

Does Return on Assets (ROA) as Intervening Variable?

Eny Maryanti¹, Santi Rahma Dewi², Heri Widodo³, Siti Faiqotul Himmah⁴

^{1,2,3,4} Department of Accounting, Faculty of Business, Law, and Social Sciences, Universitas Muhammadiyah Sidoarjo, Indonesia.

enymaryanti@umsida.ac.id

ABSTRACT

Introduction - The main goal of the company is to increase the value of the company through increasing the prosperity of the shareholders. Indicators to measure the value of a company can be seen from the amount of company profits earned in a certain period of time.

Purpose - This study aims to determine the effect of total assets turnover, sales growth and net profit margin on firm value with return on assets as an intervening variable in Consumer Goods Industry companies listed on the Indonesia Stock Exchange for the 2017-2019 period.

Methodology/Approach - The population of this study is the Consumer Good Industry companies listed on the Indonesia Stock Exchange for the 2017-2019 period totaling 140 companies. Based on purposive sampling criteria, 45 companies were obtained. This research uses smartpls 3 (Partial Least Square) data analysis test.

Findings - The results of the study prove that: total assets turnover and net profit margin have a significant positive effect on return on assets. Sales growth has no effect on return on assets. Total assets turnover and sales growth have no effect on firm value. Return on assets has a significant positive effect on firm value. Net profit margin has a significant negative effect on firm value. Return on assets is an intervening variable between total assets turnover on firm value and net profit margin on firm value. Return on assets cannot be used as an intervening variable between sales growth and firm value.

Originality/ Value/ Implication – This study uses consumer Goods Industry companies as the subjects of this research. The consumer goods industry is one of the sector companies listed on the Indonesia Stock Exchange which has good prospects and develops from time to time.

Keywords: Total Assets Turnover, Sales Growth, Net Profit Margin, Return on Assets

INTRODUCTION

The establishment of a company certainly has clear goals, both in the short and long term. The main goal of the company is to increase the value of the company through increasing the prosperity of the shareholders. Company value is a certain condition that has been obtained by the company after several years of carrying out activities since the establishment of a company until now, which reflects public trust in the company (Fahmi, 2017). In maximizing the value of the company, of course, good corporate governance must be carried out as well as the optimal implementation of the financial management function. Indicators to measure the value of a company can be seen from the amount of company profits earned in a certain period of time. Therefore, investors will choose to invest in companies with maximum firm value. (Welley et al., 2015).

In making investment decisions, of course, investors do an analysis of financial performance. To analyze the performance of a company can use financial ratios. The financial ratios consist of four groups including liquidity ratios, activity ratios, solvency ratios and profitability ratios. (Satriya & Wahyudi, 2017). Through this analysis, investors can predict the value of the company in the future. This is done by speculating that what factors can affect the value of a company. In addition, investors can also implement the relationship between the factors, from which the estimation of the company's value in the future can be achieved. In this

study, the value of the company is projected to Price earning ratio (PER), while the factors that affect the value of the company are projected to Total assets turnover (TATO), Sales growth (SG) and Net profit margin (NPM) and Return on assets. (ROA) as an intervening variable.

The first factor is Total assets turnover (TATO) is one of the ratios of activity which is the result of sales to total assets. This ratio is used to measure the level of total asset turnover capability over a certain period of time (Misran & Chabachib, 2017). Previously, research had been conducted on the effect of TATO on firm value, but the results of research conducted by previous researchers showed inconsistencies in research results. According to Liana (2020), TATO has an insignificant negative effect on firm value. This is different from the research conducted by Lumentut & Mangantar (2019) which revealed that TATO has a significant effect on firm value. Meanwhile, according to Erni (2016), TATO has no effect on firm value.

The second factor, namely Sales growth (SG) is a ratio that measures how much the company's ability to maintain its position in the industry and in general economic development (Sudaryo et al., 2020). According to Rakasiwi et al., (2017), SG has an insignificant negative effect on firm value but has a simultaneous significant effect on firm value. This is different from the research conducted by Dewi & Sujana (2019) which shows that SG has a positive effect on firm value.

The third factor is Net profit margin (NPM) which is the comparison between net profit after tax and sales. The NPM ratio describes the net profit obtained from the total sales of a company. The increasing value of NPM shows that the company's performance is getting better which is reflected in ROA (Satriya & Wahyudi, 2017). According to Irayanti & Tumbel (2014), simultaneously or partially NPM has a significant effect on the value of company. This is different from the research conducted by Mispiyanti & Wicaksono (2020); Manoppo & Arie (2016), which shows that NPM has no effect on firm value.

The last factor is Return on assets (ROA) which shows the company's ability to generate profits from the assets used in the company (Sartono, 2014). According to research conducted by Liana (2020); Utami & Prasetyono (2016) stated that ROA has a positive and significant effect on firm value. This is different from the research conducted by Putra & Wirawati (2013) which states that ROA has a negative effect on firm value.

