



Approaches to Control Mechanisms and Their Implications for Companies' Profitability: a Study in UAE

Pendekatan untuk Mekanisme Kontrol dan Implikasinya untuk Profitabilitas Perusahaan: Studi di UEA

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This study tries to evaluate and test the role of control mechanisms represented by foreign ownership and insider ownership on companies' profitability in the listed companies in the UAE and whether independent variables are matter in determining the profitability of such companies. This study utilized companies belong to non-financial sector for the year of 2019 with a sample of 50 companies to be analyzed in the current study. To test the independent and dependent variables, regression analysis was used via using SPSS. The findings show that insider ownership has insignificant impact on companies' profitability . On the other hand, the findings revealed evidence to support the effect of foreign ownership on companies' profitability. Moreover, there is a insignificant evidence reflected the fact that companies' size has insignificant impact on companies' profitability. This study added further evidence in Dubai context where there is a rare and unique studies that have been done in this important context. It takes in tits account to investigate both insider and foreign ownership and their impact companies' profitability

Keywords: control mechanisms, companies' profitability, UEA.

Penelitian ini mencoba untuk mengevaluasi dan menguji peran mekanisme kontrol yang diwakili oleh kepemilikan asing dan kepemilikan orang dalam terhadap profitabilitas perusahaan di perusahaan yang terdaftar di UEA dan apakah variabel independen penting dalam menentukan profitabilitas perusahaan tersebut. Penelitian ini memanfaatkan perusahaan sektor non keuangan untuk tahun 2019 dengan jumlah sampel 50 perusahaan untuk dianalisis dalam penelitian ini. Untuk menguji variabel independen dan dependen digunakan analisis regresi dengan menggunakan SPSS. Temuan menunjukkan bahwa kepemilikan orang dalam memiliki pengaruh yang tidak signifikan terhadap profitabilitas perusahaan. Di sisi lain, temuan tersebut mengungkap bukti yang mendukung pengaruh kepemilikan asing terhadap profitabilitas perusahaan. Selain itu, terdapat bukti

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