



**ECONOMIC ANNALS-XXI**

ISSN 1728-6239 (Online)  
ISSN 1728-6220 (Print)  
<https://doi.org/10.21003/ea>  
<http://ea21journal.world>

Volume 200 Issue (11-12) 2022

Citation information: Murni, S., Rahmawati, Widagdo, A. K., & Sudaryono, E. A. (2022). Family control, leverage, and quality of earnings: a study on manufacturing companies in Indonesia. *Economic Annals-XXI*, 200(11-12), 34-41. doi: <https://doi.org/10.21003/ea.V200-06>



**Sri Murni**

PhD (Economics),  
Department of Accounting,  
Faculty of Economics and Business,  
Sebelas Maret University  
Surakarta, 57126, Central Java, Indonesia  
[murni\\_dj2003@yahoo.com](mailto:murni_dj2003@yahoo.com)  
ORCID ID: <https://orcid.org/0000-0001-9796-6976>



**Ari Kuncara Widagdo**

PhD (Economics),  
Department of Accounting,  
Faculty of Economics and Business,  
Sebelas Maret University  
Surakarta, 57126, Central Java, Indonesia  
[arikuncoro@fe.uns.ac.id](mailto:arikuncoro@fe.uns.ac.id)  
ORCID ID: <https://orcid.org/0000-0001-6316-3913>



**Rahmawati**

PhD (Economics),  
Professor,  
Faculty of Economics and Business,  
Sebelas Maret University  
Surakarta, 57126, Central Java, Indonesia  
[rahmaw33@yahoo.com](mailto:rahmaw33@yahoo.com) ; [fitria@mipa.uns.ac.id](mailto:fitria@mipa.uns.ac.id)  
ORCID ID: <https://orcid.org/0000-0002-7951-8720>



**Eko Arief Sudaryono**

PhD (Economics),  
Department of Accounting,  
Faculty of Economics and Business,  
Sebelas Maret University  
Surakarta, 57126, Central Java, Indonesia  
[ekoarif\\_fe@staff.uns.ac.id](mailto:ekoarif_fe@staff.uns.ac.id)  
ORCID ID: <https://orcid.org/0000-0002-9780-8641>

## Family control, leverage, and quality of earnings: a study on manufacturing companies in Indonesia

**Abstract.** Earnings quality can be influenced by family control through entrenchment effect and alignment effect. This study examines family control in improving earnings quality and leverage in moderating family control on earnings quality - the quantitative descriptive research method used as a research method. Manufacturing enterprises registered on the Indonesia Stock Exchange for 2017 and 2018 make up the research population. The data in this study are unbalanced. Secondary data was gathered from annual reports, prospectus reports, the Indonesian Capital Market Directory, and other sources for this study. The research topic is determined by applying the definition of a family business. The variables in this study include abnormal cash flows, abnormal production costs and, abnormal discretionary costs. They were testing the hypothesis using regression analysis (Ordinary Least Square/OLS).

The results showed that family control did not affect real earnings management. This shows that strong family control does not affect earnings quality. The leverage variable only moderates the effect of family control on abnormal cash flow from operations (REMCFO).

**Keywords:** Leverage; Earning; Manufacture Company; Business; Family Control

**JEL Classification:** A10; H24; H20

**Acknowledgements and Funding:** The authors would like to thank the Sebelas Maret University for academic support in completing this research.

**Contribution:** The authors have contributed equally to this work.

**Data Availability Statement:** All data will be available upon request.

**DOI:** <https://doi.org/10.21003/ea.V200-06>

### 1. Introduction and Brief Literature Review

The financial information presented in financial statements can be useful for decision-making for interested parties (stakeholders). One piece of the important financial information presented in the financial statement is information about the profit generated by the entity during a specific

period because profit is a measure used to assess the company's operational success. Based on «accounting» or «market» factors, earnings attributes are commonly used to assess earnings quality. Revenue figures are of high quality if they reflect operating performance, are a good indicator of future operating performance, and describe its intrinsic value. Family members run the majority of businesses in emerging countries. The PWC survey of family businesses in Indonesia shows that more than 95% of businesses are family-owned. According to the Indonesian Institute for Corporate and Directorship, more than 95% of firms are held by families.

