INFLUENCE FINANCIAL PERFORMANCE ON COMPANY VALUE AT BANK MANDIRI Tbk.

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ARTICLE INFORMATION

Received: 20 Januari 2025
Revised : 28 Januari 2025
Accepted: 27 Februari 2025
DOI:

KEYWORDS

Liquidity; Profitability; Solvability; Firm Value;

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A B S T R A C T

This study aims to test and analyse the effect of financial performance on company value at Bank Mandiri Tbk. This study uses a descriptive quantitative approach. The type of data used is secondary data from the financial statements and annual reports of Bank Mandiri Tbk listed on the Indonesia Stock Exchange. The sampling technique in this study used Purposive Sampling. The data collection technique used is documentation. The data analysis method used is classical assumption test ratio analysis, descriptive statistical analysis, hypothesis testing and multiple linear analysis using SPSS version 25.0. The results showed that the percentage of liquidity ratio each year using the quarterly report of Bank Mandiri Tbk fluctuated with the average liquidity ratio (LDR) for 5 years (2019-2023) was 86.84%. The percentage of profitability ratios fluctuates annually so that the quarterly average in 2019 to 2023 is 3.31%. The percentage of solvency value fluctuates annually with an average quarterly average in 2019 to 2023 of 5.80%, this value is very high, this indicates that high DER has very high company debt compared to its equity. The percentage of company value fluctuates annually with an average company value (PBV) of 1.64%. Meanwhile, hypothesis testing shows that Liquidity (LDR) has a positive and insignificant effect on Firm Value, Profitability (ROA) has a positive but insignificant effect on Firm Value and Solvency (DER) has a negative and insignificant effect on Firm Value. After that, the results of the F test using Liquidity, Profitability, and Solvency simultaneously have no effect on Firm Value.

INTRODUCTION

Banks have a very important role in a country's economy. As financial intermediaries, banks collect funds from the public and allocate these funds back to the community. Banks also provide banking and other services to improve the welfare of the community. Banks that are listed on the Indonesia Stock Exchange and apply to go public aim to increase profits for shareholders and optimize company value. How the value of banking companies develops, good or bad, becomes an indicator of a country's financial condition. The better the performance of a company, the higher the confidence of investors to inject their capital into the company. So that the company must have good and clear basic objectives in order to operate efficiently because the company's reputation reflects the assessment of the public or investors on the company's future performance. Company value is a description of the market price of a company which can provide prosperity to shareholders if the company's share price increases.

The achievement of a company can be assessed from the calculation of the accounting process or financial statements. The financial statements released by the company reflect the company's financial performance. Financial statements are the last part of the accounting process that aims to provide financial information that can explain the condition of the company in a certain period. Financial ratios are one of the frequently used methods of analyzing financial statements. Each financial ratio has a different role in providing information about the company's financial performance and condition. The ratios used in this study include Liquidity Ratio, Profitability Ratio, and Solvency Ratio.

Previous studies have conducted many studies on factors that can affect firm value. The results of research according to (Pertiwi & Widyawati, 2023), and (Bangsa, 2024) state that liquidity (LDR) has a negative impact on firm value, while profitability has a positive impact on firm value, and solvency (DER) has no impact on firm value in banking companies on the Indonesia Stock Exchange during the 2016-2020 period. Meanwhile, studies conducted by (Mumtazah & Purwanto, 2020) say that ROA will have an effect on increasing Company Value, and low LDR will actually increase company value because banks are considered more liquid. The results of the study (Mahendra Dj. A., Sri Artini, L. G., & Suarjaya, 2012) say that leverage (DER) The negative impact does not really affect the value of Manufacturing companies on the Indonesia Stock Exchange. The results of the study (Mudjijah, S., Khalid, Z & Astuti, 2019) state that ROA has a positive impact on firm value, while DER has a positive impact on firm value with the Company Size Variable as Moderation. According to research conducted by (Erlinda, A. D., & Idayati, 2022) it was concluded that Profitability (ROA) has a positive impact on Firm Value, while Solvency (DER) has no influence on Firm Value in Pharmaceutical Companies listed on the IDX in the 2016-2020 time span. The study results (Kansil et al., 2021) state that ROA has no significant effect on firm value, and LDR has no significant effect on firm value in Banking companies listed on the Indonesia Stock Exchange for the 2015-2019 period. The results of research (Afifah, 2022) say that Return on assets has a positive and insignificant effect on firm value, Earning Per Share has a significant positive effect on Company Value, and Company Age has a negative and insignificant effect on Company Value. As well as the results of research (Saifun, 2019) say that NPL has no significant negative effect on firm value, while LDR has no significant positive effect on firm value. NIM negative impact has no significant effect on firm value. and CAR has a significant negative impact on firm value.

