THE EFFECT OF DER, SALES AND INSTITUTIONAL OWNERSHIP ON THE VALUE OF MANUFACTURING COMPANIES IN THE AUTOMOTIVE SUB-SECTOR

Retno Suliati Suleiman¹, Rizka Maharani²*
¹²Universitas Esa Unggul
Email: rizkamaharani1213@gmail.com

Abstract

The goal of this study was to determine the influence of DER, sales, and institutional ownership on the value of automobile manufacturing companies. This study employs a technique known as quantitative research. In this study, the dependent variable is the estimated company value using Price Book Value (PBV). Meanwhile, the independent variables in this study are the DER predicted using the Debt to Equity Ratio (DER), the Sales projected using the Ln (Total Assets), and the Institutional Ownership projected using the Institutional Ownership Ratio. Based on the results of data analysis, it can be concluded that: 1) The DER variable has a negative and insignificant effect on firm value; 2) Sales variable has a negative and insignificant effect on firm value; 3) Influential Institutional Ownership Variables A high level of institutional ownership will encourage the institutional investors to carry out greater supervisory efforts as well; 4) DER Sales and Institutional Ownership variables simultaneously have a significant effect on firm value.

Keyword: Influence, DER, Sales, Institutional Ownership, Company Value.

A. INTRODUCTION

Because a business is constantly obliged to improve in order to preserve its commercial excellence, businesses that follow economic principles are often not just focused on maximizing profit, but also on increasing the value of the firm and the wealth of its owners. The primary objective of a business is to maximize its wealth or worth. According to Binti (2018), enhancing company value is critical for a business since it entails maximizing shareholder prosperity, which is the primary objective of the business. According to Massie et al. (2017), the value of a business is defined as the price at which potential investors are ready to buy it. The value of a business can also represent the worth of the company's assets, such as stocks.

According to Dewi and Abundanti (2019), the value of a company contains the value required by investors to make investment choices, which is represented in the firm's market price. As the value of the company rises for shareholders, it is reflected in the market price of its shares. If the stock price is high, the company's worth is likewise high. A high business value may instill market confidence in the firm's present performance as well as future possibilities. According to Azizah and Widyawati (2021), a high business value is also a wish for every company owner as a shareholder, since it demonstrates the company owner's wealth and results in accomplishments that meet the company owner's expectations.

The reason for choosing a company in the automotive sector and its components is because the automotive sector and its components are one of the industrial sectors that produce vehicles as a means of transportation, which continues to grow rapidly from year to year. The automotive industry has a business chain starting from component manufacturing, vehicle manufacturing itself, distribution network and after-sales service, both official and general workshops, including a spare parts sales network throughout Indonesia. Automotive companies have lucrative prospects where transportation is one of the most important needs of
society. Prabowo and Sutanto (2019) This makes many investors interested in investing their capital in automotive companies in Indonesia.

A PBV number larger than 1 indicates that the stock market value exceeds the book value (overload); a PBV value less than 1 indicates that the stock market value is less than the book value (undervalued). This ratio often exceeds one for profitable corporations, indicating that the stock market value exceeds the book value. The higher the PBV ratio, the more investors value the firm in relation to the capital invested in it.

Thus, the company's worth is utilized to judge if an investment is lucrative or not. Price to book value is one of the techniques utilized in this study to determine the firm's worth (PBV). PBV is a financial measure that compares PBV to book value per share; the higher the PBV value, the more prosperous the shareholders are, and therefore the firm has accomplished one of its objectives.

DER, sales, and institutional ownership are all factors that may alter a firm's value. The firm anticipates good features of its development on the basis of the company's worth. The DER ratio indicates the amount of long-term debt a company has in comparison to its own capital. Businesses that utilize debt in their operations will benefit from tax savings, as taxes are calculated on operational profit after deducting interest on debt, resulting in a higher net profit to shareholders than businesses that do not use debt. As a result, the greater the DER, the greater the PBV. However, the corporation will be unable to finance its DER entirely through debt. This is because, as Irawan and Nurhadi (2016) explain, the bigger the debt, the greater the financial risk for the business. According to Aryati and Tubagus's (2016) research, DER has a detrimental influence on business value. On the other side, Prastuti (2016) asserts that DER enhances corporate value.

