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Do Governance Mechanisms Fail? Evidence From Indonesia's Technology Sector

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General Background: Fraudulent Financial Reporting undermines financial reliability and investor confidence. Corporate governance and internal audit are key mechanisms to reduce fraud risk. **Specific Background:** In the technology sector, rapid growth, uncertainty, and performance pressure—especially during the "tech winter"—increase incentives for earnings manipulation, raising doubts about governance effectiveness. **Knowledge Gap:** The effectiveness of governance and internal audit remains unclear due to inconsistent findings and reliance on disclosure-based measures. Research on Indonesia's technology sector is still limited. **Objective:** This study examines the relationship between Good Corporate Governance, internal audit effectiveness, and fraudulent financial reporting in Indonesian technology companies during the 2022–2024 period**. Method :** Using 93 firm-year observations from 31 listed firms by employs disclosure-based indices to measure governance and internal audit effectiveness while the Beneish M-Score is used to identify the likelihood of financial statement manipulation. Multiple regression analysis is applied to evaluate the relationship between the variable**s. Results :** The findings reveal that neither corporate governance nor internal audit effectiveness has a significant effect on fraudulent financial reporting. Furthermore, the model demonstrates relatively low explanatory power, suggesting that financial reporting fraud may be influenced more strongly by other organizational or financial factors. These results also indicate that governance practices within the sector may tend to emphasize formal compliance rather than substantive monitoring effectiveness. **Novelty** : This study challenges agency theory assumptions and highlights the limitations of disclosure-based proxies in capturing actual governance effectiveness. **Implications:** Formal compliance alone is insufficient to prevent fraudulent financial reporting. Companies should improve the quality of governance implementation and regulators should adopt quality-based supervision approaches and investors are encouraged to complement governance assessments with forensic financial analysis.

Keywords: Good Corporate Governance, Internal Audit Effectiveness, Fraudulent Financial Reporting.

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INTRODUCTION

Financial statements are a fundamental instrument in the capital markets, serving as the primary means of communication between management and stakeholders. The reliability of the information they contain is crucial for investors in making economic decisions. However, fraudulent financial reporting remains a global problem due to its significant impact on the financial sector and its ability to erode public confidence in the capital markets (Bari *et al*., 2024). This type of fraud is typically carried out through material misstatements intended to conceal a company's true financial condition (Halbouni, 2015; McLaughlin *et al*., 2021).

This poses a serious threat to capital markets by undermining the credibility of financial statements and eroding investor confidence. In the technology sector—particularly during the 'tech winter'—companies operate under immense pressure, thereby increasing the likelihood of profit manipulation. In Indonesia, this challenge is exacerbated by macroeconomic constraints, including rising interest rates and limited liquidity, which force companies to prioritise profitability over growth, thereby leading to a decline in valuations (Ait Novatiani *et al*., 2022). These conditions may prompt management to manipulate earnings in order to maintain investor confidence or avoid delisting. However, empirical research focusing on this sector remains scarce.

PT Envy Technologies Indonesia Tbk (ENVY) was involved in a revenue inflation case in 2019. PT Indosterling Technomedia Tbk (TECH) and PT Northcliff Citranusa Indonesia Tbk (SKYB) experienced trading suspensions reflecting concerns regarding corporate transparency.

Corporate governance serves as a mechanism to mitigate agency problems and limit managerial opportunism. Oversight by the board of directors, the audit committee, and ownership concentration are expected to enhance transparency and reduce manipulation (Dauth *et al*., 2017; Merter & Özer, 2024; Rehman & Hashim, 2020). Corporate governance mechanisms are often implemented solely to meet regulatory requirements, thereby reducing their effectiveness. PT Garuda Indonesia (Persero) Tbk and PT Tiga Pilar Sejahtera Food Tbk (AISA), which are known for their strong corporate governance practices, have nonetheless been associated with manipulation issues.

In addition to corporate governance, internal audit also plays a crucial role in detecting and preventing fraud (Bari *et al*., 2024). This is because internal audit can help reduce information asymmetry and limit the opportunities for fraud to occur (Abbott *et al*., 2016). Internal auditors are often more effective at identifying fraud and complementing the external audit function (Halbouni, 2015; Žager *et al*., 2014). However, their effectiveness can be hampered by limitations on independence, managerial pressure and the complexity of the business environment.

