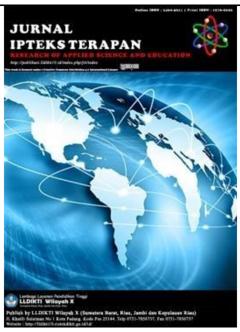

Vol.16 No.4 | Des, 2022

ROLE OF POLITICAL CONNECTIONS, FAMILY OWNERSHIP, FOUNDERS ON BOARD AND FIRM PERFORMANCE

Teddy Jurnali*[1)], Sheila Septiany[2)]
[1,2]Economic Faculty, Universitas Internasional Batam, Indonesia
* Corresponding Email: teddy@uib.ac.id

Submit:
15/12/2022

Accept:
25/12/2022

Publish:
31/12/2022

Abstract

Family ownership and political connections have made significant contributions to company in Indonesia. Hence, firms registered on the Indonesia Stock Exchange (IDX) were tested as samples with firm performance as a measurement. The purpose of this article is to research the role of family ownership and founders on board on firm performance with political connections as a moderating variable. The sample data used in this research are quantitative data with 492 registered firms on IDX for the period of 2015 to 2019. The analysis results show that family ownership influences firm performance positively. However, founders on board have insignificant relation with firm performance. Meanwhile, political connections do not moderate the relationship between family ownership and founders on board with firm performance.

Keywords: Firm Performance, Family Ownership, Founders on Board, Political Connections, Indonesia

doi: https://doi.org/10.22216/jit.v16i4 688-700

JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i4 (688-700)
ISSN : 1979-9292
E-ISSN : 2460-5611

INTRODUCTION

Many parties are involved in the company's operation or activities both internally and externally. One of the internal influences is family ownership. Family ownership can be interpreted as the existence of the majority of share ownership owned by a family (Maseda *et al.*, 2019).

Family ownership has a role as an owner and manager because in addition to owning shares, the family also participates in the management and decision making of the company (Basco & Voordeckers, 2015; López-Delgado & Diéguez-Soto, 2015; Ramírez *et al.*, 2020). In Indonesia, more than half of the companies are owned and controlled by family companies (Itan & Lestari, 2012). Previous studies conducted by, Claessens *et al*. (2000), revealed that the companies in Indonesia are still dominated or owned by family by about 68%. In addition, another study conducted by Harymawan *et al*. (2019) examined that firms in Indonesia are 41% family-owned as well as 34% politically connected firms. A recent survey conducted in 2014 by a well-known auditor, PricewaterhouseCoopers (PWC), also stated that more than 95% of business in Indonesia are owned by the family and were predicted to be the 4th largest economic power in the world by 2050. The characteristics of family company in Indonesia are a company that have gone public and are on average incorporated in business groups such as conglomerate business (Chabachib *et al.*, 2020; Fan *et al.*, 2011).

Some prior studies have researched about family ownership with direct negative and positive influences on the firm's performance. The negative influences of family ownership allow the majority shareholder who has substantial control tended to take over the minority shareholder, i.e. by charging fees and sacrificing minority shareholders for personal gain (Dharmadasa, 2015; Jameson *et al.*, 2014; Yopie & Elivia, 2022). The difference control owned by shareholders ultimately often leads the company to the emergence disputes of interest (Bambang & S. Hermawan, 2012; Laely & Yana, 2018). The concentrated family ownership even gives a big impact on nepotism and corruption (Dharmadasa, 2015; Juniarti, 2015; Tanjung, 2019). In this case, family ownership often recruits family or relatives who do not have enough knowledge and abilities within the company, also promoting their child to obtain high position in management structure even though they are not competent and unfit for the position (Haji, 2014).