It was found that there was a phenomenon that occurred, where every decrease in DER resulted in an increase in the PBV value and every decrease that occurred in DER resulted in an increase in the PBV value. In 2018 to 2019 Astra Otoparts Ltd experienced a decrease in DER from 0.411 to 0.375 which resulted in a decrease in PBV value by 0.74 to 0.07. Meanwhile, in 2018 to 2019 PT Multiprima Sejahtera Tbk also experienced a decrease in DER from 0.098 to 0.071 but resulted in an increase in the PBV value from 0.30 to 0.41. This condition is not in accordance with the logic of theory and literature which says that the higher the DER, the higher the PBV.

Another financial ratio that is used to evaluate a company's success is the sales ratio. Sales are calculated as a percentage of total sales. The bigger the overall sales, the greater the profit potential, and hence the greater the PBV, and thus the greater the likelihood that additional investors would pay attention to the firm. This is because businesses with a high overall revenue often have more solid financial situations. The stability of the company's financial position will entice investors to acquire shares. According to Suffah et al. (2016) said that this condition caused the company's PBV to increase in the capital market. Investors have high expectations of big companies.

According to Pratiwi and Wiksana's (2020) research, sales have a favorable effect on a company's worth. Poolban et al. (2020) indicated, on the other hand, that sales had a negative and minor influence on company value.

Along with the Der ratio, sales and institutional ownership can also impact the company's value. Institutional Ownership refers to the percentage of a company's shares owned by institutions (governments, foreign firms, and financial institutions such as insurance companies, banks, and pension funds). According to Suta et al. (2016), the more the institutional ownership, the greater the institution's power and incentive to control management, which results in a greater drive to optimize the company's value and hence performance. According to Rakhmat and Fafirudin's (2020) research, institutional ownership has a considerable beneficial influence on business value. On the other side, according to
research conducted by Awulle et al. (2018), institutional ownership has a detrimental influence on business value.

Between 2016 and 2019, nearly all firms maintained stable institutional ownership, while others raised and decreased their PBV value. With institutional ownership, it will be able to properly supervise the management team and grow the firm's worth. Additionally, with sound financial management, investors will have greater trust in the company when investing their money. If the Institutional Ownership is high, the PBV is also high.

However, in previous studies there were different research results, the research year used in this study was 2016 to 2019. Based on the above problems, researchers are interested in conducting research on this matter.

B. LITERATURE REVIEW

1. The Effect of DER on Firm Value

The capital structure is the fixed financing of the company by long-term debt plus preferred stock and net income. Riyanto (2010: 160) explains that by basing on the concept of the cost of capital, the optimum capital structure is the DER carried out by the company with the minimum cost of using average capital (average cost of capital). The capital structure consists of a combination of preference shares, debt, and ordinary stock, all of which contribute to the company's capital growth. Asyik and Putri (2019) provide empirical evidence that DER has a favorable and substantial effect. DER is required to improve the company's worth since the amount of DER determined in the company's funding policy impacts the company's value. The finance decision for a business is critical, since it affects the business's long-term success.

H1: Capital structure has a positive and significant effect on the value of companies listed on the Indonesia Stock Exchange

2. Effect of Sales on Company Value

The higher sales will be closely related to the funding decisions that will be implemented by the company in order to optimize the value of the company. Riyanto (2010:299) argues that a large company with a large distribution of company shares will also have a small impact on the loss of control from the dominant party over the company, so the greater the total sales, the greater the profit, the greater the PBV, the greater the tendency for many investors pay attention to the company. This is supported by empirical evidence from (Siregar & Dalimunthe, 2019) that sales have a significant influence on firm value. Sales are obtained from the company's total sales. Investors tend to pay attention to companies that have large total sales. Stable conditions are owned by large companies that cause investors to be interested in owning company shares. PBV in the capital market will increase when many company shares want to own.

