THE EFFECT OF ACCOUNTING CONSERVATISM, COMPANY SIZE AND LEVERAGE ON EARNINGS RESPONSE COEFFIECIENT (ERC) IN MANUFACTURING COMPANIES LISTED ON THE INDONESIAN STOCK EXCHANGE (IDX) FOR 2014-2019 PERIOD

[1st] Aulia Nurrahman, [2nd] Muhammad Yusrizal, S.E.,M.Si
Sekolah Tinggi Ilmu Ekonomi Indonesia, Jakarta
Jalan Puri Jiep Permai Kav Blok O rt.009 rw.03
Kec.Cakung, Kel.Jatinegara
aulianurrahman3@gmail.com, myusrizal94@gmail.com

Abstract - *This study aims to determine the effect of accounting conservatism, firm size and leverage on earnings response coefficient (ERC).*

This study uses a quantitative research strategy with Eviews 10. The population of this study is manufacturing companies listed on the Indonesia Stock Exchange for the period 2014-2019. The sample was determined based on the purposive sampling method, in order to obtain a sample of 31 companies. The type of data in this study uses secondary data. Secondary data in this study is in the form of financial statements of manufacturing companies listed on the Indonesia Stock Exchange (IDX) with data sources coming from www.idx.co.id. In this study, classical assumption tests, panel data regression analysis, hypothesis testing and goodness of fit assessment were carried out through multiple linear regression analysis, coefficient of determination (R^2), partial test (t test).

The results prove that (1) Partially accounting conservatism has a significant on the Earnings Response Coefficient (ERC), (2) Company size has a significant positive effect on the Earnings Response Coefficient (ERC) and (3) Leverage has no significant positive effect on the Earnings Response Coefficient (ERC)

Keywords: Earnings Response Coefficient, Accounting Conservatism, Company Size, Leverage

Abstrak– Penelitian ini bertujuan untuk mengetahui pengaruh konservatisme akuntansi, ukuran perusahaan dan leverage terhadap *earnings response coefficient* (ERC).

Penelitian ini menggunakan strategi penelitian kuantitatif dengan Eviews 10. Populasi dari penelitian ini adalah perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia periode 2014-2019. Sampel ditentukan berdasarkan metode purposive sampling, sehingga didapatkan sampel sebanyak 31 perusahaan. Jenis data dalam penelitian ini menggunakan data sekunder. Data sekunder dalam penelitian ini berupa laporan keuangan perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia (BEI) dengan sumber data berasal dari www.idx.co.id. Dalam penelitian ini dilakukan uji asumsi klasik, analisis regresi data panel, pengujian hipotesis dan penilaian goodness of fit melalui analisis regresi linear berganda, koefisien determinasi (R^2), uji parsial (Uji t).

Hasil penelitian membuktikan bahwa (1) Secara parsial Konservatisme Akuntansi berpengaruh terhadap *Earnings Response Coefficient* (ERC), (2) Ukuran Perusahaan berpengaruh positif signifikan *Earnings Response Coefficient (ERC)* dan (3) Leverage tidak berpengaruh positif signifikan *Earnings Response Coefficient* (ERC).

Kata kunci : *Earnings Response Coefficient* (ERC), Konservatisme Akuntansi, Ukuran Perusahaan dan *Leverage.*

I. PRELIMINARY

Disclosure of annual reports in a company, namely in the form of financial reports, where financial reports are an important medium in conveying various information to stakeholders. The issuance of financial statements from a company can convey various information regarding the company's financial position, performance, and changes in the company's financial position. Financial reports are a fundamental requirement for investors and potential investors in making economic decisions. One of the important information that becomes a consideration for investors is information about company profits. Earning information is one of the instruments used by investors in making investment decisions. The announcement of profit in the capital market will cause a market reaction.

Researchers want to conduct research by focusing on three factors that affect the Earnings Response Coefficient (ERC), namely Accounting Conservatism, Company Size and Leverage, by extending the research period from previous studies. Based on the background description above, this research was conducted with the title "THE EFFECT OF ACCOUNTING CONSERVATISM, COMPANY SIZE, AND LEVERAGE TOWARDS EARNINGS RESPONSE COEFFICIENT IN MANUFACTURING COMPANIES REGISTERED IN INDONESIA STOCK EXCHANGE (BEI) 2014-2019 PERIOD"

1.1. Formulation of the problem

Based on the background of the problems described, the authors identify research problems, as follows:

1. Does Accounting Conservatism affect the Earnings Response Coefficient (ERC) in Manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2014-2019?
2. Does company size affect the Earnings Response Coefficient (ERC) in Manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2014-2019?
3. Does Leverage affect the Earnings Response Coefficient (ERC) in Manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2014-2019?

1.2. Research purposes

The objectives of the research conducted by the author are:

1) To find out the Accounting Conservatism against the Earnings Response Coefficient (ERC) in Manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2014-2019.
2) To find out the effect of company size on the Earnings Response Coefficient (ERC) in Manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2014-2019.
3) To find out the effect of Leverage on the Earnings Response Coefficient (ERC) in Manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2014-2019.

II. LITERATURE REVIEW

2.1. Signal Theory

Signal Theory discusses the urge of companies to provide information to external parties. This encouragement was due to the asymmetry of information between

management and external parties aimed at convincing investors about the value of the company. The information conveyed by the company's management can be in the form of financial reports. According to signaling theory, company management is the owner's big hope in providing information about the company's future growth prospects. In this theory, it is explained that the company's motivation to provide information is due to the presence of information asymmetry between management and outsiders.

2.2. Accounting Conservatism

Conservatism is an estimation and method whose application will make the net asset value relatively low (Penman and Zhang, 2002 in Wijaya, 2012). Basu (1997) in Wijaya (2012) interpreted conservatism as a tendency for accountants to use a higher level of verification to recognize good news as an advantage than to admit bad news as a loss. The difference in recognition of the two earnings information causes asymmetric timeliness due to differences in earnings sensitivity to bad news and good news.

2.3. Company Size

Company size is the scale of the size of a company, where each company has a different size that can be seen from various ways, including: total assets, log size, stock market value, and others.

Basically, company size is divided into two categories, namely large companies and small companies. Large companies tend to have advantages in developing and implementing internal controls. In contrast, small companies have difficulty evaluating internal control. Large companies with many sources of funds may require less working capital compared to total assets or sales (Sawir, 2005 in Mahendra and Wirama, 2017).

2.4. *Leverage*

According to Garrison et al. (2015) describes Leverage, which is a measure of debt to equity to show the relative proportion of debt and equity in a company's balance sheet. Creditors and shareholders have different views about the optimal debt to equity ratio, usually, shareholders want a lot of debt to take advantage of Positive Financial Leverage.

2.5. *Earnings Response Coefficient (ERC)*

According to Scott (2003) in Imroatussolihah (2013) defines the Earnings Response Coefficient (ERC) as a coefficient used to measure the amount of stock returns in response to earnings reported by companies. Each company has a different variation of the relationship between company earnings and stock returns. The higher the Earnings Response Coefficient (ERC) level, the higher the stock return that can be expected from an increase in earnings. Investors will find it easier to predict the possible profit from investing in shares in a company in the future by knowing the Earnings Response Coefficient (ERC) level of a company.

