JEMASI: Jurnal Ekonomi Manajemen dan Akuntansi
Vol. 21, No. 1, Juni 2025
Website: http://ejournal.iba.ac.id/index.php/jemasi
ISSN 1858-2702, e-ISSN 2684-8732

THE INFLUENCE OF COMPANY SIZE, INSTITUTIONAL OWNERSHIP, MEDIA EXPOSURE, MANAGERIAL OWNERSHIP AND CASH HOLDING ON INCOME

Dirvi Surya Abbas[1], Kimsen[2], Indriani Nour Fitriana[3], Siti Rahmah Nuraini[4], Siti Romdona[5]

[1]Muhammadiyah University of Tangerang, Indonesia, abbas.dirvi@gmail.com*
[2]Muhammadiyah University of Tangerang, Indonesia, kimsensn88@gmail.com
[3]Muhammadiyah University of Tangerang, Indonesia, indrianinf11@gmail.com
[4]Muhammadiyah University of Tangerang, Indonesia, rahmahnuraini99@gmail.com
[5]Muhammadiyah University of Tangerang, Indonesia, sitiromodona925@gmail.com

DOI: https://doi.org/10.35449/jemasi.v21i1.976

Abstract
The purpose of this study is to determine the effect of company size, institutional ownership, media exposure, managerial ownership, cash on income smoothing. This study uses a quantitative approach, panel data regression analysis. The study sample consists of 175 non-cyclical consumer sector companies with the purposive sampling method. Research results show that company size and institutional ownership have a negative impact on income smoothing because high company size and institutional ownership will avoid fluctuative income changes for investors who will liquid their shares, media exposure has a positive impact on income smoothing because high media exposure can reduce the company's income smoothing, managerial ownership and cash holding have no influence on income smoothing because it can experience long-term losses while cash is only functional so it does not can be used in income smoothing.

Keywords: Income Smoothing, Firm Size, Institutional Ownership, Media Exposure, Managerial Ownership, Cash Holding

INTRODUCTION

Businesses that use the profit leveling method seek to reduce profit fluctuations so that the profit realized during one period is slightly different from the previous period (Dewi, Putra, and Ernawatingsih 2020). Investors will judge a company based on its financial condition, when the company's profit figures are stable, it means that it shows the success of the company's management performance so that the importance of profit information for investors causes management to encourage income smoothing to make profits look stable. (Muntahanah et al, 2022).

The case in 2018 found fraudulent income smoothing practices at PT Tiga Pilar Sejahtera Food Tbk (AISA). It was determined that the company had reported false profits of IDR 4 trillion by inflating revenues by IDR 662 billion and other inflation of IDR 3.3 trillion.

(Ramadanti & Rahayu, 2019), The share price of PT Tiga Pilar Sejahtera Food Tbk plunged from IDR 436 per share to IDR

100 per share due to this action, which caused the company's high profit report to send a negative information signal. Ultimately, as a result of negative investor reactions to false and manipulative profit information, PT Tiga Pilar Sejahtera Food Tbk imposed a stock trading suspension by the Indonesian Stock Exchange. The development of the rise and fall of profits during the 2018-2022 period was seen to fluctuate in Consumer non-cyclical . Where in 2018 ULTJ's net profit was 701,607 million, then in 2019 it increased to 1,109,666 million, after that in 2020 it decreased again by 1,035,865 million, then increased again in 2021 by 1,276,793 million, in 2022 it decreased by 965,486. While COCO in 2018 net profit was 3,091 then increased in 2019 by 7,957, then decreased again in 2020 by 2,738 then increased again in 2021 by 8,533, after that it decreased again by 6,620.

Some investors continue to view income smoothing as a dangerous move due to the potential for corporate fraud that can cause investors to make bad choices. (Burhan & Malau, 2021) Income smoothing through fraud, such as fictitious transactions carried out by management, or reporting profits that the company should not have or do not come from future profits, and are not in accordance with the correct accounting system, can create conflict between management and investors because investors may make bad decisions. This action can also subject the company to sanctions from the financial services authority and cause a loss of investor confidence in the company. (Safitri et al., 2020).

There are several factors that can affect income smoothing including company size, institutional ownership, media exposure, managerial ownership, and cash holding. One of the factors that affects the quality of income smoothing is company size. A scale that can be classified in various ways, including: total assets, log size, stock market value, and others (Pinathi and Putra Astika 2020). Company size is basically divided into 3, namely large companies, medium companies and small companies. The condition of the company's size greatly influences investors, analysts and the government to assess the company's future viability. Large companies usually avoid excessively fluctuating changes in profits by using income smoothing, because in the future the company will be burdened with the correct tax if its profits are also large.

Previous research on income smoothing has been carried out by several researchers, but the results are still very different. Research on Company Size conducted by (Ramadhani Et Al 2022) states that the Results of Hypothesis Testing in This Study Show that the Company Size Variable Has a Positive Effect on Income Smoothing. Meanwhile, according to (Rianto & Yudinur, 2022) the Research Results Show that the Independent Variable, namely Company Size, has a Negative Effect on Income Smoothing. Meanwhile, research conducted by (Mulyanto and Wibowo 2020) States that Company Size does not have a significant effect on Income Smoothing. According to research by Koh (2003), Nuraini and Zain (2007), institutional investors with significant ownership can reduce managerial incentives to manage earnings aggressively. It has been established that institutional investors involved and holding a large number of shares can influence and control company management to manage earnings aggressively. It has been established that institutional investors involved and holding a large number of shares can influence and control company management to reduce earnings

management. Research conducted by (Darmawan, 2018), that Institutional Ownership has a significant effect on Income Smoothing. Meanwhile, according to (Sepriyanto et al 2022) that Institutional Ownership has a negative effect on Income Smoothing.