H2: Sales have a positive and significant effect on firm value

3. The Effect of Institutional Ownership on Firm Value

The substantial institutional ownership will also motivate institutional investors to increase their supervision efforts. A strong supervision process will limit fraud perpetrated by management, which will have a detrimental effect on the company's worth. Additionally, institutional investors will make good efforts to boost the value of the firm they hold. This is confirmed by empirical evidence showing institutional ownership has a considerable beneficial influence on business value (Nuryono et al., 2019). The institutions under concern include banks, insurance firms, and others. The greater institutional ownership, the lower the agency cost, which might result in a rise in the company's value. This is done to incentivize management to perform effectively.
H₃: Institutional ownership has a positive and significant effect on firm value

4. Effect of DER, SALES, and Institutional Ownership on Firm Value

DER, SALES, and Institutional Ownership all have a strong beneficial impact on corporate value. Because the team's debt, sales, and monitoring affect the company's future success. Increased debt can be utilized to fund extra business operations that will eventually create profits and raise the company's worth. Additionally, sales are displayed. The bigger the total sales, the greater the profit, and the greater the company's worth, the more investors take notice.

This also demonstrates how institutional investors are viewed as an effective monitoring tool for management’s every choice. This is because institutional investors are involved in strategic choices, and as a result, they are skeptics of earnings manipulation. While such oversight will undoubtedly benefit shareholders, institutional ownership's power as a supervisory agent is mitigated by their substantial participation in the capital market. According to the description above, DER, SALES, and Institutional Ownership all have an influence on Firm Value.

H₄: DER, SALES, and Institutional Ownership have a simultaneous effect on firm value

C. METHOD

This study used a quantitative methodology. In this study, the dependent variable is the estimated company value using Price Book Value (PBV). Meanwhile, the study's independent variables include DER predicted using the Debt to Equity Ratio (DER), Sales projected using Ln (Total Assets), and Institutional Ownership projected using the Institutional Ownership Ratio. The population of this research is comprised of automotive industry businesses that are publicly traded on the Indonesian Stock Exchange between 2016 and 2019. The IDX has 15 firms listed in the Automotive and Component Sub-Sector Manufacturing category.

Purposive sampling was utilized to choose the sample in this investigation. The following criteria were used to select the sample for this study: 1) Manufacturing companies in the automotive and component sub-sectors that were listed on the Indonesia Stock Exchange between 2016 and 2019; 2) Manufacturing companies in the automotive and component sub-sectors that were delisted between 2016 and 2019; and 3) Manufacturing companies in the automotive and component sub-sectors that did not consistently issue and report annual financial reports or annual reports on their website between 2016 and 2019. The data collecting approach used in this study is a library search of firm financial reports obtained from the IDX website between 2016 and 2019. This study included a variety of data analysis approaches, including descriptive statistical analysis, classical assumption testing, multiple linear regression, and hypothesis testing.

D. RESULT AND DISCUSSION

1. Descriptive Statistical Analysis

The purpose of descriptive statistical analysis is to obtain a general picture of the data that has been collected in its current state without drawing generalizable conclusions or making generalizations. The following table summarizes the findings of descriptive statistical tests conducted in this study:
The following interpretation is based on the findings of the descriptive statistical computations in Table 1: 1) The DER variable has a value of 0.071 at the lowest and a maximum of 8.261, an average of 1.13241, and a standard deviation of 1.504198 at the maximum. The standard deviation is more than the average, indicating that the DER variable's data is unstable and contains data variances; 2) The SALES variable has a minimum value of 12.107, a maximum value of 30.555, an average value of 21.11487, and a standard deviation of 6.081690. The standard deviation is less than the average, indicating that the SALES variable's data is stable and without data variation; 3) The INS ownership variable has a minimum value of 1.017, a maximum value of 2.040, an average value of 1.33436, and a standard deviation of 0.319190. The standard deviation is less than the average, indicating that the data on the INS Ownership variable is stable and devoid of data variance; and 4) The PBV variable has a minimum value of 0.000, a maximum value of 13.00, an average value of 1.6990, and a standard deviation of 3.14629. The standard deviation is larger than the average, indicating that the data for the PBV variable is unstable and contains data deviations.

