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The Effect of Good Corporate Governance on Stock Return Volatility During the Covid-19 Pandemic on Tourism Companies Listed on The Indonesia Stock Exchange in 2019-2022

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Abstract This research aims to determine the influence of the board of directors, independent board of commissioners, audit committee, and managerial ownership on stock return volatility. Stock return volatility as the dependent variable is measured by the standard deviation of annual stock returns. Regarding the independent variable, the board of directors is measured using the number of members of the board of directors. Independent commissioners are measured based on whether the company appoints independent commissioners or by the ratio of independent commissioners. Audit committees are measured using the number of audit committee members. Managerial ownership is measured using a percentage of the total shares owned by the entire executive board based on total shares outstanding. Apart from that, researchers also added the following three control variables into the regression model. Leverage, company size, and company performance. Based on the sampling technique used is purposive sampling. The sample consists of 25 tourism companies listed on the Indonesia Stock Exchange in 2019-2022 with 100 data obtained. The analysis technique used in this research is multiple linear regression. The results of this research indicate that the board of directors has a negative and significant effect on stock return volatility. Apart from that, the independent board of commissioners, audit committee and managerial ownership have no effect on stock return volatility. The control variables, namely SIZE, leverage, and company performance, have no effect on stock return volatility.

Keywords: Effect, Good Corporate, Governance, Stock Return, Tourism Companies.

INTRODUCTION

Capital markets are important in the economy and the most complex business entities. The capital market is one of the sources of economic progress for companies and acts as a means for the public to invest in stocks. The capital market is alternative financing to obtain capital at a relatively cheap cost and a place for short-term and long-term investments. Public companies listed on the stock exchange every year are required to submit annual reports, both monetary and non-monetary, to the stock exchange and investors. Generally, companies that invest in stocks aim to maximize the wealth of company owners or shareholders. The multiplication between the share price and shares outstanding measures shareholder wealth. Stock price reflects the company's performance or value and investor confidence. The stock price will move in line with the company's performance. If the company's performance is good, the company's stock price will increase and vice versa. If the company's performance is not good, the company's stock price will also decrease.

Therefore, company owners or shareholders will ask the management to improve their performance so that the company's performance or value increases and the company's goals will be achieved. However, management often has goals and interests that conflict with the company's main objectives and ignore shareholders' interests. These differences in interests result in the emergence of conflicts called agency conflicts. Agency conflicts will result in opportunistic management, resulting in pseudo-reported profits and causing the company's value to decrease in the future (Herawati, 2017). Therefore, protection is needed for various parties interested in the company (Almilia & Budisusetyo, 2009).

The term good corporate governance (GCG) is increasingly popular globally. The word good in GCG is meant to be acceptable, comply with regulations, and provide value for many parties. Meanwhile, the term corporate governance refers to corporate governance (Huang et al., 2023; L. Wang & Yang, 2023; T. Wang & Yang, 2023). GCG is one of the keys to the company's success in growing and developing in the long term and winning global business competition. GCG has been regulated in the Law of the Republic of Indonesia No. 40 of 2007 concerning Limited Liability Companies. In Bank Indonesia Regulation No. 8/14/2006 as an amendment to Bank Indonesia Regulation No. 8/4/2006 concerning the implementation of GCG for commercial banks, good GCG principles include (1) Openness, (2) Accountability, (3) Liability, (4) Independence, (5) Fairness.

The existence of Corporate Governance is an important factor that determines the company's performance. Corporate Governance has a very important relationship in providing sustainability to companies which can provide good value in the long term. The operational management of a company is good if it has a structural administration that operates by predetermined processes (Chen et al., 2023; Nareswari et al., 2023; Zhang et al., 2023). Corporate governance has five factors, namely transparency, accountability, responsibility, independence, and fairness, which are guidelines for companies to avoid economic crises, investor distrust, financial distress or corruption, collusion, and nepotism (KKN), which can later lead to a decline or even bankruptcy in the company (Hsu & Tang, 2022).

