

**INFLUENCE OF ASSET STRUCTURE, CAPITAL STRUCTURE, COMPANY SIZE AND CORPORATE SOCIAL RESPONSIBILITY TOWARDS FIRM VALUE WITH EARNING GROWTH AS INTERVENING VARIABLE IN STATE-OWNED ENTERPRISES LISTED ON THE INDONESIA STOCK EXCHANGE
(STUDY ON NON-BANK SOE SECTOR)**

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ABSTRACT

The purpose of this study was to determine how the influence of asset structure (X1), capital structure (X2), firm size (X3), *corporate social responsibility*(X4) on firm value (Y) with earning growth (Z) as an intervening variable in non-bank state-owned companies listed on the Indonesian stock exchange. 2018-2020 period. The sample companies are 10 non-bank state-owned companies. This research uses SEM-PLS, the software is smartPLS. Of the 13 significant hypotheses accepted, there are 3, namely asset structure on earning growth, capital structure on earning growth and firm size on firm value.

There are 10 hypotheses that are not significant or rejected, namely asset structure to firm value, capital structure to firm value, firm size to earnings growth, corporate social responsibility to earnings growth, corporate social responsibility to firm value, earning growth to firm value, asset structure to firm value. firm value through earning growth as an intervening variable, capital structure on firm value through earning growth as an intervening variable, firm size on firm value through earning growth as an intervening variable, corporate social responsibility on firm value through earning growth as an intervening variable.

Keywords : Asset structure, capital structure, company size, *corporate social response*, earning growth, firm value.

PRELIMINARY

One of the phenomena that has occurred recently is a non-bank state-owned company, namely PT Garuda Indonesia (Persero), which is known to be experiencing a crisis due to the impact of the COVID-19 pandemic. PT Garuda Indonesia's finances, the state-owned airline, are known to have debts reaching Rp. 70 trillion and it is estimated that this will continue to increase by Rp. 1 trillion every month. Based on data from the Ministry of SOEs, Garuda Indonesia costs 150 million US dollars per month, but its revenue is only 50 million US dollars. That means the company loses 100 million US dollars or around 1.43 trillion (exchange rate of Rp. 14,300 per US dollar) every month.

In a meeting with Commission VI of the DPR RI, Thursday (3/6/2021), SOE Minister Erick Thohir and Deputy Minister (Wamen) of BUMN Kartika

Wirjoatmodjo revealed a number of factors that are causing Garuda Indonesia's current financial problems.

1. The problem with the lessor, apart from being affected by the COVID-19 pandemic, which has made passenger flights low, another issue is related to the aircraft charterer or lessee. Currently, Garuda Indonesia is working with 36 lessors, some of whom are involved in corruption cases with the old management.
2. There are too many types of aircraft, apart from expensive rental prices, the problem with Garuda Indonesia is also the use of too many types of aircraft. for example, usage ranging from Boeing 737-777, A320, A330, ATR, to bombardier so it is difficult to perform efficiency.
3. Mistakes in the business model, according to Erick Thohir (Minister of SOEs), the heavy burden faced by

Garuda Indonesia is that the business model is not right. He considered, the airline should change with a focus on the domestic flight market. This is based on national tourism data. As many as 78 percent are trips made by domestic tourists, while the other 22 percent are foreign tourists. The high number of domestic flights cannot be separated from the geographical condition of Indonesia as an archipelagic country. So that one of the access to travel between islands is by flight. This potential should be utilized by Garuda Indonesia. Erick Thohir (Minister of SOEs) has conveyed with the Minister of Transportation Budi Karya Sumadi to provide support if later not all airports are open to foreign airlines.

According to Erick Thohir (Minister of SOEs), this condition is an opportunity for Garuda Indonesia to improve performance. "So some airport points are opened (for foreign aircraft), but for other domestic routes, only Garuda or other domestic private flights are allowed." A number of Garuda Indonesia flight routes are indeed not profitable, especially for international flight routes. "Many of the routes were flown that were not profitable. Domestic flights before Covid-19 were profitable in 2019, but overseas ones actually lost."

Impacts on the entire management of Garuda Indonesia, due to the financial crisis, including:

1. Early retirement, Garuda Indonesia management offers an early retirement program to its employees. The state-owned airline company said the decision was taken to restore the company's health. This is to make Garuda Indonesia a healthier and more adaptive company in responding to the challenges of business performance in the new normal era. "We need to convey that this accelerated retirement program is offered voluntarily to employees who have met the criteria," said Garuda Indonesia president director Irfan Setiapatra.

2. Cut the number of commissioners, the SOE minister plans to cut the number of commissioners of PT Garuda Indonesia Tbk, as an efficiency measure. This is a follow-up to the suggestion of a member of the board of commissioners of Garuda Indonesia, Peter Gontha. In a letter to Garuda Indonesia Finance Director Prasetyo dated June 2, 2021, Peter asked to stop paying commissioners' salaries until the next shareholders' meeting. According to the SOE minister, he wants to propose, if possible, 2 or 3 commissioners of Garuda Indonesia. When the company is trying to be efficient by offering early retirement to employees, efficiency measures need to be taken at the top level, such as the commissioners. "Not for example, there was an early retirement but the commissioners were not reduced, so it really reflects (the efforts of) Garuda's commissioners and directors".

3. Return two PT Garuda Indonesia (Persero) Tbk aircraft, accelerate the early return of the fleet whose lease period has not yet matured. This is an intensive effort to recover the company's financial performance which is currently

slumping. According to the president director of Garuda Indonesia, this strategic step was marked by the return of two B737-800 NG fleets to one of the lessees or aircraft leasing companies. According to him, the acceleration of the return was carried out after a mutual agreement between Garuda Indonesia and the aircraft lessee, in which one of the conditions for returning the aircraft was to change the registration code of the aircraft concerned. "Accelerating the return of fleets whose lease period has not yet matured,

As for non-bank state-owned companies, there are 10 companies and have stock codes that are listed on the Indonesian stock exchange. The list of names of BUMN companies can be seen in Table 1.1 List of BUMN companies with the status of Tbk.

List of BUMN Companies
 (non-bank) with the status of Tbk

| No. | State-owned company Non-Bank | Code Share |
|-----|---|---------------|
| 1. | PT. Adhi Karya (Persero), Tbk | ADHI |
| 2. | PT. Garuda Indonesia (Persero), Tbk | GIAA |
| 3. | PT. Indofarma (Persero), Tbk | INAF |
| 4. | PT. Jasa Marga (Persero), Tbk | JSMR |
| 5. | PT. Kimia Farma (Persero), Tbk | KAEF |
| 6. | PT. Krakatau Steel (Persero), Tbk | KRAS |
| 7. | PT. State Gas Company (Persero), Tbk | PGAS |
| 8. | PT. Housing Development (Persero), Tbk | PTPP |
| 9. | PT. Telkom (Persero), Tbk | TLKM |
| 10. | PT. Waskita Karya (Persero), Tbk | WSKT |

Source: Processed data (www.idx.co.id)

Formulation of the problem

Based on the background that has been described, the problem is formulated as follows:

1. Does the asset structure have a significant effect on earning growth?
2. Does the capital structure have a significant effect on earning growth?
3. Does the size of the company have a significant effect on earning growth?
4. Does corporate social responsibility have a significant effect on earning growth?
5. Does the asset structure have a significant effect on firm value?
6. Does earning growth have a significant effect on firm value?
7. Does firm size have a significant effect on firm value?

8. Does corporate social responsibility have a significant effect on the value of the company ?
9. Does the capital structure have a significant effect on the value of the company ?
10. Does the asset structure affect the firm value through earning growth as an intervening variable?
11. Does capital structure affect firm value through earning growth as an intervening variable?
12. Does firm size affect firm value through earning growth as an intervening variable?
13. Does corporate social responsibility have an effect on firm value through earning growth as an intervening variable?

