Journal of Posthumanism
2026
Volume: 6, No: 1, pp. 85–96
ISSN: 2634-3576 (Print) | ISSN 2634-3584 (Online)
posthumanism.co.uk

DOI: https://doi.org/10.63332/joph.v6i1.3859

Variable Capital Structure Moderating Links Growth Opportunities, Investment Opportunity Sets, And Managerial Ownership to the Company's Value

Masno Marjohan[1], Lativa[2], Mia Kusmiati[3], Sri Retnaning Sampurnaningsih[4]

Abstract

The purpose of the study is to analyze the influence of growth opportunities, investment opportunity sets, and managerial ownership on company value, with capital structure functioning as a moderator variable. A quantitative method using panel data regression analysis is applied. The study uses secondary data derived from the company's annual report. Sample of property development and operation subsector. Purposive sampling technique. The results of the study simultaneously, growth opportunities, investment opportunities, and managerial ownership have a significant influence on the value of the company. However, partial testing revealed that growth opportunities and investment opportunities had no significant effect, while managerial ownership showed a significant positive impact on the company's value. In addition, capital structures were found to significantly moderate the relationship between managerial ownership and company value, but did not moderate the relationship between growth opportunities or investment opportunities and company value.

Keywords: *Growth Opportunity; Investment Opportunity Set; Managerial Ownership; Firm Value and Capital Structure.*

Introduction

The property sector has a strategic role in supporting Indonesia's economic growth through its contribution to labor absorption, investment, and state revenue. The value of the company is a key indicator that reflects the success of management in managing assets and attracting investor trust. Fluctuations in price to book value (pbv) during the 2020–2024 period show that valuation dynamics are influenced by various internal factors such as growth opportunities, investment opportunity sets (ios), managerial ownership, and capital structure. An optimal capital structure can lower financial risk and increase market confidence, while managerial ownership is able to align management's interests with shareholders. Although several studies have examined the relationship between these variables, studies that place capital structure as a moderation variable in the context of property development and operation companies in Indonesia post-Covid-19 pandemic are still limited. Therefore, this study aims to analyze the role of capital structure as a

[1] Lecturer of the Faculty of Economics and Business. Master of Postgraduate Management Study Program. Pamulang University. Indonesia, Email: **dosen00124@unpam.ac.id**;
[2] Lecturer of the Faculty of Economics and Business. Master of Postgraduate Management Study Program. Pamulang University. Indonesia, Email: **dosen01207@unpam.ac.id**
[3] Students of the Faculty of Economics and Business. Master of Postgraduate Management Study Program. Pamulang University. Indonesia, Email: **miak002@brin.go.id**
[4] Lecturer of the Faculty of Economics and Business. Master of Postgraduate Management Study Program. Pamulang University. Indonesia, Email: **dosen01207@unpam.ac.id**

moderating variable in the relationship between growth opportunity, investment opportunity set, and managerial ownership on the value of property sub-sector companies in Indonesia for the 2020–2024 period.

Literature Review

Company Values

The bound variable in this study is the company's value. Company value is an overview of the state of the company for investors and stakeholders, which can be observed through the company's share price (MZ et al., 2024). Company Value is an investor's perception of the success rate of a company and is associated with its stock price (Puspita & Marjohan, 2025). This study uses Tobin's Q in measuring the value of the company with the formula (Ananda, 2016):

Growth Opportunity

Growth opportunity, also known a growth opportunity company in the future, is an indicator used as a measure of an increase in a company's earnings per share along with the addition of debt (Sutihat, 2024). Growth Opportunity is a measure of a company's prospects (Marpuah et al., 2021). Growth Opportunity can be calculated with the formula (Ananda & Ardana P, 2018).

Growth opportunity is the development opportunity of a firm in the future (Mai, 2006). The other definition of growth opportunity is the change of the firm's assets (Kartini and Arianto, 2008). This quantity measures how far earnings per share of a firm can be influenced by leverage. Firms with rapid growth sometimes must increase their fixed assets. Therefore, firms

with rapid growth need more funds in the future and more retained earnings. Retained earnings from firms with rapid growth will increase, and those firms will deal more with debt to maintain the targeted equity ratio (Mai, 2006).

