

Original Article

The Influence of Leverage, Current Ratio, Growth Opportunity and Asset Structure on Capital Structure with Return on Assets as a Moderating Variable

¹Viona Angelyta Jie, ²Dema, ³Melfa Yuliandani Azahra, ⁴Muhammad Lutfi Rijalul Fikri, ⁵Helisa Novianty
^{1,2,3,4,5}Faculty of Economics and Business, Tanjungpura University, Pontianak, Indonesia.

Received Date: 10 October 2023 Revised Date: 19 October 2023 Accepted Date: 22 October 2023 Published Date: 24 October 2023

Abstract: *The research objective was to examine the effect of leverage, current ratio, growth opportunity, and asset structure on capital structure through asset returns as a moderating variable. This research looked at, for the time frame of 2017 to 2021, the population consists of enterprises in the food and beverage industry area which are IDX members. The sampling method for this test is the purposive sampling method, namely, 42 companies that meet predetermined characteristics. The method used is multiple linear regression analysis through the use of SPSS version 26 with Microsoft Excel for Windows 2016 to investigate the influence of independent variables on the dependent variable. Hypothesis testing results demonstrate that leverage has an effect on capital structure. However, the present ratio, growth opportunity, and structure of assets do not have an effect. Return on assets is able to moderate leverage asset structure and not able to moderate the current ratio or growth opportunities.*

Keywords: *Leverage, Current Ratio, Growth Opportunity, Assets Structure, Capital Structure, Return on Assets.*

I. INTRODUCTION

In the economic sector, in business activities, the existence of a company is a very crucial element. Currently, business competition in various sectors is very strong, and companies must adapt to changes in the economic environment to survive. The present purpose of the company is to grow its value and achieve maximum profits so that it can provide welfare to its shareholders. Apart from that, various supporting factors are needed for the company, especially to manage funding and financing. Capital structure plays a critical part in an organization's success, and this is because capital structure has a direct impact on the company's financial health. This suggests that a good capital structure has an impact can create attractive financial reports, attracting investors' interest in investing in the company. Investors feel confident that the company is able to provide substantial profits for its shareholders.

Therefore, it is recommended that management manage the capital structure effectively to achieve company goals and even open up opportunities for the company to develop production more broadly and diversely. It is important to calculate how much capital a company has, whether it comes from internal capital or from loans or debt. This calculation can be done through capital structure analysis, providing a clear picture of the company's financial resources.

A capital structure that achieves the best possible balance of risk and return so that the share price can be maximized is called an optimal capital structure. As a manager, management is certainly obliged to create a balance between equity and the use of debt to achieve an optimal capital structure, namely the condition of a company which can use a perfect coalition between debt and capital by calculating the capital costs that arise. Capital structure is very crucial for financing a company's operational activities. The composition of resources gained from internal and external parties, including debt and own capital, heavily influences the extent of capital structure. Calculating capital structure involves contrasting debt to debt or equity to assets. When measuring capital structure, you can use a comparative approach between total debt and equity through the debt-to-equity ratio (Kasmir, 2018: 179).

There are several aspects that influence the capital structure in a number of tests that have been carried out previously, including liquidity, company growth, company size, asset structure, business risk, profitability, and others. Leverage, current ratio, growth opportunity, and asset structure are the variables investigated in this test for their influence on capital structure, with return on assets acting as a moderating variable.

Leverage refers to the use of loan capital, namely debt, as a revenue source to increase corporate assets and to gain or increase revenues from the borrowing capital of the organization Brigham & Houston (2019). Leverage is utilized to provide an overview of the capacity of a business to use fixed-cost money to increase the level of income for company owners. Apart



from that, leverage is used as a tool in measuring how far the company finances its assets through using liabilities. According to Fahmi (2020), liquidity includes several indicators such as cash ratio, net working to asset ratio and current ratio. Management performance indicators are reflected in the dimension of the liquidity concept, which shows how far management can effectively control the working capital of the company financed through cash balances and current debt (Harmono, 2018).

Harahap (2019) states that Growth Opportunity is a company's opportunity to invest in something that provides benefits. An opportunity for company growth in the future, also known as a growth opportunity, has good future prospects for the company, and growth is very fast and requires a lot of costs in the future. Good prospects can encourage an array of potential investors to express interest in investing in the company.

The asset structure is used in determining the long-term debt balance that the company can draw on and can have a wider impact on determining the capital structure, Andika & Sendana (2019). The structure of assets or companies increases, so the motivation of creditors becomes higher in approving debt-level credit. In this research, asset structure can be measured through the results of dividing fixed assets into total assets.

