EFFECT OF LEVERAGE, CAPITAL STRUCTURE, RETURN ON ASSET, AND SALES GROWTH, ON THE PROFIT QUALITY OF CUSTOMER GOODS (FOOD AND BEVERAGE) COMPANIESLISTED ON THE INDONESIAN STOCK EXCHANGE 2019 - 2022)

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Abstract
The development of this stock exchange is developing well even though the securities traded are generally bonds by Dutch companies and Indonesian government bonds through the Indonesian Development Bank. BEI helps companies to obtain additional capital by going public, namely the activity of offering shares or other securities carried out by issuers (companies that go public) to the public based on the procedures regulated by the Capital Markets Law and its Implementing Regulations. The type of research method used in this research is a quantitative research method. This research method is based on the philosophy of positivism. To research a particular population or sample, data collection uses research instruments, data analysis is carried out quantitative or statistical, with the aim of testing a predetermined hypothesis. Based on the results of the ANNOVA test above, the Fcount value is (6.948) and Ftable is (2.54). This means that 4.803 > 2.54 means Leverage, Capital Structure, Return on Assets, and Sales Growth together have a simultaneous effect on the Quality of Customer Company Profits. GOODS (Food & Beverage) which is listed on the Indonesian Stock Exchange
Keywords: Leverage; Capital Structure; Return On Assets; Sales Growth; Quality of Earnings

INTRODUCTION

The development of this stock exchange is developing well even though the securities traded are generally bonds by Dutch companies and Indonesian government bonds through the Indonesian Development Bank. Through the State Industrial Bank in 1954, 1955 and 1958 bond sales increased. There was a power dispute between the Indonesian government and the Netherlands regarding West Irian, so all Dutch businesses were nationalized through Law no. 86 of 1958. This dispute resulted in Dutch securities no longer being traded on the Jakarta stock exchange. BEI has used a trading system called the Jakarta Automated Trading System (JATS) since May 22 1995, replacing the manual system used previously. Since March 2 2009, the JATS system itself has been replaced with a new system called JATS-NextG. BEI helps companies to obtain additional capital by going public, namely the activity of offering shares or other securities carried out by issuers (companies that go public) to the public based on the procedures regulated by the Capital Markets Law and its Implementing Regulations (Basir, 2005: 28) in Qoribulloh (2013).

Leverage is the use of a number of assets or funds by a company where

in using these assets or funds, the company must incur fixed costs. In other words, how much does a company finance its assets with debt (Maryam 2014). Sales growth has the potential to influence the quality of a company's profits. High sales growth can reflect good company performance and the potential to generate higher profits. However, the impact of sales growth on earnings quality needs to be investigated further, especially in the context of Customer Goods companies operating in this sector.

In addition, sales growth has the potential to influence the quality of a company's profits. High sales growth can reflect good company performance and the potential to generate higher profits. However, the impact of sales growth on earnings quality needs to be investigated further, especially in the context of Customer Goods companies operating in the sector.

The following are changes in capital, dividends, fixed assets and capital structure obtained from several consumer goods companies in 2019-2022, namely as follows:

Table 1. Research Phenomenon

Kode Perusahaan	Tahun	Leverage	Struktur Modal	ROA	Pertumbuhan Penjualan	Kualitas Laba
AGAR	2019	0,450261356	0,819046216	0,0022529516	0,088855421	150,18183
	2020	0,377387275	0,606134857	0,0044684833	0,136242269	14,8694320
	2021	0,394270545	0,650902051	0,0093562017	0,191930997	4,8855466
	2022	2,157037899	1,864275925	0,0096558807	0,377416209	2,8073428
HOKI	2019	0,244037279	0,322816552	1,0686341742	0,155331863	1,0144718
	2020	0,269441805	0,368816348	0,041942225	0,290280155	2,0553243
	2021	0,317333688	0,464844512	0,0119938426	0,204223021	1,1688253
	2022	0,17587909	0,213414182	0,0001115969	0,008449256	2,302,9159
INDF	2019	0,436556134	0,774799692	0,0613598484	0,043575705	2,2607329
	2020	0,514896812	1,061417085	0,0536487245	0,067088598	1,5831115
	2021	0,514778735	1,060915446	0,0626405965	0,215512449	1,3083740
	2022	0,481121068	0,927231842	0,0509471866	0,115660303	1,4781162
KEJU	2019	0,346112527	0,52931512	0,1471494767	0,14246369	2,0516182
	2020	0,346626483	0,530518109	0,179310577	0,079641441	1,7562043
	2021	0,236934385	0,310503292	0,1884789826	0,157022876	0,9401488
	2022	0,182065428	0,222591676	0,1364616921	0,001978028	0,5511941

