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International Conference of Organizational Innovation

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July 07-08 2018

Location

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7. Taru publications, India

DATE : July, 07 2018, Saturday

LOCATION : Room A713

Fukuoka University, Fukuoka, Japan

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	2. 18R-150: An Overview on Contracting Theory & Agency Theory: Determinants of Voluntary Public Accounting Firms Switching	Retna Safriliana Indonesia
	3. 18R-153: Creative Economic Development Strategy in Malang City	Ana Sopanah Indonesia
	4. 18R-179: Measuring Selectivity and Market Timing Performance of Mutual Funds in Indonesia Using Single and Dual Beta Models	V. Santi Paramita Indonesia
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Session 9.2 15 : 10 16 : 30	1. 18R-267: Direct Selling Program Strategy Through Online Reporting System Design With "IPA & QFD" Method (Case Study at Pt Global Green Trading)	Tukhas Shilul Imaroh, Indonesia
	2. 18R-241: The Development of Customer Value in the Small Medium Enterprises (SMES)	Estik Hari Prastiwi Indonesia
	3. 18R-195: Social Entrepreneur: A "Coin" Fundraising Model for Social Organizations	M. Yusuf Azwar Anas, Indonesia
	4. 18R-172: The Role Of Social Networking Sites: Market Orientation and Management Commitment to Service Quality on Business Performance SME'S	Aditya Budi Krisnanto, Indonesia
	5. 18R-159: The Relationship of Human Capital, Innovation, and Corporate Performance (A Study of Small And Medium Rattan Businesses in Palu City Central Sulawesi Province)	Hariyanto R. Djatola Djampangau, Indonesia
	6. 18R-189: Lecturer Performance: Leadership, Organizational Culture, Work Motivation, and Work Behavior	Sri Langgeng Ratnasari Indonesia
17 : 30	Welcoming Dinner	

Maneuvering Institutional Ownership in Tax Avoidance

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Abstract

Tax avoidance is a paradox between the government and corporations. The role of corporate governance intervention from the dimension of company ownership has potential in relation to corporate tax avoidance. This study has the purpose of proving Corporate Governance from the dimension of institutional ownership as a moderator of tax avoidance determinants. The population is a company listed on the Indonesian Stock Exchange, while the sample is a company incorporated in the Consumer Good Industry Index. The data used was panel data involving 140 observations within the time frame of 2013-2016. The sampling technique used was purposive sampling. The results of this study were that executives with a risk-taking character will reduce tax avoidance. The higher the profit of the firms, the more likely there is an increase of tax avoidance. The finding of this research is that the greater the proportion of institutional ownership that there is in the ownership structure, the more that the executive risk taker is under pressure to increase tax avoidance.

Keywords: Tax avoidance, institutional ownership; executive character; ROA.

The Best-Fitted Option Model for Economic Crisis: Evidences from Indonesia in 1998 and 2008

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Abstract

During the economic crisis in 1998 and 2008 in Indonesia, the daily composite stock price index (IDX Composite) was very volatile. This study aimed to examine the best-fitted option model when economic crises occurred in Indonesia in 1998 and 2008.

In this study, several stages of research were conducted. First, the Black-Scholes model which studied the volatility estimation based on historical volatility during 1998 and 2008. Second, the GARCH model, volatility was calculated based on the following stages: (1) estimating the ARIMA model to determine the best ARIMA model that could be used to calculate the GARCH (1.1) model; (2) performing the DF Test and Correlogram because the best ARIMA model was selected based on the smallest AIC and SIC values; (3) after the ARIMA model was obtained, the GARCH model (1.1) was formed from the best ARIMA model and applied to calculate the volatility of the GARCH model; (4) the variance of the GARCH model was compared with the Black-Scholes model and tested by comparing the Average Means Squared Error (AMSE) value, the smaller the AMSE, the better the model.

Findings showed that for 1-month and 3-months option contract, overall, the GARCH model was better than the Black-Scholes model, both for the call and the put options. This result indicated that if the volatility of clustering occurs in the Black-Scholes option model, it would cause the biased prediction of future price. The results of this study further strengthen the previous researches conducted by Heston and Nandi (2000), Kim, Rachev and Chung (2006) and Hendrawan (2010)

Keyword: Black-Scholes Model, Economic Crisis, GARCH Model, IDX