

ABSTRACT

Good corporate governance is an important thing in a company. Companies that have been proven to pay attention to the organizational system will also tend to have a good governance system. If this has been created, the company can foster good relations with stakeholders. But in reality there are still many companies that have not been able to implement GCG in their companies so that many problems arise in their management system.

Good implementation of GCG can improve the performance of automotive companies. With good governance, companies can make better decisions, improve operational efficiency, and achieve long-term goals. Apart from that, the automotive business has quite significant risks, especially related to regulatory changes, technological innovation and market fluctuations. GCG helps companies manage this risk by implementing an effective risk management structure.

The aim of this study is to determine the effect of good corporate governance on company performance using automotive companies listed on the IDX in 2018-2022. Good corporate governance is proxied by using the Board of Commissioners, Independent Commissioners, and audit committees while company performance is seen from PBV (Price book value)

The research methodology employed is quantitative, utilizing purposive sampling for sample selection and secondary data. The data analysis techniques include multiple linear regression analysis and hypothesis testing.

Based on the research findings, it can be concluded that the indicators of good corporate governance, specifically independent commissioners and institutional ownership, have a positive influence on the company's value, while the audit committee does not significantly affect the company's value. Additionally, the company's size has a positive impact on automotive companies listed on BEI from 2018 to 2022. Overall, the variables of good corporate governance collectively influence the value of automotive companies listed on BEI from 2018 to 2022.

Keywords: Independent Commissioner, Audit Committee, Institutional Ownership, Value Company