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The Effect of Good Corporate Governance Mechanisms on the Timeliness of Financial Reporting

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Abstract

The timeliness of financial reporting is an essential aspect of financial information quality, as delayed reporting reduces its relevance for investors and other stakeholders. This study aims to examine the effects of managerial ownership, institutional ownership, public ownership, the board of commissioners, and the audit committee on the timeliness of financial reporting among non-essential consumer goods companies listed on the Indonesia Stock Exchange during 2022–2024. Previous studies have reported inconsistent findings regarding the effectiveness of corporate governance mechanisms in improving reporting timeliness, indicating the need for further investigation. This study employed a quantitative approach using purposive sampling, resulting in 53 companies (159 firm-year observations). Logistic regression analysis was conducted using SPSS version 26. The findings reveal that public ownership and the board of commissioners significantly influence the timeliness of financial reporting, whereas managerial ownership, institutional ownership, and the audit committee have no significant effect. These findings contribute to the corporate governance literature by providing updated empirical evidence from the Indonesian non-essential consumer goods sector and highlighting the governance mechanisms that effectively support timely financial reporting.

Keywords: Corporate Governance; Financial Reporting Timeliness; Managerial Ownership; Board of Commissioners; Indonesia Stock Exchange

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INTRODUCTION

Timely financial reporting is one of the fundamental qualitative characteristics of useful financial information because it enhances the relevance of accounting information for investors, creditors, regulators, and other stakeholders. Delays in financial reporting reduce information usefulness, increase information asymmetry, and may negatively affect investment decisions and market efficiency. Consequently, regulators require publicly listed companies to submit audited annual financial statements within a specified reporting deadline to ensure transparency and accountability. In Indonesia, this obligation is regulated under OJK Regulation No. 14/POJK.04/2022, which requires issuers to publish annual audited financial statements no later than the end of the third month after the fiscal year-end.

Despite strict regulations, delays in financial reporting remain common among companies listed on the Indonesia Stock Exchange (IDX). The persistence of late reporting suggests that regulatory enforcement alone is insufficient to ensure reporting timeliness. Therefore, internal corporate governance mechanisms become increasingly important in encouraging managerial compliance and improving financial reporting quality. According to Compliance Theory, organizations comply with regulations not only because of legal sanctions but also because compliance enhances organizational legitimacy and stakeholder trust.

Corporate governance has received considerable attention in explaining variations in financial reporting timeliness. Previous studies indicate that governance mechanisms, including managerial ownership, institutional ownership, public ownership, the board of commissioners, and the audit committee, may influence managerial incentives and monitoring effectiveness. However, empirical findings remain inconclusive. For instance, managerial ownership has been found to improve reporting timeliness by aligning managerial and shareholder interests, while other studies report no significant relationship (Mulyana et al., 2022; Lestari & Pratiwi, 2023). Similarly, institutional ownership has shown both significant (Pratama, 2024) and insignificant effects (Setiawati et al., 2021). Public ownership has also produced conflicting evidence (Aini & Kholis, 2023; Fitria Marisya, 2022). Moreover, inconsistent findings are reported regarding the effectiveness of the board of commissioners (Fuad, 2024; Nisrina & Murni, 2024) and the audit committee (Isyarani & Suryaputri, 2022; Wulan et al., 2024) in promoting timely financial reporting.

These inconsistent empirical findings reveal a significant research gap. Most previous studies have focused on different industrial sectors, research periods, or

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combinations of governance variables, while limited evidence is available for Indonesia's non-essential consumer goods sector during the post-pandemic period. Furthermore, recent regulatory developments and changes in corporate governance practices may have altered the relationships between governance mechanisms and reporting timeliness, requiring updated empirical investigation.

Objectives

This study aims to:

1. To examine the effect of managerial ownership on the timeliness of financial reporting.
2. To analyze the effect of institutional ownership on the timeliness of financial reporting.
3. To investigate the influence of public ownership on the timeliness of financial reporting.
4. To evaluate the role of the board of commissioners in improving reporting timeliness.
5. To assess the effect of the audit committee on the timeliness of financial reporting.

