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The Influence Of Growth Opportunities, Corporate Governance, And Profitability On Company Value In Food And Beverage Companies With Capital Structure As A Moderating Variable

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Abstract

This research aims to determine the influence of growth opportunities, corporate governance and profitability on company value which is moderated by capital structure. The population in this study used 84 non-cyclical consumer companies in the food and beverage subsector listed on the Indonesia Stock Exchange for the 2020-2022 period. A sample of 27 companies used a purposive approach. Panel data regression and Moderated Regression Analysis (MRA) are used as analysis techniques. The results show that growth opportunity has a significant positive relationship to company value, corporate governance and profitability have a positive and insignificant relationship to company value. Capital structure is not significant as a moderator of the relationship between growth opportunity, corporate governance and profitability on company value.

Keywords: Company Value, Growth Opportunities, Corporate Governance, Profitabilitas, Capital Structure.

1. INTRODUCTION

Economic growth is increasingly rapid day by day, causing increasingly tight business competition in both national, regional and international environments. The very tight business competition in the current era of globalization cannot be separated from the influence of developments in the political, economic, social environment and technological progress. Current economic or business developments require every company to try to maximize the profits generated so that the company's survival can be maintained. The central statistics agency noted that Indonesia's economic growth in 2022 grew by 5.31 percent, higher than the achievement in 2021 which experienced growth of 3.70 percent (Central Statistics Agency, 2023).

The industrial sector is one of the leading sectors that makes a major contribution to the growth of the Indonesian economy, especially the food and beverage industry sector which will continue to be needed by humans. The current development of the business world is very advanced and competition is increasingly fierce, thus requiring the Indonesian economy to be more active in running its economy, this is to balance the current global competition. Companies must also improve their company performance in terms of company management and decision making so that they can achieve company goals by increasing company value. Companies that are going public, especially food and beverage companies, are growing day by day, this can be seen from the number of companies listed on the Indonesian Stock Exchange. With the soaring development of Indonesia's population, needs continue to increase because it is one of the basic human needs. The food and beverage industry sector has profitable prospects both now and in the future, supported by abundant natural resources and increasing domestic demand.

The Ministry of Industry noted the phenomenon of the food and beverage industry's performance amidst the impact of the pandemic in the fourth quarter of 2020, where the growth of the non-oil and gas industry contracted by 2.52 percent. However, the food and beverage industry was still able to grow positively by 1.58 percent in 2020. The food and beverage industry in Indonesia experienced an increase from 2020 to 2021 by 2.54 percent to IDR 775.1 trillion, according to a report by the Central Statistics Agency. that the Gross Domestic Product (GDP) of the food and beverage industry at national current prices is IDR 1.12 quadrillion in 2021. This value is a portion of 38.05 percent of the non-oil and gas processing industry or 6.61 percent of the non-oil and gas processing industry. National GDP reached IDR 16.97 quadrillion. Meanwhile, in 2022, the GDP of the food and beverage industry will grow by 4.90% with a contribution of 38.35% or the largest to the GDP of the non-oil and gas processing industry. Apart from that, in 2022 the food and beverage industry will be included in the top five industries with the highest export contribution with a value reaching USD48.61 billion (Ministry of Industry, 2023).

The growth phenomenon that occurs reflects the performance of an industrial company and the company's competitiveness in the market. According to (Ramadhani et al., 2023) sales are very important for companies because the value of profits or losses obtained from a sales activity is a source that forms the overall value of the company. Increased sales growth will encourage an increase in company value and influence share prices. Maximizing share prices is the same as increasing shareholder confidence (Berzkalne & Zelgalve, 2014). Therefore, the company strives to continue to improve performance which is reflected in company value. These conditions require every company to be able to implement certain strategies and certain policies in order to remain competitive and continue to experience growth along with the rapid development of the times so that the company can achieve its goals.

Regarding company objectives, (Sondakh, 2019) explains that companies that go public have the aim of increasing company value because this is a factor that investors consider when adding capital to increase company value. Company value information is important in stock investment and decision making for investors because it will help investors know which stocks are growing and performing well. Information relating to an investor's interest in investing shares in a company can be done by measuring the value of the company. Company value is said to be very important because company value is often used as a reference by stakeholders such as investors, employees (including managers), customers or suppliers in predicting the success of a company which is closely related to share prices (Tarczyński et al., 2020; Tarczynska-Luniewska et al., 2022). High share prices make the company value also high, which has an impact on increasing market confidence in the company's current performance, increasing shareholder welfare and the company's future prospects (Isaac & Setiawan, 2022; Sucuahi & Cambarihan, 2016; Nguyen, 2020).

