Effect of Return on Assets, Return on Investment, Debt to Equity Ratio, and Current Ratio on Firm Value (Case Study on Manufacturing Companies in the Food and Beverage Sub-Sector Listed in the 2017-2021 Period)

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ABSTRACT: The purpose of this study is to determine the effect of ROA, ROI, DER, and CR on firm value in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange during 2017 – 2021. Any data required is official data from annual financial reports originating from BEI. The method in taking the sample using the method of purpose sampling. There is a test used consisting of the classical assumption test which is part of the normality test, multicollinearity test, autocorrelation test, heteroscedasticity test, panel data regression test, coefficient (R^2), hypothesis (T test), hypothesis (F test). Adjusted R Square value has 41.1% influence on firm value and the rest 58.9% influenced by other variables. The results of the research are: (1) the return on assets, Return on Investment, Debt to aquity ratio variables have an effect on firm value. (2) Current ratio variable has no effect on firm value. (3) The effect of ROA, ROI, DER, CR simultaneously on firm value.

KEYWORDS: Return On Assets; Return on Investment; Debt to Equity Ratio; Current Ratio; The value of the company.

I. INTRODUCTION

The current economy has created competition for every company, so it can increase from year to year. This means that all competition companies will try to improve their capabilities so that the company's targets are easily achieved. One of them is the food and beverage company, which is one of the business sectors that continues to experience growth. Along with the increasing population growth in Indonesia, the volume of demand for food and beverages continues to increase as well. The tendency of the Indonesian people to enjoy fast food has caused many new companies to appear in the food and beverage sector because they consider the food and beverage industry sector to be a profitable prospect both now and in the future (Nur, 2016).

The value of the company can be measured from the stock price which is stable and increases in the long term, high stock prices tend to make the value of the company also high. The higher the value of the company indicates an increase in shareholder profits (Wijaya, 2014). Firm value is measured by Price Book Value (PBV), this ratio is the ratio between stock price and book value. Companies that run well generally have a PBV ratio above one, which indicates that the stock market value is greater than its book value (Sari, 2013). There are various factors that influence the value of the company including the influence of Return On Assets, Return On Investment, Debt to Equity Ratio, and Current Ratio.

Return On Assets and Return On Investment are profitability ratios, where ROA is a ratio that measures the extent to which a company's ability to generate net income is based on its total assets. The higher the ROA value, the higher the level of profit generated, so that ROA can be used as a tool to predict earnings (Hidayat, 2014). While ROI is a form of ratio that is able to measure the company's ability to use the capital invested in assets used to manage the company in obtaining profits.

Debt to equity ratio (DER) is a solvency ratio that shows a company's ability to pay short-term and long-term obligations. The size of the DER ratio will affect the level of achievement of company profits. The greater the DER ratio, the better, on the contrary, with a low DER ratio, the higher the level of funding provided by the owner and the greater the security limit for the borrower in the event of a loss or depreciation of asset value, the size of the DER will affect the level of achievement of company value.

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Company liquidity is one of the main considerations in making decisions to determine the quality of company value by showing that the current ratio position is an important variable considered by management in company value, this is because the greater the amount of cash owned by the company and the greater the company's liquidity, the greater the company's liquidity. also the ability to pay dividends (Martono and Harjito, 2015).

The following is the phenomenon of the financial statements of the food and beverage industry, which are used for research in the period 2017 – 2021

Table. 1.1 Phenomenon Table

CODE	Year	Net profit	Total assets	Total Capital	Total Current Liability	Stock Price
CINT	2017	29.648.261.092	476.577.841.605	382.273.759.946	66.014.779.104	27.66
	2018	13.554.152.161	491.382.035.136	388.678.577.828	81.075.913.501	12.81
	2019	7.221.065.916	521.493.784.876	389.671.404.669	105.476.752.401	7.08
	2020	249.076.655	498.020.612.974	385,357,367,073	94,587,795,350	1.06
	2021	98.210.943.293	492.697.209.711	349,514,463,085	121,622,353,656	98.8
CEKA	2017	107.420.886.839	1.392.636.444.501	903.044.187.067	444.383.077.820	156
	2018	92.649.656.775	1.168.956.042.706	976.647.575.842	158.255.592.250	181
	2019	215.459.200.242	1.393.079.542.074	1.131.294.696.834	222.440.530.626	362
	2020	181.812.593.992	1.566.673.828.068	1,260,714,994,864	271,641,005,590	306
	2021	187.066.990.085	1.697.387.196.209	1,387,366,962,835	283,104,828,760	314

Source: IDX annual financial report

Based on the data or table above, obtained from the financial statements on the Return On Asset variable, it explains the phenomenon that makes the net profit indicator a phenomenon for the company PT. Wilmar Cahaya Indonesia Tbk. (CEKA), the company's net profit value decreased in 2017 from 107,420,886,839 to92,649,656,775. while the stock value increased in 2018 from 156 to 181. from the results of the comparison of the two variables above, when the profit value decreases, the value of the shares increases according to Lanti Triagustina (2015) if the profit value decreases then the company value must decrease as well and vice versa.

