
THE INFLUENCE OF CORPORATE GOVERNANCE MECHANISMS, COMPANY GROWTH, AND AUDIT QUALITY ON GOING CONCERN AUDIT OPINIONS AND THEIR IMPACT ON COMPANY VALUE (Empirical Study on Infrastructure, Transportation, and Logistics Companies in the Indonesia Stock Exchange Period 2019-2021)

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ABSTRACT

KEYWORDS

Governance Mechanism,
Company Growth, Audit
Quality, Going Concern
Audit Opinion

Topo Da'a is one of sub-ethnic of Kaili tribe in Central Sulawesi, Indonesia. This study aims to examine the influence of corporate governance mechanisms, company growth, and audit quality on going concern audit opinions and their impact on firm value in infrastructure, transportation, and logistics companies listed on the Indonesia Stock Exchange during the period 2019-2021. The research method used is quantitative descriptive with data analysis through descriptive statistics, classical assumption tests, regression analysis, and model feasibility tests. The analysis results show that the independent variables collectively have a significant effect on going concern audit opinions, but not significant on firm value. The results also indicate that going concern audit opinions do not have a significant direct impact on firm value. Partial test results show that audit quality has a negative and significant effect on going concern audit opinions, while other variables are not significant in influencing the level of going concern audit opinions or firm value. In conclusion, this study provides insights into the factors influencing going concern audit opinions and firm value, providing important implications for practitioners, policymakers, and researchers in the field of accounting and management.

INTRODUCTION

In the current era of globalization, every company is demanded to compete in fierce competition. Companies must be able to compete with competitors to survive and not be eliminated from the existing business competition. One of the goals of a company is to maintain its existence in the economic environment by ensuring its survival in the long term. Businesspeople need certainty when running their business, including accurate information from financial reports to make business decisions. Independent auditors are needed to assess a company's financial statements. If there is uncertainty about a company's ability to survive, auditors may issue a going concern audit opinion.

Several companies experience financial problems, such as Batavia Air, PT Garuda Indonesia (Persero) Tbk (GIAA), and PT Bakrie Telecom Tbk (BTEL). Audit quality is an important factor in detecting these financial problems. Company growth also influences the going concern audit opinion. Corporate governance is a system that ensures companies are accountable to all stakeholders and operate responsibly socially. Audit quality plays a crucial role in the audit process, and company value is influenced by both financial and non-financial performance.

Research conducted by Aditya (2017) found a relationship between corporate governance and the disclosure of going concern opinions. Additionally, research by Adjani &

Rahardja (2013) showed a relationship between corporate governance and the disclosure of going concern opinions. Research by Rani & Helmayunita (2018) found a relationship between company growth and the disclosure of going concern opinions. Furthermore, research by Suharsono (2018) indicated a relationship between company growth and the disclosure of going concern opinions.

Research by Hutagaol & Manurung (2021) found a relationship between audit quality and the disclosure of going concern opinions. Additionally, research by Endiana & Suryandari (2021) showed a relationship between audit quality and the disclosure of going concern opinions. The latest research by T'ing, Mohamad, & Razak (2021) concluded that "the control variable, total assets was found to have significant negative relationship with auditors' GCO". This relationship is consistent with the research by Gallizo and Saladrigues (2016), which concluded that "which found that the smaller the size of an audited entity measured in terms of assets, the lower the propensity of receiving a GCO".

Previous research has shown relationships between corporate governance, company growth, audit quality, and going concern audit opinions. The difference from previous research is that this study examines the impact of going concern audit opinions on company value. Furthermore, this study uses data from the infrastructure, transportation, and logistics sectors listed on the Indonesia Stock Exchange for the period from 2019 to 2021.

This study aims to examine the influence of Managerial Ownership, Institutional Ownership, Company Growth, Audit Quality, and Audit Opinion on Going Concern, and their impact on Company Value. This study will also evaluate whether Going Concern Audit Opinions have a direct impact on Company Value, and whether these factors influence Company Value through the mediation of Going Concern Audit Opinions. The contribution of this research includes theoretical, practical, and policy contributions. Theoretically, this study is expected to provide empirical evidence regarding the relationship between Corporate Governance, Company Growth, and Audit Quality with Going Concern Audit Opinions and their impact on Company Value.

