International Journal of Psychosocial Rehabilitation, Vol. 24, Issue 01, 2020
ISSN: 1475-7192

THE INFLUENCE OF GCG APPLICATION, COMPANY SIZE, and PROFITABILITY ON STOCK RETURN

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ABSTRACT---*This study shows that the size of the company affects the stock returns of state-owned companies listed on the Stock Exchange in the period 2013-2017, this shows that the greater the size of a company, the higher the level of stock returns obtained by investors. While the proportion of independent commissioners, audit committees, government share ownership, foreign share ownership, and ROAs partially does not affect stock returns. But the proportion of independent commissioners, audit committees, government share ownership, foreign share ownership, company size, and ROA simultaneously influence the stock returns of state-owned companies listed on the IDX in 2013-2017.*

Keywords---*Good Corporate Governance (GCG), Company Size, Profitability, Stock Return*

I. BACKGROUND

The capital market is a meeting between parties that have advantages and those who need funds by trading securities (Tandelilin, 2017: 25). Securities are a piece of paper that gives the owner the right to obtain a part of the prospect or wealth of the organization that issues the securities, and various conditions that allow capital to exercise its rights. Securities can be traded and are financial instruments that are long-term in nature, the issuance of these securities is carried out in the capital market and the trade is carried out on the stock exchange. In Indonesia, the region is referred to as the Indonesia Stock Exchange (IDX) (Husnan, 2015: 25).

An investor buys a number of shares at present in the hope of gaining a profit from an increase in stock prices or a number of dividends in the future, in return for the time and risks associated with that investment. Basic investment decisions consist of the expected rate of return, level of risk and the relationship between return and risk. In the context of investment management, the level of investment returns is called a return (Tandelilin, 2017: 2 & 9).

Return is one of the factors that motivate investors to invest to get a reward for the courage of investors to risk the investment they make. Investment return sources consist of yield and capital gains. Capital gain is an increase or decrease in the price of a securities that can provide profits or losses to investors (Tandelilin, 2017: 113). Return is the excess of the selling price of shares above the purchase price, which is generally expressed in percentage of the purchase price. The higher the selling price of shares above the purchase price, the higher the return obtained by investors (Wingsih, 2013).

One transaction in the capital market is a stock transaction. Shares are a sign of the participation of a person or party (business entity) in a company or limited liability company (Martalena & Malinda, 2011, p. 12). The main reason people

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invest is to make a profit. In the context of investment management the level of investment returns is called a return (Tandelilin, 2017: 9). According to (Hartono, 2017: 109), stock returns are the results obtained from investment. Return is used as a measure of company performance. Return can be in the form of a realized return that has occurred or an expected return that has not yet occurred but will occur in the future. One part of the return is capital gain. Capital gain is the difference between the selling price and the purchase price of shares per share divided by the purchase price.

Return is the result obtained from investment. Return can be in the form of a realized return that has occurred or an expected return that has not yet occurred but which is expected to occur in the future. Return realization (realized return) is the return that has occurred. Return realization is calculated using historical data. Return realization is important because it is used as one measure of the performance of the company. This return on realization or historical return is also useful as a basis for determining the expected return and future risks (Hartono, 2017: 263).

If the profits obtained by the company are relatively high, it is likely that the dividends paid are also relatively high. If the dividends paid are relatively high, it will have a positive effect on stock prices on the stock, and investors will be interested in buying them. As a result, the demand for these shares will increase, so eventually the price will also increase (Abdul, 2005: 12). However, in reality some property, real estate, and building construction companies experience the phenomenon of an increase in net income but a decline in stock prices or the opposite is true.

The uncertainty of the value of shares in the capital market has resulted in investors being more careful in investing their funds. Investors need financial performance information through an analysis of the company's financial performance as a basis for consideration in investment decision making. In general, the analysis carried out is using the conventional method of financial ratio analysis. Financial analysis is designed to help investors evaluate financial statements and financial performance (Brighm & Joel F, 2015, Saudi, 2018).

