

FACTORS THAT INFLUENCE FINANCIAL PERFORMANCE
(Empirical Study In the Livestock Feed Industry Sub-Sector Listed on BEI Period 2006-2015)

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Abstract

This study aims to test empirically the factors that affect financial performance: current ratio, debt ratio, debt to equity ratio, total asset turnover, working capital turnover and net profit margin on return on investment in sub sector of livestock feed industry listed in Indonesia Stock Exchange during the period 2006-2015.

Sampling technique used purposive sampling obtained 4 company samples and analyzed by using multiple linear regression.

Based on the result of hypothesis test, it is found that (1) the current ratio does not affect the return on investment, (2) the debt ratio has an effect on the return on investment, (3) the ratio of debt to equity affect the return on investment, (4) (7) current ratio, debt ratio, debt to equity ratio, total asset turnover, working capital turnover, and (5) the working capital turnover has no effect on return on investment, And net profit margins together affect the return on investment.

Keywords: *Financial Performance*

1. Background

The ability of a company to be able to compete very much determined by the company itself. In general, a company's performance is shown in the published financial statements. Condition company performance can be known based on the analysis of financial statements. The results of the analysis of financial statements that show the company's performance as a basis for policy makers for owners, managers and investors. Analysis and interpretation of financial statements in essence is to conduct an assessment of the financial condition and potential or progress of a company through the financial statements, financial statements can be analyzed based on financial ratios.

Financial ratios consideration describes a relationship between a certain amount and number of others. Size commonly used in financial statement analysis is by using financial ratio analysis. Financial ratio analysis is an analysis that is often used because it is the most appropriate method to be applied in the assessment of the performance of the company. Financial ratios used to measure the financial performance (Priyanka.P and DeivanaiKathiresan 2017)of companies studied by researchers is the return on investment. As for some of the factors affecting the financial performance is the current ratio, debt ratio, debt to equity ratio, total asset turnover, working capital turnover, net profit margin and return on investment.

Conduct analysis of the factors affecting financial performance to determine the extent to which the effectiveness of the company's operations in achieving its objectives and assessing the performance of the company can use ratio analysis, which began with a search for relationships of various items in the financial statements, using financial statements are compared, including data about changes that occur in the amount of rupiah, percentage, and trends. That ratio would describe a relationship or consideration (mathematical relationship) between a certain amount by the number of others, ratio analysis can also explain or give an idea of the good or the bad financial condition of a company, especially if the ratio is comparable with the ratio comparator used as standard. Ratio analysis as well as analysis tools that others are "future oriented." Therefore, the analyzer must be able to adjust the factors that exist in this time period or by factors in the future, which could affect the financial position or results of operations of the company concerned. In order for the uses and benefits of a number ratio depends entirely on the ability or expertise in interpreting the data analyzer concerned (Munawir, 2007, 64).

In determining the Return on Investment (ROI) to consider a variety of factors the company's financial performance through financial ratios. In this study using Curren ratio, Debt Ratio, Debt

ToEquity Ratio, total assets turnover, working capital turnover, net profit margin. These ratios are thought to have a great influence in determining the Return on Investment (ROI) of a company.

Factors that affect the financial performance of the animal feed industry in Indonesia. Some problems can be the author of identification are: (1) Is there any indication that the alleged financial performance is affected by the low current ratio? (2) Does high debt ratio affect the financial performance? (3) Does high debt to equity ratio effect on financial performance? (4) Does the low total assets turnover affect the financial performance? (5) Is the lack of working capital turnover affect the financial performance? (6) Do The low net profit margin affect the financial performance?

