

CHAPTER V

CONCLUSION

5.1 Conclusion

This study provides evidence that capital structure does not affect firm value. The reason is because manufacturing companies in Indonesia tend to use debt as a source of capital and it is common if manufacturing companies in Indonesia has high debt. Since that situation, capital structure information becomes useless or not relevance. This reason also supported by previous study which have proved that emerging Asia company especially in manufacturing sectors tend to have high debt as the capital sources. Most of company use it as the main sources in financing decision. Thus, this information is not really important for investor in making decision and firm value proxied by stock market price is not going down or increase only because on company's capital structure.

5.2 Constraint and limitations

This study is to provide evidence which can contribute for user and readers involves shareholders or investor and manger, and resesarcher. The author consider that in doing this research there are limitations that can not representfully about real situation. Some of the contraints or limitation suggested by author that should be considered for further research as follows:

1. The capital structure of this research can not represent all the capital structure for all companies

2. This research using Tobin's Q as a proxy for firm value, hence there are several proxy in measuring the firm value in which can represent the firm value such as Price to Earning Ratio and Price to Book value
3. This research using limited year which from 2015-2017 respectively and focus on manufacturing companies. Further research can expand the period and the kinds of companies not only in manufacturing companies.



REFERENCES

- Astiti, N. P. (2015). Pengaruh Profitabilitas dan Struktur Asset Terhadap Struktur Modal Pada Perusahaan Property dan Real Estate yang Terdaftar di Bursa Efek Indonesia. *Juima Volume 5 No.2*, pp 59-73.
- Best, J. W., & Kahn, J. V. (2006). *Research in Education. 10th Edition*. Cape Town: Pearson Education Inc.
- Chowdhury, S. P., & Chowdhury, A. (2010). Impact of Capital Structure on Firm's Value: Evidence from Bangladesh. *Business and Economic Horizons Volume 3 No.3*, pp 111-122.
- Christiawan, Y. J., & Tarigan, J. (2007). Kepemilikan Manajeral: Kebijakan Hutang, Kinerja dan Nilai Perusahaan. *Jurnal Akuntansi dan Keuangan, Vol. 9, No. 1*, pp 1-8.
- Clark, M. W. (1993). Entity Theory, Modern Capital Structure Theory, and The Distinction Between Debt and Equity. *Accounting Horizons Volume. 7 No. 3*, pp 14-31.
- Eriksson, M., & Hede, J. (2000). Optimal Capital Structure. *Industrial and Financial Economics*, pp 01-107.
- Eugene, B. F., & Houston, J. F. (2006). *Dasar-Dasar Manajemen Keuangan*. Jakarta: Salemba Empat.
- Fama, E. F., & French, K. R. (1998). Taxes, Financing Decisions, and Firm Value. *The Journal of Finance, Vol. 53 No. 3*, pp 819-843.

- Gamayuni, R. R. (2015). The Effect Of Intangible Asset, Financial Performance And Financial Policies On The Firm Value. *International Journal Of Scientific & Technology Research Vol. 4 No.01*, pp 202-212.
- Gharaibeh, A. M., & Qader, A. A. (2017). Factors Influencing Firm Value as Measured by the Tobin's Q: Empirical Evidence from the Saudi Stock Exchange (TADAWUL). *International Journal of Applied Business and Economic Research Vol. 15 No. 6*, pp 333-358.
- Ghozali, I. (2005). *Aplikasi Analisis Multivariate dengan SPSS*. Semarang: Badan penerbit UNDIP.
- Ghozali, I. (2011). *Aplikasi Analisis Multivariate Dengan Program SPSS*. Semarang: Badan Penerbit Universitas Diponegoro.
- Goyal, V., & Packer, F. (2016). Corporate Leverage in Emerging Asia. *BIS Papers No 91*, pp 65-98.
- Harris, M., & Raviv, A. (1991). The Theory of Capital Structure. *The Journal of Finance VOL. XLVI, NO. 1*, pp 297-355.
- Husnan, S., & Pudjiastuti, E. (2006). *Dasar-Dasar Manajemen Keuangan Edisi Kelima*. Yogyakarta: UPP STIM YKPN.
- Imelda, E., & Sheila, S. (2017). The Influence of Capital Structure, Dividend Policy and Ownership Structure on Firm Value. *International Journal of Economic Perspectives, Volume 11, No. 4*, pp 558-565.

