



Analysis of Factors Affecting Company Value (Case Study on Consumers Good Company on Indonesia Stock Exchange)

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ABSTRACT: The purpose of this study was to analyze the influence of Current Ratio (CR), Debt to Equity Ratio (DER), Total Asset Turnover (TATO), Return On Equity (ROE) on firm value in Consumer Goods companies on the Indonesia Stock Exchange, partially or partially. Simultaneous period 2016 to 2020. The population of this study is consumer goods companies on the Indonesia Stock Exchange, while the sample is 9 (nine) companies with assets of more than ten trillion rupiah. Analysis using normality test, t test, F test, correlation and Significant effect on firm value in consumer companies. Goods on the Stock Exchange. Together or simultaneously, Current Ratio (CR), Debt to Equity Ratio (DER), Total Asset Turnover (TATO), Return On Equity (ROE) have a significant effect on firm value in Consumer Goods companies on the Indonesia Stock Exchange.

KEYWORDS: Current Ratio (CR), Debt to Equity Ratio (DER), Return On Equity (ROE) and Firm Value, Total Asset Turnover (TATO).

PRELIMINARY

There are several objectives of establishing a company including achieving maximum profit, prospering shareholders and maximizing company value which is reflected in the company's share price. The company's long-term goal is to increase the value of the company. According to Sartono (2010: 487), company value is the selling value of a company as an operating business. The existence of excess selling value over the liquidation value is the value of the management organization that runs the company. According to Sudana (2011: 23) there are several ratios related to the valuation of shares of companies that have gone public, namely: (a) Price Earning Ratio (PER), (b) Dividend Yield and (c) Market to Book Ratio/Price Book Value.

The company's PBV is an indicator seen by potential investors in determining which companies have high value and are good for investing. PBV has an important role for investors, namely; to determine which shares to buy, because PBV is the ratio of the company's share price to its book value. A high PBV indicates that the company's stock price is high and good for investment. The higher the PBV value, the better the value of the company, so that it can attract investors to invest in the company. PBV above 1 (one) indicates that the company is in good condition, meaning that the market value or share price is greater than the company's book value (Subramanyam and John, 2010: 47). On the other hand, a PBV below 1 (one) reflects an unfavorable company value, where the share price is lower than the book value, so that investors' motivation to invest in the company will decrease.

PBV shows the company's ability to create firm value relative to the amount of capital invested. PBV is the ratio of the stock price to the book value of the company which shows how much the value of the price per share is compared to the book value per share.

The consumer goods industry has an important and strategic role, not only in meeting the basic needs of the community, but also in increasing the added value of primary agricultural products and encouraging the growth of related industries.

Fluctuating firm value (PBV) can occur due to the influence of 4 (four) factors, namely (a) First Factor; which can affect the value of the company in this study is the Liquidity Ratio. Liquidity ratio is the company's ability to meet its short-term obligations by using its current assets. When a company is unable to pay its obligations, especially short-term debt (which has matured), it is caused by several factors, namely the company does not have funds at all or the company has funds, but at maturity the funds are not sufficient to pay the debt in cash.

The second factor; which can affect the value of the company in this study is the Solvency Ratio. Solvency ratio in this study is proxied to be DER (Debt to Equity Ratio) which is the ratio used to assess debt to equity. This ratio is sought by comparing between all debt, including current debt with all equity. (Kasmir, 2017: 157). The larger the DER, the smaller the profit that will be



distributed to shareholders, so that it can reduce the price of the shares concerned. The lower the DER level, the higher the probability that the company's value will be and the company will gain the trust of investors.

The third factor; which can affect the value of the company in this study is the Activity Ratio. Activity Ratio is the ratio used to measure the effectiveness of the company in using its assets. It can also be said that this ratio is used to measure the level of efficiency (effectiveness) of the utilization of company resources. From the results of this measurement, various things related to the company's activities will be known, so that management can measure their performance so far (Kasmir, 2017: 172).

