a result, state-owned businesses must continue to be able to regulate how debt is utilized in the firm's capital structure in order to boost profitability and gain investors' attention.

Growth Opportunity Does Not Affect Company Value.

Growth opportunity, measured by asset growth percentage, can be a proxy for a company's health (Irnawati et al., 2023). Measuring growth opportunity using asset growth reflects how well a company can increase its size, which is expected to yield future profits (Setiyowati et al., 2020). High growth opportunity is associated with future company growth, generating high profits and attracting investor interest, thus increasing the company's value through share prices (Veda & Panji, 2021). However, high growth opportunity also indicates suboptimal asset utilization and high business risk due to the need for debt as additional capital, thus generating a negative response from investors (Irnawati et al., 2023), (Burhanuddin, 2022). The evidence obtained in this study

supports the conclusion by Vuković et al., (2024) and Liong et al., (2023), which stated the conclusion that growth opportunity has no effect on company value. This can occur due to the failure to achieve optimal growth opportunity management, which can occur due to management's inability to manage asset growth (Liong et al., 2023). Furthermore, this can also occur because investors are more concerned with company profits, and growth opportunity are considered not to guarantee dividends (Vuković et al., 2024). Hence, this study's outcomes do not correspond with the expectations set forth by signalling theory, which states that signals conveyed by company will be able to influence investor investment decisions (Spence, 1973). Growth opportunity have not been able to become a company signal capable of influencing the rise and fall in firm value.

Political Connections Of Directors Strengthen The Positive Influence Of Capital Structure On Firm Value

The study found that when directors have political connections, these connections can help make the positive impact of capital structure on company value even stronger. The political network of directors plays a big role in how the company operates. The presence of political connections of directors influences a company's capital structure through easier funding sources from financial institutions and banks. When companies are given easy access to funding, opportunities for expansion through the use of debt are opened. Company profitability will increase, thereby attracting investor interest, which results in increased firm value (Hardiningsih et al., 2024), (Nugrahanti & Nurfitri, 2022), (Setiawan et al., 2021), (Muliana & Ahmad, 2021), (Momon et al., 2021). Furthermore, company management is also more confident in making decisions that will minimize agency problems within the company. This aligns with agency theory, which suggests that the use of a large portion of debt will create agency problems between the principal and agent, requiring monitoring to limit opportunistic behavior (Jensen & Meckling, 1976). In this case, the existence of political connections is considered to be a form of government supervision, so that it is responded to positively by investors due to the lower risk of failure and more guaranteed operational sustainability.

Political Connections Of Directors Strengthen The Positive Influence Of Growth Opportunities On Company Value.

This study shows that when directors have political connections, it can help make the positive impact of growth opportunities on company value even better. A company's growth opportunity is one of the ways it can perform well in the future, showing how much it can grow. In a competitive time, having high growth opportunities can help a company become stronger and gain a better position to win strategic advantages (Burhanuddin, 2022). High growth opportunities also provide easier access to capital markets and increase the firm size, which has the capability to generate future profits, attracting investors to invest in their shares, thereby increasing company value (Suzan & Supriyadiputri, 2023), (Veda & Panji, 2021), (Setiyowati et al., 2020). In this case, political connections can be a strategy utilized by companies to increase growth opportunities, thereby influencing company value. Political connections, particularly those held by the board of directors as the company's management, help the company by directly facilitating regulatory and licensing support, low-interest financing, corporate tax benefits, and access to strategic state projects, which contribute to asset growth (Hardiningsih et al., 2024), (Nugrahanti & Nurfitri, 2022), (Veda & Panji, 2021), (Momon et al., 2021), (Setiyowati et al., 2020). The results and analysis of this study align with agency theory, as political connections can mitigate agency problems through the strategic advantages they provide. Consequently, a positive response from investors is achieved due to the

government's support for the company's operational continuity. This situation can lead to greater investor willingness to invest, influencing the firm's value via an upward movement in its stock price.

Political Connection Of Commissioners Do Not Moderate The Effect Of Capital Structure On Firm Value

To enhance corporate worth through fiscal performance, the acquisition of organizational assets also hinges on external assets. These outside assets are intricately tied to how the firm uses debt within its capital framework. By effectively managing capital structure, businesses can boost profitability, realize tax advantages, and lower capital expenses. The gains generated will outweigh the financial distress risks the company encounters (Effendi, 2023), (Akhmadi et al., 2023), (Muliana & Ahmad, 2021), (Subagyo, 2021). In this context, firms frequently leverage political affiliations as a tactic to secure essential resources (Hillman et al., 2009). However, the findings of this investigation reveal that political ties among board members do not modify the impact of capital structure on corporate worth. This suggests that the political affiliations obtained from the board of commissioners are insufficient to sway the capital framework in ways that elevate the organization's value. The commissioners' role as overseers and advisors to management indicates that the advantages and opportunities that arise do not directly influence the operational functions of the company. As described in agency theory, the division between principal and agent leads to agency dilemmas that incur agency costs (Jensen & Meckling, 1976). In this scenario, the benefits derived from the commissioners' political connections are viewed as ultimately resulting in significant financial burdens for the company, which are negatively perceived since they can diminish dividends due to shareholders (Angelia & Munandar, 2024), (Sulastri & Dwi Kartika Sari, 2021) (Shahzad et al., 2021) (Ha & Frömmel, 2020).