On the other side, family ownership structure have positive effect on firm performance (Anderson & Reeb, 2003). Family ownership owns most of their wealth, which tied to the company and therefore, tends to be further away from risk than non-family owner. Family ownership can also improve performance because it is believed to reduce agency problems (Chandra & Feliana, 2020; Chu, 2011; Halili *et al.*, 2015; Hasnan *et al.*, 2019; Itan, 2021; Kao *et al.*, 2019; Zraiq & Fadzil, 2018). The complicity of family members in management framework has better control and more effective supervision (Dharmadasa, 2015). Company with concentrated ownership by families have strong family characteristics and desire to survive (Hasnan *et al.*, 2019; Komalasari, 2014). According to Hasnan *et al.* (2019) and Yopie *et al.* (2018) research, the survival method of family firm is by increasing cost efficiency so that the company can survive to be passed on to the next generation. Despite mixed results obtained by the prior studies, current study expected that the registered companies with family ownership can improve the firm's performance. As a result, the following hypothesis was proposed:

H_1: Family ownership influences firm performance positively.

The firm performance is not necessarily influenced by family ownership. Founders on board are another internal aspect that can influence the firm's performance. Research done by Hasnan *et al.* (2019) found that the company undertaken by founders on board are better-off than hiring non-executive directors from outside. An example was defined by Jaskiewicz *et al.* (2017) research of the company operated by founders on board which can survive for a long time due to the commitment of the founders to plan the future of the company well. Similarly, Chu (2011) research discovered that the founders who serve as directors or shareholders have the benefit of preventing agency problems between agents (management) and principals (shareholders).

Founders on board can be considered as wealth creators due to their high control in making and changing decisions related to investment (Amran & Ahmad, 2010). The founders of the same family as board from multiple generations can make significant innovations because of their different experiences and knowledge which were gained from generation to generation (Latif *et al*., 2013). Therefore, the firm performance can be further improved when the founders bequeath their business to the next successor (Amran & Ahmad, 2010; Shabbir & Kousar, 2019). The high firm performance is the result of a company with an active founder and the authority it has in solving problems (Andres, 2008; Hamberg *et al.*, 2013; Pukthuanthong *et al.*, 2013).

This is contrast to research performed by Li & Srinivasan (2011) and Ullah & Zhang (2016) which found insignificant influence and also a negative influence from the founders on board. One negative influence of founders on board is that the founders on board have a lower long-term return on shares. The founders on board can act in the interests of the controlling family and they are more obsessed with their own personal income than maximizing the company value. Based on the previous research conducted, founders on board are supposed to improve the firm's performance. Therefore, this study was hypothesized with the expectation as follows:

H_2: Founders on the board influences firm performance positively.

The relationship between family ownership and founders on board with firm performance can be influenced by political connections. As the key to improve firm performance, companies often use political connections as a way to improve their business (Badrul Muttakin *et al*., 2015; Ding *et al*., 2014; Osamwonyi *et al*., 2013; Su *et al*., 2014). With political connections, company will be easier to get access to credit or loans, government contracts, lower taxes, preferential

ISSN : 1979-9292
JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i4 (688-700)
E-ISSN : 2460-5611

privileges through go public, as well as improvement in financial and accounting performance (Harymawan *et al.*, 2019; Hasnan *et al.*, 2019; Houston *et al.*, 2014; Su & Fung, 2013; Xu *et al.*, 2015). Directors with political connections tend to have a significant impact on firm performance (Chizema *et al.*, 2014). In this case, politicians and corporations alike can benefit businesses where the role of political connections can invent better opportunities for viable company resources (Su *et al.*, 2014; Wang *et al.*, 2019).

Furthermore, this is in contrast to research by Wulandari (2018) which proved the companies which have political connections tend to undergo poor performance quality outcome compared to companies that do not have political connections. Political connections tend to lead to corruption where it can worsen the firm performance (Chancharat *et al.*, 2019; Chandra, 2021). Another disadvantage of political connections, i.e. the existence of ownership structures of the state and differences in decisions and interests that lead to conflict (Hasnan *et al.*, 2019; Hung *et al.*, 2017). Overall, the following hypotheses were proposed for this study:

H_3: Political connections moderate the relationship family ownership with firm performance.

H_4: Political connections moderate the relationship founders on board with firm performance.