2.6. Relationship between Research Variables

The development of this hypothesis explains the hypothesis of each variable by describing the relationship. The following is an explanation of the development of the hypothesis in this study:

2.6.1. The Relationship between Accounting Conservatism and the Earnings Response Coefficient (ERC)

The relationship between accounting conservatism and Earnings Response Coeffient (ERC) is that both are both focused on the company's earnings information to which the market will respond, where investors will react more strongly if the earnings information published by the company is of quality. Accounting conservatism will provide quality earnings value because it presents it with great care, when this conservatism

increases, it means that profits are getting better and investor response will increase or react strongly, so it can be assumed that the Earnings Response Coefficient (ERC) will also increase, and when Conservatism has decreased because the profits generated are of low quality, investors' reactions will also decrease so that the Earnings Response Coefficient (ERC) can also decrease.

Suryani (2012) explains the results of her research on the effect of conservatism on the Earnings Response Coefficient (ERC), that conservatism has a negative effect on the Earnings Response Coefficient (ERC). Companies that apply conservative accounting will have fluctuating profits and then low profit prediction. Research on the effect of conservatism on the Earnings Response Coefficient (ERC) has also been conducted by Untari and Budiasih (2014). The result is that conservatism has no effect on the Earnings Response Coefficient (ERC). Based on this description, the effect of accounting conservatism on the Earnings Response Coefficient (ERC) is the first hypothesis in this study.

2.6.2. Relationship between Company Size and the Earnings Response Coefficient (ERC)

Company size is one of the factors that affect the Earnings Response Coefficient (ERC), because the size of each company is different, so investor responses are different. Companies can be measured into 2 types, namely large companies and small companies, companies that have large company sizes are considered capable of managing their companies and large companies have more information that can be conveyed to the public, with the amount of information available about large companies, investors will find it easier to interpret. information so that it can reduce the uncertainty of the company's future cash flows and will have more confidence in large companies.

Herdirinandasari (2016) explains the results of his research regarding the effect of company size on the Earnings Response Coefficient (ERC), which states that company size affects the earnings response coefficient. Which means that the bigger the size of a company, the higher the Earnings Response Coefficient (ERC), and vice versa, the smaller the company size, the smaller the Earnings Response Coefficient (ERC). However, these results contradict the research of Dewi and Putra (2017) which explains that company size has a negative effect on the Earnings Response Coefficient (ERC), where if company size has a negative effect on the Earnings Response Coefficient (ERC), it means that the bigger the company size, then the Earnings Response Coefficient (ERC) value will be lower.

2.6.3. Leverage Relationship with the Earnings Response Coefficient (ERC)

*Leverage*is one of the ratios in measuring the company's leverage, which has an influence on the Earnings Response Coefficient (ERC). Debt to Equity Ratio which is one of the proxies in measuring Leverage is also a factor that affects the Earnings Response Coefficient (ERC). A company that has high financial leverage means that it has a lot of debt to outsiders. This means that the company has a high financial risk due to financial difficulties (Financial Distress) due to high debt.

According to Dewi and Putra (2017), the greater the company's debt, the greater the financial leverage. Companies with high leverage will make investors less confident about earnings published by the company because investors think that the company will prioritize debt payments to debtholders rather than dividend payments. The high level of leverage causes investors to be afraid to invest in the company, because investors do not want to take big risks. So that when the earnings announcement results in a relatively low market response. This relatively low market response will reflect that a company's earnings are lacking or not of quality. Scott (2003) in Imroatussolihah (2013) states that the higher the company's leverage level, the lower the Earnings Response Coefficient (ERC). Dewi and Putra (2017) explain the results of their research regarding the effect of Leverage on the Earnings Response Coefficient (ERC), that Leverage has a negative effect on the Earnings

Response Coefficient (ERC). The results of this study contradict Delvira and Nelvrita (2013) who state that leverage has no effect on the Earnings Response Coefficient (ERC). Based on this description, the effect of Leverage on the Earnings Response Coefficient (ERC) is the third hypothesis in this study. that Leverage has a negative effect on the Earnings Response Coefficient (ERC). The results of this study contradict Delvira and Nelvrita (2013) who state that leverage has no effect on the Earnings Response Coefficient (ERC). Based on this description, the effect of Leverage on the Earnings Response Coefficient (ERC) is the third hypothesis in this study. that Leverage has a negative effect on the Earnings Response Coefficient (ERC). The results of this study contradict Delvira and Nelvrita (2013) who state that leverage has no effect on the Earnings Response Coefficient (ERC). Based on this description, the effect of Leverage on the Earnings Response Coefficient (ERC) is the third hypothesis in this study.

2.7. Hypothesis Development

Hypotheses are temporary income or conclusions. These hypotheses can be tested for truth through analysis and research on these hypotheses can have a positive or negative effect. It depends on the variables being tested. In this study the authors raised the following hypothesis:

H1 : Accounting conservatism has a positive effect on *Earnings ResponseCoefficient (ERC).*

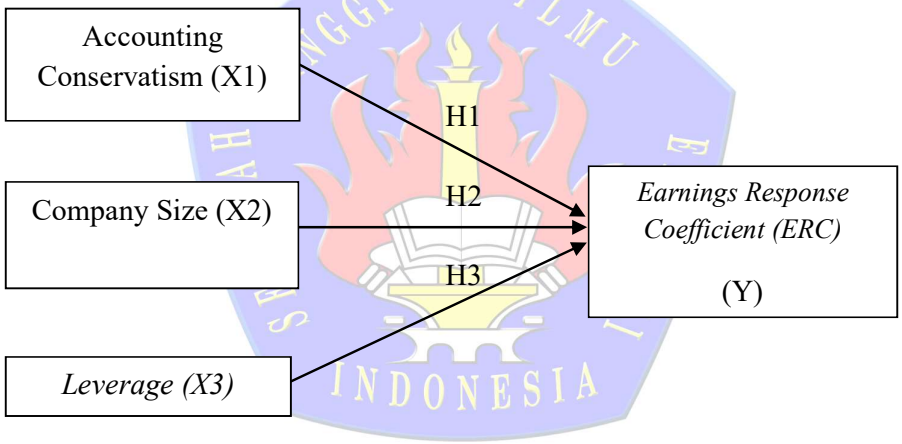
H2 : Company size has a negative effect on *Earnings Response Coefficient (ERC).*

H3 : *Leverage* negatively affects the Earnings Response Coefficient (ERC).

2.8. Research Conceptual Framework

Based on the description above regarding the effect, the conceptual framework of research in this study can be briefly seen in Figure 2.1 as follows:

Figure 2.1
Framework



III. RESEARCH METHOD

3.1. Research Strategy

This research is quantitative, where quantitative research is research that uses the type of data that can be measured or calculated directly by measuring research variables using numbers (Sugiyono, 2016: 63). The data used in this research is secondary data, where secondary data is data obtained by researchers from existing sources through intermediary media. Secondary data in this study are in the form of financial statements of manufacturing companies listed on the Indonesia Stock Exchange (IDX) with data sources derived fromwww.idx.co.id.

3.2. Population and Sample Research

According to Sugiyono (2016: 80) the definition of population is population is a generalization area consisting of objects or subjects that have certain qualities and characteristics that are determined by researchers to study and then draw conclusions. The research population used in this study are manufacturing companies registered in Indonesia Stock Exchange from 2014 to 2018. The independent variables in this study are accounting conservatism, company size, and leverage. The dependent variable is the Earnings Response Coefficient (ERC). The number of manufacturing companies listed on the Indonesia Stock Exchange (IDX) from 2014 to 2019 is 178 companies. 178 companies will be the population in the study.