The Return On Investment variable makes total assets an indicator of the phenomena that occur in the company PT Chitose Internasional Tbk (CINT). The total asset value increased in 2018 from 476,577,841,605 to 491,382,035,136, while the share value decreased in 2018 from 27.66 to 12.81. From the comparison of the two variables above, the opposite phenomenon occurs, where when the Return On Investment value increases, the stock value decreases. Meanwhile, according to (Brigham and Houston, 2006: 70) if the total assets increase, it must have an increasing effect on the company.

The Debt to Equity Ratio variable explains the phenomenon in total capital which is one of the DER indicators at PT Chitose Internasional Tbk (CINT). The total value of capital will decrease in 2021 from 385,357,367,073 to 349.514.463,085 while the value of the company's shares will increase in 2021 from 1.06 to 98.8. from the comparison of the two variables above, there is an opposite phenomenon, where when the value of the Debt to Equity Ratio decreases, the value of the company increases. Meanwhile, according to Gisela Prisilia Rompas (2013), the decreased total capital should be decrease the stock price, but the fact that the value of the company has increased is not in accordance with the decrease in total capital.

In the Current Ratio variable, it is an indicator of the phenomena that occur in the company PT. Wilmar Cahaya Indonesia Tbk. (CEKA), the value of current debt in the company increased in 2019 from 222,440,530,626 to 271,641,005,590. In contrast to the stock value which decreased in 2019 from 362 to 306. From the comparison results of the two variables above, when the current debt value decreases, the share value increases. Munawir (2017:156) who said that the high value of the current ratio obtained by the company will affect the value of the company.

Based on the background of the phenomenon above, the researchers are interested in conducting research on "The Effect of Return On Assets, ROI, Debt To Equity Ratio, and Current Ratio to Firm Value (Case Study on Manufacturing Companies in the Food and Beverage Sub-Sector Listed on the Stock Exchange in 20170 Period) -2021).

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LITERATURE REVIEW

Effect of Return on Assets (ROA) on Firm Value

One of the ratios that are considered capable of providing certainty about the company's prospects in the future is the profitability ratio. The main goal of every operating company is to increase the value of the company. Return on Assets (ROA) is a profitability ratio used to measure the company's effectiveness in generating profits by utilizing the company's assets. The bigger this ratio, the better the company's performance, because the rate of return on investment is getting bigger. Sujoko and Soebiantoro (2013) explain that a high return on assets indicates good company prospects, then investors will respond positively to this which makes the stock market price increase so that the company value will also increase. According to the results of research conducted by Lanti Triagustina (2015), (Edi & Hellina, 2015) the results of the partial study of Return On Assets have a partial negative effect on firm value

