



## KARAKTERISTIK CEO, *FINANCIAL* INDIKATOR, DAN *FINANCIAL DISTRESS*: STUDI PADA BUMN DI INDONESIA

*Full paper*

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**Abstract** *The leadership of a CEO will affect the level of confidence of potential investors to invest with a high value. Investors can judge a company by knowing the CEO. The motivation of this research is because in Indonesia the use of the CEO characteristic variable as a factor that can affect financial performance is rare, especially the potential for financial distress in companies. The study aims to examine the effect of CEO characteristics and financial ratios on the potential for financial distress in state-owned companies in Indonesia. The population is State-Owned Companies in Indonesia. This study uses a quantitative approach, with secondary data taken from the annual reports of non-financial State-Owned Companies listed on the Indonesia Stock Exchange. Purposive sampling was used as a sampling method with an observation period of 2015- 2019. The final sample of the study was 75 data from 16 SOEs. Data analysis in this study used logistic regression. The results showed that CEO age and sales growth had a significant effect on financial distress. Meanwhile, tenure, educational background, and total liability to total assets have no significant effect on financial distress. This research is expected to contribute to the development of theory and literature, as well as practitioners such as management, investors, and creditors, from the perspective of factors that have the potential to cause financial distress so that it can be used as a reference in assessing the company's prospects in the future.*

**Keywords:** *CEO characteristics, total liability to total assets, sales growth, financial distress.*