Financial Distress, COVID-19 Pandemic, and Female Commissioner Effectiveness

Nurdiana [1a], Hadi Sumarsono [1b*], and Titi Rapini [1c]

[1a,1b,1c] Fakultas Ekonomi, Universitas Muhammadiyah Ponorogo, Indonesia
Jl. Budi Utomo No.10, Ponorogo 63471, Indonesia
e-mail: [a] nurdiana3231@gmail.com, [b] hadisumarsono@umpo.ac.id, and [c] titi.rapini@gmail.com

* Corresponding Author

Abstract

Introduction/Main Objectives: *The purpose of this research was to determine effect of female commissioner and COVID-19 pandemic on financial distress in property and real estate companies listed on Indonesia Stock Exchange from 2017 to 2022 with liquidity, leverage, operating capacity, and firm size as control variables.* ***Background Problems:*** *Competition and development of property and real estate companies that fluctuate cause high costs that must be faced by companies, but companies that are unable to deal with high costs will experience unstable financial conditions and potentially experience financial distress.* ***Research Methods:*** *Logistic regression analysis method was used in analysing this research. There were 43 companies as samples with the research period 2017-2022 so that sample of 258 observation data was obtained.* ***Finding/Results:*** *Female commissioner significantly effect on financial distress, while COVID-19 pandemic has no effect on financial distress.* ***Conclusion:*** *The existence of female commissioner is worthy of company's attention because they tend to be careful and make low-risk decisions. Female commissioner is considered capable of providing signals about condition of the company and minimize conflicts of interest to reduce risk of financial distress.*
Keywords: *COVID-19 Pandemic; Female Commissioner; Financial Distress*
JEL Classification: M40; M41

INTRODUCTION

The economic sector has undergone rapid changes along with a lot of competition between companies (Utami & Kartika, 2019). Indirectly, each company must strive according to its ability to advance and develop company so that it can maintain its existence in competition. Through this competition, company expects an increase in profits obtained from its operations. However, higher competition will lead to higher costs as well (Dianova & Nahumury, 2019). Companies that are unable to compete due to high costs may negatively impact the company because it can affect instability of financial condition, company's unstable financial condition will result in company suffering financial distress (Oktarina, 2018).

Financial distress is a state of company's financial condition that has decreased continuously, if it continues to experience a decline it can be at risk of bankruptcy (Oktarina, 2018). This condition is an important concern before company undergoes liquidation. It is important for companies to analyse and prevent bankruptcy in the future (Paule-Vianez,

Gutiérrez-Fernández, & Coca-Pérez, 2020), company must be able to forecast its finances and determine the right actions (Aydin, Sahin, Deveci, & Pamucar, 2022). In addition, financial distress is able to be a consideration for creditors in providing loans to companies that are experiencing financial distress and useful for investors in making investment decisions (Utami & Kartika, 2019). The threat of financial distress in companies will be very different when a crisis occurs, one form of crisis is COVID-19 pandemic.

COVID-19 pandemic has been characterised as a global disease due to the large number of countries exposed and confirmed to have experienced a spike in the disease (Chen & Yeh, 2021). Economies and financial markets around the world have been affected by the spread of COVID-19. This is because COVID-19 pandemic has not only impacted human health but also caused a decline in global economic activity (Aljughaiman, Nguyen, Trinh, & Du, 2023). The decline in global economic activity resulted in emergence of a global economic crisis and caused uncertain environmental conditions. This situation will also result in financial distress for the company.

Property and real estate companies are profitable and growing business sectors in most countries around the world, including Indonesia. Despite having good prospects, property and real estate companies are unpredictable and high-risk sector. This is because this sector is vulnerable to fluctuations in exchange rates and interest rates that affect the level of customer purchasing power, which has an impact on companies (Islami & Canggih, 2023). In 2014, property and real estate sector experienced a decline and remained weak until 2017. However, it is expected to experience an increase in 2019 (Dillak & Fitri, 2019).

