THE EFFECT OF INVESTMENT DECISIONS, CAPITAL STRUCTURE, AND DIVIDEND POLICY ON FINANCIAL PERFORMANCE AND COMPANY VALUE IN BANKING COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE FOR THE 2019-2021 PERIOD

Dara Ayu Nianty 1
Abdul Rahman Mus 2
Bahar Sinring 3
Ratna Dewi 4

ABSTRACT

Objective The purpose of the investigation are (1) analysis the effect of savings conclusion on monetary presentation and firm value (2) analysis the effect of monetary presentation and capital structure on firm value (3) analysis the effect of dividend policies on monetary presentation and on firm value (4) analysis the effect of monetary presentation on firm value.

method: This study takes a quantitative approach using secondary data on the monetary reports of 21 bank business listed on IDX. The investigate was conducted from August to November 2021. Data were analysis using SMRPLS 3.0 using Structural Equation Modeling (SEM-PLS). and SPSS version 25.

Results and conclusions: The outcomes of this investigate indicate that: (1) investment decisions, wealth construction and separated policy have an important influence on financial performance; (2) saving conclusion and separated rule have an important influence on the value of the company. (3) Wealth structure is not important to firm value (4) Indirectly, investment decisions, Wealth structure and separated policy have a important effect on firm value through financial performance.

Research Implications: This investigation uses two methods namely illustrative and explanatory investigate. This investigation uses a illustrative method because the investigator tries to explain the results of the investigation through charts,photos and diagram about the data that were treated.

Originality/value: Based on the results of investigate and discussion that have been done on the effect of investment decisions, wealth construction and separated rule ,on financial performance and firm value.

Keywords: Investation Decision, Capital Structure, Dividend Policy, Financial Performance.

1 Universitas Muslim Indonesia, Sulawesi, Makassar, Indonesia. E-mail: dara.ayu.nianti@gmail.com Orcid: https://orcid.org/0009-0001-4596-9814
2 Faculty of Economics & Business, Institute Technology dan Bisnis Nobel Indonesia, Sulawesi, Makassar, Indonesia. E-mail: abdulrahmanmuh@umi.ac.id Orcid: https://orcid.org/0000-0001-7076-2447
3 Faculty of Economics & Business, Universitas Muslim Indonesia, Sulawesi, Makassar, Indonesia. E-mail: bahar.sinring@umi.ac.id Orcid: https://orcid.org/0009-0003-2354-2670
4 Faculty of Economics & Business, Universitas Muslim Indonesia, Sulawesi, Makassar, Indonesia. E-mail: ratnadewi@umi.ac.id Orcid: https://orcid.org/0000-0002-8959-919X

O EFEITO DAS DECISÕES DE INVESTIMENTO, ESTRUTURA DE CAPITAL E POLÍTICA DE DIVIDENDOS NO DESEMPENHO Financeiro e NO VALOR DA EMPRESA EM EMPRESAS BANCÁRIAS LISTADAS NA BOLSA DE VALORES DA INDONÉSIA PARA O PERÍODO 2019-2021

RESUMO

Objetivo: O objetivo da investigação é (1) analisar o efeito da conclusão da poupança na apresentação monetária e no valor da empresa (2) analisar o efeito da apresentação monetária e da estrutura de capital no valor da empresa (3) analisar o efeito das políticas de dividendos na apresentação monetária e na análise do valor da empresa (4) o efeito da apresentação monetária no valor da empresa.

Método: Este estudo tem uma abordagem quantitativa usando dados secundários sobre os relatórios monetários de 21 empresas bancárias listadas no IDX. A pesquisa foi realizada de agosto a novembro de 2021. Os dados foram analisados usando SMRPLS 3.0 usando Modelagem de Equações Estruturais (SEM-PLS). e SPSS versão 25.

Resultados e conclusões: Os resultados desta investigação indicam que: (1) as decisões de investimento, construção de riqueza e política separada têm uma influência importante no desempenho financeiro; (2) conclusão de economia e regra separada têm uma influência importante no valor da empresa. (3) A estrutura de riqueza não é importante para o valor da empresa (4) Indiretamente, as decisões de investimento, a estrutura de riqueza e a política separada têm um efeito importante no valor da empresa por meio do desempenho financeiro.

Implicações da pesquisa: Esta investigação usa dois métodos, a saber, pesquisa ilustrativa e explicativa. Esta investigação utiliza um método ilustrativo porque o investigador tenta explicar os resultados da investigação através de gráficos, fotos e diagrama sobre os dados que foram tratados.

Originalidade/valor: Com base nos resultados da investigação e discussão que foram feitas sobre o efeito das decisões de investimento, construção de riqueza e regras separadas, no desempenho financeiro e no valor da empresa.


RGSA adota a Licença de Atribuição CC BY do Creative Commons (https://creativecommons.org/licenses/by/4.0/).

1 INTRODUCTION

The fall in the rupiah conversation frequency due to high rise following the government's policy of raising fuel prices had an impact on the banking industry crisis. The government has tried to protect the rupee exchange rate from falling too much by attracting currency market trends by raising interest rates on Bank Indonesia certificates. As a result, Indonesia's banking sector faced problems filling its liquidity, and eventually Bank Indonesia sought Bank Indonesia's help in distributing liquidity credits. This incident indicates a selective behavior or credit crisis in tightening lending to the banking system and lending to industrial customers. Banking must go through a variety of changes to remain competitive and not be abandoned by customers. One solution is to balance credit growth with the ability to attract third-party funds for the banking industry. For this reason, banks must improve their financial performance, including investment decisions, capital structure, and dividend policies, so that the business's value is reflected in the share price to attract investors to their equity investments. Decent monetary presentation will increase the company's value, and directors can meet shareholder hope through superior performance, for example, by developing strategies that are valued and difficult for contestants of copy. (Sudiaarto, 2016). The company has responsibilities and obligations to develop conclusion-manufacture and guidelines to achieve...
the company's goals (Mawaddah, 2015). Furthermore, Mawaddah (2015) explains that financial managers want to maximize investor prosperity through the development of various monetary rules such as asset conclusions, wealth constructions, and separated conclusions. One of the objectives of creating an organization is to improve the well-being of its bondholders. This aim can be reached by optimizing the value. Maximizing the company's value is very significant for the business because exploiting the business value means expounding the business main purposes (Ayem & Tia, 2019). Based on the phenomenon of data on fluctuation of business value for each business, the cause of fluctuation of business value can be known through the Price to Volume Worth (PBV) ratio. PBV describes the extent to which the marketplace depreciates the book value of a business's shares (Sunarsih & Mendra, 2012). The PBV ratio is a comparison of the stock price to the Volume value of equity. The higher this index indicates that the market has more confidence in the prospects of the company. The ratio among the share price and the business's book value or Price to volume worth (PBV) shows the level of capacity of a company to create value in relation to the amount of wealth capitalized.

