Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Influence Cash Turnover, Receivables Turnover, Inventory Turnover, and Capital Structure on Profitability in Plantation Companies Listed on the Indonesian Stock Exchange

Dedy Gurning
Program Pascasarjana, Universitas Terbuka

Article Info

Keywords:
Cash Turnover;
Receivables Turnover;
Inventory Turnover;
Capital Structure,
Profitability

ABSTRACT

Plantation companies in their business activities have many factors that can influence profitability. This research was conducted on Plantation Companies listed on the Indonesia Stock Exchange for the 2018-2021 period by accessing the website www.idx.co.id. The design of this research is explanatory (Explanatory Research) because this research intends to explain the influence between variables through hypothesis testing (hypothesis testing) which has been formulated, namely the influence of Cash Turnover (X1), Receivables Turnover (X2), Inventory Turnover (X3) and Structure Capital or Debt Equity Ratio (X4) to Profitability or Return on Assets (Y). The panel data approach to estimate the empirical model shows the results that the Common Effect Model is the best compared to the Fixed Effect Model and Random Effect Model. (a)The influence of the independent variable on the dependent variable partially is (1) Cash Turnover has no significant effect on the Profitability of plantation companies listed on the Indonesia Stock Exchange in 2018-2021 which is proxied by Return on Assets (ROA); (2) Receivables turnover has no significant effect on the profitability of plantation companies listed on the Indonesia Stock Exchange in 2017-2021, which is proxied by Return on Assets (ROA). (3) Inventory Turnover has a significant effect on the Profitability of plantation companies listed on the Indonesia Stock Exchange in 2018-2021 which is proxied by Return on Assets (ROA); (4) Debt Equity Ratio (DER) has a significant effect on the profitability of plantation companies listed on the Indonesia Stock Exchange in 2018-2021, which is proxied by Return on Assets (ROA). (b) The influence of the independent variable on the dependent variable simultaneously shows that Cash Turnover, Receivables Turnover, Inventory Turnover, and Debt Equity Ratio (DER) have no significant effect on the profitability of plantation companies listed on the Indonesia Stock Exchange in 2018-2021 which is proxied by Return on Assets (ROA). (c) Cash Turnover, Receivables Turnover, Inventory Turnover, and Debt Equity Ratio (DER) have met the Classic Assumption Test (Normality Test, Heteroscedasticity Test, Multicollinearity Test, and Autocorrelation Test).

Corresponding Author:
Dedy Gurning
Program Pascasarjana, Universitas Terbuka
degurku@yahoo.co.id

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

INTRODUCTION

The goals of an organization are determined based on an initial plan or strategic direction, which also includes responses to problems and unexpected events arising from the environment in which the organization operates so that the organization directs its resources to the profitable growth of a product in a market in a sustainable manner (Fatmawati, 2017). According to Kasmir (2017), in general, every company, whether service, trading, or manufacturing, has the same goal, namely making a profit and maintaining the company's sustainability in the future. A high level of profitability in a company means a high efficiency in the use of capital used by the company. The higher the level of profitability of a company, the more guaranteed the company's survival will be. A company's ability to generate profits shows the company's profitability during a certain period as a benchmark for the company's overall success according to its economic scale. Large profits can be generated by maintaining the company's survival through good resource management and implementing appropriate business development strategies (Hery, 2016).

Sales at plantation companies are different from sales at manufacturing companies which are only based on the amount of raw materials and working hours (Kadim, 2017). The results of plantation companies such as oil palm plantation production cannot be increased by increasing working hours or fruit seeds, which depend very much on the time to produce or the time to harvest (I Nyoman Rai, 2018). Based on data that plantation company production is mainly sold through exports, where the contribution of the export value of plantation commodities during January-August 2021 grew positively by 68.98% both on a Month to Month and Year on Year basis (www.tribunnews.com) or contributed 15.6% of total non-oil and gas exports (www. Ekonomi.bisnis.com).

