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## THE INFLUENCE OF DIVERSIFICATION AND CORPORATE GOVERNANCE IMPLEMENTATION ON COMPANY VALUE WITH COMPANY SIZE AS A MODERATION MODEL IN MANUFACTURING COMPANIES LISTED ON THE STOCK EXCHANGE FROM 2020 TO 2022

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### ABSTRACT

This study aims to analyze the influence of diversification and corporate governance implementation on firm value, with firm size as a moderating variable, in manufacturing companies listed on the Indonesia Stock Exchange during the period 2020-2022. The research method employed is causal research. The population of the study comprises 193 manufacturing companies listed on the Indonesia Stock Exchange, with classical assumption tests and hypothesis testing used as analytical techniques. The results of the analysis indicate that diversification does not have a significant influence on firm value. However, the independence of the board of commissioners and the competence of the audit committee significantly affect firm value. Additionally, firm size serves as a significant moderating variable in influencing the relationship between the independence of the board of commissioners, competence of the audit committee, and firm value. The implications of these findings are to provide valuable insights for practitioners and academics in understanding the factors influencing firm value in the Indonesian capital market. This underscores the importance of effective corporate governance implementation, particularly through enhancing the independence of the board of commissioners and the competence of the audit committee, as well as a better understanding of how firm size can moderate the relationship between these factors and firm value.

**Keywords:** Company Value, Diversification, Corporate Governance, Board of Commissioners, Audit Committee.

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### INTRODUCTION

Good company value will benefit shareholders in line with the goals of establishing a company. Increasing the value of a company through its operational activities is an obligation that the company must fulfil towards its owner as a form of responsibility for returning working capital investments with the expectation that this capital will provide maximum profits (Sucuahi & Cambarihan, 2016). The value of a company can be measured by the profits it can generate. The definition of profit, according to (Winarso, 2014), is the difference between realized income originating from company transactions in a certain period minus the costs incurred for that income.

The value of a company can be increased in many ways, one of which is by implementing diversification in business lines and improving corporate governance, such as the independence of the board of commissioners and the competence of the audit committee. Company size can be used to classify company values more clearly. Several factors influence company value; the first factor is external factors such as a country's economic conditions and inflation. Another factor is internal

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factors that are closely related to the corporate governance mechanisms implemented by the company, such as company ownership structure, company policies, independence of the board of commissioners, audit committee competence, etc.

In the current era of globalization, coupled with the existence of a free market that makes it easier for foreign products to enter the country, it is inevitable that competition can inevitably be avoided. One of the business policies that companies can take in order to maximize company value and compete with other companies is diversification. Diversification is an effort to diversify products or business fields carried out by a company to maximize profits so that the company's cash flow can be more stable. Companies do this to overcome economic crises so that if a company experiences a decline in revenue in one product or country/region, other products or countries/regions get excess revenue so that the resulting shortfall can be covered (Utami, 2021). One company that has successfully used a diversification strategy is Fuji Film (Suryani, 2017). Starting from a photography company, it has now developed into a company covering business areas, such as health care, materials and imaging, with eight business lines, such as medical equipment, data storage, industrial materials and skin care. However, being a diversified industry can damage company performance due to inefficient capital, information asymmetry, and agency costs.

Implementing sound corporate governance, such as the independence independence of the board of commissioners and the competence of the audit committee, can help company performance and prevent fraud in company financial reporting (Siahaan, 2017). This can reduce the risk of company losses in the future and increase company profits. In Indonesia, the issue of good corporate governance emerged after the country experienced a prolonged crisis in 1998 (Fitrianiingsih & Asfaro, 2022). Since then, the government and investors have paid more attention to corporate governance practices. The Board of Commissioners, as a company organ, is collectively tasked and responsible for supervising and providing advice to the Board of Directors. However, the board of Commissioners may not participate in making operational decisions (Fathonah, 2018). The composition of the board of commissioners is one of the characteristics of the board, which is related to the content of earnings information. Through its role in carrying out the supervisory function, the composition of the board can influence management in preparing financial reports so that a quality profit report can be obtained. The audit committee is one component that is considered to play an essential role in the process of implementing good corporate governance (Arie Susandya & Suryandari, 2021). The role of the audit committee in ensuring the quality of corporate financial reporting has been considered as a solution to reduce or even prevent corporate financial scandals (Dewi et al., 2020). So, the audit committee must be able to review financial reports, have high integrity, ability, knowledge, and experience in accordance with their field of work, and be able to communicate well. Able to provide an independent opinion if there is a difference of opinion between management and accountants regarding the services they provide (DPW Ningrum, 2015).

