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Corporate Governance, Financial Performance, and Firm Value: Empirical Evidence from the Indonesian Energy Sector

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Abstract

This study aims to examine good corporate governance, financial performance, capital structure, good governance mechanisms, and company size in increasing the value of the energy sector in Indonesia. The method used is linear regression analysis with a purposive sampling technique. The sampel study for analysis from 26 energy companies from 2020 to 2024 amounts to 130 observations. The results of the study indicate that financial performance, debt-to-equity ratio, managerial performance, and independent commissioners significantly influence corporate value. However, company size and the independent board of commissioners do not affect firm value. This research shows that financial performance and good governance in the energy sector play a crucial role for management in managing and enhancing corporate value. This study will highlight the importance of the variables studied in managing corporate value in the energy sector using the latest and most up-to-date research data, thereby contributing to both practitioners and academics

Keywords : Firm value; financial performance; corporate governance; energy sector.

Abstrak

Penelitian ini bertujuan untuk menganalisis tata kelola korporasi yang baik, kinerja keuangan, struktur modal, mekanisme tata kelola yang baik, dan ukuran perusahaan dalam meningkatkan nilai sektor energi di Indonesia. Metode yang digunakan adalah analisis regresi linier dengan teknik sampling purposif. Sampel penelitian untuk analisis dari 26 perusahaan energi periode 2020 hingga 2024 berjumlah 130 observasi. Hasil penelitian menunjukkan bahwa kinerja keuangan, rasio utang terhadap ekuitas, kinerja manajemen, dan komisi independen secara signifikan mempengaruhi nilai perusahaan. Namun, ukuran perusahaan dan dewan komisaris independen tidak mempengaruhi nilai perusahaan. Penelitian ini menunjukkan bahwa kinerja keuangan dan tata kelola yang baik di sektor energi memainkan peran krusial bagi manajemen dalam mengelola dan meningkatkan nilai perusahaan. Studi ini akan menyoroti pentingnya variabel yang diteliti dalam mengelola nilai perusahaan di sektor energi menggunakan data penelitian terbaru dan terkini, sehingga berkontribusi bagi praktisi dan akademisi.

Kata kunci: Nilai perusahaan; kinerja keuangan; sektor energi.

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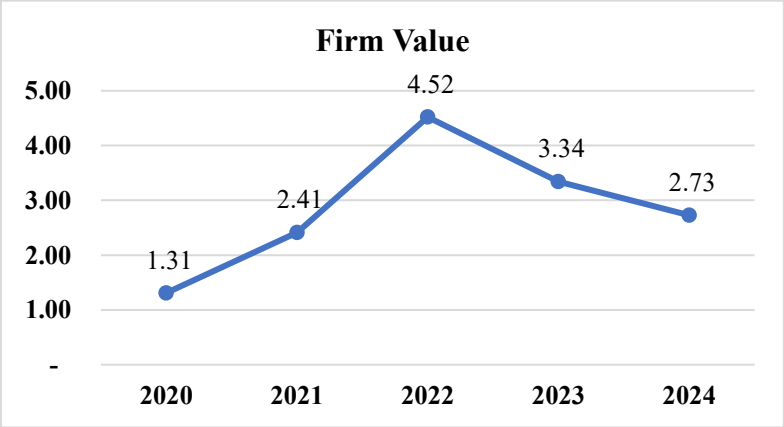
1. INTRODUCTION

Energy companies have attracted global attention due to their close relationship with the welfare of modern societies, particularly in terms of the quantity and quality of energy continuously consumed (Hasan et al., 2012). Moreover, energy companies serve as the primary energy suppliers for other firms ranging from micro, small, and medium enterprises (MSMEs) to large corporations thereby playing a crucial role in economic activities and business sustainability (Fresner et al., 2017; Polyakova et al., 2019). In Indonesia, energy companies also contribute significantly to national development, including economic growth (Aissa & Hartono, 2016). The Indonesian government's commitment to advancing renewable energy through technological development and appropriate investment strategies has motivated investors to allocate capital to energy companies. Nevertheless, energy companies in Indonesia face a critical challenge, namely the stability of firm value (Gunningham, 2013). Table 1 presents data on the average firm value of the energy sector from 2020 to 2024 (Financial Reports of Energy Sector Companies in Indonesia, 2013).

