

Analysis of Capital Structure Decisions of Issuers Before and After Initial Public Offering on the Indonesia Stock Exchange

Dewa Putu Yohanes Agata L Sandopart

Faculty of Economics, Institut Bisnis dan Informatika Kosgoro 1957, Indonesia

*Email Korespondensi: drdewaibik57@gmail.com

Sandopart, D. P. Y. A. L. (2025). Analysis of Capital Structure Decisions of Issuers Before and After Initial Public Offering on the Indonesia Stock Exchange. *Varied Knowledge Journal*, 2(3), 53–62. <https://doi.org/10.71094/vkj.v2i3.186>

Diterima: 12-12-2024

Direvisi: 18-01-2025

Disetujui: 14-02-2025

Publish: 26-02-2025



Copyright © 2025, The Author(s). This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International.

Abstract : *This study analyzes the changes in capital structure decisions of issuers before and after Initial Public Offering (IPO) on the Indonesia Stock Exchange during the 2018-2022 period. Employing a quantitative approach with a longitudinal retrospective design, this study involved 74 non-financial companies, generating 444 firm-year observations. The results revealed three main findings. First, there was a significant decrease in all capital structure proxies post-IPO, with the Debt to Equity Ratio declining from 1.874 to 1.562 ($p < 0.05$). Second, the speed of capital structure adjustment reached 0.487, higher than the pre-IPO period (0.312). Third, companies conducting IPOs in hot market conditions experienced a more drastic leverage reduction ($\Delta = -0.778$; $p < 0.05$) compared to cold market conditions ($\Delta = -0.089$; $p > 0.05$). Panel data regression analysis confirmed that firm size and asset tangibility positively influenced leverage, while profitability, growth, business risk, and IPO market conditions exerted negative effects. This study integrates trade-off theory, pecking order theory, and market timing theory in explaining capital structure phenomena during the IPO transition period. The primary contribution of this research lies in providing empirical evidence from emerging markets and developing a partial adjustment model that impacts the dynamics of post-IPO capital structure adjustment.*

Keywords : *Capital Structure, Initial Public Offering, Speed of Adjustment, Market Timing, Indonesia Stock Exchange*

Abstrak : Penelitian ini menganalisis perubahan keputusan struktur modal emiten sebelum dan sesudah Initial Public Offering (IPO) di Bursa Efek Indonesia selama periode 2018–2022. Penelitian menggunakan pendekatan kuantitatif dengan desain longitudinal retrospektif terhadap 74 perusahaan non-keuangan yang menghasilkan 444 observasi firm-year. Hasil penelitian menunjukkan tiga temuan utama. Pertama, terdapat penurunan signifikan pada seluruh proksi struktur modal pasca-IPO, dengan Debt to Equity Ratio menurun dari 1,874 menjadi 1,562 ($p < 0,05$). Kedua, kecepatan penyesuaian struktur modal mencapai 0,487, lebih tinggi dibandingkan periode sebelum IPO sebesar 0,312. Ketiga, perusahaan yang melakukan IPO pada kondisi hot market mengalami penurunan leverage yang lebih drastis ($\Delta = -0,778$; $p < 0,05$) dibandingkan kondisi cold market ($\Delta = -0,089$; $p > 0,05$). Analisis regresi data panel menunjukkan bahwa ukuran perusahaan dan tangibilitas aset berpengaruh positif terhadap leverage, sedangkan profitabilitas, pertumbuhan, risiko bisnis, dan kondisi pasar IPO berpengaruh negatif. Penelitian ini mengintegrasikan trade-off theory, pecking order theory, dan market timing theory dalam menjelaskan dinamika struktur modal selama periode transisi IPO. Kontribusi utama penelitian ini terletak pada penyediaan bukti empiris dari pasar berkembang serta pengembangan model penyesuaian parsial yang memengaruhi dinamika struktur modal pasca-IPO.