The population of this research are animal feed company. Industrial livestock sector is one industry that is relatively undeveloped and is active in the Indonesian Stock Exchange (BEI). Noor Antung research results Asiya (2011) found evidence of Textile Industry where current ratio (CR) is the dominant variable affecting ROI. Hidayat et al (2014) found evidence Property and Real Estate Company where Debt Ratio (DR) effect on Return on Investment (ROI). Rahmawati (2009) found evidence of food and beverage companies in which the Debt to Equity Ratio (DER) effect on Return on Investment. Sjahrudin (2010), found evidence where a Pharmaceutical Company where Total Assets Turnover (TATO) and Net Profit Margin (NPM) effect on Return on Investment (ROI). Dify Mashady et al (2013) found evidence which the Working Capital Pharmaceutical Company Turnover (WCT) effect on Return on Investment (ROI).

Companies themselves have the potential to develop products more quickly by performing a variety of innovative and tend to have more market expansion.

2. LITERATURE REVIEW

Agency Theory

Jensen and Meckling (1976) suggests the agency theory explains that the interests of management and investors or shareholders often there is a conflict, which could be a conflict between the two.

Agency theory to explain within the company there are many parties namely managers, company owners and creditors which are contradictory and basically have different interests, the manager is obliged to consider the welfare of the shareholders, but the management also has an interest in developing himself. The investors also demanded that more attention to their welfare management by sharing profits / gains to them. ROI is the relative value of equity in net income compared with the total investment by the company. ROI value describes the growth of assets or wealth of the company in the form of net profit growth during the period.

Signaling Theory

The theory that explains the importance of performance measurement is signaling theory. This theory explains that the financial statements are either a signal or a sign that the company has been operating well. A good signal will be responded too well by the other party.

The financial statements are published as information in providing a signal to investors in making investment decisions. Annual report examples of information published in this theory is the financial statement (Rustiarini, 2010).

Current Ratio with Return On Investment

Current Ratio one common ratio used to measure liquidity or the company's ability to meet short-term obligations without facing any difficulty. The higher the current ratio, the greater the opportunity for the company to repay short-term debt includes payments of cash dividends payable (Brigham and Houston, 2012). This liquidity has close links with the ROI, liquidity Diman shows the level of availability of working capital needed for daily operational activities. The higher the liquidity, the smaller the ROI and conversely the lower the liquidity, the greater the ROI. Research Asiya et al (2011) to produce empirical evidence that the current ratio affects return on investment in Textile Industry Listed In Indonesia Stock Exchange. Based on these reasons, a hypothesis that can be developed are:

H1: Current Ratio significant effect on return on investment in the industry sub sector fodder go public in BEI.

Debt Ratio with Return On Investment

Debt Ratio draw total amount of debt that can be secured by the total assets. The higher the debt ratio shows the financial risks that companies face greater consequences for debt interest expense remains. Debt Ratio is the ratio between total liabilities and total assets. Research Marjam et al (2015) to produce empirical evidence that Debt Ratio affect the return on investment on the Cigarette Industry Listed In Indonesia Stock Exchange. Based on these reasons, a hypothesis that can be developed are:

H2: Debt Ratio significant effect on return on investment in the industry sub sector fodder go public in BEI.

Debt To Equity Ratio with Return On Investment

Total debt or total liabilities (both short-term debt and long-term); while total shareholders' equity is total own capital (total capital paid shares and retained earnings) of the company. This ratio illustrates the composition of total debt to total equity. Increasingly bears DER shows the composition of total debt higher than the total own capital, so the greater the burden on companies to outsiders (creditors) (Ang, 1997). Research Rahmawati (2015) to produce empirical evidence that the Debt Equity Ratio affects the return on investment in food and Beverage companies listed on the Indonesian stock exchange. Based on these reasons, a hypothesis that can be developed are:

H3: Debt Equity Ratio significant effect on return on investment in the industry subsector fodder go public in BEI.

