

**ANALYSIS OF CAPITAL STRUCTURE AND STICKY COST ON FINANCIAL PERFORMANCE IN FOOD AND BEVERAGE SUB-SECTOR COMPANIES LISTED ON THE INDONESIAN STOCK EXCHANGE**

**Nursamsi<sup>1)</sup>, Mira<sup>2)</sup>, Firman Syah<sup>3)</sup>**  
<sup>1,2,3)</sup>Muhammadiyah University of Makassar

Corresponding Author :

([nursamsi0004@gmail.com](mailto:nursamsi0004@gmail.com))<sup>1)</sup>, ([Mira@unismuh.ac.id](mailto:Mira@unismuh.ac.id))<sup>2)</sup>, ([firman.syah@unismuh.ac.id](mailto:firman.syah@unismuh.ac.id))<sup>3)</sup>

***Abstract***

NURSAMSI. 2024. *Analysis of Capital Structure and Sticky Costs on the Financial Performance of Companies Listed on the Indonesia Stock Exchange. Undergraduate Thesis. Department of Management, Faculty of Economics and Business, Muhammadiyah University Makassar. Main Supervised Mira and Co-Supervisor Firman Syah. The purpose of this research is a quantitative study aimed at analyzing the impact of capital structure and sticky costs on the financial performance of companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange. The sample for this study was drawn from the financial reports of companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange. The data used in this research is quantitative data obtained from the financial reports of companies from 2018 to 2022, sourced from the respective websites of food and beverage companies listed on the Indonesia Stock Exchange or from the website [www.idx.co.id](http://www.idx.co.id). This study employs secondary data. The research instruments used in this study include descriptive statistical analysis, panel data regression analysis, and hypothesis testing using F-test (Chiw Test) and Hausman Test. From the analysis of Debt To Equity Ratio (DER), it appears that companies may need to consider strategies to manage and reduce their dependence on debt in order to improve their financial structure and reduce long-term financial risks. Additionally, the analysis of Sticky Costs indicates that these costs are becoming increasingly unresponsive to fluctuations in production and sales volume. Furthermore, Return On Assets (ROA) is significant in optimizing financial performance over the study period, although improvement efforts are observed in the final year*

***Keywords: Debt To Equity Ratio (DER), Sticky Costs, Return On Assets (ROA)***

**INTRODUCTION**

The food and beverage industry is a manufacturing industry that processes raw materials into finished materials in the form of food and beverage products. The Indonesian Stock Exchange (BEI) categorizes this industry into the non-cyclical consumer sector. The food and beverage sector is one of the sectors that investors are interested in, the reason is that this sector is one of the sectors that can survive in the midst of Indonesia's economic conditions, because the establishment of more and more food and beverage companies is expected to provide increasing prospects in meeting people's needs.

Financial performance is an analysis carried out to see the extent to which a company has implemented financial implementation rules properly and correctly. Company performance is a description of the financial condition of a company which is analyzed using financial analysis tools, so that it can be known about the good and bad financial condition of a company which reflects work performance in a certain period. This is very important so that resources are used optimally in facing environmental changes (Ahmad, Rande, & Salmah, 2017).

Capital structure has an influence on the financial performance of a company. Capital structure has a positive influence if investors or shareholders invest in the company sub-totally. Vice versa, capital structure has a negative influence if a company manager does not think in advance about the risks that a company will face in the future when prioritizing individual goals. The relationship between capital structure and the financial performance of a company can have both positive and negative influences. In particular at low levels debt can improve financial performance by means of tax protection, reducing agency costs of equity or providing better prospects. However, when leverage is high enough, an increase in the debt ratio can reduce company performance because the benefits of debt are offset by the costs of debt, including financial difficulties and debt agency costs (Nini & Dina, 2020).

Jenly Samuel Liando (2021) concluded that DAR has a negative but significant effect on financial performance and DER has a positive and significant effect on financial performance. Nini and Dina Pratisia (2020) in their research can conclude that capital structure as measured by Market Total Leverage (MTLEV) has a significant negative influence on the company's financial performance as measured by Return On Equity (ROE). Capital structure as measured by Market Long-Term Leverage (MLLEV) has a significant negative influence on the company's financial performance as measured by Return On Equity (ROE). Achmad Komara, Sri Hartoyo and Trias Andati (2022) found that capital structure had a significant negative effect on ROA and ROE, but had a significant positive effect on PER. Evan Firdaus, Dadi Nurpadi and Intan Fajar Pratama (2022) concluded that capital structure has a positive influence on ROA.

Cost stickiness is cost behavior. Basically, changes in costs move symmetrically with the company's activity volume, whether the volume decreases or increases. However, there are several asymmetric changes in costs when there is a decrease in the volume of company activity. This asymmetric cost change is called cost stickiness. Cost stickiness arises because costs easily increase when there is an increase in the volume of company activity, but do not easily go down or are sticky when there is a decrease in the volume of company activity.

The difference between this research and previous research lies in the research sample and measurement of the dependent variable (company financial performance). The research sample used was 21 food and beverage sector companies listed on the Indonesia Stock Exchange (BEI) during the 2018-2022 period). In addition, food and beverage sector companies listed on the Indonesia Stock Exchange (BEI) have not consistently made profits consistently during the 2018-2022 period, therefore it is necessary to re-examine the company's financial performance through capital structure and sticky costs, as well as to add research references regarding financial performance.

In this research, capital structure is measured by Debt To Equity Ratio (DER), while financial performance is measured by Return On Assets (ROA), and how sticky costs can affect financial performance or predict profits using annual reports of listed food and beverage sub-sector companies on the Indonesian Stock Exchange (BEI).

Based on the background described above, this research can be carried out with the title "Analysis of Capital Structure and Sticky Costs on Financial Performance in Food and Beverage Sub-Sector Companies Listed on the Indonesia Stock Exchange (BEI)".

## RESEARCH METHODS

This type of research is quantitative research with an explanatory research approach. This research method is a scientific way to obtain data or information with the aim of solving problems and obtaining conclusions.

### Research Location and Time

The location of this research was [www.idx.id.co](http://www.idx.id.co). The time required for this research is approximately 2 months on the Indonesian Stock Exchange or via the relevant company website, starting from February-March 2024.

### Data Types and Sources

The data used in this research are: Secondary data; in the form of published Company financial report data which is accessed via [www.idx.id.com](http://www.idx.id.com).

### Population and Sample

Population is the entire data that is the focus of researchers' attention in a predetermined area. The population in this research is Food and Beverage Sector Companies listed on the Indonesian Stock Exchange for 2018-2022.

The sample is the smallest part of the population studied as a basis for drawing various conclusions in research which are determined to apply to all or part of the population required, or in other words the sample is also part of the number and characteristics possessed by that population. The criteria for the sample in this study were selected using purposive sampling with the following criteria:

No.	Details of Sample Criteria	Amount
1	Number of Food and Beverage Sector companies listed on the Indonesia Stock Exchange (BEI) during the 2018-2022 period	89
2	Companies that are not listed consecutively during the 2018-2022 period	67
3	Companies that do not publish financial reports consecutively during the 2018-2022 period	1
The number of samples used in the research and meeting the criteria		21
Total observation data for 2018-2022 (21 x 5)		105

Based on data from the website [www.idx.co.id](http://www.idx.co.id), there are 89 food and beverage companies listed on the Indonesia Stock Exchange in 2018-2022. These companies were selected according to predetermined criteria, so there were 21 companies used as samples in this research.

