THE IMPACT OF LIQUIDITY, CAPITAL STRUCTURE, PROFIT MARGIN, AND FIRMS SIZE ON THE FINANCIAL PERFORMANCE

(Study in Consumer Goods Sector in Go Public Company on The Indonesian Stock Exchange for The Period 2015-2019)

UNDERGRADUATE THESIS

Submitted to Fulfill Tasks and Conditions to Obtain an Economics Bachelor of Double DegreeManagement Programs at the Faculty of Economics and Business Muhammadiyah University of Surakarta

Arranged by:

Reza Agus Herdayanti

B 100 164 003

FACULTY OF ECONOMICS AND BUSINESS

MUHAMMADIYAH UNIVERSITY OF SURAKARTA

2021

PAGE OF AGREEMENT

THE IMPACT OF LIQUIDITY, CAPITAL STRUCTURE, PROFIT MARGIN, AND FIRMS SIZE ON THE FINANCIAL PERFORMANCE

(Study in Consumer Goods Sector in Go Public Company on The Indonesian Stock Exchange for The Period 2015-2019)

PUBLICATION LETTER

Written by:

REZA AGUS HERDAYANTI

B100164003

Research has been accepted and approved

Thesis Supervisor,

Imronudin, SE., MSi., PhD

(NIDN: 061703690

APPROVAL PAGE

THE IMPACT OF LIQUIDITY, CAPITAL STRUCTURE, PROFIT MARGIN, AND FIRMS SIZE ON THE FINANCIAL PERFORMANCE
(Study in Consumer Goods Sector in Go Public Company on The Indonesian Stock Exchange for The Period 2015-2019)

Written and Composed by:

REZA AGUS HERDAYANTI

B100164003

It has been maintained in front of the Board of Examiners
Faculty of Economics and Business
Universitas Muhammadiyah Surakarta
2nd of September, 2021
and declared to have met the requirements

The Board of Examiners:

1. Kussudyarsana, SE., MSi., PhD. (Chairman of the Board of Examiners) (.....................)
2. Soepatini, SE., MSi., PhD. (Secretary Board of Examiners) (.....................)
3. Imronudin, SE., MSi., PhD. (Member Board of Examiners) (.....................)

UNIVERSITAS MUHAMMADIYAH SURAKARTA FAKULTAS EKONOMI & BISNIS

Dean,

Prof. Dr. Anton Setyawan, S.E., M.Si.

NIK/NIDN 0616087410

DECLARATION OF AUTHENTICITY

I, the undersigned below:

Name	: REZA AGUS HERDAYANTI
NIM	: B100164003
Department	: MANAGEMENT DOUBLE DEGREE
Thesis Title	: THE IMPACT OF LIQUIDITY, CAPITAL STRUCTURE, PROFIT MARGIN, AND FIRMS SIZE ON THE FINANCIAL PERFORMANCE **(Study in Consumer Goods Sector in Go Public Company on The Indonesian Stock Exchange for The Period 2015-2019)**

I am truthfully declaring that the thesis that is handed over to the institution is my own work, aside from the citations and synopses that I have as of now disclosed to the sources. If one day it is exhibited and found any confirmation that this proposition is contained copyright encroachment, I will be ready to recognize any discipline given from the Faculty of Economics and Business, including the cancelation of my scholarly title degree and my certificate from Muhammadiyah University of Surakarta.

Denpasar, 17 September 2021

Reza Agus Herdayanti

B100164003

MOTTO

Q.S. Al-Insyirah (5-6)

For indeed, with hardship (will be) ease. Indeed, with hardship
(Will be) ease.

All our dreams can come true if we have the courage to pursue them.