Implementing governance by the procedure can minimize the possibility of financial difficulties or distress and, simultaneously, will not deviate from the predetermined process. Implementing good corporate governance will lead to increased supervision and the ability to make quick and accurate decisions (Arbaina, 2010). Company management will always have goals regarding healthy financial performance. Therefore, companies must implement appropriate governance procedures to achieve these goals. If a company implements good governance, it will have a healthy financial position and improved operations (Azzahra, 2023). If a company experiences financial difficulties, it can be said that the company has poor governance. Weak or poor governance will lead to potential financial difficulties (Bayni, 2020).

Corporate Governance is a set of rules that govern the behavior of company owners, directors, and managers to create balance in corporate governance. Corporate governance is needed to avoid the concentration of power in management's hands and create an effective system of power-sharing mechanisms and checks and balances among shareholders, the board of directors, management, and other stakeholders (Hsu & Liao, 2022; Lu et al., 2023). Corporate governance is a mechanism for oversight of the assessment of corporate responsibility and accountability through the board of directors, audit committee, management, and auditors to protect the interests of investors. Corporate governance also helps create fruitful and responsible relationships among the company's components (board of directors, commissioners, and shareholders) to improve company performance. Corporate governance controls the behavior of business leaders so that they can act not only in their own interests but also for the benefit of all stakeholders in a company, including the company's owners. In today's business environment, corporate governance remains a major focus of regulators, investors, creditors, and other stakeholders in the world's financial markets (Dwiantari & Artini, 2021)

One of the strategies that the company can apply to achieve its goals is to implement good corporate governance One of the causes of the economic crisis in Indonesia is weak corporate governance and underlying ethics. Presence (Nagendrakumar et al., 2021). Corporate Governance in recovering from a crisis

in Indonesia was necessary, as Corporate Governance requires good organizational management. Governments and investors are beginning to pay special attention to good practices in corporate governance.

At the end of 2019 and the beginning of 2022, the world was shocked by the emergence of a new disease called Coronavirus Disease 2019, better known as COVID-19. This disease, caused by the Novel Coronavirus, first appeared in Wuhan, China, then spread worldwide and became a pandemic. Many people died from the disease. Countries have implemented policies to overcome it, such as lockdowns and vaccine administration. In Indonesia, various efforts have been taken to reduce the number of citizens who are positive for COVID-19, namely by the Implementation of Community Activity Restrictions (PPKM), the implementation of a new lifestyle with the 5M health protocol (Washing Hands, wearing masks, maintaining distance, staying away from crowds, Reducing Mobility) and giving vaccines gradually. The impact of the COVID-19 pandemic apparently attacks the health of the world community and the country's economic condition. With strict restrictions, the level of human activity is reduced, and this causes trading activity also to decrease. People's income decreased, company income decreased, and gross domestic income was also affected.

The COVID-19 pandemic is a severe test experienced by the public and on companies’ stock performance. It was recorded that the Composite Stock Price Index (JCI) plummeted 1%, its peak on March 24, 2020, touching a price of 3,937. The Indonesia Stock Exchange and the Financial Services Authority issued an Auto Rejection Asymmetry policy so that the Composite Stock Price Index (JCI) would not plummet. Throughout 2020 the Indonesia Stock Exchange traded halt 7 times. After reaching 4,000, the condition of the Composite Stock Price Index (JCI) gradually improved, and towards the end of the year, on December 30, 2020, it fell to 5,979.07. Entering 2021, as the COVID-19 vaccine was found, JCI rose and became stronger than before the pandemic. Even JCI chalked up an all-time high in 2021. Referring to Bloomberg data, JCI reached its 2021 or all-time high of 6,435 on January 13, 2021. Meanwhile, on Monday (1/3/2021), JCI closed 96.71 points (1.55%) to 6,338.51. On June 21, 2023, President Jokowi announced that the government had officially revoked the status of the COVID-19 pandemic in Indonesia. Indonesia is declared to have moved from a pandemic period to an endemic (Sahdiah & Komara , 2022)