### Data collection technique

The data collection technique used in this research is using documentation techniques by searching for the data and information needed directly, such as annual reports on

manufacturing companies in the food and beverage sector for the 2018-2022 period through access on the website [www.idx.co.id](http://www.idx.co.id) and the official website of each company.

Debt to Equity Ratio (DER) is part of the capital structure variable which is used to measure debt versus equity by comparing all debt, including current debt, with all company equity.

Costs, also known as sticky, are when the increase in costs caused by an increase in sales volume is greater than the decrease in costs caused by a decrease in sales volume. Sticky costs can arise as a result of deliberate decisions and postponed adjustments by managers.

Return On Assets (ROA) is a type of profitability ratio that is used to show how much net profit a company earns when measured from asset value.

This research is quantitative research with an explanatory research approach. The method used in this research is to use statistical analysis with the Eviews 12 program. The data that has been collected in this research will be processed and analyzed using various statistical tests as follows:

1. Descriptive Statistical Analysis
2. Panel Data Regression Analysis

The panel data regression equation according to (Ghozali, 2017) is as follows:

$$Y=X1+X2$$

Information:

Y = Financial Performance

X1 = Capital Structure

X2= Sticky costs

3. F Test (Chow Test)
4. Hausman Test.
5. Normalist Test
6. Hypothesis
  - a. T test
  - b. R Test

## **RESULTS AND DISCUSSION**

The Indonesian Stock Exchange, abbreviated as BEI (Indonesia Stock Exchange IDX), is an exchange resulting from the merger of the Jakarta Stock Exchange (BEJ) with the Surabaya Stock Exchange (BES). For the sake of operational and transaction effectiveness, the government decided to combine the Jakarta Stock Exchange as a stock market with the Surabaya Stock Exchange as a bond and derivative market. The exchange resulting from this merger began operating on December 1 2007. BEI has used a trading system called the Jakarta Automated Trading System (JATS) since May 22 1995, replacing the manual system previously used. Since March 2 2009, the JATS system itself has been replaced with a new system called JATS-NextG provided by OMX.

**Capital structure (DER)****a. Akasha Wira Internasional Tbk**

The DER of the company code ADES experienced fluctuations, in 2018 the company's DER was 82.87%, and in 2019 it experienced a decrease of 44.80%, again experienced a decrease in 2020 of 36.87%, when in 2021 it experienced another decrease of 34.47% and in 2022 it experienced a decrease of 23.28%, the company's DER level was due to the total debt being greater than its own capital, this means that the company obtained more funding from debt.

**b. Tri Banyan Tirta Tbk**

The Tri Banyan Tirta Tbk (ALTO) company experienced a significant increase in the Debt to Equity Ratio (DER) level, which indicates an increasing level of dependence on debt as a source of funding. In 2018, the company's DER reached 186.69%, indicating that total debt was almost double total equity, indicating a high reliance on debt. Despite slight fluctuations, DER continues to increase from year to year, reaching its highest point in 2021 at 199.37%. Despite experiencing a slight decline in 2022 to 193.29%, the company still has a high level of dependence on debt.

**c. Bumi Technoculture Tbk**

Bumi Teknokultur Tbk (BTEK) company experienced a significant increase in its level of dependence on debt, as reflected in the Debt to Equity Ratio (DER). In 2018, the company's DER was 128.50%, indicating a relatively high level of dependence on debt compared to its equity. This trend continued until 2019, where DER rose slightly to 132.20%. However, in 2020, there was a significant spike, with DER increasing sharply to 154.08%, indicating that companies are increasingly relying on debt as a source of funding. This trend continued for the next two years, where the DER continued to increase to 167.23% in 2021 and reached its peak in 2022 with the DER reaching 244.33%.

**d. Budi Starch & Sweetener Tbk**

The Budi Starch & Sweetener Tbk (BUDI) company experienced fluctuations in its Debt to Equity Ratio (DER), which reflected significant changes in the company's financial structure. In 2018, the company's DER reached 176.64%, indicating a high dependence on debt. However, in 2019, the company managed to reduce its DER drastically to 57.15%, indicating a significant increase in equity capital and a decrease in dependence on debt. However, in 2020, DER rose again to 124.10%, before falling again in 2021 to 115.70%. This trend shows the company's continuous efforts to improve its financial structure by reducing its dependence on debt. Even though DER will experience a slight increase in 2022 to 119.49%, the company continues to maintain a direction towards increasing equity capital and reducing dependence on debt.

**e. Campina Ice Cream Industry Tbk**

The Campina Ice Cream Industri Tbk (CAMP) company has experienced variations in the Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018 and 2019, DER was 13.42% and 13.06% respectively, indicating a low level of dependence on debt compared to equity capital. However, in 2020, DER jumped sharply to 130.14%, indicating a drastic change in the financial structure with a very high dependence on debt. In 2021, DER fell again to 11.67%, indicating a significant improvement in equity capital and a reduction in dependence on debt. However, in 2022, DER will rise slightly to 14.16%, although it is still at a relatively low level. Fluctuations in DER over the period reflect the company's efforts to manage its financial structure, with a focus on reducing dependence on

debt and increasing equity capital. Thus, the Campina Ice Cream Industri Tbk (CAMP) company continues to adjust its financial strategy to achieve stability and sustainable growth.

f. Wilmar Cahaya Indonesia Tbk

Wilmar Cahaya Indonesia Tbk (CEKA) has experienced variations in its Debt to Equity Ratio (DER), which reflects changes in the company's financial structure. In 2018, the company's DER was 19.69%, indicating a relatively low level of dependence on debt compared to equity capital. However, DER increased to 23.14% in 2019 and 24.27% in 2020, indicating the company's increasing dependence on debt in that period. In 2021, DER fell to 22.35%, indicating a slight reduction in dependence on debt although it is still at a relatively high level. However, in 2022, the DER significantly decreases to 10.85%, indicating a major shift in the company's financial structure with a substantial increase in equity capital and a decrease in dependence on debt.

g. Sariguna Primatirta Tbk

The company Sariguna Primatirta Tbk (CLEO) has experienced variations in the Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018, the company's DER was 31.23%, indicating a relatively moderate level of dependence on debt compared to equity capital. However, in 2019, DER increased sharply to 62.49%, indicating a significant increase in the company's dependence on debt. In 2020, DER fell to 46.52%, indicating a slight decrease in dependence on debt although it is still at a fairly high level. Furthermore, in 2021, DER further fell to 34.61%, indicating a significant reduction in the company's dependence on debt. However, in 2022, DER will rise again to 42.90%, although it is still at a relatively moderate level.