Political Connection Of Commissioners Do Not Moderate Growth Opportunity On Firm Value

According to the findings of this study, political connections have no moderating influence on how growth opportunity impact firm value. A firm's growth potential serves as a measure of its performance prospects, indicative of its expansion. In a competitive era, high growth opportunity can strengthen a company's position to gain strategic advantages (Burhanuddin, 2022). High growth opportunity also provides easy access to capital markets and increases the company's size, which has the potential to generate profits in the future, attracting investor interest in investing in their shares, thereby increasing the company's value (Suzan & Supriyadi Putri, 2023), (Veda & Panji, 2021), (Setiyowati et al., 2020). However, high growth opportunity also indicates suboptimal asset utilization and high business risk due to the need for debt as additional capital, thus receiving a negative response from investors (Irnawati et al., 2023), (Burhanuddin, 2022). To increase growth opportunity, the advantages of political connections are often exploited to obtain project assistance and support funding sources (Hardiningsih et al., 2024), (Momon et al., 2021). Nonetheless, the results of this research suggest that the political connection acquired from commissioners are insufficient to diminish the impact of growth opportunity on a firm's worth. Political connections held by commissioners, as parties who provide supervision and advice to management, are not yet able to directly influence the rise and fall of a company's value. In line with agency theory, political connections of SOE commissioners have not been able to be a strategy utilized by companies to increase company value, but are considered only to increase the company's agency costs (Angelia & Munandar, 2024), (Sulastri & Dwi Kartika Sari, 2021) (Shahzad et al., 2021), (Ha & Frömmel, 2020).

4. CONCLUSION

The purpose of this study was to assess how a company's capital structure and growth opportunity affect its value while also considering the moderating impact of the political connection of its directors and commissioners. The research focused on a selection of 32 firms registered on the Indonesia Stock Exchange (IDX) from 2022 to 2024, omitting those within the financial sector, and emphasized state-owned enterprises (SOEs). The research tested the hypotheses based on signaling theory and agency theory, which helped to frame the study's examination of how corporate governance and political connection affect firm performance. The hypotheses were tested using STATA version 14 and panel data analysis. The outcomes indicated that, a company's capital structure and growth potential had no appreciable direct influence on its value. But the political connection of directors were discovered to greatly improve the favorable association between capital structure, growth opportunity, and company value, implying that in a heavily regulated sector like that of state-owned enterprises, such political connections may increase the efficacy of financial and growth strategies. On the other hand, the political connection of commissioners did not seem to have a substantial moderating impact, suggesting that their influence on firm value may be less immediate than that of directors. The difficulty in getting complete financial information from state-owned enterprises, which restricted the sample size and may restrict the applicability of the results, was one of the study's limitations. Future studies should aim to increase the sample size, cover a wider variety of industries, and lengthen the study period in order to provide more reliable data on the variables affecting company value.

5. REFERENCES

- Akhmadi, Culiha, L., & Yazid, H. (2023). Profitability as a Mediation Factor: A Test of The Relationship of Capital Structure to Company Value. *European Alliance for Innovation*. <https://doi.org/10.4108/eai.4-11-2022.2327869>
- Angelia, & Munandar, A. (2024). Pengaruh Koneksi Politik, Persistensi Laba, Dan Kekuatan Laba Terhadap Nilai Perusahaan. *SCIENTIFIC JOURNAL OF REFLECTION : Economic, Accounting, Management and Business*, 7(1), 56–68. <https://doi.org/10.37481/sjr.v7i1.783>
- Ariyadni, F. T., & Irawati, W. (2023). Pengaruh Tax Planning, Investment Opportunity Set dan Growth Opportunity Terhadap Nilai Perusahaan. *ABIS: Accounting and Business Information Systems Journal*, 11(4). <https://doi.org/10.22146/abis.v11i4.87068>
- Bui, T. N., Nguyen, X. H., & Pham, K. T. (2023). The Effect of Capital Structure on Firm Value: A Study of Companies Listed on the Vietnamese Stock Market. *International Journal of Financial Studies*, 11(3). <https://doi.org/10.3390/ijfs11030100>
- Burhanuddin. (2022). Effect of Capital Structure and Growth Opportunity on Firm Value (Case Study on Manufacturing Companies on the Stock Exchange Indonesian Securities). *International Journal of Health, Economics, and Social Sciences (IJHESS)*, 4(2), 129–139. <https://doi.org/10.56338/ijhess.v4i2.2402>
- Effendi, B. (2023). Urgensi Nilai Perusahaan: Antara Relevansi Earning Per Share, Struktur Modal dan Kebijakan Dividen. *Owner: Riset & Jurnal Akuntansi*, 7(1), 123–130. <https://doi.org/10.33395/owner.v7i1.1372>

