

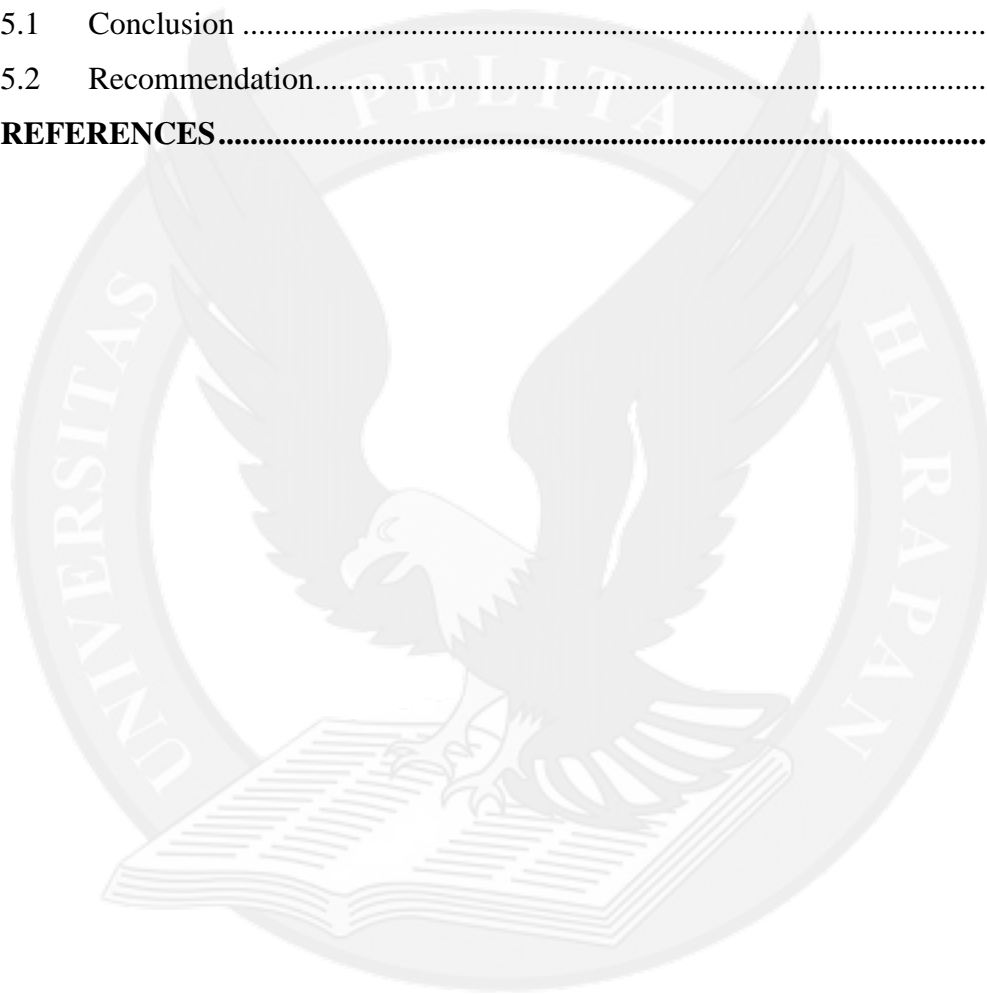
TABLE OF CONTENT

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
ABSTRAK	vii
PREFACE.....	viii
TABLE OF CONTENT.....	x
LIST OF FIGURES	xiv
LIST OF TABLES	xv
LIST OF APPENDIX	xvi
CHAPTER I INTRODUCTION.....	17
1.1 Background of the Research	17
1.2 Problem Limitation	23
1.3 Problem Formulation	24
1.4 Objective of Research	25
1.5 Benefit of Research.....	26
1.5.1 Theoretical Benefit	26
1.5.2 Practical Benefit	26
CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT	28
2.1 Theoretical Background.....	28
2.1.1 Cash Holding Definition	28
2.1.2 Cash Holding Theory	29
2.1.2.1 Trade-Off Theory	29
2.1.2.2 Pecking Order Theory	30
2.1.3 Growth Opportunity	30
2.1.4 Net Working Capital	31
2.1.5 Financial Leverage	32