Table 1. Average Firm Value in the Energy Sector



Source: Energy Company Financial Report, processed data (2025)

Based on Table 1, which is supported by the financial statements of energy companies in Indonesia, firm value in the energy sector appears to be unstable. It increased continuously from 2020 to 2022 but subsequently declined persistently until 2024. In addition, several phenomena have contributed to fluctuations in the firm value of energy companies. Although energy firms have generated substantial profits from coal exports, these gains have not translated into higher firm value due to increasing pressure related to ESG disclosure requirements and Indonesia's energy policies, which have contributed to instability in the sector's firm value (Maysari et al., 2025). Furthermore, energy companies have begun transitioning toward renewable energy sources; however, they have not yet been able to comprehensively transform their business processes, which may hinder corporate innovation (Negro et al., 2012). Despite expanding investments in renewable energy projects, energy companies continue to face other challenges, including high debt levels and global oil price volatility (Rahman et al., 2025). These phenomena indicate that firm value in the energy sector remains unstable, resulting in

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uncertainty for investors regarding the returns on their equity investments (M. Rizal alfadin, Tanjung Hidayat, M. Zainul Arifin, 2018).

Firm value in the energy sector is a critical variable that cannot be overlooked (Kusmayadi et al., 2025). For energy companies, firm value represents a central concern as it reflects investor welfare, corporate performance, and business sustainability. An increase in firm value constitutes positive news for investors, as it signals rising share prices and, consequently, improved investor welfare (Krüger, 2015).

Financial performance, capital structure, and corporate governance are key factors influencing firm value. Financial performance reflects a company's ability to manage its assets effectively and create value for investors (Mas'ud et al., 2025). Strong corporate performance, characterized by high revenue and profitability, enhances firm prospects and attracts investors, thereby increasing share prices. Share prices serve as one of the primary indicators of managerial success in running the company (Barauskaite & Streimikiene, 2021).

Corporate success is not solely supported by efficient operational management but also requires sound corporate governance practices (Tricker, 2019). Good Corporate Governance (GCG) ensures that corporate activities are conducted properly and transparently (Monks & Minow, 2011). The GCG framework emphasizes investor rights and corporate obligations, particularly the right of investors to access high-quality information and the responsibility of firms to disclose relevant information to stakeholders (OECD, 2015). As a continuous system, GCG considers stakeholder interests with the ultimate objective of enhancing firm value (Tjahjadi et al., 2021). Prior studies provide empirical evidence that GCG significantly affects firm value (Access & Budiharjo, 2020; Kurniansyah et al., 2021; Mukhtaruddin et al., 2019; Pamungkas et al., 2023).

Capital structure also attracts considerable attention from investors, particularly regarding corporate debt utilization in business operations (Meier et al., 2020). Firms with relatively high leverage levels tend to be less attractive to investors due to increased risk exposure. Higher risk adversely affects stock prices, which ultimately impacts firm value. Previous research demonstrates that capital structure significantly influences firm value (Hirdinis, 2019; Maxwell & Kehinde, 2012; Vo & Ellis, 2017).

Firm size likewise contributes to firm value. Energy companies vary substantially in size, as measured by total assets. Information about larger firms is generally more accessible to investors, as their financial and non-financial reports are more readily available to the public. Firm size therefore plays an important role in shaping firm value. Prior studies examine factors that enhance firm value in the energy sector (Mahmudah et al., 2023; Prasetyaningsih, 2025; Rizky & Winarso, 2025). In contrast, this study provides a more comprehensive explanation of the key factors involved in optimizing firm value amid persistent stock price fluctuations in Indonesia. This research aims to examine good corporate governance, financial performance, capital structure, good governance mechanisms, and company size in increasing the value of the energy sector in Indonesia. Furthermore, this research is expected to contribute both practically and academically by supporting decision-making processes related to optimal firm value management through an analysis of key determinants, including financial performance, leverage, managerial ownership, institutional ownership, independent commissioners, and firm size in Indonesian energy companies.

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2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

The research focuses on discussing the causal relationship between variables to explain the mechanism of influence of independent variables on dependent variables.

Firm Size on Firm Value

The size of a company can be seen from the scale of its operations, total assets and capacity to manage resources. Larger companies have access to more extensive funding and greater operational stability. In the context of energy companies, large-scale companies tend to have high transparency and credibility because they have undergone a more rigorous supervision process and have a long operational track record. This condition can increase market confidence, encouraging investors to invest, thereby increasing share prices, which in turn has an impact on company value. The larger the size of the company, the higher the investor perception of stability, business sustainability and company performance prospects, thereby increasing company value. The results of research by Nguyen Thi Phuong Mai et al. (2021) and Muhammad Shahbaz et al. (2022) show that company size plays an important role in increasing company value.