Accounting scandals worldwide occur, resulting in concerns about the quality of financial reporting (Kaletnik & Zdyrko, 2021). Investor confidence in a company's financial management and reporting can be harmed by financial scandals (Jabbar et al., 2021). For the reliability and usefulness of earnings information for interested parties, entities should provide high-quality information (Černius & Birškytė, 2020). Technological advances can make it easier for managers to manage finances and other jobs (Ghani & Khalil, 2021). Families as shareholders can be more efficient in monitoring the operations of family companies than shareholders in nonfamily companies. Family control is the primary determinant of dividend policy (Yousaf et al., 2019). The interests of family owners have a high relationship with the company and other shareholders (Jara et al., 2019). Therefore, higher earnings quality and more earnings informativeness are connected with family-controlled businesses. Family-owned businesses, on the other hand, are less prone to manage earnings and perform better.

Family control can affect earnings quality through the entrenchment effect and the alignment effect. According to the entrenchment effect concept, businesses with higher family ownership concentration can negatively impact earnings quality. According to the congruence effect, greater family participation leads to improved income quality. Family control positively affects earnings quality (Ghaleb et al., 2020; Miroshnychenko et al., 2021). Companies that families directly control are easier to get a network connection. Family and nonfamily firms thus exhibit different financial pressures. Investors prefer family-run companies because they are relatively safer (Cumming et al., 2019). In addition, the firm value will increase when companies follow good corporate governance practices (Poletti-Hughes & Williams, 2019).

Family firms lack the motivation to engage in opportunistic behavior such as earnings management that can damage firm value. The slowdown factor needs to be addressed immediately so that higher financial reports can motivate family companies to monitor their own business (Nawi et al., 2019). The influence of family ownership is more likely to be influential when there is active family management and control. The ability of the company owner to manage the business affects the company (Camisón-Zornoza et al., 2020). Family involvement in company management results in more excellent reciprocal monitoring and concerns about earnings reputation risk. Strong family control will result in a higher quality of reported earnings.

This study's index took into account the family's position on The board of commissioners and the board of directors are two different boards. Measure was used to consider that family members take on different roles and responsibilities within the company. The company owner's family can be more willing to take risks in the company's innovation strategy. Variation in profit growth is a major factor in business (Pardo et al., 2020). Some family members actively participate in corporate governance, and others may take a passive role (Cedeño, 2021). On the board of directors and the board of commissioners, inactive family members are thought to cause more friction than those who are actively involved in the company's operations. Suppose members are active in the management of the company. In that case, there are stronger control and a similar preference for managing the company to achieve goal alignment. No opportunistic actions resulting in earnings quality decrease are taken.

Families use several ways to gain effective control within the company. The optimal combination of adopted mechanisms can be a «package» in which the effectiveness of one mechanism depends on the effectiveness of the other. Governance mechanisms operate in an interdependent manner, with their overall effectiveness dependent on certain combinations. One mechanism can replace or complement another. If one or more mechanisms are less effective, the others will be more reliable. The seriousness of the company owner to get ahead in the business is very necessary (Ilyashenko, 2020). Family control can interact with governance mechanisms in the form of capital structure (Kupp et al., 2019).

Leverage can be used as an effective internal governance tool that disciplines managers. In terms of capital structure and debt level, family ownership has an impact on the company's

risk-taking behavior. To minimize dilution of family power, businesses often assume leverage risks. The negative effect of leverage on earnings management shows earnings management actions, thereby increasing earnings quality. Family control must interact with leverage and obtain a combination of efficient governance (Dubey et al., 2020). Leverage as a moderating variable because the family control variable cannot stand alone in the governance mechanism. So it must interact with other governance mechanisms such as capital structure (leverage) to create an effective governance mechanism. The government mechanism will not be effective if it stands alone. To achieve governance effectiveness, they must be combined (bundled) with other governance mechanisms. As a result, management's opportunistic actions can be reduced, and financial statements that reflect high earnings quality are produced.

