THE EFFECT OF BOARD OF DIRECTOR CHARACTERISTIC ON FINANCIAL PERFORMANCE MANUFACTURING COMPANIES LISTED IN INDONESIA STOCK EXCHANGE



FINAL PROJECT

Prepared for to meet Requirements to Complete Research
Diploma IV Majoring in Public Sector Accounting
State of Polytechnic Sriwijaya

By: TIARA NUR AFIFAH SAL SABILAH 061940512771

STATE OF POLYTECHNIC SRIWIJAYA
PALEMBANG

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KEMENTERIAN PENDIDIKAN, KEBUDAYAAN, RISET DAN TEKNOLOGI POLITEKNIK NEGERI SRIWIJAYA



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> Palembang, 2023

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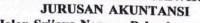
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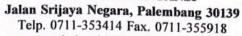
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IMPLEMENTATION OF THESIS REVISION

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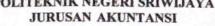
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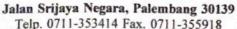
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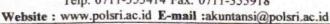
Have carried out a revision of the Thesis which was tested on Monday, August 28th 2023. The Thesis revision has been approved by the examining lecture whoprovided the revision:

| No | Comment | Examiner | University | Date | Sign |
|----|---------|--|--|------------|-------|
| 1 | | Dr. Siti Fatimah | Management & Science University (MSU) | 28/8/2023 | A |
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MOTTO

"Karena sesungguhnya sesudah kesulitan itu ada kemudahan, sesungguhnya sesudah kesulitan itu ada kemudahan."

(Q.S Al Insyirah: 5-6)

"Dan janganlah kamu berputus asa dari rahmat Allah. Sesungguhnya tiada berputus dari rahmat Allah melainkan orang orang yang kufur."

(QS Yusuf: 87)

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my feelings, but I am so happy to know you guys.

I know in writing this report, researcher feels far for perfect due to limitations of the abilities and knowledge that the researcher possesses. Therefore, all constructive criticisms and suggestions are highly welcome by the researcher as improvements for the future. I am very grateful for the help and support they gave me. As a result, I can finish this research and make everything go smoothly. May Allah SWT reward the kindness and sincerity of all parties who have assisted mein completing this final project by bestowing His

blessings and grace.

Palembang, 10 October 2023

Researcher

DEDICATION

This study is dedicated from my deepest heart to my beloved family, friends, classmates, and loved ones who have given me emotional and moral support, encouragement, and strength. Furthermore, I dedicated this research to my lecturer Dr. Siti Fatimah Mohd Kassim and AP Dr. Azam Abdelhakeem Khalid Ahmed and my supervisor AP Dr. Azam Abdelhakeem Khalid Ahmed and Madam Susi Ardriani, M. Si. Finally, I would like to thank the Almighty God for providing me with guidance, strength, mind power, protection, and healthy life. All of these, I offer to you.

ABSTRACT

The Effect Board of Director Characteristic on Financial Performance Manufacturing Companies Listed in Indonesia Stock Exchange

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The board of directors is responsible for managing the company with good faith and full responsibility, as well as personally for the company's losses arising from the negligence of the directors in carrying out their duties for the benefit of the company. This research concentrates on how the characteristics of the board of directors affect financial performance. Specifically, The analysis technique used in this research is multiple linear regression method this study aims to analyse the effect of the characteristics of the board of directors on the company's financial performance. The result shows that Board Characteristic has a significant positive relationship with on financial performance.

Keywords: Characteristics of the Board of Directors, Financial Performance, Board Size, Stock Exchange Indonesia

ABSTRACT

The Effect Board of Director Characteristic on Financial Performance Manufacturing Companies Listed in Indonesia Stock Exchange

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Direksi bertanggung jawab mengelola perusahaan dengan itikad baik dan penuh tanggung jawab, serta secara pribadi atas kerugian perusahaan yang timbul karena kelalaian direksi dalam menjalankan tugasnya untuk kepentingan perusahaan. Penelitian ini berkonsentrasi pada bagaimana karakteristik dewan direksi mempengaruhi kinerja keuangan. Secara spesifik, teknik analisis yang digunakan dalam penelitian ini adalah metode regresi linier berganda. Penelitian ini bertujuan untuk menganalisis pengaruh karakteristik dewan direksi terhadap kinerja keuangan perusahaan. Hasil penelitian menunjukkan bahwa Board Characteristic mempunyai hubungan positif yang signifikan terhadap kinerja keuangan.

Keyword: Karakteristik Direksi, Kinerja Keuangan, Ukuran Dewan, Bursa Efek.

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