Source: https://www.idx.co.id

From the data above, it can be seen from PT ASIA SEJAHTERA MINA Tbk. It was found that leverage data in 2021 was IDR 0.394270545 and there was an increase in 2022 to IDR 2.157037899. Meanwhile, profit quality data in 2021 was IDR 4,8855466 and decreased in 2022 to IDR 2,8073428. From this

phenomenon data, it can be concluded that if leverage increases, the lower the quality of profits produced.

At PT BUYUNG POETRA SEMBADA Tbk. Shows that capital structure data in 2020 was IDR 0.368816348 and there was an increase in 2021 to IDR 0.464844512. Meanwhile, profit quality data in 2020 was IDR 2.0553243 and in 2021 it decreased to IDR 1.1688253. From this phenomenon data, it can be concluded that if the capital structure increases, the quality of profits will decrease.

At PT INDOFOOD SUKSES MAKMUR Tbk. Shows that Return On Asset data in 2020 was IDR 0.0536487245 and increased in 2021 to IDR 0.0626405965. Meanwhile, profit quality data in 2020 was IDR 1,5831115 and there was an increase in 2021 to IDR 1,3083740. From this phenomenon data, it can be concluded that if Return On Assets increases, the quality of profits decreases.

At PT MULIA BOGA RAYA Tbk. Shows sales growth data in 2020 amounting to IDR 0.079641441 and increasing in 2021 to IDR 0.157022876. Meanwhile, profit quality data in 2020 was IDR 1.7562043 and decreased in 2021 to IDR 0.9401488. From this phenomenon data, it can be concluded that if sales growth increases, profit quality will decrease.

LITERATURE REVIEW

According to Salma & Riska (2019), "found that leverage has a significantly negative impact on earnings quality, which means that the greater the level of leverage, the company will be more likely to carry out earnings management, which will reduce earnings quality."

According to Pratama & Sunarto (2018), "Found that the consideration between using borrowed capital (short-term debt and long-term debt) and own capital (ordinary shares and preferred shares), if the company has a level of leverage means the risk is higher because there is a possibility that the company will not can pay off its obligations in the form of principal and interest (Angga Dwi Pratama and Sunarto, 2018). This research measures capital structure through the level of leverage using the Dept to Equity Ratio, where total liquidity will be compared with total equity. Asyik (2020) found that capital structure has a negative effect on earnings quality.

According to Kurniawan & Suryaningsih (2019), "found that profitability as measured using the ROA ratio has a positive effect on earnings quality. The company's ability to manage its assets so as to achieve profit targets will attract investors to invest capital in the company. Investors tend to invest directly capital in companies that have a high ROA value because they are considered to have the ability to generate maximum profits so that the quality of the profits produced is also good.

According to Wardhani et al (2020), "found that a high level of sales growth positively influences earnings quality". Companies that experience sales

growth will attract the attention of investors. Investors will assess that the company is in good financial condition. As the level of investor confidence in the company increases, the quality of earnings will also increase.

