The Effect of Corporate Social Responsibility and Ownership Structure on Firm Value in Food and Beverage Companies in South East Asia

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ABSTRACT
This study aims to analyze the effect of corporate social responsibility (CSR) and ownership structure on firm value. The independent variables are corporate social responsibility (CSR), institutional ownership, managerial ownership, and foreign ownership. The dependent variable is firm value which is measured by Price to Book Value (PBV) ratio. The sample of this study was taken from several food and beverages companies in Southeast Asia listed on www.orbis.bvdinfo.com and published annual report and annual stock data in 2014-2016. A multiple regression analysis with SPSS 22.0 for Windows was used as the data analysis technique. The results show that corporate social responsibility (CSR), institutional ownership and managerial ownership have an effect on firm value, while foreign ownership has no effect on it.

ABSTRAK
Penelitian ini bertujuan untuk menganalisis pengaruh corporate social responsibility (CSR) dan struktur kepemilikan terhadap nilai perusahaan. Variabel bebas yang digunakan dalam penelitian ini adalah corporate social responsibility (CSR), kepemilikan institusional, kepemilikan manajerial, dan kepemilikan asing. Variabel terikat yang digunakan dalam penelitian ini adalah nilai perusahaan yang diukur dengan rasio Price to Book Value (PBV). Sampel penelitian ini diambil dari beberapa perusahaan makanan dan minuman di Asia Tenggara yang terdaftar di www.orbis.bvdinfo.com dan menerbitkan laporan tahunan dan data stok tahunan pada 2014-2016. Analisis regresi berganda dengan SPSS 22.0 untuk Windows digunakan sebagai teknik analisis data. Hasil penelitian ini menunjukkan bahwa corporate social responsibility (CSR), kepemilikan institusional dan kepemilikan manajerial berpengaruh pada nilai perusahaan, sedangkan kepemilikan asing tidak berpengaruh pada nilai perusahaan.

1. INTRODUCTION

Maximizing the firm value is one of the main goals for every company in the long term. The maximum firm value proves that the company can increase the wealth of both internal and external parties, particularly the shareholders or investors. According to Martin & Scott (2000), firm value is interpreted as the market value or the price of company's shares. The higher the share price, the higher the firm value is.

Firm value is necessary for investors because the market evaluates the company's overall performance, both current performance and future prospects. The growing development of community activists and institutions, as well as technological advancements has encouraged and demanded the company to provide social responsibility for the community in an effort to increase the value of the company.

Corporate social responsibility (CSR) is a corporate responsibility to all stakeholders, including customers, employees, shareholders, communities, and the environment in all aspects of the company's operations. These cover economic, social and environmental aspects. CSR is closely related to sustainable development. In making decisions related to company's activities, an organization or company always considers not only the

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economic aspects or benefits, but also the social and environmental impacts that exist around the company. Law No. 40 of 2007 concerning Limited Liability Company (PT) article 74 explains that the company that carries out its business activities in the field and / or related to natural resources must implement Social and Environmental Responsibility. The greater the corporate social responsibility, the better the image or value of the company in the eyes of the public and shareholders.

Today, many companies have implemented CSR as a form of accountability to stakeholders. Based on information obtained from www.kompas.com, Jakarta, June 3, 2017, according to Indonesia Marketing Media, most Southeast Asian people like companies that are aware of social responsibility. This opinion is reflected in the results of research conducted by Nielsen regarding the Global Corporate Sustainability Report. It turns out that Southeast Asian people are willing to pay more for products or services that practice sustainability.

Based on information from www.sindonews.com Jakarta, May 30, 2017, Institute Kantar Worldpanel has announced the results of its research on the most preferred brands in Indonesia and even in the world, one of which is "Indomie "which is a product of PT Indofood Sukses Makmur Tbk. as one of the food and beverage sector companies that recorded a revenue growth of 4.6% in the first half of 2017 compared to the same period in 2016. Meanwhile, the company's operating profit reached IDR 4.56 trillion, an increase of 13.7% compared to IDR 4.01 trillion in 2016.