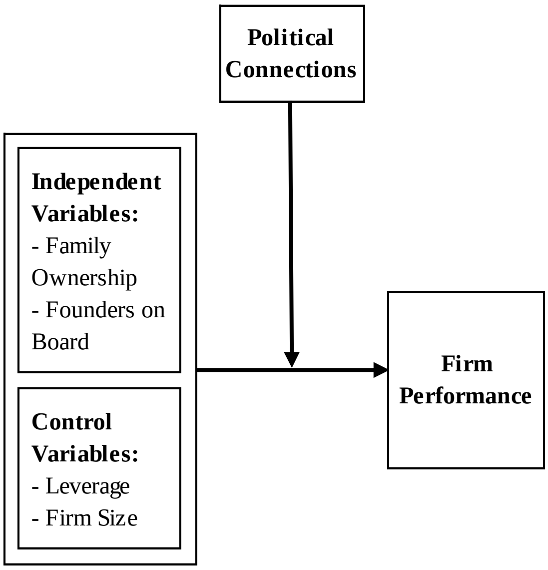

Figure 1. Theoretical Framework

Figure 1 shows how family ownership and founders on board influence a firm's performance through the moderation of political connections. In addition, the leverage and firm size were added to the study as control variables.

RESEARCH METHODS

Variable	Measurement
Dependent Variable:	
Firm Performance	
ROA	$\frac{\text{Net Income}}{\text{Total Assets}}$
ROE	$\frac{\text{Net Income}}{\text{Shareholders' Equity}}$
Independent Variable:	
Family Ownership	Value 1 if the firm is family firm which meet either the following criteria:

ISSN : 1979-9292
JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i4 (688-700)
E-ISSN : 2460-5611

	- The family owns at least 20% of the company shares - An individual or private company (listed & non-listed) have a minimum 20% share ownership of the company. If a private company is listed, it will trace the parent company whether it is family ownerhsip. Value 0 if the firm is a non-family firm
Founders on Board	Number of founders on the board / Total numbers of directors on the board
Moderating Variable:	
Political Connections	Value 1 if the firm is a politically connected firm, value 0 otherwise
Control Variable:	
Leverage	Book Value of Total Debt / Total Assets
Firm Size	Natural Log of The Book Value of Total Assets

Source: Processed Data, 2021

Table 1. Observation Variable

The research data are based on secondary data collected from the annual reports of companies registered in the IDX for the period of 2015 to 2019. The firm performance was measured using two methods of measurement, i.e. Return on Assets (ROA) and Return on Equity (ROE). As many as 492 companies with 2,460 data were selected as samples for the study. Table 1 describes the operation of variables and their measurements. This study used the following models to analyze relationships between family ownership, founders on board, political connections and firm performance:

$$I_{ij} = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \beta_7X_7 + \varepsilon_{ij}$$

Information:

Iij = Firm Performance
β0 = Constant
β1X1 = Family Ownership
β2X2 = Founders on Board
β3X3 = Political Connections
β4X4 = Leverage
β5X5 = Firm Size
β6X6 = Family Ownership Moderated by Political Connections
β7X7 = Founders on Board Moderated by Political Connections
εij = Error

RESULTS AND DISCUSSION

Variable	N	Min	Max	Mean	Std. Dev
ROA	2339	-1,8845	1,8517	0,0167	0,1468
FOB	2339	0,0000	0,3333	0,0171	0,0621
LV	2339	0,0001	28,1201	0,6113	1,1770
FS*	2339	15	824.788	16.357	52.111

Variable	N	Min	Max	Mean	Std. Dev
ROE	2342	-13,8358	7,5557	0,0330	0,6262
FOB	2342	0,0000	0,3333	0,0171	0,0621
LV	2342	0,0001	28,1201	0,6274	1,2685
FS*	2342	15	824.788	16.337	52.080

*In Billion Rupiah
Source: Processed Data, 2021

Table 2. Descriptive Statistics for Dummy

ISSN : 1979-9292
JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i4 (688-700)
E-ISSN : 2460-5611

Variable		N	Category	Frequency	Percentage
FO	ROA	2.339	0 = None	780	33,3%
			1 = Family Ownership	1.559	66,7%
	ROE	2.342	0 = None	782	33,4%
			1 = Family Ownership	1.560	66,6%
PC	ROA	2.339	0 = None	1.779	76,1%
			1 = Politically Connected	560	23,9%
	ROE	2.342	0 = None	1.780	76,0%
			1 = Politically Connected	562	24,0%