- Faccio, M. (2010). Financial Management • Autumn. *Financial Management*, 39(3), 905–928. <https://doi.org/10.1111/j.1755-053X.2010.01099.x>
- Ferriswara, D., Sayidah, N., & Agus Buniarto, E. (2022). Do corporate governance, capital structure predict financial performance and firm value?(empirical study of Jakarta Islamic index). *Cogent Business and Management*, 9(1). <https://doi.org/10.1080/23311975.2022.2147123>
- Ha, P. V., & Frömmel, M. (2020). Political connection heterogeneity and firm value in Vietnam. *Cogent Business and Management*, 7(1). <https://doi.org/10.1080/23311975.2020.1738202>
- Hardiningsih, P., Srimindarti, C., Anggana Lisiantara, G., & Kartika, A. (2024). How does environmental, social, governance disclosure and political connection performance affect firm value? An empirical study in Singapore. *Cogent Business and Management*, 11(1). <https://doi.org/10.1080/23311975.2024.2377764>
- Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). Resource dependence theory: A review. *Journal of Management*, 35(6), 1404–1427. <https://doi.org/10.1177/0149206309343469>
- Internasional Monetary Fund. (2025). *Riding the Waves : Building Resilience in an Era of High Uncertainty 1. May*, 27–37. <https://doi.org/10.5089/9798229007771.086>
- Irnowati, J., Febriana, H., & Asmita, D. Y. (2023). Pengaruh Debt To Equity Ratio Dan Growth Opportunity Terhadap Nilai Perusahaan. *Owner: Riset & Jurnal Akuntansi*, 7(1). <https://doi.org/10.33395/owner.v7i1.1216>
- Iswari, P., Sudaryono, E. A., & Widarjo, W. (2019). Political connection and tax aggressiveness: A study on the state-owned enterprises registered in Indonesia stock exchange. *Journal of International Studies*, 12(1), 79–92. <https://doi.org/10.14254/2071-8330.2019/12-1/5>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. *Journal of Financial Economics*, 283–303. <https://doi.org/10.1017/CBO9780511817410.023>
- Liong, H., Mahfudnurnajamuddin, Su'un, M., & Mapparenta. (2023). The Influence of Growth Potential, Capital Structure and Profitability on Dividend Policy and Firm Value in Manufacturing Companies Listed on the Indonesia Stock Exchange. *Revista de Gestao Social e Ambiental*, 17(8), 1–12. <https://doi.org/10.24857/rgsa.v17n8-011>
- Lisnawati. (2020). Skema Penyelamatan Bumn Pada Masa Pandemi Covid-19. *China Journal of Accounting Research*, 12(4), 243–277. <http://dx.doi.org/10.1016/j.cjar.2015.04.001>
- Momon, Wati, L. N., & Sutar. (2021). The role of political connections and family ownership in increasing firm value. *ACRN Journal of Finance and Risk Perspectives*, 10, 40–53. <https://doi.org/10.35944/jofrpr.2021.10.1.003>
- Morris, R. D. (1987). Signalling, Agency Theory and Accounting Policy Choice. *Accounting and Business Research*, 18(69), 47–56. <https://doi.org/10.1080/00014788.1987.9729347>
- Muliana, & Ahmad, S. W. A. (2021). Pengaruh Struktur Modal dan Profitabilitas terhadap Nilai Perusahaan. *Point : Jurnal Ekonomi Dan Manajemen*, 3(2), 1–14. <https://doi.org/10.46918/point.v3i2.1171>

