

TABLE OF CONTENT

DECLARATION OF AUTHENTICITY OF FINAL PAPER AND UPLOAD AGREEMENT	ii
APPROVAL PAGE BY FINAL PAPER ADVISOR	iv
APPROVAL PAGE BY FINAL PAPER DEFENSE COMMITTEE	v
ABSTRACT	vi
ABSTRAK	vii
PREFACE	viii
TABLE OF CONTENT	x
LIST OF FIGURES	xiv
LIST OF TABLES	xv
LIST OF APPENDICES	xvi
CHAPTER I INTRODUCTION	1
1.1. Background of the Study	1
1.2. Problem Limitation.....	6
1.3. Problem Formulation.....	6
1.4. Objective of the Research	7
1.5. The Benefit of the Research.....	8
1.5.1. Theoretical Benefit	8
1.5.2. Practical Benefit	8
CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT	10
2.1. Theoretical Background.....	10
2.1.1. Signaling Theory	10

2.1.2.	Agency Theory	11
2.1.3.	Profitability	12
2.1.4.	Return on Equity	14
2.1.5.	Firm Size	15
2.1.6.	Sales Growth	16
2.1.7.	Debt to Equity	17
2.2.	Previous Research	18
2.3.	Hypothesis Development.....	26
2.3.1.	Firm Size Towards Return on Equity	26
2.3.2.	Sales Growth Towards Return on Equity	27
2.3.3.	Debt to Equity Towards Return on Equity	27
2.3.4.	Firm Size, Sales Growth and Debt to Equity Towards Return on Equity.....	28
2.4.	Research Model.....	28
2.5.	Framework of Thinking.....	29
CHAPTER III RESEARCH METHODOLOGY		34
3.1.	Research Design.....	34
3.2.	Population and Sample	31
3.3.	Data Collection Method.....	33
3.4.	Operational Variable Definition and Variable Measurement	33
3.4.1.	Dependent Variable	33
3.4.2.	Independent Variable.....	34
3.4.2.1.	Firm Size	34
3.4.2.2.	Sales Growth	34
3.4.2.3.	Debt to Equity.....	35
3.5.	Data Analysis Method	35
3.5.1.	Descriptive Statistics	36
3.5.2.	Classical Assumption Test.....	36
3.5.2.1.	Normality Test.....	36