Investment decisions made by companies are very important for the survival of the company concerned (Radja & Artini, 2020). This will be directly related to investors' views. If an investor has a good view of the company, the investor will be interested in investing so this will cause the company's share price to increase. This is related to signaling theory which states that good quality companies will deliberately give signals to the market. Usually the sending party must choose whether and how to communicate (give a signal) the information, and the other party (receiver) must choose how to send the signal (Connelly et al., 2011a). So that companies experiencing growth or development can provide signals to investors. Thus, the market is expected to be able to differentiate between good and bad quality companies (Ferreira & Coelho, 2020; Miocevic & Morgan, 2018). This will provide a reference for investors to make decisions related to company value.

In this research, growth opportunities, corporate governance, profitability, and capital structure are the main determining factors of company value. Where growth opportunities are opportunities for the growth of a company in the future. The higher the

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change in a company's total assets from year to year, the higher the company's growth opportunities in the future. (Andrés et al., 2014, Janitra & Sedana, 2021, Priyanto & Aryati, 2023, Sriyono & Ramadhani, 2023, Hermuningsih, 2013) found that growth opportunities have a positive and significant effect on company value. Different results were carried out (Permatasari & Ramadhan, 2023, Abbas et al., 2023) hat growth opportunities have no effect on company value.

Corporate governance is a set of systems that regulate and control companies to create added value for stakeholders (Tijow & Hayat, 2021). (Dang et al., 2023, Sahrul & Novita, 2020, Ramadhani et al., 2023, Mishra & Kapil, 2018) found that corporate governance has a positive and significant effect on company value. Found that corporate governance has a positive and significant effect on company value. Different results were carried out by (Hartanti et al., 2019) that corporate governance had a negative effect on company value.

Profitability is a performance indicator carried out by management in managing company assets which is shown by the profits generated (Sondakh, 2019). (Nguyen, 2020; Sucuahi & Cambarihan, 2016; Radja & Artini, 2020) found that profitability has a positive and significant effect on company value. Different results were presented by (Sondakh, 2019) that profitability has no effect on company value.

Capital structure is the proportion of providing the company's spending needs with long-term funding sources originating from internal funds and external funds. (Nguyen, 2020; Radja & Artini, 2020; Isaac & Setiawan, 2022, Abbas et al., 2023) found that capital structure has a positive and significant influence on company value. The results of this research contradict research conducted by (Permatasari & Ramadhan, 2023 ,Abbas et al., 2021) that capital structure has no effect on company value.

2. LITERATUR REVIEW

2.1 Signalling Theory

Signaling theory was first put forward byoleh (Spence, 1973) who explained that the sender (owner of information) provides signals in the form of information that reflects the condition of a company which is beneficial for the recipient (investor). Signaling theory assumes that managers have accurate information about company value that investors may not know and are also interested in maximizing profits (Puspitaningtyas, 2019). Information that reflects the condition of a company that has gone public is usually based on financial ratio analysis. This analysis is carried out to facilitate interpretation of the financial reports presented by management. Typically, one party, the sender, must choose whether and how

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to communicate the information (signal), and the receiver, must choose how to interpret the signal (Connelly et al., 2011). Signals can be in the form of promotions or other information that states that the company is better than other companies. Investors really need complete, relevant, accurate and timely information.

2.2 Agency Theory

Agency theory is a design that explains the contextual relationship between principals and agents, namely between two or more people, a group or organization (Jensen & Meckling, 1976). Agency theory underlies the relationship between ownership structure and company performance and company value. Agency theory provides insight and understanding of company processes and designs to overcome problems that arise from principal and agent relationships (Abogun et al., 2021). The principal is the party who has the right to make decisions regarding the company's future and delegate responsibility to other parties. With these various interests, each party tries to increase profits for itself. Principals want maximum and fast returns on the investments they have made, while managers want their interests to be accommodated as much as possible for their performance (Sahrul & Novita, 2020). (Eisenhardt, 1989) reviewed agency theory and stated that agency theory uses three basic assumptions of human nature, namely: prioritizing personal interests, humans do not know what will happen in the future, tend to avoid risks.

