International Journal of Economics, Business and Accounting Research (IJEBAR)
Peer Reviewed – International Journal
Vol-7, Issue-1, 2023 (IJEBAR)
E-ISSN: 2614-1280 P-ISSN 2622-4771
https://jurnal.stie-aas.ac.id/index.php/IJEBAR

THE EFFECT OF THE PERPA METHOD, SOPHISTICATED INVESTORS, AUDIT QUALITY ON PROFIT MANAGEMENT IN MANUFACTURING COMPANIES REGISTERED ON THE IDX IN 2016-2021

Windasari Rachmawati[1], Naini Rizka Amalia[2], Johanis Souisa[3]
[1,2,3]Faculty of Economics, University of Semarang
Email: windasariirachmawati@usm.ac.id

Abstract: *This study aims to analyze and find empirical evidence on earnings management practices, especially in the manufacturing sector in Indonesia. Most companies in Indonesia are controlled by family business companies. For that what about sophisticated investors. This study has a target finding to identify the existence of earnings management practices in manufacturing companies in Indonesia. The sample used in this research is a manufacturing company listed on the Indonesia Stock Exchange (IDX) for the period 2016 to 2021. The data analysis method for this research uses multiple linear regression analysis. The independent variables in this study are the independent variables in this study consisting of PERPA, Sophisticated Investors, Audit Quality. Meanwhile, the dependent variable in this study is Earning Management, which is proxied by the value of discretionary accruals from the Modified Jones Model. The control variable used is the ratio of firm size and profitability. Based on a sample of 410 issuers for 6 years of observation that have fulfilled all stages of assumptions in multiple regression testing, it resulted in a decision that the PERPA and Sophisticated Investor variables had no effect on earnings management practices. While the audit quality variable affects earnings management. Earnings management control variable that uses the level of size or company size has a negative and significant effect on earnings management actions, while the other control variable, namely profitability, has no effect on earnings management (eanings management).*

Keywords: *Earnings Management, Tax Planning, Sophisticated Investor*

1. Introduction

The company is one of the economic actors whose goal is to get as much profit as possible by providing good and positive views and information for the public. Internal information on the company as well as the condition of the company that is provided to shareholders is fully known by managers. Often the information obtained by shareholders is often not in accordance with the actual company conditions that are made by managers by carrying out earnings management, which is made so that the information in the financial statements looks better than it really is (Irawan, 2013). In accounting, there are two known revenue recording methods for recognizing company revenues, namely the accrual basis and the cash basis. Management tends to choose and the emergence of earnings management can be influenced by several factors, which are definitely closely related to how the company increases its income as high as it is. But this must be closely related to the taxes that must be paid by the company.

This makes companies use various ways to reduce their taxes, one of which is the PERPA method or tax planning other than property tax. The low level of occurrence of financial statement manipulation by management can be caused by several factors. The first factor that

influences is tax planning (tax planning). In Indonesia, taxes are the largest state revenue compared to other state revenues, so is the role of the tax sector in supporting state revenues. The current economic conditions have created intense competition between companies. This competition makes companies must be able to manage their finances well to get profits (Dewi, Nuraini, & Amah, 2017). Tax planning and earnings management are related to each other because they both have the potential to affect accounting profit and taxable profit. Tax planning is carried out to increase revenue and reduce costs, it will affect operating cash flow, so this condition is related to reporting company profits, high profits will cause high corporate tax payments. Therefore, company managers will use various earnings management techniques to achieve profit targets by engineering financial reports, which are carried out using standard accounting methods (Denny Putri Hapsari Dwi Manzilah, 2016).

