

MANAGERIAL OPPORTUNISM AND CAPITAL
STRUCTURE DECISION OF MANUFACTURE
COMPANY IN INDONESIA CAPITAL
MARKET



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INTERNATIONAL BUSINESS MANAGEMENT STUDY PROGRAM
BUSINESS FACULTY
WIDYA MANDALA SURABAYA CATHOLIC UNIVERSITY
SURABAYA
2020

**MANAGERIAL OPPORTUNISM AND CAPITAL
STRUCTURE DECISION OF MANUFACTURE
COMPANY IN INDONESIA CAPITAL
MARKET**

UNDERGRADUATE THESIS

Addressed to

FACULTY OF BUSINESS

WIDYA MANDALA SURABAYA CATHOLIC UNIVERSITY

To Fulfill the Requirement

for the Management Bachelor Degree

International Business Management Study Program

By:

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APPROVAL PAGE

THESIS

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Acknowledged that this final research study is authentically written by me, if there is any proof of plagiarism, the writer will accept all of the consequences that already stated in the law by Business Faculty of Widya Mandala Surabaya Catholic University. The writer also agrees that his thesis will be published in the Widya Mandala's digital library for academic purposes but still be protected by copyright law.

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Surabaya, 13th January 2020



Ericko Steven

FOREWORDS

First of all, the writer wants to say Jesus Christ because the writer can finish this thesis in the best and appropriate condition. This thesis is written for fulfilling the requirement to end the undergraduate program and acquire a bachelor of management status from Widya Mandala Surabaya Catholic University. This thesis won't be as good as it is if there is no supervision, help, and guidance from several parties. Because of that writer want to say thank you to:

1. Drs. Kuncoro Foe, G.Dip.Sc., Ph.D., as the Widya Mandala Surabaya Catholic University Rector.
2. Dr. Lodovicus Lasdi, M.M., AK., CA., CPA as of the Dean of Widya Mandala Surabaya Catholic University's Business Faculty.
3. Robertus Sigit Haribowo Lukity, S.E., M.Sc as the head of Management Study Program.
4. Dominicus Wahyu Pradana, S.E., M.M as the secretary of Management Study Program.
5. Dr. Wahyudi Wibowo, S.T., M.M as the head of International Business Management Study Program.
6. Dr. Cecilia Erna Susilawati. S.E., M.Si as the first advisor that gave time, energy, and mind to supervise, give advice, and guidance to the writer's thesis.
7. Erick T. Gunawan, S.M., MIB as the second advisor that gave time, energy, and mind to supervise, give advice, guidance, and motivation to the writer.
8. Parents, siblings, and other family members that couldn't be mentioned each of them that already give support to the writer in all cost and all form.
9. Writer's friend that feels the same struggle situation since semester 1 which are Rafi, William, Rizky, Jessi, and Fanny that give informal motivation to the writer.
10. Writer's friend Astrella Phelia who has helped the writer to be able to complete this research. And all other parties that writer can't be mentioned.

The writer hopes that this thesis can bring benefit to society and give more knowledge to society. The writer also realizes there is a lot of imperfections in this thesis, that's why this thesis need critics and suggestion for the sake of the next research successfulness. Thank you

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**MANAGERIAL OPPORTUNISM AND CAPITAL STRUCTURE
DECISION OF MANUFACTURECOMPANY
IN INDONESIA CAPITAL
MARKET**

ABSTRACT

This research conducted to test the effect of managerial opportunism on capital structure decisions of manufacturing companies in Indonesia capital market for the years 2015-2019. The independent variables used in this research are managerial ownership, outside blockholder, institutional ownership, and company characteristic as control variables. The dependent variable is capital structure decisions (issuing shares or using debt). The data sample obtained from IDX. This study uses 107 companies selected using a purposive sampling method. The type of data used in this research is quantitative data in the form of financial statements of manufacturing companies from 2015-2019. This study uses the SPSS to analyze the data.

The results of this research indicate that managerial ownerships, outside blockholders, institutional ownership, and control variables (tax burden, and default risk, firm size, and growth rate) have no significant effect on the capital structure decisions of manufacturing companies listed on IDX. This research also found that there were no opportunistic actions from managers in manufacturing companies listed on IDX.

Keyword: Capital structure decisions, Managerial opportunism, Outside Blockholders, Institutional Ownerships, and Company Characteristics.

ABSTRAK

Penelitian ini dilakukan untuk menguji pengaruh *managerial opportunism* terhadap keputusan struktur modal pada perusahaan manufaktur yang terdaftar di BEI tahun 2015-2019. Variabel independen yang digunakan dalam penelitian ini adalah *managerial ownership*, *outside blockholders*, *institutional ownership*, dan karakteristik perusahaan sebagai variabel kontrol. Variabel dependen adalah keputusan struktur modal (menerbitkan saham atau menggunakan hutang). Sampel data yang digunakan diperoleh dari BEI. Penelitian ini menggunakan 107 perusahaan terpilih dengan menggunakan metode *purposive sampling*. Jenis data yang digunakan dalam penelitian ini adalah data kuantitatif berupa laporan keuangan perusahaan manufaktur periode 2015-2019. Penelitian ini menggunakan SPSS untuk menganalisis data.

Hasil penelitian ini menunjukkan bahwa variabel *managerial ownership*, *outside blockholders*, *institutional ownership*, dan variabel kontrol (*tax burden*, *and default risk*, *firm size*, *and growth rate*) tidak berpengaruh signifikan terhadap keputusan struktur modal pada perusahaan manufaktur yang terdaftar di BEI. Penelitian ini juga menemukan bahwa tidak terdapat tindakan oportunistik dari manajer pada perusahaan manufaktur yang terdaftar di BEI.

Kata Kunci: Keputusan Struktur Modal, *managerial ownership*, *outside blockholders*, *institutional ownership*, dan Karakteristik Perusahaan.