



JURNAL RAK (Riset Akuntansi Keuangan)

URL : <https://journal.untidar.ac.id/indeks.php/rak>



Pengaruh Keterlibatan Keluarga Dalam Manajemen Perusahaan Terhadap Kinerja Perusahaan

THE EFFECT OF FAMILY INVOLVMENT IN COMPANY MANAGEMENT ON COMPANY PERFORMANCE

Annisa Marsela¹, Indrian Supheni², Sri Murni³, Asri Diah Susanti⁴, Rohwiyati⁵

Universitas Sebelas Maret^{1,3,4}, STIE Nganjuk², Universitas Surakarta⁵

indriansupheni@stienganjuk.ac.id

ARTICLE INFORMATION

Article history:

Received date: March 2023

Accepted: April 2023

Available online: April 2023

ABSTRAK

Penelitian ini bertujuan untuk mengetahui pengaruh keterlibatan keluarga dalam pengelolaan perusahaan terhadap kinerja perusahaan. Penelitian ini menggunakan teknik purposive sampling untuk menentukan sampel penelitian. Teknik ini menghasilkan 380 data sampel penelitian. Penelitian ini menggunakan metode Ordinary Least Square (OLS) dalam menganalisis hipotesis. Hasil penelitian menunjukkan bahwa keterlibatan CEO keluarga tidak berpengaruh terhadap kinerja perusahaan. Sedangkan keterlibatan direktur keluarga berpengaruh positif terhadap kinerja perusahaan. Penelitian ini dibatasi oleh sampel informasi perusahaan yang digunakan, sehingga diharapkan penelitian selanjutnya dapat menambah sumber informasi lain terkait kepemilikan perusahaan keluarga dan atau mengubah ukuran bisnis keluarga dalam menganalisis bisnis atau perusahaan keluarga.

Kata kunci: Keterlibatan Keluarga, CEO Keluarga, Direktur Keluarga, Kinerja Perusahaan.

ABSTRACT

This study aims to determine the effect of family involvement in company management on company performance. This study uses a purposive sampling technique to determine the research sample. This technique produces 380 research sample data. This study uses the Ordinary Least Square (OLS) method in analyzing hypotheses. The results of the study indicate that the involvement of family CEOs has no effect on company performance. Meanwhile, the involvement of family director's has a positive effect on company performance. This research is limited by the sample company information used, so it is hoped that further research can add other sources of information related to family company ownership and or change the measurement of family businesses in analyzing family businesses or companies.

Keywords: Family Involvement, Family CEO, Family Director, Company Performance.

©2023 Akuntansi UNTIDAR. All rights reserved.

* Corresponding author:

Address: STIE Nganjuk

E-mail: indriansupheni@stienganjuk.ac.id

P-ISSN:2541-1209

E-ISSN: 2580-0213

INTRODUCTION

Company performance results from the whole activity company or measuring activity success company (Halim & Suhartono, 2021). Because it is important for the performance company monitored every year by the development company.

The frequent ratio investors use taking one decision is *Return on assets* (ROA). The ratio also is the attention of major investors before making an investment in companies. According to Tandelilin (2001), *Return on Assets* or often called ROA can present as far as assets the company could produce a profit.

Companies in Indonesia have characteristics and structure different ownership from companies in other countries (Supheni, et al., 2021). In Indonesia, almost whole Companies tend to be concentrated, so the founders could participate in management company as the board of director's as well as the board of commissioners (Wiranata & Nugrahanti, 2013). This is what can cause conflict Among party management with the owner as well as Among holders who share the most and holders who share the lowest.

Indonesia is one of the countries where the majority of a registered company controlled by the family. According to a Business survey 2014 PWC family, more than 95% of Indonesian businesses are owned by a family in Indonesia. Characteristics of the company family are different from the company other. Preference taking decision and control management part big controlled by the family (Komalasari & Nor, 2014). Ownership share in company family tends to concentrate or not diversified, so the family has significant influence in making a decision. Besides, that is domination family in the CEO, board of director's, and board of commissioners positions in the company too characteristics alone.

According to a study by (Ningsih, n.d.), business families have a management model alone and, in general, are not owned by the company. The uniqueness business family is seen in the harmony between member families in the company. This impact on performance company because the whole member family

could work the same for the Upgrade profit company along with increasing harmony family company. Good company performance shows that continuity effort could grow and compete with others.

