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GCG, CORPORATE CHARACTERISTICS, AND FINANCIAL DISTRESS AS A DETERMINANT OF EXTENSIVE VOLUNTARY DISCLOSURES

Indri Kartika[1], Icca Pramadila[2], Sri Sulistyowati[3]
Dept. of Accounting, Faculty of Economics, Universitas Islam Sultan Agung, Indonesia
[1]*indri@unissula.ac.id*

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ABSTRACT

The existence of a conflict of interest between the principal and the agent causes information asymmetry. This information asymmetry can be minimized by voluntary disclosure in the annual report. GCG factors, company characteristics, and financial distress are predicted to influence the extensive voluntary disclosure. This study aims to examine the effect of ownership dispersion, financial distress, the board size, CEO duality and age of listings on the extensive voluntary disclosure. Data population are basic and chemical industry companies listed on IDX for the 2015-2018. A purposive sampling was used as method and obtained 160 samples. This study used secondary data from annual reports. Data were analyzed by using the Multiple Linear Regression Analysis method. This study found that Ownership Dispersion and Size of the Board of Commissioners have a significant positive effect on Extensive Voluntary Disclosure. Whereas Financial Distress, CEO Duality, and Age of Listing have no significant effect on Extensive Voluntary Disclosure.

INTRODUCTION

In the era of globalization, relevant, complete, accurate and easily understood information is needed to support smooth decision making. Information revealed is related to the business continuity of a company and the returns expected by investors for investments in the company (Vernando and Halmawati, 2016). Information needed by investors and other stakeholders can be presented in the form of an annual report. Information needed by investors and other stakeholders can be presented in the form of an annual report. The annual report is a report on the progress and achievements achieved by an organization or company in a year. Information disclosed in the annual report can be divided into two; Mandatory Disclosure and Voluntary Disclosure.

According to agency theory, the existence of conflicts of interest between principals and agents within the company can be minimized by the disclosure of additional information in the annual report, namely by voluntary disclosure (Allegrini and Greco, 2013). Voluntary disclosure is a disclosure that exceeds the minimum requirements for applicable reporting standards that are not mandatory, the company will usually take into consideration the benefits and costs arising from voluntary disclosure (Vernando and Halmawati, 2016).

One of the problems related to disclosure in the company was discussed in one of the online news https:// bisnis.tempo.co on April 21, 2019, regarding PT. Garuda Indonesia (Persero) Tbk. The state-owned airline PT. Garuda Indonesia (Persero) Tbk, was asked to be more transparent in explaining its financial statements which had become polemic. In this case, what needs to be clarified is the realization of transactions which then give rise to claims (receivables) so that they can be included in revenue. This is what needs to be disclosed to the public whether the recording of accounts receivable is in accordance with the standard.

Research on company characteristics as factors that influence the extensive disclosure has often been conducted, but not much of them also examines company characteristics, GCG, and financial distress as factors that can influence the extensive voluntary disclosure at the same time. In addition, previous research on the factors that influence the extensive voluntary disclosure reveals inconsistent results. Ownership Dispersion is one of the factors that influence the extensive voluntary disclosure. Ownership dispersion is the distribution of the portion of share ownership of publicly owned companies (Vernando and Halmawati, 2016). Vernando and Halmawati (2016) prove that ownership dispersion has a significant positive effect on the extensivevoluntary disclosure. Whereas research conducted by Oktriani dan Arza (2018) proves that ownership dispersion does not have a significant positive effect on the extensivevoluntary disclosure. Research conducted by Oktriani dan Arza (2018) is in line with research conducted by Wardani (2011). Furthermore, Nany (2012) found that public shares did not have a significant negative effect on the extensivevoluntary disclosure.

Another factor that is predicted to influence the extensive voluntary disclosure is Financial Distress. According to Piatt dan Piatt (2002), financial distress is the initial stage before the occurrence of bankruptcy or liquidity due to a decline in financial conditions. Research conducted by Indriani (2014) shows that financial distress has a significant negative effect on the extensive voluntary disclosure. Whereas Vernando dan Halmawati (2016); Poluan dan Nugroho (2015) find that financial distress does not have a significant positive effect on the extensive voluntary disclosure.

