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THE EFFECT OF CAPITAL STRUCTURE, COMPANY SIZE AND LIQUIDITY ON FINANCIAL PERFORMANCE AND COMPANY VALUE IN CONVENTIONAL COMMERCIAL BANK COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE (IDX)

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ABSTRACT
This study aims to determine the effect of Capital Structure, Company Size, and Liquidity on Financial Performance and Company Value at Conventional Commercial Banks Listed on the Indonesia Stock Exchange (IDX). The population used in this study were all conventional companies listed on the Indonesia Stock Exchange for the 2019-2023 period. The sampling technique used is purposive sampling, based on the criteria for determining the sample, the sample obtained is 27 conventional commercial bank companies listed on the Indonesia Stock Exchange. Data analysis uses descriptive statistical analysis, multiple linear analysis with classical assumption tests and hypothesis testing. The results showed that Capital Structure and Company Size had a significant positive effect on Financial Performance, Liquidity had a significant negative effect on Financial Performance, Capital Structure and Company Size had a significant negative effect on Firm Value, Liquidity had a significant positive effect on Firm Value. Capital Structure, Company Size, and Liquidity simultaneously have a significant effect on Financial Performance. Capital Structure, Company Size, and Liquidity simultaneously affect the Company Value.

INTRODUCTION

Indonesia is one of the countries that has become a global increase in economic growth that can be used to develop business globally and have a positive impact. At present, the banking sector plays a very important role in the economy of each country. Because banks are intermediary

institutions that connect between people who have excess funds and people who need funds. The development of the banking world is currently increasing along with the development of information technology in addition to increasing public confidence in banking. Based on this, to maintain public trust in banking, banks are required to always improve their performance. The large number of banks creates a tight competition that requires each company to survive so that the company can continue to grow. One way that management can do this is by improving financial performance and company value as a measure of the success of a company's management to increase trust for shareholders and the public.

Financial performance or financial performance is the company's skill when managing its finances. Banking financial performance is a description of the level of success achieved by the bank in its operational activities (Suroso, 2019). Overall banking financial performance is a description of the financial condition in a certain period both regarding aspects of raising funds which are usually measured by indicators of capital adequacy, liquidity and bank profitability (Hery, 2019). This research is measured using Return On Asset (ROA) according to Martina, et al (2022).Because the higher the ROA, the better the bank's financial performance. good performance is due to the expanded profits from the resources that have been utilised by the company.

Company value is a condition that has been achieved by a company which is an illustration of public trust in the company after going through various activity processes for several years, (Emanuel & Rashid, 2019). Firm value in banking companies is very important because it is an indicator of the success and financial health of banks. With high firm value, banks can attract investors, maintain liquidity and face market challenges better. Overall, high firm value is the foundation for sustainable growth and sustainability of banking companies, (Kansil et al., 2021). . In this study, the measurement of firm value uses Price Book Value (PBV) according to Husnan and Pudjiastuti (2006: 258).

The capital structure of banks is one of the important elements that affect the performance and stability of banks. In the midst of global dynamics that affect banking performance, the selection of the right capital structure is the key to operational sustainability and bank growth. Capital structure is the amount of short-term debt that is permanent and long-term in the company. Some ratios that banks can use to measure their capital structure include Debt Ratio and Debt To Equity Ratio. With an optimal capital structure, it can directly affect financial performance and company value.

Company size describes the small or large size of a company that can be seen through the number of assets so that it is presented on the balance sheet at the end of the year (Luhri, Mashuri, and Ermaya, 2021). Company size is considered capable of influencing the company's financial performance which can be seen from the quality of the financial statements presented (Fahmi, 2013: 2), because company size is seen from the total assets owned by the company which can be used for the company's operational activities or can be seen from the company's total sales. Company size is calculated using the natural logarithm value of the company's total assets, namely company size (size). The size of the company indicates the company's high commitment to continuously improve its performance so that many investors are interested in investing in large companies. The more investors who pay attention to the company, it will make it easier for the company to obtain access to funding sources to support its operational activities to the maximum, so that it will increase the share price and affect the company's value.

Liquidity is the company's ability to meet short-term obligations in a timely manner. While liquidity in banks is the ability of banks to meet their obligations, especially from depositors (people who have deposits in banks), so from this liquidity is the most important thing for companies. The company's obligations are obligations that pay debts in the short term. To fulfil the company's obligations by paying using current assets. Liquidity can be measured using the Current Ratio (CR) according to Cashmere (2017) to determine the company's ability to pay its short-term obligations.

