

# The Effect of Profitability, Free Cash Flow, Company Growth and Company Size on Debt Policy of Food and Beverage Subsectors Registered in Indonesia Stock Exchange Period 2013-2017

Muhammad Ulum<sup>1</sup>, Matrodji H. Mustafa, MBA, Ph.D<sup>2</sup>  
Mercu Buana University  
Jl. Meruya Selatan No.1, RT.4/RW.1, Meruya Selatan,  
Kec. Kembangan, Kota Jakarta Barat,  
Daerah Khusus Ibukota Jakarta 11650

**Abstract:-** The purpose of this research is to analyze the factors that affected the Debt Policy on Company Financial Statements registered on the Indonesia Stock Exchange (IDX). The Independent variable in this research is Profitability, Growth of the Company, Firm Size and Free Cash Flow. Meanwhile, the dependent variable is Debt Policy. Populations in this research are companies subsector Food and Beverages registered on the Indonesia Stock Exchange (IDX) from 2013-2017. The sampling technique is done with purposive sampling method. Samples in this research are 11 companies and total samples in this research are 55 financial statements. This research uses multiple regression analysis. The result shows that Profitability, Growth of the Company and Firm Size have significant effect towards Debt Policy meanwhile FCF has no effect on Debt Policy.

**Keywords:-** Debt Policy, Debt to Equity Ratio, Profitability, Free Cash Flow, Firm Growth, Firm Size.

## I. INTRODUCTION

The main objective of the company is to increase the value of the company through increasing the prosperity of the owners or shareholders (Sartono in Asrida, 2015: 276). In general, shareholders give confidence to professionals to manage and run the company. In managing the company, the manager as a professional who is trusted by shareholders, requires funds to meet the needs of the company, both for operational activities and for company expansion. So companies need capital that is not small. Capital needs can be met from various sources and in various forms. In this context, capital can be classified into two types, namely debt and own capital. More specifically, the source of company funds can come from internal and external companies. Sources of internal funds can be obtained from retained earnings that come from the company's operational activities, while external sources of

funds come from owners who are components of their own capital and funds that come from creditors which constitute loan or debt capital. In financial management, the proportion between the amount of funds from inside and outside is referred to as a funding structure or capital structure. Capital structure is permanent expenditure which reflects the balance between long-term debt and equity (Hayuningthias et. Al, 2017: 1032). Profitability (ROA) is the final result of all financial policies and operational decisions. This ratio measures the overall management effectiveness shown by the size of the level of profits obtained in relation to sales and investment. The better the profitability ratio (ROA), the better this ratio illustrates the ability of high profitability of the company (Fitriana and Suzan, 2018: 80). Company Growth (GROWTH) can be defined as an increase that occurs in the company. The rapid growth rate identifies that the company is expanding. Brigham and Houston in Mulyati, stated that companies that have high growth rates tend to require funding from greater external sources. To that end, the company uses various ways to meet the needs of these funds including using debt (Mulyati, 2016: 816). According to Brigham and Houston in Affandi, Free Cash Flow (FCF) is cash flow available to be distributed to all investors or shareholders and debt holders after the company places all of its investments in fixed assets and working capital needed to maintain ongoing operations (Affandi, 2015: 22). Company Size (SIZE). According to Brigham Houston in Pradhana (Pradhana et. Al, 2014: 4), Company Size (SIZE) is the average of total net sales for the year in question for several years. In this case, sales are greater than variable costs and fixed costs, then the amount of income before tax will be obtained. Conversely, if sales are smaller than variable costs and fixed costs, the company will suffer losses. Company size (SIZE) can be determined from: first, the total assets of the company. Second, the number of employees. Third, sales turnover. The four variables that have been mentioned will be considered in determining the Debt Policy (DER).

## II. LITERATURE REVIEW

### ➤ Capital Structure

Capital structure is a permanent expenditure which reflects the balance between long-term debt and equity capital. sources of bank capital, namely: (1) funds sourced from the bank itself consisting of capital deposits from shareholders of bank reserves, and profits not yet shared. (2) funds originating from the wider community, consisting of current accounts, savings deposits and time deposits. (3) funds sourced from other institutions, consisting of liquidity credit from Bank Indonesia, interbank loans, loans from foreign banks, and Money Market Securities.

In this study, researchers used the proxy Debt to Equity Ratio (DER) as a determination of the company's capital structure because DER reflects the magnitude of the proportion between total liabilities (total debt) and total own capital. DER ratio describes how much the company uses funding through debt and how much the company's ability to meet its obligations (Kasmir, 2012: 158). The formula for calculating DER is as follows:

### ➤ Profitability (ROA)

According to Fahmi (2013: 135) Profitability (ROA) is a measure of overall management effectiveness aimed at the size of the level of profits obtained in relation to sales and investment ". The better the profitability ratio (ROA), the better the ability to describe the high profitability of the company. In this study the authors will calculate the level of profitability (ROA) by using the Return on Assets (ROA) benchmark. According to Kasmir (2013: 201) understanding ROA is a ratio that shows the results (return) on the amount of assets used in the company. In addition, ROA provides a better measure of profitability (ROA) of the company because it shows the effectiveness of management in using assets to obtain income.

Advantages of Return on Assets (ROA) according to Munawir (2010: 91), namely:

- As one of its principal uses is its overall nature. If the company has implemented good accounting practices, management using ROA analysis techniques can measure the efficiency of working capital use, production efficiency and sales department efficiency.
- If a company can have industrial data so that industry ratios can be obtained, then the ROA analysis can be compared to the efficiency of capital use in the company with other similar companies, so it can be seen whether the company is below, the same or above the average. Thus it will be known where the weaknesses and what is already strong in the company compared to other similar companies.
- This analysis can also be used to measure the efficiency of the actions taken by the division / section, namely by allocating all costs and capital to the relevant section.
- This analysis can also be used to measure the profitability (ROA) of each product produced by the company. By using a good product cost system, capital and costs can be allocated to various products produced

by the company concerned, so that the profitability (ROA) of each product can be calculated.

- ROA is not only useful for control purposes, it is also useful for planning purposes. For example ROA can be used as a basis for decision making if the company will expand.

While the weaknesses of Return On Assets (ROA) according to Munawir (2010: 92) are as follows:

- The difficulty in comparing the rate of return of a company with other similar companies given that sometimes the accounting practices used by each company are different. The difference in the method of valuing various assets between one company with another company, the comparison will be able to give a wrong picture.
- Another weakness of this analysis technique is that there is a fluctuation in the value of money (purchasing power). A certain machine or equipment purchased in a situation of inflation value is different from equipment purchased when there is no inflation, and this will affect the calculation of investment turnover and profit margin.

$$\text{Debt To Equity Ratio (DER)} = \frac{\text{Total Liabilities}}{\text{Total Equity}}$$

Using the analysis of rate of return or return on investment alone cannot be used to make comparisons between two or more companies by getting satisfying conclusions.

### ➤ Free Cash Flow (FCF)

According to Damodaran in Ade, Free Cash Flow (FCF) illustrates that cash flow originates from operations and its use is under the control of the company's management. Managers use free cash to finance projects and pay dividends to shareholders, or hold it as a cash balance (Ade Dina et. Al, 2014: 3). According to Guinan in Deni and Ruzkina, Free Cash Flow (FCF) is a cash flow that describes some of the cash that can be generated by the company after spending some money to maintain and develop its assets (Deni Akbar and Ruzkina, 2017: 5).