In order to support research, several similar studies are in accordance with this research, including research conducted by:

**Yosephine Natalia Kristanti, Hadri Mulya**

The Influence of Diversification and Corporate Governance Implementation on Company Value with Company Size as a Moderation Model in Manufacturing Companies Listed on the Stock Exchange from 2020 to 2022

**Table 1. List of Previous Research**

No.	Researcher Name and Year	Research Title	Publication Media	Research result
1.	(Sumana, 2020)	Analysis of the Effect of Diversification Strategy on Company Value with Family Ownership as Moderation	Unika Atma Jaya FEB Thesis	The diversification strategy does not affect company value.
2.	(Nauli, 2021)	The Influence of CSR Disclosure, <i>Enterprise Risk Management</i> , and Audit Committee on Company Value with Earnings Management as a Mediating Variable	Unika Atma Jaya FEB Thesis	The Audit Committee does not affect company value.
3.	(Angela, 2015)	Analysis of the Influence of Profitability, Company Size, and Board of Commissioners Meetings on the Extent of Sustainability Report Disclosure and Its Impact on the Value of Companies Listed on the IDX	Unika Atma Jaya FEB Thesis	Board of Commissioners meetings affect company value.
4.	(Sucuahi & Cambarihan, 2016)	Influence of Profitability on the Firm Value of Diversified Companies in the Philippines.	Accounting and Finance Research, 5(2), 149-153	Increasing the value of the company through its operational activities is an obligation that the company must fulfil towards its owners as a form of responsibility for returning working capital investments with the expectation that this capital will provide maximum profits.
5.	(R. Ningrum, 2022)	The Influence of Tax Planning, Corporate Governance Mechanisms, and Growth Opportunities on Company Value (Empirical Study of Manufacturing Companies Listed on the IDX from 2015 to 2017).	Mercu Buana University FEB Thesis	The audit committee does not influence the value of the company, and the independent board of commissioners influences the value of the company.
6.	(Wijoyo, 2021)	The Influence of Good Corporate Governance and Industrial Diversification on Profit Management in Manufacturing Companies Listed on the Indonesian Stock Exchange	Unika Atma Jaya FEB Thesis	The audit committee does not influence earnings management. Company size influences earnings management.

**Yosephine Natalia Kristanti, Hadri Mulya**

The Influence of Diversification and Corporate Governance Implementation on Company Value with Company Size as a Moderation Model in Manufacturing Companies Listed on the Stock Exchange from 2020 to 2022

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No.	Researcher Name and Year	Research Title	Publication Media	Research result
7.	(Natalie, 2020)	Analysis of the Effect of Business Diversification on Company Performance	Unika Atma Jaya FEB Thesis	Diversification does not affect company performance.
8.	(Hutagaol, 2021)	The Effect of Diversification Strategy: Number of Subsidiaries and Type of Linkage on Company Performance with the Board of Directors as a Moderating Variable	Unika Atma Jaya FEB Thesis	Diversification affects company performance
9.	(Son, 2020)	The Effect of Diversification Strategy on Financial Performance with CEO Educational Background as a Moderating Variable in Manufacturing Companies Listed on the Indonesian Stock Exchange for the 2017 - 2018 Period.	Unika Atma Jaya FEB Thesis	Diversification affects financial performance.
10.	(Nurahma, 2021)	The Influence of Funding Decisions, Size of the Board of Commissioners, Company Size, and Return on Assets on Company Value (Empirical Study of LQ 45 Companies Listed on the Indonesian Stock Exchange for the 2015-2019 Period)	Mercu Buana University FEB Thesis	The size of the board of commissioners affects company value; company size does not affect company value.

