Journal of Economics, Finance and Management Studies

ISSN (print): 2644-0490, ISSN (online): 2644-0504

Volume 07 Issue 04 April 2024

Article DOI: 10.47191/jefms/v7-i4-28, Impact Factor: 8.044

Page No: 2039-2048

The Influence of Profitability, Company Size, Ownership Structure and Size of the Public Accounting Firm (KAP) on the Timeliness of Financial Reporting in Conventional Banking Listed on the Indonesian Stock Exchange

Jumirin Asyikin[1], Sri Ernawati[2], Fuji Melania[3]

[1,2,3]STIE Indonesia Banjarmasin, Indonesia

ABSTRACT: The purpose of this study was to test and analyze empirically the effect of Profitability, firm Size, Ownership Structure and Size of Public Accounting Firm (KAP). This study used a sample of banks listed on the Indonesia Stock Exchange (IDX) during the period 2019 to 2022. Twenty three conventional banking companies were selected for observation for four years, so that the sample used was 92 data. In addition, logistic regression was used in data analysis. The test results show that Profitability, Firm Size, Ownership Structure have a significant effect on Timeliness Financial Reporting while Public Accounting firm size has no significant effect on Timeliness Financial Reporting in conventional banking.

KEYWORDS: timeliness financial reporting, profitability, firm size, ownership structure Public Accounting Firm

I. INTRODUCTION

Timeliness of financial reporting is an important factor in presenting relevant information. Timeliness in relevant information characteristics has predictive value for measuring transparency and quality of financial reporting. The time span between a company's financial reporting and the date when the financial information is submitted is related to the quality of the information reported. Financial reports must be immediately reported to interested parties, both internal and external, as a reliable source of information that can be used as a source of consideration for decision making. Therefore, financial reports must be submitted in a timely manner so that the information contained in them does not lose its relevance. Financial reports are an implementation of company accountability to various parties who have an interest in these financial reports. A company's financial reports will be beneficial if they are delivered accurately and on time to its users for decision making.

This reflects the importance of timeliness in presenting financial reports (Timeliness Financial Reporting) to the public. The need for timeliness of financial reporting has been clearly stated in the basic framework for preparing the presentation of financial reports. It has been clearly stated in the basic framework for preparing the presentation of financial reports that timeliness is one of the qualitative characteristics that must be met, so that the financial reports presented are relevant for decision making. The accounting profession also recognizes the need for timely submission of financial reports. This is shown in the work of accountants who always try to deliver financial reports on time.

Every publicly traded company that has been registered on the Indonesia Stock Exchange is obliged to publish periodic financial reports which are prepared based on financial accounting standards and have been audited by a public accountant. Regulations regarding the timeliness of publication of financial reports are regulated by the Financial Services Authority (OJK). Submission of financial reports for public companies is regulated in regulations issued by the OJK, namely regulation No.29/PJOK.04/2016 concerning the submission of annual reports for issuers and companies. This regulation states that public companies whose registration statements have become obligated to submit an annual report to the OJK no later than the end of the 4th month after the financial year ends. Delays in financial reporting that still occur can be calculated from the publication date recorded on the IDX. This delay in financial reporting can affect the information. published, so that it will affect the uncertainty of decisions based on information that is no longer relevant.

Previous research tested the variables profitability, ownership structure, company size and size of the public accounting firm (KAP) in assessing their relationship with the effect of delays which had mixed results. Dimas and Nadirsya (2019) prove that profitability and ownership structure have a significant effect on the timeliness of financial reporting. Meanwhile, research conducted by Lailatus and Reza (2020) proves that profitability as measured by Return on Assets and KAP quality does not have a positive effect on the timeliness of financial reporting. Rama and Kartika (2021) prove that company size has no effect on company value. Rizqia and Zulman (2021) show that company size does not affect company value, while Ayu (2021) states that company size has no effect on the timeliness of financial reporting. Based on the description of previous research, it can be concluded that the variables used have different results, some have an effect on timeliness and some have no effect on each variable. Apart from that, the difference between this research and previous research was that it used a sample of manufacturing or non-banking companies, whereas this research used a sample of conventional banking companies. This research uses the period 2019 -2022. This research aims to examine the influence of profitability, ownership structure, company size, size of the public accounting firm (KAP) on the Timeliness of Financial Reporting.