Free Cash Flow (FCF) states that when companies need funds, old shareholders prefer to issue new debt rather than issuing new equity, because interest payments will force managers to act in the interests of shareholders. In fixed debt repayments, misappropriation of investors' money is at risk of defaulting on debts which causes debt bankruptcy. A company's Free Cash Flow (FCF) can be measured by the company's operating cash flow minus the taxes and interest costs that are a company's obligation and also paying dividends to common and preferred shareholders and divided by net sales, which are formulated as follows:

$$\text{Free Cash Flow} = \frac{\text{Operating Cash Flow} - \text{Taxes} - \text{Interest Expenses} - \text{Dividen}}{\text{Net Sales}}$$

➤ *Company Growth (GROWTH)*

According to Brigham and Houston in Maryanti, companies that have faster growth must rely more on external capital (Maryanti, 2016: 145). According to Zaipul in Suryani, growth is a company asset where assets are assets that are used for the company's operational activities. The faster the company's growth (GROWTH) in generating profits, the greater the expenditure needed to finance the company's growth (GROWTH), so it must limit dividends in order to save funds in the company for investment (Suryani, 2015: 29). Measuring growth (GROWTH) of the company can be measured by comparing the total assets of the year concerned (t-year) minus the total number of the previous year (t-1 year) then divided by the total number of the previous year (t-1 year) (Titman and Wassels, 1988). Following is the scheme description:

$$GROWTH = \frac{\text{Total Assets } n - \text{Total Aset } n-1}{\text{Total Aset } n-1}$$

➤ *Company Size (SIZE)*

Company size (SIZE) represents the small size of a company shown in total activity, sales volume, average sales (Riyanto, 2011: 305). Company size (SIZE) is the size or size of a company that can be seen by the size of the activity owned by the company (Wimelda and Marlinah, 2013). Company size (SIZE) is the sum of the production capacity of the company and the provision of services that the company can provide to the customer. The size of a company is a key factor in determining the profitability (ROA) of a company (Niresh and Velnampy, 2014). Larger companies (SIZE) are expected to have the opportunity to attract larger Debt compared to smaller companies. Larger companies tend to have a more diversified market portfolio. Therefore, it is less likely to lead to bankruptcy. To calculate company size (SIZE) using the natural logarithm of total assets.

$$SIZE = \ln \text{ Total Assets}$$

**III. THEORETICAL FRAMEWORK**

The formation of a thinking framework aims to answer and solve the research question, which is to formulate a hypothesis that is a temporary hypothesis. In formulating a set of theories that will be presented in the framework of thinking in order to formulate a hypothesis, one must first define the research variables (Sugiyono, 2010), and then test the statistics on those variables. From the results of the statistical test it will be known whether this research supports previous empirical theories and studies. The variables in this study consisted of two variables, the dependent variable and the independent variable. The dependent variable is the Debt Policy (DER), while the independent variables are Profitability (ROA), Free Cash Flow (FCF), Company Growth (GROWTH) and Company Size (SIZE) as factors that influence the Debt policy. Based on the theoretical basis, research objectives, and the results of previous studies and the problems that have been raised, then in formulating the following

hypothesis a framework of thought is presented in the research model in the figure1.

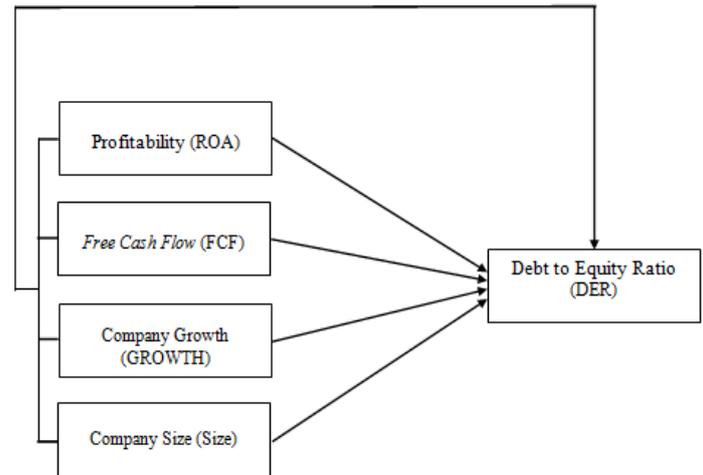


Fig 1:- Theoretical Framework

- H1: There is an effect of the variable Profitability (ROA) on Debt Policy (DER)
- H2: There is an effect of the Free Cash Flow (FCF) variable on Debt Policy (DER)
- H3: There is an influence of the Company Growth variable (GROWTH) on Debt Policy (DER)
- H4: There is a partial effect of the Company Size variable (SIZE) on the Debt Policy (DER).

A. *Sample And Population*

The population in this study were all food and beverage subsector companies listed on the Indonesia Stock Exchange (IDX) during the period 2013 to 2017. The total population in this study were 11 food and beverage subsector companies. company sample selection during the study period based on certain criteria. From these criteria, in this study the samples used were 11 samples of food and beverage subsector companies listed on the IDX

B. *Data Collection Methods*

The data used in this research is secondary data. To get the data examined, the authors conducted a library study (Library Research) and financial statements of the food and beverage sub-sector company listed on the Indonesia Stock Exchange for the period 2013-2017.

C. *Data Analysis Method*

Data analysis method used in this research is panel data regression analysis method using the help of the Eviews 9.0 software program that aims to determine the effect of Profitability (ROA) ratio, Free Cash Flow (FCF), Company Growth (GROWTH) and Company Size (SIZE) towards Debt Policy (DER). But before the panel data regression analysis is analyzed first, it uses descriptive statistics, panel data testing methods and hypothesis testing.

**IV. RESULTS AND DISCUSSION**

➤ *Profitability (ROA)*

*A. Results*

Descriptive analysis consists of minimum value, maximum value, average value and standard deviation of research variables in these companies.

➤ *Debt To Equity Ratio (DER)*

Year	Minimum	Maximum	Mean	Standard Deviation
2013	0.280000	1.470000	1.006364	0.374947
2014	0.300000	3.030000	1.219091	0.713883
2015	0.220000	1.740000	1.039091	0.487780
2016	0.180000	1.770000	0.880000	0.492301
2017	0.170000	1.820000	0.818182	0.471059

Table 1

Based on the table, the minimum value of DER in 2013 to 2017 is owned by PT. Delta Jakarta Tbk. This shows the use of the company's debt is smaller than its own capital and the smallest when compared with other companies. The minus sign on the DER is caused by the minus company equity because it keeps on losing until it dredges the amount of company capital to minus. So the company only relies on debt to run its operations. Meanwhile, the maximum value of DER in 2013 was owned by PT. Mayora Indah Tbk. This condition changed in 2014-2016, with a maximum value of 3.03, 1.74 and 1.77 owned by PT. Multi Bintang Indonesia Tbk, while in 2017 it is owned by PT. Tri Banyan Tirta Tbk. This shows, the company has the biggest debt when compared to other companies so that it can be used to develop the company and make a profit. The average DER of food and beverage companies in 2016 - 2017 is below one, meaning that the company is more funded by its own capital. Whereas the average DER for 2013-2015 is above one, meaning companies are more funded by debt. The lowest average DER value occurred in 2017 that is equal to 0.818182 which means that the use of own capital is greater than 0.818182 times than the use of debt and the highest average DER occurred in 2014 amounted to 1.219091. Based on trends, from 2014 to 2017, the use of debt in food and beverage companies tends to have a declining trend. The increase only occurred in 2013. The smaller the amount of loan capital, the less funds can be used to generate profits for the company, but on the other hand reduce the risk of default the standard deviation of the 2013 DER is the lowest standard deviation that is 0.374947. In addition, DER standard deviation values for 2013 - 2017 show average results below 1 in each year. This indicates that there is no high deviation and normal data distribution. So it can be concluded that there is no fluctuation in the DER value of food and beverage companies on the IDX.