2. Classic assumption test

The classical assumption test in this study consists of several tests, as follows:

a. Normality Test

The normality test is used to determine if the data follows or approaches the normal distribution. The Kolmogorov-Smirnov test was utilized in this investigation. If the resulting significance value (p value) is larger than the set significance value ( = 5%), the data are assumed to be regularly distributed. If, on the other hand, the significant value is less than ( = 5%), it is determined that the data are not regularly distributed. The following table summarizes the findings of this study's normalcy testing:

**Table 2. Research Normality Test Results**

<table>
<thead>
<tr>
<th>One-Sample Kolmogorov-Smirnov Test</th>
<th>Unstandardized Residual</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>39</td>
</tr>
<tr>
<td>Normal Parameters</td>
<td></td>
</tr>
<tr>
<td>Mean</td>
<td>0.000000</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>1.2402457</td>
</tr>
<tr>
<td>Most Extreme Differences</td>
<td></td>
</tr>
<tr>
<td>Absolute</td>
<td>0.151</td>
</tr>
<tr>
<td>Positive</td>
<td>0.151</td>
</tr>
<tr>
<td>Negative</td>
<td>-0.097</td>
</tr>
<tr>
<td>Test Statistic</td>
<td>0.151</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
<td>0.044</td>
</tr>
</tbody>
</table>

Source: data proceed

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**ARTIKEL**

**Table 1. Descriptive Analysis Results**

<table>
<thead>
<tr>
<th>Statistics</th>
<th>DER</th>
<th>SALES</th>
<th>KEP.INS</th>
<th>PBV</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>39</td>
<td>39</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mean</td>
<td>1.13241</td>
<td>21.11487</td>
<td>1.33436</td>
<td>1.6990</td>
</tr>
<tr>
<td>Median</td>
<td>1.504198</td>
<td>6.081690</td>
<td>31.19190</td>
<td>3.14629</td>
</tr>
<tr>
<td>Mode</td>
<td>2.195</td>
<td>16.547</td>
<td>1.255</td>
<td>0.0</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>8.261</td>
<td>30.555</td>
<td>2.040</td>
<td>13.00</td>
</tr>
</tbody>
</table>

Source: data proceed

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Based on the results of the normality test in table 2, using the Kolmogorov-Smirnov test above, it can be concluded that the regression model is feasible to use because the value.

b. Multicollinearity Test

The multicollinearity test is used to examine if the independent variables in a regression model are correlated. Multicollinearity was examined in this study by examining the tolerance value and variance inflation factor (VIF). The following table summarizes the findings of this study's multicollinearity testing:

<table>
<thead>
<tr>
<th>Table 3. Multicollinearity Test Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>DER</td>
</tr>
<tr>
<td>SALES</td>
</tr>
<tr>
<td>KEP.INS</td>
</tr>
</tbody>
</table>

Source: data proceed

Based on the results of the multicollinearity test in table 3, the tolerance value for the DER variable is 0.598 > 0.1, the SALES variable is 0.401 > 0.1 and the KEP.INS is 0.465 > 0.1, which means that there is no correlation between the independent variables. The VIF value of the DER variable is 1.674 < 10, the SALES variable is 2.493 < 10 and KEP.INS is 2.739 < 10, which means that the regression model is free from multicollinearity between variables.

c. Autocorrelation Test

The autocorrelation test is used to check whether there is a correlation between the error in this period (t) and the error in the previous period (t-1) in the linear regression model. The regression model is said to have no autocorrelation if the Durbin Watson number is between dU to 4-dU. The results of the autocorrelation test in this study are presented as follows:

<table>
<thead>
<tr>
<th>Table 4. Durbin Watson Test Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

Source: data proceed

Table 4 shows the results of the autocorrelation test seen from Durbin Watson of 2.255. The upper limit value (du) is 1.65575 which is obtained from the Durbin Watson table with a significance level of 0.05, with the number of samples being 39 samples and the number of independent variables being 3 (k=3). The value of the 4-du provision is 2.3425. So, if explained in the provisions, it becomes 1.6575 < 2.255 < 2.3425, which means that there is no autocorrelation in this study.