Investment Opportunity Set

IOS describes the level or number of investment opportunities in relation to achieving the company's goals (Kurniati & Wuryani, 2019). Investment Opportunity Set (IOS) describes the breadth of investment opportunities for a company. Positive signals from investors can occur if the Investment Opportunity Set (IOS) in a high-value company (Hidayah, 2017). IOS can be calculated by the Return on Equity ratio.

Managerial Ownership

Managerial ownership serves as an important mechanism to align the interests of managers and shareholders (Jensen & Meckling, 1976), which is also regarded as the alignment effect. By aligning the irinte rests, managers will make every single decision aimed at improving firm value (Singh et al., 2022), which results in rising shareholder wealth. however, managerial ownership does not merely create the alignment effect. there is another opposite hypothesis shedding light on the potential behavior of managers when equity ownership becomes their compensation, namely the entrenchment hypothesis (Antounian et al., 2021). According to the alignment hypothesis, managerial ownership creates the alignment effect

in that managers owning shares in the firm will have the incentive to invest in productive projects that maximize firm value (Jensen & Meckling, 1976). Meanwhile, according to the entrenchment hypothesis, managers may boost their share ownership in the firms simply to exert a greater influence, which enables them to entrench and thus expropriate minority shareholders in pursuit of their self-interests (Shleifer & Vishny, 1989)

Managerial Ownership is the percentage of share ownership owned by the management in a company where the management is active in making decisions (Purba & Hasyim, 2024). Managerial ownership is calculated by comparing the number of shares owned by the manager with the total number of shares outstanding (Hidayah, 2017).

According to Mubarok (2017), which explains that because they have a stake in the success of the company and can feel the direct impact of the decisions they make, managers tend to make choices that focus on increasing the long-term value of the company rather than just achieving short-term goals. However, if managers own too many shares, they may tend to make decisions that benefit them financially. Additionally, in some cases, managers who have significant ownership may be more difficult to oversee and control by the board of directors or other shareholders.

Capital Structure

The moderation variable in this study is the capital structure. Capital structure REFERS TO THE combination of debt and equity in a company's long-term financial structure (Purba & Hasyim, 2024). The theory of capital structure describes the optimal allocation of resources between debt and equity. Practitioners and academics use factors that determine the optimal capital structure (Martono & Ramdani, 2024).

According to Brigham and Houston (2001), there are some factors that influence the capital structure, first is the stability of sales; if the firm and its sales are relatively stable, can be more safe to get more loans and bear the fixed expense higher than that of a firm with unstable sales.

Related to the market, then, three factors that determine capital structure, which are identified by Brigham and Houston (2001), are the market condition, internal condition of the firm, and financial flexibility. The condition of the stock market and obligation market, which changes both in the short term and in the long term, will influence the capital structure of an optimum firm; meanwhile, the condition of the internal firm also influences the targeted capital structure. Last, maintaining the financial flexibility, if seen from the operational point of view, means that the firm holds out the adequate substitution capacity, and this will influence the choice of capital structure, which is assumed to be optimum for the firm

Research Methodology

This study uses a descriptive analysis method with a quantitative approach. Using secondary data in the form of company reports on property development and operation sub-sectors listed on the Indonesia Stock Exchange for the 2020-2024 period. Data collection techniques are accessed via the internet through the official website of the Indonesia Stock Exchange, namely www.idx.co.id.

The sample selection technique in this study is using purposive Sampling with the Criteria

as follows.