h. Delta Djakarta Tbk

Delta Djakarta Tbk (DLTA) has experienced variations in its Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018 and 2019, the company's DER showed a relatively low level of dependence on debt, with the respective figures being 18.64% and 17.50%. However, in 2020, DER rose to 20.17%, indicating an increase in the company's dependence on debt. This trend continued in 2021, where DER jumped sharply to 29.55%, signaling a significant increase in the company's reliance on debt as a funding source. In 2022, DER continues to increase to 30.62%, indicating that the company is increasingly dependent on debt from year to year.

i. Buyung Poetra Sembada Tbk

Buyung Poetra Sembada Tbk (HOKI) has experienced variations in its Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018 and 2019, the company's DER showed a relatively moderate level of dependence on debt, with 34.75% and 32.28% respectively. However, in 2020, DER rose to 36.88%, indicating an increase in the company's dependence on debt as a source of funding. This trend continued in 2021, where DER increased sharply to 46.48%, indicating a significant increase in the company's dependence on debt. However, in 2022, the DER drops drastically to 21.34%, indicating a substantial change in the company's financial structure with a significant reduction in dependence on debt.

j. Indofood CBP Sukser Makmur Tbk

Indofood company CBP Sukses Makmur Tbk (ICBP) has experienced variations in its Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018 and 2019, the company's DER showed a moderate level of dependence on

debt, with 51.35% and 45.14% respectively. However, in 2020, DER jumped sharply to 105.87%, indicating a significant increase in the company's reliance on debt as a source of funding. This trend continued in 2021, where DER again increased to 115.75%, indicating that the company continues to increase its dependence on debt. However, in 2022, the DER drops significantly to 13.63%, indicating a drastic change in the company's financial structure with a major reduction in dependence on debt.

k. Indofood Sukses Makmur Tbk

The Indofood Sukses Makmur Tbk (INDF) company has experienced variations in the Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018, the company's DER showed a high level of dependence on debt, with a figure of 93.40%, indicating that total debt was almost equivalent to total equity. However, in 2019, DER fell to 77.48%, indicating a decrease in the company's reliance on debt compared to equity capital. This trend changed in 2020, where DER rose again to 106.14%, indicating a significant increase in the company's dependence on debt. This continued in 2021, where DER again increased to 107.03%. However, in 2022, the DER falls to 92.71%, indicating a significant change in the company's financial structure with a considerable reduction in dependence on debt.

l. Multi Bintang Indonesia Tbk

Perusahaan Multi Bintang Indonesia Tbk (MLBI) has experienced variations in the Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018 and 2019, the company's DER showed a very high level of dependence on debt, with the respective figures being 147.49% and 152.79%, indicating that total debt exceeded the company's total equity. However, in 2020, DER fell to 102.83%, indicating a significant reduction in the company's dependence on debt. This trend changed in 2021, where DER increased sharply to 165.84%, indicating a significant increase in the company's reliance on debt as a funding source. In 2022, DER rises dramatically to 214.41%, indicating a significant increase in the company's dependence on debt.

m. Mayora Indah Tbk

The Mayora Indah Tbk (MYOR) company has experienced variations in its Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018, the company's DER showed a high level of dependence on debt, with a figure of 105.93%, indicating that total debt exceeded the company's total equity. However, in 2019, DER fell to 92.07%, indicating a significant reduction in the company's dependence on debt. This trend continued in 2020 and 2021, where the DER stabilized at around 75%, indicating a lower level of dependence on debt compared to previous years. In 2022, DER falls further to 73.56%, indicating a further reduction in the company's reliance on debt.

n. Pratama Abdi Nusa Industri Tbk

Perusahaan Pratama Abdi Nusa Industri Tbk (PANI) has experienced significant variations in its Debt to Equity Ratio (DER), reflecting dramatic changes in the company's financial structure. In 2018, the company's DER jumped sharply to 275.26%, indicating a very high level of dependence on debt compared to equity capital. However, in 2019, DER fell to 199.54%, although it still shows high dependence on debt. In 2020, DER further decreased to 145.69%, signaling a significant reduction in the company's reliance on debt. However, in 2021, DER suddenly jumped to 2703.81%, indicating a tremendous spike in the company's reliance on debt. These drastic fluctuations are likely caused by external factors or significant changes in

financial structure. However, in 2022, DER will fall again to 116.02%, indicating a significant reduction in the company's dependence on debt.

o. Prashida Aneka Niaga Tbk

The Prashida Aneka Niaga Tbk (PSDN) company has experienced significant fluctuations in its Debt to Equity Ratio (DER), which reflects drastic changes in the company's financial structure. In 2018, the company's DER jumped sharply to 187.22%, indicating a very high level of dependence on debt compared to equity capital. However, in 2019, DER increased significantly to 333.89%, indicating a large jump in the company's reliance on debt. This trend continued in 2020, where DER reached 537.01%, indicating a dramatic increase in the company's reliance on debt as a funding source. In 2021, DER jumped tremendously to 1355.11%, indicating a tremendous spike in the company's reliance on debt. In 2022, DER will reach 1703.70%, indicating that the company's dependence on debt is increasing dramatically.

p. Nippon Indosari Corpindo Tbk

The Nippon Indosari Corpindo Tbk (ROTI) company has experienced variations in its Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018 and 2019, the company's DER was relatively stable at around 50%, indicating a balanced dependence between debt and equity. However, in 2020, DER fell to 37.94%, indicating a decrease in the company's dependence on debt. This trend changed in 2021, where DER rose to 46.06%, indicating a significant increase in the company's dependence on debt. In 2022, DER will increase again to 54.05%, indicating that the company's dependence on debt is increasing.

q. Sekar Bumi Tbk

Perusahaan Sekar Bumi Tbk (SKBM) has experienced variations in its Debt to Equity Ratio (DER), which reflects changes in the company's financial structure. In 2018 and 2019, the company's DER was relatively stable at around 70% to 75%, indicating a balanced dependence between debt and equity. However, in 2020, DER rose to 83.86%, indicating an increase in the company's dependence on debt. This trend continued in 2021, where DER reached 98.53%, indicating a significant increase in the company's dependence on debt. In 2022, DER falls to 90.16%, but remains high, indicating that the company's dependence on debt remains significant.

r. Sekar Laut Tbk

Perusahaan Sekar Laut Tbk (SKLT) has experienced variations in the Debt to Equity Ratio (DER), which reflects changes in the company's financial structure. In 2018, the company's DER reached 120.29%, indicating a high level of dependence on debt compared to equity. However, in 2019, DER fell to 107.91%, although it still shows a high level of dependence on debt. In 2020, DER fell again to 90.16%, indicating a significant reduction in the company's dependence on debt. This trend continued in 2021, where DER fell further to 64.09%, indicating a significant reduction in the company's reliance on debt. However, in 2022, DER will increase slightly to 74.91%, indicating that the company's dependence on debt has increased although it is still relatively low compared to previous years.

s. Siantar Top Tbk

Siantar Top Tbk (STTP) has experienced significant changes in its Debt to Equity Ratio (DER), which reflects changes in the company's financial structure. In 2018, the company's DER reached 59.82%, indicating a relatively high level of dependence on debt compared to equity. However, in 2019, DER fell sharply to 34.15%, indicating a significant reduction in the



company's dependence on debt. In 2020, DER fell further to 29.02%, indicating a continued decline in the company's reliance on debt. This trend continued in 2021 and 2022, where DER continued to decline to 18.73% and 17.79% respectively, indicating that the company is increasingly reducing its dependence on debt as a funding source and increasing its equity capital.