The size of the Board of Commissioners is also predicted to influence the extensivevoluntary disclosure. The board of commissioners is part of the organ of the company that has the duty and responsibility collectively to conduct supervision and provide advice to directors and ensure that the company implements GCG (KNKG, 2004). The size of the board of commissioners is a large number of the board of commissioners in a company. The more the number of the boards of commissioners in a company, the possibility of disclosure of financial statements is even broader, because of the large number of boards of commissioners, the increase in supervision also in the company. Poluan dan Nugroho (2015) prove that the size of the board of commissioners has a significant positive effect on the extensivevoluntary disclosure. However, research conducted by Rafifah and Ratmono (2015) shows the results that the size of the board of commissioners has no significant positive effect on the extensivevoluntary disclosure.

In addition, CEO Duality is also predicted to influence the extencive voluntary disclosure. CEO Duality is someone who has 2 positions at once, as Chairman of Board (Board of Commissioners) and Chief Executive Officer (Board of Directors) in a company as stated by Booth, Cornett dan Tehranian (2002). The presence of CEO Duality in the company will be a conflict of interest where the CEO who is responsible for the overall corporate strategy is also involved in a position to evaluate the strategy (D’aveni and Finkelstein, 1994). Al-Janadi, Rahman and Omar (2012) prove that the separation of CEO and Chair has a significant negative effect on the extensive voluntary disclosure. It means, companies with CEO duality provide more information than companies with the separation of the two positions. Whereas Allegrini and Greco (2013) found that CEO duality has no significant negative effect on the extencive voluntary disclosure.

Furthermore, the factor predicted to influence the extensive voluntary disclosure is the age of listing. The age of a company listing is how long the company is listed on the Indonesia Stock Exchange as a publicly-traded company (Vernando and Halmawati, 2016). The longer the company's life, the company will likely increase the extensive voluntary disclosure. As the company is considered experienced and already knows what should be disclosed in its annual report. Previous research conducted by Hidayat (2017) proved that the age of listing had a significant positive effect on the voluntary disclosure index. Whereas Vernando and Halmawati (2016) found that Age of Listing had a significant negative effect on the extensive voluntary disclosure. This study is in line with research conducted by Wardani (2011) that the age of the Company has a significant negative effect on the extensive voluntary disclosure.

Finally, the results of this study are expected to contribute to academics in developing future research. Also, this research can enrich references in the field of accounting, especially regarding extensive voluntary disclosure information.

HYPOTHESIS DEVELOPMENT

Effect of Ownership Dispersion on Extensive Voluntary Disclosure

Ownership Dispersion is ownership of shares by the community. Ownership dispersion means that the public also owns a company for a portion of its shares (Booth dan Chua, 1996). The greater the percentage of shares owned by the public, the greater the public's control over company policy. Thus, the public requires more disclosure of information from the company concerned to monitor existing developments (Putri, Yuniarta and Darmawan, 2015). Several empirical studies have examined the relationship between Ownership Dispersion and extensive voluntary disclosure. Vernando dan Halmawati (2016), Nainggolan (2017), and Indriani (2013) prove that Ownership Dispersion has a significant positive effect on the extensive voluntary disclosure. Based on the description above, the hypothesis can be proposed as:

H1: Ownership Dispersion has a significant positive effect on the extensive voluntary disclosure.

Effect of Financial Distress on Extensive Voluntary Disclosure

Platt dan Platt (2002) define financial distress as a stage of decline in financial conditions experienced by companies, which occurred before bankruptcy or liquidation. Based on Agency theory, companies that experience financial distress will present more information to the public to reduce the burden that will occur in the future and avoid bankruptcy (Gantyowati and Nugraheni, 2014). However, when the company is in a healthy financial condition, the company manager will convey information with more confidence because this condition can increase the value of the company. Research conducted by Immanuel dan Muid (2015) found that Financial Distress has a significant negative effect on the extensive voluntary disclosure. Based on the statement above, the hypothesis can be formulated as:

H2: Financial Distress has a significant negative effect on the extensive voluntary disclosure.

Effect of Size of Board of Commissioners on Extensive Voluntary Disclosure

Corporate Governance in Indonesia is generally centered on the board of commissioners because the main task of the board of commissioners is to oversee and evaluate policy making and provide advice to the board of directors on the implementation of the policy. The greater the board of commissioners in a company, the supervision, evaluation, and implementation of policies by the directors will be more qualified so that the implementation can be in line with company objectives (Poluan dan Nugroho, 2015).