Table 1: Company Sample Criteria

Yes	Sample Criteria	Total
1	Property and real estate sector companies listed on the Indonesia Stock Exchange (IDX) in 2020-2024.	93
2	Companies in the property and real estate sector that include into the classification of the development board in 2020-2024.	43
3	Property development and operation sub-sector companies that issue complete annual financial statements in a row for the period of 2020-2024.	37
4	Property development and operation sub-sector companies that earned profits consecutively during the 2020-2024 period.	22
5	Property development and operation sub-sector companies that fully display the composition of shareholders in the period 2020- 2024.	12
Total samples		12

(Secondary Data Processed by the Author, 2025)

Table 1 Company Sample List

Yes	Code	Company Name	IPO	Stock
1	BCIP	Bumi Citra Permai Tbk.	Dec 11, 2009	1.429.915.525
2	REAL	Repower Asia Indonesia Tbk.	Dec 06, 2019	6.633.610.151
3	DUTY	Duta Pertiwi Tbk.	02 Nov 1994	1.850.000.000
4	PAMG	Milky Way Tbk.	05 Jul 2019	3.125.000.000
5	ONE	Kota Satu Properti Tbk.	05 Nov 2018	1.375.000.000
6	URBN	Urban Jakarta Propertindo Tbk.	Dec 10, 2018	3.232.122.640
7	GPRA	Perdana Gapuraprima Tbk.	Oct 10th, 2007	4.276.655.336
8	INPP	Indonesian Paradise Property Tbk.	12 Jan 2004	11.181.971.732
9	JRPT	Jaya Real Property Tbk.	29 June 1994	12.910.719.100
10	REAL	Repower Asia Indonesia Tbk.	Dec 06, 2019	6.633.610.151

11	LPLI	Star Pacific Tbk.	Oct 23, 1989	1.170.432.803
12	CITY	Natura City Developments Tbk.	28 Sep 2018	5.405.188.966

(Secondary Data Processed by the Author, 2025)

Results And Discussion

Descriptive Analysis Results

Table 3 Descriptive Analysis Results

Date: 08/11/25 Time: 11:40 Sample: 2020 2024					
	GO (X1)	ROE (X2)	KM (X3)	DER (Z)	PBV (Y)
Red	0.039224	0.078022	0.031399	0.612325	40.38246
Median	0.034883	0.076879	0.002952	0.454903	0.749060
Maximum	0.228647	0.243951	0.482518	1.743054	575.1441
Minimum	-0.113528	0.000278	6.99E-06	7.66E-07	0.000959
Std. Dev.	0.052350	0.052633	0.104866	0.399294	121.9963
Skewness	0.188518	0.869472	4.060216	0.852742	3.198594
Kurtosis	5.757933	4.022115	17.67999	2.993738	11.96727
Jarque-Bera	19.37087	10.17161	703.6091	7.271793	303.3398
Probability	0.000062	0.006184	0.000000	0.026360	0.000000
Sum	2.353462	4.681327	1.883930	36.73951	2422.948
Sum Sq. Dev.	0.161693	0.163445	0.648821	9.406699	878102.1
Observations	60	60	60	60	60

(Source: Results of Data Processing Software Eviews 12, 2025)

From Table 3, it can be concluded that the mean values of various variables show significant variation between companies.

The Company's Value (PBV) averaged 40.38246, with a lower median (0.749060) and a high standard deviation (121.9963), signaling a large difference in performance and market valuation.

The Growth Opportunity (TAG) averaged 0.039224, with a median of 0.034883, indicating a distribution that tends to skew to higher values. Its standard deviation value is 0.052350, reflecting a considerable variation.
The Investment Opportunity Set (ROE) has an average of 0.078022 and a median of 0.076879, with a standard deviation of 0.052633, indicating a near-normal distribution.

Managerial Ownership (KM) has an average of 0.031399 and a much lower median (0.002952), with a high standard deviation (0.104866), indicating an imbalance in managerial shareholding.

The Capital Structure (DER) has an average of 0.612325 and a median of 0.454903, with a standard deviation of 0.399294, indicating the existence of companies with highly variable debt ratios, from almost no debt to very high debt.

