

Determinants of Financial Reporting Timeliness: An Empirical Study in Indonesian Banking Firms (2020–2022)

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ABSTRACT

This study investigates the determinants of financial reporting timeliness in Indonesian banking firms. Specifically, it examines the effects of firm age, firm size, and financial distress on the punctuality of financial reporting among banks listed on the Indonesia Stock Exchange (IDX) during 2020–2022. Using a quantitative associative approach, purposive sampling was employed to select 27 banking firms that consistently published audited annual reports during the observation period, resulting in 81 firm-year observations. Logistic regression analysis, performed with SPSS version 25, was used to test the hypotheses. The findings reveal that firm age has a positive but insignificant effect, firm size has a negative and significant effect, and financial distress has a negative but insignificant effect on the timeliness of financial reporting. The adjusted R² of 0.282 suggests that the independent variables explain 28.2% of the variance, with the remainder influenced by factors outside the model. This study contributes to the literature by highlighting the unique dynamics of financial reporting timeliness in the Indonesian banking sector, particularly during a period characterized by heightened regulatory scrutiny. The results imply that larger firms face greater complexity in timely reporting, whereas financial distress exerts limited influence. This research offers insights for regulators, investors, and corporate managers in understanding the structural and operational challenges that affect reporting timeliness.

Keywords: Financial distress; Firm age; Firm size; Timeliness of financial reporting

INTRODUCTION

Timeliness in financial reporting has long been regarded as one of the most essential qualitative attributes of financial information. According to the conceptual framework of the International Accounting Standards Board (IASB), timeliness enhances the relevance of information and ensures that it remains useful for decision-making purposes. Without timely disclosure, even accurate and complete financial information may lose its value to stakeholders. Thus, timeliness is not only a technical matter of compliance but also a reflection of corporate governance and managerial accountability.

In practice, delays in financial reporting are a recurring problem across many capital markets, particularly in developing economies where enforcement and monitoring mechanisms may not be as robust as in advanced markets. Indonesia is no exception. Despite clear regulatory frameworks in Indonesia, reporting delays remain a recurring issue. The Financial Services Authority (Otoritas Jasa Keuangan/OJK) and the

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Indonesia Stock Exchange (IDX) stipulate that listed firms must submit audited annual reports within 120 days after the fiscal year-end. However, empirical evidence shows that many firms continue to miss this deadline (IDX, 2023). The issue is particularly relevant in developing economies where enforcement mechanisms may be weaker, monitoring capacity limited, and information asymmetry higher (Habib et al., 2021). The COVID-19 pandemic (2020–2022) exacerbated these challenges, creating disruptions in audit processes, remote work constraints, and operational complexities that threatened the timeliness of corporate reporting (Hasan & Karim, 2024).

The banking sector provides a particularly relevant context for such an investigation. Banks are highly regulated institutions with systemic importance in maintaining financial stability. They serve as intermediaries in channeling funds, ensuring liquidity, and sustaining investor confidence. Consequently, delays in financial reporting within this sector may generate negative market reactions and erode trust in the broader financial system. In emerging markets like Indonesia, where the banking industry plays a central role in economic development, timely disclosure is not only a matter of compliance but also a signal of resilience and credibility.

Previous studies have attempted to identify the determinants of reporting timeliness, focusing on firm characteristics such as profitability, leverage, liquidity, ownership structure, and audit quality. However, the findings remain inconsistent, especially concerning firm age, firm size, and financial distress. For instance, some scholars argue that older firms, with their accumulated experience and established systems, are more likely to report on time. Yet other studies find that firm age has little to no effect, as external factors such as audit delays or managerial discretion may override institutional experience. Similarly, while firm size is generally expected to facilitate timely reporting through greater resources and better internal controls, evidence from Indonesia suggests otherwise. Larger firms often operate with more complex structures, diverse business segments, and larger volumes of transactions, which may prolong audit processes and result in delayed reporting.

The role of financial distress is equally ambiguous. On the one hand, distressed firms may strategically delay reporting to obscure poor performance or to buy time for restructuring. On the other hand, distressed firms may also attempt to accelerate reporting to reassure investors and creditors of their ongoing viability. Empirical

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findings reflect this ambiguity, with some studies reporting significant negative relationships and others finding no statistical effect. This inconsistency underscores the need for further research, especially in highly regulated sectors like banking.