The sample in this study were manufacturing companies listed on the Indonesia Stock Exchange (BEI) in 2014-2019, with the following sample selection criteria:

1) Manufacturing companies that have been listed on the Indonesia Stock Exchange (IDX) for the period 2014 - 2019.
2) Manufacturing companies that present financial statements in rupiah currency.
3) Manufacturing companies that publish complete financial statements for the period 2014-2019, reporting ending every December 31 and have data or information in accordance with research needs.

Table 3.1
Purpose Sampling

No.	Sample Selection Criteria	total
1.	Manufacturing companies that have been listed on the Indonesia Stock Exchange (IDX) for the period 2014 - 2019	178
2.	Manufacturing companies that do not present financial statements in rupiah currency	(127)
3.	Manufacturing companies that do not publish complete financial reports for the period 2014-2019, whose reporting ends every December 31 and have data or information in accordance with research needs	(20)
Number of Samples		**31**
Research year		**6**
The amount of overall observation data		**186**

Source: Data processed (2020)

Based on the predetermined criteria, the results obtained in the selection of criteria 1 (one), namely manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2014 - 2019 amounting to 178 companies, on the selection criteria 2 (two), namely manufacturing companies that do not present reports There are 127 companies in rupiah currency, with 3 (three) selection criteria, namely manufacturing companies that do not publish complete financial reports for the 2014-2019 period whose reporting ends every December 31 and have data or information in accordance with research needs. 20 companies and the final results of the sample manufacturing companies, amounting to 31 companies.

3.3. Data Analysis Methods

Data analysis was carried out after the data required in this study were collected, by performing analysis methods which included descriptive statistical methods, panel data regression analysis, and hypothesis testing. Where the data method in this study uses statistical calculations with the application of EVIEWS. The data analysis steps carried out are as follows:

3.3.1. Descriptive statistics

According to Nuryaman and Veronika (2015: 118), descriptive analysis is: "A description of the characteristics of the research variables being observed and the demographic data of respondents. In this case, descriptive analysis provides an explanation of the distinctive features of the research variables, explaining how the behavior of individuals (respondents or subjects) in the group. Descriptive statistical method is a method that describes or describes data to obtain the calculation of the mean, standard deviation, variant, maximum, minimum, sum, range, and skewness (distribution skewness).

3.3.2 Classical Assumption Test Analysis

In this study, the classical assumption test was not carried out, because this study used a panel data model. Panel data has advantages or advantages, one of which is that the high number of observations has implications for data that are more informative, more varied, and the collinearity (multi-risk) between the data is decreasing, and the degree of freedom (df) is higher so that estimates can be obtained. more efficient.

1. Normality Test

The normality test is used to test the significant effect of the independent variable on the dependent variable, because uti t will only be valid residuals with a normal distribution. Normality test is also used to determine the type of statistical testing performed, namely distributed data, it will be used for parametric statistical testing. Meanwhile, data that are not normally distributed will be used non-parametric statistical testing. In this study, researchers used Jarque-Bera and Probability to determine the distribution of the sample. The residual data can be said to be normally distributed when Skewness is close to 0. Kurtosis is close to 3, Jarque-Bera <5,991 and Probability ≥ α 0.05.

2. Multicollinearity Test

If a low tolerance value is the same as a high VIF value (because VIF = 1 / tolerance) and shows high collinearity. The cut off value that is commonly used is a tolerance value of 0.10 or equal to a VIF value above 10 (Ghozali, 2016). To see the Variance Inflation Factor (VIF) value as follows:

1. If the VIF value <10, it means that there is no multicolonierity,
2. If the VIF value> 10, it means that there is multicolonierity.

3. Heteroscedasticity Test

To prove the residual pattern heteroscedasticity test from the regression estimation results, the White Heteroscedasticity test is available in the eviews program. In this test, the observed results are the F and Obs * RSquared values. If the value of Obs * R-Squared <α is 0.05, it can be concluded that heteroscedasticity occurs. Meanwhile, if the value of Obs * R-Squared> 0.05, it can be concluded that heteroscedasticity does not occur.

4. Autocorrelation Test

To detect autocorrelation, it can be done by performing the LM test (Godfrey's Breusch method). This method is based on the value of F and Obs * RSquared where if the value of Obs * R-Squared exceeds 0.05 then there is no autocorrelation problem.

3.3.3. Regression Model Estimation

Ghozali (2017: 195) states that there are several types of data that can be analyzed statistically, namely cross section data, time series data and panel data (pooled data). Panel data is combined data between time series and cross section data. Panel data can be interpreted as a data conclusion in which the behavior of cross-sectional units (eg companies, countries, and individuals) is observed over time.

Ghozali (2017: 196) provides several advantages of panel data compared to cross section data and time series data, namely:

- Panel data provides data that is more informative, more varied, the level of collinearity between variables is lower, the degree of freedom is greater and is more efficient.
- Panel data is appropriate for use in dynamic change research.
- Panel data is capable of detecting and measuring unobservable effects through time series data or cross section data only.

To estimate the best test model, an analysis is carried out to determine the model used. There are three models to choose from, namely the Common Effect Model (CEM), the Fixxed Effect Model (FEM) and the Random Effect Model (REM), which are as follows:

1. ***Common Effect Model*** **(CEM)**
   Ghozali (2017: 214) states that this technique is the simplest technique, where the approach ignores the dimensions of time and space that are owned by panel data. The method used to estimate with this approach is the ordinary OLS regression method. This model combines time series and cross section data which are then regressed in the OLS method.
2. ***Fixed Effect Model*** **(FEM)**
   Ghozali (2017: 223) states that this approach assumes the coefficient (slope) is constant but the intercept varies between individuals. Although the intercept varies between individuals, each individual intercept does not vary over time which is called time invariant. This technique uses dummy variables to capture differences in interceptions between individuals, so it is called the Least Squares Dummy Variable (LSDV) Regression Model.
3. ***Random Effect Model*** **(BRAKE)**
   Ghozali (2017: 245) states that this approach assumes that each individual has a different intercept. Where the intercept is considered a random variable or random. The method used to estimate with this approach is the Generalized Least Square (GLS).

3.3.4. Panel Data Regression Analysis

According to Winarno (2017: 10) panel data is data consisting of several variables such as cross-selection data, but also has elements such as time series data. According to Iqbal (2015) on the Perbanas Institute website (www.dosen.perbanas.id), panel data regression is the development of linear regression with the OLS method which is specific in terms of data types and analysis objectives. In terms of data types, panel data regression has the characteristics (types) of cross section data and time series. The nature of the cross section of data is indicated by data that consists of more than one entity (individual), while the nature of time series is shown by each individual having more than one time observation (period). In panel data regression analysis, there are three models to estimate data parameters with panel data. Basically, the three panel data estimation techniques (models) can be selected according to the research situation, seen from the number of individual banks and research variables. To choose the right model for panel data in this study several tests will be carried out, namely:

3.5.4.1. (Chow Test)

The F statistical test (Chow test) is used to determine whether the panel data regression technique with the fixed effect method is better than the panel data model

regression without dummy variables or common effect methods. The Chow test is carried out using the redundant fixed test - likelihood ratio in the EVIEWS version 9 program.The following is the hypothesis used for the Chow test:

H0: pooled least square (restricted) model

H1: fixed effect model (unrestricted)

If the calculated F value is greater than critical F, the null hypothesis is rejected, which means that the correct model for panel data regression is a fixed effect model. And vice versa, if the calculated F value is less than critical F then the null hypothesis is accepted, which means that the right model for panel data regression is a common effect model.