The family's involvement in the company is often associated with influencing to performance company. Study (Gill & Kaur, 2015) disclose that performance company family turns out taller than performance company non-family. Caused of the existing family involvement at the company could reduce the problem agency without causing a big loss of inefficiency in making a decision.

A phenomenon and research previously explained the involvement of family in management companies, and researchers are interested in studying more carry-on related how the involvement of management families in Company manufacturing in Indonesia. This is because inconsistent results exist in research that researchers did before in the country or abroad. The sample from the study is company manufacturers listed on the Indonesia Stock Exchange. This is because sector company manufacture is one issuer biggest compared with total other sectors based on Indonesian Capital Market Directory (ICMD) data. On the other hand, according to the Central Bureau of Statistics, until the moment, this sector manufactures in Indonesia have a great contribution to the Indonesian economy. Study this different from before, research this combines CEO and board involvement family related involvement in the management company. The study also uses variable control, among them leverage, size company (size), age company (age), and growth sales (sales growth). Company performance is measured using the ratio Return on Assets (ROA).

RESEARCH METHODS

The population used in the study is company manufacturers listed on the Indonesia Stock Exchange in 2015-2019. Sector this chosen because sector company manufacture is one issuer biggest compared to with total sector company other based on Indonesian Capital Market Directory (ICMD)

data. On the other hand, according to the Central Bureau of Statistics, until the moment, this sector manufactures in Indonesia have a great contribution to the economy.

As for the criteria research used in a study, this is as follows. Manufacturing companies listed on the Indonesia Stock Exchange in 2015-2019, respectively. A study was done on the company family. The family company was chosen based on ownership share individual by 10% in sector manufacturing. The issuing company report finance with complete data in accordance with variable study as well as having equity positive. Testing hypothesis in this research uses analysis of multiple linear regression for test influence variable bound to two variables free. Regression models following will develop in the study.

$$ROA = \alpha + \beta_{FAMCEO} + \beta_{FMoB} + \beta_{LEV} + \beta_{SIZE} + \beta_{AGE} + \beta_{SALES\ GROWTH} + e$$

Description:

ROA = Return on Assets

α = Constants

β = Koefficient regression

FAMCEO=FamilyCEO involvement

FmoB = Engagement director's family

LEV = Leverage

SIZE = Company Size

AGE = Company Age

SALES GROWTH = Growth Sale

e = standard error

RESULTS AND DISCUSSION

The population from the study is the whole company registered manufacturers in the Indonesian Stock Exchange began from 2015 to 2019. Research this using secondary data obtained from the IDX website, namely www.idx.co.id. Sample study this is the company manufactures as many as 380 data that have been determined with the use technique of purposive sampling. Table 1

below shows the results election sample used in the study.

Table 1. Election Results Sample

Criteria Sample	Amount
Amount company manufacturers listed on the IDX for five years consecutive, that is 2015-2019 year	129
Non-family manufacturing company	(33)
Companies that don't have complete data and have equity negative	(17)
Observed companies	79
Data period for 5 years	395
Outliers	(15)
Amount observation	380

Table 2. Statistical Results Descriptive

	N	Minimum	Maximum	Means	Std. Deviation
FmoB	380	.00	.80	.2509	.23268
ROA	380	-.18	.23	.0383	.06207
Size	380	5.13	8.10	6.4202	.67476
Age	380	.78	1.83	1.5280	.16619
Leverage	380	.08	6.31	1.1121	.90485
Sales Growth	380	-.50	24.19	.1268	1.27299

Source: Output IMB SPSS Statistics 25 (data processed)

Table 2 above shows that the total end sample (N) used in a study is 380 company data. Statistical test descriptive on variables FmoB or Involvement Director's Family (X2) shows FMOB average value show figure 0.25 with a standard deviation of 0.23. kindly the involvement of the director's family in the study. This is by 25%. This show that the average company family puts a member of his family in the management company. Variable Return on Assets (ROA) shows the average

value is 0.03 with a standard deviation of 0.06. Variable Size or size company is the average value obtained with a 6.42 standard deviation of 0.67. Variable age or age company shows Average value shown in figure 1.52 and standard deviation in figure 0.16. Variable leverage shows a mean value shows numbers 1.11 with a standard deviation of 0.90. Variable Sales Growth or growth sale show mean value shown in figure 0.12 and standard deviation in figure 1.27.