d. Heteroscedasticity Test

The goal of this test is to determine if the variance of the residuals in the regression model is identical from one observation to the next. This exam is conducted using the glejser method. If the significance level is greater than 0.05, heteroscedasticity does not exist. The following picture illustrates the findings of the heteroscedasticity test used in this study:
Based on Figure 1, it can be seen that the results of the heteroscedasticity test using a scatterplot show that the points in the image are spread out between the values of 0 and do not form a pattern of increasing and decreasing so that there are no symptoms of heteroscedasticity in this study.

3. Multiple Linear Regression Analysis

Multiple linear analysis aims to determine the strength of the relationship between the variables DER, SALES, and KEP.INS to the firm value variable. The following are the results of linear regression analysis from this study:

Table 5. Multiple Linear Regression Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>-7.196</td>
<td>2.741</td>
<td>-3.625</td>
<td>.014</td>
</tr>
<tr>
<td>DER</td>
<td>-0.282</td>
<td>0.198</td>
<td>-1.425</td>
<td>.159</td>
</tr>
<tr>
<td>SALES</td>
<td>0.095</td>
<td>0.050</td>
<td>1.876</td>
<td>.068</td>
</tr>
<tr>
<td>KEP.INS</td>
<td>3.780</td>
<td>1.274</td>
<td>2.967</td>
<td>.006</td>
</tr>
</tbody>
</table>

Source: Data Proceed

The regression equation can be interpreted as follows: 1) A constant of -7.196 means that if the independent variable is 0, then the firm value is -7.196; 2) The DER regression coefficient is -0.282, meaning that every 1% or 0.02 increase in DER occurs, the firm’s value will decrease -0.282; 3) The SALES regression coefficient is 0.095, meaning that for every 1% increase in SALES or 0.01, the firm value will increase by 0.095; and 4) KEP.INS regression coefficient is 3.780, meaning that for every 1% increase in KEP.INS or 0.01, the firm value will increase by 3.780.

4. Hypothesis Test

Hypothesis testing in this study consists of several techniques, as follows:

a. Simultaneous Test (F Test)

The F test is used to determine if all independent variables have an effect on the dependent variable concurrently (all at once). If alpha 0.05 is selected as the significance level, then the regression model utilized in this study is capable of predicting the dependent variable. The following are the findings of this study's F test:

Table 6. F-Test Result

| Source: data proceed |
Based on table 6, the results of the F test show a significance level of $0.032 < 0.05$, meaning that the regression model is worth examining to explain the effect of DER, SALES and institutional ownership on firm value. F-count 3.353 > F-table 2.93 means DER, SALES and institutional ownership simultaneously have a significant effect on firm value.

b. Partial Linear Regression Test

The purpose of the T-test is to partially test the hypothesis to see the effect of each independent variable on the dependent variable. In this test, if the significance level is $< \alpha$ or if T-count > T-table, it means that the independent variable has a significant effect on the dependent variable. The results of the T-Test calculation can be seen as follows:

**Table 7. T-Test Results**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>2.996</td>
<td>-2.781</td>
<td>-2.425</td>
</tr>
<tr>
<td>DER</td>
<td>-2.261</td>
<td>-1.195</td>
<td>-2.920</td>
</tr>
<tr>
<td>SALES</td>
<td>0.59</td>
<td>0.560</td>
<td>0.388</td>
</tr>
<tr>
<td>KEP INS</td>
<td>2.700</td>
<td>1.274</td>
<td>0.780</td>
</tr>
</tbody>
</table>

a. Dependent Variable: DER

The T-test findings are as follows, based on the data in Table 7: 1) The DER variable (X1) has a significance level of $0.014 > 0.05$ and a T-count value of -2.625 T-table 2.02619, indicating that DER has a negative and insignificant effect on firm value. 2) The SALES variable (X2) has a significance level of $0.165 > 0.05$ and a T-count value of -1.425 T-table 2.02619, indicating that Sales has a negative and insignificant effect on firm value.