Previous studies have shown inconsistent results regarding the effectiveness of governance mechanisms. Furthermore, the majority of studies rely on survey-based approaches, which may not reflect actual corporate behaviour. This points to the existence of an empirical gap (inconsistent findings) and a methodological gap (subjective measurements). Some studies report a significant negative relationship between governance mechanisms and fraud, whilst others find weak or non-significant effects, indicating potential contextual differences across various industries and institutional environments (McLaughlin *et al*., 2021; Merter & Özer, 2024).

This issue is particularly pronounced in the technology sector, where rapid innovation, high uncertainty and the predominance of intangible assets increase the complexity of financial reporting and create greater opportunities for profit manipulation. Therefore, a comprehensive examination of the effectiveness of corporate governance and internal audit in mitigating fraudulent financial reporting in this sector is highly relevant and necessary.

Fraudulent Financial Reporting

Fraudulent financial reporting is the deliberate manipulation of financial statements by management to present a better financial position than the actual situation. The aim is usually to attract investors, maintain share prices, or gain personal benefit (Azizah & Reskino, 2023). This practice also includes the deliberate misrepresentation or omission of financial information to mislead users of financial statements (Bonrath & Eulerich, 2024). One widely used detection tool is the Beneish M-Score, which assesses the likelihood of earnings manipulation through eight financial ratios, with a threshold of -2.22 indicating potential fraud (Popa (Sabău) *et al*., 2024). Empirical evidence suggests that a weak control environment and ineffective monitoring mechanisms increase the likelihood of fraud (McLaughlin *et al*., 2021).

Internal Audit

Internal audit plays a vital role as an independent assurance and advisory function aimed at enhancing the effectiveness of risk management, internal control and governance processes (Abbott *et al*., 2016). In Indonesia, the existence and conduct of internal audits are regulated by POJK No. 56/POJK.04/2015 issued by the Financial Services Authority (OJK). The effectiveness of internal audit reflects the ability of the internal audit function to provide independent assurance and improve organisational processes (Anggraini & Faradillah, 2022). An effective internal audit function enhances the reliability of financial reporting by identifying weaknesses in internal controls and detecting irregularities (Žager *et al*., 2014).

Good Corporate Governance

Good Corporate Governance (GCG) is a system that guides and controls a company based on the principles of transparency, accountability, responsibility, independence and fairness (TARIF) (Maulani *et al*., 2024). Previous research has shown that strong governance reduces information asymmetry and limits profit manipulation (Dauth *et al*., 2017). In Indonesia, the implementation of GCG is governed by SEOJK No. 32/SEOJK.04/2015, which emphasises transparency, accountability and oversight mechanisms to reduce opportunistic managerial behaviour (Desiana *et al*., 2021).

Conceptually, Good Corporate Governance (GCG) functions as a strategic monitoring mechanism, whilst internal audit acts as an operational control. Together, they are expected to reduce

the likelihood of fraud occurring within the Fraud Triangle framework. Agency theory (Jensen & Meckling, 1976) suggests that such mechanisms can reduce opportunistic behaviour arising from principal-agent conflicts. However, their effectiveness depends on proper implementation. In the technology sector, high uncertainty, rapid innovation and reliance on intangible assets exacerbate information asymmetry, which has the potential to undermine the effectiveness of traditional governance systems. Therefore, the hypotheses proposed in this study are: (H1) Good Corporate Governance (GCG) influences fraudulent financial reporting, (H2) the effectiveness of internal audit influences fraudulent financial reporting, and (H3) both jointly influence fraudulent financial reporting.

This study makes three key contributions to the literature. It presents empirical evidence from a high-risk sector characterised by significant uncertainty. The findings reveal the limitations of disclosure-based measures in reflecting actual governance effectiveness. The study also challenges the agency theory assumption that governance mechanisms automatically reduce the risk of fraud.

METHODS

This study employs a quantitative method with a causal-associative design. The quantitative method is considered appropriate as it focuses on hypothesis testing and examining relationships between variables through statistical techniques. This method enables the study to produce objective and measurable results (Zaidi, 2024). The causal design supports the study's objective of examining the influence of Good Corporate Governance (GCG) and Internal Audit Effectiveness on Fraudulent Financial Reporting. This design also explains how changes in the independent variables affect the dependent variable.