In this study, the Liquidity Ratio is proxied by the Current Ratio (CR). Current Ratio is a ratio to measure the company's ability to pay short-term obligations or debts that are due immediately when billed in their entirety.

Companies that have a high level of liquidity will indicate the growth of a company tends to be high. The more liquid the company, the higher the level of creditor confidence in providing funds.

The fourth factor; which can affect the value of the company is Profitability. Profitability is a ratio to assess the company's ability to seek profit. This ratio provides a measure of the effectiveness of a company's management. This is indicated by the profit generated from sales and investment income (Kasmir, 2015: 196).

In this study, the Activity Ratio is proxied by Total Asset Turn Over (TATO). TATO is a ratio used to measure the turnover of all assets owned by the company and measure how much sales are obtained from each rupiah of assets.

Restricting the Problem

Limitations in this study include the analysis of the Financial Ratios of the Consumer Goods Industry which has issued Financial Statements for 5 years, is on the Main Listing Board and has total assets of more than Rp. 10,000,000,000,000,000 on the Indonesia Stock Exchange. The ratio used in this study is the ratio of the company's Liquidity, Solvency, Activity and Profitability.

Research Purposes

The objectives of this research are: To determine the effect of Liquidity Ratio, solvency ratio, activity ratio and profitability ratio on the value of the Consumer Goods company, either partially or jointly.

LITERATURE REVIEW

Investment

Investment is a commitment to a number of funds or other resources at this time, with the aim of obtaining a number of benefits in the future (Tandelilin 2010:2). An investor buys a number of shares today with the hope of profiting from an increase in stock prices or a number of dividends in the future. Meanwhile, according to Salim (2010:1) investment is actually a way or strategy to rotate the excess funds that we have in order to generate larger funds, whether with our intervention or not.

Share

According to Salim (2010: 5) shares are in the form of a statement of capital in a company. When we own shares of a company, we can say we own the company at a certain percentage according to the number of shares we have. In general, companies that sell their shares to the public are companies that have been around for a certain period of time and earn profits from time to time.

According to Tandelilin (2010: 31) securities traded in the Indonesian equity market are shares, both ordinary shares and preferred shares as well as evidence of rights and warrants. Among these four equity securities, common stock is the most important and most well-known security by the Indonesian people.

According to Sudana (2011: 87) shares are an alternative source of long-term funds for a company. Companies that need long-term funds in the form of equity can obtain them through the issuance of shares, both those sold through private palaces and initial public offerings (IPOs).

Financial Ratio

According to (Hery 2016:138) financial ratios are a ratio calculation using financial statements that serve as a measuring tool in assessing the financial condition and performance of the company. Financial ratios are numbers obtained from the comparison between one financial statement item and another item that has a relevant and significant relationship. Comparisons can be made between one item and another in one financial statement or between items that exist between financial statements.



Kasmir (2017:104) states, "Financial ratios are activities to compare the numbers in the financial statements by dividing one number by another." Comparisons can be made between one component with components in one financial report or between components that exist between financial statements. Then the numbers being compared can be in the form of numbers in one period or several periods.

According to Munawir (2010:64) the ratio describes a relationship between a certain amount and another amount and by using an analytical tool in the form of this ratio will be able to explain or give an overview to the analyst about the good or bad condition or financial position of a company, especially if the ratio number is compared with the comparison ratio figures used as standards.

Liquidity Ratio

According to Kasmir (2017:129) the liquidity ratio (liquidity ratio) serves to show or measure the ability of a company to fulfill obligations that are due, both obligations to parties outside the company (business entity liquidity) and within the company (company liquidity).

According to Weston (in Kasmir, 2017:129) the liquidity ratio is a ratio that describes the company's ability to meet short-term obligations (debt). That is, if the company is billed, the company will be able to meet the debt, especially debt that is due.

According to O.Gill (in Kasmir 2017:131) the liquidity ratio measures the amount of cash or the amount of investment that can be converted or converted into cash to pay expenses, bills, and all other obligations that are due.