According to the managing director of PT Indofood Sukses Makmur Tbk., Anthoni Salim, a fairly good growth in 2017 was supported by an increase in company performance and the quality of the product produced which provided not only economic benefits, but also benefit for the community and social environment. In 2017 PT Indofood Sukses Makmur Tbk., especially noodles division, obtained a green rating or second place at the PROPER level from the Minister of Environment and Forestry of the Republic of Indonesia which shows the good results of the company's performance in managing the environment. This effort is a product quality improvement carried out by the company as well as a form of social responsibility that is carried out well so as to provide high loyalty and increase community purchasing power as well as influence the increase in the company's stock price. This is reinforced by the information from Bareksa.com that the share price of PT Indofood Sukses Makmur Tbk (INDF) at the end of 2017 was closed up 2 percent at IDR 7,650 per share. INDF shares were transacted 2,695 times with a transaction value of IDR 119.69 billion.

Studies on CSR and its influence on firm value have been carried out in several countries, both in Indonesia and other countries. Based on research conducted by Gutsche et al. (2016) in the USA regarding the effect of CSR on firm value, the results can be concluded that CSR has an effect on firm value.

The ups and downs of firm values can be influenced not only by CSR or other forms of social responsibility, but also by the ownership structure that shows the ownership of the company. Managers are contracted by shareholders to manage the company so that the company generates cash flow that can increase company value, thereby increasing shareholder prosperity. In other words, shareholders also have an influence in determining the performance of management to increase the value of the company. Agency theory explains that agency relations arise when one person or more (principal) employs another person (agent) to provide a service and then delegate decision-making authority to the agent (Jensen & Meckling, 1976). Investment decisions are important because they influence the success of achieving company goals and are at the core of all financial analysis. Investment decisions can act as a transmission mechanism between company ownership and value. This shows that the good or bad value of a company can be influenced by the ownership structure which is one of the reasons for the management in improving its performance.

Institutional ownership is a form of share ownership by other institutions, that is, the ownership by other companies or institutions, such as insurance companies, banks, investment companies and ownership by other institutions. Institutional ownership is a tool that can be used to reduce agency conflict. Institutional ownership has the ability to control management through an effective monitoring process on its performance. According to the research conducted by Abdul (2015), institutional ownership affects the firm value. While according to research conducted by Ardekani & Yazdi (2016) regarding the influence of ownership structure on firm value, it shows that institutional ownership does not affect the value of the company.

Managerial ownership is share ownership by the management of the company. Managerial share ownership can align between the interests of shareholders and the interests of managers. The greater managerial ownership in the company, the greater the tendency of management to improve its performance in the interests of shareholders and its own interests. Based on the research conducted by Asra (2015) regarding the influence of ownership structure on firm value, the results show that managerial ownership does not affect the firm value. Whereas based on the similar research conducted by Ardekani & Yazdi (2016), the results show that managerial ownership influences the firm value.

Foreign ownership is the share ownership by multinational companies. Foreign ownership in the company is a party that is considered paying attention to the form of disclosure of social responsibility and performance carried out by the company that can affect the value of the company in the future. The results of the research conducted by Kwangwoo (2005) show that foreign ownership has an effect on company value. On the other hand, the results of the research conducted by Kumar (2012) show that foreign ownership has no effect on the value of the company.

Based on the description above and by looking at the phenomenon of the implementation of corporate social responsibility carried out by companies and various types of ownership structures that can increase the firm value, as well as differences in the results of previous studies, the researcher intends to conduct a study with the related title such as, "The Effect of Corporate Social Responsibility and Ownership Structure on Firm Value in Food and Beverage Companies in South East Asia."

2. THEORETICAL FRAMEWORK AND HYPOTHESIS

Signaling Theory

According to Brigham & Houston (2011: 185), signaling is an action taken by a company to give reference to investors regarding management's performance on company prospects and as information that management can realize the investors' wishes. Information issued by the company is very important because it presents an overview, information and company records that are closely related to external party investment decisions.