The variables in this study consist of two independent variables and one dependent variable. As set out in Table 1, the first independent variable is Good Corporate Governance (GCG), which is measured using an information disclosure index based on Financial Services Authority Circular No. 32/SEOJK.04/2015. This measure is calculated by comparing the number of governance items disclosed in the annual report with the total number of required items. The second independent variable is Internal Audit Effectiveness, measured using an index based on Financial Services Authority (OJK) Regulation No. 56/POJK.04/2015, which covers key elements such as independence, competence, authority and audit implementation. The use of a disclosure-based index may not fully capture the effectiveness of corporate governance. The dependent variable in this study is Fraudulent Financial Reporting, measured using the Beneish M-Score model, which detects potential manipulation of financial statements based on eight financial ratios. A threshold value of -2.22 is used to indicate potential fraud (Popa (Sabău) *et al.*, 2024). All variables in this study are measured using a ratio scale.

[Table 1 about here.]

Sample Selection

The sample for this study consists of technology sector companies listed on the Indonesia Stock Exchange (IDX). This study applied several criteria in selecting the sample. The companies must operate in the technology sector and have remained listed on the IDX throughout the period 2022–2024. These companies must also have conducted an Initial Public Offering (IPO) prior to 2022 to ensure the availability of data throughout the observation period. Complete financial statements and annual reports must have been published consistently. The technology sector was selected due to its high level of uncertainty, rapid innovation, and greater exposure to fraud risk. Based on these criteria, this study selected 31 companies with a total of 93 company-year observations over the three-year period.

Data Collection

This study utilised secondary data obtained from publicly available sources. The data comprised audited financial statements and annual reports. These documents were accessed via the official IDX website and the respective companies' websites. Secondary data supports objectivity, reliability and comparability as these reports adhere to standardised accounting and reporting regulations.

Data Analysis

Data analysis was conducted using IBM SPSS version 30. The analysis followed structured quantitative procedures to test hypotheses and identify relationships between variables.

Measurement Model Analysis

The analysis began with descriptive statistics to describe the data distribution. These statistics included the mean, minimum value, maximum value and standard deviation. These measures illustrate general patterns and variability in Fraudulent Financial Reporting (FFR), Good Corporate Governance (GCG) and Internal Audit Effectiveness (IAE).

Classical assumption tests were conducted to ensure the robustness of the regression model. The Kolmogorov–Smirnov normality test examines whether the data follow a normal distribution. The multicollinearity test uses the tolerance value and the Variance Inflation Factor (VIF) to identify correlations between independent variables. The heteroscedasticity test uses scatter plot analysis to examine the consistency of variance across observations. The Durbin-Watson test for autocorrelation assesses the independence of the residuals across observations. These tests support the reliability of the regression results.

Hypothesis Testing

Multiple linear regression analysis tests the effects of GCG and IAE on FFR. The t-test evaluates the partial effects of each independent variable. The F-test evaluates the simultaneous effect of the independent variables on FFR. This study applies a significance level of 5 per cent, with a p-value below 0.05 indicating statistical significance. The coefficient of determination (R^2) measures the ability of the independent variables to explain the variation in fraudulent financial

reporting and reflects the explanatory power of the model.

RESULTS AND DISCUSSION

Descriptive analysis reveals striking variations in fraudulent financial reporting across different companies, indicating differences in the quality of financial reporting within the technology sector. As shown in Table 2, these variations suggest that not all companies apply transparent and reliable reporting practices to the same extent.

Most companies demonstrate a relatively high level of corporate governance disclosure, with GCG index values ranging from 0.76 to 1.00. Several companies managed to provide full disclosure throughout the entire observation period. These results reflect strong formal compliance with corporate governance regulations. The limited variation in GCG scores suggests that disclosure practices are relatively similar across companies. This pattern suggests that compliance is most likely driven by regulatory requirements, rather than by differences in the quality or effectiveness of corporate governance.

The effectiveness of internal audits shows far greater variation, with index values ranging from 0.00 to 1.00. Some companies implement comprehensive internal audit practices and provide full disclosure. Others provide only very limited information or make no disclosure at all. This variation indicates that the implementation of internal audits has not yet been standardised across the sector. This situation also reflects differences in organisational commitment, the maturity of internal controls, and the capabilities of the audit function.

These findings reveal a clear contrast between corporate governance disclosure and the effectiveness of internal audit. Corporate governance disclosure appears consistently high and reflects formal compliance. The effectiveness of internal audit varies significantly and reflects differences in actual implementation. These findings reinforce the view that formal compliance does not always indicate effective fraud prevention.