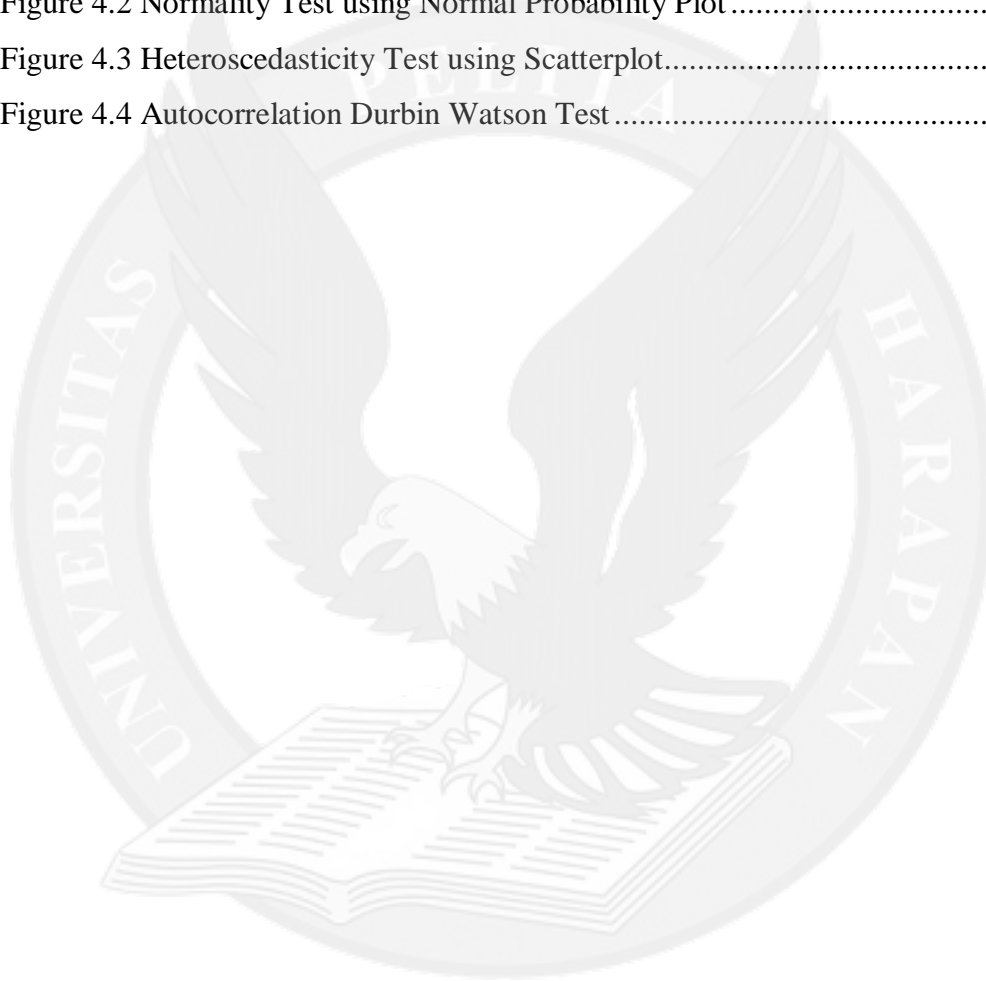
3.5.2.2.	Multicollinearity Test.....	37
3.5.2.3.	Heteroscedasticity Test	38
3.5.2.4.	Autocorrelation Test	38
3.5.3.	Multiple Linear Regression Analysis	39
3.5.4.	Hypothesis Testing	39
3.5.4.1.	T-Test	40
3.5.4.2.	F-Test	40
3.5.4.3.	Coefficient of Determination (Adjusted R ²)	41
CHAPTER IV RESEARCH RESULT AND DISCUSSION.....		44
4.1.	General View of Property and Real Estate Companies.....	44
4.2.	Research Result	44
4.2.1.	Descriptive Statistics	44
4.2.2.	Classical Assumption Test.....	45
4.2.2.1.	Normality Test.....	46
4.2.2.2.	Multicollinearity Test.....	48
4.2.2.3.	Heteroscedasticity Test	49
4.2.2.4.	Autocorrelation Test	51
4.2.2.5.	Summary of Classical Assumption Test	53
4.2.3.	Multiple Linear Regression Model	54
4.2.4.	Hypothesis Testing	55
4.2.4.1.	Partial T-Test	55
4.2.4.2.	Simultaneous F-Test	58
4.2.4.3.	Coefficient of Determination (Adjusted R ²)	59
4.3.	Discussion.....	60
4.3.1.	The Effect of Firm Size Towards Return on Equity	60
4.3.2.	The Effect of Sales Growth Towards Return on Equity.....	61
4.3.3.	The Effect of Debt to Equity Towards Return on Equity.....	63
4.3.4.	The Effect of Firm Size, Sales Growth and Debt to Equity Towards Return on Equity	64
CHAPTER V CONCLUSION.....		65

5.1.	Conclusion	65
5.2.	Recommendation.....	66
REFERENCES		68



LIST OF FIGURES

Figure 2.1 Research Model	28
Figure 2.2 Framework of Thinking.....	29
Figure 4.1 Normality Test using Histogram.....	47
Figure 4.2 Normality Test using Normal Probability Plot.....	48
Figure 4.3 Heteroscedasticity Test using Scatterplot.....	50
Figure 4.4 Autocorrelation Durbin Watson Test.....	52



LIST OF TABLES

Table 1.1 Firm Size, Sales Growth, Debt to Equity, and Return on Equity of Top Three Property and Real Estate Companies during 2018-2020 Based on Total Assets	4
Table 1.2 Percentage Change of Firm Size, Sales Growth, Debt to Equity and Return on Equity of Top Three Property and Real Estate Companies during 2019-2020 Based on Total Assets	4
Table 2.1 Previous Research	24
Table 3.1 Determination of Sample	32
Table 3.2 List of Samples	32
Table 4.1 Descriptive Statistics	44
Table 4.2 Normality Test Result	46
Table 4.3 Multicollinearity Test	49
Table 4.4 Heteroscedasticity Test using Glejser Test	50
Table 4.5 Autocorrelation Test using Durbin Watson Test	51
Table 4.6 Autocorrelation Test using Run Test	53
Table 4.7 Summary of Classical Assumption Tests	53
Table 4.8 Multiple Linear Regression Analysis	54
Table 4.9 Partial T-Test	57
Table 4.10 Simultaneous F-Test	59
Table 4.11 Coefficient of Determination	60

LIST OF APPENDICES

APPENDIX A: POPULATION AND SAMPLE OF PROPERTY AND REAL ESTATE COMPANIES.....	A-1
APPENDIX B: RATIOS OF SAMPLE COMPANIES.....	B-1