2.3 Company Value

Company Value is a measure for evaluating business performance which is useful for companies to build reputation and attract investors (Dang et al., 2023, Permatasari & Ramadhan, 2023). Company value is often used as a reference for investors in predicting company success because it is closely related to share prices, high share prices indicate high company value (Ferreira & Coelho, 2020, Isaac & Setiawan, 2022). Increasing company value is what company owners hope for. When the company value increases, the welfare of shareholders will also increase (Isaac & Setiawan, 2022). This can be achieved if there is good cooperation between company management and other parties such as shareholders. A company can be said to have good value if it has good performance. Therefore, companies must be able to accommodate the expectations of shareholders and stakeholders by focusing on increasing company value (Andes et al., 2020).

There are several indicators that show company value, including Price to Earning Ratio (PER), Price to Book Value (PBV) and Tobin's Q (Brigham & Daves, 2014). Price to

Earning Ratio (PER) shows how much money investors are willing to spend to pay for each dollar of profit. The use of the Price to Earning Ratio (PER) is to see how the market appreciates the company's performance as reflected in its earnings per share. Furthermore, Price to Book Value (PBV) is one of the indicators that investors consider when determining which shares to buy. Generally, this ratio reaches above one, which indicates that the stock market value is greater than its book value. Therefore, the greater the PBV ratio, the higher the company is valued by investors compared to the funds invested in the company. The last is Tobin's Q ratio (Brainard & Tobin, 1968). The Q ratio is the market value of a company's assets at replacement cost. According to the concept, the Q ratio is superior to the market value to book value ratio because it focuses on how much a company is currently worth compared to how much it would currently cost to replace it.

2.4 Growth Opportunities and Company Value

Growth Opportunities are a component of a company's market value (Myers, 1977). Growth Opportunities can also be interpreted as the opportunity for a company to develop in the future. Company growth shows a positive influence on company value which will increase company value (Abbas et al., 2023). There are 2 indicators of company growth, namely asset growth and sales growth. Asset growth shows the assets used for company operational activities. The greater the assets, the greater the operational results generated by the company. Meanwhile, sales growth can be seen from the increase in sales from year to year. A company in an industry that has a high sales growth rate must provide sufficient capital to cover the company's expenses. Internal and external parties of the company really hope for the company's growth, because good company growth will also have a good impact on the company's development and will have an impact on the company's value (Janitra & Sedana, 2021). (Andrés et al., 2014, Janitra & Sedana, 2021, Priyanto & Aryati, 2023, Sriyono & Ramadhani, 2023, Hermuningsih, 2013) found that Growth Opportunities have a positive and significant effect on company value. Based on this description, the first hypothesis to be tested in this research is:

H1: Growth opportunities have a positive and significant influence on company value.

2.5 Corporate Governance and Company Value

Corporate Governance is a set of systems that regulate and control a company to create added value for stakeholders (Tijow & Hayat, 2021, Khan et al., 2017). Good added value will have an impact on increasing company value which can provide benefits for shareholders or company owners. The implementation of corporate governance policies aims to ensure that parties who play a role in running the company can understand and carry out their functions and roles according to their authority and responsibilities (Tijow & Hayat, 2021). According to agency theory, adequate control over management authority is impossible without board independence and to ensure the avoidance of possible management opportunism and nepotism in the greater interests of shareholders (Jensen & Meckling, 1976). Like independent commissioners, it is believed that their presence can provide oversight of fraudulent actions carried out by management so that shareholders feel safe and protected. (Dang et al., 2023, Sahrul & Novita, 2020, Ramadhani et al., 2023, Mishra & Kapil, 2018) found that corporate governance has a positive and significant effect on company value. Based on this description, the second hypothesis that will be tested in this research is:

H2: Corporate Governance has a positive and significant influence on Company Value

2.6 Profitability and Company Value

Profitability is a performance indicator carried out by management in managing company assets which is shown by the profits generated(Sondakh, 2019). In general, the profits generated by the company come from sales and investments made by the company. The high profitability of a company can affect the value of the company and it depends on how investors view the increase in company profitability. When the level of profitability of a company increases, investors will assume that companies that have large profits will also produce large returns. Profitability can be measured using profitability ratios which will show how effectively the company operates so as to generate profits for the company through ratios such as Return on Assets (ROA), Return on Equity (ROE), Net Profit Margin (NPM). Return on Assets (ROA) is a profitability ratio that shows a company's profits by dividing net profit by the total assets owned by the company, so this ratio is also called earnings power because it describes the company's ability to generate profits from every rupiah of its assets. used. Return on Equity (ROE) is a type of profitability ratio that reflects the company's profits by dividing net profit by the company's total equity so that through this ratio the company can find out the company's performance in managing the available capital which will later be allocated to the company. shareholders. Net Profit Margin (NPM) is a profitability ratio that shows a company's profit by dividing net profit by the company's total sales so that by knowing this ratio, the company will be able to see how much profit it makes from each sale made, which will then be used as a determining strategy. (Nguyen,