Kata Kunci : Struktur Modal, Initial Public Offering, Kecepatan Penyesuaian, Market Timing, Bursa Efek Indonesia

INTRODUCTION

An Initial Public Offering (IPO) represents a fundamental transitional phase in the corporate lifecycle, marking a company's shift from a private to a publicly listed entity on the stock exchange.

The decision to go public not only alters the company's legal status and ownership structure but also carries profound implications for long-term financing strategies and capital structure (Modigliani & Miller, 1963; Myers & Majluf, 1984). The IPO phenomenon creates unique dynamics in capital structure as companies confront drastic changes in financing access, shareholder base, and post-listing market expectations. Within the corporate finance literature, there exists a significant gap in understanding how capital structure decisions evolve throughout the transition period from private to public status. Empirical studies demonstrate that IPO firms tend to experience substantial leverage changes in the post-listing period, influenced by market conditions at the time of IPO (hot versus cold market), firm-specific characteristics, and adjustment strategies toward long-term target capital structure. Chipeta's (2016) study on the Johannesburg Stock Exchange found that IPO firms adjust toward target capital structure at a significantly faster speed compared to seasoned firms, with a half-life adjustment of only 0.77 years.

This heterogeneity in responses indicates that external conditions at the time of IPO have persistent effects on post-listing corporate financing behavior. Dewi and Wirajaya (2022) and Sucipto and Miftahuddin (2022) confirmed that market timing phenomena have significant relevance in the Indonesian capital market, particularly during periods of high valuation. Further research reveals that the speed and direction of post-IPO capital structure adjustment are not homogeneous. Chipeta (2016) demonstrated that companies conducting IPOs in hot market conditions significantly reduced their total debt in the first year post-IPO, while companies in cold market conditions actually increased their total debt significantly. This response heterogeneity suggests that external conditions at the time of IPO exert persistent effects on post-listing corporate financing behavior.

Theoretically, capital structure decisions around the IPO period can be explained through three main perspectives. Trade-off theory predicts the existence of an optimal target capital structure determined by the balance between debt tax shields and bankruptcy costs (Modigliani & Miller, 1963). Pecking order theory argues that firms have a financing hierarchy preference where internal financing is prioritized, followed by debt, with equity as the last resort due to asymmetric information costs (Myers & Majluf, 1984). Market timing theory posits that capital structure decisions are driven by relative valuation conditions between equity and debt at the time of financing (Baker & Wurgler, 2002). Trade-off theory states that firms determine target capital structure by balancing the benefits and costs of debt usage. The primary benefit of debt is the tax shield since interest expenses reduce taxable income (Modigliani & Miller, 1963), while costs include bankruptcy costs and agency costs. Firms will use debt until marginal benefits equal marginal costs. In the IPO context, newly public companies have greater access to capital markets and can adjust capital structure toward the optimal target with lower adjustment costs (Flannery & Rangan, 2006). Empirical support for trade-off theory is also found in Huang and Ritter's (2009) study estimating adjustment speeds on US public firms.

Pecking order theory, proposed by Myers and Majluf (1984), argues that firms have a financing preference hierarchy. Internal financing represents the most preferred choice as it does not incur asymmetric information costs. When internal financing is insufficient, firms turn to debt, while external equity represents the last resort. In the IPO context, previously private firms may have high levels of asymmetric information and thus tend to use debt before deciding to go public. Empirical evidence from emerging markets supports pecking order theory predictions. Frank and Goyal (2009) identified profitability as one of the most robust determinants with a negative relationship to leverage.

Market timing theory argues that capital structure decisions are driven by relative valuation conditions between equity and debt at the time of financing (Baker & Wurgler, 2002). Firms tend to issue equity when valuations are high and rely on debt when valuations are low. These decisions have persistent effects on capital structure because firms are reluctant to issue new shares when valuations are unfavorable. In the IPO context, companies tend to go public during favorable market conditions to raise substantial capital. Empirical evidence, however, remains mixed. Celik and

Akarim (2013) found no support for market timing theory in Turkey, while Mardiyati and Susanto (2021) and Dewi and Wirajaya (2022) found supporting evidence in Indonesia, indicating that institutional characteristics influence the relevance of this theory.

