

ABSTRACT

Company value is a certain condition that can be achieved by a company as an illustration of a public trust in the company after going through the process of activities during the company's establishment until now. A high company value will be expected by every company, a good share value can describe the prosperity of shareholders. The higher the value of the company, the more interested investors will be to invest in the company.

The purpose of this study is to determine what factors can affect the value of the company. This study intends to determine the effect of the independent variable on the dependent variable either simultaneously or partially. In this study, investment decisions, funding decisions, liquidity and profitability are used as independent variables and firm value as the dependent variable.

The population in this study are food and beverage sub-sector companies listed on the Indonesia Stock Exchange in 2015-2019. The method in this research is a quantitative method. The sampling technique used in this study was purposive sampling technique so that 60 samples were obtained consisting of 12 companies. The data analysis technique used is panel data regression with hypothesis testing using Eviews 12. The random effect model was selected after 3 panel data model selection tests were carried out.

Based on the tests that have been carried out, the results show that investment decisions, financing decisions, liquidity, and profitability simultaneously affect firm value. with investment decisions, funding decisions, liquidity, and profitability will emerge investor confidence so that it will increase the value of the company. while partially investment and liquidity decisions have no effect on firm value, while funding and profitability decisions affect firm value.

Suggestions for further research to add other independent variables that are predicted to affect firm value such as firm size, financial leverage, capital structure, corporate social responsibility and dividend policy. And can also change the measurement of indicators on the variables of firm value, liquidity and profitability.

Keywords: Firm Value, Financing Decision, Investment Decision, Liquidity, Profitability