A large number of members of the board of commissioners are considered to be able to increase the extensive voluntary disclosure. A large number of commissioners can reduce the possibility of information asymmetry because they can contribute more to reducing distribution conflicts between agents and principals as stated by Chen and Jaggi (2000). Poluan dan Nugroho (2015) prove that the size of the board of commissioners has a significant positive effect on the extensive voluntary disclosure. Based on the description above, the hypothesis can be formed as:

H3: The size of the Board of Commissioners has a significant positive effect on the extensive voluntary disclosure.

Effect of CEO Duality on Extensive Voluntary Disclosure

CEO Duality is someone who has two positions in one company, as a Board of Commissioners and a Board of Directors.

In Agency Theory, CEO Duality can reduce the monitoring role of the board of directors over executive managers, so that it will have a negative impact on company performance (Elsayed, 2007). CEO is the role responsible for the company's operations, while the commissioner's job is to supervise and evaluate top management. Therefore, the separation of the two roles can increase the effectiveness of supervision,whereas in the role of duality, it is possible to create a conflict of interest (Johari *et al.*, 2009) in (Chandra dan Devie, 2017). Dissanayake and B (2019) found that CEO duality had a significant negative effect on the extensive voluntary disclosure. Based on this statement, the hypothesis can be proposed as:

H4: CEO Duality has a significant negative effect on the extensive voluntary disclosure.

Effect of Listing of Age on Extensive Voluntary Disclosure

The age of listing is the period a company is listed on the Indonesia Stock Exchange (IDX) as a public company and shows the company's ability to compete in the business world to maintain its business. Older companies will have more experience in publishing annual reports. Companies that have more experience will better know the needs of their constituents for information about the company (Oktriani dan Arza, 2018). This is because older companies have more experience in disclosing financial statements and are more understanding of things that have a positive effect on disclosure in the company (Albitar, 2015). Previous research conducted by (Oktriani and Arza, 2018) proved that the age of listing had a significant positive effect on voluntary disclosure. Based on the description above, the hypothesis can be formed as:

H5: The age of listing has a significant positive effect on the extensive voluntary disclosure.

RESEARCH METHODOLOGY

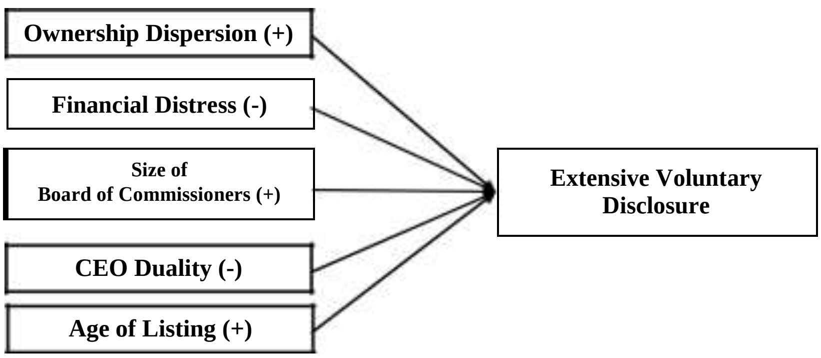

Figure 2.1.Research Framework

Population and Sample

This research is a qualitative research with secondary data. This study chose the basic and chemical industry companies listed on the Stock Exchange as the object of research. The research sample was selected by using purposive sampling with the condition that the Basic and Chemical Industrial Companies consecutively disclose financial reports and annual reports on the Indonesia Stock Exchange during 2015-2018, by using the rupiah currency and financial statements that have complete data for this research.

Definition of Operational Variables and Indicators

The variables used in this study consisted of the dependent variable (Y) and the Independent variable (X):

1. Endogenous Variables: Extensive Voluntary Disclosure (Y)
2. Exogenous Variables: Ownership Dispersion, Financial distress (X1), Size of Board of Commissioners (X2), CEO Duality (X3), Age of listing (X4).

