

The Impact Of Working Capital Management And Ratio Finance On Profitability In The Manufacture Empirical Study on Sub Sector Industry Base & Chemistry Listed in IDX 2016 - 2021

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Abstract—The company's profitability is one of the magnets used by investors to invest their funds. Every investor who invests expects to profit from the investment he chooses in the long term. This advantage can be obtained if you look at the intricacies of the company's achievements in terms of profitability. One important component that is generally looked at as one of the causes that motivates investors to invest and becomes an acquisition in the courage of investors to take risks on the investment, they have chosen is the value of the company's ROE (return on equity). Return on equity is identified as tied to the company's performance because this includes an illustration of the value of a company regarding the achievement of net income when viewed from the perspective of the equity it owns. The movement in the value of profitability should be the main focus for investors looking to invest their funds in the stock exchange. Therefore, the level of the company's ability to earn profits is one of the benchmarks against which investors should invest. The aim of the study was to determine the extent to which working capital management and financial ratios, namely account receivable turnover, working capital turnover, current ratio, and debt-to-equity ratio, have an effect on return on equity in basic and chemical industry sub-sectors companies listed on the Indonesia Stock Exchange for the period 2016–2021. The results of the study shows that Accounts Receivable Turnovers, Working Capital Turnovers, Current Ratio, and Debt to Equity Ratio to Return on Equity do not have a significant effect with a significance value of $0.919 > 0.05$, and partially there is no significant effect on Return on Equity between Accounts Receivable Turnovers with a significance value of $0.9937 > 0.05$, Working Capital Turnover with a significant value of $0.8594 > 0.05$, Current Ratio (CR) with a significant value of $0.3650 > 0.05$, and also partially there is no significant effect on the Debt to Equity Ratio with a significance value of $0.619 > 0.05$.

Keywords—account receivable turnovers; working capital turnovers; current ratio; debt to equity ratio

I. INTRODUCTION

In the current era of globalization and modernization, competition in business is matter which is normal and considered reasonable by business actors. It's getting faster development technology nor education public moment This make matter This is a necessity for the continued existence of the business the. Performance something company can become indicator Which Good from the situation. The income that can be obtained increases along with the company's performance. However on in fact, profit or income in understanding real income is a phenomenon cause and effect. Profit or profitability is results Which can achieved through a number of matter. Capital Work play role important in success profitability, besides sale Which tall And management company Which effective. Because a company's liquidity and profitability are directly influenced by how working capital is managed. Where working capital management is components which very important for performance company.

Profitability Which Good will maximizing activity operational. Profitability Which low caused by Lots factor like management capital Work. If company No can maintain "level capital Work Which effective", possibility company fall to in bankruptcy (*insolvency*) Enough tall. Therefore, working capital management is considered very important because various reason.

In general, every operation of a company will always require capital And cost For finance the operation as well as activity investment period length. Funds used to finance businesses are often referred to as capital Work. "Capital Work is gathering assets fluent or fluent including cash, letter valuable, supply, And receivables trade" (Brigham and Houston 2013). In fact, acquisition And management capital the lah Which become determinants and factors of successful management and performance of a company. By Therefore, working capital management has a direct influence on prospect And planning company to the front. The more Good management The more working capital is used, the better the company's performance will be. Performance Good performance itself can be represented through good working capital turnover, ratio finance Which healthy, too profitability Which optimal.

Formulation that problem submitted in this study are: How influence rotation receivables to profitability on company manufacture Sub Industrial Sector Base & Chemistry in Indonesia? How does net working capital turnover affect profitability on company manufacture Sub Sector Industry Base & Chemistry in Indonesia? How does *the current ratio* affect company profitability? manufacture Basic Industry Sub Sector & Chemistry in Indonesia? How influence *debt to equity ratio* to profitability on company manufacture Sub Industrial Sector Base & Chemistry in Indonesia? How influence rotation receivables, rotation capital Work clean, *current ratio* and *debt to equity ratio* simultaneously on profitability on company manufacture Sub Sector Industry Base & Chemistry in Indonesia?