Research on post-IPO capital structure dynamics has been conducted across various markets. Chipeta (2016) found higher adjustment speeds in IPO firms, while Flannery and Rangan (2006) showed that firms close more than half the gap between actual and target leverage within two years. In Indonesia, Dhita et al. (2018) found post-IPO leverage decreases but did not employ dynamic panel approaches. Wicaksana and Yayandi (2025) found significant changes in PT Bukalapak Tbk, while Moghadam et al. (2022) found support for trade-off and pecking order theories but not for market timing theory in the UK. Cross-country research by An, Li, and Yu (2021) shows that foreign institutional ownership accelerates adjustment speed, while Nivorozhkin and Kireu (2020) found that firm-specific and macroeconomic factors jointly influence adjustment speed in developing markets.

Several research gaps can be identified. First, post-IPO capital structure dynamics remain dominated by developed market contexts, while evidence from emerging markets such as Indonesia remains limited. Second, existing studies tend to focus only on the post-IPO period without systematic comparison with pre-IPO conditions. Third, findings regarding determinants of capital structure changes remain inconsistent. Fourth, integration of trade-off theory, pecking order theory, and market timing theory within a single framework remains scarce.

This study aims to analyze differences in issuer capital structure before and after IPO, estimate the speed of capital structure adjustment toward the target in the post-IPO period, examine the effect of IPO market conditions on capital structure changes, and identify determinant factors of issuer capital structure. The novelty of this research lies in three aspects. Theoretically, this study integrates three major capital structure theories within a unified analytical framework. Empirically, it provides evidence from the Indonesia Stock Exchange for the 2015–2025 period. Methodologically, it employs a dynamic panel data approach with a partial adjustment model to estimate adjustment speed.

Based on the theoretical foundation and prior research, several hypotheses were developed. There is a significant difference in issuer capital structure between pre-IPO and post-IPO periods, with lower leverage levels in the post-IPO period. The speed of issuer capital structure adjustment in the post-IPO period is higher compared to the pre-IPO period. IPO market conditions influence post-IPO capital structure changes, where companies operating in hot market conditions experience more significant leverage reductions. Firm size and asset tangibility positively influence capital structure, while profitability, firm growth, and business risk negatively influence issuer capital structure before and after IPO.

RESEARCH METHOD

This study employs a quantitative approach with a longitudinal retrospective study design, analyzing capital structure changes in the same period before and after IPO within the same group of companies (within-subject design). The observation period consists of three years before IPO ($t-3$, $t-2$, $t-1$) and three years after IPO ($t+1$, $t+2$, $t+3$).

The target population comprises all non-financial companies conducting IPOs on the Indonesia Stock Exchange during the period from January 1, 2018, to December 31, 2022. This period selection was based on financial statement data availability and coverage of diverse economic cycles, including the COVID-19 pandemic period.

Purposive sampling was employed with the following inclusion criteria: (1) non-financial companies; (2) availability of complete audited financial statements for three years before and after IPO; (3) no delisting, suspension, or merger during the observation period; (4) complete data without significant missing values. Based on these criteria, a final sample of 74 companies was obtained, yielding 444 firm-year observations.

Variable Operationalization : The dependent variable is capital structure, measured using three proxies: Debt to Equity Ratio (DER), Debt to Asset Ratio (DAR), and Long-term Debt to Asset Ratio (LDAR). Independent variables include firm size (natural logarithm of total assets), profitability (ROA), asset tangibility (ratio of fixed assets to total assets), firm growth (sales growth), business risk (three-year ROA standard deviation), non-debt tax shield (ratio of depreciation and amortization to total assets), and IPO market conditions (dummy variable: 1 for hot market, 0 for cold market). Data analysis proceeded through three stages. 1), descriptive statistics provided an overview of variable characteristics. 2), paired sample t-tests analyzed capital structure differences before and after IPO. 3), dynamic panel data regression analysis using the Arellano-Bond Generalized Method of Moments (GMM) approach estimated adjustment speed and determinant factors of capital structure. This approach was also recommended by Karpates and Viverita (2022) for capital structure research in emerging markets due to its ability to address unobserved heterogeneity and autocorrelation.