3.5.4.2. Hausman Test

The Hausman test is based on the idea that the Least Squares Dummy Variables (LSDV) in the fixed effect method and the Generalized Least Squares (GLS) in the random effect method are efficient while the Ordinary Least Squares (OLS) in the common effect method are inefficient. On the other hand, the alternative is the efficient OLS method and the inefficient GLS. Therefore, test h The null hypothesis is that the estimation results of the two are not different, so the Hausman test can be carried out based on the difference in these estimates. In the Hausman test, the hypothesis used is as follows (Yamin et al., 2011: 210):

H0: random effect model

H1: fixed effect model

If the Hausman statistical value is greater than the critical value of chiSquares, the null hypothesis is rejected, which means that the correct model for panel data regression is the fixed effect model. On the other hand, if the Hausman statistical value is smaller than the critical value of chi-Squares, the null hypothesis is accepted, which means that the right model for panel data regression is the random effect model.

3.5.4.3. Lagrange Multiplier (LM) test

Lagrange multiplier test is a test conducted to determine the most appropriate model among the Common Effect Model or Random Effect Model to estimate panel data. In determining whether the model used is the Common Effect Model or the Random Effect Model, the following hypotheses are formulated:

H0 = using the Common Effect Model

Ha = using the Random Effect Model

The hypothesis is tested using the following criteria:

Source: (Basuki, AT, & Prawoto, 2016: 282)

If the calculated Lagrange Multiplier (LM) value is greater than the critical value of chi-Squares, the null hypothesis is rejected, which means that the right model for panel data regression is the random effect model. And conversely, if the calculated LM value is smaller than the critical value of chi-Squares, the null hypothesis is accepted, which means that the right model for panel data regression is a common effect model.

3.5.5 Multiple Linear Regression Analysis

According to Ariefianto (2012: 36) states that a multiple linear regression model with k variables can be written in the form:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 \ldots . \beta kXk + \propto$$

Information :

Y: Earnings Response Coefficient (ERC)

ε : Constants
β : Independent variable regression coefficient
X1: Accounting Conservatism (KA)
X2: Company Size (UP)
X3: Leverage (LEV)

3.3.6 Hypothesis testing

3.3.6.1 Statistical test t

The t statistical test basically shows how far the influence of one explanatory / independent variable individually in explaining the variation in the dependent variable. If the probability t is less than 0.05, then Ha is accepted and rejects Ho, whereas if it is greater than 0.05 then Ho is accepted and rejects Ha.

3.3.6.2 Test Coefficient of Determination R2 (R2 adjusted)

According to Ajija, Sari, Setianto, and Primanti (2011) states that the determination coefficient test is to see the ability of the regression line to explain the dependent variables in other words the proportion or percentage of the dependent variables which can be explained by the independent variables.

IV. RESULTS AND DISCUSSION

4.1. Description of Research Object

This study conducted a hypothesis test to explain the influence of independent variables consisting of accounting conservatism, company size, and leverage on the dependent variable, namely earnings response coefficient (ERC). This study uses a population of 178 companies listed on the Indonesia Stock Exchange in the 2014-2019 period. The method used in this research is purposive sampling. With predetermined criteria, a sample of 31 companies was obtained during the observation period in 2014-2019. So that the amount of data obtained is 186 data.

4.3 Descriptive Statistical Analysis

This study uses independent variables, namely accounting conservatism (X1), firm size (X2), and leverage (X3), while the dependent variable is the earnings coefficient response (Y). In this study, descriptive statistics were performed to determine the mean, standard deviation, maximum and minimum values of the variables.

Table 4.5
Descriptive Statistical Analysis Results

	ERC	C	NOACC	UP	DER
Mean	0.117092	1,000000	-0.010318	14.82409	1.493381
Median	0.114089	1,000000	-0.004207	14.62677	0.764063
Maximum	0.343816	1,000000	0.361802	19.67902	23,91743
Minimum	-0.059333	1,000000	-0.823739	11.82494	0.083033
Std. Dev.	0.114226	0.000000	0.099155	1.804823	2.487634

Source: Data processed by Eviews 10

In the results of the descriptive statistical analysis above, it shows that the amount of data in this study is 186 consisting of 31 manufacturing companies listed on the Indonesia Stock Exchange for the period 2014-2019. Based on the results of descriptive statistical analysis in table 4.5, the following results are obtained:

1. The variable earnings response coefficient (ERC) has a maximum value of 0.343816 and a minimum value of -0.059333. In this study the company that has the maximum value is PT Selamat Sempurna Tbk in 2015 and the company with

the minimum value is PT Supreme Cable Manufacturing and Commerce Tbk in 2017. From the results of this analysis it is known that the average (mean) earnings response coefficient (ERC) owned by all sample companies is 0.117092 or 11.7092%. The standard deviation is 0.114226, this indicates that the earnings response coefficient (ERC) carried out by the sample companies in this study does not vary because the standard deviation value is smaller than the mean value. The median value in this analysis is 0.114089.

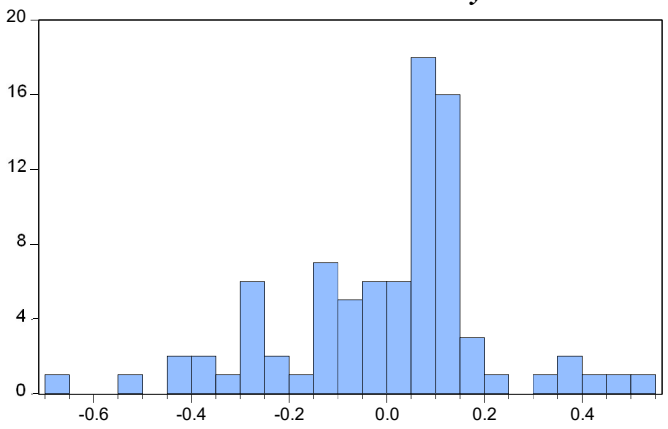
2. The accounting conservatism variable (X1) has a maximum value of 0.361802 and a minimum value of -0.823739. In this study the company that has the maximum value is PT Impack Pratama Industri Tbk in 2014 and the company with the minimum value is PT Alumindo Light Metal Industry Tbk in 2015. From the results of this analysis it is known that the average (mean) value of accounting conservatism held All sample companies are -0.010318 or -1.0318%, this shows that the majority of the sample companies in this study apply accounting conservatism because the average value (mean) has negative results. The standard deviation is 0.099155, This shows that the accounting conservatism carried out by the sample companies in this study varies because the standard deviation value is greater than the mean value. The median value in this analysis is -0.004207.
3. The firm size variable (X2) has a maximum value of IDR 19.67902 and a minimum value of IDR 11.82494. In this study the company that has the maximum value is PT Astra International Tbk in 2019 and the company with the minimum value is PT Alaska Industrindo Tbk in 2016. From the results of this analysis it is known that the average value (mean) is IDR 14.82409, which means value This shows the average size of manufacturing companies for the 2014-2019 period on a large-sized company scale. The standard deviation is Rp 1.804823, this shows that the standard deviation value is smaller than the average (mean), which means that the average company size has a low level of deviation. The median value in this analysis is IDR 14.62677.
4. The leverage variable (X3) has a maximum value of 23.91743 and a minimum value of 0.083033. In this study the company that has the maximum value is PT Tirta Mahakam Resources Tbk in 2019 and the company with the minimum value is PT Intan Wijaya International Tbk in 2014. From the results of this analysis it is known that the average (mean) level of debt is 1, 493381 or 149.3381% means that the sample companies have an average debt of 149.3381% of their total assets. The standard deviation is 2.487634, This indicates that the data indicate good results because the standard deviation value is smaller than the average value (mean) and from the results of this analysis also shows that the leverage variable is more evenly distributed, which means that the standard deviation does not deviate much from the average value (mean). The median value in this analysis is 0.764063.