Aspects taken into account to determine the company's capital structure include *Return on assets*. Harahap (2018:304) stated *return on assets* reflects the company's ability to make a profit with existing resources and various capabilities, including sales activities, number of branches, capital, number of employees, cash assets, and other factors. Aulia (2019) stated when the *return on assets* company increases, internal funding sources tend to be used more by the company due to the ability to store greater profits in the company, thereby reducing dependence on debt funding. In this test, profitability can be measured through net profit margin.

Based on a report from cnbcindonesia.com in 2020, it was revealed that PT Tiga Pilar Sejahtera Food Tbk (AISA), one of the issuers in the consumption sector, plans to carry out a corporate action of Capital Increase Without Providing Pre-emptive Rights (PMTHMETD) or what is known as private placements. The company proposed a private placement price of IDR 210 per share, with the hope of raising funds of IDR 1.26 trillion to improve its financial position. The funds obtained from this private placement will be used to pay off the company's debt and strengthen the capital structure.

PT Tiga Pilar Sejahtera Food Tbk (AISA) was in the spotlight of the Indonesia Stock Exchange (BEI) because it recorded negative equity until the last financial report in the third quarter of 2020 (cnbcindonesia.com, 2020). This phenomenon highlights the importance of having adequate capital as a key factor influencing business operations and development to increase company revenues. Therefore, the company decided to strengthen its capital structure through private placement, with the hope of obtaining additional funds to reduce financial risks and strengthen capital.

This step was taken to improve the company's financial position, allowing PT Tiga Pilar Sejahtera Food Tbk (AISA) to overcome negative equity and continue its operations in a stable manner. In this way, it is hoped that the company can continue to carry out its business activities stably and continue to improve its performance in a sustainable manner.

A number of other variables that have been widely studied also have different results according to previous studies. Therefore, considering the discovery of quite a large research gap, researchers are interested in studying the influence of leverage, current ratio, growth opportunity, and asset structure on capital structure with return on assets as a moderating variable. The Consumer Goods Industry sector attracts researchers' attention because there are several phenomena that need to be further detailed regarding its capital structure during the observation period from 2017 to 2021. And this sector has greater opportunities for growth and development. This is an attraction for investors because companies in this sector are able to survive amidst Indonesia's economic conditions, even during the COVID-19 pandemic. Along with that, it is important to remember that people's basic needs, such as food, drinks, medicines, cosmetics and other consumer products, continue to exist and are needed at all times.

II. LITERATURE REVIEW

A) Tradeoff Theory

According to this tradeoff hypothesis of capital structure, there are factors that prevent companies from using large debts because the most important thing is that the greater the degree of debt danger, the higher the uncontrolled increase in profits or drastic decline. The more the debt, the greater the quantity of interest that must be paid. Because high debt levels increase the danger of a company's incapacity to pay interest, lenders are more likely to take action against it.

B) Pecking Order Theory

The pecking order theory is the main theory that can explain why companies that can be financed borrow less funds. This theory is based on an asymmetric assumption where managers have better knowledge about the company's profitability

and prospects compared to investors. According to this theory, companies tend to prefer to record their needs through internal sources first before seeking funding from external sources.

C) Conceptual Framework

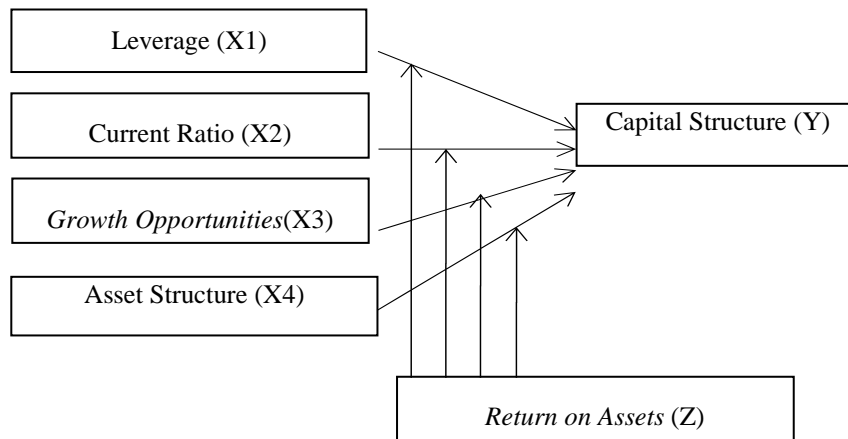


Figure 1: Framework

Source: Results Processed by the Author

D) Leverage's Impact on Capital Structure

According to Yudiandari in 2018 and Dharmadi, and Putri in 2018, their findings showed that capital structure was negatively influenced by leverage. However, in research conducted by Abimayu and Wirasedana in 2015, they found that operating leverage had a positive impact on capital structure. Therefore, according to theory and the results of previous research, it can be said that the hypothesis in this research is:

H1: Leverage affects capital structure

E) Effect of Current Ratio on Capital Structure

The *current ratio* is a ratio that reflects the company's superiority when paying for its short-term liquidity. Companies with a high level of expertise in liquidity generally have more internal cash. Companies, according to the hierarchy principle, prefer to use internal resources and budget sources rather than external budgets because the risk level is slightly lower. Companies with high liabilities tend not to rely on funding through debt because the higher the level of liquidity, the company's capital structure tends to decrease. As a result, there is an adverse connection between the present ratio and the capital structure of the company.