According to Yashinta Ariana Wardhani, Drs, Agus Endro Suwarno, M. Si (2021) in this study shows that partially managerial ownership and institutional ownership have no significant effect on the company's financial performance, while capital structure and company size have a significant effect on the company's financial performance. Simultaneously managerial ownership, institutional ownership, capital structure and company size affect the company's financial performance.

According to Amelia Harsono and Ary Satria Pamungkas, (2020) this study can be concluded that the partial effect of credit risk variables (NPL) has a negative and significant impact on financial performance (ROA), while liquidity risk (LDR) has a positive but insignificant effect on financial performance (ROA) in state-owned banks for the 2015-2020 period. Meanwhile, credit risk (NPL) and liquidity risk (LDR) factors simultaneously have a significant effect on the financial performance (ROA) of banks.

According to Dina Shafarina Dwiastuti, Vaya Juliana Dillak, (2019) in this study it shows that simultaneously company size (SIZE), debt policy (DER), and profitability (ROA) have a significant effect on firm value (Tobin's Q). while partially company size (SIZE) has no significant effect with a positive direction on firm value. Debt policy (DER) has no significant effect with a positive direction on firm value. Profitability (ROA) has a significant effect with a positive direction on firm value.

According to Annisa Haznun, Aswin Akbar, (2022) this study shows that partially profitability, liquidity, BOPO and working capital structure have a significant effect on firm value. Simultaneously profitability, liquidity, BOPO and working capital structure also have a significant effect on firm value. Based on the background of the above problems, so the title of this study is "The Effect of Capital Structure, Company Size and Liquidity on Company Performance and Company Value in Conventional Commercial Bank Companies Listed on the Indonesia Stock Exchange (IDX)". Because this study aims to explore the impact of the extent to which variables can affect the Company's Performance and the Bank's Corporate Value. The findings of this study are intended to provide a basis for decision making when developing strategies to improve financial performance at banks and Corporate Value at banks, remind to be more thorough in evaluating financial data, and provide insightful guidance in analysing existing financial information.

RESEARCH METHODS

The type of research used is quantitative research by processing data in the form of numbers. The quantitative method is a scientific method because it fulfils scientific principles, namely concrete / empirical, objective, measurable, rational, and systematic (Sugiyono, 2011). Using quantitative methods with associative forms to be able to determine the effect of capital structure, company size, and liquidity on the profitability of conventional commercial bank companies on the Indonesia Stock Exchange.

RESULTS AND DISCUSSION

Descriptive Statistical Analysis

The method used by the author in analysing the data in this study is descriptive statistics. Descriptive statistics are useful in understanding and obtaining a description of the data used from the

results of the mean, standard deviation, maximum value, minimum value, and so on, (Ghozali, 2016). Descriptive statistics can show an accurate and biased picture of the data to understand. Descriptive statistical analysis is used to describe data to describe the minimum, maximum, average, standard deviation, and data distribution values. The following are the results of descriptive analysis in this study:

Table 1. Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
DER	135	0.48	16.08	5.4910	2.80169
FS	135	14.09	30.04	19.8040	3.63743
CR	135	.00	13.76	1.5499	1.48020
ROA	135	-.18	.03	.0030	.02525
PBV	135	.21	37.88	2.1253	4.25203
Valid N (listwise)	135				

Source: SPSS Processed Data (2025)

The results of descriptive statistical tests obtained 135 processed data for variable X 1 capital structure (DER) has a minimum value of 0.48, while the maximum value generated is 16.08, an average value of 5.4910 and a standard deviation value of 2.80169. Variable X2 company size (FS) has a minimum value of 14.09, while the maximum value generated is 30.04. The average value on the company size variable is obtained at 19.8040 and the standard deviation value obtained is 3.63743. Variable X 3 liquidity (CR) has a minimum value of 0.00 while the maximum value generated is 13.76, the average value of the liquidity variable is 1.5499 and the standard deviation value obtained is 1.48020. Variable Y 1 financial performance (ROA) has a minimum value of -0.18, while the maximum value generated is 0.03, the average value in the ROA ratio is obtained at 0.0030 and the standard deviation value obtained is 0.02525. Variable Y 2 company value (PBV) has a minimum value of 0.21, while the maximum value generated is 37.88, the average value on the company value variable is obtained at 2.1253 and the standard deviation value obtained is 4.25203.

Classical Assumption Test

The classic assumption test is used to determine whether the data fulfils the basic assumptions. This is important to do because it avoids biased estimation. The tests carried out in this study are normality test, multicollinearity test, autocorrelation test and heteroscedasticity test. Used to see whether there is residual normality, multicollinearity, autocorrelation and heteroscedasticity in the regression model (Purnomo, 2017; 107).