Extensive Voluntary Disclosure

Voluntary disclosure is a disclosure that can be done freely by the company according to company interests that are considered relevant and supportive in making economic decisions that will be made by annual report users (Meek, Roberts and Gray, 1995). The extensivevoluntary disclosure in this study was measured by using Voluntary Disclosure Index (IPS) by:

a. Giving a score for each dichotomous disclosure item. If an item is disclosed, it is given a score of 1 and if not, it is given a score of 0.
b. The scores obtained by each company are then summed to get the total score for voluntary disclosure.
c. Voluntary Disclosure Index (IPS) is obtained by omparing the total score obtained from the company and the total disclosure standard score in the annual report.

Ownership Dispersion

Ownership Dispersion is the ownership of shares by the general public that does not have a special relationship with the company against the shares of public companies (Vernando dan Halmawati, 2016). Ownership Dispersion variable is measured by using a percentage of the ratio between the number of shares owned by the public and the number of shares outstanding (Vernando and Halmawati, 2016).

Financial distress

Financial distress is a condition in which a company has difficulties in fulfilling its obligations to the creditor or an indication when the company is in debt restructuring caused by difficulties in paying its obligations (Andrade and Kaplan, 1998). Financial distress is measured by using the Altman Z "-Score model (Altman, Hartzell and Peck, 1998) which has been modified from the merging of four financial ratios.

Size of the Board of Commissioners

KNKG (2004) revealed that the Board of Commissioners is part of the organ of the company that has a collective duty and responsibility to supervise and provide advice to directors and ensure that the company implements GCG. The size of the board of commissioners is measured by looking at the number of commissioners owned by the company (Poluan and Nugroho, 2015).

CEO Duality

CEO Duality is someone who has 2 positions at once, as Chairman of Board (Board of Commissioners) and Chief Executive Officer (Board of directors) in a company (Booth, Cornett and Tehranian, 2002). CEO duality is measured by using dummy variables. If there is CEO duality, it is given a score of 1, and if there is no CEO duality, it is given a score of 0 (Sitorus, Firli dan Ramadhan, 2017).

Age of Listing

The age of listing is the age of the company since it was listed on the Indonesia Stock Exchange (IDX) as publicly traded company (Vernando and Halmawati, 2016). The age of company listings is measured by calculating the age of the company from the initial date of listing on the Indonesia Stock Exchange until the year of the study used (Vernando and Halmawati, 2016).

Analysis Techniques

The data analysis technique used in this research is Multiple Linear Regression Analysis with SPSS 25 software. The regression equation model in this study is:

$$IPS = \alpha + \beta1X1 + \beta2X2 + \beta3X3 + \beta4X4 + \beta5\ X5 + e$$

which:

IPS	= Voluntary Disclosure Index
α	= Constant
β	= Regression Coefficient
X1	= Ownership Dispersion
X2	= Financial Distress
X3	= Size of Board of Commissioners
X4	= CEO Duality
X5	= Age of Listing
e	= Standard Error

Results and Discussion
Analysis of Descriptive Statistics

Table 1. Analysis of Descriptive Statistics

	N	Min	Max	Mean	Median	Std. Deviation
IPS (Voluntary Disclosure Index)	160	0.145	0.490	0.323	0.309	0.644
OD (Ownership Dispersion)	160	0.57%	51.91%	24650%	21.98%	14864%
FD (Financial Distress)	160	-6.237	3.789.728	40.057	2.393	319.955
UDK (Size of the Board of Commissioners)	160	2	8	4.13	4	1.656
CEO Duality	160	0	1	0.49	0	0.501
Age of Listing	160	1	29	19.43	22	7.952
Valid N (listwise)	160					

Source : Secondary data processed, *2020*

Extensive Voluntary Disclosure

The extensive voluntary disclosure proxied as the Voluntary Disclosure Index (IPS) shows a value between 0.145 to 0.490 with an average value of 0.323 and a standard deviation value of 0.064. Thus, it can be concluded that the average value is greater than the standard deviation value, this shows the low variability of data between the minimum and maximum values. The lower the level of data variability, it can be said that the spread of data is normal.