II. LITERATURE REVIEW

A. Profitability: Return on Equity

The definition of ROE is "measuring a company's ability to earn profits available to company shareholders. This ratio is also influenced by big small debt company, if proportion debt big so ratio This will big". ROE Equation:

$$ROE = \frac{\text{Net Income}}{\text{Shareholders Equity}}$$

B. Profitability: Accounts Receivable Turnovers

Receivables turnover is how long a business takes to pay collect receivables and convert them into cash. Therefore, This ratio represents the company's debt collection capacity. Measured by means using Receivables Turnover Analysis using the formula as following:

$$\text{Accounts Receivable Turnovers} = \frac{\text{Sales}}{\text{Average Accounts Receivable}}$$

C. Rotation Capital Work Clean

Metrics used to measure how well working capital is performing company intermittently is the working capital turnover ratio (Kasmir, 2016). Capital Work Keep going consumed or changed in in business during operation. Amount the time that elapses between when cash is invested in capital components Work And moment transformed return become Money cash known as working capital turnover period.

D. Current Ratio

The liquidity ratio or current ratio describes the company's capabilities For cover obligation period in short from asset period short. Ability business For pay the debt improved with ratio fluent Which more big. Equality following can used For determine ratio fluent (Cashmere, 2019:119).

$$\text{Current Ratio} = \frac{\text{Current Liabilities}}{\text{Current Assets}}$$

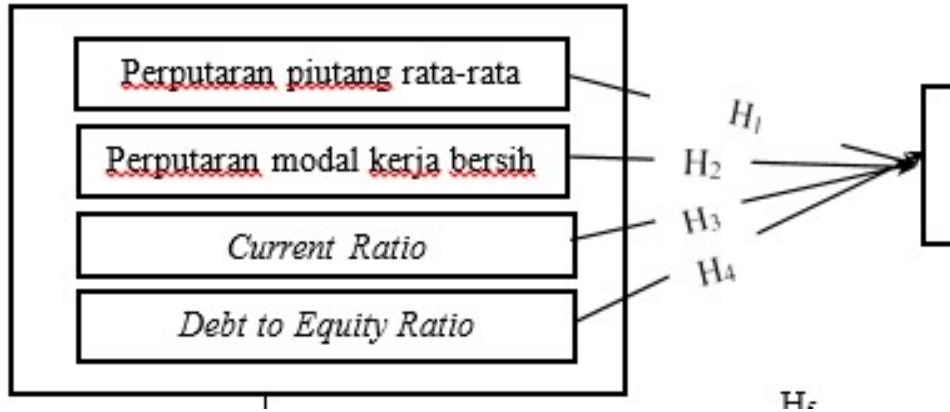
E. Debt to Equity Ratio

The ratio used to assess *leverage* is the *debt-to-equity ratio*. For get ratio This, all debt, including obligation fluent, compared to with all over equity. Amount fund Which provided by borrowerAnd business owner can calculated using this ratio.

$$Debt\ to\ Equity\ Ratio = \frac{Total}{Total}$$

F. Thinking Framework

This study uses framework of thinking as following:



Writer can offer hypothesis with consider background, problem definition, and research objectives, then the author can explain hypothesis as follows: H 1 : ARTO has a positive effect on profitability H 2 : WCTO positive influence to profitability. H 3 : *Current Ratio* matters positive on profitability company. H 4 : *Debt to Equity Ratio* influential negative on profitability company. H 5 : ARTO, WCTO, *Current Ratio* And DER in a way simultaneous influential to profitability.

III. METHOD

This Studies use method study quantitative and descriptive. Data secondary Which originate from report finance the 2016-2021 period via electronic media was used in this research. Data Secondary is information that has already been collected and does not need to be collected by researchers. Financial records containing this secondary data can be seen at *www.idx.com* , Statistics BEI, or in *website* each company. This research uses four variables which will be evaluated as follows subject study, Where fourth ratio the is management capital Work yeahproxied by rotation receivables And rotation capital Work clean, ratio liquidity, especially the *Current Ratio* and solvency ratio which is proxied by *Debt to Equity Ratio*, as well *Return on Equity* as the dependent variable.

