



UNIVERSITAS BHAYANGKARA JAKARTA RAYA
FAKULTAS EKONOMI DAN BISNIS

Kampus I : Jl. Harsono RM No. 67 Ragunan Pasar Minggu, Jakarta Selatan
Kampus II : Jl. Raya Perjuangan, Bekasi Utara Telp : 021. 88955882
Website: www.ubharajaya.ac.id

SURAT KETERANGAN

Nomor: SKET/128/II/2025/FEB-UBJ

Yang bertandatangan dibawah ini :

Nama : Dr. Yayan Hendayana, S.E., M.M.
NIP : 2302590
Jabatan : Dekan Fakultas Ekonomi dan Bisnis

Dengan ini menerangkan bahwa nama :

Nama : Matdio Siahaan, S.E., M.M., C.PNNLP., C.LMA.
NIDN : 0413047002
Jabatan : Dosen Tetap Prodi Manajemen

Adalah benar sebagai Penulis pertama pada *International Journal of Economy, Education, and Entrepreneurship* dengan judul "*Determinants of Financial Performance and Their Implications for Company Values (Empirical Study of Automotive Sub-Sector and Registered Components on the Indonesia Stock Exchange 2019-2023)*" telah terbit pada Volume 4, Nomor 3, p-ISSN: 2798-0138, e-ISSN; 2798-012X, Desember 2024.

Demikian surat keterangan ini dibuat, agar dapat dipergunakan sebagaimana mestinya.

Jakarta, 03 Februari 2025

DEKAN FAKULTAS EKONOMI DAN BISNIS



Dr. Yayan Hendayana, S.E., M.M.
NIP: 2302590

Tembusan:

- Arsip.



DETERMINANTS OF FINANCIAL PERFORMANCE AND THEIR IMPLICATIONS FOR COMPANY VALUES (Empirical Study of Automotive Sub-Sector and Registered Components on the Indonesia Stock Exchange 2019-2023)

Matdio Siahaan^{1*}, Hari Gursida², Hendro Sasongko³

¹Bhayangkara University of Jakarta, Indonesia

^{2,3}Pakuan University of Bogor, Indonesia

Email: matdio.siahaan@dsn.ubharajaya.ac.id¹, hg.gursida@unpak.ac.id², hendroskg@gmail.com³

Abstract

The company aims to improve the welfare of shareholders by obtaining high company value as measured through various aspects including the company's stock price which can reflect the overall investor assessment of each equity owned in the Automotive and Component companies listed on the Indonesia Stock Exchange in 2019-2023. The data in this study are secondary data obtained through the company's annual financial reports which will be studied during the 2019-2023 period. This study aims to determine the effect of capital structure, company size, managerial ownership and institutional ownership on company value as proxied by price to book value (PBV). The sample selection method uses the purposive sampling method namely the selection of sample members based on certain criteria, with the number of companies sampled in this study as many as 12 companies, namely automotive and component sub-sector companies with an observation period of five years, so that the total observation data is 60. The research method used is a quantitative research method. The regression results show that for 2019-2023, Capital Structure (0.787), Managerial Ownership (-0.364) and Institutional Ownership (0.461) have a significant effect on Financial Performance (0.995) while Company Size (0.015) does not have a significant effect on company value.

Keywords: Corporate Value, Capital Structure, Firm Size, Managerial Ownership, Institutional Ownership, Financial Performance.

INTRODUCTION

In the current era of globalization, almost all countries pay great attention to the capital market because it has a strategic role in strengthening the economic resilience of a country. The capital market has an important role for a country's economy because the capital market itself has an important function, namely as a means of business funding or as a means for companies to obtain funds from investors. The capital market in general is a place where sellers and buyers meet to make transactions in order to obtain capital. The capital market can be defined as a market for trading securities that generally have a period of more than one year, such as stocks and bonds. Stocks are traded through capital market facilities in Indonesia known as the Stock Exchange. On the Indonesia Stock Exchange (IDX), there are many choices for investing, one of which is the various manufacturing industry sectors in the automotive and component sub-sectors. Automotive and component companies are one of the industry categories on the Indonesia Stock Exchange that have the opportunity to grow and develop. The automotive and component industry has quite amazing development, because the purchasing power of the Indonesian people for automotive is very high, this encourages automotive sub-sector companies listed on the Indonesia Stock Exchange to provide the best quality to attract many parties, one of which is investors.