

The Effect of Assets Structure, Capital Structure, and Sales Growth on Company Value in 10 Companies on the Indonesia Stock Exchange Moderated by Profitability (Study on the Digital Sector)

Rio Johan Putra¹, Shiva Dewanti Nabila²

^{1,2} Universitas 17 Agustus 1945 Jakarta, Indonesia

rio.johan@uta45jakarta.ac.id, sdewantinabila@gmail.com

Abstract

Increasing digital business competition that is rapidly making companies have to adapt so that they can be noticed by investors. Until now, investors are getting smarter in making investment decisions, because this affects their investments for the long term. In this study, the author will conduct a test related to the effect of Asset Structure, Capital Structure, and Sales Growth on Firm Value at 10 Companies On the Indonesian Stock Exchange Moderated By Profitability. In this study, the author uses descriptive analysis, namely collecting, compiling, processing, and analyzing data in order to provide a situation so that conclusions can be drawn. The type of data used is quantitative data. The results showed that (1) asset structure had no significant effect on firm value; (2) capital structure has no significant effect on firm value; (3) sales growth has no significant effect on firm value; (4) profitability is not able to moderate the influence of asset structure on firm value; (5) profitability is able to moderate the effect of capital structure on firm value; and (6) profitability is not able to moderate sales growth to firm value.

Keywords

asset structure; capital structure; sales growth; firm value profitability



I. Introduction

Expanding business contest in the period of globalization causes organizations to need to adjust and should have the option to peruse what is happening to deal with the organization well and further develop execution so that organization objectives can be accomplished. The reason for organizations that have opened up to the world is to expand the thriving of the proprietors or investors through expanding the worth of the organization. Firm worth is vital on the grounds that it can influence financial backers' view of the organization. The worth of the organization is the value that imminent purchasers will pay in the event that the organization is sold, the higher the worth of an organization, the more noteworthy the thriving that will be gotten by investors (Mandalika, 2016).

High stock costs make the worth of the organization likewise high. For organizations that issue partakes in the capital market, the cost of offers exchanged on the stock trade is a sign of organization esteem. A high organization worth will cause the market to trust in the organization's ongoing execution as well as in the organization's possibilities later on. For financial backers, the worth of the organization is a significant idea in light of the fact that the worth of the organization is a sign of how the market esteems the organization in general. High organization esteem is the longing of the proprietor of the organization, since high organization esteem shows the flourishing of investors is additionally high (Purba et al., 2020).

The worth of the organization surely has a relationship with accessible resources, capital and development since it can make an underlying image of financial backers keen on putting resources into the organization with the organization having great complete resources, capital that isn't supported by obligation, deals which are supposed to keep on expanding consistently. furthermore, benefits that should expand consistently. Innovation organizations are one of the areas that should be a worry for pioneers on the grounds that a decent organization worth will prod possible financial backers to contribute for the headway of the innovation organization itself (Zuliani & Anf, 2014)

Past examination has assessed exactly the same thing, where the personal exploration in 2018 with the title (Pribadi, 2018). The examination utilized Descriptive Statistical Test, Classical Assumption Test and Multiple Linear Regression Analysis. The investigation discovered that resource structure meaningfully affects firm worth, however benefit significantly affects firm worth. Then the second past review which was analyzed by Mandalika in 2016 with the title The impact of resource structure, capital construction and deals development on firm worth out in the open organizations recorded on the Indonesia Stock Exchange (Studies on the car area) (Mandalika, 2016). This examination utilizes Multiple Regression Analysis technique. That's what the investigation discovered assuming the resource structure meaningfully affected firm worth, the capital construction affected firm worth and deals development significantly affected firm worth.

Based on the background results as well as the phenomena and research gaps found that the results have no effect, it encourages the author to conduct research with the title The Effect of Asset Structure, Capital Structure, and Sales Growth on Firm Value in 10 Companies on the Indonesia Stock Exchange Moderated By Profitability (Study on Digital Sector).