For the community, shareholders or other stakeholders, firm value is very important. Changes in the firm value can provide information or a signal that is later on as the investors' consideration. One of the efforts that can be done by management in increasing the value of the company is having a corporate social responsibility program that describes how the company cares about the surrounding environment. In addition to looking at the company's performance on financial statements, investors also see other factors that influence the value of the company and can provide an overview of the future prospects of the investment.

CSR disclosure is an important thing as a positive signal for investors, in which the company shows its responsibility and all activities that have been carried out to the community. This positive signal is indicated by the increase in company value.

Agency Theory

Agency theory explains the relationship between shareholders as principals and management as agents. Management is a party contracted by shareholders to work in the interests of shareholders. The management appointed by shareholders must be responsible for all their work to them.

According to Jensen & Meckling (1976), agency relationship is a contract where one or more people (principals) employ other people (agents) to do a service on behalf of the principals and authorize the agent to make the best decision for the interest of the principals. For principals, the performance of management as an agent is an important matter that shows the form of responsibility to shareholders. The good or bad condition of a company's performance reflects how the management can do its work in accordance with its intended purpose. This management performance can be influenced by several things, one of which is the form of company ownership that can be determined based on the number of shares.

Firm Value

Firm value is a certain condition that has been achieved by a company as a form of public trust in the company since it was established until now. An increase in firm value is an achievement in accordance with the wishes of the owner, because with the increase in the firm value, the welfare of the owners will also increase.

Firm value is an investor's perception of the level of the company's success. It is closely related to the share price (Asra, 2015). According to Harmono (2009: 50), firm value is the company's performance as reflected by the share price formed by capital market demand and supply that reflect the community's assessment of the company's performance. High share price will make the firm value also high, thus resulting in an increase in the level of market confidence. This can illustrate the performance of the company in the current period and the company's prospects in the future.

Corporate Social Responsibility *(CSR)*

According to the World Business Council for Sustainable Development (WBCSD), corporate social responsibility is a business commitment to contribute to sustainable economic development through collaboration with employees, their representatives, their families, local communities, and the general public. All these are intended to improve the quality of life in ways that beneficial for them and for business development (Effendi, 2009: 162). CSR is also the company's obligation for business activities that affect people, society, and the environment.

Based on the International Organization for Standardization (ISO) 26000 in 2010, regulations regarding corporate social responsibility are voluntary for all countries including the Southeast Asian region. But in Indonesia alone, CSR is no longer voluntary but an obligation for some companies, especially Limited Liability Companies. This is regulated in Law Number 40 of 2007 concerning Limited Liability Companies which was ratified on July 20, 2007, where businesses related to the use of natural resources and human resources need to implement social responsibility.

Institutional Ownership

Institutional ownership is the proportion of shares held by companies or institutions, such as insurance companies, banks, mutual funds, investment companies and other shareholdings (Gitman, 2006: 16). According to Jensen & Meckling (1976), institutional ownership has a very important role in minimizing agency conflicts that occur between managers and shareholders. Institutional ownership has the ability to control management through an effective monitoring process that prevent management from manipulating actions.

Managerial Ownership

Managerial ownership is the proportion of shares ownership by directors, management, commissioners or any party that actively participates in corporate decision making (Asra, 2015). Managers, in running company's operations, often act not to maximize shareholder prosperity, but are even tempted to improve their own welfare. This condition will lead to the emergence of conflict in which in financial theory is called the agency conflict.

The presence of managerial ownership is deemed to be able to harmonize the potential differences in interests between outside shareholders and management (Jensen & Meckling, 1976). Managers who also act as shareholders will certainly align their interests as managers and as shareholders.

Foreign Ownership

Foreign ownership is a percentage of the company's shares ownership by foreign investors. According to Law No. 25 of 2007 in Article 1 number 6 states that foreign ownership is a foreign individual, a foreign business entity, or a foreign government which invests in the territory of the Republic of Indonesia. Multinational companies or with foreign ownership will primarily see the legitimacy of benefits coming from their stakeholders that can provide high existence in the long run.

Companies with a high level of foreign ownership will emphasize better performance, which will affect the perspective of outsiders before deciding to invest. Foreign ownership can be measured using a percentage that compares between shares owned by foreign party and the number of shares outstanding, which is in the financial statements or company annual reports.

