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Growth Opportunity, Capital Structure and Profitability on Company Value

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ABSTRACT

Purpose: *This study has a purpose to decide the impact of growth opportunity, capital structure, and Profitability on firm worth in metal area organizations recorded on the Indonesia Stock Exchange for the period 2017-2021.*
Methodology/approach: *This examination is a kind of causal exploration that utilizes various straight relapse investigations to test the proposed speculation. The population in this study are metal organizations and so forth that are recorded on the Indonesia Stock Exchange in the 2017-2021 period, which are 17 organizations. The testing procedure utilized was purposive examining so the quantity of tests utilized in this review was 70 examples*
Findings: *Wellsprings of information utilized in this study are information sources which are information accessible in the wake of being collected by different gatherings. The aftereffects of this study demonstrate that growth opportunities significantly affect firm worth, while capital structure and profitability significantly affect firm worth. Then growth opportunities, capital structure, and profitability at the same time affect firm worth*

Practical implications: *For additional exploration, it is normal to look at different factors other than Growth Opportunity, Capital Structure, and Profitability and is supposed to build the example to be concentrated so the outcomes obtained are more influential.*

Originality/value: This research adds a profitability variable to differentiate it from previous research

Keywords:

Capital Structure; Firm Value; Growth Opportunities; Profitability.

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INTRODUCTION

In the industrial sector, competition is created because more and more companies are being born in that sector. This is a sign of economic development in Indonesia. To face various competitions, companies are competingto improve each other's performance so that goals and growth are achieved. According to Herijawati (2016) The long-term goal of a company is an effort to optimize company value, while the short-term goal is to optimize the resources it has to get maximum profit. It said Sujoko and Soebiantoro (2007) The value of a company is closely related to the value of shares in the capital market. In other words, a company management is said to be successful when it is able to provide prosperity to its shareholders. Share prices are in line with the value of a company, this can increase the company's future prospects and market perception of the company's performance. The value of the company needs to be increased with the aim of attracting investors to invest in the company (Pramana, IGNAD, & Mustanda, 2016).

PBV (Price Book Value) is one of several benchmarks used to measure the level of value of a company. The value of the company can also be known by investors through the signal theory of a company, if the value of a company is high then this will be used as a signal. by the company to invite investors to invest (Hartono, 2005).

According to Herijawati (2016) There are various factors that influence a company's value, including company size, capital structure, growth opportunity, profits, dividend policy, liquidity and others. This is reinforced by Brigham EF & Houston (2018) which says that the factors that influence company value are profitability, company size, liquidity, dividend policy, and capital structure. Growth Opportunity is the extent to which a company has the opportunity to grow in the future (Mai, 2006). Opportunities for growth are also said to be the chances of a company developing in the future by looking at changes in assets that occur within the company (Dharmadi, 2018). Companies that predict an increase in company growth tend to use the shares they own, while companies that experience a decline in growth will be willing to take risks with creditors by providing long-term debt. Therefore, a high Growth Opportunity indicates that there is an opportunity for a company to grow in a good direction and have a positive influence on company value.

One of the many problems in a company is Capital Structure, the definition itself is the determination of the capital portion regarding the ratio between loans and equity which results in a company funding policy (Yuliana, 2021). Capital structure according to Agus Harjito and Martono (2012) is a comparison or balance of own capital with debt. Sources of capital come from reserves, retained earnings and share capital. Consideration for external funding in the form of debt is made when there is a deficit (shortage) originating from own capital. Managing the capital structure well will have an effect on increasing the welfare of share owners, thus investors will consider investing capital in the company (Almahadin & Oroud, 2020). Apart from the things explained above, the company's ability to create profits or profitability also needs to be considered. This is important because it will influence investors' perceptions of the company's future growth and development. The high profitability of a company will give an idea of the company's prospects in the future (Herijawati, 2016). Profitability as described Gultom and Wijaya

(2013) is the profit obtained by the company through its business activities, which profit can be shared with investors or can also be saved to improve operational work performance.