II. Review of Literature

2.1 The value of the company

The worth of the organization is the value that forthcoming purchasers will pay assuming the organization is sold, the higher the worth of an organization, the more noteworthy the flourishing that will be gotten by investors (Indriyani, 2017). High stock costs make the worth of the organization additionally high. For organizations that issue partakes in the capital market, the cost of offers exchanged on the stock trade is a sign of organization esteem. A high organization worth will cause the market to trust in the organization's ongoing execution as well as in the organization's possibilities later on. For financial backers, the worth of the organization is a significant idea on the grounds that the worth of the organization is a sign of how the market esteems the organization in general. High organization esteem is the craving of the proprietor of the organization, since high organization esteem shows the success of investors is additionally high (Prasetya et al., 2014).

2.2 Asset Structure

Resource structure is no less significant in monetary administration in an organization. Resource structure influences wellsprings of supporting in various ways. Resource structure is a correlation between fixed resources and all out resources that can decide how much asset designation for every resource part. (Purba et al., 2020) states that as a general rule, organizations that have obligation ensures will find it simpler to get obligation than organizations that don't have guarantee. This implies that organizations that

have a lot of fixed resources will have simpler admittance to wellsprings of assets since enormous fixed resources can be utilized as security for organization obligation. As per (Kanita, 2014), the resource structure is the extent of fixed resources claimed by the organization. The piece of fixed resources decides the worth of a specific organization. Most organizations with stable funds have a high speculation esteem regarding fixed resources. (Andika & Sibp, 2019) states that assuming resources are utilized ideally by able staff, it will build the organization's return and at last influence the development of organization esteem.

H1: Asset structure has a significant effect on firm value

2.3 Capital Structure

The capital design is a super durable type of expenditure in that it mirrors the harmony between long haul obligation and own capital. (Suardikha & Ak, 2016) said that the capital design is an examination or equilibrium of the organization's drawnout financing shown by the correlation of longhaul obligation to wellsprings of capital. Agreeing (Pribadi, 2018) to the hypothesis of capital construction, it makes sense of the impact of changes in capital design on the worth of the organization where speculation choices and profit strategies set by the organization are something similar (steady). (Suardikha & Ak, 2016) said that the best capital design is a capital construction that can boost the worth of the organization or offer cost so that organizations that have a decent capital design will actually want to expand the worth of the organization.

H2: Capital structure has a significant effect on firm value

2.4 Sales Growth

(Zuliani & Anf, 2014) argues that the deals development rate is the consequence of a correlation between the distinction between the ongoing year's deals and the earlier year's deals with deals in the earlier year. With deals development, it can draw in financial backers to contribute their capital.

H3: Sales growth has a significant effect on firm value

2.5 Profitability

Benefit is the capacity to produce benefits during a specific period by utilizing resources or capital, both generally speaking capital and own capital. The connection among benefit and firm worth is the higher the organization's productivity, the higher the effectiveness of the organization in using organization offices to produce benefits and will make higher organization esteem and augment investor abundance (Kanita, 2014).

H4 : Profitability is able to moderate the influence of asset structure on firm value

H5 : Profitability is able to moderate the effect of capital structure on firm value

H6 : Profitability is able to moderate the effect of sales growth on firm value

III. Research Method

This study uses a quantitative approach where the object of the research is the Effect of Asset Structure (X1) , Capital Structure (X2), Sales Growth (X3), Firm Value (Y) and Profitability (Z). In this study, the author uses descriptive analysis , namely collecting, compiling, processing, and analyzing data in order to provide a situation so that conclusions can be drawn. The type of data used is quantitative data because the researcher will calculate how much influence there is Asset Structure, Capital Structure, And Sales

Growth Towards Firm Value Of 10 Companies On The Indonesian Stock Exchange Moderated By Profitability.

By using SPSS and financial report data of 10 digital companies, the researcher identified research problems, then continued with a study of research literature related to the problems and variables raised in this study. Then it is developed into a research framework related to the problem to be studied, identifying each variable, hypotheses and research design development, determining the technique to be used, data collection to data management and generating discussions and conclusions from this research.

IV. Result and Discussion

4.1 Multiple Linear Regression Analysis Results

The effect of the variable structure of assets, capital structure and sales growth on firm value can be determined by performing multiple regression analysis. The regression equation is formulated as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

The results of the multiple linear regression analysis that have been carried out with the SPSS version 13.0 program are presented in Table 1 below.