Effect of Return on Investment (ROI) on Firm Value

One of the most important ratios for investors is Return on Investment because it is the ability of the capital invested in overall assets to generate net profits. Return on Investment can also be a measure of the company's overall ability to generate profits with the total amount of assets available in the company. This profit increase has a positive effect on the company's financial performance in achieving the goal of maximizing the value of the company which will be responded positively by investors so that the demand for company shares can increase and can increase the company's share price. Modigliani–Miller stated that the value of the company will depend only on the profit produced by its assets (Brigham and Houston, 2016: 70).
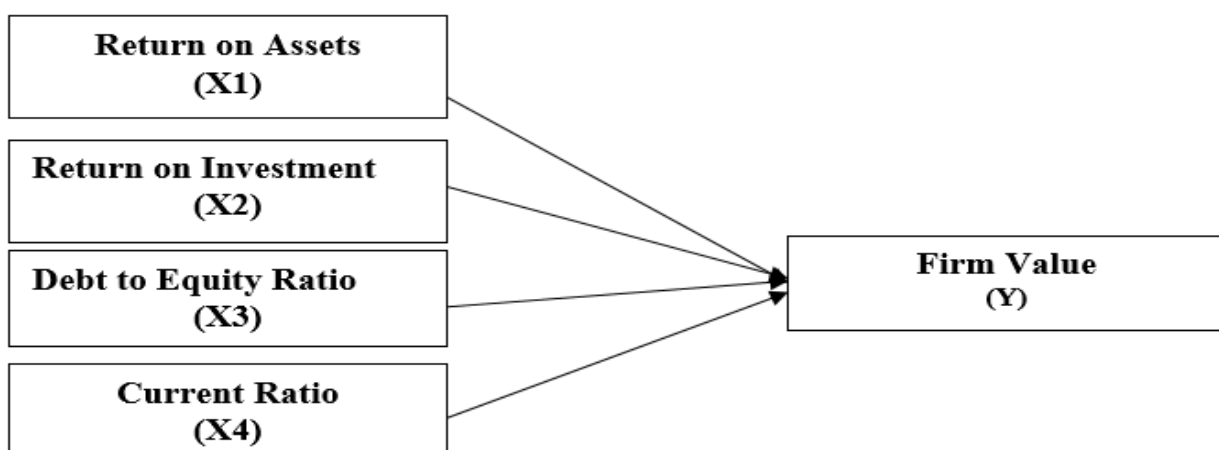
Effect of Debt to Equity Ratio on Firm Value

According to Sujarweni 2017:61, DER is the difference between the obligations of the company's capital and how the company uses its equity to pay off all its debts. This ratio is used to compare all debt, including current debt with all equity or capital owned by the company. For companies, the larger the DER value, the better because the lower the level of funding provided by the owner and the smaller the security limit for the borrower in the event of a loss. or depreciation of the asset value. This ratio also provides a general indication of a company's financial viability and risk. So the DER ratio will affect the value of the company where investors will choose a high DER value because it shows the small financial risk borne by the company. the lower the debt, and vice versa if the debt to equity ratio is low, the debt payments will be higher. In research conducted by Gisela Prisilia Rompas (2013), it shows that the ratio of Debt to Equity Ratio (DER) has a positive and significant effect on firm value.

Effect of Current Ratio (CR) on Firm Value

Current ratio is the ratio used to measure the company's ability to meet its short-term debt by using its current assets. A low current ratio indicates a high liquidity risk, while a high current ratio indicates an excess of current assets, which will have a bad influence on the profitability of the company. The test results show that the current ratio has a significant and negative effect on stock prices. These results indicate that the higher the current ratio of a company, the lower the company's stock price. This result is in line with the opinion of Munawir (2013:156) which says that the high value of the current ratio obtained by the company shows the company's ability to pay its short-term obligations is also high. In a study conducted by Mirza Laili Inoditia Salaanti (2019) Variable current ratio (CR) has an insignificant negative effect on firm value.

Conceptual Framework

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Conceptual Framework The hypotheses in this study are:

1. Return on Assets has a partial effect on firm value in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange Period
2017 – 2021.

2. Return on Investment has a partial effect on Company Value in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange Period
2017 – 2021.

3. Debt to Equity Ratio has a partial effect on firm value in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange Period
2017 – 2021.

4. Current Ratio has a partial effect on firm value in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange Period
2017 – 2021.

5. Return on Assets, Return on Investment Debt to Equity Ratio and Current Ratio have a simultaneous effect on firm value in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

II. RESEARCH METHODOLOGY

Research methodology

This research uses quantitative research methods. According to Sugiyono (2018:7)The quantitative method is a traditional technique where this technique has often beenused, so that many researchers use the method for research. This technique is usually used as ag positivist with reasons always based on the principles of positivism. The technique used this technique is called a quantitative technique, on the grounds that the observational data are numbers and data (Sugiyono2016:7). The technique of the study data research instrument, which is quantitative (statistics as a tool for carrying out previously found hypotheses).

