ABSTRAK.

Kata kunci : Struktur modal (DER), pertumbuhan perusahaan, profitabilitas (ROA) dan nilai perusahaan (PER)
ABSTRACT.
Intense competition in the business world encourages each company to improve its performance so that the company's goals can be achieved. Companies that have gone public will always try to increase the value of the company, through capital structure, growth and profitability. This study aims to determine and analyze: the influence of capital structure and company growth on profitability. Effect of capital structure and company growth on firm value. The effect of profitability on firm value, the effect of capital structure on firm value is mediated by profitability, and to find out and analyze the effect of company growth on firm value mediated by profitability. This study uses a quantitative approach. While data collection techniques using observation, and documentation. The data analysis technique used is descriptive analysis, classic assumption test, path analysis. The results of the analysis in this study indicate that the capital structure (DER) has a negative and significant effect on profitability. Company growth has a positive and significant effect on profitability (ROA). Capital structure has a negative effect on firm value. Company growth has a significant influence in increasing the value of the company. High profitability (ROA) will have an influence in increasing the value of the company. Mediation test results show that profitability can mediate the effect of capital structure (DER) on firm value. It can be seen that the capital structure (DER) affects profitability (ROA) so that it has implications for the low value of the company (PER). Mediation test results show that profitability can have an effect on firm growth on firm value, which means that corporate growth affects the increase in profitability (ROA) which has implications for increasing company value (DER).

Keywords: Capital structure (DER), company growth, profitability (ROA) and value company (PER)

INTRODUCTION
Intensified competition in the business society encourages each company to improve its performance as a way to achieve goals. Companies that have gone public continually try to increase their core value. According to Sartono (2015: 487), the value of a company referred to the marketable value as a functioning business. Company values also defined as investor's perception of the company's success rate related to the stock prices. High stock values that create immense company value increase the market confidence in the company's current performance and prospects. Maximizing value is fundamental to maximize the company's goals.

Long term goal of the company aimed to optimize value by minimizing capital costs. The higher value represents the more prosperous owner. High company value steadily associated with profitability that the company achieved or the company's ability to generate profits or revenue. According to Sartono (2015: 119), that profitability is the company's ability to expand profits with sales, total productive assets, and equity. The profitability ratio will give an impression of management effectivity. The greater the profitability that increases the company's value also increases the prosperity of the company's owner, which attracts investors to enter the business or invest in companies.

Several factors affect a company's value and profitability, including the capital structure, consistent with the theory proposed by Suguhen (2013: 28) that capital structure theory explains the effect of capital structure on company value. Company value also interpreted as shareholder's expectation of investment value (market price of equity) and or expectation of total value the company has (market price of equity plus the market value of the debt or expected market price of the asset). A financial manager must be able to assess the capital structure and understand its relationship to risk, yield, or return on value.
So the company's goals to increase value can be achieved, thus increase the prosperity of shareholders. The best capital structure is the one that maximize company value or stock prices (Husnan 2013: 299). A study conducted by Hamidy et al in 2015 proved that capital structure has a positive impact on company value.

Also, the capital structure affects profitability as stated by Brigham and Houston (2013: 184) that the companies which use debt as a primary part of their capital structure likely to produce better performance than the opposite. Profitability as a parameter to measure financial performance has a causal relationship with company value. The excellent company's performance will have a positive impact on the decisions of investors and creditors. The higher the proportion of debt, the higher the stock price as long as the costs incurred from debt are not greater than the benefits derived from the use of the debt. Therefore, as stated by Harmono et al (2011:110), capital structure management needs to generate an ideal financing mix (optimal capital structure) to boost the company's financial performance, which then augments the value of the company. In another research led by Imadudin et al (2014) also proved that capital structure leads to a positive impact on profitability.

Besides the capital structure, company growth also influences the company's value and profitability. According to Kusuma et al (2013), company growth affects the value of the company which means an increase in assets also followed by increases in operating results. On the other side, this also raises investor confidence. A company considered has prominent asset growth if it can manage resources to generate profits as an addition to retained assets, and more significant asset growth with greater performance in producing profits. In general, companies that develop quickly achieved positive outcomes in terms of securing their spots through competitive periods, benefiting by significantly increased sales and followed by growth in market share.