The phenomenon of the development of LDR, ROA, DER, on PBV has fluctuated for 5 years. In 2020 it can be seen that LDR, ROA has decreased but not with DER which has increased so that PBV has decreased. And in 2021 and 2022 the value of ROA, DER has increased but the LDR value has decreased significantly so that the PBV value has increased. Likewise, in 2023 the value of LDR, ROA increased while DER decreased so that the PBV value increased. So this phenomenon shows that the increase in PBV is followed by an increase in ROA value and not necessarily followed by the value of LDR and DER. So the researcher is interested in examining the phenomenon with the title "The Effect of Financial Performance on Company Value at PT Bank Mandiri Tbk". The phenomenon of the development of LDR, ROA, DER, on PBV has fluctuated for 5 years. In 2020 it can be seen that LDR, ROA has decreased but not with DER which has increased so that PBV has decreased. And in 2021 and 2022 the value of ROA, DER has increased but the LDR value has decreased significantly so that the PBV value has increased. Likewise, in 2023 the value of LDR, ROA increased while DER decreased so that the PBV value increased. So this phenomenon shows that the increase in PBV is followed by an increase in ROA value and not necessarily followed by the value of LDR and DER. So the researcher is interested in examining the phenomenon with the title "The Effect of Financial Performance on Company Value at PT Bank Mandiri Tbk".

METHODOLOGY

This research was conducted on the website www.idx.com. This study uses a descriptive quantitative approach with an analysis tool using SPSS 25.0, which is a method used to explain the data that has been collected, for example calculating frequency, mode, standard deviation, median and so on (Sugiono, 2019). This study utilizes existing data. The population and sample of financial reports and annual reports of Bank Mandiri Tbk 2019-2023 were used in this study which included data on Liquidity, Profitability, Solvency and Firm Value in quarterly form. This research uses purposive sampling method. The data collection method obtained from this research is documentation. The method of data analysis using ratio analysis and SPSS version 25.0 testing analysis approach is precisely descriptive statistical analysis, classical assumption testing, multiple linear regression analysis, t testing, f testing, and the coefficient of determination.

RESULTS & DISCUSSION

Liquidity Ratio

Liquidity Ratio as a relationship used to assess the company's performance to meet its short-term goals. The greater the percentage of this ratio, showing how liquid the company can be said to be. The calculation of the liquidity ratio according to (Harahap, 2018), namely, LDR (Loan to Deposit Ratio) is the ratio between Total Loans and Total Deposits (Kasmir, 2019).

Table 1. Liquidity Ratio (LDR) in the Quarterly Report of Bank Mandiri Tbk

EMITEN	Year	Periode	Total Pinjaman	Total Simpanan	LDR
	2019	Triwulan 1	737.696.721.000.000	754.841.515.000.000	93,82 %
		Triwulan 2	780.918.165.000.000	770.156.574.000.000	97,94%
		Triwulan 3	786.618.075.000.000	814.532.965.000.000	92,52 %
		Triwulan 4	912.245.918.000.000	871.035.187.000.000	96,37 %
	2020	Triwulan 1	827.512.665.000.000	859.397.006.000.000	94,91 %
		Triwulan 2	796.326.867.000.000	894.882.325.000.000	87,65 %
		Triwulan 3	793.939.955.000.000	941.794.872.000.000	83,03 %
		Triwulan 4	877.051.229.000.000	995.200.668.000.000	82,95 %
	2021	Triwulan 1	894.997.456.000.000	103.051.068.900.000	86,84 %
		Triwulan 2	923.762.013.000.000	105.049.583.400.000	87,93 %
		Triwulan 3	930.478.151.000.000	104.676.581.800.000	88,89 %
		Triwulan 4	957.656.147.000.000	111.152.781.300.000	80,04 %
	2022	Triwulan 1	978.330.412.000.000	108.879.996.200.000	89,85 %
		Triwulan 2	104.310.537.700.000	113.535.315.600.000	97,73 %
		Triwulan 3	107.007.473.900.000	117.873.439.800.000	90,78 %
		Triwulan 4	110.798.723.700.000	129.557.592.900.000	77,61 %
	2023	Triwulan 1	110.960.740.300.000	118.684.142.500.000	93,49 %
		Triwulan 2	117.682.500.600.000	123.861.446.500.000	95,01 %
		Triwulan 3	122.337.969.000.000	125.382.654.900.000	97,57 %
		Triwulan 4	130.673.357.600.000	135.144.814.900.000	86,75 %
	Rata-rata Triwulan		961.762.340.100.000	100.577.468.920.000	86,48 %

Source: Bursa Efek Indonesia (2014)

Table 1 above shows the value of the Liquidity ratio (LDR) in 2019 quarter 1 of 93.82% then increased in quarter 2 of 97.94% then in quarter 3 decreased by 92.52% and rose again in quarter 4 reaching 96.37%. In the first quarter of 2020 it reached 94.91% then decreased in quarter 2 by 87.65% then in quarter 3 it decreased by 83.03% and dropped significantly in quarter 4 reaching 82.95%. Furthermore, in 2021, quarter 1 the figure reached 86.84% then increased in quarter 2 by 87.93% then increased in quarter 3 by 88.89% and fell back in quarter 4 to reach 80.04%. Then in the first quarter of 2022, it reached 89.95% then increased in quarter 2 by 97.73% after that in quarter 3 it decreased by 90.78% and dropped significantly in quarter 4 reaching 77.61%. In 2023, the percentage reached 93.49% in quarter 1. then increased in quarter 2 by 95.01% then increased significantly by 97.57% and decreased in quarter 4 by 86.75%. The percentage of liquidity ratio each year using the quarterly report of Bank Mandiri Tbk fluctuates with the average liquidity ratio (LDR) for 5 years (2019-2023) is 86.84%. This is due to the large number of total loans compared to the total deposits used. In this case liquidity (LDR) has a higher risk of lending to customers.