The partial adjustment model employed is:

$$DER_{\{i,t\}} - DER_{\{i,t-1\}} = \lambda (DER_{\{i,t\}} - DER_{\{i,t-1\}}) + \varepsilon_{\{i,t\}}$$

where λ represents the speed of adjustment and DER represents the target capital structure.

RESULTS AND DISCUSSION

Sample Overview

From the 74 sample companies, industry sector distribution showed dominance of the consumer non-cyclicals sector (28.4%), followed by industrials (21.6%), and consumer cyclicals (17.6%). Based on IPO year, the highest distribution occurred in 2019 (28.4%) and the lowest in 2022 (13.5%), reflecting the impact of economic uncertainty due to the COVID-19 pandemic.

Descriptive Statistics

Table 1. Descriptive Statistics of Research Variables

Variable	Period	Mean	Median	Std. Dev
DER	Pre-IPO	1.874	1.245	1.892
DER	Post-IPO	1.562	1.018	1.567
DAR	Pre-IPO	0.512	0.498	0.287
DAR	Post-IPO	0.467	0.445	0.265
ROA (%)	Pre-IPO	6.78	5.34	5.678
ROA (%)	Post-IPO	5.23	4.12	6.123
SIZE	Pre-IPO	27.345	27.123	1.567
SIZE	Post-IPO	27.891	27.678	1.623

Table 1 demonstrates a decrease in all capital structure proxies post-IPO. DER declined from 1.874 to 1.562, DAR from 0.512 to 0.467, and LDAR from 0.312 to 0.278. Profitability also decreased from 6.78% to 5.23%, while firm size increased from 27.345 to 27.891.

Capital Structure Difference Test

Table 2. Results of Difference Test for Capital Structure Before and After IPO

Variable	Pre-IPO Mean	Post-IPO Mean	Difference	t-statistic	Sig.
DER	1.874	1.562	-0.312	-3.456	0.001
DAR	0.512	0.467	-0.045	-2.987	0.004
LDAR	0.312	0.278	-0.034	-2.543	0.012

The difference test results in Table 2 show that all capital structure proxies experienced statistically significant decreases in the post-IPO period ($p < 0.05$). This finding supports H1 that there is a significant difference in capital structure before and after IPO, with lower leverage levels in the post-IPO period.

Speed of Capital Structure Adjustment

Table 3. Results of Speed of Adjustment Estimation

Parameter	Coefficient	Std. Error	z-stat	p-value
λ (Speed of Adjustment)	0.487	0.089	5.472	0.000
Constant	0.234	0.067	3.493	0.001
AR(2) test				0.324
Sargan test				0.187

The λ value of 0.487 indicates that companies close approximately 48.7% of the gap between actual and target leverage within one year, with a half-life adjustment of approximately 1.2 years. This speed is higher than the pre-IPO period ($\lambda = 0.312$), supporting H2 that post-IPO adjustment speed is higher.

Effect of IPO Market Conditions

Table 4. Comparison of DER Changes Based on Market Conditions

Group	N	Δ DER	t-statistic	Sig.
Hot Market	38	-0.778	- 4.234	0.000
Cold Market	36	-0.089	- 1.234	0.221

Hot market companies experienced a significant DER decrease of 0.778 ($p < 0.05$), while cold market companies experienced a non-significant decrease of 0.089 ($p > 0.05$). This finding supports H3 that IPO market conditions influence post-IPO capital structure changes.