The obstacles faced by companies in generating high profits generally revolve around things that are fundamental, namely: (1) The need for the company's ability to manage its resources effectively and efficiently, which covers all fields of activity (human resources, accounting, management, marketing and production), (2) Consistency of the system of separation between management and shareholders, so that practically the company is able to minimize conflicts of interest that may occur between management and shareholders and (3) the need for the company's ability to create trust in persons external funds, that the external funds are used appropriately and efficiently as possible and ensure that management acts the best for the company's interests.

To overcome these obstacles, the company needs to have a good corporate management system, through the implementation of good corporate governance (GCG). Darmawati, et al. (2004) state that GCG is one of the key elements in increasing economic efficiency, which includes a series of relationships between company management, board of commissioners, shareholders and other stakeholders. GCG can also be used to monitor contract problems and limit opportunistic management behavior. Behavior manipulation by managers that starts from conflicts of interest can be minimized through a monitoring mechanism that aims to harmonize these various interests. The company believes that the implementation of GCG is another form of enforcement of business ethics and work ethics that have long been the company's commitment, and the implementation of GCG is related to improving the company's image. Companies that practice GCG will experience image improvement, and increase company value. In this study the GCG mechanism includes: institutional ownership, managerial ownership, independent commissioners and audit committees.

Managers have an obligation to maximize the welfare of shareholders. But on the other hand the manager also has an interest in maximizing his own welfare. Unification of the interests of these parties often creates problems called agency problems. According to Jensen and Meckling (1976) in Sabrinna (2010), institutional ownership and managerial ownership are the two main mechanisms of GCG that help control agency problems. Institutional ownership is share ownership by the government, financial institutions, legal entities, foreign institutions, trust funds and other institutions at the end of the year (Shien, et al. 2006 in Sabrinna, 2010). According to Wening (2009), institutional ownership is one of the factors that can affect the company's financial performance. Ownership by institutional investors will encourage increased optimal supervision of management performance, because share ownership represents a source of power that can be used to support or vice versa to management performance. The greater the ownership of financial institutions, the greater the power of voice and the encouragement of financial institutions to oversee management and consequently will provide greater impetus to optimize the value of the company so that the company's financial performance will also increase.

Managerial ownership is share ownership by company management as measured by the percentage of shares held by management (Sujono and Soebiantoro, 2007 in Sabrinna, 2010). The agency approach considers the structure of managerial ownership as an instrument or tool to reduce agency conflict among several claim holders against the company. Gunarsih (2001) states that company ownership is one mechanism that can be used so that managers carry out activities in accordance with the interests of the owner of the company. Managerial ownership can be used as a way to overcome the second agency problem. Managers will be motivated to improve their performance which is also the desire of the shareholders. Ross, et al. (1999) in Putri (2006) states that the greater the proportion of share ownership in the company, the management tends to try harder for the interests of shareholders who are none other than themselves. Managerial share ownership will help to unite interests between managers and shareholders, so managers share directly the benefits of decisions taken and also bear losses as a consequence of making wrong decisions.

Managerial ownership that is too high is also not good for the company, because it can cause defense problems, which means that if managerial ownership is high, they have a strong position to control the company and external shareholders will have difficulty controlling manager's actions. This is due to the high voting rights possessed by managers (Gunarsih, 2001). So it is feared that it will negatively affect the company's financial performance.

One of the problems in implementing GCG is that there is a CEO (Chief Executive Officer) who has greater strength than the board of commissioners. The function of the board of commissioners is to oversee the performance of the board of directors led by the CEO. The effectiveness of the board of commissioners in balancing CEO strength is strongly influenced by the level of independence of the board of commissioners (Lorsch, 1989; Mizruchi, 1983; Zahra & Pearce, 1989 in Wardhani, 2006). This context of independence is becoming increasingly complex in companies that are experiencing financial difficulties.