Source: Processed Data, 2021

Table 3. Descriptive Statistics

Table 2 shows descriptive statistics for measurements with ROA and ROE. Based on these results, the average value of the firm performance indicates that the firm's ability in the IDX to earn profits is 1.67% (ROA measurement) and 3.30% (ROE measurement). The results are still categorized as poor because the standard value for ROA and ROE must exceed 5.98% and 8.32%, respectively. The founders on board variable tends to be low because the average value is 1.71%. Table 3 shows companies that are family companies of 1,559 and 1,560 more data respectively than non-family companies, which is about 780 and 782 data. Similarly, previous research by Harymawan *et al.*, (2019) and Itan & Lestari (2012) found that companies in Indonesia tend to be dominated by family companies. Table 3 also indicates companies with political connections of 23.9% with ROA measurements and 24% with ROE measurements. The results indicate lack of companies in Indonesia that are politically connected related to the government.

Dependent	Prob(F-statistic) Sig.	Conclusion
ROA	0.000000	Significant
ROE	0.004968	Significant

Source: Processed Data, 2021

Table 4. F-Statistic Results

The results of the F-Statistic in table 4 explain that the independent variables in this research had a significant influence on dependent variables. The conclusion of the results of this F-Statistic is the regression models that can be used to predict factors that affect a firm performance.

Variable	ROA b	ROA Sig.	ROA Result
FO	0.028026	0.0461	Sig. Positive
FOB	0.154092	0.4208	Insignificant
PC	-0.007113	0.8132	Insignificant
FO*PC	-0.030175	0.2634	Insignificant
FOB*PC	-0.510306	0.4465	Insignificant
LV	-0.015838	0.0094	Sig. Negative
FS	0.038700	0.0000	Sig. Positive

Variable	ROE b	ROE Sig.	ROE Result
FO	-0.118492	0.1129	Insignificant
FOB	1.494.010	0.1439	Insignificant
PC	-0.028491	0.8592	Insignificant
FO*PC	0.057742	0.6876	Insignificant
FOB*PC	-2.390.341	0.5043	Insignificant

ISSN : 1979-9292
JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i4 (688-700)
E-ISSN : 2460-5611

LV	-0.050692	0.0444	Sig. Negative
FS	-0.135843	0.0028	Sig. Negative

Source: Processed Data, 2021

Table 5. Regression Results

The regression results in table 5 showed that only family ownership variables had a significant positive influence with the ROA approach. Other variables consist of family ownership, founders on board, and moderation have no significant influence on a firm's performance.

	Hypothesis	Suggested Effect	Confirmed	
			ROA	ROE
H1	FO->FP	+	Yes	No
H2	FOB->FP	+	No	No
H3	PC->(FO->FP)	+	No	No
H4	PC->(FOB->FP)	+	No	No

Source: Processed Data, 2021

Table 6. Summary of Hypothesis Testing

The significant positive effect of family ownership on firm performance (ROA) is supported by Chu (2011), Hasnan *et al.* (2019), Kao *et al.* (2019), and Zraiq & Fadzil (2018), that companies with family ownership, are more strictly in monitoring the management, which ensured that financial performance is related to agency theory. Another positive effect according to Hasnan *et al.* (2019) and Komalasari (2014) studies is because of concentrated ownership by the family has a strong family element and a desire to survive by increasing cost efficiency. In contrast to ROE measurement, there was no significant influence between family ownership and company performance. Research by Bhatt & Bhattacharya (2017) and Kim & Gao (2013) shows that the insignificant relationship of family ownership is because the company involves only family member which it can not reflect a complex company where the family is no longer the solo owner.

Founders on board had no significant effect on the firm performance in this study. This research is in line with Li & Srinivasan (2011) and Ullah & Zhang (2016) who explained that founders on board who have the opposite effect when serving as founders and directors and also more concerned with personal income than maximizing the firm performance. Another influence because the data collected in this research are the data of companies registered in the IDX, where some companies are companies that have been established long enough with the founders are mostly dead and successors who serve are the next generations.

