

TABLE OF CONTENTS

TITLE PAGE	i
RATIFICATION PAGE.....	ii
PAGE OF APPROVAL.....	iii
STATEMENT OF ORIGINALITY	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS.....	vii
LIST OF TABLES	xi
LIST OF FIGURES	xii
ABSTRACT	xiii
<i>INTISARI</i>	xiv
CHAPTER I INTRODUCTION.....	1
1.1 Research Background.....	1
1.2 Problem Statement	7
1.3 Research Question.....	9
1.4 Research Objectives	9
1.5 Research Benefits.....	10
1.6 Research Contribution.....	10
1.7 Research Scope and Limitations	12
1.8 Systematic Writing.....	13
CHAPTER II LITERATURE REVIEW.....	15
2.1 Theoretical Framework	15
2.1.1 Agency Theory	15
2.1.2 Financial Distress	16
2.1.3 Corporate Governance.....	19
2.1.3.1 Board Size	20
2.1.3.2 Board Independence.....	21
2.1.3.5 Audit Committee Size	23

2.1.3.3 Institutional Ownership.....	24
2.1.3.4 Managerial Ownership.....	26
2.2 Prior Research.....	27
2.3 Hypotheses Development.....	30
2.3.1 Board Size and Financial Distress.....	30
2.3.2 Board Independence and Financial Distress.....	31
2.3.3 Audit Committee Size and Financial Distress.....	32
2.3.4 Institutional Ownership and Financial Distress.....	34
2.3.5 Managerial Ownership and Financial Distress.....	35
2.4 Research Framework.....	36
CHAPTER III RESEARCH METHODOLOGY.....	37
3.1 Research Design.....	37
3.2 Variable Definition.....	37
3.2.1 Dependent Variable.....	37
3.2.2 Independent Variable.....	39
3.2.2.1 Board Size.....	40
3.2.2.2 Board Independence.....	40
3.2.2.3 Audit Committee Size.....	40
3.2.2.4 Institutional Ownership.....	41
3.2.2.5 Managerial Ownership.....	41
3.2.3 Control Variable.....	42
3.2.3.1 Firm Size.....	42
3.2.3.1 Firm Age.....	42
3.2.3.2 Profitability (ROA).....	42
3.2.3.3 Leverage.....	43
3.2.3.4 Industry Classification.....	43
3.2.3.5 Year to Pandemic (pre/during/post).....	43
3.3 Research Model.....	45
3.4 Population and Sample.....	46
3.5 Data Source.....	48
3.6 Data Collection Technique.....	48
3.7 Data Analysis.....	49
3.7.1 Descriptive Statistical Analysis.....	50

3.7.2 Classical Assumption Tests.....	50
3.7.2.1 Multicollinearity Test	51
3.7.2.2 Heteroscedasticity Test.....	51
3.7.2.3 Panel Data Model; Hausman Test	52
3.7.3 Hypotheses Testing	52
3.7.3.1 t-Test.....	53
3.7.3.2 F-Test.....	53
3.7.3.3 Coefficient of Determination (R^2) Test	54
CHAPTER IV RESULTS AND DISCUSSION	55
4.1 Descriptive Statistics Analysis.....	55
4.2 Classical Assumption Test	63
4.2.1 Multicollinearity Test.....	63
4.2.2 Heteroskedasticity Test	64
4.2.3 Panel Data Model; Hausman Test	65
4.3 Logistic Regression Test.....	65
4.3.1 Regression of Full Sample	65
4.3.1.1 t-Test – Independent Significance Test	66
4.3.1.2 F-Stat – Model’s Overall Fit.....	70
4.3.1.3 R-Squared – Model’s Goodness of Fit	70
4.3.2 Regression of Distressed Firms Sample.....	71
4.3.2.1 t-Test – Independent Significance Test	72
4.3.2.2 F-Stat – Model’s Overall Fit.....	75
4.3.1.3 R-Squared – Model’s Goodness of Fit	76
4.4 Hypotheses Test	77
4.4.1 Effect of Board Size on Financial Distress	77
4.4.2 Effect of Board Independence on Financial Distress	79
4.4.3 Effect of Size of Audit Committee on Financial Distress.....	81
4.4.4 Effect of Institutional Ownership on Financial Distress	83
4.4.5 Effect of Managerial Ownership on Financial Distress	86
CHAPTER V CONCLUSION	89
5.1 Summary	89
5.2 Research Limitations	91

5.3 Implication	92
-----------------------	----

BIBLIOGRAPHY	95
---------------------------	-----------

APPENDIX	101
-----------------------	------------

Appendix 1 – Summary Statistics – Full Sample	101
---	-----

Appendix 2 – Summary Statistics – Distressed Sample	102
---	-----

Appendix 3 – VIF Multicollinearity Test	102
---	-----

Appendix 4 – Breusch-Pagan Test for Heteroskedasticity	103
--	-----

Appendix 5 – Hausman Test.....	103
--------------------------------	-----

Appendix 6 – Fixed Effect Regression – Full Sample.....	104
---	-----

Appendix 7 – Fixed Effect Regression – Distressed Sample.....	106
---	-----