While in research (butar and sudarsi 2012) that institutional ownership has no effect on Income Smoothing (Nurjannah and Herawaty 2022). Research conducted by Ajengtiyas (2020) successfully proved that media exposure has a positive effect on income smoothing, while research conducted by Muliawati (2021) proved that media exposure has a negative effect on income smoothing, research conducted by Pangestika (2019) proved that media exposure has no effect on income smoothing. Research conducted by Karina (2020) successfully proved that managerial ownership has a positive effect on income smoothing, while research conducted by Rahyuningsih (2020) proved that managerial ownership has a negative effect on income smoothing, different results were also shown by research conducted by Dhea Violinna, Zubaidi, (2022) which proved that managerial ownership has no effect on income smoothing. Research conducted by Widyaningsih (2020) explains that cash holding has no effect on income smoothing, while according to Purwaningsih (2022) cash holding has a negative effect on income smoothing, while according to Sadewo (2023) cash holding has a positive effect on income smoothing.

Based on the gap and research gap phenomena that have been explained above, it can be the background in this study. This study will test the effect of company size, institutional ownership, media exposure, managerial ownership and cash holding on income smoothing. This study is different from previous studies, the researcher uses a different sample, where this study conducts research on the consumer non-cyclicals sector listed on the Indonesia Stock Exchange (IDX) for the 2019-2012 period. Based on the background description above, the author is interested in conducting research entitled **"The Effect of Company Size, Institutional Ownership, Media Exposure, Managerial Ownership, and Cash Holding on Income Smoothing in Consumer Non-Cyclicals Listed on the Indonesia Stock Exchange (IDX) for the 2018-2022 Period".**

LITERATURE REVIEW

Agency Theory

Meckling (1976) describes an agency relationship as a contract in which one or more principals engage or employ another individual (the agent) to perform some service for their benefit by giving the agent some decision-making authority.

Income smoothing carried out by companies is also a form of agency theory, where companies carry out planning and shifting of profits by creating a principle of prudence to avoid losses, and to prosper shareholders or principals, by carrying out good duties by being able to generate profits or maintain profits in each period (Dalimunte & Prananti, 2019) Income smoothing can create agency conflicts if management does this to pursue personal gain, and does not carry out goals that are in accordance with the wishes of the principal (Oktavinawati & Herawaty, 2022)

This agency theory is used to discuss the relationship between ownership and control, the principal as the owner will give authority to management to carry out the tasks given to achieve the targets desired by the principal as the owner.

Signaling Theory

Signaling Theory describes how companies should communicate with users of financial reports to benefit those consumers (Spence, 1973). According to signaling theory, there is an information gap where one party has more information than the other party between parties interested in information and company management (Umaiyah & Salim, 2018). While Eksandy (2020).

Signal theory in this study is used to discuss parties who have more information and provide information signals to parties who are less informed to reduce information asymptoms and inform the situation and effectiveness of a party's performance to other parties who need information for decision making. Income smoothing is closely related to signal theory because companies with average profits will provide information about their business conditions that can generate steady profits in each period, with the aim that investors and users of financial statements will respond well to this

Company size

Company size provides a clear indication of the size or size of the business. One way for owners to provide assurance to potential investors to invest in the company is the size of the business. This is due to the fact that a growing company business will represent a growing company size. Investors assume that large companies will have more information than small companies and will be able to improve the quality of their profits.

There are three types of businesses: large businesses (large companies), medium businesses (medium companies), small businesses (small companies), as a result, it can be said that company size is an indicator of a condition or characteristic of an organization or company.

Institutional Ownership

Institutional share ownership is a form of ownership held by institutions in a company. The form of the company is usually an insurance company, bank, investment company or private company. In general, institutional shareholders have a high proportion of ownership. Institutional ownership is measured using the ratio between the number of shares owned by the institution and the number of shares outstanding (Petta & Tarigan, 2017). One of the uses of this institutional ownership is to be able to monitor and supervise management optimally, so that management does not take deviant and detrimental actions.

The ownership structure discussed in this study is the institutional ownership structure which is proxied by using foreign business entities. Institutional ownership is the ownership of shares owned by institutions measured by the percentage. Supriadi (2020:128).

Media Exposure

Media exposure is an action taken by a company to publicize its actions and performance in terms of finance and non-finance (Florencia & Handoko, 2021). In general, media exposure is exposure to the media as an activity of hearing, seeing, and reading media messages which are a means of communication to convey messages to the audience (Hasibuan et al., 2020), while according to Juliantari (2020) media exposure is an activity carried out by

a company to communicate itself to investors about the activities carried out by the company in one period to attract investor interest.

According to agency theory, information about a company's financial and non-financial performance, obligations to shareholders and users of financial statements, and the company's efforts to reduce fraud and corruption are provided through media exposure (Ajengtiyas &; Ermaya, 2020).

Managerial Ownership

According to Ratih (2022), managerial ownership is defined as proportional shares owned by management who have a say in company decision-making, in contrast to the definition (Yunitasari & Agustiningsih 2020) of managerial ownership as share ownership by company management. Alim (2019), who argues that managerial ownership is a comparison of the company's share ownership by management with the company's total outstanding shares, has the same point of view.