- Jensen, M. C., & Meckling, W. H. (1976). Theory of The Firm: Managerial Behaviour, Agency Cost and Ownership Structure. *Journal of Financial Economics* 3, pp 305-360.
- Leitner, Y. (2007). Stock Prices and Business Investment. *Business Review Q4*, pp 12-18.
- Lewellen, W. G., & Badrinath, S. G. (1997). On The Measurement of Tobin's Q. *Journal of Financial Economics*, pp 77-122.
- Modigliani, F., & Miller, M. H. (1958). The Cost of Capital, Corporation Finance and the Theory of Investment. *The American Economic Review*, Vol. 48, No. 3, pp 261-297.
- Myers, S. C. (1993). Still Searching for Optimal Capital Structure. *Journal of Applied Corporate Finance*, pp 04-14.
- Myers, S. C. (2001). Capital Structure. *Journal of Economic Perspectives*, Vol. 15, No. 2, pp 81-82.
- Ohyver, M. (2013). Perapan Metode Transformasi Logaritma Natural dan Partial Least Squares Untuk Memproleh Model Bebas Multikolinier dan Outlier. *Jurnal Mat Stat*, Vol. 13 No. 1, pp 42-51.
- Pandey, I. M. (2004). Capital Structure, Profitability and Market Structure: Evidence from Malaysia. *Asia Pacific Journal of Economics and Business*, Vol. 8 No.2, pp 78-91.

- Prasetyorini, B. F. (2013). Pengaruh Ukuran Perusahaan, Leverage, Price Earning Ratio dan Profitabilitas Terhadap Nilai Perusahaan. *Jurnal Ilmu Manajemen Vol. 1, No. 1*, pp 183-196.
- Pratiwi, N. P., & Mertha, M. (2017). Pengaruh Kebijakan Hutang dan Profitabilitas pada Nilai Perusahaan dengan Kebijakan Dividen Sebagai Variabel Pemoderasi. *E-Jurnal Akuntansi Universitas Udayana Volume 20 No.2*, pp 1446-1475.
- Purwanto, P., & Agustin, J. (2017). Financial Performance towards Value of Firms in Basic and Chemicals Industry. *European Research Studies Journal Volume XX, Issue 2A*, pp 443-460.
- Sabrina, S., Witjaksono, A., & Lusianah. (2018). The Most Influential Factors Toward Firm Value (Case Study in Indonesia). *Proceeding International Seminar on Accounting for Society*, pp 9-17.
- Savitri, I. A., & Sukamulja, J. S. (2014). Pengaruh Determinan Struktur Modal Terhadap Leverage. *Repository Universitas Atma Jaya Yogyakarta*, pp 01-15.
- Subagyo, H. (2009). Faktor Determinasi Struktur Modal (Studi Kasus Perusahaan Manufaktur BEI tahun 2005-2008). *TEMA Vol 6 edisi 2*, pp 132-146.
- Sujoko, & Soebiantoro, U. (2007). Pengaruh Struktur Kepemilikan Saham, Leverage, Faktor Intern Dan Faktor Ekstern Terhadap Nilai Perusahaan

(Studi empirik pada perusahaan manufaktur dan non manufaktur di Bursa Efek Jakarta). *Jurnal Manajemen dan Kewirausahaan*, VOL. 9, pp 41-48.

- Titman, S. (1984). The Effect Of Capital Structure On A Firm's Liquidation Decision. *Journal of Financial Economics* 13, pp 137-151
- Wibisono, H. (2008). Determinan Struktur Modal dan Pengaruhnya Terhadap Nilai Perusahaan. *Repository UAJY*, pp 01-272.
- Wiley, J., & Sons. (2012). *Contemporary Issues in Accounting*. Singapore: Markono Print Media.
- Wolfe, J. (2003). The Tobin Q As A Company Performance Indicator. *Developments in Business Simulation and Experiential Learning*, Volume 30, pp 155-159.

- <https://www.detik.com/>
- <https://www.investopedia.com/terms/c/cashflowfromfinancing.asp>
- <https://www.thestreet.com/slideshow/13434821/1/stressed-out-5-distressed-companies-investors-should-be-wary-of-in-2016.html>
- <https://www.kompasiana.com/betrikaoktaresa/594d532beec6ec2c437c0282/mengukur-kinerja-perusahaan-dengan-tobin-s-q>
- www.bi.go.id
- www.bps.go.id
- www.kemenperin.go.id