The phenomenon that occurs in the plantation industry is that even though the plantation industry is one of the sectors that contribute greatly to the national economy, the non-oil and gas sector has undergone significant transformation from the upstream sector to the downstream sector, driving the food, oleochemical, and biofuel industries for the transportation sector, but until now This still faces several challenges that affect the company's profitability and survival, ranging from European market opposition to Indonesian palm oil to the issue of domestic deforestation which has an impact on Indonesia as the world's largest producer of palm oil so that world vegetable oil trade competition is currently increasingly complex (www. Ekonomi.bisnis.com). The Indonesian Palm Oil Entrepreneurs Association (GAPKI) said that there are four biggest challenges for palm oil plantations in Indonesia, including sustainability, productivity gap, smallholder management and downstream industry which affect production and sales volume (https://gapki.id/news/2020). This phenomenon can affect the performance of issuers in the capital market as the data presented in Table 1.1 shows that net profit growth in 2013 and 2020 shows that 6 issuers recorded positive net profit growth and 2 issuers recorded negative net profit growth (https://market.bisnis.com).

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Table 1. Income Growth 2013-2020

No	Emiten Perkebunan	Pendapatan (Rp dalam miliar)								
		2013	2014	2015	2016	2017	2018	2019	2020	Tumbuh (%)
1	LSIP	4.133,68	4.726,54	4.189,62	3.847,87	4.738,02	4.010,00	3.690,00	3.536,72	(1,93)
2	SMAR	23.935,21	32.340,67	36.230,11	29.752,13	35.318,00	37.391,00	36.196,00	40.434,00	6,77
3	SGRO	2.560,71	3.242,38	2.999,45	2.915,22	3.616,48	3.207,00	3.268,00	3.502,00	3,99
4	PALM	710,56	1.057,58	1.046,54	1.169,78	759,99	446,64	169,15	238,68	(12,75)
5	AALI	12.674,19	16.305,83	13.059,22	14.121,37	17.306	19.080	17.450	18.807	5,06
6	DSNG	3.842,18	4.898,48	4.425,06	3.942,02	5.199,92	4.761,00	5.736,00	6.699,00	7,20
7	ANJT	134,80	152,17	125,99	134,44	2.181,02	151,70	130,35	2.302,98	42,59
8	SIMP	13.279,78	14.962,73	13.885,44	14.530,94	15.826,67	14.050,00	13.650,00	14.474,70	1,08

Source: Indonesian Business (2020)

The next phenomenon is related to the performance of issuers in the capital market, as in the data presented in Table 1.2, that net profit growth in 2013 and 2020 shows that 3 issuers recorded positive net profit growth and 3 issuers recorded negative net profit growth, while 2 issuers recorded net profit growth that tended to be negative. move (https://market.bisnis.com).

Table 2. Net Profit Growth 2013-2020

No	Emiten Perkebunan	Laba Bersih (Rp dalam miliar)								
		2013	2014	2015	2016	2017	2018	2019	2020	Tumbuh (%)
1	LSIP	768,63	929,41	623,31	593,83	763,48	331,53	253,90	695,49	(1,24)
2	SMAR	892,77	1.477,75	(385,51)	1.430,80	410,00	597,77	898,69	1.540,00	7,05
3	SGRO	120,38	350,03	255,89	459,36	287,66	55,52	33,15	(201,00)	0,00
4	PALM	(422,48)	168,01	(55,24)	219,09	68,22	(111,49)	(70,62)	1.993,62	0,00
5	AALI	1.801,39	2.622,07	695,68	2.114,29	2.064,02	1.430,00	211,11	893,78	(8,39)
6	DSNG	215,69	649,79	302,52	252,04	587,99	427,00	178,00	2.445,00	35,46
7	ANJT	21,86	15,55	(8,39)	9,20	638,95	(31,00)	(4,19)	30,87	4,41
8	SIMP	635,28	1.138,29	364,88	609,79	695,44	(76,56)	(546,14)	340,29	(7,51)

Source: Indonesian Business (2020)

This phenomenon still requires plantation companies to try to make a profit in order to maintain their survival and the phenomenon that occurs is that many plantation companies become public companies and are listed on the capital market by selling shares to the public to maintain survival so that they continue to grow and develop so that the company's goal is to seek profit (profit).) in its operational activities is achieved. Data from the Indonesian Stock Exchange shows that as of 2021, there are 18 (eighteen) companies operating in the plantation sector registered on the Indonesian Stock Exchange

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

(https://www.sahamok.com). There are several measures used to determine the condition of profitability in a companyincluding using the Return on Assets ratio. This ratio can be measured by comparing two factors including net profit and total assets. If the higher the net profit to total assets, the better this condition will be for the company (Sartono, 2017).