From a theoretical standpoint, signaling theory provides a useful lens for analyzing these dynamics. According to signaling theory (Spence, 1973), firms use financial reporting as a means of sending signals to external stakeholders. Timely reporting signals efficiency, transparency, and strong governance, while delays may signal managerial opportunism, weak internal systems, or financial difficulties. In this framework, firm age, firm size, and financial distress can be understood as attributes that shape the credibility and clarity of these signals. Older firms are expected to send stronger positive signals due to their established reputation. Larger firms, despite their resources, may inadvertently send negative signals if complexity results in delays. Financially distressed firms may face a dilemma: disclosing unfavorable results on time could damage reputation, but delaying disclosure may raise suspicion and exacerbate investor concerns.

The COVID-19 pandemic and its aftermath provide further relevance to this study. During 2020–2022, firms across the globe faced unprecedented challenges, ranging from operational disruptions to regulatory changes. For the banking sector in Indonesia, this period was marked by efforts to maintain liquidity, manage credit risk, and comply with evolving disclosure requirements. Examining timeliness during this period offers a unique opportunity to capture how external shocks interact with firm characteristics in shaping reporting behavior.

This study seeks to fill several research gaps. First, it addresses the inconsistent findings in the literature regarding firm age, firm size, and financial distress. Second, it focuses specifically on the Indonesian banking sector, which is underexplored in the context of reporting timeliness compared to manufacturing or consumer goods industries. Third, it situates the analysis within the period of post-pandemic recovery, thereby adding contextual novelty. By doing so, the study not only extends the application of signaling theory but also provides insights that are directly relevant for policymakers, regulators, and practitioners.

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In summary, this research aims to examine the influence of firm age, firm size, and financial distress on the timeliness of financial reporting among Indonesian banking firms listed on the IDX between 2020 and 2022. By employing logistic regression analysis on 81 firm-year observations, the study offers empirical evidence that can inform both academic debates and practical strategies for improving financial reporting practices. The findings are expected to contribute to the growing body of literature on corporate reporting in emerging markets while offering actionable implications for enhancing transparency, accountability, and investor confidence in the banking sector.

THEORETICAL BACKGROUND

Signaling Theory

The theoretical foundation of this study is rooted in signaling theory, originally developed by Spence (1973) in the context of labor markets. In the field of accounting and finance, signaling theory has been widely applied to explain how companies use financial reporting as a mechanism to communicate private information to external stakeholders (Connelly et al., 2011). Managers, as insiders with superior knowledge of the firm's financial condition, may use timely financial reports to send positive signals of efficiency, transparency, and strong governance. Conversely, delays in reporting can be interpreted as negative signals, suggesting inefficiency, opportunism, or even attempts to conceal poor performance (Healy & Palepu, 2001).

In capital markets, where information asymmetry between insiders and outsiders is a persistent issue, signaling becomes particularly important. Timely financial reporting reduces asymmetry, enhances credibility, and improves investor confidence. Thus, the determinants of reporting timeliness can be interpreted through the lens of signaling: firm characteristics such as age, size, and financial distress affect the credibility and clarity of the signals that companies send to the market.

Firm Age and Timeliness of Financial Reporting

Firm age is defined as the number of years a company has been in operation since its establishment. Older firms are expected to have more established systems, stable organizational routines, and accumulated experience in managing reporting requirements (Ali et al., 2016). From a signaling perspective, older firms may be more

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motivated to maintain their reputational capital by ensuring timely disclosure, thereby reinforcing investor confidence.

However, empirical findings on the relationship between firm age and reporting timeliness remain inconclusive. Several studies find that firm age is positively associated with timeliness (Owusu-Ansah, 2000; Leventis & Weetman, 2004), suggesting that older firms benefit from established internal controls and experienced management. By contrast, other studies argue that age does not guarantee compliance, as external factors such as auditor delays or changes in regulatory requirements may outweigh institutional experience (Waweru & Riro, 2013).