The Price Earning Ratio (PER) is the most popular approach investors use to value stocks due to its ease and simplicity in practice. Earning Press Share (EPS) shows the sum of the business's net income that is ready to be separated to all the business's bondholders. Tandelilin (2010) in Mujibarti Rosyida, (2020).

### Table 1: Price to volume worth in the Banking Sub Sector

<table>
<thead>
<tr>
<th>No</th>
<th>Company Name</th>
<th>Year</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>1</td>
<td>Bank Central Asia Tbk</td>
<td>3.49</td>
<td>4.11</td>
</tr>
<tr>
<td>2</td>
<td>Bank Negara Indonesia (Persero) Tbk</td>
<td>1.19</td>
<td>1.83</td>
</tr>
<tr>
<td>3</td>
<td>Bank Rakyat Indonesia (Persero) Tbk</td>
<td>2.04</td>
<td>2.68</td>
</tr>
<tr>
<td>4</td>
<td>State Savings Bank (Persero) Tbk</td>
<td>1.02</td>
<td>1.75</td>
</tr>
<tr>
<td>5</td>
<td>Bank Mandiri (Persero) Tbk.</td>
<td>1.77</td>
<td>2.20</td>
</tr>
<tr>
<td>6</td>
<td>Sharia National Pension Savings Bank Tbk.</td>
<td>1.02</td>
<td>1.75</td>
</tr>
<tr>
<td></td>
<td>Rate-rate</td>
<td>1.76</td>
<td>2.39</td>
</tr>
</tbody>
</table>

**Source:** Prepared by the Authors, (2023).

Table 1 above displays the worth of investment business listed on the Indonesian store interchange for the retro 2016-2019, which is measured by the PBV index. The value of the business has risen and fallen. This becomes clearer when looking at the percentage of PBV of the investment sector listed on the Indonesian standard interchange from 2016 to 2019. Table 2 below.

### Table 2: PBV Increase and Decrease Percentage

<table>
<thead>
<tr>
<th>No</th>
<th>Code</th>
<th>Company</th>
<th>Year</th>
<th>PBV value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>BCA</td>
<td></td>
<td>2016</td>
<td>3.49</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2017</td>
<td>4.11</td>
<td>17.8%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2018</td>
<td>4.46</td>
<td>8.5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2019</td>
<td>4.78</td>
<td>7.2%</td>
</tr>
<tr>
<td>2</td>
<td>bni</td>
<td></td>
<td>2016</td>
<td>1.19</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2017</td>
<td>1.83</td>
<td>53.8%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2018</td>
<td>1.58</td>
<td>-13.7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2019</td>
<td>1.35</td>
<td>-14.6%</td>
</tr>
<tr>
<td>3</td>
<td>BRI</td>
<td></td>
<td>2016</td>
<td>2.04</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2017</td>
<td>2.68</td>
<td>31.4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2018</td>
<td>2.57</td>
<td>-4.1%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2019</td>
<td>2.9</td>
<td>12.8%</td>
</tr>
<tr>
<td>4</td>
<td>BTN</td>
<td></td>
<td>2016</td>
<td>1.02</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2017</td>
<td>1.75</td>
<td>71.6%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2018</td>
<td>1.16</td>
<td>-33.7%</td>
</tr>
</tbody>
</table>
Table 2 above shows an increase and decrease of the PBV over the period from 2016 to 2019. During these four years, in 2017 the highest PBV was Sharia National Pension Savings Bank Tbk totaling 168.2%, then State Savings Bank Tbk. 71.6%, PT. Bank Negara Indonesia (Persero) Tbk, 53.8%, PT. Indonesian Rakyat Bank. BT 31.4%. PT. Mandiri Bank Tbk at 24.3%. Then the Bank of Asia at 17.8%. The phenomenon is that the company's value has declined. In 2018 and 2019, the value of the PBV decreased, and some business had a negative value. This does not agree with opinion. Brigham and Houston (2006) state that the higher the PBV index, the greater the business's valuation by investors in relation to the assets that were capitalized in the company. A tall value over volume worth will make the marketplace trust in the impending scenes of the business. This is also what company owners want, because high company value indicates high wealth for bondholders. The right assets decisions will result in optimal presentation (Arizki et al., 2019). The more companies make the right assets, the better the business's presentation. On the other hand, the more a company wants to increase its investments, the more funds it will need. The company must think about the capital structure that will be used, whether it comes from internal or external funding. In addition, the business must also determine the proportion of obligation to equity that will be used, as this will decide the cost of wealth, which will be the basis for determinative the necessary return favourite by capitalized. Dividend policy is also a factor that can affect company value. The revenues deserved by the business are not dispersed only as separated. In the decision to divide separated, it is necessary to consider the survival and growth of the company. For this reason, the profits made are often not fully distributed in the form of separated, but some are reserved to be reinvested. In determining the dividend payout amount, the business will also consider the company's long-term aptitude to wage separated. Companies must determine the amount of dividends that are able to satisfy depositors and also not encumber the company's cash flow. This is important so that investors do not lose confidence in the company. If the company pays large dividends this year and has no cash next year, it will have to reduce the number of dividends; will worsen the business’s picture in the eyeballs of depositors. On the other hand, if the company chooses to "play it safe" by paying dividends in small amounts, depositors will think that this company is not profitable, so depositors will switch to companies that pay more dividends. Several previous studies became the research gap in this study, namely Jesilia and Sri Purwaningsih, 2020. Assets conclusions have an important confident outcome on steady worth.

