Enrichment: Journal of Management, 14 (1) (2024)

Published by: Instiute of Computer Science (IOCS)

Enrichment: Journal of Management

Journal homepage: www.enrichment.iocspublisher.org

Catalysts of corporate value: exploring the interplay between capital structure, company traits, and profitability in the indonesian consumer goods industry (BEI, 2021-2023)

Tetty Lasniroha Sarumpaet[1], Bunga Indah Bayunitri[2], Irene Sukma Lestari[3]

[1,2,3] Post Graduated School, Widyatama University, Bandung, Indonesia

ARTICLE INFO

Article history:

Received Mar 29, 2024
Revised Apr 03, 2024
Accepted Apr 19, 2024

Keywords:

Capital Structure;
Company Characteristics;
The Value of Companies;
Profitability.

ABSTRACT

This study investigates the interplay between capital structure, company traits, and profitability in the Indonesian Consumer Goods Industry from 2021 to 2023. Through quantitative exploration, 52 companies listed on the Indonesian Stock Exchange were analyzed. The research assesses the impact of capital structure and company characteristics on company value, considering factors like debt usage, profitability, and stock prices. Findings reveal varying influences on company valuation, with implications for financial decision-making and market positioning. The study contributes to understanding the dynamics of corporate value drivers in a specific industry context, offering insights for strategic management and financial planning in the consumer goods sector.

This is an open access article under the CC BY-NC license.

Corresponding Author:

Tetty Lasniroha Sarumpaet,
Accounting Study Program,
Widyatama University
Jl. Cikutra No. 204A, Cibeunying Kidul, Bandung, 40125, Indonesia
Email: tetty.lasniroha@widyatama.ac.id

INTRODUCTION

Financing decisions impact company valuation by selecting funding sources both internally and externally (Kasasbeh, 2021). External funding, often acquired through debt, reflects creditors' demand for funds. Firms aim to enhance value by minimizing capital costs, correlating with owner prosperity. Optimal debt policies align with company growth and size, where larger firms with robust growth find it easier to access capital markets (Bhandari et al., 2017). This accessibility suggests large firms can effectively utilize debt financing via capital markets, with bonds reflecting their ability to service debt. Hence, linking capital structure with company growth and value is crucial ((Eli Safrida, 2017).The value of a company is represented by the stock market price, and how its value grows will determine how the investor chooses to invest. Price to Book Value (PBV), which is a comparison between the stock market price of a company and its stock book value, is one way of projecting the value of the company (Bambang et al., 2020). One way to figure out a shareholder's wealth is to see how high or low the value of a company is. The high value can be seen from the company's stock price, so the high value is one of the factors that potential investors consider before investing in the company (Prabowo et al., 2020). Market value is the value of a company according to the financial market based on the total value of its shares circulating in the market and its market capitalization. The market value of the company can be calculated by

multiplying the number of shares in circulation traded in the Market with the current price of the stock. Investment opportunity affects the company's stock market value (Nur, 2021).

Stock prices reflect various factors influencing company value, including capital structure, which compares debt to equity. An increase in Debt-to-Equity Ratio (DER) typically correlates with higher company value until reaching the optimal point, as per trade-off theory (Goso, 2022). Company characteristics and internal factors, controllable by management, also play significant roles (Vargo & Tobing, 2022). Investors prioritize companies with robust growth and profitability, as evidenced by retained profits, indicating favorable business performance and prospects (I. Purbawangsa & Suana, 2019). Company size, determined by factors like market value, total assets, sales, and income, affects performance. Larger companies leverage resources for adaptation and tend to outperform smaller counterparts due to greater flexibility in resource management. Profitability increases with effective asset management, leading to substantial profits (Bambang et al., 2020).