Macroeconomic conditions and micro factors of the company itself influence stock performance. Macro factors include interest, inflation, and the rupiah exchange rates. Good Corporate Governance and financial performance influence micro factors. Corporate governance is a system consisting of functions carried out by interested parties to maximize the value creation of the company as an economic entity as an economic entity or a social entity through the application of generally accepted basic principles. Corporate governance principles generally consist of five principles: transparency, accountability, accountability, independence, and fairness. Implementing Corporate Governance is expected to increase the company's value. The National Committee on Governance Al Umar (2023) stated five GCG principles: transparency, accountability, responsibility, independence, and fairness. Increased Good Corporate Governance (GCG) will affect the company's value (Manan & Hasnawati, 2022).

Regarding the company's stock price, good corporate governance is the basis or guideline in carrying out the company's internal management, whether internal management of a company will have an impact on the performance of the company itself where the results of the performance will be directly proportional to the level of revenue which will also have an impact on the level of the company's stock price. The stock price itself is the price that arises due to the movement of supply and demand that appears in the securities market against the price in question. Stock prices that tend to be stable can also be used as a benchmark in reflecting the good and bad performance of management carried out at the company. For companies, shares are ownership rights over company assets. The number of shares has the same meaning as the value of the ownership presentation of the company's total assets.

The stock's market price also shows the company's value. The higher the stock price, the better the value of the company. The rise and fall of stock prices will be closely related to the rise and fall of the company's value in the eyes of the market, in general, the world of macro and micro businesses. In the country's macroeconomics, the stock price can indicate the economic condition of the country concerned. When the average value of a country's total stock price rises, it can indicate that the economy is strengthening.

The higher the value of the stock market price of a company, the more investors will be interested in selling their shares. The stock market is one of the indicators of a country's economy, so a calculation of transactions that occur in the exchange throughout a certain period is needed.

Good corporate governance is generally proxied by the board of directors, independent directors, foreign ownership, and chief executive officers (Aloui & Jarboui, 2018). Independent directors protect minority shareholders because independent directors are impartial. The independent director is tasked with ensuring the continuity of good corporate governance regulations with full responsibility, as stated in Article 97, paragraph 2 of Law Number 40 of 2007. According to the percentage of common shares held by the public, the company, the government, and its affiliates abroad are known as foreign ownership. The highest position in a company, known as Ramdani (2019) chief executive officer (CEO), is tasked with ensuring business operations can be successful. Generally, the board of directors and shareholders elect the chief executive officer (CEO). Achieving good company performance and success in running the company is inseparable from the role of a chief executive officer (CEO) (Saidu, 2019).

In addition to the Good Corporate Governance mechanism, several other factors can affect the volatility of stock returns, such as Leverage, Company Size, and Company Performance. Leverage is a ratio that measures how much a company borrows to fund its operations. In general, companies want to expand to increase company profits, and an increase will follow in operational activities. However, the increasing operational activities of a company, of course, automatically the expenditure of funds in the company will be greater. That encourages companies to increase their funding by adding external resources, such as debt or leverage (Saidu, 2019). Therefore, funding obtained from debt must be managed properly so that there are no adverse effects that can cause losses to the company that will later occur.

The difference between this study and previous researchers is, of course, from the phenomenon; each study is different, and some previous researchers researched the phenomenon of financial crisis and financial distress in various countries. Meanwhile, in this study, the phenomenon during the COVID-19 pandemic in tourism sector companies is because the sector was most affected during the COVID-19 pandemic, and there are also differences, of course, from the variables. Previous researchers used variables from several proxies of Good corporate governance. Therefore, this study combines the measurement of Good corporate governance mechanisms by adding control variables such as Leverage, Company Size, and Company Performance to effectively influence the implementation of corporate governance (GCG) in controlling or controlling a company. In addition, there are also inconsistencies in the results regarding the influence of each variable on stock return volatility, so in this case, further research needs to be done on each of these variables.

