

ABSTRACT

Judul : The Effect of Firm Leverage and Size on Company Performance in the Food and Beverage Sub-Sector Manufacturing Company Listed on the Indonesia Stock Exchange

Name : Mia Umniyyaatus Sa'adah Ibnu Nawawiyah
Study Program : Accounting

The performance of food and beverage companies during 2013-2017 has decreased. This decline in performance stems from changing consumption patterns and the low growth of the fast moving industry for consumption goods (FMCG). One of them is to improve company performance by looking at the leverage and size of the company. The lower the debt, the lower the interest expense of the company. This allows companies to get higher profits and the more sales, the more money is also circulated within the company. This study aims to examine the Effect of Firm Leverage and Size on Company Performance. By using a sample of Food and Beverage Manufacturing Sub Sector companies that are Listed on the Indonesia Stock Exchange (IDX). This research is in the form of causality, the data source used is secondary data. The sample of this study is a food and beverage sub-sector manufacturing company. The sampling technique is purposive sampling. The analytical tool used is Multiple Linear Regression. The three variables used in this study were to analyze the leverage proxied by Debt to Asset Ratio (DAR), and the natural logarithm of total sales to analyze company size and Return on Equity (ROE) to analyze company performance. The results of this study indicate that company leverage and size have a simultaneous influence on company performance. Partially leverage has a significant negative effect on company performance while firm size variables have no significant positive effect on company performance.

Keywords:

Leverage, Company Size and Company Performance.