

ABSTRACT

This study aimed to examine the effect of ownership structure on financial distress at infrastructure companies. Ownership structure measures in this used in this study are divided into four categories: Institutional ownership, managerial ownership, foreign ownership and government ownership. This research also utilized two control variables in the means of firm size and debt-to-equity ratio.

This study uses samples of infrastructure companies listed in Indonesian Stock Exchange (IDX). Ownership structure uses all firms non-financial are listed in the Indonesia Stock Exchange (IDX) on 2019-2021. Based on the purposive sampling method and criterion, this research gathered 48 companies, with a total of 144 observations. Ownership and financial data are obtained from the company annual report and official website. Criteria for determining financial distress in this study was measured using Grover G-Score. This study uses binary logistic regression as a data analysis method.

The results of this study failed to indicate any significant impact of institutional ownership, managerial ownership and government ownership probability of a financial distress, while foreign ownership, debt-to-equity ratio and firm size have a significant impact on determining the probability of a company experiencing financial distress.

Keyword: ownership structure, financial distress, infrastructure companies