In addition, the extensive voluntary disclosure variable also has a good level of accuracy because the average value of 0.323 is higher than the mean value of 0.309. From these statistics, it can be concluded that the average level of voluntary disclosure in basic and chemical industry companies listing on the Indonesia Stock Exchange in the 2015-2018 was 30.91%, this result is slightly lower compared to the results by Andriyanto dan Metalia (2011) that revealed the average voluntary disclosure in high profile companies was 34%. However, the average area of voluntary disclosure in this study shows higher disclosure than the results by Andriyanto dan Metalia (2011) which proves that the average of extensive voluntary disclosure of low profile companies is only 27%.

Ownership Dispersion

Ownership Dispersion (OD) data shows values between 0.57% to 51.91% with an average value of 24.65% and a standard deviation value of 14.86%. Thus, it can be concluded that the average value is greater than the standard deviation value.

This shows the low variability of data between the minimum and maximum values. The lower the level of data variability, it can be said that the spread of data is normal. Also, the ownership dispersion variable has a good level of accuracy because the average value is 24.65% higher than the middle value of 21.98%.

Financial Distress

Financial Distress (FD) data shows values between -6,237 to 3789,728 with an average value of 40,057 and a standard deviation of 319,955. The average value of 40,057 indicates that most of the sample companies are not experiencing financial distress. Thus, it can be concluded that the average value is smaller than the standard deviation value. This shows the high variability of data between the minimum and maximum values. The higher the level of data variability, it can be said that the spread of data is not normal. Also, the financial distress variable has a good level of accuracy because the average value of 40.057 is higher than the mean value of 2.339.

Size of the Board Commissioners

Size of the Board of Commissioners (UDK) Data shows values between 2 and 8 with an average value of 4.13 and a standard deviation value of 1.656. Thus, it can be concluded that the average value is greater than the standard deviation value. This shows the low variability of data between the minimum and maximum values. The lower the level of data variability, it can be said that the spread of data is normal. In addition, size of the board variable also has a good level of accuracy because the average value is 4.13 higher than the middle value 4.

CEO Duality

Duality CEO data shows a value between 0 to 1 with an average value of 0.49 and a standard deviation value of 0.501. Thus, it can be concluded that the average value is smaller than the standard deviation value, this shows the high variability of data between the minimum and maximum values. The higher the level of data variability, it can be said that the spread of data is not normal. In addition, CEO duality variable have a good level of accuracy because the average value is 0.49 higher than the mean value of 0. *Age of Listing* Age of Listing data shows values between 1 and 29 with an average value of 19.43 and a standard deviation value of 7.952. Thus, it can be concluded that the average value is greater than the standard deviation value, this shows the low variability of data between the minimum and maximum values. The lower the level of data variability, it can be said that the spread of data is normal. In addition, the age of listing variable has an unfavorable level of accuracy because the average value of 19.43 is lower than the middle value of 22.

Classical assumption test

Table 2 shows all the independent variables have a VIF value < 10 and a tolerance value > 0.10, it can be concluded that there is no multicollinearity in the research model. The results of heteroscedasticity testing using the Glejser test showed that all variables had significant values above 0.05, it can be concluded that the assumption is not the occurrence of heteroscedasticity in research. The results of data normality testing by using the Kolmogorov Smirnov test have a significant value of 0.200 > 0.05, it means, the data are normally distributed. The autocorrelation test results showed that the Durbin-Watson (DW) value of 2.217, means there was no autocorrelation because the results showed the DW value of 2.217 was greater than the upper limit (du) 1.8063 and less than 4 - 1.8063 (4-du).

Table 2. Classical Assumption Test Results

Model	Tolerance	VIF	Glejser Test	Kolmo. Smirnov test	Durbin-Watson
OD	0.970	1.031	0.959	0,200	2.127
FD	0.990	1.010	0.891		
UDK	0.949	1.054	0.363		
CEO Duality	0.971	1.030	0.062		
Age of Listing	0.932	1.073	0.124		

Note :
OD = Ownership Dispersion
CEO Duality = CEO Duality
FD = Financial Distress
Age of Listing = Age of Listing
UDK = Size of the Board of Commissioner

Source: Secondary data processed, 2020

Hypothesis Testing Results

In table 3, the adjusted R-square value obtained is 0.127 or 12.7%. That means, Ownership Dispersion, Financial Distress, Size of the Board of Commissioners, CEO Duality, Age of Listing can explain the Voluntary Disclosure variable of 12.7%, while 87.3% is a variable that is not contained in this research. The results of the F-test conducted in this study can be seen if the significant F-value (0,000) < 0.05, meaning that the Ownership Dispersion, Financial Distress, Size of the Board of Commissioners, CEO Duality, and Age of Listing have a significant effect on the Extensive Voluntary Disclosure. In conclusion, the regression model in this research is good and worth for this research.

