

***Firm Performance: Analysis of the Role of International Diversification,
Financial Leverage, and Board of Directors***

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ABSTRACT

This quantitative study aims to analyze the impact of international diversification, financial leverage, and board of directors on the performance of energy firms listed on the Indonesia Stock Exchange from 2018 to 2022. The research sample consists of the energy sector listed on the Indonesia Stock Exchange during the aforementioned timeframe. The research utilized probability sampling with a simple random sampling approach to select 54 energy sector companies over 5 years, resulting in a total of 270 research sample units. Microsoft Excel 2019 was employed for data analysis, while panel data regression and E-Views 12 were used for hypothesis testing with a significance level of 5%. The research findings demonstrate that international diversification does not influence firm performance, while financial leverage has a detrimental effect on it. Additionally, the board of directors does not have an impact on firm performance.

Keywords: International Diversification, Financial Leverage, Board of Directors, Firm Performance

Firm Performance: Analisis Peran International Diversification, Financial Leverage, dan Board Of Directors

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ABSTRAK

Penelitian kuantitatif ini dilakukan bertujuan untuk mengetahui dan menganalisis peran *international diversification*, *financial leverage*, dan *board of directors* pada *firm performance* pada perusahaan sektor *energy* yang terdaftar di Bursa Efek Indonesia pada tahun 2018-2022. Populasi dan sampel dalam penelitian ini adalah sektor *energy* yang terdaftar di Bursa Efek Indonesia selama tahun 2018-2022. Teknik pengambilan sampel pada penelitian ini menggunakan *probability sampling* dengan pendekatan *simple random sampling* yang mana didapatkan 54 perusahaan sektor *energy* sebagai sampel penelitian selama 5 tahun dan didapatkan sebanyak 270 unit sampel penelitian. Analisis data pada penelitian ini menggunakan Microsoft Excel 2019 dan uji hipotesis menggunakan regresi data panel serta E-Views 12 tingkat signifikansi 5%. Hasil penelitian yang didapatkan menunjukkan bahwa, (1) *international diversification* tidak berpengaruh terhadap *firm performance*, (2) *financial leverage* berpengaruh negatif terhadap *firm performance*, (3) *board of directors* tidak berpengaruh terhadap *firm performance*.

Kata kunci : *International Diversification, Financial Leverage, Board of Directors, Firm Performance*