Earnings quality can be influenced by family control through entrenchment effect and alignment effect. This study examines family control in improving earnings quality and leverage in moderating family control on earnings quality. Based on the research objectives, it can be developed into two hypotheses as follows:

**H1: Stronger family control has a positive effect on earnings quality;**

**H2: The favorable effect of more family control on earnings quality is amplified by leverage.**

## 2. Research Methods

### 2.1. Population

The descriptive quantitative research method was used. Manufacturing enterprises listed on the Indonesia Stock Exchange from 2017 to 2020 make up the study's Population. In addition, secondary data from annual reports, prospectus reports, the Indonesian Capital Market Directory, and other sources are used in this study. The object of this research is determined by using the definition of a family company. When examining the ultimate owner and control structure, the largest shareholder is an individual or group of people related by blood or marriage, and a minimum shareholding of 10% is required. A purposive sampling strategy is used to determine the sample, and the criteria are used to determine the sample that the company meets the definition of a family company and the equity is not harmful.

### 2.2. Variable Measurement

#### 2.2.1. Quality of Earnings

The variables in this study include abnormal cash flow (REMCFO), abnormal production costs (REMPROD), and abnormal discretionary costs (REMEXP). This study uses aggregate real earnings management (REM) as a comprehensive measure to help capture the effect of real earnings management. Instead of a single statistic, an aggregate measure will better represent genuine earnings management action (Eng et al., 2019). The formula for measuring real earnings management Abnormal cash flow from operations (REMCFO) is as follows:

$$\frac{CFO_{it}}{A_{it-1}} = \beta_0 + \beta_1 \left( \frac{1}{A_{it-1}} \right) + \beta_2 \left( \frac{S_{it}}{A_{it-1}} \right) + \beta_3 \left( \frac{\Delta S_{it}}{A_{it-1}} \right) + \varepsilon_{it} \quad (1)$$

where:

$CFO_{it}$  is an acronym for Chief Financial Officer;

$A_{it-1}$  total accruals of the previous year;

$S_{it}$  is total assets;

$\Delta S_{it}$  is the difference between sales in the current year and previous year scaled by one-year lagged total assets;

$\varepsilon_{it}$  is the remainder of the model (indicating optional accrual items);

$\beta$  are the weighting variables.

The formula for measuring real earnings management Abnormal production costs (REMPROD) is as follows:

$$\frac{PROD_{it}}{A_{it-1}} = \beta_0 + \beta_1 \left( \frac{1}{A_{it-1}} \right) + \beta_2 \left( \frac{S_{it}}{A_{it-1}} \right) + \beta_3 \left( \frac{\Delta S_{it}}{A_{it-1}} \right) + \beta_4 \left( \frac{\Delta S_{it-1}}{A_{it-1}} \right) + \varepsilon_{it} \quad (2)$$

where:

$PROD_{it}$  is the total cost of goods sold (COGS) and inventory changes.

The formula for measuring actual earnings Abnormal discretionary expenses (REMDEXP) is as follows:

$$\frac{DEXP_{it}}{A_{it-1}} = \beta_0 + \beta_1 \left( \frac{1}{A_{it-1}} \right) + \beta_2 \left( \frac{S_{it-1}}{A_{it-1}} \right) + \varepsilon_{it} , \quad (3)$$

where:

$DEXP_{it}$  total selling, general and administrative expenses (SG&A).

The formula for calculating real earnings management is as follows: The following is the actual earnings management aggregate (REM):

$$REM = REMCFO (-1) + REMPROD + REMDEXP (-1) . \quad (4)$$

### 2.2.2. Family Control

Family control is an independent variable that shows whether or not family members serve on the board of commissioners or directors. The dependent variable was scored as follows:

- 1) If no one in the family has ever served on the board of commissioners or the board of directors, the score will be zero;
- 2) one if someone in the family served on the board of commissioners or the board of directors;
- 3) two if a member of the family served on the board of commissioners and the board of directors at the same time.