Fraudulent financial reporting, as measured using the Beneish M-Score model, indicates that a number of companies have scores above the threshold of -2.22, suggesting potential manipulation. Some companies consistently exhibit high M-Score values, whilst others show significant fluctuations from period to period. These findings suggest that the risk of financial statement manipulation persists in the technology sector. This situation may be linked to financial pressures and performance expectations during the post-pandemic 'tech winter' period (Merter & Özer, 2024).

These findings are consistent with previous studies, which have shown that differences in the quality of corporate governance and internal control systems contribute to variations in financial reporting behaviour across organisations (Dauth *et al.*, 2017; McLaughlin *et al.*, 202).

[Table 2 about here.]

The results of the multiple linear regression are presented as follows:

$$LN_Y=0.900+0.025LN_X1-0.346LN_X2+\varepsilon$$

The GCG coefficient is positive (0.025), indicating a positive but negligible relationship with Fraudulent Financial Reporting. Meanwhile, the effectiveness of the internal audit function shows a negative coefficient (-0.346), suggesting that higher audit effectiveness tends to reduce fraudulent reporting.

[Table 3 about here.]

[Table 4 about here.]

[Table 5 about here.]

Table 3 presents a summary of the model, showing that the coefficient of determination (R^2) is 0.011, indicating that only 1.1 per cent of the variation in Fraudulent Financial Reporting is explained by the independent variables, whilst the remaining 98.9 per cent is explained by other factors outside the model. Table 4 presents the ANOVA results, which show that the regression model is not statistically significant ($F = 0.523$, $p = 0.595$), meaning that GCG and the effectiveness of the internal audit function do not jointly influence Fraudulent Financial Reporting. Table 5 presents the regression coefficients, which show that GCG has a positive coefficient ($\beta = 0.025$), indicating a positive but negligible relationship with Fraudulent Financial Reporting, whilst the effectiveness of the internal audit function has a negative coefficient ($\beta = -0.346$), suggesting that higher audit effectiveness tends to reduce fraudulent financial reporting. However, the results of the t-test show that neither GCG ($p = 0.974$) nor the effectiveness of the internal audit function ($p = 0.313$) significantly influences fraudulent financial reporting.

These findings suggest that Good Corporate Governance and the effectiveness of the internal audit function do not have a significant impact on fraudulent financial reporting. Although these results deviate from the predictions of agency theory, they provide valuable insights into the practical limitations of governance mechanisms (Dauth *et al.*, 2017; Halbouni, 2015; McLaughlin *et al.*, 2021; Merter & Özer, 2024; Žager *et al.*, 2014).

In practice, governance structures may function merely as instruments of formal compliance, rather than as effective monitoring systems. The existence of such structures does not always prevent managerial opportunism or financial manipulation. This suggests that the effectiveness of governance depends not only on the existence of governance structures, but also on the quality of their implementation and enforcement. Previous empirical studies have also reported insignificant or inconsistent relationships between governance mechanisms and the quality of financial reporting (Abbott *et al.*, 2016; Adam *et al.*, 2025; Mousavi *et al.*, 2022; Putri & Prasetyo, 2020). This inconsistency reinforces the argument that formal corporate governance structures alone are insufficient to ensure transparency and integrity in financial reporting.

These findings contradict agency theory, which suggests that corporate governance mechanisms should reduce opportunistic behaviour and financial fraud (Jensen & Meckling, 1976). Although corporate governance is theoretically designed to reduce agency conflicts and limit managerial opportunism, its effectiveness depends heavily on the quality of enforcement and the institutional context (Alabdullah *et al*., 2019). Previous studies have documented that weak board independence, a lack of expertise on audit committees, and passive monitoring behaviour can significantly reduce the effectiveness of governance mechanisms (Dauth *et al*., 2017; Merter & Özer, 2024; Mousavi *et al*., 2022; Popa (Sabău) *et al*., 2024). This can lead to symbolic compliance (Kristof-Brown *et al*., 2005).

In this study, the relatively uniform GCG scores further weaken their explanatory power, as limited variation reduces the likelihood of detecting statistically significant relationships. These findings are consistent with previous research which found no significant relationship between GCG and financial fraud (Sari *et al*., 2025; Sugita & Khomsiyah, 2023). This suggests that merely establishing a governance structure is insufficient; substantial enforcement and high-quality implementation are essential; these mechanisms may fail to function as effective monitoring tools or deterrents against fraudulent behaviour. In the context of the technology sector, financial pressures during the 'tech winter' may sideline governance mechanisms, thereby increasing the incentive for profit manipulation (Merter & Özer, 2024).