Year	Minimum	Maximum	Mean	Standard Deviation
2013	-0.820000	65.720000	14.16909	18.89367
2014	-2.060000	35.630000	10.30909	11.54788
2015	-2.270000	23.650000	9.448182	7.051568
2016	-5.670000	43.170000	12.20636	12.41288
2017	-9.710000	52.670000	9.200000	16.32078

Table 2

The minimum value of ROA in 2013-2016 is owned by PT. Tri Banyan Tirta Tbk and in 2017 is owned by PT. Tiga Pilar Sejahtera Tbk. This shows, the company has the smallest ability to generate profits from total assets owned. The minus value on ROA is caused by losses experienced by the company and this shows the ability of capital invested as a whole the assets have not been able to generate profits. The maximum value of ROA in 2013 - 2017 is owned by PT. Multi Bintang Indonesia Tbk. This shows, the company has the greatest ability to generate profits from total assets owned.

The average ROA of food and beverage companies decreased in 2013, 2014 and 2015. Meanwhile, the lowest average ROA value occurred in 2017 which was 9,200,000. Based on trends from 2013 - 2017, ROA of food and beverage companies has a fluctuating trend but tends to decline. That is, overall the company's ability to generate profits from total assets owned has decreased. A decrease in ROA indicates less effective asset management or an increase in the number of assets resulting in reduced net income. It can also be seen in Table 4.2, the standard deviation value of ROA is the best tendency to occur in 2015 with the lowest standard deviation of 7.051568. In addition, the standard deviation of ROA tends to be greater than the average in each year which indicates that there is a high deviation, so that the distribution of data shows the tendency of abnormal and biased results and it can be concluded that there are large fluctuations in ROA towards food companies and drinks on the IDX.

➤ *Free Cash Flow (FCF)*

Year	Minimum	Maximum	Mean	Standard Deviation
2013	78.72900	9.87E+11	1.40E+11	2.97E+11
2014	353.5300	8.62E+11	1.48E+11	2.64E+11
2015	399.1850	2.34E+12	3.00E+11	6.96E+11
2016	463.5800	6.59E+11	1.31E+11	2.19E+11
2017	267.1020	1.28E+12	1.97E+11	3.84E+11

Table 3

Based on the table, The minimum value of Free Cash Flow (FCF) in 2013 - 2017 is owned by PT. Three Pillars of Prosperous Food Tbk. This shows that the company has the smallest cash turnover value. While the maximum value of the Free Cash Flow (FCF) in 2013 - 2017 is owned by PT. Mayora Indah Tbk. This shows that the company has the largest cash turnover value. The average value of Free

Cash Flow (FCF) of food and beverage companies during 2013 - 2017 the smallest occurred in 2016 which was 1.31E + 11 and the largest in 2015 was 3.00E + 11. Furthermore, the value of Free Cash Flow (FCF) in 2013 - 2017 experienced a fluctuating trend. This shows, an increase and decrease in sales that affect the Free Cash Flow (FCF) every year. It can also be seen in Table 4.3, the standard deviation value of Free Cash Flow (FCF) in 2013-2017, the lowest value occurred in 2016 with a standard deviation of 2.19E + 11 and the highest value in 2015 which was 6.96E + 11 . Furthermore, the standard deviation of Free Cash Flow (FCF) tends to be greater than the average in each year which indicates that there is a high deviation, so that the distribution of data shows abnormal and biased results and it can be concluded that there are large fluctuations of Free Cash Flow (FCF) towards food and beverage companies on the IDX.

➤ *Company Growth (GROWTH)*

Year	Minimum	Maximum	Mean	Standard Deviation
2013	4.080459	68.55484	30.21129	19.73745
2014	-45.61918	46.71958	9.608451	23.84456
2015	-5.835725	140.1170	21.23247	40.66246
2016	-10.51601	50.68251	10.27479	16.28575
2017	-5.724812	56.16899	8.367581	17.61391

Table 4

Based on the tabel, minimum value of GROWTH in 2013 is owned by PT. Wilmar Cahaya Indonesia Tbk, in 2014 was owned by PT. Siantar Top Tbk, in 2015 was owned by PT. Multi Bintang Indonesia Tbk, in 2016 was owned by PT. Indofood Sukses Makmur Tbk, in 2017 is owned again by PT. Three Pillars of Prosperous Food Tbk. This shows that the company has the smallest asset growth. Furthermore, the minus value on GROWTH is caused by smaller asset growth compared to the previous year. While the maximum value of GROWTH in 2013 is owned by PT. Tri Banyan Tirta Tbk, in 2014 was owned by PT. Tiga Pilar Sejahtera Food, Tbk, in 2015 was owned by PT. Siantar Top Tbk, in 2016 was re-owned by PT. Sekar Laut Tbk, and in 2017 is owned by PT. Nippon Indosari Corpindo. This shows that the company has the largest asset growth. The lowest GROWTH value of food and beverage companies throughout 2013-2017 occurred in 2017 at 8.367581 and the largest in 2013 was 30.21129. Furthermore, the GROWTH value in 2013-2017 experienced a fluctuating trend. This shows, an increase and decrease in sales that affect total assets each year. It can also be seen in Table 4.4, the standard deviation value of GROWTH in 2013-2017, the lowest value occurred in 2016 with a standard deviation of 16.28575. Furthermore, the standard deviation of GROWTH tends to be greater than the average every year which indicates that there is a high deviation, so that the distribution of data shows abnormal and biased results and it can be concluded that there are large fluctuations of GROWTH towards food and beverage companies in IDX.

➤ *Company Size (SIZE)*

Year	Minimum	Maximum	Mean	Standard Deviation
2013	14.39333	29.90448	23.07107	5.978867
2014	14.61798	29.96297	23.13542	5.845253
2015	14.55785	30.05960	23.29250	5.930850
2016	14.63751	30.18999	23.38124	5.969628
2017	14.39333	29.90448	23.07107	5.978867

Table 5

This shows, the company has the lowest total assets compared to other companies. Whereas, Furthermore, the maximum value of the size of the company (SIZE) in 2013 – 2017 is owned by PT. Mayora Indah Tbk. This shows, the company has the largest total assets compared to other companies.

The average company size (SIZE) during 2013-2017 was the lowest in 2013 which was 23.07107 and the highest in 2017 was 23.45131. Based on trends, from 2013 to 2017, company size (SIZE) in food and beverage companies tends to have an increasing trend. This shows that, overall, the average ability of food and beverage companies has increased in total assets each year. With the declining assets of the company will make the company stable financial condition. It can also be seen in Table 4.5, the standard deviation of the smallest company size variable (SIZE) was in 2014. In addition, the standard deviation value of a company size (SIZE) tends to be smaller than the average in each year, thus indicating that sufficient results good because the standard deviation is a reflection of high deviations, so that the spread of data shows normal results and does not cause bias and it can be concluded that there is no large fluctuation of the company size variable (SIZE) of food and beverage companies.