Types and Sources of Research Data

The type of data used is secondary data obtained from the website www.idx.co.id in the form of company financial statements

Population and Sample

The population of this study are all manufacturing companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange from 2017 to September 2016.2021, totaling 30 companies. According to Sugiyono (2017: 81), the sample is one part of the number and characteristics possessed by the population. The technique for sampling is based on purposive sampling. According to Sugiyono (2017: 85), purposive sampling is a sampling technique with certain considerations. The criteria for selecting the sample are as follows:

Table. 2.1 Sample Selection Table

		Information	Amount
	1	Food and beverage sub-sector companies listed on the Stock Exchange 30 Indonesian Securities during 2017 – 2021.	30
	2	Company sub sector food and drink which no (5) publish financial reports on the Indonesia Stock Exchange during years 2017 – 2021.	(5)
	3	Food and beverage sub-sector companies that do not have (7) complete data for 2017 – 2021.	(7)
	4	Company sub sector food and drinks which experience (10) loss of financial statements on the Indonesia Stock Exchange during the year 2017 – 2021	(10)
		Number of Samples	8
		Number of periods	5
		Total sample	40

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Data collection technique

Data collection in this study was carried out by recording, collecting, and studying related company data taken from the financial statements of the food and beverage sub-sector companies published by the official website of the Indonesia Stock Exchange (IDX) in 2017-2021.

Operational definition

Table. 2.2 Definisi Operasional

Variabel	Definisi	Indikat	Skala
Return On Assets (X1)	Return On Assets is a ratio that shows the results (return) on the number of assets used in the company.	ROA =NET PROFIT \ TOTAL ASSET	Rasio
Return on Investment (X2)	Return on Investment is a ratio that relates profits from the company's operations with the amount of investment or assets used to generate operating profits.	ROI=NET PROFIT AFTER TAX \ TOTAL AKTIVA	Rasio
Debt to Equity Ratio (X3)	Debt to equity ratio adalah mengukur persentase liabilitas pada struktur modal perusahaan. Rasio ini penting untuk mengukur risiko bisnis perusahaan yang semakin meningkat dengan penambahan jumlah liabilitas. Kasmir (2016:157) Kasmir (2016:157)	DER=TOTAL LIABILITY \ TOTAL EQUITY	Rasio
Current Ratio (X4)	Current Ratio (CR) is a ratio to measure the company's ability to meet its short-term obligations that are due soon using available current assets. Hery (2016: 142)	CURRENT RATIO= TOTAL CURRENT ASET \ TOTAL CURRENT LIABILITIES	Rasio
Firm Value (Y)	The value of the company is very important because a high company value will be recognized by the high prosperity of shareholders. The wealth of shareholders and the company is represented by the market price of the shares which are a reflection of investment, financing, and asset management decisions. Sukirni (2012:3)	PRICE TO BOOK VALUE= PRICE PER SHEET \ BOOK VALUE PER SHEET	Nominal

Classic Assumption Test

The normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution (Ghozali, 2016). The test was carried out using the kolmogorovskmirnov test. Data is said to be normally distributed if probability sig > 0.05

Multicollinearity test aims to test whether the regression model found a correlation between the independent and dependent variables (Ghozali, 2016). Multicollinearity can occur if the value of VIF (Variance Inflation Factor) is greater than the value of 10.

The autocorrelation test aims to test whether there is a correlation in the linear regression model where a confounding error occurs in period t. (Ghozali, 2016). Autocorrelation test can use Durbin Watson test and Runt test.

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The heteroscedasticity test aims to test whether there is a regression model where there is an inequality of variance from the residual of one observation to another observation (Ghozali, 2016). Heteroscedasticity test can use the glejser test. If the probability of sig is above the 0.05 level, then the regression model does not contain

Multiple Linear Regression Analysis

The hypothesis will be tested using multiple linear regression analysis. Multiple linear regression analysis is used to see a dependent variable based on two or more independent variables in a linear equation. The multiple linear regression models in this study are:

$Y = a + b1X1 + b2X2 + b3X3 + b4X4 + e.........$

Description

Y	= Firm Value
a	= constant
b1,b2,b3	= koefisien regresi
XI	= Return On Assets
X2	= Return on Investment
X3	= Debt to Equity Ratio
X4	= Current Ratio
e	= Standart error

Coefficient of Determination

According to Ghozali (2006), the coefficient of determination (R^2) 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 zero and one.

Simultaneous Test (F Statistics Test)

The F test aims to see what the effect of the independent variable is like with the dependent variable. By comparing f arithmetic with f table and if F count > F table then, Ho is rejected and Ha is accepted.

Partial Test (t-test)

The t-test functions similarly to the f-test, the difference is that the t-test is useful to find out how the influence of each independent variable on the dependent variable. The t-test can be done by comparing the t-count with the t-table or by looking at the significance column in each t-count table.

