

Analysis of the Influence of Leverage, Profitability, and Liquidity on Firm Value with Firm Size as a Mediating Variable in Healthcare Sector Companies Listed on the Indonesia Stock Exchange (2021–2025)

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Abstract: This study aims to analyze the influence of leverage, profitability (ROA), and liquidity on firm value, with firm size as a mediating variable, in healthcare sector companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2025 period. A quantitative causal approach is employed using panel data from seven hospital companies selected through purposive sampling, yielding 35 observations processed with EViews 12 panel data regression. Model selection tests indicate that the Fixed Effect Model (FEM) is the most appropriate specification for both structural equations. Results show that leverage has a positive and significant effect on firm size, whereas profitability and liquidity do not significantly influence firm size. In the firm value model, leverage, profitability, and liquidity each have a positive and significant effect on firm value, while firm size exerts a negative and significant effect. The mediation test reveals that firm size does not act as a significant mediating variable, since the direct effects of the independent variables substantially dominate the indirect effects. The regression models explain 85.80% of the variation in firm size and 89.05% of the variation in firm value. These findings carry important implications for management and investors in optimizing capital structure and liquidity policies within the healthcare sector.

Introduction

The healthcare sector occupies an increasingly strategic position in the Indonesian economy, serving not only as a pillar of public welfare but also as a rapidly expanding industry that attracts substantial investment. Healthcare companies listed on the Indonesia Stock Exchange (IDX) have experienced significant growth, particularly following the COVID-19 pandemic, which fundamentally reshaped the demand for hospital services, pharmaceutical products, and medical equipment. During the 2021–2025 period, Indonesia's economy maintained stable growth of approximately 5.11% in 2025 (BPS, 2025), providing a supportive macroeconomic backdrop for capital market activity. Against this context, healthcare-sector

emittents have pursued aggressive asset expansion, yet their market valuations measured by Price to Book Value (PBV)—have shown a consistent downward trend, declining from an average of 5.07 in 2020 to 4.37 in 2024. This divergence between operational expansion and declining market valuation raises an empirical question: which fundamental financial factors drive firm value in healthcare companies, and does firm size mediate those relationships?

The maximization of firm value represents a central objective of financial management for publicly listed companies (Brigham & Houston, 2019). Firm value, commonly proxied by PBV, reflects investor perceptions of a company's current performance and future prospects (Husnan, 2001; Keown, 2005). Financial theory identifies several determinants of firm value, including capital structure (leverage), profitability, and liquidity—variables that send important signals to the market in accordance with Signalling Theory (Spence, 1973; Ross, 1977) and are also shaped by agency relationships between principals and agents (Jensen & Meckling, 1976). Firm size is frequently proposed as an additional factor that moderates or mediates these relationships, since larger firms typically possess greater access to external financing, broader business diversification, and stronger investor recognition (Brigham & Houston, 2010; Machfoedz, 2005).

Prior empirical studies on the relationship between leverage, profitability, liquidity, firm size, and firm value in the healthcare sector have produced inconsistent results. Ceunfin et al. (2024) found that leverage, firm size, and liquidity collectively influence firm value through ROA as an intervening variable in healthcare companies. Adisty et al. (2024) reported that firm size and ROA positively affect firm value, while leverage and liquidity do not. Burhani (2023) found that profitability and liquidity are significant determinants of firm value in healthcare companies, with firm size acting as a moderating variable. The presence of such research gaps motivates the present study, which extends prior work by simultaneously testing leverage, profitability, and liquidity as direct determinants of both firm size and firm value, while positioning firm size as a mediating variable within a panel data framework covering the dynamic 2021–2025 period.

Signalling Theory

Signalling Theory, originally developed by Spence (1973) in the context of labor markets and extended to corporate finance by Ross (1977), explains how managers transmit credible information to investors in order to reduce information asymmetry. In this study, financial variables such as leverage (DER), profitability (ROA), liquidity (CR), and the resulting PBV serve as signals through which management communicates the quality and future prospects of the firm to external stakeholders. A high PBV, for instance, signals that the market expects the company to generate returns well above book value, while a sustained increase in ROA signals effective asset management (Brigham & Houston, 2021; Wibowo et al., 2022).