Normality Test

According to Ghozali, (2016) the normality test is carried out to see whether the regression model used is normally distributed or not. The regression model is said to be good if the data is normally distributed or close to normal. In seeing the normality test, it can be used with the Kolmogorov-Smirnov test. Kolmogrov-Smirnov test measurements can be known from the significant results of K-S on variables below the significant value (a = 0.05) then the data is not normally distributed and vice versa.

Normality Test with One Sample Kolmogorov Smirnov Test Financial Performance Variable

Table 2. One-Sample Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test			
			Unstandardised Residual
N			135
Normal Parameters[a,b]	Mean		.0000000
	Std. Deviation		1.01088325
Most Extreme Differences	Absolute		.102
	Positive		.063
	Negative		-.102
Test Statistic			.102
Asymp. Sig. (2-tailed)			.007[c]
Monte Carlo Sig. (2-tailed)	Sig.		.189[c]
	99% Confidence Interval	Lower Bound	.179
		Upper Bound	.199

Normality Test with One Sample Kolmogorov Smirnov Test Company Value Variable

Table 3. One-Sample Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test			
			Unstandardised Residual
N			135
Normal Parameters[a,b]	Mean		.0000000
	Std. Deviation		.85640931
Most Extreme Differences	Absolute		.093
	Positive		.093
	Negative		-.047
Test Statistic			.093
Asymp. Sig. (2-tailed)			.006[c]
Monte Carlo Sig. (2-tailed)	Sig.		.192[c]
	99% Confidence Interval	Lower Bound	.182
		Upper Bound	.202

Source: SPSS Processed Data (2025)

Based on the results of normality testing in table 2 and table 3, it shows that the results of normality testing using the one sample Kolmogorov smirnov test show the results that the resulting asymp sig value is greater than 0.05, so it is concluded that the data is normally distributed.

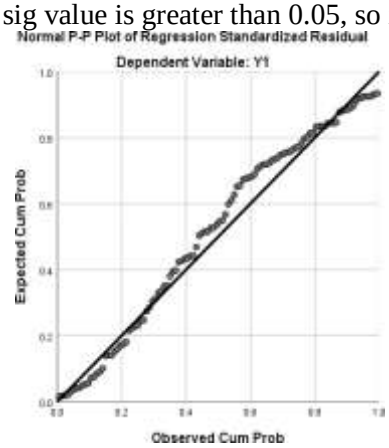

Figure 1. Normality Test Results with P-P Plot of Financial Performance Variables

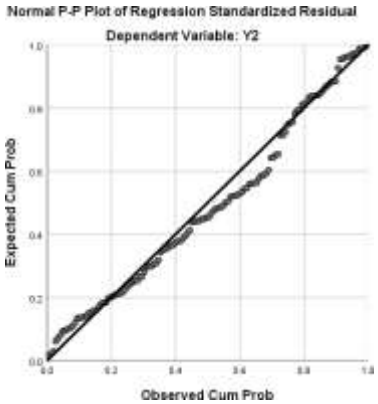

Figure 2 Normality Test Results with P-P Plot of Company Value Variables

The results of the normality test in Figure 1 and Figure 2 using the P-P Plot graph show that the results of the data distribution used have a normal data distribution and show that the data distribution spreads around the diagonal line and the data distribution is in line with the diagonal line, which means that the data distribution on the research variables can be said to be normal. So it can be concluded that this research has been normally distributed

Multicollinearity Test

The multicollinearity test is carried out in looking at the regression model whether there is a relationship between the independent variables (Ghozali, 2016: 103). The model can be considered good if there is no correlation between the independent variables. The multicollinearity test is used to determine the involvement between perfect relationships in each independent variable.

Table 4 Multicollinearity Test Results Dependent Variable Financial Performance

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	DER	.921	1.086
	FS	.944	1.059
	CR	.961	1.041

Dependent Variable: Financial Performance
Source: SPSS Processed Data (2025)

Table 5 Multicollinearity Test Results Dependent Variable Company Value

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	DER	.888	1.126
	FS	.950	1.053
	CR	.887	1.128

Dependent Variable: Company Value Source: SPSS Processed Data (2025)

Based on the multicollinearity test results in table 6 and table 7, it shows that there are no independent variables with a tolerance value of less than 0.1 and a VIF value greater than 0.10, which means there is no correlation between variables. Therefore, it can be concluded that there is no multicollinearity problem in the regression model of this study.