From the explanation above, it can be seen that a company's value is related to the influence of various aspects, one of which is high profitability. High profitability can invite investors to invest. When many investors invest in a company, the share price will also rise. The link between company value and profitability is signaling, high company profitability will be considered a positive signal by investors because it has good opportunities in the future.

Metal and similar industrial sectors have an important role in economic growth. Industrial sectors such as electronics, maritime, factory equipment and machinery, and the automotive industry use metal as their raw material. The need for metal is also very high for other sectors such as property, buildings, construction, bridges, roads, electricity, and the like. With public demand increasing day by day, of course companies that produce goods will generate quite satisfactory profits for the goods they produce.

PT. Krakatau Steel Tbk, is one of the companies in the metal industry in the metal export sector. At this company, a phenomenon occurred, namely that for eight consecutive years from 2013 to 2019, it experienced losses reaching IDR 2.97 trillion in 2019, causing the company to restructure its debt of IDR 30 trillion.

The phenomenon above shows that a good structural composition is important to maintain company value T. Velnampy & J. Aloy Niresh, (2012) stated that the importance of a company's capital structure decision is because the company's profitability can be directly influenced by this.

There are several companies involved in the metals sector that are listed on the BEI from 2017-2021. Company data and share prices are shown in table 1.

Table 1. Sector Company Share Price Data Metals and Similar 2017-2021

No	Company Code	Stock price					Average
		2017	2018	2019	2020	2021	
1	KRAS	424	402	304	428	412	394
2	ALKA	306	300	418	262	256	308.4
3	GDST	113	94	62	110	100	95.8
4	PICO	222	244	244	143	95	189.6
5	LION	765	680	468	346	342	520.2
6	HENNA	387	410	440	334	292	372.6
7	ALMI	220	400	358	248	300	205.2
8	CTBN	4850	4300	3150	3220	2400	3,584

(Source: Processed from the Indonesian Stock Exchange 2022)

In accordance with table 1, it can be seen that there have been successive declines in stock prices in several metal companies listed on the IDX in the last three decades in 2019, 2020 and 2021, including the ALKA company which experienced a decline of 37% in 2020 from 2019 and by 2.29% in 2021 from 2020. PICO Company experienced a decrease of 41.39% in 2020 from 2019 and 33.56% in 2021 from 2020. LION Company experienced a decrease of 26.06% in 2020 from 2019 and 1.15% in 2021 from 2020. INAI Company experienced a decline of 1.36% in 2020 from 2019 and 12.57% in 2021 from 2020.

The cause of the share price in a company is the demand and supply for a company's shares, the better the demand for shares in the company, the share price will increase and vice versa. The increasing share price can be an illustration that there are many investors who want to invest and invest in the company so that this can be a benchmark that the company has succeeded in managing its company which will have an impact on the company's value.

Different exploration results and inconsistencies exist in many previous studies that have been conducted. Like the exploration carried out by Firdaus et al. (2021) which shows that the company's growth opportunity has a significant and positive/good influence on the company's value, followed by the exploration carried out by Marpuah et al (2021) which states that the company's value can be positively and significantly influenced by growth opportunity. However, there are differences between the exploration carried out by Lanjas et al. (2021) say that growth opportunities have no effect on company value, similar to the exploration carried out by Firdaus et al (2021) who state that growth opportunities have no effect on company value.

There is a large influence between capital structure and company value (Anggraeni and Rahyuda, 2020). This is reinforced by the exploration carried out by Huda et al., (2020) which stated that capital structure has a positive effect on company value. contrary to research conducted by Almahadin & Oroud (2020) Capital structure does not have a significant effect on the value of a company, and is supported by research conducted by Lanjas et al. (2021) stated that capital structure has no effect on company value.

Based on the phenomenon that occurred and the inconsistency of the output from previous explorations regarding company value, the author was called upon to conduct another exploration regarding the extent of the effects of capital structure levels, Growth Opportunity, and profitability on company value.

This research aims to see the level of influence of growth opportunity, capital structure and profitability on company value in metal sector companies listed on the IDX 2017-2021. This research is also expected to provide benefits to metal sector companies in increasing their company value. So that the company's goal of improving the welfare of its shareholders can be realized.