Research purposes

The objectives to be achieved from this research are :

1. To prove and analyze the effect of asset structure on earning growth.
2. To prove and analyze the effect of capital structure on earning growth.
3. To prove and analyze the effect of firm size on *earnings growth*.
4. To prove and analyze the effect *corporate social responsibility* to earnings growth.
5. To prove and analyze the effect of asset structure on firm value.
6. To prove and analyze the effect of earning growth on firm value.
7. To prove and analyze the effect of firm size on firm value.
8. To prove and analyze the effect *corporate social responsibility* to the value of the company.
9. To prove and analyze the effect of capital structure on firm value.

Benefits of research

Based on the background, problem formulation, and objectives described above, the benefits that can be expected from this research are:

- a. For state-owned companies (non-banks)

The results of this study will provide a reference regarding the impact of the application of asset structure, capital structure, company size, *corporate social responsibility* to the value of the company. so that state-owned companies (non-banks) can be even better at increasing the value of their companies.

- b. For the next researcher

It is hoped that this research can be used as a reference and as a reference for further research. The results of this study can also be used as a support for future research.

Theoretical basis

2.1.1 Definition of Financial Management

Financial Management is a process in the company's financial activities related to efforts to obtain company funds and minimize company costs as well as efforts to manage the finances of a business entity or

organization to be able to achieve the financial goals that have been set. The definition of financial management according to Horne and Wachowicz Jr. (2012:2) in his book entitled *Fundamentals of Financial Management* which has been translated into principles of financial management states that: "Financial management is related to asset acquisition, funding, and asset management based on several general objectives".

Meanwhile, according to Sudana (2015), that the company's financial management is one of the areas of functional management of the company related to long-term investment decision making, and the management of the company's working capital which includes short-term investment and funding. In other words, corporate financial management is a field of finance that applies financial principles within a corporate organization to achieve and maintain value through decision-making and appropriate resource management.

According to Agus Sartono (2015:6), Financial Management can be defined as good fund management related to the effective allocation of funds in various forms of investment as well as collection efforts for investment financing or efficient learning.

According to Suad Husnan (2015) Social considerations of responsibility can be seen from four aspects, namely:

1. Normatively the purpose of financial decisions is to maximize the value of the company. Firm value is the price one is willing to pay
2. by the prospective buyer if the company is sold. For companies that issue shares in the capital market, the price of shares traded on the stock exchange is an indicator of company value.
3. Maximizing firm value (or share price) is not synonymous with maximizing earnings per share (Earnings Per Share). This is because maximizing EPS ignores the time value of money, and does not pay attention to risk factors.
4. Thus maximizing firm value is also not synonymous with maximizing profit, if profit is defined as accounting profit. On the other hand, maximizing firm value will be identical to maximizing profit in an economic sense (economic profit).

2.1.2 Agency Theory

The concept of agency theory according to Scott (2015) is a relationship or contract between the principal and the agent, where the principal is the party who employs the agent to perform tasks for the interest of the principal, while the agent is the party who carries out the interests of the principal.

In the modern economy, management and management of companies are increasingly separated from corporate ownership. When there is a separation between the owner (principal) and the manager (agent) in a company, there is a possibility that the owner's wishes are ignored. This fact, and the realization that agents are expensive, set the foundation for a complex but useful group of ideas known as agency theory. When the owner (or manager) delegates decision-making authority to another party, there is an agency relationship between the two parties. Agency relationships, such as those between shareholders and managers, will be effective as long as managers make investment decisions that are consistent with the interests of shareholders.

From the above definition it can be concluded that the definition of agency theory is the relationship between the principal (owner/shareholder) and agent (manager). And in the agency relationship there is a contract where the principal authorizes the agent to manage his business and make the best decisions for the principal.

2.1.3 Signal Theory (Signalling Theory)

Brigham and Houston (2014) state that signal theory provides an illustration that a signal or signal is an action taken by the company's management that provides instructions for investors about how management views the company's prospects. This theory reveals that investors can distinguish between companies that have high values and companies that have low values. Brigham and Houston (2014: 186) explain that signals are instructions given by companies related to management actions in an effort to assess company projects. The main focus of signal theory is to communicate actions taken by internal companies that cannot be directly observed by parties outside the company.

2.1.4 Stakeholder Theory (Stakeholder Theory)

The foundation of business lies in building relationships and creating value for all stakeholders (Freeman & Dmytriiev, 2017). Although each company has different stakeholders depending on the industry and business model, all stakeholders have an equally important role for the company. Stakeholder theory argues that stakeholders will be interdependent or related.

With the development of stakeholder theory, the current entity is not only focused and accountable to shareholders, but also to all stakeholders (Siregar, 2014). Stakeholders include customers, communities, suppliers, employees, and other parties who have an interest in activities that occur within the entity. This is supported by Elkington (2004) who introduced a concept that has shifted the shareholder concept towards the stakeholder concept in running the company's business (Mushka, 2015). Thus, management must act not only limited to the interests of shareholders in order to obtain the maximum benefit, but also for the interests of all stakeholders.

2.1.5 Asset Structure

The asset structure according to Mulyawan (2015:224) is the structure of assets asset most industries or manufactures where most of the capital is invested in asset still tend to use their own capital compared to foreign capital or debt only as a complement. As for the formula to calculate the asset structure is as follows:

$$\text{Struktur Aset Tetap} = \frac{\text{Aset Tetap}}{\text{Total Aset}} \times 100 \%$$

$$\text{Struktur Aset Lancar} = \frac{\text{Aset Lancar}}{\text{Total Aset}} \times 100 \%$$

2.1.6 Capital Structure

Capital structure is a balance or comparison between foreign capital and own capital. Foreign capital in this case is long-term and short-term debt. Meanwhile, own capital is divided into retained earnings and company ownership. The optimal capital structure is a capital structure that optimizes the balance between risk and return so as to maximize share prices. For this reason, in determining the capital structure of a company, it is necessary to consider various variables that affect it. The capital structure is the balance between long-term debt (foreign capital) and total own capital (equity), (Halim, 2015:81).

According to Brigham and Houtson (2011:155) capital structure policy involves an exchange between risk and return :

- The use of greater debt will increase the risk that will be borne by shareholders.
- The use of large amounts of debt, will lead to expectations of higher returns.

The form of the ratio used in the capital structure of Fahmy, Irham (2018:178) are:

$$\text{Struktur Utang Lancar} = \frac{\text{Utang Lancar}}{\text{Total Utang}} \times 100 \%$$

$$\text{Struktur Utang Jangka Panjang} = \frac{\text{Utang Jangka Panjang}}{\text{Total Utang}} \times 100 \%$$

$$\text{Struktur Equity} = \frac{\text{Equity}}{\text{Total Utang}} \times 100 \%$$

2.1.7 Company Size

The definition of company size according to experts, Company size according to Yogyanto (2018: 282) company measurement is "The size of the asset is used to measure the size of the company, the size of the asset is measured as the logarithm of total assets". according to Putu Ayu and Gerianta (2018), suggest that company size is a scale where the size of the company can be classified as measured by the total asset, sales amount, share value and so on.

According to Susilo (2012:06) in I Gusti and Desy (2015) suggests that the greater the total asset, the amount of sales or capital of a company, the greater the size of a company. according to Risma and Regi (2017) explain that "Company size is a reflection of the total assets owned by a company".

According to Windi Novianty and Wendy May (2018) explained that "Company size is seen from the business field that is being operated. Company size can be determined based on total sales, total assets, average sales level.