Return on assets (ROA) in this study is used as an intervening variable. It is expected that ROA can strengthen the relationship between the independent variable and the dependent variable. As a projection of the company's profitability ratio, ROA is expected to be able to mediate the effect of TATO which is the projected ratio of company activity to company value projected to PER. In addition, ROA is also expected to be able to mediate the effect of NPM which is the projected profitability ratio through its relationship with company sales in influencing the projected company value to PER. According to Liana (2020) TATO has a positive and significant impact on ROA. This is different from the research conducted by Setiawan (2015) which states that TATO has no effect on ROA. According to Safitri (2014), TATO has a positive and significant effect on firm value and ROA has a mediating effect on the relationship between TATO and firm value proxied to PBV. This is different from the research conducted by Utami & Prasetyono (2016) which shows that TATO has a positive but not significant effect on firm value and ROA mediates the effect of TATO on firm value proxied to PBV.

Rahmawati & Mahfudz (2018) stated that sales growth has an effect on ROA. Partially, sales growth has no significant positive effect on ROA. This is different from the research conducted by Harapan & Prasetyono (2016) which showed that SG had no significant effect on ROA. Meanwhile, according to Paradila et al., (2019) sales growth has no effect on firm value, and profitability proxied to ROA cannot be an intervening variable between sales growth and firm value. Furthermore, related to NPM, according to Hasanah & Enggaryanto (2018) NPM has an effect on ROA. This is different from the research conducted by Liana (2020) which states that NPM has a positive and significant effect on ROA. NPM has a negative and significant effect on firm value, and ROA mediates (an intervening variable) the effect of NPM on firm value projected to PBV.

This research is a development of research conducted by Liana (2020) with the title "Analysis of Factors Affecting Company Value with ROA as an Intervening Variable (Study on Food And Beverages Manufacturing Companies Listed on the Indonesia Stock Exchange in 2015-2017)". This study shows that total assets turnover (TATO) and net profit margin (NPM) have a positive and significant effect on ROA. TATO and NPM have a significant negative effect on PBV as a projection of firm value. ROA has a positive and significant effect on PBV. Based on Path Analysis and Sobel Test, ROA mediates (an intervening variable) the effect of TATO on PBV and NPM on PBV. In the current research, the researcher adds Sales growth (SG) as an independent variable and make Price earning ratio (PER) as an indicator of Firm Value.

Consumer Goods Industry companies are the subjects of this research. This is because the consumer goods industry is one of the sector companies listed on the Indonesia Stock Exchange which has good prospects and develops from time to time. The reason is that the consumer goods industry is an industry that is needed to fulfill basic needs, especially to ensure the survival of all people in the world. The advantage of the consumer goods industry company is the level of inelastic demand, i.e. even though the price of basic needs increases, people still have demand for these needs (Suarka & Wiagustini, 2019).

Based on the explanation described above, it can be seen that there are inconsistencies in the results of research conducted by previous researchers, so the authors are interested in making a study entitled "Analysis of Factors Affecting Firm Value with Return on Assets (ROA) as an Intervening Variable.

METHOD

Types of research

The type of research used in this research is quantitative. This type of quantitative research is a research method based on the philosophy of positivism, which functions to examine a particular population or sample. In this type of research, the data collection uses research instruments, and the data analysis is quantitative or statistical. It aims to test the hypothesis that has been applied. (Sugiyono, 2019).

Research variable

The value of the company

Company value is a certain condition that has been achieved by a company as an illustration of public trust in the company after going through a process of activities for several years, namely since the company was founded until now (Trang et al., 2015). The value of the company here is proxied to Price earning ratio (PER). The formula for calculating the price earning ratio according to Sudana (2015) and Hardini & Astawinetu (2020) is:

$$\text{Price Earning Ratio} = \frac{\text{Market Price Per Share}}{\text{Earning Per Share}}$$

Total assets turnover

Total assets turnover (TATO) is one of the ratios of activity which is the result of sales to total assets. This ratio is used to measure the level of total asset turnover capability over a certain period of time (Misran & Chabachib, 2017). The formula for calculating TATO according to Sudana (2015) and Hantono (2018) is:

$$Total\ Assets\ Turnover = \frac{Sales}{Total\ Assets}$$

Sales growth

Sales growth (SG) is a ratio that measures the company's ability to maintain its position in the industry and in general economic development (Sudaryo et al., 2020). The formula for calculating sales growth according to Wati (2019) and Widyatuti (2017) is as follows:

$$Sales\ Growth = \frac{Sales_t - Sales_{t-1}}{Sales_{t-1}} \times 100\%$$

Net profit margin

Net profit margin (NPM) is the ratio between net profit after tax compared to sales. This ratio measures the company's ability to generate net profit from sales made by the company. (Sudana, 2015). The formula for calculating NPM according to Sudana (2015) and Hantono (2018) is:

$$Net\ Profit\ Margin = \frac{Net\ Income}{Sales}$$

Return on assets

Return on assets (ROA) is a ratio that is able to show the company's ability to generate profits from the assets used in the company (Sartono, 2014). The formula for calculating return on assets according to Sudana (2015) and Glasgow (2011) is:

$$Return\ On\ Assets = Net\ Profit\ Margin \times Total\ Assets\ Turnover$$

Research data

The population of this study is the consumer good industry companies listed on the Indonesian stock exchange for the 2017-2019 period totaling 140 companies. Based on purposive sampling criteria obtained 45 samples of companies. The type of data used in this study is secondary data in the form of data on the financial statements of companies listed on the Indonesia Stock Exchange in 2017-2019. The data was obtained through the IDX's official website, namely www.idx.co.id

Data analysis method

This study uses smartpls 3 (Partial Least Square) data analysis testing.

RESULTS AND DISCUSSION

Data Analysis and Research Results

Data analysis and hypothesis testing in this study using the SmartPLS 3 application program. This study aims to determine the effect of total assets turnover, sales growth and net profit margin on firm value with return on assets as an intervening variable in consumer goods industry companies listed on the stock exchange. Indonesia period 2017-2019.

Inner Model

Tabel 1. R-Square

	R-Square
Price earning ratio	0.273
Return on assets	0.792

The value of R-Square price earning ratio is 0.273, this means that the construct validity of the price earning ratio can be explained by the constructs of total assets turnover, sales growth, net profit margin with an interaction of 27.3%, while 72.7% is explained by other variables. not found in this study. The R-Square return on assets value is 0.792, this means the validity of the return on assets construct which can be explained by the construct of total assets turnover, sales growth, net profit margin with an interaction of 79.2% while 20.8% is explained by other variables that not found in this study. Hypothesis testing is done by comparing the significant P-Value at 5% and T-Table at 1.96. The results of path coefficients, specific indirect effects and significance tests are as follows:

Table 2. Part Coefficient

	Original Sample (O)	T Statistics (O/STERR)	P Values
TATO → ROA	0.5192	30.203	0.0027
SG → ROA	0.0659	11.586	0.2472
NPM → ROA	0.8820	148.942	0.0000
TATO → PER	-0.2642	11.578	0.2475
SG → PER	0.1777	0.9344	0.3505
ROA → PER	0.9699	56.295	0.0000
NPM → PER	-0.7018	33.903	0.0008

Table 3. Spessific Indirect Effect

	Original Sample (O)	T Statistics (O/STERR)	P Values
TATO → ROA → PER	0.5035	27.321	0.0065
SG → ROA → PER	0.0639	11.336	0.2575
NPM → ROA → PER	0.8554	34.860	0.0005

The first hypothesis is accepted (total assets turnover has an effect on return on assets) indicating a significant positive effect with the value of t statistic $>$ t table ($3.0203 > 1.96$); p value $<$ sig ($0.0027 < 0.05$) and a regression coefficient of 0.5192. The second hypothesis is rejected (sales growth has an effect on return on assets) showing no effect with the value of t statistics $<$ t table ($1.1586 < 1.96$); p value $>$ sig ($0.2472 > 0.05$) and the regression coefficient is 0.0659. The third hypothesis is accepted (net profit margin has an effect on return on assets) indicating a significant positive effect with the value of t statistic $>$ t table ($14.8942 > 1.96$); p value $<$ sig ($0.0000 < 0.05$) and the regression coefficient is 0.8820.

The fourth hypothesis is rejected (total assets turnover has an effect on firm value) indicating that there is no effect with the t statistic value $<$ t table ($1.1578 < 1.96$); p value $>$ sig ($0.2475 > 0.05$) and the regression coefficient is -0.2642. The fifth hypothesis is rejected (sales growth has an effect on firm value) showing no effect with t statistic $<$ t table ($0.9344 < 1.96$); p value $>$ sig ($0.3505 > 0.05$) and the regression coefficient is 0.1777. The sixth hypothesis is accepted (return on assets has an effect on firm value) indicating a significant positive effect with the value of t statistic $>$ t table ($5.6295 > 1.96$); p value $<$ sig ($0.0000 < 0.05$) and the regression coefficient is 0.9699. The seventh hypothesis is accepted (net profit margin has an effect on firm value) indicating a significant negative effect with the value of t statistic $>$ t table ($3.3903 > 1.96$); p value $<$ sig ($0.0008 < 0.05$) and regression coefficient -0.7018.