III.RESEARCH RESULTS AND DISCUSSION

Descriptive Statistics

The sample in this study amounted to 40 data where there were 8 companies multiplied by 5 periods of company financial reporting. The following are the results of the explanation of the minimum, maximum, mean, and Std. Deviation values for each observation variable:

Table. 3.1 Statistik Deskriptif

Descriptive Statistics

Descriptive Statistics	N	Minimum	Maximum	Mean	Std. Deviation
ROA	40	,02	1,53	,2757	,38538
ROI	40	,45	7,21	1,2794	1,20919
DER	40	,10	3,10	1,0597	,76511
CR	40	,73	8,64	2,9868	2,12201
Nilai Perusahaan	40	14,88	31,29	24,9469	5,61559
Valid N (listwise)	40				

1.The ROA variable has a minimum value of 0.02 in MLBI companies for the 2021 period, the maximum value is 1.53 in MLBI companies for the 2019 period, the mean value is 0.2757 and the overall standard deviation is 0.38538.
2. The variable Roi has a minimum value of 0.45, namely the ICBP in 2020 and a maximum value of 7.21 at the ROTI company in 2020, the mean value is 1.2794 and the standard deviation value is 1.20919

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3. The DER variable has a minimum value of 0.10, namely the MLBI company in 2020, the maximum value is 3.10, namely the CEKA 2018 company, the mean value is 1.0597 and the value for the standard deviation is 0.76511

4. The CR variable has a minimum value of 0.73, namely in MLBI companies in the year
2019, the maximum value is 8.64 in the 2017 DLTA company, the mean value is 2.9868 and the standard deviation is 2.12201

5. The variable value of the company has a minimum value of 14.88, namely the MLBI company In 2020, the maximum value is 31.29, namely ICBP companies. In 2020, the mean value is 24.9469 and the standard deviation value is 5.61559

Classic assumption test

Normality test

Normality test is used to see whether the data we have contributes to normal or not. Tests in this study for normality testing were carried out in 3 ways, namely the histogram graph normality test, Probability Plot and Kolmogorov-Smirnov test
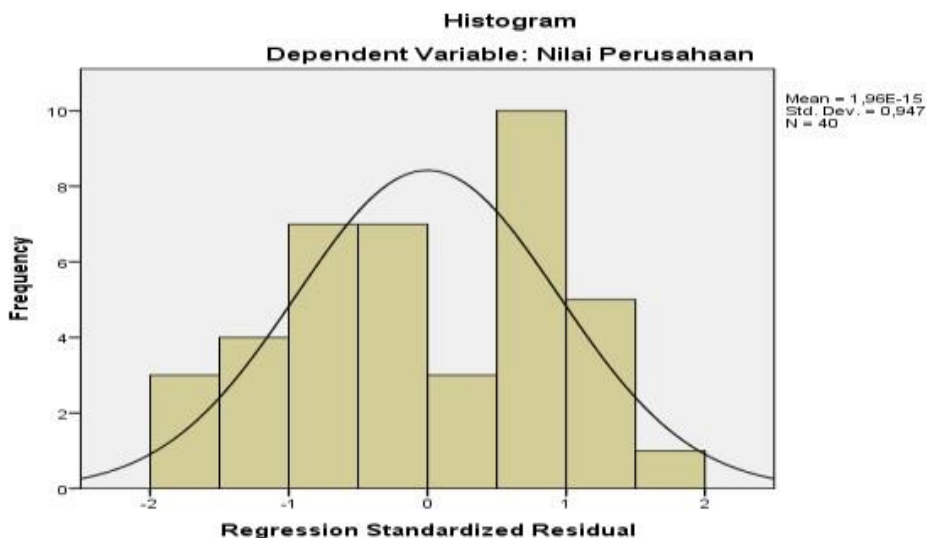

Figure 3.1 Normality test of Histogram Graph

In Figure 3.1, the conclusion is that the data is normally distributed where the observation data tends to be symmetrical, but to find out more, whether the data is normal, the researcher will explain the second picture, namely the results of the P-P Plot graph test:
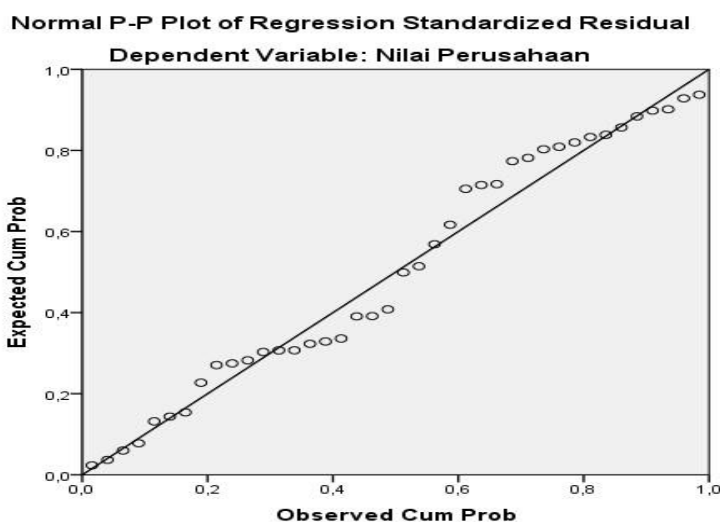