Based on the explanation above, it can be concluded that the size of the company can be seen from the number of assets owned by the company. Company size is one of the factors that can affect profit. The larger the size of the company, usually it will have its own strength in dealing with business problems and the company's ability to earn high profits because it is supported by large assets so that the company's obstacles can be overcome.

Companies that have a total asset or large total assets indicate that the company has reached the maturity stage where at this stage the company's cash flow is positive and is considered to have good prospects in a relatively long period of time. In this study, the Firm Size indicator is measured using the natural logarithm (Ln) of total assets. The natural logarithm (Ln) is used to reduce the significant difference between the size of the company that is too large and the size of the company that is too small, so from the total assets a natural logarithm is formed which aims to make data on the number of assets normally distributed (Mita Tegar Pribadi, 2018).

The total value of assets is usually of greater value than other financial variables, so the total asset variable is refined to Log Assets or Ln Total Assets. By using the natural logarithm (Ln) of total assets with a value of hundreds of billions and even trillions, it will be simplified without changing the proportion of the actual total assets. Indicators for calculating Company Size according to (Putu Ayu and Gerianta, 2018), are:

$$\text{Size} = \text{Ln}(\text{Total Asset})$$

Based on the description above, it shows that to determine the size of the company, the size of the company is used asset which is measured as the logarithm of the total asset.

2.1.8 Corporate Social Responsibility

As stated by John Elkington in Ardianto & Machfudz (2011: 300), corporate CSR refers to the Triple Bottom Line concept, namely a balance in preserving the environment around the operating area (planet), providing benefits to the community (people), and companies getting value for maintain the continuity of its operations (profit). In implementing CSR, companies always control costs, look for breakthroughs with relatively low costs but the results

can directly target the needs of the community and of course have something to do with their business activities.

The concept recognizes that if a company wants to be sustainable, it needs to pay attention to the 3Ps, namely not only profit that is sought, but also must make a positive contribution to society (people) and actively participate in preserving the environment (planet). The Triple Bottom Line concept is a continuation of the concept of sustainable development which has explicitly linked the dimensions of goals and responsibilities, both to shareholders and stakeholders (Hadi, 2011:56).

Formula for calculating *corporate social responsibility* used by Nurlela and Islahuddin (2008) and Dahlia (2008) are:

$$\text{CSR}_{ij} = \frac{\sum X_{ij}}{n_j}$$

Where :

CSR_{ij} : *corporate social responsibility* j . company index

X_{ij} : value 1 = if item j is disclosed; 0 = if item j is not disclosed

n_j : number of items for company i, n_j 91.

GRI G4

2.1.9 Earning Growth

2.1.9.1 Definition of Growth

Growth according to Irham Fahmi (2018:157) are the following growth ratios, namely ratios that measure how much the company's ability to maintain its position in the industry and in economic development in general is. This growth ratio is seen from various aspects of sales (sales) earnings after tax (EAT), earnings per share, dividends per share, and market price per share.

The definition of growth according to Kasmir (2015:107) is as follows: "growth ratio is a ratio that describes the company's ability to maintain its economic position in the midst of economic growth and its business sector. year to year". This ratio consists of an increase in sales, an increase in net profit, earnings per share, and an increase in dividends per share.

Based on the above definitions, the author understands that the growth ratio is a ratio that describes the company's ability to maintain its economic position from year to year.

2.1.9.2 Profit Growth Analysis

According to Anoraga and experts in Angkoso (2006) there are two kinds of analysis to determine profit growth, namely fundamental analysis and technical analysis.

1. Fundamental analysis

Fundamental analysis is an analysis related to the company's financial condition. With fundamental analysis, it is hoped that potential investors will know how the operations of the company that will become theirs will

beinvestors, whether healthy or not, profitable or not and so on.

This is important because later it will relate to the results to be obtained from the investment and the risks that must be borne. Fundamental analysts try to predict future earnings growth by estimating the fundamental factors that affect future earnings growth, namely economic conditions and financial conditions as reflected in company performance.

2. Technical Analysis

Technical analysis is often used by investors, and usually the data or market records used are in the form of charts. This analysis attempts to predict future earnings growth by observing changes in past earnings, this technique ignores matters relating to the company's financial position.

Based on the statement above, it can be concluded that to determine profit growth, two analyzes can be carried out, namely fundamental analysis and technical analysis. In this case the analysis used is fundamental analysis, fundamental analysis is an analysis related to company performance, company performance can be known through financial ratios.

In this study, the intended profit growth is the company's revenue growth derived from the value of earnings after tax (Earning After Tax). According to Warsidi and Scouts (2000), profit growth can be calculated using the following formula :

$$\text{Earning Growth} = \frac{\text{EAT}_t - (\text{EAT}_{t-1})}{\text{EAT}_{t-1}} \times 100 \%$$

Where :

EAT_t = profit after tax (*Earnings After Tax*) year t

EAT_{t-1} = profit after tax (*Earnings After Tax*) year t-1

2.1.9.3 Gross Profit Margin (GPM) Growth

Gross profit margin ratio data from several periods will be able to provide information about the tendency of the gross margin obtained and when compared with the standard ratio it will be known whether the margin obtained by the company is high or vice versa (Munawir, 2010:99). How to calculate growth GPM is the formula for the current year's GPM minus the previous year's GPM, divided by the previous year's GPM. The formula for calculating GPM growth is as follows:

$$\text{Pertumbuhan GPM} = \frac{\text{GPM}_t - \text{GPM}_{t-1}}{\text{GPM}_{t-1}}$$

Gross profit margin is a profitability measurement ratio that is often used by financial managers to measure the efficiency of gross profit compared to sales. The larger the gross profit margin, the better the company's operating conditions, because this shows that the gross profit is relatively lower than sales, and vice versa, the lower the gross profit margin, the less efficient the company's operations are in incurring costs related to activities. the operation.

2.1.9.4 Growth of Return On Assets (ROA)

Return On Assets is a ratio of profitability that shows the results (return) on the number of assets used in the company (Kasmir, 2014:201). Brigham and Houston (2010:148) say that Return on Assets (ROA) is the ratio of net income to total assets to measure the return on total assets.

How to calculate growth ROA is the formula for the current year's ROA minus the previous year's ROA, divided by the previous year's ROA. Growth *return on assets* can be formulated as follows :

$$\text{Pertumbuhan ROA} = \frac{\text{ROA}_t - \text{ROA}_{t-1}}{\text{ROA}_{t-1}}$$

Where :

ROA_t = ROA current year

ROA_{t-1} = ROA previous year

2.1.9.5 Growth Return on Equity (ROE)

According to Tandelilin (2010: 315), Return on equity (ROE) is generally calculated using accounting-based performance measures and is calculated as the company's net profit divided by the equity of ordinary shareholders. According to Brigham and Houston (2010:149),

Return on Equity (ROE) is a net to common equity ratio measuring the rate of return on investment by common stockholders. According to Irham (2012:98), Return on Equity (ROE) is a ratio used to assess the extent to which a company uses its resources to be able to provide a return on equity.

How to calculate growth ROE is the formula for the current year's ROE minus the previous year's ROE, divided by the previous year's ROE. The following is the formula for calculating ROE growth:

$$\text{Pertumbuhan ROE} = \frac{\text{ROE}_t - \text{ROE}_{t-1}}{\text{ROE}_{t-1}}$$

Where :

ROE_t = ROE current year

ROE_{t-1} = ROE previous year

2.1.10 Firm value

The value of the company is a matter of great concern to investors. The prosperity of shareholders or investors is reflected in the value of the company. In other words, firm value is a measure of the performance of financial managers. According to Suad (2015), company value is the price that prospective buyers are willing to pay if the company is sold. Keown (2010) also states that firm value is the market value of outstanding debt securities and company equity. So it can be concluded that the value of the company is the market value of all financial components of the company that prospective buyers are willing to pay if the company is sold which is reflected in its share price. In other words, the value of the company can also be referred to as the perception of investors or the general public towards companies that often.

