The Effect of Good Corporate Governance on Capital Structure With Company Size A Moderating Variable

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Article Info	Abstract
	This research aims to acquire empirical evidence regarding the influence of institutional ownership, managerial ownership, and board size on capital structure while considering firm size as a moderating variable. The researcher utilized BEI to conduct the study, which involved surveying 23 real estate and property companies listed on IDX during the 2018-2021 period, spanning four years. Eviews was employed to process data from 92 firms. The results reveal that managerial ownership and board size positively impact capital structure. Additionally, firm size can moderate the relationship between institutional and managerial ownership in capital structure. Institutional ownership, on the other hand, does not affect capital structure. Furthermore, the study concluded that firm size does not mitigate the impact of board size on capital structure. Lastly, the number of directors' meetings had no effect in this study. During these meetings, the board of directors may not have been accountable for determining whether management fulfilled its responsibilities and exercised control, particularly in managing debt in the capital structure and governing real estate and property firms.

1.   Introduction

Financial growth has these days turn out to be an essential hassle that is being skilled globally (Prasetyo & Mais, 2021). The low financial stage turned into as a result of the circumstance of the worldwide economic system which persisted to revel in strain from the disaster, and numerous elements additionally contributed to the weakening of the economic system. because of the high debt than there's no person lends debt that's state of affairs is aggravated by covid-19 pandemic at early 2020. due to the low degree of the global economic system, it'll greatly have an effect on the circumstance of financial system in a country, considered one of which impacts the growth of the Indonesian financial system (Muchlis & Mais, 2022).

This phenomenon takes place in PT. Cowell development, PT Cowell development Tbk has been declared bankrupt by using the valuable Jakarta business court docket. This issuer of property coded as cowl stocks was filed for bankruptcy status by using lenders to the court docket. The financial ruin choice began after PT Multi Cakra Kencana Abadi filed for financial disaster for Cowell's debt of Rp fifty three.four billion, equivalent to 1.ninety three% of the organisation's general debt on July 17, 2020. cover stated the debt was meant to fulfill the business enterprise's

operational expenses. In nine months of 2019, Cowell development posted internet income and operating sales of IDR236.94 billion. This figure decreased by way of 30. sixty seven% from the same duration in 2018 of Rp341.74 billion. however, as the cost of revenue decreased, cowl's. However, as the cost of revenue descreased, cowl's. internet loss also improved from Rp205.25 billion to Rp25.89 billion. but, the business enterprise has to bear financial institution debts of up to IDR 1.99 trillion. This discern includes brief-time period financial institution loans of Rp220. Seventy seven billion and lengthy term bank loans of Rp1. Seventy seven trillion (www.trenasia.com).

Above phenomena explained there is a hassle that is being faced with the aid of one of the property and real property agencies that move public at the IDX. these problems are because of the high stage of debt owned via PT. Cowell development. This displays that the business enterprise's dependence on outdoor events could be very large. With the boom in the level of debt owned by way of the employer, that's getting higher, it's going to make the value of the company lower inside the eyes of buyers so it is able to be inconvenient for the organization's getting a source of employer finances so an premiere capital structure cannot be done, which results in financial disaster of the organization.

Research conducted by Hadiprajitno (2019), Elsa and Dewi (2018), Ngatemin et al. (2019) and Rafiah and Zuhriyah (2020), show that there is a positive impact amongst institutional ownership at the capital structure of the agency This result isn't the same as studies conducted by means of Sulistiana and amusing (2018) and Audina (2020) which suggests a poor impact among institutional ownership on enterprise capital structure. research conducted by way of Lestari and Wirawati (2021), Audina (2020) indicates the effect fine courting between managerial ownership of the agency's capital shape. distinctive consequences had been executed in studies with the aid of Elsa and Dewi (2018) and Kadek et al (2019) showing a terrible effect among managerial ownership on the company's capital structure. whilst the results of research from Sulistiana and Asyik (2018) and Hadiprajitno (2019) received managerial possession outcomes that did not have an effect on the enterprise's capital structure.

Research via Elsa and Dewi (2018) and Rafiah and Zuhriyah (2020) shows that board size has a positive effect on capital shape. In assessment to Hadiprajitno (2019), Widijaya and Peny (2020) and Fitri and Erlita (2018), research suggests a negative impact among board size and capital structure. studies through Kadek et al (2019), Audina (2020), Fitri and Erlita (2018) display that firm size has a high-quality effect on capital structure. In assessment to Ngatem et al. (2019) and Widijaya and Peny (2020) display that company length has a terrible impact on capital structure.

In standard, when a employer's economic performance deteriorates, it may create internal debt. therefore, the composition of the amount of long-time period borrowings and the quantity of equity capital ought to be determined appropriately in step with the essential long-time period investment requirements. corporations that take out lengthy-term loans with debt must be able to provide sufficient coins float to pay off the hobby on the debt and the foremost of the mortgage. green financing is feasible if a corporation has a most desirable capital shape.