Though, it differs from the outcomes of investigate led by Umi Nur Janah, 2022, which found that assets conclusions and financing decisions have no important effect on company value. Baby Fadillah Chan, 2022, Dividend Policy has a confident of significant outcomes on company value. However, it is different from the conclusions of the research carried out by Sergius Fribontius Bon Sri Hartoko 2022. The separated rule does not trace the worth of the business. Chalimatuz Sa'diyah, 2021, The wealth construction of important confident effect on the company's value. However, in contrast to the results of research conducted by Diyo Yurianda1, Erni Masdupi, 2019, wealth construction has no effect on firm value. The rapid
development of management has penetrated all aspects of human life, especially the business sector has developed naturally. The orientation of foreign businessmen who, in the 1970s, disputed access to the country's natural resources with the various expertise, capital and technologies at their disposal. Even so, it is still in line with the interests of the state, which at that time was really needed under the guise of technology transfer. However, entering the 1980s, there was a gradual shift until the 2000s, a very drastic shift, where investment in the form of physical construction projects ceased to be the main objective of depositors. The structured form has become a new trend in society, namely the role of the capital market, which is already very sought after not only by local investors, but even more by foreign depositors. (de Moraes, 2022). The company's growth is so fast that it surely requires huge amounts of resources for the company's expanding needs. The greater the need for future financing, the superior the wish of management to retain the company's proceeds. With these considerations measured based on price-to-volume worth. (PBV), Price earning percentage (PER), and Earning Per Share (EPS).

2 RESEARCH METHODS

2.1 Research Approach

This investigation uses two method namely illustrative and explanatory investigate. This investigation uses a illustrative method because the investigator tries to explain the results of the investigation through charts, photos and diagram about the data that were treated. At the same time, the explanatory method is used to explain the effect of independent variables (exogenous variables) over endogenic variables (endogenous variables). Exogenic variables consist of Investment conclusion (X1), Capital Structure (X2), and separated Policy (X3). The intermediate variable star is the financial presentation (Y1) and the reliant on variable star is the worth of the business (Y2).

2.2 Data Types and Sources

In this study, the type of data used is qualitative and quantitative, but the quantitative portion is more central in the form of figures in the form of business monetary reports. The information bases used in this analysis are subordinate information got from outside business such as:

a. Indonesian Capitan Market Directory, Jakarta, for the 2019-2021 period  
c. Dissertations, journals, both domestic and international, and scientific works related to this research.  
d. Indonesia Stock Exchange, Jakarta.

2.3 Data Collection Techniques

Data collection techniques for the purposes of this research were carried out by means of documentation, in particular by collecting data and documents through books, journals, and reports which have something to do with this research and accessing the official site of the Indonesian Store interchange and the Institute for Economic Affairs website. economic and financial research.
2.4 Population and Sample

The population in this analysis is the whole banking business listed on the Indonesia store interchange, totaling 40 banks during the 2019-2021 period. By determining the sample based on the following criteria:

1. Number of Banks listed on the Indonesia store interchange for the 2019-2021 period.
2. Commercial Bank Owned by State Owned Enterprises (BUMN)
3. Commercial Banks Owned by Privately Owned Enterprises (BUSN) Foreign Exchange
4. Commercial Banks Owned by National Private Owned Enterprises (BUSN) Non-Foreign Exchange

Population, the quantity of banks tried in this study only incorporates established banks, not comprising Islamic banks, because Islamic banks have a different banking system from conventional banks, which are interest-based, while Islamic banks are profit-sharing based.

2.5 Data Analysis Method

Taking into account the research objectives, namely to analysis the outcomes of assets conclusions, wealth construction, and separated policy on monetary presentation and believer value in Banking established Businesses listed on the IDX, it will be analyzed qualitatively and quantitatively, administered using the Organisational Equation Modeling (SEM) Analysis Method, with SPSS V25 21 software and version 25 of the AMOS (Analysis of Moment Structures) program.

3 RESULTS AND DISCUSSION

The hypothesis test is performed taking into account the values of the original sample estimates (O) to determine the direction of the relation among the variables, as well as the t (T) statistics and p (P) values to determine the level of important of the relation. Values close to +1 from the original sample point out a confident relation, while worth close to -1 established a positive relation (Sarstedt et al., 2017). The t fact worth is greater than 1.96, or the p value is less than the insignificance equal (<0.05), indicating that a relation among variables is important. The research hypothesis test results can be seen in Table 20 below:

<table>
<thead>
<tr>
<th>Ho</th>
<th>Variable</th>
<th>Coefficient</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exogenous</td>
<td>Intervening</td>
<td>Endogenous</td>
<td>Direct Effect</td>
</tr>
<tr>
<td>1</td>
<td>Investment Decision (X1)</td>
<td>Financial Performance (Y1)</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>Capital Structure (X2)</td>
<td>Financial Performance (Y1)</td>
<td>-</td>
</tr>
<tr>
<td>3</td>
<td>Dividend Policy (X3)</td>
<td>Financial Performance (Y1)</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>Financial Performance (Y1)</td>
<td>Mark Company (Y2)</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>Investment Decision (X1)</td>
<td>-</td>
<td>Mark Company (Y2)</td>
</tr>
<tr>
<td>6</td>
<td>Capital Structure (X2)</td>
<td>-</td>
<td>Mark Company (Y2)</td>
</tr>
</tbody>
</table>

Based on the results of Structural Equation Modeling (SEM-PLS) was carried out for hypothesis testing. From all ten hypothesized shortest path models, there is one shortest path that is not significant. As for the clarification of Table 5, it can be clarified as follows:

1. The worth of the constant is 0.248, indicating that investment decisions result in financial performance. This means that if investment decisions increase by 1%, financial performance is expected to increase by 24.8% as well. With a likelihood worth of 0.037 < 0.05, it indicates that investment decisions have a confident and significant effect on financial performance, so the first supposition is acknowledged.

2. The constant value is 0.272, indicating that wealth construction has an effect on monetary presentation. This means that if the capital construction increases by 1%, financial performance is also expected to increase by 27.2%. With a likelihood value of 0.000 < 0.05, it indicates that the wealth construction has a confident and significant effect on the monetary presentation. Thus, the second supposition is acknowledged.