Then the company's growth also affects profitability, according to a study conducted by Taswan (2013: 89) that company growth is express as total asset growth where total past assets reflecting future profitability and growth. Asset growth describes how asset growth affects the profitability of the company. Differences in the percentage of total assets is a better parameter for estimating company growth. Based on the theory of higher profitability signals, powerful signals reflecting the prospect of a good company, thus attracting positive responses from investors, so the company's value could increases. The proper and efficient use of debt will increase the profitability of the company, and an increase in profitability will be a positive signal to the parties concerned that the company's value has increased. Asmawi's research (2018) and Swastika (2017) found that company growth affects profitability.

Our study was conducted on several automotive companies listed on the IDX, as a company that has gone public their striving to improve company value and company profitability. Mirroring from current problems that have occurred so far, the profitability or profits achieved by several automotive companies listed on the Stock Exchange Indonesia has experienced a decline, and this is becoming our problem in this study.

RESEARCH METHODS

Designs

Research conducted on Automotive Companies listed in the IDX by collecting sources and quantitative data in the form of primary and secondary data. Another way to conduct research was observation and interview, through literature research, as well as collecting quantitative data about the influence of capital structure and company growth on company value mediated by profitability.
Location
Our study performed in the city of Makassar precisely in the Office of PIPM (Capital Market Information Center) located on Jalan Dr. Ratulangi No.124 Makassar. The materials used in this research were collected documents related to the financial statement data of several automotive companies.

Population and Sample
According to Hermawan (2015: 143) the population relates to the whole group of people, events, or objects that are the center of attention of researchers to be studied. Population of this study are 14 automotive companies and components that have gone public on the Indonesia Stock Exchange (BEI) since 2016 to 2018.
Out of all populations, research was conducted in 10 automotive companies that already go public. Our study criteria include companies that already published its financial reports during the study period and had announced financial reports in 3 consecutive years in 2016-2018.

Method of collecting data
Data for this research collected through observation, literature study and documentation of documents from reliable sources, or archives related to this research.

Statistical Analysis
The analytical methods used in this study are as follows:
1. Descriptive Analysis
Descriptive analysis is an analysis that describes or describes the effect of company growth on company value mediated by profitability.
Classic Assumption test
a. Normality test
Normality Test aims to examine whether, in the regression model, confounding or residual variables have a normal distribution.
b. Multicollinearity test
Multicollinearity test intends to examine whether the regression model found a correlation between independent variables (independent). The correlation between independent variables should not occur in standard regression.
c. Heteroscedasticity Test
Heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another.
2. Path analysis is an analysis done to see the extent whether the influence of capital structure and company growth on company value is mediated by profitability, quoting the formula proposed by Asra, et al (2017: 220), namely:
\[ Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + e \]
\[ Z = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3 + Y_1 + e \]
Note:
Y = Company value
Z = Profitability
b0 = Intercept
b1 to b2 = Regression coefficient to be calculated
X1 = Capital structure
X2 = Company growth
e = Standard error.
Hypothesis testing is carried out by using two tests such as the f-test (in unison) and the t-test (partial) which can be described as follows;

a. t- test
   t-test performed to determine whether each independent variable influences the dependent variable in the regression.

b. f-test
   Fischer test (f-test) used to determine whether all independent variables together have a significant influence on the dependent variable.

4. The coefficient of determination (adjusted R2) R2 conducted on a model that is formed with the aim of explaining how much the contribution of the independent variable under study to the dependent variable. The value of R2 has a range between 0 to 1 (0 ≤ R2 ≤ 1).

RESULTS

Based on the results of the multiple linear regression between capital structure (DER) and asset growth on profitability (ROA) (Appendix 1), the regression equation \( Y = 9.677b_0 - 0.036X_1 + 0.194X_2 \), which is defined that: DER harms profitability (ROA) in Automotive companies listed on the Indonesia Stock Exchange while asset growth has a positive effect on profitability (ROA). Later, the correlation or relationship between capital structure (DER) and asset growth to profitability (ROA) listed in the summary model (Appendix 2), where \( R = 0.615 \) which indicates that there is a strong correlation or relationship between DER and Asset growth on profitability (ROA) in Automotive companies listed on IDX, the reason of this result because the value of R is close to 1. While the coefficient of determination \( R^2 = 0.378 \) which means that the variation in the effect of profitability (ROA) can be explained by variations of the two independent variables namely: Capital structure (DER) and Growth (Asset). While the remaining 62.2% can be explained by other variables not examined in this study.