Given the phenomena and previous research presented, the author is interested in conducting research with the title: The Influence of Corporate Governance Mechanisms, Company Growth, and Audit Quality on Going Concern Audit Opinions and Their Impact on Company Value (Empirical Study on Infrastructure, Transportation, and Logistics Companies in the Indonesia Stock Exchange Period 2019-2021).

Hypotheses

The author hypothesizes a study titled The Influence of Corporate Governance Mechanisms, Company Growth, and Audit Quality on Going Concern Audit Opinions and Their Impact on Company Value, as follows:

H1: Managerial Ownership has an effect on Going Concern Audit Opinions

H2: Institutional Ownership has an effect on Going Concern Audit Opinions

H3: Company Growth has an effect on Going Concern Audit Opinions

H4: Audit Quality has an effect on Going Concern Audit Opinions

H5: Managerial Ownership has an effect on Company Value

H6: Institutional Ownership has an effect on Company Value

H7: Company Growth has an effect on Company Value

H8: Audit Quality has an effect on Company Value

H9: Going Concern Audit Opinions impact Company Value

H10: Managerial Ownership, Institutional Ownership, Company Growth, and Audit Quality influence Company Value mediated by Going Concern Audit Opinions

RESEARCH METHOD

This research employs a quantitative descriptive research method with the aim of testing the influence of independent variables, namely Managerial Ownership, Institutional Ownership, Company Growth, and Audit Quality, on the dependent variable, namely Going Concern Audit Opinion, as well as its impact on the variable Company Value. The data used are secondary data from the financial reports of infrastructure, transportation, and logistics companies listed on the Indonesia Stock Exchange during the period 2019-2021. Sampling was conducted using purposive sampling method, where 73 companies met the predetermined criteria. Data collection techniques were carried out through auditor reports and financial reports of the respective companies. Data analysis was conducted using descriptive statistics to describe the characteristics of the data, and classical assumption tests such as normality, multicollinearity, heteroskedasticity, and autocorrelation. Regression model estimation was performed to test the influence of independent variables on the dependent variable and the dependent variable on the variable Company Value. Model feasibility tests were conducted to assess the accuracy of the model in estimating the actual value. The research paradigm is based on the influence of independent variables on the dependent variable and its impact on related variables.

RESULTS AND DISCUSSION

Research Object Description

Based on statistical data on Infrastructure, Transportation, and Logistics companies in Indonesia, it shows how the development of the Infrastructure, Transportation, and Logistics industry experiences increases and decreases so that the role of the Infrastructure, Transportation, and Logistics industry in national development for the welfare of the community can be maximized. This research takes corporate governance mechanisms, audit quality, and company growth as control variables. Many researchers look at the effect of capitalization on the performance of the Infrastructure, Transportation, and Logistics industry. They concluded that the Infrastructure, Transportation, and Logistics industry is one of the sub-sectors of companies that most influence can maintain their capital with high asset levels. Therefore, all of these variables contribute significantly to the financial development and sustainability of company performance and efficiency.

Data Analysis and Interpretation

Descriptive Statistical Test

The results of the study have been presented in descriptive statistics. Descriptive statistics per Infrastructure, Transport and Logistics industry are reported in Table 1 Descriptive statistics are given where *the mean, median, maximum, minimum value, SD, and number of observations are reported* .