### 2.2.3. Leverage

The moderating variable in this study was leverage with a size of the debt-to-equity ratio (DER), which equals total debt divided by shareholders' equity. Used DER as a proxy to estimate the company's leverage level.

### 2.3. Control Variables

Corporate governance (CG), return on investment (ROE), and firm size were control variables. In assessing the efficiency of corporate governance, the CG variable employed an aggregate measure of corporate governance procedures (Amer Al-Jaifi et al., 2017). The CG variable score was a composite score based on the number of board members, the proportion of independent members, the number of meetings, and the board of directors, board of commissioners, and audit committee members' educational backgrounds. ROE was determined by comparing earnings with equity, while the company's size in this study was proxied by the company's total assets.

### 2.4. Research Design

This study includes the leverage variable as a moderating variable. The research model is as follows:

$$REM = \beta_0 + \beta_1 FamCtrl + \beta_2 LEV + \beta_3 FamCtrl * LEV + \beta_4 CG + \beta_5 ROE + \beta_6 LnAset + \varepsilon , \quad (5)$$

where:

$REM$ : one of the actual earnings managements, including REMCFO, REMPROD, REMDEXP, and REM.

$FamCtrl$ : family control;

$LEV$ : leverage;

$CG$ : corporate governance;

$ROE$ : Return on equity;

$LnAset$ : Ln of total assets;

$FimCtrl * LEV$ : interaction of family control and leverage.

Additional tests were carried out to determine whether there was consistency in the results of hypothesis testing with the primary model. In this additional test, leverage is grouped into considerable leverage and small leverage groups. The regression equation model for large and small leverage is as follows:

$$REM = \beta_0 + \beta_1 FamCtrl + \beta_2 CG + \beta_3 ROE + \beta_4 LnAset + \varepsilon \quad (6)$$

### 3. Results and Discussion

#### 3.1. Descriptive Statistics

Measurement data on variables (REM, REMCFO, REPROD, REMDEX) can be seen in Table 1.

The average REM is 0.1863, with a minimum of 0.0005 and a high of 1.967, as shown in Table 1. Zero compares the presence or absence of earnings management so that the average company does not do REM because the results are close to zero. The REMCFO actual earnings management strategy average is 0.0612, REPROD is 0.1467, and REMDEX is 1.095. A lower abnormal rate of cash flow and a lower abnormal rate of discretionary expense indicates high natural earnings management. A more significant abnormal production rate indicates high earnings management (Ghaleb et al., 2020). The results of descriptive statistics for family control independent variables showed an average of 1.3865, so that family control was quite strong. When comparing the smallest value of 0.082 to the maximum value of 23.9175, the average value of the leverage moderating variable is relatively low (1.7855). Hence, the company prefers funding from shareholders rather than debt.

Table 1:  
Descriptive Statistical Data

	Average	SD	Minimum	Maximum	Median
REM	0.1863	0.1686	0.0005	1.1967	0.1476
REMCFO	0.0612	0.0539	0.0004	0.2856	0.0481
REMPROD	0.1467	0.1667	0.0001	1.2062	0.1038
REMDEXP	0.1095	0.1202	0.0012	1.4581	0.0874
FamCtrl	1.3865	0.7836	0	2	2
Lev	1.7855	3.2817	0.082	23.9175	0.9598
CG	5.5159	1.6663	1	9	5
ROE	0.0239	0.212	-1.2637	0.3277	0.0508
Ln Aset	14.791	1.539	11.8988	18.4558	14.6793

Source: Compiled by the authors

#### 3.2. Correlation Test

The correlation test was used to establish the strength of the relationship between the dependent and independent variables. The correlation test result is shown in Figure 1.

Figure 1 shows that there is no severe multicollinearity because the value of each variable is not greater than 0.90.