In enhancing and keeping the life of belongings and real property companies, management has an vital element in figuring out the percentage of capital structure. control ought to be clever in thinking and making decisions concerning its capital structure for increasing the agency's price. therefore, the organization is predicted in an effort to ensure the company's overall performance is right, effective and efficient via figuring out the most efficient capital structure and implementing exact company governance (GCG) (Mais et al., 2023).

This examine makes use of the 2018-2021 duration that is the most current year to look at in which in that length overall performance of the actual estate industry continuously most effective grew round three.5% below national economic growth which become round five% (www.finance.detik.com). during this period the increase of the nominal property fee index also showed a low percent for the final 3 years, specifically in 2018 it became 3.506%, in 2019 it fell

to 2.950% and in 2020 it fell once more to at least one.770% (www.ceicdata.com). The reason for the use of the property and real property industry as an object of studies is because the industry is pretty advanced and has proper potentialities. Seeing the increasing variety of citizens, for that reason, the development of housing, residences, buildings, department stores. places of work, and. others also are increasing. this is of route a possibility for buyers to invest so that the prospects for buying and selling in institutional, managerial and board-owned stocks will hold to boom.

Employer principle found by way of Jensen dan Meckling (Indrawati, 2019:7) which nation that the connection or contract between shareholders and manager. A shareholder gives the supervisor the authority to control the company. as the celebration who's given the authority and shape of duty for operations of the company, the manager has the duty to offer, file the organization's economic statements and notify the condition of the enterprise to shareholders. more records and business enterprise potentialities may be recognized through managers as employer managers than shareholders. As a result, it'll make managers have the possibility to take moves so that it will reason war problems among managers and shareholders so that employer dreams are not carried out.

The capital shape includes a stability of perpetual brief-time period debt, long-term debt, desired inventory and commonplace stock. Capital structure is the ratio of foreign capital to fairness or the quantity of debt (Musthafa,2017:85). In capital structure refers to the total debt and fairness utilized by a organisation to fund its belongings and operational. Capital shape is recognized as debt to fairness ratio. This debt and equity capital is used to finance capital costs, business operations, enterprise acquisitions, and investments.The objectives of GCG are to make sure that the targets set have been performed, to create delivered price for all parties involved, to keep the organisation's property properly, and to ensure that the organization's activities are obvious, and that the enterprise contains out healthy commercial enterprise practices. top corporate Governance is the policies establish courting between shareholders, creditor, management, employee, authorities, and any other stakeholder inclusive of internal or external is regarding rights and responsibilities (Yunina and Nisa, 2019).

Institutional ownership is the variety of shares held in a employer by means of a non-bank monetary group whilst it holds budget on behalf of others (Herdinata et al., 2020). The presence of institutional shareholders can be an powerful controlling thing in company governance decisions. Institutional ownership is ownership of employer shares by way of an organization which includes an insurance business enterprise, basis, investment organisation, mutual fund, or other group (Hery, 2017). Institutional ownership is measured by dividing the shareholdings of banks, insurance businesses, pension budget, mutual finances and different establishments by using the overall quantity of shares fantastic.

Managerial possession is the percentage of stocks owned through company management (Hery, 2017). In a company, managerial ownership could be a element to play in aligning the pastimes of control and investors. With the life of managerial possession, control can be cautious whilst making choices, the management will feel the impact and blessings directly because of making incorrect choices. Managerial possession as measured by means of the proportion ownership of shares of the board of directors and the board of commissioners break up by way of superb shares.

The dimensions of the board of administrators (board length) is the quantity of forums of directors in the corporation (Rahmawati, 2017). one of the elements of appropriate corporate governance is the size of the board of administrators, a business enterprise that has a terrific organizational structure will have an effect on selection making. The board of administrators be a element in main, coping with and controlling the organisation as an entire. The board of administrators should take part in essential corporation decisions and contribute to the decision of enterprise issues. Board size is measured by means of counting the range of board participants of each actual estate and actual estate company sampled in this take a look at.

Organisation length is a degree that describes the dimensions of a corporation which can be represented by way of general belongings, general income, average sales degrees, and average overall belongings (Wati, 2019). enterprise size has a essential actor inside the capital structure. The big length of a corporation, the corporation requires large budget to invest, for that the size of a agency will provide impact the company's capital shape.

based totally on the theoretical description and empirical research above, the theoretical framework inside the studies entitled "The impact of desirable corporate Governance on Capital structure with company length as Moderating" is as follows:

Independent Variable
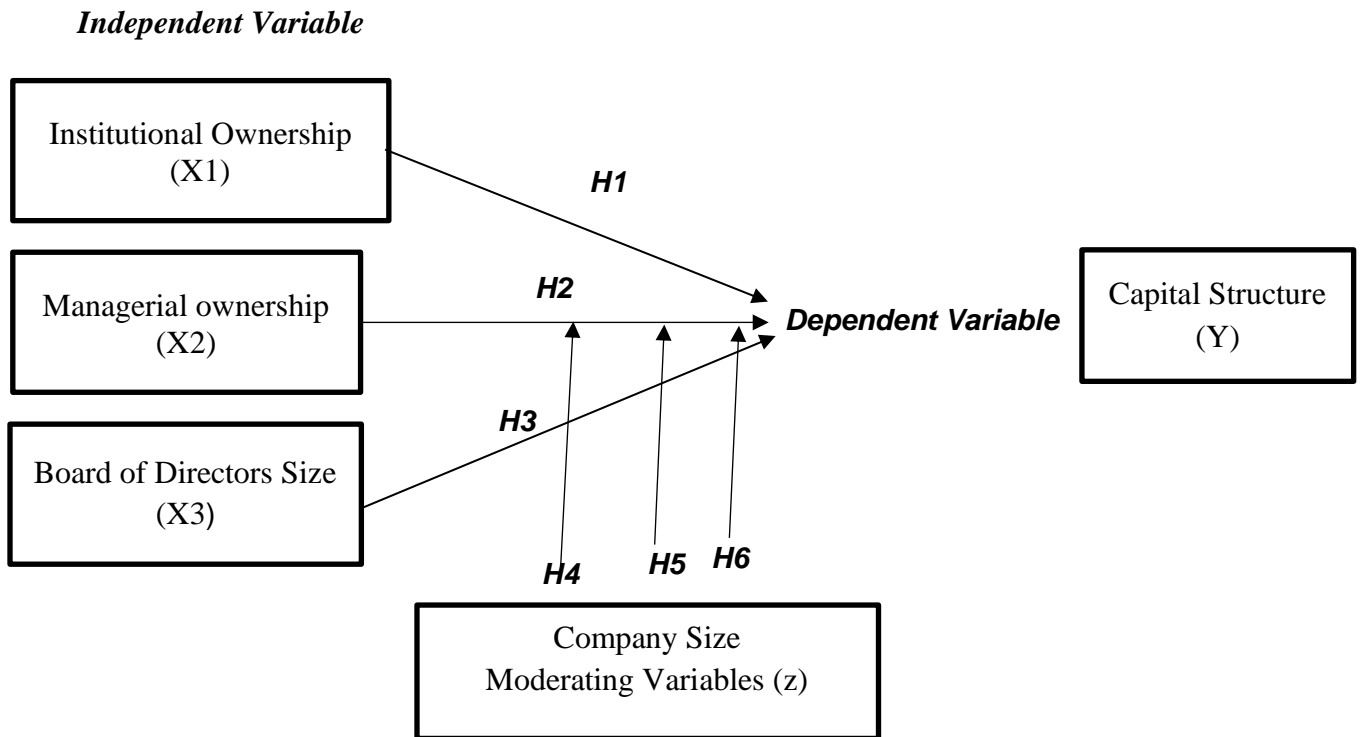
Company size can strengthen the influence of institutional ownership on capital structure. The larger the company size, the higher the level of institutional ownership, which will lead to a more optimal level of supervision by institutional shareholders (Herdinata et al., 2020). These results are supported by research conducted by Pulungan (2019) showing that company size can moderate institutional ownership of capital structure.

The relationship between company size and managerial ownership is that company size can strengthen the influence of managerial ownership on capital structure. The larger the company size, the stronger the existence of managerial ownership of company shares, so that it can align differences in interests between managers and other shareholders (Dewi & Dewi, 2018).

The relationship between company size and the size of the board of directors is that the size of a company can strength the influence of the size of the board of directors on the capital structure. The larger the company size, the greater the size of the board of directors to regulate and make decisions about the company (Oktarina, 2020). So the hypothesis regarding the influence of company size in moderating the size of the board of directors on capital structure.

2. Research Method

The statistics series approach used is a documented technique, that's a way executed through reading and recording records originating from file information related to the problem underneath observe (Sujarweni, 2019).

This take a look at makes use of quantitative research. The information we use is secondary statistics which include records approximately Debt fairness Ratio (DER), institutional possession, length of the board administrators, managerial ownership be measured through suggest, most, minimal. The statistics is primarily based on the 2018-2021 annual consequences of real estate and real property sector corporations listed on the Indonesia stock exchange. The information sources used on this take a look at are from www.idx.co.identification and the employer's economic reports on his website.

Studies Populace

Populace is a combination of studies items with predetermined characteristics and criteria, based on those qualities and criteria, the populace could be understood as a group of items of commentary with as a minimum one feature equation (Ngatemin et al., 2019). The population on this studies object is the belongings and real estate zone agencies listed on the Indonesia inventory alternate in 2018-2021. The sampling approach used is purposive sampling, that is a way in which the pattern for use is only agencies that meet the criteria. sample criteria used in this look at, namely:

1. Property and real estate sector companies listed on the Indonesia Stock Exchange in 2018-2021.
2. Property and real estate sector companies that do not publish and publish complete annual financial reports for 2018-2021.
3. Property and real estate sector companies that do not include complete data on all variables needed for 2018-2021.

