

TABLE OF CONTENTS

| | |
|---|-------------------------------------|
| STATEMENT OF ORIGINALITY..... | ii |
| JURIDICAL SHEET | Error! Bookmark not defined. |
| PREFACE | iv |
| ABSTRACT | vi |
| ABSTRAK | vii |
| SUMMARY | viii |
| TABLE OF CONTENTS..... | xiv |
| LIST OF TABLES..... | xviii |
| LIST OF FIGURES | xix |
| LIST OF APPENDIX | xx |
| CHAPTER I INTRODUCTION | 1 |
| 1.1. Background | 1 |
| 1.2. Research Problem | 7 |
| 1.3. Research Objectives..... | 8 |
| 1.4. Research Contribution | 9 |
| 1.4.1. Theoretical Contribution..... | 9 |
| 1.4.2. Practical Contribution..... | 9 |
| 1.5. Conceptual Overview of Research Object | 10 |
| CHAPTER II LITERATURE REVIEW | 12 |
| 2.1 Financial Markets | 12 |
| 2.2 Financial Performance | 12 |
| 2.3 Capital Structure..... | 14 |
| 2.3.1 Trade-off Theory | 15 |
| 2.3.2 Pecking Order Theory | 15 |
| 2.4 Empirical Review | 16 |
| 2.3 Relationship Among Variables and Hypothesis Statement | 21 |
| 2.3.1 Profitability (ROA) and Firm Growth (PER) | 21 |
| 2.3.2 Liquidity (CR) and Firm Growth (PER)..... | 21 |

| | |
|---|----|
| 2.3.3 Capital Structure (DER) and Firm Growth (PER) | 22 |
| 2.3.4 Profitability (ROA) and Firm Value (PBV) | 22 |
| 2.3.5 Liquidity (CR) and Firm Value (PBV)..... | 22 |
| 2.3.6 Capital Structure (DER) and Firm Value (PBV) | 23 |
| 2.3.7 Firm Growth (PER) and Firm Value (PBV)..... | 23 |
| 2.4. Conceptual Framework..... | 24 |
| CHAPTER III RESEARCH METHOD | 25 |
| 3.1. Type of Research..... | 25 |
| 3.2. Place and Time of Research..... | 25 |
| 3.2.1 Location of Research..... | 25 |
| 3.2.2 Time of Research | 25 |
| 3.3. Data..... | 26 |
| 3.4. Population and Sample | 26 |
| 3.5. Research variable..... | 27 |
| 3.5.1 Firm Value (PBV) | 28 |
| 3.5.2 Profitability (ROA)..... | 28 |
| 3.5.3 Liquidity (CR)..... | 29 |
| 3.5.4 Capital Structure (DER) | 30 |
| 3.5.5 Firm Growth (PER)..... | 30 |
| 3.6. Analysis Method..... | 31 |
| 3.6.1 Descriptive Statistics | 31 |
| 3.6.2 Panel Data Regression Analysis | 32 |
| 3.6.3 Method of Regression Data Panel..... | 34 |
| 3.6.4 Classic Assumption Test | 35 |
| 3.6.5 Multiple Linear Regression Analysis | 36 |
| 3.6.6 Mediation Regression Analysis | 37 |
| 3.7 Hypothesis Testing | 37 |
| 3.7.1 Coefficient of Determination | 37 |
| 3.7.2 Statistical F-Test..... | 38 |
| 3.7.3 Statistical T-Test | 38 |
| CHAPTER IV RESULT AND DISCUSSION..... | 39 |

| | |
|--|----|
| 4.1 Descriptive Statistics Analysis | 39 |
| 4.2 Model Estimation | 41 |
| 4.2.1 Common Effect Model (CEM) | 41 |
| 4.2.2 Fixed Effect Model (FEM) | 42 |
| 4.2.3 Random Effect Model (REM) | 43 |
| 4.3 Model Fit Test | 44 |
| 4.3.1 Chow Test..... | 45 |
| 4.3.2 Hausman Test..... | 45 |
| 4.3.3 Lagrange Multiple Test | 46 |
| 4.4 Classic Assumption Test..... | 47 |
| 4.4.1 Normality test..... | 47 |
| 4.4.2 Multicollinearity Test | 48 |
| 4.4.3 Heteroscedasticity Test..... | 49 |
| 4.4.4 Autocorrelation Test..... | 50 |
| 4.5 Hypothesis Testing | 50 |
| 4.5.1 Coefficient of Determination (R^2)..... | 51 |
| 4.5.2 Statistical F Test..... | 51 |
| 4.5.3 Statistical T Test | 51 |
| 4.6 Panel Data Multiple Linear Regression Result | 52 |
| 4.7 Mediation Regression Analysis | 53 |
| 4.7.1 Common Effect Model | 53 |
| 4.7.2 Fixed Effect Model..... | 54 |
| 4.7.3 Random Effect Model | 55 |
| 4.8 Model Fit Test | 56 |
| 4.8.1 Chow Test..... | 56 |
| 4.8.2 Hausman Test..... | 56 |
| 4.8.3 Lagrange Multiple Test | 57 |
| 4.9 Hypothesis Testing | 58 |
| 4.9.1 Coefficient of Determination (R^2)..... | 59 |
| 4.9.2 Statistical F Test..... | 59 |
| 4.9.3 Statistical T Test..... | 59 |

| | |
|--|----|
| 4.10 Mediation Regression Analysis Result | 60 |
| 4.11 Sobel Test..... | 61 |
| 4.11.1 X1 to Y through Z..... | 61 |
| 4.11.2 X2 to Y through Z..... | 61 |
| 4.11.3 X3 to Y through Z..... | 62 |
| 4.12 Discussion | 63 |
| 4.12.1 The Effect of Profitability on Firm Growth..... | 63 |
| 4.12.2 The Effect of Liquidity on Firm Growth..... | 64 |
| 4.12.3 The Effect of Capital Structure on Firm Growth | 65 |
| 4.12.4 The Effect of Profitability on Firm Value | 66 |
| 4.12.5 The Effect of Liquidity on Firm Value..... | 66 |
| 4.12.6 The Effect of Capital Structure on Firm Value..... | 67 |
| 4.12.7 The Effect of Firm Growth on Firm Value..... | 68 |
| 4.12.8 The Effect of Firm Growth as Intervening Variable. | 69 |
| CHAPTER V CONCLUSION | 71 |
| 5.1 Conclusion..... | 71 |
| 5.2 Recommendation..... | 71 |
| 5.2.1 For Firms | 71 |
| 5.2.2 For Future Research | 71 |
| 5.3 Limitations | 72 |
| REFERENCES | 73 |
| APPENDIX | 85 |