Profitability Ratio

Profitability ratio is a comparison used to evaluate the entity's ability to generate profits (Kasmir, 2019). This ratio reflects the profit or investment achieved. The calculation of the profitability ratio is according to (Kasmir, 2019), ROA (Return on Asset) is the ratio between total assets and net income.

Table 2. Profitability Ratio (ROA) in the Quarterly Report of Bank Mandiri Tbk

EMITEN	Tahun	Periode	Laba Bersih	Total Aset	ROA
	2019	Triwulan 1	7.461.182.000.000	120.597.226.500.000	3,42%
		Triwulan 2	13.988.402.000.000	123.562.782.600.000	3,08 %
		Triwulan 3	20.938.486.000.000	127.567.041.300.000	3,01 %
		Triwulan 4	36.431.366.000.000	141.124.404.200.000	3,03 %
	2020	Triwulan 1	8.074.447.000.000	132.003.816.100.000	3,55 %
		Triwulan 2	10.552.478.000.000	135.944.144.300.000	2,23 %
		Triwulan 3	14.433.405.000.000	140.665.507.500.000	1,95 %
		Triwulan 4	18.398.928.000.000	154.196.456.700.000	1,64 %
	2021	Triwulan 1	6.519.240.000.000	158.406.717.400.000	4,11 %
		Triwulan 2	13.685.161.000.000	158.052.723.500.000	8,65 %
		Triwulan 3	21.053.546.000.000	163.795.017.100.000	1,28 %
		Triwulan 4	30.551.097.000.000	172.561.112.800.000	2,53 %
	2022	Triwulan 1	10.894.149.000.000	173.407.474.000.000	6,28 %
		Triwulan 2	22.044.308.000.000	178.570.684.100.000	1,23 %
		Triwulan 3	33.464.914.000.000	183.933.649.800.000	1,82 %
		Triwulan 4	44.952.368.000.000	199.254.468.700.000	3,30 %
	2023	Triwulan 1	13.860.504.000.000	190.817.116.100.000	7,26 %
		Triwulan 2	27.703.601.000.000	196.398.747.100.000	1,41 %
		Triwulan 3	42.771.001.000.000	200.693.914.600.000	2,13 %
		Triwulan 4	60.051.870.000.000	217.421.944.900.000	4,30 %
	Rata - Rata Triwulan		22.598.156.850.000	157.888.422.245.000	3,31 %

Source: Bursa Efek Indonesia (2014)

Table 2 above shows the value of the Profitability ratio (ROA) in 2019 quarter 1 of 3.42% then decreased in quarter 2 to 3.08% decreased again in quarter 3 reached 3.01% and increased again in quarter 4 by 3.03%. In 2020, the first quarter reached 3.55%, then in quarter 2 it decreased by 2.23% and decreased again in the third quarter to reach 1.95% and the fourth quarter decreased by 1.64%. Then in 2021, the first quarter was 4.11%, then increased in quarter 2 by 8.65% and decreased in quarter 3 by 1.28%. And increased again in quarter 4 by 2.53%. Furthermore, in 2022 the first quarter reached 6.28% and in quarter 2 decreased by 1.23%, increased again in quarter 3 by 1.82% and increased again in quarter 4 by 3.30%. And in 2023, the first quarter amounted to 7.26% and in quarter 2 it decreased by 1.41%, increased by 2.13% and increased significantly in quarter 4 by 4.30%. The percentage of profitability ratios fluctuates annually so that the quarterly average from 2019 to 2023 is 3.31%. This shows that ROA has a lower net profit than total assets, which means that when the amount of profit or profit earned by a company is smaller than the amount of total assets it has. In this condition, the company may experience losses or not get the desired results from asset management.

Solvency Ratio

Solvency ratio also known as leverage ratio is an indicator of evaluating how far the company finances its assets using debt (Kasmir, 2019). This indicates that the company has a lot of debt compared to its assets, or in other words, shows the company's ability to pay off each of its debts, both short-term and long-term, if the company is sold or liquidated. The calculation of the Solvency ratio according to Kasmir (2019), namely, DER (Debt to Equity Ratio) is the ratio between Total debt and Total Equity.