4.4 Classical Assumption Test Results

4.4.1 Normality Test

The Jarque-Bera test on the e-views program has a chi square value with two degrees of freedom. If the jarque-fall test results are greater than the chi square value at α = 5%, then the null hypothesis is accepted, which means the data is normally distributed. Meanwhile, if the jarque-bera test result is smaller than the chi square value at α = 5%, the null hypothesis is rejected, which means that it is not normally distributed.

Table 4.6
Normality Test Results



Series: Standardized Residuals	
Sample 2014 2019	
Observations	186
Mean	5.12e-16
Median	0.051307
Maximum	0.515786
Minimum	-0.660489
Std. Dev.	0.209996
Skewness	-0.483147
Kurtosis	3.837327
Jarque-Bera	5.721939
Probability	0.067216

Source: the data is processed using Eviews 10

Based on the results of the normality test in table 4.6 above, the Skewness coefficient value is close to 0, namely -0.483147, the Kurtosis value is close to number 3, namely with a value of 3.837327, the Jarque-Bera value is smaller, namely 5.721939 than the Chi-Square value (df) 2, namely 5.991 while the Probability value is 0.067216 which indicates the number is greater than the value α = 0.05. With the results above, it can be concluded that the null hypothesis (H0) cannot be rejected, which means that the data is normally distributed.

4.4.2 Multicollinearity Test

Ghozali (2017: 73) states that with a significance level of 90%, multicollinearity between independent variables can be detected by using a correlation matrix provided that if the correlation matrix value between two independent variables is smaller (<) 0.90 then there is no multicollinearity.

Table 4.7
Multicolonierity Test Results

	NOACC	UP	DER
NOACC	1,000000	0.023089	-0.072264
UP	0.023089	1,000000	-0.070066
DER	-0.072264	-0.070066	1,000000

Source: the data is processed using Eviews 10

Based on table 4.7, the results of the correlation between the 3 independent variables can be concluded as follows:

1. The accounting conservatism variable has a correlation of 0.023089 with the firm size variable, meaning that there is no multicollinearity between the accounting conservatism variable and the firm size variable. The accounting conservatism variable has a correlation of -0.072264 with the leverage variable, meaning that there is no multicollinearity between the accounting conservatism variable and the leverage variable.
2. The firm size variable has a correlation with accounting conservatism of 0.023089, meaning that there is no multicollinearity between the firm size variable and the accounting conservatism variable. The firm size variable has a correlation of -0.070066 with the leverage variable, meaning that there is no multicollinearity between the firm size variable and the leverage.

3. The leverage variable has a correlation of -0.072264 with the accounting conservatism variable, meaning that there is no multicollinearity between the leverage variable and the accounting conservatism variable. The leverage variable has a correlation of -0.070066 with the firm size variable, meaning that there is no multicollinearity between the leverage variable and the firm size variable.

4.4.3 Heteroscedasticity Test

Researchers used the Breusch Pagan-GodFrey test to determine whether heteroscedasticity occurred in this study. The results of data processing can be seen as follows:

Table 4.8
Heteroscedasticity Test Results with Breusch Pagan-GodFrey

Heteroskedasticity Test: Breusch-Pagan-Godfrey
Null hypothesis: Homoskedasticity

F-statistic	0.594794Prob. F (3,182)	0.6192
Obs * R-squared	1.805893Prob. Chi-Square (3)	0.6137
Scaled explained SS	0.687104Prob. Chi-Square (3)	0.8762

Source: the data is processed using Eviews 10

Based on table 4.8. Above, the results of the Breusch Pagan-GodFrey test show that the probability value of F-statistic (F-count) is greater than yaitu = 0.05, namely 0.6137, which means that 0.6137> 0.05, so it can be concluded that H0 is accepted which means not there is a heteroscedasticity problem in this study.

4.4.4 Autocorrelation Test

To detect autocorrelation, it can be done by performing the LM test (Godfrey's Breusch method). This method is based on the value of F and Obs * RSquared where if the value of Obs * R-Squared exceeds 0.05 then there is no autocorrelation problem.

Table 4.9
Autocorrelation Test Results

Breusch-Godfrey Serial Correlation LM Test:
Null hypothesis: No serial correlation at up to 2 lags

F-statistic	2.741788Prob. F (2,180)	0.0824
Obs * R-squared	5.570753Prob. Chi-Square (2)	0.0617

Source: the data is processed using Eviews 10

Based on Figure 4.9, the results show that the probability value is 0.0617> α = 0.05, so it can be concluded that there is no autocorrelation in this study.

4.5 Panel Data Regression Estimation Method

4.5.1. *Common Effect Model* (CEM)

Ghozali (2017: 214) states that this technique is the simplest technique, where the approach ignores the dimensions of time and space that are owned by panel data. The method used to estimate with this approach is the ordinary OLS regression method. This model combines time series and cross section data which are then regressed in the OLS method.

Table 4.10
Common Effect Model (CEM) Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.186879	0.070364	2.655913	0.0086
NOACC	-0.025217	0.085119	-0.296253	0.7674
UP	-0.004317	0.004676	-0.923268	0.3571
DER	-0.004054	0.003400	-1.192153	0.2348

Root MSE	0.113240	R-squared	0.011871
Mean dependent var	0.117092	Adjusted R-squared	-0.004417
SD dependent var	0.114226	SE of regression	0.114478
Akaike info criterion	-1.475604	Sum squared resid	2.385134
Schwarz criterion	-1.406233	Log likelihood	141.2311
Hannan-Quinn criter.	-1.447492	F-statistic	0.728817
Durbin-Watson stat	0.981429	Prob (F-statistic)	0.536023

Source: data processed using *Eviews 10*

Based on the results of regression research using the Common Effect Model (CEM) method, it shows that there is a constant value of 0.186879 with a profitability of 0.0086. The regression equation on the Adjusted r-squared value is -0.004417, which explains that the variation in Earnings Response Coefficient (ERC) which is influenced by accounting conservatism, company size and leverage is 0.4417% and the remaining 99.5583% is influenced by Many other factors were not examined in this study so that the assumptions using the Common Effect model were not realistic in determining the effect of accounting conservatism, company size and leverage on Earnings Response Coeffiecient (ERC).

4.5.2. Fixed Effect Model (FEM)

Ghozali (2017: 223) states that this approach assumes the coefficient (slope) is constant but the intercept varies between individuals. Although the intercept varies between individuals, each individual intercept does not vary over time which is called time invariant. This technique uses dummy variables to capture differences in interceptions between individuals, so it is called the Least Squares Dummy Variable (LSDV) Regression Model.