2.1.6	Capital Expenditure	33
2.2	Previous Research	33
2.3	Hypothesis Development	39
2.3.1	Growth Opportunity on Cash Holding	39
2.3.2	Net Working Capital on Cash Holding	40
2.3.3	Financial Leverage on Cash Holding	40
2.3.4	Growth Opportunity, Net Working Capital, and Financial Leverage on Cash Holding.....	41
2.3.5	Growth Opportunity, Net Working Capital, and Financial Leverage with Capital Expenditure as Control Variable on Cash Holding	41
2.4	Research Model.....	41
2.5	Framework of Thinking	42
	CHAPTER III RESEARCH METHODOLOGY	44
3.1	Research Design.....	44
3.2	Population and Sample.....	44
3.3	Data Collection Method	46
3.4	Operational Definition and Variable Measurement	47
3.4.1	Dependent Variable	47
3.4.2	Independent Variable	48
3.4.2.1	Growth Opportunity	48
3.4.2.2	Net Working Capital	48
3.4.2.3	Financial Leverage	49
3.4.3	Controlling Variable.....	49
3.5	Data Analysis Method.....	50
3.5.1	Descriptive Statistic Analysis.....	51
3.5.2	Classical Assumption Test	52
3.5.2.1	Normality Test.....	52
3.5.2.2	Heteroscedasticity Test	52
3.5.2.3	Multicollinearity Test.....	53

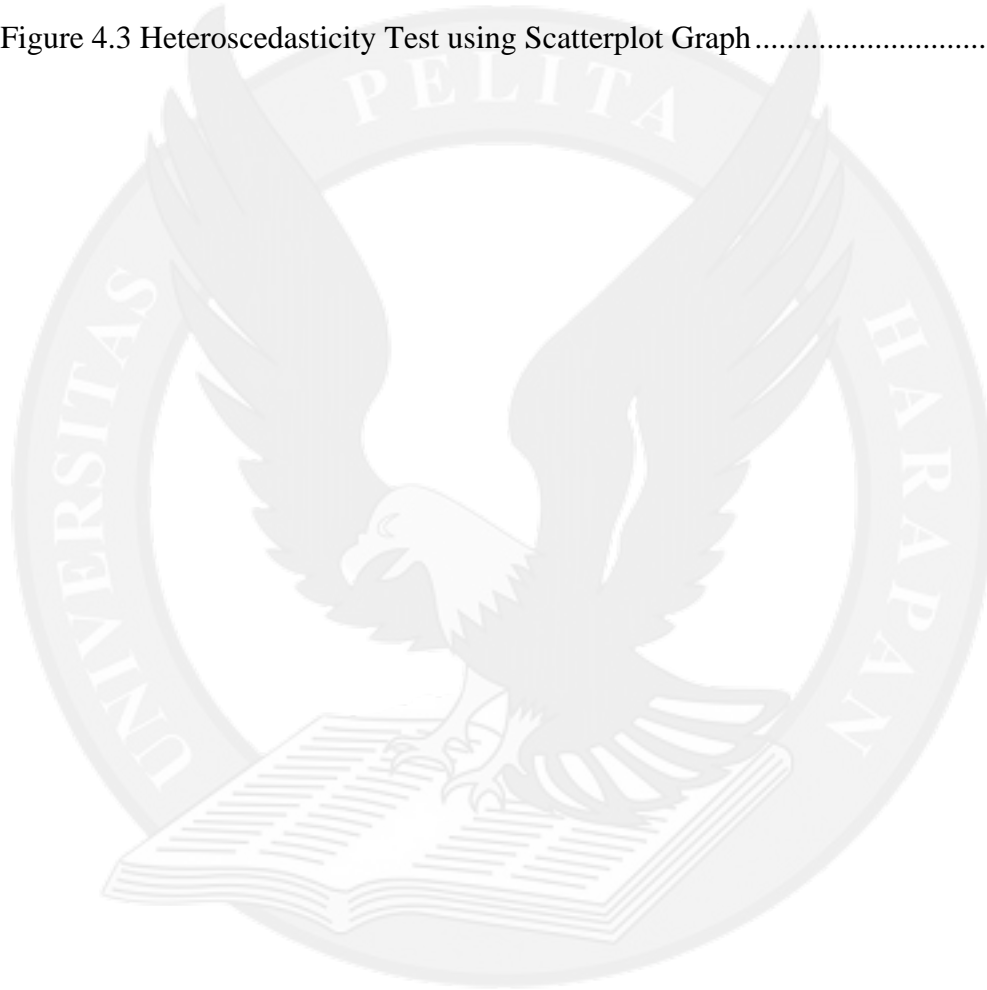
3.5.2.4	Autocorrelation Test.....	54
3.5.3	Hypothesis Testing	55
3.5.3.1	Multiple Regression Linear Analysis.....	56
3.5.3.2	Partial Significant Test (t-test)	57
3.5.3.3	Simultaneous Significance Test (F-test)	57
3.5.3.4	Partial Correlation Test	58
3.5.3.5	Coefficient of Determination	59
CHAPTER IV DATA ANALYSIS AND DISCUSSION		61
4.1	General View of Consumer Goods Companies	61
4.2	Data Analysis	62
4.2.1	Descriptive Statistics	62
4.2.2	Result of Data Testing	64
4.2.2.1	Normality Test.....	64
4.2.2.2	Heteroscedasticity Test	66
4.2.2.3	Multicollinearity Test.....	68
4.2.2.4	Autocorrelation Test.....	70
4.2.3	Result of Hypothesis Testing	73
4.2.3.1	Multiple Linear Regression Analysis.....	73
4.2.3.2	Partial Significant Test (t-test)	75
4.2.3.3	Simultaneous Significance Test (F-test)	79
4.2.3.4	Partial Correlation Test	82
4.2.3.5	Coefficient of Determination	84
4.3	Discussion	85
4.3.1	The Influence of Growth Opportunity on Cash Holding	85
4.3.2	The Influence of Net Working Capital on Cash Holding.....	87
4.3.3	The Influence of Financial Leverage on Cash Holding.....	88