The results of this study also showed that political connections were insignificantly affect the family ownership relationships and founders on board on the firm performance. This fact is in accordance with Ding *et al.* (2014), Goh *et al.* (2014), and Suhartono & Sany (2015) who showed that political connections failed to exert influence because the main controllers in the company realized the results of strong influence and high executive power. In this case, if founders on board had political connections, then the controllers did their way by increasing the proportion of independent directors for monitoring the actions of the board of directors who politically connected more closely. This is supported by the research conducted by Osamwonyi *et al.* (2013) that as a good corporate governance and performance policy, the board of directors

ISSN : 1979-9292
JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i4 (688-700)
E-ISSN : 2460-5611

shall consist of independent directors from outside to inspect, monitor and also provide the obligatory guidance. Other influences are due to structures within companies which are controlled by the state or politically related do not lead to good firm performance. The research done by Sami *et al.* (2019) and Zheng *et al.* (2015) also proved that the moderating effect of political connections still could not consider any benefit to the company or could be said to be just a symbolic benefit and instead became a burden on the company. According to another study by Sobel & Graefe-Anderson (2014), this political connections have no significant influence on a company's ROE due to ROE personally which has to do with profit, where the profit is derived from management capabilities and minimize unnecessary costs.

	Firm Performance	
	ROA	**ROE**
Adjusted R^2	0.387137	0.039757

Source: Processed Data, 2021

Table 7. Adjusted R-Squared Results

Adjusted R-Squared results are displayed in table 7. The value of adjusted R-squared with ROA and ROE approaches displays figures of 38.71% and 3.98% respectively which means that the variables of family ownership, founders on board, political connections, leverage and firm size can only explain the firm performance variables of 38.71% (ROA) and 3.98% (ROE). Meanwhile, the residual of each 61.29% (ROA) and 96.02% (ROE) are explained by factors or other independent variables which are not discussed in this research model.

CONCLUSION

In this article, we revealed some of the findings related to the firm performance by analyzing the company's sample data provided on the IDX. First, companies with family ownership have a significant positive influence on the firm performance with ROA measurements. Concentrated family ownership has family element factor and want to be able to survive. Its management monitoring is also tight and improving cost efficiency, providing great results to the firm performance. However, through the ROE measurements, family companies have no influence on a firm performance. Companies with family ownership that tend to involve family members can no longer represent companies that are currently already complex.

Second, founders on board have no effect on the firm performance. This is due to the effect of different responsibilities when serving as founders and directors. Founders on board have lower long-term stock returns. Another matters are because the founders on board lacks commitment and are incompetent in operating the company.

Third, political connections do not moderate the relationship of family ownership and founders on board with the firm performance. Moderation effect of political connections still can not consider any benefit for company, or it can be considered only as a symbolic benefit and instead become a burden for the company. Structure in a state-controlled company can not lead to good corporate governance and performance.

Overall, this research still has limitations, because the founders on board

ISSN : 1979-9292
E-ISSN : 2460-5611

information is still minimal and is not disclosed in the annual report. Therefore, it would be better if the founders are not limited to the board of directors but can also be the board of commissioners or other management structures. Such limitations can be used as an innovation for further research.

BIBLIOGRAPHY

Amran, N. A., & Ahmad, A. (2010). Family Succession and Firm Performance Among Malaysian Companies. *International Journal Of Business And Social Science*, *1*(2), 193–203.

Anderson, R. C., & Reeb, D. M. (2003). Founding-Family Ownership and Firm Performance: Evidence From The S&P 500. *Journal Of Finance*, *58*(3), 1301–1327.

Andres, C. (2008). Large Shareholders and Firm Performance-An Empirical Examination Of Founding-Family Ownership. *Journal Of Corporate Finance Journal*, *14*, 431–445.

Badrul Muttakin, M., Monem, R. M., Khan, A., & Subramaniam, N. (2015). Family Firms, Firm Performance and Political Connections: Evidence From Bangladesh. *Journal Of Contemporary Accounting And Economics*, *11*(3), 215–230.