The eighth hypothesis is accepted (return on assets is an intervening variable between total assets turnover and firm value) indicating the effect of return on assets as an intervening variable between total assets turnover and firm value with a statistical t value $>$ t table ($2.7321 > 1.96$); p value $<$ sig ($0.0065 < 0.05$) and a regression coefficient of 0.5035. The ninth hypothesis (return on assets is an intervening variable between sales growth and firm value) shows that there is no effect of return on assets as an intervening variable between sales growth and firm value with a statistical t value $<$ t table ($1.1336 > 1.96$); p value $>$ sig ($0.2575 > 0.05$) and the regression coefficient is 0.0639. The tenth hypothesis (return on assets is an intervening variable between net profit margin and firm value) shows the effect of net profit margin as an intervening variable between total assets turnover and firm value with t statistic value $>$ t table ($3.4860 > 1.96$) and p value $<$ sig ($0.0005 < 0.05$) and the regression coefficient is 0.8554.

Discussion

The first hypothesis: Total assets turnover has an effect on Return on assets, From the results of data analysis conducted in this study, it can be seen that the effect of total assets turnover on return on assets obtains a t-statistic value of 3.0203, a p value of 0.0027 with a regression coefficient of 0.5192. So that t statistic $>$ t table ($3.0203 > 1.96$) and p value $<$ sig ($0.0027 < 0.05$). This shows that total assets turnover has a significant positive effect on return on assets.

Total assets turnover measures the ability to turn over all assets owned by the company. The greater the value of total assets turnover means the more efficient the company uses all assets in supporting sales activities. The more efficient, the better the company's performance. Good company performance will be reflected in the value of a good return on assets as well. (Utami & Prasetiono, 2016). The results of this study are in accordance with research conducted by Liana (2020); Utami & Prasetiono (2016) which states that total asset turnover has a positive effect on return on assets.

The second hypothesis: Sales growth has an effect on Return on assets. From the results of data analysis conducted in this study, it can be seen that the effect of sales growth on return on assets obtained a t statistic of 1.1586, a p value of 0.2472 with a regression coefficient of 0.0659. So that t statistic $<$ t table ($1.1586 < 1.96$) and p value $>$ sig ($0.2472 > 0.05$). This shows that sales growth has no effect on return on assets, so the hypothesis in this study is rejected.

This shows that although the profits derived from the sales activities of a company are very good in value, it may not necessarily affect the state of return on assets (Alivia & Chabachib, 2013). This can happen because to form a return on assets there is also the influence of the profits earned by a company. If the sales made by the company are large in value but the profits earned by the company are small, the value of the return on assets will remain small. Small company profits even though sales are high can be influenced by the amount of taxes and costs that must be incurred by the company in financing the company's operational activities (Khasanah & Ngatno, 2019). The results of this study are in accordance with research conducted by Harapan & Prasetiono (2016) which states that sales growth has no effect on return on assets.

The third hypothesis: Net profit margin has an effect on Return on assets. From the results of data analysis carried out in this study, it can be seen that the effect of net profit margin on return on assets obtains a t-statistic value of 14.8942, a p value of 0.0000 with a regression coefficient of 0.8820. So that t statistic $>$ t table ($14.8942 > 1.96$) and p value $<$ sig ($0.0000 < 0.05$). This shows that the net profit margin has a significant positive effect on return on assets.

Net profit margin describes the net profit that can be achieved from the total sales of the company. The higher the net profit margin, the more effective the company's performance in generating net profit. So that the increase in net profit margin shows the better the company's performance which is reflected in the return on assets. (Alivia & Chabachib, 2013). The results of this study are in accordance with research conducted by Liana (2020) which states that net profit margin has a positive effect on return on assets.

Fourth hypothesis: Total assets turnover has an effect on firm value. From the results of data analysis conducted in this study, it can be seen that the effect of total assets turnover on firm value which is projected to the price earning ratio has a t-statistic value of 1.1578, a p value of 0.2475 with a

regression coefficient of -0.2642. So that t statistic $<$ t table ($1.1578 < 1.96$) and p value $>$ sig ($0.2475 > 0.05$). This shows that total assets turnover has no effect on firm value, so the hypothesis in this study is rejected. The occurrence of sales instability can be the reason that the total assets turnover does not affect the value of the company. This shows a small comparison between sales and total assets, where there are several companies that have high assets but the level of sales generated is low. Effective company activities do not necessarily increase the company's profit or income, so that it is less considered by investors in investment decisions. With this, of course, the demand for shares will decrease, so that the stock price will also fall. (Erni, 2016). The results of this study are in accordance with research conducted by Erni (2016) which states that total asset turnover has no effect on firm value.

The fifth hypothesis: Sales growth has an effect on firm value. From the results of data analysis conducted in this study, it can be seen that the effect of sales growth on firm value which is projected to the price earning ratio has a t -statistic value of 0.9344, p value of 0.3505 with a regression coefficient of 0.1777. So that t statistic $<$ t table ($0.9344 < 1.96$) and p value $>$ sig ($0.3505 > 0.05$). This shows that sales growth has no effect on firm value, so the hypothesis in this study is rejected.