These findings reveal a gap between formal governance structures and the actual effectiveness of governance. Companies may engage in token compliance, where governance mechanisms are implemented primarily to meet regulatory requirements, rather than functioning as effective monitoring tools. These non-significant results may also stem from measurement limitations, as disclosure-based indices reflect formal compliance rather than the actual quality of implementation.

Similarly, the effectiveness of internal audit was found to have no significant impact on fraudulent financial reporting. This suggests that the internal audit function may not yet be operating optimally in the companies included in the sample. Although internal audit is intended to evaluate internal controls and detect fraud, its role is often constrained by organisational factors such as limited independence, inadequate authority, and a lack of resources. Previous studies have shown that internal auditors may face managerial pressure, which can undermine their objectivity and reduce their ability to detect irregularities (Halbouni, 2015; Norman *et al*., 2010; Popa (Sabău) *et al*., 2024; Žager *et al*., 2014).

Although not statistically significant, the negative coefficient for internal audit effectiveness indicates a direction consistent with theory. A stronger internal audit function may help to reduce fraud under more supportive conditions. The Three Lines of Defence model explains that internal audit plays a vital role in strengthening risk management and internal control systems. Previous research has also found that effective internal audit improves the quality of monitoring and supports fraud prevention (McLaughlin *et al*., 2021; Perry & Bryan, 1997; Suryandari *et al*., 2024).

However, the lack of statistical significance in this study suggests that these conditions may not yet be fully realised in the sample companies. Its effectiveness may be limited by organisational structure and issues of independence (Dewi & Kartikasari, 2021). Internal auditors are often accountable to management, which can make them vulnerable to threats of intimidation and undermine their objectivity (Suryandari *et al*., 2024). Furthermore, the measure used in this study was based on disclosure of compliance with the audit charter, which reflects administrative compliance rather than the actual quality of the audit.

These results indicate that internal audit theoretically functions as a monitoring mechanism; however, its impact was not statistically significant in this study. The complexity of technology companies requires advanced audit capabilities such as IT audits and forensic accounting (Merter & Özer, 2024). The absence of these competencies limits the effectiveness of fraud detection.

The results of the simultaneous tests indicate that Good Corporate Governance (GCG) and the effectiveness of internal audit do not significantly influence fraudulent financial reporting. The very low R^2 value indicates that both variables have limited explanatory power. Previous literature explains that corporate governance and internal audit should operate as complementary elements within an integrated control system. Corporate governance provides strategic oversight, whilst internal audit supports operational controls (Dauth *et al*., 2017; Žager *et al*., 2014). The findings of this study suggest that the synergy between these two mechanisms is not being effectively implemented. This situation reduces their collective ability to mitigate fraud. Previous studies have also reported that a fragmented governance structure weakens the overall effectiveness of an organisation's control mechanisms (Kabuye *et al*., 2017; Norman *et al*., 2010).

The low explanatory power also suggests that other variables—such as leverage, financial distress, the quality of external audits, ownership structure, and managerial incentives—are likely to have a greater influence in explaining fraudulent financial reporting (Achmad *et al*., 2022; Novianti *et al*., 2022). A vast body of literature indicates that fraud is a multidimensional phenomenon driven by financial pressures, managerial incentives, the ethical climate, and external monitoring mechanisms (Afzal *et al*., 2025; Anisykurlillah *et al*., 2022; Liu *et al*., 2025; Tiron-Tudor *et al*., 2025). These factors lie at the heart of fraud-related theories such as the Fraud Triangle, the Fraud Diamond and the Fraud Hexagon, which emphasise that fraud arises from the interaction of various conditions, rather than from a single determining factor (Halbouni, 2015).

From an industry perspective, these findings can be explained by the unique characteristics of the technology sector. High uncertainty, rapid innovation and a strong reliance on intangible assets create a complex financial reporting environment. These conditions increase the likelihood of

financial manipulation. Such characteristics can undermine the effectiveness of conventional governance and audit mechanisms, particularly if these mechanisms are not tailored to the sector's specific risks (McLaughlin *et al*., 2021; Vadasi *et al*., 2021).