Table 1. Descriptive Statistical Test Results

	X1_1	X1_2	X2	X3	Y	Z
Mean	23.67490	24470.22	0.789954	7054.743	0.794521	20990.63
Median	0.012092	0.235813	1.000000	0.000000	1.000000	108.6146
Maximum	505.1764	974972.6	1.000000	587627.5	1.000000	752983.3
Minimum	0.000000	0.000000	0.000000	-2003.685	0.000000	-6439.401
Std. Dev.	96.14149	146804.2	0.408274	53308.79	0.404977	105893.3
Skewness	4.157097	5.872428	-1.423645	8.589623	-1.457837	5.609619
Kurtosis	18.99249	35.78792	3.026766	81.46194	3.125287	34.66911
Jarque-Bera	2964.581	11068.53	73.98348	58869.05	77.71622	10300.33
Probability	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Sum	5184.803	5358978.	173.0000	1544989.	174.0000	4596947.
Sum Sq. Dev.	2015015.	4.70E+12	36.33790	6.20E+11	35.75342	2.44E+12
Observations	219	219	219	219	219	219

Table 4.1 displays the average, maximum value, minimum value, and standard deviation of each variable in the study. For managerial ownership variables, the average is 23.67490, with a maximum value of 505.1764 and a minimum value of 0.0, and a standard deviation of 96.14149. The institutional ownership variable has an average of 24470.22, with a maximum value of 974972.6 and a minimum value of 0.0, and a standard deviation of 146804.2. While the company's growth variable has an average of 7054,743, with a maximum value of 587627.5 and a minimum value of -2003,685, and a standard deviation of 53308.79. The audit quality variable has an average of 0.789954, with a maximum value of 1.0 and a minimum value of 0.0, and a standard deviation of 0.408274. The going concern audit opinion variable has an average of 20990.63, with a maximum value of 1 and a minimum value of 0.0, and a standard deviation of 0.404977. Finally, the variable company value has an average of 0.794521, with a maximum value of 752983.3 and a minimum value of -6439.401, and a standard deviation of 105893.3.

Classical Assumption Test

Tests against classical assumptions using the Eviews 10 application that will be carried out include normality, multicollinearity, heteroscedasticity, and autocorrelation. The test results can be described below:

Normality Test

This study begins with a normality test intended to identify whether the data has followed the normal distribution. In this study, the Jarque-Bera test was used. The Jarque-Bera test is a statistical tool used to test whether a sample of data has a normal distribution. This test is based on skewness (unsymmetry) and kurtosis (pointiness) of the data.

The results of the Jarque-Bera test produce statistical values that are compared to the chi-square distribution to determine whether the data distribution differs significantly from the normal distribution. Here are the normality test results. Based on table 1, it is known that Jarque-bera obtained a p-value of 0.000. Where, the result is smaller than 0.05 (<0.05) so that H1 is accepted or means abnormally distributed residuals.

Multicollinearity Test

Treatment in the multicollinearity test was carried out to determine the correlation between independent variables in the study. Data is considered good if the regression model used does not have a correlation between independent variables or is called orthogonal.

Table 2. Multicollinearity test results (a) independent variable against dependent variable and moderation variable, (b) moderation variable against dependent variable

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.000488	4.739131	NA
X1_1	1.59E-08	1.512358	1.425120
X1_2	6.74E-15	1.450598	1.411028
X2	0.000632	4.846607	1.022678
X3	3.65E-14	1.024409	1.006617

(a)

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	2.48E+08	4.866667	NA
Y	3.12E+08	4.866667	1.000000

(b)

It is mentioned by Ghozali (2017) that the orthogonal variable is bariabel which has a value of zero in correlation intentions. This can be known from the value of VIF (*variance indlation factor*). If the VIF value shows below 10, there is no multicollinearity in the regression model. Table 2 shows the VIF value in each variable used in this study <10 so that it can be concluded that there is no multicollinearity in the regression model used in this study with a VIF value of < 10.