➤ *Stationary Test Research Data*

Variable	T-statistic Test Results (First Different)	Probability Research Variables (First Different)
DER	-9.987408	0.0000
Free Cash Flow	-5.334397	0.0000
ROA	-8.635339	0.0000
GROWTH	-10.45492	0.0000
SIZE	-7.286997	0.0000

Table 6

Debt to Equity Ratio (DER), Free Cash Flow (FCF), Return On Assets (ROA), Company Growth (GROWTH) and Company Size (SIZE) have a probability value (First Difference) smaller than 0.05 then H0 is rejected. That is, the data has been stationary and can be used for further calculations.

**B. Research Data Regression Analysis**

Modeling in using panel data regression techniques can be done using three methods approaches, namely

Common-Constant Model / Pooled Least Square (PLS). . 2) *Fixed Effect Model (FEM), Random Effect Model (REM),*

Variabel	Common Effect Model	Fixed Effect Model	Random Effect Model
C	0.550867 (0.1826)	15.96208 (0.0000)	1.559121 (0.0368)
ROA	0.004052 (0.5119)	-0.017583 (0.0119)	-0.017685 (0.0083)
Free Cash Flow	6.96E-14 (0.7450)	-4.37E-14 (0.4997)	-1.24E.14 (0.9490)
GROWTH	0.000142 (0.9601)	0.002392 (0.0134)	0.001060 (0.4973)
SIZE	0.016411 (0.3271)	-0.636331 (0.0000)	-0.016569 (0.5825)
R-squared	0.038965	0.924899	0.110655
Adj R-square	-0.037918	0.898614	0.039507

Fig 2

**C. Selection of Research Data Regression Model**

There are three tests to choose the best panel data model, namely:

Explanation	Statistic	Probability
Chow Test	16.239651	0.0000
Hausman Test	16.207625	0.0028

Table 7

➤ **Chow Test**

Chow tests are carried out to determine whether the Common Effect or Fixed Effect model is more appropriate to use. The basis for rejection of H0 is a 95 percent confidence level ( $\alpha = 5\%$ ) using a probability value. Comparison is used if the probability result is less than 0.05, then H0 is rejected. Results from table 4.8. shows the result of a probability of 0.0000 smaller than 0.05 then H0 is rejected so that the right model is the Fixed Effect model.

➤ **Hausman Test**

Basically the Hausman test is used to see the consistency of the estimation with the Common Effect model, then in panel data modeling, the Hausman test is performed to find out whether the Random Effect model or the Fixed Effect model is more appropriate to use. The basis for rejection of H0 is a 95 percent probability level ( $\alpha = 5\%$ ) using a probability value.

Comparison is used if the probability result is less than 0.05, then H0 is rejected. In table 4.8. can be seen that the probability value of 0.0028 is smaller than 0.05 then H0 is rejected so that it can be concluded from the Hausman test, the model used is the Fixed Effect.

➤ **Lagrange Multiplier Test**

The Lagrange Multiplier test (LM) is used to find out whether the Random Effect model is better than the Common Effect model. But the results of the Chow test and Hausman test show that the right model used in this study is the Fixed Effect model, so there is no need to pass the

Lagrange Multiplier Test because the results of previous tests are consistent, it can be directly performed panel data regression test using the Fixed Effect model

❖ **Analysis of Research Data Regression Models**

Keterangan	Koefisien	t-Statistic	Probabilitas
C	15.96208	6.331872	0.0000
AISA	-5.089637		
ALTO	3.197910		
CEKA	2.911283		
DLTA	-2.103630		
ICBP	-4.552003		
INDF	-3.323596		
MLBI	-4.206692		
MYOR	4.626141		
ROTI	3.426207		
SKLT	2.245935		
STTP	2.868081		
ROA	-0.017583	-2.635879	0.0119
FCF	-4.37E-14	-0.681186	0.4997
GROWTH	0.002392	2.586868	0.0134

Fig 3

SIZE	-0.636331	-5.899351	0.0000
R-squared	0.924899		
F-statistic	35.18709		
Prob (F-statistic)	0.000000		

Table 8

By using the Fixed Effect model, the panel data regression equation is formed as follows:

$$DERit = \alpha + \beta1ROAit + \beta2FCFit + \beta3GROWTHit + \beta4SIZEit + \epsilon it$$

After obtaining the constant value, then the panel data regression equation model can be formulated as follows:

$$DER = 15.96208 - 0.017583 ROA - 4.37E-14 FCF + 0.002392 GROWTH - 0.636331 SIZE$$

The equation explains:

- Constants = 15.96208

The value of the constant is 15.96208. If the value of each independent variable (ROA, FCF, GROWTH and SIZE) 0 (constant), the DER (Y) increases by 15.96208.

- ROA (X1) = - 0.017583

Is the value of the regression coefficient of ROA to DER. If there is an increase in ROA of one unit, the DER (Y) decreases by 0.017583 and vice versa, assuming the variables X2, X3 and X4 are constant.

- FCF (X2) = - 4.37E-14

It is the FCF regression coefficient value of DER. If there is an increase in FCF by one unit, the DER (Y) decreases by 4.37E-14 and vice versa, assuming the variables X1, X3 and X4 are constant.

- GROWTH (X3) = 0.002392

Is the GROWTH regression coefficient value to DER. If there is an increase in GROWTH by one unit, the DER (Y) increases by 0.002392 and vice versa, assuming the variables X1, X2 and X4 are constant.

- SIZE (X4) = - 0.636331

Is the SIZE regression coefficient value of DER. If there is an increase in SIZE by one unit, the DER (Y) decreases by 0.636331 and vice versa, assuming the variables X1, X2 and X3 are constant. It is known that the R-square (R<sup>2</sup>) value is 0.924899 which shows that 92.48 percent of the DER variance can be explained by changes in the variables ROA, FCF, GROWTH and SIZE. While the remaining 7.52 percent is explained by other factors outside the research model. F test is performed to see whether all independent variables or independent variables entered in the model have an influence together on the dependent variable or the dependent variable. Can be seen in table 4.9, with a 95 percent probability level ( $\alpha = 5\%$ ), the F-statistic probability value of 0.000000 is smaller than 0.05 and the calculated F value (35.18709) is greater than the F-table (2.54) so H<sub>0</sub> is rejected, which means independent variables (ROA, FCF, GROWTH and SIZE) together affect the dependent variable (DER). The statistical t test basically shows how far the influence of one independent variable (ROA, FCF, GROWTH and SIZE) individually in explaining the variation of the dependent variable (DER).

D. Classic Assumption Test

➤ Normality Test

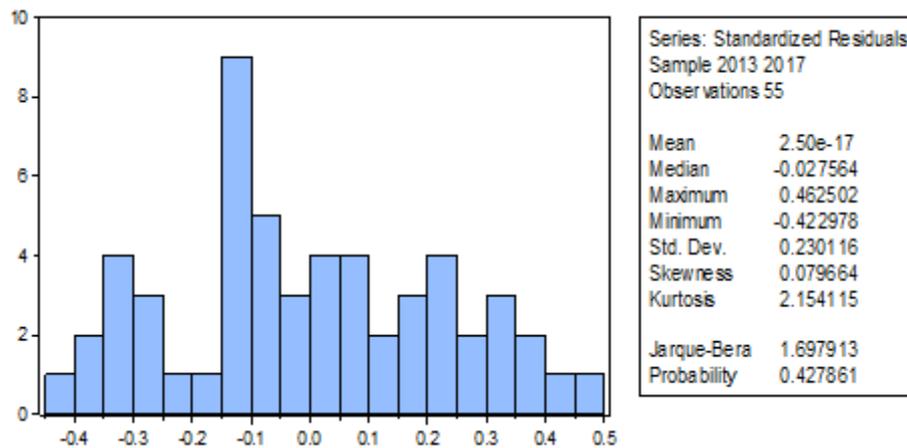


Fig 4

➤ It is known that the residual value of the study is not normally distributed because the probability value of Jarque Bera is greater than the value of  $\alpha$  or  $0.427861 > 0.05$ . This shows the data are normally distributed,

meaning that the regression model in this study can be used to explain changes in the dependent variable of the study.