The motivation for this research is to answer gaps in previous research, there are inconsistencies in the results of research that has been carried out, differences in research objects carried out by authors and researchers. Therefore, the author tests and analyzes variables that are thought to influence the timeliness of financial reporting in conventional banking companies. This research makes several contributions, namely exploring previous researchers, integrating previous research with variables that have been tested previously.

II. LITERATURE REVIEW

A. Signal Theory

Signal theory is a behavior of company management in providing guidance to investors regarding management's views on the company's prospects for investors regarding management's views on the company's prospects for the future (Brigham and Houston, 2014: 184). Signal theory suggests how companies should provide signals to users of financial reports. This signal can be in the form of information, one piece of information that can be used as a signal is an announcement made by the company. Signal theory is based on the assumption that the information received by each party is not the same. This theory is related to information asymmetry which shows the existence of information asymmetry between company management and parties who have an interest in information.

B. Timeliness

Timeliness is an important factor in presenting relevant information. Timeliness in financial reporting can affect the quality of financial reports, this is because timeliness shows that the information provided is new and not out of date and the new information shows that the quality of the financial reports is good.

The relevance of a financial report can be obtained if the financial report can be presented in a timely manner. Timeliness does not guarantee relevance but relevance is impossible without timeliness. Therefore timeliness implies that financial reports should be presented at a certain time interval, to account for changes in the company that may affect the use of information in making predictive decisions. Timely financial reports will be more useful than those that are not timely. (Kieso et al, 2011) once relevant information is available more quickly, it can increase its capacity to influence decisions and a lack of timeliness can reduce the information from its usefulness.

C. Profitability

Profitability shows a company's ability to generate profits during a certain period. The profitability of a company is measured by the company's success and ability to use its assets productively, thus the profitability of a company can be determined by comparing the profits obtained in a period with the company's total assets or capital (Munawir, 2014).

Profitability is an indicator of a company's success and ability to generate profits. Thus, it can be said that high profits are good news for the company and they want to report it immediately. Companies that have high profitability will tend to be timely in submitting financial reports, with large profits the company believes that many investors will want to invest shares in the company.

D. Company Size

Company size is a scale where the size of the company can be classified according to various ways, namely: total assets, log size, stock market value and so on (Suwito and Herawaty, 2005). Company size in this study is measured by total assets, namely all resources controlled by the company as a result of past transactions and are expected to provide economic benefits for the company in the future (IAI, 2018)

Apart from that, company size is also caused by the availability of published information. The amount of information published for a company will increase as the size of the company increases (Srimindarti, 2008). Large companies will tend to be more exposed to the public than small companies. Therefore, large companies will be more likely to maintain their company image in the eyes of the public compared to small companies. Therefore, large companies will be more likely to maintain their company image in the eyes of the public than small companies.

E. Ownership Structure

Corporate ownership in modern companies is usually very spread out. Ownership structure is the share ownership structure, namely the comparison of the number of shares owned by insiders with the number of shares owned by investors (Sugiarto, 2009)

Ownership structure is very important in determining company value. There are two aspects of ownership that need to be considered, namely ownership by outside parties and ownership by internal parties. Concentration of outside ownership can be measured by the percentage of largest share ownership held by outsider ownership.

Ownership of a company by external parties has great power in influencing the company through the mass media in the form of criticism or comments, all of which are considered the voice of the public or society. The concentration of ownership by outside parties gives rise to influence from outside parties, thereby changing the management of the company, which originally ran according to the wishes of the company itself, to having limitations. Thus, companies with a large portion of public ownership tend to be timely in their financial reporting.