The Effect of CSR on Firm Value

CSR is the accountability report that is important for investors and potential investors to invest. This corporate social responsibility is a signal given to external parties so that it can affect decisions relating to the company. In addition to using financial information, investors also use non-financial information, such as CSR information.

Results of the research conducted by Gutsche et al. (2016) show that CSR has an effect on firm value. From this research it can be said that if it is associated with corporate value, CSR has a relationship that can affect the increase or decrease in the value of the

company. Although companies must pay for the implementation of social responsibility, sustainable CSR can provide the companies with a competitive advantage by attracting investors. The more investors are interested in investing in the company, the higher the firm value, as reflected in the increase in share prices. So hypothesis 1 can be formulated as follows:
H1: Corporate Social Responsibility (CSR) has an effect on firm value

The Effect of Institutional Ownership on Firm Value

Institutional ownership is a share ownership by the institution or that outside the company. In addition, institutional ownership is important for monitoring the management because the existence can encourage an increase in more optimal supervision. In agency theory, besides functioning as monitoring, institutional ownership also functions as a reduction in agency conflict between management and shareholders.

Results of the research conducted by Asra (2015) and Kumar (2012) show that institutional ownership has an effect on firm value. So if it is associated with firm value, institutional ownership has an effect that is functioning as a tool that can be used to reduce agency conflict. The higher the level of institutional ownership, the greater the level of control carried out by the external company. Agency costs can be decreased and harmony of goals can be maximized, which in turn will affect the increase in company value. Therefore, hypothesis 2 can be formulated as follows:
H2: Institutional ownership has an effect on firm value.

The Effect of Managerial Ownership on Firm Value

Agency conflicts can be caused by principals and agents who have their own interests which can be conflicting because they try to maximize their respective utilities. Based on agency theory, managerial ownership is one form of ownership that can reduce the agency conflict.

Results of the research conducted by Ardekani & Yazdi (2016) and Kumar (2012) show managerial ownership has a significant effect on firm value. This is because with managerial ownership, the agency conflict decreases and the management work hard to improve the performance which further can affect the value of the company. So hypothesis 3 can be formulated as follows:
H3: Managerial ownership has an effect on firm value.

The Effect of Foreign Ownership on Firm Value

For a company, foreign share ownership is a benchmark that can describe the value of the company. According to Kwangwoo (2005), foreign ownership has an effect on firm value, in which an increase in foreign ownership correlates with an increase in company performance which in turn will increase the value of the company. Management or agent is a party contracted by shareholders or principals. Companies with a higher level of foreign ownership are more likely to improve their performance more so that it will increase firm value and the welfare of shareholders.

Multinational companies have the ability to increase share prices higher than national companies. Investors are more selective in choosing companies with foreign ownership because they are considered more ready and able to manage their investment funds better and can provide benefits to investors. So hypothesis 4 can be formulated as follows:
H4: Foreign ownership has an effect on firm value.

The framework underlying this research can be seen in Figure 1.

3. RESEARCH METHOD

Sample Classification

The population consists of food and beverages companies in Southeast Asia listed on the website www.orbis.bvdinfo.com. Companies used as the research sample are food and beverages companies that have listed in each country. The research data are annual financial statements and annual share data in the period 2014-2016. Sampling is conducted using non-probability sampling method, namely saturated samples or census.

Research Data

This study used a sample of food and beverages companies in Southeast Asian found on orbis.bvdinfo.com. Data used in this study are annual financial statements and annual share data of the company. The financial statements are the statements that have been published through the website www.orbis.bvdinfo.com. The sample consists of 213 observational data.