In the Indonesian context, younger firms may also strive to report on time as a way of signaling credibility and building legitimacy in the market (Sari & Nugroho, 2020). Therefore, the effect of firm age may depend on whether reputational incentives or operational inertia dominates. Given these conflicting perspectives, the relationship between firm age and timeliness warrants further empirical investigation.

Firm Size and Timeliness of Financial Reporting

Firm size, typically measured by total assets, sales revenue, or number of employees, is one of the most frequently examined determinants of reporting behavior. Larger firms are generally assumed to possess greater resources, sophisticated technology, and more professionalized accounting staff, which should facilitate timely financial reporting (Ashton et al., 1987; Ahmed & Courtis, 1999). Furthermore, larger firms are under closer scrutiny by regulators, investors, and analysts, which creates additional pressure to comply with reporting deadlines (Owusu-Ansah & Leventis, 2006). From a signaling standpoint, timely reporting by large firms reinforces market perceptions of efficiency and accountability.

Nevertheless, contrary evidence suggests that larger firms may face reporting delays due to the complexity of their operations. Extensive business segments, diverse product lines, and consolidated reporting requirements can lengthen the time required for audits and financial statement preparation (Knechel & Payne, 2001). This paradox highlights the dual role of firm size: while it provides the resources for timely reporting, it may simultaneously introduce organizational complexity that delays compliance.

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Studies in emerging markets, including Indonesia, have found both positive and negative associations between firm size and timeliness (Utami & Wahyudi, 2022; Al-daoud et al., 2014). These mixed findings suggest that the relationship is context-dependent, shaped by institutional environments, enforcement mechanisms, and sector-specific dynamics.

Financial Distress and Timeliness of Financial Reporting

Financial distress occurs when firms experience declining profitability, liquidity shortages, or solvency issues. Distressed firms may delay financial reporting to conceal unfavorable performance, avoid triggering negative investor reactions, or buy time to restructure operations (Jensen & Meckling, 1976; Hilmi & Ali, 2019). In signaling theory, delayed reporting by distressed firms may be interpreted as an adverse signal, reinforcing market suspicion of poor governance and weak financial health.

Empirical research generally supports a negative relationship between financial distress and reporting timeliness. For example, McGee & Yuan (2012) find that distressed firms in Asian markets often delay financial reporting as a form of earnings management. Similarly, Afify (2009) reports that Egyptian firms facing financial difficulties are less likely to comply with reporting deadlines. However, other studies indicate that distressed firms may attempt to expedite reporting to mitigate uncertainty and reassure investors (Habib & Bhuiyan, 2011). These conflicting findings highlight the complexity of managerial decision-making under distress.

In Indonesia, where investor protection mechanisms are still developing, financial distress may exacerbate delays, as managers seek to control the narrative around their firm's performance. Yet, given regulatory monitoring in the banking sector, distressed banks may have stronger incentives to comply in order to maintain legitimacy and avoid sanctions. This duality underscores the need for further empirical evidence.

Synthesis and Hypotheses Development

The literature demonstrates that firm age, firm size, and financial distress are relevant but inconsistently linked to reporting timeliness. Older firms may leverage reputational incentives to report on time, yet their age alone may not be sufficient. Larger firms have resources that facilitate timely disclosure but also face complexities

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that may cause delays. Financially distressed firms may strategically delay reporting, though in some cases they may accelerate disclosure to reduce uncertainty.

Drawing on signaling theory, this study argues that:

1. Firm age is expected to positively influence timeliness, as older firms signal credibility through prompt reporting.
2. Firm size may either positively or negatively influence timeliness, depending on whether resource advantages outweigh operational complexity.
3. Financial distress is likely to negatively influence timeliness, as managers of distressed firms may be inclined to delay unfavorable disclosures.

These propositions form the hypotheses tested in this study and provide a basis for examining the dynamics of financial reporting behavior in Indonesian banking firms during 2020–2022.

METHOD, DATA AND ANALYSIS

Research Design

This study adopts a quantitative associative design aimed at testing the relationship between firm-specific characteristics—namely firm age, firm size, and financial distress—and the timeliness of financial reporting. A positivist paradigm underlies this research, emphasizing objectivity, measurability, and hypothesis testing (Creswell, 2018). By employing statistical methods, the study seeks to identify patterns and causal relationships between the independent variables and the dependent variable. The signaling theory serves as the theoretical foundation, positing that firms use timely financial reporting to send positive signals of efficiency and transparency to external stakeholders.