In 2018, the property sector received incentives from central bank with aim of encouraging the movement of sector through credit to value ratio policy. However, the property sector is still in decline and is expected to stagnate until 2019 (Warenza, 2019). COVID-19 pandemic that occurred in 2020 had an impact on the property sector. This condition occurred due to the imposition of mobility, social, and economic restrictions to prevent the spread of COVID-19 so that the stability of community households and the national economy was disrupted. This has decreased interest in buying necessities and long-term assets (Rahadian, 2022).
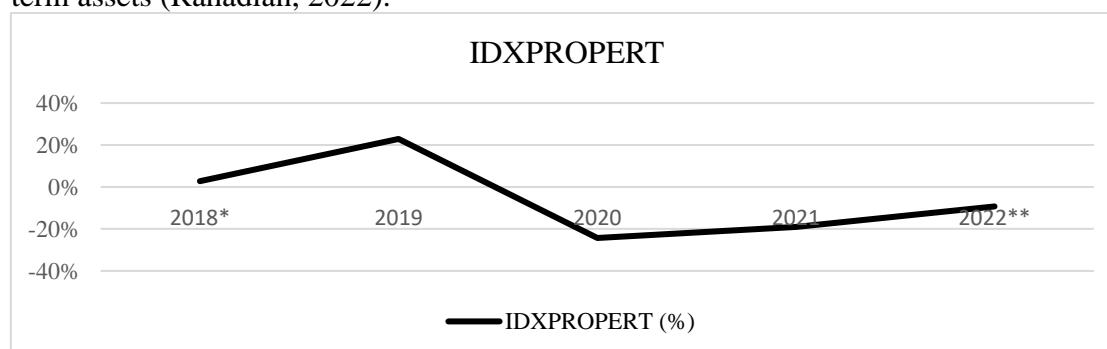
*13 July 2018, ** 31 August 2022

Figure 1. 2018-2022 IDX Property & Real Estate Sector Chart

Source: www.idx.co.id, 2023

Based on data from IDXPROPERT, it shows that in the period 2018 to 2022 property and real estate index fluctuated. Figure 1 shows that development of property and real estate stock index had increased in 2019 from 2.8% to 22.9% and in 2020 the stock index decreased by 47.2% to -24.3%. Then in 2021 the stock index rose to -19.1% and in 2022 it increased

by 9.8% to -9.3%, meaning that the property and real estate stock index recorded an increase but has not yet shown a recovery. The fluctuating and weak condition of stock index can cause a decrease in investment interest so that government regulations to improve property and real estate sector have not shown significant changes. If these conditions continue to occur, it can affect the risk of financial distress in property and real estate companies (Islami & Canggih, 2023). This phenomenon is the reason for researchers to analyse the occurrence of financial distress by choosing property and real estate companies as research object.

Amri & Aryani (2021) conducted research on the identification of Indonesian articles from 2003 to 2020 with a causal relationship that uses financial distress as dependent variable. The results of their research found that development of financial distress research in Indonesia based on empirical evidence there is an influence of internal factors and external factors. These factors consist of 10 internal factors and five external factors. According to internal factors, there are no studies that use female commissioner variable as an independent variable in examining its effect on financial distress. Based on external factors, there are no research that uses COVID-19 pandemic variable as an independent variable in examining its effect on financial distress (Amri & Aryani, 2021).

Recent research results in developed countries conducted by García & Herrero (2021) found that financial distress is significantly and positively affected by female director. In the Indonesian context, female commissioner has same role as female director in developed countries. This is because developed countries have a one-tier board system. This means that in developed countries the director oversees and manages the company, while in Indonesia the company adopts a two-tier board system. This means that management system separates commissioner as supervisors and directors as managers of the company.

Recent research on COVID-19 pandemic has been conducted by Kushermanto et al. (2023). The result of their study found that financial distress was positively and significantly influenced by COVID-19 pandemic. The results of previous studies also found that financial distress is influenced by internal company factors including liquidity (Antikasari & Djuminah, 2017; Cahyani & Diantini, 2016; Dillak & Fitri, 2019), leverage (Gunawan, Assagaf, Sayidah, & Mulyaningtyas, 2019; Heniwati & Essen, 2020; Mafiroh & Triyono, 2016; Rahmawati & Herlambang, 2018), operating capacity (Utami & Kartika, 2019), and firm size (Yusbardini & Rashid, 2019). According to the researcher's knowledge, the results of previous studies show that there has been research on financial distress influenced by female commissioner but the research has not included COVID-19 pandemic as independent variable. Vice versa, there was research on financial distress affected by COVID-19 pandemic but has not included female commissioner as independent variable in its research. Based on these reasons and supported by phenomenon gap further research is needed to expand previous research as well as become the basis for conducting research on the effect of female commissioner and COVID-19 pandemic on financial distress, by using liquidity, leverage, operating capacity and firm size as control variables.