Heteroscedasticity Test

The problem of heteroscedasticity generally occurs in *cross-section* data rather than time series data. Cross-section data usually relate to population members at one time and population members have differences in size, while in *time series data*, variables tend to be the same order of magnitude because data are collected on the same entity over a certain period of time (Ghozali & Ratmono, 2017). The results of the white test are shown in the following table:

Table 3. White test results (a) independent variable against dependent variable and moderation variable, (b) moderation variable against dependent variable

F-statistic	0.213569	Prob. F(12,205)	0.9977
Obs*R-squared	2.691695	Prob. Chi-Square(12)	0.9974
Scaled explained SS	42.17426	Prob. Chi-Square(12)	0.0000

(a)

F-statistic	1.701907	Prob. F(1,217)	0.1934
Obs*R-squared	1.704226	Prob. Chi-Square(1)	0.1917
Scaled explained SS	27.79932	Prob. Chi-Square(1)	0.0000

(b)

In this study, the White Test was used, which produces a p-value that can be used to determine whether the test results are significant or not. Table 3 can be found that if the p-value is greater than the previously specified level of significance (0.05), then it can be concluded that there is sufficient statistical evidence to reject the assumption of homoscedasticity.

Next, a gkejser test is carried out which provides clues about the absolute residual value (AbsUi) of the independent variable used. The following table shows the results of the Glejser test:

Table 4 Results of heteroscedastic test (Glejser test) (a) independent variable to moderation variable, (b) independent variable to dependent variable, (c) moderation variable to dependent variable

Heteroskedasticity Test: Glejser			
F-statistic	4.833023	Prob. F(4,213)	0.0009
Obs*R-squared	18.13953	Prob. Chi-Square(4)	0.0012
Scaled explained SS	44.47230	Prob. Chi-Square(4)	0.0000
(a)			
F-statistic	3.315971	Prob. F(4,213)	0.0116
Obs*R-squared	12.77945	Prob. Chi-Square(4)	0.0124
Scaled explained SS	29.68730	Prob. Chi-Square(4)	0.0000
(b)			
F-statistic	8.990906	Prob. F(1,217)	0.0030
Obs*R-squared	8.712777	Prob. Chi-Square(1)	0.0032
Scaled explained SS	20.54663	Prob. Chi-Square(1)	0.0000
(c)			

The Glejser test, also known as the "Glacier Test for Heteroscedasticity," is a statistical test used to detect heteroscedasticity in the residual variability of regression models. Heteroscedasticity occurs when the distribution of variability from the error of a regression model is not constant along independent values. In table 4, the significance value (p-value) of each variable is known which indicates that the variable is significant in affecting the value of the dependent variable statistically. This is known from the significance value which shows a value of < 0.05 or 5%, so that the variable is significant in influencing the value of the dependent variable statistically.

Autocorrelation Test

The Breusch-Godfrey Serial Correlation LM Test is a statistical method used to identify whether there is a pattern of dependence between residual errors in a regression model. In the context of the Breusch-Godfrey Test, the goal is to detect whether there is series autocorrelation in the residuals of the model. Autocorrelation often occurs when there is a systematic pattern in the remnants of the model, which can lead to inaccurate estimates and testing of invalid hypotheses. Table 5 shows the results of the autocorrelation test:

Table 5 Autocorrelation test results (a) independent variable to moderation variable, (b) independent variable to dependent variable, (c) moderation variable to dependent variable

Breusch-Godfrey Serial Correlation LM Test:			
F-statistic	72.26348	Prob. F(2,211)	0.0000
Obs*R-squared	88.62022	Prob. Chi-Square(2)	0.0000
(a)			
F-statistic	94.56464	Prob. F(2,211)	0.0000
Obs*R-squared	103.0422	Prob. Chi-Square(2)	0.0000
(b)			
F-statistic	90.54999	Prob. F(2,215)	0.0000
Obs*R-squared	100.1285	Prob. Chi-Square(2)	0.0000

(c)

The Breusch-Godfrey test uses LM (Lagrange Multiplier) statistics to measure series autocorrelation. LM statistics are calculated based on the estimated residuals of the model, and the distribution is assumed to be the chi-squared distribution. Based on table 5, it can be seen that a low p-value can indicate an autocorrelation. Thus, there is enough statistical evidence to reject the null hypothesis. That is, it can be concluded that there is autocorrelation in the residual model.