H2: The current ratio has a significant effect on capital structure.

F) Effect of Growth Opportunity on Capital Structure

Growth Opportunities is an opportunities that a corporation has to progress and develop, including investment in the future. When the company's growth target has increased, the corporation requires higher costs to fund investment and expansion. In situations where growth opportunities are high, companies tend to have greater debt levels in their capital structure. The greater the value of the business's expanding assets, the larger its capital structure.

According to the pecking order theory, it is recommended that companies prioritize the use of internal budgets before using external budgets. If internal financing is inadequate, then use credit financing because this financing has a large level of risk. Therefore, it can be ascertained that when the level of company growth opportunities is high, funding needs also increase. As a result, these funds are used to carry out very profitable company activities first. With increased growth opportunities, it will provide a positive signal to internal and external parties. Based on theory from previous research results, the following hypothesis can be formulated:

H3: Growth Opportunity has a significant effect on Capital Structure.

G) Asset Structure's Influence on Capital Structure

Suherman and Mardiyati (2019) discuss the impact of a corporation's structure of assets on its capital structure. Their findings show a positive correlation between the company's asset structure and company capital structure. In this study, asset structure is calculated by dividing total fixed investments by total assets.

The combination of firm assets is referred to as asset structure, which reflects the extent to which these assets can be used as collateral to obtain loans. The concept of asset structure includes two main components in its composition, namely liquid assets and fixed assets, as explained by Dikriansyah (2018). According to the findings of the research, asset structure has an adverse and substantial effect on the financing arrangements of banking organizations listed on the Indonesia Stock Exchange. Based on the following description, the hypothesis formulated is:

H4: Asset Structure influences Capital Structure.

H) The Effect of Leverage on Capital Structure, Which is Moderated by Return on Assets

In the discussion about capital structure, we refer to the composition of capital used by the company, including the use of debt (leverage) and equity. In general, companies use debt to finance their operations and growth. The use of debt can provide benefits in the form of lower interest costs compared to equity funding, thereby increasing the company's profit potential. However, using debt also carries risks related to interest and debt payments. If the company has not been able to generate more income to pay interest or pay off debt, then the risk of bankruptcy will increase. This is where profitability plays an important role. If a company has a good level of profitability, it means the company is able to generate sufficient profits to pay interest and debt. In this case, the return on assets will control the effect of leverage on capital structure. In conditions where profitability is low, the use of leverage or large amounts of debt can be a heavy burden for the company. Companies that have a low return on assets may face difficulty paying interest and paying off debt, potentially leading to financial problems and even bankruptcy.

H5: Return On Assets is able to moderate the influence of Leverage on Capital Structure

I) The Influence of the Current Ratio on Capital Structure, Which is Moderated by Return on Assets

In this context, return on assets as a moderating variable has a significant impact on the number of dividends that will be transferred by the company. Usually, high liquid assets are used to pay debt obligations that will be repaid, resulting in less-than-optimal use of productive assets by the company in increasing return on assets, as stated by Ambarwati et al. (2015). If the level of liquidity is high, the opportunity for investors to receive higher cash dividends increases. This finding is in accordance with the findings of the study by Muhammad Chaerul Umam (2016). Thus, the hypothesis is formulated as follows:

H6: Return On Assets is able to moderate the influence of the Current Ratio on Capital Structure

J) The Effect of Growth Opportunity on Capital Structure, Which is Moderated by Return on Assets

The high opportunities for company growth can reflect that the corporation has broad freedom in making company investments optimally. This is due to the transfer action from creditors to investors carried out by company managers. Therefore, the corporation is likely to have a low level of debt. Eka and M. Agus (2018) explained that companies with low levels of growth are prone to be heavily in debt. This is caused by a lack of sufficient internal funding sources for companies with low growth.

H7: Return on Assets moderates the influence of Growth Opportunity on Capital Structure

K) The Influence of Asset Structure on Capital Structure, Which is Moderated by Return on Assets

The size of its asset structure influences the capital structure of a firm. If the organization has a high amount of wealth, it suggests it has a significant amount of fixed assets. In this case, corporations with large fixed assets can take advantage of enormous sums of debt because fixed assets can be used as collateral.

*Return On Assets*The company has a role as a moderating variable in influencing the relationship between asset structure and capital structure. The company's return on assets is a consideration creditors pay attention to when providing loans. A corporation having a high return on its assets indicates that it has a high net profit, thus giving a positive signal to creditors. In this context, companies have a better possibility of obtaining loans from external parties. Research conducted by Bingajh Susantika in 2019 also supports this view.

