

ABSTRACT

One of the firm's main goals is to increase the value of the firm. Increasing firm value for the firm is very important because the high value of a firm means that the firm is able to improve the welfare of shareholders. So that it can attract investors to invest in firms that have high firm value.

This study aims to determine the effect of funding policy (DER), dividend policy (DPR), asset management (FATO), and firm size (SIZE) on firm value (PBV) in manufacturing companies listed on the Indonesia Stock Exchange in 2014-2017. The data used in this study was obtained from financial report data. The financial report is taken from the official website of the Indonesia Stock Exchange.

The population in this study are manufacturing companies listed on the Indonesia Stock Exchange in 2014-2017. The sampling technique used is purposive sampling and obtained 25 firms with a research period of 4 years, thus obtaining 100 sample data. The method of data analysis in this study is panel data regression analysis using software eviews 9.

The results showed that simultaneous funding policy (DER), dividend policy (DPR), asset management (FATO), and company size (SIZE) had a significant effect on firm value (PBV). While partially funding policy (DER) has a significant effect on the positive direction of firm value. Dividend policy (DPR) does not significantly influence the negative direction of firm value. Asset Management (FATO) does not have a significant effect on the positive direction of firm value. Firm size (SIZE) does not have a significant effect on the positive direction of firm value.

Based on the results of this study, if a manufacturing company seeks to increase firm value, the company needs to pay attention to the Debt Equity Ratio (DER) because it has a positive effect on firm value. Companies are advised to be able to manage their debt well and the level of Debt to Equity Ratio (DER) does not exceed the safe limit of the DER level of 0.5, so that it remains good in the eyes of investors.

Keyword : Firm Value, Funding Policy, Dividend Policy, Asset Management, Firm Size