Regression Analysis

Table 6. Regression Analysis Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.065218	0.022084	2.953154	0.0035
X1_1	2.81E-05	0.000126	0.222858	0.8239
X1_2	3.91E-09	8.21E-08	0.047583	0.9621
X2	0.921901	0.025143	36.66657	0.0000
X3	3.17E-08	1.91E-07	0.166005	0.8683
R-squared	0.866188	Mean dependent var	0.793578	
Adjusted R-squared	0.863675	S.D. dependent var	0.405668	
S.E. of regression	0.149782	Akaike info criterion	-0.936603	
Sum squared resid	4.778578	Schwarz criterion	-0.858977	
Log likelihood	107.0898	Hannan-Quinn criter.	-0.905249	
F-statistic	344.6950	Durbin-Watson stat	0.602345	
Prob(F-statistic)	0.000000			

Based on table 6, the results of multiple linear regression analysis obtained the following regression equation:

$$OAGC = 0.065 + 2,81E - 05KM + 3.91E - 09KI + 0.92PP + 3.17E - 08KA$$

From the regression equation above, the conclusions that can be explained are as follows:

- The constant value (α) of 0.065 with a positive sign states that the variables KM, KI, PP, and KA are considered constant then the OAGC value is 0.065.
- The value of the regression coefficient of the KM variable (managerial ownership) of 2.81E-05 with a positive sign states that if the KM rate increases by one unit assuming the other independent variable is constant, then the OAGC variable will increase by 2.81E-05.
- The value of the regression coefficient of the KI variable (institutional ownership) of 3.91E-09 with a positive sign states that if the KI level increases by one unit assuming the other independent variable is constant, then the OAGC variable will increase by 3.91E-09.
- The value of the regression coefficient of the PP variable (company growth) of 0.92 with a positive sign states that if the PP rate increases by one unit assuming the other independent variable is constant, then the OAGC variable will increase by 0.92.
- The regression coefficient value of the KA variable (audit quality) of 3.17E-08 with a positive sign states that if the KA rate increases by one unit assuming the other independent variable is constant, then the OAGC variable will increase by 3.17E-08.

Feasibility Model Test (Goodness of Fit)

The accuracy of the sample regression function in estimating actual values can be measured by the goodness of fit. Statistically, it can be measured from the coefficient of

determination, the F-statistic value, and the t-statistic value. Statistical calculations are considered statistically significant if the value of the statistical test is in the critical region (where H_0 is rejected). Conversely, it is considered insignificant if the value of the statistical test is in the region where H_0 cannot be rejected (Ghozali & Ratmono, 2017). The research results from the feasibility model test can be explained as follows:

Coefficient of Determination Test

The coefficient of determination test, often referred to as R-squared, is a statistical method used to measure the extent to which variations in the dependent variable can be explained by variations in the independent variables in a regression model. In the regression coefficient test, the R^2 value needs to be observed, and it should meet the requirement of being in the range from 0 to 1 or $0 \leq R^2 \leq 1$. An R-squared value approaching 1 indicates that the independent variables can explain most of the variations in the dependent variable. This test is conducted to determine the relationship between the variables used in the research. Additionally, it is used to understand how the dependent variable can be influenced by the independent variables.

Based on the conducted test, it can be concluded that the adjusted R^2 value is 0.866, indicating that approximately 86.6% of the independent variables influence the dependent variable, thus, the independent variables in this study can be considered significant in influencing the dependent variable. Furthermore, the adjusted R^2 value is still far from 1, indicating that the independent variables are not strong.

Simultaneous Influence Test (F-test)

The F-test in this research is conducted to assess whether the independent variables collectively have an influence on the dependent variable. Firstly, in the first test, involving corporate governance mechanisms, audit quality, and company growth on the going concern audit opinion. The test results show that the independent variables collectively have a significant influence on the going concern audit opinion. Next, in the second test, the same variables are evaluated against the company value. The results indicate that collectively, the independent variables do not have a significant influence on the company value. Lastly, in the third test, the impact of the going concern audit opinion on the company value is considered. The results show that collectively, the going concern audit opinion does not have a significant influence on the company value. Thus, the conclusion of this study is that the independent variables collectively have a significant influence on the going concern audit opinion, but not significant on the company value. Additionally, the going concern audit opinion also does not significantly affect the company value.