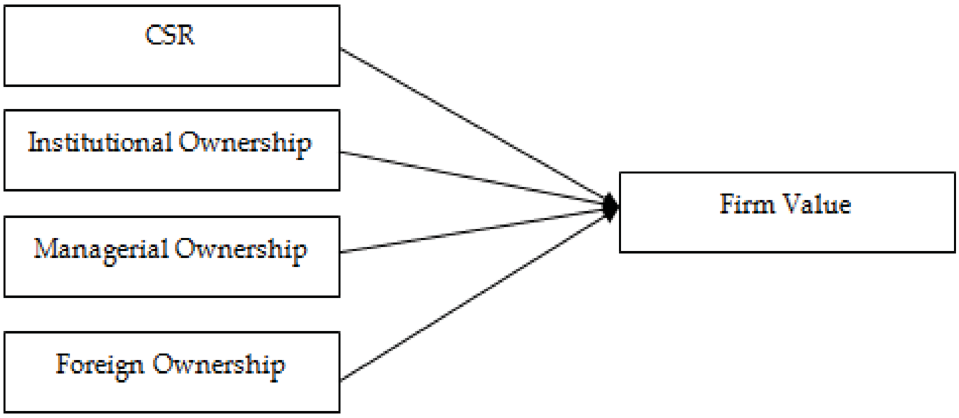

Figure 1
Research Framework

Research Variable

The research variables used in this study are dependent variable (firm value) and independent variables (corporate social responsibility (CSR), institutional ownership, managerial ownership, and foreign ownership).

Operational Definition of Variable

Firm Value

Firm value is a company performance as reflected by the stock price formed by the demand and supply of capital markets that reflect the public's assessment. In general, firm value can be measured by stock prices using the Price to Book Value (PBV) ratio. Managerial ownership is the proportion of shares ownership by directors, management, commissioners. Foreign ownership is the percentage of shares ownership by foreign investors, both individuals and entities.

Analysis Tool

To examine the effect of the variables of corporate social responsibility (CSR), institutional ownership, managerial ownership and foreign ownership on the variable of firm value of food and beverages companies in Southeast Asia in 2014-2016, multiple linear regression analysis models are used. Multiple linear regression analysis is chosen to test the strength of the relationship between two or more independent variables and one dependent variable. The following is the regression equation to find out the relationship:

$$Y = a + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + e$$

Information:
Y = Firm value
a = constant
β = Coefficient of regression model
X1: Corporate social responsibility
X2: Institutional ownership
X3: Managerial ownership
X4: Foreign ownership

4. RESEARCH RESULTS AND DISCUSSION

Descriptive Statistical Test

Descriptive analysis was used to provide an overview of the variables in this study, such as the variables of firm value, corporate social responsibility (CSR), institutional ownership (IO), managerial ownership (MO) and foreign ownership (FO). Table 1 is the results of a descriptive statistical test.

Based on Table 1, the dependent variable of firm value has 227 data with the minimum value of 0.6956520 owned by Lion Diversified Holdings Berhard and the maximum value of 1.2574 owned by the Carlsberg Brewery Malaysia Berhard. The mean value of the sample is 0.9632 while the standard deviation value is 0.1155. The mean value is greater than the standard deviation. So it can be concluded that the data of the variable of firm value (PBV) are classified good.

The independent variable of corporate social responsibility (CSR) has 227 data with the minimum value of 0.1209 owned by Jaya Agra Wattie Tbk and the maximum value of 0.4176 owned by Khon Kaen Sugar Industry PCL. The mean value is 0.2603 while the standard deviation value is 0.0611. The mean value is greater than the standard deviation. So it can be concluded that the data of the variable of Corporate Social Responsibility (CSR) are classified good. Standard deviation is a reflection of the deviation of research data. If the standard deviation value is lower than the mean value, it shows normal results and does not cause bias.

The independent variable of institutional ownership has 227 data with the minimum value of 0.0000,000 owned by Malindo Feedmill Tbk, Ichitan Group PCL, Tipco Foods PCL and Winner Group Enterprise PCL and the maximum value of 0.9851 owned by San Miguel Ginebra. The mean value is 0.4778 while the standard deviation value is 0.2982. The mean value is greater than the standard deviation value. So it can be concluded that the data of the variable of institutional ownership are classified good.

The independent variable of managerial ownership has 227 data with the minimum value of 0.0000000 owned by more than 10 companies located in Indonesia, Malaysia, Singapore and Thailand, and the maximum value of 0.8238 owned by Neo Group Limited. The mean value is 0.1189 while the standard deviation value is 0.17271. The mean value is smaller than the standard deviation value. So it can be concluded that the data of the variable of managerial ownership are classified poor or the individual data point is far from the mean value.