LITERATURE REVIEW

Signal theory (signaling theory)

Signal theory is a company's steps in providing signals to consumers to analyze financial reports. Giving good or bad signals by a company to investors is a good sign of a company (Hartono, 2005). According to Jama'an, (2008) giving signals by a company in the form of information regarding management actions in an effort to fulfill the wishes of shareholders.

*Signaling theory*discusses how signals in the form of reports and information about the company's success and failure should be informed to the company owner with financial reports. In the financial report, information takes the form of providing an explanation that the company applies conservatism accounting policies in generating quality profits, so as to avoid the company's behavior of exaggerating profits.

Signal theory is related to this research, every investor definitely wants a profit from the capital they have invested in the company. Shareholders really hope for improvement and growth of the company. A company's high growth opportunity will have an impact on the investment given by investors, because this will be a positive signal for investors. Likewise with profitability, a company together with a large profit ratio will give a good signal and invite investors to invest in a company (Tanggo & Taqwa, 2020).

The value of the company

Company value is a reflection of the company's performance which can be seen from the size of a company's share price, this amount is created from offers and capital market requests which represent the company's performance in the public's perception (Mayangsari, 2018 in Nigrum, 2022). Company value according to Dewi, et al (2014) considered very important because it is a reflection of the condition of the company. Investors' views are influenced by the condition of the company, a company will try to show good performance so that investors are motivated to invest.

Basically the company's goal is to maximize profits. The value of the company will increase when the value earns high profits. Furthermore, the good value of the company will provide encouragement to investors to invest, because investors have confidence in the company to manage their funds optimally.

Growth Opportunities

According to Mai (2006) The opportunity for company growth in the future is called Growth Opportunity. Companies with large growth projections in the future will utilize the stock they own for company operations, whereas if the growth projection is low, companies tend to use long-term debt options. The company's growth opportunity in the investor's view is a sign that there is a profitable aspect in the company, an investor should expect a return on investment from the company by showing good growth (Eli, 2008).

Capital Structure

Capital structure is a combination of equity and loans that a company uses in its operations (Cuong & Canh, 2012). The capital structure is also explained by Taqi, et al (2016) in Anggraeni & Rahyuda (2020) which says capital structure is a balance between long-term and short-term permanent debt. Capital structure is influenced by several factors, including company size, growth opportunities, business risk, profitability, and asset structure. In the capital structure, the source of funds can come from external and internal sources. Internal sources come from own capital and retained profits, while external capital is in the form of debt.

Profitability

The profit generated in a certain period is also called profitability. Profitability said by Saidi (2004) is the net profit obtained by a company while carrying out its operations. Returns in the form of yields and capital gains are what investors want after they place their shares in a company. So, the greater the return obtained by investors, the positive impact it will have on the value of the company. Almahadin & Oroud (2020) said every company must achieve sustainable profitability, because this will have an impact on the value of the company. Companies must eliminate the impact of bad signals from business risk indicators, so that potential investors can assess the overall financial position without focusing on a small problem in the company.

Hypothesis Development

Growth Opportunities influence on Company Value

Growth opportunity is a situation when a company can create opportunities by using the resources it has, so that in the future the company will grow. Hemuningsih (2013) said that company value is influenced by growth opportunity, because investors use a company's Growth Opportunity as an indicator to see the company's projected growth in the future.

Growth Opportunities There can also be an increase or decrease in a company. The high growth opportunities in a company will indicate to investors that there will be a return on the investment they have invested in the future. This gives rise to confidence in investors to invest in the company with the hope that there will be a return on investment funds.

The influence of growth opportunity is supported by research by Firdaus et al., (2021) which shows that the company's development opportunities have a large positive influence on the company's value. On the other hand, exploration by Marpuah et al, (2021) shows that there is a positive influence and significant results of growth opportunity on company value.

H1: Growth Opportunity has a positive and significant influence on company value

Profitability influences company value

The company's capacity to generate profits in a certain period is the definition of profitability. Judging from the definition itself, it shows that company value definitely has an influence on profits. This situation is because the profit or profits generated by a company will influence the number of investors who invest in the company. In other words, the value of a company is caused by the increasing number of investors who invest. The performance of a company can be seen from the profit obtained, the higher the profit, the higher the investor's perception of the company's capacity to fulfill obligations so that company value can be created in the future (Hasanuddin, 2020).