A partial test and the simultaneous test arranged to verify hypotheses. From the results of the partial test (t-test), concluded that the capital structure (DER) has a significant effect on profitability (ROA) on automotive companies listed on the Indonesia Stock Exchange. Similarly, growth (Asset) has a significant effect on profitability (ROA) in several automotive companies listed on the IDX. Whereas for simultaneous or joint testing (simultaneous) between capital structure (DER) and growth (Asset) to profitability (ROA), the results showed that the capital structure (DER) and Growth (Asset) simultaneously influence the profitability (ROA).

The second test performed to determine the influence of capital structure (DER), growth (Asset) and profitability (ROA) on firm value (PER), the results of regression data processing (See appendix 3) obtained the regression equation \( Y = 8.946b_0 - 0.026X_1 + 0.151X_2 + 0.773X_2 \), this means that the capital structure (DER) has a negative influence on the value of the company (PER) on Automotive Companies listed on the Indonesia Stock Exchange. Growth (Asset) has a positive effect on company value (PER) in Automotive Companies listed on the Indonesia Stock Exchange also growth (Asset) has a positive effect on company value (PER) on Automotive Companies listed on the IDX.

Moreover to understand the association or correlation between capital structure (DER), growth (Asset) and profitability (ROA) to the value of the company (DER) (see Appendix 4), the value of \( R = 0.840 \) is collected means that there is a strong correlation or relationship between DER, growth (Asset) and profitability (ROA) to the value of the company (PER) in Automotive companies listed on the Indonesia Stock Exchange. While the coefficient of determination in \( R^2 = 0.671 \) interpreted the variation in the effect of firm value (PER), defines by variations of the three independent variables such as capital structure (DER), growth (assets) and profitability (ROA). The remaining 32.9% explained
by other variables that not examined.

In conclusion, performed partial test (t-test) showed that capital structure (DER) has a significant effect on the value of the company (PER), growth (Asset) has a notable effect on the value of the company (PER), and profitability (ROA) has a positive effect on the value of the company (PER) on Automotive companies listed on the Indonesia Stock Exchange. While the results of the simultaneous test (test f), it can be said that the capital structure (DER), growth (Asset) and profitability (ROA) affect simultaneously or together on the value of the company (PER) in Automotive companies listed on the IDX.

Finally, the results of path analysis or path testing (Appendix 5), showed that capital structure (DER) and asset growth significantly influence the value of the company through profitability. It means that a high capital structure (DER) and asset growth will affect the company's profitability so that it has implications for the value of the company as measured by the price earnings ratio of automotive companies listed on the IDX.

**DISCUSSION**

1. **Capital structure (DER) effect on profitability (ROA)**

   From the results of the regression test, the coefficients for the capital structure has a negative and significant effect on profitability (ROA). Higher DER lowered profitability (ROA) consistent with the theory proposed by Brigham and Houston, (2013: 184) that the basis of companies that use debt as part of their capital structure will produce better performance than the opposite. Research by Hamidy (2015) and Imadudin et al (2014) states that capital structure has a positive effect on profitability.

2. **Company growth effect on profitability (ROA)**

   From the results of the processed data, concluded that company growth has a positive and significant effect on the profitability of automotive companies listed on the IDX. It is in line with theory by Taswan (2013: 89) that company growth is defined as growth in total assets, where total past assets predict future profitability and growth. Asset growth described as the growth of a company's assets that affect the profitability of the company by changes in the percentage of total assets. A study conducted by Putra and Badjra (2015), also showed that company growth has a positive effect on company profitability.

3. **Capital structure (DER) effect on company value (PER)**

   Capital structure coefficient has a negative and significant effect on company value. Our study showed that the higher DER reduced company value, consistent with the theory proposed by Brigham and Houston (2016: 184) that in the presence of tax, the best capital structure is a capital structure by using large debts. The use of debt more profitable when compared to the use of owned capital. Hamidy et al (2015) proved that capital structure has a positive effect on company value.

4. **Company growth effect on company value (PER)**

   Regression analysis showed that company growth has a positive and significant influence on company value, compatible with the theory proposed by Kusuma et al (2013) that an increase in assets correlated with increase in outcome and investor confidence. Thus, the greater the company's growth synergically increases company value. Research conducted by Kusumajaya (2011) provides empirical evidence that asset growth can increase firm value due to investor expectations of future profits.

5. **Profitability effect on company value**

   Results of the regression coefficient revealed that profitability has a positive and significant effect on the company value in automotive companies listed on the IDX.
Following the theory put forward by Sartono (2015: 119) that profitability defined as a company's ability to obtain profits with sales, total productive assets and owned capital. The greater the profitability, the better the company's value by increasing the prosperity of the company's owner. Research conducted by Sudiani and Darmayanti (2016) showed that profitability has a positive and significant effect on the value of the consumer goods industry in the IDX.