No	Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	REM	1.0000								
2	REMCFO	0.281*	1.0000							
3	REMPRO D	0.743*	0.224*	1.0000						
4	REMDEX P	0.278*	0.264*	0.319*	1.0000					
5	FamCtrl	0.0030	0.0600	0.0000	0.0700	1.0000				
6	Lev	-0.0830	0.0930	-0.0060	0.1230	0.0430	1.0000			
7	CG	0.0950	0.0200	0.0060	0.0240	-0.0140	-0.0210	1.0000		
8	ROE	0.0600	0.0140	0.0180	-0.1040	-0.0300	-0.565*	0.1160	1.0000	
9	Ln Aset	0.0670	-0.0810	0.0650	-0.0930	-0.0240	-0.0730	0.264*	0.234*	1.0000

\*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

Figure 1:  
Shows the results of the correlation test  
Source: Compiled by the authors

### 3.3. Hypothesis Test

Hypothesis testing is used to study the impact of family control on earnings management decisions. The leverage variable acts as a moderator of the effect of the two variables' correlation. Table 2 shows the findings of the research hypothesis testing.

Table 2:  
Hypotheses Testing Results

No	Variables	REMCFO	REMPROD	REMDEXP	REM
1	FamCtrl	-.005 (-.923)	-.013 (-.782)	.009 (.968)	-.0075 (-.45)
2	CG	0 (.143)	0 (.064)	.005 (.955)	.0083 (1.0096)
3	ROE	.062** (2.187)	.043 (.697)	-.02 (-.274)	.0267 (.5229)
4	Ln Aset	-.004* (-1.927)	.006 (.701)	-.007* (-1.741)	.0039 (.4478)
5	Lev	-.005 (-1.508)	-.011 (-1.275)	.003 (.409)	-.0122** (-2.4959)
6	FamCtrl*Lev	.006** (2.266)	.009 (1.422)	0 (.029)	.0065 (1.4481)
7	Cons	.12*** (3.438)	.075 (.534)	.169*** (2.625)	.1039 (.7124)
8	Observation	251	251	250	250
9	R-squared	.066	.014	.036	.0225
10	Adj R <sup>2</sup>	.035	-.018	.004	-.01
11	Year Dummy	Yes	Yes	Yes	Yes

Source: Compiled by the authors

Based on Table 2, the results of the H1 test show a coefficient value as low as -0.0075, which means that family control does not affect earnings quality. Suppose the sum of the three fundamental management strategies tends to be close to zero. In that case, it can indicate the possibility of the company choosing a particular strategy not to be seen as doing earnings management (Vieira, 2016). The results of the REM test are supported by the test results for each real earnings management strategy, which shows that there is no effect of family control on REMCFO, REMDEXP, and REMDEXP. This is because there are usually several families in family firms having substantial control over management and holding positions on the board. Control of the owner is in the family so that in family companies, the quality of earnings can be high even though corporate governance is weak. Conversely, an entrenchment effect may occur where strong corporate governance and earnings quality can be below.

Table 2 shows that leverage does not moderate the effect of solid family control on REM. The H2 test shows that there is no proof of the corporate governance bundle theory. This research shows that corporate governance is ineffective and that the components of the corporate governance process are out of balance. Testing the governance control variables, which demonstrate no effect on natural earnings management, supports the idea that there is no association between the effects of family control on earnings quality. Firms that adopt formal Anglo-American corporate governance mechanisms (such as the existence of a board of directors, board of commissioners, and audit committee), governance mechanisms remain ineffective in family firms. The interaction of family control and leverage for each real earnings management strategy only affects REMCFO. This shows that leverage as a moderating variable is only conditional on REMCFO.

### 3.4. Additional Testing Analysis Results

The grouping is done through the average value included in the high leverage group and vice versa. Table 3 contains further test findings.

With a t value of 0.059 and a coefficient value of 0.05, Table 3 shows that. The large leverage group and family control did not affect real earnings management (REM).

With a t value of 0.003 and a coefficient value of 0.19, the tiny leverage group gives the same result.