The independent variable of foreign ownership has 227 data with the minimum value of 0.0000 owned by more than 10 companies located in Indonesia, Malaysia, and Singapore, Philippines and Thailand and the maximum value of 0.6766226 owned by Tiga Pilar Sejahtera Food Tbk. The mean value is 0.153084437 while the standard deviation value is 0.1960290288. The mean value is smaller than the standard deviation value. So it can be concluded that the data of the variable of foreign ownership are classified poor or the individual data point is far from the mean value.

Regression analysis was done to determine the relationship between the independent variables (corporate social responsibility (CSR), institutional ownership, managerial ownership and foreign ownership) and the dependent variable (firm value) as measured by the Price to Book Value (PBV) ratio. Regression analysis that has been done is a multiple linear regression analysis which aims to test the effect of two or more independent variables on the dependent variable and to test the hypotheses that have been proposed. The results of the regression analysis can be seen in table 2 below.

Table 1
Results of Descriptive Statistical Analysis

Variable	N	Minimum	Maximum	Mean	Std. Deviation
PBV	227	.6956520	1.2574530	.963249445	.1154520445
CSR	227	.1208791	.4175824	.260250763	.0611368851
IO	227	.0000000	.9851468	.477837663	.2982254997
MO	227	.0000000	.8238341	.118981548	.1727103968
FO	227	.0000000	.6766226	.153084437	.1960290288

Source: Processed Data

Table 2
Results of Multiple Linear Regression Analysis

Variable	Regression Coefficient	Standard Error	t	Sig.
CSR	0.327	.123	2.664	.008
Institutional Ownership	0.079	.032	2.489	.014
Managerial Ownership	-0.157	.056	-2.779	.006
Foreign Ownership	-0.029	.043	-.682	.496
R^2	0.071			
Adjusted R^2	0.054			
F	4.253			
Sig. F	0.002			

Source: Processed Data

Results of Analysis and Discussion

The Effect of CSR on Firm Size

The large amount of CSR disclosure shows the company's concern for the surrounding environment. The company's concern for the environment can produce indirect feedback for the company's sustainability. CSR is one of the important information for investors. In addition to looking at the financial statements, investors will also look at non-financial reports so that they can influence investment decisions. This can affect the value of the company as reflected in the increase or decrease in the company's share price.

The results of this study are in line with those of the research conducted by Gutsche, Schulz, & Gratwohl (2016) that Corporate Social Responsibility (CSR) has an effect on firm value. It is in accordance with the existing theory that if companies provide signals in the form of good social responsibility, investors will respond positively to the company value.

The Effect of Institutional Ownership on Firm Value

Institutional ownership has an effect which functions as a tool that can be used to reduce agency conflict. The higher the level of institutional ownership, the greater the level of control exercised by external parties. For companies with a high level of institutional ownership, the management will have more responsibility in providing better performance. Then the agent costs will decrease and the harmony of goals can be maximized and will affect the increase in company value.

The results of this study are in line with the results of the research conducted by Abdul (2015) and Kumar (2012) that institutional ownership has an effect on firm value. It is in accordance with the existing theory that institutional ownership has a very important role in minimizing agency conflict and serves to control management through an effective monitoring process that affects the value of the company.

The Effect of Managerial Ownership on Firm Value

The results of statistical test show that managerial ownership has negative effect on firm value. This can occur because the existence of managerial ownership in the company is sometimes constant every year and some are not stable or experiencing increases and decreases. If managerial ownership increases, but does not increase the value of the company, this can be caused, one of which, by the existence of information asymmetry, a condition where one party has more information than the other party. The company management knows more information about the company than the investors. Such a condition can encourage management to take opportunistic actions to prioritize their personal interests, or high income, rather than increasing the value of the company.

