

ABSTRACT

RIZKI AMALIA RAMADANI / 2000861201105 / FACULTY ECONOMIC OF MANAGEMENT / EFFECT OF LIQUIDITY AS PROXIED BY THE CURRENT RATIO, FIRM SIZE AND SALES GROWTH ON THE CAPITAL STRUCTURE AS PROXIED BY THE DEBT TO EQUITY RATIO IN TELECOMMUNICATIONS SUB SECTOR COMPANIES LISTED IN THE INDONESIA STOCK EXCHANGE FOR PERIOD 2018 - 2022 / 1st ADVISOR Dr. Ali Akbar, SE, MM, CRP AND 2nd ADVISOR AHMADI, SE,MM

Problem formulation this research is firstly, how do liquidity as proxied by the current ratio, firm size, and sales growth simultaneously influence capital structure as proxied by the debt to equity ratio on telecommunications sub sector in Indonesia stock exchange for period 2018-2023. Secondly, how do liquidity as proxied by the current ratio, firm size, and sales growth partially influence capital structure as proxied by the debt to equity ratio on telecommunications sub sector in Indonesia stock exchange for period 2018-2023.

This research method is descriptive quantitative and for data collection using secondary data. The analytical method used in this study is the classical assumption test, multiple linear regression equations and hypothesis test and determination coefficient.

The object of this research industry of telecommunications period 2018-2022 on Indonesia Stock Exchange. The telecommunications industry is an industry engaged in the field of information and communication technology services and networks. Sample of object is PT. Telkom Indonesia Tbk (TLKM), PT. Indosat Ooredoo Tbk (ISAT), PT. XL Axiata Tbk (EXCL), PT. Sarana Menara Nusantara Tbk (TOWR), PT. Bali Towerindo Sentra Tbk (BALI), PT. Link Net Tbk (LINK), PT. Smartfren Telecom Tbk (FREN), PT. Inti Bangun Sejahtera Tbk (IBST).

Based on the research, the result of spss 27 getting multiple linear regression equations are $DER = -434,001 - 0,9839_{CR} + 37,123_{SIZE} + 1,649_{SG} + e$. Then based on hypothesis testing, simultaneously (F test) liquidity as proxied by the current ratio, firm size, and sales growth have a significant effect on the capital structure as proxied by the debt to equity ratio. And partially (t test) liquidity as proxied by the current ratio, have negative and significant effect on the capital structure as proxied by the debt to equity ratio, firm size have a positive and significant effect on the the capital structure as proxied by the debt to equity ratio. Sales growth has no effect on capital structure as proxide by the debt to equity ratio. The result of the coeficcient of determination in this study indicate that R Square is 0,479 which means that the contribution of the independen variable affects the dependen variable in this study ($0,479 \times 100 \% = 47,9\%$).

Concluison is the variabel liquidity as proxied by the current ratio, firm size, and sales growth simultaneously have a significant effect on the capital structure as proxied by the debt to equity ratio. And partially liquidity as proxied by the current ratio have negative and significant effect on the capital structure as proxied by the debt to equity ratio. Firm size have a positive and significant effect on the the capital structure as

proxied by the debt to equity ratio. Sales growth has no effect on capital structure as proxide by the debt to equity ratio.

