

Financial Decisions on Firm Value with Profitability: A Study on the Property and Real Estate Sector in the Indonesia Stock Exchange

Mohammad Chairur Rijal Choliso^{1*},

(chairurrijal6@gmail.com)

Master of Management, Universitas Hayam Wuruk Perbanas, Surabaya, Indonesia

Wiwik Lestari²

(wiwiek@perbanas.ac.id)

Master of Management, Universitas Hayam Wuruk Perbanas, Surabaya, Indonesia

(Submit: 11th December 2025, Revised: 20th January 2026, Accepted: 21th January 2026)

ABSTRACT

This study aimed to examine the effect of investment decisions, financing decisions, and dividend policy on firm value, with profitability as a mediating variable, in property and real estate companies listed on the Indonesia Stock Exchange (IDX) during 2018–2024. A quantitative approach was employed using secondary data obtained from companies' annual financial statements. The population consisted of all IDX-listed companies, while the sample was selected through purposive sampling, focusing on property and real estate companies that met specific criteria. The analysis techniques included multiple linear regression and the Sobel test to examine the mediating effect. The results indicated that investment decisions had a positive but insignificant effect on firm value, financing decisions did not significantly affect firm value, and dividend policy had a negative but insignificant effect on firm value. Profitability was found to mediate the effect of investment and financing decisions on firm value, where higher profitability led to a greater potential increase in firm value. Theoretically, this study contributes to Signaling Theory by demonstrating that investment and financing decisions affected firm value through profitability as a mediating variable. The research enhanced understanding of the mediating mechanism between financial decisions and firm value and provided opportunities for further theoretical development, particularly in the property and real estate sector. From a practical perspective, the findings offered guidance for managers in the property and real estate sector to develop more effective investment, financing, and dividend policy strategies. Companies were advised to prioritize profitability in enhancing firm value by focusing on operational efficiency and asset management to maximize returns on investment. Furthermore, dividend policies should be balanced with long-term growth objectives to create sustainable value for shareholders and support company development. Future researchers were encouraged to include additional variables and expand the sample to other industry sectors.

Keywords: Investment Decisions; Financing Decisions; Dividend Policy; Profitability; Firm Value

1. INTRODUCTION

The property sector in Indonesia has shown significant growth and has become one of the key sectors in the economy. As a sector with a large multiplier effect on various related industries, property has the potential to be a major driver of economic growth (Alfin & Bachtiar, 2023). This sector plays a crucial role in the national economy, being closely linked to various social, economic, and public policy dimensions. The continually increasing demand for housing, office spaces, and commercial areas, driven by population growth, urbanization, and the expansion of the

middle class, has created a vast market potential. The Indonesian government has also given significant attention to this sector through various policies and incentives, such as VAT exemptions for subsidized housing and the development of new industrial zones. However, this sector faces major challenges, including fluctuations in land and material prices, uncertainties in spatial planning regulations, as well as issues related to transparency and corporate governance that need to be improved.

However, the property sector experienced a significant decline in 2020, with the Property Index in Jakarta, Bandung, and BODEBEK dropping, largely due to the impact of the COVID-19 pandemic. This decline is associated with changes in consumption patterns, a decrease in purchasing power, and increased investment risks (Satrio Silindung & Budi Yanti, 2023). The demand for new housing and commercial space plummeted, and many construction projects faced delays and increased costs (Henong, 2022). Although the sector began to show recovery in 2022–2023, liquidity challenges and debt burdens still loom (Andira et al., 2024). The economic uncertainty caused by the pandemic has created new challenges for property project operations (Shah et al., 2020).

During the pandemic, property development had to adhere to health protocols to prevent the spread of COVID-19, which slowed the progress of construction projects (Ong et al., 2021). The impact of the outbreak on workers, production costs, and project completion has created uncertainty in this industry. Furthermore, the COVID-19 pandemic has altered consumer consumption patterns, with a greater focus on lifestyle, finances, and time. As attention to the surrounding environment increases, the property sector is expected to undergo significant changes in the next decade (Jagun et al., 2022). As a result, consumer preferences have shifted away from the property and real estate sector towards basic needs and health concerns, posing greater challenges for the property and real estate sector in attracting consumer interest.

