



**UNIVERSITAS ANDALAS**

**UNIVERSITAS ANDALAS**

**THESIS**

**CORPORATE GOVERNANCE AND STOCK PRICE CRASH RISK  
IN INDOONESIAN CONSUMER SECTOR COMPANIES:  
THE MODERATING IMPACT OF FINANCIAL CONSTRAINT**

**JIHAN SALSABILLA**

**2210522061**

**UNIVERSITAS ANDALAS**  
**KEDJAJAAN BANGSA**

**INTERNATIONAL MANAGEMENT STUDY PROGRAM**

**DEPARTMENT OF MANAGEMENT**

**FACULTY OF ECONOMICS AND BUSINESS**

**PADANG**

**2026**

**CORPORATE GOVERNANCE AND STOCK PRICE CRASH RISK  
IN INDONESIAN CONSUMER SECTOR COMPANIES:  
THE MODERATING IMPACT OF FINANCIAL CONSTRAINT**

By:

Jihan Salsabilla

2210522061

**ABSTRACT**

This study investigates the role of corporate governance mechanisms on stock price crash risk (SPCR) in the Indonesian consumer sector using financial constraint as a moderating variable. The research sample includes 113 consumer sector companies listed on the Indonesia Stock Exchange (IDX) from 2020-2024, selected based on complete data availability for at least 1 year from annual report and stock price data from yahoo finance. Panel regression analysis is used to examine the study hypotheses and achieve the research objectives using STATA for Windows. The research findings show that audit quality has a significant negative impact on SPCR. Board independence and institutional ownership exhibit a significant positive effect on SPCR. Furthermore, financial constraint is found to significantly moderate the relationship between corporate governance mechanisms and SPCR. Although governance is generally expected to reduce SPCR, this study demonstrates that board independence and institutional ownership are inefficient in the Indonesian consumer industry. When assessing the SPCR in this sector, investors should place more emphasis on external audit reputation and financial condition.

**Keywords:** Stock Price Crash Risk (SPCR), Corporate Governance, Board Independence, Audit Quality, Financial Constraint, Indonesian Consumer Sector

Thesis Supervisor: Fajri Adrianto, S.E., M.Bus (Adv)., Ph.D