t. Garuda Food Putra Putri Jaya Tbk

The Garuda Food company Putra Putri Jaya Tbk (GOOD) has experienced variations in its Debt to Equity Ratio (DER), which reflects the dynamics of changes in the company's financial structure. In 2018, the company's DER reached 69.21%, indicating a relatively high level of dependence on debt compared to equity. However, in 2019, DER rose to 83.08%, indicating a significant increase in the company's dependence on debt. In 2020, DER continued to increase to 125.60%, indicating a dramatic increase in the company's dependence on debt. This trend continued in 2021, where the DER reached 123.27%, and in 2022, the DER fell slightly to 118.63%. Despite this, the company's reliance on debt has remained relatively high in recent years.

u. Ultra Jaya Milk Industry Trading Company Tbk

Ultra Jaya Milk Industry & Trading Company Tbk (ULTJ) has experienced significant variations in its Debt to Equity Ratio (DER), which reflects changes in the company's financial structure. In 2018 and 2019, the company's DER was relatively stable at around 16%, indicating a balanced dependence between debt and equity. However, in 2020, DER jumped sharply to 83.07%, indicating a dramatic increase in the company's dependence on debt. This trend changed in 2021, where DER fell to 44.15%, indicating a significant reduction in the company's dependence on debt. In 2022, DER will fall again to 26.68%, indicating that the company is increasingly reducing its dependence on debt as a source of funding and increasing its equity capital.

### **Sticky Cost**

a. Akasha Wira Internasional Tbk

During the observed five-year period from 2018 to 2022, the company "ADES" experienced significant fluctuations in Selling, General, and Administrative (SG&A) costs. In 2018, SG&A expenses increased by 24,207,000 or approximately 8.61% from the previous year, reaching a total of 305,421,000. However, the following year, the company managed to reduce these costs to 288,360,000, showing a decrease of 5.58%. The big spike occurred in 2020, where SG&A expenses jumped sharply to 964,016,000, an increase of more than three times from the previous year. The response to this surge was seen in 2021, where the company managed to cut SG&A costs by 22.58%, reaching a total of 746,211,000. A more drastic decline occurred in 2022, with SG&A expenses falling to 229,558,000, representing a decrease of 69.29% from the previous year.

b. Tri Banyan Tirta Tbk

Based on the ALTO company data provided, there are several aspects that need to be considered in analyzing the company's financial performance. SG&A (Selling, General, and Administrative) costs fluctuate from year to year. In 2019, SG&A costs reached 49,851,657,374, down from 51,717,386,683 in the previous year, but rose again in 2020 to 35,164,294,425. However, in the following years, SG&A costs decreased consistently: 30,437,849,675 in 2021 and 31,908,104,716 in 2022. Then, if you look at the percentage of

SG&A costs to revenue or net profit, there is a quite interesting trend. In 2018, SG&A costs reached 16.24% of the company's revenue, but fell to 15.96% in 2019. However, in 2020, this percentage increased sharply to 15.16%, before then dropping again to 10.56 % in 2021 and 11.07% in 2022. Logarithmic analysis of the data is not very clear without more information about the variables being logarithmed.

c. Bumi Superior Technoculture Tbk

This company does not have sales costs, administrative and general costs, so the company cannot be analyzed.

d. Budi Starch & Sweetener Tbk

Based on sales, general and administrative (SG&A) cost data for the company "BUDI" from 2018 to 2022, there were significant fluctuations in operational expenses. In 2018, SG&A costs were 156,142, then decreased by 4.23% to 149,098 in 2019. However, there was an increase of 5.29% in 2020, where SG&A costs reached 156,980. A more significant jump in costs occurred in 2021, where SG&A costs jumped by 39.74% to 219,488. However, in 2022, SG&A expenses again decreased by 13.17% to 190,604.

e. Campani Ice Cream Indonesia Tbk

Based on sales, general and administrative (SG&A) cost data for the company "CAMP" from 2018 to 2022, significant fluctuations in operational expenses can be seen. SG&A costs increased from 483,773,306,189 in 2018 to 513,236,278,110 in 2019, but decreased in 2020 to 469,201,507,248. After that, SG&A costs increase again in 2021 to 440,295,323,666, and increase again in 2022 to 479,041,223,534.

f. Wilmar Cahaya Indonesia Tbk

From the data provided, it can be seen that there is a consistent growth trend from 2018 to 2022. Value 1, which likely reflects financial metrics such as income or assets, experienced a significant increase from 55,703,946,078 in 2018 to 229,627,534,020 in 2022. Likewise, Value 2 indicates a positive growth trend from 148,474,678,622 in 2018 to 199,873,408,618 in 2022. The annual increase reflects a successful growth strategy or increased operational efficiency of the company.

g. Sariguna Primatirta Tbk

From the data provided, it can be seen that Selling, General, and Administrative Expenses (SG&A) costs from 2018 to 2022 experienced significant fluctuations. In 2019, SG&A costs reached 186,926,432,219, an increase of 235.54% from the previous year which was 55,703,946,078. However, in 2020, these fees jumped by 5.69% to 197,375,171,977 from the previous year. This growth trend continued in the following years, with SG&A expenses reaching 229,627,534,020 in 2022, representing an increase of 16.31% from the previous year.

h. Delta Djakarta Tbk

From the data provided, we can see changes in Selling, General, and Administrative Expenses (SG&A) costs from 2018 to 2022 for companies with the code "DLTA". In 2018, SG&A expenses reached 254,692,973,000. However, in the following year, there was a decline to 234,847,981,000, indicating a change of -7.81%. Nonetheless, SG&A expenses increased slightly in 2020 to 235,143,082,000, an increase of 0.13% from the previous year. A more significant growth trend was seen in the following years. In 2021, SG&A expenses increased to 250,966,445,000, representing an increase of 6.74% from the previous year. This was followed by a further increase in 2022, where SG&A expenses reached 273,208,755,000, representing growth of 8.82% from the previous year.

i. Buyung Poetra Sembada Tbk

From the data provided, the company's SG&A costs experienced fluctuations over the five-year period from 2018 to 2022. In 2019, SG&A costs decreased by 11.94% to 81,016,838,417 from 92,002,953,201 in the previous year. Then, there was another decrease of 7.69% to 74,777,078,851 in 2020. However, SG&A costs began to increase in 2021, reaching 77,282,561,871 or an increase of 3.35% from the previous year. In 2022, SG&A expenses continued to increase to 80,942,598,736, marking an increase of 4.74% from the previous year. Although revenue data is not available to calculate growth percentages, these significant fluctuations in SG&A costs indicate the need for in-depth evaluation of the company's cost structure and management strategy.