Female commissioner has task of overseeing the company in achieving its goals. The existence of female commissioner in company is influential because they tend to make decisions with low and appropriate risk (E. I. Fauziah & Probohudono, 2018; Ward & Forker, 2015). The role of female in company commissioner can reduce financial risk because female make more careful decisions, with the right decisions the company can

minimise the possibility of financial distress. This is supported research by García & Herrero (2021) who found that financial distress is influenced by female commissioner. Based on this explanation, the proposed hypothesis is:

H1: Female commissioner has a significant effect on financial distress.

COVID-19 pandemic is a global disease that has a major impact on the economy worldwide (Chen & Yeh, 2021). The existence of COVID-19 has an adverse impact on slowing economic development and disrupting company finances. This situation can cause a decrease in company revenue and the company's inability to fulfill its obligations so that it can increase the possibility of financial distress. This is supported by Kushermanto et al. (2023) that results of their research found that financial distress is significantly affected by COVID-19 pandemic. Based on this description, the following hypothesis is proposed:

H2: COVID-19 pandemic has a significant effect on financial distress.

RESEARCH METHOD

Property and real estate companies listed on Indonesia Stock Exchange consecutively in 2017-2022 became the population of this research. Total of 48 companies were the population for this research. Purposive sampling technique used in taking samples to obtain representative and accurate results. Purposive sampling is a sampling technique by criteria (Hardani et al., 2020). The criteria determined to take sample are consecutive property and real estate companies from 2017-2022 listed on Indonesia Stock Exchange that publish financial statements or annual reports consistently in 2017-2022.

Based on these criteria, sample obtained was 43 companies that had female commissioner or not. In this study, the observation period was from 2017 to 2022 so that 43 x 6 = 258 observation data were obtained. The data collection method is carried out by documentation, namely data collection obtained from existing documents (Hardani et al., 2020). In this study, the data collection technique was carried out by taking data available in financial statements and annual reports of property and real estate companies listed on the IDX in 2017-2022 through website www.idx.co.id and through company's website researched so that data utilized in this research is secondary data. Operational definition of variable in this research are follows:

222

Table 1. Operational Definition of Variable

Variable	Measurement
Dependent Variable	
Financial distress is a company's financial condition that experiences a continuous decline and is at risk of bankruptcy (Oktarina, 2018).	Dummy variable. Companies that experience financial distress receive score 1 and score 0 if the company does not occur financial distress (Utami & Kartika, 2019). The company experiences financial distress if Altman Z-score <2.6 and does not experience financial distress if Altman Z-Score> 2.6. Altman Z-Score Formula: $Altman\ Z-Score = 6{,}56X_1 + 3{,}26X_2 + 6{,}72X_3 + 1{,}054X_4$ Description: $X_1 = \dfrac{Working\ Capital}{Total\ Assets}$ $X_2 = \dfrac{Retained\ Earnings}{Total\ Assets}$ $X_3 = \dfrac{EBIT}{Total\ Assets}$ $X_4 = \dfrac{Book\ Value\ of\ Equity}{Total\ Liabilities}$ (Utami et al., 2021)
Independent Variables	
Female commissioner is the party that has a role in supervising company's operations. (Fauziah & Probohudono, 2018).	Dummy variable. Score 1 if company has female commissioner and score 0 if company does not have female commissioner (Zhou, 2019).
COVID-19 pandemic is a global disease that has a major impact on the entire world economy (Chen & Yeh, 2021).	Dummy variable. Score 0 if company was observed before COVID-19 pandemic, that is in 2017-2019. Score 1 if company is observed during COVID-19 pandemic, that is in 2020-2022 (Kushermanto et al., 2023).
Control Variables	
Liquidity is ratio to determine company's level to repay its current liabilities. (Dianova & Nahumury, 2019).	$Current\ Ratio = \dfrac{Cureent\ Asset}{Current\ Liabilities}$ Sukamulja (2019)
Leverage is a ratio that measures amount of debt that funds the company's assets (Heniwati & Essen, 2020).	$Debt\ to\ Assets\ Ratio = \dfrac{Total\ Liabilities}{Total\ Assets}$ (Sukamulja, 2019)
Operating capacity is ratio that quantifies a company's capability to generate sales from owned assets (Utami & Kartika, 2019).	$Total\ Asset\ Turnover = \dfrac{Sales}{Total\ Assets}$ (Utami & Kartika, 2019)
Firm size is size of the company based on amount of assets owned (Fauziah & Murharsito, 2021).	$Firm\ Size = Ln(Total\ Assets)$ (Fauziah & Murharsito, 2021)