Accordingly, this study examines the influence of managerial ownership, institutional ownership, public ownership, the board of commissioners, and the audit committee on the timeliness of financial reporting among non-essential consumer goods companies listed on the Indonesia Stock Exchange during 2022–2024. The novelty of this study lies in providing recent evidence from the post-pandemic Indonesian capital market by simultaneously examining multiple corporate governance mechanisms within a sector that continues to experience reporting delays despite regulatory enforcement. The findings are expected to enrich the literature on corporate governance and financial reporting timeliness while providing practical implications for corporate managers, investors, and regulators in strengthening governance practices that support timely financial reporting.

LITERATUR REVIEW

Compliance Theory

Compliance Theory explains that organizations comply with regulations because they perceive compliance as legitimate and beneficial, not merely to avoid sanctions (Tyler, 1990). In the context of financial reporting, publicly listed companies are required to publish audited financial statements within the reporting deadline established by regulators. Compliance with these requirements enhances transparency, accountability, and investor confidence. Companies with effective governance mechanisms are expected to demonstrate higher compliance by submitting financial reports on time.

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In Indonesia, the obligation to submit annual financial statements is regulated under OJK Regulation No.14/POJK.04/2022. Compliance Theory therefore provides the theoretical foundation for understanding why corporate governance mechanisms influence reporting timeliness.

Recent studies confirm that stronger governance structures improve regulatory compliance and reporting quality (Habib & Bhuiyan, 2016; Ahmed & Che-Ahmad, 2016; Afrilia et al., 2025). However, empirical evidence regarding which governance mechanisms contribute most effectively remains inconsistent.

Timeliness of Financial Reporting

Timeliness is one of the fundamental qualitative characteristics of financial reporting because relevant information loses its value when it is disclosed too late (IASB, 2018). Timely financial reporting reduces information asymmetry between managers and shareholders while improving market efficiency.

Previous studies demonstrate that delayed reporting increases uncertainty among investors and weakens market confidence (Owusu-Ansah, 2000; Habib et al., 2019). In Indonesia, despite stricter reporting regulations, several listed companies continue to submit financial statements after the prescribed deadline, suggesting that internal governance mechanisms remain essential determinants of reporting timeliness.

Managerial Ownership and Timeliness of Financial Reporting

Managerial ownership refers to the proportion of company shares owned by directors and executives. Agency Theory argues that managerial ownership aligns managers' interests with shareholders' interests, thereby reducing agency conflicts (Jensen & Meckling, 1976). Managers who own company shares tend to disclose financial information more promptly because delayed reporting may negatively affect firm value.

Several recent studies reported a positive relationship between managerial ownership and reporting timeliness (Mulyana et al., 2022; Afrilia et al., 2025). However, other studies found insignificant effects because ownership proportions were relatively small and insufficient to influence managerial behavior (Lestari & Pratiwi, 2023). These inconsistent findings indicate that managerial ownership does not always function as an effective governance mechanism.

H1: Managerial ownership positively influences the timeliness of financial reporting.

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Institutional Ownership and Timeliness of Financial Reporting

Institutional ownership refers to shares owned by institutional investors such as banks, insurance companies, investment firms, and pension funds. Institutional investors generally possess greater monitoring capabilities than individual investors and therefore reduce agency problems through effective supervision.

Institutional investors demand timely disclosure because delayed reporting increases investment uncertainty (Shleifer & Vishny, 1997). Recent evidence suggests that institutional ownership encourages companies to improve reporting quality and timeliness (Pratama, 2024; Firjatullah & Respati, 2023). Nevertheless, Setiawati et al. (2021) reported that institutional ownership does not necessarily improve reporting timeliness because some institutional investors prioritize profitability rather than reporting discipline.

