

Chapter V

Conclusions and Suggestions

5.1 Conclusions

Based on data analysis and hypotheses testing from previous section, the conclusion could be drawn that:

1. Supervisory board size has positive and significant impact towards company performance. It means that more member in the board will increase its company performance. This result is contradicts with the previous research by Widagdo (2014) and supports with previous research by Dewi (2016) where supervisory board size has significant and positive impact towards company performance. Hence, the the first hypothesis (H1) is accepted.
2. Independent supervisory board proportion has negative and significant impact towards company performance. It means that the large proportion of independent supervisory board member, resulting the reducing the company performance. This result is contradicts with previous research by Dewi (2016), which stated that independent supervisory board proportion has positive and significant impact towards company performance. Based on findings, concluded that the second hypothesis (H2) is rejected.
3. Supervisory board meeting has no significant impact towards company performance. It means that no matter how often the supervisory board of

the firm conducting the meeting it did not affecting the company performance. This findings supports previous research by Widagdo (2013).

It can be concluded that, the third hypothesis (H3) is rejected.

5.2 Research Limitations

This research has several limitations, which consists of:

1. Independent variable in this research only one aspect of corporate governance structures, which are supervisory board size, independent supervisory board proportions, and supervisory board meeting.
2. Companies that selected for this research samples only from financial service sector, which only 91 companies from 555 listed company in IDX.
3. Differences in corporate governance model from other countries. Since Indonesia's corporate governance model is following Continental European model, there is differences from the other model and law traditions from another countries such as United States of America or United Kingdom.

5.3 Suggestions

Based on research limitation, author of this research has several suggestions for future researches, as follows:

1. Research variables in the research can be more diverse in corporate governance aspects, such as Audit committee, institutional ownership, family-related ownership, so it can draw more specific result and conclusion

2. More samples in the research, since more samples can give more specific and accurate results.