Total Assets Turn Over the Return On Investment

Total Asset Turnover (TATO) is the ratio of the activity that is used to measure the extent a company's effectiveness in using its resources in the form of assets. The more efficient use of assets and the sooner the refund in the form of cash (Halim, 2007). Research Rahmah et al (2016) to produce empirical evidence that Total Asset Turnover (TATO) affect the return on investment in manufacturing companies listed on the Indonesian stock exchange. Based on these reasons, a hypothesis that can be developed are:

H4: Total Asset Turnover significant effect on return on investment in the industry sub sector fodder go public in BEI.

Research Framework

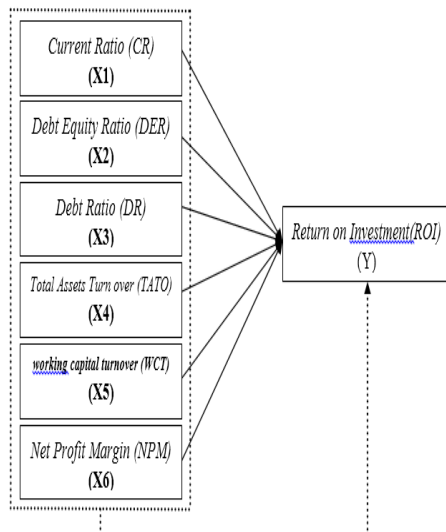


Figure 1. Research Framework
(Source: Processed Data)

RESEARCH DESIGN AND METHODS

Data collection and selection of samples

The scope of the research includes the financial statement data of manufacturing companies listed in Indonesia Stock Exchange (BEI) in the period 2006 to 2015. The data used are the financial statements that have been published to the public and can be accessed from the official website of the Stock Exchange that www.idx.co.id. Sample selection technique used in this research is purposive purposivesampling . It gained as much as 4 samples of 4 sub sector company listed on the Stock Exchange in the period 2006-2015.

TABLE. 1. SAMPLE DATA ANIMAL FEED INDUSTRY

No	Data Input
1	PT. Charoen Pokphand Indonesia Tbk,
2	PT. JapfaComfeed Indonesia Tbk,
3	PT. MalindoFeedmillTbk,
4	PT. Sierad Produce Tbk

1.

Operationalization of Research Variables

The variables of independently in this study using four variables, the Current Ratio (X1), Debt Ratio (X2), Debt To Equity Ratio (X3), Total Asset Turnover (X4), Working Capital Turnover (X5), Net Profit Margin (X6) , while the dependent variable is the return on investment (Y).

Data analysis technique

Data were analyzed using multiple regression analysis

Table 2. Operational variables

Variable	Indicator	Scale	Source
<i>Return on Investment</i> (ROI) (Y) Munawir (2007: 89)		Ratio	Balance sheets and Financial Statements
<i>Current ratio</i> (CR) (X1) Brigham dan Houston (2010)		Ratio	Balance sheets
<i>Debt Ratio</i> (DR) (X2) Langko (2010)		Ratio	Balance sheets

<i>Debt to Equity Ratio</i> (DER) (X3) Brigham dan Houston (2012)		Ratio	Balance sheets
<i>Total Assets Turn Over</i> (X4) Prastowo (2011)		Ratio	Balance sheets and Financial Statements
<i>Working Capital Turnover</i> (X5) Sawir (2012)		Ratio	Balance sheets and Financial Statements
<i>Net Profit Margin</i> (X6) Hery (2015)		Ratio	Financial Statements

Use of Model:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + e$$

Notes:

Y = ROI

X1 = CR

X2 = DER

X3 = DR

X4 = TATO

X5 = WCT

X6 = NPM

a = konstanta

β 1,2,3,4,5,6 = coefficient regression

e = (error)

RESULTS AND DISCUSSION

Classic assumption test

a. Test Multicollinearity

Multicollinearity test regression model used to test whether there is a correlation between independent variables (independent). namely by looking at VIF (Varian Inflation Factor) and Tolerance in the process of regression, if both close to 1 or scale VIF is less than 10 then the model is not affected by Multicollinearity (Ghozali, 2006).