H8: Return On Assets moderates the influence of Asset Structure on Capital Structure

III. RESULTS AND DISCUSSION

A) Descriptive Statistical Test

Descriptive statistics is an object analysis technique used to summarise or explain study data, including minimum, maximum, average (mean), and standard deviations (Ghozali, 2019:19).

Table 1: Descriptive Statistics Results

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---------------------|-----|-----------|---------|-----------|----------------|
| X1Leverage | 210 | .1085 | 2.8999 | .492253 | .3240318 |
| X2Currentratio | 210 | .1524 | 15.8223 | 2.475350 | 2.3078075 |
| X3Growthopportunity | 210 | -780.9183 | 1,0000 | -3.651938 | 53.8939812 |

| | | | | | |
|--------------------|-----|---------|--------|----------|-----------|
| X4Structureasset | 210 | .0166 | 4.8135 | .348712 | .3479338 |
| Ycapital structure | 210 | -2.1273 | 6.0745 | 1.121678 | 1.0832182 |
| ZReturnonasset | 210 | -2.6410 | .6072 | .073281 | .2143078 |
| Valid N (listwise) | 210 | | | | |

Based on the Descriptive Test Results, we can describe the distribution of the data obtained:

1. Leverage variable (X1): from this data, it can be described that the minimum value is 0.1085 while the maximum value is 2.8999, the average leverage is 0.492253, and the standard deviation of the leverage data is 0.3240318.
2. The Current ratio variable (X2): from this data can be described as a minimum value of 0.1524, while the maximum value is 15.8223, the average Current ratio is 2.475350, and the standard deviation of the Current ratio data is 2.3078075.
3. The Growth opportunity variable (X3): from this data, it can be described that the minimum value is -780.9183, while the maximum value is 1.0000, the average Growth opportunity is -3.651938, and the standard deviation of the Growth opportunity data is 53.8939812
4. Asset Structure Variable (X4): from this data, it can be described that the minimum value is 0.0166, while the maximum value is 4.8135, the average Asset Structure is 0.348712, and the standard deviation of the asset structure data is 0.3479338.
5. Capital Structure Variable (Y): from this data, it can be described that the minimum value is -2.1273 while the maximum value is 6.0745, the average capital structure is 1.121678, and the standard deviation of capital structure data is 1.0832182.
6. The variable Return on assets (Z) from this data can be described as having a minimum value of -2.6410, a maximum value of 0.6072, an average return on assets of 0.073281 and a standard deviation of 0.2143078.

B) Classic Assumption Test

a. Normality test

The normality check determines if the residual values of a regression study can have an average or near-normal distribution. The One Sample Kolmogorov-Smirnov test is used to determine data normality. The following are the results of data testing in the One-Sample Kolmogorov-Smirnov test, which are shown in Table 2:

Table 2: Normality Test Results

| | | LN_DER |
|--------------------------|----------------|---------|
| N | | 195 |
| Normal Parameters, b | Mean | -.2465 |
| | Std. Deviation | .93446 |
| Most Extreme Differences | Absolute | .054 |
| | Positive | .037 |
| | Negative | -.054 |
| Statistical Tests | | .054 |
| Asymp. Sig. (2-tailed) | | .200c,d |

Based on the findings of the data processing above, Asymp. Sig. (2-tailed) has a value of 0.065, indicating that the significance level is more than 0.05. This demonstrates that the information included in the research regression model is regularly distributed.

b. Multicollinearity Test

The multicollinearity test determines whether or not there is an association among the independent variables in the regression model. This is done to discover the presence of difficulties with multicollinearity in the regression model. If the tolerance level in the test exceeds 0.1 and the VIF is less than 10, there is no multicollinearity problem. The findings of the Multicollinearity Test performed by the researchers in this study are presented in Table 3:

Table 3: Multicollinearity Test Results

| | | Collinearity Statistics | |
|-------|----------------------|-------------------------|-------|
| Model | | Tolerance | VIF |
| 1 | Leverage | .530 | 1,887 |
| | Current Ratio | .513 | 1,951 |
| | Growth Opportunities | .923 | 1,084 |
| | Asset Structure | .920 | 1,087 |
| | Return On Assets | .948 | 1,054 |

a. Dependent Variable: Capital Structure

It is concluded, according to the output results in the table above, that the collinearity tolerance value for the Leverage variable is 0.530, the Current Ratio is 0.513, the Growth Opportunity is 0.923, the Asset Structure is 0.920, the Return On Assets is 0.948. All collinearity tolerance values are greater than 0.10. Then the VIF (Variance Inflation Factor) value produces a value less than 10, namely 1.887 for leverage, 1.951 for Current Ratio, 1.084 for Growth Opportunity, 1.087 for Asset Structure and 1.054 for Return on Assets, which can indicate that there isn't any multicollinearity problem between the independent variables and dependent variables and shows a good regression model.