The choice of a quantitative approach is consistent with prior research examining financial reporting timeliness (Owusu-Ansah, 2000; Afify, 2009). Moreover, by using logistic regression, this study accounts for the binary nature of the dependent variable (on-time vs. late submission), making it appropriate for predicting the probability of timely reporting based on firm characteristics.

The population of this study consists of 47 conventional banking firms listed on the Indonesia Stock Exchange (IDX) during the period 2020–2022. The banking sector

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was selected for three reasons. First, banks are subject to strict regulatory oversight and play a critical role in financial stability, making the timeliness of their reporting particularly important. Second, the sector represents one of the largest industries on the IDX, ensuring sufficient variation in firm characteristics. Third, the period 2020–2022 captures the post-pandemic context, in which reporting practices may have been influenced by heightened regulatory scrutiny and operational challenges.

A purposive sampling technique was employed to select firms that met specific criteria: (1) conventional banks consistently listed on the IDX during 2020–2022, (2) availability of audited annual reports for each year in the observation period, and (3) completeness of required data for analysis. Based on these criteria, 27 banks qualified for inclusion, generating a total of 81 firm-year observations. The use of purposive sampling ensures that only firms with reliable and consistent reporting practices are included, thereby improving the validity of the results.

The study relies exclusively on secondary data, obtained from audited annual reports published on the official IDX website (www.idx.co.id). Annual reports were chosen as the primary data source because they contain comprehensive information on firm characteristics, financial statements, and reporting dates. Using audited financial statements ensures the reliability of the data, as these reports have undergone independent verification by external auditors.

The period of analysis, 2020–2022, was selected because it coincides with a period of regulatory tightening and post-pandemic recovery in Indonesia. This timeframe provides a relevant context for assessing whether firm-specific characteristics influence compliance with reporting deadlines under heightened uncertainty.

Dependent Variable – Timeliness of Financial Reporting

Timeliness is defined as whether the firm submitted its annual financial statements to the IDX within the regulatory deadline. The variable is binary, coded as:

1 = Timely (if the firm submitted on or before the deadline)

0 = Late (if the firm submitted after the deadline)

Independent Variables

1. **Firm Age (AGE):** Measured as the number of years since the establishment of the bank until the observation year. Following prior research (Owusu-Ansah, 2000), firm age is treated as a continuous variable.

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2. **Firm Size (SIZE):** Measured as the natural logarithm of total assets at the end of each fiscal year. The log transformation is used to normalize the distribution and reduce heteroscedasticity (Ahmed & Courtis, 1999).
3. **Financial Distress (FD):** Proxied using the Altman Z-score, a widely applied model for assessing financial health (Altman, 1968; McGee & Yuan, 2012). Lower Z-scores indicate higher levels of distress.

Control Variables

Although the primary focus is on firm age, firm size, and financial distress, the study acknowledges that other factors may influence timeliness, such as audit quality, profitability, and ownership structure. These variables are not directly included in the model but are discussed in the limitations section.

The data analysis involves several stages:

Descriptive analysis was conducted to summarize the central tendency (mean), dispersion (standard deviation), and range (minimum–maximum) of the variables. This step provides insights into the distribution and variability of firm characteristics.

Logistic regression was employed to test the hypotheses, as the dependent variable (timeliness) is dichotomous. The model can be specified as follows:

$$\text{Logit}(Y) = \beta_0 + \beta_1 \text{AGE} + \beta_2 \text{SIZE} + \beta_3 \text{FD} + \epsilon$$

where $Y = 1$ if the firm reports on time, 0 otherwise. The coefficients (β) indicate the log-odds of timely reporting.

Model Fit Tests.