Bambang, M., & S. Hermawan, M. (2012). Founding Family Ownership and Form Performance: Empirical Evidence Form Consumer Goods Industry In Indonesia. *Journal Of Applied Finance And Accounting*, *4*(2), 112–131.

Basco, R., & Voordeckers, W. (2015). The Relationship Between The Board of Directors and Firm Performance In Private Family Firms: A Test Of The Demographic Versus Behavioral Approach. *Journal Of Management & Organization*, *21*(4), 411–435.

Bhatt, R. R., & Bhattacharya, S. (2017). Family Firms, Board Structure and Firm Performance: Evidence From Top Indian Firms. *International Journal Of Law And Management*, *59*(5), 699–717.

Chabachib, M., Irawan, B. P., Hersugondo, H., Hidayat, R., & Pamnngkas, I. D. (2020). Corporate Governance, Finn Performance and Capital Structure: Evidence From Indonesia. *Research In World Economy*, *11*(1), 48–55.

Chancharat, S., Detthamrong, U., & Chancharat, N. (2019). Board Structure, Political Connection and Firm Performance: Evidence From Thailand. *International Journal Of Business And Society*, *20*(3), 1096–1111.

Chandra, B. (2021). Pengaruh Koneksi Politik, Kinerja Perusahaan dan Karateristik Perusahaan Terhadap Manajemen Laba Di Indonesia. *Inovasi: Jurnal Ekonomi, Keuangan Dan Manajemen*, *17*(1), 35–45.

Chandra, B., & Feliana, C. (2020). Analisis Dampak Tata Kelola Perusahaan, Struktur Kepemilikan dan Cash Holdings terhadap Nilai Perusahaan di BEI 2014-2018. *JIAI (Jurnal Ilmiah Akuntansi Indonesia)*, *5*(9), 87–99.

Chizema, A., Liu, X., Lu, J., & Gao, L. (2014). Politically Connected Boards

JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i4 (688-700)
ISSN : 1979-9292
E-ISSN : 2460-5611

and Top Executive Pay In Chinese Listed Firms. *Strategic Management Journal*, *36*(6), 890–906.

Chu, W. (2011). Family Ownership and Firm Performance: Influence of Family Management, Family Control, and Firm Size. *Asia Pacific Journal Of Management*, *28*(4), 833–851.

Claessens, S., Djankov, S., & Lang, L. H. P. (2000). The Separation of Ownership and Control In East Asian Corporations. *Journal Of Financial Economics*, *58*, 81–112.

Dharmadasa, P. (2015). Family Ownership and Firm Performance: Further Evidence From Sri Lanka and Japan. *International Journal Of Asian Business And Information Management*, *5*(4), 34–47.

Ding, S., Jia, C., Wu, Z., & Zhang, X. (2014). Executive Political Connections and Firm Performance: Comparative Evidence From Privately-Controlled and State-Owned Enterprises. *International Review Of Financial Analysis*, *36*, 153–167.

Fan, J. P. H., Wei, K. C. J., & Xu, X. (2011). Corporate Finance and Governance In Emerging Markets: A Selective Review and an Agenda For Future Research. *Journal Of Corporate Finance*, *17*(2), 207–214.

Goh, C. F., Rasli, A., & Khan, S. U. R. (2014). Ceo Duality, Board Independence, Corporate Governance and Firm Performance In Family Firms; Evidence From The Manufacturing Industry In Malaysia. *Asian Business And Management*, *13*(4), 333–357.

Haji, A. A. (2014). The Relationship Between Corporate Governance Attributes and Firm Performance Before and After The Revised Code: Some Malaysian Evidence. *International Journal Of Commerce And Management*, *24*(2), 134–151.

Halili, E., Saleh, A. S., & Zeitun, R. (2015). Governance and Long-Term Operating Performance of Family and Non-Family Firms In Australia. *Studies In Economics And Finance*, *32*(4), 398–421.

Hamberg, M., Fagerland, E. A., & Nilsen, K. K. (2013). Founding-Family Firms and The Creation of Value : Swedish Evidence. *Managerial Finance*, *39*(10), 963–978.