H_1: firm size affects firm value.

Profitability on Firm Value

Profitability indicates a company's ability to generate profits from its total assets. This variable is important for investors to assess a company's performance and prospects. A high level of profitability reflects that an energy company is able to manage its assets efficiently and maintain its performance amid market uncertainty. In addition, profitability forms the basis for investors' assessment of a company's stability, which can have an impact on increasing the company's value. The results of research by Poswal & Chauhan (2021) and Imran et al. (2022) show that profitability is a major factor for investors in considering a company's value.

H_2: profitability affects firm value.

Leverage on Firm Value

Leverage reflects the proportion of debt used in relation to a company's capital. Debt is used to finance company operations. In the energy sector, leverage decisions are important because they are directly related to a company's ability to fund long-term projects and manage risks arising from price fluctuations and regulatory uncertainty. In addition, leverage is also a factor that is sensitive to company value, where the use of debt has an impact on the company's ability to manage its financial risks. Research by Harrison et al. (2019) and Ibrahim & Isiaka (2020) found that leverage affects company value.

H_3: leverage affects firm value.

Managerial Ownership on Firm Value

Managerial ownership is the proportion of company shares owned by managers, both directors and commissioners of the company. This shows that management is directly involved in the interests of shareholders. Managerial ownership plays an important role as a mechanism for aligning management interests with the goal of

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increasing company value. The results of research by Akbar et al. (2022) state that managerial ownership has an effect on company value.
H_4: managerial ownership affects firm value.

Institutional Ownership on Firm Value

Institutional ownership is the proportion of company shares owned by institutions. Institutional ownership plays an important role in analysing and supervising companies. The existence of institutional owners can improve the quality of supervision, thereby increasing the credibility of the company and ultimately increasing its value. The results of research by Caixe & Sheng (2024) show that institutional ownership has an effect on company value.
H_5: institutional ownership affectsn firm value.

Board of Commissioners on Firm Value

The board of commissioners acts as a supervisory body that ensures the company is managed in accordance with applicable regulations. The role of the board of commissioners is becoming increasingly important in overseeing strategic policies and managerial decisions. The board of commissioners influences the value of the company through its supervisory mechanisms and by increasing investor confidence. The results of research by Thanh & Khuong (2024); Ben Fatma & Chouaibi (2023) and Bhagat & Bolton (2019) Bhagat & Bolton (2019) show that the board of commissioners has an influence on company value.
H_6: board of commissioners on firm value.

3. RESEARCH METHOD

The population of this study consists of energy companies listed on the Indonesia Stock Exchange (IDX) during the period 2020–2024. The sample was selected using a purposive sampling method, resulting in a final dataset of 130 firm-year observations derived from 26 energy companies. The data were analyzed using multiple linear regression, preceded by classical assumption tests.

This study consists of dependent and independent variables. The dependent variable is company value, calculated using the following formula (Brigham et al., 2019).

$$\text{Price to Book Value (PBV)} = \frac{\text{Price per Share}}{\text{Book Value per Share}}$$

Furthermore, the independent variables consist of:

a. Financial Performance
   Profitability is used to measure financial performance in this study. The formula is as follows White et al., (2003).

$$\text{Return on Assets (ROA)} = \frac{\text{Earning After Tax}}{\text{Total Assets}}$$

b. Leverage using Debt to Equity Ratio (DER) with the formula (Subramanyam & Wild, 2014).

$$\text{Debt to Equity Ratio (DER)} = \frac{\text{Total of Liability}}{\text{Total of Equity}}$$

c. Managerial Ownership with the formula Salameh et al., (2023).

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$$\text{Managerial Ownership} = \frac{\text{Number of shares owned by managers}}{\text{Number of shares outstanding}}$$

d. Institusional Ownership with the formula Salameh et al., (2023).

$$\text{Institusional Ownership} = \frac{\text{Number of shares owned by institutions}}{\text{Number of shares outstanding}}$$

e. Independent board of commissioners with the formula Monks & Minow, (2011).

$$\text{Independent board of commissioners} = \frac{\text{Number of independent directors}}{\text{Number of board members}}$$

f. Firm Size with the formula Brigham et al., (2019):

$$\text{Firm Size} = \text{Ln (Total Aset)}$$

4. RESULT AND DISCUSSION

Based on the results presented in Table 1, the descriptive analysis of the 130 observations reports the minimum, maximum, mean, and standard deviation of firm value and related variables for energy companies in Indonesia.