(Mishra & Kapil, 2018) found a significant positive correlation between company size and value, indicating larger size leads to greater value. Conversely, (Manoppo & Arie, 2016) observed no significant impact of company size on value. Profitability, reflecting operational efficiency in asset utilization (Hirdinis, 2019), contrasts the conventional relationship between net profit decline and share price decrease. Notably, instances like HMSP, KEJU, KLBF, UNVR, and CLEO demonstrate how net profit decreases can paradoxically lead to rising stock prices (Rts dheby dwi thamara et al., 2023). The author uses the results of (Hirdinis, 2019) research as the basis for this research. Unlike previous research, the author added two variables—company characteristics as independent variables and profitability as disruptive variables. (intervening). In addition, the author adds a problem to be investigated, namely the consumer goods industry listed on the Indonesian Stock Exchange from 2021 to 2023. One study by (Goso, 2022) explored the impact of capital structure on company value, revealing a negative correlation between company size and value. However, it did not explore how company traits influence this relationship, leaving a gap in understanding. Another study by (Manoppo & Arie, 2016) focused on company size's relationship with value but did not delve into profitability or specific company traits, indicating a gap in comprehensive valuation drivers. Additionally, a study by (Noviani et al., 2019) found a positive correlation between profitability and firm value but did not consider the role of capital structure or specific company traits. Referencing these studies identifies gaps and paves the way for new insights into corporate valuation dynamics in the consumer goods industry.

The present study on capital structure, company traits, and profitability in the Indonesian consumer goods industry differs from previous research in several key aspects. It specifically focuses on this industry, utilizing quantitative analysis with a substantial sample of 52 companies listed on the Indonesian Stock Exchange from 2021 to 2023. This approach contrasts with prior studies that may have used qualitative methods or smaller samples. Furthermore, the research delves deeply into the interplay between these factors, providing a comprehensive understanding of their influence on corporate value. It not only identifies these relationships but also offers practical insights for performance measurement and strategic planning, enhancing financial performance and stakeholder value creation. Additionally, the study maintains methodological rigor, including validity and reliability assessments, thereby bolstering the credibility and robustness of its findings. Overall, this research contributes valuable insights, methodological rigor, and practical implications for strategic management in the Indonesian consumer goods sector.

RESEARCH METHOD

This study utilizes a quantitative exploration strategy. Organizations working in the shopper products area are recorded on the Indonesian Stock Trade over the period from 2021 to 2023.

Purposive samplings are utilized as the sample strategies. The population under investigation consists of 52 companies operating in the customer goods industry and listed on the Indonesian stock exchange. From this population, a subset of 52 companies was selected based on certain criteria, namely (1) Companies not registered in the EIB in succession from the year 2021-2023 (2) companies that report the financial reports of the period 2021-2023, (3) companies that did not make a profit 2021-2023 and (4) companies with incomplete data period 2021-2023. This study will use optional information as fiscal reports from purchaser products area organizations recorded on the Indonesia Stock Trade. The data will include income statements, balance sheets, cash flow statements, and notes to financial statements for the years 2021 to 2023.

We employ a quantitative approach to analyze relationships between variables and test hypotheses. Data collection involves gathering financial and company data, followed by preparation and model estimation using techniques like Partial Least Squares (PLS) or Structural Equation Modeling (SEM). Hypothesis testing evaluates the significance of relationships, while validity and reliability checks ensure robustness. Researchers interpret results, draw conclusions, and discuss implications, contributing to existing knowledge. This approach enables effective analysis and insights into these relationships.

Outer Model

The outer model shows an observation to present a latent variable to be measured. (Hair et al., 2019) Outer model is a measurement for evaluating the validity and reliability of a model, which is measured through a convergence validity process, discriminatory validity, composite reliability, and a Cronbach alpha. In the context of a convergent validity test, the rule of thumb states that a loading factor should have a value exceeding 0.4 and an additional average variance extracted (AVE) value over 0.5. Validity tests are performed with cross-loading measurements along with the variable, comparing the AVE root for each variable of the correlation between variables in a model of another method that can be used to assess the discriminant validity.

Inner Model

(Hult et al., 2021) diagram uses an inline model to show the estimate ability between variables or construction of this model in PLS. The value of the bound variable is assessed through R^2, whereas the value of path coefficient and point variable in the structure model is evaluated through R2. A larger R^2 value (> 0.67) indicates that the predictive model presented is better; if R^2 is only larger than 0.33, then the model is considered moderate, and if R^2 is greater than 0.19, then it is considered weak. The value in the model shows the degree of significance in testing the hypothesis. For scores, the t-value value must exceed the limit of 1.65 and the significant level value of 0.10; the score must be greater than (>) 1.96 at the level of significant level of 0.05; and the score should be higher than (>) 2.58 at the significant level of 0,01, since this study uses the level significant value of 0.05.