Harymawan, I., Nasih, M., Madyan, M., & Sucahyati, D. (2019). The Role of Political Connections on Family Firms' Performance: Evidence From Indonesia. *International Journal Of Financial Studies*, *7*(4), 1–14.

Hasnan, S., Kamaruzaman, I. S., Mohd Sanusi, Z., & Ali, M. M. (2019). Political Connections, Family Ownership and Firms' Performance in Malaysia. *International Journal Of Innovation, Creativity And Change*, *7*(6), 114–136.

Houston, J. F., Jiang, L., Lin, C., & Ma, Y. (2014). Political Connections and The Cost of Bank Loans. *Journal Of Accounting Research*, *52*(1), 193–243.

Hung, C. D., Jiang, Y., Liu, F. H., Tu, H., & Wang, S. (2017). Bank Political Connections and Performance In China. *Journal Of Financial Stability*, *32*, 57–69.

Itan, I. (2021). Pengaruh Atribut Dewan Direksi dan Struktur Kepemilikan terhadap Kinerja Perusahaan dengan Struktur Modal sebagai Variabel Intervening. Forum Ekonomi, 23(2), 254–263.

Itan, I., & Lestari, W. D. (2012). Implikasi Corporate Governance Terhadap Kinerja Family Business Di Indonesia. *Jurnal Ipteks Terapan*, *1*(9), 76–84.

Jameson, M., Prevost, A., & Puthenpurackal, J. (2014). Controlling Shareholders, Board Structure, and Firm Performance: Evidence From India. *Journal Of Corporate Finance*, *27*, 1–20.

Jaskiewicz, P., Block, J. H., Combs, J. G., & Miller, D. (2017). The Effects of Founder and Family Ownership on Hired Ceos' Incentives and Firm Performance. *Entrepreneurship: Theory And Practice*, *41*(1), 73–103.

Juniarti. (2015). The Negative Impact of Family Ownership Structure on Firm Value in The Context of Indonesia. *International Journal Of Business And Globalisation*, *15*(4), 446–460.

Kao, M. F., Hodgkinson, L., & Jaafar, A. (2019). Ownership Structure, Board of Directors and Firm Performance: Evidence From Taiwan. *The International Journal Of Business In Society*, *19*(1), 189–216.

Kim, Y., & Gao, F. Y. (2013). Does Family Involvement Increase Business Performance? Family-Longevity Goals' Moderating Role in Chinese Family Firms. *Journal Of Business Research*, *66*(2), 265–274.

Komalasari, P. (2014). Pengaruh Struktur Kepemilikan Keluarga, Kepemimpinan dan Perwakilan Keluarga Terhadap Kinerja Perusahaan. *Akrual Jurnal Akuntansi*, *9*(5 (2)), 133–150.

Laely, F., & Yana, E. (2018). Determinasi Kepemilikan Keluarga Terhadap Kinerja Rentabilitas Perusahaan. *Jurnal Edunomic*, *6*(01), 41–49.

Latif, R. A., Kamardin, H., Mohd, K. N. T. M., & Adam, N. C. (2013). Multiple Directorships, Board Characteristics and Firm Performance in Malaysia. *Management*, *3*(2), 105–111.

Li, F., & Srinivasan, S. (2011). Corporate Governance When Founders Are Directors. *Journal Of Financial Economics*, *102*(2), 454–469.

López-Delgado, P., & Diéguez-Soto, J. (2015). Lone Founders, Types of Private Family Businesses and Firm Performance. *Journal Of Family Business Strategy*, *6*(2), 73–85.

Maseda, A., Iturralde, T., Aparicio, G., Boulkeroua, L., & Cooper, S. (2019). Family Board Ownership, Generational Involvement and Performance in Family Smes: A Test Of The S-Shaped Hypothesis. *European Journal Of Management And Business Economics*, *28*(3), 285–300.

Osamwonyi, O., Osad, I., Tafamel, T., & Andrew, E. (2013). Firm Performance and Board Political Connection : Evidence From Nigeria. *European Journal Of Business And Management*, *5*(26), 83–96.