This is supported by research (Laoli & Herawaty, 2019), "sales growth is an indicator for measuring the success of a company's performance". Companies that experience high profit growth can affect the quality of profits, high sales growth means the company will increase the use of equity compared to debt in the context of new capital investment activities so that when sales are unstable, the company should not be financed with large amounts of debt because it is likely to raises the risk of default in the future.
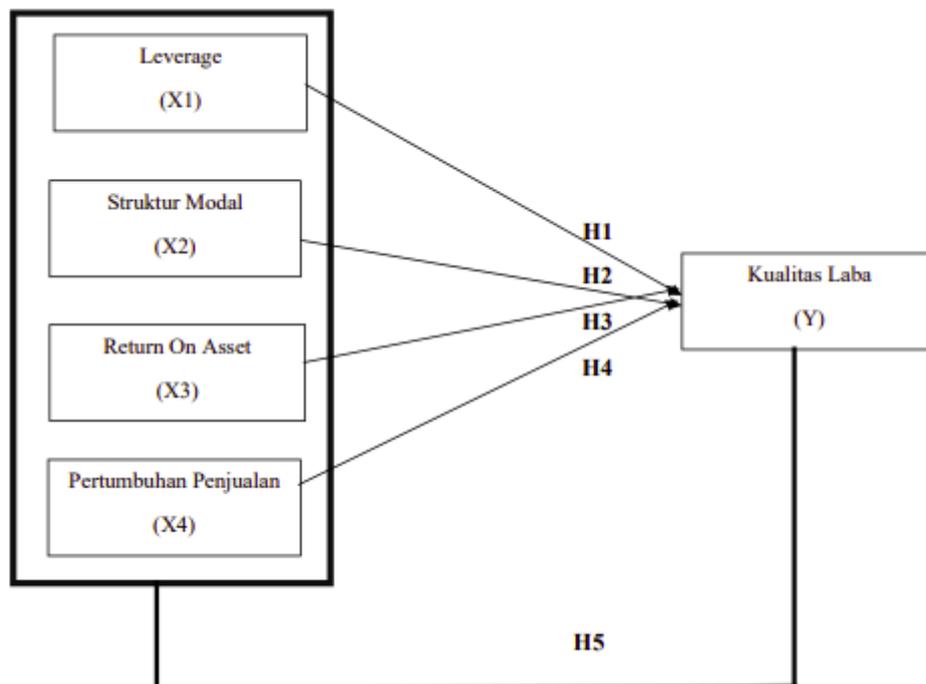
Figure 1. Conceptual Framework
Source: Processed data, 2024

Based on the conceptual framework, the hypothesis is:

HI: Leverage has no partial effect on earnings quality.

H2: Capital structure has no partial effect on earnings quality.

H3: ROA has a partial effect on earnings quality.

H4: Sales growth has a partial effect on earnings quality.

H5: Sales growth, dividends, fixed assets and capital structure simultaneously influence earnings quality.

RESEARCH METHODS

The research method used by the author is a quantitative method. Quantitative research is a research method based on the philosophy of

positivism, used to research certain populations or samples, collecting data using research instruments, quantitative or statistical data analysis, with the aim of testing predetermined hypotheses (Sugiyono, 2017: 8). 2.2 Population and Sample

According to Sugiyono (2017:80) population is a generalized area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. 2.2.2 Sample

According to Sugiyono (2017:81) the sample is part of the number and characteristics of the population. In this research the author used a purposive sampling technique. According to Sugiyono (2017:85), purposive sampling is a technique for determining samples with certain considerations. The criteria that the author determined are:

Table 2 Research Sample Criteria

No	Criteria	Total
1	Consumer Goods Companies listed on the IDX in 2019-2022	36
2	Companies that do not publish financial reports consecutively during 2019-2021	(-6)
3	Consumer Goods Companies listed on the IDX in 2019-2022	-
Number of Samples		30
Number of research samples (30 x4 years)		120

Source: Processed data, 2024

Data collection techniques are the methods used to obtain data and information needed in research (Sugiyono, 2017: 137). In this research, the type of data used is secondary data. According to Sugiyono (2017:137) secondary data is a data source that does not directly provide data to data collectors. The data source in this research is quantitative in the form of annual financial reports of Consumer Goods companies obtained from the official IDX website. The data collection technique used in this research is library research or literature study. According to Sugiyono (2017:291), literature study is related to theoretical studies and other references related to the values, culture and norms that develop in the social situation studied. This data can be obtained from books, journals, articles and previous research.