Measuring Variables and Testing Hypothesis

Capital Structure on Company Value

(Hirdinis, 2019) and (Eli Safrida, 2017) found conflicting results regarding the impact of capital structure on company value. (Bambang et al., 2020) also noted a negative association between capital structure and company value. Increased debt usage correlates with lower stock prices, particularly evident in manufacturing firms on the Indonesian Stock Exchange. This heightened debt raises bankruptcy risk, as highlighted by (Goso, 2022), indicating inefficient debt utilization. H1: Capital Structure Has a Positive Influence on Company Value.

Company Characteristics on Company Value

(Chabachib et al., 2019) found that the characteristics of a company influence its value positively. According to (Bambang et al., 2020), the larger scale of a company increases market confidence and value. This study contradicts (Eli Safrida, 2017), which states that the size of the company has a negative impact on its value. However, (Manoppo & Arie, 2016) suggests that the size of a company does not significantly affect its value. Investors tend to consider the size of the company, but the total value of the assets is not a guarantee of a high company value.
H2: Corporate Characteristics Positively Influence Corporate Value

Capital Structure versus Profitability

Profitability is not affected by capital structure (Herciu & Ogrean, 2017). The company's ability to generate profits is not affected by the use of debt or equity. This can be due to a variety of reasons, one of which is less optimal capital usage (Hirdinis, 2019). This study shows that debt usage increases profitability with a significance rate of less than 10%. Companies can manage their debt so that the income generated from debt use as financing can cover their modal costs (Bambang et al., 2020).
H3: Capital Structure Positively Affects Profitability

Company Characteristics versus Profitability

According to (Hirdinis, 2019; Ruiz-Blanco et al., 2022), company characteristics that indicate the size of the company have a significant and beneficial effect. It shows that the size of a company can explain and predict the increase in profitability. Because they are traded in capital markets in larger quantities and frequencies, large corporate stocks tend to attract more investors. (Bambang et al., 2020) stated the same thing that business size affects profitability; larger companies have higher profitability. As a result of the hypothesis test conducted by (Aghnitama et al., 2021), it can be concluded that the size of the company's market capital greatly influences the Return on Asset (ROA). This contradicts previous research. H4: Corporate Characteristics Positively Influence Profitability

Profitability Against Company Value

(Noviani et al., 2019) research found that ROA plays a role in increasing business value with a positive correlation between company profitability and company value. Profitable companies tend to give higher dividends to shareholders, which in turn increases the value of the company. A study by (Artanti & Rahmiyati, 2022) also confirms that profitability affects the company's value by increasing the per-stock profit and value of a company. However, the results contradict Meivinia's (2018) study, which found that the impact of profitability on the value of a company was insignificant, in line with (Manoppo & Arie, 2016).
H5: Profitability Positively Affects the Value of the Company

Capital structure versus corporate value mediated by profitability

Profitability is unable to properly mediate the capital structure against the company's value, which is inconsistent with research by (Artanti & Rahmiyati, 2022; Putro & Risman, 2021) which states that profitability is capable of well mediating both variables. (Hirdinis, 2019) found that the direct influence of the capital structure on the value of the company was greater than the indirect influence through profitability. It can be concluded that profitability is not able to mediate the influence of the capital structure on the value of the company. Thus, large-scale companies generate high profitability and markets respond positively. This is because large companies have sufficient capital to develop their business, and the market also responds positively because investors' investment security is more guaranteed than investor's investment security in smaller

companies. H6: Capital Structure Affects Positf on the Value of Companies Mediated by Profitability

Corporate characteristics versus corporate value mediated by profitability

If compared with the indirect influence through profitability, the direct influence of the size of the company on the value of a company is smaller (I. B. A. Purbawangsa et al., 2020). It was decided that profitability could not offset the influence of the size of a company on the value of the company. On the contrary, profitability offsets the impact of the dimension of an enterprise on its value (Bambang et al., 2020). H7: Company characteristics have a positive influence on the value of the company mediated by profitability