Object this study is report finance PT Miscellaneous Mine Tbk., PTFajar Surya Wisesa Tbk, PT Indocement Tunggal Prakarsa Tb, PT Solusi Bangun Indonesia Tbk., PT Semen Indonesia (Persero) Tbk., PT Waskita Beton Precast Tbk., PT Timah Tbk. And PT Wijaya Karya Beton Tbk. 2016 - 2021 which is part of the basic industry and chemical sub-sector group on the Stock Exchange Indonesia. A non-probability sampling strategy was used in the this study. The technique used is a *purposive sampling approach*, which is a strategy Sampling is based on predetermined characteristics and criteria previously. Following This is a number of criteria taking sample Which used in this research: Company on industry manufacture Sub Sector Industry Base & Chemistry Which registered in Exchange Effect Indonesia on period 2016-2021. Company Which publish report his finances in a way complete fromperiod 2016- 2021. Company Which use eye Money rupiah on report his finances. Company Which own mark total asset more big from The same with IDR 9,000,000 (in units in millions rupiah). Company Which No in suspension And *delisted* by BEI (recorded on BEI).

TABLE I. SAMPLE SELECTION CRITERIA

No	Criteria	Amount of Company
1	Recorded in Exchange Effect Indonesia	96
2	Company Which No publish report financially complete from year 2016-2021	26
3	Company Which No use eye Money rupiah	23
4	Company Which in Suspension And in <i>delisting</i> from BEI	2
5	Company Which No own mark total asset more big from IDR 9,000,000 (Unit millions Rupiah)	37
	The sample fulfil criteria	8

Based on criteria as determined above, sample data is obtained study eight in number as follows:

TABLE II. RESEARCH SAMPLES

Code	Name Company
ANTM	Miscellaneous Mine Tbk.
FASW	Dawn Surya Wisesa Tbk.
INTP	Indocement Single Initiative TB
SMCB	Solution Get up Indonesia Tbk.
SMGR	Cement Indonesia (Persero) Tbk.
WSBP	Clairvoyant Concrete Precast Tbk.
TINS	Timah Tbk.
WTON	Wijaya Work Concrete Tbk.

Data Which collected for investigation This nature secondary. Data secondary data processed by researchers includes information collected indirectly on purpose by researcher or Which has enter to realm public, like notes finance. The official website of each company as well as the Stock Exchange website Indonesia, www.idx.com, used For gather information This. Approach Which used For gather data this study is based documentary and literature. Analyze books, articles, journals, and other related written materials with the subjects discussed in the research is known as a study literature. By collecting document data sources such as financial reports company Which used as sample study, documentation achieved. An important technique for summarizing the general condition of data is statistical analysis descriptive. In the book, Ghozali (2016) state that "analysis statistics descriptive provides an overview or picture of the data obtained from mean (average), standard deviation, variance, maximum, minimum, number, range, kurtosis, and *skewness* (slope)". Standard deviation, variance, maximum, and Lowest is the result of a variability check data.

Analysis normality is method For determine is residuals distributed in a way normal. Variable confounder or residuals from model regression must normally distributed so that statistical tests are valid for small sample sizes. The premise is as follows: H_0 : Data distributed residuals normal, H_1 : Data residuals No distributed in a way regular. If the asymptotic significance is more than 5%, the data is regularly distributed (Ghozali, 2016). For know is residuals from a number of observation own unequal variances by conducting a heteroscedasticity test in the model regression. If the residuals of one observation deviate from those of another, then the model regression is said to be heteroscedastic (Ghozali, 2016). There is each other dependency variable independent in model regression is multicollinearity in data. Model regression Which Good must avoid collinearity between independent variable (Ghozali, 2016).

Test autocorrelation model regression linear disclose If error disturbances in periods t and $t-1$ are related (Ghozali, 2016). Because data in studies This is *time series*, so done testing This. Data sort of This often experience problem with autocorrelation general, Which makes it "disturbing" each other others (Ghozali, 2016). A number of method Which used For estimate parameter model use data panel between others as follows: Collection Square Smallest Ordinary (*Common Constant Method /PLS*), Method *Fixed Effects*, often called with *Fixed Effect Model* or FEM., Method Effect Random, often called *Random Effect Models*

Model PLS, FEM, or BRAKE where Which most suitable can chosen using various tests with a panel data regression approach. Between test that used are:

The Chow test is used to select the best model to estimate data panels of *Common* or *Pooled* and *Fixed Effects*. Chow test includes hypothesis, that is as follows: H_0 : the model is *Common* or *Pooled*. H_a : The model adheres to *Fixed Effects*.

Chi-Square or *F-test* is used For see is probability (p -value) is greater or less than alpha. If the p -value exceeds (0.05), H_0 accepted, And the model is *Common* or *Pooled*. If p -value not enough from 0.05 so H_0 rejected and used model *Fixed Effects*.