Partial Influence Test (t-test)

Furthermore, the t-test is used to determine the relationship between the independent variables and the dependent variable in this study, resulting in tables 4.7, 4.8, and 4.9 that show the results of the t-test. Based on the tables processed using Eviews 10, the following conclusions are obtained:

1. For the managerial ownership variable, a t-value of 0.222858 with a significance of 0.8239 is obtained. Knowing that the t-table value is 1.971, it can be inferred that the managerial ownership has a positive influence on the going concern audit opinion, but it is not significant since the significance value is > 0.05 .
2. For the institutional ownership variable, a t-value of 0.047583 with a significance of 0.9621 is obtained, indicating that the institutional ownership has a positive influence on the going concern audit opinion, but it is not significant since the significance value is > 0.05 .

3. For the company growth variable, a t-value of 0.166005 with a significance of 0.8683 is obtained, indicating that company growth has a positive influence on the going concern audit opinion, but it is not significant since the significance value is > 0.05 .
4. For the audit quality variable, a t-value of 36.667 with a significance of 0.000 is obtained, indicating that audit quality has a negative and significant influence on the going concern audit opinion since the significance value is < 0.05 .
5. For the managerial ownership variable (again), a t-value of -0.668581 with a significance of 0.5045 is obtained, indicating that managerial ownership does not have an influence on the company value since both the t-value and significance value are > 0.05 .
6. For the institutional ownership variable (again), a t-value of -0.177927 with a significance of 0.8589 is obtained, indicating that institutional ownership does not have an influence on the company value since both the t-value and significance value are > 0.05 .
7. For the audit quality variable (again), a t-value of 1.635705 with a significance of 0.1034 is obtained, indicating that audit quality has a positive influence on the company value, but it is not significant since the significance value is > 0.05 .
8. For the company growth variable (again), a t-value of -0.531710 with a significance of 0.5955 is obtained, indicating that company growth does not have an influence on the company value since both the t-value and significance value are > 0.05 . Finally, for the going concern audit opinion variable, a t-value of 1.505402 with a significance of 0.1337 is obtained, indicating that the going concern audit opinion has a positive influence on the company value, but it is not significant since the significance value is > 0.05 .

In the going concern audit opinion variable, a t value of 1.505402 is obtained with a significance of 0.1337 so that it can be known if the $t_{cal} < t_{table}$ value indicates that the *going concern* audit opinion has a positive influence on company value. In addition, judging from the significance value that shows a value of > 0.05 , *the going concern audit opinion is not significant in influencing the company's value level so that the conclusion from point (i) that the going concern audit opinion variable is successful to mediate by positively influencing the company's value.*

Discussion of Results

Managerial Ownership's Influence on Going Concern Audit Opinion

The t-test results indicate that managerial ownership is not significant in influencing the going concern audit opinion, with a t-value of 0.222858 and a significance level of 0.8239. This suggests that managerial ownership, despite having the potential for a positive influence, does not significantly affect the going concern audit opinion. This finding is consistent with previous research by Wulansari & Lawita (2023), concluding that managerial ownership does not have a significant impact on the going concern audit opinion because a company's performance is not solely determined by managerial ownership factors. Although managers with shares in the company may have a greater interest in its continuity, other factors such as financial condition complexity and external influences also play a crucial role. Therefore, while managerial ownership by the board of commissioners may potentially enhance management and oversight functions, a high level of ownership does not significantly improve the going

concern audit opinion, in line with security dealing regulations limiting the percentage of shares held by the board of commissioners and directors for long-term investments.