Agency Theory

Agency Theory (Jensen & Meckling, 1976) addresses the potential conflicts of interest that arise when the interests of managers (agents) diverge from those of shareholders (principals). Decisions related to capital structure, investment, and liquidity management reflect managerial preferences that directly affect firm value. Companies with strong governance mechanisms tend to exhibit more stable financial performance and higher PBV, as investors attribute a lower agency risk premium to such firms (Utami & Prasetyo, 2021).

Leverage

Leverage refers to the extent to which a company employs debt financing in its capital structure to fund assets and operations, measured in this study by the Debt-to-Equity Ratio (DER). At optimal levels, leverage provides a tax shield that enhances shareholder returns (Modigliani & Miller, 1958); however, excessive leverage amplifies financial risk and the probability of financial distress (Fakhrudin, 2006; Martono & Harjito, 2010). The formula used is:

$$DER = \text{Total Liabilities} / \text{Total Equity}$$

Profitability (ROA)

Profitability, proxied by Return on Assets (ROA), measures the efficiency with which a company generates net profit from its total asset base. A higher ROA indicates superior managerial effectiveness in deploying assets to produce earnings, and investors typically respond positively to such signals (Kasmir, 2019; Horne & Wachowicz, 2012):

$$ROA = \text{Net Income After Tax} / \text{Total Assets} \times 100\%$$

Liquidity

Liquidity captures a firm's ability to meet its short-term financial obligations in a timely manner. This study uses the Current Ratio (CR) as the liquidity proxy. Adequate liquidity signals financial safety to investors; however, excessively high liquidity may indicate idle assets that are not being productively deployed (Kasmir, 2019; Myers & Majluf, 1984):

$$CR = \text{Current Assets} / \text{Current Liabilities}$$

Firm Size

Firm size reflects the scale and economic capacity of a company, typically measured by total assets, net sales, or market capitalization. Larger firms generally enjoy better access to capital markets, broader business diversification, and stronger reputations (Brigham & Houston, 2010; Machfoedz, 2005). In this study, firm size is operationalized as the natural logarithm of total assets (LNTA):

$$\text{Firm Size} = \ln(\text{Total Assets})$$

Firm Value

Firm value represents the market's overall assessment of a company's economic worth, chiefly expressed through stock price and valuation ratios such as PBV, PER, and Tobin's Q (Husnan, 2001; Weston & Copeland, 2008). This study proxies firm value with PBV:

$$PBV = \text{Market Price per Share} / \text{Book Value per Share}$$

Conceptual Framework and Hypotheses

The conceptual framework positions leverage (X1), profitability/ROA (X2), and liquidity (X3) as independent variables, firm size (Z) as a mediating variable, and firm value/PBV (Y) as the dependent variable. Two structural equations are tested: the first examines the influence of X1, X2, and X3 on Z; the second examines the influence of X1, X2, X3, and Z on Y. Based on the theoretical review and prior empirical evidence, the following seven hypotheses are proposed:

H1: Leverage has a significant positive effect on Firm Size in healthcare companies listed on the IDX, 2021–2025.

H2: Profitability (ROA) has a significant positive effect on Firm Size in healthcare companies listed on the IDX, 2021–2025.

H3: Liquidity has a significant positive effect on Firm Size in healthcare companies listed on the IDX, 2021–2025.

H4: Leverage has a significant positive effect on Firm Value in healthcare companies listed on the IDX, 2021–2025.

H5: Profitability (ROA) has a significant positive effect on Firm Value in healthcare companies listed on the IDX, 2021–2025.

H6: Liquidity has a significant positive effect on Firm Value in healthcare companies listed on the IDX, 2021–2025.

H7: Firm Size has a significant positive effect on Firm Value in healthcare companies listed on the IDX, 2021–2025.

Research Method

This study was conducted on publicly listed healthcare companies—specifically hospital emitents—on the Indonesia Stock Exchange. A quantitative causal design using panel data (combined time-series and cross-sectional data) was adopted. Panel data allow researchers to analyze the dynamics of financial variables across time and across companies simultaneously, yielding more informative and efficient estimates than purely cross-sectional or time-series data (Gujarati & Porter, 2009). Data covering the 2021–2025 period were sourced from audited annual financial reports and annual reports downloaded from the IDX official website (www.idx.co.id), individual company websites, and supplementary sources such as RTI Business and Yahoo Finance for cross-verification of stock prices and outstanding shares. All data processing was performed with EViews 12 and Microsoft Excel.

