

## TABLE OF CONTENTS

<b>ABSTRACT .....</b>	<b>iv</b>
<b>ABSTRAK.....</b>	<b>v</b>
<b>TABLE OF CONTENTS .....</b>	<b>vi</b>
<b>LIST OF FIGURES.....</b>	<b>x</b>
<b>LIST OF TABLES.....</b>	<b>xi</b>
<b>CHAPTER I.....</b>	<b>1</b>
<b>INTRODUCTION.....</b>	<b>1</b>
<b>1.1 Background of the Study.....</b>	<b>1</b>
<b>1.2 Problem Formulation.....</b>	<b>11</b>
<b>1.3 Objective of the Research.....</b>	<b>11</b>
<b>1.4 Benefits of Research.....</b>	<b>11</b>
<b>1.4.1 Theoretical Benefits.....</b>	<b>12</b>
<b>1.4.2 Practical Benefits.....</b>	<b>12</b>
<b>1.5 Problem Limitations .....</b>	<b>14</b>
<b>CHAPTER II .....</b>	<b>15</b>
<b>LITERATURE REVIEW .....</b>	<b>15</b>
<b>2.1 Theoretical Background .....</b>	<b>15</b>
<b>2.1.1 Agency Theory .....</b>	<b>15</b>

<b>2.1.2 Definition of Sales Growth.....</b>	17
<b>2.1.3 Definition of Profitability.....</b>	18
<b>2.2 Previous Research.....</b>	21
<b>2.3 Research Model.....</b>	30
<b>2.4 Hypothesis Development .....</b>	31
<b>    2.4.1 The Impact of Sales Growth towards Profitability.....</b>	31
<b>CHAPTER III.....</b>	33
<b>RESEARCH METHODOLOGY .....</b>	33
<b>    3.1 Population, Sample, and Research Design .....</b>	33
<b>        3.1.1 Population.....</b>	33
<b>        3.1.2 Sample.....</b>	33
<b>        3.1.3 Research Design .....</b>	34
<b>    3.2 Data Collection Method .....</b>	35
<b>    3.3 Research Model.....</b>	35
<b>    3.4 Operational Variable Definition and Variable Measurement .....</b>	36
<b>        3.4.1 Dependent Variable (Y) .....</b>	36
<b>            3.4.1.1 Profitability.....</b>	36
<b>        3.4.2 Independent Variable (X) .....</b>	37
<b>            3.4.2.1 Sales Growth.....</b>	37

<b>3.4.3 Control Variable .....</b>	<b>37</b>
<b>3.4.3.1 Leverage.....</b>	<b>38</b>
<b>3.4.3.2 Liquidity.....</b>	<b>38</b>
<b>3.4.3.3 Firm Age.....</b>	<b>38</b>
<b>3.4.3.4 Firm Size .....</b>	<b>39</b>
<b>3.5 Data Analysis Method .....</b>	<b>41</b>
<b>3.5.1 Descriptive Statistics .....</b>	<b>42</b>
<b>3.5.2 Pearson Correlation Test .....</b>	<b>42</b>
<b>3.5.3 Classical Assumption Test .....</b>	<b>43</b>
<b>3.5.3.1 Normality Test.....</b>	<b>43</b>
<b>3.5.3.2 Multicollinearity Test.....</b>	<b>44</b>
<b>3.5.3.3 Heteroscedasticity Test .....</b>	<b>44</b>
<b>3.5.3.4 Autocorrelation Test.....</b>	<b>45</b>
<b>3.5.3 Hypothesis Testing .....</b>	<b>46</b>
<b>3.5.3.1 Simultaneous Hypothesis Testing (F-Test) .....</b>	<b>46</b>
<b>3.5.3.2 Coefficient of Determination (Adjusted R<sup>2</sup>) .....</b>	<b>46</b>
<b>3.5.4 Partial Hypothesis Testing (T-Test) .....</b>	<b>47</b>
<b>CHAPTER IV .....</b>	<b>48</b>
<b>RESEARCH RESULT AND DISCUSSION .....</b>	<b>48</b>

<b>4.1 Research Data .....</b>	48
<b>4.2 Descriptive Statistics .....</b>	50
<b>4.3 Pearson Correlation Test.....</b>	52
<b>4.4 Classical Assumption Test.....</b>	54
<b>4.4.1 Normality Test .....</b>	54
<b>4.4.2 Multicollinearity Test.....</b>	57
<b>4.4.3 Heterodestaticity Test.....</b>	58
<b>4.4.4 Autocorrelation Test .....</b>	59
<b>4.5 Model Specification Test.....</b>	60
<b>4.5.1 Simultaneous Hypothesis Testing (F-Test).....</b>	61
<b>4.5.2 Coefficient of Determination (Adjusted R<sup>2</sup>) .....</b>	61
<b>4.6 Hypothesis Testing .....</b>	62
<b>4.7 Hypothesis Testing Result Explanation .....</b>	63
<b>CHAPTER V .....</b>	66
<b>CONCLUSION .....</b>	66
<b>5.1 Conclusion .....</b>	66
<b>5.2 Research Implications.....</b>	67
<b>5.3 Research Limitations.....</b>	68
<b>REFERENCES.....</b>	70

## **LIST OF FIGURES**

<b>Figure 1. 1 Statement of Profit or Loss of PT Gudang Garam Tbk.....</b>	<b>7</b>
<b>Figure 1. 2 Cost of Sales Breakdown of PT Gudang Garam Tbk .....</b>	<b>8</b>
<b>Figure 1. 3 Statement of Profit or Loss of PT Indofood CBP Sukses Makmur Tbk.....</b>	<b>10</b>
<b>Figure 2. 1 Research Model.....</b>	<b>30</b>
<b>Figure 4. 1 Normality Test (Normal Probability Plot).....</b>	<b>55</b>
<b>Figure 4. 2 Normality Test (Histogram).....</b>	<b>56</b>

## LIST OF TABLES

<b>Table 2. 1 Summary of Previous Research .....</b>	21
<b>Table 3. 1 Sample Selection .....</b>	34
<b>Table 3. 2 Operational Variable .....</b>	39
<b>Table 4. 1 Table of Sample .....</b>	48
<b>Table 4. 2 Result of Descriptive Statistics .....</b>	50
<b>Table 4. 3 Result of Pearson Correlation Test.....</b>	53
<b>Table 4. 4 Result of Kolmogorov-Smirnov (K-S) Test.....</b>	55
<b>Table 4. 5 Multicollinearity Test.....</b>	57
<b>Table 4. 6 Heteroscedasticity Test by Glejser.....</b>	59
<b>Table 4. 7 Autocorrelation Test by Durbin-Watson .....</b>	60
<b>Table 4. 8 Simultaneous Hypothesis Test (F-Test).....</b>	61
<b>Table 4. 9 R<sup>2</sup> Test (Coefficient of Determination).....</b>	62
<b>Table 4. 10 Hypothesis Test (T-Test) Before Outlier .....</b>	63
<b>Table 4. 11 Hypothesis Test (T-Test) After Outlier .....</b>	63

## **LIST OF APPENDICES**

<b>APPENDIX A : LIST OF POPULATION AND SAMPLE OF MANUFACTURING COMPANIES LISTED ON THE INDONESIAN STOCK EXCHANGE DURING 2019-2023 .....</b>	<b>A-1</b>
<b>APPENDIX B : SPSS OUTPUT RESULTS .....</b>	<b>B-1</b>