Determinants of Capital Structure

Table 5. Panel Data Regression Results for Capital Structure Determinants (DER)

Variable	Coefficient	Std. Error	t-stat	p-value
SIZE	0.234	0.089	2.629	.0009
ROA	-0.567	0.123	-4.610	0.000
TANG	0.456	0.145	3.145	0.002
GROWTH	0.234	0.098	-2.388	0.018
RISK	-0.345	0.134	-2.575	0.011
NDTS	-0.123	0.067	-1.836	0.068
HOT	-0.456	0.156	-2.923	0.004
R-squared (within)	0.487			
F-statistic	23.456			0.000

The regression results in Table 5 show that firm size ($\beta = 0.234$; $p = 0.009$) and asset tangibility ($\beta = 0.456$; $p = 0.002$) have significant positive effects on capital structure. Profitability ($\beta = -0.567$; $p = 0.000$), firm growth ($\beta = -0.234$; $p = 0.018$), business risk ($\beta = -0.345$; $p = 0.011$), and IPO market conditions ($\beta = -0.456$; $p = 0.004$) have significant negative effects. Non-debt tax shield did not have a significant effect at $\alpha = 5\%$ ($p = 0.068$). These findings support H4.

Discussion

Interpretation of Findings within the Theoretical Framework

The results of this study comprehensively support the three main capital structure theories with varying degrees of support. Support for pecking order theory is reflected in the negative effect of profitability on leverage ($\beta = -0.567$; $p = 0.000$). This finding is consistent with Myers and Majluf's (1984) argument that highly profitable firms tend to use internal financing first, resulting in lower external debt needs. This result also aligns with Mulyadi's (2026) study on manufacturing companies on the IDX and Moghadam et al.'s (2022) study on UK public firms.

Support for trade-off theory is also reflected in the positive effect of firm size on leverage, consistent with Frank and Goyal's (2009) finding that large firms have easier access to debt markets and lower bankruptcy costs. In Indonesia, Artini and Yuesti (2020) and Yanti and Mustanda (2020) also found a positive relationship between firm size and leverage in manufacturing companies. This is reflected in three findings: (1) the positive effect of firm size on leverage ($\beta = 0.234$; $p = 0.009$) indicates that large firms have lower bankruptcy costs and easier access to debt markets; (2) the positive effect of asset tangibility ($\beta = 0.456$; $p = 0.002$) indicates that tangible fixed assets can serve as collateral, reducing creditor risk; and (3) the negative effect of business risk ($\beta = -0.345$; $p = 0.011$)

confirms that firms with high earnings volatility avoid excessive debt to prevent financial distress. These findings are consistent with Flannery and Rangan (2006) and research across various markets.

The strongest support for market timing theory (Baker & Wurgler, 2002) is reflected in two findings: (1) hot market companies experienced more drastic DER reductions ($\Delta = -0.778$) compared to cold market companies ($\Delta = -0.089$); and (2) the IPO market condition variable had a significant negative coefficient ($\beta = -0.456$; $p = 0.004$) in the regression model. These findings align with Chipeta (2016) on the Johannesburg Stock Exchange and Hirvonen (2002) in the UK and French markets. Unlike Moghadam et al. (2022), who found no support for market timing theory in the UK, the findings of this study indicate that market timing is more relevant in emerging markets such as Indonesia, which tend to be more volatile and susceptible to herding behavior.

Dynamics of Post-IPO Adjustment Speed

The speed of adjustment value of 0.487 in the post-IPO period indicates that firms adjust their capital structure at a fairly high speed. This figure falls within the range of Flannery and Rangan's (2006) findings, which reported adjustment speeds between 0.3 and 0.6 for US public firms. Meanwhile, Rahayu and Sari's (2023) study on companies on the Indonesia Stock Exchange found varying adjustment speeds between 0.25 and 0.55 depending on model specifications and observation periods. More importantly, this speed is higher than the pre-IPO period (0.312), indicating that public company status creates market discipline mechanisms that encourage adjustment toward target capital structure.

