

TABLE OF CONTENTS

page

COVER PAGE

TITLE PAGE

STATEMENT OF AUTHENTICITY AND APPROVAL OF FINAL ASSIGNMENT UPLOAD..... i

APPROVAL PAGE BY FINAL PAPER ADVISOR..... iii

APPROVAL PAGE BY FINAL PAPER DEFENSE COMMITTEE iv

ABSTRACT v

ABSTRAK vi

PREFACE..... vii

TABLE OF CONTENTS..... ix

LIST OF FIGURES xiii

LIST OF TABLES xiv

LIST OF APPENDICES xv

CHAPTER I INTRODUCTION..... 1

1.1. Background of the Study 1

1.2. Problem Formulation..... 8

1.3. Objective of the Research..... 8

1.4. Benefits of the Research 8

1.4.1. Theoretical Benefit 8

1.4.2. Practical Benefit..... 9

1.5. Problem Limitation..... 9

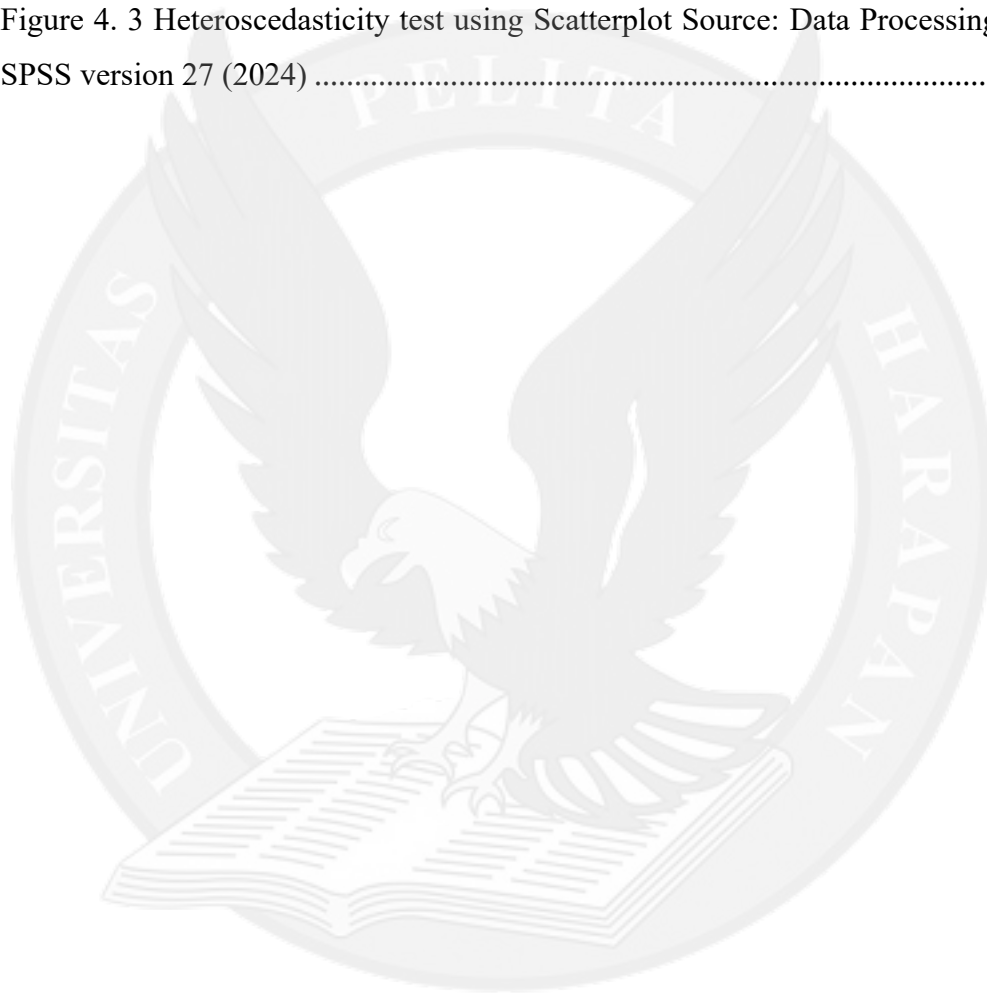
CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT	11
2.1. Theoretical Background	11
2.1.1. Agency Theory	11
2.1.2. Integrity of Financial Statements	12
2.1.3. Leverage	14
2.2. Previous Research.....	16
2.3. Research Model	22
2.4. Hypothesis Development.....	23
2.4.1. The Impact of Leverage towards the Integrity of Financial Statements	23
2.5. Framework of Thinking.....	24
CHAPTER III RESEARCH METHODOLOGY	25
3.1. Research Design	25
3.2. Population and Sample	25
3.2.1. Population	25
3.2.2. Sample.....	25
3.3. Data Collection Method.....	26
3.4. Empirical Research Model	27
3.5. Operational Variable Definition and Variable Measurement.....	28
3.5.1. Dependent Variable.....	29
3.5.2. Independent Variable	30
3.5.3. Control Variable.....	31
3.6. Data Analysis Method	33
3.6.1. Descriptive Statistics	34