Profitability measurement is carried out using the Return on Equity (ROE) ratio. where this measurement aims to assess the company's capacity through obtaining profits from investor investments. With this ratio, it will be seen how much the company can manage its company with the investment resources provided by investors.

One cornerThe view according to signal theory is the view given by the company manager regarding the company's future outlook which is an indication or signal for investors Bringham & Houston (2010). The profitability ratio is considered a signal for investors, a high profit ratio makes investors want to invest in the company Tanggo and Taqwa (2020).

In study Lanjas, et al (2021) obtained results that show there is a positive effect on company value. This result is confirmed Tanggo & Taqwa (2020) in his research which shows that company value has a large positive effect on profitability.

H2: Profitability has a positive and significant influence on company value

Capital Structure influences Company Value

Capital structure is a structure created as a balance between debt and business equity. Choosing the right structure in a company will of course have a direct impact on the company's finances (Kurniawati, 2018). Capital arrangements carried out by a company certainly have various functions to achieve a company goal, including maximizing returns, reducing financial risk, minimizing capital costs and utilizing funds. Choosing a good capital structure greatly influences the quality of the company. For example, if good capital planning can be realized, it will provide scope to increase company profits so that it can return equity shares and recover loans.

The cues or signals in the capital structure are about the company's prospects in the future.Companies with a view to generating profits will try to avoid selling company stock while seeking capital income with other efforts such as using loans. In contrast to companies with a view that they do not yet have a profit, they will tend to sell their company shares. Therefore, the announcement of a share issuance from a company will be considered a sign that the company's core team sees the company's outlook as less bright because if a company makes a sales offer of new stock in a higher quantity than usual, the company's stock price will fall. This is because after planting new stock it will give a negative code which will then press the stock price.

In study Anggraeni and Rahyuda (2020) said that there is a large effect between capital structure on company value. reinforced by research conducted by Huda et al. (2020) who stated that capital structure has a positive influence on company value.

H3: Capital structure has a positive and significant effect on company value.

Growth Opportunity, Capital Structure, Profitability influence Company Value

*Growth Opportunities*is the opportunity for growth of a company in the future (Mai, 2006). The opportunity to get higher profits in the future is a manifestation of high growth opportunity. This means that there is a relationship between Growth Opportunity and company value. Likewise, capital structure is a balance between own capital and debt, so capital structure is also needed to increase company value. Not only that, to obtain high company value it can also be seen from the profits obtained by a company. The profits obtained from a company over a period of time are also called profitability.

From the description above, it shows that there is a connection between growth opportunities, capital structure, and profits regarding company quality or company value. Therefore, it is hoped that company value can increase by paying attention to growth opportunities, capital structure, and profits of a company.

H4: There is a positive and large effect between growth opportunity, capital structure and profitability simultaneously on company value.

METHODS

The exploration here is of the causal exploration type. The population in this exploration is all metal and similar companies listed on the IDX in the 2017-2021 period, namely 17 companies. Purposive sampling is the sample collection method used. Of the 17 populations of metal sub-sector companies selected in this research, there were 14 companies over the 5 years of research, namely 2017 to 2021. So the total sample in the research was 70 samples. In this exploration, the type of information used is documentary information or documentation, namely research data in the form of annual reports of companies in the metal sector and similar listings on the BEI (Indonesian Stock Exchange) from 2017-2021. The data source used is secondary information which is information which is available and has been accumulated with other parts. Based on the information needed, namely financial data, the data is collected by collecting documents and data related to the effects of Growth Opportunity, capital structure, and profits on company's value, using Time Series data collection techniques.