Figure 3.2 Probability Plot Normal Normality Test

Figure 3.2 explains that the points in the image above follow the parallel lines of the diagonal line, with this the researcher explains that the data used in this study contributes normally

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Table. 3.2 Kolmogorov-Smirnov. Normality test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		40
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	4,30823034
Most Extreme Differences	Absolute	,115
	Positive	,097
	Negative	-,115
Test Statistic		,115
Asymp. Sig. (2-tailed)		,195[c]

The results of the table above are normal because of the Asymp value. Sig. (2-tailed) generated is worth 0.195, which is to say that the data has a normal contribution, namely the Asymp value. Sig > 0.05. With a comparison of 0.195 > 0.05, this test is said to be normal and there are no symptoms of normality

Multicollinearity Test

Unlike the normality test, this test is said to pass if the VIF value is < 10 and the tolerance value is > 0.1.

Table. 3.3 Multicollinearity Test

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	ROA	,926	1,080
	ROI	,994	1,006
	DER	,860	1,163
	CR	,803	1,245

a. Dependent Variable: Nilai Perusahaan

The test results above, for all variables produce a Tolerance value > 0.1 and VIF < 10. Then the ROA, ROI, DER and CR variables are said to have passed because they have met the conditions.

Autocorrelation Test

Table. 3.4 Autocorrelation Test

Runs Test

	Unstandardized Residual
Test Value[a]	-,53414
Cases < Test Value	20
Cases >= Test Value	20
Total Cases	40
Number of Runs	

a. Median

The results of the table explain that the test value is -.53414 with a probability or significant result of 0.873 and the significance must be above 0.05 (0.873> 0.05) and the observation results are H0 accepted with the overall conclusion that there are no autocorrelation symptoms and are normal.

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Heteroscedasticity Test

This test is used to aim to test whether in the regression model there is an inequality of variance from the residual of one observation to another observation.
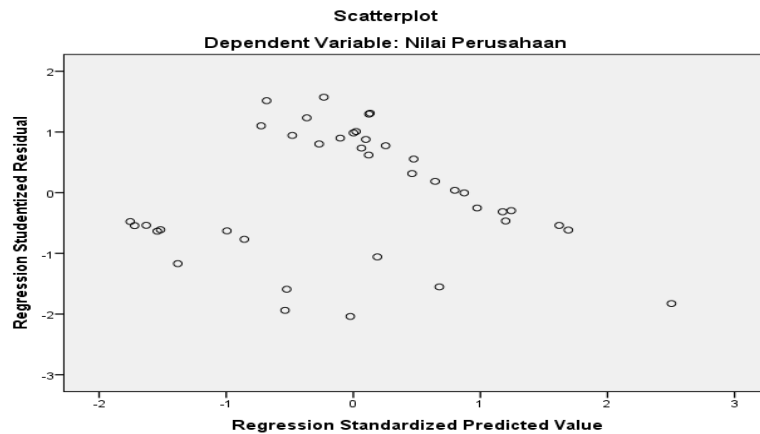

Figure 3.3 Scaterplot Test

In the heteroscedasticity test above, it can be seen that the data held are scattered as a whole from top to bottom and do not form a pattern or gather, so there are no symptoms of heteroscedasticity.

