

ABSTRACT

Firm value is the investor's perception of the company's success in managing resources, which is reflected in the company's stock price at the end of the current year. Thus the firm value can describe the firm's performance. This study aims to examine the effect of cost leadership strategy, executive compensation, foreign ownership, and enterprise risk management on firm value. The research population is health sector companies listed on the Indonesia Stock Exchange in 2017-2021. The sample selection used purposive sampling to obtain 54 total observations. Panel data regression was used in the data analysis method in this study and used Eviews software version 12.

The results showed that cost leadership strategy, executive compensation, foreign ownership, and enterprise risk management simultaneously affect firm value. While partially the positive effect on firm value is cost leadership strategy and executive compensation and the negative effect on firm value is foreign ownership. However, enterprise risk management has no effect on firm value.

The limitations of this study are indicated by the Adjusted R-squared value of 25%. Therefore, it is recommended in future studies to increase the research period and add Good Corporate Governance and Financial Risk disclosure variables (Debt on Equity Ratio). The results of this study are expected to be the result of an evaluation for the company and become one of the additional information for investors when investing.

Keywords: *Cost Leadership Strategy, Enterprise Risk Management, Executive Compensation, Firm Value and Foreign Ownership*