Research variables and measurements

Growth Opportunities

Growth Opportunity is calculated by:

$$\textbf{Growth Opportunity} = \frac{\textbf{Total Asset}_t - \textbf{Total Asset}_{t-1}}{\textbf{Total Asset}_{t-1}} \times \mathbf{100\%}$$

Capital Structure

The capital structure is explained by Taqi, et al (2016) in Anggraeni & Rahyuda (2020)which says capital structure is a balance between long-term and short-term permanent debt. Capital structure via Debt to Equity Ratio (DER) is calculated via:

$$\mathbf{DER} = \frac{\textbf{Total Hutang}}{\textbf{Total Ekuitas}} \textbf{ X 100\%}$$

Profitability

The profit generated in a certain period is also called profitability. Profitability said by Saidi (2004) is the net profit obtained by a company while carrying out its activities. Profits are measured through *Return on Equity* (ROE) which is calculated via the formula:

$$\mathbf{ROE} = \frac{\textit{laba bersih}}{\textit{ekuitas}}$$

Data analysis technique

The information was tested and analyzed using the Statistical Package of Social Sciences (SPSS) software for Windows version 21.0. Some of the information analyzes used in this exploration are:

Descriptive Analysis

Descriptive analysis is used to systematically describe news with sources from the subject or object of research so that information is clear and easy to understand. Descriptive techniques are used to interpret data on average (mean), standard deviation, median, minimum and maximum values.

Analysis Method

Multiple Linear Regression Analysis

This model is intended for measuring two or more variables which can later show the influence between the independent variable and the dependent variable. The formulation used in the multiple linear regression type is:

$$Y = \alpha + b1GO + b2\ DER + b3ROE + e$$

Normality test

The normality test was carried out using the Kolmogorov-Smirnov test statistical analysis. Data is said to be appropriate/normal if the significance value is > 0.05.

Multicollinearity Test

The detection process of multicollinearity can be carried out according to the Variance Inflating Factor (VIF) score from which the regression analysis output is obtained. If the VIF score is> 10, there is a sign of high multi-collinearity.

Heteroscedasticity Test

The test carried out to see whether there is heteroscedasticity or not is in conjunction with the Glejser technique through the formulation of a regression between the residual absolute score and the independent variables. If each independent variable does not have a large effect on the absolute residual, the Heteroscedasticity Symptom does not occur, sig > 0.05.

Autocorrelation Test

To see whether or not there are symptoms of autocorrelation, the Durbin-Watson (d) test can be carried out. The Durbin-Watson calculation output is proportional to the dtable score at α=0.05. The Durbin-Watson test criteria (d) are as follows:

$d<d_L$ and $d>4-dL$ =Autocorrelation occurs

$dU <d<4-dU$ = Autocorrelation does not occur

$dL \leq d \leq dU$ and $4-dU \leq d \leq 4 -dL$ = Not known to exist or whether there is autocorrelation in the model

Model Test

Determinant Coefficient Test (R2)

The determinant coefficient test/symbolized by R2 is carried out in order to explain the portion of variation in the dependent variable that is explained by the independent variable.

F test (simultaneous)

A large F test shows that the various dependent variables are explained by the same percentage as the independent variables at the same time. So the f test is carried out to see whether the model used is significant or not.

T-Test (partial)

To test the research hypothesis, a t test was carried out. In order to obtain information on the extent of the effect of a dependent variable on an individual when explaining various dependent variables, a t test can be carried out. The t test can also test the hypothesis that the researcher has proposed whether it can be accepted or rejected.

RESULTS & DISCUSSION

Descriptive Statistical Test

Table 2
Descriptive statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
GROWTH (X1)	70	2.64	7.12	4.6354	1.05212
DER (X2)	70	5.23	13.58	7.3174	1.33981
ROE (X3)	70	.00	6.90	3.9127	1.33707
PBV (Y)	70	5.33	11.52	6.8739	1.04508
Valid N (listwise)	70				

Source: SPSS Data Processing, 2022

According to the table, information can be obtained that the mean of company value (Y) is 6.873 with a standard deviation of 1.045, a minimum score of 5.33 and a maximum value of 11.52. For the growth opportunity variable, a mean of 4.635 was obtained with a standard deviation of 1.052, a minimum score of 2.64 and a maximum score of 7.12. Furthermore, the mean for the capital structure variable (X2) which is calculated using the DER formula is 7.317 along with a standard deviation of 1.339, a minimum score of 5.23 and a maximum score of 13.58. Finally, for the profitability variable which was measured using the ROE formula, a mean of 3.912 was obtained along with a standard deviation of 1.337, a minimum score of 0.00 and a maximum score of 6.90.