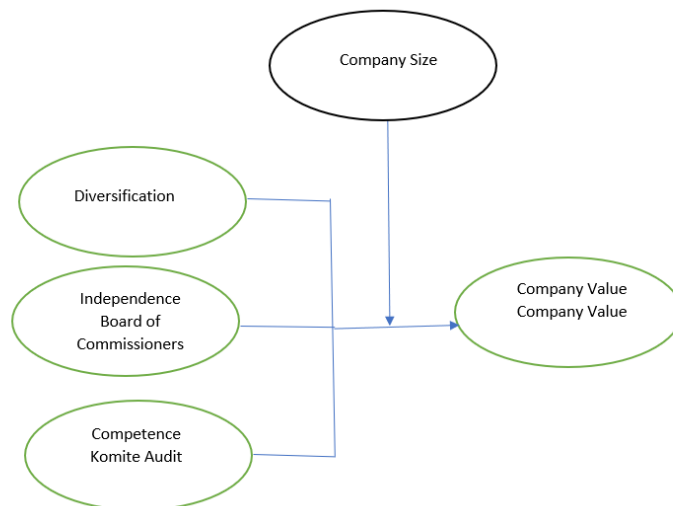
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Based on the background above, this research aims to determine and analyze the effect of diversification and the application of corporate governance on company value with company size as a moderation model in manufacturing companies listed on the stock exchange in 2020 - 2022. The benefit of this research is to provide an overview of Company value carried out by manufacturing companies for the 2020 – 2022 period based on strategies that are often used in company value. It can provide an explanation of the value of manufacturing companies for the 2020 – 2022 period listed on the IDX so that it is helpful in making policies regarding company value.

**METHOD**

The type of research used in this research is causality research, which aims to test hypotheses about the influence of independent variables on the dependent variable. This research was designed to examine the influence of diversification, board of commissioners' independence, and audit committee competency on company value with company size as a moderation model. The population used in this research was 193 manufacturing companies listed on the Indonesian Stock Exchange, consisting of the consumer goods industry sector, the basic and chemical industry sector, and the miscellaneous industry sector. The number of samples used in this research was 66

manufacturing companies, which was considered sufficient to conduct this research. The data collection technique uses a documentation study method using secondary data, namely financial reports and annual reports published by manufacturing companies listed on the Indonesia Stock Exchange from 2020 - 2022. The data analysis methods used in this research are descriptive statistical analysis and analysis methods. Multiple linear regression. The tool used to process data in this research is Statistical Product and Service Solution (SPSS) software version 26.0.



**Figure 1. Framework of Thought**

Based on the framework above, the research hypothesis that will be tested for truth can be formulated as follows:

- H1 : Diversification has a significant effect on company value.
- H2 : The independence of the board of commissIndependence has a significant influence on company value.
- H3 : There is a significant influence of audit committee competency on company value.
- H4 : There is a significant influence of company size as a moderation model, which influences diversification on company value.
- H5 : There is a significant influence of company size as a moderation model, which influences the IndependIndependenceboard of commissioners on company value.
- H6 : There is a significant influence of company size as a moderation model, which influences audit committee competence on company value.

## RESULTS AND DISCUSSION

### Classic assumption test

#### *Normality test*

The results of the variable normality test in this study can be seen in the following table:

**Table 2. Normality Test Results**  
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		198
Normal Parameters <sup>a, b</sup>	Mean	2.4876

**Yosephine Natalia Kristanti, Hadri Mulya**

The Influence of Diversification and Corporate Governance Implementation on Company Value with Company Size as a Moderation Model in Manufacturing Companies Listed on the Stock Exchange from 2020 to 2022

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One-Sample Kolmogorov-Smirnov Test		Unstandardized Residuals
	Std. Deviation	1.60141
Most Extreme Differences	Absolute	,097
	Positive	,097
	Negative	-.073
	Kolmogorov-Smirnov Z	,842
Asymp. Sig. (2-tailed)		,477
a. Test distribution is Normal.		
b. Calculated from data.		