Managerial ownership will also reduce income smoothing practices that are detrimental to shareholders, such as fictitious transactions, and also reduce other fraudulent actions that are not in accordance with the wishes of shareholders, and ensure that management continues to act in accordance with agency theory (Karina, 2020).

Cash Holding

Cash holding is defined according to Jasen (1986) in Dalimunthe and Prananti (2019) as cash owned by the company, which is short-term in nature.

Cash holding is excess cash available in the company that is used for investment and financing other company operational activities (Napitupulu et al., 2018). Cash holding is the most liquid asset used by management in carrying out company operational activities. The company's policy of holding cash aims to protect the company from cash shortages when the company faces unexpected events in the future (Suryad & Sanjaya, 2018).

Based on The General Theory of Employment, Interest, & Money, Keynes in (Revinsia, Rahayu, & Lestari, 2019) there are three reasons or motives for cash holding, namely Transaction Motive, in this case, cash is used to pay for goods and services or daily transactions, Precautionary Motive In this case, cash is used for investment (for example in the form of stocks or bonds) because investments are considered safe because they rarely lose value, Speculation Motive in this case, investors expect the highest possible rate of return from the investment made.

METHOD

Population is a generalization area consisting of objects/subjects with certain qualities and characteristics determined by researchers to study their conclusions (Sugiyono, 2019). The population in this study was 121 energy sector companies.

The sample in this study was the result of purposive sampling selection, namely 35 companies. with several methods used in data collection using financial reports of non-cyclical consumer sector companies listed on the Indonesian Stock Exchange for the 2018-2022 period.

RESULT AND DISCUSSION

Descriptive Statistical Analysis

the established criteria. description data statistics all over The variables used in this study are shown in the table. under This:

Statistics Descriptive Company Sample Period 2018-2021

	SIZE	KI	ME	KM	CH	PL
Mean	29.51163	0.686509	0.508571	0.048440	0.159291	0.800000
Median	29.54300	0.730000	1.000000	0.001000	0.096000	1.000000
Maximum	32.82600	1.450000	1.000000	0.553000	1.499000	1.000000
Minimum	25.81500	0.000000	0.000000	0.000000	0.000000	0.000000
Std. Dev.	1.540199	0.278113	0.501361	0.117188	0.205244	0.401148
Skewness	0.040207	-0.510390	-0.034291	2.931004	3.504758	-1.500000
Kurtosis	2.130101	4.170436	1.001176	10.82634	19.59302	3.250000
Jarque-Bera	5.564933	17.58686	29.16668	697.1910	2365.867	66.08073
Probability	0.061886	0.000152	0.000000	0.000000	0.000000	0.000000
Sum	5164.535	120.1390	89.00000	8.477000	27.87600	140.0000
Sum Sq. Dev.	412.7653	13.45837	43.73714	2.389563	7.329780	28.00000
Observations	175	175	175	175	175	175

Source : Data processed, Eviews output 12.0 , 2023

On table on, can explained that amount data (Observations) used in this study were as many as 175 data. Based on results statistics on, then you can explained as following:

1. Alignment Profit

   Based on the results of the descriptive analysis above, the PL variable has a mean value of 0.800000 with a minimum value of 0.000000, while the maximum value is 1.00000, while the value standard deviation (data distribution) of 0.401148 is below the value average, meaning that the PL variable has a high level of data variation low.

2. Size

   Based on the results of the descriptive analysis above, the size variable has a mean value of 29.51163 with a minimum value of 25,81500 obtained from PT Wahana Interfood Nusantara Tbk in 2018, while the maximum value was 32,82600 which occurred at PT Indofood Sukses Makmur Tbk. in 2022, while the standard deviation value (data distribution) is 1.540199 below the average value, meaning that the size variable has a level of variation data Which low.

3. Ownership Institutional

   Based on the results of the descriptive analysis above, the variables KI has a mean value of 0.686509 with minimum value 0.000000, while the maximum value is 1.450000, while the value standard deviation (data distribution) of 0.278113 is below the value average, meaning that the KI variable has a high level of data variation low.

4. Media Exposure

   Based on the results of the descriptive analysis above, the ME variable has a mean value of 0.508571 with minimum value 0.000000, while the maximum value is 1.000000, while the value standard deviation (data distribution) of 0.501361 is below the value average, meaning that the ME variable has a high level of data variation low.

5. Ownership Managerial

   Based on the results of the descriptive analysis above, the ME variable has a mean value of 0.048440 with minimum value 0.000000, while the maximum value is 0.553000,

while the value standard deviation (data distribution) of 0.117188 below value average, meaning that the ME variable has a high level of data variation low.

6. Cash Holding

Based on the results of the descriptive analysis above, the size variable has a mean value of 0.159291 with a minimum value of 0.000000, while the maximum value of 1.499000 occurred at PT Source Alpharia Trijaya Tbk on 2020, while the value standard deviation (data distribution) of 0.205244 below value average, meaning that the size variable has a high level of data variation low.