➤ Multicollinearity Test

	<b>ROA</b>	<b>FCF</b>	<b>GROWTH</b>	<b>SIZE</b>
<b>ROA</b>	1.000000	-0.069936	0.095292	-0.441872
<b>FCF</b>	-0.069936	1.000000	0.022664	0.501071
<b>GROWTH</b>	0.095292	0.022664	1.000000	0.046608
<b>SIZE</b>	-0.441872	0.501071	0.046608	1.000000

Table 9

All correlation coefficient values between independent variables are not greater than 0.90. Thus, it can be concluded that there are no symptoms of multicollinearity between independent variables.

➤ Heteroscedasticity Test

Variabel	Probabilitas
ROA	0.0556
FCF	0.6647
GROWTH	0.7357
SIZE	0.5100

Table 10

Based on the results of the heteroscedasticity test as shown in the table above, it is known that all probability values of the independent variables are greater than the alpha level of 5% (0.05). Thus, it can be concluded that there are no symptoms of heteroscedasticity on the independent variables.

➤ Autocorrelation Test

Autocorrelation test is performed to see whether there is a residual correlation between a period t with the previous period (t-1). Simply put, regression analysis is to look at the effect of the independent variables on the dependent variable, so there should not be a residual correlation between one observation data and the previous observation data.

Durbin-Watson stat	1.858750
--------------------	----------

Data processed by Eviews Program

Autocorrelation test with Durbin Watson is carried out with the hypothesis:

H0: There is no autocorrelation (r = 0)

H1: There is an autocorrelation (r ≠ 0)

According to Ghozali (2016), decision making for the presence or absence of autocorrelation can be seen through the following table:

Zero Hypothesis	Decision	IF
There is no positive autocorrelation	declined	$0 < dw < dl$
There is no positive autocorrelatio	No decision	$dl \leq dw \leq du$
There is no negative correlation	declined	$4 - dl < dw < 4$
There is no negative correlation	No decision	$4 - du \leq dw \leq 4 - dl$
There is no positive or negative correlation positif atau negatif	Not declined	$du < dw < 4 - du$

Table 11

Based on the results of the autocorrelation test shown in the table above, it is known that the value

Durbin-Watson statistics (dw) is 1.858750 and the value of du is 1.7240. From the table above it can be seen that the Durbin-Watson (dw) value satisfies the  $du < dw < 4 - du$  equation ( $1.7240 < 1.858750 < 2,276$ ) so that in this model there is no positive or negative correlation.

V. DISCUSSION

The discussion was carried out by describing the influence of the independent variables consisting of profitability (ROA), Free Cash Flow (FCF), Company growth (GROWTH) and Company Size (SIZE) on the Debt Policy (DER) in the food and beverage subsector companies listed in Indonesia Stock Exchange 2013-2017. Description of the influence between variables is then compared with empirical evidence obtained in the field and theories that support hypohese.

➤ Effect of Profitability (ROA) on Debt Policy (DER)

Based on the panel data regression results from the Profitability (ROA) variable to the DER shows that the Profitability variable (ROA) has a negative effect on the DER of the food and beverage subsector company in the Indonesia Stock Exchange in 2013-2017. This is shown in table 4.9 with a probability of 0.0119 which is smaller from 0.05 with a negative directed coefficient that is -0.017583 then the first hypothesis (H0) is rejected.

The higher profitability (ROA), the less use of external funding sources (DER). Companies with high profitability (ROA) prioritize internal funding over external funding because companies that have high profits mean they have the ability to meet funding internally and tend to avoid debt as external funding, so as not to increase the amount of debt from external parties.

The results of this study support the pecking order theory in which the company's funding structure follows a hierarchy, namely internal funding (retained earnings) as the first choice then followed by debt, and only finally the issuance of shares as a last resort. If the company prioritizes internal funding, it will reduce external funding, one of which is debt, so the company's debt ratio will also be reduced.

This study is in line with the results of research conducted by Ita Trisnawati (2016), Siti Fatimatul Zuhria and Ikhsan Budi Raharjo (2016), Mimbar Purwati (2017), and Lufiana Satiti (2017), which states that profitability as measured by ROA has a negative effect on DER.

➤ The Effect of Free Cash Flow (FCF) on Debt Policy (DER)

Based on the panel data regression results from the free cash flow (FCF) variable to the DER shows that the FCF variable has no effect on the DER of the food and beverage sub-sector companies on the Indonesia Stock Exchange in 2013-2017. This is shown in table 4.9 with a probability of 0.4997 which is greater than 0.05 with a negative directed coefficient of -4.37E-14, the first hypothesis (H0) is accepted.

FCF has no effect on debt policy, meaning that any increase in FCF is not followed by an increase in the company's debt policy. A large company FCF does not guarantee the company to borrow external funds to meet its funding needs, because the company may use internal funds in its funding. But on the other hand, the high free cash flow (FCF) shows the company is less survive, meaning that the company is less active in utilizing free cash flow (FCF) to the maximum, or because the company is less aggressive in finding profitable projects so that there is still plenty of cash available and the company only uses a little debt.

This is not in line with the pecking order theory, where companies that have high free cash flow (FCF) will choose to use internal funds first to meet their funding needs rather than debt. The greater the free cash flow available in a company, the healthier the company is because it has cash available for additional investments, debt payments and dividends.

This study is in line with the results of research conducted by Ita Trisnawati (2016), Ade Dwi Suryani and Muhammad Khafid (2015), and Syaiful Basri (2017), who stated that free cash flow measured by FCF had no effect on DER.

#### ➤ *The Effect of Corporate Growth (GROWTH) on Debt Policy (DER)*

Based on the panel data regression results from the GROWTH variable to DER shows that the Company Growth variable (GROWTH) has a positive effect on the DER of the food and beverage sub-sector companies on the Indonesia Stock Exchange in 2013 - 2017. This is shown in table 4.9 with a probability of 0.0134 which is smaller than 0.05 with a positive directed coefficient of 0.002392, the second hypothesis (H0) is rejected.

The results of this study indicate a positive relationship between Company Growth (GROWTH) with Debt Policy (DER). The greater the company's growth (GROWTH), the greater the level of debt used. Companies that have high growth rates tend to need funds from larger external sources. In addition, investors will also assess and believe that the company can manage its debt well and be able to handle the risk of the debt, so the company will increase its debt level.

This result is not in accordance with the Pecking Order Theory where companies that have high Company Growth (GROWTH), tend to use internal funding compared to external funding.

This study is in line with the results of research conducted by Ita Trisnawati (2016) and Farah Margaretha (2014) which states that Company Growth as measured by Positive GROWTH affects the capital structure (DER).

#### ➤ *Effect of Company Size (SIZE) on Debt Policy (DER)*

Based on the panel data regression results from the SIZE variable to the DER shows that the SIZE variable has a negative effect on the DER of the food and beverage sub-sector companies on the Indonesia Stock Exchange in 2013

- 2017. This is shown in table 4.9 with a probability of 0.0000 which is smaller than 0.05 and a coefficient value of -0.636331 in the negative direction, then the third hypothesis (H0) is rejected.