The increase in sales is indicated not to be able to increase the value of the company, this is because sales growth is seen from the company's income which has not been reduced by other costs. When the company experiences an increase in sales, it does not necessarily indicate that profits will also increase. It could be that with an increase in sales, profits will decrease. With the decrease in profits, the company's stock price cannot increase. This shows that sales growth is not the main focus of investors making decisions to invest. Investors view sales growth as a result that is not final, this is because revenue is still reduced by operating costs. (Limbong & Chabachib, 2016). The results of this study are in accordance with research conducted by (Andriani, 2018) which states that sales growth has no effect on firm value.

The sixth hypothesis: Return on assets has an effect on firm value. From the results of data analysis conducted in this study, it can be seen that the effect of return on assets on firm value projected to the price earning ratio obtains a t -statistic value of 5.6295, a p value of 0.0000 with a regression coefficient of 0.9699. So that t statistic $>$ t table ($5.6295 > 1.96$) and p value $<$ sig ($0.0000 < 0.05$). This shows that return on assets has a significant positive effect on firm value.

The positive effect of return on assets on firm value illustrates that the higher the company is able to generate profits, the higher the value of the company. This result is consistent with the theory and opinion of Mogdiliani and Miller in Ulupui (2007) which states that firm value is determined by the earnings power of the firm's assets. Positive results indicate that the higher the earnings power, the more efficient the asset turnover and/or the higher the profit margin obtained by the company. This will have an impact on the value of the company in increasing the value of the stock price. The results of this study are in accordance with research conducted by

Liana (2020); Rinnaya et al. (2016) which states that return on assets has a positive effect on firm value.

The seventh hypothesis: Net profit margin has an effect on firm value. From the results of data analysis carried out in this study, it can be seen that the effect of net profit margin on firm value projected to the price earning ratio obtains a t -statistic value of 3.3903, a p value of 0.0008 with a regression coefficient of -0.7018. So that t statistic $>$ t table ($3.3903 > 1.96$) and p value $<$ sig ($0.0008 < 0.05$). This shows that the net profit margin has a significant negative effect on firm value.

The negative effect of the net profit margin on the value of the company illustrates that if the value of the net profit margin has increased, it means that the net profit received by the company has increased, then the value of the company has decreased significantly. Likewise, the lower the value of the net profit margin, the higher the value of the company (Irayanti & Tumbel, 2014). Thus, this study states that the increase in net income obtained by the company has not been able to increase the value of the company. The results of this study are in accordance with research conducted by Liana (2020) which states that net profit margin has a negative effect on firm value.

The eighth hypothesis: Return on assets is an intervening variable between total assets turnover and firm value. From the results of data analysis carried out in this study, it can be seen that the effect of return on assets as an intervening variable between total assets turnover and firm value obtained a t statistic of 2.7321, a p value of 0.0065 with a regression coefficient of 0.5035. So that t statistic $>$ t table ($2.7321 > 1.96$) and p value $<$ sig ($0.0065 < 0.05$). This shows that total assets turnover has a positive and significant effect on firm value which is proxied to price earnings ratio through return on assets, so that return on assets is an intervening variable between total assets turnover and firm value.

Total assets turnover shows the faster the company's asset turnover, the greater the level of profit obtained. This is because the larger the assets, the more capital will increase so that the investment made is also increasing. Total assets turnover serves to measure the company's ability to use its total assets in generating profits. The more effective the company uses its assets in generating profits, the better the performance achieved by the company (Safitri, 2014). Good company performance will be reflected in a good return on assets (Utami & Prasetiono, 2016). Thus, the higher the level of the company's ability to generate profits, the higher the value of the company. This result is consistent with the theory and opinion of Mogdiliani and Miller in Ulupui (2007) which states that firm value is determined by the earnings power of the firm's assets. Positive results indicate that the higher the earnings power, the more efficient the asset turnover and/or the higher the profit margin obtained by the company. This will have an impact on the value of the company in increasing the value of the stock price. The results of this study are in accordance with research conducted by Safitri (2014) which states that total assets turnover has a positive and significant

effect on firm value and return on assets has a mediating effect on the relationship between total assets turnover and firm value as a proxy for price book value.

The ninth hypothesis: Return on assets is an intervening variable between Sales growth and Company Value. From the results of data analysis conducted in this study, it can be seen that the effect of return on assets as an intervening variable between sales growth and firm value obtained a t-statistic value of 1.1336, a p-value of 0.2575 with a regression coefficient of 0.0639. $t \text{ statistic} < t \text{ table}$ ($1.1336 > 1.96$) and $p \text{ value} > \text{sig}$ ($0.2575 > 0.05$). This shows that return on assets cannot be an intervening variable between sales growth and firm value, so the hypothesis in this study is rejected.

In forming the return on assets, of course, it is influenced by the profit of a company. If the sales made by the company are large in value but the profits earned by the company are small, the value of the return on assets will remain small. The increase in sales is indicated not to be able to increase the value of the company, this is because sales growth is seen from the company's revenue which has not been reduced by other costs, so that sales growth may not necessarily generate profits. (Khasanah & Ngatno, 2019) The results of this study are in accordance with research conducted by Paradila et al., (2019) which states that sales growth has no effect on firm value, and profitability which is proxied to return on assets cannot be an intervening variable between sales growth and firm value.