Table 1. Sample Selection Criteria

No.	Criteria	Amount
1	Property and real estate sector companies listed on the Indonesia Stock Exchange in 2018-2021.	63
2	Property and real estate sector companies that do not publish and publish complete annual financial reports for 2018-2021.	(8)
3	Property and real estate sector companies that do not include complete data on all variables needed for 2018-2021.	(32)
	Number of research samples per year	**23**
	Number of samples (23 x 4 research period)	**92**

Sourced from Processed Secondary Data (2022)

Data Analysis

This study uses multiple regression analysis and relaxed regression analysis. The analysis in this study used to determine the impact of good corporate governance on capital structure, with respect to firm size of real estate and real estate companies listed on the Indonesian Stock Exchange in 2018-2021. As the data to be processed were cross-sectional and time-series data, the obtained data were analyzed using the software program Eviews.

Moderated Regression Analysis (MRA)

Interaction test or relaxed regression analysis is an application of multiple linear regression used to test regression using relaxed variables. Relaxed regression analysis relaxes variables in establishing relationships that may strengthen or weaken the dependent variable. Relaxed regression analysis differs from subgroup analysis in that analytical approaches can be used that preserve sample integrity and provide a basis for controlling for the effects of relaxed variables (Ghozali, 2018:227). The regression equation used in the relaxed regression analysis test in this study is as follows:

$$Y = \alpha + \beta 1 INST + \beta 2 MNJ + \beta 3 UDD + \beta 4 UP + \beta 5 INST * UP + \beta 6 MNJ * UP + \beta 7 UDD * UP + e$$

Information:
Y	: DER
α	: Constant
1-β7	: Regression Coefficient
INST	: Institutional Ownership
MNJ	: Managerial ownership
UDD	: Size of the Board of Directors
UP	: Company Size
INST*UP	: Interaction of institutional ownership with firm size
MNJ*UP	: Interaction of managerial ownership with firm size
UDD*UP	: The interaction of the size of the board of directors with the size of the company
e	: Standard error / error

Descriptive Statistics Test

Fundamentally, descriptive statistics in research is the process of transforming research data into a tabular format that is easy to understand and imply (Sujarweni, 2019:225). Descriptive statistics describe the relationship of the independent variables used, namely institutional ownership, managerial ownership, and the size of the board of directors.

Classic assumption test

The classical assumption test is a test of requirements used for regression testing with the Ordinal Least Squares (OLS) estimation method (Riyanto & Hatmawan,2020:137). In the classical assumption test, which must be met are normality test, autocorrelation test, heteroscedasticity test, and multicollinearity test.

Normality test

The normality test aims to test in the regression model, the dependent variable and the independent variable have a normal distribution or not (Sujarweni, 2019:225). The normality test analysis tool uses the Kolmogorov Smirnov method. To see the significance value or not, namely:
1.   If significant > 0.05, it is normally distributed.
2.   If significant < 0.05 it is not normally distributed.

Autocorrelation Test

The autocorrelation test aims to perceive in the linear regression model there is a correlation between the confounding error in period t and the error of the previous period. The time series data was carried out on autocorrelation testing while the cross section was not tested for autocorrelation. The analytical test tool in the autocorrelation test uses the Durbin-Watson test. For decision making whether or not autocorrelation exists in a model, a benchmark value of DW count is close to 2. If the DW count is close to or around 2, the model is free from the classical assumption of autocorrelation (Ghozali, 2018:111). The criteria for testing autocorrelation are as follows:

1. DW numbers below -2 have a positive autocorrelation.
2. The DW number between -2 to +2 has no autocorrelation.
3. DW numbers above +2 have a negative autocorrelation.

Heteroscedasticity Test

The heteroscedasticity test is a state of variance and the error of the confounding variable is not constant for all independent variables (Sujarweni,2019:226). To see the presence of heteroscedasticity, it is done by looking at the graph plot on the SPSS Scatter-Plot graph between SRESID and ZPRED. It is known that heteroscedasticity occurs when the dotted pattern forms a regular pattern. If the points spread above and below the number 0 on the Y axis and do not form a clear pattern, it be able to conclud that there is no heteroscedasticity.

Multicollinearity Test

The multicollinearity test was conducted to determine whether the independent variables were multicollinear or not and whether the regression found a high or perfect correlation among the independent variables (Ghozali, 2018:107). Multicollinearity test can be seen with Tolerance and Variance Inflation Factor (VIF). If the tolerance value > 0.1 and VIF < 10, it can be concluded that the variable does not occur multicollinearity.