This research will focus on companies in the tourism sector listed on the Indonesia Stock Exchange (IDX) for 2019-2022. In this case, whether the company experiences a decrease or increase in its financial statements and shares against the volatility of stock returns every year due to the conditions of the COVID-19 pandemic. Based on the background described above, this study raised the title "The Effect of Good Corporate Governance On The Volatility Of Stock Returns During The Covid-19 Pandemic In Companies Listed On The Indonesia Stock Exchange In 2019-2022".

METHOD

This study uses quantitative methods to analyze the effect of Good Corporate Governance on Stock Return Volatility during the COVID-19 pandemic on tourism companies listed on the Indonesia Stock Exchange (IDX) in the 2019-2022 period. The data used in this study is numerical, so the method used is statistics, as Sugiyono (2013) explained.

The object of this study is tourism companies listed on the IDX during the period. This study chose tourism companies because this sector is considered the most significantly affected by the COVID-19 pandemic. The study population includes all tourism companies listed on the IDX in 2019-2022, and the sample was selected using purposive sampling techniques. The sample consists of 25 tourism companies that meet certain criteria, such as publishing complete financial statements and annual reports annually.

The data source used in this study is secondary data obtained from the Indonesia Stock Exchange through financial statements and annual reports of tourism companies during 2019-2022. The data collection method used is documentation, where data is obtained from document records, literature, reports, or publications relevant to the research problem.

The data analysis technique consists of several steps. First, descriptive statistical analysis is carried out to provide an overview of dependent variables (stock return volatility) and independent variables (Good Corporate Governance) such as the Board of Directors, Independent Board of Commissioners, Audit Committee, and Managerial Ownership. Furthermore, classical assumption tests included normality, multicollinearity, autocorrelation, and heteroscedasticity tests.

Multiple linear regression equations are used to test the influence of the independent variable on the dependent variable. The equation includes control variables such as Leverage, Company Size, and Company Performance. After that, a hypothesis test was carried out by looking at the value of the coefficient of determination (R2), the significance test of individual parameters (Test T), and the simultaneous significance test (Test F).

In this study, data was obtained through access to the official website of the Indonesia Stock Exchange (IDX) in the 2019-2022 period, using research instruments in the form of documentation research development. The overall methodology is expected to provide a comprehensive picture of the effect of Good Corporate Governance on the Volatility of Stock returns of tourism companies during the COVID-19 pandemic.

RESULTS AND DISCUSSION

A. Classical Assumption Test

1. Normality Test

The normality test is a test that can be used to test whether the data can be normally distributed or not. In the regression model, it can be known well if the data is normally distributed. In this study, the normality union was carried out using the Kolmogorov-Smirnov test with a significance value of 0.05. It is known that if a significance value is greater than > 0.05, then the data is normally distributed. The results of the normality test can be seen in the table below.

Table 1. Normality Test
One-Sample Kolmogorov-Smirnov Test

	Unstandardized Residual
N	43
Test Statistics	,078
Asymp. Sig. (2-tailed)	,200[c,d]

Source: SPSS Output, Processed Secondary Data 2023

Based on the data above, it can be seen that the normality test in testing using Non-Parametic Kolmogrov Smirnov shows a value of 0.078 and a signification value of 0.200 so that it can be concluded that the data is normally distributed because the signification value is greater than 0.05.

2. Multicollinearity Test

The multicollinearity test is a test to be able to find out whether in the data there is a relationship between independent variables in this regression model. In this multicholinerity test, it can be done by knowing the results of the tolerance value > 0.10 and VIF < 10. The following results of the multicollinearity test can be seen in Table 2.