Table 3. Distribution Frequency Dummy variable

		Frequency	Percentage
FAMC	0 Non-family CEO	143	37.6
EO	1 family CEO	237	62.4
	Total	380	100.0

Source: Output IMB SPSS Statistics 25 (data processed)

Table 3 shows that the mode of the FAMCEO variable data is value one, i.e., as many as 237 companies. With thereby could conclude that the sample study part is a big company with a family CEO. A value of 0 on the FAMCEO variable indicates a non-family CEO company. In the sample study, there are 143 companies with non-family CEOs.

Adjusted R-square value of 0.251. This result shows that 25% of variable-dependent,

i.e., a performance company, could be explained by whole variable independent like FAMCEO and FmoB as well as a number of variable control among them leverage, size, age, and sales growth. The rest of the 74.9% of variable performance companies are temporarily explained by other factors outside variable independence and other variables from the study.

Table 4. Simultaneous F Test Results

ANOVA a					
Model	Sum of Squares	df	Mean Square	F	Sig.

1	Regression	.385	6	.064	.000 b
					2,222
	Residual	1,076	373	003	
	Total	1,460	379		

Source: Data processed by SPSS version 25

Table 4 above show that mark significance shows a value of 0.000 which indicates that the mark is smaller than 0.05 with F count, which becomes 22.222 based on

taking a deciding this F test. From the results, they could conclude that the regression model could be used in research.

Table 5. Partial t-test results

Coefficients ^a						
Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Betas			
1 (Constant)	-.181	.036			-5,029	.000
FAMCEO	.006	.008	.048		.722	.471
FmoB	.037	.018	.138		2,080	.038
SIZE	.027	.004	.297		6,496	.000
AGE	.041	.017	.111		2,433	.015
LEVERAGE	-.031	.003	-.445		-9,295	.000
SALESGROWTH	.008	.002	.167		3,518	.000

a. Dependent Variable: ROA

Source: Data processed by SPSS version 25

Partial t-test results above show that variable FAMCEO or family CEO involvement has no influence on the performance company (ROA) and has a mark significance of 0.471 (bigger than 0.05). Temporary variable FMOB or involvement director's family has an influence significant to performance company (ROA) because mark significance not enough from 0.05. The effect is positive where every increase in one unit involvement director's family will Upgrade the Return on Assets (ROA) of 0.038 units. In other words, upgrading the involvement of director's' families in the company will Upgrade the performance company.

Variable sizes or size companies with a mark significance of 0.000 significantly influence ROA. So that has a positive influence where every increase in one unit size company will increase ROA by 0.027 units. In other

words, upgrading the age company will increase its performance company.

Variable age or age company have mark significance of 0.015 significantly influences ROA. So that influential positive where every increase one unit age company will increase ROA by 0.041 units. In other words, an upgrade age company will Upgrade the performance company.

Variable leverage has a mark significance of 0.000 and significantly influences ROA. So that influential positive where every increase in one unit leverage will increase ROA by 0.031 units. In other words, upgrade leverage will Upgrade the performance company.

Variable sales growth or growth sale have a mark significance of 0.000 and significantly influences ROA. So that has a positive influence where every increase in one unit growth sales will increase ROA by 0.008

units. In other words, growth sales will Upgrade the performance company.

Based on the analysis of the results, the hypothesis was first rejected because family CEO involvement (FAMCEO) is not influential to the performance company. This is proven by a t count of 0.722 and a value significance of 0.471 (bigger than 0.05).

Study this support the results study (Yopie et al., 2018) that where a company family with a family CEO has a performance that is not superior compared with a company family with non-family CEOs because it is considered not enough the productive CEO of the family (Gill & Kaur, 2015), (Yopie & Itan, 2016). Difference results study this possible because the use threshold limits the involvement of family in the company so that involvement family in its main CEO resulted in magnitude control family and domination taking decisions by members family. There is a domination family in the company make, rejecting measuring main in reach aim company for Upgrade performance company because the fellow member has the same goal.

Based on the analysis of the results, the engagement of member families in the director's company has a positive influence. This is proven with t-count values that show 2.080 and a value significance of 0.038 (smaller than 0.05). Research results in it also support the findings of Gill & Kaur (2015), (Poutziouris et al., 2015), and (Yopie & Chrislin, 2022), which state that involvement in the family could Upgrade the performance company if member family involved in management company good director's as well as the CEO as well ownership family in the company.