F. KAP size

A public accounting firm (KAP) is a form of public accounting organization that has obtained a permit in accordance with statutory regulations, which operates in the field of providing professional services in public accounting practice (Dewi, 2013). So that companies, in conveying reports or information about the company's performance to the public so that they are accurate and reliable, are asked to use KAP services and increase reputational credibility, such as KAPs that are affiliated with large, universally applicable KAPs known as Big Four KAPs. Larger KAPs have better audit quality than small KAPs. So it can be concluded that companies that use large KAP services tend to be timely in submitting their financial reports. The Big Four KAP categories in Indonesia are:

1) KAP Price Waterhouse Coopers in collaboration with KAP Tanudiredja, Wibisana and colleagues
2) KAP KPMG (lynveld Peat Marwick Goerdeler) in collaboration with KAP Siddharta and Widjaja.
3) KAP Ernst & Young, which collaborates with KAP Purwanto, Suherman and Surja.
4) KAP Deloitte Touche Tohmatsu, which collaborates with KAP Osman Bing Satrio

This KAP size variable is measured using a dummy variable, where dummy category 1 is for companies that use KAPs affiliated with the big four and dummy 0 for companies that do not use KAPs affiliated with the big four. The use of this model is in accordance with research (Lailatus and Reza, 2020).

G. Hypothesis

H1: Profitability influences the timeliness of financial reporting
H2: Company size influences the timeliness of financial reporting.
H3: Ownership structure influences the timeliness of financial reporting
H4: KAP size influences the timeliness of financial reporting.

III. RESEARCH METHODS

A. Research Design

The research used in this research is quantitative research, namely research that uses long-term data in presenting data reports and analysis using statistical tests (Sugiyono, 2013). This research is to test and analyze banking companies listed on the Indonesia Stock Exchange (BEI) to obtain empirical evidence whether profitability, company size, ownership structure and size of the tax consulting office have an influence on the timeliness of financial reporting.

B. Population and Sampling Techniques

The population in this study was 23 banking companies listed on the Indonesia Stock Exchange (BEI) in 2019 - 2022. The banking sector was chosen because investors have high interest in the proceeds from the exchange of shares acquired.

A sample is a part of a population that has certain characteristics or conditions to be studied (Riduan, 2015). The sampling technique used in this research used purposive sampling technique. Purposive sampling is a sample determination technique with certain considerations according to Sugiyono (2016). The reason for using this purposive sampling technique is because it is suitable for use for quantitative research or research that does not carry out generalizations according to (Sugiyono, 2016). Based on this method, the criteria selected from banking sector companies listed on the Indonesia Stock Exchange (BEI) are as follows. following:

1) The company published financial reports as of December 31 for the period 2019 - 2022
2) The company issues an audit report containing a public accountant's opinion which is published.
3) Companies that have data availability have been audited and have no losses.
4) Displays data and information used to analyze the factors that influence the timeliness of financial publication reports.

C. Operational Definition of Variables

1) Timeliness of Financial Reporting

   Timeliness shows the time span between the presentation of the desired information and the frequency of reporting the information. Timeliness is measured with a dummy variable using category 1 for companies that are on time and category 0 for companies that are not on time in their financial reporting. Companies are categorized as punctual if the company submits financial reports before April 1, while companies that report financial reports after March 31 are categorized as companies that are not on time.
2) Profitability

   In this research, profitability is measured by ROA which is measured by dividing net profit by total assets. This ratio is formulated according to (Kasmir, 2015) as follows

   $$\text{Return On Assets} = \frac{\text{Net profit}}{\text{Total Assets}} \text{ X } 100\%$$
3) Company Size

   Company size is the size of a company which is measured using total assets. The measurement of the company size variable uses the natural logarithm of the company's total assets and the measurement scale uses a ratio scale. Company size is formulated according to (Kurniasih, 2012: 150) as follows:

   Company Size = (Ln) Total Assets x 100 %
4) Ownership Structure

   Ownership structure is the largest percentage of share ownership by outsiders, measured by how many shares are owned by outsiders in companies listed on the Indonesia Stock Exchange. This ratio is formulated (Hartadi, 2021) as follows.

   $$\text{OWN} = \frac{\text{Outside Party Shares}}{\text{Total Shares}} \text{ X } 100\%$$
5) KAP size

   This KAP size variable is measured using a dummy variable, where dummy category 1 is for companies that use KAPs affiliated with the big four and dummy 0 for companies that do not use KAPs affiliated with the big four. The use of this model is in accordance with research (Hilmi and Ali, 2008)

D. Technique Data analysis

The data analysis techniques used are descriptive statistics and logistic regression. This model will be tested with Logistic Regression to measure the nominal scale to measure the timeliness variable. Logistic Regression is similar to discrimination analysis, namely when we want to test whether the profitability of the dependent variable can be predicted by the independent variable. The reason for using the Logistic Regression analysis tool is because the dependent variable is dichotomous (Ghozali, 2013).

IV. RESULTS AND DISCUSSION

A. Descriptive Statistical Analysis

Table 1 presents descriptive statistical data for all variables in the research model. The independent variables are profitability, ownership structure, company size, size of the public accounting firm (KAP) and the dependent variable in this research is Timelines Financial Reporting. The following explains the characteristics of the data which include mean, standard deviation, minimum value and maximum value.

Table 1. Descriptive Statistical Test Results

Variable	N	Minimum	Maximum	Mean	Std. Deviation
ROA	92	.0002	.2268	.074417	.0634401
SIZE	92	14.1556	30.8929	22.181035	4.7822477
OWNER	92	.0000	.9965	.721746	.2031610
HOOD	92	0	1	.41	.495
Valid N (listwise)	92				

Source: Processed Secondary Data, 2023.

Table 1 shows that the N value is the number of observation samples used in this research, namely 92 samples taken from conventional banking annual publication financial report data published on the Indonesia Stock Exchange in 2019-2022. Judging from the table above, descriptive statistics provide an overview of the characteristics of the research variables studied. The following are details of the descriptive data that has been processed:

The independent variable profitability shows an average value of 0.0744 with a minimum value of 0.0002, a maximum value of 0.2268 and a standard deviation value of 0.06344. This shows that the profitability variable identified during the research process is that the average company has a net profit of 74.41% of total assets, which shows that the average company's ability to manage its assets is to generate large profits. The higher the company's level of profitability, the faster it will report financial statements.

The independent variable company size shows an average value of 22.18 with a minimum value of 14.15, a maximum value of 30.89 and a standard deviation value of 22.18. This shows that the company size variable identified during the research process that the average company has large total assets. The higher the company's asset ownership, the faster it will report financial statements.

The independent variable ownership structure shows an average value of 0.7217 with a minimum value of 0.0000, a maximum value of 0.9965 and a standard deviation value of 0.20316. This shows that the ownership structure variable has good results because the std.Devition is smaller than the average value. The KAP size variable has an average value of 0.41 with a minimum value of 0 and a maximum value of 1. This means that 40% of the companies in this study were audited by big four KAPs and the rest used the services of non-big four KAPs.

B. Multivariate Test

To assess the overall model (Overal Model Fit) it is shown by the Log Likelihood Value (-2LL value), namely by comparing the -2LL value at the beginning (block number = 0) with the -2LL value at the end (block number = 1). The test is carried out by looking at the difference between the initial -2 log likelihood (block number = 0) and the -2LL value at the end (block number = 1). If the initial -2 log like hood value is greater than -2 final log likelihood, then there will be a decrease in results. Decline LogsLikehood shows an increasing regression model good (Ghozali, 2018:332).