These contradictory findings indicate the need for further investigation.

H2: Institutional ownership positively influences the timeliness of financial reporting.

Public Ownership and Timeliness of Financial Reporting

Public ownership represents the proportion of company shares owned by public investors. A higher level of public ownership increases market pressure because management becomes more accountable to dispersed shareholders. According to stakeholder theory, companies with greater public ownership are expected to disclose information more transparently to reduce information asymmetry. Aini and Kholis (2023) found that public ownership significantly improves reporting timeliness because public investors require rapid information disclosure. Similarly, Arnindya and Kusumawati (2025) argued that external monitoring encourages management to comply with reporting deadlines. However, Fitria Marisya (2022) found no significant relationship because dispersed shareholders generally possess limited monitoring power.

H3: Public ownership positively influences the timeliness of financial reporting.

Board of Commissioners and Timeliness of Financial Reporting

The Board of Commissioners plays a central role in monitoring management and ensuring compliance with regulations. Effective board supervision strengthens internal control systems and enhances financial reporting quality. Resource Dependence Theory suggests that larger and more competent boards provide greater monitoring resources

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that improve organizational performance (Pfeffer & Salancik, 1978). Fuad (2024) found that board size positively affects reporting timeliness because stronger oversight accelerates financial reporting processes. Likewise, Wardhati and Mulyani (2026) emphasized that active board supervision improves compliance with reporting regulations. Conversely, Nisrina and Murni (2024) reported insignificant findings, arguing that board effectiveness depends more on competence than size.

H4: The board of commissioners positively influences the timeliness of financial reporting.

Audit Committee and Timeliness of Financial Reporting

The audit committee assists the board in overseeing financial reporting, internal control, and external auditing processes. Effective audit committees enhance financial reporting quality by ensuring accurate and timely disclosure. Agency Theory explains that audit committees reduce agency conflicts through stronger monitoring mechanisms. Isyarani and Suryaputri (2022) found that audit committees significantly improve reporting timeliness by strengthening financial oversight. Similarly, Damayanti et al. (2025) argued that larger and more competent audit committees accelerate financial reporting. However, Wulan et al. (2024) reported no significant effect because audit committee effectiveness depends more on expertise than committee size.

H5: The audit committee positively influences the timeliness of financial reporting.

RESEARCH METHODS

Research Position and Research Gap

Recent studies on the determinants of financial reporting timeliness have produced inconsistent findings across governance variables, industrial sectors, and observation periods. Most previous research has examined manufacturing, property, or financial sectors separately, while evidence from Indonesia's non-essential consumer goods sector remains limited. Furthermore, recent regulatory changes and post-pandemic governance practices may have altered the relationship between corporate governance mechanisms and reporting timeliness.

This study extends previous literature by simultaneously examining managerial ownership, institutional ownership, public ownership, the board of commissioners, and the audit committee within companies operating in the Indonesian non-essential consumer goods sector during 2022–2024. The study contributes updated empirical

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evidence regarding which corporate governance mechanisms most effectively promote timely financial reporting.

RESEARCH APPROACH

This study employed a quantitative research approach to examine the influence of corporate governance mechanisms on the timeliness of financial reporting. A quantitative approach was selected because it enables hypothesis testing using statistical analysis and facilitates the examination of causal relationships among variables. The theoretical framework underlying this study is Compliance Theory, which explains that publicly listed companies are expected to comply with financial reporting regulations to enhance transparency, accountability, and stakeholder confidence.

Types of Research Data

The study utilized secondary quantitative data collected from publicly available corporate reports. The data consisted of corporate governance information and financial reporting timeliness of non-essential consumer goods companies listed on the Indonesia Stock Exchange (IDX) during the 2022–2024 observation period.