Corporate income tax that is deposited, for company owners, is also considered a company expense. Even though taxes are a cost for the company (agency) and the owner (principles). As used in decision making, financial reports must be relevant and reliable because they contain important information. An important financial statement instrument that is used as the basis for making these decisions is profit. The importance of profit information because the performance of a company can be described by profits in financial statements (Lukman, 2015). This encourages managers to carry out earnings management, namely manipulating their financial reports so that it looks as if their performance looks good and can satisfy interested parties. There is a difference in the results of research conducted by Zen and Herman (2007) and research by Debnath (2017) which states that company age affects earnings management, whereas according to research by Savitri (2014) and Bassiouny., et al (2016) states that company age does not affect the implementation of earnings management. In addition to the age of the company, the profitability factor can be a way for companies to increase profits where profitability shows the company's ability to generate profits for a certain period of time. The higher the profitability of a company, the company's performance and ability to generate profits also increases. Research conducted by Wibisana and Ratnaningsih (2014) and Bestivano's research (2013) state that the level of profitability affects earnings management actions taken by companies. Whereas in Gunawan's research, et al (2015) and Sari (2015) stated that profitability has no effect on earnings management. Previous research discussing tax planning Tax planning is a method used by company management (taxpayers) in conducting income tax management within the framework of not violating applicable tax regulations.

The government wants companies to pay taxes as much as possible because taxes are a source of state revenue in addition to other sources of revenue, namely oil and non-oil. If the tax burden felt by the company is too large, it allows company management to use various ways to manage profits (Anggreani, 2011). The results of research by Aditama et al., (2014), tax planning did not have a positive effect on profit management in non-manufacturing companies listed on the IDX. Research by Fitrianyet al., (2016) reveals that deferred tax expense has no significant effect on earnings management. Meanwhile, research by Negara et al., (2017) found that tax planning and deferred tax expenses have a positive effect on the probability of companies conducting earnings management. Audit quality can suppress earnings management actions taken by management. The existence of an auditor is expected to assist in overcoming the problem of differences in interests between owners and detecting earnings management practices carried out by companies or entities. Management's ability to detect earnings depends on the quality and independence of the auditor. The results of research by Christiani et al., (2014) show that audit quality as measured by KAP size has no effect on earnings management. Meanwhile, research by Marundha et al. (2015) shows that audit quality has a negative effect on the

relationship between tax planning and earnings management. By increasing share ownership by managers, it is hoped that managers will act in accordance with the wishes of the principal because managers will be motivated to improve work. Meanwhile, institutional ownership is considered to be able to reduce earnings management practices because management considers institutional as Sophisticated investors to be able to monitor management whose impact will reduce the motivation of managers to carry out earnings management (Pranata and Mas'ud, 2003). Meanwhile, according to Riske and Hadiprajitno (2013) the managerial ownership variable as a proxy for the percentage of managerial share ownership, the firm size variable as a proxy for total assets has proven to have no significant effect on earnings management. Meanwhile, the independent board of commissioners composition variable by proxy the number of independent commissioners divided by the total board of commissioners, the audit committee variable by the proxy for the nominal number of audit committees and the KAP size variable by the dummy variable proxy where looking at which KAP the company is audited has a significant effect on earnings management. Audit is a process to reduce information asymmetry that exists between managers and shareholders by using outsiders to provide validation of financial statements. Users of financial statements, especially shareholders, will make decisions based on reports that have been audited by the auditor. Therefore audit quality is an important thing that is considered by auditors in the auditing process (Christiani & Nugrahanti, 2014). Examination of financial statements conducted by auditors has different qualities. Therefore, high-quality auditing acts as a deterrent to effective earnings management, because management's reputation will be destroyed and company value will decrease if misreporting is detected and revealed (Wiryadi & Sebrina, 2013).

Based on the above, this study develops and empirically retests the existence of earnings management practices that tend to be carried out by companies, especially in the manufacturing sector in Indonesia. The State of Indonesia is one of the countries in Asia that has low investor protection, is prone to conflicts of interest, and there are differences in agency problems, which provide an opportunity for majority shareholders to use their power to determine the company's financial and operational policies in order to gain personal benefits and expropriate against minority shareholders.