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Source: Secondary data processed, 2023

Based on the results in Table 2 above, it can be seen that the confounding or residual variables have a normal distribution because they have a significance value of 0.477, which is greater than 0.05.

**Heteroscedasticity Test**

The results of the heteroscedasticity test are presented as follows:

**Table 3. Heteroscedasticity Test Results**

Variable	Significance	Information
Diversification	0.621	Non-Heteroscedasticity
Independence of the board of commissioners	0.607	Non-Heteroscedasticity
Audit committee competency	0.429	Non-Heteroscedasticity
Company size	0.536	Non-Heteroskedasticity

Source: Secondary data processed, 2023

Based on the results of the heteroscedasticity test in Table 3 above, it shows that all variables have a significance value of > 0.05. This means that all variables are accessible from heteroscedasticity problems (non-heteroscedasticity).

**Autocorrelation Test**

**Table 4. Autocorrelation Test Results**

DW	dU	4 - dU	Information
2,022	1.8087	2.1813	Non-Autocorrelation

Source: Secondary data processed, 2023

The results of the autocorrelation test above show that the Watson Durbin value of 2.022 is between dU and 4 - dU. Thus, there is no correlation.

**Multicollinearity Test**

The multicollinearity test in this study is presented in the following table:

**Table 5. Multicollinearity Test Results**

Variable	VIF	Information
Diversification	1,369	Non-Multicollinearity
Independence of the board of commissioners	1,029	Non-Multicollinearity
Audit committee competency	1,720	Non-Multicollinearity
Company size	1,591	Non-Multicollinearity

Source: Secondary data processed, 2023

The results of the multicollinearity test in Table 5 above show that all variables have a VIF value < 10. This means that all variables are accessible from multicollinearity problems (non-multicollinearity).

**Multiple Linear Regression Test Results**

Hypothesis testing in this research uses multiple linear regression tests. Based on the analysis that has been carried out, the following results are obtained:

**F Test Results**

**Table 6. F Test Results**

Model	ANOVA <sup>a</sup>					
	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	80721.830	7	11531.690	4,460	,000 <sup>b</sup>
	Residual	491242.711	190	2585.488		
	Total	571964.542	197			

a. Dependent Variable: ROE

b. Predictors: (Constant), Size\_X3, competence, diversification, Size, independence, Size\_X2, Size\_X1

Source: Secondary data processed, 2023

The F test is used to prove and determine the influence of the independent variables together on the dependent variable, which means that diversification, the independent board of commissioners, competency of the audit committee, and company size together influence company value. Based on the results of the F statistical test, the significance value of the F test (probability) is 0.000 (p<0.05), which means that diversification, Independenceboard of commissioners, audit committee competency and company size together influence company value.

**Regression Equations**

**Table 7. Coefficient Results**

Variable	Unstandardized coefficient B
Constant	-628,787
Diversification	51,349
Independence of the board of commissioners	-65,257
Audit committee competency	208,873
Company size	23,488
Size*Diversification (UD)	-1,811
Size*Competency (UK)	2,240
Size*Independence (UI)	-7,644

Source: Secondary data Processed 2023

Based on Table 7, it can be seen that the regression equation formed is:

$$Y = - 628,787 + 51,349 X_1 - 65,257 X_2 + 208,873 X_3 + 23,488 X_4 - 1,811 X_5 + 2,240 X_6 - 7,644 X_7 + e$$

Information:

- Y = Company value
- X1 = Diversification
- X2 = IndependendIndependenceboard of commissioners
- X3 = Audit committee competency
- X4 = Company size
- X5 = Size\*Diversification (UD)
- X6 = Size\*Independence (UI)
- X7 = Size\*Competency (UK)