Table 1. Results of Multiple Linear Regression Analysis Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-5.551	6.184		-.898	.378
	Asset Structure	4.360	1,274	1,737	3,422	.002
	Capital Structure	-.057	1,713	-.023	-.033	.974
	Sales Growth	-4.014	.856	-1.625	-4,691	.000

a. Dependent Variable: Firm Value

Source: Processed data (2022)

Table 2. Coefficient of Determination Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.818 ^a	.669	.631	8.55988691

a. Predictors: (Constant), Sales Growth, Asset Structure, Capital Structure

Source: Processed data (2022)

Based on the results in Table 1, the regression equation is obtained as follows:

$$Y = -5,551 + 4,360X_1 - 0,057X_2 - 4,014X_3 + e$$

The results of multiple linear regression analysis show that the coefficient of determination obtained in the "R-Square" column is 0.669, which means that 66.9% of the variation in firm value in digital sector companies listed on the IDX is influenced by asset structure, capital structure and sales growth. . Meanwhile, the remaining 33.1% was influenced by other factors that were not used in the study. The significance test shows that the asset structure has an effect on firm value because the Sig value obtained ($0.002 < 0.05$). Furthermore, the capital structure has no effect on firm value because the Sig value obtained ($0.974 > 0.05$) and for sales growth has an effect on firm value because the Sig value obtained ($0.000 < 0.05$).

4.2 Moderated Regression Analysis (MRA) Test Results

After knowing the effect between the variables of asset structure, capital structure and sales growth on firm value without a moderating effect, the next step is to test with the addition of a moderating variable, namely profitability (Z) to test the profitability hypothesis in moderating asset structure, capital structure and sales growth on firm value. The MRA test equation is formulated as follows:

$$Y = + X_1 + X_2 + X_3 + Z + X_1 *Z + X_2 *Z + X_3 * Z + e$$

The results of the Moderated Regression Analysis (MRA) test that has been carried out with the SPSS version 23.0 program are presented in Table 3 below.

Table 3. Moderated Regression Analysis (MRA) Test Results
Coefficients ^a

Model		Unstandardized Coefficients		Standardize	t	Sig.
		B	Std. Error	d Coefficients Beta		
1	(Constant)	3.825	1.005		3.808	.001
	Asset Structure	-.221	.214	-.088	-1.035	.312
	Capital Structure	-.114	.253	-.046	-.450	.657
	Sales Growth	.155	.272	.063	.571	.574
	Profitability	.611	.031	.986	19,454	.000
	X1*Z . Interaction	-.030	.084	-.019	-.359	.723
	X2*Z . Interaction	.244	.095	.148	2,574	.017
	X3*Z . Interaction	-.153	.106	-.082	-1.447	.162

a. Dependent Variable: Firm Value

Source: Processed data (2022)

Based on the test results in Table 2, the moderating regression equation is obtained as follows:

$$Y = 3.825 - 0.221X_1 - 0.144X_2 + 0.155 X_3 + 0.611 Z - 0.030X_1*Z + 0.244 X_2*Z - 0.153X_3*Z + e$$

4.3 Coefficient of Determination Test Results

The coefficient of determination or R-Square is used to determine the magnitude of the contribution contributed by the regression model between the independent variables

and the interaction of the moderating variable on the dependent variable. The results of the coefficient of determination are shown in Table 4.

Table 4. Results of the Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.998 ^a	.995	.994	1.12948264

a. Predictors: (Constant), X3*Z Interaction, Profitability, Capital Structure, X1*Z Interaction, X2*Z Interaction, Asset Structure, Sales Growth

Source: Processed data (2022)

The results of the calculation of the coefficient of determination are shown in the R-Square value. The R-Square value is 0.995, which means that 99.5% of the variation in firm value in the digital sector is influenced by asset structure (X1), capital structure (X2), sales growth (X3), interaction between asset structure and profitability (X1* Z), the interaction between capital structure and profitability (X2*Z) and the interaction between sales growth and profitability (X3*Z). While the remaining 5% is influenced by other factors outside the variables used in the study.