Source: Data processed by researchers, 2023

This research uses logistic regression analysis to examine independent variable's influence on the dependent variable (Hardani et al., 2020). Financial distress as dependent variable is dummy variable, so this research uses logistic regression. Binary logit regression

is a form of logistic regression analysis utilized in this research, which is a regression model that uses a categorical dependent variable. The analysis model is as below:

$$Ln\frac{P}{1-P} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \cdots + \beta_n X_n + \varepsilon \quad (1)$$

Logistic regression model in this research according to the model is:

$$Ln\frac{P}{1-P} = \beta_0 + \beta_1 FC + \beta_2 COVID + \beta_3 LI + \beta_4 LEV + \beta_5 OP + \beta_6 FS + \varepsilon \quad (2)$$

Description:

$Ln\frac{P}{1-P}$ = Probability of financial distress,

β_0 = Constant,

$\beta_1, \beta_2, \ldots, \beta_n$ = Regression coefficient of each independent variable,

FC   = Female Commissioner,

COVID   = COVID-19 Pandemic,

LI   = Likuidity,

LEV   = Leverage,

OP   = Operating Capacity,

FS   = Firm Size,

ε = Error.

The steps in testing logistic regression are log likelihood value, nagelkerke r square, hosmer and lemeshow's goodness of fit, and classification table.

RESULTS AND DISCUSSION
Descriptive Statistical Analysis

Descriptive statistical analysis includes calculation of standard deviation, mean, maximum, and minimum to provide a description of data. Standard deviation shows distribution of data in the study, average of variables is shown by mean, maximum value shows the highest value of several variables studied, while the lowest value of several variables studied is shown by minimum value. The result of descriptive statistical analysis are as follows:

Table 2. Descriptive Statistical Analysis

	N	Min	Max	Mean	Std. Dev.
Female Commissioner	258	0	1	0.60	0.490
COVID-19 Pandemic	258	0	1	0.50	0.501
Likuidity	258	0.14	65.59	3.7723	7.50816
Leverage	258	0.01	1.11	0.3725	0.20022
Operating capacity	258	0.00	0.72	0.1479	0.09675
Firm size	258	13.75	31.81	26.4847	4.16499
Valid N (listwise)	258				

Source: Secondary data processed, 2023

Female commissioner in table 2 are measured using dummy variables. Score 1 if there is female commissioner in company and score 0 if company does not have female commissioner. Data distribution shows that the mean is 0.60, maximum value is 1, minimum value is 0, and 0.490 is standard deviation. According to these results, it shows that on average companies have female commissioner. Data variance shows relatively small and good because mean is greater than standard deviation, besides that standard deviation value also has value close to mean.

Table 2 shows that measurement of COVID-19 pandemic variable uses dummy variables. Companies observed before COVID-19 pandemic are given score 0, while score 1 for companies observed during COVID-19 pandemic. Mean is 0.50, maximum value is 1, minimum value is 0, and 0.501 is standard deviation. Sample used consists of 129 data during COVID-19 pandemic and 129 data before COVID-19 pandemic, this shows that there is a good distribution of data. The table also shows that on average, companies have low liquidity, leverage, and operating capacity based on the proximity of mean value to minimum value, but average companies have a relatively large firm size based on the closeness of mean value to maximum value.

Logistic Regression Analysis
The following is result of logistic regression analysis. Independent variables in this study are female commissioner and COVID-19 pandemic, while dependent variable is financial distress. The expected relationship of independent and dependent variable is shown by column expected sign.

Table 3. Logistic Regression Analysis

Variabel	Expected Sign	Financial Distress
Female Commissioner	-	-0.976**
		(0.027)
COVID-19 Pandemic	+	0.147
		(0.715)
Likuidity	-	-1.207***
		(0.000)
Leverage	+	8.458***
		(0.000)
Operating capacity	-	-7.003**
		(0.012)
Firm size	-	-0.110**
		(0.044)

=Significance 5%, *=Significance 1%, value in parentheses = sig value
Source: Secondary data processed, 2023

Based on these results, research model is obtained into the following equation:

$$Ln \frac{P}{1-P} = 2.218 + (-0.976)FC + 0.147COVID + (-1.207)LI + 8.458LEV + (-7.003)OP + (-0.110)FS + \varepsilon \quad (3)$$

Based on table 3 shows that regression coefficient's female commissioner is -0.976 (negative value) and 0.027 is significance value, meaning that financial distress is negatively affected by female commissioner. H1 accepted because 0.027 is smaller than 0.05. Regression coefficient's COVID-19 pandemic is 0.147 (positive value) and significance value 0.715, meaning that financial distress is not influenced by COVID-19 pandemic. H6 rejected because 0.147 is greater than 0.05. Financial distress is negatively affected by liquidity, operating capacity, and firm size, as well as there is a positive effect of leverage on financial distress.