In the face of increasingly intense global competition, companies are required to adopt the right policies to withstand challenges in the economic, political, and technological landscapes (Mutmainnah et al., 2019). In the short term, companies focus on maximizing profits, while in the long term, they aim to increase firm value for the prosperity of shareholders. Firm value, reflected in stock prices and investment decisions, serves as a key indicator of market confidence in the company's prospects (Sari et al., 2020). A company with high value indicates that it is effectively managing its assets and resources to provide greater returns to shareholders (Brigham & Houston, 2006).

One of the primary factors influencing firm value is profitability. A company that can manage and maximize profits will have greater capacity for investment, product quality improvement, and provide more benefits to shareholders and society (Kasmir, 2012). Decisions related to investment, financing, and dividend policies significantly affect firm value. Wise decisions in these areas not only increase investment returns but can also elevate stock prices and firm value. However, the use of debt in a company's capital structure also influences its performance. High leverage can increase bankruptcy risk and reduce stock prices if not managed wisely. Conversely, well-managed debt can attract investor interest, driving stock price increases and, ultimately, enhancing firm value (Bon & Hartoko, 2022). Therefore, it is essential for companies to find an optimal balance between debt and equity to maximize firm value.

The investment decisions made by a company also influence investors' perceptions of the company's future. When a company's investment decisions align with its goal of increasing firm value, it can benefit from attracting investors (Utami &

Darmayanti, 2018). Similarly, proper financing decisions, including an optimal capital structure, are crucial in achieving this goal. High dividend payouts can increase investor confidence, which in turn enhances firm value. Signaling Theory is used in this study to explain how the investment decisions made by a company can serve as a positive signal to the market regarding the company's future prospects. Large or innovative investments can strengthen investor confidence in the company's growth potential and sustainability. Meanwhile, Trade-off Theory suggests that a company must balance the benefits of debt with the bankruptcy risk arising from excessive debt. Proper investment and financing decisions, with a balance between debt and equity, can enhance firm value and attract more investors, ultimately contributing positively to the company's long-term stability and growth (Vernimmen et al., 2022).

Previous studies have shown inconsistent results regarding the impact of investment decisions, dividend policy, and profitability on firm value. Research by (Sulhan & Purnamasari, 2020) revealed that investment decisions have an impact on firm value, while Amaliyah & Herwiyanti (2020) found that investment decisions do not have a significant positive effect on firm value. Additionally, the study by (Mutmainnah et al., 2019) demonstrated that dividend policy has a significant positive effect on firm value. However, findings from Faridah & Kurnia (2016) contradict this, suggesting that dividend policy (DPR) has a negative and significant effect on firm value (PBV). (Rahmiyati et al., 2022) found that profitability significantly mediates the effect of financial decisions on firm value, whereas research by (Yanti & Setiawati, 2022) showed that profitability does not mediate the effect of financing decisions on firm value. These differing findings reflect a lack of consensus on the mediating role of profitability in the relationship between financial decisions and firm value.

This study contributes new insights by further examining the role of profitability as a mediating variable between investment decisions, financing decisions, and dividend policy on firm value, specifically in property and real estate sector companies listed on the Indonesia Stock Exchange (IDX) during the period 2018–2024. The property and real estate sector was chosen as a relevant context due to its significant contribution to the Indonesian economy, as well as the market dynamics heavily influenced by external factors such as government policy changes and economic uncertainties. This study aims to provide deeper insights into how financial decisions impact firm value, with a focus on a sector that has not been widely explored in the existing literature. Thus, this research is expected to enrich the literature on financial management practices in the property and real estate sector and contribute to the development of theory and applications in this field.

2. THEORETICAL FRAMEWORK AND HYPOTHESIS FORMULATION

Signaling Theory

Signaling theory, as explained by (Brigham & Houston (2006) states that a company provides indications to investors about its future prospects through actions taken by management. This occurs because management has better information about the company's condition compared to external parties, such as investors and lenders (Agung et al., 2021). In the context of investment decisions, this theory suggests that a company's management can use investment decisions as signals to the market or investors about the company's future prospects and value. Investment decisions, such as expansion, acquisitions, the purchase of new assets, or the development of new projects, are often seen by investors as indications of management's expectations for the company's future growth and profitability. Therefore, the investment decisions made by

the company can lead to an increase in stock prices as an indicator of firm value, reflecting the market's confidence in the company's long-term prospects. If management makes significant investments in valuable projects, this sends a signal to the market that management has high confidence in the company's future. Thus, investment decisions become an essential part of the company's strategy to build a positive image in the eyes of investors, which in turn can enhance firm value (Rosa et al., 2023).