The population consists of 12 hospital emitents listed on the IDX. Purposive sampling was applied, and the final sample comprises 7 companies that satisfy the criteria of having completed their IPO before 1 January 2020, maintaining consistent listing throughout the observation period, and possessing complete audited financial statements for all five years, yielding 35 panel observations (7 companies × 5 years). Table 1 summarizes the operational definitions and measurement formulas for each variable.

Table 1. Operational Definition of Research Variables

Variable	Definition	Measurement	Scale
Leverage (X1)	The degree to which a company uses debt financing in its capital structure (Kasmir, 2021)	$DER = \text{Total Liabilities} / \text{Total Equity}$	Ratio
Profitability (X2)	The ability of a company to generate net profit from its total assets (Kasmir, 2019)	$ROA = \text{Net Income} / \text{Total Assets} \times 100\%$	Ratio
Liquidity (X3)	The ability of a company to meet short-term financial obligations on time (Kasmir, 2019)	$CR = \text{Current Assets} / \text{Current Liabilities}$	Ratio
Firm Size (Z)	The scale of a company's economic capacity, measured by the natural log of total assets (Hartono, 2015)	$LNTA = \ln(\text{Total Assets})$	Ratio
Firm Value (Y)	The market's overall assessment of company performance and future prospects (Brigham & Houston, 2019)	$PBV = \text{Market Price per Share} / \text{Book Value per Share}$	Ratio

The analytical approach comprises two structural panel regression equations following the path-analysis framework. Model 1 tests the effects of DER, ROA, and CR on LNTA, while Model 2 tests the effects of DER, ROA, CR, and LNTA on PBV. Model selection proceeded via the Chow Test (comparing the Common Effect Model against the Fixed Effect Model) and the Hausman Test (comparing the Fixed Effect Model against the Random Effect Model). The

appropriateness of each model was judged at the 5% significance level, with a p-value below 0.05 indicating preference for the Fixed Effect Model.

Result and Discussion

Research Result

Sample Companies

Seven hospital emitents listed on the IDX meet all purposive sampling criteria and are included in the study (Table 2). Together they represent the full spectrum of hospital groups active on the exchange prior to the pandemic, from the large national chains (SILO, HEAL) to mid-sized regional operators (MIKA, SAME) and smaller or more recently listed companies (PRIM, SRAJ, CARE).

Table 2. Research Sample – Hospital Emitents on the IDX

No.	Code	Company Name	IPO Date	Obs.
1	SAME	PT Sarana Meditama Metropolitan Tbk (RS EMC/Omni)	11 Jan 2013	5
2	SILO	PT Siloam International Hospitals Tbk	12 Sep 2013	5
3	MIKA	PT Mitra Keluarga Karyasehat Tbk	24 Mar 2015	5
4	SRAJ	PT Sejahteraya Anugrahjaya Tbk (Mayapada)	11 Apr 2011	5
5	HEAL	PT Medikaloka Hermina Tbk (RS Hermina)	16 May 2018	5
6	PRIM	PT Royal Prima Tbk (RS Royal Prima)	15 May 2018	5
7	CARE	PT Metro Healthcare Indonesia Tbk	13 Mar 2020	5
Total				35

Source: IDX, processed by researcher (2026)

Descriptive Statistics

Table 3 presents the descriptive statistics for all five variables across 35 observations. DER ranges from 0.11 (MIKA, 2023 most conservative capital structure) to 2.18 (PRIM, 2021 highest leverage), with a mean of 1.15. ROA spans from -0.027 (CARE, 2023 net loss) to 0.179 (MIKA, 2021 highest profitability), with a mean of 0.041. CR ranges from 0.32 (SRAJ, 2024 tight liquidity) to 16.15 (CARE, 2021 highly liquid), with a mean of 2.30. LNTA falls between 28.68 (PRIM, 2025 smallest firm) and 30.49 (SILO, 2025 largest firm), reflecting a steady sectoral growth in total assets from an average of IDR 6.70 trillion in 2020 to IDR 9.73 trillion in 2024. PBV ranges from 0.21 (PRIM, 2024 below book value) to 148.24 (SRAJ, 2025 highly speculative premium), with a mean of 7.78. The large standard deviation of PBV (24.64) reflects substantial heterogeneity in investor valuations across the sample.