Table 4.11.
***Fixed Effect Model* (FEM)**

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3,560350	0.453869	7,844448	0.0000
NOACC	0.091246	0.083368	7,094485	0.0355
UP	0.231557	0.030680	7,547415	0.0000
DER	-0.007754	0.005620	-1.379616	0.1697

Effects Specification
Cross-section fixed (dummy variables)

Root MSE	0.095136	R-squared	0.902571
Mean dependent var	0.117092	Adjusted R-squared	0.851156
SD dependent var	0.114226	SE of regression	0.105239
Akaike info criterion	-1.501436	Sum squared resid	1.683445
Schwarz criterion	-0.911783	Log likelihood	173.6335
Hannan-Quinn criter.	-1.262486	F-statistic	1.998284
Durbin-Watson stat	1.404444	Prob (F-statistic)	0.002701

Source: the data is processed using Eviews 10

The estimation results using the Fixed Effect Model (FEM) show that there is a constant value of 3.560350 with a probability of 0.0000. The regression equation on the Adjusted r-squared value is 0.851156, which explains that the variation in Earnings

Response Coefficient (ERC) which is influenced by accounting conservatism, company size and leverage is 85.1156% and the remaining 14.8844% is influenced by many Other factors are not examined in this study so that the assumption using the Fixed Effect model is realistic in determining the effect of accounting conservatism, company size and leverage on Earnings Response Coeffiecient (ERC).

4.5.3. Random Effect Model (REM)

Ghozali (2017: 245) states that this approach assumes that each individual has a different intercept. Where the intercept is considered a random variable or random. The method used to estimate with this approach is the Generalized Least Square (GLS).

Table 4.12. *Random Effect Model* (BRAKE)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.186879	0.064685	2.889062	0.0043
NOACC	-0.025217	0.078250	-0.322260	0.7476
UP	-0.004317	0.004298	-1.004317	0.3166
DER	-0.004054	0.003126	-1.296805	0.1963
Effects Specification				
			SD	Rho
Random cross-section			0.000000	0.0000
Idiosyncratic random			0.105239	1.0000
Weighted Statistics				
Root MSE	0.113240	R-squared		0.011871
Mean dependent var	0.117092	Adjusted R-squared		-0.004417
SD dependent var	0.114226	SE of regression		0.114478
Sum squared resid	2.385134	F-statistic		0.728817
Durbin-Watson stat	0.981429	Prob (F-statistic)		0.536023
Unweighted Statistics				
R-squared	0.011871	Mean dependent var		0.117092
Sum squared resid	2.385134	Durbin-Watson stat		0.981429

Source: the data is processed using Eviews 10.

Based on the results of regression research using the Random Effect Model (REM) method, it shows that there is a constant value of 0.186879, with a profitability of 0.0043. The regression equation on the Adjusted r-squared value is -0.004417, which explains that the variation in Earnings Response Coefficient (ERC) which is influenced by accounting conservatism, company size and leverage is 0.4417% and the remaining 99.5583% is influenced by Many other factors were not examined in this study so that the assumptions using the Random Effect model were not realistic in determining the effect of accounting conservatism, firm size and leverage on Earnings Response Coeffiecient (ERC).

4.6 Panel Data Regression Techniques

4.6.1 Chow test

Chow test is a method approach for testing that is used to select the best among the model approaches *common effect* and fixed effects (Sulastri et al., 2018). If the results of the profitability value of the F-statistic distribution show more than the determined significance level, the selected model is a common effect, whereas, on the

other hand, if the profitability value of the F-statistic distribution shows less than the significance level, the selected model is the fixed effect.

Table 4.13

Fixed Effect Test Results with Chow Test

Redundant Fixed Effects Tests
Equation: Untitled
Fixed effects cross-section test

Effects Test	Statistics	df	Prob.
Cross-section F	2.111873	(30,152)	0.0018
Chi-square cross-section	64.804784	30	0.0002

Source: the data is processed using Eviews 10

Based on table 4.13. above, shows the value*Chi-Square cross-section*is 64.804784 which is greater than the Chi-Square table value with α = 0.05 and df = 30 of 43.77297 (64.804784> 43.77297) and the Chi-Square Crosssection probability value (0.0002) < α (0.05) so it can be concluded that H0 is rejected. This means that the model used in this study is the Fixed Effect model.

4.6.2 Hausman Test

The Hausman test is a method approach for testing that is used to select the best approach model between the fixed effect and random effect models. The assessments are as follows:

a. If the chi-square value is> a significant level value, the random effect model is appropriate to use.
b. If the chi-square value <significance level value, the fixed effect model is appropriate to use

Table 4.14

Results of Correlated Random Effect with the Hausman Test

Correlated Random Effects - Hausman Test
Equation: Untitled
Cross-section random effects test

Test Summary	Chi-Sq. Statistics	Chi-Sq. df	Prob.
Random cross-section	59.899304	3	0.0000

Source: the data is processed using Eviews10.

Based on table 4.14. above the random cross-section value (Chi-Square Statistic) is 59.899304 which is greater than the value of the Chi-Square table with α = 0.05 and df = 3 of 7.81473 (59.899304> 7.81473), and the probability value of random cross-section (0.0000) <α (0.05), so it can be concluded that H1 is accepted. This means that the most appropriate model to use in the panel model is the Fixed Effect model.

Based on the Chow-test model test, it shows that the Fixed Effect model is chosen. On the other hand, the results of the Hausman model test show that the Fixed Effect model is chosen. From these results it is evident that the selected panel model is the Fixed Effect model.

4.7 Panel Data Regression Equations

This regression analysis is used to obtain a form regarding the relationship between accounting conservatism variables, firm size, and leverage on earnings response coefficient (ERC). Referring to Kusumadewi's (2018) research, the panel data regression equation is as follows:

$$\mathbf{Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \varepsilon}$$

Information:

Y : *Earnings Response Coefficient (ERC)*
α : Constant intercept value
β1- β3 : Variable regression coefficient
X1 : Accounting Conservatism
X2 : Company Size
X3 : *Leverage*
ε : *Error*

Following are the results of panel data regression analysis using the model *fixed effect model (FEM):*

Table 4.15
Results of Panel Data Regression Analysis with Fixed Effect (FEM) Model

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3,560350	0.453869	7,844448	0.0000
NOACC	0.091246	0.083368	7,094485	0.0355
UP	0.231557	0.030680	7,547415	0.0000
DER	-0.007754	0.005620	-1.379616	0.1697
Effects Specification				
Cross-section fixed (dummy variables)				
Root MSE	0.095136	R-squared		0.902571
Mean dependent var	0.117092	Adjusted R-squared		0.851156
SD dependent var	0.114226	SE of regression		0.105239
Akaike info criterion	-1.501436	Sum squared resid		1.683445
Schwarz criterion	-0.911783	Log likelihood		173.6335
Hannan-Quinn criter.	-1.262486	F-statistic		1.998284
Durbin-Watson stat	1.404444	Prob (F-statistic)		0.002701

Source: the data is processed using Eviews 10.

Based on the table presented above, the panel data regression model equation obtained is:

ERC = 3.560350 + 0.091246 (X1) + 0.231557 (X2) - 0.007754 (X3)

From the data regression equation model above, it can be interpreted as follows:

1. The constant value α of 3.560350 states that if the value of Accounting Conservatism (X1), Company Size (X2) and Leverage (X3) is zero then the amount of Earnings Response Coeffiecient is 3.560350.
2. The regression coefficient value X1 has a positive relationship of 0.091246 for accounting conservatism, meaning that every 1 change in the value of accounting conservatism, the amount of Earnings Response Coeffiecient (ERC) will increase by 0.091246 units, other factors are considered constant.
3. The regression coefficient value of X2 has a positive relationship of 0.231557 for company size, meaning that every 1 change in the value of company size, the amount of Earnings Response Coefficient (ERC) will increase by 0.231557 units, other factors are considered constant.
4. The regression coefficient value X3 has a negative relationship of 0.007754 for leverage, meaning that every change of 1 leverage value, the amount of Earnings Response Coeffiecient (ECR) will decrease by 0.007754 units, other factors are considered constant.