RESULTS AND DISCUSSION

Descriptive Statistical Analysis to determine the minimum value, maximum value, average value, standard deviation value. The following is the data that was collected by the researcher, namely 80 data but reduced to 56 data using the outlier method in SPSS.

Table 3. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Leverage (X1)	56	-2,16	-,17	-1,0433	,46097
Strutur Modal (X2)	56	-2,04	1,68	-,5231	,75112
Return On Asset (X3)	56	-4,67	0,7	-2,3432	,98448
Pertumbuhan Penejualan (X4)	56	-1,10	1,32	1,2077	,04179
Kulitas Laba (Y)	56	-,65	,81	,1886	,28496
Valid N (listwise)	56				

Source: Processed data, 2024

The table above shows the results of descriptive statistical data with minimum, maximum, average and standard deviation values as follows:

1. The Leverage variable has a sample of 56, with a minimum value of -2.16 and a maximum value of -.17 while the average value is -1.0433 with a standard deviation value of .46097. This means that the Leverage sampled in this study is between -2.16 to .46097

2. The Capital Structure variable has a sample of 56, with a minimum value of -2.04 and a maximum value of 1.68 while the average value is -.5231 with a standard deviation value of .75112. This means that the capital structure sampled in this study is between -2.04 to -75112

3. The Return On Asset variable has a sample of 56, with a minimum value of -4.67 and a maximum standard value of 0.7 while the average value is -2.3432 with a deviation value of 98448. This means that the Return On Assets sampled in this study are between -4.67 to .98448

4. The Sales Growth variable has a sample of 56, with a minimum value of -1.10 and a maximum value of 1.32 while the average value is 1.2077 with a standard deviation value of .04179. This means that the Sales Growth sample in this study is between - 1.10 to .04179.

Multiple Linear Regression
Table 4. Multiple Linear Regression

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	,328	,948		,346	,731
	LN_X1	,233	,320	,377	,728	,470
	LN_X2	-,223	,198	-,587	-1,127	,265
	LN_X3	-,148	,033	-,510	-4,481	,000
	LN_X4	-,297	,794	-,044	-,374	,710

a. Dependent Variable: LN_Y

Source: Data processed with SPSS, 2024

$$Ln\_Y = 0{,}328 + 0{,}233X_1 + -0{,}223X_2 + -0{,}148X_3 + -0{,}297X_4$$

1. There is a constant value of 0.328 where the variables X1,X2,X3,X4 have 0 or are constant then the Y value is 0.328
2. The coefficient coefficient for the variable X1 is 0.233, which shows a positive value, so there is a relationship if an increase in
3. The AI value of
4. The variable
5. The AI value of

Hypothesis Testing
Partial Hypothesis Test (t Test)
        The partial test is used to show how much influence an explanatory or independent variable individually has in explaining the dependent variable. Decision making is made if the calculated t value > t table, then there is an influence of the independent variable on the dependent variable. The partial test results in this research are as follows.

Table 5. Partial Test Results (t)

model		UnsTandardizedCoeficiets		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,328	,948		,346	,731
	LN_X1	,233	,320	,377	,728	,470
	LN_X2	-,223	,198	-,587	1,127	,265
	LN_X3	-,148	,033	-,510	4,481	,000
	LN_X4	-,297	,794	-,044	,374	,710

Source: Data processed with SPSS, 2024

        There is a t table value of 1.675 with degrees of freedom as 56-4-1-51. Through the test results above, it can be concluded:
1. Leverage (X1) Thit ung <Ttable is 0.728 < 1.675 and the significance score is 0.470 > 0.05, which means that the Leverage ratio has no influence and is not significant on Earnings Quality (Y)
2. Capital Structure (X2) Tcount<Ttable set size 1.127 <1.675. And the sig score is 0.265 > 0.05, which means that the Capital Structure ratio does not have a positive influence and is not significant on Earnings Quality (Y)
3. Retum On Asset (X3) Tcount>Ttable is 4.481 > 1.675. And the sig value is 0.000 < 0.05, which means the Return On Asset ratio has a positive and significant influence on Earnings Quality (Y)
4. Sales growth (X4) Tcount>Ttable is 0.374 > 1.675. And the sig score is 0.710 < 0.05, which means that the Sales Growth ratio does not have a positive influence and is not significantly affected by Profit Quality (Y).

