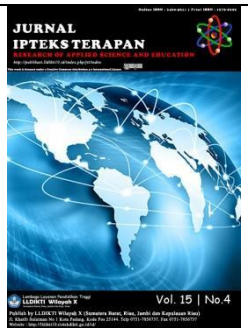

Vol.16 No.2 | June, 2022

INFLUENCE OF CS, CG, CZ AND PROFITABILITY ON COMPANY VALUE IN INSURANCE

Melysa Marga Retha Sihombing[1)], Jessy Safitri sitorus*[2)], Titin Romauli Sibarani[3)], Suryanty Pasaribu[4)]
Universitas Prima Indonesia
Email : sitorusjessy7@gmail.com

Submit :
08/04/2022

Accept :
24/06/2022

Publish :
25/06/2022

ABSTRACT

Background : Daily life is full of puzzles and risks that cannot be guessed by humans, such as accidents, death and undeniable disease containers. The actions that must be taken to minimize the impact of risk require savings which are generally called insurance. Insurance provides protection to citizens who use insurance if a loss occurs due to an incident that is not good for the life or death of a person. **Method :** This observation was conducted in order to determine the effect of capital structure, firm growth, firm size and profitability on firm value. **Result :** The results of the t-test in this study show that only profitability has a significant effect on firm value. **Conclusion** :The results of the f test on this observation indicate that the capital structure, firm growth, firm size and profitability do not simultaneously affect firm value.

Key words : Capital Structure, Company Growth, Company Size, And Profitability To Firm Value

doi: https://doi.org/10.22216/jit.v16i2.1095 292-300
1979-9292 / 2460-5611 ©2021 © 2022 Lembaga Layanan Pendidikan Tinggi Wilayah X

JIT is Sinta 3 Journal (https://sinta3.kemdikbud.go.id/journals/profile/2143) accredited by Ministry of Research & Technology, Republic Indonesia

ISSN : 1979-9292

JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i2 (292-300)

E-ISSN : 2460-5611

INTRODUCTION

Daily life is full of puzzles and risks that cannot be guessed by humans, such as accidents, death and undeniable disease containers. The actions that must be taken to minimize the impact of risk require savings which are generally called insurance. Insurance provides protection to citizens who use insurance if a loss occurs due to an incident that is not good for the life or death of a person. An insurance company is a forum that is able to minimize the risk that occurs to a premium that has been mutually agreed upon, and will fulfill the obligations of the client in accordance with the contract agreement. On the other hand, an insurance company that is growing rapidly will be easily hit by issues that bring down the company's name. Therefore, insurance companies must further improve the quality of products and services to clients. The value of the company is the main indicator to see how far the market evaluates the company holistically. Good company value is a sign of good company performance. If the value of the company is low, investors will judge the company with a bad value. For consumers, the value of the company is very important because it can predict the return of funds that have been given by consumers to the company. The value of an open company can be seen by looking at the number of shares issued by the company (Suharli, 2006).

The capital structure is the balance of debt financing using the amount of permanent capital published in the company's financial statements. Capital structure is the most important part in a company because it is able to influence the size of the consequences borne by the company and the size of the required rate of return or level of profit (Brigham and Houstan, 2006). Company growth is the company's ability to increase various aspects that are profitable and will describe good profitability to the value of the company. The increasing growth of the company affects the survival of the company. The size of the company is said to be able to influence the value of the company. If the size of the company gets bigger, the sources of funding that are obtained by companies that are internal or external will improve. Profitability is the profit or net profit that can be generated by the company through sales, investment, and can reduce costs - the portfolio of activities carried out by the company. Profitability aims to measure the effectiveness of management in return for investment returns through company activities. The value of the company can be influenced by the high and low profitability obtained by the company. Profitability is also able to minimize the value of the company, this can have an effect because when increasing profitability, the company is able to increase its operational activities so that the profits obtained will be even greater (Mardiyanti et al 2012). There are several phenomena that have happened to the Bina Artha (ABDA) insurance company in 2020. The company's value has decreased but its profitability has increased. Something also happened to the Pratama property insurance company in 2020 whose capital structure decreased but the value of the company increased. Then the multi-artha Guna (AMAG) insurance company in 2019

ISSN : 1979-9292

JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i2 (292-300)

E-ISSN : 2460-5611

where the company value increased but the profitability value decreased.