Multiple Regression Analysis

This study uses multiple linear regression analysis method, which consists of two or more independent variables and one dependent variable(Riyanto & Hatmawan, 2020:140). Where is used to determine the effect of good corporate governance on the capital structure and also the size of the company as a moderator that can moderate the independent variable on the dependent variable. The following is the regression equation model used in this study:
Regression Equation Model:

$$Y = \alpha + \beta 1INST + \beta 2MNJ + \beta 3UDD + UP + e$$

Information :
Y   : DER
α : Constant
$1-\beta 7$: Regression Coefficient
INST   : Institutional Ownership
MNJ   : Managerial ownership
UDD   : Size of the Board of Directors
UP   : Company Size
e   : Standard error / error

Coefficient of Determination Test (R2)

The coefficient of determination test is an important measure in regression, which reflects the ability of the dependent variable (Sujarweni, 2019:228). The adjusted R Square value determines the value of determination, where the coefficient value is between 0 and 1. With the higher the coefficient value, the greater the influence of the independent variable on the dependent variable.

Simultaneous Test (F Test)

The F test is intended to find out how much influence the independent variables have on the dependent variable together (Riyanto & Hatmawan,2020:142). This test was carried out with a significance value of F at the SPSS output, a significance value of 0.05 ($\alpha = 5\%$). The criteria in the F test are:
1. If the significance value > H0 is accepted and Ha is rejected.

2.   If the significance value < H0 is rejected and Ha is accepted.

Hypothesis Test (t Test)
    The t-test is used to determine each independent variable on the dependent variable (Ghozali,2018:152). The test was carried out with a significance value of t at the SPSS output, a significance value of 0.05 ($\alpha = 5\%$). The criteria in the t test are:
a.   If the significance value > H0 is accepted and Ha is rejected.
b.   If the significance value < H0 is rejected and Ha is accepted.

3.   Results and Discussions
    The population in this research is property and real estate sector companies listed on the Indonesia Stock Exchange for the 2018-2021 period. In this research, the secondary data source obtained came from the Indonesia Stock Exchange (BEI) via the website www.idx.co.id. The population in this study was 92 companies. The sampling technique in this research was purposive sampling, so that the number of samples produced was 23 companies with a research period of 4 years.

Table 3. Research Sample

No	Kode	Nama Perusahaan
1	APLN	Agung Podomoro Land Tbk
2	ASRI	Alam Sutera Reality Tbk
3	BAPA	Bekasi Asri Pemula Tbk
4	BEST	Bekasi Fajar Industrial Estate Tbk
5	BIPP	Bhuawantala Indah Permai Tbk
6	BKDP	Bukit Darmo Property Tbk
7	BSDE	Bumi Serpong Damai Tbk
8	CTRA	Ciputra Development Tbk
9	DART	Duta Anggada Realty Tbk
10	DILD	Intiland Development Tbk
11	EMDE	Megapolitan Development Tbk
12	GPRA	Perdana Gapura Prima Tbk
13	GWSA	Greenwood Sejahtera Tbk
14	JRPT	Jaaya Real Property Tbk
15	KIJA	Kawasan Industri Jababeka Tbk
16	MKPI	Metropolitan Kentjana Tbk
17	MTLA	Metropolitan Land Tbk
18	PLIN	Plaza Indonesia Realty Tbk
19	PPRO	PP Properti Tbk
20	PUDP	Pudjiati Prestige Tbk
21	PWON	Pakuwon Jati Tbk
22	RDTX	Roda Vivatex Tbk
23	SMRA	Summarecon Agung Tbk

Source: www.idx.co.id (Data processed)

Descriptive Statistical Analysis

Descriptive statistics aims to describe and describe the characteristics of a sample being researched and seen from the average value (mean), standard deviation (standard deviation), highest value (maximum), lowest value (minimum) of each variable used. researched. The results of the descriptive analysis are presented in the table below:

Table 3. Descriptive Statistical Analysis

|	INST	MNJ	UDD	DER	INST_UP	MNJ_UP	UDD_UP
Mean	60.20230	5.705518	5.119565	0.869377	1695.963	162.9783	145.1645
Median	68.68329	1.144883	5.000000	0.643365	1898.389	27.22877	122.8726
Maximum	89.91856	48.02084	11.00000	3.687806	2721.089	1419.655	342.8243
Minimum	2.988158	0.000756	2.000000	0.054162	89.94495	0.019388	51.32368
Std. Dev.	21.85653	11.33647	2.121799	0.720982	645.4297	335.8060	63.70781

Source: Result of processing eviews 10

Classic Assumption Test

Normality Test

In this research, researchers used Jarque-Bera and Probability to determine the distribution of the sample. Residual data can be said to be normally distributed if Jarque-Bera < 5.991 and Probability ≥ α 0.05. The following are the results of the normality test:

Table 4. Result of Normality Test
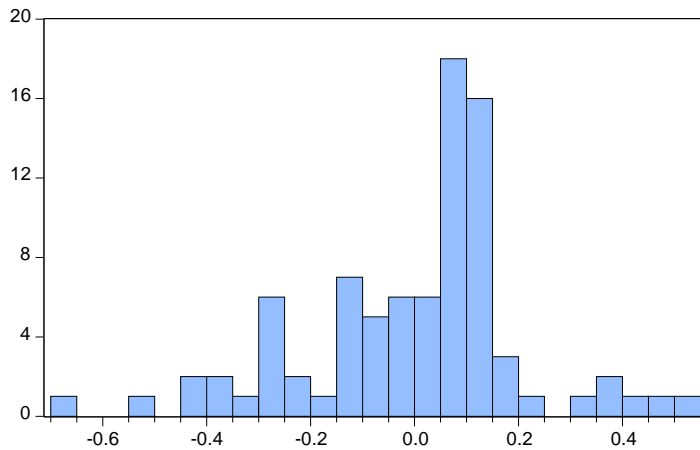
Series: Standardized Residuals	
Sample 2018 2021	
Observations	92
Mean	5.12e-16
Median	0.051307
Maximum	0.515786
Minimum	-0.660489
Std. Dev.	0.209996
Skewness	-0.483147
Kurtosis	3.837327
Jarque-Bera	5.721939
Probability	0.067913

Source: result of eviews 10 processed

Based on the normality test results in table 4 above, the Skewness coefficient value is close to 0, namely -0.483147, the Kurtosis value is close to number 3, namely 3.837327, the Jarque-Bera value is smaller, namely 5.721939 than the Chi-Square value (df) 2 is 5.991 while the Probability value is 0.067913 which indicates a number greater than the value α = 0.05. With the results above, it can be concluded that the null hypothesis (H0) cannot be rejected, which means the data is normally distributed.

Multicollinearity Test

Table 5. Result of Multicollinearity Test

	INST	MNJ	UDD	INST_UP	MNJ_UP	UDD_UP
INST	1.000000	-0.281599	-0.173269	0.827834	-0.292380	-0.217576
MNJ	-0.281599	1.000000	-0.100690	-0.274588	0.898447	-0.089196
UDD	-0.173269	-0.100690	1.000000	-0.179409	-0.099123	0.729836
INST_UP	0.827834	-0.274588	-0.179409	1.000000	-0.268379	-0.089680
MNJ_UP	-0.292380	0.898447	-0.099123	-0.268379	1.000000	-0.071848
UDD_UP	-0.217576	-0.089196	0.729836	-0.089680	-0.071848	1.000000

Source: result of eviews 10 processed

Based on table 5 above it can be seen that the correlation coefficient value of each independent variable shows <0.90. This is in accordance with the opinion of Ghozali (2017) who states that the correlation is below 0.90 and there is no multicollinearity. So it can be concluded that there is no multicollinearity problem in this research.

Heteroscedasticity Test

Table 6. Result of Heteroscedasticity Test
Heteroskedasticity Test: Breusch-Pagan-Godfrey

F-statistic	1.627689	Prob. F (6,85)	0.1494
Obs*R-squared	9.481069	Prob. Chi-Square (6)	0.1483
Scaled explained SS	29.77597	Prob. Chi-Square (6)	0.0000

Source: result of eviews 10 processed

H0: There is no heteroscedasticity problem
H1: There is a heteroscedasticity problem
Based on table 6. above, the results of the heteroscedasticity test show that all variables show a probability value of $0.1483 > \alpha = 0.05$ so it can be concluded that H0 is accepted, which means the regression model is homoscedastic, or in other words, there is no heteroscedasticity problem in this study.

Autocorrelation Test

Table 7. Result of Autocorrelation Test
Breusch-Godfrey Serial Correlation LTest:

F-statistic.	1.30006	Prob. F (2,83)	0.0750
Obs*R-squared	1.55499	Prob. Chi-Square (2)	0.0560

Source: result of eviews 10 processed

Based on table 7, the results obtained show that the Autocorrelation Test using the Breusch-Godfrey LM Test shows that the value of Prob.Chi-Square (2) is greater than 0.05 (0.0560 > 0.05), so H0 accepted, which means that the regression model does not have autocorrelation. This is the

same as the opinion of Winarno (2017) who states that a probability value > 0.05 does not occur autocorrelation, but if the probability value < 0.05 then autocorrelation occurs.