Simultaneous Hypothesis Testing (f Test)
Table 6. Simultaneous Test Results (f)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1,575	4	,394	6,948	,000[b]
	Residual	2,891	51	,057		
	Total	4,466	55			

a. Dependent Variable: LN_Y

b. Predictors: (Constant), LN_X4, LN_X3, LN_X1, LN_X2

Source: Data processed with SPSS, 2024

Based on the results of the ANNOVA test, it was obtained that the value of Fcount se es ar was (6.948) and Frabel was (2.54). This means that 4.803 > 2.54 means Lever age, Capital Structure, Return on Assets, and Sales Growth together have an influence Simultaneous impact on the Profit Quality of Costume GOODS (Food & Beverage) Companies listed on the Indonesia Stock Exchange.

Coefficient of Determination Test (R2)

The coefficient of determination is used to measure how far the model's ability to explain the dependent variable. The coefficient of determination value is between zero and one ($0 \leq R2 \geq 1$). If the coefficient of determination value is close to 1, then the ability of the independent variable to explain the dependent variable is stronger.

Table 7 Determinant Coefficient Test Results (R2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,594[a]	,353	,302	,23808

a. Predictors: (Constant), LN_X4, LN_X3, LN_X1, LN_X2

b. Dependent Variable: LN_Y

Source: Data processed with SPSS, 2024

The adjudicated value is 0.302, so the influence of the independent variable on the dependent variable is 30.2%.

Discussion

In the SPSS statistical test, a significant value of 0.728 < 1.675 was obtained, which concluded that on Profit Quality, and this research is not in accordance with (Renta Simarmata 2019) which says that Lev erage influences

the Quality of Profit in Consumer GOODS (Food and Beverage) Companies listed on the IDX.

In the SPSS statistical test, a significant value of 1.127 < 1.675 was obtained, which concluded that profit, in contrast to research (Syawaluddin et al 2019) which believes that Capital Structure has an influence on the Quality of Profits in Consumer GOODS (Food and Beverage) Companies listed on the BEI.

In SPSS statistical testing, a significant value of 4.481 > 1.675 was obtained. It can be concluded that) who believes that Return On Assets has no effect on the Quality of Profits in Costur e GOODS (Food and Beverage) Companies listed on the IDX.

It is known that the SPSS test is 0.374 < 1.675, it can be concluded that X4 has no influence on Y. This result is in accordance with research (Alvin & Susanto 2022) which states that Sales Growth has no influence on Profit Quality. On the other hand, this conclusion is not in line with research (Wardhani et al 2020) which states that sales growth has an influence on the quality of profits in consumer goods and beverage companies listed on the IDX.

CONCLUSION

From the results of the research that has been carried out, it is concluded that: H1: Leverage has an influence on the quality of profits in consumer goods (food & drink) companies listed on the IDX in the 2019-2022 period, H2: Capital structure has no influence on Profit Quality in consumer goods (food & drink) companies listed on the IDX for the 2019-2022 period, H3: ROA has an influence on Profit Quality in consumer goods (food & drink) companies listed on the IDX for the 2019-2022 period , H4: Sales Growth has an influence on Profit Quality in consumer goods (food & beverage) companies listed on the IDX for the 2019-2022 period, H5: From the research conducted, it is concluded that Le erage, Capital Structure, ROA & Sales Growth : and the impact of simultaneous sex on Profit Quality in consumer goods (food & beverage) companies listed on the IDX for the 2019-2022 period.

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