The company's financial performance will be good if the company is able to control the behavior of the company's top executives to protect the interests of the company's owners (shareholders), one of which is the existence of an audit committee. The audit committee is expected to be able to oversee financial statements, supervise external audits and supervise the internal control system in accordance with the Decree of the Minister of State Owned Enterprises Number: 117 / M- MBU / 2002. Because of their accountability for overseeing internal controls and financial statements, GCG instructs that audit committees must have a level of competence in finance (BRC, 1999 in Purwati, 2006).

The mechanism for implementing GCG is expected: First, companies are able to improve their performance through the creation of better decision-making processes, improve operational efficiency of companies, and be able to improve their services to stakeholders. Second, it is easier for companies to obtain cheaper funding so that they can increase corporate value. Third, able to increase investor confidence to invest in Indonesia. Fourth, shareholders will be satisfied with the company's performance while increasing shareholders value and dividends.

Evidence of empirical research in the Journal of Economics & Business (2009) in Purba (2011), shows that the implementation of GCG influences company performance, including: (1) Research conducted by Ashbaugh, et al. (2004) of 1500 companies in the United States, indicating that companies implementing GCG experienced a significant increase in their credit rating. (2) Research conducted by Alexakis, et al. (2006) for companies listing in the Greek capital market show that, companies that implement GCG well experience an increase in average stock returns, and experience a significant reduction in risk. (3) Research conducted by Firth, et al. (2002) towards companies listing in the Hong Kong capital market show that companies that implement GCG have a significant increase in corporate performance. (4) Research conducted by Cornett, et al. (2006) for companies that are members of the S & P 100, also show the same results in which companies that implement GCG experience a significant increase in the company's financial performance. (5) Likewise with research conducted by Brown & Caylor (2004) in Georgia, it also shows that companies that implement GCG experience significant improvement in company performance (Corporate Performance).

The size of the company is a reflection of the size of the company that relates to opportunities and the ability to enter the capital market and other types of external financing that show the company's borrowing ability (Wijaya, 2017). According to Han & Lesmond in Raningsih & Putra (2015) states that, company size is seen from the company's total assets. asset size is measured as the logarithm of total assets. Asset size variable is used as a measuring variable (proxy) the size of the company, because total assets are considered more stable and reflect more the size of the company (Hartono, 2017: 460).

The size or size of assets owned by the company is the higher the size of a company will affect the ability of the company to bear the risk because large companies need large funds to support their operations (Halim, 2015: 93). Company size is used to measure the size of the company using total assets, sales and company capital. The greater the total assets, sales and capital of the company so that the company's profits are greater and affect the size of the company (Lestari, Andini, & Oemar, 2016). Larger companies can generate greater earnings so that they get a higher return than smaller companies (Ganerse & Suarjaya, 2014).

Previous research conductedby Ulupui (2007), and Ganerse & Suarjaya (2014), obtained results that return on assets (ROA) had a positive and significant effect on stock returns. However, there was a difference in the research conducted by Putri (2018), the results showed that ROA which had a negative effect was not significant in determining changes in stock returns.

Profitability ratio is a ratio used to assess a company's ability to seek profits. This ratio also gives a measure of the management effectiveness of a company. This is indicated by profits generated from sales and investment income. The point is that the use of this ratio shows the efficiency of the company (Kasmir, 2016: 196). Company profitability is proxied by ROA (Return on Assets). The ROA testing conducted by Septiyana, Susila, & Cipta (2017) states that Return On Assets (ROA) has a positive and significant effect on the Stock Returns of hotel, restaurant, and tourism sub-sector companies listed on the IDX. But in contrast to Daka's research (2014) states that (ROA) does not affect stock returns.

Referring to the results of the empirical research that has been done, it appears that the empirical evidence shows how important the application of GCG, Company Size, and Profitability in supporting the achievement of company goals so that it will affect stock returns. In this connection, the authors are interested in conducting research on "The Effect of the Implementation of Good Corporate Governance, Company Size, and Profitability on Stock Returns (Study of BUMN Registered on the Indonesia Stock Exchange for the 2013-2017 Period)". The formulation of the problem in this study is whether the implementation of Good Corporate Governance, company size, and profitability affect stock returns both simultaneously and partially.

