

ABSTRACT

This study aims to examine the relationship of Working Capital Turnover, and Company Size to the Profitability of food and beverage companies listed on BEI in 2014-2017. In various previous studies on Profitability shows that Profitability is influenced by several factors, namely Working Capital Turnover and Company Size. However, in various studies there are still inconsistencies in the variables of Working Capital Turnover and Company Size.

Profitability is a ratio that measures the overall effectiveness of management as indicated by the size of the profit gained in relation to sales and investment. Working Capital Turnover is the ratio between sales and working capital. The large working capital turnover illustrates that the higher the company's ability to make a profit through sales. Company size is a measure of the size of the company.

The data used in this research is obtained from financial statement data. The population in this study were food and beverage companies listed on the BEI in 2014-2017. The sampling technique used in this study was purposive sampling. The number of samples used was 48 companies. Data processing is done using Eviews 9.0.

The results of the study show that the variable Working Capital Turnover and Company Size simultaneously influence the profitability of the company. Partially it can be concluded that Working Capital Turnover has a negative influence on company profitability. While company size does not have a significant negative effect on company profitability.

Keywords: Working Capital Turnover, Company Size, and Profitability