j. Indofood CBP Sukser Makmur Tbk

From the financial data provided for ICBP companies, it can be seen that SG&A (Selling, General, and Administrative) costs continue to experience stable growth from 2018 to 2022. In 2018, SG&A costs of 5,681,180,000,000 rose to 9,378,241,000,000 in 2022, showing an increase of 64.09% over the five-year period. The percentage change in SG&A costs from year to year shows a continued upward trend, with increases of 4.04% from 2018 to 2019, 5.60% from 2019 to 2020, 3.28% from 2020 to 2021, and 3.05% from 2021 to 2022.

k. Indofood Sukser Makmur Tbk

From the financial data provided for the INDF company, it can be seen that SG&A (Selling, General, and Administrative) costs experienced steady growth from 2018 to 2021, before experiencing a small decline in 2022. In 2018, SG&A costs were 11,307,271,000,000 increased to 15,364,067,000,000 in 2021, representing an increase of 36.02% over that four-year period. However, in 2022, SG&A expenses experience a small decrease to 15,288,702,000,000.

l. Multi Bintang Indonesia Tbk

From the financial data provided for MLBI companies, it can be seen that there are significant fluctuations in SG&A (Selling, General, and Administrative) costs from 2018 to 2022. In 2018, SG&A costs reached 700,595, increasing to 809,465 in 2019, before decreasing drastically to 575,781 in 2020. This decrease is likely related to cost efficiency strategies or changes in the company's operational structure. However, SG&A costs increased again in 2021 to 449,834, and continued to increase significantly to 659,402 in 2022.

m. Mayora Indah Tbk

From the financial data provided for the MYOR company, a significant fluctuation pattern can be seen in SG&A (Selling, General, and Administrative) costs from 2018 to 2022. In 2018, SG&A costs reached 2,514,493,367,346, and experienced a fairly large increase to 4,744,976,395,481 in 2019, recording an increase of 88.72%. However, there was a significant decline in 2020, where SG&A expenses fell to 4,468,194,765,530, indicating a decline of -5.85%. This decline may be due to various factors such as cost efficiency strategies, adjustments in company operations, or changing market conditions. In 2021, SG&A expenses rose again to 5,150,667,594,248, recording an increase of 15.30%. This may be related to company growth, business expansion, or investment in marketing and brand development. However, in 2022, there was another decline in SG&A costs to 4,406,308,697,223, a decrease of -14.45% from the previous year. This decline may reflect the company's efforts to improve operational efficiency or adjust business strategy.

n. Pratama Abadi Nusa Industry

This company does not have sales costs, administrative and general costs, so sticky cost analysis cannot be carried out.

o. Prashida Aneka Niaga

From the table provided, it can be seen that the SG&A (Selling, General, and Administrative) costs of PSDN companies experienced significant fluctuations from 2018 to 2022. In 2019, there was a big spike in SG&A costs, increasing more than six times from the previous year, reached 2,244,713,491,590. However, the following year, there was a sharp decline of -37.09%, reaching 1,411,939,290,170. The decline continued in 2020 and 2021, with SG&A expenses continuing to decline to 1,299,989,623,450 and 1,145,686,327,780, respectively. However, in 2022, there will be another increase to 1,282,737,204,440.

p. Nippon Indosari Corpindo Tbk

This company does not have sales costs, administrative and general costs, so sticky cost analysis cannot be carried out.

q. Sekar Bumi Tbk

Based on the new data provided, the financial performance of SKBM companies shows significant fluctuations in SG&A costs from 2018 to 2022. In 2019, there was a big jump in SG&A costs by 104.11%, reaching 219,972,731,760 from the previous figure of 107,643,678,040. However, the following year, the company experienced a sharp decline of -29.56%, with SG&A expenses dropping to 247,273,679,036. The decline in SG&A expenses continued in 2021, reaching 154,052,881,638, a decrease of -37.76% from the previous year. However, 2022 saw another significant increase in SG&A costs, increasing by 211.68% to 479,722,298,164.

r. Sekar Laut Tbk

Based on the data provided, the financial performance of the SKLT company shows an interesting fluctuation pattern in SG&A costs from 2018 to 2022. In 2019, there was an increase of 5.63%, from 195,710,157,351 to 213,149,072,464. This increase continued in 2020 and 2021, reaching 2.80% and 3.34% respectively, with SG&A costs reaching 258,845,382,398 and 279,554,851,876. However, 2022 witnessed a significant increase, increasing by 5.77% to 319,276,295,324.

s. Garuda Food Putra Putri Jaya Tbk

Based on the data provided, the financial performance of GOOD company shows an interesting pattern in SG&A costs from 2018 to 2022. In 2019, there was a small decrease of -0.60%, from 1,936,508,362,744 to 1,909,808,920,962. The decline continued in 2020, with SG&A expenses falling by -4.68% to 1,714,902,289,622. The downward trend continued in 2021, albeit to a lesser extent, with a decline of -0.13% to 1,709,864,783,998. However, 2022 saw another significant increase in SG&A costs, increasing by 5.59% to 1,944,663,279,882.

t. Ultra Jaya Milk Industry & Trading Company Tbk

Based on the data provided, the financial performance of the ULTJ company shows an interesting pattern in SG&A costs from 2018 to 2022. In 2019, there was an increase of 2.39%, from 861,851,000,000 to 1,112,760,000,000. However, 2020 saw a significant decline, with SG&A expenses falling by -4.39% to 1,004,934,000,000. The decline continued in 2021, albeit at a lower rate, with a decline of -2.05% to 958,711,000,000. However, 2022 saw another significant increase in SG&A costs, increasing by 9.22% to 1,185,591,000,000.

**Financial Performance**

a. Akasha Wira Internasional Tbk Akasha Wira Internasional Tbk (ADES) shows a strong trend in Return On Assets (ROA), a key indicator for evaluating a company's efficiency in using its assets to generate profits. In 2018, the company's ROA was 6.68%, indicating that each unit of asset managed to generate a profit of 6.68%. However, year after year, the company managed to improve its performance. In 2019, ROA rose to 10.46%, indicating a significant increase in the company's ability to utilize its assets. This positive trend continued into 2020, where ROA jumped to 14.16%, reflecting improved efficiency in the use of company assets. In fact, in 2021 and 2022, ROA continues to increase by reaching 20.65% and 22.18% respectively, showing the highest achievement in the company's performance in maximizing the use of its assets.

b. Tri Banyan Tirta Tbk

The Tri Banyan Tirta Tbk (ALTO) company shows a very low ROA, only 0.08% and 0.09% respectively. This shows that the company is only able to generate very small profits from each unit of assets it owns. However, in 2020, the company's ROA increased sharply to 0.24%, indicating a significant improvement in the company's efficiency in utilizing its assets. Nonetheless, in 2021, ROA turned negative (-0.01%), indicating that the company experienced losses comparable to or greater than the value of its total assets, a situation that requires caution. However, in 2022, ROA will rise again to 0.12%, indicating potential improvement in the company's financial performance.

