

ABSTRACT

Financial distress can be experienced by every company, which can be caused by internal or external factors of the company. A company may experience financial distress when the condition of the company is unable to meet its financial obligations. If this condition continues, the company will face the risk of bankruptcy due to its inability to meet its financial obligations. There are several factors that influence financial distress, namely sales growth, managerial ownership, and operating capacity.

This research aims to determine how the simultaneous and partial effects of the variables of sales growth, managerial ownership, and operating capacity on financial distress in transportation and logistics companies listed on the Indonesia Stock Exchange (IDX) in 2018-2022. The sampling technique in this research is purposive sampling, obtaining 105 samples consisting of 21 companies with an observation period of 5 years. This research uses a quantitative method using panel data regression techniques processed using Eviews 13 software.

The results of this study show that: Sales growth, managerial ownership, and operating capacity simultaneously affect financial distress. Sales growth partially does not affect financial distress. Managerial ownership partially has a negative effect on financial distress. Operating capacity partially has a positive effect on financial distress.

Keywords: *Financial distress, Sales growth, Managerial Ownership, and Operating capacity.*