

IABC

The 6th International
Accounting and Business
Conference

2019

THE 6TH INTERNATIONAL ACCOUNTING & BUSINESS CONFERENCE 2019

*Towards Greater Transparency, Accountability
& Sustainability in Financial Governance*

Organized by:



UNIVERSITI
TEKNOLOGI
MARA

Cawangan Johor
Kampus Segamat
Kampus Pasir Gudang

In Cooperation with:



INDONESIA
BANKING
SCHOOL

21 - 22 AUGUST, 2019
INDONESIA BANKING SCHOOL

THE 6TH
INTERNATIONAL ACCOUNTING
&
BUSINESS CONFERENCE

SECRETARIAT OF IABC 2019

MALAYSIA . INDONESIA . 2019

Published by

© UiTM Cawangan Johor, 2019

Jalan Universiti Off KM 12 Jalan Muar, 85000 Segamat, Johor.

Email: iabc@uitm.edu.my

All rights reserved. No part of this publication may be reproduced, copied, stored in any retrieval system or transmitted in any form or by any means – electronic, mechanical, photocopying, recording or otherwise, without prior permission in writing from the author.

Email: iabc@uitm.edu.my

TABLE OF CONTENT

No.	Particulars	Page
1.	Foreword – Vice Chancellor, Universiti Teknologi MARA	2
2.	Foreward - Chairman, Indonesia Banking School	3
3.	Foreword – Rector, Universiti Teknologi MARA Cawangan Johor	4
4.	Foreword – Chairperson, International Accounting and Business Conference 2019	5
5.	Foreword – Chairperson, International Accounting and Business Conference 2019	6
6.	Itinerary – Programme Schedule	7
7.	Keynote Speaker	8
8.	Parallel Session Schedule	9
9.	Abstracts	23
10.	Organising committee	101
11.	Collaborators	103
12.	Acknowledgement	104
13.	Sponsor	105

IABC2019-077

**EARNING RESPONSE COEFFICIENT:
THE INDONESIA STOCK EXCHANGE CASE**

Ambarwati¹, Eka Sudarmaji¹

Faculty of Economic & Business, University of Pancasila
Jakarta, Indonesia
esudarmaji@univpancasila.ac.id

Abstract

This research examines the effect of profitability, systematic risk, leverage and earnings persistence on Earnings Response Coefficient (ERC) in companies listed in LQ45 at Indonesia Stock Exchange (IDX). The objects of this research are companies that are consistently listed in LQ45 in the year of 2015-2017. This study uses panel data regression analysis using the software, Eviews. The empirical results of this research showed that systematic risk and earnings persistence has a significantly negative effect on ERC, leverage has a significantly positive effect on ERC, while profitability does not have an effect on ERC. The results of the research show that the factors of systematic risk, leverage and earnings persistence owned by the company have an effect on investment decisions made by investors.

Keyword: *CAPM, Earnings Response Coefficient, Systematic Risk*