3. The value of the constant is 0.375, indicating that the bonus policy has an effect on financial performance. This means that if dividend policy increases by 1%, financial performance is expected to increase by 37.5% as well. With a likelihood value of 0.000 < 0.05, it indicates that the dividend policy has a confident and significant effect on financial performance. This means that if dividend policy increases by 1%, financial performance is expected to increase by 24.8% as well. With a likelihood value of 0.005 < 0.05, it indicates that dividend policy has a confident and significant effect on financial performance, so the third supposition is acknowledged.

4. The worth of the constant is 0.771, indicating that monetary presentation has an effect on the worth of the business. This means that if financial performance increases by 1%, business value is expected to increase by 77.1% as well. With a likelihood value of 0.000 < 0.05, it indicates that financial performance has a confident and significant effect on the company's value. Thus, the fourth supposition is acknowledged.

5. The worth of the constant is 0.204, indicating that dividend policy has an effect on firm value. This means that if the bonus rule increases by 1%, the firm's value will increase by 20.4%. With a likelihood value of 0.035 < 0.05, indicating that dividend policy has a confident but not significant effect on firm value, the fifth supposition is rejected.

6. The constant value is 0.057, indicating that the wealth construction has an effect on firm value. This means that if the savings conclusion increases by 1%, the business value is expected to increase by 0.057%. With a likelihood value of 0.578 > 0.05, it indicates that wealth construction has a confident but not significant effect on the firm's value. Thus, the sixth supposition is rejected.

7. The worth of the constant is 0.237, indicating that the separated rule has an effect on the firm's value. This means that if the bonus rule increases by 1%, the firm's value will increase by 23.7%. With a likelihood value of 0.001 < 0.05, indicating that dividend policy has a confident and significant effect on firm value, the seventh supposition is acknowledged.

8. The constant value is 0.485, indicating that the wealth construction has an effect on firm value. This means that if the savings conclusion increases by 1%, the company's worth will also increase by 0.485%. With a likelihood value of 0.000 < 0.05, indicating that dividend policy has a confident and significant effect on firm value, the eighth supposition is acknowledged.

9. The constant value is 0.222, indicating that the separated rule has an effect on the company's value. This means that if the bonus rule increases by 1%, the company's value will also increase by 22.2%. With a likelihood value of 0.037 < 0.05, indicating that dividend policy has a confident and significant effect on firm value, the ninth supposition is acknowledged.

10. The constant value is 0.000, indicating that the separated rule has no effect on the company's value. This means that if the bonus rule increases by 1%, the company's value will not increase. With a likelihood value of 1.000 > 0.05, indicating that dividend policy has a confident but not significant effect on the firm's value, the tenth supposition is rejected.

Source: Prepared by the Authors,(2023).
policy has a confident and important outcomes on firm worth, supposition seven is acknowledged.

8. The outcomes of investment decisions on business worth through financial performance obtained an indirect effect value of 0.237; this value indicates that the indirect effect is less than the direct result with a value of 0.237. With a likelihood value of 0.001 < 0.05, it established from the savings decisions have a confident and important. Outcomes on the company's worth through saving performance. Thus, the eighth supposition is acknowledged.

9. The outcomes of the wealth construction on the value of the firm through the monetary presentation obtained an indirect outcomes worth of 0.272; this value indicates that the indirect effect is smaller than the shortest result with a value of 0.210. With a likelihood worth of 0.000 < 0.05, it indicates that the saving conclusion have a confident and important outcomes on the company's value through monetary performance. Thus, supposition nine is acknowledged.

10. The outcomes of the bonus policy on the worth of the business through the monetary performance obtained an indirect outcomes worth of 0.289; this value indicates that the indirect result is smaller than the direct effect with a value of 0.289. With a likelihood worth of 0.005 < 0.05, established that the bonus policy has a confident and significant efforts on company value through monetary presentation. the tenth supposition is acknowledged.

3.1 Discussion

This discussion will answer the investigate difficulties that have been proposed in Chapter I. Based on the results of the path analysis test, the assumptions proposed in Chapter III are discussed, whether acknowledged (which is supported by facts) or rejected, recognised by an clarification of the experiential and theoretic connotations. The outcomes of the analysis are explained and then discussed, their relevance to related concepts, preceding investigate, and experiential facts. From the investigate outcomes, the investigate monetary can be uttered as references for extra investigate.

3.1.1 The influence of investment decisions on financial performance

Savings conclusion are decisions made by companies as an alternative to spending funds or other resources outside of the businesses working doings, which are predictable to provide benefits in the future (Husnan, 2013). Broadly speaking, savings decisions can be divided into long-term investment and short-term investment; Long-term savings are in the form of buildings, manufacturing equipment, land, vehicles, and other fixed assets, while short-term investments include investments in cash, inventory, available accounts, and securities. If the investment decision is made with the right consideration and calculation, the investment decision will provide a confident indication about the business’s impending development so that it can rise the business’s store price, which is used as an pointer of the business value (Achmad & Amanah, 2014). The results of the complete SEM-PLS model test show that savings conclusion have a positive and important impact on savings conclusion. It is shown by the direct outcomes worth of 0.248, with a meaning level of 0.037 ≤ 0.05 (Table 20). The direct effect value of the influence of investment decisions (X1) on monetary presentation (Y1) is 0.248%, meaning that the right saving conclusions will improve savings presentation. This is in accordance with the theory of Sartono (2001:2), which says that monetary bosses must be able to translate planned aims into short-term goals. They are required to be flexible in apprehending and anticipating future changes in order to make early alterations and make
conclusion quickly and exactly to invest. The Current Assets to Total Assets (CATA) indicator shows that for three (3) years, banking companies have fluctuated. Suppose the sum of current assets owned by the company is low, especially cash. This shows that the company maximally uses its resources so that the company's operational activities increase, followed by increased profits, which is one of the indicators that donate well to the company's financial performance. The Current Assets to Fixed Assets (CAFA) indicator for the 2019 year 2021 observation reflects that the administration of business assets is sufficient to support an increase in the turnover ratio of company assets.