As a result, the test results support the preliminary findings of the study, which reveal that the leverage variable does not affect the effect of tight family control on earnings quality.

Table 3:  
Shows the results of the large and small leverage tests

No	Variables	REM	
		Lrg_Lev	Sml_Lev
1	FamCtrl	.005 (.059)	.003 (.19)
2	CG	.002 (.062)	.009 (1.052)
3	ROE	.058 (.54)	.009 (.095)
4	Ln Aset	.025 (.634)	.003 (.343)
5	Cons	-.21 (-.325)	.098 (.656)
6	Observation	29	221
7	R-squared	.05	.014
8	Adj R <sup>2</sup>	-.21	-.014
9	Year Dummy	Yes	Yes

Source: Compiled by the authors

#### 4. Conclusion

Family control has no bearing on genuine profits management. Hence it has no bearing on earnings quality. The leverage variable does not moderate the control effect on REM, while for each real earnings management strategy, leverage only moderates the effect of family control on REMCFO. This study has not explored the company's strategy in carrying out natural earnings management. Future research should consider the motives that underlie companies to choose specific strategies to carry out natural earnings management that affect earnings quality in family-controlled companies. Further research should also consider the heterogeneity of family firms. By looking at the heterogeneity of family companies, it is expected to capture each family member's behavior on earnings quality.

#### References

- Al-Jaifi, H. A., Al-rassas, A. H., & AL-Qadasi, A. A. (2017). Corporate governance strength and stock market liquidity in Malaysia. *International Journal of Managerial Finance*, 13(5), 592-610. <https://doi.org/10.1108/IJMF-10-2016-0195>
- Camisón-Zornoza, C., Forés-Julián, B., Puig-Denia, A., & Camisón-Haba, S. (2020). Effects of ownership structure and corporate and family governance on dynamic capabilities in family firms. *International Entrepreneurship and Management Journal*, 16(4), 1393-1426. <https://doi.org/10.1007/s11365-020-00675-w>
- Cedeño, E. L. C. (2021). Customer participation and behavioral loyalty through attitudinal loyalty: a proposed model in university setting. *Universidad y Sociedad*, 13(5), 193-199. <https://rus.ucf.edu.cu/index.php/rus/article/view/2225>
- Černius, G., & Birškytė, L. (2020). Financial information and management decisions: impact of accounting policy on financial indicators of the firm. *Business: Theory and Practice*, 21(1), 48-57. <https://doi.org/10.3846/btp.2020.9959>
- Cumming, D., Meoli, M., & Vismara, S. (2019). Investors' choices between cash and voting rights: Evidence from dual-class equity crowdfunding. *Research Policy*, 48(8), 103740. <https://doi.org/10.1016/j.respol.2019.01.014>
- Dubey, R., Gunasekaran, A., Childe, S. J., Bryde, D. J., Giannakis, M., Foropon, C., Roubaud, D., & Hazen, B. T. (2020). Big data analytics and artificial intelligence pathway to operational performance under the effects of entrepreneurial orientation and environmental dynamism: A study of manufacturing organisations. *International Journal of Production Economics*, 226, 107599. <https://doi.org/10.1016/j.ijpe.2019.107599>
- Eng, L. L., Fang, H., Tian, X., Yu, T. R., & Zhang, H. (2019). Financial crisis and real earnings management in family firms: A comparison between China and the United States. *Journal of International Financial Markets, Institutions and Money*, 59, 184-201. <https://doi.org/10.1016/j.intfin.2018.12.008>
- Ghaleb, B. A. A., Kamardin, H., & Tabash, M. I. (2020). Family ownership concentration and real earnings management: Empirical evidence from an emerging market. *Cogent Economics & Finance*, 8(1). <https://doi.org/10.1080/23322039.2020.1751488>
- Ghani, E. K. & Khalil, N. A. (2021). Factors influencing adoption intention of e-wallet services among small medium enterprises in retail industry: an application of the diffusion of innovation theory. *Revista Universidad y Sociedad*, 13(5), 53-64. [http://scielo.sld.cu/scielo.php?script=sci\\_abstract&pid=S2218-36202021000500053&lng=es&nrm=iso&tlng=es](http://scielo.sld.cu/scielo.php?script=sci_abstract&pid=S2218-36202021000500053&lng=es&nrm=iso&tlng=es)
- Ilyashenko, L. (2020). Results And Prospects Of The Educational Work In The Tyumen Branch, Industrial University In Surgut. *Universidad y Sociedad*, 12(2), 237-240. [http://scielo.sld.cu/scielo.php?pid=S2218-36202020000200237&script=sci\\_abstract&tlng=en](http://scielo.sld.cu/scielo.php?pid=S2218-36202020000200237&script=sci_abstract&tlng=en)
- Jabbar, A. K., Hasan, H. F., & Khalbas, H. N. (2021). A study of the market reaction to CEO change. *Economic Annals-XXI*, 187(1-2), 206-214. <https://doi.org/10.21003/EA.V187-20>
- Jara, M., López-Iturriga, F., San-Martin, P., & Saona, P. (2019). Corporate governance in Latin American firms: Contestability of control and firm value. *BRQ Business Research Quarterly*, 22(4), 257-274. <https://doi.org/10.1016/j.brq.2018.10.005>
- Kaletnik, H., & Zdyrko, N. (2021). Public financial control in Ukraine: state, problems, prospects. *Economic Annals-XXI*, 187(1-2), 163-176. <https://doi.org/10.21003/EA.V187-16>