The overall findings reinforce the view that the effectiveness of corporate governance and internal audit in mitigating fraudulent financial reporting is highly context-dependent. Their effectiveness is influenced not only by their existence but also by the quality of their implementation and their adaptation to the operational environment. Therefore, future research must go beyond merely examining structural presence and investigate the quality of implementation, the integration of control mechanisms, and contextual factors such as industry dynamics and institutional arrangements (Lonto *et al*., 2023; Mehta *et al*., 2023).

CONCLUSION

This study concludes that corporate governance mechanisms do not significantly reduce fraudulent financial reporting practices in the technology sector. These findings highlight that formal compliance with corporate governance regulations is insufficient to ensure effective monitoring. These findings suggest that formal compliance with corporate governance requirements and audit disclosures is insufficient to effectively reduce the risk of financial statement manipulation, particularly under conditions of financial stress such as the 'tech winter'. The research results suggest that other factors, such as financial distress, debt ratios, management incentives and the quality of external audits, may play a more dominant role in influencing fraudulent reporting practices. Future research should incorporate additional variables and adopt a more robust measurement approach that better reflects the actual quality of corporate governance and audit practices.

From a practical perspective, companies should strengthen the actual implementation of governance mechanisms rather than merely focusing on formal compliance. Companies also need to enhance their internal audit capabilities, particularly in IT-based audits and forensic accounting. Investors should complement their governance assessments with forensic financial analysis to obtain a more comprehensive assessment of potential fraud risks. Regulators should adopt a quality-based supervisory approach that emphasises the effectiveness of corporate governance, rather than mere compliance, particularly in complex and rapidly evolving industries such as the technology sector. This research also challenges the assumptions of agency theory by demonstrating that corporate governance mechanisms can fail under conditions of weak implementation and high financial pressure.

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***Table 1** / Variable Measurements*

Variable Names	Abbreviations	Measures
Dependent Variable		
Fraudulent Financial reporting	FFR	Beneish M-Score
Independent Variables		
Good Corporate Governance	GCG	Number of Items Disclosed / Total Number of Items SEOJK No. 32/SEOJK.04/2015
Effectiveness of Internal Audit Function	IAF	Number of Items Disclosed / Total Number of Items POJK No. 56/POJK.04/2015

***Table 2** / Data Tabulation*

No	Company Name	Code	Year	X1	X2	Y
				SEOJK No. 32/SEOJK.04/2015 Disclosure	POJK No. 56/POJK.04/2015 Disclosure	Beneish M-Score
1	Anabatic Technologies Tbk.	ATIC	2022	0.76	1	7.0231
			2023	0.76	1	6.9605
			2024	0.76	1	5.0988
2	Elang Mahkota Teknologi Tbk.	EMTK	2022	1	1	-0.4612
			2023	1	1	7.5602
			2024	1	1	-1.1547
3	Quantum Clovera Investama Tbk.	KREN	2022	0.92	0.75	-2.7512
			2023	0.92	0.75	-2.8592
			2024	0.92	0.75	-2.6447
4	Multipolar Technology Tbk.	MLPT	2022	1	0.5	7.5978
			2023	1	0.5	-2.3226
			2024	1	0.5	-1.9928
5	Sat Nusapersada Tbk	PTSN	2022	0.76	1	-3.0633
			2023	0.76	1	-3.2872
			2024	0.76	1	-3.2215
6	M Cash Integrasi Tbk.	MCAS	2022	1	1	-2.3492
			2023	1	1	-2.7245
			2024	1	1	-2.5475
7	NFC Indonesia Tbk.	NFCX	2022	0.88	0	16.0546
			2023	0.88	0.25	6.3523
			2024	0.88	0.25	-17.2903
8	Distribusi Voucher Nusantara Tbk.	DIVA	2022	1	1	-4.1005
			2023	1	1	8.2803
			2024	0.96	1	-0.6377
9	Sentral Mitra Informatika Tbk.	LUCK	2022	1	1	-2.6082
			2023	1	1	-3.1564
			2024	1	1	0.2921
10	Envy Technologies Indonesia Tbk.	ENVY	2022	0.56	1	0.0779
			2023	0.76	1	-0.3839
			2024	1	1	1.4919
11	Hensel Davest Indonesia Tbk.	HDIT	2022	0.8	0.25	-2.9582
			2023	0.8	0.25	-2.1352
			2024	0.8	0.25	1.6059
12	Telefast Indonesia Tbk.	TFAS	2022	1	0.5	-2.5944
			2023	1	0.5	0.3177
			2024	1	0.5	-2.7009
13	Digital Mediatama Maxima Tbk.	DMMX	2022	0.96	1	-2.2236
			2023	0.96	1	-3.9928
			2024	0.96	1	-2.8366
14	Galva Technologies Tbk.	GLVA	2022	1	1	2.8924
			2023	1	1	1.9119
			2024	1	1	2.8642