4.4 Model Feasibility Test Results (F Test)

The feasibility test of the model or also known as the F test is the initial stage of identifying the estimated regression model that is feasible or not. Appropriate means that the estimated model is suitable to be used to explain the effect of independent variables on the dependent variable. The value used to test the feasibility of the model is provided that a good probability number to be used as a regression model is less than 5% or less than 0.05. If the value of Sig F < 0.05, then the analyzed model is considered feasible, but if the value of Sig F > 0.05 then the analysis model is considered not feasible. The results of the F test are shown in Table 5 below.

Table 5. F . Test Results

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5725.170	7	817,881	641.108	.000 ^b
	Residual	28.066	22	1,276		
	Total	5753.236	29			

a. Dependent Variable: Firm Value

b. Predictors: (Constant), X3*Z Interaction, Profitability, Capital Structure, X1*Z Interaction, X2*Z Interaction, Asset Structure, Sales Growth

Source: Processed data (2022)

Based on the results of the F test in Table 5, the F value is 641.108 with an F Sig value of 0.000. The significance value obtained is smaller than 0.05 (0.000 < 0.05), it can be concluded that the asset structure (X1), capital structure (X2), sales growth (X3), interaction of asset structure with profitability (X1*Z) , the interaction between capital structure and profitability (X2*Z) and the interaction between sales growth and profitability (X3*Z) simultaneously has a significant effect on firm value in the digital

sector. The results obtained indicate that the independent variable and the interaction of the moderating variable are able to explain the dependent variable so that it is feasible to be used as a regression model.

4.5 Hypothesis Test Results (T Test)

Partial hypothesis testing or called t-test is used to test the effect of the independent variable and the interaction of the moderating variable on the dependent variable partially on the dependent variable. The t-test is shown in Table 6 below.

Table 6. Test Results
Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.825	1.005		3.808	.001
	Asset Structure	-.221	.214	-.088	-1.035	.312
	Capital Structure	-.114	.253	-.046	-.450	.657
	Sales Growth	.155	.272	.063	.571	.574
	Profitability	.611	.031	.986	19,454	.000
	X1*Z . Interaction	-.030	.084	-.019	-.359	.723
	X2*Z . Interaction	.244	.095	.148	2,574	.017
	X3*Z . Interaction	-.153	.106	-.082	-1.447	.162

a. Dependent Variable: Firm Value

Source: Processed data (2022)

Determination of the test results, namely the acceptance or rejection of the hypothesis can be done by comparing the significance value (Sig. T) with a predetermined probability level of 0.05. The test criteria to explain the interpretation of the effect between each variable are as follows

- If the value of Sig.T < 0.05, then H1/H2/H3/H4/H5/H6 is accepted
- If the value of Sig.T > 0.05, then H1/H2/H3/H4/H5/H6 is rejected

Based on Table 5, it is known that the beta coefficient of the X1 model to Y is -0.088 which means that there is a negative direction and a significance value of 0.312 which is greater than 0.05 ($0.312 > 0.05$) which means that there is no significant effect. These results indicate that H1 is rejected, so the asset structure has no significant effect on firm value in the digital sector. The value of the beta coefficient of the X2 model to Y of -0.046 means that there is a negative direction and a significance value of 0.657 which is greater than 0.05 ($0.657 > 0.05$) which means that there is no significant effect. These results indicate that H2 is rejected, so that the capital structure has no significant effect on firm value in the digital sector. The value of the beta coefficient of the X3 model to Y of 0.063 means that there is a positive direction and a significance value of 0.574 which is greater than 0.05 ($0.574 > 0.05$) which means that there is no significant effect. These results indicate that H3 is rejected, so that sales growth has no significant effect on firm value in the digital sector.

Based on Table 5, it is known that the beta coefficient of the X1*Z model on Y is -0.019, which means that there is a negative direction and a significance value of 0.723

which is greater than 0.05 ($0.723 > 0.05$) meaning that there is no significant effect. These results indicate that H4 is rejected, so that profitability is not able to moderate the effect of asset structure on firm value in the digital sector. The value of the beta coefficient of the X2*Z model to Y of 0.148 means that there is a positive direction and a significance value of 0.017 which is smaller than 0.05 ($0.017 < 0.05$) which means that there is a significant effect. These results indicate that H5 is accepted, so that profitability is able to moderate the effect of capital structure on firm value in the digital sector. The value of the beta coefficient of the X3*Z model to Y of -0.082 means that there is a negative direction and a significance value of 0.162 which is greater than 0.05 ($0.162 > 0.05$) which means that there is no significant effect. These results indicate that H6 is rejected, so that profitability is not able to moderate the effect of sales growth on firm value in the digital sector.