RESEARCH METHODS

This research uses a quantitative approach . where this method deals with numbers that are analyzed using statistical techniques to analyze the results. This study has the aim of knowing the relationship between the dependent variable and the independent variable. according to the research provisions, the variables used are causal associative. Where is the correlation (impact) of causal variables affecting (X) on the dependent variable and the determined independent variable (Y) (Sugiyono, 2009:56). The definition of population based on the explanation of Sugiyono (2012: 61) is an area or generalized area that includes objects or subjects with quality characteristics and characteristics that are determined by researchers to be studied and then drawn conclusions from them. This study uses a population of 13 insurance companies. Sugiyono (2016: 62) also explains the notion of the sample as part of the characteristics and number of the population. Then the random sampling technique was used as a sampling technique in the study, which means the sample was taken from the population and carried out randomly regardless of the level contained in the population. Because the total population in this study is relatively small, namely 13 insurance companies, the total sampling method is used in which all members of the population are taken and can serve as research samples. Based on certain characteristics according to research needs and able to provide conclusions from the research formulation. This study uses quantitative data types and the data source is secondary. Referring to the opinion of Sugiyono (2016:225) secondary data is data obtained based on websites, internet, books and journals. The data in this study is using an annual report that is published and listed on the Indonesian stock exchange

RESULTS AND DISCUSSION

Classical Assumption Test

a. Normality Experiment Results

The normality experiment was made in order to understand whether it is possible for standard allocated research statistics, by applying the Kolmogorov-Smirnov test and the PP Plot graph obtained in the form of:

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		38
Normal Parameters[a,b]	Mean	-0.2186953
	Std. Deviation	1.51198202
Most Extreme Differences	Absolute	0.121
	Positive	0.121
	Negative	-0.066
Test Statistic		0.121
Asymp. Sig. (2-tailed)		0.177[c]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.

Figure 1. Normality Experiment

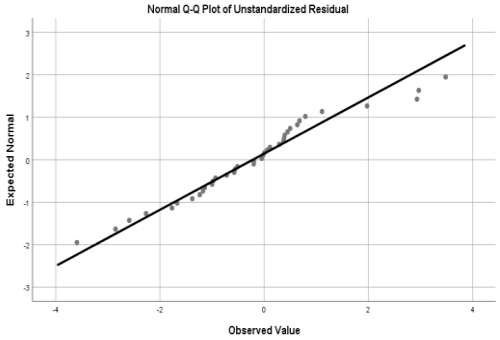

Figure 2. Scatterpot

ISSN : 1979-9292

JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i2 (292-300)

E-ISSN : 2460-5611

From the figure shown above, it can be concluded that the residual probability value (asymp.sig 2-tailed) with a value of 0.177, this indicates that the value exceeds the sig-α figure of 0.05. So it can be concluded in the form of research data, has a normal distribution. Similar conditions have also been confirmed by the graphic below:

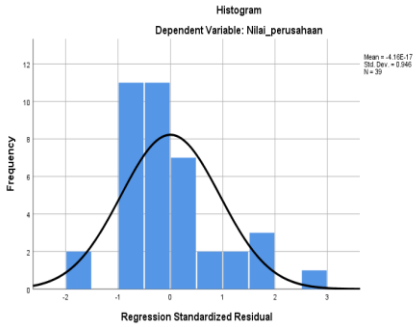

Figure 3. Histogram

The figure above shows that the points from the data spread across the diagonal line regularly and symmetrically on the left and right. Therefore, it can be interpreted that the research data has a normal distribution.