c. Heteroscedasticity Test

A good regression model shows no symptoms of heteroscedasticity. The test in this study has a significance level of 0.05 with 2 sides. If the correlation between the independent variable and the residual has a significance of more than 0.05, it can be said that there is no heteroscedasticity problem in the regression model. The following are the results of the Heteroscedasticity Test in this study, which are displayed in Table 4:

Table 4: Heteroscedasticity Test Results

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|----------------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .204 | .217 | | .937 | .350 |
| | Leverage | .198 | .279 | .065 | .709 | .479 |
| | Current Ratio | .177 | .036 | .453 | .873 | .493 |
| | Growth Opportunities | .136 | .259 | .036 | .525 | .600 |
| | Asset Structure | .073 | .122 | .042 | .603 | .547 |
| | Return On Assets | -.029 | .470 | -.004 | -.062 | .951 |

a. Dependent Variable: ABRESID

Glancing at the output in the table previously, it can be observed that the significant value is based on the findings of this Heteroscedasticity test for each variable is 0.479 Leverage, 0.493 Current Ratio, 0.600 Growth Opportunity, 0.547 Asset Structure, 0.951 Return On Assets. These five variables have a significance value greater than 0.05, indicating that the regression model shows no signs of heteroscedasticity.

d. Autocorrelation Test

The Autocorrelation Test is a test that tries to see if there is a relationship among confounding errors in period t-1 (before) in a regression model. The Durbin-Watson test is a test used to detect autocorrelation. Autocorrelation test is completed using the formula $dU < dW < 4-dU$. The Autocorrelation Test results are as follows carried out by the author in this research, which are presented in Table 5:

Table 5: Autocorrelation Test Results

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------|----------|-------------------|----------------------------|---------------|
| 1 | .640a | .409 | .394 | .73843 | 2.076 |

Based on the output results of Table 4.8, it can be concluded the Durbin Watson (DW) value in this test is 2.076. In this research, it is known that k is 4 and n is 195. Based on this table, it is known that the value of $dL = 1.7239$ and $dU = 1.8076$.

The Durbin-Watson value in the table above is 2.070, greater than the dU limit and smaller than the 4-dU value, namely 2.1924. Therefore, it can be said that there is no autocorrelation problem in this study.

C) Multiple Linear Regression Analysis

The multiple linear regression method assesses whether a link exists between the independent and dependent variables. The following are the output results of the multiple linear regression analysis table:

Table 6: Multiple Linear Regression Analysis Test Results

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|--------------------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -.519 | .215 | | -2.409 | .017 |
| | Leverage | 4.274 | .260 | .922 | 16.411 | .000 |
| | Current Ratio | .008 | .045 | .014 | .182 | .856 |
| | Growth Opportunities | -.078 | .340 | -.014 | -.231 | .818 |
| | Asset Structure | -1.090 | .378 | -.408 | -2.881 | .004 |
| | Leverage*Return On Assets | -4.536 | 1.332 | -.261 | -3.405 | .001 |
| | Current Ratio*Return On Assets | -.108 | .232 | -.033 | -.464 | .643 |

| | | | | | |
|------------------------------------|-------|-------|------|-------|------|
| GrowthOpportunity*Return On Assets | 6,525 | 4,379 | ,095 | 1,490 | ,138 |
| Asset Structure*Return On Assets | 5,195 | 1,775 | ,483 | 2,927 | ,004 |

a. Dependent Variable: Capital Structure

$$Y1 = a + B1X1 + B2X2 + B3X3 + B4X4 + e$$

$$Y = -0.519 + 4.274X1 + 0.008X2 - 0.078X3 - 1.090X4$$

$$Y2 = a + B5X1.Z + B6X2.Z + B7X3.Z + B8X4.Z + e$$

$$Y = -0.519 - 4.536X1.Z - 0.108X2.Z + 6.525X3.Z + 5.195X4.Z$$

Furthermore, based on this equation, the following conclusions can be interpreted:

1. The constant value shows a value of -0.519, which means that if the independent variable value is 0, then the capital structure variable in this study is -0.519.
2. The regression coefficient for the Leverage variable is known for a value of 4.274, which means if the other independent variables remain constant and leverage increases by 1 unit, then the dependent variable capital structure will increase by 4.274 units. The regression coefficient for this variable is positive, which means there is a positive relationship between leverage and capital structure, so the higher the level of leverage, the more capital structure will increase.
3. The regression coefficient for the Current Ratio variable is known to have a value of 0.008. If the other independent variables remain constant and the current ratio increases by 1 unit, the dependent variable capital structure will increase by 0.008 units. The regression coefficient for this variable is positive, meaning there is a positive relationship between leverage and capital structure, so the higher the current ratio level, the more capital structure will increase.
4. The regression coefficient for the Growth Opportunity variable is known to have a value of -0.078, which means that if Growth Opportunity has decreased by 1 unit, then the dependent variable capital structure will have increased by 0.078. The regression coefficient for this variable is negative, meaning there is a negative relationship between growth opportunity and capital structure. The lower the growth opportunity value, the higher the capital structure value.
5. The asset structure regression coefficient is -1.090; consequently, if the asset structure decreases by 1 unit, the capital structure will experience a decrease of 2.218, provided that the other variables remain unchanged. The coefficient is negative, and this shows that an asset structure variable has a negative association with the capital structure, which means that the smaller the asset structure, the higher the capital structure.

D) Hypothesis Testing

a. Correlation and Determination Coefficient Analysis (R2)

The correlation coefficient test is a test used to measure the level of relationship between one variable and another variable. Meanwhile, analysis of the coefficient of determination (R2) is also a measurement used to measure how far the ability of the independent variables can explain the dependent variable in obtaining variable values.

The coefficient of determination (R2) calculates the percentage change in the dependent variable (Y) due to the independent variable (X). The results of the determinant coefficient test can be seen in Table 8

Table 7: Correlation and Determination Coefficient Analysis Test Results (R2)

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------|----------|-------------------|----------------------------|---------------|
| 1 | .640a | .409 | .394 | .73843 | 2.076 |

The following table illustrates that the Adjusted R-value is 0.394 or 39.4%. This means that this value explains that the ability of the leverage level, current ratio, growth opportunity, and asset structure influences the capital structure by 39.4%, while the remaining 60.6% is seen from factors other than those outside this research model.

b. F-Test

Simultaneous Test in Use it to determine if all independent variables influence the dependent variable with a significance level of 0.05.

Table 8: F-Test Results

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|--------|-------|
| 1 | Regression | 122,472 | 5 | 24,494 | 89,465 | ,000b |
| | Residual | 51,746 | 189 | ,274 | | |
| | Total | 174,219 | 194 | | | |

a. Dependent Variable: Capital Structure

b. Predictors: (Constant), Return On Assets, Growth Opportunity, Asset Structure, Leverage, Current Ratio

Based on the findings, it is possible to deduce that the resulting significance figure is 0.000, which means the following figure is less than 0.05, simultaneously influencing the capital structure.

c. T-Test

The t-test is an examination to determine the difference between two variables with the aim of showing the impact of each independent variable, which explains fluctuations in the dependent variable. Suppose the tcount value is greater than the table and has a significance value below 0.05. In that case, it is possible to conclude that the independent variable affects the dependent variable.

Table 9: T-Test Results

| Model | Unstandardized Coefficients | | Standardized Coefficients | Q | Sig. |
|-------|-----------------------------|------------|---------------------------|-------|--------|
| | B | Std. Error | Beta | | |
| 1 | (Constant) | -.713 | .197 | | |
| | Leverage | 3.939 | .252 | .850 | 15.602 |
| | Current Ratio | .005 | .033 | .008 | .146 |
| | Growth Opportunities | .377 | .234 | .066 | 1.609 |
| | Asset Structure | -.060 | .110 | -.022 | -.540 |
| | Return On Assets | -.180 | .425 | -.017 | -.423 |

a. Dependent Variable: Capital Structure

From the results of the t-test, it shows that the leverage value is $0.000 < 0.05$ and the tcount is 15.602. Furthermore, the current ratio value is $0.884 > 0.05$, and the tcount is 0.146. Third, there is a growth opportunity value of $0.109 > 0.05$ and a tcount of 1.609. Fourth is the asset structure variable, which has a value of $0.590 > 0.05$, and the tcount is -0.540. And then, finally, there is the return on assets, which has a value of $0.673 > 0.05$ and a tcount of -0.423.

A) The Effect of Leverage on Capital Structure

Based on the results presented in the attachment and the summary in the table above, it states that the significant figure for the leverage variable of 0.000 is smaller than the alpha of 0.05 or 5%. This means that partially, the leverage variable has an impact on capital structure. So, the first hypothesis is accepted.

B) Effect of Current Ratio on Capital Structure

Based on the results presented in the attachment and the summary in the table above, it is stated that the significant value of the current ratio variable is 0.884, which is greater than the alpha of 0.05 or 5%. This means that partially, the current ratio variable does not exist a negative and significant effect on capital structure. So second hypothesis is rejected.

C) The Effect of Growth Opportunity on Capital Structure

The results of the third hypothesis test are presented in the attachment and summary in the table above, showing that the significant value of the growth opportunity variable is 0.109 greater than the alpha of 0.05 or 5%. This means that partially, the growth opportunity variable does not exist a positive effect on capital structure. So, the third hypothesis is rejected.