II. STUDY OF HYPOTHESIS THEORY AND DEVELOPMENT

Corporate Governance

The Organization for Economic Co operation and Development (OECD) cited by Imam and Amin (2002) proposes 5 basic principles in implementing good corporate governance, which include:

1. Protection of the rights of shareholders.

The rights of shareholders must be properly and timely informed about the company, can participate in making decisions about fundamental changes to the company, and participate in obtaining a share of the company's profits.

2. Equality in treatment of all minority shareholders and foreign shareholders, with important information disclosure and prohibiting the distribution for the parties themselves and insider trading.

3. The role of stakeholders related to the company (the role of shareholders).

The role of shareholders must be recognized as stipulated by law and active cooperation between companies and stakeholders in creating sound wealth, employment and companies from the financial aspect.

4. Openness and transparency (Disclosure and transparency).

Accurate and timely disclosure and transparency regarding all matters that are important for company performance, ownership, and stakeholders.

The application of Good Corporate Governance in this study is proxied by the Proportion of Independent Commissioners, Audit Committees, Government Share Ownership, and Foreign Share Ownership.

Board of Commissioners

The Independent Commissioner aims to balance the decision making of the board of commissioners. The proportion of the board of commissioners must be such that it allows effective, timely and effective decision making and can act independently. According to the number IA Regulation concerning General Provisions for Equity Securities Listing at the Exchange, the minimum number of independent commissioners is 30%. In the context of implementing good corporate governance, listed companies are required to have independent commissioners whose amounts are proportional to the number of shares held by non-controlling shareholders with the provision that at least 30% (thirty percent) of the total number of independent commissioners is stipulated commissioner member. (Kusumaning in Antonia 2004). The measurement of the proportion of independent commissioners is as follows:

$$\text{Proportion of Independent Board of Commissioners} = \frac{\text{Number of independent commissioners}}{\text{Number of all commissioners}} \times 100\%$$

Audit Committee

In the opinion of Klein (2006) which defines that the calculation of an independent audit committee is by using the ratio of independent commissioners in the audit committee to the total members of the audit committee.

The Audit Committee measurement is as follows:

$$\text{Audit Committee} = \frac{\text{Independent Commissioner in the Audit Committee}}{\text{Total Audit Committee}}$$

Government Share Ownership

Based on agency theory, differences in interests between managers and shareholders lead to the emergence of conflicts commonly called agency conflict. This potential conflict of interest has caused the importance of an applied mechanism that is useful for protecting the interests of shareholders (Jensen and Meckling, 1976). Kartikawati (2007) and Fauziah (2011) state that the concentration of government ownership has a negative effect on company performance. The government can slow down the performance of the company because the government has not been able to manage the company properly. Even the government can intervene in the company's performance for the sake of the government alone.

Marciano (2008) states that government companies controlled by bureaucrats have goals that are based on political interests and not to promote society and the company itself. In agency theory explained the relationship between shareholders and the manager, the government as the controlling shareholder should be able to supervise or control the performance of the manager, but often the government has other objectives than improving performance. Shen and Lin (2009) find that government or bureaucrats have social and political interests rather than thinking about improving company performance. This has an impact on the reduced control of the government towards the manager as the company manager.

The better a company looks at the basic principles of corporate governance, the better the value of the company in the eyes of investors, because companies with good corporate governance are one of the benchmarks for investors to confidently invest in a company where they hope to invest in a company the rate of return obtained is in line with expectations. In line with Sheiler and Vishny (1997) cited by Kurniawati and Komalasari (2015) arguing that corporate governance is related to ways or mechanisms to convince capital owners in obtaining returns that are in accordance with investments that have been invested. With the implementation of good corporate governance, important company decisions are no longer only determined by one dominant party (such as the Board of Directors), but are determined after getting input from, and by considering the interests of various stakeholders as stakeholders. Therefore, the ownership structure is included in the corporate governance mechanism, because it is a procedure and a clear relationship between the party making the decision and the party that controls or supervises the decision.