Based on partial test results on each variable, control could see that in a manner Partial whole variable control consisting of Size, age, leverage, and sales growth influential to performance company (ROA). The same is also seen in simultaneous test results. Big companies have a high assets, so they are

cautious in managing the assets they own. The more big company increasingly great ability operational that can it operates. The ability large operational that can run company will produce more profit large and performance-driven Company (ROA) is more ok. Variable ages are too influential in positive performance companies.

CONCLUSION

Studying this test influenced the involvement of family in the management, he said, in CEO and board involvement family at the company family to a performance of company manufacturing in Indonesia. In matter, the performance company is measured with the use of proxy profitability Return on Assets (ROA). Family CEO involvement in management company influential negative to performance company manufacturers listed on the IDX in 2015-2019. The difference in use threshold limits the involvement of family in the company. Where at the moment threshold high limit resulted in the company's control family also increasing, which could Upgrade the performance company and vice versa. When the control family decreases, family involvement in the company will also result in a decrease in the performance company. Involvement director family in management company influential positive to performance company manufacturers listed on the IDX in 2015-2019. The existence director's family is considered to have a significant influence on operational activity company, so that existence could Upgrade the performance company. It should illustrate brief and clear results of study, contributions to new theories, and new ideas for future researches. Here, the theoretical and practical implications should be written in paragraphs.

REFERENCES

- Gill, S., & Kaur, P. (2015). Family Involvement in Business and Financial Performance: A Panel Data Analysis. In *Vikalpa* (Vol. 40, Issue 4, pp. 395–420).
<https://doi.org/10.1177/0256090915605756>
- Halim, D., & Suhartono, S. (2021). Pengaruh Kepemilikan Keluarga, Kepemilikan Institusional, Dan Keputusan Pendanaan Terhadap Kinerja Keuangan Dengan Metode Piotroski F-Score. *Jurnal Akuntansi*, *10*(1), 8–20. <https://doi.org/10.46806/ja.v10i1.795>
- Komalasari, P. T., & Nor, M. A. (2014). Pengaruh Struktur Kepemilikan Keluarga, Kepemimpinan Dan Perwakilan Keluarga Terhadap Kinerja Perusahaan. *AKRUAL: Jurnal Akuntansi*, *5*(2), 133. <https://doi.org/10.26740/jaj.v5n2.p133-150>
- Ningsih, M. E. P. (n.d.). Family Involvement In Management. Family Ownership and Company Performance: Empirical Evidence from the Indonesian Stock Exchange. *Journal of Management*, *8*(2), 166–177.
- Poutziouris, P., Savva, C. S., & Hadjielias, E. (2015). Family involvement and firm performance: Evidence from UK listed firms. *Journal of Family Business Strategy*, *6*(1), 14–32. <https://doi.org/10.1016/j.jfbs.2014.12.001>
- Supheni, I., Suhardjanto, D., & Probohudono, A. N. (2021). Pengungkapan Inovasi Disruptif Industri Perbankan Indonesia. *EKUITAS (Jurnal Ekonomi dan Keuangan)* (Vol. 5, Issue 3, p.)
- Wiranata, Y. A., & Nugrahanti, Y. W. (2013). Pengaruh Struktur Kepemilikan Terhadap Profitabilitas Perusahaan Manufaktur di Indonesia. *Jurnal Akuntansi Dan Keuangan*, *15*(1), 15–26. <https://doi.org/10.9744/jak.15.1.15-26>
- Yopie, S., & Chrislin, C. (2022). Analisis Pengaruh Keterlibatan Keluarga terhadap Kinerja Perusahaan di Indonesia. *Owner*, *6*(1), 359–368. <https://doi.org/10.33395/owner.v6i1.593>
- Yopie, S., & Itan, I. (2016). CEO-Family vs. CEO-Nonfamily: Who is a better value creator in family business? *Journal of Applied Management Accounting Research*, *14*(2), 37–46.
- Yopie, S., Supriyanto, S., & Chandra, B. (2018). Peran Struktur Dewan Dalam Mempengaruhi Kinerja Pada Nilai Perusahaan Keluarga. *Jesya (Jurnal Ekonomi & Ekonomi Syariah)*, *2*(1), 45–53. <https://doi.org/10.36778/jesya.v2i1.36>