5. Interpretation of Results

Based on the calculation results that have been obtained to test the effect of the independent variable on the dependent variable, the interpretation and discussion of the results of this study are as follows:

a. The Effect of DER on Firm Value

The findings of this study show that the debt-to-equity ratio has a significance value of $0.014 > 0.05$, therefore it can be stated that DER has a negative and negligible influence on company value, which is contrary to the hypothesis. For example, greater DER values diminish the firm's worth. This is because the firm relies more on debt to fund its operations, which lowers the company's worth. There will be an increase in the business's debt, which means that the firm will have a fall in earnings and a loss of trust in the Indonesian capital market's stock price movements and the production of corporate value. Investors aren't too concerned about the company's debt level because they can see how the management is making good use of these cash to boost the stock's worth.

When it comes to agency theory, the external control method relies on borrowing to accomplish its goals. Debt can be used to reduce the usage of equity in the capital structure, which in turn reduces the agency costs of equity. Because of this, the corporation must pay back the loan and keep up with its repayment schedule. There will also be agency disputes between creditors and shareholders if a company takes on excessive debt. The company's worth will not be impacted by the costs of the agency.

Research done by Siregar and Dalimunthe, (2019) found that the DER has a negative and negligible influence on business value, which is consistent with this study.

b. Effect of Sales on Company Value

Based on this investigation, the significant value of Sales is 0.165, which is higher than the lower limit of 0.05. Since the Sales variable has a negative and small influence on company value, it may be argued that the hypothesis was incorrect.
The worth of a company is not adversely affected by sales reasons. This is due to the fact that the company's total sales do not always have an impact on the company's worth. Investors may not be interested in investing in a firm based only on its overall revenues, even if it has a lot of short-term debt. As a result, investors are drawn to investing, not because of the sale's magnitude, but because of its potential. Even if the company's overall revenues are minimal, investors will still be interested in investing if it has a reasonable quantity of liabilities and a strong profit margin.

A company's value is not much affected by sales, as Asyik and Putri (2019) showed. This analysis supports their findings. A company's worth is decreased when its management is unable to adequately monitor its operational operations and plans due to the organization's size and complexity. An agency conflict is a conflict between the interests of shareholders and management, according to the agency theory, or the theory of agencies. The owner of the company has an interest in the progress of the company with policies that seek to increase the value of the company to maximize shareholder welfare. Meanwhile, the company's management aims to get the maximum profit for themselves in the form of bonuses and incentives for the results of running the company without considering the risk of loss. This conflict occurs because humans are basically economic creatures who have the basic nature to prioritize their own interests.

Sales have a negative effect on firm value, which can also be caused by investors who think that companies with large total sales tend to set higher retained earnings than dividends distributed to shareholders.

c. The Effect of Institutional Ownership on Firm Value

There is enough evidence to suggest that institutional ownership has a positive and statistically significant influence on business value based on the results of the study. As a result of a high level of institutional ownership, institutional investors will also be more likely to exert more oversight. The value of the firm will be reduced if management does not deviate from established procedures due to a lack of adequate oversight. The value of the firm owned by institutional investors will also be boosted by these beneficial actions. According to Nuryono et al. (2019), institutional ownership has a strong beneficial impact on the value of a corporation. Institutional parties in question are banking companies, insurance companies, and others. This is done so that management will be motivated to work well.

In line with signaling theory, it shows a signal of a loss or change in how a company should give a signal to users of financial statements. Signals are in the form of financial statements, so investors move with changes in financial statements, whether it's the purchase of shares. With institutional ownership, investors will be able to monitor the management team effectively and increase the value of the company because financial management is good, so investors have more confidence in the company in investing their shares.

E. CONCLUSION

Based on the results of data analysis, it can be concluded that: 1) The DER variable has a negative and insignificant effect on firm value; 2) Sales variable has a negative and insignificant effect on firm value; 3) Influential Institutional Ownership Variables A high level of institutional ownership will encourage the institutional investors to carry out greater supervisory efforts as well; 4) DER Sales and Institutional Ownership variables simultaneously have a significant effect on firm value.

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