14. Kupp, M., Schmitz, B., & Habel, J. (2019). When do family firms consider issuing external equity? Understanding the contingent role of families' need for control. *Journal of Family Business Management*, 9(3), 271-296. <https://doi.org/10.1108/JFBM-08-2018-0021>
15. Miroshnychenko, I., De Massis, A., Miller, D., & Barontini, R. (2021). Family Business Growth Around the World. *Entrepreneurship: Theory and Practice*, 45(4), 682-708. <https://doi.org/10.1177/1042258720913028>
16. Nawi, M. N. M., Nasir, N. M., Azman, M. N. A., Jumintono, & Khairudin, M. (2019). Investigating factors of delay in IBS construction project: Manufacturer perspectives. *Journal of Engineering Science and Technology*, 14, 59-66. [https://www.researchgate.net/publication/334307235\\_investigating\\_factors\\_of\\_delay\\_in\\_ibs\\_construction\\_project\\_manufacturer\\_perspectives](https://www.researchgate.net/publication/334307235_investigating_factors_of_delay_in_ibs_construction_project_manufacturer_perspectives)
17. Pardo, L. A. H., Surita, N. T., & Farroñán, E. V. R. (2020). Public investment: contributing factor for growth and entrepreneurship business. *Revista Universidad y Sociedad*, 12(2), 350-355. [http://scielo.sld.cu/scielo.php?pid=S2218-36202020000200350&script=sci\\_abstract&lng=en](http://scielo.sld.cu/scielo.php?pid=S2218-36202020000200350&script=sci_abstract&lng=en)
18. Poletti-Hughes, J., & Williams, J. (2019). The effect of family control on value and risk-taking in Mexico: A socioemotional wealth approach. *International Review of Financial Analysis*, 63, 369-381. <https://doi.org/10.1016/j.irfa.2017.02.005>
19. Vieira, E. F. S. (2016). Earnings Management in Public Family Firms under Economic Adversity. *Australian Accounting Review*, 26(2), 190-207. <https://doi.org/10.1111/AUAR.12096>
20. Yousaf, I., Ali, Sh., & Hassan, A. (2019). Effect of family control on corporate dividend policy of firms in Pakistan. *Financial Innovation*, 5, 42. <https://doi.org/10.1186/s40854-019-0158-9>

*Received 2.07.2022*

*Received in revised form 23.07.2022*

*Accepted 26.09.2022*

*Available online 28.12.2022*