b. Multicollinearity Test

The multicollinearity test carried out showed the following results:

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Sta
		B	Std. Error	Beta	t	Sig.	Tolerance
1	(Constant)	1.464	1.750		0.836	0.409	
	struktur_modal	-0.439	0.353	-0.210	-1.244	0.222	0.838
	pertumbuhan_perusahaan	0.173	0.070	0.407	2.486	0.018	0.889
	ukuran_perusahaan	0.020	0.062	0.056	0.325	0.747	0.792
	profitabilitas	0.100	0.104	0.154	0.960	0.344	0.928

a. Dependent Variable: nilai_perusahaan

Figure 4. Multicollinearity Test

according to figure above shows that the tolerance points for the 4 variables are sequential, namely 0.935, 0.979, 0.828, 0.832, all four < 1 , and the Variance Inflation Factor points for the 4 variables are 1.070, 1.021, 1.208, 1.201, all four < 10 so that the final result can be taken. that it is not in the multicollinearity section.

c. Heteroscedasticity Test

The heteroscedasticity experiment intends to prove in the regression section there is a difference in variance from the residue of one prophecy to another. If the variance from the residue of one prophecy to another is certain, then it is said to be homoscedasticity, presumably if it is not the same it is said to be heteroscedasticity with the following view

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.464	1.750		0.836	0.409
	struktur_modal	-0.439	0.353	-0.210	-1.244	0.222
	pertumbuhan_perusahaan	0.173	0.070	0.407	2.486	0.018
	ukuran_perusahaan	0.020	0.062	0.056	0.325	0.747
	profitabilitas	0.100	0.104	0.154	0.960	0.344

a. Dependent Variable: nilai_perusahaan

Figure 5. heteroscedasticity

The figure above shows the asymp.sig (2-sided) points for each variable, namely 0.222, 0.018, 0.747 and 0.344 in which the four independent variables have substantial points > 0.05 until the summation view completes the heteroscedasticity symptom qualification experiment. So it can be said that the statistics of this study do not have symptoms of heteroscedasticity. That means there is no strong correspondence between the independent variables of the dependent variable. Similar affairs can be shown in the heteroscedasticity list below:

ISSN : 1979-9292

JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i2 (292-300)

E-ISSN : 2460-5611

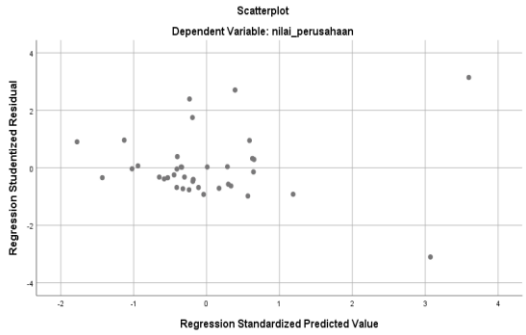

Figure 6. Heteroscedasticity Scatterplot

d. Multiple Linear Analysis

The regression equation can be aligned by considering the values of the calculated coefficients below:

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	1.464	1.750		0.836	0.409		
	struktur_modal	-0.439	0.353	-0.210	-1.244	0.222	0.838	1.194
	pertumbuhan_perusahaan	0.173	0.070	0.407	2.486	0.018	0.889	1.124
	ukuran_perusahaan	0.020	0.062	0.056	0.325	0.747	0.792	1.263
	profitabilitas	0.100	0.104	0.154	0.960	0.344	0.928	1.078

a. Dependent Variable: nilai_perusahaan

Figure 7. Multiple Linear Analysis

By showing the results of the regression model and the results of multiple regression, it is possible to produce an equation that contributes to the influence of the firm value as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

$$Y = 1.464 + 0{,}439 + 0.173 + 0.020 + 0.100 + e$$

From the description of the equation above, the following conclusions can be drawn:

1) . Y = 1.464 + 0.439 X1

This equation shows that every 1 point increase in the capital structure can increase the firm value by Y = 1.464 + 0.439 = 2 points. In other words, every increase in capital structure can increase the value of the company up to 2 times.