Table 2. Multicollinearity Test

Variable	Tolerance	VIF	Information
Board of Directors	,878	1,139	No multicollinearity occurs
Com. Independent	,805	1,242	No multicollinearity occurs

Audit Committee	,734	1,362	No multicollinearity occurs
Kepem. Managerial	,786	1,272	No multicollinearity occurs
Leverage	,762	1,313	No multicollinearity occurs
Company Size	,782	1,278	No multicollinearity occurs
Company Performance	,860	1,163	No multicollinearity occurs

Based on the data above, using the test from SPSS, the independent variable of the Board of Directors has a tolerance value of 0.878 greater than > 0.10 with a VIF value of 1.139. Then the Independent Commissioner variable has a tolerance value of 0.805 greater than > 0.10 with a VIF of 1.242. Then, the audit committee variable has a tolerance value of 0.734, greater than > 0.10, with a VIF value 1.362. Then, the managerial ownership variable has a tolerance value of 0.786 greater than > 0.10 with a VIF value of 1.272. Then, in the control variable, Leverage has a tolerance value of 0.762 greater than > 0.10 with a VIF value of 1.313. Then, other control variables, namely the company's size, have a tolerance value 0.782 greater than > 0.10 with a VIF value 1.278. Then, the company's performance control variable has a tolerance value of 0.860, greater than > 0.10, with a VIF value of 1.163.

3. **Autocorrelation Test**

This autocorrelation test aims to find out whether the data used in this study correlates with the observed variables with other variables. In this data, the autocorrelation test was performed using the Durbin-Watson test. Regression results with a significant level of 5%, the number of independent variables (k = 4), and the amount of data (n = 100). If the Durbin-Watson value (DW) lies between the dU < dw < 4-dU values, it can be said that no autocorrelation occurs. Here are the results of the autocorrelation test:

Table 3. Autocorrelation Test
Model Summary^{b}

Durbin Watson	Information
1,956	No autocorrelation occurs

Source: SPSS Output, Processed Secondary Data 2023

From the test results of the Durbin Watson test method above, it was found that the results of the value.
n = 100
dw = 1.956
dL = 1.5922
dU = 1.7582
4-dU = 4-1.7582 = 2.2418
Autocorrelation does not occur if the dU value < dw < 4-dU, after the test the results state that.
Result = 1.7582 < 1.956 < 2.2418

4. **Heteroscedasticity Test**

This heteroskedasticity test aims to determine whether there is a difference in residual variance in one observation of another in the data. This study's data is said to pass the heteroskedasticity test if the significant value is >0.05 in each variable. In this study, the heteroskedasticity test was carried out by progressing absolute residuals on independent variables against dependent variables is the absolute value of unstandardized residuals.

Table 4. Heteroscedasticity Test
Coefficientsa

Variable	Sig	Information
Board of Directors	0,089	No heteroscedasticity occurs
Com. Independent	0,513	No heteroscedasticity occurs
Audit Committee	0,312	No heteroscedasticity occurs
Kepem. Managerial	0,734	No heteroscedasticity occurs
Leverage	0,902	No heteroscedasticity occurs
Company Size	0,369	No heteroscedasticity occurs
Company Performance	0,204	No heteroscedasticity occurs

Source: SPSS Output, Processed Secondary Data 2023

Based on Table 4 of the heteroskedasticity test results, it is known that the significance value of the variables of the board of directors is 0.089 > 0.05. The data does not exhibit heteroskedasticity; if the independent board of commissioners is 0.513> 0.05, then the data does not exhibit heteroskedasticity. In addition, the significance value of the audit committee variable is 0.312 > 0.05, so the data does not occur heteroskedasticity. Then, the significance value of the managerial ownership variable is 0.734 > 0.05, so the data does not exhibit heteroskedasticity. In addition, the data does not have heteroskedasticity for the significance value of the leverage variable, which is 0.902 > 0.05. For the significance value of the company size variable, which is 0.369 > 0.05, the data does not occur heteroskedasticity, while for the significance value of the company performance variable, which is 0.204 > 0.05, it can be concluded that the data does not occur heteroskedasticity.