Table 3. Test Multicollinearity

Coefficients^a

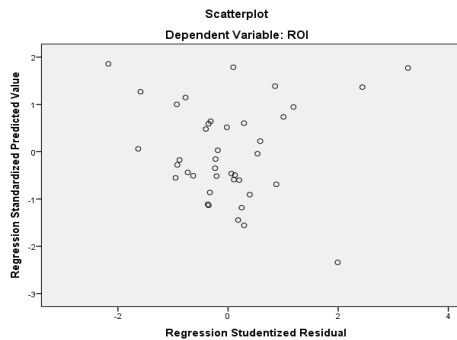
Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
CR	.690	1.449
DR	.791	1.264
DER	.856	1.168
TATO	.671	1.491
WCT	.950	1.053
NPM	.646	1.547

a. Dependent Variable: ROI

in Table 3 shows the value of tolerance in a row (0.690; 0.791; 0.856; 0.671, 0.950, 0.646) > 0.10 while the VIF are (1.449; 1.264; 1.168; 1.491; 1.053; 1.547) < 10, it can be concluded that independent variable Multicollinearity research symptom free.

b. Test Heteroscidasiy

Symptoms Heteroscidasiy in this study can be seen in chart 4 below:



Source: output SPSS version 22.0 for windows

Graph 1. Heteroscidasiy

Based on the graph scatterplot can be concluded that the research does not happen Heteroscedasity, because the residue dispersed and does not form a specific pattern, so the regression model proper to be used to predict the financial performance of fodder (return on investment) based on the influence of independent variables (current ratio, debt ratio, debt to-equity ratio, total asset turnover, working capital turnover, and net profit margin).

c. Test Autocorrelation

Autocorrelation in this study can be seen in Table 4 below.

Table 4. Test Autocorrelation

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.816 ^a	.665	.605	3.79390	1.243

a. Predictors: (Constant), CR, DR, DER, TATO, WCT, NPM

b. Dependent Variable: ROI

With the number of sample data 40 (n = 40) and the independent variables as much as 6 variables (k = 6), to determine their autocorrelation test was used Durbin-Watson, the criteria of Table 4, the Durbin-Watson looks DW value of 1.243 for the presence autocorrelation Durbin-Watson test was used, the criteria according to santoso (2012: 219).

By looking at the magnitude of the Durbin-Watson as follows:

- a. Figures D-W below -2, there is positive autocorrelation.
- b. Figures D-W between -2 to +2, no autocorrelation.
- c. Figures D-W above +2, there is a negative autocorrelation.

Auto correlation test results above show the value of Durbin-Watson (D-W) of 1.243. where in, DW values in the range -2 and smaller than 2 (-2 < 1.243 < 2) then this model has no symptoms autocorrelation both positive and negative. The less deviation in the model, the regression results produced the better.

From the classic assumption test results concluded regression model used in this study has met the model estimates Best linear Unbiased Estimator (BLUE) and worth doing regression analysis.

d. Normality test

According Ghozali (2011: 28), a variable is not necessarily needed in the analysis of the test for normality, but it would be better if the normality test all variables are normally distributed.

The statistical test used in this study was to examine the residual normality is a non-parametric statistical tests Smirnov (K-S). K-S test is done by making hypotheses:

Ho: The data were normally distributed residuals when significant value > 5% (0:05)

Ha: residual data is not normal when significant value < 0.050

Normality of the data in this study can be known through the table 5 below:

Table 5. Normality Test

One-Sample Kolmogorov-Smirnov Test

	ROI	CR	DR	DER	TATO	WCT	NPM
N	40	40	40	40	40	40	40
Normal Parameters ^a	Mean	6.9923	203.4513	38.5123	54.7123	.7223	.3813
	Std. Deviation	6.03281	60.80389	16.16959	14.43424	35694	1.6070
Most Extreme Differences	Absolute	.129	.117	.082	.076	.088	.120
	Positive	.129	.117	.062	.076	.073	.096
	Negative	-.129	-.112	-.082	-.074	-.088	-.120
Test Statistic		.129	.117	.082	.076	.088	.120
Asymp. Sig. (2-tailed)		.091*	.179*	.200**	.200**	.200**	.147*

a. Test distribution is Normal.