Trade-Off Theory

Trade-off theory explains that a company balances the tax benefits of debt with the potential risk of bankruptcy. The more debt a company uses, the higher its financial distress risk due to fixed interest payments to creditors. Excessive debt can increase earnings volatility and financial risks, which, in turn, can elevate the likelihood of financial difficulties (Agyei et al., 2020). This theory assumes that changes in the capital structure can influence firm value, assuming that investment decisions and dividend policies remain unchanged (Budi Gautama Siregar et al., 2024). Additionally, trade-off theory posits that excessive debt increases bankruptcy costs, making further debt issuance inefficient. While companies can incur debt, the issuance of additional debt should be halted the cost of bankruptcy outweighs the benefits. The core of this theory is to balance the advantages and disadvantages of using debt. If the benefits outweigh the costs, adding more debt is still considered reasonable, but if the costs exceed the benefits, further debt issuance should be stopped. Companies aim to maintain an optimal capital structure to maximize market value, borrowing up to the point where the benefits from interest payments on each additional dollar of debt are precisely offset by the higher bankruptcy risk costs (Vernimmen et al., 2022).

Company Value

Firm value reflects management performance in carrying out the responsibilities entrusted by shareholders, particularly in managing corporate resources and operations (Park & Byun, 2022). It represents investors' overall assessment of a company's performance and prospects, which is closely associated with market indicators, especially stock prices. An increase in stock prices generally signals an improvement in firm value, while a decline indicates the opposite. Achieving a high firm value requires managerial capability in making effective strategic and financial decisions that support the company's long-term objectives. In this context, firm value can also be interpreted as the price that potential buyers are willing to pay if the company were to be sold, reflecting both current performance and future expectations. An increase in firm value is therefore a primary objective for shareholders, as it directly enhances of shareholder wealth (Suteja et al., 2023).

Profitability

Profitability represents a firm's ability to generate earnings over a specific period and is commonly measured using Return on Equity (ROE). Profitability can also be interpreted as a financial ratio that reflects how effectively a company converts its revenues into profits (Kasmir, 2012). As emphasized by Amarudin et al. (2019), profitability serves as an indicator of management's capability to generate returns for shareholders and reflects the overall effectiveness of managerial performance. A high level of profitability indicates strong operational efficiency and effective resource management, suggesting that the firm is able to optimize its assets and capital structure to generate income. In the context of firm performance, profitability plays a crucial role in signaling financial strength and sustainability, which can enhance investor

confidence. Consequently, firms with higher profitability are more likely to achieve higher firm value, as consistent profit generation supports long-term growth prospects and strengthens market perceptions of the company.

Investment Decisions

Investment decisions refer to corporate decisions on allocating funds derived from both internal and external sources to generate expected returns while bearing a certain level of risk. These decisions constitute a core managerial function, as the achievement of corporate objectives is closely linked to investment activities and the composition of corporate assets (Tan et al., 2020). Accordingly, proposed investment projects must be carefully evaluated by considering the trade-off between expected returns and associated risks (Liu & Zhang, 2020). From a financial management perspective, investment decisions require particular attention, especially when investments are financed through substantial levels of debt, as this condition may elevate the firm's financial risk (Bhat et al., 2020). Well-managed investment decisions can enhance firm value by supporting business expansion and increasing operational capacity, which ultimately contributes to higher profitability.