Table 1. Descriptive Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
UP	130	26.97	32.76	29.9420	1.53438
ROA	130	-0.25	19.21	0.2251	1.68054
DER	130	0.00	24.85	1.2026	2.37395
KM	130	0.00	0.76	0.0564	0.14588
KI	130	0.00	1.00	0.5978	0.23509
DEKOM	130	0.20	1.00	0.4315	0.11490
NP	130	0.04	2.50	0.8172	0.31266
Valid N (listwise)	130				

Source: Processed data (2025)

From Table 1, the average firm size (FS) is 29.94, with relatively low variability, indicating that firm size among energy companies is fairly homogeneous. The mean Return on Assets (ROA) is very low, suggesting limited profitability; moreover, some energy firms exhibit negative ROA values, indicating operating losses.

The leverage variable, measured by the Debt-to-Equity Ratio (DER), has an average value of 1.20, indicating that the debt levels of energy companies remain within a reasonable range. However, the relatively high standard deviation of DER suggests substantial variation in the financing structures of firms within the energy sector.

Managerial ownership in energy companies averages 5.64%, indicating relatively low managerial shareholding. In contrast, institutional ownership records an average of 59.78%, implying that the majority of equity ownership in energy companies is held by institutional investors. Corporate governance in this study is proxied by the proportion of independent commissioners. The empirical results show an average proportion of independent commissioners of 43.15%, indicating that energy companies generally comply with the principles of good corporate governance.

Classical assumption tests were conducted to ensure that the regression model met the required statistical assumptions and that the results were valid, reliable, and suitable for decision-making. A comprehensive set of classical assumption tests was performed, including tests for normality, multicollinearity, heteroskedasticity, and autocorrelation. The results of each test are presented below.

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The first classical assumption test conducted was the normality test. This test aims to ensure that the research data are normally distributed, thereby allowing the regression results to be valid and appropriately interpreted.

Table 2. Normality Test

		Unstandardized Residual
N		130
Normal Parameters[a,b]	Mean	0E-7
	Std. Deviation	0.23431431
Most Extreme Differences	Absolute	0.063
	Positive	0.063
	Negative	-0.050
Kolmogorov-Smirnov Z		0.721
Asymp. Sig. (2-tailed)		0.676

a. Test distribution is Normal.
b. Calculated from data.

Table 2 presents the results of the normality test, showing an Asymp. Sig. (2-tailed) value of 0.676, which is greater than the 0.05 significance level. This result indicates that the data are normally distributed.

The next classical assumption test is the multicollinearity test, which aims to examine whether strong linear relationships or high correlations exist among the independent variables in the regression model. High multicollinearity may lead to unstable regression coefficient estimates and make the results difficult to interpret.

Table 3. Multicollinearity Test

Model		Unstandardized Coefficients		Standardized Coefficients	Collinearity Statistics	
		B	Std. Error	Beta	Tolerance	VIF
1	(Constant)	0.597	0.485			
	UP	-0.008	0.016	-0.037	0.758	1.319
	ROA	-0.026	0.013	-0.142	0.974	1.027
	DER	0.072	0.009	0.549	0.883	1.132
	KM	1.081	0.202	0.504	0.515	1.943
	KI	0.299	0.118	0.225	0.580	1.724
	DEKOM	0.289	0.190	0.106	0.935	1.070

a. Dependent Variable: NP

Based on Table 3, the multicollinearity test results show that all independent variables have tolerance values greater than 0.10 and Variance Inflation Factor (VIF) values below 10, indicating that no multicollinearity problem exists in this study.

The heteroskedasticity test was conducted to examine whether the variance of the residuals is constant across all levels of the independent variables. This test ensures that the data used in this study do not exhibit heteroskedasticity and that the regression model meets the homoscedasticity assumption.

