

ABSTRACT

The Influence of Current Ratio, Return On Equity and Total Asset Turnover on Company Value with Capital Structure as an Intervening Variable In Manufacturing Companies in the Basic Industry and Chemical Sectors Listed on the Indonesian Stock Exchange 2017-2020

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Manufacturing companies listed on the Indonesia Stock Exchange in the basic and chemical industries will be the focus of this study, which aims to analyze the effect of capital structure as an intervening variable on firm value from 2017 to 2020 using metrics such as current ratio (CR) , return on equity (ROE), and total asset turnover (TATO). The population of interest in this research consists of all IDX-listed firms that regularly reported financial statements between 2017 and 2020. Through the use of a purposive sampling approach, a sample of 25 firms was collected. For this study, secondary sources of information were consulted. The data is analyzed using multiple linear regression. Capital structure is positively affected by ROE and TATO, while CR does not demonstrate any such effect, according to the research. CR has a negative influence on firm value, in contrast to ROE and TATO, which are beneficial. Additionally, capital structure and business value are unrelated. The first model's variables account for 21.5% of the total contribution, the second model's for 33.9%, and the remaining 66.1% for factors that are not included in the model, as shown by the Adjusted R-Square value. In both instances, factors not included in the model impact the residual %.

Keywords: Current Ratio, Return On Equity, Total Asset Turnover, Company Value, Capital Structure