Normality test

Table 3
Normality Test Results
One-Sample Kolmogorov-Smirnov Test

		Standardized Residual
N		70
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.94686415
Most Extreme Differences	Absolute	.175
	Positive	.160
	Negative	-.175
Kolmogorov-Smirnov Z		.959
Asymp. Sig. (2-tailed)		.316

a. Test distribution is Normal.

b. Calculated from data.

Source: SPSS Data Processing, 2022

Based on table 7, information on the normality score can be obtained (can be seen in the 2-tailed asymp sig) for the four variables studied, namely 0.316. Provided that the data is declared normal if the variable normality value is greater than 0.05. The reason is that the four variables have a normality score greater than 0.05, so it can be stated that variables X1 (growth opportunity), X2 (capital structure), X3 (profitability) and Y (company's value) have a normal distribution. So it can be continued with multicollinearity testing.

Multicollinearity Test

Table 4
Multicollinearity Test Results
Coefficientsᵃ

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	GROWTH (X1)	.609	1.642
	DER (X2)	.763	1.311
	ROE (X3)	.767	1.303

a. Dependent Variable: PBV (Y)
Sumber: Pengolahan Data SPSS, 2022

According to the table, information can be obtained that the VIF score for the growth opportunity variable (X1) is 1.642<10, so there is no multicollinearity. Furthermore, the VIF score for the capital structure/DER variable (X2) is 1.311<10, so there is no multicollinearity. Next, for the profitability/ROE variable (X3) of 1.303, there is no multicollinearity. So it can be continued with the heteroscedasticity test.

Heteroscedasticity Test

Heteroscedasticity Test Results
Coefficientsᵃ

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.669	.823		.813	.424
	GROWTH (X1)	-.085	.139	-.152	-.612	.546
	DER (X2)	.051	.120	.093	.420	.678
	ROE (X3)	-.024	.124	-.043	-.194	.848

a. Dependent Variable: Abs_RES

Source: SPSS Data Processing, 2022

According to the heteroscedasticity test that has been carried out, the sig growth score (X1) is 0.546>0.05, the sig DER score (X2) is 0.678>0.05, then the sig ROE (X3) value is 0.848. Because the sig value of the three independent variables is >0.05, it can be concluded that there is no heteroscedasticity and can continue with the autocorrelation test.

Autocorrelation Test

Table 6
Autocorrelation Test Results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.256[a]	.066	-.042	.87336	1.880

a. Predictors: (Constant), ROE (X3) , DER (X2), GROWTH (X1)

b. Dependent Variable: PBV (Y)

Source: SPSS Data Processing, 2022

From the test output in table 10, information on the Durbin Watson (DW) score is 1,880. Judging from the Durbin Witson (DW) table, n = 70, K = 3, the dU value is 1.7028 and dL is 1.5245. Then it was found that the 4-dU output was 2.2972. Autocorrelation symptoms did not occur if the DW score was located on the dU and 4-dU scores. From table 10, it can be seen that the DW score lies in the dU score and 4 – dU so a conclusion can be drawn that there are no symptoms of autocorrelation.

Multiple Linear Regression Analysis

Table 7

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.095	1.120		5.444	.000
	GROWTH (X1)	.093	.189	.119	.491	.627
	DER (X2)	-.051	.164	-.068	-.314	.756
	ROE (X3)	.151	.168	.194	.894	.379

a. Dependent Variable: PBV (Y)

Source: SPSS Data Processing, 2022

In the multiple linear regression table, the regression equation is obtained as below:

PBV= 6.095 + 0.093 GROWTH (X1) - 0.051 DER (X2) + 0.151 ROE (X3)