According to Mimi Yetri and Rahmawati (2020), Dewi Syahrani (2020), Sagita Rahayu, Idang Nurodin, and Evi Martaseli (2020) cash turnover has a positive and significant effect on a company's cash turnover. Receivables arising from a company originate from credit sales. Effective credit sales increase company profits, but credit sales result in receivables being collectible on schedule. Receivables turnover shows the period when working capital is tied up in receivables, where the faster the turnover period, the faster the company will gain profits from credit sales so that the company's profitability also increases (Kasmir, 2017). In a company's operational activities, inventory is very important as one of the bases for showing company performance. According to Riyanto (2016) inventory is the main element of working capital in the form of an asset that is always rotating, which is constantly changing. Inventory Turnover is a ratio used to measure how many times the funds invested in inventory rotate in one period (Kasmir, 2017).

Capital structure is part of the financial structure which can be interpreted as permanent spending which reflects the balance between long-term debt and own capital (Kasmir, 2017). Meanwhile, according to Sjahrial (2017), capital structure is a balance between the use of loan capital consisting of permanent short-term debt. Meanwhile, the capital structure presented with the Debt Equity Ratio (DER) is the amount of debt in the balance sheet which will show the amount of loan capital used in company operations (Syamsuddin, 2019).

Based on the background described above, the problem for researchers in this study is (a) Does Cash Turnover partially affect the Profitability (ROA) of plantation companies listed on the Indonesia Stock Exchange; (b) Does Receivables Turnover partially affect the Profitability (ROA) of plantation companies listed on the Indonesia Stock Exchange; (c) Does Inventory Turnover partially affect the Profitability (ROA) of plantation companies listed on the Indonesia Stock Exchange; (d) Does Capital Structure (DER) partially influence the Profitability (ROA) of plantation companies listed on the Indonesia Stock Exchange.

Based on the problem formulation stated above, the objectives of this research are (a) to partially determine the influence of Cash Turnover on Profitability (ROA) of plantation companies listed on the Indonesia Stock Exchange; (b) To partially determine the effect of Receivables Turnover on Profitability (ROA) of plantation companies listed on the Indonesia Stock Exchange; (c) To partially determine the influence of Inventory Turnover on Profitability (ROA) of plantation companies; (d) To partially determine the influence of Capital Structure (DER) on Profitability (ROA) of plantation companies listed on the Indonesia Stock Exchange.

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

According to Sirait (2017), profitability is a company's ability to obtain comprehensive profits, convert sales into profits and cash flow. According to Sutrisno (2017), profitability is the company's ability to generate profits all the capital working in it.

Baridwan (2016) states that cash is a medium of exchange which is also used as a measure in accounting and in the balance sheet, cash is the most current asset, in the sense that it changes the most frequently. Furthermore, Martono and Harjito (2018) stated that cash is one part of the assets that has the smoothest (most liquid) characteristics and is the easiest to change hands in a transaction.

According to Setiawan (2018), receivables are all forms of bills or company claims to other parties whose repayment can be made in the form of money, goods or services. Riyanto (2016), that receivables are an element of working capital which is also always in a state of continuous rotation in the working capital turnover chain.

Supplies or inventory are stored materials or goods that will be used to fulfill certain purposes. Its existence is not only considered a burden (liability) because it is waste, but at the same time it can also be considered as wealth (asset) which can be immediately disbursed in the form of cash (Riadi, 2018).

According to Fahmi (2016), capital structure is a description of the company's financial proportions, namely between the capital it owns which comes from long-term liabilities and its own capital (shareholders' equity) which is the source of financing for a company.

METHODS

This research was conducted on Plantation Companies listed on the Indonesia Stock Exchange for the 2018-2021 period by accessing via the website www.idx.co.id. This research starts from September 2022 to October 2022. This research aims to explain the influence between variables through hypothesis testing and at the same time explain several of these variables. The design of this research is explanatory (Explanatory Research), because this research intends to explain the influence between variables through hypothesis testing (hypothesis testing) which has been formulated, namely the influence of Cash Turnover (X1), Receivables Turnover (X2), Inventory Turnover (X3) and Structure Capital or Debt Equity Ratio (X4) to Profitability or Return on Assets (Y) (Sugiyono, 2017).