2. Research methods

Data collection by archiving, namely data collected from existing records or databases. Secondary data is in the form of literature and other matters related to earnings management and family firms. In addition, the data collected also comes from audited annual reports of manufacturing companies for the period 2016 – 2021 and published on the official website of the Exchange. Indonesian securities, namely www.idx.co.id

3. Results and Discussion

The research objects used as samples in this study are public companies in the manufacturing sector that are listed successively on the Indonesia Stock Exchange during the period 2016 – 2021. These manufacturing companies have published annual financial reports and disclose data relating to research variables and are publicly available. complete. In this study, the total population was 159 companies with an observation period of 6 years with a total of 477 annual reports. The following is the sampling obtained after selecting according to predetermined criteria:

Table 1
Number of Company Samples

No	Sample of criteria	Total
1.	Manufacturing company listed on the Indonesia Stock Exchange for the period 2016 – 2021	801
2.	The company does not publish its financial statements.	(12)
3.	The company publishes its financial statements which are not stated in rupiah (Rp).	(87)
4.	Companies that were delisted / IPO during the observation period.	(54)
	Initial sample size	**648**
	Number of samples used	**410**

Source: Processed data (2021)

Samples that fit the criteria were obtained as many as 410 annual reports owned by 108 companies during 6 years of observation.

3.1. Descriptive statistics

Descriptive statistics in this study are used to provide information about the characteristics of the variables in the study, including minimum, maximum, average, and standard deviation. The table below contains descriptive statistics in the study with the number of samples after removing the outlier data, namely 298 companies.

Table 2
Dummy Variable Descriptive Statistical Results

	Dummy = 1	Dummy = 0	Mean	Std Deviasi
	N %	N%		
KAP	75.9	24.1	0,7585	0,42849
SIZE	75.9	24.1	0,7585	0,42849

Source: Processed data (2022)

Descriptive statistical measurements for the dummy variable based on 410 samples on the variable audit quality and company size of 24.1% or more are not included in the BIG 4 category and medium-sized companies are given a code of 0, while KAP and SIZE categories which are in the BIG 4 category and large companies are given a code code 1 as many as 311 companies or 75.9% of the total sample companies.

Table 3
Results of Descriptive Statistics
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
KAP	410	.00	1.00	.7585	.42849
SIZE	410	.00	1.00	.7585	.42849
TRR	409	-1.0951	677.0674	3.902053	46.9074449
SOP	409	.4500	.8200	.676601	.0784434
PROF	409	-.0370	.0290	.012680	.0117077
DAC	409	-.4049	.3669	.003066	.1258098
Valid N (listwise)	409				

Source: Processed data (2022)

Based on the 410 samples studied, the variable tax regulations for companies (TRR) obtained the lowest value of -1.0951 and the highest value of 677.06 owned by Hasta prima persada Tbk for the 2017 fiscal year, while during the year of observation the average value was 3.902 and the standard deviation 46,907. The controlling factor for earnings management is expressed in the profitability ratio (PROF), namely through a comparison between net income and total assets of the company. The results of descriptive statistics using 410 samples show that the lowest value obtained was -0.037 owned by Nippon Indosari Corporindo Tbk for the 2019 fiscal year and the highest value was 0.029 owned by Jakarta Kyoei Steel Work Ltd Tbk for the 2018 fiscal year, while during the year of observation the average value was of 0.012 and a standard deviation of 0.011. The control variable in this study is company size (SIZE), which is proxied by the logarithm of total assets, having the lowest value of 25.2156 owned by Primarindo Asia Infrastructure Tbk for the 2017 fiscal year. The highest value of the company size variable is 32.2010 owned by Indofood Sukses Makmur Tbk for the 2018 financial year, while during the year of observation the average value was 28.3791 and a standard deviation of 1.4830.

3.2. Normality test

Based on the test results, there are data problems in the regression model, namely the regression model does not meet the normality assumption. This is evidenced by the results of the Kolmogorov-Smirnov test which received a significance value of <0.05.