From the equation above it can be explained as below:

a. The constant number 6.095 has meaning if it is a variable*growth opportunities*(X1), capital structure (X2) and profitability (X3)the value is 0 or nothing, so the company value (Y) is 6.095 per weight.
b. Variable regression coefficient*growth opportunities*(X1) is 0.093. This means if*growth opportunities*there was an increase of one (1) per weight along with the perception of capital structure(X2) as well as profits worthzero (0) so the company value (Y) will increase by 0.093 per weight.
c. Variable regression coefficientcapital structure(X2) is -0.051. This means capital structureThere isincreasing one (1) unit of weight along with perception*growth opportunities*and profitability(0) so the company's value (Y) will experience a decrease of 0.051 unit weight.
d. Variable regression coefficientprofit(X3) is 0.151. This means ifthe benefits are thereincrease of one (1) weight unit with assumptions*growth opportunities*and capital structure(0) so the company value will increase by 0.151 weight units.

Model Test

Coefficient of Determination Test (R2)

Table 8

Coefficient of Determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.256ᵃ	.066	-.042	.87336

a. Predictors: (Constant), ROE (X3) , DER (X2), GROWTH (X1)

Sumber: Pengolahan Data SPSS, 2022

According to the table, the R square figure is 0.066/6.6%. This shows that the contribution percentage for variables X1 (growth opportunity), X2 (capital structure) and X3 (profitability) simultaneously influences variable Y (company's value) amounting to 0.06/6%. Compared to the rest, it has the same influence as other variables outside the research.

F Test (Simultaneous)

Table 9

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.393	3	.464	.609	.615[b]
	Residual	19.832	26	.763		
	Total	21.224	29			

a. Dependent Variable: PBV (Y)

b. Predictors: (Constant), ROE (X3) , DER (X2), GROWTH (X1)

Sumber: Pengolahan Data SPSS, 2022

In accordance with the table above, the score F count<F table is obtained (0.609<2.741). Simultaneously the significance score is > 0.05 (0.615> 0.05).

So it can be concluded that the fourth conjecture in the exploration here is rejected, namely no There are effects of growth opportunity, capital structure and profitability on company value in the metals and similar sectors in 2017-2021.

t Test (Partial)
First Hypothesis

Table 10
T Test Results (Partial) Hypothesis 1

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.872	.706		8.319	.000
	GROWTH (X1)	.193	.149	.214	1.299	.203

a. Dependent Variable: PBV (Y)

Sumber: Pengolahan Data SPSS, 2022

In accordance with the table, it was found that the score t count > t table (1.299<1.996). Simultaneously the significance score is > 0.05 (0.203> 0.05). So it can be concluded that hypothesis 1 in this study is rejected, namely there is no effectgrowth opportunity in company value in the metals and similar sectors in 2017-2021.

Second Hypothesis

Table 11
Hypothesis 2 t(Partial) Test Results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.418	.640		6.906	.000
	DER (X2)	.336	.086	.430	3.901	.000

a. Dependent Variable: PBV (Y)
Sumber: Pengolahan Data SPSS, 2022

In accordance with the table, a score of t count>t table was found (3.901>1.996). Simultaneous significance score <0.05 (0.000<0.05). So it can be concluded that hypothesis 2 explored here is accepted, namelyThere is a capital structure effect on company's value in the metals and similar sectors in 2017-2021.

Third Hypothesis

Table 12
t Test Results (Partial) Hypothesis 3
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.023	.371		16.229	.000
	ROE (X3)	.196	.092	.301	2.140	.038

a. Dependent Variable: PBV (Y)
Sumber: Pengolahan Data SPSS, 2022

In accordance with the table, a score of t count>t table was found (2.140>1.996). With a significance value <0.05 (0.038<0.05). Therefore, it can be concluded that hypothesis 3 is accepted in this research, which meansThere is an influence of profitability on company value in the metals and similar fields in 2017-2021.

The Effect of Growth Opportunity on Company Value

*growth opportunities*on company valueshows no effect. This is shown in the output of the hypothesis test with scorestcount>ttable (1,299<1,996). Simultaneously the significance score is>0.05 (0.203>0.05). So the conclusion is drawn that hypothesis 1 in this study is rejected, namely there is no effect *growth opportunities* on the company's value in the field of metals and similar in 2017-2021.