Thus the company can also increase and maintain efficiency and effectiveness in managing current assets and fixed assets available so that, in the end, the company can achieve a maximum level of Profitability, or it can be said that the financial performance of banking companies is very good. The Current Assets-Depreciation to Total Assets (CDTA) indicator shows that for three (3) years, the banking company has reduced the total cost of fixed assets purchased or owned by the company for business purposes. Over time, companies can use this process to write off some of their existing costs by 32%. The savings theory states that every savings conclusion made is predictable to create a higher return than the cost of wealth issued by the company. If the business’s savings is good, it will affect the business’s presentation, and bonus will respond positively by buying business shares so that the businesses store price rises and vice versa (Rochmah, 2015). The results of previous research (Gita Anggia, 2019) found that savings conclusion have a confident and important result on monetary presentation. Real estate and building construction company listed on the Indonesia store interchange for the 2012-2017 period. The method used is illustrative and authentication with a sample of 17 business.

3.1.2 Effect of capital structure on financial performance

Wealth construction is a combination or balance of a business’s debt and equity that is used to finance company operations (Titman et al., 2018). This ratio is an important indicator for a company because the balance among debt and equity can have an influence on the business's overall operations and growth (Ayoub et al., 2013). This study uses obligation to equity ratio (DER) and obligation to asset ratio (DAR) as a measure of capital structure. The reason for choosing this ratio is because the obligation-to-equity ratio and obligation-to-asset ratio can help explain the trade-off theory (Hirdinis, 2019). The results of testing the SEM-PLS model show that capital structure has a positive and important effect on financial performance. This is shown by the direct effect value of 0.272, with a significance level of 0.000 ≤ 0.05 (Table 20). The direct effect value of the effect of saving separated (X1) on monetary presentation (Y1) is 27.2%, meaning that the capital structure can improve financial performance. Trade-Off Theory implications: In this study, namely: a) Companies that can quickly repay their debts will gain the trust of creditors to issue large amounts of Debt; Ozkan (2001) states that the liquidity ratio can have a combined influence on capital structure decisions. First: A company with a higher liquidity ratio will choose a higher debt ratio due to its ability to repay its short-term obligations. Second, companies with more liquid assets are likely to use these assets to finance investments. b) Companies with large business risk must use less debt than companies with less business risk because the higher the business risk, the higher the use of the loan, and the more difficult it will be for the companies to repay their debt. (Nuringsih, 2005). Balancing the wealth construction by changing the proportions of debt and equity needs to be done by a company in order to meet current and future cash needs. The results of this purchase are consistent with the results of the research (Khan, Shaikh, Shah, Zahid, & Shaikh, 2017). This decision is one of the most difficult areas faced by a financial manager (Mandiefe & Bafon, 2015).
This is because decisions regarding capital structure play a key role in maximizing company performance (Javed, Younas, & Imran, 2014) in terms of company profitability (Kodongo). However, based on previous research, companies engaged in the banking sector always have higher leverage when compared to other sectors, and excessive leverage is widely believed to be the cause of the financial crisis in the banking industry worldwide that occurred from 2007 to 2009 (Tin & Diaz, 2017). Empirical studies that discuss the relationship between capital structure and company performance have been carried out a lot. However, there are still differences or inconsistencies in the research results (Dey, Hossain, and Rahman, 2018). According to Suliyanto (Martiono, Ari, 2021), the difference in research results is a research gap, so it is necessary to conduct a study in order to clarify the factors or conditions that cause differences in research results. This ratio is an important indicator for a company because the balance between debt and equity can have an impact on the company's overall operations and growth (Ayoub et al., 2013). The Debt Equity Ratio (DER) indicator from 2019 to 2021 is 0.07 percent; this shows that banking company debt can be tolerated or paid according to the due date. The debt-to-asset ratio indicator from 2019 to 2021 decreased by 0.01 percent. This shows that the company's assets are financed from debt by 1%. Financial managers are able to reduce operating costs and have the competence to face any changes or challenges that are always changing.

Such as employees who Actively follows the latest products/services and trends related to industry/market developments, markets and business opportunities, as well as banking business processes related to industry knowledge and their work. Previous studies have examined the impact of capital structure and asset growth on financial performance. conducted in several studies. Holiwono (2016) examined the effect of capital structure on the financial performance of companies in the food and beverage sub-sector manufacturing sector listed on the IDX in the 2010-2014 period and found that capital structure as measured by the debt to asset ratio had a significant positive effect on projected company profitability with return on equity (ROE). Research on companies included in the Jakarta Islamic Index on the effect of capital structure and asset growth on monetary presentation was conducted by Sari (2017). The results of his research show that asset growth affects monetary presentation, while capital structure and company size do not affect the businesses monetary presentation. In line with previous research, Putra's (2018) research results on companies listed on the Indonesia store interchange found that short-term Debt, Long-term Debt, and total Debt have a confident and significant effect on ROA as a proxy for financial performance. The wealth construction is the balance or comparison between long-term foreign capital and own capital. In Islam, it also explains debts, Allah SWT said in QS. Al-Baqarah verse 282.

3.1.3 The effect of dividend policy on financial performance

Dividend payment policy has an important role in every company. The decision to pay dividends will maintain a good corporate image. This will have a strong influence on company profits. Each company has its considerations in determining how much dividend will be paid to shareholders (Ullah & Bagh, 2020). In theory, financial performance is the aptitude of a business to earn profits in sales, total assets, and equity (Ryan, Cooper, and Tauer, 2013). ThusLong-term investors will be very interested in analyzing financial performance. Monetary presentation shows the businesses aptitude to generate profits from the assets used. Financial performance analysis provides supportive evidence about the businesses aptitude to make a profit and how effective the businesses operations are. (Smith and Skousen 1992). In this study, there is a important influence on the effect of dividend policy on financial performance. This happens because, at a high level of Profitability, the business can pay dividends also at a high value to maintain the company's reputation in the eyes of investors. Conversely, banking
companies with low fruitfulness still pay low dividends to allocate them to retained earnings for future interests. Dividend theory is relevant; the cost of issuing new shares it will affect the worth of the business.

According to signaling hypothesis theory, there is experimental evidence that bonus rise are often followed by store price increases. In contrast, bonus declines typically lower stock prices. This phenomenon can be considered evidence that savers prefer bonus over capital gains. The dividend payout ratio indicator in this study for three (3) years, namely in 2018-2021, banking companies distributed an average dividend of 2.5%; this reflects the company's financial condition by comparing the number of dividends distributed to earnings per share. In buying shares in a company, an adequate dividend payout ratio will be a consideration for an investor. Companies that distribute dividends every period will be more attractive to potential investors to invest and will increase the company's financial performance (Dharma et al., 2020). Dividend per share indicator in this study for three (3) years, namely in 2018-2021, banking companies distribute dividends to shareholders, which are calculated from the number of shares they hold at the time of distribution. So it can be concluded that the dividend per share is the shareholder's right to the shares they own on average each year, distributing a DPS of 16.43%.