The companies selected as research samples are companies that meet the criteria, namely (a)Plantation companies that are consistently listed on the Indonesian Stock Exchange and publish financial reports from 2018 to 2021; (b) Plantation companies listed on the Indonesia Stock Exchange and making consecutive profits from 2018 to 2021.

Based on the criteria mentioned above, the number of plantation companies registered on the Indonesia Stock Exchange that meet these criteria is 18 plantation companies taken as samples as listed in Table 3. Based on the criteria above, 72 observation data were obtained consisting of the 18 plantation companies with periodresearch for 4 (four) years using panel data (time series and cross section).

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Table 3. Plantation Companies Registered on the IDX

No.	Stock code	Issuer Name	IPO date
1.	AALI	Astra Agro Lestari Tbk	December 9, 1997
2.	ANJT	Austindo Nusantara Jaya Tbk	May 10, 2013
3.	BWPT	Eagle High Plantation Tbk	October 27, 2009
4.	DSNG	Dharma Satya Nusantara Tbk	June 14, 2013
5.	GZCO	Gozco Plantation Tbk	May 15, 2008
6.	JAVA	Jaya Agra Wattie Tbk	May 30, 2011
7.	LSIP	PP London Sumatra Tbk	July 5, 1996
8.	MAGP	Multi Agro Gemilang Plantation Tbk	January 16, 2013
9.	PALM	Provident Agro Tbk	October 18, 2012
10.	SGRO	Sampoerna Agro Tbk	June 18, 2007
11.	SIMP	Salim Ivomas Pratama Tbk	June 9, 2011
12.	SSMS	Sawit Sumbermas Sarana Tbk	12 December 2013
13.	TBLA	Tunas Baru Lampung Tbk	February 14, 2000
14.	UNSP	Bakrie Sumatra Plantation Tbk	March 6, 1990
15.	ANDI	Andira Argo Tbk	August 16, 2017
16.	PSGO	Palma Serasih Tbk	November 25, 2017
17.	MGRO	Mahkota Group Tbk	July 12, 2017
18.	PNGO	Pinago Utama Tbk	August 31, 2017

Source: Indonesian Stock Exchange

In this writing, the author tries to put forward several operational definitions of variables that can be used to analyze several related matters as presented in Table 4.

Table 4. Operational Definitions of Variables

No.	Variable	Definition	Measuring instrument	Scale
1.	*Return on Assets*	Comparison measures how much profit after tax is obtained from the total assets used (Kasmir, 2017).	Profit After Tax divided by Total Assets	Ratio
2.	*Cash Turnover*	Comparison between sales and the average amount of cash (Riyanto, 2016).	Sales divided by Average Cash	Ratio
3.	*Receivable Turnover*	Receivables turnover shows how many times a company collects its receivables in one period or the ability of funds embedded in receivables to rotate within a certain period (Kasmir, 2017).	Sales divided by Average Receivables	Ratio
4.	*Inventory Turnover*	Inventory turnover shows how many times inventory is sold and replaced at one time (Riyanto, 2016).	Cost of Goods Sold divided by Average	Ratio

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

No.	Variable	Definition	Measuring instrument	Scale
5.	*Debt to Equity Ratio*	Comparison between total debt and own capital(Riyanto, 2016).	Inventory Long Term Debt divided by Equity	Ratio

This research uses 4 data analysis methods to process data into information so that the characteristics of the data are easy to understand and become useful for finding solutions to problems, namely (a) descriptive statistical analysis, namelyto describe or provide an overview of the object under study through sample or population data as it is, without carrying out analysis and making conclusions that apply to the general public; (b) panel data regression analysis, which is a balanced panel obtained from the annual reports of 18 (eighteen) plantation companies listed on the Indonesia Stock Exchange over 4 (four) years from 2018 to 2021; (c) Classic Assumption Test, namely to determine and test the feasibility of the regression model used in this research or whether there are no deviations or violations of the assumptions before the model output is analyzed; (d) Hypothesis testing, namely to see the influence between variables.