According to Munawir (2010:116) the liquidity ratio measures the company's ability to meet its short-term obligations. This ratio is important because failure to pay obligations can lead to company bankruptcy. This ratio measures the short-term liquidity ability of the company by looking at the company's current assets relative to its current liabilities (debt referred to here is the company's liability).

Solvency Ratio

According to Kasmir (2017:151) the solvency ratio or leverage ratio is the ratio used to measure the extent to which the company's assets are financed with debt. This means how much debt burden is borne by the company compared to its assets. In a broad sense it is said that the solvency ratio is used to measure the company's ability to pay all its obligations, both short-term and long-term if the company is dissolved (liquidated).

According to Munawir (2010:174) the solvency ratio is a picture of a company's ability to fulfill and maintain its ability to always be able to fulfill its obligations in paying debts on time.

Activity Ratio

According to Kasmir (2017:172) the activity ratio is a ratio used to measure the effectiveness of the company in using its assets. Or it can also be said that this ratio is used to measure the level of efficiency (effectiveness) of the utilization of company resources.

According to Fahmi (2017:132) the activity ratio is a ratio that describes the extent to which a company uses its resources to support company activities, where the use of this activity is carried out to the maximum with the aim of obtaining maximum results.

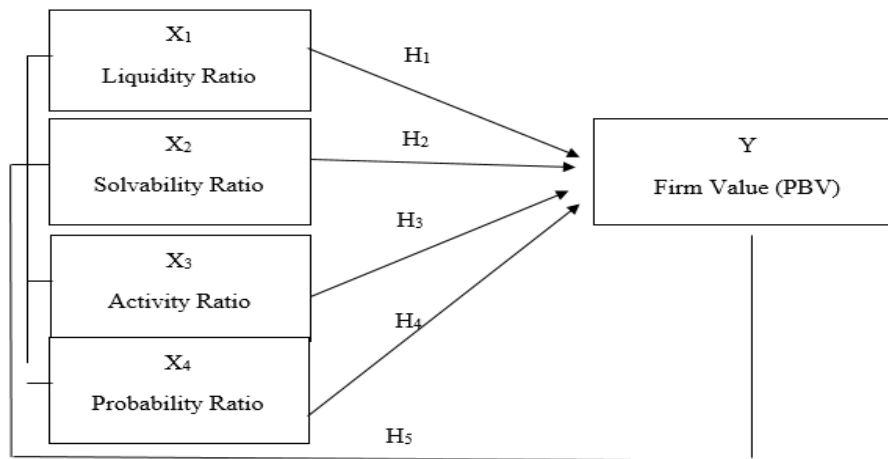
Profitability Ratio

According to Fahmi (2017:135) this ratio measures the effectiveness of overall management which is indicated by the size of the level of profit obtained in relation to sales and investment. The better the profitability ratio, the better the ability to describe the company's high profitability.

Meanwhile, according to Kasmir (2017: 196) the profitability ratio is a ratio to assess the company's ability to seek profit.

The purpose of using financial ratios, among others; (a) Measuring the profit earned by the company in a certain period; (b) Assess the company's profit position in the previous year with the current year; (c) Assessing profit development over time; (d) Assess the amount of net profit after tax with own capital; (e) Measuring the productivity of all company funds used, both loan capital and own capital; and (f) Measuring the productivity of all company funds that are used both for own capital.

Research Model



Research Hypothesis

Based on the results of previous studies, theoretical studies and frameworks of thinking that have been stated above, the research hypotheses are as follows:

- H1 : There is a significant effect between the Liquidity Ratio on Firm Value (PBV).
- H2 : There is a significant effect between the Solvency Ratio to Firm Value (PBV).
- H3 : There is a significant effect between Activity Ratio to Firm Value (PBV).
- H4 : There is a significant effect between Profitability Ratios on Firm Value (PBV).
- H5: There is a significant influence between Liquidity Ratio, Solvency, Activity and Profitability on Firm Value (PBV).