The Hausman test is a statistical evaluation used to decide between model *Fixed Effect* And *Random Effects*. Following This is hypothesis *Hausman Tests* : *Random Effect* followed by the model: (H_0) The model adheres to *Fixed Effect* : (H_a) *Chi-Square* or *cross sections* Statistics random used For compares the probability (p -value) with alpha to determine whether a model is good or bad. 0.05 or 5%. The model will follow *Random Effect* If p -value more big or The same with (0.05). If p -value not enough from or The samewith (0.05), H_0 ignored, and used model *Fixed Effects*. Test Lagrange Multipliers (LM) required For evaluate is model effect random or effect general chosen If test Chow And Hausman show that model PLS & REM is selected. Following this is hypothesis Which submitted Test LM: H_0 : *Random Effect* followed by the model. H_a : The model adhere to *Common Effects*, Test This made For see is percentage variant from variable independent and dependent can be determined accurately using the model regression multiple.

The coefficient of determination (R^2) has a range of 0 to 1. The R^2 value Which low show that ability variable independent Fore explain variable dependent very limited. When coefficient determination is 0, there is no correlation between the independent and dependent variables. If the coefficient determination is close to one, then the independent variable has a significant effect on the dependent variable. Because interference error in this model is maintained to remain low, R^2 approaches one, indicating that the regression estimate will more accurate.

The F statistical test basically determines if all variables are independent Which relevant impact on variable dependent in a way simultaneously (Ghozali, 2016). Variable free influence variable bound in a way simultaneous If mark probability significance not enough from 0.05.

Know how much big influence factor independent to variation variable dependent is objective main from test This. Variable independent explain variable dependent in a way significant If mark probability significance more smaller than 0.05

IV. RESULT AND DISCUSSION

A. Data Analysis Result

The Return on Equity (Y) variable according to table 4.1 has an average value (mean) of 0.706 and standard deviation of 1.4. The highest number is 5.85 and the lowest is -1.8. The distribution of ROE is still somewhat varied due to averages or values average not enough of standard deviation. Besides That, is known that variable (X_1) Rotation Receivables (ARTO) has a total of 48 observations, average value 6.41321, maximum value 25.8909, the average value is 0.1013, and the standard deviation is 5.27829. Account Receivable Turnover (ARTO) is a ratio that compares sales and receivables of a business. Naturally, the impact on profits increases as value increases uncollectible receivables. Therefore, it is best to obtain the value of trade receivables converted into cash faster. *Working Capital Turnover (WCTO)* is a variable (X_2) with 48 observations that have an average value of 7.711929, a maximum value of 55.329, a minimum -13.51935, and standard deviation 13.8254. Working capital turnover (WCTO) is ratio famous Which evaluate capacity company For increase sales relative to its net working capital. The better the ratio, the more effective managing company working capital And the sales. There are 48 observations for the variable (X_3) *Current Ratio (CR)*, with mark average 1.50506, range 4.52503 until 0.26671, And standard deviation 0.87076. A calculation known as the

current ratio (CR), which divides assets fluent with total obligation fluent, made with use notes finances of each research sample organization. Current ratio (CR) measure capacity company For use asset fluent For finish term obligations short.

TABLE III. STATISTIC DESCRIPTIVE ANALYSIS RESULT

	ROE	ARTO	WCTO	CR	DER
Mean	0.70676	6.41321	7.711929	1.50506	1.18363
Median	1.39795	5.62094	3.77364	1.3074	1.01219
Maximum	5.85986	25.8909	55,329	4.52503	3.66471
Minimum	-1.8904	0.1013	-13.51935	0.26671	0.02675
Std. Dev	1.40429	5.27829	13.82548	0.87076	0.81708
Skewness	1.67314	1.94978	1.714512	1.4969	1.04262
Kurtosis	6.55663	7.4482	6.014538	5.2784	4.45128
Jarque-Bera	47.8314	69,986	41.6913	28.3077	12.9089
Probability	0.000000	0.000000	0.000000	0.000000	0.000000
Sum	33.9246	307,834	370.5258	72,243	56.8143
Sum Sq. Dev	92.6858	1309.44	8983.76	35.6366	31.3781
Observations	48	48	48	48	48

Source: Processing Results Data with Eviews 12, 2023.

