CEO POWER AND FIRM PERFORMANCE

UNDERGRADUATE THESIS

Submitted as one of the requirements to obtain

Sarjana Akuntansi

By:

FADLAN RAHMAT RAMADHAN

008202000013

FACULTY OF BUSINESS

ACCOUNTING STUDY PROGRAM

CIKARANG

JANUARY, 2024

PLAGIARISM CHECK RESULT

CEO POWER AND FIRM PERFORMANCE

CEO POWER AND FIRM PERFORMANCE

ORIGINALITY REPORT

14%	9%	8%	7%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	Submitted to The Robert Gordon University Student Paper	1%
2	Lili Pi, Julian Lowe. "Can a powerful CEO avoid involuntary replacement?—An empirical study from China", Asia Pacific Journal of Management, 2009 Publication	1%
3	Muhammad Ansar Majeed, Shilei Xie, Irfan Ullah, Jianru Fu, Chunlin Wang. "Do powerful CEOs affect qualitative financial disclosure? Evidence from accounting comparability", Research in International Business and Finance, 2023 Publication	<1%
4	Zulfikar Zulfikar, Nursiam Nursiam, Mujiyati Mujiyati, Rosida Nur Syamsiyati. "CEO hubris and Islamic banks’ performance: Investigating the roles of Sharia board vigilance and CEO power", Problems and Perspectives in Management, 2021 Publication	<1%


Document Classification
human
0% Probability AI generated
highly confident
Probability Breakdown
human
94%
mixed
6%
ai
0%

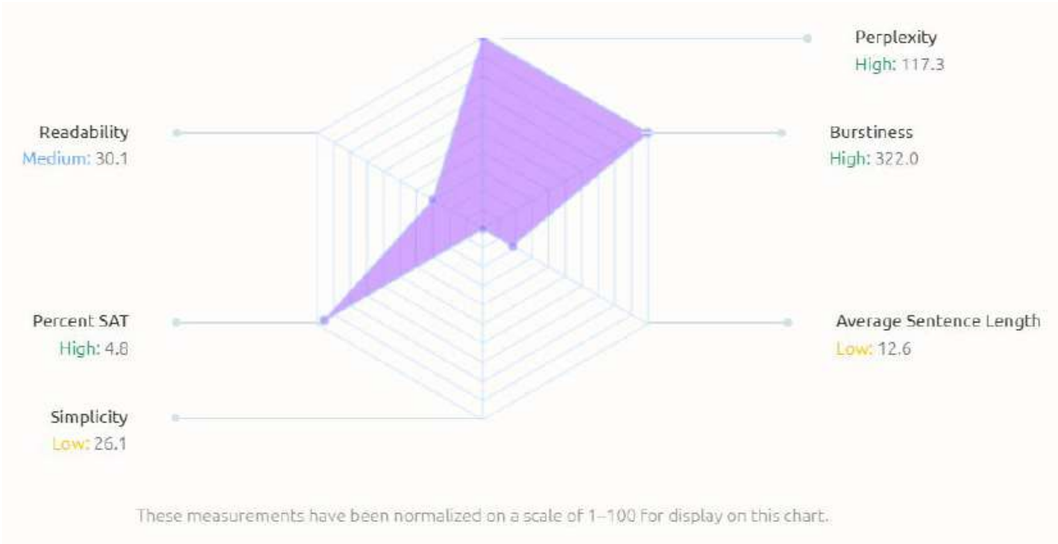
Perplexity
High: 117.3
Readability
Medium: 30.1
Burstiness
High: 322.0
Percent SAT
High: 4.8
Average Sentence Length
Low: 12.6
Simplicity
Low: 26.1
These measurements have been normalized on a scale of 1–100 for display on this chart.

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

ABSTRACT

This study aims to analyze how CEO power, defined by the four dimensions of power (structural, ownership, expert, and prestige), predicts the outcome of financial performance in corporations listed on IDX 2022. This study finds no positive relationship between every CEO power dimension and firm performance by utilizing multiple linear regression analyses. The absence of positive correlations indicates contradictions with agency theory and support for several previous empirical findings. These results highlight the need for a deeper understanding of CEO behavior regarding their power level and provide information to further evaluate CEO incentives and hiring policies.

Keywords: CEO Power, Structural, Ownership, Expert, Prestige, Firm Performance

INTISARI

Penelitian ini bertujuan untuk menganalisis bagaimana kekuatan CEO, yang didefinisikan oleh empat dimensi kekuatan (struktural, kepemilikan, keahlian, dan prestise), memprediksi hasil kinerja keuangan pada perusahaan yang terdaftar di BEI 2022. Penelitian ini tidak menemukan hubungan positif antara setiap dimensi kekuatan CEO dan kinerja perusahaan dengan menggunakan analisis regresi linier berganda. Tidak adanya korelasi positif menunjukkan kontradiksi dengan teori keagenan dan dukungan terhadap beberapa temuan empiris sebelumnya. Hasil-hasil ini menyoroti perlunya pemahaman yang lebih mendalam tentang perilaku CEO mengenai tingkat kekuatan mereka dan memberikan informasi untuk mengevaluasi lebih lanjut kebijakan insentif dan perekrutan CEO.

Kata kunci: *Kekuasaan CEO, Struktural, Kepemilikan, Keahlian, Prestise, Kinerja Perusahaan*