Table 2. -2 Log Likehood Test

Iteration Historya,b,c,d

Iteration		-2 Logs likelihood	Coefficients				
			Constant	ROA	SIZE	OWNER	HOOD
Step 1	1	48,165	-1,296	2,484	,040	2,562	-.042
	2	34,163	-3,603	6,925	.122	4,025	-.108
	3	27,179	-6,880	14,836	,272	4,628	-.269
	4	23,733	-10,656	24,174	,458	5,084	-.495
	5	22,778	-13,514	30,813	,598	5,699	-.724
	6	22,675	-14,732	33,367	,658	6,077	-.857
	7	22,673	-14,917	33,703	,667	6,143	-.880
	8	22,673	-14,921	33,709	,667	6,145	-.880
	9	22,673	-14,921	33,709	,667	6,145	-.880

a. Method: Enter

b. Constant is included in the model.

c. Initial -2 Log Likelihood: 48.165

d. Estimation terminated at iteration number 9 because parameter estimates changed by less than .001.

Source: Processed Secondary Data, 2023

By paying attention to Table 2, it is known that -2 Log Likehood at the beginning (block number
= 0) the -2 LL number is 48,165 while in (block number = 1) in Table 4.4 it decreases to 22,673 with a decrease of 36,259. The decrease in Log Likehood from 58.932 to 22.673 indicates that the model fits the data because it matches the observation data.

C. Model Fit Test

Analysis of the results of logistic regression. The first step taken was to assess the overall model of the data. Several statistical tests are given to assess this. The hypothesis for assessing model fit is:

Ho: The hypothesized model fits the data

H1: The hypothesized model does not fit the data

Assessing model fit can be tested with Hosmer and Lemeshow's Goodness of fit which tests the null hypothesis that the empirical data fits or fits the model. If the Hosmer and Lemeshow value is significant or smaller than 0.05 then the null hypothesis is rejected and the model is said to be unfit. On the other hand, if it is not significant, the null hypothesis cannot be rejected, which means the empirical data is the same as the model or the model is said to be fit. The SPSS output results in Table 3 show that the Hosmer and Lemeshow value is 0.652 and is significant at 1, because this value is above 0.05, the model is said to be fit and the model is acceptable.

Table 3. Hosmer and Lemeshow Test

Hosmer and Lemeshow Test

Step	Chi-square	Df	Sig.
1	,652	8	1,000

Source: Processed Secondary Data, 2023.

D. Coefficient of Determination (R2)

NagelKerke's R Square, the R Square (R2) value shows how influential the independent variable under study is on the dependent variable. The R2 value is located in the interval 0≤ R2 ≤ 1, if R2 is closer to 1, the greater the proportion of contribution of the independent variable and vice versa. If R2 does not reach 100% then the rest is influenced by other variables outside the model

Table 4 Model Summary

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	22.673[a]	.326	. 689

a. Estimation terminated at iteration number 9 because parameter estimates changed by less than .001.

Source: Processed Secondary Data, 2023.

Table 4 shows the NagelKerke's R Square value of 0.689. This value shows that the proportion of independent variables together is 68.9% while the remaining 31.1% is explained by the variability of other variables from outside the research model.

E. Logistic Regression Model

Logistic Regression is used to test whether variables such as profitability, company size, ownership structure and KAP size have an effect on Financial Reporting Timelines.

Table 5. Logistic Regression Model

Variables in the Equation

	B	S.E	Wald	df	Sig.	Exp(B)	95% CIfor EXP(B)	
							Lower	Upper
ROA	33.709	16.618	4.115	1	.043	4.361	3.121	6.094
SIZE	.667	.264	6.390	1	.011	1.948	1.162	3.267
Step 1[a] OWNER	6.145	2.676	5.274	1	.022	4.662	2.460	8.835
HOOD	-.880	1.438	.375	1	.540	.415	.025	6.945
Constant	-14.921	5.280	7.986	1	.005	.000		

a. Variable(s) entered on step 1: ROA, SIZE, OWNER, KAP.