Normality Test

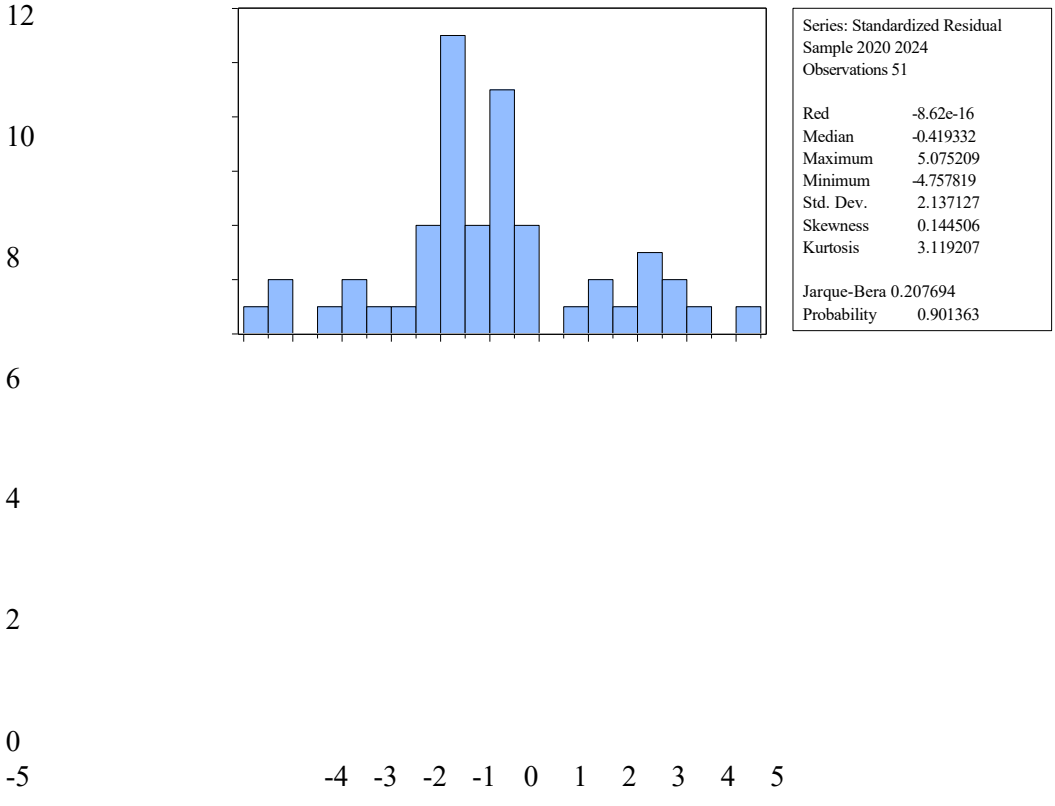

Figure 1 Normality Test

By looking at figure 1, the results of the Normality Test with the Jarque-Bera Test have a probability value of 0.901363. These results show that the p-value of the J-B test is greater than the value of α = 0.05. So it can be concluded that the assumption of normality can be fulfilled because the data is distributed normally.

Multicollinearity Test

Table 4 Multicollinearity Test Results

Variance Inflation Factors Date:
08/08/25 Time: 06:04 Sample: 1 60
Included observations: 51

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	2028.284	8.015532	OR
GO	94736.12	1.584937	1.008926
IOS	103650.9	3.609341	1.115826
KM	25003.63	1.165930	1.068514
S.S.	1885.944	3.962923	1.168472

(Source: Results of Data Processing Software Eviews 12, 2025)

Based on Table 4 above, the results of the Multicollinearity Test using VIF (Variance Influence Factor) are known, namely:

a. GO 1.008926 < 10. Then there is no multicollinearity problem.
b. iOS 1.115826 < 10 Then there is no multicollinearity problem.
c. SM 1.168472 < 10 Then there is no multicollinearity problem.

Heteroscedasticity Test

Table 5 Heteroscedasticity Test Results

Heteroskedasticity Test: Glejser Null
hypothesis: Homoskedasticity

F-statistic	2.924173	Prob. F(4.55)	0.0290
Obs*R-squared	10.52228	Prob. Chi-Square(4)	0.0325
Scaled explained SS	17.53451	Prob. Chi-Square(4)	0.0015

(Source: Results of Data Processing Software Eviews 12, 2025)

Based on Table 5, it is known that the chi-square probability value indicates the value of 0.325 > 0.05 meaning there are no symptoms of heteroscedasticity.