Pukthuanthong, K., Walker, T. J., & Thiengtham, D. N. T. (2013). Does Family Ownership Create or Destroy

Value? Evidence From Canada. *International Journal Of Managerial Finance*, *9*(1), 13–48.

Ramírez, Y., Dieguez-Soto, J., & Manzaneque, M. (2020). How Does Intellectual Capital Efficiency Affect Firm Performance? The Moderating Role of Family Management. *International Journal Of Productivity And Performance Management*.

Sami, P., Rahnavard, F., & Tabar, A. A. (2019). The Effect Of Political And Business Ties on Firm Performance: The Mediating Role Of Product Innovation. *Management Research Review*, *42*(7), 778–796.

Shabbir, A., & Kousar, S. (2019). Impact Of Founder Ceo and Ceo Ownership on Entrepreneurial Orientation, Moderating Role Of Ceo Narcissism. *Asia Pacific Journal Of Innovation And Entrepreneurship*, *13*(2), 153–167.

Sobel, R. S., & Graefe-Anderson, R. L. (2014). The Relationship Between Political Connections and The Financial Performance of Industries & Firms. *Ssrn Electronic Journal*, *14*, 14–18.

Su, Z. Qin, & Fung, H. G. (2013). Political Connections and Firm Performance in Chinese Companies. *Pacific Economic Review*, *18*(3), 283–317.

Su, Z. Qin, Fung, H. G., Huang, D. Shi, & Shen, C. H. (2014). Cash Dividends, Expropriation and Political Connections: Evidence From China. *International Review Of Economics And Finance*, *29*, 260–272.

Suhartono, P. A., & Sany, S. (2015). Pengaruh Political Connection Dewan Direksi dan Dewan Komisaris Terhadap Return on Equity dan Asset Turnover Perusahaan Di Sektor Konstruksi. *Business Accounting Review*, *3*(2), 261–270.

Tanjung, M. (2019). Analysis of The Impact of Family Ownership and Family Control on Firm Performance During The Periods Before and After The 2008 Crisis : Evidence From Indonesia. *Forum Of International Dvelopment Studies*, *49*(4), 1–18.

Ullah, S., & Zhang, D. (2016). The Influence of Founder Status on Firm Performance: Empirical Evidence From Canadian Ipo Firms. *International Journal Of Economics And Finance*, *8*(11), 134–149.

Wang, K., Pellegrini, M. M., Xue, J., & Wang, C. (2019). Environment Uncertainty and A Firm's Strategic Change The Moderating Role Of Political Connection And Family Ownership. *Journal Of Family Business Management*.

Wulandari, L. (2018). Pengaruh Political Connection Pada Dewan Komisaris dan Dewan Direksi Terhadap Kinerja Perusahaan Sektor Pertambangan. *Jurnal Ilmiah Mahasiswa Universitas Surabaya*, *7*(1), 1196–1226.

Xu, N., Yuan, Q., Jiang, X., & Chan, K. C. (2015). Founder's Political Connections, Second Generation Involvement, and Family Firm Performance: Evidence From China. *Journal Of Corporate Finance*.

Yopie, S., & Elivia, E. (2022). The Effect of Corporate Social Responsibility, Family Ownership on Tax Avoidance: The Effect of Audit

Quality Moderation. Indonesian Journal of Economics, Social, and Humanities, 4(1), 29–40.

Yopie, S., Supriyanto, S., & Chandra, B. (2018). Peran Struktur Dewan Dalam Mempengaruhi Kinerja Pada Nilai Perusahaan Keluarga. Jesya (Jurnal Ekonomi & Ekonomi Syariah), 2(1), 45–53.

Zheng, W., Singh, K., & Mitchell, W. (2015). Buffering and Enabling: The Impact of Interlocking Political Ties on Firm Survival and Sales Growth. *Strategic Management Journal*, *36*(11), 1615–1636.

Zraiq, M. A. A., & Fadzil, F. H. B. (2018). The Impact of Ownership Structure on Firm Performance: Evidence From Jordan. *Academy Of Accounting And Financial Studies Journal*, *22*(5), 1–4.