Research Data Sources

Secondary data were obtained from:

a. Indonesia Stock Exchange (IDX) official website (https://www.idx.co.id)
b. Annual Reports of listed companies
c. Audited Financial Statements
d. Corporate Governance Reports
e. Indonesia Financial Services Authority (OJK) regulations

These publicly available documents provide reliable information regarding ownership structure, board characteristics, audit committee composition, and financial reporting submission dates.

Research Objects and Sampling Technique

Because this study uses secondary data, respondents are replaced by research objects. The population consisted of 131 non-essential consumer goods companies listed on the Indonesia Stock Exchange. The sample was selected using purposive sampling based on the following criteria:

a. Companies listed continuously during 2022–2024.

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b. Companies publishing complete audited annual reports.
c. Companies providing complete information regarding corporate governance variables.
d. Companies with complete financial reporting submission data.

After screening, 53 companies met the sampling criteria, resulting in 159 firm-year observations.

Research Instrument

The documentation checklist was developed based on previous empirical studies and the Financial Services Authority (OJK) regulations to ensure consistency in recording all research variables. The checklist was used to record:

a. Managerial ownership percentage
b. Institutional ownership percentage
c. Public ownership percentage
d. Number of board commissioners
e. Number of audit committee members
f. Timeliness of financial reporting

The dependent variable (Timeliness of Financial Reporting) was measured using a dummy variable, where:

a. 1 = Financial statements submitted on or before March 31
b. 0 = Financial statements submitted after March 31

Data Collection Technique

Data were collected using the documentation method, which involved reviewing annual reports and audited financial statements published on the Indonesia Stock Exchange website and each company's official website. The collected information was subsequently coded into a research database for statistical analysis. A significance level of 5% ($\alpha = 0.05$) was applied in all hypothesis testing. The hypotheses were accepted when the significance value (p-value) was less than 0.05.

Theoretical Framework

This study adopts Compliance Theory as the primary theoretical framework. Compliance Theory argues that organizations voluntarily comply with regulations because compliance increases legitimacy, reduces regulatory risks, and enhances organizational credibility (Tyler, 1990). The conceptual framework proposes that

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corporate governance mechanisms influence the timeliness of financial reporting through improved monitoring and compliance with financial reporting regulations.

Conceptual Framework

Based on Compliance Theory and previous empirical studies, this study proposes that managerial ownership, institutional ownership, public ownership, the board of commissioners, and the audit committee directly influence the timeliness of financial reporting. The conceptual framework illustrates the causal relationships between these corporate governance mechanisms as independent variables and the probability of timely financial reporting as the dependent variable.

Research Hypotheses

Based on Compliance Theory and previous empirical studies, the hypotheses are formulated as follows:

H1: Managerial ownership has a positive effect on the timeliness of financial reporting.

H2: Institutional ownership has a positive effect on the timeliness of financial reporting.

H3: Public ownership has a positive effect on the timeliness of financial reporting.

H4: The board of commissioners has a positive effect on the timeliness of financial reporting.

H5: The audit committee has a positive effect on the timeliness of financial reporting.

Data Analysis Technique

The data were analyzed using IBM SPSS Statistics Version 26. The analytical procedures consisted of:

1. Descriptive Statistics
2. Logistic Regression Analysis
3. Overall Model Fit Test (-2 Log Likelihood)
4. Hosmer and Lemeshow Goodness-of-Fit Test
5. Nagelkerke R Square
6. Omnibus Test of Model Coefficients
7. Wald Test (Partial Hypothesis Testing)

The logistic regression model is specified as follows:

$$\ln(P/(1-P)) = \alpha + \beta 1MO + \beta 2IO + \beta 3PO + \beta 4BC + \beta 5AC + \varepsilon$$

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Where:
P = Probability of timely financial reporting
α = Constant
β1–β5 = Regression coefficients
MO = Managerial Ownership
IO = Institutional Ownership
PO = Public Ownership
BC = Board of Commissioners
AC = Audit Committee
ε = Error term

The regression coefficients (β) indicate the direction and magnitude of the effect of each independent variable on the probability of timely financial reporting. A positive coefficient indicates that the independent variable increases the likelihood of timely financial reporting, whereas a negative coefficient indicates the opposite.