4.6 Effect of Asset Structure on Firm Value

Testing the principal speculation shows that H1 is dismissed, accordingly demonstrating that the resource structure affects firm worth in the computerized area. This outcome is in accordance with the examination directed by Mandalika, A (2016) which found that the resource structure affects firm worth.

4.7 Effect of Capital Structure on Firm Value

Testing the subsequent speculation shows that H2 is dismissed, hence demonstrating that capital design significantly affects firm worth in the advanced area. This outcome is in accordance with the exploration led by Mandalika, A (2016) which found that the capital design affects firm worth. Moreover, these outcomes are in accordance with the exploration led by Kusuma and (Irawan & Kusuma, 2019) which found that the capital construction significantly affects the worth of the organization as in assuming the organization changes its capital design, the worth of the organization won't make a difference.

4.8 The Effect of Sales Growth on Company Value

Testing the third speculation shows that H3 is dismissed, accordingly demonstrating that deals development meaningfully affects firm worth in the advanced area. These outcomes are in accordance with research directed by Mandalika, A (2016) which found that deals development affected firm worth. Furthermore, the outcomes acquired fortify the consequences of exploration led by (Theresa. K, 2019) which found that deals development significantly affected firm worth. As indicated by the hypothesis the organization's development rate as estimated by deals development influences the worth of the organization or stock costs since deals development is an indication of good organization improvement which has a positive reaction from financial backers (Kusumajaya, 2011). Expanded deals can build the organization's capacity to procure organization incomes and benefits. In any case, deals development is seen from the organization's income which has not been deducted by different expenses. At the point when the organization encounters an expansion in deals, it doesn't be guaranteed to demonstrate that benefits will likewise increment, all in all, benefits can diminish. With the abatement in benefits, it is absurd to expect to build the organization's stock cost and company esteem.

4.9 Effect of Asset Structure on Profitability Moderated Firm Value

Testing the fourth speculation shows that H4 is dismissed, demonstrating that productivity can't direct the impact of resource structure on firm worth in the advanced area.

4.10 Effect of Capital Structure on Profitability Moderated Firm Value

Testing the fifth speculation shows that H5 is acknowledged, demonstrating that productivity can direct the impact of capital design on firm worth in the computerized area. This outcome is in accordance with the examination directed by (Sari. Ma et al., 2020) which observed that productivity had the option to fortify the impact of capital construction on firm worth. productivity can fortify the impact of capital design on firm worth.

4.11 The Effect of Sales Growth on Profitability Moderated Firm Value

Testing the 6th speculation shows that H6 is dismissed, demonstrating that productivity can't direct the impact of deals development on firm worth in the computerized area. This outcome is in accordance with the exploration directed by (Dharmayusa & Suaryana, 2021) which observed that benefit couldn't direct the impact of firm development on firm worth. The higher the organization's development demonstrates the organization's capacity to complete its functional exercises is getting better since it can add to existing resources, however the option of these resources can't give a sign with respect to the organization's maintainability. The productivity of an organization gives a positive sign about the organization's maintainability. In this manner, productivity fortifies the impact of organization development in light of the fact that as well as giving signs in regards to the capacity to procure benefits, the organization likewise gives ensures in regards to the organization's supportability in the future with the capacity to acquire great benefits. Organizations that have high development rates and are joined by better productivity will give a higher positive sign than organizations that have high development rates yet unfortunate benefit.

V. Conclusion

Based on the results of the analysis and discussion, several conclusions can be drawn, namely: (1) asset structure has no significant effect on firm value in the digital sector; (2) capital structure has no significant effect on firm value in the digital sector; (3) sales growth has no significant effect on company value in the digital sector; (4) profitability is not able to moderate the influence of asset structure on firm value; (5) profitability is able to moderate the effect of capital structure on firm value; and (6) profitability is not able to moderate sales growth to firm value.

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