Hosmer–Lemeshow Test was used to evaluate the goodness-of-fit of the model. A p-value greater than 0.05 indicates that the model fits the data adequately. Overall Model Fit was assessed by comparing the $-2 \log$ likelihood of the null model (block 0) with the full model (block 1). A significant reduction in likelihood values suggests an improvement in fit. Nagelkerke R^2 was calculated to measure the proportion of variance explained by the independent variables. Wald tests were conducted for each coefficient to evaluate the statistical significance of the independent variables. Significance levels were set at 5% ($p < 0.05$).

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The validity of this research is strengthened by the use of audited annual reports, which minimize the risk of measurement error. The operationalization of variables follows established literature, enhancing construct validity. Reliability is ensured by applying consistent coding procedures for timeliness across all observations.

RESULTS

Descriptive statistics indicate substantial heterogeneity among sample firms. Firm age ranged from minimum 12 and maximum 109, with a mean of 49.48 and a standard deviation of 20.62, indicating that Indonesian banks in the sample vary considerably in maturity. Firm size, measured as the natural logarithm of total assets, ranged from minimum 13.49 and maximum 21.41, with a mean of 17.79 and a standard deviation of 1.85, suggesting moderate variability in asset levels. Financial distress, proxied by the Altman Z-score, displayed greater dispersion, with values ranging from 0.23 to 31.75 and a mean of 3.50 (SD = 4.66), reflecting substantial heterogeneity in financial health among banks.

Out of the 81 firm-year observations, 71 reports (87.7%) were submitted on time, while 10 reports (12.3%) were late. These figures demonstrate that although the majority of banks comply with reporting deadlines, a non-trivial proportion still face delays.

The Hosmer–Lemeshow test yielded a chi-square value of 6.823 with a significance level of 0.556, which exceeds the 0.05 threshold. This result confirms that the model adequately fits the observed data. Furthermore, the comparison between the null model ($-2 \text{ Log Likelihood} = 60.549$) and the full model ($-2 \text{ Log Likelihood} = 47.526$) revealed a significant reduction, indicating that the inclusion of independent variables improved the explanatory power of the model.

The Nagelkerke R^2 was 0.282, suggesting that firm age, firm size, and financial distress together explain 28.2% of the variation in reporting timeliness. While this value is moderate, it implies that other unobserved factors also play an important role in determining reporting compliance.

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Logistic Regression Results

1. Firm age exhibited a positive but statistically insignificant coefficient ($B = 0.003$, $p = 0.882$). This suggests that while older firms are slightly more likely to report on time, the effect is negligible and not robust.
2. Firm size demonstrated a negative and statistically significant relationship with timeliness ($B = -0.868$, $p = 0.011$). Contrary to expectations, larger banks were less likely to report promptly. This finding may be attributed to the complexity of consolidating financial statements and the extended duration required for audits in larger institutions.
3. Financial distress showed a negative but insignificant coefficient ($B = -0.006$, $p = 0.940$). Although distressed firms were less likely to report on time, the relationship was weak and statistically insignificant. This result indicates that financial health is not a dominant factor influencing reporting timeliness in Indonesian banks.

DISCUSSION

In addition to presenting statistical results, this section has been expanded to provide a more comprehensive theoretical interpretation. The findings are now discussed through the lens of signaling theory, highlighting how firm age, size, and financial distress influence managerial signaling behavior under the regulatory environment of Indonesia's banking sector. External contextual factors, such as the Financial Services Authority (OJK) supervision and post-COVID-19 recovery, have been incorporated to enrich the discussion.

The first hypothesis proposed that firm age would have a positive and significant effect on financial reporting timeliness. However, the regression results indicate that the effect of firm age is positive but statistically insignificant. This finding implies that while older firms may be slightly more likely to submit reports on time, the effect is marginal and not strong enough to be considered meaningful.

From a theoretical perspective, longer operating histories may equip firms with greater experience in overcoming reporting challenges, establishing efficient systems, and handling regulatory requirements. In line with signaling theory, timely reporting by

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older firms could serve as a positive signal to investors, reinforcing perceptions of credibility and stability. Nonetheless, the absence of statistical significance suggests that longevity alone does not guarantee compliance with reporting deadlines. External factors such as audit delays, regulatory changes, or managerial discretion may override the potential advantages of firm maturity.