Table 3. Solvency Ratio (DER) on Bank Mandiri Tbk Quarterly Report

EMITEN	Tahun	Periode	Total Utang	Total Ekuitas	DER
	2019	Triwulan 1	939.061.151.000.000	193.665.175.000.000	4,84%
		Triwulan 2	972.597.767.000.000	189.688.567.000.000	5,12 %
		Triwulan 3	997.696.531.000.000	200.828.263.000.000	4,96 %
		Triwulan 4	105.160.623.300.000	218.852.069.000.000	4,80 %
	2020	Triwulan 1	106.023.393.100.000	177.441.641.000.000	5,97 %
		Triwulan 2	109.402.265.100.000	183.318.936.000.000	5,96 %
		Triwulan 3	113.447.770.300.000	189.335.951.000.000	5,99 %
		Triwulan 4	118.690.538.200.000	204.699.668.000.000	5,79 %
	2021	Triwulan 1	123.523.356.700.000	197.523.053.000.000	6,25 %
		Triwulan 2	121.060.356.600.000	205.130.845.000.000	5,90 %
		Triwulan 3	125.678.944.300.000	212.824.701.000.000	5,90 %
		Triwulan 4	132.659.223.700.000	222.111.282.000.000	5,97 %
	2022	Triwulan 1	133.963.929.600.000	213.359.744.000.000	6,27 %
		Triwulan 2	138.095.949.100.000	220.819.546.000.000	6,25 %
		Triwulan 3	142.450.579.400.000	231.387.023.000.000	6,15 %
		Triwulan 4	154.409.663.100.000	252.245.455.000.000	6,12 %
	2023	Triwulan 1	146.150.078.900.000	241.645.452.000.000	6,04 %
		Triwulan 2	156.162.548.400.000	255.246.569.000.000	5,94 %
		Triwulan 3	153.973.658.600.000	268.603.940.000.000	5,73 %
		Triwulan 4	166.044.281.500.000	287.494.962.000.000	5,77 %
	Rata - Rata Triwulan		126.891.635.200.000	218.311.142.000.000	5,80 %

Source: Bursa Efek Indonesia (2014)

Table 3 above shows the development of the Solvency ratio (DER) value in 2019 quarter 1 of 4.84% then increased again in quarter 2 by 5.12% and decreased in quarter 3 by 4.96% and decreased again in quarter 4 by 4.80%. In 2020, quarter 1 amounted to 5.97%, then decreased in quarter 2 by 5.96% and increased in quarter 3 by 5.99% and decreased again in quarter 4 by 5.79%. Furthermore, in 2021, quarter 1 reached 6.25% and quarter 2 decreased by 5.90% and settled in quarter 3 at 5.90% then increased in quarter 4 by 5.97%. In 2022, quarter 1 was 6.27% and quarter 2 was 6.25% then in quarter 3 it was 6.15% and decreased in quarter 4 by 6.12%. And in 2023, quarter 1 reached 6.04% and in quarter 2 it reached 5.94% then in quarter 3 it decreased by 5.73% and in quarter 4 it increased by 5.77%. So that the percentage of solvency value each year fluctuates with an average quarterly average from 2019 to 2023 of 5.80%, this value is very high, this indicates that high DER has very high company debt compared to its equity. And at Bank Mandiri, a high DER has a significant financial risk, because banks need sufficient equity to cover their debts and meet regulations for Bank Mandiri.

Firm Value

Firm value refers to the stages that the company has gone through in obtaining the views and beliefs of the public towards the company. The high value of the company indicates that the company's performance is good and investors can believe in its future prospects. (Pambudi et al., 2022). The calculation in the Company Value according to (Pambudi, A S., Ahmad, G.N., Mardiyanti, 2022), namely PBV (Price to Book Value) is a ratio that shows the ratio of stock price to Stock Book Value.

Table 4. Firm Value (PBV) in the Quarterly Report of Bank Mandiri Tbk

EMITEN	Tahun	Periode	Total Ekuitas	Jumlah Saham Beredar	Harga Per Saham	NBVS	PBV
	2019	Triwulan 1	193.665.175.000.000	46.666.666.666	7,450	4,149	1,79 %
		Triwulan 2	189.688.567.000.000	46.666.666.666	8,025	4,064	1,97 %
		Triwulan 3	200.828.263.000.000	46.666.666.666	6,975	4,303	1,62 %
		Triwulan 4	218.852.069.000.000	46.666.666.666	7,675	4,689	1,63 %
	2020	Triwulan 1	177.441.641.000.000	46.666.666.666	4,680	3,802	1,23 %
		Triwulan 2	183.318.936.000.000	46.666.666.666	4,950	3,928	1,26 %
		Triwulan 3	189.335.951.000.000	46.666.666.666	4,960	4,057	1,22 %
		Triwulan 4	204.669.668.000.000	46.666.666.666	6,325	4,385	1,44 %
	2021	Triwulan 1	197.523.053.000.000	46.666.666.666	6,150	4,232	1,45 %
		Triwulan 2	205.130.845.000.000	46.666.666.666	5,900	4,395	1,34 %
		Triwulan 3	212.824.701.000.000	46.666.666.666	6,150	4,560	1,34 %
		Triwulan 4	222.111.282.000.000	46.666.666.666	7,025	4,759	1,47 %
	2022	Triwulan 1	213.359.744.000.000	46.666.666.666	7,900	4,571	1,72 %
		Triwulan 2	220.819.546.000.000	46.666.666.666	7,925	4,731	1,67 %
		Triwulan 3	231.387.023.000.000	46.666.666.666	9,425	4,958	1,90 %
		Triwulan 4	252.245.455.000.000	46.666.666.666	9,925	5,045	1,83 %
	2023	Triwulan 1	241.645.452.000.000	46.666.666.666	10,325	5,178	1,99 %
		Triwulan 2	255.246.569.000.000	93.333.333.332	5,200	2,734	1,90 %
		Triwulan 3	268.603.940.000.000	93.333.333.332	6,025	2,877	2,09 %
		Triwulan 4	287.494.962.000.000	93.333.333.332	6,050	3,080	1,96 %
	Rata - Rata Triwulan		218.311.142.000.000	984.666.666.700	5,214	4,225	1,64 %