The tenth hypothesis: Return on assets is an intervening variable between net profit margin and firm value. From the results of data analysis carried out in this study, it can be seen that the effect of return on assets as an intervening variable between net profit margin and firm value obtains a t statistic of 3.4860, a p value of 0.0005 with a regression coefficient of 0.8554. So that $t \text{ statistic} > t \text{ table}$ ($3.4860 > 1.96$) and $p \text{ value} < \text{sig}$ ($0.0005 < 0.05$). This shows that net profit margin has a positive and significant effect on firm value which is proxied to price earning ratio through return on assets, so that return on assets is an intervening variable between net profit margin and firm value.

Net profit margin describes the net profit that can be achieved from the total sales of the company. The higher the net profit margin, the more effective the company's performance in generating net profit. The increase in net profit margin indicates the better the company's performance which is reflected in the return on assets (Alivia & Chabachib, 2013). Therefore, the higher the level of the company's ability to generate profits, the higher the value of the company. In addition, the company will certainly try to increase the value of the company. An increase in company value is usually marked by an increase in stock prices in the market (Halik, 2018).

This result is consistent with the theory and opinion of Mogdilian and Miller in Ulupui (2007) which states that firm value is determined by the earnings power of the firm's assets. Positive results indicate that the higher the earnings power,

the more efficient the asset turnover and/or the higher the profit margin obtained by the company. The results of this study are in accordance with research conducted by Liana (2020) which states that return on assets mediates (an intervening variable) the effect of net profit margin on firm value projected to price book value.

CONCLUSION

Based on the results of data analysis, research results and discussion, the authors draw conclusions in the study entitled "Analysis of Factors Affecting Firm Value with Return On Assets (ROA) as an Intervening Variable in Consumer Goods Industry companies listed on the Indonesia Stock Exchange for the 2017 period. – 2019" as follows: Total Assets Turnover (TATO) has a significant positive effect on Return On Assets (ROA). Sales Growth (SG) has no effect on Return On Assets (ROA). Net Profit Margin (NPM) has a significant positive effect on Return On Assets (ROA). Total Assets Turnover (TATO) has no effect on Company Value which is proxied to Price Earning Ratio (PER). Sales Growth (SG) has no effect on Company Value which is proxied to Price Earning Ratio (PER). Return on Assets (ROA) has a significant positive effect on Company Value which is proxied to Price Earning Ratio (PER). Net Profit Margin (NPM) has a significant negative effect on Company Value which is proxied to Price Earning Ratio (PER). Return on Assets (ROA) is an intervening variable between Total Assets Turnover (TATO) and Company Value proxied to Price Earning Ratio (PER). Return On Assets (ROA) cannot be an intervening variable between Sales Growth (SG) and Company Value which is proxied to Price Earning Ratio (PER). Return on Assets (ROA) is an intervening variable between Net Profit Margin (NPM) and Company Value which is proxied to Price Earning Ratio (PER).

REFERENCES

- Alivia, N. R., & Chabachib, M. (2013). Analisis Faktor-faktor yang Mempengaruhi Nilai Perusahaan dengan Profitabilitas sebagai Variabel Intervening (Studi pada Perusahaan Manufaktur yang Listed di BEI Tahun 2008 – 2011). *Diponegoro Journal of Management*, 2, 1–12.
- Andriani, L. (2018). Pengaruh Profitabilitas dan Pertumbuhan Penjualan Terhadap Nilai Perusahaan dengan Kebijakan Deviden Sebagai Variabel Intervening (Studi Empiris pada Perusahaan Sub. Sektor Property & Real Estate yang Terdaftar di Bursa Efek Indonesia Tahun 2012-2016). *Ekobis Dewantara*, 2(7), 227–249.
- Dewi, I. A. P. T., & Sujana, I. K. (2019). Pengaruh Likuiditas, Pertumbuhan Penjualan, dan Risiko Bisnis Terhadap Nilai Perusahaan. *E-Jurnal Akuntansi*, 26, 85. <https://doi.org/10.24843/eja.2019.v26.i01.p04>
- Erni, I. (2016). Faktor Determinan Nilai Perusahaan pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia. *Manajemen Bisnis Indonesia*.
- Fahmi, I. (2017). Analisis Laporan Keuangan. Bandung : Alfabeta.
- Glasgow, F. (2011). *Small Business Finance All-in-One For Dummies*. John Wiley & Sons.
- Halik, A. C. (2018). Pengaruh ROA Dan NPM Terhadap Nilai Perusahaan Pada PT. ANTAM, Tbl. *Scientific*