Source: Processed Secondary Data, 2023

Based on Table 5 above, it can be seen that the logistic regression model obtained is:

$$\text{Ln}\frac{P}{1-p} = -14.921+33.709X1Prof+0.667X2+6.145X3-0.880X4$$

Based on the results of the interpretation of the regression formula, it can be seen that:

1) The constant value (α) is -14.921, meaning that if the independent variable has a constant value (constant), then the timeliness value is -14.921
2) The Profitability Variable (ROA) of 33,709 can be stated that for every increase in Profitability, the timeliness value will increase by 33,709
3) The company size variable (SIZE) is 0.667. It can be stated that for every increase in SIZE, the timeliness value will increase by 0.677.
4) Ownership structure variable (OWNER) of 6.145 can be stated that for every increase in Profitability, the value of timeliness will increase by 6.145
5) The KAP Size Variable (KAP) is 0.880. It can be stated that for every increase in KAP, the timeliness value will increase by 0.880.

Table 6. Classification Table

Classification Table[a]

Observed			Predicted		
			Punctuality		Percentage
			Not exactly time	Appropriate time	Correct
Step 1	Accuracy Time	Not on time	7	2	77.8
		On time	2	81	97.6

Overall Percentage 95.7

a. The cut off value is .500

Source: Processed Secondary Data, 2023

Based on table 6 above, it indicates that the predictive power of the regression model to predict the timeliness of financial reporting in conventional banking companies listed on the Indonesia Stock Exchange for 2019-2022 is 95.7%. This shows that by using this regression model there are 81 companies predicted to report on time out of a total of 92 companies.

F. Hypothesis test

Hypothesis testing in this research was carried out using logistic regression analysis to determine the relative contribution of each variable, namely profitability, company size, ownership structure and size of the Public Accounting Consultant in explaining the influence on the timeliness of financial reporting in conventional banking companies on the Indonesia Stock Exchange.

1) The influence of profitability on the timeliness of financial reporting in conventional banking on the Indonesia Stock Exchange. Based on the results of logistic regression analysis, it is known that profitability on timeliness of financial reporting in conventional banking on the Indonesia Stock Exchange has a coefficient value of 33.709 at degree of freedom 1 and a Wald value of 4.115 with a significant level of 0.043 ($P<0.05$). It can be concluded that the profitability variable has a significant effect on the timeliness of financial reporting. This proves that the profitability hypothesis influences the timeliness of financial reporting. The profitability shown by the company in its financial reports has a significant effect on the timeliness of the company in submitting financial reports
2) The influence of company size on the timeliness of financial reporting in conventional banking on the Indonesian Stock Exchange.
   Based on the results of the logistic regression analysis, it is known that Company Size which is proxied as (SIZE) has a coefficient value of 0.667 at degree of freedom 1 and a Wald value of 6.390 with a significance level of 0.011 ($P<0.05$). It can be concluded that the company size variable has a significant effect on the timeliness of financial reporting. This proves that the hypothesis that company size influences the timeliness of financial reporting is accepted. The company size shown by the company in its financial reports has a significant effect on the timeliness of the company in submitting financial reports
3) The influence of ownership structure on the timeliness of financial reporting in conventional banking on the Indonesia Stock Exchange
   The results of hypothesis testing show that the ownership structure proxied by OWNER has a coefficient value of 8.145 at degree of freedom 1 and a Wald value of 5.274 with a significance level of 0.022 ($P<0.05$). It can be concluded that ownership structure significantly influences the timeliness of financial reporting, so the hypothesis that ownership structure is proxied by outside ownership affecting the timeliness of financial reporting is accepted.
4) The influence of KAP size on the timeliness of financial reporting in conventional banking on the Indonesia Stock Exchange
   The results of hypothesis testing show that the size of the Public Accounting Firm as proxied by KAP has a coefficient value of -0.880 at degree of freedom 1 and a Wald value of 0.375 with a significance level of 0.540 ($P<0.05$). It can be concluded that ownership structure significantly influences the timeliness of financial reporting, so the hypothesis that ownership structure is proxied by outside ownership influencing the timeliness of financial reporting is rejected.