2.1.10.1 Dividend Payout Ratio

Dividend policy is closely related to determining the size of the dividend payout ratio, Sudana (2011:167). According to Murniati (2015): "The dividend policy of a company can be seen from the dividend payout ratio. Therefore, the dividend payout ratio is a factor of consideration for investors to determine the length of time investors will hold their shares. "Dividend payout ratio is a comparison of dividends with net income obtained, Darmadji and Fakhruddin (2012:159). The formula for calculating the dividend payout ratio is as follows (Umar, 2003:115) :

$$\text{Dividen Payout Ratio} = \frac{\text{Dividen per share}}{\text{Earning per share}} \times 100 \%$$

2.1.10.2 Price Earning Ratio

Price earning ratio is the measure most widely used by investors to analyze whether the investment made is profitable or detrimental. Price earning ratio is useful to see how the market appreciates the performance of a company's shares on the company's performance which is reflected in its earnings per share.

According to Brigham and Houston (2010: 150), Price Earning Ratio is the ratio of price per share to earnings per share showing the amount investors are willing to pay for every dollar of reported earnings. According to Fahmi (2015: 87), Price Earning Ratio is "The comparison between market price per share (market price per share) and Earning Per Share (earnings per share) to the increase in profit growth which is expected to also increase". The formula used to measure the price earning ratio is

$$\text{PER} = \frac{\text{Harga Saham}}{\text{Earning per share}}$$

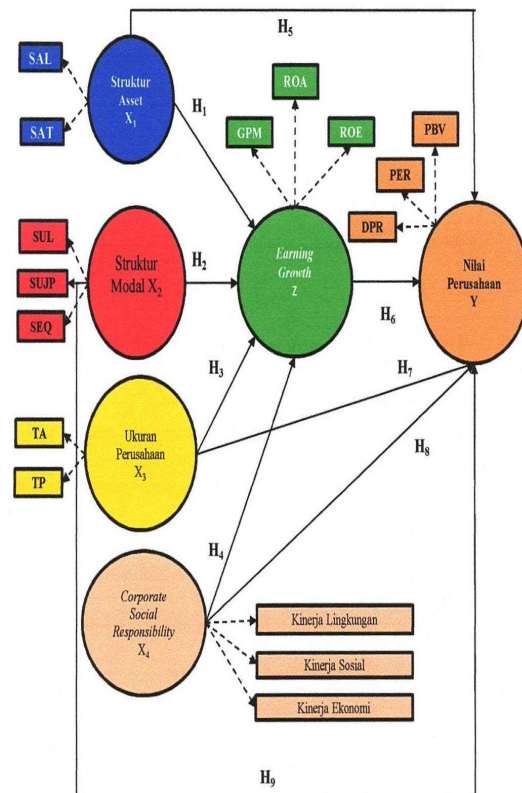
2.1.10.3 Price Book Value

Price book value (the ratio of price to book value) is a ratio that describes how much the market appreciates the book value of a company's shares (Darmadji and Fakhruddin, 2011:156-157). Price Book Value Ratio(PBV) is a ratio that shows the comparison between the market price per share and the book value per share. This ratio is used to measure the level of stock prices whether overvalued or undervalued. The lower the PBV value of a stock, the stock is categorized as undervalued, which is very good for long-term investment. However, a low PBV value can also indicate a decline in the quality and fundamental performance of the issuer. Therefore, the PBV value must also be compared with the PBV of other issuers in the same industry. If the difference is too far, it should be analyzed further (Hery, 2016:145).the formula for calculating the price book value is :

$$\text{PBV} = \frac{\text{Market price per share}}{\text{Book Value per Share}}$$

Price book value (PBV) is the ratio used to measure the performance of the stock market price against its book value (Najmiyah et.al., 2014). PBV also shows how far the company is able to create firm value relative to the amount of capital invested. If the book value of a company increases, the value of the company indicated by the stock price will also increase.

3.1 conceptual framework



Picture :

Conceptual Framework and Empirical Indicators

Information :

- SAL = Current Asset Structure
- SAT = Fixed Asset Structure
- SUL = Current Debt Structure
- SUJP = Long-Term Debt Structure
- SEQ = Equity Structure
- TA = Total Assets
- TP = Total Sales
- ROA = Return On Assets
- ROE = Return On Equity
- PER = Price Earning Ratio
- PBV = Price Book Value
- DPR = Dividend Pay Out Ratio
- GPM = Gross Profit Margin

3.2 Research Hypothesis

The hypothesis is a temporary answer to the research problem formulation, therefore the research problem formulation is usually arranged in the form of a question sentence (Sugiyono, quantitative, qualitative and R&D research methods, 2011:64). as for the hypothesis proposed in this study with the sub-chapter the influence between research variables, namely:

- H1 : Asset structure has a significant effect on earning growth
- H2 : Capital structure has a significant effect on earning growth
- H3 : Firm size has a significant effect on earning growth
- H4 : *Corporate social responsibility* significant effect on earnings growth
- H5 : Asset structure has a significant effect on firm value
- H6 : *Earning growth* significant effect on firm value
- H7 : Firm size has a significant effect on firm value
- H8 : *Corporate social responsibility* significant effect on firm value
- H9 : Capital structure has a significant effect on firm value
- H10 : Asset structure affects firm value through earning growth as an intervening variable
- H11 : Capital structure affects firm value through earning growth as an intervening variable
- H12 : Firm size has an effect on firm value through earning growth as an intervening variable
- H13 : *Corporate social responsibility* effect on firm value through earning growth as an intervening variable

RESEARCH METHODS

The research uses quantitative research methods because the research data is in the form of numbers and the analysis uses statistics to test hypotheses.

A total of 10 state-owned companies in the non-bank sector were listed on the Indonesian stock exchange in a row

during 2018-2020. The sample is 30, which means 10 cross sections multiplied by 3 years time series.

This study uses data analysis using SEM-PLS, there are two main parts, namely the analysis of the outer model and the analysis of the inner model.