Autocorrelation Test

Table 6 Autocorrelation Test Results

R-squared	0.262578	Mean dependent var	0.334749
Adjusted R-squared	0.198455	S.D. dependent var	2.488699
S.E. of regression	2.228109	Akaike info criterion	4.533078
Sum squared resid	228.3657	Schwarz criterion	4.722473
Log likelihood	-110.5935	Hannan-Quinn crister.	4.605451
F-statistic	4.094874	Durbin-Watson stat	2.083997
Prob(F-statistic)	0.006383		

(Source: Results of Data Processing Software Eviews 12, 2025)

Based on table 6, the statistical value of Durbin Watson is 2.083997. Meanwhile, in the table n=51 k=4 the value of dL=1.3855 and the value of dU=1.7218. The value of (4-dL) is 2.6145 and the value of (4-dU) is 2.2782 so it can be concluded that the value of Durbin Watson's research is between the value of dU and (4-dU) which is 1.7218 < 2.0839 < 2.2782 so that it can be concluded that there are no symptoms of autocorrelation.

Regression Data Panel

Dependent Variable: PBV
Method: Least Squares Date:
09/21/25 Time: 19:27 Sample:
1 60
Included observations: 51

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-2.240699	1.408108	-1.591284	0.1184
GO	0.050720	0.385122	0.131699	0.8958
IOS	0.065593	0.367012	0.178722	0.8589
KM	-0.492827	0.126755	-3.888032	0.0003
S.S.	-0.012214	0.166654	-0.073288	0.9419
GO_SM	-3.640311	12.17951	-0.298888	0.7662
IOS_SM	0.253532	13.12725	0.019313	0.9847
KM_SM	-6.558955	3.269946	-2.005830	0.0498
R-squared	0.262578	Mean dependent var		0.334749

Adjusted R-squared	0.198455	S.D. dependent var	2.488699
S.E. of regression	2.228109	Akaike info criterion	4.533078
Sum squared resid	228.3657	Schwarz criterion	4.722473
Log likelihood	-110.5935	Hannan-Quinn crister.	4.605451
F-statistic	4.094874	Durbin-Watson stat	2.083997
Prob(F-statistic)	0.006383		

(Source: Results of Data Processing Software Eviews 12, 2025)

Based on table 6, the regression equation of panel data is obtained as follows:

$$PBV = -2.240699 + 0.050720 *GB + 0.065593*IOS -0.492827 *KM + e$$

Hypothesis Test Results

Partial Significance Test (T-Test)

The results of the analysis of the partial significance test (t-test) based on table 6 are as follows:

Growth Opportunity (GO) has a t-statistic of 0.131699 < 1.67793 with a prob. (significance) of 0.8958 > 0.05, so it is concluded that Growth Opportunity does not have a significant effect on Company Value (PBV).

The Investment Opportunity Set (IOS) has a t-statistic of 0.178722 < 1.67793 with prob. (significance) of 0.8589 > 0.05, so it is concluded that the Investment Opportunity Set has no significant effect on the Company Value (PBV).

Managerial Ownership (KM) has a t-statistic of -3.888032 < 1.67793 with prob. (significance) of 0.0003 < 0.05, so it is concluded that Managerial Ownership has a significant effect on the Company's Value in a negative direction. This means that a 1% increase in Managerial Ownership will decrease the Company's Value by 0.4928%. Simultaneous Significant Test (F-Test)

Based on Table 4.14, it is known that the prob value (F-Statistic) is 0.006383 < 0.05 of the result of the F calculation > F table (4.094874 > 2.57), it can be concluded that all independent variables consisting of Growth Opportunity, Investment Opportunity Set, and Managerial Ownership simultaneously have a significant effect on the dependent variable, namely Company Value. Moderated Regression Analysis (MRA) Test

Based on Table 6, the MRA results can be obtained as follows:

The t-statistical value of -0.298888 and the probability of 0.7662 > 0.05 indicate that the capital structure cannot moderate the relationship between Growth Opportunity (GO) and Company Value (PBV). Thus, at a significance level of 5%, the capital structure cannot significantly strengthen the relationship between Growth Opportunity and Company Value.