Source: Bursa Efek Indonesia (2014)

Table 4 shows that the company value (PBV) in 2019 quarter 1 amounted to 1.79% and in the second quarter it reached 1.97% then the third quarter decreased by 1.62% and quarter 4 increased by 1.63%. The first quarter of 2020 amounted to 1.23% and quarter 2 was 1.26% then decreased in quarter 3 by 1.22% and increased again in quarter 4 by 1.44%. In 2021, quarter 1 amounted to 1.45% then settled in quarter 2 and quarter 3 by 1.34% and rose in the fourth quarter to reach 1.47%. In the first quarter of 2022, it reached 1.72% and in the second quarter it decreased by 1.67%, then in the third quarter it increased by 1.90% and in the fourth quarter it increased by 1.99%. And in 2023, quarter 1 amounted to 1.99% and in quarter 2 decreased by 1.90% then in quarter 3 increased by 2.09% and in quarter 4 decreased by 1.96%. The percentage of company value fluctuates annually with an average Company Value (PBV) of 1.64%. Thus, the value of the Company (PBV) is very good, the price per share is proportional to the book value of the shares (NBVS), meaning that investors do not pay more than the actual value of the company. This shows that the company is not valued too high or too low compared to its book value, and the share price is relatively fair. However, the price per share value proportional to the NBVS is not the only parameter reflected by stock performance, as there are other factors that can affect stock prices such as company performance, business prospects, market sentiment, and others.

Analysis of Descriptive Statistics

Descriptive statistical analysis in this study shows a general view of all variables. The use of independent variables is the level of liquidity (LDR), profitability (ROA), and solvency (DER). Company Value (PBV) is used as the dependent variable. The following are the results of the descriptive statistical analysis of this study:

Table 5. Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
LDR	20	77.61	97.94	90.0840	6.00913
ROA	20	1.23	8.65	3.2970	2.00615
DER	20	4.80	6.27	5.7860	.46787
PBV	20	1.22	2.09	1.6410	.28208
Valid N (listwise)	20				

Source: Secondary Data processed by SPSS

From the table above, it can be seen that the results of descriptive statistics with a total of 20 samples of study data (N) with the time 2019-2023 are as follows:

LDR (X1) can be described that the minimum value is 77.61 while the maximum value is 97.94 and the average value is 90.0840 with a standard deviation of 6.00913. ROA (X2) can be described that the minimum value is 1.23 while the highest value is 8.65 and the average value is 3.2970 with a standard deviation of 2.00615. DER (X3) can be described that 4.80 is the minimum value while the maximum value is 6.27 with an average of 5.7860 and a standard deviation of 0.46787. PBV (Y) can be described that the minimum value is 1.22 while the highest value is 2.09 and the average value is 1.6410 and the standard deviation is 0.28208.

Classical Assumption Test

Normality Test

The purpose of the normality test is to determine whether in the regression model, the independent variable and the dependent variable or both have a normal distribution or do not have a normal distribution. This study tests normality using the One Sample Kolmogorof- Smirnov Test and the Normal P-P Plot of Regression standardized Residual Test. The following presents the results of the One Sample Kolmogorof- Smimov.

Table 6. Normality test results with Kolmogrof -Smirnov Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		20
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.25923889
Most Extreme Differences	Absolute	.104
	Positive	.092
	Negative	-.104
Test Statistic		.104
Asymp. Sig. (2-tailed)		.200[c,d]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: Secondary Data processed by SPSS

From the table presented, it can be concluded that there is a significant value. 0,200 > 0,05. This indicates that the distribution of this data is normal. To test the regularity of the data, we can use the following normal probability plot:

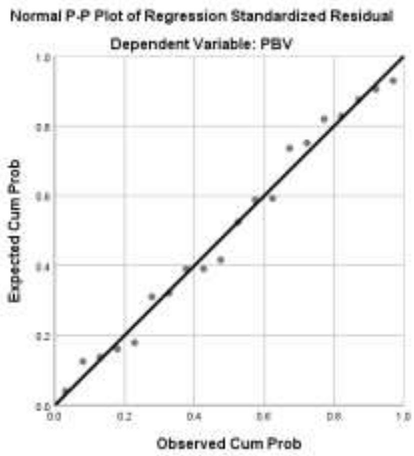

Figure 1. Test results with Normal Probability Plot

The graph above shows a distribution pattern that tends to be normal, with data spread around the diagonal line and following the diagonal line itself, so the regression model ensures that the assumption of normality is met. This supports the findings from testing using the Kolmogorof-Smirnov test that has occurred previously.