c. Bumi Technoculture Tbk

Bumi Teknokultur Tbk (BTEK) Company faces significant challenges in this regard. In 2018, ROA reached 2.21%, indicating that the company was successful in utilizing its assets to generate balanced profits. However, a negative trend started in 2019, with ROA becoming negative (-2.37%), indicating that the company experienced losses greater than the value of its total assets. A significant decline occurred in 2020, where ROA slumped to -11.37%, reflecting serious difficulties in generating profits from its assets. Despite a slight improvement in 2021, with an ROA of -2.42%, the company still experienced significant losses. This negative trend continues in 2022, with ROA returning to negative (-8.66%).

d. Budi Starch & Sweetener Tbk

The Budi Starch & Sweetener Tbk (BUDI) company has shown a fairly stable trend in this regard over the last five years. In 2018, the company's ROA was 1.47%, which shows that each unit of asset managed to generate a profit of 1.47%. This positive trend continued in 2019, where ROA increased to 2.71%, indicating an improvement in the company's ability to generate profits from its assets. Even though it fell slightly in 2020 to 2.15%, the company managed to maintain quite good performance in utilizing its assets. In 2021, ROA rose sharply to 3.09%, reflecting significant progress in the company's financial performance. Despite experiencing a slight decline in 2022 to 2.94%, the company continues to show relatively stable performance in generating profits from its assets.

e. Campina Ice Cream Industry Tbk

Campina Ice Cream Industri Tbk (CAMP) has shown a positive trend in this regard over the last five years. In 2018, the company's ROA reached 6.17%, indicating that the company managed to generate a profit of 6.17% from the total assets it owned that year. Furthermore, in 2019, ROA increased to 7.26%, indicating an increase in the company's efficiency in utilizing its assets. 2020 saw a very significant jump in ROA to 50.70%, reflecting outstanding

performance in generating profits from assets. Even though it fell slightly in 2021, with an ROA of 8.66%, the company still managed to maintain good performance. This positive trend continues in 2022, with ROA increasing to 11.28%, indicating a significant increase in the company's efficiency in utilizing its assets.

f. Wilmar Cahaya Indonesia Tbk

Wilmar Cahaya Indonesia Tbk (CEKA) has shown stable and positive performance in this regard over the last five years. In 2018, the company's ROA reached 7.93%, indicating that each unit of asset managed to generate a profit of 7.93%. This positive trend continued in 2019, with ROA rising sharply to 15.47%, indicating a significant increase in the company's efficiency in generating profits from its assets. Even though it fell slightly in 2020 to 11.61%, the company managed to maintain good performance in utilizing its assets. In 2021, the company's ROA decreased slightly to 11.02%, but still showed solid performance. The positive trend returned in 2022, where ROA rose to 12.84%, reflecting a significant increase in the company's efficiency in utilizing its assets.

g. Sariguna Primatirta Tbk

Sariguna Primatirta Tbk (CLEO) Company has demonstrated strong performance over the last five years. In 2018, the company's Return On Assets (ROA) reached 7.59%, indicating that the company succeeded in generating a profit of 7.59% of the total assets it owned that year. Then, ROA increased sharply to 10.50% in 2019, showing a significant increase in the company's efficiency in generating profits from its assets. 2020 showed consistency in performance, with ROA remaining high at 10.13%, indicating the company's ability to maintain good performance. In 2021, ROA again increased significantly to 13.40%, reflecting excellent performance in utilizing company assets. Despite experiencing a slight decline in 2022 to 11.55%, the company still shows strong performance in generating profits from its assets.

h. Delta Djakarta Tbk

The Delta Djakarta Tbk (DLTA) company has shown positive performance in Return On Assets (ROA) over the last five years. In 2018, the company's ROA reached 22.19%, indicating that the company managed to generate a profit of 22.19% of the total assets it owned that year. This positive trend continued in 2019, where ROA remained high at 22.29%. However, in 2020, ROA decreased to 9.43%, indicating the challenges the company faces in maintaining high performance. Nevertheless, the company managed to recover its performance in 2021 with an ROA of 15.34%, indicating the company's ability to adapt and improve its financial performance. This positive trend continued in 2022, where ROA increased to 17.60%, reflecting better efficiency in the use of company assets to generate profits.

i. Buyung poetra Sembada Tbk

Buyung Poetra Sembada Tbk (HOKI) Company shows variations in Return On Assets (ROA) over the last five years. In 2018 and 2019, the company's ROA reached 11.89% and 12.22% respectively, showing solid performance in generating profits from the total assets it owns. However, in 2020, ROA experienced a sharp decline to 4.19%, indicating the challenges the company faces in maintaining high performance. In 2021, the company's ROA fell significantly to 1.20%, reflecting possible headwinds or instability in operations or market conditions. This negative trend continued in 2022, where ROA dropped drastically to 0.01%, indicating greater challenges in generating profits from its assets.

j. Indofood CBP Sukser Makmur Tbk

Indofood company CBP Sukses Makmur Tbk (ICBP) shows variations in Return On Assets (ROA) over the last five years. In 2018 and 2019, the company's ROA reached 13.56% and 13.85% respectively, showing solid performance in generating profits from the total assets it owns. However, in 2020, ROA decreased to 7.16%, indicating the challenges the company faces in maintaining high performance. In 2021, the company's ROA fell to 6.69%, indicating possible headwinds or instability in operations or market conditions. This negative trend continued in 2022, where ROA decreased to 4.96%, indicating greater challenges in generating profits from its assets.

k. Indofood Sukses Makmur Tbk

The Indofood Sukses Makmur Tbk (INDF) company shows variations in Return On Assets (ROA) over the last five years. In 2018, the company's ROA reached 5.14%, indicating the company's ability to generate profits of 5.14% from the total assets it owned that year. This positive trend continued in 2019, where ROA increased to 6.14%, reflecting an increase in the company's efficiency in generating profits from its assets. However, in 2020, ROA decreased to 5.36%, indicating the challenges the company faces in maintaining high performance. In 2021, the company's ROA rose again to 6.25%, showing the company's ability to adapt and improve its financial performance. The trend then drops in 2022, where ROA again declines to 4.88%, indicating greater challenges in generating profits from its assets.

l. Multi Bintang Indonesia Tbk

The Multi Bintang Indonesia Tbk Company (MLBI) has experienced significant fluctuations over the last five years. In 2018, ROA reached 42.39%, showing excellent performance in generating profits from the company's total assets. However, in the following year, ROA decreased to 41.63%, although it was still high. 2020 recorded a drastic decline in ROA to 9.82%, indicating a significant decline in the company's efficiency in generating profits from its assets. However, the company managed to recover its performance in 2021 with ROA reaching 22.79%, showing a significant improvement in financial performance. In 2022, ROA continues to increase to 27.39%, reflecting its strong performance in generating profits from its assets and indicating a positive trend in the company's overall performance.

m. Mayora Indah Tbk

The Mayora Indah Tbk (MYOR) company shows variations in Return On Assets (ROA) over the last five years. In 2018 and 2019, the company's ROA reached 10.01% and 10.78% respectively, showing solid performance in generating profits from the total assets it owned in those years. This trend continued in 2020, where ROA remained high at 10.61%, indicating the company's ability to maintain good performance. However, in 2021, ROA decreased to 6.08%, indicating that there were challenges or conditions that affected the company's financial performance. Despite this, the company managed to recover its performance in 2022, where ROA increased again to 8.84%.