The variable (X_4) *Debt to Equity Ratio* (DER) has a total of 48 observations, values overall mean 1.18363, value range 0.02675 to 3.66471, and standard deviation 0.81708. A company's ability to pay term debt long determined by *debt to equity ratio* (DER) Which obtained from total debt divided by the total equity in the financial statements of each sample company study. The market will react to the news of an increase in DER as an option investors For buy shares more profitable If the ratio lower. As much 48 observation done For variable (Y) *Return on Equity* (ROE) which has an average value of 0.70676, a maximum value of 5.85986, a minimum value of - 1.8904, and standard deviation 1.40429. ROE is one of the determining elements successful company performance. Potential investors who plan to invest too take into account ROE. Investors can determine ability company For produce profit with equity Which he has by seeing mark ROE.

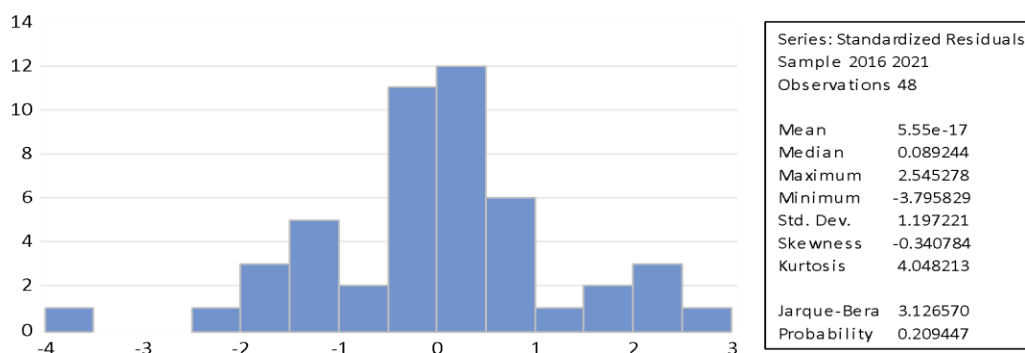


Fig. 1. The Result Normality Test After Data Transformation

From picture 3 on, is known mark *Probability* from Jarque-Barbara become as big as 0.20947 Which means more big from 0.05 And data can concluded Already distribute in a way normal.

TABLE IV. RESULT OF HETEROSCEDASTICITY

Variables	Coefficient	Std Error	t-Statistics	Prob.
C	-0.687546	0.272398	-2.524046	0.0154
ARTO	0.026484	0.139297	0.190129	0.8501
WCTO	-0.038419	0.039155	-0.981185	0.332
CR	0.291505	0.416282	0.700259	0.4875
DER	-0.036237	0.25782	-0.14055	0.8889

Source: Results Data Processing Eviews 12, 2023

Based on results test heteroscedasticity on show mark the probability of each independent variable is the larger value from 0.05 so that can concluded that in this study No There is heteroscedasticity or data that is homogeneous.

TABLE V. RESULT OF MULTICOLLINEARITY TEST

	ROE	ARTO	WCTO	CR	DER
ROE	1	0.048888	-0.010047	0.037398	-0.1261729
ARTO	0.048888	1	0.0915395	0.04452514	-0.1822094
WCTO	-0.010047	0.115395	1	0.1687726	-0.0811345
CR	0.037398	0.044525	0.0968773	1	-0.7042266
DER	-0.126173	-0.18221	-0.081135	-0.7042266	1

Source: Processing Results Data Eviews 12, 2023

Based on the table above, after testing the partial correlation between independent variables in turn obtained results that test correlation ARTO, WCTO, CR and DER variables have regression coefficient values <0.8. The correlation coefficient value of the four independent variables is smaller than 0.8 so it was concluded that there was no multicollinearity problem between variables independent.

TABLE VI. RESULT OF AUTOCORRELLATION TEST

R-squared	0.021085	Mean dependent var	-0.294259
Adjusted R-squared	-0.069977	elementary school dependent var	1.027644
S.E of regression	1.062992	Sum squared resident	48.58793
F-statistic	0.231543	Durbin-Watson stat	1.710523
Prob(F-statistic)	0.919140		

Source: Results Data Processing Eviews 12, 2023

If the Durbin-Watson number is in the range of -2 and +2 then no there is autocorrelation. Therefore, based on the above provisions the Durbin value - Watson with a magnitude of 1.7105 indicates that there is no autocorrelation on this research.