The hypotheses were evaluated using the Wald test at a significance level of 5%. A hypothesis was accepted when the significance value (p-value) was less than 0.05 and rejected when the p-value exceeded 0.05.

Data Credibility

Since this study employed secondary quantitative data, data credibility was ensured through:

a. Using audited annual financial statements issued by independent auditors.
b. Collecting data from official sources, including the Indonesia Stock Exchange (IDX) and company annual reports.
c. Applying consistent operational definitions for each research variable.
d. Cross-checking data between annual reports and financial statements to ensure accuracy.
e. Using standardized statistical procedures to minimize measurement errors and improve research reliability.

Because this study exclusively utilized publicly available secondary data, no human participants were involved. Therefore, formal ethical approval was not required. Nevertheless, all data were collected, processed, and reported objectively in accordance with research ethics and academic integrity.

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13. Variable Measurement

Variable	Operational Definition	Measurement	Indicator	Scale
Managerial Ownership	The proportion of company shares owned by directors and managers involved in decision-making.	Shares owned by management / Total outstanding shares × 100%	Percentage	Ratio
Institutional Ownership	The proportion of company shares owned by institutional investors.	Institutional shares / Total outstanding shares × 100%	Percentage	Ratio
Public Ownership	The proportion of company shares owned by public investors.	Public shares / Total outstanding shares × 100%	Percentage	Ratio
Board of Commissioners	The supervisory body responsible for monitoring management performance.	Total number of commissioners	Number of members	Ratio
Audit Committee	A committee established to oversee financial reporting and auditing processes.	Total number of audit committee members	Number of members	Ratio
Timeliness of Financial Reporting	The punctuality of submitting audited annual financial statements according to OJK regulations.	Dummy variable	1 = timely, 0 = late	Nominal

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RESULTS AND DISCUSSION

Overview of the Research Object

The object of this study consists of non-essential consumer goods companies listed on the Indonesia Stock Exchange (IDX) during the 2022–2024 period. From a population of 131 companies, 53 companies were selected as the sample through purposive sampling based on the following criteria: (1) non-essential consumer goods companies listed on the IDX whose shares were actively traded during 2022–2024; and (2) companies that published financial statements and presented complete financial ratio data for the 2022–2024 period. A total of 159 observations were used, consisting of three years of panel data. The data used are quantitative in nature, obtained from secondary sources, namely the financial statements of companies published through www.idx.co.id.

Data Analysis

Descriptive Statistical Analysis

Descriptive statistical analysis was conducted to describe the data, including the minimum, maximum, mean, and standard deviation values of each variable.

Table 1. Results of Descriptive Statistical Analysis

Variable	N	Minimum	Maximum	Mean	Std. Deviation
MO	159	0.00	0.68	0.1163	0.18455
IO	159	0.00	0.95	0.6162	0.22580
PO	159	0.04	0.70	0.2372	0.11733
BC	159	2	9	3.87	1.849
AC	159	1	4	2.94	0.342
FRT	159	0	1	0.91	0.293

Source: SPSS 26 Output Results

Managerial Ownership (MO) has a mean value of 0.1163 with a standard deviation of 0.18455; the minimum value of 0.00 was found at PT. Sentra Food Indonesia Tbk and the maximum value of 0.68 at PT. Indonesian Tobacco Tbk. Institutional Ownership (IO) has a mean value of 0.6162 with a standard deviation of 0.22580; the minimum value of 0.00 was found at PT. Dewi Shri Farmindo Tbk and the maximum value of 0.95 at PT.