2020; Sucuahi & Cambarihan, 2016; Radja & Artini, 2020) found that profitability has a positive and significant effect on company value. Based on this description, the third hypothesis that will be tested in this research is:
H3: Profitability has a positive and significant influence on Company Value

2.7 Capital Structure Moderates Growth Opportunities, Corporate Governance and Profitability

Capital structure is a proportional relationship between debt and equity, in other words capital structure is the proportion of meeting the company's spending needs with long-term funding sources originating from internal funds and external funds (Hartanti et al., 2019). The higher the level of capital structure (leverage), the greater the financial risk, and vice versa, if the power is lower, the financial risk is smaller (Abbas et al., 2023). Capital structure analysis can be carried out using various measures, including using the Debt to Assets Ratio (DAR) and Debt to Equity Ratio (DER). Debt to Assets Ratio (DAR) measures how much of a company's assets are financed with debt. The higher this ratio, the greater the amount of loans used to generate company profits. Meanwhile, the Debt to Equity Ratio (DER) shows the comparison between the amount of long-term loans and the own capital provided by the owner to the company. (Nguyen, 2020; Radja & Artini, 2020; Isaac & Setiawan, 2022) found that capital structure has a positive and significant influence on company value. Based on this description, the next hypothesis to be tested in this research is:
H4: Capital structure can moderate the influence of growth opportunities, corporate governance, and profitability on company value

3. RECEARCH METHOD

3.1 Population and Sample

This research uses a causal associative type with a quantitative approach. The aim of this research is to determine the relationship between one variable and another variable. The population used is 84 non-cyclical consumer companies in the food and beverage subsector listed on the Indonesia Stock Exchange in 2020-2022. The samples obtained were 27 companies using a purposive approach. The criteria used are companies that present annual reports for the 2020-2022 period, companies that include financial data using the rupiah currency, companies that include complete data in their annual reports.

3.2 Variable Measurement

Table 1. Operational Definition of Variables

Variable	Measurement	Definition	Source
Company Value (Y)	$Tobin's\ Q = \frac{MVE + DEBT}{TA}$	Ratio used to compare the market value of a public company with its book value (total assets).	(Dang et al., 2023, Kolawole et al., 2023, Abbas et al., 2023, Khan et al., 2017, Sucuahi & Cambarihan, 2016)
Growth Opportunities (x1)	$AG = \frac{Total\ Assets_t - Total\ Assets_{t-1}}{Total\ Assets_{t-1}}$	Asset growth is a measuring tool that aims to show how many assets a company produces from year to year.	(Abbas et al., 2023, Janitra & Sedana, 2021)
Corporate Governance (x3)	$KI = \frac{Independent\ \ commissioners}{totals\ of\ board\ commissioners}$	Independent commissioners are measured by calculating the proportion of independent commissioners to the total	(Dang et al., 2023, Khan et al., 2017)

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		board of commissioners.	
Profitability (x3)	$ROA = \frac{Earning\ After\ Tax}{Total\ Assets}$	Ratio to measure net profit after tax on total company assets which shows how much the assets contribute to creating net profit	Radja & Artini, 2020),
Capital Structure (Z)	$Debt\ to\ Equity\ Ratio = \frac{Total\ Debt}{Total\ Equity}$	The ratio usec assess debt ar equity used to finance compa assets.	(Abbas et al., 2023, Permatasari & Ramadhan, 2023)

3.3 Empirical Model

This research uses panel data regression analysis methods and Moderated Regression Analysis (MRA) with the Eviews 12 application. Panel data is a combination of time series data and cross section data. Panel data regression tests are used to determine the relationship between growth opportunities, corporate governance and profitability on company value. Moderated Regression Analysis (MRA) analyzes capital structure disclosure as a variable that moderates growth opportunities, corporate governance and profitability on company value. The formulation of the equation model for panel data regression analysis and Moderated Regression Analysis (MRA) can be seen as follows:

$TQ = \alpha + \beta_1 GA + \beta_2 KI + \beta_3 ROA + e$ ....(1st)

$TQ = \alpha + \beta_1 GA + \beta_2 KI + \beta_3 ROA + \beta_4 DER + \beta_5 GA\_DER + \beta_6 KI\_DER + \beta_7 ROA\_DER + e$ .....(2nd)