RESEARCH METHODS

Research Place

The companies studied were Consumer Goods companies listed on the Indonesia Stock Exchange and focused on issues regarding the level of firm value (PBV) on Consumer Goods listed on the Indonesia Stock Exchange. The object of this research is the company's financial statements in the 5 (five) year period, namely 2016 – 2020.

Research Population

According to Sugiyono (2016: 80) population is a generalization area consisting of: subject objects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions. In this study, the population is a study of the financial statements of Consumer Goods Companies listed on the Indonesia Stock Exchange in a 5 (five) year period as many as 9 companies.

Research Sample

The sample is part of the number and characteristics possessed by the population (Sugiyono 2016:81). The sample in this study was taken by purposive sampling method, meaning that the sample was selected with certain considerations or criteria. In this study, the criteria for selecting the sample studied were as follows:

1. Consumer Goods companies listed on the Indonesia Stock Exchange (IDX) in the period 2016 – 2020.
2. Consumer Goods companies that have complete financial report data for the period 2016 – 2020.
3. Total Assets of Consumer Goods Companies listed on the Indonesia Stock Exchange (IDX) are more than 10 Trillion Rupiah.
4. The companies under study are listed on the Main Listing Board of the Indonesia Stock Exchange.
5. The financial statements presented are financial statements that have been audited, because they are in accordance with the applicable accounting standards.



From the purposive sampling above, 9 companies were obtained as follows:

Tabel. Company Sample *Consumer Goods*

No.	Emiten	Kode of Stock
1.	PT. Gudang Garam Tbk.	GGRM
2.	PT. H M Sampoerna Tbk.	HMSP
3.	PT. Indofood CBP Sukses Makmur Tbk.	ICBP
4.	PT. Indofood Sukses Makmur Tbk.	INDF
5.	PT. Kalbe Farma Tbk.	KLBF
6.	PT. Mayora Indah Tbk.	MYOR
7.	PT. Bentoel Internasional Investama Tbk.	RMBA
8.	PT. Tunas Baru Lampung Tbk.	TBLA
9.	PT. Unilever Indonesia Tbk.	UNVR

Sources: (www.idx.co.id)

Research variable

According to Sugiyono (2016:38) the research variable is an attribute of a group of objects that have variations (differentiators) between one another in the group. There are two variables used in this study, namely: the dependent variable which is indicated by the symbol "Y" and the independent variable which is indicated by the sunbol "X".

Independent Variable (X)

According to Sugiyono (2016:39) "The independent variable or independent variable is: "The independent variable is the variable that affects or is the cause of the change or the emergence of the dependent variable". In relation to the title that has been set, the independent variable (X) are:

Free Variables:

(X₁) = Current Ratio

(X₂) = Debt To Equity Ratio

(X₃) = Total Assets Turnover

(X₄) = Return on Equity

Bound Variable (Y)

The dependent variable or dependent variable according to Sugiyono (2016:39) is a variable that is influenced or is the result of an independent variable. The dependent variable in this study is Price Book Value.

Tabel. Operational Variable

No.	Variabel	Size
1.	<i>Current Ratio</i>	CR = Total Liability/ Equity
2.	<i>Debt to Equity Ratio</i>	DER = Total Liability/ Equity
3.	<i>Total Asset Turn Over</i>	Tato = Sales / Total Asset
4.	<i>Return On Equity</i>	ROE = Earning After Tax/ Equity
5	<i>Price Book Value</i>	PBV = Market Price per Share/ Book Value per Share

Sources: Several Sources

Method of collecting data

Data type

According to Sugiyono (2013:137) explains the primary and secondary data. Primary data is data obtained directly including company documents in the form of historical development of the company's development, organizational structure, and others



related to research. While secondary data is data needed to support research results from literature, articles and various other sources. related to research. The type of data used in this study is secondary data in the form of financial statements of Consumer Goods Companies listed on the IDX in 2016 - 2020. (www.idx.co.id).