4.3.4	The Influence of Growth Opportunity, Net Working Capital, and Financial Leverage on Cash Holding.....	89
4.3.5	The Influence of Growth Opportunity, Net Working Capital, and Financial Leverage with Capital Expenditure as Control Variable on Cash Holding.....	90
CHAPTER V CONCLUSION		92
5.1	Conclusion	92
5.2	Recommendation.....	94
REFERENCES.....		96



LIST OF FIGURES

Figure 2.1 Research Model	42
Figure 2.2 Framework of Thinking.....	43
Figure 4.1 Normality Test using Histogram	65
Figure 4.2 Normality Test using Normal Probability Plot.....	66
Figure 4.3 Heteroscedasticity Test using Scatterplot Graph.....	68



LIST OF TABLES

Table 1.1 Top Three Consumer Goods Companies with Highest Average Total Assets in the Year 2017 to 2020 (in million Rupiah)	20
Table 1.2 Cash Holding, Growth Opportunity, Net Working Capital, Financial Leverage, and Capital Expenditure of Top Three Consumer Goods Companies in the Year 2017 to 2020	21
Table 1.3 Percentage of Changes in Cash Holding, Growth Opportunity, Net Working Capital, Financial Leverage and Capital Expenditure for the Year 2018 to 2019	21
Table 2.1 Conducted Previous Research.....	37
Table 3.1 Sample Determination Criteria	45
Table 3.2 Company Chosen as Sample.....	46
Table 4.1 Descriptive Statistic	62
Table 4.2 Normality Test using Kolmogorov-Smirnov Test	64
Table 4.3 Heteroscedasticity Test using Glejser Test	67
Table 4.4 Multicollinearity Test using Tolerance and VIF.....	69
Table 4.5 Autocorrelation Test using Durbin-Watson Test.....	71
Table 4.6 Autocorrelation Test using Cochrane Orcutt Method.....	72
Table 4.7 Autocorrelation Test using Run Test	72
Table 4.8 Result of Regression Analysis	74
Table 4.9 T-Test without Control Variable.....	76
Table 4.10 T-Test with Control Variable	78
Table 4.11 F-Test without Control Variable	81
Table 4.12 F-Test with Control Variable	81
Table 4.13 F-Test with Control Variable	82
Table 4.14 Coefficient Determinants without Control Variable.....	84
Table 4.15 Coefficient Determinants with Control Variable	85

LIST OF APPENDIX

APPENDIX A: POPULATION AND SAMPLE OF CONSUMER GOODS INDUSTRY	A-1
APPENDIX B: RATIOS OF SAMPLE COMPANIES.....	B-1