Autocorrelation Test

According to Ghozali, (2016: 107) the autocorrelation test is carried out so that it is known that in the linear regression model there is a relationship between confounding errors in period t and confounding errors in period t-1 (previous. If there is autocorrelation in the regression model, the resulting regression coefficient can result in an inefficient model, which means that the error rate is large and the regression coefficient is also unstable. In conducting the autocorrelation test can be done

Table 6 Durbin Watson Autocorrelation Test Results Variable Financial Performance

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.192[a]	.037	.014	.02309	1.989

Predictors: (Constant), DER, FS, CR
Dependent Variable: Financial Performance Source: SPSS Processed Data (2025)

Table 7 Durbin Watson Autocorrelation Test Results Company Value Variable

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.216[a]	.047	.025	3.55848	1.804

Predictors: (Constant), DER, FS, CR Dependent Variable: Company Value
Source: SPSS Processed Data (2025)

From the results of the autocorrelation test using the durbin Watson test in table 6 and table 7 for the financial performance dependent variable, this study obtained a DW of 1.989 which means that 4 - dL - 2.2355. based on this it can be concluded that 1.7645 < 1.989 < 2.2355. and then in table 4.8 for the company value dependent variable, this study obtained a DW value of 1.804. Which means that 4 - dL = 2.2335. Based on this, it can be concluded that 1.7645 < 1.804 < 2.2355. So it can be concluded in this study that there is no problem. autocorrelation in the sample used in the regression model used in this study.

Heteroscedasticity Test

Ghozali, (2016: 134) suggests that the heteroscedasticity test is carried out in seeing in the regression model there is an inequality of variance from the residuals of one observation to another. Heteroscedasticity conditions need treatment. Because to find out the occurrence of heteroscedasticity, you can do the Glejer test. In the Glejer test, it can be done from regressing the absolute value of the residual (AbsUt) on the independent variable. If the result of the significant value is more than the 5% confidence level, it means that the data does not contain heteroscedasticity.

Table 8. Heteroscedasticity Test with Glejser Test Financial Performance Variable

Coefficients[a]						
Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-5.527	.698		-7.920	.000
	X1	.018	.038	.046	.457	.649
	X2	.015	.029	.052	.527	.599
	X3	.063	.075	.082	.843	.401

Dependent Variable: Financial Performance Source: SPSS Processed Data (2025)

Table 9. Heteroscedasticity Test with Glejser Test Company Value Variable

Coefficients[a]						
Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.202	1.182		.171	.865
	X1	.005	.074	.010	.071	.944
	X2	-.060	.045	-.171	-1.329	.189
	X3	.204	.123	.234	1.654	.103

Dependent Variable: Firm Value Source: SPSS Processed Data (2025)

The results of the heteroscedasticity test with the Glejser test in tables 8 and 9 show sig results for all variables greater than 0.05. Based on this, it can be concluded that the independent variables used in this study are free from heteroscedasticity assumptions and are declared to be used in research.

Multiple Linear Regression Analysis

This study uses multiple linear analysis on the grounds that the independent variable in the study does not only use 1 variable. Linear analysis according to Tabachnick in Ghozali, (2016: 93) is in the form of the value of the coefficient on each of the independent variables. Multiple linear

regression analysis is an analytical tool to predict the value of the effect of two or more independent variables (X) on one dependent variable (Y) to show whether there is a functional or causal relationship between two or more independent variables (X) and one dependent variable (Y) (Machali, 2015).

Multiple Linear Regression Analysis of Financial Performance

Table 10 Multiple Linear Regression Analysis of Financial Performance Variables

Coefficients[a]						
Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.017	.014		-1.177	.241
	X1	.001	.001	.108	1.226	.222
	X2	.001	.001	.137	1.580	.117
	X3	-.003	.001	-.158	-1.812	.072

Dependent Variable: Y1

Source: SPSS Processed Data (2025)

From the analysis results in the table above, the following equation is obtained: ROA = -0.017 + 0001DER + 0.001Ln - 0.003 CR + e

The multiple linear regression equation for the dependent variation of financial performance is interpreted as follows:

1. The constant value obtained is -0.017 which indicates that if all independent variables, namely debt to equity ratio, farm size and current ratio are all equal to zero, then the return on assets -0.017.
2. The regression coefficient value of the debt to equity ratio variable 0.001, which indicates that every time the debt equity ratio increases by one unit, assuming the other variables are zero, the level of return on assets will increase by 0.001.
3. The regression coefficient value of the farm size variable is 0.001 which indicates that every time the farm size increases by one unit, assuming the other variables are zero, the return on asset ratio will increase by 0.001.
4. The regression coefficient value of the current ratio variable is -0.003 which indicates that every time the current ratio decreases by one unit, assuming the other variables are zero, the return on asset ratio will decrease by 0.003.