Multicollinearity Test

Multicollinearity Test In this study, we will evaluate the Variance Infation Factor (VIF) coefficient and Tolerance value. Good data is when it has a Tolerance value above 0.10 and a VIF value below 10. If the Tolerance and VIF values do not match these criteria, then the research data has multicollinearity and is not suitable for use in the study. Below are the multicollinearity findings from the completed SPSS results.

Table 7. Multicollinearity Test Results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	Collinearity Statistics	
		B	Std. Error	Beta	Tolerance	VIF
1	(Constant)	.135	1.613			
	LDR	.018	.012	.377	.846	1.181
	ROA	.009	.032	.064	.993	1.007
	DER	-.020	.151	-.034	.842	1.188

a. Dependent Variable: PBV

Source: Secondary Data processed by SPSS

Multicollinearity testing shows that the tolerance value > 0.10 and the VIF value < 10 for the variables in the study Liquidity (LDR), Profitability (ROA), Solvency (DER), this indicates that there is no multicollinearity in the regression data model is considered good and ready for further testing.

Heteroscedasticity Test

Heteroscedasticity aims to test whether in regression there is an inequality of variance from the residuals of other observations. If the variation of residuals from one observation to another is constant, it is called homoscedasticity, and if the variance is different it is called heteroscedasticity. A good model is that there is no heteroscedasticity in a multiple regression model is by looking at the scatterplot graph. If there is no certain pattern and the points spread above and below the number 0 on the Y axis, then there is no heteroscedasticity. The scatterplot graph is as shown in the picture below:

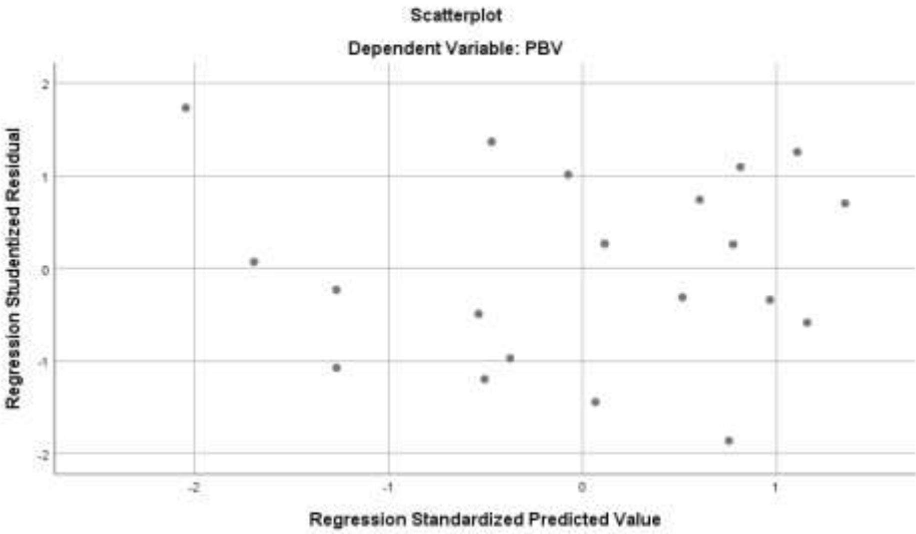

Figure 2. Heteroscedasticity test results

Based on the graph above, it can be seen that the data spreads randomly around the Y axis and does not form a certain pattern, so this regression model is free from symptoms of heteroscedasticity.

Autocorrelation Test

The autocorrelation test is used to evaluate whether the linear regression model has a relationship between the disturbance in period t and the confounding error of period t-1 (previous period). The results of the autocorrelation test in this study are as follows:

Table 8. Autocorrelation Test Results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.394[a]	.155	-.003	.28250	.484

a. Predictors: (Constant), DER, ROA, LDR

b. Dependent Variable: PBV

Source: Secondary Data processed by SPSS

Based on Table 8 shows the results of autocorrelation with the Durbin-Watson test which amounted to 0.484. The results conclude that Durbin-Watson (DW) has a value between -2 and +2 regression analysis model in this study there is no autocorrelation problem.

Multiple Linear Regression Analysis Test

Researchers use multiple linear analysis to find the relationship between the independent variable and the dependent variable through the influence of the liquidity ratio, profitability ratio, solvency ratio on firm value. Based on data analysis using the SPSS 25 program, the following results were obtained.