TABLE VII. RESULT OF PANEL DATA REGRESSION CHOOSE

Test Election Model	Model Which in Test	Results
Test Chow	<i>Common Effect Models vs. Models</i> <i>Fixed Effect Model</i>	<i>Fixed Effect Model</i>
Test Hausman	<i>Fixed Effect Model vs</i> <i>Random Effect Model</i>	<i>Random Effect Model</i>
Test Lagrange Multiplier	<i>Common Effect Models vs. Models</i> <i>Random Effect Model</i>	<i>Random Effect Model</i>

Based on table 4.10 above, it can be concluded that of the three panel data regression model which has been tested using the Chow test, Hausman test and test Lagrange Multipliers. *The Random Effect Model* is the most appropriate model this study.

TABLE VIII. RANDOM EFFECT MODEL

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	-0.583280	0.458931	-1.270952	0.2106
ARTO	0.001463	0.183136	0.007986	0.9937
WCTO	0.009718	0.054536	0.178191	0.8594
CR	-0.433197	0.473114	-0.915628	0.3650
DER	-0.142977	0.285909	-0.500079	0.6196

Source: Results Processing Data Eviews 12, 2023

Equality Regression:

$$ROE = -0.5832 + 0.00146 \text{ ARTO} + 0.0097 \text{ WCTO} - 0.433 \text{ CR} - 0.1429 \text{ DER}$$

Where:

$Y = \text{Return On Equity (ROE)}$

$X_1 = \text{Accounts Receivable Turnovers (ARTO)}$ $X_2 = \text{Working Capital turnover (WCTO)}$ $X_3 = \text{Current Ratio (CR)}$

$X_4 = \text{Debt to Equity Ratio (DER)}$

From equality it can explained as follows :

Constant value (c) = -0.5832. Means, if it is assumed to be an independent variable which consists of ARTO, WCTO, CR and DER equal to 0 or constant, so price shares (Y) of -0.5832.

Coefficient regression *Accounts Receivable Turnovers* (X 1) = 0.00146 Which show connection connection positive between *Accounts Receivable Turnovers* with *Return on Equities*. It means, every *Accounts Receivable Turnovers* experience increase 1 unit so ROE company even will follow increase becomes 0.00146.

Coefficient regression *Working Capital Turnovers* (X 2) = 0.0097 Which shows a positive relationship between *Working Capital Turnover* and *Return on Equities*. It means, every *Working Capital Turnovers* experience an increase of 1 unit means the company's ROE will also increase by 0.0097.

The regression coefficient *Current Ratio* (X 3) = - 0.433 which shows a relationship negative (inversely proportional) between *Current Ratio* and *Return on Equity*. This means that every time *the Current Ratio* increases by 1 unit, it *returns on Equity* company will compare backwards down become as big as 0.433.

The regression coefficient of *Debt to Equity Ratio* (X_4) = - 0.1429 which shows negative relationship (inversely proportional) between *Debt to Equity Ratio* and *Return on Equity*. This means that every time *the Debt to Equity Ratio* increases 1 unit, the company's *Return on Equity* should decrease by 0.1429.

TABLE IX. DETERMINANTION COEFFICIENT TEST RESULT

R-squared	0.021085	Mean dependent var	-0.294259
Adjusted R-squared	-0.069977	SD dependent var	1.027644

Source: Results Processing Data Eviews 12, 2023

The coefficient of determination is used to estimate the model's capabilities For clarify know how much big influence variable independent to variable dependent. Based on results study that model Which chosen was *the Random Effect Model* (REM). So based on the table above you canIt can be seen that the Adjusted R-square value is -0.06997. This shows that the percentage gain is from the influence of the independent variable on the variable dependent is as big as -6.99% (considered The same with zero or No There is influence). Or can interpreted that variable independent ones used instudy capable explain as big as -6.99% to variable dependent.The rest 106.99% other influenced by factors other in outside Research Model.

Results from test F, is known that mark F count more big from F table ($2,409 > 0.2315$), then it can also be seen from the probability value which is 0.9191 which greater than the significance level of 0.05 so H_5 rejected. This matter shows that the variables ARTO, WCTO, CR and DER together (simultaneous) No have influence Which significant to *Return on Equities*.

The t test is a coefficient test that affects the dependent variable only with one coefficient. Provided that if the significance value is < 0.05 it means variable free influential significant to variable bound. And Ifsignificance > 0.05 means the independent variables do not have a significant effect on variable bound.