4.7.1 Determinant Coefficient (R2)

A small R2 value indicates the limited ability of the independent variables to explain the dependent variable. The R2 value generated by an estimation of a high empirical regression model, but individually many independent variables do not significantly affect the dependent variable (Ghozali, 2016: 98).

Based on table 4.15 shows that the adjusted R-Square is equal to 0.851156 or 85.1156%, this shows that the independent variable can explain the dependent variable by 14.8844% and the rest is influenced by other variables that are not used in this test.

4.7.2 Statistical Test t

If the t count obtained is greater than t table, it means that t is significant, which means that the hypothesis is accepted. Conversely, if the t count obtained is smaller than t table, it means that the hypothesis is rejected. This test was performed using a significance level of 0.05 (α = 5%).

Tests were carried out using a significant level of 0.05 (α = 5%) and a comparison between tcount and ttable. The number of observations carried out by the study was 186 (n = 186), the independent variable of the study was 3 (k = 3), with a significance of 0.05, it can be determined that t table df = nk-1 (186-3-1 = 182), so that the t table value is obtained at 1.97308. Based on table 4:13, the results of the t test can be interpreted as follows:

1) First Hypothesis (H1)
   The t test can be seen from the partial significance test results. The results can be seen from table 4:15 that the results show that the value of t count is greater than t table (7.094485> 1.97308). While the probability result is smaller than the significance level of (0.0355 <0.05). Then these results state that H1 is accepted, meaning that Accounting Conservatism (X1) partially affects the Earnings Response Coeffiecient (Y). Then the hypothesis H1 is proven.
2) Second Hypothesis (H2)
   The t test can be seen from the partial significance test results. The results can be seen from table 4:15 that the results show that the value of t count is greater than t table (7.547415> 1.97308). While the probability result is smaller than the significance level of (0.0000 <0.05). Then these results state that H2 is accepted, meaning Company Size (X2) partially affects the Earnings Response Coeffiecient (Y). Then the H2 hypothesis is proven.
3) Third Hypothesis (H3)
   The t test can be seen from the partial significance test results. The results can be seen from table 4:15 that the results show that the value of t count is smaller than t table (-1.379616 <1.97308). While the probability result is greater than the significance level of (0.1697> 0.05). Then these results state that H3 is rejected, meaning that partially Leverage (X3) has no effect on Earnings Response Coeffiecient (Y). So the hypothesis H3 is not proven.

4.8 Interpretation of Research Results

4.8.1 The Effect of Accounting Conservatism on Earnings Response Coeffiecient (ERC)

The results of the analysis state that the results show that the probability value is greater than the significance level of (0.0355 <0.05). So these results state that Accounting Conservatism (X1) partially affects the Earnings Response Coeffiecient (Y). This states that the principle of conservative accounting conservatism reflects the minimum profit that can be obtained by the company so that profits that are compiled by a conservative method are not exaggerated in value, so that they can be regarded as quality profits. The results of this study are in line with research conducted by Aristawati and Rasmini (2018) which

states that Accounting Conservatism (X1) has an effect on Earnings Response Coeffiecient (Y).

4.8.2 The Effect of Company Size on the Earnings Response Coefficient (ERC)

The analysis result states that the results show that the probability value is smaller than the significance level of (0.0000 <0.05). Then these results state that Company Size (X2) partially affects the Earnings Response Coeffiecient (Y). This suggests that companies that have a large size tend to use debt to meet large funding needs and to finance their investments. The results of this study are in line with research conducted by Mashayekhi and Aghel (2016) which states that Company Size (X2) affects the Earnings Response Coeffiecient (Y).

4.8.3 The Effect of Leverage on the Earnings Response Coefficient

The results of the analysis state that the results show that the probability result value is smaller than the significance level of (0.1697> 0.05). So these results state that Leverage (X3) partially has no effect on Earnings Response Coeffiecient (Y). These results indicate that investors assume that companies that have higher debt than capital will be more profitable for creditors or debtholders. Companies that have large long-term debt provide a signal that the company has a long-term strategy such as reducing or holding back expenses, one of which is reducing or holding back dividend payments.

IV. CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

This study aims to determine the effect of accounting conservatism, company size and leverage on the Earnings Response Coefficient (an empirical study of manufacturing companies listed on the Indonesia Stock Exchange for the period 2014-2019) ". Based on the results and discussion above, the following results can be concluded:

1. Based on the test results, it is found that the accounting conservatism variable has an effect on the Earnings Response Coefficient in Manufacturing companies listed on the Indonesia Stock Exchange for the period 2014-2019. As for research with the same results from Aristawati and Rasmini (2018) regarding the Effect of Accounting Conservatism, Good Corporate Governance and Company Growth on the Earnings Response Coefficient (ERC) which shows that accounting conservatism has a positive effect on the Earnings Response Coefficient (ERC).
2. Based on the test results, it is found that the company size variable has an effect on the Earnings Response Coefficient in Manufacturing companies listed on the Indonesia Stock Exchange for the period 2014-2019. The results of this study are in line with research conducted by Mashayekhi and Aghel (2016) which states that the firm size variable affects Earnings Response Coeffiecient (ERC).
3. Based on the test results, it is found that the leverage variable has no effect on the Earnings Response Coefficient (ERC). in Manufacturing companies listed on the Indonesia Stock Exchange for the period 2014-2019. This research is in line with research conducted by Zuhairini and Silfia (2017) which states that the leverage variable has no effect on Earnings Response Coeffiecient (ERC).

5.2. Suggestion

Based on the conclusions and results of this study, it can be recommended that suggestions for further research are as follows:

1. For the next researcher who will conduct research with a similar topic, it is suggested to do research expansion such as: adding other variables that have not been included in the research and using other calculation ratios.
2. Each company is required to have a good accounting conservatism principle for the company to use in its financial reporting in order to increase market reaction to earnings information announced by the Earnings Response Coefficient (ERC).

5.3. Limitations and Further Research Development

Following are the limitations of the authors during this research and the development of this research:

1. The data used in this study is secondary data, so this study cannot control and monitor the possibility of errors in calculations.
2. The variables used in this study only use three independent variables, namely accounting conservatism, company size and leverage on the Earnings Response Coefficient (ERC). So that this research does not cover other factors that affect the Earnings Response Coefficient (ERC).

REFERENCE LIST

Aa, Y. (2015). Earnings response coefficients and default risk: case of korean firms. International Journal of Financial Research, Vol. 6, No. 2. 2015.

Ajija, Shochrul R. (2011). The Smart Way to Master EViews. Jakarta: Four Salemba.

Arfan, M., & Antasari, I. (2008). The effect of size, growth, and firm size on earnings response coefficients for manufacturing issuers on the Jakarta Stock Exchange. Journal of Accounting Research & Research. Vol. 1.No. 1 January 2008.50-64.

Ariefianto, MD (2012). Econometrics Essence and Applications by Using Eviews. Jakarta: ERLANGGA.

Aryani, GAPS, & Sisdyani, EA (2016). Company size on earnings response coefficient with disclosure of corporate social responsibility as a moderating variable E-Journal of Accounting, Udayana University, Vol. 15.No. 1. April 2016. 171-199.

Basuki, Agus Tri and Prawoto, Nano. 2016. Regression Analysis in Research Economy & Business: Equipped with SPSS & EVIEWS Applications. Depok: PT Rajagrafindo Persada

Daud, RM, & Syarifuddin, NA (2008). The effect of corporate social responsibility disclosure, timeliness, and leverage on earnings response coefficient (empirical study of manufacturing companies listed on the Indonesia Stock Exchange) Journal of Financial Research & Research Vol. 1.No. 1.82-101.