Table 9. Multiple Linear Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.135	1.613		.083	.935
	LDR	.018	.012	.377	1.509	.151
	ROA	.009	.032	.064	.275	.786
	DER	-.020	.151	-.034	-.134	.895

a. Dependent Variable: PBV

From the previous table, a multiple linear regression equation can be found, namely:

Y= 0.135 + 0.018X1 + 0.009X2 + -0.020X3 + e

From the regression equation, we can make the following interpretation:

Value α = 0.135, The constant value is 0.135 if it is estimated that the Liquidity (X1), Profitability (X2), and Solvency (X3) variables are equal to 0 if the Company Value (Y) within the period of this study is 0.135. The positive constant value means that if the value of X1, X2, or X3 is increased 100% (1 time) it will reduce the constant value by 0.135. Value β1 = 0.018 The relationship between liquidity (X1) and Firm Value (Y) is positive, meaning that the liquidity value increases 1 time, the company value increases by 0.018 by assuming the variables remain unchanged.

Value β2 = 0.009, The effect between Profitability (X2) and Firm Value (Y) is positive, meaning that the value of Profitability increases 1 time, the value of profitability decreases 1 time the value of the company by 0.009 with the assumption that the other variables remain. Value β3 = -0.020, The relationship between Solvency (X3) and Firm Value (Y) is negative if solvency is increased once the solvency value will increase the company value by -0.020 assuming that the other variables remain.

Hypothesis Test

Partial Significance Test (T Test)

The t test is conducted to determine the extent of the influence of one variable individually (independent variable) with dependent variables. This is the SPSS result of the t test that has been done

Tabel 10. Significance Test Results (Uji t)

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.135	1.613		.083	.935
	LDR	.018	.012	.377	1.509	.151
	ROA	.009	.032	.064	.275	.786
	DER	-.020	.151	-.034	-.134	.895

a. Dependent Variable: PBV

Source: Secondary Data processed by SPSS

Liquidity shows the t value is 1.509 and significant as 0.151. Because the significant value is greater than 0.05, the null hypothesis (Ho) is accepted, which means that the positive effect is not significant in the relationship between liquidity and firm value on firm value at Bank Mandiri Tbk. Profitability shows t count is 0.275 and significant as much as 0.786. Because the significant value is greater than 0.05, the null hypothesis (Ho) is accepted, which means that the positive effect is not significant in the relationship between profitability and firm value at Bank Mandiri Tbk.Solvency shows that the t count is -0.134 and significant as 0.895. Because the significant value is greater than 0.05, the null hypothesis (Ho) is accepted, which means that the negative effect is not significant in the relationship between solvency and firm value at Bank Indonesia. significant in the relationship between solvency and firm value at Bank Mandiri Tbk.

F test

The F test was conducted to test simultaneously test the effect of the independent variable on the dependent variable. simultaneously the influence of the independent variable on the dependent variable. With the test criteria being if Fcount> Ftabel or sig < α (0.05), this means that the independent variables can explain the dependent variable together. If F count < Ftabel if sig > α, it means that the independent variables together cannot explain the dependent variable.

The results of the F test can be seen in the table below:

Table 11. Simultaneous Test Results (F Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.235	3	.078	.981	.426[b]
	Residual	1.277	16	.080		
	Total	1.512	19			

a. Dependent Variable: PBV

b. Predictors: (Constant), DER, ROA, LDR

Source: Secondary Data processed by SPSS

The table above shows that the significance value is 0.426> 0.05. Thus it can be concluded that Liquidity (LDR), Profitability (ROA) and Solvency (DER) simultaneously have no effect on Firm Value (PBV). Thus it can be concluded that Ha is not accepted.

Coefficient of Determination (R2)

The coefficient of determination (R2) is used to assess the extent to which the ability of the independent variables to explain the dependent variable. The value of the coefficient of determination is between zero and one. A low R2 value indicates that the dependent variable has very large limitations. An R2 value close to 1 indicates that the independent variables provide most of the information needed to predict variations in the dependent variable (Ghozali, 2018) Below is the coefficient value of this study:

Table 12. Coefficient of Determination
Koefisien Determinasi

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.394[a]	.155	-.003	.28250	.484

a. Predictors: (Constant), DER, ROA, LDR

b. Dependent Variable: PBV

Source: Secondary Data processed by SPSS

The table above shows the R Square value of 0.155 or 15.5% in this case stating that Liquidity, Profitability, and Solvency affect firm value by 15.5% and for the remaining 84.5% it is influenced by additional variables not examined in this study.

The Effect of Liquidity on Firm Value

The results of this study indicate that the value of t count for the Liquidity Ratio is 1.509 with a significance level of 0.151 more than 0.05. Thus it can be concluded that the level of Liquidity has a positive insignificant effect on Company Value at Bank Mandiri Tbk. This means that the first hypothesis (H1) is rejected, and the null hypothesis (Ho) is accepted. Thus it can be concluded that the increasing liquidity, the increasing value of the company, but the results of this insignificant study state that liquidity does not have a real effect on company value. This study is in accordance with the grand theory used by researchers, namely the signal theory according to (Sulistyanto, 2018) which states that "signal theory clarifies the relationship between financial statements that are basically used by companies to provide an indication of whether the company's performance is good or not to users / company prospects. In this case, the signal theory gives a good sign that increasing liquidity gives a positive signal to investors. The results of the study are in line with (Saifun, 2019) which states that LDR has a positive insignificant effect on company value.