Walt Disney

DEDICATION

This research is done with love and patience from the bottom of my heart, and I dedicate my hard work to:

1. Allah SWT, with all of His graces, to grant the strength for the researchers to accomplish this thesis.
2. Sholawat and Salam be poured out for Rasulullah SAW, his family, and his friends at all times.
3. As a supervisor, Mr. Imronudin, SE., M.Si., Ph.D. has guided, motivated, and supported me throughout the process of writing my final project.
4. Mrs. Soepatini, SE. M.Si., Ph.D. as secretary of international management program and also my lecturer who help and share the knowledge while study in college.
5. My beloved family, my father Agus Waluyo, my mother Ni Putu Sugiari, my brother Arizal Agus Hartawan. Thank you for always remembering me in your prayers and for allowing me to pursue my aspirations no matter what and for their endless supports in everything.
6. Thank you for the assistance and support of the Economics and Business Faculty of Muhammadiyah University of Surakarta's particularly those in the Management double degree study program lecturers and employees.
7. For all of my dearest friends, Chrisma Mia, Nelvia, Nazala, Ayu, Atin, Sari, Fira, and also all my friends in Taiwan who have always been there to supporting me and have already stepped in to help me finish my final assignment.

ACKNOWLEDGE

Assalamualaikum Warrahmatullahi Wabarakatuh,

My deepest gratitude goes to Allah SWT, for all His Blessings and mercies so finally, so the author can finish the final project assignment and completes the study at Management Double Degree Program in Faculty of Economics and Business, Muhammadiyah University of Surakarta. May *sholawat and salam* always be with our best prophet Muhammad SAW, who has guided us to know and do the right thing to live in this world namely Islam, the religion which guides mercy to all worlds.

The author would like to thank the honorable:

1. Dr. H. Sofyan Anif, M.Si, Rector of Muhammadiyah University of Surakarta, and all Muhammadiyah University of Surakarta rectorat leaders.
2. Prof. Dr. Anton Agus Setyawan, S.E., M.Si., as a Dean of the Faculty of Economics and Business, Muhammadiyah University of Surakarta.
3. Mr. Imronudin, SE. M.Si., Ph.D., as a supervisor who has granted permission to the author to do this final project. The author successfully completes this thesis with the help of his supervisors, who kindly provide her time, direction, and guidance.
4. Mrs. Soepatini, SE. M.Si., Ph.D. as secretary of international management program.
5. All lecturers and employees of the Faculty of Economics and Business, Muhammadiyah University of Surakarta, particularly those in the Management double degree study program, who are willing to guide and transmit their knowledge to students and have assisted them in academic and administrative matters.
6. Both of my parents, who are always there for me and provide me with motivation, love, and everlasting prayers,

7. For all of my dearest friends, who have always been there to supporting me and have already stepped in to help me finish my final assignment.

The author recognizes that there are still flaws in the study paper's preparation. As a result, the authors welcome comments and criticisms in order to improve this study paper. Finally, the authors anticipate that this research work will be beneficial to all parties involved.

Wassalamu'alaikum Warrahmatullahi Wabarakatuh

The Impact of Liquidity, Capital Structure, Profit Margin, and Firms Size on The Financial Performance (Study in Consumer goods sector in Go Public Company on The Indonesian StockExchange for The Period 2015-2019)

ABSTRACT

This research aimed to analyze the effect of Current Ratio, Quick Ratio, Debt to Equity Ratio, Net Profit Margin, and Firm Size on Financial Performance (Return on Equity) in Indonesia. In this study, a total sample of 14 companies in Consumer Goods Industry and the data sources in this study are secondary data methods based on the annual financial reports of consumer goods industry in Indonesia listed on the Indonesia Stock Exchange for the period 2015 to 2019. The analysis of the data used is multiple linear regression tests to determine the effect of Current Ratio, Quick Ratio, Debt to Equity Ratio, Net Profit Margin, and Firm Size on Return on Equity. The results show that Net Profit Margin partially has significant effect on Return On Equity. Meanwhile, Current Ratio, Quick Ratio, Debt to Equity Ratio and Firm Size partially has no significant effect on Return On Equity.

Keywords: Liquidity Ratio, Capital Structure, Net Profit Margin, Firm Size, Return on Equity

TABLE OF CONTENTS

LIST OF TABLES

APPENDIX LIST