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Research Paper

The Analysis of the Dimensions of Disclosure and Transparency, As Well As Ownership in the Implementation of Good Corporate Governance

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Abstract
Good Corporate Governance (GCG) is a system, process, structure and mechanism that regulates the pattern of harmonious relations between the company and its stakeholders to achieve the maximum possible company performance in ways that do not harm its stakeholders. Good corporate governance functions as a system and process to guide and control the business/business and activities of the company in order to support corporate accountability and business prosperity, with the main reason of increasing value for shareholders in the long term by paying attention to and observing interests of the constituents (stakeholders). PT Pelayaran Tonasa Lines has experienced a significant decline in output performance as measured at the level of annual profit achievement, especially during the Covid 19 pandemic. The worst potential impact on the company's fundamentals and sustainability. The purpose of this study is to determine the application of corporate governance at PT Pelayaran Tonasa Lines from the point of view of disclosure and transparency, as well as ownership. This research was conducted using a qualitative descriptive approach, namely by collecting, classifying, and analyzing data related to the formulation of the problems faced and then interpreting them into the dimensions of corporate governance related to disclosure and transparency, as well as company ownership. Based on the results of existing research and analysis, it can be concluded that the implementation of corporate governance at PT Pelayaran Tonasa Lines Pangkep is good enough but not optimal. On the dimensions of disclosure and transparency, the company has implemented all indicators well, but there are still deficiencies, such as the lack of outreach to staff who have duties and responsibilities regarding the disclosure of information reported to shareholders. On the ownership dimension, in general it has been implemented well, but there are still deficiencies, namely there are no documents or written rules regarding the separation of business affairs between management and shareholders.
***Keywords**: Good Corporate Governance; Disclosure and Transparency; Ownership*

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I. INTRODUCTION

Business competition in the era of globalization, like today, is something that cannot be avoided. Business actors inevitably compete with each other to capture market share and generate significant revenue. As a result, companies that cannot compete with others must exit the market and close their businesses. Therefore, to remain competitive and survive in the market, a mechanism for effective corporate management is needed, known as Good Corporate Governance (GCG). Good Corporate Governance refers to the structure and mechanisms that govern company management to produce long-term economic value for both shareholders and stakeholders. Understanding of Corporate Governance continues to evolve over time and remains a critical issue for business practitioners, academics, policymakers, and others.

The primary goal of corporate governance is to achieve transparency in company management for financial report users. When a company can implement good corporate governance principles, management transparency and company profits will increase effectively. The benefits for a company in implementing good corporate governance include effective control of shareholder resources, efficiency, and their use solely for the company's value growth. Increased company value can be achieved when stakeholders and shareholders cooperate in making decisions to maximize the application of good corporate governance.

PT Pelayaran Tonasa Lines, a company specializing in maritime transportation that handles the distribution of Semen Tonasa and Semen Indonesia, plays a vital role in the distribution of 70% of Semen Tonasa's products through sea routes. This affiliate company is essential for PT Semen Tonasa's operations.

Based on the data presented in the Annual General Meeting of Shareholders (RUPS) report for the year 2021, the financial position and profit/loss statement of the company over the last five years show a generally increasing trend. However, in 2020, there was a significant drop in the company's performance, likely due to the impact of the Covid-19 pandemic. This suggests that the company's readiness to face business risks is still not sufficient.

In managing its business, PT Pelayaran Tonasa Lines requires Good Corporate Governance as a guideline for its business activities. The implementation of Good Corporate Governance in PT Pelayaran Tonasa Lines involves applying its values to the company's management activities. The implementation of GCG principles is essential for the company to withstand and overcome business challenges effectively, thus serving as a means to achieve the company's vision, mission, and objectives.

The International Finance Corporation has published the Small Medium Enterprise (SME) Governance Guidebook as a guide designed to help companies, investors, and managers manage their companies as a means to strengthen their businesses in the long term. Unlike general guidelines commonly used by state-owned enterprises, this guide specifically addresses the challenges and opportunities faced at various stages of the company's life cycle and offers governance recommendations tailored to existing business units.

The variables used in this research are related to disclosure and transparency, as well as ownership. These variables were chosen because transparency and ownership are directly related to the company's stakeholders. If the relationship between the company and its stakeholders is not good, it can affect the company's future business sustainability.

Based on the background and the mentioned phenomenon, the researcher is interested in conducting a study to understand the implementation of corporate governance based on the dimensions of disclosure, transparency, and ownership at PT Pelayaran Tonasa Lines in Pangkep.

II. RESEARCH METHOD

This research was conducted using a qualitative descriptive approach, involving the collection, classification, and analysis of data related to the research questions. The data was then interpreted within the dimensions of corporate governance related to disclosure and transparency, as well as company ownership. The variables used in this study, namely the dimensions of disclosure and transparency and company ownership, were adopted from the Small Medium Enterprise (SME) Governance Guidebook issued by the International Finance Corporation (IFC), which served as a reference for this research.