The following are results of model fit test using logistic regression:

a. Log Likelihood Value

Feasibility of model can be tested with log likelihood value. Model is good if second log likelihood value (block number = 1) is smaller than the first log likelihood value (block number = 0) (Utami & Kartika, 2019).

Table 4. Log Likelihood Value (Block Number = 0)

Iteration		-2 Log likelihood	Coefficients
			Constant
Step 0	1	299.947	-0,930
	2	299.640	-1,006
	3	299.640	-1,008
	4	299.640	-1,008

Source: Secondary data processed, 2023

Table 5. Log Likelihood Value (Block Number = 1)

Iteration		-2 Log likelihood	Coefficients						
			Constant	LI	LEV	OP	FS	KW	COVID
Step 1	1	225,852	-1,147	-0,017	4,608	-3,377	-0,034	-0,085	0,032
	2	202,544	-0,793	-0,084	6,984	-6,680	-0,062	-0,340	0,002
	3	175,908	0,505	-0,467	7,427	-7,586	-0,071	-0,855	0,029
	4	164,271	1,530	-0,869	7,949	-7,247	-0,092	-0,968	0,095
	5	161,892	2,104	-1,130	8,335	-7,073	-0,107	-0,974	0,134
	6	161,774	2,214	-1,203	8,452	-7,008	-0,110	-0,976	0,146
	7	161,774	2,218	-1,207	8,458	-7,003	-0,110	-0,976	0,147
	8	161,774	2,218	-1,207	8,458	-7,003	-0,110	-0,976	0,147

Source: Secondary data processed, 2023

The result of log likelihood calculation in the first log likelihood value is 299.640, then decreases in the second log likelihood value to 161.774. This means that second log likelihood value is smaller than the first, so that model fit to predict financial distress.

b. Nagelkerke R Square

Nagelkerke R square is used to determine independent variable's ability of explaining dependent variable. The value of this test varies between 0 and 1 (Utami & Kartika, 2019). If the value is closer to 1, it shows that the greater independent variable's effect on dependent variable.

Table 6. Nagelkerke R Square

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	161,774	0,414	0,603

Source: Secondary data processed, 2023

Nagelkerke R square value is 0.603, meaning that in this study independent variables can explain financial distress as dependent variable at 60.3% and other factors explain 39.7%.

c. Hosmer and Lemeshow's goodness of fit

Suitability of the model can be seen from results of hosmer and lemeshow's goodness of fit test. Null hypothesis is rejected if result of the test has value equal to or less than 0,05 and accepted if more than 0,05. Hypothesis is accepted meaning that observation value in this research can be predicted by the model, so it fits the data (Utami & Kartika, 2019).

Table 7. Hosmer and Lemeshow's Goodness of Fit

Step	Chi-square	df	Sig.
1	9,102	8	0,334

Source: Secondary data processed, 2023

Test results show the chi-square value is 9.102 and significance value is 0.334. Chi square table is greater than calculated chi square and significance value is more than 0.05, so Ho is accepted. Meaning that hypothesis model fits the data.

d. Classification Table

Classification table test is utilised to determine accuracy of regression model in predicting possibility of the dependent variable being influenced by independent variable (Utami & Kartika, 2019). Classification table test results are as follows:

Tabel 8. Classification Table

Observed		Predicted		
		Financial Distress		Percentage Correct
		Not Experiencing Financial Distress	Experiencing Financial Distress	
Financial Distress	Not Experiencing Financial Distress	178	11	94.2
	Experiencing Financial Distress	22	47	68.1
Overall Percentage				87.2

Source: Secondary data processed, 2023

Table explains that correct prediction result of not experiencing financial distress is 178/189 observation data and there are 47/69 observation data that are correctly predicted to experience financial distress. The overall percentage value in the table explains accuracy of regression model in measuring likelihood of not occurring financial distress or occurring financial distress. In this study, regression model can measure accuracy of companies experiencing financial distress or not experiencing financial distress is 87.2%, which is obtained from 225/258 data where 225 is observation data that is correctly predicted from the sum of 178 + 47 data, while 258 is total data.