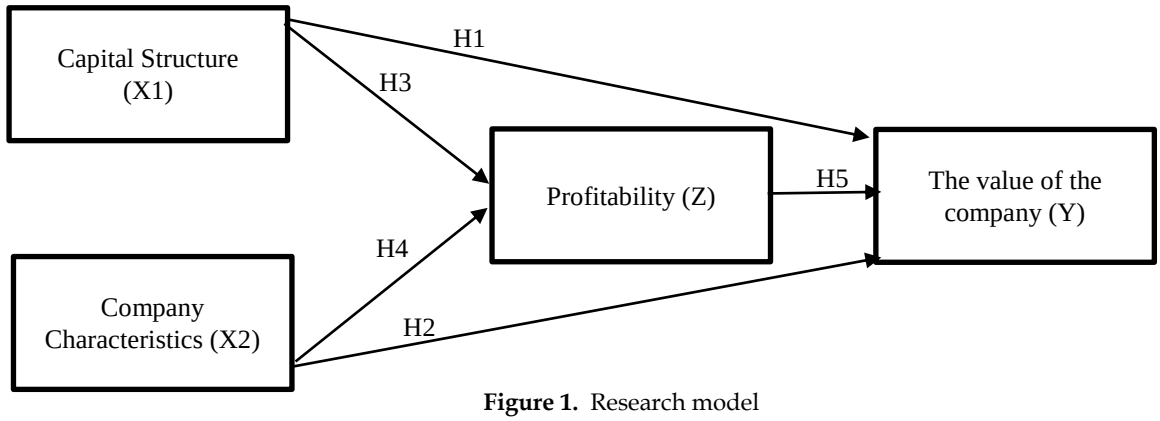

Figure 1. Research model

RESULTS AND DISCUSSIONS

Results

The study employed the structural equation modeling partial least squares (SEM-PLS) data analysis method, utilizing SmartPLS software.

Measurement Model

Reflective constructs are assessed for convergent validity in the SEM-PLS measurement model (outer model, CFA in covariance-based SEM). The criteria for convergent validity consist of loadings that exceed 0.7 and a p-value that is statistically significant (<0.05) (Hair et al., 2019). (Hair et al, 2017) use 0.40-0.70 if the loading criteria is not met, especially for new questions. For indicators between 0.40-0.70, Evaluate their impact on the average variance extracted (AVE) and composite reliability by eliminating indicators with values below 0.40. Removal is permitted if it increases AVE and composite reliability above the threshold (≥ 0.50, ≥ 0.70). Assessing construct content validity after removing indicators.

Table 1. Validity Testing based on Loading Factor

	Capital Structure (X1)	Company Characteristics (X2)	Profitability (Z)	The Value Of The Company (Y)
DAR	0,846			
DER	0,788			
COMPANY SIZE		0,950		
SALES GROWTH		0,949		
EPS			0,929	
ROA			0,758	

ROE	0,886	
PBV		0,833
PER		0,883

Source: Outputs of data processing using SmartPLS 3.3.