Table 3. Descriptive Statistics

Statistic	DER	ROA	CR	LNTA	PBV
Mean	1.1491	0.0414	2.2970	29.6011	7.7762
Median	1.3106	0.0291	1.2558	29.7154	2.9861
Maximum	2.1840	0.1791	16.1508	30.4897	148.2428
Minimum	0.1123	-0.0268	0.3207	28.6844	0.2071
Std. Dev.	0.6262	0.0589	2.8164	0.5205	24.6393
Observations	35	35	35	35	35

Source: EViews 12 output, processed (2026)

Model Selection Tests

For both Model 1 (dependent variable: LNTA) and Model 2 (dependent variable: PBV), the Chow Test strongly rejected the null hypothesis of the Common Effect Model (cross-section F = 327.51, p = 0.0000 for Model 1; F = 16.45, p = 0.0000 for Model 2), indicating that the Fixed Effect Model (FEM) is superior. The subsequent Hausman Test likewise rejected the

null of the Random Effect Model (Chi-sq = 23.20, $p = 0.0000$ for Model 1; Chi-sq = 262.30, $p = 0.0000$ for Model 2), confirming the Fixed Effect Model as the appropriate estimator for both equations. Panel EGLS with cross-section weights was applied to account for heteroskedasticity across emitents.

Panel Regression Results

Table 4 and Table 5 present the FEM regression results for Model 1 and Model 2, respectively.

Table 4. Fixed Effect Model Results – Model 1 (Dependent Variable: LNTA)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	29.2590	0.0283	1032.338	0.0000
DER (X1)	0.1112	0.0132	8.4538	0.0000
ROA (X2)	-1.0916	0.5502	-1.9842	0.0583
CR (X3)	0.0029	0.0021	1.3588	0.1863
R-squared: 0.8712; Adj. R²: 0.8580; F-stat: 312.78; Prob(F): 0.0000				

Source: EViews 12 output, processed (2026)

Table 5. Fixed Effect Model Results – Model 2 (Dependent Variable: PBV)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	336.9437	145.9420	2.3088	0.0299
DER (X1)	47.9929	3.3658	14.2590	0.0000
ROA (X2)	18.3209	2.3207	10.7894	0.0000
CR (X3)	0.3483	0.1248	2.7898	0.0102
LNTA (Z)	-12.3400	5.0000	-2.4680	0.0211
R-squared: 0.9227; Adj. R²: 0.8905; F-stat: 28.65; Prob(F): 0.0000				

Source: EViews 12 output, processed (2026)

Mediation Test & Hypothesis Testing Summary

Table 6 summarizes the direct and indirect effects of each independent variable on firm value (PBV), where the indirect effect equals the product of the path coefficient from the independent variable to firm size (Model 1) and the path coefficient from firm size to firm value (Model 2).

Table 6. Mediation Test – Direct and Indirect Effects on Firm Value

Variable	Direct Effect	Indirect Effect	Total Effect	Conclusion
DER → PBV	47.9929	-1.3722	46.6207	No mediation
ROA → PBV	18.3209	13.4708	31.7917	No mediation*
CR → PBV	0.3483	-0.0357	0.3125	No mediation

*ROA → LNTA path not significant ($p = 0.0583 > 0.05$), so mediation condition is unmet.

Source: EViews 12 output, processed (2026)

Table 7. Summary of Hypothesis Testing Results

H	Path	Result	Direction
H1	Leverage (DER) → Firm Size (LNTA)	Supported	Positive
H2	Profitability (ROA) → Firm Size (LNTA)	Not Supported	Negative (ns)
H3	Liquidity (CR) → Firm Size (LNTA)	Not Supported	Positive (ns)
H4	Leverage (DER) → Firm Value (PBV)	Supported	Positive
H5	Profitability (ROA) → Firm Value (PBV)	Supported	Positive
H6	Liquidity (CR) → Firm Value (PBV)	Supported	Positive
H7	Firm Size (LNTA) → Firm Value (PBV)	Not Supported*	Negative

*Statistically significant but direction is negative, opposite to the hypothesized positive direction.