D) Influence of Asset Structure on Capital Structure

The results of the fourth hypothesis test are presented in the attachment and summary in the table above, showing that the significant value of the asset structure variable is 0.590, which is greater than the alpha of 0.05 or 5%. This means that partially, the leverage variable does not exist a positive effect on capital structure. So, the fourth hypothesis is rejected.

E) The Effect of Leverage on Capital Structure, Which is Moderated by Return on Assets

The results of the fifth hypothesis test are presented in the attachment and summary in the table above, showing a significance value of $0.001 < 0.05$. This means that return on assets can moderate the effect of leverage on capital structure. So, the fifth hypothesis, which states that return on assets moderates the effect of leverage on capital structure, is accepted.

F) The Influence of the Current Ratio on Capital Structure, Which is Moderated by Return on Assets

The results of the fifth hypothesis test are presented in the attachment and summary in the table above, showing a significance value of $0.643 > 0.05$. This means that the return on assets cannot moderate the influence of the current ratio on capital structure. So, the sixth hypothesis, which states that return on assets moderates the influence of the current ratio on capital structure, is rejected.

G) The Influence of Growth Opportunity on Capital Structure, Which is Moderated by Return on Assets

The results of the seventh hypothesis test are presented in the attachment and summary in the table above, showing a significance value of $0.138 < 0.05$. This means that return on assets cannot moderate the influence of growth opportunity on capital structure. So, the seventh hypothesis, which states that return on assets moderates the influence of growth opportunity on capital structure, is rejected.

H) Influence of Asset Structure on Capital Structure, Which is Moderated by Return on Assets

The results of the eighth hypothesis test are presented in the attachment and summary in Table 4.12 above, showing a significance value of $0.004 < 0.05$. This means that return on assets can moderate the influence of asset structure on capital structure. So, the eighth hypothesis, which states that return on assets moderates the influence of asset structure on capital structure, is accepted.

IV. CONCLUSION

Conclusions that can be drawn from the results of the research and discussion can be stated as follows:

1. The leverage variable significantly impacts the capital structure listed on the Indonesia Stock Exchange in 2017-2021.
2. The current ratio variable does not affect the capital structure listed on the Indonesia Stock Exchange in 2017-2021.
3. The growth opportunity variable does not affect the capital structure listed on the Indonesia Stock Exchange in 2017-2021.
4. The asset structure of the variable has no impact on the capital structure shown on the Indonesia Stock Exchange in 2017-2021.
5. The return on assets variable can moderate the influence of leverage on the capital structure listed on the Indonesia Stock Exchange in 2017-2021.
6. The return on assets variable cannot moderate the current ratio's influence on the capital structure listed on the Indonesia Stock Exchange in 2017-2021.
7. The return on assets variable cannot moderate the influence of growth opportunity on the capital structure listed on the Indonesia Stock Exchange in 2017-2021.
8. The return on assets variable can moderate the impact of the structure of assets on the capital structure of Indonesia Stock Exchange listed companies in 2017-2021.