The t-statistical value of 0.019313 and the probability of 0.9847 > 0.05 indicate that the capital structure cannot moderate the relationship between the Investment Opportunity Set (IOS) and the Company Value (PBV). Thus, at a significance level of 5%, the capital structure can strengthen at a significance level of 5%, the capital structure cannot significantly strengthen the relationship between the investment opportunity set and the Company's Value.

The t-statistic value -2.005830 and the probability of 0.0498 < 0.05 indicate that the capital structure can moderate the relationship between Managerial Ownership and Company Value with negative moderation. Thus, at a significance level of 5%, the capital structure can significantly weaken the relationship between Managerial Ownership and Company Value.

Coefficient Determination Test

Based on Table 6, it is known that the value of the determination coefficient (R2) is 0.262578, which means that Growth Opportunity, Investment Opportunity Set, and Managerial Ownership have a weak relationship with Company Value of 26%. Meanwhile, the value of the Adjusted R- Square is 0.198455. This means that only 19% of the variation in Company Value can be explained by independent variables, namely Growth Opportunity, Investment Opportunity Set, and Managerial Ownership, while the remaining 81% is explained by other variables that are not studied and are not included in this research model.

Conclusions And Suggestions

The results of the study show that simultaneously Growth Opportunity, Investment Opportunity Set, and Managerial Ownership have a significant effect on Company Value. Growth Opportunity and Investment Opportunity Set do not have a significant effect on Company Value. Meanwhile, Managerial Ownership has a significant effect on the Company's Value. Capital Structure can moderate the relationship between Managerial Ownership and Company Value significantly, but is unable to moderate the relationship between Growth Opportunity, Investment Opportunity Set, and Company Value.

Advice. Adding or replacing independent variables for example, dividend policy, profitability, or liquidity to see their effect on the company's value, further research can use a larger sample or from different industry sectors, examine more deeply the mechanism behind this role of moderation, further research can try to use different or more sophisticated data analysis methods, such as SEM (structural equation modeling), to gain a more comprehensive understanding of the cause-and-effect relationship between variables and can use a qualitative approach, such as a case study in a particular comp

References

Antounian, c., Dah, M. A., & harakeh, M. (2021). excessive managerial entrenchment, corporate governance, and firm performance. Research in International Business and Finance, 56, 101392. https://doi.org/10.1016/j.ribaf.2021.101392

Adhitya Ananda, N., & Nugraha Ardana P, I. N. (2018). The Effect of Growth Opportunity on Company Value through Capital Structure (in Property, Real Estate & Building Construction Sector Companies Listed on the Indonesia Stock Exchange in 2011-2014). *Journal of Management and Business*, *4*(1), 14–26. Https://Doi.Org/10.29303/Jdm.V4i2.11

Ananda, N. A. (2016). The Effect of Profitability, Growth Opportunity on the Value of the Company with Capital Structure as an Intervening Variable in Property, Real Estate & Building Construction Companies in the IDX for the Period 2011 – 2014. *Jmm Unram - Master Of Management Journal*, *5*(4), 1–18. Https://Doi.Org/10.29303/Jmm.V5i4.3

Brigham, Eugene F. and Joel F. Houston, 2001. Fundamentals of Financial Management, Ninth Edition, Horcourt College, United States of America

Hidayah, N. (2017). The Influence of Investment Opportunity Set (iOS) and Managerial Ownership On the value of the company in the property and real estate company on the Indonesia Stock Exchange. *Journal of Accounting*, *19*(3), 420. Https://Doi.Org/10.24912/Ja.V19i3.89

Kurniati, T. D., & Wuryani, E. (2019). The Influence of Capital Structure, Investment Opportunity Set, Department of Accounting, Faculty of Economics, State University of Surabaya Department of Accounting, Faculty of Economics, State University of Surabaya. *Journal of Accounting Science*, *6*(12), 15.