G. Discussion and Research Results

1) The Influence of Profitability on Timeliness of Financial Reporting

The results of the regression equation test are used as a basis for answering the hypothesis (H1), namely the influence of profitability on timeliness of financial reporting. The results of the regression test show that profitability has a positive and significant effect on timeliness of financial reporting. It can be concluded that these results accept the hypothesis (H1). Because the direction of the test results has a positive effect, it can be interpreted that the higher the profitability of a company, the faster the company will report its finances. This result means that if the company shows higher profitability it will have a good impact on investors' demand, with large profits the company is sure that many investors will want to invest in shares in the company.

The results of this hypothesis test are in line with research by Dimas and Nadirsyah (2019) which states that profitability has a partial effect on the timeliness of financial reporting. However, other results show research by Lailatus and Reza (2020), Rama and Kartika (2021) which states that profitability has no effect on the timeliness of financial reporting.

2) The Influence of Company Size on the Timeliness of Financial Reporting

The results of the regression equation test are used as a basis for answering the hypothesis (H2), namely the influence of company size on the timeliness of financial reporting. The results of the regression test show that company size has a positive and significant effect on the timeliness of financial reporting. It was concluded that these results accepted the hypothesis (H2). Because the direction of the test results has a positive effect, it can be interpreted that the greater the total assets owned by a company, the faster the company will report its finances. This result means that large companies will tend to be more popular with the public than small companies because they have more assets. A company with a large growth rate will give a positive signal so that investors will be interested in investing in that company.

The results of this hypothesis test are in line with research by Rama and Kartika (2021) who have tested that company size influences company value partially on timeliness, Rizqia and Zulman (2021) who have tested that company size influences company value. Meanwhile, Devi Ayu (2021) tested that company size has no effect on the timeliness of financial reporting.

3) The Influence of Ownership Structure on Timeliness of Financial Reporting

The results of the regression equation test are used as a basis for answering hypothesis (H3), namely the influence of ownership structure on timeliness of financial reporting. The results of the regression test show that ownership structure has a positive and significant effect on the timeliness of financial reporting. It was concluded that these results accepted the hypothesis (H3). Companies with a large portion of public ownership tend to be timely in their financial reporting. The results of this hypothesis test are different from previous research conducted by Devi Ayu (2020), Lailatus and Reza (2020) which stated that it was not proven that ownership structure had an effect on the timeliness of financial reporting.

4) The Influence of Public Accounting Firm Size on Financial Reporting Timeliness

The results of the regression equation test are used as a basis for answering the hypothesis (H4), namely the influence of the size of the public accounting firm on the timeliness of financial reporting. The results of the regression test show that ownership structure has a negative effect on the timeliness of financial reporting. It was concluded that the results of the hypothesis were rejected (H4). Companies that use the big four have not been proven to be able to report their finances in a timely manner.

The results of this hypothesis test are different from previous research conducted by Devi Ayu (2020), Lailatus and Reza (2020) which stated that the quality of the KAP office has an influence on the timeliness of reporting on the Indonesian Stock Exchange. Companies affiliated with the bif four Public Accounting office do not guarantee timely financial reporting.

V. CONCLUSIONS AND RECOMMENDATIONS

A. *Conclusion*

This research discusses the influence of profitability, company size, ownership structure and size of the public accounting firm (KAP) on Timeliness of Financial Reporting in conventional banking listed on the Indonesia Stock Exchange. Based on the results of hypothesis testing which was tested using logistic regression analysis, it can be concluded that:

1) Profitability has a partial influence on the timeliness of financial reporting in conventional banking. This shows that a high ROA contains good news. If the earnings announcement contains good news, reporting tends to be accelerated.
2) Company size has a partial influence on the timeliness of financial reporting in conventional banking. A company with a large growth rate will provide a positive signal so that investors will be interested in investing capital in the company.
3) Ownership structure partially influences the timeliness of financial reporting in conventional banking. This shows that ownership of the company by outside parties has great power in influencing the company to run optimally. Pressure from external parties will force companies to submit financial reports on time.
4) The size of the Public Accounting Firm (KAP) has no partial effect on the timeliness of financial reporting. This shows that the appointment of the big four KAPs and non-big four KAPs that carry out audits in conventional banking have standards that are the same as those of Professional Public Accountants and the use of the big four KAPs cannot provide a guarantee of accuracy in submitting financial reports.