Table 4. Heteroskedasticity Test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.0605	0.265		2.287	0.024
	UP	-0.013	0.009	-0.148	-1.485	0.140
	ROA	-0.006	0.007	-0.082	-0.934	0.352
	DER	-0.003	0.005	-0.059	-0.639	0.524

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KM	0.072	0.110	0.079	0.657	0.513
KI	0.048	0.064	0.084	0.739	0.461
DEKOM	-0.130	0.104	-0.113	-1.256	0.211

a. Dependent Variable: abs_res

Based on Table 4, the significance values of all independent variables Firm Size (FS), Return on Assets (ROA), Debt-to-Equity Ratio (DER), Managerial Ownership (MO), and the Board of Commissioners (BC) exceed 0.05. This indicates that the data do not exhibit heteroskedasticity, implying that the residuals are homoscedastic.

The autocorrelation test was conducted to determine whether the residuals of the regression model are correlated across the observation period. Residuals are required to be independent and free from serial correlation. A violation of this assumption indicates the presence of autocorrelation, which may result in inefficient or biased parameter estimates.

Table 5. Autocorrelation Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	0.662[a]	0.438	0.411	0.23996	0.438	16.002	6	123	0.000	2.154

a. Predictors: (Constant), DEKOM, ROA, DER, KM, UP, KI
b. Dependent Variable: NP

Based on Table 4, the Durbin–Watson (DW) statistic is 2.145. In this study, the number of independent variables is k=6k = 6k=6, with a total of 130 observations. Accordingly, the Durbin upper bound (DU) is 1.811, while the value of 4−DU4 - DU4−DU is 2.189. The decision rule DU<DW<4−DUDU < DW < 4 - DUDU<DW<4−DU (1.811 < 2.145 < 2.189) is satisfied, indicating that no autocorrelation is present in the observed data.

In multiple linear regression analysis, the F-test is conducted first to examine the overall model fit and to assess whether the independent variables jointly explain variation in the dependent variable.

Tabel 6. The Relust of F-test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.528	6	0.921	16.002	0.000[b]
	Residual	7.083	123	0.058		
	Total	12.611	129			

a. Dependent Variable: NP
b. Predictors: (Constant), DEKOM, ROA, DER, KM, UP, KI

Based on Table 6, the F-test results indicate a significance value of 0.000, which is lower than the 0.05 threshold. This finding suggests that the research model is statistically significant and that the independent variables jointly influence the dependent variable. Accordingly, the model demonstrates good fit, allowing for further analysis using partial tests (t-tests).

The partial test (t-test) is applied in multiple linear regression analysis to examine the effect of each independent variable on the dependent variable individually. Table 6 presents the results of the t-test.

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Uji parsial (Uji-t) merupakan metode analisis regresi linear dalam menguji setiap variabel independen terhadap variabel dependen secara terpisah. Berikut tabel 6 mengenai hasil uji t.

Table 7. The Result of the Hypothesis Test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.597	0.485		1.231	0.221
	UP	-0.008	0.016	-0.037	-0.475	0.636
	ROA	-0.026	0.013	-0.142	-2.073	0.040
	DER	0.072	0.009	0.549	7.636	0.000
	KM	1.081	0.202	0.504	5.355	0.000
	KI	0.299	0.118	0.225	2.531	0.013
	DEKOM	0.289	0.190	0.106	1.520	0.131

a. Dependent Variable: NP

Effect of Firm Size on Firm Value

Based on Table 7, the firm size variable shows a significance value of 0.636, which exceeds the 0.05 probability level. This result indicates that firm size does not have a significant effect on firm value in the Indonesian energy sector. This finding is consistent with the study by Natsir & Yusbardini (2020), which also reports no significant relationship between firm size and firm value. This suggests that the magnitude of a company, as measured by total assets, does not necessarily determine the quality of its firm value. Stakeholders in Indonesian energy companies tend to focus more on fundamental performance and future business prospects rather than on firm size alone.

Effect of Financial Performance on Firm Value

The financial performance variable, proxied by profitability, exhibits a significance value of 0.040 (Table 6), which is below the 0.05 threshold. This finding indicates that financial performance has a significant effect on firm value. It implies that firm value management is strongly influenced by financial performance. Moreover, strong financial performance serves as a positive signal to investors, encouraging capital investment that leads to higher stock prices and, consequently, increased firm value. This result is consistent with previous studies (Nikmah et al., 2024; Pamungkas et al., 2023; Spitsin et al., 2021; Suhadak et al., 2019; Wayan Widnyana et al., 2021).