Foreign Ownership

Foreign ownership is the proportion of the company's share ownership owned by individuals, legal entities, government and its foreign-owned parts or individuals, legal entities, governments that are not from Indonesia through direct purchases to companies or through the Stock Exchange. Foreign ownership in a company is a party that is considered concerned with increasing good corporate governance (Fauzi, 2006). Foreign ownership can be one of the supporters of the corporate governance mechanism, where companies with foreign ownership will increase market competition in Indonesia. This increase in competition forces companies to always improve technology and improve corporate governance so that there is harmony between the interests of managers, investors and other stakeholders.

According to Wang (2007), the role of foreigners in the secondary market (capital markets) can be seen from two aspects, namely trading activities and share ownership and both will have a different impact on stock price movements on the stock. Increasing stock prices in the short term will increase transactions in the capital market so that it has an impact on increasing fluctuations in significant stock price movements, because there is the potential for fund withdrawals at any time. This causes the return rate received by investors is uncertain.

Company Size

Company size is a measure that shows the size of a company, which can be seen from the stock market value, market capitalization, total assets, etc. (Widjadja, 2009). In measuring the company can use the size of assets and total assets.

Assets are chosen as proxy for company size by considering that asset values are relatively more stable compared to the value of market capitalization and sales. (Wuryatiningsih, 2002 in Sudarmadji, 2007).

The larger the size of the company, the greater the investor's interest in investing in the company because it is considered to be able to manage shares well so that it can produce the expected rate of return of investors. Rohman and Utama (2013) stated that companies that have large assets or large company sizes show that the company has reached maturity (mature). Likewise according to Marbeya and Suaryana (2009) who suggest that company size shows the amount of experience and ability to grow a company that indicates the ability and level of risk in managing the investment provided by stockholders to increase their prosperity.

Profitability (Return on Asset)

According to (Syamsuddin, 2009: 63) Return On Assets is a ratio that is used to measure the ability of a company in utilizing assets to earn profits, so that if the value of a ROA is higher then it can be said that the better the performance of the company. This ratio is used to see the company's ability to manage each asset value they have to generate net income after tax. Assets are the total assets of the company, which are obtained from own capital or foreign capital that the company has converted into assets, for the survival of the company. Known ROA, used by companies to assess the efficiency of their assets in operations to produce profits. ROA can be formulated as follows:

$$ROA = \frac{\text{Net Income after Tax}}{\text{Total assets}}$$

Stock Return Rate

Stock returns are a level of profit enjoyed by investors (investors) for an investment that he does (Ang, 1997). The rate of return can be divided into 2 types, namely dividend yield and capital gain. Dividend yield is the division of a portion of the profits generated by the company in a certain period of time. If an investor wants to get dividends, then the investor must hold the shares within a certain period of time. Furthermore, capital gains are profits received because of the difference between the selling price and the purchase price of an investment instrument traded in the capital market. The amount of capital gain is done by analyzing the return (historical return) that occurred in the previous period, so that the desired rate of return can be determined.

The stock return rate used in this study is the rate of return of realization (realized return) and by taking into account capital gains only without the existence of a dividend yield, because the company does not always distribute dividends periodically to its shareholders. The rate of return can be calculated by the following formula:

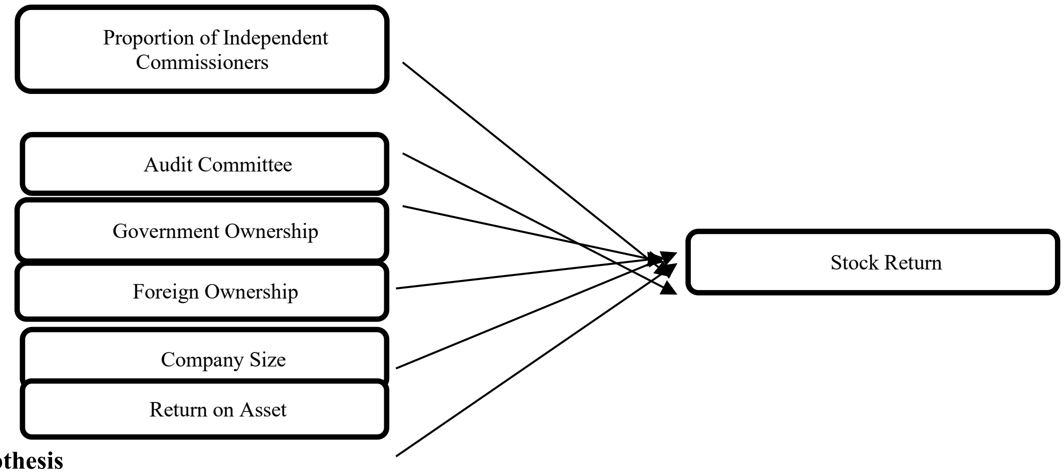
$$\boxed{R_t \quad \frac{P_t \quad -}{P} \quad x}$$