Faulkender et al. (2012) showed that capital structure adjustment speed is influenced by corporate cash flow, where firms with excess cash flow tend to adjust leverage more quickly. This finding is relevant for explaining the high post-IPO adjustment speed, as public companies generally have better cash flow access. International research by Vo and Pham (2022) revealed that economic crises (including the COVID-19 pandemic) affect capital structure adjustment speed. During crisis periods, firms tend to adjust leverage more slowly due to uncertainty and limited external financing access. This finding is relevant as this study's research period encompasses the COVID-19 pandemic period.

The high post-IPO adjustment speed can be explained through several mechanisms: (1) public companies have broader access to various financing sources, including seasoned equity offerings and corporate bonds, resulting in lower transaction costs for adjustment; (2) pressure from institutional investors and financial analysts drives management to achieve capital structures considered optimal by the market; and (3) information disclosure obligations increase transparency, thereby reducing information asymmetry between management and investors.

Implications of the Hot Market Phenomenon

The finding that hot market companies significantly reduce leverage has important implications for understanding corporate financing behavior during the IPO transition period. Companies that successfully exploit the window of opportunity during high valuation periods can raise substantial capital from initial share issuance, which can subsequently be used to reduce debt dependence or finance expansion without adding interest burden.

However, this phenomenon also contains potential risks. Excessive leverage reduction may result in under-leverage, where companies lose the tax shield benefits of debt. Additionally, excess funds from IPOs may drive inefficient expansion or high-risk investments if not managed carefully. The case study of PT GoTo Gojek Tokopedia Tbk identified by Nariswari (2025) shows that post-IPO firm value decline can occur if capital structure is not managed prudently.

Research on the hot market phenomenon in other emerging markets shows mixed results. Celik and Akarim (2013) on the Istanbul Stock Exchange found that market timing theory did not apply in Turkey for the 1999-2008 period, contrasting with this study's findings in Indonesia. This difference can be explained by differences in institutional characteristics and capital market liquidity levels across countries.

On the other hand, Wulandari and Sugiarti's (2023) study on IPO companies in Indonesia found that market timing effects tend to be stronger during periods of high market liquidity and low interest rates, such as occurred in 2020-2021. This finding is consistent with our results that hot market companies (2020-2021 period) in this study's sample experienced the most drastic leverage reductions.

CONCLUSION

This study analyzed the capital structure decisions of issuers before and after IPO on the Indonesia Stock Exchange during the 2018–2022 period. Based on the analysis of 74 companies with 444 observations, four main conclusions were drawn. First, there was a significant decrease in all capital structure proxies post-IPO, with DER declining from 1.874 to 1.562 ($p < 0.05$). Second, the speed of capital structure adjustment in the post-IPO period reached 0.487, which is higher than the pre-IPO period (0.312). Third, companies conducting IPOs in hot market conditions experienced more drastic leverage reductions ($\Delta = -0.778$) compared to those in cold market conditions ($\Delta = -0.089$). Fourth, determinant factors of capital structure include firm size (positive), profitability (negative), asset tangibility (positive), firm growth (negative), business risk (negative), and IPO market conditions (negative).

This study has several limitations. The three-year observation period may not be sufficient to capture the long-term effects of changes in capital structure. In addition, the study does not distinguish debt types in detail, which may limit a more nuanced understanding of financing decisions. The analysis also does not include corporate governance variables as control factors. Future research is therefore encouraged to extend the observation period, conduct a more detailed classification of debt types, and incorporate corporate governance variables along with industry characteristics to strengthen the explanatory power of the model.

The authors declare that there is no conflict of interest in this work.