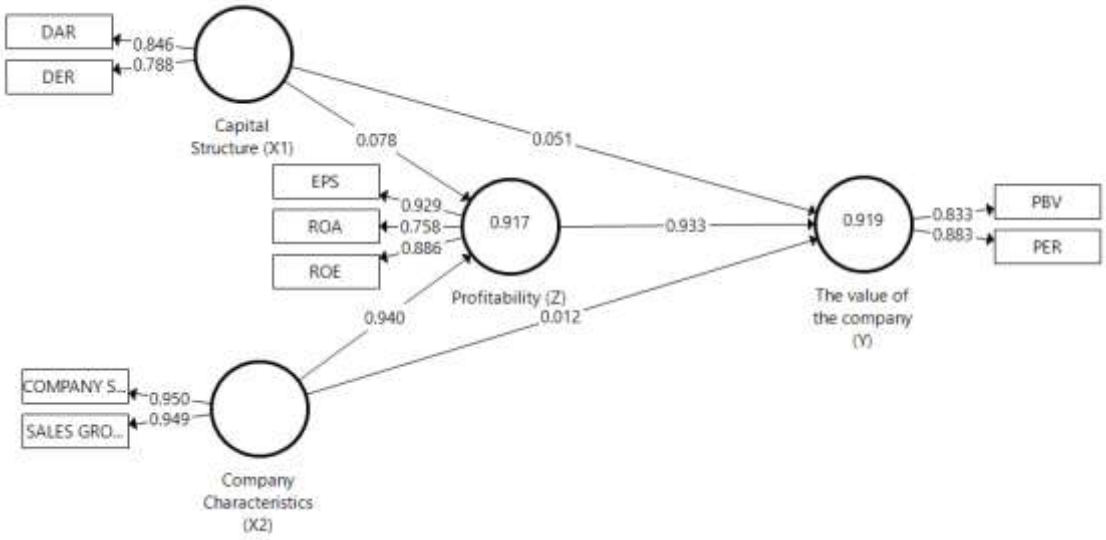

Figure 2. Validity Testing based on Loading Factor

By analyzing the loading factor presented in table 1 and figure 1, it has been concluded that any loading factor beyond 0.7 meets the validity criteria set for the loading value. Furthermore, the evaluation of validity is performed by assessing the average variance extracted (AVE).

Table 2. Validity Testing based on AVE

Variable	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Capital Structure (X1)	0,707	0,801	0,669
Company Characteristics (X2)	0,891	0,948	0,901
Profitability (Z)	0,822	0,895	0,741
The value of the company (Y)	0,745	0,848	0,737

Source: Outputs of data processing using SmartPLS 3.3.

Table 2 presents the recommended Average Variance Extracted (AVE) value, surpassing the threshold of 0.5, for the year 2019, indicating fulfillment of validity criteria based on AVE. Furthermore, reliability assessment is undertaken utilizing the Composite Reliability (CR) value, where table 2 demonstrates a CR value exceeding 0.7, indicative of meeting reliability standards. Additionally, reliability testing incorporates Cronbach's alpha (CA) value, with table 2 revealing a CA value surpassing 0.7, aligning with established reliability requirements based on CA. Moreover, the Fornell-Lacker technique was employed to evaluate discriminant validity.

Table 3. Discriminant Validity Testing

Variable	Capital Structure (X1)	Company Characteristics (X2)	Profitability (Z)	The value of the company (Y)
Capital Structure (X1)	0,818			
Company Characteristics (X2)	0,719	0,949		
Profitability (Z)	0,746	0,954	0,861	
The value of the company	0,783	0,912	0,957	0,858

(Y)

Source: Outputs of data processing using SmartPLS 3.3.

Discriminant validity with reflective indicators is by looking at the cross loading value. Table 3 shows that the value of each variable must be greater than 0.70 (Ghozali, 2020).

Inner Model

Table 4. Coefficient Path Test & Influencing Significanceh

Construct	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
Capital Structure (X1) -> Profitability (Z)	0,078	2,163	0,031
Capital Structure (X1) -> The value of the company (Y)	0,051	2,758	0,029
Company Characteristics (X2) -> Profitability (Z)	0,940	63,058	0,000
Company Characteristics (X2) -> The value of the company (Y)	0,012	0,054	0,957
Profitability (Z) -> The value of the company (Y)	0,933	4,075	0,000

Source: Outputs of data processing using smartPLS 3.3.

The analysis yielded several noteworthy findings regarding the relationships between key variables in the study. Firstly, the coefficient of 2.163 indicates a significant positive association between Capital Structure (X1) and Profitability (Z). This relationship is deemed statistically significant with a p-value of 0.031, which falls below the predetermined significance level of 0.05. Similarly, the coefficient of 1.758 suggests a positive connection between Capital Structure (X1) and the company's value (Y), supported by a statistically significant p-value of 0.029. Furthermore, the examination of Company Characteristics (X2) reveals significant impacts on both Profitability (Z) and the company's value (Y). Specifically, a coefficient value of 63.058 indicates a positive influence of Company Characteristics (X2) on Profitability (Z), supported by a highly significant p-value of 0.000. Conversely, Company Characteristics (X2) exhibit a negative effect on the company's value (Y), as indicated by a coefficient of 0.054. Notably, this negative impact remains statistically significant, despite the relatively higher p-value of 0.957. Lastly, Profitability (Z) emerges as a significant predictor of the company's value (Y), with a coefficient value of 4.075. This positive effect is corroborated by a statistically significant p-value of 0.000, reinforcing the importance of Profitability (Z) in determining the company's overall value.