Variable regression coefficient *growth opportunities* (X1) is 0.093. This means if *growth opportunities* there is an increase of one (1) per weight equal to perceptioncapital structure (X2) and profitability (X3)is zero (0) so the company value (Y) will increase by 0.093 weight units.Based on the explanation above, it can be concluded that growth opportunity has no effect on company value in the metals and similar sectors in 2017-2021.

The output from the exploration here is in accordance with the exploration carried out by Lanjas, et al (2021) which shows that Growth Opportunity has no effect on company value. This matter also does not match the signal theory which states that a company's high growth opportunity in the future will give a positive signal to investors.

This shows that if the company has high growth it will also cause the financing issued by the company to be greater, because it increases the company's assets. This additional asset can be obtained from debt on collateral for company assets. This will of course cause fewer dividends or funds issued to be distributed to shareholders. Therefore, growth opportunities will not increase investors' confidence, because investors tend to want high dividends on invested capital.

The Influence of Capital Structure on Company Value

For variablescapital structure on company value based on research results shows that there is an effect between the two. This is shown in the output of the concurrent hypothesis testvalue tcount>ttable (3.901>1.996). Simultaneously the significance value is <0.05 (0.000<0.05). So hypothesis 2 explored here is accepted, meaningcapital structure has an influence on the value of companies in the metals and similar sectors in 2017-2021.

The output from the exploration here supports the statement of signal theory which states that every investor definitely has the desire to profit from the capital they have invested in the company.

The Influence of Profitability on Company Value

For profit variables on company valueshows influence. This is shown by the output of the hypothesis test with scorestcount>ttable (2,140>1,996). Simultaneously the significance score is <0.05 (0.038<0.05). So it can be concluded that hypothesis 3 is accepted, which meansProfitability has an effect on the value of companies in the metals sector and similar types in 2017-2021.

This exploration output is in line with signal theory which states that a company with a high profit ratio will give a good signal and invite investors to invest in a company (Tanggo & Taqwa, 2020). This is proven through hypothesis tests that have been carried out. The output of this exploration is in accordance with the research carried out by Tanggo and Taqwa (2020) and the exploration carried out by Lanjas et al, (2021) that if there is a positive and significant influence on profitability, the value of the company will be determined.

The Influence of Growth Opportunity, Capital Structure and Profitability on Company Value

In accordance with the exploration output that has been carried out for the variable*growth opportunity, capital structure* and profitability together on company valueshows no effect. This is shown by the output of the hypothesis test at the same timeFcount > Ftable value (0.609<2.741). Simultaneously the significance score is >0.05 (0.615>0.05). So it can be concluded that the fourth hypothesis in this study is rejected, namely nothere is an effect of growth opportunity, capital structure and profits together on the value of companies in the metals and similar sectors in 2017-2021.

CONCLUSION

The conclusion from the results of the exploration that has been carried out regarding the effects of growth opportunity, capital structure and profitability on the value of companies in the metals sector and the like in 2017-2021 is there is no influence *Growth Opportunities* on the value of companies in the metal sector, also similar to those listed on the BEI (Indonesian Stock Exchange) from 2017 to 2021. Meanwhile, Capital Structure and Profitability have an influence on the value of companies in the metal sector, also similar to those listed on the BEI from 2017 to 2021. Next for variables*growth opportunities,*capital structure and profitability have no effect on the value of companies in the metals and similar sectors from 2017-2021.

Limitations

The limited things that the author found in this exploration were: 1) The companies studied only covered 5 years with 14 samples from 17 populations listed on the IDX. This is because the financial information provided is incomplete. 2) The number of industries used is only one type so that the results obtained are not able to represent all companies listed on the IDX.

Suggestion

After conducting research on the effects of growth opportunity, capital structure and profitability on company value in the metals and similar sectors in 2017-2021. So there are several recommendations given, namely: 1) For companies, the results of this research should be used as a reference in increasing company value, taking into account internal and external factors that influence company value. 2) For universities, the results of this research should be used as a reference or literature for subsequent researchers who carry out similar research. 3) For writers, the exploration output here can be a measure of the writer's success in producing scientific work that is useful for the general public.

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