- Journal Of Reflection, 1(1), 1–10.
- Hantono. (2018). *Konsep Analisa Laporan Keuangan dengan Pendekatan Rasio dan SPSS*. Deepublish.
- Harapan, A., & Prasetyono, H. (2016). Pengaruh Average Collection Period, Average Payment Period, Turnover in Days, Sales Growth Dan Debt Ratio Terhadap Profitabilitas Perusahaan. *Diponegoro Journal of Management*, 5, 1–11.
- Hardini, S., & Astawinetu, E. D. (2020). *Teori Portofolio dan Pasar Modal di Indonesia*. Scopindo Media Pustaka.
- Hasanah, A., & Enggaryanto, D. (2018). Analisis Faktor-Faktor Yang Mempengaruhi Return on Asset Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia. *Journal of Applied Managerial Accounting*, 2(1), 15–25. <https://doi.org/10.30871/jama.v2i1.658>
- Irayanti, D., & Tumbel, A. (2014). Analisis Kinerja Keuangan Pengaruhnya terhadap Nilai Perusahaan pada Industri Makanan Dan Minuman di BEI. *Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 2(3), 1473–1482. <https://doi.org/10.35794/emba.v2i3.5896>
- Khasanah, I. O. N., & Ngatno. (2019). Pengaruh Pertumbuhan Penjualan Terhadap Harga Saham Dengan Return on Assets (ROA) Dan Return on Equity (ROE) Sebagai Variabel Mediasi (Studi Pada Perusahaan Sub Sektor Food and Beverages Yang Terdaftar Di Bursa Efek Indonesia Periode 2015-2017). *Jurnal Ilmu Administrasi Bisnis*, 8 (2), 184–194.
- Liana, T. M. M. (2020). Analisis Faktor-Faktor yang Mempengaruhi Nilai Perusahaan dengan ROA sebagai Variabel Intervening (Studi Pada Perusahaan Manufaktur Food and Beverages yang terdaftar di BEI Tahun 2015-2017). *Jurnal Ilmiah Maksitek*, 5(3), 140–149.
- Limbong, D. T. S., & Chabachib, M. (2016). Analisis Pengaruh Struktur Modal, Pertumbuhan Penjualan dan Ukuran Perusahaan Terhadap Nilai Perusahaan dengan Profitabilitas sebagai Variabel Intervening (Studi Kasus Pada Perusahaan Real Estate dan Properti yang Terdaftar di BEI Tahun 2010-2014). *Diponegoro Journal of Management*, 5(4), 1–14. <https://ejournal3.undip.ac.id/index.php/djom/article/view/17880>
- Lumentut, G. F., & Mangantar, M. (2019). Pengaruh Likuiditas, Profitabilitas, Solvabilitas, dan Aktivitas terhadap Nilai Perusahaan Manufaktur yang terdaftar di Indeks Kompas100 Periode 2012-2016. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 7(3), 2601–2610. <https://doi.org/10.35794/emba.v7i3.23643>
- Manoppo, H., & Arie, F. (2016). Pengaruh Struktur Modal, Ukuran Perusahaan dan Profitabilitas terhadap Nilai Perusahaan Otomotif yang terdaftar di Bursa Efek Indonesia Periode 2011-2014. *Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 4(2), 485–497. <https://doi.org/10.35794/emba.v4i2.13082>
- Mispiyanti, M., & Wicaksono, R. (2020). Analisis Pengaruh Profitabilitas dan Kebijakan Dividen Terhadap Nilai Perusahaan dengan Struktur Modal sebagai Variabel Mediasi. *Owner (Riset Dan Jurnal Akuntansi)*, 4(2), 396. <https://doi.org/10.33395/owner.v4i2.237>
- Misran, M., & Chabachib, M. (2017). Analisis Pengaruh DER, CR dan TATO terhadap PBV dengan ROA sebagai Variabel Intervening. *Diponegoro Journal Of Management*, 6(1), 1–13.
- Paradila, V. R. I., Wijaya, A. L., & Widiasmara, A. (2019). Pengaruh Pertumbuhan Penjualan, Size Perusahaan, dan Leverage terhadap Nilai Perusahaan dengan Profitabilitas sebagai Variabel Intervening (Studi Kasus Perusahaan Manufaktur sektor Konsumsi Yang Terdaftar di Bursa Efek Indonesia tahun 2015 - 2017). *Seminar Inovasi Manajemen, Bisnis Dan Akuntansi I*, 1, 617–635.
- Putra, I. K. D. A., & Wirawati, N. G. P. (2013). Pengaruh Kepemilikan Manajerial Terhadap Hubungan Antara Kinerja Dengan Nilai Perusahaan. *E-Jurnal Akuntansi*, 5(3), 639–651.
- Rahmawati, I., & Mahfudz, M. K. (2018). Analisis Pengaruh Perputaran Modal Kerja, Likuiditas, Struktur Modal, Sales Growth, Struktur Aktiva, Size Terhadap Profitabilitas. *Diponegoro Journal Of Management*, 7(4), 1–14. <https://ejournal3.undip.ac.id/index.php/djom/article/viewFile/22387/20529>
- Rakasiwi, F. W., Pranaditya, A., & Andini, R. (2017). Pengaruh EPS, Ukuran Perusahaan, Profitabilitas, Leverage, Sales Growth dan Kebijakan Dividen terhadap Nilai Perusahaan pada Industri Makanan dan Minuman yang terdaftar di Bursa Efek Indonesia Tahun 2010 – 2015. *Jurnal Ekonomika Dan Bisnis- Akuntansi*, 3, 346–365.
- Rinnaya, I. Y., Andini, R., & Oemar, A. (2016). Pengaruh Profitabilitas, Rasio Aktivitas, Keputusan Pendanaan, Keputusan Investasi Terhadap Nilai Perusahaan (Studi Empiris pada Perusahaan Manufaktur yang Terdaftar di BEI Tahun 2010-2014). *Journal Of Accounting*, 2(2), 1–18.
- Safitri, M. (2014). Analisis Pengaruh Struktur Modal, Likuiditas dan Efektivitas Terhadap Nilai Perusahaan dan Profitabilitas Sebagai Variabel Intervening pada Perusahaan Manufaktur (Studi Pada Perusahaan Manufaktur Yang Listing di BEI 2009-2013). Universitas Diponegoro.
- Sartono, A. (2014). *Manajemen Keuangan: Teori dan Aplikasi (Empat)*. BPFPE.
- Satriya, B. Y., & Wahyudi, S. (2017). Analisis Faktor – Faktor yang Mempengaruhi Nilai Perusahaan Manufaktur dengan ROA sebagai Variabel Intervening (Studi pada Perusahaan Manufaktur Food and Beverages yang Listed di BEI tahun 2010-2012). *Diponegoro Journal Ofmanagement*, 6, 1–14.
- Setiawan, E. (2015). Pengaruh Current Ratio, Inventory Turnover, Debt To Equity Ratio, Total Asset Turnover, Sales dan Firm Size Terhadap ROA pada Perusahaan Food Beverage yang Terdaftar di Bursa Efek Indonesia (BEI) Periode 2010-2013. 2015. <http://weekly.cnbnews.com/news/article.html?no=124000>
- Suarka, S. W., & Wiagustini, N. L. P. (2019). Pengaruh Inflasi, Profitabilitas, Struktur Modal, Dan Earning Per Share Terhadap Harga Saham Perusahaan Consumer