RESULTS AND DISCUSSION

Descriptive Analysis

In this research, the data used is panel data. Panel data is a combination of time series data and cross-section data. The time series data in this research is 4 years from 2018 to 2021. The cross section data in this research is 18 Plantation Companies listed on the Indonesia Stock Exchange. The combined data between time series and cross-section data is secondary data obtained from the Annual Report of 18 Plantation Companies listed on the Indonesia Stock Exchange, namely Cash Turnover, Receivables Turnover, Inventory Turnover, Debt Equation Ratio (DER), and Profitability.

Table 5. Descriptive Statistics of Research Variables

Description	ROA	Perputaran Kas	Perputaran Piutang	Perputaran Persediaan	DER
Mean	0,007816	2,569608	2,656516	2,26865	2,31711
Median	0,008411	2,688041	2,835459	2,131447	1,52612
Maximum	0,493026	6,306275	5,58523	3,83314	14,9633
Minimum	-0,300298	-2,489758	-1,525888	0,724772	0,02371
Std. Dev.	0,099124	1,570777	1,333166	0,731207	2,90837
Observations	72	72	72	72	72

Source: dolah data with eviews 12 (2024)

The Profitability variable as measured by Return on Assets (ROA) shows the lowest profitability of-0.300298obtained by PT Gozco Plantation in 2019 and the highest profitability obtained by PT Provident Agro of0.49303in 2020. The average profitability

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

value is 0.00782 with a standard deviation value of 0.099124. The lowest cash turnover of 2.489758 was obtained by PT Gozco Plantation in 2018 and the highest cash turnover was obtained by PT Multi Agro amounting to 6.306275 in 2020. The average value of cash turnover is equal to2.569608with a standard deviation value of 1.570777. The lowest receivable turnover was -1.525888 obtained by PT Bakrie Sumatra Plantation in 2021 and the highest receivable turnover was obtained by PT Andira Agro of5.58523in 2021. The average value of receivables turnover is 2.656516 with a standard deviation value of 1.333166. The lowest inventory turnover of0.724772obtained by PT Palma Serasih in 2019 and the highest inventory turnover was obtained by PT Gozco Plantation of 3.83314in 2019. The average value of inventory turnover was 2.26865 with a standard deviation value of 0.731207. *Debt Equity Ratio*lowest amounted to 0.02371 obtained by PT Provident Agro in 2021 and the highest Debt Equity Ratio was obtained by PT Jaya Agra Watie amounting to 14.9633 in 2021. The average value of the Debt Equity Ratio is 2.31711 with a standard deviation value of 2.908367.

Panel Data Regression Analysis

Common Effect Model (CEM)

*Common Effects Model*namely a model that combines time series and cross section data as one unit without looking at differences in time and individuals (entities). The approach used is the Ordinary Least Square (OLS) method as an estimation technique.

Table 6. Regression Results *Common Effect Model (CEM)*

Dependent Variable: Y
Method: Panel Least Squares
Date: 02/13/24 Time: 18:13
Sample: 2018 2021
Periods included: 4
Cross-sections included: 18
Total panel (balanced) observations: 72

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1	-0.013243	0.007586	-1.745711	0.0854
X2	0.014479	0.009574	1.512378	0.1351
X3	-0.030828	0.017274	-1.784647	0.0788
X4	-0.008311	0.004208	-1.974915	0.0524
C	0.092575	0.045371	2.040416	0.0453

R-squared	0.173154	Mean dependent var	0.007816
Adjusted R-squared	0.123791	S.D. dependent var	0.099124
S.E. of regression	0.092786	Akaike info criterion	-1.850126
Sum squared resid	0.576820	Schwarz criterion	-1.692024
Log likelihood	71.60452	Hannan-Quinn criter.	-1.787185
F-statistic	3.507713	Durbin-Watson stat	1.177434
Prob(F-statistic)	0.011648		

Based on the regression results with the Common Effect Model (CEM), it shows that there is a constant value of 0.092575 with a Prob (F-statistic) of 0.0453. The regression equation on the Adjusted R2 value of 12.38% explains that the variation in Profitability is influenced by Cash Turnover, Receivables Turnover, Inventory Turnover, and Debt Equation Ratio (DER) of 12.38%, and the remaining 87.62% is influenced by other factors not examined in the research.