Information:

Rt = period stock return t

Pt = stock price closing period t Pt-1 = stock price closing period t-1

Framework Research



Hypothesis

Based on the framework and literature review described above, several research hypotheses can be presented as follows:

H1 = The proportion of independent commissioners influences the rate of return of shares in state-owned companies listed on the Indonesia Stock Exchange in the period 2013-2017.

H2 = Audit committee influences the rate of return of shares in state-owned companies listed on the Indonesia Stock Exchange for the period 2013-2017.

H3 = Government share ownership has a significant effect on stock returns on state-owned companies listed on the Indonesia Stock Exchange for the period 2013-2017.

H4 = Foreign share ownership influences the rate of return of shares in state-owned companies listed on the Indonesia Stock Exchange for the period 2013-2017.

H5 = The size of the company influences the rate of return of shares in state-owned companies listed on the Indonesia Stock Exchange for the period 2013-2017.

H6 = ROA affects the rate of return of shares in state-owned companies listed on the Indonesia Stock Exchange for the period 2013-2017.

H7 = The proportion of independent commissioners, audit committees, government share ownership, foreign share ownership, company size, and ROA affect stock returns in state-owned companies listed on the Indonesia Stock Exchange in the period 2013-2017 simultaneously.

III. Research Methods

Research design is a form of research design that will be carried out in research. Research design is designed to determine, among other things, how to collect (collect) further data, analyze (analyze) and interpret it (interpret), and finally provide answers to problems (Sekaran, 2016: 38). This type of research is explanatory research. Explanatory research is a study aimed at describing the relationship, the effect between predictive variables or predictors on predictable or prevalent variables stated as causal and variable variables.

3.1. Population and research sample.

The population in this study is all BUMN companies that have been listed on the Indonesia Stock Exchange which publishes annual financial reports for the period 2013-2017, totaling 20 companies.

Table 1. BUMN Company Listed IDX

Period: 2013 - 2017

NO	Nama Perusahaan	Kode Perusahaan
1	PT Adhi Karya, Tbk	ADHI
2	PT Aneka Tambang, Tbk	ANTM
3	PT Bank Negara Indonesia, Tbk	BBNI
4	PT Bank Rakyat Indonesia, Tbk	BBRI
5	PT Bank Tabungan Negara, Tbk	BBTN
6	PT Mandiri, Tbk	BMRI
7	PT Garuda Indonesia, Tbk	GIAA
8	PT Indofarma, Tbk	INAF
9	PT Jasa Marga, Tbk	JSMR
10	PT Kimia Farma, Tbk	KAEF
11	PT Krakatau Steel, Tbk	KRAS
12	PT Perusahaan Gas Negara, Tbk	PGAS
13	PT Tambang Batubara Bukit Asam, Tbk	PTBA
14	PT Pembangunan Perumahan, Tbk	PTPP
15	PT Semen Baturaja, Tbk	SMBR
16	PT Semen Indonesia, Tbk	SMGR
17	PT Timah, Tbk	TINS
18	PT Telekomunikasi Indonesia, Tbk	TLKM
19	PT Wijaya Karya, Tbk	WIKA
20	PT Waskita Karya, Tbk	WSKT

Source: www.idx.co.id (proceessed)