Kartini and Tulus Arianto. 2008. Ownership Structure, Profitability, Asset Growth, and Company Size to Capital Structure in Manufacturing Companies. Journal of Finance and Banking, Vol. 12 No. 1: 11-21. https://journal.ibs.ac.id/index.php/jkp

Mai, Muhammad Umar 2006, Analysis of Variables Affecting Capital Structure In LQ-45 Companies on the Jakarta Stock Exchange, Ekonomika, p. 228- 245. State Polytechnic, Bandung.

Marpuah, S., Sunardi, N., & Marjohan, M. (2021). The Influence of Company Size, Growth Opportunity on Company Value with Capital Structure as a Moderating Variable (Study on Consumer Goods Companies Listed on the Indonesia Stock Exchange in 2015-2019). *Journal of Securities (Stocks, Economics, Finance and Investment), 5*(1), 43. Https://Doi.Org/10.32493/Skt.V5i1.11730

Mubarok, A. F. S. (2017). The Degree of Accounting Conservatism in Indonesia and Its Relationship With the Characteristics of the Board of Commissioners as one of the Corporate Governance Mechanisms (Empirical Study on LQ45 Companies Listed on the Indonesia Stock Exchange for the 2013-2015 Period). E-*Scientific Journal of Accounting*

% *Variable Capital Structure Moderating Links Growth Opportunities,*
Research, 6(06), 117–147.

Martono, A., & Ramdani, E. (2024). Factors influencing the structure of capital and its relevance to the theory of pecking order & trade-off: a systematic literature review. *Journal of Effective Economics*, *6*(3), 533–544. Https://Doi.Org/10.32493/Jee.V6i3.40623

Mz, B. R., Rina Asmeri, & Sri Yuli Ayu Putri. (2024). The Effect of Funding Decisions and Managerial Ownership on Company Value in the Property and Real Estate Sub-Sectors Listed on the Indonesia Stock Exchange (IDX) for the 2017-2019 Period. *Journal of Accounting*, *2*(4), 418–430. Https://Doi.Org/10.31933/Epja.V2i4.1169

Natalia Palentina Purba, & Diana Hasyim. (2024). The Effect of Capital Structure, Profitability, Growth and Managerial Ownership on the Value of Non-Cyclical Consumer Companies Listed on the Indonesia Stock Exchange in 2018-2019. *Brilliant. Journal of Management and Business Economics*, *4*(3), 235–251. Https://Doi.Org/10.55606/Cemerlang.V4i3.3057

Puspita, R., & Marjohan, M. (2025). *The Effect of Cash Ratio, Total Assets Turnover, and Debt To Equity Ratio on the Company's Value in Pt Ultra Jaya Milk Industry & Trading Company TBK for the Period 2009 – 2023 The Effect of Cash Ratio, Total Assets Turnover, and Debt To Equity Ratio on The* 11972–11984

Sutihat, A. (2024). The Influence of Growth Opportunity, Investment Decisions, and Financial Performance on Company Value in Healthcare Companies Listed on the Indonesia Stock Exchange. *Academic: Student Journal of Economics & Business*, *4*(1), 58–67. Https://Doi.Org/10.37481/Jmeb.V4i1.660

Singh, g., Kumar, s., Vijayalakshmi, s., & Bhattacharjee, K. (2022). Does the share-holding pattern affect firm performance? evidence from India. Journal of Public Affairs, 22(3), 472–491 https://doi.org/10.1002/pa.2691

Shleifer, A., & Vishny, R. W. (1989). Management entrenchment: the case of manager-specific investments. Journal of Financial Economics, 25(1), 123–139 https://doi.org/10.1016/0304-405X(89)90099-8

Shleifer, A., & Vishny, R. W. (1997). A survey of corporate governance. The Journal of Finance, 52(2), 737–783https://doi.org/10.1111/j.1540-6261.1997.tb04820.x

Jensen, M. c., & Meckling, W. h. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. Journal of Financial Economics, 3(4), 305–360 https://doi.org/10.4159/9780674274051-006.