Keterangan:
TQ= Tobin's Q
α = Constant coefficient
β_1 = GA regression coefficients
GA = Growth Assets
β_2= KI regression coefficients
KI= Independent Commissioner
β_3= ROA regression coefficients
ROA= Return On Assets
DER = Capital Structure
GA_DER = Capital structure as a moderator of growth opportunities
KI_DER = Capital structure as a moderator of corporate governance
ROA_DER = Capital structure as a moderator of profitability
e = Error rate

4. RESULT

4.1 Summary Statistics

Table 2. Descriptive Statistics

	GA	KI	ROA	TQ	DER
Min	**-0.1782**	**0.3333**	**-0.1164**	**0.5758**	**0.0184**
Max	0.3085	0.5000	1.6125	236.7436	16.7022
Mean	0.0432	0.3958	0.0985	9.6415	1.4552
Std. Deviation	0.1136	0.0751	0.2018	33.7323	2.6341

Table 2 summarizes statistical information for 27 food and beverage companies listed on the Indonesia Stock Exchange in 2020-2022. It is known that the minimum company value is 0.5758, the maximum company value is 236.7436, the average company value is 9.6415, with a standard deviation of 33.7323. It is known that the minimum value of capital structure (DER) is 0.0184, the maximum value of DER is 16.7022, the average value of DER is 1.4552, with a standard deviation of 2.6341. It is known that the minimum value of Growth Opportunities (GA) is -0.1782, the maximum value of GA is 0.3085, the average value of GA is 0.0432, with a standard deviation of 0.1136. It is known that the minimum corporate governance (KI) is 0.3333, the maximum value of KI is 0.5000, the average value of KI is 0.3958, with a standard deviation of 0.0751. It is known that the minimum value of profitability (ROA) is -0.1164, while the maximum value of ROA is 1.6125, the average value of ROA is 0.0985, with a standard deviation of 0.2018.

4.2 Model Determination

Table 3. Selection of Regression Equation Models

	Determination Model	Prob.	Result
Chow-test	CEM vs FEM	0.0367 < 0.05	FEM
Hausman-test	FEM vs REM	0.5873 > 0.05	REM

The model used is the Random Effect Model (REM)

4.3 Estimation Result

In table 4, the results of model 1 and model 2 with the Random Effect Model (REM) and Moderation Effect Model (MRA) show that the prob value in the F test is 0.0073 and 0.0181 (<0.05), meaning that growth opportunity, corporate governance and profitability together have influence on company value.

The coefficient of determination R2 (R-Squared) is 0.1456. This value can be interpreted as meaning that the variables growth opportunity, corporate governance, and profitability simultaneously influence company value by 14.56%, the remaining 86.44% is influenced by other factors.

The results of the t test using the Random Effect Model (REM) in model 1 growth opportunity which is proxied by GA has a coefficient value of 99.7775 and a probability of 0.0035 (<0.05) which interprets that growth opportunity has a significant positive relationship with company value. Corporate governance (KI) and profitability (ROA) have coefficient values of 73.0772 and 23.1540 with probability values of 0.1441 and 0.1910 (>0.05). This value interprets that the corporate governance and profitability variables have a positive relationship with company value but are not significant.

The results of the moderation test using the Moderation Effect Model (MRA) on the capital structure moderation variable which is proxied by GA_DER, KI_DER, and ROA_DER show probability values of 0.0788 and 0.5540, 0.1036 (>0.05) which means that capital structure is not significant as a moderator of the relationship between growth opportunities, corporate governance, and profitability on company value.

Table 4. Regression and Hypothesis Test Results

	Model 1 (REM)			Model 2 (MRA)			Result
	Coeff.	t-Stat	Prob.	Coeff.	t-Stat	Prob.	
(Constant)	-25.9409	-12.690	0.2083				**Model 1**
GA	99.7775	30.135	0.0035				Significant
KI	73.0772	14.759	0.1441				Not significant
ROA	23.1540	13.195	0.1910				Not significant
(Constant)				-12.3144	-0.3840	0.7020	**Model 2**
GA				38.7811	0.7858	0.4345	Not significant
KI				27.1686	0.3080	0.7589	Not significant
ROA				33.1286	1.6936	0.0946	Not significant
DER				-10.5384	-0.5230	0.6026	Not significant
GA_DER				82.0677	1.7825	0.0788	Not significant
KI_DER				35.6330	0.5946	0.5540	Not significant
ROA_DER				-9.8074	-1.6483	0.1036	Not significant
F-Stat	4.3182		0.0073	26.165		0.0181	
R-squared	0.1456			0.2006			
Obs	81			81			