The results of this study indicate a negative relationship between Company Size (SIZE) and Debt Policy (DER). The greater the size of the company (SIZE), it will have an impact on reducing the use of debt. Conversely, the smaller the size of the company will have an impact on increasing the use of debt.

This is consistent with the Pecking Order Theory where companies that have a high Company Size (SIZE) tend to use internal funding rather than external funding.

This study is in line with the results of research conducted by Febriyanti and Yahya (2017), Hussain and Miras (2015), and Acaravci (2015) which states that company size (SIZE) has a negative effect on capital structure (DER).

## VI. CONCLUSIONS AND SUGGESTIONS

### A. Conclusions

Conclusions regarding the effect of Profitability (ROA), Free Cash Flow (FCF), Company Growth (GROWTH) and Company Size (SIZE) on the Debt Policy (DER) of the food and beverage sub-sector listed on the Indonesia Stock Exchange in 2013 - 2017 are as follows :

- Profitability (ROA), Free Cash Flow (FCF), Company Growth (GROWTH) and Company Size (SIZE) simultaneously influence Debt Policy (DER).
- Profitability (ROA) has a partial negative effect on Debt Policy (DER).
- Free Cash Flow (FCF) does not partially affect Debt Policy (DER).
- Company Growth (GROWTH) has a positive effect on Debt Policy (DER) partially.
- Company Size (SIZE) has a partial negative effect on Debt Policy (DER).
- Company size (SIZE) has the most dominant influence on Debt Policy (DER).

### B. Suggestions

Based on the analysis results of the discussion and some conclusions regarding the variables which include profitability (ROA), Free Cash Flow (FCF), Company Growth (GROWTH) and Company Size (SIZE) on Debt Policy (DER) in food and beverage sub-sector companies that listed on the Indonesia Stock Exchange in 2013 - 2017, the author tries to convey a number of suggestions for consideration including the following:

#### ➤ *For Investors*

The results of this study state that Profitability (ROA), Company Growth (GROWTH), and Company Size (SIZE) have a significant effect on Debt Policy (DER) so that investors and potential investors are advised to consider

these variables when investing with the aim of earning as expected.

➤ *For Companies*

The results of this study stated that Profitability (ROA), Company Growth (GROWTH), and Company Size (SIZE) had a significant effect on Debt Policy (DER). It is expected that the results of this study can help companies in considering funding decisions that will take, whether to use internal funds or use external funds because the funding decisions that will be taken will affect the effect on the progress and survival of the company in the future and minimize the possibility of risks that can be hinder the company's growth process

➤ *For Further Researchers*

To get the maximum results of research in providing information on factors that influence Debt Policy, it is recommended to:

- Researchers can then use longer research periods and more samples to get more valid results.
- The researcher can then use other factors that affect the Debt Policy (DER).
- Researchers can then use more complete and accurate test methods and methods so that they can obtain more valid conclusions.

## REFERENCES

- [1]. Acaravci, Songul Kakilli. (2015). "The Determinants of Capital Structure : Evidence from the Turkish Manufacturing Sector", *International Journal of Economics and Financial Issues*, Vol. 5, No. 1, pp 158-171.
- [2]. Affandi, Chafid, *Pengaruh Free Cash Flow, Pertumbuhan Perusahaan, Profitabilitas, dan Ukuran Perusahaan Terhadap Kebijakan Hutang Pada Perusahaan Manufaktur Yang Terdaftar di Bursa Efek Indonesia*, Skripsi Program Studi Manajemen Fakultas Ekonomi Universitas Negeri Yogyakarta, 2015.
- [3]. Akbar, Deni dan Ruzikna, *Pengaruh Struktur Kepemilikan, Free Cash Flow, Struktur Aset, dan Kebijakan Deviden Terhadap Kebijakan Hutang Pada Perusahaan Sub Sektor Otomotif dan Komponen Yang Terdaftar Di Bursa Efek Indonesia (BEI)*, JOM Fisip, Volume 4, Nomor 2, Oktober 2017.
- [4]. Akhtar, Pervez dan Sabeen Masood. (2013). "Analysis of Capital Structure Determinant, A Case from Pakistan's Chemical Sector Companies Listed at Karachi Stock Exchange", *International Journal of Business and Social Research (IJBSR)*, Vol. 3, No. 5, pp 43-49.
- [5]. Arikunto, Suharsimi, *Prosedur Penelitian Suatu Pendekatan Praktik*, Jakarta: Rineka Cipta, 2013.
- [6]. Asrida, Putu Diah, *Analisis Pengaruh Struktur Kepemilikan Saha, Leverage dan Kebijakan Deviden Terhadap Nilai Perusahaan Manufaktur Yang Go Public Di Bursa Efek Indonesia Periode 2013-2015*, Jurnal IKIP PGRI Bali, 2015.
- [7]. Astuti, Elly, *Pengaruh Kepemilikan Institusional, Profitabilitas, Ukuran Perusahaan Terhadap Kebijakan Hutang Perusahaan di Indonesia*, Jurnal Akuntansi dan Pajak, Volume 15, Nomor 2, 2015.
- [8]. Astuti, Wati Aris dan Nurlelari, *Pengaruh Arus Kas Bebas dan Profitabilitas Terhadap Kebijakan Hutang*, Trikonomika, Volume 12, Nomor 1, Juni 2013.
- [9]. Bambang, Juanda dan Junaidi, *Ekonometrika Deret Waktu Teori dan Aplikasi*, Bogor: IPB Press, 2012.
- [10]. Brigham, Eugene F dan Houston, Joel F, *Dasar-Dasar Manajemen Keuangan Buku 2*, (Alih Bahasa: Ali Akbar Yulianto), Jakarta: Salemba Empat 2011.
- [11]. Ezeaku, Hillary Chijindu, Anthony E. Ageme, Izuchukwu Ogbodo, dan Eze Festus Eze. (2017). "The Development of Debt to Equity Ratio in Capital Structure Model : A Case of Nigerian Manufacturing Firms", *European Journal of Economic and Financial Research*, Vol. 2, No. 5, pp 1-12.
- [12]. Fahmi, Irham, *Analisis Laporan Keuangan*, Bandung: Alfabeta, 2013, *Pengantar Manajemen Keuangan*, Bandung: Alfabeta, 2013.
- [13]. Fansuri, Hamzah, *Pengaruh Ukuran Perusahaan, Pertumbuhan Penjualan dan Profitabilitas Terhadap Struktur Modal Pada Perusahaan Tekstil dan Garment Yang Listing Di Bursa Efek Indonesia*, Jom Fisip Volume 5, Edisi 1 Januari-Juni, 2018.
- [14]. Fitriana, Yolanda Ayudya dan Suzan Leny, *The Influence Of Agency Cost, Profitability, and Debt to Equity (DER) On Dividend Policy: A Study on Basic Industry and Chemicals Listed in Indonesia Stock Exchange During 2012-2016*, BISE: Jurnal Pendidikan Bisnis dan Ekonomi.
- [15]. Ghozali, Imam, *Aplikasi Analisis Multivariate Penelitian Bagi Program SPSS*, Semarang: Badan Penerbit UNDIP, 2013.
- [16]. Gujarati, Damodar N dan C, Porter Down, *Dasar-Dasar Ekonometrika*, Jakarta: Salemba Erlangga, 2012.
- [17]. Hanafi, M.M., *Manajemen Keuangan*, Yogyakarta: BPFE, 2012.
- [18]. Herliana, Ade Dina. Budiardo, Djoni dan Komalasari, Puput Tri, *Pengaruh Free Cash Flow Terhadap Kinerja Perusahaan Melalui Agency Cost Sebagai Variabel Antara Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia*, Jurnal Fakultas Ekonomi dan Bisnis, Universitas Airlangga Surabaya, 2014.
- [19]. Horne, James C. Van dan John M. Wachowicz, Jr. *Prinsip-Prinsip Manajemen Keuangan (Fundamentals of Financial Management)*, Jakarta: Salemba Empat, 2014.
- [20]. Husnan, Suad dan Pudjiastuti, Enny, *Dasar-Dasar Manajemen Keuangan*, Edisi Keenam. Yogyakarta: UPP STIM YKPN, 2012.
- [21]. Hussain, Siti Salimah dan Hassan Miras. (2015). "The Determinants of Capital Structure for Malaysian Food Producing Companies", *International Journal of Accounting & Business Management*, Vol. 3, No. 1, pp 138-161.

