

**THE INFLUENCE OF GOOD CORPORATE GOVERNANCE,
PROFITABILITY, AND LEVERAGE ON COMPANY VALUE IN THE
ENERGY SECTOR LISTED ON THE INDONESIA STOCK EXCHANGE IN
2018 - 2023**

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Abstract

This study examines how Good Corporate Governance (GCG), profitability, and leverage affect firm value among energy sector companies listed on the Indonesia Stock Exchange (IDX) from 2018 to 2023. Adopting a descriptive quantitative approach through a case study framework, the research utilizes secondary data from 45 selected companies, resulting in 270 firm-year observations. GCG is assessed using indicators such as the proportion of independent commissioners, the number of board members, and the audit committee's size. Profitability is represented by Return on Assets (ROA), leverage by the Debt to Equity Ratio (DER), and firm value by the Price to Book Value (PBV). Panel data regression analysis is conducted, with model determination based on the Chow, Hausman, and Lagrange Multiplier tests. The data are processed using IBM SPSS 25 and EViews 13. The results reveal that the independent variables, when considered together, have a statistically significant impact on firm value. Individually, audit committee size and the number of directors show a negative association with firm value, while leverage demonstrates a positive influence. Conversely, the proportion of independent commissioners and profitability are found to have no significant effect. These results highlight that corporate value within the energy industry is more closely linked to governance mechanisms and financial structure than to profitability metrics.

Keywords: Audit Committee, Board of Directors, Corporate Governance, Leverage, Profitability.