ESTIMATE REGRESSION DATA PANEL

1. Common Effect Model (CEM)

Estimate Common Effect Model Consumer non-cyclicals sector companies 2018-2022

Dependent Variable: PL
Method: Panel Least Squares
Date: 08/27/23 Time: 21:11
Sample: 2018 2022
Periods included: 5
Cross-sections included: 35
Total panel (balanced) observations: 175

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.048054	0.575005	1.822688	0.0701
SIZE	0.006963	0.019207	0.362544	0.7174
KI	-0.554130	0.119757	-4.627126	0.0000
ME	-0.101972	0.058900	-1.731290	0.0852
KM	-0.454247	0.283733	-1.600964	0.1113
CH	0.004556	0.139670	0.032617	0.9740

Root MSE	0.371380	R-squared	0.137982
Mean dependent var	0.800000	Adjusted R-squared	0.112478
S.D. dependent var	0.401148	S.E. of regression	0.377915
Akaike info criterion	0.925388	Sum squared resid	24.13651
Schwarz criterion	1.033895	Log likelihood	-74.97147
Hannan-Quinn criter.	0.969402	F-statistic	5.410304
Durbin-Watson stat	0.032847	Prob(F-statistic)	0.000121

Source : Data processed, Eviews output 12.0 , 2023

Based on table on display results output Eviews 12.0 that is common effect model (CEM) can seen coefficient Adjusted R-Squared determination of 0.112478 means that the variation is increasingthe decrease in PL can be explained by the size, KI, ME, KM, and CH of 11.2% while the remaining 88.8% is explained by other variables. Which No investigated in study this. Value F statistics as big as 5.410304, temporary F Table withlevel α = 5%, df1 (k-1) = 5 And df2 (no) = 169 got mark F tableas big as 2.267617. With thus F-statistic (5.410304) > F Table(2.267617) And mark problem (F-statistic) 0.000121< 0.05, It means that study This worthy continued. Based on the output above, it shows the results of the t-size value test problem 0.7174 > 0.05 which It means that size No influential to PL. Results test t KI mark problem 0.0000 < 0.05 with coefficientnegative, which means that KI has a negative effect on PL. The results of the t-testME prob value 0.0852 > 0.05 which means that ME does not has an effect on PL. The results of the KM t-test, the probability value is 0.1113 > 0.05 Which It means KM No influential to PL. Results test t CH markproblem 0.9740 > 0.05 Which It means CH No influential to PL.

Fixed Effect Model (FEM)

Estimate Fixed Effect Model PERIOD 2018-2022

Dependent Variable: PL
Method: Panel Least Squares
Date: 08/27/23 Time: 21:11
Sample: 2018 2022
Periods included: 5
Cross-sections included: 35
Total panel (balanced) observations: 175

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.800000	1.02E-12	7.88E+11	0.0000
SIZE	-3.97E-13	3.42E-14	-11.61816	0.0000
KI	-1.79E-13	7.50E-14	-2.386474	0.0184
ME	8.76E-14	1.65E-14	5.307956	0.0000
KM	-6.81E-14	1.26E-13	-0.541182	0.5893
CH	6.93E-14	4.83E-14	1.434817	0.1537

Effects Specification

Cross-section fixed (dummy variables)

Root MSE	6.44E-14	R-squared	1.000000
Mean dependent var	0.800000	Adjusted R-squared	1.000000
S.D. dependent var	0.401148	S.E. of regression	7.33E-14
Akaike info criterion	-57.45191	Sum squared resid	7.26E-25
Schwarz criterion	-56.72853	Log likelihood	5067.042
Hannan-Quinn criter.	-57.15849	F-statistic	1.33E+26
Durbin-Watson stat	1.415790	Prob(F-statistic)	0.000000

Source : Data processed, Eviews output 12.0 , 2023

Based on table on display results output Eviews 12.0 that is Fixed effect model (FEM) can seen coefficient Adjusted R-Squared determination of 1.000000 means the variation is increasingthe decrease in PL can be explained by the size, KI, ME, KM, and CH of 100%. Mark F statistics as big as 1.33E+26, temporary F Table withlevel α = 5%, df1 (k-1) = 5 And df2 (no) = 169 got mark F tableas big as 2.267617. With thus Fs tatisti c (1.33E+26) > F Table (2.267617) And mark problem (F- statistic) 0.000000 < 0.05, meaning that the research This worthy continued. Based on the output above, it shows the results of the t-size value test. problem 0.0000 > 0.05 with coefficient negative Which It means that sizehas a negative effect on PL. The results of the KI t-test, the probability value is 0.0030 < 0.05 with a negative coefficient which means that KI has a negative influence to PL. Results test t ME mark problem 0.0000 < 0.05 with positive coefficient which means ME has a positive influence against PL. The results of the KM t-test showed a probability value of 0.5893 > 0.05, which means that KM does not... has an effect on PL. The results of the CH t-test, the prob value is 0.1537 > 0.05 Which It means CH no influential to PL.

TECHNIQUE ELECTION MODEL REGRESSION DATA PANEL

1. Test Chow

Testing This can seen from Probability Cross-section F and Cross-section chi-square .

RESULTS TEST CHOW

Company Sector Consumer non-cyclical PERIOD 2018-2022

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	32292754294 73935200000 0000	(34,134)	0.0000

Source : Data processed, Eviews output 12.0 , 2023

Based on the calculations above, the cross-section F and Cross section Chi-Square < α (0.05) so can concluded that**Fixed Effect Model (FEM)** is more suitable for use compared to Common Effect Model (CEM)

2. Hausman test

RESULTS TEST HOUSEMAN

Company Sector Consumer non-cyclical PERIOD 2018-2022

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

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	36.898436	5	0.0001

* Cross-section test variance is invalid. Hausman statistic set to zero.