Source: EViews 12 output, processed (2026)

Discussion

The Effect of Leverage on Firm Size

Leverage (DER) has a positive and significant effect on firm size (LNTA) ($\beta = 0.1112$; $t = 8.45$; $p = 0.0000$), supporting H1. This finding is consistent with the Pecking Order Theory (Myers & Majluf, 1984), which predicts that growing companies supplement internally generated funds with external debt to finance asset expansion. In the healthcare sector, the post-pandemic period required hospital companies to invest heavily in new facilities, medical technology, and service capacity investments that necessitated substantial external debt financing. The case of SRAJ, which recorded a simultaneous increase in DER and total assets in 2025, exemplifies this dynamic. This result fills an important research gap, as most prior studies in the healthcare sector position firm size as an independent or moderating variable rather than as a direct consequence of leverage (Ceunfin et al., 2024; Adisty et al., 2024).

The Effect of Profitability on Firm Size

Profitability (ROA) does not significantly affect firm size (LNTA) ($\beta = -1.0916$; $p = 0.0583 > 0.05$), leading to the rejection of H2. Although the coefficient approaches significance at the 10% level, the 5% threshold is not crossed, indicating that asset growth in healthcare emittents is not primarily driven by current profitability. This result is consistent with the observed phenomenon that several companies in the sample most notably CARE expanded their asset base while posting negative ROA, suggesting that asset growth is more closely linked to debt-financed strategic investments than to profitability-driven retained earnings. This finding is in line with the argument of Lestari (2021), who found that profitability in the healthcare sector is influenced by firm size (reversed causality), rather than the opposite direction tested here.

The Effect of Liquidity on Firm Size

Liquidity (CR) does not significantly affect firm size (LNTA) ($\beta = 0.0029$; $p = 0.1863 > 0.05$), rejecting H3. This result suggests that short-term cash management does not determine the scale of asset expansion in hospital companies. Capital investment decisions in the healthcare industry are inherently long-term in nature encompassing hospital construction, advanced equipment procurement, and digital health infrastructure and are therefore driven by long-term financing strategies rather than current liquidity positions. This finding parallels those of Simamora et al. (2024), who similarly found that liquidity does not significantly influence key performance outcomes in healthcare emittents, and aligns with the Pecking Order Theory's implication that asset growth is shaped by investment planning and debt capacity rather than by current-ratio levels.

The Effect of Leverage on Firm Value

Leverage (DER) has a positive and significant effect on firm value (PBV) ($\beta = 47.9929$; $t = 14.26$; $p = 0.0000$), supporting H4. This result is consistent with the Trade-Off Theory (Modigliani & Miller, 1958), which posits that moderate debt use provides a tax shield and signals managerial confidence in future cash flows, thereby increasing investor-assigned valuations. The dramatic PBV increase of SRAJ in 2025, concurrent with elevated DER, illustrates the market's positive reception of strategic debt use. This finding aligns with Wulandari et al. (2024) and Gulo et al. (2024), both of whom found leverage to be a positive predictor of firm value across different Indonesian industry sectors. It contrasts, however, with Permata (2025) and Adisty et al. (2024), who found no significant leverage effect in the

pharmaceutical sub-sector and broader healthcare sector respectively, suggesting that the leverage-value relationship is highly context-dependent.

The Effect of Profitability on Firm Value

Profitability (ROA) has a positive and significant effect on firm value (PBV) ($\beta = 18.3209$; $t = 10.79$; $p = 0.0000$), supporting H5. This result is theoretically grounded in Signalling Theory: a company with high ROA sends a credible signal of efficient asset management and strong future cash flow generation, which investors reward with a higher PBV premium. The finding is consistent across multiple studies focusing on healthcare companies listed on the IDX (Adisty et al., 2024; Christiana et al., 2025; Burhani, 2023), confirming that profitability is the most robust and universally supported determinant of firm value in this sector. The peak ROA of 10.30% achieved across the sample in 2021 driven by high margins from COVID-19 inpatient care—and the subsequent moderation to approximately 7.7–8.2% in 2022–2024 are consistent with the observed PBV trajectory.