Multiple Regression Analysis

The purpose of multiple regression analysis is to test the magnitude and direction of independent variables to subordinate variables. The independent variables in this study are the ownership of the institution, the ownership of the manager, and the number of members of the Board of Directors. The subordinate variable in this study is a capital configuration using heavy regression, but the results of multiple regression analysis are as follows:

Table 8. Multiple Regression Analysis

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.740250	0.350720	2.110658	0.0388
INST	-0.008628	0.018553	-0.465039	0.6435
MNJ	2.122908	0.111439	2.102919	0.0243
UDD	1.023731	0.213461	2.111173	0.0118

Source: Processing Results Eviews 10

Based on table 4.13 above, the multiple linear regression equation is as follows:

$$DER = 0.740250 - 0.008628 \ (INST) + 2.122908 \ (MNJ) + 1.023731 \ (UDD) + e$$

Based on the multiple linear regression equation above, we can analyze the influence of each unbiased variable on the established variables as follows:
1. The consistent of 0.740250 states that if there's no trade within the cost of the independent variable, the value is constant at zero.740250.
2. The INST regression coefficient for institutional assets has a terrible dating value of 0.008628. This means that the dimensionality of the capital structure is reduced by using a device of 0.008628 and various factors are considered stable whenever the price of institutional assets changes.
3. The regression coefficient for MNJ has a positive date of 2.122908 for stewardship. This means that the capital structure increases by 2.122908 units for each change in stewardship compensation, taking into account other factors stably.
4. The ratio of quality to number of managers for the cost UDD regression coefficient is 1.023731. This means that for each choice in the value of a large number of directors, the capital structure increases by 1.023731 units of his, with various factors being considered consistently.

***Moderated Regression Analysis* (MRA)**

This study uses Moderated Regression Analysis (MRA) which takes into account the variables of institutional ownership, managerial ownership, the total size of the board of directors and company size as moderating variables on capital structure, following the results of the moderating regression analysis:

Table 9. Moderated Regression Analysis (MRA) Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.740250	0.350720	2.110658	0.0388

INST	-0.008628	0.018553	-0.465039	0.6435
MNJ	2.122908	0.111439	2.102919	0.0243
UDD	1.023731	0.213461	2.111173	0.0118
INST_UP	2.000502	0.000605	2.828728	0.0204
MNJ_UP	0.003363	0.003983	2.844401	0.0016
UDD_UP	-0.003283	0.005019	-0.654247	0.5153

Source: Processing Results Eviews 10

Based on table 3 above, then the multiple linear regression equation is as follows:

DER = 0.740250 – 0.008628 (INST) + 2.122908 (MNJ) + 1.023731 (UDD) + 2,000502 (INST*UP) + 0.003363 (MNJ*UP) – 0.003283 (UDD *UP) + e

Based on the multiple regression equation above, the influence of each independent variable on the established variables can be analyzed as follows:
1. The constant of 0.740250 states that if there's no alternate inside the value of the independent variable, the value is steady at zero.740250.
2. Regression coefficient fee X1has a bad courting 0.008628 forinstitutional ownership, that means that per 1 has change in the value of institutional ownership, the size of the capital shape will decrease by using 0.008628 gadgets, other factors are taken into consideration regular.
3. Regression coefficient cost X2has a effective dating 2.122908 formanagerial possession, which means that every 1 alternate within the price of managerial possession, the capital shape will increase by using 2.122908 units, different elements are taken into consideration regular.
4. Regression coefficient value X3has a fine dating 1.023731 forthe overall length of the board of directors, that means that for every 1 change inside the cost of the total length of the board of directors, the scale of the capital shape will growth through 1.023731 devices, different factors are taken into consideration consistent.
5. The value of the INST*UP regression coefficient which is the interaction of institutional ownership (INST) with firm size has a positive relationship of 2,000502, so every increase in INST*UP will increase the capital structure by 2,000502.
6. The regression coefficient value of MNJ*UP which is the interaction of managerial ownership (MNJ) with firm size has a positive relationship of 0.003363, so every increase in MNJ*UP will increase the capital structure by 0.003363.
7. The regression coefficient value of UDD*UP which is the interaction of the total size of the board of directors (UDD) with firm size has a negative relationship of 0.003283, so any decrease in UDD*UP will decrease the capital structure by 0.003283.

Determinant Coefficient (R2)

This determinant test determines the proportion of influence between independent and dependent variables. A large (R2) indicates that the independent variable is more explanatory than the dependent variable. Here are the results of the determinant coefficient test:

Table 10. Determinant Coefficient Test

R-squared	0.878021	Mean dependent var	0.869377
Adjusted R-squared	0.823808	SD dependent var	0.720982
SE of regression	0.302633	Akaike info criterion	0.699192
Sum squared resid	5.769983	Schwarz criterion	1.494104

Likelihood logs	-3.162848	Hannan Quinn Criter.	1.020025
F-statistics	16.19581	Durbin-Watson stat	2.599465
Prob(F-statistic)	0.000000		

Source: Processing Results Eviews 10.

Based on the table above, the regression equation at the Adjusted R2 value of 0.823808 explains that the effect of INST, MNJ and UDD moderated by UP on DER is 82.3808% and the remaining 17.6192% is getting impact by another factors.

Hypothesis testing

To test the hypothesis of whether there is a joint or partial effect between the independent and dependent variables, research should be conducted. In this study, hypotheses are tested using partial significance tests (T-tests) and joint significance tests (F-tests). Partial Testing (T Test) A t-test was performed to determine whether each independent variable had a significant effect on the dependent variable.