Data collection techniques

According to Sugiyono (2016:224) data collection techniques are the most strategic step in research, because the main purpose of research is to obtain data. Without knowing the data collection techniques, the researcher will not get data that meets the data standards applied. The data used is external data. External data is data that is searched manually by getting it from outside the company.

a. Literature Study (Observation)

In this literature study, the data and theory obtained came from articles, books related to the problem being studied, journals and previous research results that are relevant to the research and theoretical basis.

b. Field Research (Survey)

This field research was conducted by means of a survey by observing the financial statements of related companies on the Indonesia Stock Exchange (IDX) to collect the necessary data.

Data source

The source of data in this study is secondary data or external data. Secondary data is evidence, historical records or reports that have been compiled in published archives. The data used in the form of company financial report data obtained from the website www.idx.co.id in the 2016 to 2020 observation period.

Data analysis method

Analysis of the data used in this study is multiple linear regression which aims to determine the independent variables on the dependent variable assisted using the standard method with the Standard Package Social Sciences (SPSS) Version 23.00 program for windows.

Normality test

Normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution. As it is known that the T test and F test assume that the residual value follows a normal distribution. If this assumption is violated, the statistical test becomes invalid for a small sample size. There are two ways to detect whether the residuals are normally distributed or not, namely by graphical analysis and statistical tests (Imam Ghozali, 2016:154).

To test the normal distribution or not is the Kolmogrov-Smirnov non-parametric statistical test. The Kolmogrov-Smirnov non-parametric statistical test is a normality test using the cumulative distribution function. The standardized residual value is normally distributed if $K \text{ count} > K \text{ table}$ or $\text{sig value} > \alpha$ (Suliyanto, 2011:75).

Multiple Linear Regression Analysis

According to (Ghozali, 2016:94) in regression analysis, in addition to measuring the strength of the relationship between two or more variables, it also shows the direction of the relationship between the dependent variable and the independent variable. The dependent variable is assumed to be random/stochastic which means it has a probabilistic distribution. The independent/independent variable is assumed to have a value.

Coefficient of Correlation and Determination (R²)

Correlation coefficient analysis aims to study whether there is a relationship between two or more variables, while regression analysis predicts how far the influence is. Specifically, the purpose of correlation analysis is to find out whether there is a relationship between two variables, and if there is a relationship, what is the direction of the relationship and how big the relationship is.

In this study, the researcher uses Pearson Correlation as a measuring tool for the correlation between two variables with the provisions, the correlation value (r) ranges from 1 to -1, the value closer to 1 or -1 means the relationship between variables is getting stronger.

The coefficient of determination (R²) essentially measures how far the model's ability to explain variations in the dependent variable is. The value of the coefficient of determination is between 0 and 1. A small value of R² means that the ability of the



independent variables in explaining the variation of the dependent variable is very limited. A value close to 1 (one) means that the independent variables provide almost all the information needed to predict the variation of the dependent variable (Ghozali, 2016:95).

F Statistic Test (Simultaneous)

According to Ghozali (2013) the F test basically shows whether all the independent variables intended in the model have the same simultaneous effect on the dependent variable. The test is carried out using the significance level of 0.05 (cr5)

Test Statistics t (Partial)

According to Ghozali (2013) the t-test basically shows how far the influence of one independent variable individually in explaining the dependent variable. The test is carried out using the significance level of 0.05 (a5).