Damodar N. Gujarati and Dawn C. Porter. 2012. Basics of Econometrics. Jakarta: Four Salemba.

Delvira, M., & Nelvirita. (2013). The effect of systematic risk, leverage, and accounting conservatism on earnings response coefficient (ERC) (a study on manufacturing companies that went public on the IDX in 2008-2010). WRA Journal. Vol. 1.No. 1.

Dewi, AAPK, & Putra, IMPD (2017). The effect of leverage and firm size on the earnings response coefficient. Udayana University Accounting E-Journal. Vol. 19.No. 1.367-391.

E-Journal of Accounting "EQUITY" ISSN: 2460-7762 VOL 3 ISSUE 4, DECEMBER 2017, Zuhairini Silfia.

E-Journal of Accounting, [Sl], v. 24, n. 2, p. 1503-1529, July 2018. ISSN 2302- 8556. ARISTAWATI, Ni Made; RASMINI, Ni Ketut. The Effect of Accounting Conservatism, Good Corporate Governance and Company Growth on the Earnings Response Coefficient.

Dr. Enni Savitri, SE, MM.Ak PSAK pp. (25-35) CONSERVATISM BOOK

Garrison Ray, Noreen Eric and Brewer Peter. 2014. Managerial Accounting. Jakarta: Four Salemba.

Godfrey, J., Hodgson, A., Tarca, A., Hamilton, J., & Holmes, S. (2010). Accounting Theory. New York: Wiley. Gujarati., & Porter. (2009). Econometrics Basics. Jakarta: Four Salemba.

Ghozali, Imam and Ratmono, Dwi. 2017. Multivariate and Econometric Analysis with Eviews 10. Diponegoro University Publishing Agency: Semarang.

Gunarianto., Tahir, MA, & Puspitosarie. (2014). The analysis of earnings management and earnings response coefficient: empirical evidence from manufacturing companies listed in Indonesian stock exchange. International Journal of Business and Management Invention. Vol. 3.31 August 2014. 41- 54.

Hasanzade, M., Darabi, R., & Mahfoozi, G. (2013). Factors affecting the earnings response coefficient: an empirical study for Iran. European Online Journal of Natural and Social Sciences 2013. Vol. 2 No. 3. Special Issue on Accounting and Management. ISSN 1805-3602.

Herdirinandasari, SS, & Asyik, NF (2016). The effect of company size, profitability, and voluntary disclosure on earnings response coefficient (ERC). Journal of Accounting Science and Research. Vol. 5, No. 11. ISSN: 2460-0585.

Imroatussolihah, E. (2013). The effect of risk, leverage, growth opportunities, accounting conservatism and the quality of corporate social responsibility on the earnings response coefficient in high profile companies. Management Scientific Journal. Vol. 1.No. 1.

International Journal of Economics and Financial Issues ISSN: 2146-4138 available at http: www.econjournals.com International Journal of Economics and Financial Issues, 2017, 7 (2), 608-619.

Iqbal, M. (2015). Cited in May 2016, from Perbanas Institute: https://www.dosen.perbanas.id /

Kieso, DE, Weygandt, JJ, & Warfield, TD (2014). Intermediate Accountig. New York: Wiley.

Eviews module Produced by: Junaidi (http://junaidichaniago.wordpress.com), 2 010

Mulyani, S., Asyik, NF, & Andayani (2007). Factors affecting earnings. Indonesian Journal of Accounting and Auditing Vol. 11.No. 1.June 2007. 35- 45

Nurdin, Ismail and Hartati, Sri (2019) SOCIAL RESEARCH METHODOLOGY. Media Sahabat Surabaya, Surabaya. ISBN 9786239098438

Nuryaman and Veronica Christina. 2015. Accounting and Research Methodology Business. Bogor: Ghalia Indonesia.

Noviantari and Dwi Ratnadi. 2013. "The Effect of Financial Distress, Size Companies, And Leverage On Accounting Conservatism ". E-Journal of Accounting at Udayana University, Vol. 11, No. 3, pg. 646-660. ISSN: 2302-8556.

Pujiati, L. (2012). Effect of conservatism in financial reports on earnings response coefficient. Journal of Accounting Science & Research. Vol. 1 No. 12.

Republic of Indonesia. (2008). Law of the Republic of Indonesia Number 20 of 2008 concerning Micro, Small, and Medium Enterprises. Jakarta. \

Silfia, Zuhairini., 2017: The Effect of Accounting Conservatism, Islamic Social Reporting, Leverage, and Company Size on the Earnings Response Coefficient (ERC) (Empirical Study of Consumer Goods Sector Companies Listed on the Indonesian Sharia Stock Index for the period 2014-2015), Journal of Economics Accounting, Vol. 3 Issue 4.

Sugiyono. (2016). Quantitative Research Methods, Qualitative and R & D. Bandung: PT Alphabet.

Sugiyono. (2017). Quantitative Research Methods, Qualitative, and R & D. Bandung: Alfabeta

Susanto, YK (2012). Determinant of Earnings Response Coefficient. Accounting & Journal Management. Vol. 2, No. 3, December 2012, ISSN: 0853-1259.
Suwardjono. 2014. Accounting Theory (Financial Reporting Engineering) Edition Third. Yogyakarta: BPFE.
Suwarno., Tumirin., & Zamzami. (2017). Influence of size, growth and profitability of company to earnings response coefficient. International Journal of Advanced Research (IJAR). ISSN: 2320-5407.
Soly, N., & Wijaya, N. (2017) Factors affecting earnings quality in manufacturing companies Journal of Business and Accounting Vol. 19.No. 1.47-55.
Tandelilin, E. (2010). Portfolios and Investments 1st Edition Yogyakarta: Publisher Canysisus.
Untari, MDA, & Budiasih, IGA N (2014). The effect of earnings conservatism and voluntary disclosure on earnings response coefficient E-Journal of Accounting at Udayana University 7.1. 1-18. ISSN: 2302-8556.
Widarjono, A. (2007). Econemetrics: Theory and Applications for Economics and Business. Yogyakarta: Ekonisia FE, Islamic University of Indonesia. Wijaya, AL (2012). Measurement of accounting conservatism: a literature review. Journal of Accounting and Education, Vol. 1, No. 1.
Wijaya, Anggita L. 2012. Measurement of Accounting Conservatism. Journal of Accounting and Education. Volume 1, Number 1.
Winarno, WW (2017). Econometric and Statistical Analysis with Eviews. Yogyakarta: UPP STIM YKPN
Wirama, DG (2017). The Effect of Profitability, Leverage, Liquidity and Company Size on the Timeliness of Financial Statements. E-Journal of Accounting at Udayana University, 19 (3), 2293–2318.
World Academy of Science, Engineering and Technology International Journal of Economics and Management Engineering Vol: 10, No: 7, 2016. "a study on the determinats of earnings response coeffiecient in an emerging market" Mashayekhi and Aghel
Zeidi, AR, Taheri, Z., & Farahabadi, O. (2014). The conservatism in accounting and its effect on earnings response coefficient in tehran stock exchange listed.companies. International Journal of Scientific Research in Knowledge, 2 (1), 28- 37, ISSN: 2322-4541
https://www.idx.co.id/
http://www.eviews.com/download/downloadfull_10.shtml
https://www.sahamok.com/cara-mencari-data-di-idx/
www.bisnis.com
www.kompas.com