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THESIS

THE IMPACT OF OWNERSHIP CONCENTRATION, EARNINGS MANAGEMENT, AND UNDERWRITER REPUTATION ON IPO UNDERPRICING: EVIDENCE FROM TECHNOLOGY COMPANY SECTOR LISTED ON THE INDONESIA STOCK EXCHANGE 2015-2024 PERIOD

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ABSTRACT

This study examines the effect of ownership concentration, earnings management, and underwriter reputation on IPO underpricing in technology sector companies listed on the Indonesia Stock Exchange (IDX). A quantitative approach was applied using secondary data from technology companies that conducted Initial Public Offerings (IPO) during 2015-2024. The sample consisted of 31 companies selected using purposive sampling. IPO underpricing was measured using initial return, ownership concentration was measured by the percentage of stocks owned by the largest shareholder, earnings management was measured using discretionary accruals, and underwriter reputation was measured using a dummy variable. Firm age and firm size were included as control variables. Data analysis included descriptive statistics, classical assumption tests, multiple linear regression, and hypothesis testing using STATA 17. The results show that ownership concentration has an insignificant effect on IPO underpricing, while earnings management has a positive and statistically significant effect. Underwriter reputation has a negative but statistically insignificant effect. After including the control variables, earnings management remains the only independent variable that consistently has a significant effect on IPO underpricing.

Keywords: IPO Underpricing, Ownership Concentration, Earnings Management, Underwriter Reputation, Technology Companies.

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