- [22]. Jovanovic, Biljana. (2015). “Determinants of Corporate Capital Structure : Evidence from Macedonian Panel Data”, *Economic Analys*, National Bank of the Republic of Macedonia, pp 1-22.
- [23]. Kariuki, Samuel Nduati dan Charles Guandaru Kamau. (2014). “Determinants of Corporate Capital Structure among Private Manufacturing Firms in Kenya : A Survey of Food and Beverage Manufacturing Firms”, *International Journal of Academic Research in Accounting, Finance and Management Sciences*, Vol. 4, No. 3, pp 49-62.
- [24]. Kasih, Theresia Dian Segara, *Pengaruh Return On Asse (ROA), Return On Equity (ROE), Dan Net Profit Margin (NPM) Terhadap Harga Saham: Studi Kasus pada Sembilan Perusahaan Manufaktur Sub Sektor Makanan dan Minuman di BEI*, Skripsi Program Studi Manajemen Fakultas Ekonomi Universitas Sanata Dharma, 2017.
- [25]. Kasmir, *Manajemen Perbankan*, Jakarta: Rajawali Pers, 2012.
- [26]. Kodriyah dan Fitri, Anisah, *Pengaruh Free Cash Flow dan Leverage Terhadap Manajemen Laba Pada Perusahaan Manufaktur di BEI*, *Jurnal Akutansi*, Volume 3, Nomor 2, Januari 2017.
- [27]. Kodriyah dan Fitri, Anisah, *Pengaruh Free Cash Flow dan Leverage Terhadap Manajemen Laba Pada Perusahaan Manufaktur di BEI*, *Jurnal Akutansi* Volume 3, Nomor 2 Januari, 2017.
- [28]. Kuncoro, Mudrajat, *Metode Kuantitatif Teori dan Aplikasi Untuk Bisnis dan Ekonomi*, Yogyakarta: UPP-STIM YKPN, 2011.
- [29]. Margaretha, Farah, *Pengaruh Struktur Modal Likuiditas Terhadap Profitabilitas Pada Usaha Kecil dan Menengah Di Indonesia*, *Kompetensi Jurnal Manajemen Bisnis*, Volume 11, Nomor 2, Juli Desember 2016.
- [30]. Maryanti, Eny, *Analisis Profitabilitas, Pertumbuhan Perusahaan, Pertumbuhan Penjualan dan Struktur Aktiva Terhadap Struktur Modal Pada Perusahaan Sektor Industri Barang Konsumsi Yang Terdaftar di Bursa Efek Indonesia*, *Jurnal Riset Akutansi dan Keuangan Indonesia*.
- [31]. Maryanti, Eny, *Analisis Profitabilitas, Pertumbuhan Perusahaan, Pertumbuhan Penjualan dan Struktur Aktiva Terhadap Struktur Modal Pada Perusahaan Sektor Industri Barang Konsumsi Yang Terdaftar Di Bursa Efek Indonesia (Studi Empiris Pada Perusahaan Manufaktur Yang Terdaftar di Bursa Efek Indonesia Tahun 2012-2014)*, *Jurnal Riset Akutansi dan Keuangan Indonesia* Fakultas Ekonomi dan Bisnis Universitas Muhammadiyah Sidoraji, 2016.
- [32]. Mouton, Marise dan Nico Smith. (2016). “Company Determinants of Capital Structure on the JSE Ltd and the Influence of the 2008 Financial Crisis”, *Journal of Economic and Financial Sciences*, Vol. 9, No. 3, pp 789-806.
- [33]. Muhammad, Hussain, Bahadar Shah, dan Zia ul Islam. (2014). “The Impact of Capital Structure on Firm Performance : Evidence from Pakistan”, *Journal of Industrial Distribution & Business*, Vol. 5, No. 2, pp 13-20.
- [34]. Mulyati, Yati, *Pengaruh Struktur Asset dan Pertumbuhan Penjualan Terhadap Kebijakan Utang*, *Prosiding Seminar Nasional Pascasarjana FEB UNEJ* 17 Desember 2016.
- [35]. Munawir, *Analisa Laporan Keuangan*, Yogyakarta: Liberty, 2010.
- [36]. Nita, Noviyati dan Anam Hairul. (2017). “Analisis Faktor-faktor yang Mempengaruhi Struktur Modal Perusahaan Sektor Pertambangan”, *Jurnal Sosial Humaniora dan Pendidikan*, Vol. 1, No. 1, hal 53-65.
- [37]. Niresh, J Aloy dan Velnampy T., *Firm Size and Profitability: Study Of Listed Manufacturing Firms in Sri Lanka*, *International Journal Of Business and Management*, Volume 9, Nomor 4, 2014.
- [38]. Nnadi, Matthias. (2016). “Accounting Factors Affecting the Capital Structure in the Asian Economic Community”, *International Journal of Accounting Research*, Vol. 5, No. 1, pp 1-9.
- [39]. Pitriyani, Neni. Ichwanuddin, Wawan dan Khaerunnisa, Enis, *Pengaruh Pertumbuhan Perusahaan Terhadap Struktur Modal Dengan Profitabilitas Sebagai Variabel Intervening (Studi Empiris Perusahaan Manufaktur Sub Sektor Makanan dan Minuman Yang Terdaftar di BEI Periode 2013-2016)*, *Tirtayasa Ekonomika*, Volume 13, Nomor 2, Oktober 2018.
- [40]. Prachihara, Sonya Majid, *Pengaruh Kebijakan Hutan, Kepemilikan Manajerial, Kebijakan Dividen, dan Ukuran Perusahaan Terhadap Nilai Perusahaan (Studi Pada Sektor Pertambangan Yang Terdaftar di BEI Periode 2011-2014)*, *Jurnal Ilmu Manajemen*, 2016.
- [41]. Pradhana, Afi, Taufik, Taufeni, dan Anggaini, Lila, *Pengaruh Ukuran Perusahaan, Profitabilitas, Dan Pertumbuhan Penjualan Terhadap Kebijakan Hutang Pada Perusahaan Food And Beverages Yang Terdaftar di Bursa Efek Indonesia*, *Jom Fekon*, Volume 1, Nomor 2, Oktober, 2014.
- [42]. Pratiwi, Ni Putu Yuni, Yudiaatmaja, Fridayana, I Wayan Suwendra, *Pengaruh Struktur Modal dan Ukuran Perusahaan Terhadap Nilai Perusahaan*, *e-journal Bisma Universitas Pendidikan Ganesha*, 2016.
- [43]. Purwanti, Mimbar, *Pengaruh Likuiditas, Profitabilitas dan Pertumbuhan Penjualan Terhadap Kebijakan Hutang (Studi Empiris Perusahaan Food dan Beverage Yang Terdaftar di BEI)*, *eJournal Administrasi Bisnis*, Volume 5, Nomor 2, 2017.
- [44]. Riyadi, Syamsul, *Analisis Nilai Perusahaan Pada Perusahaan Manufaktur (Studi Empiris Pada Perusahaan Manufaktur Yang Terdaftar Di BEI Periode 2013-2015)*, *Jurnal Sinar Manajemen*, Volume 5, Nomor 1, 2018.
- [45]. Riyanto, Bambang, *Dasar-Dasar Pembelanjaan Perusahaan*, Yogyakarta: Penerbit GPFE, 2010.
- [46]. Sathanarayaana, S.N. Harish, dan Hemanth. (2017). “Determinants of Capital Structure : Evidence from Indian Stock Market with Special Reference to Capital Goods, FMCG, Infrastructure and IT Sector”, *SDMIMD Journal of Management*, Vol. 8, No. 1, pp 55-73.