Table 4.
Kolmogorov-Smirnov Test Results

	Sebelum pembuangan data outlier	sesudah pembuangan data outlier
N	648	410
Normal Parameters		
mean	-116	0.000000
standard seviation	402	0,219
most extreme difference		
absolute	208	0,063
positif	97	0,049
negatif	-208	-0,063
Kolmogorov-Smirnov Z	0,208	0.063
Asymp. Sig. (2-tailed)	.000	0.058

Therefore, the outlier data is removed so that the Kolmogorov-Smirnov test results meet the assumption of normality. This is evidenced by obtaining a Kolmogorov-Smirnov score of 0.063 and an Asymp value. Sig. (2-tailed) of 0.058. The significant value in the Kolmogorov-Smirnov test is above 0.05 so it can be concluded that the data distribution in this study is normal or fulfills the normality assumption. Meanwhile, the results of the normal probability plot for the normality test are shown in the figure below:

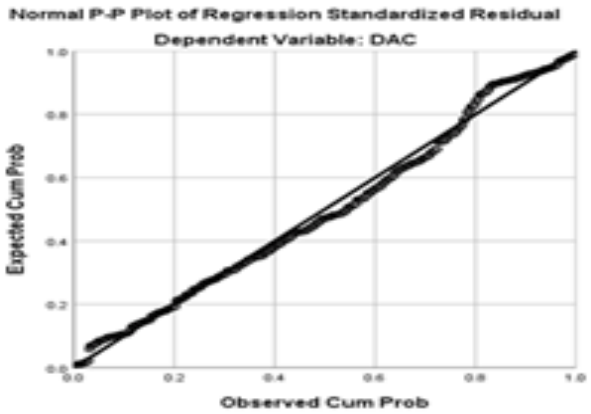

Figure 1.
Normal Probability Plots

Based on the graphic image above, it can be seen that the points spread around the diagonal line and the spread follows the direction of the diagonal line. Thus, this regression model is appropriate to be used to predict earnings management proxied by discretionary accruals from the Modified Jones Model.

3.3. Multicollinearity Test

Based on the results of multicollinearity testing using tolerance values and VIF values shown in the following table:

Table 5.
Multicollinearity Test Results

	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
KAP	0,943	1,061
SIZE	0,909	1,100
TRR	0,970	1,031
SOP	0,981	1,019
PROF	0,928	1,078

a. Dependent Variable: DAC

Source: Processed data (2022)

The multicollinearity test results in the table above show that all independent variables have a tolerance value greater than 0.10 and the variance inflation factor (VIF) value is less than 10, which means there is no correlation between the independent variables. So it can be concluded that the regression model in this study meets the multicollinearity requirements or is free from multicollinearity problems.

3.4. Heteroscedasticity Test

Tests were carried out using scartterplot images and the Glejser test. The results of the heteroscedasticity test through the Glejser test were carried out by regressing the independent variables with their residual absolute values. In the Glejser test there is a heteroscedasticity problem which appears in the following table:

Table 6.
Heteroscedasticity Test

Model		Standardized Coefficients Beta	t	Sig.
1	(Constant)		1,990	0,047
	KAP	0,063	1,235	0,217
	SIZE	-0,038	-0,732	0,465
	TRR	-0,048	-0,950	0,343
	SOP	0,006	0,127	0,899
	PROF	0,041	0,799	0,425

a. Dependent Variable: ABS_RES

The significant value in the Glejser test table is above 0.05 so it can be concluded that the regression model does not contain heteroscedasticity problems. The results of the heteroscedasticity test via the scatterplot can be seen in the image below:

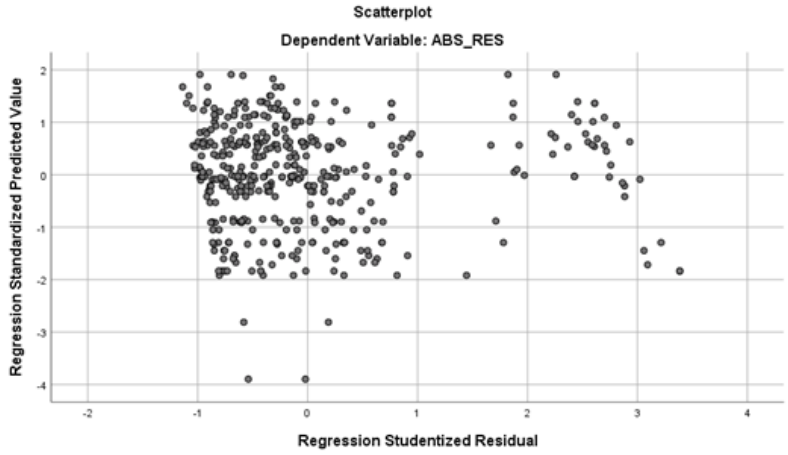

Figure 2. Scatter Plots
Source: Processed data (2022)

Based on the scatterplot image above, it shows that the points are randomly distributed and do not form a clear pattern. The distribution also appears to be above and below zero on the Y axis. So it can be concluded that there was no heteroscedasticity in this study.

3.5. Autocorrelation Test

The results of the autocorrelation test using the Durbin Watson (DW) model are shown in the following table

Table 7
Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	df1	df2	Sig. F Change	Durbin-Watson
1	.159[a]	0,025	0,013	5	404	0,067	1,980

a. Predictors: (Constant), PROF, SOP, KAP, TRR, SIZE
b. Dependent Variable: DAC

Source: Processed data (2022)
Based on the calculation results in the table above, it is known that the dW value is 1.980 with a dU value of 1.773 and a dL value of 1.907. So it can be concluded that if dU < dW < 4-dU it means that H0 is accepted which states that there is no positive or negative autocorrelation, or it can be concluded that there is no autocorrelation in this study.

3.6. Regression Results

a. Simultaneous Influence Test (Test F)

The results of the F test can be seen in the table below as follows:

Table 8

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1648759272273.422	5	329751854454.684	2.084	.067[b]
	Residual	63925001704482.984	404	158230202238.819		
	Total	65573760976756.410	409			

a. Dependent Variable: DAC
b. Predictors: (Constant), PROF, SOP, KAP, TRR, SIZE

Simultaneous Influence Test Results (Test F)

Source: Processed data (2022)
Based on the table above, it can be seen that the significant value is 0.067 and by determining the error rate of 5% degrees of freedom df1 = 5 and df2 = 404, it is obtained from the table Ftable = 3.972. Because Fcount > Ftable and the significance value is smaller than the significance level of 0.05. So it can be concluded that the independent variable, namely family control, which is proxied by family ownership and family members in company directors simultaneously or together, has a significant effect on the dependent variable of earnings management, which is proxied by the value of discretionary accruals from the Modified Jones Model.

b. Determination Coefficient Test

The results of the test for the coefficient of determination (R^2) can be presented in the table below:

Table 9
Determination Coefficient Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.159[a]	0,025	0,013	397781,6011819	1,98

a. Predictors: (Constant), PROF, SOP, KAP, TRR, SIZE

b. Dependent Variable: DAC

Source: Processed data (2022)

The regression results in the table above show that the R^2 value is 0.025 or 2.5%. This means that 2.5% variation in earnings management can be explained by the variables Profitability, sophisticated investors, audit quality, tax regulations, and company size. The remaining 97.5% is explained by other factors that are not included in this research variable.

c. Significance Test (t test)

The decision is made based on its significance value. If the sig t value < □ = 0.05 then Ha is accepted or Ho is rejected. The results of the significance test appear in the following table:

Table 10.
Significance Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			Std. Error	Beta		
1	(Constant)	200.513.320	182.246.088		1.100	.272
	KAP	-105.780.012	47.274.631	-.113	-2.238	.026
	SIZE	-26.885.203	48.134.312	-.029	-.559	.577
	TRR	3,79E-02	.000	.073	1.471	.142
	SOP	-3.297.627	2.514.400	-.065	-1.311	.190
	PROF	-1.800.678	1.752.769	-.052	-1.027	.305

a Dependent Variable: DAC

Source: Processed data (2022)