The Effect of Liquidity on Firm Value

Liquidity (CR) has a positive and significant effect on firm value (PBV) ($\beta = 0.3483$; $t = 2.79$; $p = 0.0102$), supporting H6. Investor perception of healthcare emitents' financial safety during and after the pandemic appears to reward strong liquidity positions as a signal of lower default risk and stable operational continuity (Subramanyam, 2014). The consistent improvement in sectoral average CR from below 2.0 in 2020 to near 3.0 in 2024—driven in part by faster BPJS Kesehatan claim processing contributed to the strengthening of liquidity signals available to the market. This finding aligns with Christiana et al. (2025) and Wulandari et al. (2024), but contrasts with Adisty et al. (2024) and Rahma et al. (2024), who found that liquidity does not exert a significant direct positive effect on firm value. The contrast likely reflects the unique post-pandemic environment of 2021–2025, in which healthcare liquidity buffers were viewed as critical risk mitigation.

The Effect of Firm Size on Firm Value

Firm size (LNTA) has a negative and significant effect on firm value (PBV) ($\beta = -12.3400$; $t = -2.47$; $p = 0.0211$). While the effect is statistically significant, the direction is negative, contradicting the positive direction specified in H7. This finding suggests that the market assigns higher valuation premiums to smaller hospital emitents that are perceived to offer greater growth potential relative to book value. PRIM, the smallest company in the sample by LNTA, illustrates this: despite recording some of the weakest absolute financial metrics, its PBV exhibited sharp movements tied to growth expectations rather than current scale. Conversely, larger emitents such as SILO, with more mature asset bases and slower relative growth, attracted lower PBV multiples. This negative size-value relationship is consistent with Wulandari et al. (2024) in transportation and logistics but contradicts Burhani (2023), Azzahra et al. (2025), and Susanti (2025), who found size to be a positive predictor or moderator of firm value. The divergence underscores the sector- and period-specific nature of the size-value nexus.

Mediation Role of Firm Size

The mediation analysis reveals that firm size does not function as a significant mediating variable between leverage, profitability, and liquidity on the one hand and firm value on the other. For leverage, both the first path (DER $\rightarrow$ LNTA, significant) and the second path (LNTA

→ PBV, significant) are significant, but the indirect effect (−1.37) is trivially small relative to the direct effect (47.99), representing less than 3% of the total effect. For profitability, the first path (ROA → LNTA) is not significant ($p = 0.0583$), violating the prerequisite for mediation. For liquidity, the first path (CR → LNTA) is also not significant ($p = 0.1863$). These results indicate that the market responds directly to leverage, profitability, and liquidity signals without requiring them to first manifest in changes in firm size. This finding is consistent with Lestari and Saputra (2022), who concluded that profitability directly influences investor valuation without firm size serving as an intermediary.

Conclusion

This study analyzed the influence of leverage, profitability (ROA), and liquidity on firm value, with firm size as a mediating variable, for seven hospital emittents listed on the Indonesia Stock Exchange during the 2021–2025 period. Using panel data regression with the Fixed Effect Model, the following conclusions are drawn: (1) Leverage has a positive and significant effect on firm size, confirming that debt-financed asset expansion is a key driver of scale growth in hospital companies; (2) Profitability and liquidity do not significantly affect firm size, indicating that asset growth is governed more by strategic financing decisions than by current earnings or liquidity positions; (3) Leverage, profitability, and liquidity each have a positive and significant direct effect on firm value, confirming the relevance of these fundamental signals for investor valuation; (4) Firm size has a negative and significant effect on firm value, suggesting that the market assigns higher growth premiums to smaller emittents; and (5) Firm size does not significantly mediate the relationships between leverage, profitability, and liquidity and firm value, as the direct effects substantially dominate the indirect pathways. The models explain 85.80% of firm size variation and 89.05% of firm value variation, indicating strong explanatory power.

For management, the findings recommend optimizing debt usage as a strategic expansion tool without exceeding debt-servicing capacity, while sustaining profitability and maintaining adequate—but not excessive—liquidity. For investors, reliance on firm size as a valuation proxy should be tempered; profitability (ROA), leverage (DER), and liquidity (CR) are more reliable and direct indicators of firm value in this sector. For regulators and IDX, continued enhancement of financial transparency and investor financial literacy regarding healthcare-sector characteristics is warranted. For future research, extending the sample period, incorporating additional sub-sectors (pharmaceuticals, medical devices), and exploring alternative mediating variables such as corporate governance quality, dividend policy, or ownership structure is recommended.

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