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Fixed Effect Model (FEM)

Estimating Fixed Effect Model (FEM) panel data using dummy variable techniques to capture intercept differences between companies. This estimation model is often called the Least Squares Dummy Variable technique

Table 7. Fixed Effect Model (FEM) Regression Results

Dependent Variable: Y
Method: Panel Least Squares
Date: 02/13/24 Time: 18:13
Sample: 2018 2021
Periods included: 4
Cross-sections included: 18
Total panel (balanced) observations: 72

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1	-0.005609	0.013109	-0.427861	0.6706
X2	0.032224	0.016025	2.010855	0.0497
X3	0.032087	0.035460	0.904878	0.3699
X4	-0.002188	0.006879	-0.318117	0.7517
C	-0.131099	0.116797	-1.122455	0.2670

Effects Specification

Cross-section fixed (dummy variables)

R-squared	0.541671	Mean dependent var	0.007816
Adjusted R-squared	0.349173	S.D. dependent var	0.099124
S.E. of regression	0.079967	Akaike info criterion	-1.967934
Sum squared resid	0.319737	Schwarz criterion	-1.272286
Log likelihood	92.84561	Hannan-Quinn criter.	-1.690994
F-statistic	2.813900	Durbin-Watson stat	1.894318
Prob(F-statistic)	0.001400		

Based on the regression results with the Fixed Effect Model (FEM), it shows that there is a constant value of -0.131099 with a Prob (F-statistic) of 0.001400. The regression equation on the Adjusted R2 value of 34.91% explains that the variation in Profitability is influenced by Cash Turnover, Receivables Turnover, Inventory Turnover, Debt Equity Ratio (DER) of 34.91% and the remaining 65.09% is influenced by other factors not examined in the research

Random Effect Model (REM)

Random Effect Model is a method that will estimate panel data where disturbance variables (residuals) may be interconnected over time and between individuals (entities). This model assumes that error always exists and may be correlated throughout the time series and cross section.

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Table 8. Random Effect Model (REM) Regression Results

Dependent Variable: Y
Method: Panel EGLS (Cross-section weights)
Date: 02/13/24 Time: 18:10
Sample: 2018 2021
Periods included: 4
Cross-sections included: 18
Total panel (balanced) observations: 72
Linear estimation after one-step weighting matrix

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1	-0.010670	0.003761	-2.837205	0.0060
X2	0.011225	0.005562	2.018128	0.0476
X3	-0.029263	0.009543	-3.066425	0.0031
X4	-0.006634	0.002158	-3.073366	0.0031
C	0.092519	0.018367	5.037370	0.0000

Weighted Statistics

R-squared	0.365893	Mean dependent var	0.032762
Adjusted R-squared	0.328035	S.D. dependent var	0.120137
S.E. of regression	0.090873	Sum squared resid	0.553278
F-statistic	9.665082	Durbin-Watson stat	1.263932
Prob(F-statistic)	0.000003		

Unweighted Statistics

R-squared	0.162320	Mean dependent var	0.007816
Sum squared resid	0.584378	Durbin-Watson stat	1.146757

Based on the regression results with the Random Effect Model (REM), it shows that there is a constant value of 0.092519 with a Prob (F-statistic) of 0.000003. The regression equation on the Adjusted R2 value of 32.80% explains that variations in Profitability are influenced by Cash Turnover, Receivables Turnover, Inventory Turnover, Debt Equation Ratio (DER) of 32.80% and the remaining 67.20% is influenced by other factors not examined in the research.

Hausman test

The Hausman test is used to choose which model is better between the Fixed Effect Model and the Random Effect Model according to the random cross-section probability value.

Table 9. Hausman Test Results

Correlated Random Effects - Hausman Test
Equation: FEM
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	3.671953	4	0.4522

The results of the Hausman test show that the random cross-section probability value is 0.4522 >significant level0.05 so the model chosen to estimate the regression equation is the Random Effect Model (REM). The Random Effect Model estimation model has General Least Square properties. If the estimation model is General Least Square, then there is no need to test the classic assumptions of Normality, Heteroscedasticity, Multicollinearity, and Autocorrelation (Gujarati & Porter, 2012). This is because the nature

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

of the General Least Square estimation model meets the requirements of the classical assumption test.