The dividend yield indicator in this study was for three (3) years; namely, in 2018-2021, banking companies distributed dividend yields with an average of 5.3% for each period. This shows that investors view dividend yields as more certain than capital gains yields. Retained earnings are profits from dividends (dividend yield) plus profits from capital gains (capital gains yield).

3.1.4 Effect of financial performance on firm value

The profitability of any company based on signaling theory can be a confident signal for savers. The profits earned by a business can be interpreted by savers as a good scene for the business in the future. Savers will herd to buy shares of the business so that the share price will increase and the worth of the business will increase. The outcomes of the investigate show that monetary presentation has a confident and important effect on firm value. Financial performance is measured by three (3) indicators, namely ROA, ROE, and NIM. Return On Assets Return On Assets (ROA) indicator is the ability Banking firms listed on IDX as a whole, to generate profits with the total possessions obtainable within the company (Komala, 2013). The advanced this ratio, the better the businesses position. In Table 16, the results of calculating the average ROA from 2019 to 2021, it can be seen that in 2019 the average ROA value was 2.81%; in 2020, it was 1.62%; and in 2021, it was 2.53%. This shows that the use of all assets by the business has been successful in achieving the best net profit, although declining in 2020. This ratio diagram also shows the businesses aptitude to generate fluctuating profits. This condition indicates that the businesses use of resources is not fully efficient and the level of profit generated by the overall use of resources fluctuates.

The Return on Equity (ROE) index is a measure of the income available to parties, and companies (both ordinary and preferred shareholders) for the capital they invest in banking business listed on IDX. The advanced the income, the better the company's position will be. From the calculation outcomes, it can be seen that the average return on equity 2019 is 10.6%, in 2020, it is 7.98%, and in 2021 it will increase to 12%. This means that the use of all own capital capabilities to generate net profits during these three periods can be said to be optimal even though there is a decline in 2020; this is usually caused by a decrease in investment in company capital.
3.1.5 The influence of investment decisions on firm value

The outcomes of the investigate show that banking companies listed on IDX have a transformative impact on their investment decisions in firm value in 2019-2021. It can be seen that the direct effect worth is 0.278, and the significance value is 0.027 <0.05. The impact of investment decisions will affect the company's investment, which means that the higher the investment received by the business, the higher it will increase the value of the banking company. Investors are very interested in achieving company profits; high company profit achievements are expected to give investors an advantage in investing in the company. And this view is the height of the company's investment decisions will affect the worth of the business. Savings decision is a significant factor in the businesses' monetary activities because achieving the company's goals can be achieved through the company's investment activities. Return on Assets Index is a financial ratio that can show returns on the use of banking company assets with an average value of 6.92% for three (3) years from 2019 to 2021; this value contributes to the formation of financial performance. The Return on Equity indicator is a Profitability ratio that shows a comparison between profit (after tax) and bank capital (core capital); this ratio shows the percentage level that can be generated in managing available capital to get net income in banking companies with an average value 12.85%, for three (3) years from 2019 to 2021, this value contributes to the formation of banking financial performance. The Bank's Net Interest Margin (NIM) indicator as a financial business seeking profit also has its own way. The main advantage of banks based on conventional policy is based on predetermined interest. Interest for conventional banks can be interpreted as the remuneration paid by banks to customers who buy or sell their products. Banking companies listed on the IDX, for three (3) years from 2019 to 2021, on average banking companies obtained a Net Interest Margin (NIM) of 2.5%; this value shows the contribution to the formation of financial performance variables.

3.1.6 Effect of capital structure on firm value

The outcomes of the study show that variables in wealth construction have a confident, but not important, impact on firm worth in banking firms listed on the IDX in 2019-2021. It can be show that the direct effect worth is 0.057, and the significance worth is 0.529 > 0.05. This value indicates that the capital structure contributes only 0.057%. The company's capital structure consists of long-term debt, preferred stock, and bondholder wealth. Thus, the wealth construction of a company is only a part of its monetary presentation. Wealth construction Is the balance or equal among the sum of long-term debt and one's own wealth. Therefore, the wealth construction is measured by the ratio of debt to equity (DER) and ratio of debt to assets (DAR). The debt ratio (DER) is the ratio used to measure the level of leverage (use of debt) in relation to total equity owned by a banking company. The higher the DER indicates that the composition of the Total debt (short and long term) is greater than the total equity, so that the impact on the company's burden on third parties (creditors) is greater. This has a positive effect, but not a important one..

The results of this study are in line with the study results (Halfiyyah & Suriawinata, 2019). The results show that the wealth construction has a negative effect on the firm's value. However, results from this study are inconsistent. The trade-off theory explains that if the wealth construction position is below the optimal point, any additional debt will increase the worth of the believer. On the other hand, if the wealth construction position is above the optimi point, any extra debt will reduce the value of the firm. Therefore, assuming that the optimi wealth construction target is not reached, then, based on the trade-off theory, it predicts a confident relation with believer worth.
3.1.7 Effect of dividend policy on firm value

Based on the results of the study, bonus strategy variables in banking companies listed on IDX in 2019-2021 have a positive and important influence on company value. This result is proved by a direct effect value of 0.204 and the important worth is less than 0.05 percent. These results identify that the company's aptitude to pay bonus is not a big consideration for investors in buying shares, the worth of a business is not determined by paying dividends, so the company's aptitude to make a profit may attract investors' attention. So the company's policy of dividing the businesses' profits into bonus and booked salaries affects the value of the business because the bonus policy is something that is relevant, which means that the dividend distribution affects the value of the company because the rise in the worth of the bonus worth is always shadowed by the rise in the worth of the business. Because the value of the business is determined by the businesses' aptitude to profit from the businesses assets or savings rate. Dividend policy has an impact on firm value because bondholders generally want to take advantage of the short and long term with the ownership strategy of several companies' shares so that they can earn dividend capital gains and so on. Dividends of various companies. The results of this study indicate that banking companies performing dividend policies will influence the value of banking business listed on the Indonesia store interchange. Bonus strategy actions conducted by companies through cash dividend distributions make the shares of companies listed on IDX more liquid. This is because some investors consider dividend policy action to be a positive signal from the company. This research is supported by the signaling theory put forward by Miller in Gumanti (2013), i.e. the higher the dividend increases, the higher the manager's confidence in increasing profits. The rising dividend will give investors a signal about the company's profits. If the dividend is high, investors will buy shares of the company. Of course, this will drive up the stock price. In addition, the outcomes of this learning are consistent with investigate conducted by (Gan, AR 2018), which stated that bonus strategy has a confident and important influence on company value.