- Novita, H., Samosir, R., Rutmia, Kristina, S., & Saragih, E. (2022). Pengaruh Harga Saham, Ukuran Perusahaan, Profitabilitas, Dan Leverage Terhadap Nilai Perusahaan Manufaktur Yang Terdaftar Di Bei Tahun 2018-2020. *Akurasi : Jurnal Studi Akuntansi Dan Keuangan*, 5(1), 77–86. <https://doi.org/10.29303/akurasi.v5i1.150>
- Nugrahanti, Y. W., & Nurfitri, I. (2022). Koneksi Politik dan Nilai Perusahaan: Apakah Mekanisme Corporate Governance Memiliki Peran? *AFRE (Accounting and Financial Review)*, 5(2), 106–116. <https://doi.org/10.26905/afr.v5i2.7762>
- Prastyantini, S. L. Y., Tasekeb, H. S., & Prabowo, A. A. (2024). Pengaruh Stuktur Modal, Likuiditas dan Ukuran Perusahaan Terhadap Nilai Perusahaan pada Perusahaan Manufaktur Sektor Industri Makanan dan Minuman yang Terdaftar di Bursa Efek Indonesia Periode 2018-2021. *Ekonomis: Journal of Economics and Business*, 8(2). <https://doi.org/10.33087/ekonomis.v8i2.1555>
- Peraturan Pusat Pelaporan dan Analisis Transaksi Keuangan Nomor 11 Tahun 2020 Tentang Tata Cara Pemanfaatan Aplikasi Politically Exposed Person, Pub. L. No. NOMOR 11 TAHUN 2020 (2020). <https://peraturan.bpk.go.id/Details/172796/peraturan-ppatk-no-11-tahun-2020>
- Setiawan, M. R., Susanti, N., & Nugraha, N. M. (2021). Pengaruh Struktur Modal, Perputaran Modal Kerja, dan Ukuran Perusahaan Terhadap Nilai Perusahaan. *Owner: Riset & Jurnal Akuntansi*, 5(1), 208–218. <https://doi.org/10.33395/owner.v5i1.383>
- Setiyowati, S. W., Naser, J. A., & Astuti, R. (2020). Leverage dan growth opportunity mempengaruhi nilai perusahaan melalui profitabilitas. *Jurnal Ekonomi Modernisasi*, 16(1), 19–30. <https://doi.org/10.21067/jem.v16i1.4637>
- Shahzad, F., Saeed, A., Asim, G. A., Qureshi, F., Rehman, I. U., & Qureshi, S. (2021). Political connections and firm performance: Further evidence using a generalised quantile regression approach. *IIMB Management Review*, 33(3), 205–213. <https://doi.org/10.1016/j.iimb.2021.08.005>
- Spence. (1973). Job Marketing Signaling. *The Quarterly Journal of Economics*, 87(3), 355–374. <http://qje.oxfordjournals.org/>
- Subagyo, H. (2021). Relationships between Debt, Growth Opportunities, and Firm Value: Empirical Evidence from the Indonesia Stock Exchange. *Journal of Asian Finance, Economics and Business*, 8(1), 813–821. <https://doi.org/10.13106/jafeb.2021.vol8.no1.813>
- Sulastri, & Dwi Kartika Sari, N. (2021). The Political Connection and Tax Aggressiveness Impact to Firm Values of Indonesian Mining Sector 2016-2018. *Management and Business Economics Journal*, 26(1), 2528–0503. <https://doi.org/10.17977/um042v26i1p1-12>
- Suzan, L., & Supriyadiputri, M. U. (2023). Pengaruh Intellectual Capital, Growth Opportunity dan Cash Holding Terhadap Nilai Perusahaan. *Jurnal Akademi Akuntansi*, 6(3), 370–384. <https://doi.org/10.22219/jaa.v6i3.27406>
- Tobin, J., & Brainard, W. C. (1976). Asset Markets and the Cost of Capital. *EliScholar-A Digital Platform For Scholarly Publishing at Yale*, 659. <https://elischolar.library.yale.edu/cowles-discussion-paper-series/659%0AThis>

- Uly, Y. A., & Djumena, E. (2021, July 8). Buka-bukaan Wamen BUMN soal Keuangan BUMN Karya yang Memprihatinkan. *Kompas*.
<https://money.kompas.com/read/2021/07/08/153300726/buka-bukaan-wamen-bumn-soal-keuangan-bumn-karya-yang-memprihatinkan>
- Veda, J. P. V., & Panji, S. I. B. P. (2021). The Effect of Growth Opportunity, Firm Size, and Debt Policy on Firm Value Mediated by Profitability in Real Estate and Property Sector Companies on the Indonesia Stock Exchange. *Russian Journal of Agricultural and Socio-Economic Sciences*, 119(11), 41–54. <https://doi.org/10.18551/rjoas.2021-11.05>
- Vuković, B., Tica, T., & Jakšić, D. (2024). Firm value determinants: Panel evidence from European listed companies. *Strategic Management*, 29(1), 55–71.
<https://doi.org/10.5937/straman2300052v>
- Yasar, B., Martin, T., & Kiessling, T. (2020). An empirical test of signalling theory. *Management Research Review*, 43(11), 1309–1335. <https://doi.org/10.1108/MRR-08-2019-0338>