According to the table showing the ROI Asymp.Sig 0.91 > 0.05, CR Asymp.Sig 0.179 > 0.05, DR Asymp.Sig 0.200 > 0.05, DER Asymp.Sig 0.200 > 0.05, TATO Asymp.Sig 0.200 > 0.05, WCT Asymp.Sig 0.147 > 0.05, NPM Asymp. Sig 0.200 > 0.05, the results in this study are eligible test for normality. Data fit for use, to predict financial performance industrial fodder (return on investment) based on the input of independent variables (current ratio, debt to equity ratio, debt ratio, total asset turnover, working capital turnover, and net profit margin) for fulfilling assumption test normality.

Hypothesis testing

test the hypothesis in this study using multiple regression analysis

Coefficients^a

Model	Koefisien Regresi	T	Sig.	t - tabel	Koefisien Partial
(Constant)	5.502	1.351	.185		
CR	.013	1.054	.299	2.03452	.181
DR	-.120	-2.849	.007		-.444
DER	-.100	-2.136	.040		-.349
TATO	8.150	3.921	.000		.564
WCT	3.091	.797	.431		.137
NPM	1.013	2.372	.024		.382

R = 0,816 F = 10,935 N = 40
 R Square = 0,665 F Sig = 0,000
 Multiple Regression equations:
 ROI = 5,502 + 0,013CR - 0,120DR - 0,100DER + 8,150TATO + 3,091WCT + 1,013NPM

First Hypothesis Analysis

From the statistical test t done Current Ratio (CR), did not significantly affect the Return on Investment (ROI) Animal feed industry financial performance shows significant value of 0.299 > 0.05 and t value of 1.054 < t table 2.03452, it H1 means that states that the Current Ratio (CR) significantly affect the Return on Investment (ROI) animal feed industry declined.

Current ratio is a ratio to measure a company's ability to meet its obligations to the debtor with the liquid assets owned by a company. Variable current ratio does not affect the return on investment in the animal feed industry went public listed on the Indonesia Stock Exchange. The relationship between the variable current ratio with a variable return on investment amounted to 0.181 or 18.1% (partial correlation) which showed a less strong between the two variables. The current ratio variable regression coefficient indicates a positive value of 0.013 which means that the current ratio variable relationship in line with the level of return on investment the animal feed industry went public listed on the Indonesia Stock Exchange. This means that if the current ratio increased by one unit then the return on investment will be increased by 0,013.

No significant effect of the current ratio of the return on investment due to changes in current assets continues to increase is also accompanied by the increase in current liabilities animal feed industry, which certainly does not cause changes to the animal feed industry profits. Thus, the changes experienced by the variable current ratio does not significantly affect the change in value return on investment. The results are consistent with research conducted by Sjahrudin et al (2010) which states that the Current Ratio (CR) had no significant effect on Return on Investment (ROI).

Analysis Hypothesis Two

T of statistical tests performed Debt Ratio (DR), significantly affect the Return on Investment (ROI) Animal feed industry financial performance shows significant value 0.007 < 0.05 and t value of

-2849> t table 2.03452, this means H2 stating that Debt Ratio (DR) significantly affect the Return on Investment (ROI) accepted animal feed industry.