- Goods. *E-Jurnal Manajemen Universitas Udayana*, 8(6), 3930.
<https://doi.org/10.24843/ejmunud.2019.v08.i06.p23>
- Sudana, I. M. (2015). *Manajemen Keuangan Perusahaan Teori dan Praktik* (2nd ed.). Jakarta : Erlangga.
- Sudaryo, Y., Purnamasari, D., Sofiati, N. A., & Kusumawardani, A. (2020). Pengaruh Sales Growth, Current Ratio, Price To Book Value, Total Assets Turn Over, Return on Assets Terhadap Price To Book Value (PBV). *Ekonomi : Jurnal Ekonomi*, 02(1), 19–31.
- Sugiyono, P. D. (2019). *Metode Penelitian Kuantitatif Kualitatif dan R&D* (Kedua). Bandung : Alfabeta.
- Trang, I., Murni, S., & Pantow, M. S. (2015). Analisa Pertumbuhan Penjualan, Ukuran Perusahaan, Return on Asset, Dan Struktur Modal Terhadap Nilai Perusahaan Yang Tercatat Di Indeks Lq 45. *Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 3(1), 961–971.
<https://doi.org/10.35794/emba.v3i1.7801>
- Ulupui, I. G. K. A. (2007). Analisis Pengaruh Rasio Likuiditas, Leverage, Aktivitas, Dan Profitabilitas Terhadap Return Saham (Studi Pada Perusahaan Makanan Dan Minuman Dengan Kategori Industri Barang Konsumsi Di BEJ). *Jurnal Ilmiah Akuntansi Dan Bisnis*, 2(1), 1–20.
- Utami, R. B., & Prasetiono, P. (2016). Analisis Pengaruh TATO, WCTO, dan DER Terhadap Nilai Perusahaan Dengan ROA Sebagai Variabel Intervening (Studi pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode Tahun 2009-2013). *Jurnal Studi Manajemen Organisasi*, 13(1), 28.
<https://doi.org/10.14710/jsmo.v13i1.13411>
- Wati, L. N. (2019). *Model Corporate Social Responsibility (CSR)*. Myria Publisher.
- Welley, M., Untu, V., Sam, U., & Manado, R. (2015). Faktor-Faktor Yang Mempengaruhi Nilai Perusahaan Di Sektor Pertanian Pada Bursa Efek Indonesia Tahun 2010-2013. *Jurnal EMBA*, 3(1), 972–983.
- Widyatuti, M. (2017). *Analisa Kritis Laporan Keuangan*. Jakarta Media Publishing.