Effect of Leverage on Firm Value

Leverage, measured by the debt-to-equity ratio, shows a significance value of 0.000, which is below the 0.05 probability level. This result indicates that leverage has a significant effect on firm value. It suggests that corporate debt usage in energy companies is perceived as effective and efficient. Furthermore, stakeholders tend to view firms positively when debt is managed productively to enhance operational performance, which ultimately contributes to higher firm value. This finding aligns with prior empirical studies (Bahraini et al., 2021; Kurniasih et al., 2022; Mollik, 2008).

Effect of Managerial Ownership on Firm Value

The managerial ownership variable displays a significance value of 0.000 (Table 6), indicating a significant effect on firm value. Managerial ownership enhances incentives for managers to maximize returns for investors and optimize firm value.

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Managers who hold equity stakes in energy companies are more likely to align their interests with those of shareholders, leading to more prudent, long-term–oriented strategic decision-making. As a result, stock prices increase, and overall corporate performance in the energy sector improves. This finding is consistent with earlier studies (Leny Suzan & Nurul Izza Ramadhani, 2023; Rizqia et al., 2013; Yuwono & Aurelia, 2021).

Effect of Institutional Ownership on Firm Value

Institutional ownership shows a significance value of 0.013, which is below the 0.05 threshold, indicating a significant effect on firm value. The presence of institutional investors encourages management to operate more professionally and adopt stronger corporate governance practices, thereby improving operational efficiency. Descriptive analysis also reveals that institutional ownership constitutes a substantial proportion of equity in Indonesian energy companies. A high level of institutional ownership reflects strong confidence in firms' future prospects, attracts additional investors, and increases stock prices. Prior studies suggest that institutional investors strengthen governance mechanisms and monitoring functions, contributing to improved firm performance and higher market valuation. This result is supported by previous research (Navissi & Naiker, 2006; Rafsanjani et al., 2024; Thanatawee, 2014).

Effect of Independent Commissioners on Firm Value

The independent board of commissioner's variable has a significant value of 0.131, which exceeds the 0.05 probability level, indicating no significant effect on firm value. This finding suggests that the role of independent commissioners may be oriented more toward regulatory compliance rather than the effective execution of supervisory functions. In addition, investors may not consider information regarding independent commissioners as a primary factor in their investment decisions in Indonesian energy companies. This result is consistent with prior studies (Karmawan & Badjra, 2019; Kusuma & Nofrisel, 2020; Recession, 2019; safitri et al., 2018), which also find no significant relationship between independent commissioners and firm value.

Table 8. Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.662[a]	0.438	0.411	0.23996	0.438	16.002	6	123	0.000

a. Predictors: (Constant), DEKOM, ROA, DER, KM, UP, KI

Based on Table 7, the coefficient of determination (R^2) is 0.438. This indicates that 43.8% of the variation in the dependent variable can be explained by the independent variables in this regression model. Meanwhile, the remaining 56.2% is explained by other variables outside the model under study. This indicates that the model has fairly good predictive power.

5. CONCLUSION

The findings of this study indicate that financial performance, the debt to equity ratio, and good corporate governance proxied by managerial ownership and institutional ownership have a significant effect on firm value. In contrast, firm size and the presence

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of independent commissioners do not significantly influence firm value. These results provide important insights for management in the energy sector regarding strategies to enhance firm value, as firm value is a critical factor influencing investor decision-making and reflecting overall corporate performance.

This study has limitations, including its focus on energy companies in Indonesia within a specific time frame. In addition, corporate governance does not yet reflect the effectiveness of board supervision. Therefore, future research could use a longer data observation period and broader macroeconomic variables, as well as more detailed governance, in order to better explain the value of companies in the energy sector.

Investors evaluate firms primarily through stock prices, which are shaped by the variables examined in this study. Accordingly, these findings offer valuable information to investors when making investment decisions in Indonesian energy companies. The results also suggest that the presence of independent commissioners is not a key consideration for investors and therefore does not contribute directly to firm value. From a managerial perspective, this highlights the need to improve the quality and active role of independent commissioners, rather than treating their appointment merely as compliance with regulatory requirements. Targeted training, selective recruitment, and regular performance evaluations are necessary to ensure that independent commissioners effectively fulfill their supervisory role and add tangible value to the firm. For future research, extending the observation period and incorporating additional variables that may influence firm value are recommended to provide a more comprehensive understanding of firm value determinants in the energy sector.

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