Table. 3.5 Glejer . Heteroscedity

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	7,106	,956		7,433	,000
	ROA	-1,820	,831	-,321	-2,190	,035
	ROI	-,214	,256	-,118	-,837	,408
	DER	-1,196	,434	-,419	-2,753	,009
	CR	-,467	,162	-,454	-2,884	,007

a. Dependent Variable: ABS_RES_1

Based on the description above, compare the results of the significant test with the glacier test, where the normal condition is that a data must have a significant value < 0.05. and the results of the four variables above get sig. > 0.05. Then the conclusion is obtained that the data does not occur heteroscedasticity symptoms

DATA ANALYSIS RESULTS

Multiple Linear Regression Analysis Results

Table. 3.6 Multiple Linear Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	20,886	2,259		9,246	,000
	ROA	6,499	1,963	,446	3,310	,002
	ROI	1,478	,604	,318	2,446	,020
	DER	-1,723	1,026	-,235	-1,678	,102
	CR	,738	,383	,279	1,927	,062

a. Dependent Variable: Nilai Perusahaan

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The results of the multiple linear regression analysis in the table above are

Company Size = 20,886 + 6,499 ROA + 1,478 ROI − 1,723 DER +0.738 CR

1. There is a constant value of 20,886 Where the variables ROA, ROI, DER and CR have 0 or are constant, the value of the company value is 20,886

2. The regression coefficient on the ROA variable is worth 36,499, if the coefficient value shows a positive value, then there is a relationship between firm value. If the ROA variable increases by 1 unit, it will result in an increase of 6,499 to Company Value

3. The ROI value is 1.478, if the ROI coefficient value shows a positive value, then there is a relationship. If the ROI value increases by 1 unit, the number will result in an increase of 1,478 to Company Value

4. The DER variable has a value of -1.723. A negative value on the DER coefficient indicates the opposite direction to the Firm Size value. Then the decrease in the DER variable by 1 unit will result in a decrease in the value of 1,723 against the Company Value.

5. The Current Ratio value is 0.738, the CR coefficient value shows an increase in the CR value by 1 unit, the number results in an increase in the value of Rp.0.738 to the Company Value.

Coefficient of Determination (R2)

Table.3.7

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,641[a]	,411	,344	4,54776

a. Predictors: (Constant), CR, ROI, ROA, DER

b. Dependent Variable: Nilai Perusahaan

The value of Adjusted R Square in the table is 0.411 with 41.1% influence on firm value and the remaining 58.9% influenced by other variables.

Partial Hypothesis Testing (T Test)

Table 3.8 Partial Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	20,886	2,259		9,246	,000
	ROA	6,499	1,963	,446	3,310	,002
	ROI	1,478	,604	,318	2,446	,020
	DER	-1,723	1,026	-,235	-1,678	,102
	CR	,738	,383	,279	1,927	,062

a. Dependent Variable: Nilai Perusahaan

If there is a tcount > t table then it has an influential relationship. In the table above, the Ttable value and the mean value are 0.05 with degrees of freedom = 40 − 4 -1 = 35, the ttable value is 2.03011, then the partial value is

1. Return on Assets variable produces tcount 3.310, ttable 2.03011 -with a significant 0.002. Then the results of the comparison on this variable are tcount 3.310 > ttable 2.03011 and 00.002 <0.05 with the conclusion that the return on assets variable has a significant effect on firm value.

2. Return On Investment has a value of tcount 2,446, ttable 2,03011 and significant 0,020. So the results of the comparison on this variable are tcount 2.446> ttable 2.03011 and 0.020 <0.05. With the conclusion that Return on Investment has a significant effect on firm value.

3. The Debt To Equity ratio variable has a value of tcount -1.678, ttable -2.03011 and significant 0.102. So the results of the comparison on this variable are tcount 1.6788 < ttable 2.03011 and 0.102 > 0.05. with the conclusion that the debt to equity ratio has an effect but is not significant on the size of the company.

Effect of Return on Assets, Return on Investment, Debt to Equity Ratio, and Current Ratio on Firm Value (Case Study on Manufacturing Companies in the Food and Beverage Sub-Sector Listed in the 2017-2021 Period)

4. Current Ratio variable has a value of tcount 1.927, ttable 2.03011 and significant 0.062. Then the results of the comparison on this variable are tcount 1.927 < ttable 2.03011 and 0.062 > 0.05. With the conclusion that the variable Current ratio has no effect on the size of the company

Simultaneous Hypothesis Testing (F Test)
ANOVAa
Table. 3.9 F. Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	505,986	4	126,496	6,116	,001b
	Residual	723,873	35	20,682		
	Total	1229,859	39			

a. Dependent Variable: Nilai Perusahaan
b. Predictors: (Constant), CR, ROI, ROA, DER

In the picture above, it examines all variables or partially, where the compared values of fcount and ftable with (df1) = 4 and (df2) = 35 with ftable results 2.64 and significant 0.05. Then it was concluded that fcount 6.116 > ftable 2.64 and the significance was 0.001 <0.05. So the overall result is that all variables, namely ROA, ROI, DER, and CR have a simultaneous effect on firm value.