V. REFERENCES

- [1] Alamsah, J. (2021). Pengaruh Asset Growth dan Operating Leverage Terhadap Struktur Modal pada Perusahaan Sektor Aneka Industri Yang Terdaftar di Bursa Efek Indonesia Periode 2015-2019. *Jurnal Indonesia Sosial Teknologi*, 2(4), 610–621. <https://doi.org/10.36418/jist.v2i4.129>
- [2] Aruan, D. A., Sitanggang, P., Lumban Tobing, C. N., & Harianja, L. (2022). Pengaruh Struktur Aktiva, Ukuran Perusahaan, Operating Leverage dan Pertumbuhan Penjualan Terhadap Struktur Modal Pada Perusahaan Makanan dan Minuman Yang Terdaftar Di Bursa Efek Indonesia (2017-2020). *Owner*, 6(3), 2336–2344. <https://doi.org/10.33395/owner.v6i3.905>
- [3] Asikin, N., Ruwanti, S., & Fatahurrazak, F. (2019). Pengaruh Struktur Aset Dan Growth Opportunity Terhadap Struktur Modal Dengan Ukuran Perusahaan Sebagai Variabel Moderasi Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia (Bei) Periode 2014-2017. *Ramanujan Journal*, 1–19.
- [4] Aurelia Angela, & Ardiansyah Rasyid. (2022). Pengaruh Operating Leverage, Asset Structure, Dividend Policy Terhadap Capital Structure. *Jurnal Paradigma Akuntansi*, 4(3), 1151–1160. <https://doi.org/10.24912/jpa.v4i3.19751>
- [5] Bustari, N. P. H. S. A. (2022). Pengaruh Non Debt Tax Shield, Operating Leverage Dan Perumbuhan Aset Terhadap Struktur Modal Pada Perusahaan Manufaktur Sub Sektor Makanan Dan Minuman Yang Terdaftar Di Bei Periode 2015-2018. *Pareso Jurnal*, 3(1), 87–102.
- [6] Devi, H. R., Utomo, S. W., & Murwani, J. (2019). PENGARUH RASIO PROFITABILITAS, LIKUIDITAS, dan LEVERAGE TERHADAP STRUKTUR MODAL PADA PERUSAHAAN MANUFAKTUR YANG TERDAFTAR DI BEI. *Forum Ilmiah Pendidikan Akuntansi*, 7(1), 1–22. <http://prosiding.unipma.ac.id/index.php/FIPA/article/view/853/822>
- [7] Dewi, R., Ngurah, A. A., & Mahardika, Y. M. (2019). Pengaruh Profitabilitas Dan Likuiditas Terhadap Struktur Modal Perusahaan Sektor Property Dan Real Estate Di Bursa Efek Indonesia. *Bisma: Jurnal Manajemen*, 5(2), 140–147. <https://ejournal.undiksha.ac.id/index.php/BISMA-JM/article/view/22022>
- [8] Fathiya Luthita, Hesty Ervianni Zulaecha, Imam Hidayat, & Sigit Budi Santoso. (2022). Pengaruh Profitabilitas, Struktur Aset, Likuiditas, Pertumbuhan Penjualan Dan Leverage Terhadap Struktur Modal. *Jurnal Ekonomi, Bisnis Dan Manajemen*, 1(4), 131–147. <https://doi.org/10.58192/ebismen.v1i4.152>
- [9] Khotimah, S. N., Mustikowati, R. I., & Sari, A. R. (2021). Pengaruh ukuran perusahaan dan leverage terhadap nilai perusahaan dengan profitabilitas sebagai variabel moderasi. *Jurnal Riset Mahasiswa Akuntansi*, 8(2). <https://doi.org/10.21067/jrma.v8i2.5232>
- [10] Krisnando, K., & Novitasari, R. (2021). Pengaruh Struktur Modal, Pertumbuhan Perusahaan, dan Firm Size terhadap Nilai Perusahaan Pada Perusahaan Consumer Goods yang Terdaftar di Bursa Efek Indonesia (BEI) Periode 2017-2020. *Jurnal Akuntansi Dan Manajemen*, 18(02), 71–81. <https://doi.org/10.36406/jam.v18i02.436>
- [11] Oktaviyana, D., & Titisari, K. H. (2023). Pengaruh Leverage, Likuiditas, Struktur Modal dan Ukuran Perusahaan Terhadap Kinerja Keuangan. *Costing: Journal of Economic, Business and Accounting*, 6(2), 1563–1573.
- [12] Pertiwi, Y., & Masitoh W, E. (2022). Pengaruh likuiditas, leverage, dan struktur modal terhadap kinerja keuangan. *Inovasi*, 18(2), 406–413. <https://doi.org/10.30872/jinv.v18i2.10624>
- [13] Rico Andika, I. K., & Sedana, I. B. P. (2019). Pengaruh Profitabilitas, Struktur Aktiva, Dan Ukuran Perusahaan Terhadap Struktur Modal. *E-Jurnal Manajemen Universitas Udayana*, 8(9), 5803. <https://doi.org/10.24843/ejmunud.2019.v08.i09.p22>
- [14] Safitri, M. A., & Yuliana, I. (2021). Pengaruh Return on Assets, Current Ratio dan Firm Size Terhadap Prediksi Kebangkrutan Dengan Struktur Modal sebagai Variabel Moderasi. *JURNAL AKUNTANSI DAN BISNIS: Jurnal Program Studi Akuntansi*, 7(1), 90–99. <https://doi.org/10.31289/jab.v7i1.4517>
- [15] Salam, J. A., & Sunarto, S. (2022). Pengaruh Likuiditas, Growth Opportunity dan Ukuran Perusahaan terhadap Struktur Modal dengan Profitabilitas sebagai Variabel Moderasi (Studi Empiris pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Tahun 2016-2020). *Jurnal Pendidikan Tambusai*, 6(2), 9165–9178.
- [16] Wijaya, B. S., & Ardini, L. (2020). Pengaruh Profitabilitas, Growth Opportunity Dan Firm Size Terhadap Struktur Modal. *Jurnal Ilmu Dan Riset Akuntansi*, Volume 9(2), 1–14.
- [17] Wulandari, N. M. A., & Sari, M. M. R. (2021). Profitabilitas sebagai Pemoderasi Pengaruh Struktur Aktiva, Risiko Bisnis, dan Ukuran Perusahaan pada Struktur Modal. *E-Jurnal Akuntansi*, 31(9), 2213. <https://doi.org/10.24843/eja.2021.v31.i09.p05>