The meaning of the regression coefficient is as follows:

a) Constant (a) = -628.787

A constant is a number without any variables; a constant value of -628.787 indicates that the company value is without the influence of other variables. This means that the value of the company will experience a decline without being influenced by the variables diversification, independent board of commissioners, competence of the audit committee, and company size.

b) Regression coefficient ( $b_1$ ) = 51.349

This means that if diversification increases by one unit, there will be an increase in company value of 51,349 units, assuming other variables remain constant. The positive direction means that the higher the diversification, the lower the company value.

c) Regression coefficient ( $b_2$ ) = -65.257

The meaning of the coefficient value is that if the audit committee's competence increases by one unit, there will be a decrease in company value of -65,257 units, assuming other variables remain constant. The negative direction means that the higher the audit committee's competence, the lower the company's value.

d) Regression coefficient ( $b_3$ ) = 208.873

A regression coefficient that has a positive direction means that the higher the audit committee's competition, the higher the company value. The coefficient value is 208.873, meaning that if the audit committee's competition increases by one unit, there will be an increase in company value of 208.873 units, assuming other variables remain constant.

e) Regression coefficient ( $b_4$ ) = 23.488

A regression coefficient that has a positive direction means that the larger the company size, the higher the company value. The coefficient value is 23,488, meaning that if the size of the company increases by one unit, there will be an increase in the company value variable by 23,488 units, assuming the other variables remain constant.

f) Regression coefficient ( $b_5$ ) = -1.811

The regression coefficient value means that if diversification moderated by company size increases by one unit, there will be a decrease in company value of 1,811 units, assuming other variables remain constant. The negative direction of the regression coefficient means that the higher the diversification moderated by company size, the lower the company value.

g) Regression coefficient ( $b_6$ ) = 2.240

This means that if the Independenceboard of Commissioners moderated by company size increases by one unit, there will be an increase in company value of 2,240 units, assuming other variables remain constant. The positive direction means that the higher the Independence of the board of commissioners, moderated by company size, the higher the company value.

h) Regression coefficient ( $b_7$ ) = -7.644

The regression coefficient, which has a negative direction, means that the higher the competency of the audit committee, which is moderated by company size, the lower the company value. The coefficient value is -7.644, meaning that if the competency of the audit

committee moderated by company size increases by one unit, there will be a decrease in company value of 7.644 units, assuming other variables remain constant.

**Hypothesis testing**

Hypothesis testing in research uses the t-test, which is presented in the following table:

**Table 8. T-test results**

Independent Variable	t	Sig.
(Constant)	-2,929	0.004
Diversification	1,640	0.103
Independence of the board of commissioners	-2,028	0.044
Audit committee competency	2,777	0.006
Company size	3,079	0.002
Size_X1	-1,680	0.095
Size_X2	2,035	0.043
Size_X3	-2,859	0.005

Source: Secondary data processed, 2023

a. Hypothesis Test 1

Hypothesis 1 in this research is to prove statistically that diversification has a significant effect on company value. Based on the results of the t-test statistical test, the significance of the t-test (probability) was 0.103 ( $p > 0.05$ ). This means that diversification has no significant effect on company value. So, the results of empirical research do not accept the first hypothesis.

b. Hypothesis Test 2

The second hypothesis in this research states that the independent board of commissioners has a significant influence on company value. Based on the results of the hypothesis test, Table 8 shows that the independent board of commissioners affects company value. This is indicated by the t-significance value of 0.044, which is smaller than 0.05. This means that the results of empirical research accept the second hypothesis in this research.

c. Hypothesis Test 3

The research results show that audit committee competency influences company value. This is indicated by the t-test significance value of 0.006, which is smaller than 0.05. This shows that the third hypothesis in this research, which states that there is a significant influence of audit committee competence on company value, is accepted by the results of empirical research.