RESULTS AND DISCUSSION

Effect of Return on Assets on Firm Value

In the research observations, the results showed that there was a significant and significant influence between Return On Assets on firm value in food and beverage companies listed on the Indonesia Stock Exchange. The results of this observation indicate that a good or increasing ROA has the potential to increase the attractiveness of the company. This research is in line with Susilaningrum (2016) concluding that the ROA variable partially has a significant effect on firm value. While the results of this observation are not in line with the results of previous research by Agustiani (2016) where the Return on Assets variable has no significant effect on firm value.

Effect of Return on Investment on Firm Value

In research observations, the results showed that there was a significant and significant effect on Return On Investment on firm value in food and beverage companies listed on the Indonesia Stock Exchange. The results of this observation indicate that in good or increasing ROI conditions provide potential for company attractiveness. This study is in line with Brigham and Houston (2006) concluded that the ROA variable has a significant effect on firm value by concluding that firm value will depend only on the profits produced by its assets.

Effect of Debt to Equity Ratio on Firm Value

The results of the hypothesis observation indicate that there is a negative effect of the Debt to Equity Ratio on firm value. The results of the statistical coefficients test state that the results of the Debt to Equity Ratio do not significantly affect the value of the company. According to the trade-off theory, associated with optimal use of debt to increase value in this study may not be optimal. This indicates that the capital value is greater than debt in a company that has not been able to show the company's ability to optimize the use of debt to increase company value. This result is not consistent with the observations of Gisela Prisilia Rompas (2013) showing that DER has a positive and significant effect on firm value, however, these results are consistent with research by Natalia Ogolmagai (2013) which revealed that the Debt to Equity Ratio was not significant to firm value

Effect of Current Ratio on Firm Value

The results of hypothesis testing of the current ratio variable on firm value, it is known that the current ratio is concluded to have no effect and is not significant to firm value. These results conclude that if the current ratio is high, it can be indicated that there are idle funds, which means that there is a decrease in profit because the assets obtained are used more in paying off current debt and are not used as investment decisions and have no effect on firm value. The results of this study are in line with observations made by Annisa (2017), Anggraini (2014) which state that the current ratio has no effect and is not significant on firm value. On the other hand, observations made by Hasania, Murni, Mandagie (2016), state that the current ratio has a significant effect on firm value.

Effect of Return on Assets, Return on Investment, Debt to Equity Ratio, and Current Ratio on Firm Value (Case Study on Manufacturing Companies in the Food and Beverage Sub-Sector Listed in the 2017-2021 Period)

Effect of Return on Assets, Return on Investment, Debt to Equity Ratio and Current Ratio Simultaneously to Firm Value

Based on the results obtained with fcount 6.116 > ftable 2.64 and the significance is 0.001 <0.05. So it can be concluded that the value of H0 is rejected and Ha is accepted. The results of the observations concluded that each ratio can assess a company, investors can use these four variables as the basis for making a stock investment decision. These four variables can be used as a reference point for assessing by predicting the quality of the company and serve as a reference point for optimizing the company's performance improvement. Then the variables Return On Assets, Return On Investment, Debt To Equity Ratio and Current Ratio Simultaneously Against Company Value in the food and beverage sub-sector manufacturing listed on the Indonesia Stock Exchange for the period 2017-2021
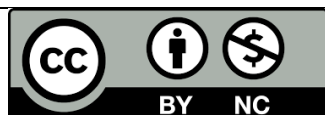
IV .CONCLUSIONS

The conclusions of this research observation are;

1. The return on assets variable has a significant influence on the value of the company in the food and beverage sub-sector Manufacturing companies listed on the Indonesia Stock Exchange during 2017 – 2021

2. Return on Investment has a significant influence on the value of the company in the food and beverage sub-sector Manufacturing companies listed on the Indonesia Stock Exchange during 2017 – 2021

3. Debt to aquity ratio has an effect but is not significant on company size in food and beverage sub-sector Manufacturing companies listed on the Indonesia Stock Exchange during 2017 – 2021

4. Current ratio variable has no effect on company size in food and beverage sub-sector Manufacturing companies listed on the Indonesia Stock Exchange during 2017 – 2021

5. The variables ROA, ROI, DER, and CR have a simultaneous effect on firm value in manufacturing companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange during 2017 – 2021.

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