

ABSTRACT

This study aims to analyze the influence of corporate governance on the financial performance of pharmaceutical companies during the Covid-19 pandemic. During the Covid-19 pandemic, financial performance is an indicator that reflects the extent to which the company has managed to achieve good financial management results, especially in the face of the economic impact of the pandemic. Good corporate governance is expected to improve the company's financial performance.

This study uses independent variables consisting of corporate governance with indicators of institutional ownership, board of commissioners, board of directors. While the dependent of research is financial performance in the form of ROA. The population of this study is pharmaceutical companies listed on the Indonesia Stock Exchange (IDX) for the period 20-2022. The sampling method used was purposive sampling and a total sample of seven pharmaceutical companies with certain criteria was obtained. This study used multiple regression analysis and Stata 14 application.

The results showed that institutional ownership with an effective monitoring function and an independent board of commissioners can help minimize agency conflicts, thus having a positive and significant effect on the company's ROA during the Covid-19 pandemic, but the board of directors negatively affects ROA. In the event that the supervision of the board of directors is not effective in supervising the agency or taking inappropriate decisions, this also has an impact on the company's financial performance.

Keywords: Corporate Governance, Financial Performance, ROA, Institutional Ownership, Board of Commissioners, Board of Directors,