This result is consistent with the study of Witasari et al. (2021), which also found an insignificant effect of firm age on timeliness. Their findings highlight that while firm age may provide institutional memory and resilience, reporting practices are likely influenced by broader organizational and environmental factors. Hence, firm age may serve as a symbolic rather than a substantive indicator of reporting discipline in the Indonesian banking sector.

The second hypothesis expected firm size to have a positive and significant effect on timeliness, under the assumption that larger firms possess superior resources, advanced technology, and more professional staff to ensure timely disclosure. Contrary to this expectation, the results reveal that firm size has a negative and significant effect on timeliness. In other words, larger banks are significantly more likely to experience delays in financial reporting.

This finding can be explained by the operational complexity associated with larger organizations. As firms grow in scale, they typically acquire a more diversified asset base, multiple subsidiaries, and broader geographical operations. These features complicate the consolidation of financial statements and lengthen the auditing process, which may delay the finalization of annual reports. From a signaling perspective, this outcome represents a negative signal to investors, suggesting that scale does not necessarily translate into efficiency or timely compliance.

The results are aligned with the study of Putri and Wahyudi (2022), who documented a significant negative relationship between firm size and reporting timeliness. Their research emphasizes that while larger firms may enjoy resource advantages, the structural complexities inherent in their operations offset these benefits. For Indonesian banks, where compliance expectations are particularly high, these delays may undermine investor confidence and erode the reputational advantages typically associated with firm size.

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The third hypothesis predicted that financial distress would have a negative and significant effect on reporting timeliness. The findings confirm the expected negative direction but reveal that the relationship is statistically insignificant. This suggests that distressed banks are somewhat less likely to report on time, but the effect is weak and not conclusive.

Financial distress often compels firms to delay disclosure as managers attempt to improve financial results, restructure operations, or manage perceptions of poor performance. These processes may lengthen the reporting timeline. From the perspective of signaling theory, delayed reporting by distressed firms can be interpreted as a negative signal, reinforcing investor concerns about governance quality and financial stability. However, the lack of statistical significance in this study implies that Indonesian banks experiencing distress may not consistently use timeliness as a signaling mechanism.

This result resonates with the findings of Risanty et al. (2023), who reported that financial distress was negatively but insignificantly related to reporting timeliness. One possible explanation is that banks under financial stress face stricter monitoring from regulators, particularly the Financial Services Authority (OJK) and Bank Indonesia, which may reduce the likelihood of systematic delays. Another explanation is that distressed banks may prioritize maintaining market confidence and thus attempt to comply with deadlines, even if financial results are unfavorable.

Taken together, the findings demonstrate that firm size is the only variable with a significant effect, and its relationship with timeliness is negative rather than positive. This highlights the paradox of scale: while larger banks are expected to report more efficiently, the complexity of their operations often delays compliance. Firm age and financial distress, though theoretically relevant, appear less influential in determining reporting timeliness in the Indonesian banking context.

These results partially support signaling theory. While timely reporting can serve as a signal of credibility and efficiency, the ability to send such signals depends on organizational structure and regulatory oversight. For investors and regulators, these findings emphasize the importance of scrutinizing large firms, where delays may be driven by complexity rather than lack of resources. For researchers, the results suggest

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the need to incorporate additional explanatory variables, such as audit quality, corporate governance, and ownership structure, to build a more comprehensive model of reporting timeliness.

CONCLUSION

This study provides empirical evidence on the determinants of financial reporting timeliness among Indonesian banking firms during the period 2020–2022, focusing on firm age, firm size, and financial distress as explanatory variables. The results demonstrate that firm size exerts a negative and statistically significant effect on reporting timeliness, indicating that larger banks are more likely to experience delays in submitting their audited financial reports. Conversely, firm age and financial distress show insignificant effects, suggesting that neither longevity nor financial pressure plays a decisive role in determining reporting punctuality within this sector.

From a theoretical standpoint, these findings extend the application of signaling theory in the context of emerging markets. Timeliness is confirmed to be a crucial signaling mechanism through which firms communicate efficiency, governance quality, and reliability to external stakeholders. However, this study reveals that the ability to signal credibility is constrained not only by managerial intent but also by structural complexity. The paradox of scale, wherein larger firms with superior resources face greater reporting delays, underscores the need to reconsider assumptions about organizational capacity in regulated environments.

