

ABSTRACT

This study aims to examine the effect of board independence and managerial ownership on firm value, with idiosyncratic risk and investment opportunity set as moderating variables. The objects of this study are cyclical and non-cyclical sector companies listed on the main board of the Indonesia Stock Exchange during the 2020–2025 period. Using purposive sampling, a total sample of 252 observations was obtained. The data analysis method used in this study is panel data regression analysis with robust standard errors to address heteroscedasticity.

The results show that board independence has no significant effect on firm value. Managerial ownership has a positive effect on firm value at the 10% significance level. Meanwhile, idiosyncratic risk and investment opportunity set have a positive and significant effect on firm value. The moderation test results indicate that idiosyncratic risk and investment opportunity set do not moderate the relationship between board independence and managerial ownership and firm value.

Keywords: Board independence, managerial ownership, idiosyncratic risk, investment opportunity set, firm value.