Analysis and Research Results

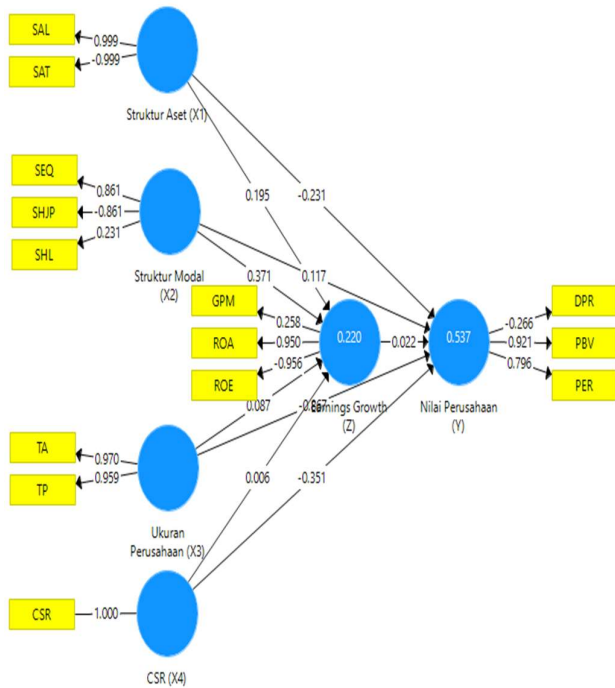
Table: Descriptive Analysis

| Descriptive Statistics | | | | | | |
|------------------------|----|---------------|-----------------|----------------|----------------|--|
| | N | Minimum | Maximum | Mean | Std. Deviation | |
| SAL | 30 | 4.97 | 84.43 | 40.06 | 23.77 | |
| SAT | 30 | 15.57 | 95.03 | 59.59 | 23.58 | |
| SHL | 30 | 18.82 | 87.47 | 59.27 | 20.11 | |
| SHJP | 30 | 12.53 | 81.18 | 40.73 | 20.11 | |
| SEQ | 30 | -15.26 | 131.96 | 45.73 | 31.71 | |
| TA | 30 | 1383940000000 | 246943000000000 | 79608725000000 | 64087961780000 | |
| TP | 30 | 1359180000000 | 135567000000000 | 30984403000000 | 32914983760000 | |
| CSR | 30 | .01 | .25 | .06 | .06 | |
| GPM | 30 | -82.57 | 20.95 | -3.75 | 16.27 | |
| ROA | 30 | -159.37 | 1.30 | -6.46 | 29.00 | |
| ROE | 30 | -34.12 | 141.24 | 2.58 | 27.06 | |
| PER | 30 | -807.22 | 416047.74 | 13906.02 | 75953.06 | |
| PBV | 30 | -.38 | 40.56 | 3.74 | 8.67 | |
| DPR | 30 | -265.16 | 523.58 | 41.17 | 121.28 | |
| Valid N (listwise) | 30 | | | | | |

Source: Smart PLS software processed data

Panel data of 10 companies for 3 years, the total is 30 data. This std deviation is the deviation from the mean (mean), the higher the std deviation the more heterogeneous the data, the lower the std deviation the more homogeneous the data, from the table above it can be seen that the value of the SAL number of samples is 30, the minimum value is 4.97, the maximum value is 84.43 the mean is 40.06 and the std deviation is 23.77.

Outer Model Stage 1



Source: Smart PLS software processed data

PLS Algorithm (Tahap 1)

Outer Loadings

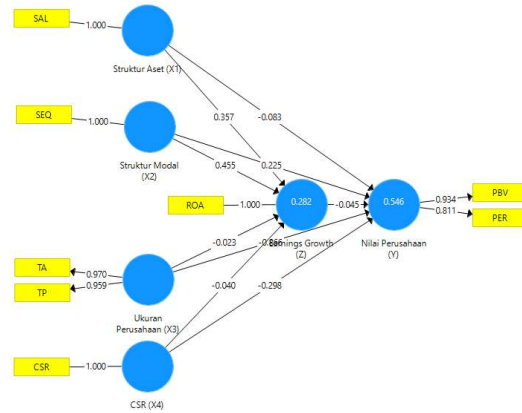
| | Struktur Aset (X1) | Struktur Modal (X2) | Ukuran Perusahaan (X3) | CSR (X4) | Earnings Growth (Z) | Nilai Perusahaan (Y) |
|------|--------------------|---------------------|------------------------|----------|---------------------|----------------------|
| CSR | | | | 1,000 | | |
| DPR | | | | | | -0,266 |
| PER | | | | | | 0,796 |
| PBV | | | | | | 0,921 |
| GPM | | | | | 0,258 | |
| ROA | | | | | 0,950 | |
| ROE | | | | | -0,956 | |
| SAL | 0,999 | | | | | |
| SAT | -0,999 | | | | | |
| SEQ | | 0,861 | | | | |
| SHJP | | -0,861 | | | | |
| SHL | | 0,231 | | | | |
| TA | | | 0,970 | | | |
| TP | | | 0,959 | | | |

Source: Smart PLS software processed data

Outer loadings below 0.50 include SAT -0.999 on the X1 variable, SHJP -0.861 and SHL 0.231 on the X2 variable, GPM 0.258 and ROE -0.956 on variables Z and DPR -0.266 on variable Y. So it can be concluded that it is not valid in measuring the measured variable and does not meet convergent validity so that it cannot be used for further analysis.

PLS Outer Algorithm Model Stage 2

After an invalid indicator is issued then the next stage is above 0.5 outer loading so it is valid, the results are as follows:



Source: Smart PLS software processed data

Outer Loadings

| | Struktur Aset (X1) | Struktur Modal (X2) | Ukuran Perusahaan (X3) | CSR (X4) | Earnings Growth (Z) | Nilai Perusahaan (Y) |
|-----|--------------------|---------------------|------------------------|----------|---------------------|----------------------|
| CSR | | | | 1,000 | | |
| PBV | | | | | | 0,934 |
| PER | | | | | | 0,811 |
| ROA | | | | | 1,000 | |
| SAL | 1,000 | | | | | |
| SEQ | | 1,000 | | | | |
| TA | | | 0,970 | | | |
| TP | | | 0,959 | | | |

Source: Smart PLS software processed data

Outer loadings above 0.50 include SAL 1,000 on variable X1, SEQ 1,000 on variable X2, TA 0,970 and TP 0,959 on variable X3, CSR 1,000 on variable X4, ROA 1,000 on variable Z and PBV 0,934 and PER 0,811 on variable Y. So it can be concluded that it is valid in measuring the measured variables and meets convergent validity so that it can be used for further analysis.

The following is the value of AVE (Average Variance Extracted) 0.50, is also used to measure the outer loading, so that it meets convergent validity. Asset structure (X1) AVE 1,000 value, capital structure (X2) AVE 1,000 value, company size (X3) AVE value 0.930, CSR (X4) AVE 1,000 value, earning growth (Z) AVE 1,000 value and firm value (Y) value AVE 0.766.

Construct Reliability and Validity

| | Cronbach's Alpha | rho A | Composite Reliability | Average Variance Extracted (AVE) |
|------------------------|------------------|-------|-----------------------|----------------------------------|
| CSR (X4) | 1,000 | 1,000 | 1,000 | 1,000 |
| Earning Growth (Z) | 1,000 | 1,000 | 1,000 | 1,000 |
| Nilai Perusahaan (Y) | 0,710 | 0,831 | 0,867 | 0,766 |
| Struktur Aset (X1) | 1,000 | 1,000 | 1,000 | 1,000 |
| Struktur Modal (X2) | 1,000 | 1,000 | 1,000 | 1,000 |
| Ukuran Perusahaan (X3) | 0,925 | 0,943 | 0,964 | 0,930 |

Sumber : Data olahan software Smart PLS

Discriminant validity, seen based on the value of cross loading for each indicator in the construct that was formed. An indicator is said to meet discriminant validity if the indicator has a greater cross loading value on the construct that is formed, compared to other constructs. The results of discriminant validity testing through cross loading calculations are presented in the table below.

Nilai cross loading pada *outer loading*

| | Struktur Aset (X1) | Struktur Modal (X2) | Ukuran Perusahaan (X3) | CSR (X4) | Earnings Growth (Z) | Nilai Perusahaan (Y) |
|-----|--------------------|---------------------|------------------------|--------------|---------------------|----------------------|
| CSR | 0,115 | 0,142 | -0,369 | 1,000 | 0,074 | 0,041 |
| PBV | 0,248 | 0,068 | -0,685 | 0,052 | 0,096 | 0,934 |
| PER | 0,208 | -0,072 | -0,445 | 0,012 | 0,036 | 0,811 |
| ROA | 0,294 | 0,390 | -0,100 | 0,074 | 1,000 | 0,083 |
| SAL | 1,000 | -0,153 | -0,494 | 0,115 | 0,294 | 0,263 |
| SEQ | -0,153 | 1,000 | 0,186 | 0,142 | 0,390 | 0,017 |
| TA | -0,529 | 0,119 | 0,970 | -0,370 | -0,166 | -0,684 |
| TP | -0,415 | 0,250 | 0,959 | -0,339 | -0,015 | -0,600 |

Sumber : Data olahan software Smart PLS

SAL is an indicator of the asset structure (X1), which is greater in value in the variable in question but small in other variables so that it meets discriminant validity. SEQ is an indicator of capital structure (X2), which has a greater value on the variable in question but small on other variables so that it meets discriminant validity.