15	Cashlez Worldwide Indonesia Tbk.	CASH	2022	1	1	0.2853
			2023	1	1	2.0478
			2024	1	1	-1.5987
16	Solusi Sinergi Digital Tbk.	WIFI	2022	1	1	-1.6255
			2023	1	1	-1.8136
			2024	1	1	-1.3981
17	DCI Indonesia Tbk.	DCII	2022	1	0	-1.7815
			2023	1	0	-1.6014
			2024	1	0	-0.3117
18	Indointernet Tbk.	EDGE	2022	1	1	-0.1268
			2023	1	1	-1.2072
			2024	1	1	-1.7984
19	Zyrexindo Mandiri Buana Tbk.	ZYRX	2022	0.8	0	1.5979
			2023	0.84	0	-0.4301
			2024	1	0	0.7847
20	Trimegah Karya Pratama Tbk.	UVCR	2022	0.96	1	23.0795
			2023	1	1	6.8860
			2024	1	1	14.8710
21	Bukalapak.com Tbk.	BUKA	2022	1	0	-2.0658
			2023	1	0.5	-2.2004
			2024	1	0.5	-2.2671
22	Global Sukses Solusi Tbk.	RUNS	2022	1	1	-1.1351
			2023	1	1	-1.6665
			2024	1	1	-1.6805
23	WIR ASIA Tbk.	WIRG	2022	1	0	3.7341
			2023	1	0	7.4071
			2024	1	0	6.1073
24	GoTo Gojek Tokopedia Tbk.	GOTO	2022	1	1	-0.3090
			2023	1	1	-0.4847
			2024	1	1	-0.7684
25	Tera Data Indonusa Tbk.	AXIO	2022	0.88	1	3.1912
			2023	0.88	1	2.7534
			2024	0.88	1	2.5154
26	Global Digital Niaga Tbk.	BELI	2022	1	0.75	-0.0434
			2023	1	0.75	-0.6268
			2024	1	0.75	1.9853
27	Techno9 Indonesia Tbk.	NINE	2022	0.2	0	-1.8562
			2023	0.2	0	6.7886
			2024	0.2	0.25	-0.8442
28	Data Sinergitama Jaya Tbk.	ELIT	2022	1	0.25	5.0421
			2023	1	0.25	4.2332
			2024	1	0.25	4.6607
29	Aviana Sinar Abadi Tbk.	IRSX	2022	0.24	1	26.3777
			2023	1	1	18.2269
			2024	1	1	22.5223
30		CHIP	2022	0.64	1	10.4696

	Pelita Teknologi Global Tbk.		2023	0.64	1	10.6606
			2024	0.64	1	5.3770
31	Teknologi Karya Digital Nusa Tbk.	TRON	2022	1	1	4.5895
			2023	1	1	0.1908
			2024	0.36	1	22.6068

***Table 3** / Model Summary*

Model Summary

Model	R	R-Square	Adjusted R-Square	Std. Error of the Estimate	R-Square Change	Change Statistics			Sig. F Change	Durbin-Watson
						F Change	Df1	Df2		
1	0.107a	0.011	-0.10	0.83350	0.011	0.523	2	90	0.595	2.260

a. Predictors : (Constant), LN_X2, LN_X1
b. Dependent Variable : LN_Y

***Table 4** / ANOVA Results*

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig
1	Regression	0.727	2	0.363	0.523	0.595
	Residual	62.525	90	0.695		
	Total	63.251	92			

a. Dependent Variable : LN_Y
b. Predictors : (Constant), LN_X2, LN_X1

***Tabel 5** / Coefficient Results*

Coefficients

Model		Unstandarized Coefficients		Standarized Coefficients	t	sig	Correlations			Collinearity Statistic	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	0.900	0.495		1.818	0.072					
	LN_X1	0.25	0.757	0.003	0.033	0.974	-0.013	0.003	0.003	0.976	1.024
	LN_X2	-0.346	0.341	-0.108	-1.015	0.313	-0.107	-0.106	-0.106	0.976	1.204

a. Dependent Variable : LN_Y