Based on table 3, it can be concluded that the results of the t-test are:

1. The sig. t-value of Ownership Dispersion is 0,000 <0.05 with positive direction, thus H1 is **accepted**. It means, Ownership Dispersion has a significant positive effect on Extensive Voluntary Disclosure.
2. The sig. t-value of Financial Distress is 0.469> 0.05 with a positive direction, thus H2 is **rejected**. That is, the amount of Financial Distress does not have a significant positive effect on Extensive Voluntary Disclosure.
3. The sig. t-value of Size of the Board of Commissioners is 0.002 <0.05 with a positive direction, thus H3 is **accepted**. That is, the size of the board of commissioners has a significant positive effect on the extensive voluntary disclosure.
4. The sig. t-value of CEO Duality is 0.767> 0.05 with a positive direction, thus H4 is **rejected**. That is, CEO Duality has no significant positive effect on Extensive Voluntary Disclosure.
5. The sig. t-value of the Age of Listing is 0.435> 0.05 with a negative direction, thus H5 is **rejected**. That is, the age of the listing has no significant negative effect on Extensive Voluntary Disclosure.

Table 3. Hypothesis Testing Results

Hypothesis	Std β	Unstd β	SE	t-count	p-value	Results
Constant		.263	.018	14.276	.000	
H1: OD → IPS	.290	.001	.000	3.860	.000	Accepted
H2: FD → IPS	.054	1.089E-5	.000	.726	.469	Rejected
H3: UDK→IPS	.234	.009	.003	3.081	.002	Accepted
H4: CEO Duality → IPS	.022	.003	.010	.296	.767	Rejected
H5: Age of Listing → IPS	-.060	.000	.001	-.782	.435	Rejected
Adjusted R Square = 0,127						
Sig. F = 0,000						

Note:
OD = Ownership Dispersion
FD = Financial Distress
UDK = Size of the Board of Commissioners
CEO Duality = CEO Duality
Age of Listing = Age of Listing

Source:Secondary data processed, 2020

Discussion

Effect of Ownership Dispersion on Extensive Voluntary Disclosure

Based on the findings, the Ownership Dispersion has a significant positive effect on Extensive Voluntary Disclosure. It is suspected, companies with large public ownership will disclose more company information because of the public demand for information that is in the company is also large. The greater the percentage of shares owned by the public, the greater the public's control over company policy. Thus, the public requires more disclosure of information from the company concerned (Putri, Yuniarta dan Darmawan, 2015).

The results of this research support the research conducted by Indriani (2014), Vernando and Halmawati (2016), and Nainggolan (2017) which prove that Ownership Dispersion has a significant positive effect on the Extensive Voluntary Disclosure. However, the results of this study are not in line with the study of Wardani (2011) which proves that public ownership does not have a significant positive effect on voluntary disclosure.

Effect of Financial Distress on Extensive Voluntary Disclosure

Based on the results of the study, Financial Distress has no significant positive effect on Extensive Voluntary Disclosure. In this study, companies that are experiencing financial distress and non-financial distress are still not interested in making voluntary disclosures. It can be known from the average of voluntary disclosures that are still classified as low, which is 30.91% with the largest disclosure on environmental indicators of 98, 125%, and the lowest disclosure on the indicator of value-added information that is equal to 0%. This is allegedly due to the cost and benefit factor, where if the company will provide additional information, it will require a significant amount of costs, and usually, the benefits of these costs are lower than the costs required. Hence, the company is reluctant to disclose because the benefits obtained by the company are not comparable to the costs that must be incurred by the company to disclose.

This study is in line with research conducted by Vernando and Halmawati (2016) which proves that financial distress has no significant positive effect on the extensive voluntary disclosure. However, this study is not in line with the research of Immanuel dan Muid (2015)which proves that financial distress has a significant negative effect on Extensive Voluntary Disclosure.