TA is an indicator of the size of the company (X3), the value is greater in the variable in question but small in the other variables so that it meets discriminant validity. TP is an indicator of the size of the company (X3), which is greater in value in the relevant variable but small in the other variables so that it meets discriminant validity.

CSR is an indicator of CSR (X4), which is greater in value in the variable in question but small in other variables so that it meets discriminant validity. ROA is an indicator of earning growth (Z) which is greater in value in the relevant variable but small in other variables so that it meets discriminant validity. PBV is an indicator of firm value (Y) which is greater in value in the relevant variable but small in other variables so that it meets discriminant validity.

PER is an indicator of firm value (Y) which is greater in value on the variable in question but small in other variables so that it meets discriminant validity.

Discriminant validity, viewed based on the Fornell Larker . value which compares the square root value of the Average Variance Extracted (AVE) of each construct with the correlations between other constructs in the model (Henseler et al., 2015). The results of discriminant validity testing through Fornell Larker calculations are presented in the table below.

fornell larker criterion pada outer loading

| | CSR (X4) | Earnings Growth (Z) | Nilai Perusahaan (Y) | Struktur Aset (X1) | Struktur Modal (X2) | Ukuran Perusahaan (X3) |
|------------------------|--------------|---------------------|----------------------|--------------------|---------------------|------------------------|
| CSR (X4) | 1,000 | | | | | |
| Earning Growth (Z) | 0,074 | 1,000 | | | | |
| Nilai Perusahaan (Y) | 0,041 | 0,083 | 0,875 | | | |
| Struktur Aset (X1) | 0,115 | 0,294 | 0,263 | 1,000 | | |
| Struktur Modal (X2) | 0,142 | 0,390 | 0,017 | -0,153 | 1,000 | |
| Ukuran Perusahaan (X3) | -0,369 | -0,100 | -0,669 | -0,494 | 0,186 | 0,964 |

Sumber : Data olahan software Smart PLS

The value is large in the variable in question or the value on the diagonal is greater than the values that are not on the diagonal so that it meets the discriminant validity value.

Internal consistency or reliability, seen based on the value of Cronbach's alpha 0.60 and composite reliability 0.70 for each indicator in the constructed construct. An indicator is said to meet Internal consistency or reliability if the indicator has a greater Cronbach's alpha value in the construct that was formed, compared to the other constructs.

Internal consistency or reliability test results through Cronbach's alpha calculations are presented in the table below.

Nilai *cronbach's alpha* pada *outer loading*

| Construct | Cronbach's Alpha | rho A | Composite Reliability | Average Variance Extracted (AVE) |
|------------------------|------------------|--------------|-----------------------|----------------------------------|
| CSR (X4) | 1,000 | 1,000 | 1,000 | 1,000 |
| Earnings Growth (Z) | 1,000 | 1,000 | 1,000 | 1,000 |
| Nilai Perusahaan (Y) | 0,710 | 0,831 | 0,867 | 0,766 |
| Struktur Aset (X1) | 1,000 | 1,000 | 1,000 | 1,000 |
| Struktur Modal (X2) | 1,000 | 1,000 | 1,000 | 1,000 |
| Ukuran Perusahaan (X3) | 0,925 | 0,943 | 0,964 | 0,930 |

Sumber : Data olahan software Smart PLS

Asset structure (X1) value of 1,000 means Cronbach's alpha 0.60, the value of 1,000 for composite reliability 0.70 so that it meets the value of Internal consistency or reliability. Modal structure (X2) value of 1,000 means Cronbach's alpha 0.60, the value of 1,000 for composite reliability 0.70 so that it meets the value of Internal consistency or reliability.

Company size (X3) value of 0.925 means Cronbach's alpha 0.60, value 0.964 for composite reliability 0.70 so that it meets the value of Internal consistency or reliability. CSR (X4) value 1,000 means Cronbach's alpha 0.60, value 1,000 for composite reliability 0.70 so that it meets the value of Internal consistency or reliability.

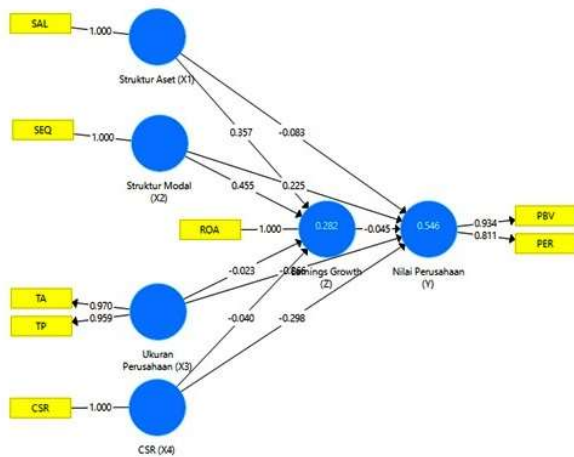
Earning growth (Z) the value of 1,000 means cronbach's alpha 0.60, the value of 1,000 for composite reliability 0.70 so that it meets the value of Internal consistency or reliability. Firm value (Y) value of 0.710 means cronbach's

alpha 0.60, the value of 0.867 for composite reliability 0.70 so it meets the value of Internal consistency or reliability.

Evaluation of Inner Model Analysis

The results of the evaluation of the outer model analysis stage II based on the convergent validity test, discriminant validity test and internal consistency test or reliability showed that all indicators were valid so that it also had an impact on the level of variable reliability which was also acceptable, so it was concluded that the evaluation of the outer model was sufficient in stage II and then evaluate the inner model.

a. The Coefficient of Determination test, the analysis is R-square, states the percentage of data information diversity that has been successfully explained by the exogenous construct to the endogenous construct. With a substantial 0.75 moderate 0.50 and weak if the value is 0.25 so that it meets the Coefficient of Determination value. The resulting image is as below.



Gambar Evaluasi analisis inner model uji *Coefficient of Determination*

Sumber : Data olahan software Smart PLS

The influence of the X1 variable, X2 variable, X3 variable, X4 variable on Z the value is 28.2% so that it meets the Coefficient of Determination value. The effect of variable X1, variable X2, variable X3, variable X4, variable Z on Y the value is 54.6% so that it meets the Coefficient of Determination value.

b. Model Fit Test, the analysis is standardized root mean square residual (SRMR), SRMR is the average of all differences between the tested data and the model that is not directly correlated. The SRMR value accepted as a fit model is a value less than 0.08 (Worthington, 2006). According to Weston et al., (2006) SRMR 0.08 is accepted as an acceptable model or fit. From the table below, the value of the SMRS.

Nilai *standartized root mean square* pada analisis *inner model*

| | Saturated Model | Estimated Model |
|------------|-----------------|-----------------|
| SRMR | 0,057 | 0,057 |
| d_ ULS | 0,116 | 0,116 |
| d_ G | 0,135 | 0,135 |
| Chi-Square | 25,003 | 25,003 |
| NFI | 0,768 | 0,768 |

Sumber : Data olahan software Smart PLS

c. Test of structural relationships testing (hypothesis testing), the analysis uses direct effects. With the provisions of the T-stat 1.96 and p-value 0.05 described to be a significant effect. Explanation and table results as below.