d. Hypothesis Test 4

Furthermore, the results in Table 8 above for the diversification variable, which is moderated by company size, show a significant t value of 0.095, which is greater than 0.05. This means that diversification moderated by company size does not affect company value. So, the fourth hypothesis in this research, which states that there is a significant influence of company size as a moderation model that influences diversification on company value, has yet to be accepted.

e. Hypothesis Test 5

Hypothesis 5 in this research is to prove statistically that there is a significant influence of company size as a moderation model that influences the independent board of commissioners on company value. Based on the results of the t-test statistical test, a significance value of 0.043

was obtained ( $p < 0.05$ ). This means that there is a significant influence of company size as a moderation model, which influences the Independenceboard of Commissioners on company value. So, the fifth hypothesis is accepted by the results of empirical research.

f. Hypothesis Test 6

The results of the hypothesis test carried out can be seen in Table 8, which shows that company size does not moderate the influence of audit committee competency on company value. This is indicated by a significance value of 0.005, which is smaller than 0.05. Table 10 above shows the significance value of the audit committee competency variable, which is moderated by company size at 0.005, which is smaller than 0.05. This means that the sixth hypothesis in this research, which states that there is a significant influence of company size as a moderation model that influences audit committee competence on company value, is accepted by the results of empirical research.

**Coefficient of Determination**

Apart from the t-test and F-test, a coefficient of determination test was carried out, which aims to measure how far variations in the dependent variable are influenced by the regression model (Ghozali, 2016). The  $R^2$  value range lies between 0 to 1 ( $0 \leq R^2 \leq 1$ ). If the  $R^2$  value approaches 0, it is said that the independent variable is less able to explain the dependent variable. Meanwhile, an  $R^2$  value that is close to 1 indicates that the independent variable is able to explain the dependent variable.

**Table 9. Coefficient of Determination**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.376 <sup>a</sup>	.141	.109	50.84769

a. Predictors: (Constant), Size\_X3, competence, diversification, Size, independence, Size\_X2, Size\_X1

Source: Secondary data processed, 2023

Based on Table 9 above, it can be seen that the value of the coefficient of determination ( *R Square* ) for multiple regression between the independent variable and the dependent variable is 0.141. This shows that diversification, Independenceboard of commissioners, competence of the audit committee, and company size together influence the company value of manufacturing companies listed on the Indonesian stock exchange in 2020 - 2022 by 14.1%, and the remaining 85.9% of company value is influenced by other factors not examined in this study.

**Diversification does not affect company value**

The research results have yet to succeed in proving the first hypothesis, which states that diversification has a significant effect on company value. This is indicated by a significance value  $> 0.05$ . Diversification is a competitive strategy used by companies to maintain their business advantages with the aim of creating company value above the average of competitors. The essence of a diversification strategy is to manage a number of business units or add different businesses and products. Companies that are increasingly diversified are riskier because of the high costs incurred and high-interest margins. Investors tend to avoid risky companies. Thus, companies that implement income diversification are unable to signal positive value to the market to influence the value of their company.

The results of this research support previous research conducted by (Sumana, 2020), whose research results stated that diversification strategy does not affect company value. Income diversification is unable to influence the increase or decrease in company value. Portfolio Theory means that diversification is able to reduce risk so that it can optimize profits, but diversification in this research does not influence the increase or decrease in profits or company value, so this research is not able to support this theory.

**The independent board of commissioners influences company value.**

The second hypothesis in this research states that there is a significant influence of the Independent Board of Commissioners on the company value received, as evidenced by a significance value of  $<0.05$ . The Independent Board of Commissioners is tasked with ensuring that management in carrying out its activities does not conflict with the law or established regulations. Therefore, the independent board of commissioners has a vital role in company management, including tax management. According to several studies, company involvement in tax avoidance practices can also be influenced by corporate governance through an independent board of commissioners. Through an independent board of commissioners who are obliged to supervise and control the company in making strategic or policy decisions so as not to violate applicable regulations, this includes tax decisions.