Variable Operationalization

Table 2. Operationalization Variable

Variable	Variable Concept	Indikator	Scale
Stock Return (Y)	the rate of return of realization (realized return) and taking into account capital gains.	$\boxed{R_t \frac{P_t \; -}{P} \; x}$	Ratio
Proportion of Independent Commissioners (X1)	The proportion of independent commissioners from the total members of the board of commissioners	Number of independent commissioners -- Number of all commissioners	Ratio

Variable	Variable Concept	Indikator	Scale
	of the company (David et al., 1998; Tihanyi et al., 2003; Aman and Nguyen, 2008; Chi and Lee, 2010).		
Audit Committee (X2)	The financial statements audited by the audit committee can be trusted if the audit committee has competence and independence. (Carcello, Hollingsworth, Klein, & Neal, 2006; Siregar & Utama, 2005).	Independent Commissioner in the Audit Committee --Total Audit Committee	Ratio
Government Share Ownership (X3)	Size of Government ownership is the percentage of company share ownership by the Government. (Gul et al. 2007)	Ownership of Shares Owned by the Government -- Total outstanding shares	Ratio
Foreign ownership (X4)	Size of foreign ownership is the percentage of company share ownership by investors	Ownership of Foreign Owned Shares -- Total outstanding shares	Ratio
Company Size (X5)	Company Size is a company size that is a reflection of the size of the company's asset wealth (Singapurwoko and El-Wahid (2011)).	*Company Size (Size) = Ln Total Asset*	Ratio
Return on Asset (X6)	Return on Assets (ROA) is a ratio for measuring net income after tax and total	Net Income after Tax ROA = -------------------------- Total assets	Ratio

Variable	Variable Concept	Indikator	Scale
	assets. Kashmir (2015)		

IV. Results and Discussion

Regression Model Equations with Common Effect Model

RETURN = C(1) + C(2)*PKIND + C(3)*KA + C(4)*PKPEM + C(5)*PKASG + C(6)*SIZE + C(7)*ROA

RETURN = 17.0714816233 + 0.905968499825*PKIND + 2.41200336248*KA + 2.45081931293*PKPEM + 4.64884755208*PKASG - 0.653514409983*SIZE - 6.17828533201*ROA

Table 3. Output e-views

Weighted Statistics			
R-squared	0.110015	Mean dependent var	0.470440
Adjusted R-squared	0.058171	S.D. dependent var	2.722995
S.E. of regression	2.642609	Sum squared resid	719.2883
F-statistic	2.122049	Durbin-Watson stat	2.383935
Prob(F-statistic)	0.056946		

Source: Eviews (processed)

The test results showed that the adjusted R-squared obtained was 0.058171. The results showed the proportion of independent commissioners, audit committees, government share ownership, foreign share ownership, company size, and ROA studied contributed 5.82% to variable stock returns while the remainder was 94.18% is explained by other variables not examined.

Tabel 4

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	17.07148	8.275159	2.062979	0.0416
PKIND	0.905968	2.633403	0.344030	0.7315
KA	2.412003	1.382276	1.744950	0.0840
PKPEM	2.450819	3.719387	0.658931	0.5114
PKASG	4.648848	4.380508	1.061258	0.2911
SIZE	-0.653514	0.269525	-2.424693	0.0171
ROA	-6.178285	5.110223	-1.209005	0.2294

In Table 4 shows that the size of the company influences the company's stock returns, while the variable proportion of independent commissioners, audit committees, government share ownership, foreign share ownership, and ROAs partially does not significantly affect stock returns.

V. Conclusion

The results of this study indicate that the size of the company affects the stock returns of state-owned companies listed on the IDX in the period 2013-2017, this shows that the greater the size of a company, the higher the level of stock returns obtained by investors. While the proportion of independent commissioners, audit committees, government share ownership, foreign share ownership, and ROAs partially does not affect stock returns. But the proportion of independent commissioners, audit committees, government share ownership, foreign share ownership, company size, and ROA simultaneously influence the stock returns of state-owned companies listed on the IDX in 2013-2017.

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