Table 11 Multiple Linear Regression Analysis of Company Value Variables

Coefficients[a]						
Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.069	2.207		1.843	.068
	X1	-.224	.123	-.148	-1.821	.071
	X2	-.121	.093	-.104	-1.300	.196
	X3	1.089	.232	.379	4.705	.000

Dependent Variable: Y2

Source: SPSS Processed Data (2025)

From the analysis results in the table above, the following equation is obtained: PBV = 4.069 - 0.224 DER - 0.121 FS + 1.089 CR

The multiple linear regression equation for the dependent variable of firm value is interpreted as follows:

1. The constant value obtained is 4.069, which indicates that if all independent variables, namely debt to equity ratio, farm size and current ratio are all equal to zero, then the price to book value is 4.069.
2. The value of the debt to equity ratio variable is -0.224, which indicates that every time the debt to equity ratio decreases by one unit assuming the other variables are zero, the debt to equity ratio decreases by 0.224.
3. The value of the farm size variable regression coefficient is -0.121, which indicates that every time the farm size ratio decreases by one unit assuming the other variables are zero, the farm size ratio decreases by 0.121.
4. The current ratio variable value is 1.089, which indicates that each time the current ratio increases by one unit with the assumption that the other variables are zero, the current ratio increases by 1.089.

Determinant Coefficient Test (R2)

The coefficient of determination is also called the determining coefficient (KP) is the square of the correlation coefficient, which means that the independent change (variable Y) caused by the independent variable (variable X) is as large as the correlation (Sugiyono (2017: 40). If using a simple analysis, the R Square value is used. However, if using multiple linear regression analysis, the adjusted R Square is used. The R Square value ranges from 0 to 1, the closer to 1, the stronger the relationship will be. If the value is closer to 0 then the relationship is weaker. The results of the Adjusted R2 calculation can be seen how many percentages can be explained by the independent variable on the dependent variable.

Table 12 Test Results of Determinant Coefficient of Financial Performance Variables

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.851[a]	.724	.717	.00392

Predictors: (Constant), DER, FS, CR Source: SPSS Processed Data (2025)

The results of testing the coefficient of determination in table 12 can be explained that the Adjusted R Square value or the Coefficient of Determination is 0.717, which means that the influence of capital structure variables, company size, and liquidity on financial performance is 71.7%.

Table 13 Test Results of Determinant Coefficient of Company Value Variables

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.924[a]	.853	.850	.80585

Predictors: (Constant), DER, FS, CR Source: SPSS Processed Data (2025)

The results of testing the coefficient of determination in table 13 can be explained that the Adjusted R Square value or the Coefficient of Determination is 0.850, which means that the influence of the capital structure variable, company size, and liquidity on firm value is 85%.

Partial t Statistical Test

The t statistical test essentially describes the extent to which the influence of independent variables individually in explaining the variation in the dependent variable (Ghozali, 2018). This test is seen from the significant profitability value. If it is less than 5%, it means that the hypothesis that explains the independent variables individually affects the dependent variable is accepted. Used to determine whether each independent variable, namely capital structure, company size and liquidity partially affects the financial performance of the dependent variable.

Table 14 Financial Performance t Test Results

Coefficients[a]						
Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.017	.004		-3.899	.000
	X1	.001	.000	.280	4.059	.000
	X2	.001	.000	.355	5.231	.000
	X3	-.003	.000	-.411	-5.999	.000

Dependent Variable: Financial Performance Source: SPSS Processed Data (2025)

Based on the partial test results in table 14, it can be explained as follows:

1. The results of testing the effect of capital structure on financial performance (H1)

Based on the calculation result in table 14, t count is 4.059 > t table 1.978 with significant value of capital structure variable is 0.000, i.e. there is a relationship between capital structure variable and financial performance, where the significant value obtained is smaller than 0.05 (0.000 < 0.05), with the direction of influence shown by beta value of 0.280, i.e. it can be concluded that capital structure has positive and significant effect on financial performance. Thus, it can be concluded that the proposed hypothesis H1 is accepted.

2. The results of testing the effect of company size on financial performance (H2)

Based on the calculation results in table 14, the significant value of the company size variable is 0.000, meaning that there is a relationship between the company size variable and financial performance, obtained from a significant value smaller than 0.05 (0.000 <0.05) the direction of influence is seen from the beta value of 0.355. It can be concluded that company size has a positive and significant effect on financial performance. Thus, it can be concluded that the proposed hypothesis H 2 is accepted.