n. Pratama Abadi Nusa Industri Tbk

Pratama Abdi Nusa Industri Tbk (PANI) Company shows significant variations in Return On Assets (ROA) over the last five years. In 2018, the company's ROA only reached 0.79%, which shows the challenges in generating profits from the total assets it owned that year. However, the situation worsened in 2019, where ROA became negative (-1.26%), indicating a greater loss of total assets. This trend changed in 2020, when ROA returned to the positive zone with a value of 0.19%, but still showed low performance. In 2021, ROA experienced a small increase

to 0.01%, but remained at a low level. However, in 2022, there was a significant increase, where ROA jumped to 1.81%, indicating an improvement in the company's ability to generate profits from its assets.

o. Prashida Aneka Niaga Tbk

The Prashida Aneka Niaga Tbk (PSDN) company has experienced serious challenges in Return On Assets (ROA) over the last five years. In 2018 and 2019, the company's ROA reached -3.24% and -1.09%, respectively, indicating significant losses that exceeded the value of the total assets owned in those years. This negative trend continued in 2020 and 2021, where ROA fell further to -6.83% and -11.45% respectively, reflecting the increasingly deteriorating financial situation. Despite experiencing slight improvement in 2022 with ROA reaching -3.66%, the company still faces major challenges in generating profits from its assets.

p. Nippon Indosari Corpindo Tbk

The Nippon Indosari Corpindo Tbk (ROTI) company has shown quite good performance in Return On Assets (ROA) over the last five years. In 2018, the company's ROA reached 2.89%, indicating that the company was able to generate profits of 2.89% of the total assets it owned that year. This positive performance trend continued in 2019 with ROA increasing to 5.05%, indicating a significant increase in the company's efficiency in generating profits from its assets. Even though it decreased in 2020 to 3.79%, ROA increased again in 2021 to 6.77%, reflecting good performance in utilizing the company's assets. 2022 shows further improvement, with ROA reaching 10.47%, indicating that Nippon Indosari Corpindo Tbk (ROTI) has succeeded in increasing efficiency in generating profits from its assets and showing strong growth in its financial performance.

q. Sekar Bumi Tbk

Sekar Bumi Tbk Company (SKBM) has shown a significant increase in performance in Return On Assets (ROA) over the last five years. In 2018, the company's ROA only reached 0.90%, indicating relatively low efficiency in generating profits from total assets owned. However, the company saw significant improvement in 2022, with ROA increasing to 4.24%.

r. Sekar Laut Tbk

Sekar Laut Company Tbk (SKLT) has shown solid performance in Return On Assets (ROA) over the last five years. In 2018, the company's ROA reached 4.28%, showing good efficiency in generating profits from total assets owned. Furthermore, SKLT continued to improve its performance, with ROA increasing to 9.51% in 2021, reflecting significant improvements in the efficiency and productivity of the company's assets. Despite experiencing a slight decline in 2022 to 7.25%, SKLT continues to show strong performance in utilizing its assets to generate profits.

s. Siantar Top Tbk

The Siantar Top Tbk (STTP) company has shown mixed performance in Return On Assets (ROA) over the last five years. In 2018, the company's ROA reached 9.69%, showing good efficiency in generating profits from total assets owned. Furthermore, STTP experienced significant improvements in its performance, with ROA increasing to 18.23% in 2020 and 15.76% in 2021, reflecting significant improvements in the efficiency and productivity of the company's assets. However, in 2022, ROA jumped to 105.72%, which may be due to factors such as asset restructuring or significant changes in financial statements.



t. Garuda Food Putra Putri Jaya Tbk

The Garuda Food company Putra Putri Jaya Tbk (GOOD) has shown mixed performance in Return On Assets (ROA) over the last five years. In 2018, the company's ROA reached 10.10%, showing good efficiency in generating profits from total assets owned. However, in 2019, ROA decreased to 8.61%, although it still showed strong performance. GOOD then experienced a more significant decline in ROA in 2020, reaching 3.73%, which may have been caused by external factors such as unfavorable market conditions or internal company factors. Nevertheless, the company managed to recover in 2021 with an ROA of 7.28%, showing a significant improvement in the efficiency of using its assets. GOOD continues to show stable performance in 2022 with an ROA of 7.12%, confirming the company's ability to generate profits from its assets.

u. Ultra Jaya Milk Industry & Trading Company Tbk

The company Ultra Jaya Milk Industry & Trading Company Tbk (ULTJ) has shown stable performance in Return On Assets (ROA) over the last five years. In 2018, ULTJ recorded an ROA of 12.63%, showing the company's ability to generate profits from the total assets it owns. The following year, ULTJ succeeded in increasing ROA to 15.67%, indicating increased efficiency in using its assets to generate profits. Despite experiencing fluctuations, ULTJ continued to show good performance in 2020 with ROA of 12.68%. Then, in 2021, ULTJ recorded an even higher ROA, reaching 17.24%, indicating a significant increase in the efficiency of using its assets. Despite experiencing a slight decline in 2022, ULTJ still managed to maintain solid performance with an ROA of 13.09%.

**Descriptive Statistics**

Table 4. 1 Descriptive Statistics

	X1	X2	Y
Mean	104.5505	-0.006260	8.554000
Median	117.5950	-0.024577	4.630000
Maximum	199.3700	0.524149	50.70000
Minimum	11.67000	-0.511969	-0.010000
Std. Dev.	70.70751	0.205116	11.93271
Skewness	0.0017451	0.504828	2.388936
Kurtosis	1.468770	5.415170	8.866895
Jarque-bera	1.954904	5.710376	47.70709
Probability	0.376269	0.057545	0.000000
Sum	2091.010	-0.125203	171.0800
Sum Sq. Dev.	94991.48	0.799382	2705.402
Observations	20	20	20

Source: Eviews 12 output by the author, 2024

Descriptive analysis of the given variables shows different characteristics among them. The average value of X1 is 104.5505, with a maximum value of 199.3700 and a minimum of 11.67000. The standard deviation of X1 is approximately 70.70751, indicating how spread out the data is from the mean. The X1 distribution is almost symmetrical with a skewness close to 0, but has a slight "peaking" with a kurtosis of 1.468770. The Jarque-Bera test shows that there

is insufficient evidence to reject the assumption that X1 has a normal distribution. Meanwhile, X2 has a more skewed distribution with a mean of -0.006260 and a standard deviation of 0.205116. However, X2's slightly right-skewed skewness (0.504828) and its high kurtosis (5.415170) suggest a more "peaked" distribution with thicker tails. The Jarque-Bera test shows suspicion of the normality assumption of the X2 distribution, although it is not strong enough to reject it. Variable Y has a mean of 8.554 and a standard deviation of 11.93271, with a very "peaked" distribution (kurtosis 8.866895) and significant skewness to the right (2.388936). The Jarque-Bera test shows that there is sufficient evidence to reject the assumption that Y has a normal distribution.