REFERENCES

- An, Z., Li, D., & Yu, J. (2021). Foreign Institutional Ownership And The Speed Of Leverage Adjustment: International Evidence. *Journal of Corporate Finance*, 68, 101966. <https://doi.org/10.1016/j.jcorpfin.2021.101966>
- Artini, L. G. S., & Yuesti, A. (2020). The Effect Of Firm Size, Profitability, And Asset Structure On Capital Structure And Firm Value. *Jurnal Ekonomi dan Bisnis*, 23(2), 189-204. <https://doi.org/10.24914/jeb.v23i2.3124>
- Baker, M., & Wurgler, J. (2002). Market Timing And Capital Structure. *The Journal of Finance*, 57(1), 1-32. <https://doi.org/10.1111/1540-6261.00414>
- Byoun, S. (2008). How And When Do Firms Adjust Their Capital Structure Toward Target? *The Journal of Finance*, 63(6), 3069-3096. <https://doi.org/10.1111/j.1540-6261.2008.01421.x>
- Caixe, D. F., Pavan, P. C. P., Maganini, N. D., & Sheng, H. H. (2023). Foreign institutional ownership and firm value: Evidence of "Locust Foreign Capital" in Brazil. *Emerging Markets Finance and Trade*, 1-18. <https://doi.org/10.1080/1540496X.2023.2218967>
- Celik, S., & Akarim, Y. D. (2013). Does Market Timing Drive Capital Structure? Empirical Evidence From An Emerging Market. *International Journal of Economics and Financial Issues*, 3(1), 140-152.
- Chipeta, C. (2016). Post IPO dynamics of capital structure on the Johannesburg Stock Exchange. *South African Journal of Business Management*, 47(2), 1-11. <https://doi.org/10.4102/sajbm.v47i2.57>
- Dewi, N. K. S., & Wirajaya, I. G. A. (2022). Market Timing Theory Of Capital Structure Pada Perusahaan IPO Di Bursa Efek Indonesia. *E-Jurnal Akuntansi Universitas Udayana*, 32(5), 1245-1260. <https://doi.org/10.24843/EJA.2022.v32.i05.p10>
- Dhita, S., Achsani, N. A., Sembel, R., & Purwanto, S. (2018). Capital Structure Changes Prior And Post Initial Public Offering: Empirical Evidence From The Indonesia Stock Exchange. *International Journal of Engineering & Technology*, 7(3.25), 516-522.
- Faulkender, M., Flannery, M. J., Hankins, K. W., & Smith, J. M. (2012). Cash Flows And Leverage Adjustments. *Journal of Financial Economics*, 103(3), 632-646. <https://doi.org/10.1016/j.jfineco.2011.10.013>