Hypothesis testing

The t test is used to determine the effect of the independent variable on the dependent variable individually (partially). The t test was used with a significance level of 0.05

Table 10. Hypothesis Testing

Dependent Variable: Y
Method: Panel EGLS (Cross-section weights)
Date: 02/13/24 Time: 18:10
Sample: 2018 2021
Periods included: 4
Cross-sections included: 18
Total panel (balanced) observations: 72
Linear estimation after one-step weighting matrix

Variable	Coefficient	Std. Error	t-Statistic	Prob.
X1	-0.010670	0.003761	-2.837205	0.0060
X2	0.011225	0.005562	2.018128	0.0476
X3	-0.029263	0.009543	-3.066425	0.0031
X4	-0.006634	0.002158	-3.073366	0.0031
C	0.092519	0.018367	5.037370	0.0000

Weighted Statistics

R-squared	0.365893	Mean dependent var	0.032762
Adjusted R-squared	0.328035	S.D. dependent var	0.120137
S.E. of regression	0.090873	Sum squared resid	0.553278
F-statistic	9.665082	Durbin-Watson stat	1.263932
Prob(F-statistic)	0.000003		

Unweighted Statistics

R-squared	0.162320	Mean dependent var	0.007816
Sum squared resid	0.584378	Durbin-Watson stat	1.146757

Based on table I above, thenpanel data estimation model in the coefficient column

$$Y = 0.092519 - 0.010670$$

a. The constant value is 0.092519 percent, meaning that if the cash turnover, receivables turnover, inventory turnover, and debt-equity ratio (DER) variables are 0 or
b. Coefficient value (β_1) cash turnover of -0.010670 < 0 and prob. sig 0.006 < 0.05. This shows that the cash turnover variable has a negative and significant effect on company profitability as proxied by ROA.
c. Coefficient value (β_2) receivables turnover of0.011225 < 0 with prob. sig 0.0476 < 0.05. This shows that receivables turnover has a positive and significant effect on company profitability as proxied by ROA.
d. Coefficient value (β_3) inventory turnover of -0.029263 < 0 with prob. sig 0.0031 < 0.05. This shows that inventory turnover has a negative and significant effect on company profitability as proxied by ROA.

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

e. Coefficient value (β_4)projected capital structure with DER of -0.006634 < 0 with prob. sig 0.0031 < 0.05. This shows that DER has a negative and significant effect on company profitability as proxied by ROA.

CONCLUSION

Plantation companies in their business activities have many factors that can influence profitability. This study examines the variables cash turnover, accounts receivable turnover, inventory turnover, and capital structure projected by the Debt Equity Ratio (DER) on the profitability of plantation companies listed on the Indonesia Stock Exchange (BEI) projected by Return on Assets (ROA). Based on the results of research and discussion, the following conclusions can be drawn: The panel data approach to estimate the empirical model shows the results that the Common Effect Model is the best compared to the Fixed Effect Model and Random Effect Model. The influence of the independent variable on the dependent variable is partially as follows: Cash turnover has no significant effect on the profitability of plantation companies listed on the Indonesia Stock Exchange in 2018-2021, which is proxied by Return on Assets (ROA). Receivables Turnover has no significant effect on the profitability of plantation companies listed on the Indonesia Stock Exchange in 2017-2021, which is proxied by Return on Assets (ROA). Inventory turnover has a significant effect on the profitability of plantation companies listed on the Indonesia Stock Exchange in 2018-2021, which is proxied by Return on Assets (ROA). *Debt Equity Ratio (DER)*has a significant effect on the profitability of plantation companies listed on the Indonesia Stock Exchange in 2018-2021, which is proxied by Return on Assets (ROA). The influence of the independent variable on the dependent variable simultaneously shows that Cash Turnover, Receivables Turnover, Inventory Turnover, and Debt Equity Ratio (DER) have no significant effect on the profitability of plantation companies listed on the Indonesia Stock Exchange in 2018-2021 which is proxied by Return on Assets (ROA). Cash Turnover, Receivables Turnover, Inventory Turnover, and Debt Equity Ratio (DER) have met the Classic Assumption Test (Normality Test, Heteroscedasticity Test, Multicollinearity Test, and Autocorrelation Test).