Financing Decisions

Financing decisions are strategic decisions that determine the composition of funding sources used by companies to support their operational activities and expansion. According to Nelwan & Tulung (2018), these decisions reflect how companies choose their sources of financing, whether through debt or equity. Such financing choices directly affect the capital structure and the level of financial risk faced by the company (Karyadi et al., 2025). In the context of corporate financial management, financing decisions are associated with how companies fund their investment activities using internal and external sources of capital. In this study, financing decisions are measured using the Debt to Equity Ratio (DER), which represents the proportion of total debt relative to shareholders' equity. A higher DER indicates greater reliance on external financing compared to internal capital. Although debt can provide benefits such as tax savings and the potential to enhance returns, excessive leverage may increase financial risk and fixed financial obligations. Therefore, companies need to manage their financing structure carefully to ensure that the use of debt remains at an optimal level and does not exceed the firm's equity capacity.

Dividend Policy

Dividend policy refers to management's decision regarding the proportion of earnings to be distributed to shareholders and the portion to be retained to support operational activities and corporate growth. This policy plays an important role in explaining firm value, as it is directly related to the distribution of shareholder wealth. (Brigham & Houston (2006) explain that dividend policy reflects a firm's choice between distributing earnings in the form of cash dividends or retaining them as retained earnings to finance internal needs. From an investor's perspective, the amount of dividends distributed is often perceived as a signal of a firm's performance and financial condition (Mardiyati et al., 2015). Dividend decisions determine the balance between profits distributed to shareholders and profits reinvested within the company. When corporate earnings increase, the potential for dividend payments tends to rise, which may reduce the proportion of retained earnings, and vice versa. An optimally designed dividend policy not only provides short-term benefits to shareholders through dividend income but also influences investors' perceptions of the firm's future prospects (Purnamasari & Fauziah, 2022). Accordingly, dividend policy shapes investors'

investment decisions and enhances overall firm value.

The Effect of Investment Decisions on Firm Value

Investment decisions send a positive signal about the company's future growth, which in turn increases stock prices as an indicator of firm value. The larger the investment, the higher the profit or earnings the company will generate, which attracts investors and increases firm value. According to Harjito & Martono (2014), investment involves allocating funds to assets with the expectation of future returns. The investment decision is crucial for a company's survival, as it involves the allocation of funds, investment types, expected returns, and associated risks. Previous studies by Ludianingsih et al., (2022), Pramarta et al., (2020) and Mutmainnah et al., (2019) indicate that investment decisions (PER) have a positive and significant effect on firm value (PBV). On previous research and the theories explained above, the hypotheses in this study are as follows:

H₁: Investment decisions have a positive effect on firm value

The Effect of Financing Decisions on Firm Value

Financing decisions concern the selection of funding sources to finance planned investments. If financing is done through debt, firm value may increase due to the tax shield effect, as debt payments reduce taxable income, benefiting shareholders. However, if financing is done through retained earnings or issuing new shares, the financial risk of the company decreases. Sofiamira & Haryono (2017) suggest that financing decisions affect firm value through their impact on the cost of capital and risk. According to Rahmani et al., (2026), Faturohman & Noviandy (2022) and (Forte & Tavares, 2019), financing decisions (DER) positively affect firm value (PBV). Based on previous research and the theories explained above, the hypotheses in this study are as follows:

H₂: Financing decisions have a significant partial effect on firm value

The Effect of Dividend Policy on Firm Value

Dividend policy refers to a company's decision on how much profit to distribute to shareholders. (Sudana (2015:168) states that dividend policy is related to the dividend payout ratio, which is the percentage of net income distributed as dividends. Higher dividends are often seen as a positive signal by investors, which increases the company's value. However, according to Tax Preference Theory, high dividends can reduce firm value under certain conditions, especially if personal tax rates on dividends are higher than on capital gains. In this case, investors prefer companies to retain earnings to fund future growth. Studies by (Mutmainnah et al., 2019) indicate that dividend policy has a significant positive effect on firm value. Based on previous research and the theories explained above, the hypotheses in this study are as follows:

H₃: Dividend policy has a significant partial effect on firm value

Profitability as a Mediator in the Relationship between Investment Decisions and Firm Value