2). Y = 1.464+ 0.173 X2

This equation shows that every 1 point increase in the company's growth can increase the company's value as much as Y = 1.464+ 0.173 = 1.7 points. In other words, every increase in company growth can increase company value up to 2.1 times.

3). Y = 1.464 + 0.020 X3

This equation shows that for every 1 point increase in the size of the company, it can increase the value of the company as much as Y = 1.464 + 0.020 = 1.5 points. In other words, every increase in the size of the company, can increase the value of the company up to 1.5 times.

4). Y = 1.464 + 0.100 X4

This equation shows that every 1 point increase in profitability can increase the company's value by Y = 1.464 + 0.100 = 1.6 points. In other words, every increase in profitability, can increase the value of the company up to 1.6 times.

e. Hypothesis Experiment Results

The hypothesis experiment uses multiple linear regression analysis in the form of the -F experiment as simultaneous and the t-test as partial with the following assumptions;

f. Simultaneous F Test Results

Experiment F in which he acted as a simultaneous was made in order to capture whether the 4 independent variables X1 (Capital Structure), X2 (Company Growth) X3 (Company Size) and X4 (Profitability) describe the substantial dominance of the dependent variable Y (Company Value)

ISSN : 1979-9292

JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i2 (292-300)

E-ISSN : 2460-5611

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.096	4	4.774	2.226	0.087[b]
	Residual	70.763	33	2.144		
	Total	89.860	37			

a. Dependent Variable: nilai_perusahaan

b. Predictors: (Constant), profitabilitas, struktur_modal, pertumbuhan_perusahaan, ukuran_perusahaan

Figure 8. F-Test Resilt

In the figure above, it shows the F-count points = 2.226 and the significance points (p-
value) is 0.087. If it is fed with F-table points it will be worth 2,701 (N = 39
and df=33), it can be found that the F-count (2,226) is smaller than the F-table (2.701) and
sig-p (0.087) which value is more than 0.05, then the four variables can be obtained
independent X1 (Capital Structure), X2 (Company Growth) X3 (Company Size) and X4 (Profitability) describe the substantial dominance of the dependent variable Y (Company Value)

g. Partial t-test results

In order to capture the effects of each independent variable on the dependent variable Y (Company Value), a partial t-test will be carried out as shown in the following table ;

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.464	1.750		0.836	0.409		
	struktur_modal	-0.439	0.353	-0.210	-1.244	0.222	0.838	1.194
	pertumbuhan_perusahaan	0.173	0.070	0.407	2.486	0.018	0.889	1.124
	ukuran_perusahaan	0.020	0.062	0.056	0.325	0.747	0.792	1.263
	profitabilitas	0.100	0.104	0.154	0.960	0.344	0.928	1.078

a. Dependent Variable: nilai_perusahaan

Figure 9. T-Test Result

1.Effect of capital structure on firm value

In the table above shows the t-count X1 (capital structure) = -1.244 has a significance (p-value) of 0.222. When compared with t-table (2.02) and p value 0.222, the value is greater than 0.05. Therefore, from the results of this analysis, it can be concluded that the X1 variable (capital structure) has no significant effect on the Y variable.

2.The influence of company growth on company value

In the table aboveshows the t-count value of X2 (company growth) = 2,486 which has a significance (p-value) of 0.018. When compared with t-table (2.02) and p value 0.018, the value is less than 0.05. Therefore, from the results of this analysis, it can be concluded that the X2 variable (company growth) has a significant effect on the Y variable.