B. Multiple Regression Analysis

This multiple linear regression equation analysis can be used to determine the value of the magnitude of an independent variable influence, namely the Board of Directors, Independent Board of Commissioners, Audit Committee, Managerial Ownership, Leverage, Company Size, and Company Performance on the dependent variable, namely Stock Return Volatility. The results of the analysis of this multiple linear regression equation can be seen in Table 5 as follows:

Table 5. Multiple Regression Analysis
Coefficientsa

Type	Unstandardized Coefficients B
1 (Constant)	,162
Board of Directors	-,013
Com. Independent	-,001
Audit Committee	-,008
Kepem. Managerial	,001
Leverage	,064
Company Size	,002
Company Performance	,146

Source: SPSS Output, Processed Secondary Data 2023

VOL = 0.162 + (-0.013) X1 + (-0.001) X2 + (-0.008) X3 + 0.001X4 + 0.064 + 0.002 + 0,146 + e

DISCUSSION

The Effect of the Board of Directors on Stock Return Volatility

Based on regression testing conducted on the first hypothesis tester, the variables of the board of directors showed the value of t calculated > t table, namely -2.133 > 1.98525 with a signification value of 0.036 < 0.05 so that it can be concluded that the board of directors has a negative and significant effect on the volatility of stock returns in tourism companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. So, the first hypothesis is accepted, which means that the board of directors affects the volatility of stock returns.

In this case, the study results show that many board members of the board of directors can have a

positive and significant effect on the volatility of stock returns. According to Khoirunnisa (2021) Thus, it shows that many boards of directors can improve company performance. In this case, the role of the board of directors is to formulate a policy on the company's operations. Therefore, with a relatively large number of members on the board of directors, the decision-making does not focus only on one party. A large board of directors is usually realized in the placement of each director in a predetermined field mastered by each manager so that each board of directors has their own duties and authorities to be more focused and can improve company performance. In this case, the directors of a company will determine a policy to be taken or have a company strategy in the short or long term. In addition, many board members will expand networks with parties outside the company that can improve the company's financial performance.

The results of this study are by research that states that the board of directors affects the volatility of stock returns. This board of directors helps reduce the volatility of stock returns (Aloui & Jarboui, 2018).

The Effect of the Board of Commissioners on the Volatility of Stock Returns

Based on regression testing conducted on the second hypothesis tester, the variable of the independent board of commissioners showed that the value of t calculated < t table, namely -1.726 < 1.98525 with a signification value of 0.088 > 0.05, so that it can be concluded that the independent board of commissioners does not affect the volatility of stock returns in tourism companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. So, the second hypothesis is rejected, which means that the independent board of commissioners does not affect the volatility of stock returns.

This is because the independent board of commissioners does not affect the volatility of stock returns. After all, the role of the independent board of commissioners cannot improve the quality of shares through a monitoring function on financial reporting and low enlightenment on the importance of a system of Good Corporate Governance towards improving the quality of a company's value. The concept based on the establishment of an independent board of commissioners is by the principles of independence (Independency) and accountability (Accountability), where if there is a lack of supervision from an independent commissioner so, there will be some actions of a deviation committed by stakeholders. The independent commissioner here is only limited to being a supervisory board, so even though it is independent, this independent board of commissioners does not have the authority to decide on the volatility of stock returns. This can be proven in the results of descriptive statistical analysis on the variables of the independent board of commissioners, which have an average value of 38.5189 or 38%, while the mean value or average volatility of stock returns is 0.1268. Therefore, it shows that high and low data on the independent board of commissioners does not guarantee high volatility in stock returns. This can also be seen from the descriptive statistical results of the minimum value from the independent board of commissioners, which is 0.00. Thus, based on a decision of the Board of Directors of PT. Jakarta Stock Exchange Number: Kep-305 / JSX / 07-2004 concerning regulation Number 1A concerning general provisions for the Listing of Shares and Equity Securities, which describes the minimum number of an independent board of commissioners required by laws and regulations, which is 30% of the total members of the board of commissioners (Rosiana & Mahardhika, 2021).