3. The results of testing the effect of liquidity on financial performance (H3)

Based on the calculation results in table 14, the significant value of the liquidity variable is 0.000, meaning that there is a relationship between the liquidity variable and financial performance, the resulting significance value is smaller than 0.05 (0.000> 0.05) the direction of influence is seen from the beta value of -5.999, it can be concluded that liquidity has a significant negative effect on financial performance. Thus, it can be concluded that the proposed hypothesis H3 is accepted.

Table 15 Company Value t Test Results

Coefficients[a]						
Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.069	.667		6.104	.000
	X1	-.224	.037	-.281	-6.029	.000
	X2	-.121	.028	-.197	-4.305	.000
	X3	1.089	.070	.721	15.580	.000

Dependent Variable: Company Value Source: SPSS Processed Data (2025)

Based on the partial test results in table 4.15, it can be explained as follows:

4. The result of testing the effect of capital structure on firm value (H4)

Based on the test results in table 15, the significance value of capital structure variable is 0.000, meaning that there is a relationship between capital structure variable to firm value, the significance value obtained is smaller than 0.05 (0.000 <0.05) with the direction of influence seen from beta value of -0.281, it can be indicated that capital structure has a negative and significant effect on firm value. Thus, it can be concluded that the hypothesis H4 is accepted.

5. The results of testing the effect of company size on firm value (H5)

Based on the test in table 15, the significance value of the firm size variable is 0.000, meaning that there is a relationship between the size variable and firm value, the significance value obtained is smaller than 0.05 (0.000 <0.05) with the direction of influence seen from the beta value of -4.305, it can be indicated that firm size has a negative and significant effect on firm value. Thus, it can be concluded that the proposed hypothesis H 5 is accepted.

6. The results of testing the effect of liquidity on firm value (H6)

Based on the test in table 15, the significance value of the liquidity variable is 0.000. This means that there is a relationship between the liquidity variable and firm value, resulting in a significance value smaller than 0.05 (0.000> 0.05) with the direction of influence seen from the beta value of 15.580. It can be concluded that liquidity has a positive effect on firm value. Thus, it can be concluded that the proposed hypothesis H6 is accepted.

F Statistical Test (Simultaneous)

The F statistical test shows whether the independent variable simultaneously affects the dependent variable (Ghozali, 2018). The method used for the F test is to look at the significant profitability value, if it is smaller than 5%, it means that the independent variable simultaneously affects the dependent variable.

Table 16 Financial Performance F Test Results

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.005	3	.002	114.445	.000[b]
	Residuals	.002	131	.000		
	Total	.007	134			
Dependent Variable: Financial Performance						

Source: SPSS Processed Data (2025)

Based on the simultaneous test results in table 16, it can be explained as follows:

1. The results of testing the variables of capital structure, company size, and liquidity simultaneously on financial performance (H7)

Based on the test in table 16, the significance value obtained is 0.000, meaning that there is a relationship between the variables of capital structure, company size, and liquidity simultaneously on financial performance. The significant value obtained is smaller than 0.05 (0.000 < 0.05), and the calculated F value is 114.445 > 2.67 F table, so it can be concluded that H7 is accepted which means there is an effect of capital structure variables, company size, and liquidity simultaneously on financial performance. Thus, it can be concluded that the proposed hypothesis H7 is accepted.

Table 17 F Test Results Company Value Variable

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	493.670	3	164.557	253.403	.000[b]
	Residuals	85.070	131	.649		
	Total	578.740	134			

Dependent Variable: Company Value Source: SPSS Processed Data (2025)

Based on the simultaneous test results in table 17, it can be explained as follows:

1. The results of testing the capital structure, firm size, and liquidity variables simultaneously on Firm Value (H8)

Based on the test in table 17, the significance value obtained is 0.000, meaning that there is a relationship between the variables of capital structure, company size, and liquidity simultaneously on the company value. The significant value obtained is smaller than 0.05 (0.000 < 0.05), and the calculated F value is 253.403 > 2.67 F table, so it can be concluded that H8 is accepted which means there is an effect of capital structure variables, company size, and liquidity simultaneously on firm value. Thus, it can be concluded that the proposed hypothesis H8 is accepted.

DISCUSSION

The Effect of Capital Structure on Financial Performance

The results showed that capital structure has a positive and significant effect on financial performance. This is indicated by the capital structure variable (DER) has a beta value of 0.001 and a significant value of 0.000 <0.05, which means that the capital structure has a positive and significant effect on performance. Based on this, it can be concluded that the higher the capital structure of the company, the higher the company's financial performance (ROA). For statement H1 is accepted.