### Panel Data Regression

#### a. Test Chow

Table 4. 2 Fixed Effect Cross-Section Methods

Dependent variable: Y				
Method: panel least squares				
Date: 05/11/2024				
Sample: 2018-2022				
Periods included: 5				
Cross-sections included : 4				
Total panel (balanced) Observ:				
Variables	Coefficient	Std. error	t-statistic	Prob.
C	-0.966783	6.391564	-0151259	0.8819
X1	0.090380	0.057693	1.566583	0.1395
X2	-11.41743	11.21084	-1.018428	0.3258
Effect Specifications				
Cross-section fixed (dummy variable)				
R- squared	0.528955	Mean dependent var	8.554000	
Adjusted R-squared	0.360725	SD dependent var	11.93271	
SE of regression	9.540763	Akalike info criterion	7.592349	
Sum squared resid	1274.366	Schwarz criterion	7.891069	
Log likelihood	-69.92349	Hannan-Quinn Criter	7.650662	
F-statistic	3.144230	Durbin-Watson stat		
Prob(F-statistic)	0.041411			

Source: Eviews 12 output by the author, 2024

Chow test results using the cross-section fixed effect method, this approach takes the dependence between individuals observed in the same cross-section, while ignoring cross-time

dependence and cross-time variations that may exist in panel data. The results show that the independent variables, both X1 and X2.

#### a. Hausmant Test

Table 4. 3 Common Effect Methods

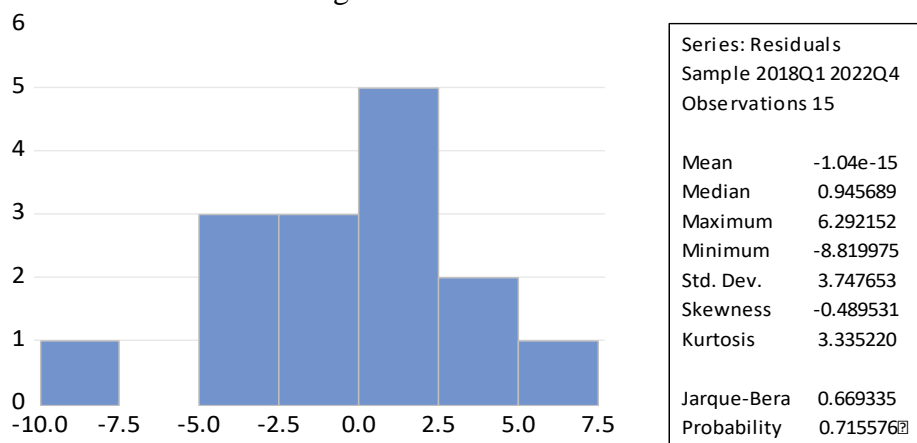
Test Summary	Chi-sq. Statistics	Chi-Sq.df	Prob.
Random cross-section	7.930395	2	0.0190

Source: Eviews 12 output by the author, 2024

The Hausmant test results show that there is a significant difference between the estimated parameters in the regression model estimated using the Common Effect or Ordinary Least Squares (OLS) method and the Generalized Least Squares (GLS) method. The Chi-square statistic gives a value of 7.930395 with 2 degrees of freedom and a probability of 0.0190. A low probability value indicates that there is a significant difference between the estimated parameters of the two regression models.

#### Normalist Test

Figure 4.1 Normalist Test



Looking at the histogram graph and statistical tests based on graphic image 4.1, it can be seen that the normal test has a probability value of 0.715576, where the probability value is greater than 0.05, namely  $0.715576 > 0.05$ , so it can be said that the data has normal distribution.

## Hypothesis

Table 4.4 Hypothesis Testing

Dependent Variable: Y Method: Panel Least Squares Date: 04/29/24 Time: 09:40 Sample: 2018 2022 Periods included: 5 Cross-sections included: 4 Total panel (balanced) observations: 20				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.966783	6.391564	-0.151259	0.8819
X1	0.090380	0.057693	1.566583	0.1395
X2	-11.41743	11.21084	-1.018428	0.3258
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.528955	Mean dependent var	8.554000	
Adjusted R-squared	0.360725	S.D. dependent var	11.93271	
S.E. of regression	9.540763	Akaike info criterion	7.592349	
Sum squared resid	1274.366	Schwarz criterion	7.891069	
Log likelihood	-69.92349	Hannan-Quinn criter.	7.650662	
F-statistic	3.144230	Durbin-Watson stat	2.286760	
Prob(F-statistic)	0.041411			

Source: Eviews 12 output by the author, 2024

### a. Persial Test (t test)

The t test aims to determine the effect of each independent variable consisting of x1 (capital structure) and x2 (sticky costs) on x3 (financial performance). Based on the results of the hypothesis test, it shows that the t-table value with a real level of 5% = 1.983495 x1 (capital structure) has a t-count of 1.566583, namely  $1.566583 < 1.983495$  so that the t-count < t-table with a probability of  $0.1395 > 0.05$  which means that x1 (capital structure) influences sticky cost behavior. x2 (sticky Cost) has a t-count of -0.018428, namely  $-0.018428 < 1.983495$  so that t-count < t-table with a probability of  $0.3258 > 0.05$  which means that x2 (sticky cost) has no effect on sticky cost behavior .

### b. Determination Coefficient Test (R2)

Based on the results in the table, the Adjusted Rsquared coefficient of determination value is 0.3607 or 30.07% while the remaining 69.93% (100% - 30.07%) is explained by other factors not included in this research model.

## Discussion

- Capital structure does not have a positive effect on financial performance in food and beverage sub-sector companies listed on the Indonesia Stock Exchange. This is due to the stable characteristics of the industry, the nature of assets that can be guaranteed, dividend policies that tend to distribute income to shareholders, industry regulations that limit the use of debt, and market risks that make management prefer more stable funding. Therefore, other factors such as operational management and marketing strategy may be more dominant in influencing the financial performance of companies in the industry.
- Sticky costs do not have a positive effect on financial performance in food and beverage sub-sector companies listed on the Indonesian Stock Exchange. This is due to the nature of the industry which tends to have fixed costs for factories. Production makes cost changes difficult, so the sticky cost concept does not have a significant impact. The relatively stable

price policy implemented by companies in this industry to maintain competitiveness or maintain market share can mean that changes in costs are not directly reflected in product price adjustments, so that sticky costs do not have an impact on financial performance. Thus, the influence of sticky costs on financial performance is less significant in the food and beverage sub-sector listed on the Indonesia Stock Exchange.

In line with this research, Setiawan's research (2020) explains that companies that are able to control sticky costs mean that the company incurs fewer expenses. The smaller the expenses incurred by the company, the greater the profits obtained by the company. Investor interest will increase in shares of companies that earn large profits. The higher investor interest in a share, the share price will increase because the number of shares circulating in the community is limited.

## CONCLUSION

Based on the results of the analysis and discussion carried out, it can be concluded that capital structure does not have a positive effect on financial performance, where the size of the capital structure owned by the Company does not provide a guarantee that it will improve the financial performance of food and beverage sub-sector companies listed on the Indonesia Stock Exchange. Sticky costs do not have a significant positive effect on the company's financial performance. The increase in sticky costs was not followed by an increase in the financial performance of companies in the food and beverage sub-sector on the Indonesian Stock Exchange.

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