3.The Influence of Firm Size on Firm Value

In the table above the t-count value of X3 (Company Growth) = 0.325 which has a significance (p-value) of 0.747 when compared to the t-table (2.02) and p-value of 0.747 whose value is greater than 0.05. Therefore, from the results of this analysis, it can be concluded that the X3 variable (firm size) has no significant effect on the Y variable.

4.The influence of profitability on firm value

In the table above shows the t-count value of X1 (Profitability) = 0.960 which has a significance (p-value) of 0.344. When compared with t-table (2.02) and p value 0.344, the value is greater than 0.05. Therefore, from the results of this analysis, it can be

ISSN : 1979-9292

JURNAL IPTEKS TERAPAN
Research of Applied Science and Education V16.i2 (292-300)

E-ISSN : 2460-5611

concluded that the X4 variable (Profitability) has no significant effect on the Y variable.

Conclusion

According to the analysis of hypothesis testing, the following conclusions can be drawn:

1. From the analysis of the f test, it proves that the capital structure, company growth, company size and profitability have no significant effect on firm value.
2. From the t-test analysis, it proves that the growth of the company has a significant effect on the value of the company
3. From the t test analysis, it is explained that the size of the company has no significant effect on the value of the company
4. From the t-test analysis, explains that profitability has no significant effect on firm value

BIBLIOGRAPHY

Brigham, Eugene F. dan Houston, Joel F., 2006, *Dasar-Dasar Manajemen Keuangan*, Alih Bahasa: Yulianto, Akbar, Ali, Buku Satu, Jakarta: Salemba Empat..

Brigham, Eugene F. And Louis C. Gapenski, 1996, *Intermediate Financial Management*, Florida: The Dryden Press

Ghozali, imam, 2006, " *Aplikasi Analisis Multivariate dengan Program SPSS* ". Edisi 3, Badan Penerbit Universitas Diponegoro, Semarang

Hermungsih, Sri. 2013. Profitability, Growth Opportunity, Capital Structure and The Firm Value.*Bulletin of Monetary,Economics and Banking.* pp: 116 – 118

Husnan, Suad dan Pudjiastuti, Eny. 2006. *Dasar-Dasar Manajemen Keuangan*, Edisi 5, Yogyakarta: UPP STIM YKPN.

Husnan, Suad dan Pudjiastuti, Eny. 2006. *Dasar-Dasar Manajemen Keuangan*, Edisi 5, Yogyakarta: UPP STIM YKPN.

Machfoed, M. 1996. *Akuntansi Manajemen Perencanaan dan Pembuatan Keputusan Jangka Pendek*, Edisi Kelima, Buku 1, Yogyakarta: STIE Widya Wiwaha.

Mahatma Dewi AS dan Wirajaya A. 2014. Pengaruh Struktur Modal, Profitabilitas dan Ukuran Perusahaan pada Nilai Perusahaan. *E-Jurnal Akuntansi Universitas Udayana Vol. 4. No.2*

Sugiyono (2015). *Metode Penelitian Kombinasi (Mix Methods)*. Bandung: Alfabeta.

Sugiyono. 2009. *Metode Penelitian Bisnis*. Bandung: CV. Alfabeta.

Widiastari, Putu Ayu., dan Gerianta Wirawan Yasa, 2018. *Pengaruh Profitabilitas, Free Cast Flow Dan Ukuran Perusahaan Pada Nilai Perusahaan*.ISSN 2302-8556, 23(2): 957-981

Suharli, Michell. 2006. Studi Empiris Terhadap Faktor yang Memengaruhi Nilai Perusahaan pada Perusahaan Go Public di Indonesia. *Jurnal Manjemen*

Akuntansi, Vol. 6 No. 1. www.idx.co.id

Wardani, Dewi Kusuma dan Sri Hermuningsih. 2011. Pengaruh Struktur Kepemilikan Terhadap Nilai Perusahaan dengan Kinerja Keuangan dan Kebijakan Hutang sebagai Variabel Invervening. *Jurnal Siasat Bisnis, 15(1):* h: 27 - 36