T-Test Result

Variabes	Coefficient	Std. Error	t-Statistics	Prob.
C	-0.583280	0.458931	-1.270952	0.2106
ARTO	0.001463	0.183136	0.007986	0.9937
WCTO	0.009718	0.054536	0.178191	0.8594
CR	-0.433197	0.473114	-0.915628	0.3650
DER	-0.142977	0.285909	-0.500079	0.6196

Source: Results Data Processing Eviews 12, 2023

Table 10 shows the results of the t test with panel data regression analysison produces the following statement: The ARTO variable has a t-value of 0.007986 while the value t-table with $\alpha = 5\%$, $df = (nk) = 47$ is 2.01174 which mean that mark t-count more small from mark t-table as big as ($0.007986 < 2.01174$) Apart from that, it can also be seen from the probability value, which is 0.9937 which is more big from 0.05. Matter This show that ARTO No own influence to *Return on Equities*. Therefore so H_1 rejected and H_0 accepted. The WCTO variable has a calculated t-value of 0.178191 while the valuet-table with $\alpha = 5\%$, $df = (nk) = 47$ is 2.01174 which mean that mark t-count more small from mark t-table as big as ($0.178191 < 2.01174$) Apart from that, it can also be seen from the probability value, which is 0.8594 which is more big from 0.05. Matter This show that WCTO No own influenceto *Return on Equities*. Therefore so H_2 rejected and H_0 accepted.

The CR variable has a calculated t-value of -0.9156 while the t-value table with $\alpha = 5\%$, $df = (nk) = 47$ is 2.01174 which mean that mark t-count more small from mark t-table as big as $(- 0.9156 < 2.01174)$ Apart from that, it can also be seen from the probability value, which is 0.3650 which are more greater than 0.05. This shows that CR is significantly not own influence to *Return on Equities*. With so so H_3 rejected and H_0 accepted.

The DER variable has a calculated t-value of -0.5000 while the t-value table with $\alpha = 5\%$, $df = (nk) = 47$ is 2.01174 which mean that mark t-count more small from mark t-table as big as $(- 0.5000 < 2.01174)$ Apart from that, it can also be seen from the probability value, which is 0.619 which are more greater than 0.05. This shows that DER has no influence to *Return on Equities*. Therefore so H_4 rejected and H_0 accepted.

B. Discussion

The results of this study show that *ARTO* partially shows value mark probability that is as big as 0.9937 Which bigger from 0.05. Matter This shows that *ARTO* has no influence on *Return on Equity*. The *WCTO* variable has a probability value of 0.8594 which is greater than 0.05. Matter This show that *WCTO* No own influence to *Return on Equities*. The CR variable has a probability value of 0.3650 which is greater from 0.05. Matter This show that CR in a way significant No own influence to *Return on Equities*. *Debt to Equity Ratio* in a way Partial shows a probability value of 0.619 which is greater than 0.05. Matter This show that DER No own influence on *Return on Equities*.

The results of the F test show that the calculated F value is greater than the F table ($2.409 > 0.2315$), then it can also be seen from the probability value which is 0.9191 which greater than the significance level of 0.05 so H_5 rejected. This matter shows that the variables *ARTO*, *WCTO*, CR and DER together (simultaneous) does not have a significant influence on *Return on Equity*. Results from test coefficient determination Where mark Adjusted R-square that is -0.06997. Matter This show that percentage acquisition from influence variable independent of the dependent variable is -6.99% (considered the same with zero or No There is influence). Or can interpreted that variable The independent method used in the research was able to explain -6.99% to the dependent variable. The remaining 106.99% is influenced by other factors outside Research Model.

V. CONCLUSION

The results of this study partially show that *ARTO* does *not* has an influence on *Return on Equity*. Partial *WCTO* variable show that *WCTO* No own influence to *Return on Equity*. The CR variable partially shows that CR is not significant has an influence on *Return on Equity*. Partial *Debt to Equity Ratio* shows that DER has no influence on *Return on Equity*. The results of the F test show that the variables *ARTO*, *WCTO*, CR and DER are equal together (simultaneously) have no effect which is significant to *Return on Equities*. Results from test coefficient determination show that percentage acquisition from influence variable independent to variable dependent is as big as -6.99% (considered The same with zero or No There is influence). Or can interpreted that variable independent Which used in study capable explain as big as -6.99% to variable dependent. The rest 106.99% other influenced by factors other in outside Research Model.

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