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Jaya Agra Wattie Tbk. Public Ownership (PO) has a mean value of 0.2372 with a standard deviation of 0.11733; the minimum value of 0.04 was found at PT. Wicaksana Overseas International Tbk and the maximum value of 0.70 at PT. Cerestar Indonesia Tbk. The Board of Commissioners (BC) has a mean of 3.87 members with a standard deviation of 1.849; the minimum value of 2 members was found at several companies (including PT. Cilacap Samudera Fishing Industry Tbk and PT. Dewi Shri Farmindo Tbk) and the maximum value of 9 members at PT. Dharma Satya Nusantara Tbk. The Audit Committee (AC) has a mean of 2.94 members with a standard deviation of 0.342; the minimum value of 1 member was found at PT. Wahana Inti Makmur Tbk and the maximum value of 4 members at PT. Mandom Indonesia Tbk. The Timeliness of Financial Reporting (FRT) has a mean value of 0.91 with a standard deviation of 0.293, where the value of 1 represents the timely category and 0 represents the non-timely category.

Table 2. Case Processing Summary

Unweighted Cases	N	Percent
Selected Cases – Included in Analysis	159	100.0
Selected Cases – Missing Cases	0	0.0
Selected Cases – Total	159	100.0
Unselected Cases	0	0.0
Total	159	100.0

Source: SPSS 26 Output Results

Table 2 shows that all 159 data points (100%) were included in the analysis, with no missing cases (missing cases = 0), so that the entire dataset could be used in the analysis process.

Table 3. Dependent Variable Encoding

Original Value	Internal Value
Not Timely	0
Timely	1

Source: SPSS 26 Output Results

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Table 3 shows the coding of the dependent variable, where a value of 1 is assigned to companies that submit financial statements in a timely manner and a value of 0 to companies that do not.

Logistic Regression Test

The logistic regression test in this study was conducted through the following five stages.

1. Goodness of Fit Test

This test uses the Hosmer and Lemeshow Goodness of Fit Test with the following hypotheses: H0 = the hypothesized model fits the data; HA = the hypothesized model does not fit the data. If the significance value is ≤ 0.05, H0 is rejected (the model does not fit); if it is > 0.05, H0 cannot be rejected (the model fits).

Table 4. Goodness of Fit Test (Hosmer and Lemeshow Test)

Step	Chi-square	df	Sig.
1	14.317	8	0.074

Source: SPSS 26 Output Results

A significance value of 0.074 (> 0.05) indicates that H0 cannot be rejected, so the logistic regression model is declared fit and capable of predicting its observed values.

2. Overall Model Fit Test

The overall model fit was assessed by comparing the −2 Log Likelihood value at the initial block (block 0, without independent variables) and the final block (block 1, with independent variables).

Table 5. Iteration History – Block 0: Beginning Block

Iteration	−2 Log likelihood	Constant
1	105.962	1.623
2	99.591	2.135
3	99.364	2.256
4	99.364	2.262
5	99.364	2.262

Source: SPSS 26 Output Results

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Table 6. Iteration History – Block 1: Method

Iter.	−2LL	Constant	MO	IO	PO	BC
1	100.543	0.054	1.286	0.140	2.750	0.140
2	88.242	-0.542	2.099	0.352	5.873	0.352
3	84.721	-0.480	2.070	0.613	8.498	0.613
4	84.103	-0.042	1.994	0.778	9.731	0.778
5	84.073	0.284	2.000	0.822	9.975	0.822
6	84.073	0.332	2.002	0.824	9.988	0.824
7	84.073	0.333	2.002	0.824	9.988	0.824

Note: the final AC value = -1.507 (see Table 9) is not shown in the column above due to table width limitations.

Source: SPSS 26 Output Results

The −2 Log Likelihood value at block 0 was 105.962, while at block 1 it decreased to 84.073 (a decrease of 21.889). This decrease indicates that the addition of the Managerial Ownership, Institutional Ownership, Public Ownership, Board of Commissioners, and Audit Committee variables to the logistic regression model produced a better model that fits the research data.