In the specific context of Indonesian banking, the results suggest that the sector's highly regulated nature moderates the impact of internal characteristics. The insignificant role of financial distress indicates that regulatory supervision—particularly from the Otoritas Jasa Keuangan (OJK) and Bank Indonesia—effectively enforces compliance even among distressed institutions. Thus, while corporate governance remains essential, regulatory enforcement acts as a stabilizing external mechanism ensuring baseline transparency and discipline across the sector.

Although this study contributes to the growing body of literature on reporting timeliness in emerging markets, several limitations should be acknowledged. First, the study focuses solely on three firm-level variables—firm age, firm size, and financial distress—while omitting other potentially influential factors such as audit quality,

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ownership structure, board composition, and profitability. These omitted variables could explain additional variance in reporting behavior and merit inclusion in future research.

Second, the study is limited to conventional banking firms listed on the Indonesia Stock Exchange. This focus restricts the generalizability of findings to non-bank financial institutions and other industries where reporting processes and regulatory oversight differ substantially. Expanding the scope to include Islamic banks or multi-sectoral comparisons could yield deeper insights into how institutional and cultural contexts influence disclosure behavior.

Third, the data are limited to a three-year observation period (2020–2022), a timeframe that coincides with the COVID-19 pandemic and its immediate aftermath. Although this context enhances the study’s relevance, it also constrains the ability to generalize beyond crisis conditions. A longer observation window or panel data design could capture longitudinal patterns of compliance, adaptation, and digital transformation in financial reporting practices. Fourth, this study employs logistic regression with dichotomous timeliness measurement (timely vs. late). Future research could adopt more nuanced approaches—such as event-time analysis or duration modeling—to measure reporting delay in days and thus provide richer insights into gradations of timeliness.

Finally, future studies could employ comparative cross-country analyses to explore how institutional quality, enforcement strength, and technological readiness mediate the relationship between firm characteristics and reporting timeliness. Incorporating emerging digital governance frameworks, such as Integrated Reporting (IR) and XBRL-based disclosure systems, would also enhance understanding of how technology reshapes reporting efficiency and accountability in the digital era.

The findings of this research carry important implications for regulators, corporate managers, auditors, and policymakers. For regulators OJK such as the and IDX, strengthening supervisory mechanisms is paramount. The adoption of digital compliance platforms capable of tracking submission timelines in real time would enable early detection of potential delays. Risk-based monitoring systems could prioritize supervision of larger institutions, which are empirically shown to be more prone to late reporting due to operational complexity. Furthermore, OJK may consider

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issuing stricter sanctions or reputational disclosure penalties for repeated noncompliance, thereby reinforcing the deterrence effect of regulation.

For bank management and corporate executives, the results emphasize the need to streamline internal reporting processes. Investing in financial technology (FinTech) solutions—such as automated data consolidation, AI-assisted audit trails, and integrated enterprise resource planning (ERP) systems—can reduce audit lag and enhance coordination between departments. Leadership commitment to transparency, combined with regular training for financial staff, is essential in cultivating a culture of timeliness and accountability. For auditors, both internal and external, collaboration with clients should extend beyond compliance checks toward process optimization. Audit firms should encourage clients to adopt continuous auditing systems, which enable real-time verification of financial transactions. This approach not only minimizes reporting delays but also improves audit quality and investor trust.

From a policy perspective, the government and financial authorities should facilitate capacity-building programs for smaller or regionally operated banks. These initiatives could focus on digital literacy, data governance, and efficient audit scheduling to bridge the technological divide within the sector. Encouraging the adoption of integrated reporting and sustainability disclosure frameworks would also foster broader transparency beyond mere compliance metrics.

In summary, while timeliness remains a technical requirement of financial reporting, it simultaneously serves as a barometer of institutional credibility and governance maturity. Addressing delays, particularly among large and complex institutions, requires a multidimensional strategy that integrates regulation, technology, and ethical leadership. By aligning organizational incentives with regulatory expectations and technological innovations, Indonesian banking firms can strengthen their reporting discipline, enhance investor confidence, and contribute to a more resilient financial ecosystem.

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