CHAPTER V
CONCLUSION, LIMITATIONS, AND RECOMMENDATION

5.1 Conclusion

This study aims to determine the effect of the independent variables of board attributes and ownership structure on the dependent variable of company performance mediated by capital structure variables on all non-financial companies listed on the Indonesia Stock Exchange during the period of 2013 to 2017. The conclusion of this study are:

1. The independent variable of board attributes, namely board size has a significant positive effect on firm performance. The results of this study are in accordance with the study conducted by Yasser et al. (2011), (Al-matari et al. 2014), Akpan & Amran (2014), and Bhatt & Bhattacharya (2015). While the independent variable of board independence has a significant positive effect on firm performance. The results of this study are the same as the research conducted by Azam et al. (2011), Abbasi et al. (2012) and El-Chaarani (2014).

2. The independent variable of ownership structure, namely managerial ownership has a significant positive effect on firm performance and the results are consistent with the research from Sami et al. (2011), Fauzi & Locke (2012), Kumar & Singh (2013) and Gugong et al. (2014). While the independent variable of institutional ownership has a significant positive effect on firm performance. The results of the study are in line
with the study conducted by Abbasi et al. (2012), Tornyeva & Wereko (2012), Gugong et al. (2014) and Heydari et al. (2015).

3. The mediation variable capital structure cannot mediate the relationship between board size and firm performance but can partially mediate board independence variable that have a negative significant effect to firm performance. The results of this study are in line with research from (Detthamrong et al., 2017).

4. The mediating variable capital structure can partially mediate managerial ownership variable that have a positive significant effect to firm performance and institutional ownership that have a negative significant effect to firm performance. The results of this study are consistent with research from (Muthoni, 2018).

5.2 Limitations

1. There are many company financial statement that are not presented in full during the period 2013 to 2017.

2. The limited knowledge of researchers regarding statistical programs that are more supportive in testing mediating models such as AMOS, PLS and LISREL.
5.3 **Recommendation**

1. Add several independent variables and control variables that have a strong influence on the dependent variables such as government ownership, foreign ownership, firm age and firm size.

2. Add more data from financial statements of financial companies to increase the number of the sample in order to get more precise results.