Source : Data processed, Eviews output 12.0 , 2023

Based on calculation on mark Probability (problem) Cross-section random < α (0.05) then it can be concluded that **Fixed Effect Model (FEM)** is more suitable for use compared to Random Effect Model (REM).

3. Test Lagrange Multiplier

Test Results Lagrange Multiplier

Company Sector Consumer non-cyclical PERIOD 2018-2022

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided (all others) alternatives

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	331.8440 (0.0000)	1.967542 (0.1607)	333.8115 (0.0000)

Source : Data processed, Eviews output 12.0 , 2023

Based on results exercise data on Probability Cross sectionBreausch-pagan < α 0.05, then it can be concluded that **Random Effect Model (REM)** more worthy used compared to CommonEffect Model (CEM)**.**

4. Conclusion Model

MODEL CONCLUSION PANEL DATA REGRESSION

No	Method	Testing	Results
1	Test Chow	CEM vs FEM	FEM
2	Test Houseman	REM vs FEM	FEM
3	Test Lagrange Multiplier	CEM vs REM	REM

Source : Data processed, Eviews output 12.0 , 2023

Based on results to three testing Which Already done, it can be concluded that the Data Regression Model Panel Which will used in Test Hypothesis And equalityRegression Data Panel is model **Fixed Effect Model (FEM)**

5. Test Assumptions Classic

a. Test Heteroscedasticity

Results Test Heteroscedasticity Company Sector

Test	Statistic	d.f.	Prob.
Breusch-Pagan LM	963.2684	595	0.0000
Pesaran scaled LM	10.67557		0.0000
Bias-corrected scaled LM	6.300569		0.0000
Pesaran CD	4.686381		0.0000

Consumer non-cyclical Period 2018-2022

Based on the test results above, it can be seen that mark probability Breusc-pagan as big as 0.0000 so can concluded that model regression data panel No happen heteroscedasticity.

b. Test Multicollinearity

Results Test Multicollinearity Company Sector Consumer non-cyclical Period 2018-2022

	PL	SIZE	KI	ME	KM	CH
PL	1.000000	0.029339	-0.333348	-0.151949	0.125661	0.008677
SIZE	0.029339	1.000000	-0.112207	0.197009	0.116141	0.002456
KI	-0.333348	-0.112207	1.000000	0.102335	-0.518319	-0.029177
ME	-0.151949	0.197009	0.102335	1.000000	-0.112196	0.005207
KM	0.125661	0.116141	-0.518319	-0.112196	1.000000	0.028566
CH	0.008677	0.002456	-0.029177	0.005207	0.028566	1.000000

Source : Data processed, Eviews output 12.0 , 2023

Based on the test results above, it can be seen that rdapat variable independent Which own mark from 0.8, so that concluded No happen multicollinearity in model regression.

Analysis Regression Data Panel

The following is the regression equation in model This:

$$PL = 0.800000 + -3.97E\text{-}13\ SIZE + -1.79E\text{-}13KI + 8.76E\text{-}14ME + -6.81E\text{-}14KM + 6.93E\text{-}14CH + \varepsilon$$

The constant value (C) is 0.800000, so if there is influence from Size, KI, ME, KM, CH its value (X=0), so the magnitude PL in study This its value 0.800000. The regression coefficient value of the Size variable is -3.97E-13, which means that that every one unit increase in the Size variable will decrease mark variable PL as big as 3.97. The regression coefficient value of the KI variable is -1.79E-13, which means that that every one unit increase in the KI variable will decrease mark variable PL as big as 1.79.

The regression coefficient value of the ME variable is 8.76E-14, which means that that every increase One unit variable PL will raise markvariable PL as big as 8.76. The regression coefficient value of the KM variable is -6.81E-14, which means that that every increase of one unit of the KM variable will decrease mark variable PL as big as 6.81. The regression coefficient value of the CH variable is 6.93E-14, which means that that every one unit increase in the CH variable will increase mark variable PL as big as 6.93.

Test Hypothesis

1. Test F (Test Eligibility Model)
Results Test F Company Sector Consumer non-cyclical Period 2018-2022

F-statistic	1.33E+26
Prob(F-statistic)	0.000000

Source : Data processed, Eviews output 12.0 , 2023

Mark F statistics as big as 1.33E+26, temporary F Table withlevel α = 5%, df1 (k-1) = 5 And df2 (no) = 169 got mark F tableas big as 2.267617. With thus Fs tatisti c (1.33E+26) > F Table (2.267617) And mark problem (F- statistic) 0.000000 < 0.05, meaning that the research This worthy continued.

2. Addition R Squared (R^2)
Results Adjust Test R-Squared (R^2)

Adjusted R-squared	1.000000

Source : Data processed, Eviews output 12.0 , 2023

Mark adjust R-Squared as big as 1.00000 Which It means variation go on the decrease **in PL** can be explained by **Size, KI, ME, KM, CH, S** of 100%.