Analisis pengujian hipotesis menggunakan uji *direct effect*

| Path Coefficients | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|--|---------------------|-----------------|----------------------------|------------------------|----------|
| Struktur Aset (X1) ->Earnings Growth (Z) | 0,357 | 0,366 | 0,120 | 2,966 | 0,003 |
| Struktur Aset (X1) -> Nilai Perusahaan (Y) | -0,083 | -0,100 | 0,122 | 0,683 | 0,495 |
| Struktur Modal (X2) ->Earnings Growth (Z) | 0,455 | 0,493 | 0,128 | 3,555 | 0,000 |
| Struktur Modal (X2) -> Nilai Perusahaan (Y) | 0,225 | 0,247 | 0,204 | 1,101 | 0,272 |
| Ukuran Perusahaan (X3) ->Earnings Growth (Z) | -0,023 | 0,005 | 0,185 | 0,127 | 0,899 |
| Ukuran Perusahaan (X3) -> Nilai Perusahaan (Y) | -0,866 | -0,788 | 0,388 | 2,232 | 0,026 |
| CSR (X4) ->Earnings Growth (Z) | -0,040 | -0,027 | 0,136 | 0,295 | 0,768 |
| CSR (X4) -> Nilai Perusahaan (Y) | -0,298 | -0,183 | 0,367 | 0,811 | 0,418 |
| Earnings Growth (Z) -> Nilai Perusahaan (Y) | -0,045 | -0,016 | 0,100 | 0,456 | 0,649 |

Sumber : Data olahan software Smart PLS

Analisis pengujian hipotesis menggunakan *Indirect effect*

Specific Indirect Effects

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Value |
|---|---------------------|-----------------|----------------------------|------------------------|---------|
| Struktur aset (X1) -> Earning Growth (Z) -> Nilai Perusahaan (Y) | -0,016 | -0,006 | 0,038 | 0,426 | 0,670 |
| Struktur modal (X2) -> Earning Growth (Z) -> Nilai Perusahaan (Y) | -0,021 | -0,010 | 0,056 | 0,366 | 0,714 |
| Struktur perusahaan (X3) -> Earning Growth (Z) -> Nilai Perusahaan (Y) | 0,001 | 0,004 | 0,027 | 0,039 | 0,969 |
| CSR (X4) -> Earning Growth (Z) -> Nilai Perusahaan (Y) | 0,002 | 0,002 | 0,020 | 0,092 | 0,927 |

Sumber : Data olahan software Smart PLS

Discussion

Hypothesis Testing Analysis

H1 Effect of asset structure (X1) on earning growth (Z)

The results showed the magnitude of the influence of the asset structure (X₁) to positive earnings growth (Z) 0.357, the greater the asset structure (X₁), the higher the earning growth (Z) and the effect is significant, the T-stat value is 2.966 because the T-stat 1.96 and the p-value is 0.003 then the p- value 0.05.(**Significant**).

The larger the asset structure of a company can have a real impact on change *earnings growth*, because if large

assets can be managed in a long period of time it can provide profits for the company, while the asset structure itself determines the amount of allocation for each asset component, both current assets and fixed assets, while earnings growth is the company's revenue growth that derived from the value of profit after tax.

H2 Effect of capital structure (X_2) on earning growth (Z)

The results showed the magnitude of the effect of capital structure (X_2) to positive earnings growth (Z) 0.455, the greater the capital structure (X_2), the higher the earning growth (Z) and the effect is significant, the T-stat value is 3.555, because the T-stat 1.96 and the p-value 0.000 then p-value 0.05. (**Significant**).

The larger the capital structure, the *earnings growth* will also be higher, the intended profit growth is the company's revenue growth that comes from the value of earnings after tax, according to warsidi and scouts (2000).

Table *path coefficients* it can be seen that there is an indirect relationship between capital structure and firm value through the intervening earning growth (Z) variable of 1.101. capital structure (X_2) on earning growth (Z) of 3.555, which means T-stat 1.96, it can be concluded that capital structure has a better impact if it is directly related to capital structure on earning growth.

H3 Effect of firm size (X_3) on earning growth (Z)

The results showed the magnitude of the influence of firm size (X_3) to negative earnings growth (Z) -0.023, the smaller the size of the company (X_3), the lower the earning growth (Z) and the effect is not significant, the T-stat value is 0.127, because the T-stat 1.96 and the p-value is 0.899, means p-value 0.05. (**not significant**).

Medium and large sized companies are influential and more aggressive in carrying out earnings growth by always reporting positive profits, to avoid reporting losses (earnings losses) and that medium and large sized companies are influential and more aggressive in conducting earnings management by always reporting positive profits, to avoid reporting decreased earnings.

H4 Influence *corporate social responsibility* (X_4) to earnings growth (Z)

The results of the study show the magnitude of the effect of *corporate social responsibility* (X_4) to earnings growth (Z) the magnitude is negative -0.040 the smaller the corporate social responsibility (X_4), the lower earning growth (Z) and the effect is not significant, the T-stat value is 0.295, because the T-stat 1.96 and the p-value 0.768, then p-value 0.05. (**not significant**).

Corporate social responsibility is social responsibility is a business commitment to contribute to sustainable economic development, through collaboration with employees and company representatives, local communities and the general public to improve the quality of life in a way that is beneficial, both for the company's business continuity and for development.

The social responsibility carried out by this company is closely related to sustainable development, where an organization, especially a company, in carrying out its activities must base its decisions not only based on its

impact on the economic aspect, such as the level of profit or dividends, but also must consider the social and environmental impacts that arise. of his decision, both for the short term and for the longer term.

Earnings growth is an action by company management to influence reported earnings in order to form information about economic advantages that are not actually experienced by the company (Merchant, 1989).

H5 Effect of asset structure (X_1) on firm value (Y)

The results showed the magnitude of the influence of the asset structure (X_1) to the value of the company (Y) the magnitude is negative -0.083, the smaller the asset structure (X_1), the lower the firm value (Y) and the effect is not significant, the T-stat value is 0.683, because the T-stat 1.96 and the p-value 0.495, then the p-value 0.05. (**not significant**).

The results of this study are in accordance with the opinion of Atmaja (2008) which states that companies that have assets that can be used as debt guarantees tend to use relatively large debts. Companies that have debt guarantees will find it easier to get debt than companies that do not have collateral. The size of the asset structure shows the amount of debt guarantees and will have an impact on increasing the company's capital structure. The effect of capital structure on firm value is in line with traditional approach theory (Hanafi, 2013) which states that there is optimal capital so that capital structure affects firm value.

Supported by the trade-off theory (Hanafi, 2013) where the benefits of increasing debt are greater than the sacrifices incurred will give a positive signal to investors and have an impact on firm value. So it can be concluded that the asset structure indirectly affects the value of the company through the capital structure.

H6 Influence *earnings growth* (Z) to firm value (Y)

The results of the study show the magnitude of the effect of *earnings growth* (Z) the value of the company (Y) is negative -0.045 the smaller the earning growth (Z) then the value of the company (Y) is lower and the effect is not significant, the T-stat value is 0.456, because the T-stat 1.96 and the p-value -value 0.649, then p-value 0.05. (**H6 is not significant**).

The results of this study are not in accordance with the opinion of Sri Hermuningsih, Dwiprptono Agus Harjito and Dewi Kusuma Wardani (2008), who stated that *earnings growth* and capital structure, have a positive and significant effect on firm value. This means, the greater the profitability, the higher the growth opportunities, and the greater the proportion of debt in the company's funding structure, the greater the value of the company.

H7 Effect of firm size (X_3) on firm value (Y)

The results showed the magnitude of the effect of firm size (X_3) to the firm value (Y) the magnitude is negative -0.866, the smaller the firm size (X_3), the higher the firm value (Y) and the effect is significant, the T-stat value is 2.232, because the T-stat is 1.96 and the p-value is 0.026, then the p-value 0.05. (**H7 significant**).