Table 5. Specific Indirect Effects

Construct	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
Capital Structure (X1) -> Profitability (Z) -> The value of the company (Y)	0,073	1,652	0,099
Company Characteristics (X2) -> Profitability (Z) -> The value of the company (Y)	0,878	3,987	0,000

Source: Outputs of data processing using smartPLS 3.3.

Based on the results from Table 5, it was found that the impact of Capital Structure (X1) on The value of the company (Y), mediated by Profitability (Z), lacked statistical significance with a t-value of 1.652, a p-value of 0.099, and a coefficient signifying a positive relationship. Consequently, the hypothesis that Profitability (Z) acts as a significant mediator in this relationship was rejected. Conversely, the analysis revealed a significant positive relationship between Company Characteristics (X2) and The value of the company (Y), mediated by Profitability (Z), with a t-value of 3.987 surpassing the critical value and supporting the hypothesis. Therefore, Profitability (Z) was identified as a positive and significant mediator in the connection between Company Characteristics (X2) and The value of the company (Y).

Table 6. R-Square

Variable	R Square	R Square Adjusted
Profitability (Z)	0,917	0,914
The value of the company (Y)	0,919	0,915

The R-Square value of The value of the company (Y) is 0.915, therefore Capital Structure (X1) and Company Characteristics (X2) can change Y by 91.5 %. The R-Square Profitability (Z) is 0.914, meaning that Capital Structure (X1) and Company Characteristics (X2) effect Z by 91.4%.

Table 7. Q-Square

Variable	SSO	SSE	Q^2 (=1-SSE/SSO)
Capital Structure (X1)	140,000	140,000	
Company Characteristics (X2)	140,000	140,000	
Profitability (Z)	210,000	69,731	0,668
The value of the company (Y)	140,000	48,995	0,650

Q-Square for The value of the company (Y) is 0.650. Q-Square 0.650 > 0, indicating that Capital Structure (X1) and Company Characteristics (X2) forecast The value of the company (Y). Q-Square for Profitability (Z) is 0.668. Since the Q-Square is 0.668 > 0, the Capital Structure (X1) and Company Characteristics (X2) forecast Profitability (Z).

Discussion

The findings of this study shed light on the intricate relationship between capital structure, company traits, and profitability in the Indonesian Consumer Goods Industry. The analysis of 52 companies over the period from 2021 to 2023 provides valuable insights into the factors influencing company valuation in this sector. The results suggest that a company's capital structure, including the mix of debt and equity, plays a significant role in determining its value. Additionally, company characteristics such as size, profitability, and growth also impact firm value.

Furthermore, the study highlights the importance of considering profitability as a key mediator in the relationship between capital structure, company traits, and company value. Profitability acts as a crucial link between financial decisions and overall firm performance, indicating that companies with a balanced capital structure and strong profitability are likely to achieve higher valuations.

These findings have implications for strategic decision-making in the consumer goods industry, emphasizing the need for companies to carefully manage their capital structure and enhance profitability to maximize shareholder value. Future research could explore additional factors that influence company valuation and further refine the understanding of the dynamics at play in this competitive market. Our study details the findings on the interaction of capital structure, company traits, and profitability in the Indonesian consumer goods industry. We analyze how these factors impact company valuation and their significance in determining firm value. Comparisons with previous studies are made to identify similarities or differences in results, aiming to provide a comprehensive understanding of our study's contributions. Additionally, any disparities with past research are addressed, shedding light on evolving dynamics in corporate valuation within the consumer goods sector. Overall, this section contextualizes our findings, highlighting their novelty and implications for future research in the field.