Discussion

Results of this research state that analysis of first hypothesis is accepted. Finding of this study is female commissioner influences financial distress. This shows that presence of female commissioner in the company will affect probability of financial distress or not. If there is female commissioner in company, the smaller company experiences financial distress. However, companies that do not have female commissioner are more likely to experience financial distress (Mittal & Lavina, 2018).

Female commissioner influences financial distress because they have tendency to reduce risk and make decisions carefully. This tendency will have an impact on corporate decision making which affects the company's finances hence occurrence of financial distress will be lower. Female commissioner is considered capable of building communication easily and creating good relationships with external parties (Fauziah & Probohudono, 2018). This condition can maintain good relations between agent and principal to reduce conflict of interest because female commissioner able to provide good information. In addition, female commissioner as management also has role to give signals about condition of company to shareholders and stakeholders in decision making.

Companies that do not have female commissioner is more likely to take risks. This is because men are more courageous in taking risks than women. If the company takes a big risk, it can have an impact on the greater financial risk of company so that it potentially experiences financial distress. Conversely, the probability of financial distress will be lower if the company's financial risk is smaller. Research result supports García & Herrero (2021) who found that financial distress is significantly affected by female commissioner.

This research found that analysis of second hypothesis is rejected. This means that financial distress is not influenced by COVID-19 pandemic. This shows that the presence of COVID-19 pandemic does not significantly affect on the occurrence of financial distress. This condition can occur because the object of this research is property and real estate companies. Property and real estate sector are a long-term asset that is not vulnerable to value depreciation therefore be able to avoid financial distress.

In addition to these reasons, factor that causes COVID-19 pandemic has no influence is based on results of descriptive statistical analysis, object of this study has an average firm size that is not small. This means that the company has quite a lot of assets so that when facing COVID-19 pandemic company is able to maintain its survival through its total assets. The average company that is the object of this study also has low leverage, which indicates that only small amount of debt finances assets. Therefore, the company is still able to survive during COVID-19 pandemic because total debt owned can be paid with its total assets so as can avoid occurrence of financial distress. The result of this study is not in line with Kushermanto et al. (2023) who found that financial distress is significantly affected by COVID-19 pandemic.

Liquidity, leverage, operating capacity, and firm size as control variables in this research have a significant effect on financial distress. Liquidity affects financial distress because high liquidity means that company's short-term debt can be paid with its current assets, this condition makes the company's finances do not experience difficulties therefore it is not potentially suffering financial distress. The research result is supported by Dillak & Fitri (2019) who found that financial distress is significantly influenced by liquidity. Financial distress is influenced by leverage because if company has a large leverage, it means that the greater company's funding comes from debt, so that it can increase likelihood of

company suffering financial distress because of the greater corporate debt that must be repaid. The research result is supported by Heniwati & Essen (2020) who found that financial distress is significantly influenced by leverage.

Operating capacity affects the possibility of financial distress because companies with high operating capacity indicate the ability to manage their assets well to generate sales. If company can generate sales, it will earn income hence less likelihood of financial distress. The research result also supports Utami & Kartika (2019) who found that financial distress is significantly influenced by operating capacity. Firm size affects the possibility of financial distress because large size firms tend to diversify their sales supported by company resources, this condition can make company able to generate income so that it can avoid financial difficulties and smaller companies are more likely to experience financial distress. Result of this study is supported by Yazdanfar & Öhman (2020) where the findings in their research state that firm size significantly affects financial distress.

CONCLUSION

This study extends previous research by examining the effect of female commissioner and COVID-19 pandemic on financial distress with liquidity, leverage, operating capacity, and firm size as control variables. Based on results analysis in this research, it can be deduced that female commissioner has a significant influence on financial distress, while COVID-19 pandemic has no influence on financial distress in property and real estate companies listed on Indonesia Stock Exchange in period 2017 to 2022. That is because the object of research is not susceptible to value depreciation. Researchers realise limitations that can affect results of this research. Namely companies that do not publish financial statements or annual reports from 2017 to 2022 in a row so that they are not included in the research because they do not meet sample criteria.