Multiple Linear Regression Equation

Multiple regression analysis was used to measure the effect or relationship of the independent variable with the dependent variable. The regression analysis equation model in this study is as follows:

$$Y = a + b_1 x_1 + b_2 x_2 + b_3 x_3 + b_4 x_4 + e$$

Where :

Y = Dependent or dependent variable (Price Book Value)

a = constant coefficient or Y value when t =0

X1 = Independent or independent variable (Cash Ratio)

X2 = Independent or independent variable (Debt to Equity Ratio)

X3 = Independent or independent variable (Total Assets Turnover)

X4 = Independent Variable or free (Return On Equity)

b1 b2 b3 b4 = Parameters X1, X2, X3 and X4

e = Error coefficient (Confounding Variable)

ANALYSIS AND DISCUSSION

Normality Test Results

In this study, the first classic assumption test is the normality test. Normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution. As it is known that the T test and F test assume that the residual value follows a normal distribution. The normality test used was the Kolmogorov-Smirnov non-parametric statistical test.

Tabel. Hasil Uji *One Sample* Kolmogorov-Smirnov

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		9
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	367,67094441
Most Extreme Differences	Absolute	,258
	Positive	,158
	Negative	-,258
Test Statistic		,258
Asymp. Sig. (2-tailed)		,086 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.



The results of the Kolmogorov-Smirnov One Sample test in the table above, show the Kolmogorov-Smirnov value of 0.258 and a significant probability level of 0.086 above 0.05, it can be concluded that the residual data in this regression model is normally distributed, then the regression model used meets the assumption of normality.

Multiple Linear Regression Results

Correlation Coefficient and Determination

Correlation coefficient analysis aims to study whether there is a relationship between two or more variables, while regression analysis predicts how far the influence is. Specifically, the purpose of correlation analysis is to find out whether there is a relationship between two variables, and if there is a relationship, what is the direction of the relationship and how big the relationship is.

The coefficient of determination essentially measures how far the model's ability to explain variations in the dependent variable is. The value of the coefficient of determination is between 0 and 1. A small value of R2 means that the ability of the independent variables to explain the variation of the dependent variable is very limited.

Tabel.

Model Summary^b

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	,982 ^a	,963	,927		519,96524

a. Predictors: (Constant), ROE, DER, CR, TATO

b. Dependent Variable: PBV

Correlation and Determination Coefficient Test Results

Based on the table above, it can be seen that the value of R = 0.982. This shows that there is a very strong relationship between the variables Current Ratio (CR), Debt to Equity Ratio (DER), and Total Assets Turnover (TATO) and Return On Equity (ROE) to the Price Book Value (PBV) variable. Meanwhile, Adjusted R Square is 0.927 or 92.70%. This shows that the contribution of the variable Current Ratio (CR), Debt to Equity Ratio (DER), Total Assets Turnover (TATO) and Return On Equity (ROE) to the Price Book Value (PBV) variable is 92.70%. While the remaining 7.30% is influenced or explained by other independent factors and variables that are not included in this research model.

F test (simultaneously)

The test is carried out using the significance level of 0.05 (cr5). The results of testing this hypothesis use the F statistic with the following decision-making criteria

Tabel. Hasil Uji F

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	28438944,542	4	7109736,135	26,297	,004 ^b
Residual	1081455,387	4	270363,847		
Total	29520399,929	8			

a. Dependent Variable: PBV

b. Predictors: (Constant), ROE, DER, CR, TATO

Based on the table above, it can be seen that the F test results can be seen from the calculated F value of 26.297 > F Table 5.410 with a significance value of 0.004 < 0.050 which means that the regression model that can be used to predict the Y-bound variable is Price Book Value. So it can be concluded that the variables Current Ratio (CR), Debt to Equity Ratio (DER), Total Assets



Turnover (TATO) and Return On Equity (ROE) together (simultaneously) have a positive and significant effect on the Price Book Value (PBV) variable.

t test (Partially)

The test is carried out using the significance level of 0.05 (α5). Acceptance or rejection of the hypothesis is done with the following criteria.

Tabel. Uji Statistik t

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-1444,232	567,263		-2,546	,064
CR	1,203	2,945	,071	,408	,704
DER	3,339	1,513	,236	2,208	,092
TATO	3,108	7,555	,098	,411	,702
ROE	45,178	13,546	,849	3,335	,029

a. Dependent Variable: PBV

Current Ratio (CR) has a t count of 0.408 < t table of 2.776 with a significance value of 0.704 > 0.050 which means H0 is accepted and H1 is rejected. So it can be concluded that the Current Ratio (CR) has no positive and significant effect on the Price Book Value (PBV) variable.