The Effect of Profitability on Firm Value

The findings of this study state that the t-value for the Profitability ratio is 0.275 with a significant level of 0.786 greater than 0.05. Thus, it can be concluded that the Profitability ratio has a positive but insignificant impact on Company Value at Bank Mandiri Tbk. This means that the second hypothesis (H2) is rejected, and the null hypothesis (Ho) is accepted. So that the size of Profitability (ROA) does not have much impact on the high and low value of a company. This study is in accordance with the grand theory used by researchers, namely the signal theory according to (Sulistyanto, 2018) which states that "signal theory clarifies the relationship between financial statements that are basically used by companies to provide an indication of whether the company's performance is good or not to users / company prospects. In this case, the signal theory gives a good sign of profitability (ROA) which means that the higher the ROA, the more attractive it is for investors to invest in the company's capital. This shows that the company has good performance and as a result, its stock price will increase. The presence of a high ROA signal is considered positive and investors will respond well to it. This finding is in line with a previous study conducted by (Afifah, 2022) which stated that ROA has a positive but insignificant effect on Firm value.

The Influence of Solvency on Firm Value

This study shows that the t-value for the Solvency ratio is -0.134 with a significant solvency value of 0.895 if the value is greater than 0.05, which means that the solvency ratio has an insignificant negative impact on the value of the company. This means that the 3rd hypothesis (H3) is rejected, and the null hypothesis (Ho) is accepted. So it is said that the higher the level of solvency, the lower the value of the company. The study is in line with the grand theory used by researchers, more precisely the signal theory according to (Sulistyanto, 2018) which states that "the signal theory clarifies the relationship between financial statements that are basically used by companies to provide an indication of whether the company's performance is good or not to users / company prospects. In this study, the relationship between solvency and signal theory does not give a good sign because increasing solvency does not show positive signs for investors. Therefore, investors' opinion is that the greater the debt they have, the greater the risk they face in making investments. And if the company cannot pay its debts, it will have a negative impact on the value of the company. This finding is in accordance with previous studies conducted by (Mahendra Dj. A., Sri Artini, L. G., & Suarjaya, 2012) which stated that Solvency (DER) has a negative but insignificant effect on Firm value.

The Influence of Liquidity, Profitability, and Solvency Together on Firm Value

The results of the study using simultaneous tests, with the liquidity, profitability, and solvency ratios together against the Firm value with a significance value of 0.426 where this value exceeds 0.05 which means that the liquidity, profitability and solvency ratios. So in this case the fourth hypothesis (H4) is rejected, and the null hypothesis (Ho) is accepted so that it can be stated that the level of liquidity, profitability, and solvency together do not affect the company's value at Bank Mandiri Tbk. This study is in line with the grand theory used by researchers, more precisely the signal theory according to (Sulistyanto, 2018) which states that "signal theory clarifies the relationship between financial statements that are basically used by companies to provide an indication of whether the company's performance is good or not to users / company prospects / company prospects. In this case, liquidity, profitability, and solvency together do not provide a positive signal to investors on the company's value. Because the greater the liquidity, the less liquid it indicates that all of the company's assets are not liquid. While low profitability means that the company cannot utilize resources or low assets do not maximize wealth for the company's shareholders and the higher the solvency, the riskier an investment. This finding is in line with (Kansil et al., 2021) The statement reveals that LDR and ROA do not have a significant effect on company value and (Erlinda, A. D., & Idayati, 2022) which states that Solvency (DER) does not affect company value. So, this is not in accordance with the theory which states that increasing liquidity, profitability, and solvency together increase investor confidence in the company's value and these three factors are signals that have a positive impact on increasing firm value.

CONCLUSION

According to data analysis, hypothesis testing, and discussion of the study results, it can be concluded as follows: 1) Liquidity has a positive effect that is not too significant on the company value at Bank Mandiri Tbk from 2019 to 2023. 2) Profitability has a positive effect that is not significant at Bank Mandiri Tbk in 2019-2023. 3) Solvency has a negative effect that is not significant at Bank Mandiri Tbk in 2019-2023. 4) Liquidity, Profitability, and Solvency do not have the same effect on Company Value at Bank Mandiri Tbk from 2019 to 2023. And this study has limitations, namely: This study only relies on secondary data, without using primary data such as questionnaires or interviews, making this study less than optimal. And the number of variables or aspects of research that affect the company value of Bank Mandiri Tbk, because there are still many aspects that can affect the company value of Bank Mandiri Tbk besides the variables used in this study.

ACKNOWLEDGEMENTS

I would like to thank the Indonesia Stock Exchange for the permission and research facilities that have been provided kindly during this research process. Also, thank you to the supervisor for the direction and advice given for this research**.**

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