REFERENCES

Baridwan, Z. 2016. *Intermediate Accounting*. Edisi 8. Yogyakarta.BPFE.

Fahmi, Irham. 2016. *Pengantar Manajemen Keuangan*. Bandung : Penerbit Alfabeta

Fatmawati. 2017. *Pengaruh Likuiditas, Leverage, Aktivitas dan Profitabilitas Dalam Memprediksi Financial Distress*. E-Jurnal Akuntansi Universitas Udayana. Bali

Hery. 2016. Analisis Kinerja Manajemen : Integrated And Comprehensive Edition. Lembaga Penerbit Fakultas Ekonomi Penerbit Bumi Aksara. Universitas Indonesia. Jakarta.

Kadim, A. 2017. *Penerapan Manajemen Produksi dan Operasi Di Industri Manufakur*. Bogor : Mitra Wacana Media.

Kasmir. 2017. *Analisis Laporan Keuangan.* Cetakan Keempat. Penerbit Raja Grafindo Persada. Jakarta.

Martono dan D. Agus Harjito. 2018. *Manajemen Keuangan*. Edisi Ketiga. Cetakan Kelima. Penerbit Ekonisia. Yogyakarta.

Ni Wayan Pradnyanita Sukmayanti dan Nyoman Triaryati. 2017. *Pengaruh Struktur Modal, Likuiditas dan Ukuran Perusahaan Terhadap Profitabilitas Pada Perusahaan Property dan Real Estate*. Fakultas Ekonomi dan Bisnis Universitas Udayana (Unud), Bali. E-Jurnal Manajemen. Vol. 8. No. 1.

Riadi, Muchlisin. 2018. *Pengertian, Fungsi dan Jenis-Jenis Persediaan (Inventory).* Penerbit Andi, Yogyakarta.

Riadi, Muchlisin. 2018. *Pengertian, Fungsi dan Jenis-Jenis Persediaan (Inventory).* Penerbit Andi, Yogyakarta.

Riyanto, Bambang. 2009. *Dasar-Dasar Pembelanjaan Perusahaan.* Edisi Keempat. Cetakan Keenam. Penerbit BPFE Yogyakarta, Yogyakarta.

Sagita Rahayu, Idang Nurodin dan Evi Martaseli. 2020. *Pengaruh Perputaran Modal Kerja, Perputaran Kas, dan Perputarah Piutang Terhadap Profitabilitas.* Program Studi Akuntansi Universitas Muhammadiyah Sukabumi

Sartono, Agus. 2016. *Manajemen Keuangan Teori dan Aplikasi.* Edisi 4. Yogyakarta: BPFE

Setiawan, Johan. 2018. *Metodologi Penelitian Kualitatif*. Sukabumi Jawa Barat : CV Jejak.

Sirait, Pirmatua. 2017. *Analisis Laporan Keuangan*. Ekuilibria. Yogyakarta.

Sjahrial, Dermawan. 2017. *Akuntansi Manajemen*. Edisi 2. Jakarta: Mitra Wacana Media.

Sugiyono. 2017. *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung : CV. Alfabeta.

Sutrisno. 2017. *Manajemen Keuangan Teori, Konsep dan Aplikasi*. Ekonisia. Yogyakarta.

Syahrani, Dewi. 2020. *Pengaruh Perputaran Kas Piutang Dan Modal Kerja Terhadap Profitabilitas Perusahaan Manufaktur Di Bursa Efek Indonesia*. Thesis, Prodi Akuntansi. UP Batam.

Syamsuddin, L. 2019. *Manajemen Keuangan Perusahaan*. Edisi Baru. Jakarta: Raja Grafindo Persada.

Yetri, Mimi dan Rahmawati. 2020. *Pengaruh Perputaran Piutang, Perputaran Persediaan Dan Perputaran Kas Terhadap Profitabilitas (Studi Kasus pada Perusahaan Manufaktur Sub Sektor Otomotif dan Komponen yang Terdaftar di Bursa Efek Indonesia Tahun 2016 – 2018).* Alumni Program Studi Akuntansi STIE Bangkinang. Jurnal Riset Manajemen Indonesia. Volume 2. No.2. April 2020.