Effect of Size of the Board of Commissioners on Extensive Voluntary Disclosure

Based on the results of the study, the size of the Board of Commissioners has a significant positive effect on Voluntary Disclosure. A large number of members of the board of commissioners are considered to be able to increase the extensive voluntary disclosure. A large number of board of commissioners can reduce the possibility of information assimilation because they can contribute more to reduce distribution conflicts between agents and principals (Chen and Jaggi, 2000). Thus, the greater number of board of commissioners is considered to be able to increase the extensive voluntary disclosure. The greater the number of boards of commissioners, the easier it is to supervise and monitor the performance of management in the company. This study is in line with the research of Poluan and Nugroho (2015) which proves that the size of the Board of Commissioners has a significant positive effect on the extensive voluntary disclosure. However, the results of this study are not in line with the research by Rafifah and Ratmono (2015) which proves that the size of the Board of Commissioners has a significant positive effect on Voluntary Disclosure.

Effect of CEO Duality on Extensive Voluntary Disclosure

Based on the results of the study, CEO Duality has no significant positive effect on ExtensiveVoluntary Disclosure. In this study, the company with the presence of CEO duality or not, the company is still not so interested in a voluntary disclosure. It can be known from the average voluntary disclosure that is still relatively low. This is because in a company with CEO duality or not, there is still a conflict of interest between shareholders, management, and creditors. Differences in interests are one reason management tends to hide or not disclose the information to the company's external parties. This is done to prevent the risk of conflicting interests between management, shareholders, and creditors or external parties of the company.

This study is in line with the research of Yuen *et al.* (2010) which proves that CEO Duality has no significant positive effect on Voluntary Disclosure. However, this study is not in line with research conducted by Dissanayake and B (2019) that CEO Duality has a significant negative effect on ExtensiveVoluntary Disclosure.

Effects of Age of Listing on Extensive Voluntary Disclosure

Based on the results of the study, the age of listing has a significant negative effect on the extensive voluntary disclosure. In this study, companies with an aging license or a young age of listing are still not interested in making voluntary disclosures. It can be known from the average voluntary disclosure that is still relatively low. It is suspected, companies with older age or companies with young age have fears of free riding, where certain parties use potential information in the company for purposes that are not good for the company concerned. For example, companies prefer to make voluntary disclosures less because they do not want to lose competition due to the disclosed information which weakens the competitiveness of companies. After all, the information is used by competitors to strengthen their competitiveness.

This study is in line with research conducted by Hidayat (2017) and Oktriani and Arza (2018) who found that Age of Listing had no significant positive effect on ExtensiveVoluntary Disclosure. However, this study is not in line with study conducted by Indriani (2014) which proves that the age of listing has a significant positive effect on the extensive voluntary disclosure.

Conclusion

Based on the results of the study, it can be concluded that Ownership Dispersion has a significant positive effect on Extensive Voluntary Disclosure. Large public shareholding can increase the extensive voluntary disclosure, but the young or old age of listings does not tend to do voluntary disclosure. This is because there are public demands for company information and public control over the company is large, as a result of its shares in the company.

The size of the Board of Commissioners has a significant positive effect on Extensive Voluntary Disclosure but CEO Duality has no significant positive effect on Extensive Voluntary Disclosure. As a large size of the board of commissioners, it will increase oversight of company management so that management will make more voluntary disclosures. Multiple positions as directors and commissioners do not influence voluntary disclosure.

Financial Distress has not a significant positive effect on Extensive Voluntary Disclosure. As financial distress affects voluntary disclosure. This is due to the consideration of costs and benefits. Whether the benefits obtained by the company will be proportional to the costs incurred by the company for these benefits.

This research has implications for the need to expand research variables. Future studies are expected to add other independent variables that are predicted to significantly influence the voluntary disclosurevariable, including leverage. The higher the leverage of the company, the greater the creditor pressure on the company to make more extensive voluntary disclosure. Close monitoring of creditors will encourage companies to be more transparent in making voluntary disclosures. The practical implication of this research is that companies are expected to be more transparent and extensive in making voluntary disclosures, so as to reduce the possibility of information asymmetry between company management and stakeholders. Also, it can facilitate the decision-making process for those who need it.

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