The results of this study are not supported by those who have proven that the independent board of commissioners affects the volatility of stock returns. It said that an independent board of commissioners can reduce the volatility of stock returns. However, this study's results align with Novia Tri (2018), which states that the independent board of commissioners does not affect the volatility of stock returns (Aloui & Jarboui, 2018).

The Effect of the Audit Committee on Stock Return Volatility

Based on regression testing conducted on the third hypothesis tester, the audit committee variable showed a calculated t-value < t table, namely -0.444 < 1.98525 with a significance value of 0.658 > 0.05 so that it can be concluded that the audit committee does not affect the volatility of stock returns in tourism companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. So, the third hypothesis is rejected, which means that the audit committee does not affect the volatility of stock returns.

This is because the large number of audit committee members in a company does not guarantee the

effectiveness of the audit committee's overall performance in monitoring the volatility of stock returns. The audit committee is established through a board of commissioners based on laws and regulations regarding the application of Corporate Governance. In this study, the audit committee has not worked optimally in assisting the responsibility of the board of commissioners, causing control supervision of the company to be less effective, which can increase or impact the volatility of stock returns. This is because the popularity of audit committees by a company is only done to meet regulations; besides that, it is only a criterion but is not intended to be able to enforce good corporate governance in a company. Some tourism companies have the same number of audit committee members every year, but the volatility of stock returns is always fluctuating, for example, in the company PT. MNC Land Tbk (KPIG) has 3 audit committee members from 2019-2022, but its stock returns fluctuated from 7.1%, 4.5%, 16.7%, and 7.8% at the company PT. Indonesia Paradise Property Tbk (INPP) has 3 audit committee members from 2019-2022, but the volatility of its stock returns fluctuates from 10.2%, 8.3%, 11.2%, and 8.8%. In addition, companies that experienced changes in the number of audit committee members from 2019-2022 were PT. Hotel Sahid Jaya Internasional Tbk (SHID) has an audit committee of 3, 3, 5, and 5 people, followed by changes in the volatility of stock returns owned by 10.5%, 12.9%, 20.2%, and 26.8%. Furthermore, it was in the company PT. Dafam Property Indonesia Tbk (DFAM) experienced a change in the number of audit committee members from 2019-2022 from 4,4,3,3 and followed by a change in the volatility of stock returns owned by 19.7%, 13.1%, 40.3%, and 27.7%.

This study is in line with research conducted by which states that the proxy variables of the audit committee do not affect the volatility of stock returns. However, this study is not supported by research by Ajiwanto (2013), which states that the audit committee negatively affects stock return volatility (Swarly & Wibowo, 2022).

Effect of Managerial Ownership Volatility of Stock Returns

Based on regression testing conducted on the fourth hypothesis tester, the managerial ownership variable of the results showed a calculated t value < t table, which is 1.740 < 1.98525 with a signification value of 0.085 < 0.05 so that it can be concluded that managerial ownership does not affect the volatility of stock returns in tourism companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. So, the fourth hypothesis is rejected, which means that managerial ownership does not affect the volatility of stock returns.

This is because the percentage of ownership by managers in tourism institutions in Indonesia is still very small, so the average management in decision making is not motivated by the size of the number of shares owned. In addition, this is because managerial ownership in tourism companies in Indonesia is still very low. The low number of shares owned by the management of the company that controls does not feel really owned by the company because not all profits can be enjoyed through control; this causes management to have to go through the influence of personal interests, which results in losses for shareholders. This study's results align with the research conducted by Manse (2018), which states that managerial ownership variables do not affect stock returns. However, this research is not supported by Novia Tri's (2018) research which states that managerial ownership has a positive and significant effect on stock return volatility.