The connection between the independent variable and the dependent variable partially can be explained as follows:

a) The audit quality variable proxied by the dummy variable (KAP) has a significance value (0.026) lower than the significance level (0.05) which means that audit quality (KAP) is significant to earnings management.
b) The Tax Regulation variable, which is proxied by using the calculation of the net profit formula (TRR), has a significance value (0.142) greater than the significance level (0.05), which means that the tax regulation (TRR) is not significant to earnings management. .
c) The Shopisticated Investor variable, which is proxied by using the variable managerial ownership (SOP), has a significance value (0.190) greater than the significance level (0.05) which means that sophisticated investors (SOP) are not significant to earnings management.

The connection between the independent variable and the dependent variable partially can be explained as follows:

a) Variable Size which is proxied by using the dummy variable O for medium companies and 1 for large companies (Size), has a significance value (0.577) greater than the significance level (0.05) which means that company size (Size) is not significant to earnings management.
b) Profitability variable which is proxied by using ROA financial ratio calculations has a significance value (0.305) greater than the significance level (0.05) which means that profitability (PROF) is not significant to earnings management.

3.7. Hypothesis test

Based on the results of statistical calculations, the multiple regression equation is obtained as follows: DACit = 0.2005-0.105KAP-0.268SIZE + 3.789 TRR – 0.329 SOP – 0.180 PROF+ε According to the regression equation above it can be explained the influence of audit quality variables, tax regulations, sophisticated investors on earnings management variables are as follows:

a. Effect of tax regulations on earnings management

The H1 test shows that tax regulations (TRR) towards a company tend to take earnings management actions. The coefficient is 3.789, meaning that every 1% increase in the ratio of changes in net income will reduce the tendency for earnings management actions to be 3.789 units with a significance value of 0.142 and the tcount value is 1.472 while the value of ttable of 1.96. The results of this hypothesis test show that tax regulations (TRR) have no effect and are not significant on earnings management. This means that H1 is rejected. This study proves that tax regulations cannot affect the size of the value of earnings management carried out by companies. The results of this study are different from research that has been conducted by Teguh and Nurma (2019) Tax planning has a positive effect on earnings management. The results of this study are different from research conducted by Dewi, Nuraina and Umah (2017) that the more often companies carry out tax planning, the greater the company performs earnings management. This shows that manufacturing companies listed on the IDX often carry out tax planning, so these companies often carry out earnings management in order to avoid excessive tax payments, with a statement stating that family ownership has a significant positive effect on earnings management actions.

b. The Influence of Sophisticated Investors in the Company on Profit Management

The H2 test shows that the effect of sophisticated investors proxied by managerial ownership on the probability of a company tending to take earnings management measures is obtained by a coefficient of -0.329 meaning that every 1% increase in the ratio of the number of family members will increase the tendency of earnings management practices by -0.329 units with a significance value 0.190 and the tcount value is -1.311 while the ttable value is 1.96. The results of this hypothesis test show that Sophisticated Investors are proxied by the % number of shares owned by institutional ownership. It has no effect and is not significant on earnings management. This means that H2 is rejected. The results of this finding are in contrast to (Febrianto, 2005) if they feel the information is detrimental to their interests. However, if the interests of managers and owners can be aligned, managers will not be motivated to manipulate information or perform earnings management so that the quality of accounting information and the informativeness of earnings can be increased. Enlarging managerial ownership is expected to reduce earnings management actions as reflected in the reduced value of discretionary accruals. The amount of managerial ownership is expected to improve the quality of financial reporting and the resulting profit.