The results of this study are in line with the results of the research conducted by Ardekani & Yazdi (2016) and Kumar (2012) that managerial ownership has an effect on firm value. But the results of this research test show a negative influence that is not in line with agency theory that the presence of managerial ownership is deemed to harmonize the interests of managers as management and as shareholders who will further improve their performance and reduce the potential differences in interests between outside shareholders and management.

The Effect of Foreign Ownership on Firm Value

The existence of foreign ownership in the sample companies is sometimes constant every year and some are not stable or experiencing increases and decreases. Foreign ownership has no effect on firm value because there is possibility that foreign investors do not optimally supervise the company's operations. This can occur because of several factors, such as the existence of conflict of interest between principals and agents. The management has a different purpose and background from the investors. Foreign ownership shows the existence of different countries which can make foreign shareholders less optimal in monitoring and aligning objectives. Besides, the differences in language, culture, regulation and the role of foreign investors in companies that tend to be passive may become the reason that the level of foreign ownership does not affect the value of the company.

The results of this study are not in line with the results of the research conducted by Kwangwoo (2005) that foreign ownership has an effect on firm value. However, the results of this study are in line with the results of the research conducted by Kumar (2012) that foreign ownership has no effect firm value.

5. CONCLUSION

The results of the F-test show that the

regression model is fit and can be interpreted that the independent variables of corporate social responsibility (CSR), institutional ownership, managerial ownership and foreign ownership can predict the dependent variable of firm value of food and beverages companies in Southeast Asia. The results of the coefficient of determination (R2) test show that the independent variables of corporate social responsibility (CSR), institutional ownership, managerial ownership and foreign ownership could explain the dependent variable by 5.4 percent, while the remaining 93.6 percent might be affected by other factors outside the regression model.

The results of the first hypothesis testing show that CSR has a positive effect on firm value. This indicates that CSR can increase company value. CSR is important information for investors in making decisions to invest. This can affect the value of the company as reflected in the increase or decrease in the company's stock price. In accordance with the signaling theory, companies can provide a signal in a form of social responsibility that will be responded positively by the investor so that it can provide an influence on the value of the company.

The results of the second hypothesis testing show that institutional ownership has a positive effect on firm value. This indicates that institutional ownership can increase company value. According to the agency theory, institutional ownership has an ability to reduce management's actions in carrying out manipulations, reduce the existence of agency conflicts, and control management through an effective monitoring process so that company management will try to improve its performance as a form of responsibility to institutional shareholders which in turn it can influence in increasing the value of the company.

The results of the third hypothesis testing show that managerial ownership has a negative effect on firm value. This indicates that an increase in managerial ownership can reduce the value of the company. This can be caused, one of which, by the existence of information asymmetry, a condition in which a party has more information than the other party. The management of the company knows more information about the condition or operations of the company than other investors. Such a condition can encourage management to take opportunistic actions to prioritize their personal interests, which is increasing income, rather than increasing the value of the company.

The results of the fourth hypothesis testing show that foreign ownership has no effect on firm value. The reason is that there is possibility that foreign investors do not optimally supervise the operations carried out by the company. This can occur because of several factors, for example, the existence of conflict of interest between principals and agents, differences in language, culture, regulation, and the role of foreign investors in companies that tend to be passive.

This study has several limitations as follows: (1) the sampling technique used in this study is the non-probability sampling method, that is, saturated samples (census), while the research samples are food and beverages companies in Southeast Asia only and not all annual financial statements of companies use International language; (2) the test results in this study show the coefficient of determination (R2) of 0.054 or 5.4%. This indicates that the ability of the model to explain company value (PBV) is only 5.4% and there are other factors of 93.6% which are not included in the model and affect the dependent variable of the firm value.

The suggestions are as follows: (1) when using the samples other than Indonesia companies, the next researchers are recommended to use a purposive sampling technique so that the samples used are those that use international language. The aim is that the researchers will be consistent in eliminating data and will provide accurate results in reading the annual financial statements. (2) This study uses four independent variables: CSR, institutional ownership, managerial ownership and foreign ownership, but the ability of the models in explaining the variable of firm value is quite small or 5.4%. So it is better for the next researchers to add or use other variables in order to be able to know other factors that significantly influence the firm value.

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