Suggestions for further research are expected to examine other sectors besides property and real estate which are thought at risk of value depreciation and potentially experiencing financial distress. This result show that leverage effect on financial distress, however COVID-19 pandemic didn't effect. Esomar and Chritianty (2021) show that service sector companies listed on Indonesia Stock Exchange have higher leverage after COVID-19 pandemic. For future research we suggest to use leverage as mediating variable to determine the effect of COVID-19 pandemic on financial distress. Results of this study are expected as reference for further research and expand independent variables in previous studies. Practical implication of this study is female commissioner has an important role in providing signals to related parties and minimize conflicts of interest between principal and agent. The lower conflict of interest in company, the lower agency costs incurred and can reduce likelihood of financial distress.

REFRENCES

Aljughaiman, A. A., Nguyen, T. H., Trinh, V. Q., & Du, A. (2023). The Covid-19 Outbreak, Corporate Financial Distress and Earnings Management. *International Review of Financial Analysis*, *88*, 1–13. https://doi.org/10.1016/j.irfa.2023.102675

Amri, M. C., & Aryani, Y. A. (2021). Empirical Evidence of Financial Distress in Indonesia. *ASSETS: Jurnal Akuntansi Dan Pendidikan*, *10*(2), 165–179. https://doi.org/10.25273/jap.v10i2.8982

Antikasari, T. W., & Djuminah. (2017). Memprediksi Financial Distress dengan Binary Logit Regression Perusahaan Telekomunikasi. *Jurnal Keuangan Dan Perbankan*, *21*(2), 265–275. Retrieved from http://jurnal.unmer.ac.id/index.php/jkdp

Aydin, N., Sahin, N., Deveci, M., & Pamucar, D. (2022). Prediction of Financial Distress of Companies with Artificial Neural Networks and Decision Trees Models. *Machine Learning with Applications*, *10*, 1–13. https://doi.org/10.1016/j.mlwa.2022.100432

Cahyani, D. M., & Diantini, N. N. A. (2016). Peranan Good Corporate Governance dalam Memprediksi Financial Distress. *Matrik : Jurnal Manajemen, Strategi Bisnis Dan Kewirausahaan*, *10*(2), 144–155.

Chen, H. C., & Yeh, C. W. (2021). Global Financial Crisis and COVID-19: Industrial Reactions. *Finance Research Letters*, *42*, 1–13. https://doi.org/10.1016/j.frl.2021.101940

Dianova, A., & Nahumury, J. (2019). Investigating the Effect of Liquidity, Leverage, Sales Growth and Good Corporate Governance on Financial Distress. *Journal of Accounting and Strategic Finance*, *2*(2), 143–156. https://doi.org/10.33005/jasf.v2i2.49

Dillak, V. J., & Fitri, Z. H. (2019). Identifying Financial Distress Firms: A Case Study on Property and Real Estate Companies Listed In Indonesian Stock Exchange. *Jurnal Manajemen Indonesia*, *19*(3), 292–297. https://doi.org/10.25124/jmi.v19i3.2532

Esomar, M. J. F, & Chritianty, R (2021). Dampak Pandemi Covid-19 terhadap Kinerja Keuangan Perusahaan Sektor Jasa di BEI. *JKBM (Jurnal Konsep Bisnis dan Manajemen),7(2*) Mei2021: 227-233

Fauziah, E. I., & Probohudono, A. N. (2018). Direksi dan Dewan Komisaris Pengaruh Dewan Wanita terhadap Kebijakan Dividen di Indonesia. *Jurnal Akuntansi Dan Bisnis*, *18*(1), 61–73.

Fauziah, F. E., & Murharsito. (2021). Firm Size as Determinants of Intellectual Capital Disclosure. *Media Ekonomi Dan Manajemen*, *36*(2), 136–155. https://doi.org/10.24856/mem.v36i2.1820

García, C. J., & Herrero, B. (2021). Female Directors, Capital Structure, and Financial Distress. *Journal of Business Research*, *136*, 592–601. https://doi.org/10.1016/j.jbusres.2021.07.061

Gunawan, A. W., Assagaf, A., Sayidah, N., & Mulyaningtyas, A. (2019). Financial Distress di BUMN Indonesia dan Faktor-Faktor yang Mempengaruhi. *Ekuitas: Jurnal Ekonomi Dan Keuangan*, *3*(2), 226–243.

Hardani, H., Andriani, H., Ustiawati, J., Utami, E. F., Istiqomah, R. R., Fardani, R. A., … Auiliya, N. H. (2020). *Buku Metode Penelitian Kualitatif & Kuantitatif*. Yogyakarta: CV. Pustaka Ilmu.