CONCLUSION

The comprehensive analysis of capital structure, company traits, and profitability in the Indonesian Consumer Goods Industry has provided valuable insights into the determinants of company valuation. The study confirms the significant impact of capital structure and company characteristics on firm value, highlighting the importance of strategic financial decision-making in enhancing shareholder wealth.Moving forward, the findings suggest that companies in the consumer goods sector should focus on optimizing their capital structure and improving profitability to drive sustainable growth and competitiveness. Future research could delve deeper into the specific mechanisms through which these factors influence company value, as well as explore the implications for performance measurement and strategic planning in the industry. By leveraging the insights gained from this study, companies can make informed decisions to enhance their financial performance and create long-term value for stakeholders. The prospect of further research in this area holds promise for advancing our understanding of corporate valuation dynamics and guiding strategic management practices in the evolving consumer goods market.

The current study's implications, both practical and theoretical, are significant and varied. In practice, the findings offer valuable guidance for companies in the Indonesian consumer goods industry, aiding strategic decision-making and financial planning. Understanding the interplay between capital structure, company traits, and profitability can optimize financial performance, enhance shareholder value, and foster sustainable growth. Recommendations include managing capital structure, improving profitability, and leveraging unique traits for competitive positioning. In theory, the research contributes to understanding corporate valuation dynamics, especially in the consumer goods sector. It enhances theoretical comprehension of how capital structure, company characteristics, and profitability affect firm value, advancing frameworks related to corporate finance, strategic management, and financial decision-making. Theoretical insights extend beyond this industry, informing future research on valuation drivers and firm performance across sectors and markets.

ACKNOWLEDGEMENTS

The author thanks Widyatama University Research, Research, and Intellectual Capital Institute (LP2M), which funded this research through the contract no. 183/SPC3/LP2M-UTAMA/IV/2023.

References

Aghnitama, R. D., Aufa, A. R., & Hersugondo, H. (2021). Market Capitalization dan Profitabilitas Perusahaan dengan FAR, AGE, EPS, dan PBV sebagai Variabel Kontrol. *Jurnal Akuntansi Dan Manajemen*, *18*(02), 01–11. https://doi.org/10.36406/jam.v18i02.392

Artanti, R. A., & Rahmiyati, N. (2022). Pengaruh Likuiditas, Leverage Dan Struktur Modal Terhadap Nilai Perusahaan Dengan Profitabilitas Sebagai Variabel Mediasi. *Prima Ekonomika*, *13*(2), 76. https://doi.org/10.37330/prima.v13i2.152

Bambang, S., Elen, P., Titiek, S., & Muhammad, A. M. (2020). Determinants of Firm Value and Profitability: Evidence from Indonesia. *The Journal of Asian Finance, Economics and Business*, *7*(11), 769–778. https://doi.org/10.13106/JAFEB.2020.VOL7.NO11.769

Bhandari, A., Evans, D., Golosov, M., & Sargent, T. J. (2017). Fiscal Policy and Debt Management with Incomplete Markets*. *The Quarterly Journal of Economics*, *132*(2), 617–663. https://doi.org/10.1093/qje/qjw041

Chabachib, M., Hersugondo, H., Ardiana, E., & Pamungkas, I. D. (2019). Analysis of Company Characteristics of Firm Values: Profitability as Intervening Variables. *International Journal of Financial Research*, *11*(1), 60. https://doi.org/10.5430/ijfr.v11n1p60

Eli Safrida. (2017). PENGARUH STRUKTUR MODAL, PERTUMBUHAN PERUSAHAAN, PROFITABILITAS DAN UKURAN PERUSAHAAN TERHADAP NILAI PERUSAHAAN (Studi pada Perusahaan Manufaktur Di Indonesia). *Jumal Akuntansi Riset, 3*.

Ghozali, I. (2020). *Konsep, Teknik dan Aplikasi Menggunakan Program SmartPLS 3.0 Untuk Penelitian Empiris*. Semarang.