3. Test t

Results Test t Company Sector Consumer non-cyclical Period 2018-2022

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.800000	1.02E-12	7.88E+11	0.0000
SIZE	-3.97E-13	3.42E-14	-11.61816	0.0000
KI	-1.79E-13	7.50E-14	-2.386474	0.0184
ME	8.76E-14	1.65E-14	5.307956	0.0000
KM	-6.81E-14	1.26E-13	-0.541182	0.5893
CH	6.93E-14	4.83E-14	1.434817	0.1537

Source: Data processed, Eviews 12.0 output , 2023In the table above shows that:

Mark t- statistic Size as big as -11.61816 temporary t Table with level α = 5%, df (nk) = 169 the t-value is obtained in Table 1.974100. With thus t- statistic Size (-11.61816) > tTable (1.974100) And mark problem 0.0000 < 0.05. Can It is concluded that the Size variable in this study hasinfluence to Alignment profit (PL) with coefficient negative -3.97E-13 Which It means size influential negative to question profit.

So H 1 Which state size company influential to Alignment profit accepted.

The KI t-statistic value is -2.386474, while the t table with level α = 5%, df (nk) = 169, the t-value obtained in Table 1.974100. With thus t-statistic KI (-2.386474) > t Table (1.974100) And mark problem 0.0184 < 0.05. Can concluded that variable ownership institutional in study This own influence with a coefficient value of -1.79E-13 in a negative directionIt means KI influential negative to alignment profit

So H 2 Which state ownership institutional influential to Alignment profit accepted.

The ME t-statistic value is 5.307956 while the t table withlevel α = 5%, df (nk) = 169, the t-value obtained in Table 1.974100. With thus t-statistic ME (5.307956) > t Table (1.974100) and the probability value is 0.0000 < 0.05. It can be concluded that the ME variable in this study has an influence to Alignment profit (PL). With coefficient 8.76E-14 so that ME influential positive to PL.

So H 3 states that Media Exposure has an effect to Alignment profit rejected.

Mark t-statistic KM as big as -0.541182 temporary t Table withlevel α = 5%, df (nk) = 169, the t-value obtained in Table 1.974100. With thus t-statistic KM (-0.541182) < t Table (1.974100) and the probability value is 0.9301 > 0.05. It can be concluded that variable KM in study This No influential to Alignment profit (PL).

So H 4 Which state ownership managerial influential to Alignment profit rejected.

The t-statistic value of CH is 1.434817 while the t table withlevel α = 5%, df (nk) = 169, the t-value obtained in Table 1.974100. With thus t-statistic CH (1.434817) < t Table (1.974100)And mark problem 0.1537 > 0.05. Can concluded that variableCH in this study did not affect the Alignment profit (PL).

So H 5 Which state cash holding influential to Alignment profit rejected

Interpretation Results Study

Study This aiming For know influence growth companies, systematic risk and earnings persistence partially and simultaneously to tax avoidanve period 2018-2022.

Results Summary Study

Hypothesis	**t-statistic**	**Prob. (F-significant)**	**Conclusion**
Constant	7.88E+11	0.0000	Accepted
Size(H 1)	-11.61816	0.0000	Accepted
KI (H 2)	-2.386474	0.0184	Accepted
ME (H 3)	5.307956	0.0000	Accepted
KM (H 4)	-0.541182	0.5893	Rejected
CH (H 5)	1.434817	0.1537	Rejected

Total Observation	175
Adjusted R-Square	1,000,000
F-Statistic	1.33E+26

Prob. (F-Statistic)	0.00000

F-table	2.267617
t-table	1.974100
Signification	α (0.05)

Source : Data processed, Eviews output 12.0 , 2023

Effect of Size Company to Alignment Profit

Testing hypothesis Which done on variable Size The company provides the results of the t-statistic value Size (-11.61816) > t Table (1.974100) And mark problem 0.0000 < 0.05. Can concluded that The Size variable in this study has an influence on Alignment profit (PL) with coefficient negative -3.97E-13 Which It means sizehas a negative effect on profit margin. So H1 states that size company influential to Alignment profit accepted, because large companies will avoid excessively fluctuating changes in profits by using income smoothing, because in the future the company will be burdened with large taxes if the profits obtained are large.

Influence Ownership Institutional to Income Smoothing

Testing hypothesis Which done on variable Size Company give results t-statistic KI (-2.386474) > t Table (1.974100) And mark problem 0.0184 < 0.05. Can concluded that institutional ownership variables in this study have an influence with mark coefficient -1.79E-13 toward negative Which It means KI has a negative effect on income smoothing. So H2 states that institutional ownership influential to Alignment profit accepted, because institutional investors are temporary owners (transfer owners) so they only focus on current earnings. Changes in current earnings can affect institutional investors' decisions.

Influence Media Exposure against Alignment Profit

Hypothesis testing was conducted on the media exposure variable gives the t-statistic result ME (5.307956) > t Table (1.974100) and the valueproblem 0.0000 < 0.05. Can concluded that variable ME in This research has an influence on Income Smoothing (PL). With coefficient 8.76E-14 so that ME has a positive effect on PL. Then H3 Which state Media Exposure influential to Alignment profitrejected. Media exposure can influence company in practice alignment profit Because media exposure can function as a check on corporate behavior, as a result, business actors will be more careful in implementing income smoothing techniques and will only use legitimate and permitted methods, thereby reducing the use of such techniques.

Influence Ownership Managerial to Income Smoothing.

Testing hypothesis Which done on variable ownership managerial give results t-statistic KM (-0.541182) < t Table (1.974100) And mark problem 0.9301 > 0.05. Can concluded that variable KM in study This No influential to Alignment profit(PL). So H4 states that managerial ownership has an influence to Alignment profit rejected, because in this study, the shares owned by management consisting of managers, the board of commissioners and the board of directors on average have low share ownership or minority shares compared to institutional share ownership, so this indicates that the existence of managerial ownership in the company does not necessarily indicate management incentives to carry out income smoothing actions because this may be harmful to the company in the long term.