The results of this study are in accordance with Sunarto and Budi (2014) which show that there is a significant positive effect between firm size on firm value, meaning that increasing firm size will make it easier for companies to obtain funding, which can then be utilized by management for the purpose of increasing firm value.

H8 Effect of corporate social responsibility (X4) on firm value (Y)

The results of the study show the magnitude of the effect of *corporate social responsibility*(X4) to the value of the company (Y) the magnitude is negative -0.298 the smaller the corporate social responsibility (X4), the value of the company (Y) is lower and the effect is not significant, the T-stat value is 0.811, because the T-stat 1.96 and the p-value 0.418, then p-value 0.05. **(H8 is not significant)**.

Referring to several previous research results, there are inconsistent research results about firm value which may be caused by other variables in the study, Rumajar & Kurnia (2018) stated that to overcome the inconsistent results of previous studies, a contingency approach is needed.

This is done by including other variables that may affect firm value by including moderating variables. Based on research by Amato & Falivena (2019), it is stated that company size and age can moderate CSR on the value of the company. Previous studies used many variables of age and firm size as controls, but this time based on the research of Amato & Falivena (2019), the researchers wanted to try to test the variables of age and firm size as variables that moderate the effect of CSR disclosure on firm value.

H9 Effect of capital structure (X2) on firm value (Y)

The results showed the magnitude of the effect of capital structure (X₂) to the firm value (Y) the magnitude is positive 0.225, the larger the capital structure (X₂), the higher the firm value (Y) and the effect is not significant, the T-stat value is 1.101, because the T-stat 1.96 and the p-value 0.272, then the p-value 0.05. **(H9 is not significant)**.

Several previous studies have shown inconsistent results regarding capital structure variables such as the research of Prasetia et al (2014), Hamidy et al (2015), Prastuti and Sudiarta (2016) found that capital structure has a positive and significant effect on firm value.

H10 Effect of asset structure (X1) on firm value (Y) through earning growth (Z) as an intervening variable

The results showed the magnitude of the influence of the asset structure (X₁) on firm value (Y) through earning growth (Z) as an intervening variable, the magnitude is negative -0.016. The smaller the asset structure (X₁), the lower the firm value (Y) and the effect is not significant, the T-stat value is 0.426 because T-stat 1.96 and p-value 0.670, then p-value 0.05. **(H10 is not significant)**.

The results of the study are in accordance with, Ahadiyah Muslida Dewi Yuniarti (2013) shows hThe results of the partial test (t-test) show that the significant level of the asset structure variable is less than 1.96 and the p-value is greater than 0.05, which means that the asset structure has no significant effect on earning growth. One of the

requirements for applying for a debt loan is the existence of tangible fixed assets that can be pledged as collateral. Companies whose assets are suitable to be used as credit guarantees will use more debt because investors will always provide loans if they have collateral.

H11 Effect of capital structure (X2) on firm value (Y) through earning growth (Z) as an intervening variable

The results showed the magnitude of the effect of capital structure (X₂) on firm value (Y) through earning growth (Z) as an intervening variable, the magnitude is negative -0.021. The smaller the capital structure (X₂), the lower the firm value (Y) and the effect is not significant, the T-stat value is 0.366 because T-stat 1.96 and p-value 0.714 then p-value 0.05. **(H11 is not significant)**.

The capital structure becomes comparison between foreign capital and own capital. Foreign capital in this case is long-term and short-term debt. While the own capital is divided into retained earnings and company ownership participation. The optimal capital structure is a balance between risk and return so as to maximize the share price. For this reason, in determining the capital structure of a company, it is necessary to consider various variables that affect it. The capital structure is the balance between long-term debt (foreign capital) and total own capital (equity), (Halim, 2015:81).

H12 The effect of firm size (X3) on firm value (Y) through earning growth (Z) as an intervening variable

The results showed the magnitude of the influence of firm size (X₃) on firm value (Y) through earning growth (Z) as an intervening variable, the magnitude is positive 0.001. The smaller the firm size (X₃), the lower the firm value (Y) and the effect is not significant, the T-stat value is 0.039, because T-stat 1.96 and p-value 0.969 then p-value 0.05. **(H12 is not significant)**.

Company size can be seen from the number of assets owned by the company. Company size is one of the factors that can affect profit. The larger the size of the company, usually it will have its own strength in dealing with business problems and the company's ability to earn high profits because it is supported by large assets so that the company's obstacles can be overcome.

Companies that have a total asset or large total assets indicate that the company has reached the maturity stage where at this stage the company's cash flow is positive and is considered to have good prospects in a relatively long period of time.

H13 The effect of corporate social responsibility (X4) on firm value (Y) through earning growth (Z) as an intervening variable

The results of the study show the magnitude of the effect of *corporate social responsibility*(X4) on firm value (Y) through earning growth (Z) as an intervening variable, the magnitude is positive 0.002, the greater the corporate social responsibility (X₄), the higher the firm value (Y) and the effect is not significant, the T-stat value is 0.092,

because T -stat 1.96 and p-value 0.092 then p-value 0.05. **(H13 is not significant)**.

Implementation The CSR will provide an increase in the company's performance so that the company is also in demand by investors. A survey conducted by Booth-Harris Trust Monitor in 2001 shows that the majority of consumers will abandon a product that has a product image or is reported negatively.

Conclusion

Based on the results of the analysis and research, the following conclusions can be drawn:

1. Effect of asset structure on *earnings growth* take effect **significant**, the larger the asset structure can have a real impact on changes in earnings growth.
2. Effect of capital structure on *earnings growth* take effect **significant**, the larger the capital structure can have a real impact on changes in earnings growth.
3. The effect of company size on *earnings growth* take effect **not significant**, the smaller the size of the company can not have a real impact on changes in earnings growth.
4. Influence *corporate social responsibility* to earnings growth has an effect **not significant**, the smaller the corporate social responsibility can not have a real impact on changes in earnings growth.
5. The effect of asset structure on firm value has an effect **not significant**, the smaller the asset structure cannot have a real impact on changes in the value of the company.
6. Influence *earnings growth* effect on the value of the company **not significant**, the smaller earning growth cannot have a real impact on changes in firm value.
7. The effect of firm size on firm value has an effect **significant**, the smaller the size of the company can have a real impact on changes in the value of the company.
8. Influence *corporate social responsibility* effect on the value of the company **not significant**, the smaller the corporate social responsibility can not have a real impact on changes in the value of the company.
9. The effect of capital structure on firm value has an effect **not significant**, the more The size of the capital structure cannot have a real impact on changes in the value of the company.
10. The effect of asset structure (X1) on firm value (Y) through earning growth (Z) as an intervening variable **not significant**, the more Small asset structure on firm value through earning growth as an intervening variable cannot have a real impact on changes in earning growth.
11. The effect of capital structure on firm value through *earnings growth* as an intervening variable **not significant**, the more Small capital structure on firm value through

earning growth as an intervening variable cannot have a real impact on changes in earning growth.

12. The effect of firm size on firm value through *earnings growth* as an intervening variable **not significant**, the more the size of the company on the value of the company through earning growth as an intervening variable cannot have a real impact on changes in earnings growth.

13. Influence *corporate social responsibility* on firm value through earning growth as an intervening variable **not significant**, the more The magnitude of corporate social responsibility on firm value through earning growth as an intervening variable cannot have a real impact on changes in earning growth.

Suggestion

1. For University
This research can be an additional reference for similar research in the future.
2. For the next researcher
It is expected to use firm value variables, both in the form of quantitative and qualitative firm value indicators and internal and external firm value mechanisms in non-bank state-owned companies, so that they can find out more in-depth information related to firm value mechanism variables.

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