Each variable can be defined as follows:

1) Disclosure and Transparency

In terms of disclosure and transparency, companies have an obligation to disclose financial and non-financial information to stakeholders. Financial disclosure covers areas such as the balance sheet, income statement, cash flow statement, equity statement, notes to the financial statements, and accounting policies used. Non-financial information consists of quantitative and qualitative data about policies adopted, business operations, and other aspects unrelated to financial information.

2) Company Ownership

Company ownership encompasses shareholder participation, founder roles, and dispute resolution. Shareholder participation involves determining the company's future, such as through shareholder meetings (e.g., Annual General Meeting), founder roles related to operational management of the company, and dispute resolution, which proactively addresses conflicts that could threaten the company's continuity.

The research process involves the following steps:

1) Observing the research subject to gain an understanding and gather information about the activities taking place in the company.
2) Preparing a list of interview questions to ensure that interviews proceed smoothly.
3) Conducting question-and-answer sessions with relevant sources regarding company information disclosure, transparency, and ownership.
4) Analyzing the interview results to identify important data and transform it into information.
5) Evaluating the interview findings with sources related to this research.
6) Drawing conclusions based on the gathered information.

III. RESULTS AND DISCUSSION

This research utilized data obtained from interviews, documentation, and direct field observations related to the implementation of corporate governance. Interviews were conducted with various sources, including directors, managers, and staff members.

Within the dimension of disclosure and transparency, two crucial aspects are essential for a company: financial disclosure and non-financial disclosure. As stated in the SME Governance Guidebook, disclosure is a legal obligation to provide specific types of information to specific parties, while transparency is the company's cultural openness to external parties. PT Tonasa Lines, the research subject, has been implementing these indicators effectively.

Based on the observation and analysis of financial reports from the research subject, the financial performance of the company for the year 2021 showed positive trends. However, the operational revenue was slightly below the budget, primarily due to the suboptimal utilization of tugboats, suboptimal tugboat maintenance management, and lower freight rates compared to the previous year. The pre-tax profit realization was also slightly below the budget, influenced by suboptimal tugboat utilization and the fact that the vessel KM. TL-XI did not unload at the Balikpapan packing plant for four months. The decrease in the company's assets compared to the previous year was due to a lower volume of work activities and faster accounts receivable turnover. The decrease in company liabilities was due to the settlement of matured investment credits and routine working capital credit payments.

Additionally, interviews revealed that PT Tonasa Lines has implemented corporate governance dimensions, particularly regarding disclosure and transparency, effectively, although not to the fullest extent. Shortcomings during the research process included a lack of communication with staff members responsible for disclosing non-financial information to shareholders. This was evident during interviews with interviewee 2, a staff member in the finance and accounts department, who was unaware of the responsibilities related to reporting non-financial information and non-financial information in the company's routine reports. This situation occurred because the company's policies regarding roles and responsibilities were not communicated comprehensively to all employees, but only to those in relevant divisions.

Research conducted by Apriyanti (2017) at PT. Unilever Indonesia Tbk found that transparency practices presented by the company were in the form of financial reports, annual reports, and other company information, based on applicable regulations and were communicated at least once a year. This information was disclosed accurately, clearly, and could be accessed by stakeholders.

In the dimension of ownership, it is important to consider shareholder participation and founder roles. The SME Governance Guidebook mentions that company growth is often organic, unstructured, and can lead to confusion about shareholders' roles, responsibilities, and authority. Therefore, the main focus for companies from the startup phase to the growth stage should be providing clarity on shareholders' basic roles and responsibilities. Overall, the company has effectively implemented all the indicators. However, a shortcoming identified during the research was the absence of written documentation or rules regarding the separation of business affairs between management and shareholders. Despite this, the parent company, as a shareholder, never intervened in the company's business decisions. The lack of written rules on business separation can lead to inconsistency. This is because unwritten rules can change at any time depending on circumstances and interests, providing insufficient legal guarantees.

Sumatriani (2017) found in her research that shareholders' rights have a positive impact on a company's value, particularly in relation to participation in shareholder meetings, authorization for the issuance of shares, and the right to receive dividends, especially cash dividends. The same principle applies to the process of dividend distribution as a ownership right, which will take place in accordance with the General Meeting of Shareholders (RUPS) attended by the shareholders.

IV. CONCLUSION

Based on the discussion in the previous chapters, it can be concluded that PT Pelayaran Tonasa Lines Pangkep has implemented corporate governance effectively but not to its fullest potential. This conclusion is supported by the following points:

1) Information transparency must always be presented and provided by PT Pelayaran Tonasa Lines to stakeholders. The information presented should be of high quality, timely, accurate, and easily accessible to stakeholders. Consistency should be maintained to minimize or even prevent fraudulent activities by management, especially in the dissemination of reports, which is the company's responsibility to shareholders and stakeholders.
2) It is recommended that the research subject creates written policies that regulate how the parent company or shareholders influence business activities and management decision-making.
3) It is hoped that this research can serve as a reference for future researchers in the field of corporate governance practices in various business sectors and stages.

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