6. Capital structure (DER) effect on company value through profitability.
Based on the analysis of the path test, the capital structure (DER) significantly influences the value of the company through profitability, which means that a high capital structure (DER) affect the profitability of the company so that it has implications for the value of the company as measured by the price earnings ratio of automotive companies listed on the IDX.

7. Company growth effect on company value through profitability
Analysis of the path test results revealed that asset growth through profitability directly affects the value of the company, shows that the higher the company's growth, it will affect profitability which also impacts on company value achieved by automotive companies listed on the Indonesia Stock Exchange.

CONCLUSIONS AND RECOMMENDATIONS
Our study concluded that the capital structure (DER) has both a negative and significant effect on profitability. The growth of automotive companies has a significant influence on the company's profitability (ROA). Capital structure has a negative effect on company value, where increasing the capital structure (DER) has a notable impact on the decline in corporate value (PER). Company growth has a significant influence on increasing company value. Profitability (ROA) also induces increases in company value. Results of the mediation test show that profitability mediates the effect of capital structure (DER) on company value. Also, company growth can mediate the value of the company. Therefore, our study recommended the necessity for automotive companies to manage the capital structure by being attentive to the funding (capital). Moreover, increase profitability (ROA) as a way of further increases profits done by raising the level of efficiency of the company's operating costs. The company should increase company value in automotive companies listed on the IDC by investing their capital in the company. Finally, as a further recommendation, we suggested researching other variables that affect profitability and company such as dividend payout ratio, price-book value (PBV), and profit growth.

REFERENCES


Appendix

Table 1. Analytica Results of Regression Data on Capital Structure and Asset Growth on Profitability

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>9.677</td>
<td>1.512</td>
<td>6.401</td>
<td>.000</td>
</tr>
<tr>
<td>Struktur modal</td>
<td>-0.036</td>
<td>0.011</td>
<td>-3.169</td>
<td>.004</td>
</tr>
<tr>
<td>Pertumbuhan (Aset)</td>
<td>0.194</td>
<td>0.064</td>
<td>3.010</td>
<td>.006</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Profitability (ROA)

Tabel 2. Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.615</td>
<td>.378</td>
<td>.332</td>
<td>5.2574</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Growth (Asset), Capital structure (DER)

Source: SPSS 24

Source : SPSS 24
### Tabel 4. Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Est.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.840a</td>
<td>0.705</td>
<td>0.671</td>
<td>4.9033</td>
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</tbody>
</table>

Source: Processed data on SPSS 24

### Appendix 5. Path analysis result

<table>
<thead>
<tr>
<th>No.</th>
<th>Path analysis</th>
<th>Ket</th>
<th>Direct</th>
<th>Indirect</th>
<th>Total impact</th>
<th>Sig</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Capital structure effect on profitability</td>
<td>H1</td>
<td>-0.488</td>
<td>-</td>
<td>-0.488</td>
<td>0.004</td>
<td>Significant</td>
</tr>
<tr>
<td>2</td>
<td>Company growth effect on profitability</td>
<td>H2</td>
<td>0.463</td>
<td>-</td>
<td>0.463</td>
<td>0.006</td>
<td>Significant</td>
</tr>
<tr>
<td>3</td>
<td>Capital structure effect on company value</td>
<td>H3</td>
<td>-0.265</td>
<td>-</td>
<td>-0.265</td>
<td>0.046</td>
<td>Significant</td>
</tr>
<tr>
<td>4</td>
<td>Company growth effect on company value</td>
<td>H4</td>
<td>0.272</td>
<td>-</td>
<td>0.272</td>
<td>0.039</td>
<td>Significant</td>
</tr>
<tr>
<td>5</td>
<td>Profitability effect on company value</td>
<td>H5</td>
<td>0.581</td>
<td>-</td>
<td>0.581</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>6</td>
<td>Capital structure on company value through profitability</td>
<td>H6</td>
<td>-0.265</td>
<td>-0.283</td>
<td>-0.548</td>
<td>0.010</td>
<td>Mediate</td>
</tr>
<tr>
<td>7</td>
<td>Growth assets effect on company value through profitability</td>
<td>H7</td>
<td>0.272</td>
<td>0.269</td>
<td>0.541</td>
<td>0.0156</td>
<td>Mediate</td>
</tr>
</tbody>
</table>

Source: Analytical data result.