The equation model based on table 4 is:
TQ = - 25.9409 + 99.7775 GA + 73.0772 KI + 23.1540 ROA ....(1st)
TQ = - 12.3144 + 38.7811 GA + 27.1686 KI + 33.1286 ROA – 10.5384 DER + 82.0677 GA_DER + 35.6330 KI_DER - 9.8074 ROA_DER ....(2nd)

5. DISCUSSION

Growth opportunity has a positive and significant effect on company value, in line with research (Andrés et al., 2014, Janitra & Sedana, 2021, Priyanto & Aryati, 2023, Sriyono & Ramadhani, 2023, Hermuningsih, 2013). Growth opportunities which is proxied by growth assets with positive value, can provide a signal about company growth and will influence company value. A company that is in an industry that has a high sales growth rate must provide sufficient capital to cover the company's expenses. Companies that show a greater level of indication of having good progress and large funds will be able to give a positive signal to investors to invest their capital in the company. High demand for shares will cause the company value to increase

Corporate governance has a positive relationship with company value but is not significant. The results of this research are not in line with research (Dang et al., 2023, Sahrul & Novita, 2020, Ramadhani et al., 2023, Mishra & Kapil, 2018) states that corporate governance has a positive and significant effect on company value. This means that the number of independent commissioners cannot be used as a guarantee to increase company value. This is possibly because the number of members of the board of commissioners cannot influence the quality of supervision of company management which could potentially be detrimental to the company. The existence of independent commissioners is only a formality to comply with regulations from the Financial Services Authority, so that independent commissioners do not carry out their monitoring function properly and are unable to attract investors to invest in their company. Research data shows that the average independent commissioner is not too large, namely 39.58%, thus indicating that the ability of independent commissioners in the monitoring process and encouraging management performance is not fully effective.

Profitability has a positive relationship with company value but is not significant. The results of this research are not in line with research (Nguyen, 2020; Sucuahi & Cambarihan, 2016; Radja & Artini, 2020) states that profitability has a significant positive effect on company value. Profitability is measured using Return On Assets, this results in ROA data calculations not being able to realistically describe the company's value. This is also influenced by the size of the total assets and the number of sales owned by each company which is different. Overall, the trends occurring in the market at the time this research was conducted showed that profitability in the food and beverage sector was unable to influence company value. If the profits obtained by the company are high and the capital is high, then the profits obtained by investors will only be small. This will not increase company value.

Capital structure is unable to moderate growth opportunity, corporate governance and profitability on company value. This shows that the size of the interaction of growth opportunity, corporate governance and profitability with capital structure will not affect company value. Thus, the greater the level of capital structure in a company is not enough to influence the value of the company. The company value will be high if the level of debt carried by the company is still within reasonable limits. Companies that use more debt to fund their shares will experience a decline in share prices which will reduce the value of the company.

This is because the company has an obligation to repay the loan and the company has to pay a lot of interest charges to creditors. So it will reduce investors' interest in investing their capital in the company. Apart from that, the emergence of debt agency costs is caused by the use of debt that is too high and not optimal which will give rise to agency conflicts between shareholders and debt holders which will be detrimental to the company so that the company has less than optimal company value

6. CONCLUSION

Based on research conducted on food and beverage companies in Indonesia, it was found that growth opportunity has a significant positive relationship with company value. Meanwhile, corporate governance and profitability also have a positive but not significant relationship with company value. Capital structure does not show significance as a moderator of the relationship between growth opportunity, corporate governance, and profitability on company value. There are many factors that influence company value, whereas in this study only 3 independent variables were used which apparently still cannot explain the dependent variable. This can be seen from the value of the Adjusted R2 coefficient of determination of 14.56%, which means that there are still 85.44% of other variables that influence company value. These findings highlight the importance of firm value in attracting investors and influencing investment decisions. Signaling theory suggests that high-quality companies intentionally signal their value to the market, which can attract investors and increase stock prices.

Based on these conclusions, the suggestion for further research is to add other independent variables such as liquidity, Corporate Social Responsibility (CSR), dividend policy and other variables that may have a correlation with company value. Apart from that, further research can expand the research object to other sub-sector companies such as manufacturing companies with a longer observation period in order to generalize and produce valid data.

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