The outcomes of this study are in contrast to studies conducted (Septaria, Nie 2017), which state that this bonus strategy has no important effect on believer worth. This is according to Miller and Brigham's theory which states that bonus strategy does not affect firm value. The bonus payment ratio does not improve the welfare of bondholders. In addition, the value of the company can only be measured by how the company create profits from the businesses assets or savings rule.

3.1.7 The influence of investment decisions on firm value through financial performance

The study's results show that savings conclusion have a confident and significant impact on firm value through financial performance. This value can be proved by the indirect effect value of 0.237 and the important worth of 0.001, which is smaller than 0.05. The investment decisions made by the banking sector are very accurate and will be able to crop optimal presentation to deliver a confident signal to savers, which will improve financial performance and business quality. This is in line with the statement of signaling theory, which states that savings costs give a positive signal about the company's progress in the upcoming. Monetary presentation indicators such as return on assets (ROA) are able to see how banks effectively use their assets to generate income. This ratio describes the productivity of the bank in question (how many resources must be collected and used to generate a certain amount of profit). It seems that this result is theoretically difficult to understand because if banking productivity increases significantly with a high ROA ratio, then the bank's business risk should be low. However, if further investigation is carried out with a high ROA, which is not followed by good asset management, it can be risky for the bank. The return on equity (ROE) index shows that
the magnitude of ROE will also increase the bank's business risk. Conceptually, the ROE ratio
describes the sum of return on capitalised wealth or the aptitude of own wealth to create profits
for favored and common bondholders, to collect and use to generate a certain amount of profit). It
seems that this result is theoretically difficult to understand because if banking productivity
increases significantly with a high ROA ratio, then the bank's business risk should be low.
However, if further investigation is carried out with a high ROA, which is not followed by good
asset management, it can be risky for the bank.

The return on equity (ROE) index shows that the magnitude of ROE will also increase
the bank's business risk. Conceptually, the ROE ratio describes the sum of return on invested
capital or the aptitude of own wealth to create profits for preferred bondholders and common
stock. This ratio describes the productivity of the bank in question (how many resources will be
collected and used to generate a certain amount of profit). It seems that this result is theoretically
evasive because if banking productivity increases significantly with a high ROA ratio, the bank's
business risk should be low. However, if further investigations are conducted with a high ROA,
which is not followed by good asset management, it can be risky for the bank. The return on
equity (ROE) index shows that the magnitude of ROE will also increase the bank's business
risk. Conceptually, the ROE ratio describes the sum of return on invested wealth or the aptitude
of own wealth to create profits for preferred shareholders and common stock.

The amount of wealth invested or the aptitude of own wealth to create profits for holders
of favoured stock and common stock. This result shows the ability of own capital to generate
profits and reduce business risk compared to capital from long-term debt, which includes risk.
High profits from own capital demand a high return on profits in the form of dividends to
shareholders, so this is where banks are not under pressure from shareholders so that clear
profits (in the form of retained earnings) are not too low. This can ultimately reduce business
risk because it can get support from retained earnings to expand the business so that it is not too
difficult for banks to choose sources from other parties' loans at fixed interest rates.

The Net Interest Margin (NIM) indicator is used to measure the amount of net interest
income earned by banks when using productive assets. In this study, Net Interest Margin (NIM)
fluctuated, namely in 2019 it decreased; This happens because Indonesia is experiencing
economic instability, so many companies withdraw their funds from banks so that net interest
income decreases, and it can be said that the decrease in Net Interest Margin (NIM) reflects that
bank management in managing its productive assets is less effective and efficient in generating
net interest income. Then in 2021, there will be an increase in Net Interest Margin (NIM),
reflecting that the bank's management has been effective and efficient in managing its
productive assets to generate net interest income. The three monetary presentation pointers,
namely return on assets, return on even-handedness, and net interest margin, contribute well so
that dividend policy has a important effect on the businesses worth through monetary
presentation.

3.1.8 The effect of capital structure on firm value through financial performance

The effect of capital structure on firm value through Monetary presentation as a variable
intervention. Monetary presentation as an intermediate variable has a confident retrogression
constant on firm value with a significance level of 0.000, less than 0.05. That is, the equity structure of firm value through Monetary presentation as an intervention variable is found to knowingly affect firm value. Based on signaling theory, companies provide signals to outside parties with the aim of increasing the businesses worth. In addition to the necessary Monetary information, companies will also make unpaid revelations. Agency theory discusses the relation among principals (owners and bondholders) and agents. Equity financing of corporate activities. This study uses Monetary presentation as an intrusive variable with the assumption that a company's Monetary presentation will give a positive assessment, as indicated by the increase in the achievements of banking companies expressed as percentages. The results of this study indicate that fruitfulness is able to mediate the effect of wealth construction on believer worth because debt will rise believer worth and the increase in firm value will be greater than \( F \). Borrowing can increase firm earnings. The sample of this study has not yet reached the optimal point of debt levels, therefore, the addition of debt ratios that can increase profitability can be used to achieve greater company value. This rise will also increase the business worth. Miller and Modigliani (1961) (Nurazi, Zoraya and Wyardi 2020) claim that firm value is prejudiced by credit policy. Kim and Sorensen (1986) state that credit policy is prejudiced by the wealth construction. They say that firm value is affected by monetary presentation. This study is consistent with results of studies conducting research on industrialized company listed on the Indonesia store interchange (IDX) between 2013 and 2016 (Kusumavati and Rosa; DY, 2018). The results show that the wealth construction affects the company's value.