This means that the higher the level of DR at the company, the level of ROI in the animal feed industry will be reduced. The relationship variable debt ratio with variable return on investment of -0.444 or -44.4% (partial correlation) showing the opposite relationship was between the two variables. The regression coefficient of variable debt ratio shows a negative value of -0.120 which means that the debt ratio of variables relationship in the opposite direction to the level of return on investment the animal feed industry went public listed on the Indonesia Stock Exchange. This means that if the debt ratio has decreased by one unit then the return on investment will increase by 0.120. The higher the ratio Debt where the company's profit will decrease because it is used to pay interest charges on the debt, the significant effect of debt ratio to return on investment due to changes in the value of the debt ratio significantly affect the value of return on investment. The results are consistent with research conducted by Marjam et al (2015), hidayat et al (2014) which states that the Debt Ratio effect on Return on Investment (ROI).

Analysis Hypothesis Three

T of statistical tests performed Debt Equity Ratio (DER), significantly affect the Return on Investment (ROI) Animal feed industry financial performance shows significant value 0.040 <0.05 and t value of -2.136> t table 2.03452, it means H3 stating that Debt to Equity Ratio (DER) a significant effect on Return on Investment (ROI) accepted animal feed industry.

Debt to equity ratio is a ratio used to measure a company's ability to meet obligations to guarantee the long-term equity firm. Debt to equity ratio variables affect the return on investment in the animal feed industry went public listed on the Indonesia Stock Exchange. The relationship between the variables debt to equity ratio with variable return on investment amounting to -0.349 (partial correlation) which shows a weak relationship and have the opposite direction between the two variables. The regression coefficient of variable debt to equity ratio shows a negative value of -0.100 which means that the variable relation debt to equity ratio is not in line or have the opposite relationship to the level of return on investment livestock feed industry go public in Indonesia Stock Exchange. This means that if the debt to equity ratio increased by one unit then the return on investment will decline by 0,100. Because the greater the debt held by the animal feed industry, the animal feed industry must make payment of interest on debt that is getting bigger. This makes the animal feed industry must pay by reducing revenue which leads to reduced profit animal feed industry. This makes the return on investment the animal feed industry becomes smaller if the debt is increasing. The results are consistent with research conducted by hidayat et al (2014), Rahmawati (2009) which states that the Debt to Equity Ratio effect on Return on Investment.

Analysis Hypothesis Fourth

T of statistical tests performed Total Assets Turnover (TATO), significantly affect the Return on Investment (ROI) Animal feed industry financial performance shows significant value 0.000 <0.05 and t value of 3.921> t table 2.03452, this means H4 stating that Total Assets Turnover (TATO) significantly affect the Return on Investment (ROI) performance of financial industry accepted animal feed.

Total Assets Turnover to measure a company's ability to use all of its assets in generating net sales. The greater the TATO indicates efficient use of the entire assets of the company to support sales activities. The greater this ratio, the better for the company are considered able to make a profit high enough (Harahap: 2011).

Total asset turnover variables affect the return on investment in the animal feed industry went public listed on the Indonesia Stock Exchange. The relationship between the variables total asset turnover with variable return on investment of 0.564 or 56.4% (partial correlation), which showed a strong relationship between the two variables. The regression coefficient total asset turnover indicates a positive value of 8.150 which means that the total asset turnover variable relationship in line with the level of return on investment the animal feed industry subsector went public listed on the Indonesia Stock Exchange. This means that if the total asset turnover increased by one unit then the return on investment will be increased by 8,150. The results are consistent with research conducted by

Sjahrudin (2010), rahmah et al (2016) which states that the Total Assets Turnover (TATO) effect on Return on Investment (ROI).

Analysis Hypothesis Fifth

T of statistical tests performed Working Capital Turnover (WCT), did not significantly affect the Return on Investment (ROI) Animal feed industry financial performance shows significant value $0.431 > 0.05$ and t value of $0.797 < t$ table 2.03452, it means H5 stating that the Working Capital Turnover (WCT) significantly affect the Return on Investment (ROI) animal feed industry's financial performance declined.