Institutional Ownership's Influence on Going Concern Audit Opinion

The t-test results indicate that institutional ownership is not significant in influencing the going concern audit opinion, with a t-value of 0.047583 and a significance level of 0.9621. This indicates that institutional ownership, despite having the potential for a positive influence, does not significantly affect the going concern audit opinion. This finding is consistent with previous research by Wulansari & Lawita (2023), concluding that institutional ownership does not have a significant impact on the going concern audit opinion. Auditors tend to consider other factors such as financial conditions and industry uncertainty in assessing the operational sustainability risk of an entity. Additionally, institutional ownership decisions to remain invested may not always reflect a positive view of the entity's operational sustainability, as they may have long-term investment strategies or consider other factors such as good risk management. Although institutional ownership plays a role in overseeing management activities and decisions, its influence does not guarantee that the going concern audit opinion will not be issued. Institutes with over 50% share ownership only have the authority to control the company and manage management activities to prevent bankruptcy but do not influence the audit conclusions issued by independent auditors.

Company Growth's Influence on Going Concern Audit Opinion

The t-test results indicate that company growth is not significant in influencing the going concern audit opinion, with a t-value of 0.166005 and a significance level of 0.8683. This indicates that company growth, despite having the potential for a positive influence, does not significantly affect the going concern audit opinion. Previous research by Rahmawati et al. (2018) stated that company growth has a positive effect on the going concern audit opinion, but other research by Yanti Kartika Bani Sukma (2020) found that company growth does not have a significant effect on the going concern audit opinion. Auditors do not always consider company growth in providing the going concern audit opinion because growth does not always reflect long-term sustainability, and other factors such as liquidity, debt, or market conditions also play a crucial role. Although company growth may be considered a positive indicator, auditors tend to emphasize risk factors more directly related to the company's ability to continue its operations. Therefore, in assessing the going concern audit opinion, auditors must consider various interrelated factors and adopt a holistic approach.

Audit Quality's Influence on Going Concern Audit Opinion

The t-test results indicate that audit quality has a negative and significant influence on the going concern audit opinion, with a t-value of 36.667 and a significance level of 0.000. Previous research also shows similar results, where low audit quality can have a negative impact on the audit opinion regarding the continuity of an entity's operations. Factors such as independence, professionalism, and auditor ethics are part of audit quality that affects this assessment. The higher the audit quality of a company, the lower the likelihood that the company will receive a going concern audit opinion. This indicates that both large and small-scale public accounting firms can provide reliable audit opinions, not just large-scale public accounting firms that have credibility. Therefore, when a company experiences doubts about its survival, large-scale public accounting firms tend to provide non-going concern audit opinions in line with the company's conditions.

Managerial Ownership's Influence on Company Value

The t-test results indicate that managerial ownership does not have a significant influence on company value, with a t-value of -0.668581 and a significance level of 0.5045. Previous research also confirms similar findings that managerial ownership does not directly affect company value. Agency theory associating managerial stock ownership with reducing agency problems also proves ineffective in increasing company value. There are several possible causes, such as managerial focus on operational efficiency and external factors such as market conditions that have a greater impact on company value. Additionally, management's role in determining the company's direction is not solely determined by their share ownership, and diversified ownership structures can also provide benefits in making better decisions.

Institutional Ownership's Influence on Company Value

The t-test results indicate that institutional ownership does not have a significant influence on company value, with a t-value of -0.177927 and a significance level of 0.8589. Previous research also confirms that institutional ownership does not affect company value. Institutional investors, although expected to have deep expertise and knowledge, seem to be minimally involved in strategic decision-making for companies. Their lack of involvement results in unrealized supervision and control, failing to have a significant impact on stock prices and company value.

In industries such as basic and chemical, high levels of institutional ownership, averaging 78.2281%, are not maximized as effective oversight mechanisms. Possible alliances between institutional investors and managers also reduce oversight effectiveness, with investors potentially compromising with managers to achieve their personal goals. In this context, institutional ownership does not function as an appropriate oversight mechanism, as it loses independence and fails to increase company value.

Company Growth's Influence on Company Value

The t-test results indicate that company growth does not have a significant influence on company value, with a t-value of -0.531710 and a significance level of 0.5955. Previous research also supports this finding, indicating that company growth does not have a significant direct impact on increasing company value.