3. Nagelkerke R Square Test

The Nagelkerke R Square value is used to measure the ability of the independent variables to explain the dependent variable, with a value interval of $0 \leq R^2 \leq 1$.

Table 7. Results of the Nagelkerke R Square Test (Model Summary)

Step	−2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	84.073	0.092	0.197

Source: SPSS 26 Output Results

A Nagelkerke R Square value of 0.197 (19.7%) indicates that the five independent variables are able to explain 19.7% of the variation in the Timeliness of Financial Reporting, while the remaining 80.3% is explained by other variables outside this research model.

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4. Omnibus Test of Model Coefficients

Table 8. Omnibus Test of Model Coefficients

	Chi-Square	df	Sig.
Step	15.291	5	0.009
Block	15.291	5	0.009
Model	15.291	5	0.009

Source: SPSS 26 Output Results

A significance value of 0.009 (< 0.05) indicates that the model involving all independent variables simultaneously is significantly better at fitting the data than a model without independent variables. Thus, the five independent variables Managerial Ownership, Institutional Ownership, Public Ownership, Board of Commissioners, and Audit Committee simultaneously have a significant effect on the Timeliness of Financial Reporting.

5. Wald Test (Partial Test)

Table 9. Results of the Wald Partial Test (Variables in the Equation)

Variable	B	Wald	Sig.	Exp(B)	Result
MO	2.945	0.503	0.478	19.015	H1 rejected
IO	2.002	0.349	0.555	7.407	H2 rejected
PO	9.988	5.522	0.019	21.762	H3 accepted
BC	0.824	6.454	0.011	2.280	H4 accepted
AC	-1.507	0.515	0.473	0.222	H5 rejected

Source: SPSS 26 Output Results

Based on Table 9, the following logistic regression equation is obtained:

FRT = 0.333 + 2.945 MO + 2.002 IO + 9.988 PO + 0.824 BC − 1.507 AC

The interpretation of the Odds Ratio (Exp(B)) values for each independent variable is as follows: (a) each one-unit increase in Managerial Ownership increases the tendency toward timely reporting by 19.015 times; (b) each one-unit increase in Institutional Ownership increases the tendency by 7.407 times; (c) each one-unit increase in Public Ownership increases the tendency by 21.762 times; (d) each one-unit increase in the

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Board of Commissioners increases the tendency by 2.280 times; (e) each one-unit increase in the Audit Committee decreases the tendency to 0.222 times.

Based on the results of the partial test (Wald Test): (a) Managerial Ownership has a positive coefficient of 2.945 with a significance of 0.478 (> 0.05), so it has no effect on the timeliness of financial reporting (H1 rejected); (b) Institutional Ownership has a positive coefficient of 2.002 with a significance of 0.555 (> 0.05), so it has no effect (H2 rejected); (c) Public Ownership has a positive coefficient of 9.988 with a significance of 0.019 (< 0.05), so it has a significant effect (H3 accepted); (d) the Board of Commissioners has a positive coefficient of 0.824 with a significance of 0.011 (< 0.05), so it has a significant effect (H4 accepted); (e) the Audit Committee has a negative coefficient of -1.507 with a significance of 0.473 (> 0.05), so it has no effect (H5 rejected).

DISCUSSION

Effect of Independent Variables on the Dependent Variable (Partial)

1. Effect of Managerial Ownership on the Timeliness of Financial Reporting

The test results show that Managerial Ownership partially has no significant effect on the Timeliness of Financial Reporting (H1 rejected). Although share ownership by managers is theoretically expected to encourage transparency and reporting timeliness, this does not always occur, particularly when the proportion of managerial ownership is small or the role of managers is not dominant. Managerial ownership is more closely related to economic interests and strategic corporate decisions (dividend policy, capital structure, investment decisions) than to operational aspects such as financial reporting (Rahmawati et al., 2023). The low alignment of interests between management and shareholders also contributes to a decline in managerial performance, which affects reporting delays. This finding is consistent with Lestari and Pratiwi (2023).