Working capital turnover, the ratio used to measure the company's ability to obtain the number of sales (in rupiah) obtained by the company for each rupiah working capital. Variable working capital turnover did not affect the return on investment in the animal feed industry went public listed on the Indonesia Stock Exchange. The relationship between the variables working capital turnover with variable return on investment amounted to 0,137, or 13.7% (partial correlation) which showed a weak correlation between the two variables. The regression coefficient of variable working capital turnover shows a positive value of 3.091 which means that the variable relationship in line with the working capital turnover rate of return on investment the animal feed industry went public listed on the Indonesia Stock Exchange. This means that if the working capital turnover increased by one unit then the return on investment will increase by 3.091. Not the strong relationship between the two variables have occurred due to changes in current liabilities greater than current assets, working capital so that some animal feed industry suffered from a lack of capital. In addition the revenue generated by the animal feed industry did not experience a significant increase compared to the increase in current liabilities which are uncertain, which automatically affects the working capital issued by the animal feed industry. This is according to research conducted by yuliani et al (2015) which states that the Working Capital Turnover (WCT) has no effect on Return on Investment (ROI).

Analysis Hypothesis sixth

T of statistical tests conducted Net Profit Margin (NPM) significantly affect the Return on Investment (ROI) Animal feed industry financial performance, demonstrated significant value $0.024 < 0.05$ and t value of $2.372 > t$ table 2.03452, this means H6 which states that the Net Profit Margin (NPM) significantly affect the Return on Investment (ROI) performance of financial industry accepted animal feed.

Net profit margin is a ratio used to measure the ability of the company in order to provide returns to shareholders. Variable net profit margin positive effect on return on investment in the animal feed industry subsector went public listed on the Indonesia Stock Exchange.

The relationship between the variables of net profit margin with a variable return on investment amounted to 0.382 or 38.2% (partial correlation) which showed a weak correlation between the two variables. The regression coefficient of net profit margin shows a positive value of 1.013 which means that the variable relationship of net profit margin in line with the level of return on investment the animal feed industry went public listed on the Indonesia Stock Exchange. This means that if the net profit margin increased by one unit then the return on investment will be increased by 1,013. This is in line with research conducted by Sjahrudin et al (2010) which states that the Net Profit Margin (NPM) effect on Return on Investment.

Analysis Hypothesis seventh

Regression analysis in addition to measuring the strength of the relationship between two or more variables, also shows the direction of the relationship between the dependent and independent variables. The results of multiple regression analysis as a whole shows the R square of 0.665. F sig. = 0.000 with a significant probability < 0.05 , which means there is significant influence between independent variables (current ratio, debt ratio, debt to equity ratio, total asset turnover, working capital turnover, and net profit margin) on the dependent variable (return on investment). The results of multiple regression or a significant probability of < 0.05 are shown in Table 5.

Based Test Statistic F is test the overall model significance. H7 will be accepted if the value of ROI. (F-statistic) $> \alpha = 0.05$. in Table 5 above shows the ROI. (F statistic) = 0.000 < 0.05 and 10.935 F count $>$ F table 2,39 then H7 accepted, meaning that with a 95% confidence level variable Current Ratio (CR), Debt Ratio (DR), Debt to Equity Ratio (DER) , Total Assets Turnover (TATO), Working Capital Turnover (WCT). and the Net Profit Margin (NPM) jointly significant effect on Return on Investment (ROI). Sixth independent variables can explain the changes to the financial performance in the animal feed industry listed in Indonesia Stock Exchange amounted to 81.6%.

Conclusion

From the results of the t test, variable debt ratio, debt to equity ratio, total asset turnover, net profit margin effect on the financial performance (return on investment) in the animal feed industry listed on the Stock Exchange. And only the current ratio, working capital turnover that did not affect the financial performance (return on investment) in the animal feed industry listed in Bursa Securities Indonesia.

Simultaneously, current ratio, debt ratio, debt to equity ratio, total asset turnover, working capital turnover, and net profit margin together have an influence on financial performance (return on investment) in the animal feed industry listed in Bursa Securities Indonesia ,

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