

ABSTRACT

The Effect of Accounts Receivable Turnover and Inventory Turnover on Return on Assets in Food and Bavarage Companies Listed on the Indonesia Stock Exchange Period 2018 – 2020.

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Businesses are facing the era of globalization as it is today, with increasing business competition where every business will compete to survive. Companies that are not able to compete will go bankrupt, so the company is expected to not only aim to increase company profits, but also pay attention to the survival of the company with various components of working capital and efficient working capital management. This study aims to examine receivables turnover and inventory turnover on return on assets (ROA) in food and bavarage companies for the period 2018 - 2020.

This research is classified as quantitative research. The population in this study were 26 food and bakery companies listed on the Indonesia Stock Exchange from 2018 to 2020. While the sample of this study was determined by the purposive sampling method so that 12 sample companies were obtained. The type of data used is secondary data obtained from www.idx.co.id. The analytical method used is multiple regression analysis. The results of this study indicate that simultaneously cash turnover, accounts receivable turnover and inventory turnover have a significant effect on return on assets (ROA).

This is evidenced by the value on the prob (F-statistics) of $0.013b > 0.05$ (error). Then partially shows that receivables turnover has a significant effect on return on assets, seen in the T_{hitung} value contained in the independent variable receivable turnover of 3.094 and with a probability value of 0.004. And inventory turnover has a

significant effect on return on assets, it can be seen in the tcount value contained in the independent variable inventory turnover is -1.617 and with a probability value of 0.115. So Return On Assets (ROA) can be taken into consideration for investors in making decisions for turnover accounts receivable and inventory turnover.

Keywords: Accounts Receivable Turnover, Inventory Turnover, and Return On Assets (ROA)