The results of this study are in line with the research of Darma Riswan, Lidya Martha, (2024) and Calvin Gunawan, Sri Sudarsi, Nur Aini, (2022), stating that capital structure has a significant positive effect on financial performance. There is a positive relationship between a higher level of capital structure and a higher level of financial performance. This result can be interpreted that companies tend to have better financial performance if they have higher capital structure policies or practices. However, this study is not in line with research conducted by Wiwi Widyas Hasti, Maryani Maryani, Arif Makhsun, (2022) which states that capital structure has no effect on financial performance.

The Effect of Company Size on Financial Performance

The results showed that company size has a positive and significant effect on financial performance. This is indicated by the company size variable having a beta value of 0.001 and a significant value of 0.000 <0.05, which means that company size has a positive and significant effect on financial performance. Based on this, it can be concluded that companies with higher levels of company size tend to be more active in disclosing information related to financial performance. For statement H 2 is accepted.

Company size is a factor that affects the company's financial work results. Companies with large total assets can influence investors to invest in the company, where large company size can improve financial performance by generating profits for the company. The results of this study are in line with research and Calvin Gunawan, Sri Sudarsi, Nur Aini, (2022) and research by Intan Tiara Himaliya (2024), where company size has a significant positive effect on financial performance and is in line with agency theory that companies with large total assets have large agency costs. Significant company size can encourage companies to be more committed to corporate social responsibility. However, this research is not in line with the research of Wiwi Widyas Hasti, Maryani Maryani, Arif Makhsun, (2022) which states that company size has no effect on financial performance.

The Effect of Liquidity on Financial Performance

The results of this study indicate that liquidity has a significant negative effect on financial performance. This is indicated by the liquidity variation having a beta value of -0.003 and a significant value of 0.000 <0.05, which means that liquidity has a significant negative effect on financial performance. This shows that the increasing liquidity of the company will affect the company's financial performance. For the statement H 3 is accepted.

The results of this study are also supported by research by Renil Septioano & Rysha Mulyadi, (2023) and research by Irza Fiyan Anggara & Erry Andhaniwati, (2023) which state that liquidity has a significant negative effect on financial performance. However, this research is not in line with the research of Amelia Harsono and Ary Satria Pamungkas, (2020) which states that liquidity has no effect on financial performance.

The Effect of Capital Structure on Firm Value

The results of this study indicate that capital structure has a significant negative effect on firm value. This is indicated by the capital structure variable has a beta value of -0.281 and a significant value of 0.000 <0.05, which means that the capital structure has a significant negative effect on firm value. The use of debt will have a good impact on the company if the use of debt has not reached the optimal level, so any additional debt will have a positive impact on the company. Based on this, the company must be able to decide well on the use of debt that will be carried out because it can affect the company and have an impact on decreasing company value. For statement H 4 is accepted.

The results of this study are in line with research conducted by Dinda Dwi Kurniawati & Suwitho, (2021) and research by Dian Meisa Erawati, Sri Hermuningsih & Alfiatu Maulida, (2022) which states that capital structure has a negative and significant effect on firm value. This research is not in line with the research of Annisa Haznun, Aswin Akbar, (2022) which states that capital structure has a significant positive effect on firm value.

The Effect of Company Size on Company Value.

The results of this study indicate that firm size has a negative and significant effect on firm value. This is indicated by the company size variable having a beta value of -4.305 and a significant

value of 0.000 <0.05, which means that company size has a negative and significant effect on firm value. The size of the company that is too large is considered a lack of efficiency in monitoring operational and strategic activities by the management, so that it can reduce company value. For statement H 5 is accepted.

The results of this study are in line with research conducted by Dedi Irawan, Nurhadi Kusuma, (2019) and research by Safaruddin, Emilia Nurdin, Najmah Indah, (2023), which states that company size has a negative and significant effect on firm value. The negative effect of company size on firm value can also be caused by investors who think that companies with large total assets tend to set larger retained earnings compared to dividends distributed to shareholders. However, this research is not in line with the research of Wastam Wahyu Hidayat, (2019) which states that company size is not proven to have a significant effect on firm value.

The Effect of Liquidity on Firm Value

The results of this study indicate that liquidity has a significant positive effect on firm value. This is indicated by liquidity having a beta value of 0.721 and a significant value of 0.000, which means that liquidity has a significant positive effect on firm value. The higher the liquidity value, the higher the firm value. For statement H 6 is accepted.

The results of this study are in line with the research of Choirul Iman, Fitri Nur Fatmasari & Naik Pujiati, (2021) and the research of Heni Tri Mahanani & Andi Kartika, (2022) which state that liquidity has a significant positive effect on firm value. However, this research is not in line with the research of Amri Amrulloh, Ajeng Dwita Amalia, (2020) which states that liquidity has no effect on firm value.