- [47]. Setyowati, Gesit, *Pengaruh Ukuran Perusahaan, Struktur Aktiva, dan Probabilitas Terhadap Struktur Modal (Studi Pada Perusahaan Sektor Makanan Yang Terdapat di Bursa Efek Indonesia (BEI) Periode 2012-2014)*, Skripsi Jurusan Akuntansi Fakultas Ekonomi dan Bisnis Universitas Muhammadiyah Surakarta, 2016.
- [48]. Sholehuddi, Sulton, Dkk., *Analisis Variabel Yang Mempengaruhi Struktur Modal (Studi Pada Perusahaan Makanan & Minuman dan Perusahaan Farmasi Yang Terdaftar di Bursa Efek Indonesia)*, Jurnal Bisnis dan Manajemen Volume 4, Nomor 1, Januari 2017.
- [49]. Sholehuddin, Sulton. Djumahir dan Djazuli, Atim, *Analisis Variabel Yang Mempengaruhi Struktur Modal (Studi Pada Perusahaan Makanan & Minuman dan Perusahaan Farmasi Yang Terdaftar di Bursa Efek Indonesia)*, Jurnal Bisnis dan Manajemen, Volume 4, Nomor 1, Januari 2017.
- [50]. Sugiarto, *Struktur Modal, Struktur Kepemilikan Perusahaan, Permasalahan Keagenan dan Informasi Asimetri*, Yogyakarta: Graha Ilmu, 2009.
- [51]. Sugiyono, *Metode Penelitian Kuantitatif Kualitatif dan R&D*, Bandung: Alfabeta, 2012.
- [52]. Sukriwati, Nonih, *Pengaruh Struktur Modal dan Pertumbuhan Perusahaan Terhadap Nilai Perusahaan Dengan Good Corporate Governance Sebagai Variabel Moderating*, Jurnal Akuntansi Manajerial, Volume 1, Nomor 2 Juli-Desember, 2016.
- [53]. Suranto, Vintia Ayu Hayuningthias Maramis, Dkk., *Analisis Pengaruh Struktur Modal dan Kinerja Keuangan Terhadap Nilai Perusahaan Pada Perusahaan Perbankan di Bursa Efek Indonesia*, Jurnal EMBA Volume 5 Nomor 2 Juni, 2017.
- [54]. Suryani, Ade Dwi dan Khafid, Muhammad, *Pengaruh Free Cash Flow, Pertumbuhan Perusahaan, Kebijakan Dividen dan Ukuran Perusahaan Terhadap Kebijakan Hutang Pada Perusahaan Manufaktur Di Bursa Efek Indonesia Tahun 2013*, Dinamika Akuntansi, Keuangan dan Perbankan Volume 4, Nomor 1, Mei 2015.
- [55]. Suryani, Milanti Vivi, *Pengaruh Pertumbuhan Perusahaan dan Struktur Modal Terhadap Nilai Perusahaan (Studi Kasus Perusahaan Sektor Manufaktur Yang Terdaftar Pada BEI Tahun 2010-2013)*, Skripsi Fakultas Ekonomi Universitas Negeri Semarang 2015.
- [56]. Susilowati, Fitri, *Konflik Keagenan: Hubungan Simultan Kepemilikan Manajerial, Kebijakan Utang, dan Kebijakan Dividen*, Jurnal Keuangan dan Perbankan Volume 19 Nomor 1 Januari, 2015.
- [57]. Tatengkeng, Desrin. Murni, Sri. Dan Tulung, Joy Elly, *Analisis Faktor-Fktor Yang Mempengaruhi Kebijakan Hutang Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Tahun 2012-2016*, Jurnal EMBA, Volume 6, Nomor 3, Juli 2018.
- [58]. Trisnawati, Ita, *Faktor-Faktor Yang Mempengaruhi Kebijakan Hutang Pada Perusahaan Non-Keuangan Yang Terdaftar Di Bursa Efek Indonesia*, Jurnal Bisnis dan Akuntansi, Volume 18, Nomor 1, Juni 2016.
- [59]. Umi, Qothrunnada dan Kurniati, Destria, *Pengaruh Kepemilikan Manajerial, Struktur Aktiva, Ukuran Perusahaan, Pertumbuhan Penjualan dan Profitabilitas Terhadap Kebijakan Utang Pada Perusahaan Sektor Aneka Industri Yang Terdaftar di Bursa Efek Indonesia (BEI) Periode 2012-2016*, Jurnal Riset Manajemen Sains Indonesia (JRMSI), Volume 9, Nomor 1, Tahun 2016.
- [60]. Wardianto, K Bagus, *Pengujian Pecking Order Theory Pada Non-Bank Financial Institution (NBFIs) Di Indonesia*, Jurnal Prespektif Bisnis, Volume 1, Juni 2013.
- [61]. Widjaya, Nadya Ulfa dan Darmawan, Ari, *Pengaruh Free Cash Flow, Kepemilikan Saham Menejer, Kepemilikan Saham Institusi, dan Leverage Terhadap Dividen (Studi Pada Perusahaan Sub Sektor Farmasi di Bursa Efek Indonesia)*, Jurnal Administrasi Bisnis (JAB) Volume 64, Nomor 1, November 2018.
- [62]. Wiwelda, Linda dan Marlinah, Aan, *Variabel-Variabel Yang Mempengaruhi Struktur Modal Pada Perusahaan Publik Sektor Non Keuangan*, Media Bisnis, Edisi Khusus November, 2013.
- [63]. Word Economic Outlook (WEO), diakses pada 2 Desember 2017.
- [64]. www.idx.co.id, diakses pada Agustus 2018.
- [65]. Yani, Ganda, *Pengaruh Pertumbuhan Perusahaan, Free Cash Flow, Struktur Aset, Likuiditas, Profitabilitas, dan Resiko Bisnis Terhadap Kebijakan Hutang*, Skripsi Universitas Negeri Semarang, 2017.
- [66]. Yuliawati, Lilik, *Analisis Struktur, Perilaku, dan Kinerja Industri Makanan dan Minuman di Indonesia*, Jurnal Ecodemica Volume 1 Nomor 2 September, 2017.
- [67]. Zuhria, Siti Fatimatul dan Rihajo, Ikhsan, *Pengaruh Profitabilitast, Free Cash Flow, Pertumbuhan Penjualan, Ukuran Perusahaan Terhadap Kebijakan Hutang*, Jurnal Ilmu dan Riset Akuntansi (JIRA), Volume 5, Nomor 11, 2016.