Heniwati, E., & Essen, E. (2020). Which Retail Firm Characteristics Impact On Financial Distress? *Jurnal Akuntansi Dan Keuangan*, *22*(1), 40–46. https://doi.org/10.9744/jak.22.1.40-46

Islami, M. M. M., & Canggih, C. (2023). Perbandingan Financial Distress Sebelum dan Selama Covid-19 pada Perusahaan Sektor Property dan Real Estate Terdaftar Indeks Saham Syariah Indonesia (ISSI). *Jurnal Ilmiah Ekonomi Islam*, *9*(02), 2650–2656. https://doi.org/10.29040/jiei.v9i2.9664

Kushermanto, A., Alisa, I. R., Ulum, A. S., & Zulaikha, Z. . (2023). COVID-19 Spread and Financial Distress: Does Managerial Ability Matter? *Jurnal Dinamika Akuntansi Dan Bisnis*, *10*(2), 249–264. https://doi.org/10.24815/jdab.v10i2.28905

Mafiroh, A., & Triyono. (2016). Pengaruh Kinerja Keuangan dan Mekanisme Corporate Governance terhadap Financial DIstress (Studi Empiris pada Perusahaan Manufaktur yang Terdaftar di. *Riset Akuntansi Dan Keuangan Indonesia*, *1*(1), 46–53.

Mittal, S., & Lavina. (2018). Females' Representation in the Boardroom and Their Impact on Financial Distress: An Evidence from Family Businesses in India. *Indian Journal of Corporate Governance*, *11*(1), 35–44. https://doi.org/10.1177/0974686218763857

Oktarina, Di. (2018). The Effect of Disclosure of Sustainability Report on Financial Distress with Company Performance as Intervening Variables. *Journal of Accounting and Strategic Finance*, *1*(2), 87–99.

Paule-Vianez, J., Gutiérrez-Fernández, M., & Coca-Pérez, J. L. (2020). Prediction of Financial Distress in The Spanish Banking System: An Application Using Artificial Neural Networks. *Applied Economic Analysis*, *28*(82), 69–87. https://doi.org/10.1108/AEA-10-2019-0039

Rahadian, L. (2022, February 17). Wamenkeu Beberkan Dampak Pandemi Pada Sektor Properti.

Rahmawati, E., & Herlambang, P. (2018). Pengaruh Efektifitas Komite Audit Terhadap Financial Distress (Studi empiris Pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia, Malaysia, dan Singapura Periode 2014-2015). *Jurnal Reviu Akuntansi Dan Keuangan*, *8*(1), 53–68.

Sukamulja, S. (2019). *Analisis Laporan Keuangan Sebagai Dasar Pengambilan Keputusan Investasi*. Yogyakarta: Penerbit Andi.

Utami, E. F., Rahman, A., & Kartika, R. (2021). Corporate Social Responsibility, Financial Distress, Dan Siklus Hidup Perusahaan. *Ekonomis: Journal of Economics and Business*, *5*(1), 106–116. https://doi.org/10.33087/ekonomis.v5i1.289

Utami, I. W., & Kartika, T. P. D. (2019). Determinants of Financial Distress in Property and Real Estate Companies. *The Indonesian Accounting Review*, *9*(1), 109–120. https://doi.org/10.14414/tiar.v9i1.1705

Ward, A. M., & Forker, J. (2015). Financial Management Effectiveness and Board Gender Diversity in Member-Governed, Community Financial Institutions. *Journal of Business Ethics*, *141*(2), 351–366. https://doi.org/10.1007/s10551-015-2699-9

Warenza, M. (2019, August 19). Ini Alasan Sektor Properti Belum Pulih: Banyak Aturan!

Yazdanfar, D., & Öhman, P. (2020). Financial Distress Determinants Among SMEs: Empirical Evidence from Sweden. *Journal of Economic Studies*, *47*(3), 547–560. https://doi.org/10.1108/JES-01-2019-0030

Yusbardini, Y., & Rashid, R. (2019). Prediksi Financial Distress dengan Pendekatan Altman pada Perusahaan Manufaktur di Indonesia. *Jurnal Muara Ilmu Ekonomi Dan Bisnis*, *3*(1), 122–129. https://doi.org/10.24912/jmieb.v3i1.3543

Zhou, G. (2019). Financial Distress Prevention in China: Does Gender of Board of Directors Matter? *Journal of Applied Finance & Banking*, *9*(6), 127–153.