The Effect of Capital Structure, Company Size, Liquidity Simultaneously on Financial Performance

The results of this study indicate that capital structure, company size, and liquidity simultaneously have a significant effect on financial performance. This is indicated by the results of the F test obtained a significance value of 0.000 The significant value obtained is smaller than 0.05 (0.000 <0.05), and the calculated F value of 114.445 which is greater than Ftable which is of 2.67 so it can be concluded that capital structure, company size, and liquidity simultaneously have a significant effect on financial performance.

The results of this study are in line with the research of Yashinta Ariana Wardhani, Drs, Agus Endro Suwarno, M. Si (2021) which states that simultaneously managerial ownership, institutional ownership, capital structure and company size have a significant effect on the company's financial performance. and research by Ragil Noviamtika Silitonga, Gusganda Suria Manda, (2022) which states that simultaneously credit risk (NPL) and liquidity risk (LDR) simultaneously have a significant effect on the financial performance (ROA) of banks.

Based on the Adjusted R Square value on the test results of the coefficient of determination (R2) Simultaneously obtained results of 0.717 so it can be concluded that the variables of capital structure, company size, and liquidity affect financial performance by 71.7% and the remaining 28.3% is influenced by other variables that are not included in this study. So that if the variables of capital structure, company size, and liquidity can be increased together, the results of financial performance will be maximised. It can be stated that H7 is accepted.

The Effect of Capital Structure, Company Size, and Liquidity Simultaneously on Firm Value

The results of this study indicate that capital structure, firm size, and liquidity simultaneously affect firm value. This is indicated by the results of the F test obtained a significance value of 0.000 The significant value obtained is smaller than 0.05 (0.000 <0.05), and the calculated F value is 253.403 which this value is greater than Ftable which is 2.67 so it can be concluded that capital structure, company size, and liquidity simultaneously affect firm value.

The results of this study are in line with the research of Dina Shafarina Dwiastuti, Vaya Juliana Dillak, (2019) which states that simultaneously company size (SIZE), debt policy (DER), and profitability (ROA) have a significant effect on firm value (Tobin's Q). Annisa Haznun, Aswin Akbar, (2022) which states that simultaneously profitability, liquidity, BOPO and working capital structure also have a significant effect on firm value.

Based on the Adjusted R Square value on the test results of the coefficient of determination (R2) Simultaneously obtained results of 0.850 so it can be concluded that the variables of capital structure, company size, and liquidity affect the value of the company by 85% and the remaining 15% is influenced by other variables that are not included in this study. So that if the variables of capital structure, firm size, and liquidity can be increased together, the results of firm value will be maximised. It can be stated that H8 is accepted.

CONCLUSION

Based on data analysis and discussion in this study, it can be concluded that:

1. From the results of partial hypothesis testing, capital structure has a beta value of 0.001 and a significant value of 0.000 <0.05, which means that capital structure has a positive effect on financial performance.
2. From partial hypothesis testing, company size has a beta value of 0.001 and a significant value of 0.000 <0.05, which means that company size has a positive and significant effect on performance.
3. From partial hypothesis testing, liquidity has a beta value of -0.003 and a significant value of 0.000> 0.05, which means that liquidity has a negative effect on financial performance.
4. From partial hypothesis testing, capital structure has a beta value of -0.224 and a significant value of 0.000 <0.05, which means that capital structure has a significant negative effect on firm value.
5. From partial hypothesis testing, company size has a beta value of -0.121 and a significant value of 0.000 <0.05, which means that company size has a negative and significant effect on firm value.
6. From partial hypothesis testing, liquidity has a beta value of 1.089 and a significant value of<0.05, which means that liquidity has a significant positive effect on firm value.
7. From testing the hypothesis simultaneously, the results of the F test obtained a significance value of 0.000 The significant value obtained is smaller than 0.05 (0.000 <0.05), and the calculated F value is 114.445 which this value is greater than Ftable which is 2.67 and the Adjusted R Square value on the test results of the coefficient of determination (R2) Simultaneously obtained a result of 0.717 so it can be concluded that the variables of capital structure, company size, and liquidity together affect financial performance by 71.7% and the remaining 28.3% is influenced by other variables not included in this study.

8. From simultaneous hypothesis testing based on the results of the F test obtained a significance value of 0.000 The significant value obtained is smaller than 0.05 (0.000 <0.05), and the calculated F value is 253.403 which is greater than Ftable which is 2.67 and the Adjusted R Square value on the test results of the coefficient of determination (R2) Simultaneously obtained a result of 0.850 so it can be concluded that the variables of capital structure, company size, and liquidity together affect the value of the company by 85% and the remaining 15% is influenced by other variables that are not included in this study.

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