Goso, G. (2022). The Influence of Capital Structure, Liquidity, and Company Size on Sulselbar Bank's Profitability. *Enrichment : Journal of Management*, *12*(4), 2847–2853. https://doi.org/10.35335/enrichment.v12i4.745

Hair et al. (2017). A primer on partial least squares structural equation modeling (PLS-SEM). In *International Journal of Research & Method in Education* (Vol. 38, Issue 2). https://doi.org/10.1080/1743727x.2015.1005806

Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, *31*(1), 2–24. https://doi.org/10.1108/EBR-11-2018-0203

Herciu, M., & Ogrean, C. (2017). Does Capital Structure Influence Company Profitability? *Studies in Business and Economics*, *12*(3), 50–62. https://doi.org/10.1515/sbe-2017-0036

Hirdinis, M. (2019). Capital structure and firm size on firm value moderated by profitability. *International Journal of Economics and Business Administration*, *7*(1), 174–191. https://doi.org/10.35808/ijeba/204

Hult, J. F. H. J. • G. T. M., Sarstedt, C. M. R. • M., & Ray, N. P. D. • S. (2021). Review of Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R: A Workbook. In *Springer*. https://doi.org/10.1080/10705511.2022.2108813

Kasasbeh, F. I. (2021). Impact of financing decisions ratios on firm accounting-based performance: evidence from Jordan listed companies. *Future Business Journal*, *7*(1), 1–10. https://doi.org/10.1186/s43093-021-00061-0

Manoppo, H., & Arie, F. (2016). Pengaruh Struktur Modal, Ukuran Perusahaan Dan Profitabilitas Terhadap Nilai Perusahaan Otomotif Yang Terdaftar Di Bursa Efek Indonesia Periode 2011-2014. *Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, *4*(2), 485–497.

Mishra, R. K., & Kapil, S. (2018). Board characteristics and firm value for Indian companies. *Journal of Indian Business Research*, *10*(1), 2–32. https://doi.org/10.1108/JIBR-07-2016-0074

Noviani, A. V., Atahau, A. D. R., & Robiyanto, R. (2019). Struktur modal, profitabilitas, dan nilai perusahaan: Efek moderasi Good Corporate Governance. *Jurnal Ekonomi Dan Bisnis*, *22*(2), 391–415. https://doi.org/10.24914/jeb.v22i2.2601

Nur, E. D. P. (2021). The Impact of Social Media on Firm Value: A Case Study of Oil and Gas Firms in Indonesia. *Journal of Asian Finance, Economics and Business*, *8*(3), 0987–0996. https://doi.org/10.13106/jafeb.2021.vol8.no3.0987

Prabowo, B., Rochmatulaili, E., Rusdiyanto, & Sulistyowati, E. (2020). Corporate governance and its impact in company's stock price: case study. *Utopia y Praxis Latinoamericana*, *25*(Extra10), 187–196. https://doi.org/10.5281/zenodo.4155459

Purbawangsa, I. B. A., Solimun, S., Fernandes, A. A. R., & Mangesti Rahayu, S. (2020). Corporate governance, corporate profitability toward corporate social responsibility disclosure and corporate value (comparative study in Indonesia, China and India stock exchange in 2013-2016). *Social Responsibility Journal*, *16*(7), 983–999. https://doi.org/10.1108/SRJ-08-2017-0160

Purbawangsa, I., & Suana, I. (2019). Karakteristik Perusahaan dan Struktur Kepemilikan Sebagai Determinan Struktur Modal, Kinerja Keuangan, serta Nilai Perusahaan. *Matrik : Jurnal Manajemen, Strategi Bisnis Dan Kewirausahaan*, 184. https://doi.org/10.24843/MATRIK:JMBK.2019.v13.i02.p06

Putro, D. C., & Risman, A. (2021). the Effect of Capital Structure and Liquidity on Firm Value Mediated By Profitability. *The EUrASEANs: Journal on Global Socio-Economic Dynamics*, *2*(2(27)), 26–34. https://doi.org/10.35678/2539-5645.2(27).2021.26-34

Rts dheby dwi thamara, Hizazi, A., & Ridwan, M. (2023). The Influence of Capital Structure and Company Characteristics on Company Value as Mediated by Profitability. *Asian Journal of Natural Sciences*, *2*(4), 235–238. https://doi.org/10.55927/ajns.v2i4.6496

Ruiz-Blanco, S., Romero, S., & Fernandez-Feijoo, B. (2022). Green, blue or black, but washing–What company characteristics determine greenwashing? *Environment, Development and Sustainability*, *24*(3), 4024–4045. https://doi.org/10.1007/s10668-021-01602-x

Vargo, R., & Tobing, C. L. (2022). *Enrichment : Journal of Management Characteristics Of Sustainibility Report Publications On Companies*. *12*(4).