The results of this research are in line with research conducted by (Nurahma and Budiharjo, 2022), with the results of their research showing that the size of the board of commissioners influences company value. The board of commissioners is a board whose task is to supervise company activities. The existence of an independent board of commissioners is essential because, in practice, transactions that contain elements of different interests in public companies are often found. Independent commissioners have the responsibility to encourage the implementation of sound corporate governance principles. According to agency theory, a large number of independent commissioners can make it easier to control top management and can improve the monitoring function so that the value of the company increases.

**Audit committee competency influences company value.**

The research results show that audit committee independence influences company value. This means that the third hypothesis in this research, which shows that audit committee competence influences company value, is accepted by the results of empirical research. An audit committee that has experience and expertise in the field of accounting will be better able to support the auditor when there is a disagreement between management and the auditor. The formation of an audit committee provides benefits in guaranteeing transparency, openness of information in financial reports, and fairness for stakeholders (Wibowo, 2010).

The results of this research are not supported by previous research conducted (Nauli, 2021), which states that the Audit Committee does not influence the value of the company. The increasing number of independent commissioners indicates that they are carrying out better monitoring and coordination functions within the company. The involvement of an independent commissioner in a company is a checks and balances mechanism. This is because the audit committee has adequate experience in preparing financial reports and internal control principles.

**Company size as a moderation model does not affect the diversification of company value.**

The research results show that company size as a moderation model does not affect the diversification of company value. So the fourth hypothesis in this research, which states that there is a significant influence of company size as a moderation model that influences diversification on company value, has yet to be accepted. This is proven by a significance value  $> 0.05$ . Based on the results of this research, company size does not have a diversification effect on the rise and fall of company value.

**Size as a moderation model influences the Independenceboard of Commissioners on company value.**

Hypothesis 5 in this research is to prove statistically that there is a significant influence of company size as a moderation model that influences the independent board of commissioners on company value. This is proven by the significance value of the t-test, which is smaller than 0.05. Good supervision and coordination functions within the company are the duties of the Independent Board of Commissioners. Therefore, the larger the size of the company, the bigger the independent board of commissioners, which must also be balanced.

**Company size as a moderation model influences audit committee competence on company value.**

The sixth hypothesis in this research states that there is a significant influence of company size as a moderation model that influences audit committee competence on company value. The research results were able to prove that the sixth hypothesis was accepted by the results of empirical research with a significance value of  $< 0.05$ . To protect the interests of shareholders and convince investors to entrust their investments to the company, an Audit Committee is needed. However, the large size of the company can strengthen the size of the audit committee.

**CONCLUSION**

Based on the research conducted on manufacturing companies listed on the Indonesia Stock Exchange between 2020 and 2022, the aim of this study was to explore the influence of diversification and the competence of independent board committees on firm value, with firm size as a moderating variable. The research findings concluded the following: Diversification does not have a significant impact on firm value. This suggests that in the context of manufacturing companies in Indonesia, diversification strategies may not be the primary determinant of firm value. The independence of the board of commissioners has a significant influence on firm value. This highlights the importance of ensuring the presence of an independent board of commissioners to enhance performance and investor confidence in the company. The competence of the audit committee has a significant influence on firm value. Therefore, it is important for companies to ensure that the audit committee possesses adequate skills and knowledge to effectively carry out their supervisory functions. Firm size does not significantly moderate the impact of diversification on firm value. However, firm size significantly moderates the relationship between the independence of the board of commissioners and the competence of the audit committee with firm value. This indicates that the scale of the company can affect how governance factors influence firm value.

The implications of these findings are that manufacturing companies in Indonesia need to pay attention to the importance of having an independent board of commissioners and a competent

audit committee to enhance their firm value. Furthermore, further understanding of how firm size can moderate the impact of governance factors on firm value can assist companies in making more effective strategic decisions.

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**Yosephine Natalia Kristanti, Hadri Mulya**

The Influence of Diversification and Corporate Governance Implementation on Company Value with Company Size as a Moderation Model in Manufacturing Companies Listed on the Stock Exchange from 2020 to 2022

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