High company growth tends to require significant investment, which ultimately may reduce funds available for distribution to shareholders. Investors tend to prefer stable companies that provide long-term profitability over those focused on rapid growth but with high risk. In this context, investor confidence directly impacts company value. Controlled and well-managed growth will strengthen investor confidence and potentially increase company value.

Wise investment decision-making involves a comprehensive evaluation of a company's ability to manage growth, associated risks, and their impact on investor confidence. Therefore, although company growth can be a positive indicator, it does not always reflect an increase in company value in the eyes of investors more focused on stability and sustainability.

Audit Quality's Influence on Company Value

The t-test results indicate that audit quality has a positive but not significant influence on company value, with a t-value of 1.635705 and a significance level of 0.1034. Previous

research also supports this finding, indicating that audit quality has a positive influence on company value. Audit quality in the research is measured by a dummy variable on Big 4 and non-Big 4 auditors. The results show that the capital market reacts positively to companies audited by Big 4 audit firms compared to non-Big 4 audit firms. The competence and excellence of Big 4 auditors explain why the capital market reacts positively.

Audit quality demonstrates the audit process's ability to detect and report material errors in financial statements and reduce information asymmetry between management and shareholders. Companies audited by higher-quality auditors will be able to improve the quality of their financial statements and reduce agency costs. High-quality external audits are expected to produce credible financial statements free from misleading information. Companies choose large auditors as a step to protect the interests of stakeholders. Thus, the company's decision to use higher-quality audit services demonstrates their commitment to the credibility and transparency of financial information.

Going Concern Audit Opinion's Impact on Company Value

The going concern audit opinion variable has a positive but not significant influence on company value, with a t-value of 1.505402 and a significance level of 0.1337. Previous research also supports this finding, indicating that the going concern audit opinion does not have a statistically negative effect on company value. The results of this study indicate that the going concern audit opinion does not directly affect company value because many other factors are considered by investors when making investments. For example, favorable international economic conditions or developing infrastructure can have a positive impact on company value, regardless of the going concern audit opinion. The going concern audit opinion is an important evaluation in a company's audit report, but its influence on company value is not always significant. Company value is influenced by various other factors such as financial performance, management strategies, and market conditions. Therefore, although a positive going concern opinion can provide certainty about a company's continuity, other factors may have a greater impact on the assessment of company value.

Managerial Ownership, Institutional Ownership, Company Growth, and Audit Quality's Influence on Company Value Mediated by Going Concern Audit Opinion

The F-test results indicate that the corporate governance mechanism, company growth, and audit quality variables do not have a direct significant influence on the going concern audit opinion. However, with the mediation of the going concern audit opinion, these variables can influence company value. The going concern audit opinion serves as a mediator in the relationship between independent variables and company value. Managerial and institutional ownership, company growth, and audit quality can influence company value through the mediation of the going concern audit opinion. The going concern audit opinion provides certainty about a company's operational continuity, affecting stakeholders' perceptions of value.

High audit quality increases confidence in financial information, which in turn increases company value. The going concern audit opinion serves as an indicator of audit quality in anticipating company sustainability issues. Thus, the mediation of the going concern audit opinion provides a deeper understanding of the interaction of these variables in shaping company value, creating a more comprehensive conceptual framework. The going concern audit opinion serves as an information channel that shapes stakeholders' perceptions of company performance, influencing company value overall.

CONCLUSION

Based on the results of the study, the conclusions are as follows: managerial and institutional ownership and company growth do not significantly affect the going concern audit opinion, while audit quality has a negative and significant effect on the opinion. However, directly, these variables do not have a significant effect on the value of the company. The going concern audit opinion also has no significant effect on the value of the company, although mediation by it affects the influence of these variables simultaneously.

For advice, it is advisable to conduct further investigations into the relationship between corporate governance mechanisms and going concern audit opinions, as well as to evaluate the impact of such opinions on the decisions of stakeholders, especially investors and creditors.

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