c. The influence of audit quality within the Company on Earnings Management

Testing H3 shows that the effect of the existence of audit quality of a company tends to take earnings management measures is obtained by a coefficient of -0.10 meaning that every 1% increase in the KAP ratio will increase the tendency of earnings management practices by -0.10 units with a significance value of 0.026 and the tcount value is -2.238 while the ttable value is 1.96. The results of this hypothesis test show that audit quality is proxied by the dummy variable, a value of 1 for BIG 4 auditors and 0 for non-BIG 4 auditors and has a significant effect on earnings management. This means that H2 is accepted. These findings are in contrast to Lennox (1999) and John (1999) indicating that the higher the quality of the audit performed by the auditor, the lower the earnings management performed by the company. Sanjaya (2008) shows that KAPs affiliated with Big 4 KAP networks are able to reduce accrual earnings management in companies audited by Big 4 KAPs. This is in line with research by Gerayli et al. (2011), proved that the audit quality variable, which is proxied by KAP size, has a negative effect on earnings management. Enlarging audit quality is expected to reduce earnings management actions which are reflected in the reduced value of discretionary accruals. The magnitude of audit quality is expected to improve the quality of financial reporting and the resulting profit.

4. Conclusion

From the discussion of the results of the study indicate that the PERPA and Sophisticated Investor variables had no effect on earnings management practices. While the audit quality variable affects earnings management. Earnings management control variable that uses the level of size or company size has a negative and significant effect on earnings management actions, while the other control variable, namely profitability, has no effect on earnings management (eanings management).

References

Alqatamin, R., Aribi, Z., & Thankom, A. (2017). The effect of the CEO's characteristics on EM : Evidence from Jordan. *International Journal of Accounting and Information Management, 25 (3)*, 356- 375.

Andersen, R. C., & Reeb, D. M. (2004). Board Composition: Balancing Family Iinfluence in S&P 500 firms. *Administrative Science Quarterly, 49*, pp.209-237.

Anderson, R. C., & Reeb, D. M. (2003). Founding-Family Ownership and Firm Performance : Evidence from the S&P 500. *Journal of Finance*, 1302-1328.

Astuti, A., Rahman, A., & Sudarno. (2015). Pengaruh Kepemilikan Keluarga terhadap Kinerja Perusahaan dengan Agency Cost sebagai Variabel Moderating. *Jurnal Dinamika Akuntansi, 7(2)*, 98-108.

Cahyani, K. A., & Sanjaya, I. S. (2014). Analisis Perbedaan Dividen pada Perusahaan Keluarga dan Non Keluarga Berdasarkan Kepemilikan Ultimat. *26 (2)*.

Claessens, S., Djankov, S., & Lang, L. (2000). The Separation of Ownership and Control in East Asian Corporations. *Journal of Financial Economics, 58 (2)*, 81 -112.

Copeland, R. (1968). Income Smoothing. *Journal Of Accounting Research, Empirical Research Accounting*, Selected studies 6 (Supplement).

Deegan, C. M. (2007). *Financial Accounting Theory:2nd Edition.* Australia: Mc- Graw Hill .

Dewi, P. P., & Rego, M. C. (2018). Kompensasi Bonus, Kepemilikan Keluarga dan Manajemen Laba. *Jurnal Ilmiah Akuntansi dan Bisnis, 3 No. 1*, 71-81.

Diyanty, V., Utama, S., Rossieta, H., & Veronica, S. (2013). Pengaruh Kepemilikan Pengendali Akhir, Kepemilikan Keluarga serta Praktek Corporate Governance Terhadap Transaksi Pihak Berelasi dan Kualitas Laba. *Corporate Governance, CSR dan Fraud & Forensic Accounting*.

Fan, J., & Wong, T. (2002). Corporate Ownership Structure and The Informativeness of Accounting Earnings in East Asia. *Asia-Pacific Journal of Accounting and Economics, 8 (1)*, 1-20.

Fatma, K. Z., & Agustia, D. (2019). The Influence of Family Control and Institutional Ownership of Profit Management. *International Journal of Innovation, Creativity and Change, 9 (8)*, 93 - 107.

Gonzalez, M., Guzman, A., Pombo, C., & Trujillo, M. A. (2014). Family Involvement and Dividend Policy in Closely Held Firms. *Family Business Review, (27)4*, 365-385.

Gramling, A., & Stone, D. (2001). Audit Firm Industry Expertise : A Review and Synthesis of The Archival Literature. *Journal of Accounting Literature*, 20.