The same study conducted by Chalimatuz Sa'dia in 2021 found that wealth construction, profitability, and savings conclusions can increase the company's value. (Rizki, Fatema Lubis, and Sadalia 2018) The results of this study indicate that fruitfulness is able to mediate the effect of wealth construction on believer worth because debt will increase the value of the firm and improve the firm (Polii, 2023). If the loan company can improve its fruitfulness, the price will be higher. The sample of this study did not reach the optimal point in the level of debt, so the increased debt ratio which can rise fruitfulness and be used to achieve higher corporate value. In contrast to the research (Hafiyah and Suriyavinata, 2019), results show that capital structure has a negative effect on firm value, positive on fruitfulness, effect on believer worth, and Size has a negative effect on firm value separately.

3.1.9 The influence of dividend policy on firm value through financial performance

It is said that the value of the company is affected by monetary presentation. This study is consistent with the results of surveys carried out on manufacturing companies listed on the Indonesian Store interchange (IDX) between 2013 and 2016 (Kusumavati and Rosa; DY, 2018). The results show that the wealth construction affects the value of the company. The same study carried out by Chalimatuz Sa'dia in 2021 found that wealth construction, profitability and savings resolutions can increase the value of the company. (Rizki, Fatema Lubis, and Sadalia 2018) The results of this study indicate that fruitfulness is able to mediate the effect of wealth construction on firm value because debt will rise firm worth and improve firm. If the lending company can improve its profitability, the price will be higher. The sample of this study did not reach the optimal point in the debt level, therefore, the increase in the debt ratio can increase the profitability and be used to reach a higher corporate value. In contrast to the research (Hafiyah and Suriyavinata, 2019), the results show that wealth construction has a positive influence on business worth, confident on fruitfulness, effect on company value, and Size has a negative effect on company value separately, policy and firm value. These results are consistent with Myron and John's (1963) birds in the Hand Theory. (Michelle Sabatamia, 2021) explains that investors will choose companies that pay shares because there is a guarantee of return on
investment and they can foresee the company's risk of bankruptcy. In order to maximize share prices and company value, companies must create a high DPR by paying high dividends. Myron Gordon (1963) and John Lintner (1962) state that investors prefer cash dividends to future capital gains because receiving cash shares now is a form of certainty which means reducing risk. Irene Maitri Pandansari and Itna Noor Afri Yuetta (2016) claim that shareholders will respond positively if the company is capable of paying high shares. As a result of the high distribution of dividends, the company's performance is considered better by shareholders, therefore, the value of the company also increases. Therefore, the shares policy has an impact on the firm's value. According to Martono and Herzito (2011), the separated rule is a decision in which profits grossed at the end of the year will be circulated in the form of shares to bondholders or in the value of profits retained to benefit the company to raise capital to finance future investments. The scheme of profits received by shareholders can be seen from the dividend policy, where the profit received by the shareholders will determine the welfare of the bondholders, which is the main objective of the business. The sum of separated received by bondholders will increase the company's value and also increase its share price. This is supported by agency theory, which reveals that if a company is capable of paying separated at a high level, it will attract the attention of bondholders or investors. This will rise the company's value as investors will buy shares of the company and have a confident impact on the company's price.

3.2 Research Findings

Based on the results of investigate and discussion that have been done on the effect of investment decisions, wealth construction and separated rule, on financial performance and firm value.

1. The capital structure has no direct influence on firm worth.
2. Wealth construction indirectly has an important effect on firm value through financial performance.

4 CONCLUSIONS AND SUGGESTIONS

Based on the results of the investigate and discussion that has been carried out above, several conclusions can be drawn as follows: Investment decisions have a confident and important influences on financial performance. This means that better investment decisions will improve the monetary presentation of banking companies listed on the Indonesia store interchange for the 2019-2021 period. Wealth construction has a positive and significant effect on monetary presentation. This means indicating the implication that the administration of banking companies is right in choosing the most profitable capital structure so that it can improve the monetary presentation of banking companies listed on the Indonesia store interchange for the 2019-2021 period. Dividend policy has a positive and significant effect on monetary presentation.

This means that the higher the distribution of dividends, the more investors are interested in investing in companies so that they can improve the monetary presentation of banking companies listed on the Indonesia store interchange for the 2019-2021 period. Monetary presentation has a positive and significant effect on firm value. This means that higher monetary presentation will be followed by increasing the company worth of Banking Companies Listed on the Indonesia store interchange for the 2019-2021 Period. Savings Decision has a significant positive effect on Firm Value. This means that higher investment decisions will be followed by increasing the value of banking companies listed on the Indonesia store interchange for the 2019-2021 period. Wealth construction has no significant effect on Firm Value. This means
that higher working capital will be followed by increasing the value of banking companies listed on the Indonesia store interchange for the 2019-2021 period. Dividend policy has a confident and important influences on company value. This means that the higher the distribution of dividends, the more investors are interested in investing in companies so that they can increase the value of Banking business Listed on the Indonesia store interchange for the 2019-2021 Period. Dividend policy indirectly has a important effect on firm value through monetary presentation as an intervening variable. This means that the dividend policy has an important effect on company value through the financial performance of banking companies listed on the Indonesia store interchange for the 2019-2021 period. Wealth construction indirectly has a significant effect on company value through monetary presentation as an intervening variable. This means that working Wealth construction has an important effect on company value through the monetary presentation of Banking Companies Listed on the Indonesia store interchange for the 2019-2021 Period. Dividend policy indirectly has a significant effect on firm value through financial performance as an intervening variable. This means that the separated rule has an important effect on company value through the financial performance of Banking Companies Listed on the Indonesia store interchange for the 2019-2021 Period.

Based on the conclusions above and to increase job satisfaction, it is recommended that Banking Companies Registered on the Indonesia Stock Exchange for the 2019-2021 Period as follows: For management, this can be considered for banking companies in terms of increasing corporate value and evaluating and improving issuers to improve financial performance in the future. For management, this can be a consideration and can be used as a consideration for issuers to evaluate and improve future financial performance using the principle of prudence in the use of capital structures for banking firms to enhance company value. Future researchers are expected to be able to add other variables that may affect firm value. Future researchers are expected to be able to use other measurements to measure firm value variables.

REFERENCES