Influence Cash Holding to Alignment Profit

Testing hypothesis Which done on variable cash holding gives the t-statistic result CH (1.434817) < t Table (1.974100) and the value problem 0.1537 > 0.05. Can concluded that variable CH in This research does not has an effect on Income Smoothing (PL). Then H5 Which state cash holding influential to Alignment profit rejected, because in this study, the high and low Cash holdings cannot influence the company to practice income smoothing. The cash holdings owned by the company are used only as functional as possible, namely to finance the company's operational activities, debt payments, and dividend payments to shareholders so that managers cannot use the cash for their personal interests.

CONCLUSION

From the research results, it can be concluded that the Company Size Variable has a negative effect on income smoothing, based on the t-statistic Size (-11.61816)> t Table (1.974100) and a probability value of 0.0000 <0.05, the weakness is that large companies will avoid too fluctuating changes in income by using income smoothing. The advantage of large

company size is also seen from the large assets indicating the financial stability of the company so that the company will not carry out income smoothing.

Institutional Ownership Variable has a negative effect on income smoothing, based on the t-statistic KI (-2.386474)> t Table (1.974100) and a probability value of 0.0184 <0.05. The weakness is that high institutional ownership can increase income smoothing practices. Institutional investors are temporary and only focus on current profits, so when there is a significant change in profits, investors will liquidate their shares, to avoid this, income smoothing will be carried out. The advantage of high institutional ownership will have the power to be able to help decide on management decisions not to carry out income smoothing in order to avoid future risks.

The media exposure variable has a positive effect on income smoothing using the t-statistic ME (5.307956)> t Table (1.974100) and a probability value of 0.0000 <0.05. This variable acts as an examination of corporate behavior, the advantage of this variable is that business actors will be more careful in carrying out income smoothing techniques and will only use legal and permitted methods so that they can reduce income smoothing practices. However, the disadvantage is that companies that want to show a good image with even profits will carry out income smoothing.

Managerial ownership variable has no effect on income smoothing, t-statistic KM (-0.541182) < t Table (1.974100) and prob value 0.9301 > 0.05. The weakness is that the existence of managerial ownership does not necessarily indicate the existence of management incentives to smooth income because it can be detrimental in the long term. The advantage is that managerial ownership will make management smooth income in order to obtain dividend distribution in each period. The cash holding variable has no effect on income smoothing. Based on the t-statistic CH (1.434817) < t Table (1.974100) and prob value 0.1537 > 0.05. The weakness is that cash holding is only used functionally so that cash cannot be used to practice income smoothing. The advantage is that cash is liquid and can be disbursed in a short time so that it can be used to smooth income.

Further research is expected to add other research variables that can affect income smoothing so that it can see how these variables affect income smoothing and expand the research object by using a larger number of other company samples. This is done to see diverse results and can better represent reality.

SUGGESTION

Based on the research results, the suggestions that can be given are as follows:

1. Company size variable, the disadvantage of a large company size will avoid changes in profit that are too fluctuating by using income smoothing. The advantage of a large company size is also seen from the large activity indicating the stability of the company's finances so that the company will not do income smoothing.
2. Institutional ownership variable, the disadvantage is that high institutional ownership can increase income smoothing practices. Institutional investors are temporary and only focus on current profits, so when there is a significant change in profit, investors will liquidate their shares, to avoid this, income smoothing will be carried out. The advantage of high

institutional ownership will have the power to be able to participate in deciding management decisions not to do income smoothing to avoid future risks.

3. Media exposure variable Media exposure acts as an examination of the company's behavior, the advantage of this variable is that business actors will be more careful in carrying out income smoothing techniques and will only use legal and permitted methods so as to reduce income smoothing practices. However, the weakness is that companies that want to display a good image with even profits will carry out income smoothing.
4. Managerial ownership variables, the weakness is that managerial ownership does not necessarily indicate management incentives to carry out income smoothing because it can be detrimental in the long term. The advantage is that managerial ownership will make management play a profit role to obtain dividend distribution in each period.
5. Cash holding variables, the weakness is that cash holding is used only functionally so that cash cannot be used to carry out income smoothing practices. The advantage is that cash is liquid and can be disbursed in a short time so that it can be used to carry out income smoothing.

References

Aditya, I. (2021). Factors Affecting Income Smoothing in Company *Consumer non-cyclical* . *Journal Paradigm Accountancy* , *3* (3),1192.

Agustia, YP (2021). The Effect of Company Size, Profitability and Leverage on Earnings Management. Journal of Accounting, 10(2), 387–401.

Ajengtiyas, A., & Ermaya, HNL (2020). The Effect of Tax Aggressiveness and Media Exposure on Corporate Social Responsibility Disclosure with Profitability as a Moderating Variable. STEI Economic Journal, 29(01), 35– 50.

Alim, M., & Assyifa, A. (2019). The Effect of Company Size, Managerial Ownership, and Audit Committee on Company Financial Performance. Balance Vocation Accounting Journal 3(2), 69.

Anwar, M. (2019). Basics of Corporate Financial Management (1st Ed.). Prenadamedia group.

Ardiansyah R, JDT (2020). The Effect of Leverage, Firm Size, Accounting Conservatism, and Earnings Management on the Earnings Response Coefficient (Erc). Journal of Accounting Paradigms, 2(3), 1147.