2. Effect of Institutional Ownership on the Timeliness of Financial Reporting

Institutional Ownership was also found to have no significant effect (H2 rejected). The size of institutional ownership has not been able to stimulate or pressure management to report financial statements in a timely manner, because the presence of institutional shareholders does not guarantee optimal monitoring. Management remains committed to timely reporting because of compliance pressure from OJK regulations, rather than because of a particular ownership structure. Institutional investors also tend to be more oriented toward short-term profit and investment returns than toward long-term governance. This finding is consistent with Setiawati et al. (2021).

3. Effect of Public Ownership on the Timeliness of Financial Reporting

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Public Ownership was found to have a significant effect on the Timeliness of Financial Reporting (H3 accepted). The greater the proportion of shares owned by the public, the greater the demand for transparency and accountability of financial information, thereby encouraging management discipline in submitting reports on schedule. Public investors are highly dependent on the availability of fast and accurate financial information as a basis for investment decision-making, so management is committed to accelerating the preparation and submission of reports in order to avoid information asymmetry in the capital market. This finding is consistent with Aini and Kholis (2023).

4. Effect of the Board of Commissioners on the Timeliness of Financial Reporting

The Board of Commissioners was found to have a significant effect on the Timeliness of Financial Reporting (H4 accepted). The larger the number of board of commissioners members, the stronger the coordination and monitoring capacity over the performance of the board of directors in implementing good corporate governance. This finding is in line with Compliance Theory, in which effective oversight by the board of commissioners encourages management to submit financial statements on time in order to avoid administrative sanctions and maintain credibility in the eyes of investors. This result supports the findings of Asthama et al. (2021) and Fuad (2024).

5. Effect of the Audit Committee on the Timeliness of Financial Reporting

The Audit Committee was found to have no significant effect on the Timeliness of Financial Reporting (H5 rejected). The quantity or number of audit committee members is not a determining factor in a company's discipline in submitting reports on schedule, because the primary role of the audit committee is more focused on the substantive oversight of the audit process ensuring compliance with procedures, accounting standards, and regulation as well as evaluating audit quality and fee fairness, rather than on the speed of report distribution. This finding is consistent with Wulan et al. (2024).

CONCLUSSION

This study examined the effects of managerial ownership, institutional ownership, public ownership, the board of commissioners, and the audit committee on the timeliness of financial reporting among non-essential consumer goods companies listed on the Indonesia Stock Exchange during the 2022–2024 period. The empirical findings indicate that public ownership and the board of commissioners have a significant positive effect

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on the timeliness of financial reporting. In contrast, managerial ownership, institutional ownership, and the audit committee do not significantly influence reporting timeliness.

These findings suggest that external monitoring through dispersed public ownership and effective oversight by the board of commissioners play a more important role in encouraging companies to comply with financial reporting deadlines than ownership concentration or the existence of audit committees alone. The results also support Compliance Theory, which emphasizes that effective governance mechanisms strengthen organizational compliance with financial reporting regulations.

This study contributes to the corporate governance literature by providing updated empirical evidence from Indonesia's non-essential consumer goods sector during the post-pandemic period. Unlike many previous studies that focused on manufacturing or property sectors, this research demonstrates that the effectiveness of corporate governance mechanisms varies across industries and governance structures. Therefore, the findings enrich the existing body of knowledge by identifying which governance mechanisms are more influential in improving financial reporting timeliness.

From a practical perspective, companies should strengthen the monitoring function of the board of commissioners and enhance transparency toward public shareholders to improve compliance with financial reporting regulations. Regulators may also consider emphasizing governance effectiveness rather than merely compliance with formal governance structures. Future studies are encouraged to include additional corporate governance variables, such as board independence, audit quality, ownership concentration, firm performance, or environmental, social, and governance (ESG) factors, while extending the observation period and expanding the research sample to different industrial sectors for more comprehensive results.

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