Table 11. T Test Results (Partial)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.740250	0.350720	2.110658	0.0388
INST	-0.008628	0.018553	-0.465039	0.6435
MNJ	2.122908	0.111439	2.102919	0.0243
UDD	1.023731	0.213461	2.111173	0.0118
INST_UP	2.000502	0.000605	2.828728	0.0204
MNJ_UP	0.003363	0.003983	2.844401	0.0016
UDD_UP	-0.003283	0.005019	-0.654247	0.5153

Source: Processing Results Eviews 10

Based on the table above, the t-test can be explained partially as follows:

1. First hypothesis

   The effects of the t-take a look at can be seen from the effects of the partial significance check. The consequences may be seen from the table. The desk shows that the fee of institutional possession is more than the importance degree for rejecting state H1 (zero.6435 > 0.05), implying that institutional ownership (H1) does no longer in part affect capital shape. This explains that the decrease the level of institutional possession within the shape of shares owned by using real property or corporations other than real estate businesses, the higher the level of price of capital that must be spent. that is due to the fact managers are given the opportunity to take moves that lead to the manifestation of company disputes, and the presence of institutional investors have to cause more potent monitoring of management performance. This result differs from previous paintings with the aid of Dewi & Dewi (2018), which located that institutional possession impacts capital shape.

2. Second hypothesis

   The results of the t-check can be visible from the consequences of the partial significance test. The effects may be visible from the desk. The desk indicates that management ownership values are less than the significance stage (0.0243<zero.05) that accepts state H2, suggesting that control possession (H2) has a partial nice effect on capital shape. because of this structural capital can growth as control possession will increase. due to the fact the control has the same interests as the proprietor. This reduces corporation issues. This end

result differs from preceding paintings by way of Dewi & Dewi (2018), which located that control ownership does now not affect capital structure.

3. Third hypothesis
    The outcomes of the t-check may be seen from the results of the partial significance test. The outcomes can be seen from the desk. The table shows that the fee of normal board size is underneath the significance stage (0.0118 <0.05) to just accept kingdom H3, suggesting that basic board length (H3) has a partial advantageous impact on capital structure. This explains that belongings and actual estate agencies in 2018-2021 with greater than enough members of the board of administrators could have effective operational manage. in order that property and actual property groups have extra ability to achieve outside funding sources from the inventory market and monetary institutions with a view to boom the value of property and real property agencies. it is due to the fact Board of directors have crucial role in making decisions for lowering issues internal (management) or troubles outside (investors).

4. Fourth hypothesis
    Based at the table, the opportunity cost is (zero.0204 <zero.05). The effects within the desk show that firm length values can slight the connection among institutional ownership and capital shape and improve it with a fantastic coefficient value. It method if the price of company length is ideal it's going to boom relation institutional ownership to structure capital.

5. Fifth hypothesis
    Based at the table the chance fee is (zero.0016 < 0.05). The results of the table show that the value of firm size can be moderate the relationship among managerial ownership and capital structure and strengthen it with a positive coefficient value. It means if the value of firm size is good it will increase relation managerial ownership to structure capital.

6. Sixth hypothesis
    Based on the table the probability value of (0.5153 > 0.05). The results of the desk display that the firm length price isn't able to slight the connection among the overall size of the board of directors and the capital structure and weakens it with a negative coefficient value. Then hypothesis H6 isn't always demonstrated.

4. Conclusions

This test examines the effect of a few correct company governance mechanisms at the capital structure of various employer sizes. based totally on some empirical research consequences to date, this mechanism is assumed to influence the capital shape. using a pattern of real property and real estate corporations listed on the Indonesian stock alternate from 2018 to 2021, the researchers take a look at organizational possession, managerial ownership and board of administrators as appropriate corporate governance mechanisms. the following conclusions may be drawn from the studies conducted accurate corporate governance with proxies Institutional possession there's don't have any effect for the capital shape of belongings and real property sector corporations listed on the Indonesia inventory trade for the period 2018-2021 This explains that the lower the level of institutional ownership will lead to a excessive stage of capital shape, this could cause employer conflicts and failure standards of proper company governance. The proxy of managerial ownership having a right effect at the capital this explains that the better the extent of managerial ownership, the better the level of the organisation's capital structure. The proxy of the dimensions of the board of administrators having a advantageous, this explains that the better the extent of capital structure, the more than sufficient number of contributors of the board of directors may have powerful operational manage.

The size of business enterprise can be mild the connection among institutional possession and capital structure, this explains that the relationship among company size and managerial

possession, can make stronger the have an effect on of institutional possession with the capital shape. Length of the agency can be moderate the relationship among managerial ownership and capital shape. This explains that the relationship among firm size and managerial ownership, can give a boost to the have an effect on of managerial possession with capital shape. company size can't be slight the relationship among the scale of the board of administrators and the capital structure. This explains that the connection between enterprise size and managerial possession is firm size can weaken the effect of firm size on capital structure.

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