Beril. (2018). The Influence of AsimPLi Information, Company Size, Family Ownership, Profitability and Leverage on Earnings Management. Ekp, 13.

Burhan, M., & Malau, H. (2021). The Effect of Institutional Ownership, Size and Age of the Company on Income Smoothing Practices (Case Study of State-Owned Enterprises Listed on the Indonesia Stock Exchange in 2017-2019). Accounting: Integrative Accounting Journal, 7(1), 26–44.

Cantyawati, PL, & Dewi, AKRS (2021). The Effect of Profitability, Growth, Leverage, on Earning Response Coefficient Study on Property & Real Estate Companies Listed on the IDX in 2017-2019. Journal of Accounting and Humanities, 11(2), 179–186.

Choirul Anwar Pratama, N., Nurlaela, S., & Hendra Titisari, K. (2020). Ownership Structure and Company Characteristics on Tax Aggressiveness of Consumer Non-cyclical Companies in Indonesia. Accounting and Management, 15(1), 130–142.

Dalimunte, IP, & Prananti, W. (2019). The Effect of Cash Holding, Profitability, and Financial Leverage on Income Smoothing in Non-cyclical Consumer Companies Ekopreneur1(1), 13.

Devina Ramadhani, Ati Sumiati, & Dwi Handarini. (2021). The Effect of Profitability, Financial Leverage, Public Ownership, and Company Size on Income Smoothing. Journal of Accounting, Taxation and Auditing, 2(3), 579–599.

Dwiyani, T., & Purnomo. (2021). The Effect of Sales Growth, Liquidity, Leverage on Financial Distress with Institutional Ownership as a Moderating Variable. Proceedings of the National Seminar & Call *For Paper STIE AAS* , *September* , 189–200.

Eksandy, A. (2018). Accounting and Management Research Methods. FEB UMT Publisher.

Eksandy, A. (2020). Competitive Advantage Moderate: Environmental Performance and Corporate Social Performance Against Economic Performance.

Fapila, A. (2023). The Influence of Earnings Management, Characteristics of the Board of Commissioners, Audit Committee and Media Exposure on Disclosure of Corporate Social Responsibility (CSR) (Empirical Study on Non-cyclical Consumer Companies Listed on the Indonesia Stock Exchange (BEI) in 2018 - . Diponegoro Journal Of Accounting, 12(1), 1–13.

Firdaus, MR, & Dillak, VJ (2018). The Effect of Managerial Ownership, Profitability and Leverage on Income Smoothing (Case Study on Food and Beverages Companies Listed on the Indonesia Stock Exchange for the Period 2011-2016). E-Proceeding Of Management, 5(2), 2204–2210.

Florencia, V., & Handoko, J. (2021). Test of the Influence of Profitability, Leverage, Media Exposure To Disclosure Emission Carbon With Moderation. *Journal Accounting and Finance Research*,*9*(3),583–598. https://Doi.Org/10.17509/Jrak.V9i3.32412

Haidah, N., Saebani, A., & Wibawaningsih, EJ (2021). The Influence of Environmental Performance, Earnings Management, and Media Exposure on CSR Disclosure. Business Management, Economic, and Accounting National Seminar, 1(1), 1059–1076.

Hasibuan, NS, Fitrisia, F., & Wulan, M. (2020). The Effect of Company Size, Growth and Media Exposure on Corporate Social Responsibility Disclosure. STATERA: Journal of Accounting and Finance, 2(2), 167–180

Hermanto, W., Kamaliah, & Rasuli. (2018). The Influence Of Ownership Structure On The Firm Value With Earnings Management As The Mediating Variable (Study On Manufacturing Companies Listed On Indonesia Stock Exchange For The Period Of 2011-2016). Procuratio, 6(1), 54–65.

Holly, A., & Lukman, L. (2021). The Effect of Managerial Ownership, Institutional Ownership, and Earnings Management on Financial Performance. Ajar, 4(01), 64–86.

Ignatius, C., & Djashan, IA (2021). The Effect of Tax Avoidance and Financial Performance on Firm Value. Accounting Journal, 1(3 September 2021), 95–105.

Irman, M., & Wijaya, H. (2021). Moderation of Managerial Ownership on Factors Affecting Income Smoothing. Journal of Accounting and Economics, 11(1), 119–128.

Jayanti, KT, Dewi, PEDM, & Sujana, E. (2020). The Effect of Profitability, Company Size, and Dividend Payout Ratio on Income Smoothing Practices with Managerial Ownership Structure as a Moderating Variable in Consumer Non-cyclical Companies on the Indonesia Stock Exchange in 2014-2017. JIMAT (Scientific Journal of Accounting Students), 9(1), 121–132.

Jensen, & Meckling. (1976). Theory Of The Firm: Managerial Behavior, Agency Costs, And Ownership Structure. 2016 Value Summit: The Power Of Ve.

Julekhah, F., & Rahmawati, E. (2019). "The Influence Of Media Exposure, Industry Sensitivity, Foreign Ownership, Public Ownership And Profitability On Environmental Disclosure And The Impact On Firm Value." Indonesian Accounting and Business Review, 3(1), 50–66.

Juliantari, NKD, & Indraswarawati, SAPA (2020). The Influence of Profitability, Management Ownership and Media Exposure on Corporate Social Responsibility (CSR) Disclosure. Hita Accounting and Finance, 1(1), 74–97.