- Flannery, M. J., & Rangan, K. P. (2006). Partial Adjustment Toward Target Capital Structures. *Journal of Financial Economics*, 79(3), 469-506. <https://doi.org/10.1016/j.jfineco.2005.03.004>
- Frank, M. Z., & Goyal, V. K. (2009). Capital Structure Decisions: Which Factors Are Reliably Important? *Financial Management*, 38(1), 1-37. <https://doi.org/10.1111/j.1755-053X.2009.01026.x>
- Hirvonen, M. (2002). *Capital structure and past attempts to time equity market: Evidence from the UK and France* [Master's thesis, Helsinki School of Economics]. Aaltodoc. <https://aaltodoc.aalto.fi/handle/123456789/56035>
- Huang, R., & Ritter, J. R. (2009). Testing Theories Of Capital Structure And Estimating The Speed Of Adjustment. *Journal of Financial and Quantitative Analysis*, 44(2), 237-271. <https://doi.org/10.1017/S0022109009090152>
- Karpates, A. A., & Viverita, V. (2022). Speed Of Adjustment And Leverage Deviation - Cost Of Equity Nexus: Evidence From Emerging Markets And Crisis. *Global Business and Finance Review*, 27(6), 1-15. <https://doi.org/10.17549/gbfr.2022.27.6.1>
- Mardiyati, U., & Susanto, H. (2021). Pengaruh Market Timing Terhadap Struktur Modal Pada Perusahaan IPO Di Indonesia. *Jurnal Riset Manajemen Sains Indonesia*, 12(1), 89-106. <https://doi.org/10.21009/JRMSI.012.1.06>
- Modigliani, F., & Miller, M. H. (1963). Corporate Income Taxes And The Cost Of Capital: A Correction. *The American Economic Review*, 53(3), 433-443.
- Modise, E. (2025, July 1). *A Turning Point For Ipos In Emerging Venture Markets*. MAGNiTT. <https://magnitt.com/news/a-turning-point-for-ipos-in-emerging-venture-markets-54002>
- Moghadam, M. H., Nourbakhsh, S. K., & Panahian, H. (2022). Regression Analysis Of Macroeconomic Conditions And Capital Structures Of Publicly Listed British Firms. *Mathematics*, 10(7), 1119. <https://doi.org/10.3390/math10071119>
- Mulyadi, M. (2026). Profit Quality And Capital Structure: Dynamic Panel Analysis On Manufacturing Companies On IDX. *Jurnal Ilmiah Akuntansi Kesatuan*, 14(1). <https://doi.org/10.37641/jiakes.v14i1.4816>
- Myers, S. C. (2001). Capital Structure. *Journal of Economic Perspectives*, 15(2), 81-102. <https://doi.org/10.1257/jep.15.2.81>
- Myers, S. C., & Majluf, N. S. (1984). Corporate Financing And Investment Decisions When Firms Have Information That Investors Do Not Have. *Journal of Financial Economics*, 13(2), 187-221. [https://doi.org/10.1016/0304-405X\(84\)90023-0](https://doi.org/10.1016/0304-405X(84)90023-0)
- Nariswari, A. (2025). *Peran leverage dalam memoderasi pengaruh kepemilikan institusional dan kebijakan dividen terhadap nilai perusahaan* [Master's thesis, Universitas Negeri Jakarta]. Repository FE UNJ. <http://repository.fe.unj.ac.id/12728/>
- Nivorozhkin, E., & Kireu, E. (2020). Analysis Of Determinants Of The Speed Of Adjustment To Target Capital Structure Of Companies In Developing Economies. *National Research University Higher School of Economics Research Paper Series*. <https://doi.org/10.2139/ssrn.3542789>
- Putra, A. A., & Sari, R. M. (2021). Pengaruh Struktur Modal Terhadap Kinerja Keuangan Perusahaan Startup Digital. *Jurnal Manajemen dan Kewirausahaan*, 12(2), 143-155.
- Rahayu, S. M., & Sari, R. (2023). Kecepatan Penyesuaian Struktur Modal Pada Perusahaan Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Akuntansi Multiparadigma*, 14(1), 112-128. <https://doi.org/10.21776/ub.jamal.2023.14.1.09>
- Sucipto, A., & Miftahuddin, M. (2022). Pengaruh market timing terhadap struktur modal perusahaan yang melakukan IPO di Bursa Efek Indonesia. *Jurnal Siasat Bisnis*, 26(1), 67-82. <https://doi.org/10.20885/jsb.vol26.iss1.art5>
- Vo, T., & Pham, H. (2022). The Impact Of COVID-19 Economic Crisis On The Speed Of Adjustment Toward Target Leverage Ratio: An International Analysis. *Finance Research Letters*, 45, 102157. <https://doi.org/10.1016/j.frl.2021.102157>

-
- Wicaksana, H. H., & Yayandi, M. (2025). The Impact Of Capital Structure On Business Scale Acceleration In Digital Entrepreneurial Companies: A Comparative Study Of Pre And Post-IPO at the Indonesia Stock Exchange (IDX). *Proceeding International Conference on Islamic Community Studies, Education and Science*.
- Wulandari, D., & Sugiarti, E. (2023). Dynamic Capital Structure Adjustment Pada Perusahaan IPO di Indonesia. *Jurnal Keuangan dan Perbankan*, 27(2), 245-260. <https://doi.org/10.26905/jkdp.v27i2.8923>
- Yanti, N. L. D., & Mustanda, I. K. (2020). Pengaruh Profitabilitas, Likuiditas, Dan Struktur Aset Terhadap Struktur Modal. *E-Jurnal Manajemen Universitas Udayana*, 9(7), 2675-2695. <https://doi.org/10.24843/EJMUNUD.2020.v09.i07.p12>