The Effect of Leverage on Stock Return Volatility

Based on regression testing conducted on the fifth hypothesis tester, the control variables are Leverage The results showed the value of t calculated < t table, which is 1.197 < 1.98525 with a signification value of 0.234 > 0.05 so it can be concluded that Leverage as a control variable does not affect the volatility of stock returns in tourism companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. Then the fifth hypothesis is rejected, which means that the control variable Leverage Cannot affect the relationship between the influence of the Board of Directors, Independent Board of Commissioners, Audit Committee, and Managerial Ownership on the volatility of stock returns.

This is because there are not many investors who use it anymore. Leverage is a consideration in making investment decisions. This is in line with research conducted by. The results of this study are not supported by those who have proven that the variable Leverage has a significant static and positive effect on the volatility of stock returns. In this case, it shows that the volatility of stock returns is elastic to the leverage ratio, and an increase in the leverage ratio by 10 percent increases the volatility of stock returns in the range

of 0.026 percent. This result shows that the debt ratio increases the volatility of stock returns (Aloui & Jarboui, 2018a; Selpiana & Badjra, 2018).

The Effect of Company Size on Stock Return Volatility

Based on regression testing conducted on the sixth hypothesis tester, the control variable, namely the size of the company, showed the value of t calculated < t table, which is 0.671 < 1.98525 with a signification value of 0.504 > 0.05 so that it can be concluded that the size of the company as a control variable does not affect the volatility of stock returns in tourism companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. So, the sixth hypothesis is rejected, which means that the control variable of company size cannot affect the relationship between the influence of the board of directors, independent board of commissioners, audit committee, and managerial ownership on the volatility of stock returns.

This is because the total assets of a company influence its size. The larger an organization's assets, the company must be able to control these assets efficiently and effectively. However, a company that has substantial assets and cannot be managed properly, of course, can hurt the company's operations so that investors do not need to invest in the company. Making costs tend to move steadily, and stock returns have no volatility. This aligns with research conducted by those who say that variables (Hutama & Budhidharma, 2022). Size This does not affect the volatility of returns. While the results of this study are not supported by those who have proven that several studies, that examined the relationship between control variables for companies, namely company size and stock return volatility, showed a significant positive influence on price fluctuations, and these variables were found to be the most significant factor among these control variables (Aloui & Jarboui, 2018).

The Effect of Company Performance on Stock Return Volatility

Based on regression testing conducted on the seventh hypothesis tester, the control variable, namely company performance, the results showed a calculated t value < t table, which is 0.597 < 1.98525 with a signification value of 0.552 > 0.05 so that it can be concluded that company performance as a control variable has no effect on the volatility of stock returns in tourism companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. So the seventh hypothesis is rejected, which means that the company's performance control variables cannot affect the relationship between the influence of the board of directors, independent board of commissioners, audit committee, and managerial ownership on stock return volatility.

This is in line with previous research researched by which states that company performance measured using ROA has no influence on stock return volatility (Aloui & Jarboui, 2018).

CONCLUSION

This study's main objective is to evaluate the effect of independent variables, such as the board of directors, independent board of commissioners, audit committee, managerial ownership, leverage, company size, and company performance on stock return volatility. The conclusion of the results of this study was obtained after conducting multiple regression analysis using descriptive statistics, classical assumption tests, and hypothesis tests. First, the board of directors has a negative and significant influence on the volatility of stock returns, suggesting that a larger number of board members can improve a company's performance. Second, independent boards of commissioners do not significantly affect the volatility of stock returns, perhaps because of their less effective role in improving stock quality. Third, the audit committee also has no significant effect on the volatility of stock returns, possibly due to the lack of effectiveness of the audit committee's overall performance. Fourth, managerial ownership does not significantly affect the volatility of stock returns, likely because the percentage of ownership by management is still very small. Fifth, leverage, company size, and company performance (measured by ROA) as control variables have no significant effect on stock return volatility. This shows that these factors are not the main consideration for investors in making investment decisions.

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