3.6.2.	Correlation Analysis	34
3.6.3.	Classical Assumption Tests.....	35
3.6.3.1.	Normality Test	35
3.6.3.2.	Multicollinearity Test.....	36
3.6.3.3.	Heteroscedasticity Test	36
3.6.3.4.	Autocorrelation Test.....	37
3.6.4.	Model Specification Tests.....	38
3.6.4.1.	F-Test	38
3.6.4.2.	Coefficient of Determination (R^2 Test).....	38
3.6.5.	Hypothesis Testing.....	39
3.6.5.1.	Partial Hypothesis Testing (T-Test).....	39
CHAPTER IV RESEARCH RESULT AND DISCUSSION		40
4.1.	General Overview of Consumer Goods Companies.....	40
4.2.	Research Result	43
4.2.1.	Descriptive Statistic	43
4.2.2.	Correlation Analysis	45
4.2.3.	Result of Classical Assumption Test	46
4.2.3.1.	Normality Test	47
4.2.3.2.	Multicollinearity Test.....	50
4.2.3.3.	Heteroscedasticity Test	50
4.2.3.4.	Autocorrelation Test.....	52
4.2.3.5.	Summary of Classical Test Result	53
4.2.4.	Model Specification Test	53
4.2.4.1.	F-Test	53

4.2.4.2. Coefficient of Determination Test (R^2 Test).....	54
4.2.5. Hypothesis Testing.....	55
4.3 Discussion.....	56
4.3.1. The Impact of Leverage Towards the Integrity of Financial Statements	56
CHAPTER V CONCLUSION	62
5.1. Conclusion	62
5.2. Research Implications.....	62
5.3. Research Limitation and Suggestion	63
REFERENCES.....	64

LIST OF FIGURES

Figure 1. 1 Business Competition Index in Indonesia Period 2018-2022	2
Figure 2. 1 Research Model	22
Figure 4. 1 P-Plot Test Result for Normality After Outlier	49
Figure 4. 2 Histogram Test Result for Normality After Outlier	49
Figure 4. 3 Heteroscedasticity test using Scatterplot Source: Data Processing using SPSS version 27 (2024)	51



LIST OF TABLES

Table 1. 1 Table of Phenomenon	4
Table 2. 1 Previous Research	16
Table 2. 2 Framework of Thinking	24
Table 3. 1 Sample Criteria	26
Table 3. 2 Definition of Operational and Measurement of Variable	28
Table 4. 1 Determination of Samples.....	40
Table 4. 2 List of Samples	41
Table 4. 3 Descriptive Statistics.....	43
Table 4. 4 Pearson's Correlation.....	46
Table 4. 5 Kolmogrov Smirnov Test Result for Normality Before Outlier	47
Table 4. 6 Kolmogrov Smirnov Test Result for Normality After Outlier	48
Table 4. 7 Multicollinearity Test Result	50
Table 4. 8 Heteroscedasticity Test using Gletjer Test.....	52
Table 4. 9 Autocorrelation Test using Run Test	52
Table 4. 10 Summary of Classical Assumption Test Result.....	53
Table 4. 11 F Test Result	54
Table 4. 12 Coefficient of Determination (R^2) Result	55
Table 4. 13 Partial T-Test Result	55
Table 4. 14 Hypothesis Testing Result	56

LIST OF APPENDICES

APPENDIX A. LIST OF POPULATION AND SAMPLE IN CONSUMER GOODS COMPANIES LISTED ON INDONESIA STOCK EXCHANGE PERIOD 2019- 2023.....	A-1
APPENDIX B. CALCULATION OF LEVERAGE	B-1
APPENDIX C. CALCULATION OF FIRM SIZE.....	C-1
APPENDIX D. CALCULATION OF LIQUIDITY	D-1
APPENDIX E. CALCULATION OF INDEPENDENT COMMISIONER.....	E-1
APPENDIX F. CALCULATION OF MANAGERIAL OWNERSHIP	F-1
APPENDIX G. CALCULATION OF INTEGRITY OF FINANCIAL STATEMENTS.....	G- 1
APPENDIX H. LIST OF SAMPLES BEFORE OUTLIER.....	H-1
APPENDIX I. LIST OF SAMPLES AFTER OUTLIER	I-1
APPENDIX J. OUTPUT OF SAMPLE TEST	J-1