B. *Suggestion*

1) Future research should use sharia banking research samples because sharia banking is a developing bank so that comparisons can be made between conventional banking and sharia banking.
2) For future researchers, they can add other variables that are thought to influence the timeliness of financial reporting, such as the role of company internal audit.
3) Future research should use the most recent observation period to provide valid results.

C. *Limitations*

1) In this research, only 23 conventional banks were used and did not compare with companies in other sectors.
2) This research uses conventional banking objects listed on the Indonesian Stock Exchange. Future research should consider research objects such as sharia banking listed on the Indonesian stock exchange.

REFERENCES

1) Ayu, D. (2021). Pengaruh Profitabilitas, Leverage, Ukuran perusahaan, Reputasi Kantor Akuntan Publik yang terdaftar di BEI. Jurnal Ekonomi Islam.

2) Brigham, Eugene F, dan Houston dan Joel F. (2014). Dasar-Dasar Manajemen Keuangan, Edisi Kesebelas. Salemba Empat, Jakarta.
3) Dewi, K. M. (2013). Analisis Faktor yang mempengaruhi ketepatan waktu Audit Delay Penyampaian Laporan Keuangan. Semarang: UNDIP.
4) Dimas dan Nadirsyah. (2019). Pengaruh Profitabilitas, Likuiditas, Financial Leverage dan struktur kepemilikan terhadap ketepatan waktu pelaporan keuangan pada perusahaan manufaktur yang terdaftar di BEI pada tahun 2013-2015. Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi.
5) Hartadi, D. M. (2021). Faktor - Faktor yang mempengaruhi ketepatan waktu pelaporan keuangan pada sektor perbankan di Bursa Efek Indonesia.
6) Hilmi, Utari dan Syaiful Ali. (2008). Analisis Faktor Yang Mempengaruhi Ketepatan Waktu Penyampaian Laporan Keuangan (Studi Empiris pada Perusahaan- perusahaan Yang Terdaftar di BEI Periode 20014-2006). Simposium Nasional Akuntansi XI. .
7) Ikatan Akuntansi Indonesia. (2018). Standar Akuntansi Keuangan. Jakarta: Salemba Empat.
8) Kasmir. (2013). “Analisa Laporan Keuangan”. Jakarta: Raja Grafindo Persada.
9) Kieso, W. J. (2011). Intermediate Accounting (IFRS edition). United States: John Wiley & Sons.
10) Lailatus dan Reza. (2020). Pengaruh Profitabilitas,DER, Kualitas KAP dan Ukuran perusahaan Terhadapketepatan waktu pelaporan keuangan. Jurusan Akuntansi STIE Malangkucecwara Malang.
11) Munawir. (2014). Analisis Laporan Keuangan. . Yogyakarta: Liberty.
12) Rama dan Kartika. (2021). Pengaruh profitabilitas, leverage, ukuran perusahaan dan kepemilikan manajerial terhadap nilai perusahaan. Fakultas Ekonomi Universitas Islam Batik, Surakarta.
13) Rizqia dan Zulman. (2021). Pengaruh Ukuran Perusahaan, Leverage, Dan Profitabilitas Terhadap Nilai Perusahaan. Universitas Muhammadiyah Tangerang.
14) Sugiarto. (2009). Struktur Modal, Struktur Kepemilikan Perusahaan, Permasalahan Keagenan dan Informasi Asimetri. Edisi Pertama. Yogyakarta.: Graha Ilmu.
15) Sugiyono. (2013). Metode Penelitian Bisnis. Bandung: CV . Alfabeta.