Debt To Equity Ratio (DER) has a t count of 2.208 < t table of 2.776 with a significance value of 0.092 > 0.050 which means H0 is accepted and Ha is rejected. So it can be concluded that the Debt To Equity Ratio has no positive and significant effect on the Price Book Value (PBV) variable.

Total Assets Turnover (TATO) has a t count of 0.411 < t table of 2.776 with a significance value of 0.702 > 0.050 which means H0 is accepted and Ha is rejected. It can be concluded that Total Assets Turnover (TATO) has no positive and significant effect on the Price Book Value (PBV) variable.

And Return On Equity (ROE) has a t count of 3.335 > t table of 2.776 with a significance value of 0.029 < 0.050 which means H0 is rejected and Ha is accepted. So it can be concluded that Return On Equity (TATO) has a positive and significant effect on the Price Book Value (PBV) variable.

Multiple Linear Regression Analysis Equation

This study states multiple linear regression analysis to determine whether or not there is an influence between the independent variables (independent) on the dependent variable (dependent). From the classical assumption test, it can be concluded that the regression model can be used in data processing. Based on the processing of the table data above, the following regression equation can be generated:

$$PBV = -1444,232 + 1,203 CR + 3,339 DER + 3,108 TATO + 45,178 RE$$

The discussion of the multiple linear regression equation is as follows:

- a) The resulting constant value (α) of -1444.232 indicates if the values of the variables Current Ratio (CR), Debt to Equity Ratio (DER), Total Assets Turnover (TATO) and Return On Equity (ROE) are considered constant (0) , then the Price Book Value (PBV) is -1444.232 units.
- b) The regression coefficient value of the Current Ratio (X1) variable is 1.203, meaning that if the Cash Ratio variable is increased by 1 unit, the Price Book Value (PBV) will increase by 1.203 units.



- c) The regression coefficient value of the Debt to Equity Ratio (X2) variable is 3.339, meaning that if the Debt to Equity Ratio variable is increased by 1 unit, the Price Book Value (PBV) will decrease by 3.339 units.
- d) The regression coefficient value of the Fixed Assets Ratio (X3) variable is 3.108, meaning that if the Fixed Assets Ratio variable is increased by 1 unit, then the Price Book Value (PBV) will increase by 3.108 units.
- e) The regression coefficient value of the Return On Equity (X4) variable is 45.178, meaning that if the Return On Equity variable is increased by 1 unit, the Price Book Value (PBV) will increase by 45.178 unit.

CONCLUSION

Based on the results of the analysis and discussion above, the following conclusions can be drawn, namely Partially, Current Ratio (CR), Debt to Equity Ratio (DER) and Total Asset Turnover (TATO), have no significant effect on firm value, while Return On Equity (ROE) has a positive and significant effect on firm value in Consumer Goods companies on the Stock Exchange. Together or simultaneously, Current Ratio (CR), Debt to Equity Ratio (DER), Total Asset Turnover (TATO), Return On Equity (ROE) have a significant effect on firm value in Consumer Goods companies on the Indonesia Stock Exchange.

RECOMMENDATION

Based on the conclusions above, the researchers provide recommendations, namely for companies to pay more attention to and improve financial performance in the company in order to attract and increase investor confidence to invest in the company. Investors must pay attention to various factors that can affect the value of the company to invest in the desired company. In this case, investors can see factors related to the company such as CR (Current Ratio), DER (Debt to Equity Ratio), TATO (Total Asset Turnover) and ROE (Return On Equity). Future research is expected to use a wider research object, not only consumer goods companies, can use a longer observation period. In addition, other external factors can be used, such as dividend policy, company growth, and capital structure.

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