Investment decisions constitute a key element of corporate financial strategy, as they are related to the allocation of funds into productive assets expected to generate economic benefits in the future. (Brigham & Houston (2006) state that investment decisions are aimed at enhancing firm wealth in the long term through increased productivity and profit growth. Firm value, as described by Gitman & Zutter (2012),

reflects market perceptions of a company's performance, prospects, and risk profile. The impact of investment decisions on firm value does not always occur directly but is transmitted through the financial performance generated by these investments. In this context, profitability serves as an indicator of a firm's ability to generate earnings from its investments and operational activities (Tao et al., 2022). A high level of profitability signals favorable future prospects and provides positive information to investors (Yondrichs et al., 2021). Well-managed investment decisions can enhance firm profitability, which in turn strengthens investor confidence and interest. High profitability not only indicates efficient investment management but also improves the firm's reputation in the eyes of investors, thereby contributing to an increase in firm value (Alghifari et al., 2022). This study confirms that investment decisions improve profitability, which then contributes to increased firm value, as supported by Sudiyatno et al. (2020) and Prakoso & Zulfiati (2024). Based on previous research and the theories explained above, the hypotheses in this study are as follows:

H4: Profitability mediates the relationship between investment decisions and firm value

Profitability as a Mediator in the Relationship between Financing Decisions and Firm Value

Financing decisions involve the selection between internal and external funding sources for operational and long-term investments. (Brigham & Houston (2006) explain that financing decisions directly impact a company's capital structure, which aims to minimize the cost of capital and maximize firm value. Gitman & Zutter (2012:352) further add that a company's value is significantly influenced by how well it manages its capital resources. Profitability acts as a mediator connecting financing decisions and firm value. An appropriate capital structure can reduce the cost of capital and improve operational efficiency, which ultimately drives profitability. Debt financing has a positive effect on Return on Assets (ROA), meaning that the higher the debt used by the company, the greater the potential to improve operational performance. This happens because the company can manage debt to fund investments that yield higher returns, which in turn increases profitability and firm value (Bui et al., 2023). High profitability sends a positive signal to investors that the company is managing its capital effectively. Investor confidence increases, which ultimately contributes to the rise in firm value. Rahmiyati et al. (2022) assert that profitability significantly mediates the impact of financing decisions on firm value. Therefore, prudent management of financing decisions, including the appropriate use of debt, has a significant impact on the company's performance and value. Based on previous research and the theories explained above, the hypotheses in this study are as follows:

H5: Profitability mediates the relationship between financing decisions and firm value

Framework

Based on grand theory and empirical evidence from prior studies, this study develops the following conceptual framework:

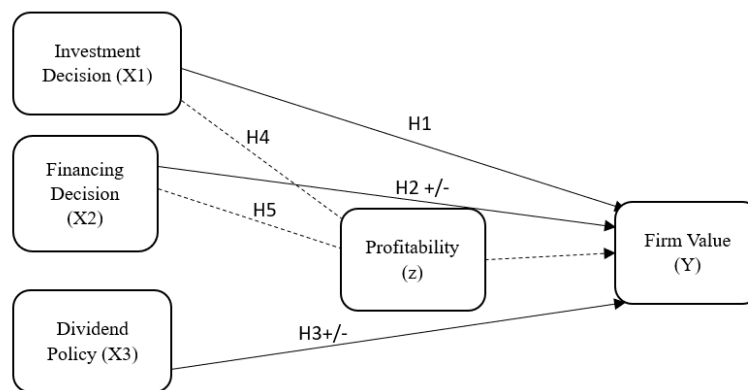


Figure 1: Conceptual framework
 Source: processed by Author (2025)

3. RESEARCH METHOD

This study employs a quantitative approach to analyze and measure the relationships between the existing variables. The data used in this study are secondary data, which is obtained from sources other than direct respondents, but remains relevant for analysis in order to provide insights, interpretations, or support the research findings (Sugiyono, 2019). The sources of secondary data in this study include official government publications, official websites, textbooks, scientific journal articles, as well as other documents or internal records (Ajayi, 2025). The data used consists of annual financial reports from companies in the property and real estate sector, obtained from the website of the Indonesia Stock Exchange (IDX).

The population for this study consists of companies listed on the Indonesia Stock Exchange. The sample used in this study includes property and real estate companies listed on the Indonesia Stock Exchange for the period 2018-2024 that meet specific criteria. The sampling technique used is purposive sampling, which is a method of sample selection based on certain considerations and criteria in order to obtain a representative sample. The criteria for sample selection in this study include property and real estate companies listed on the Indonesia Stock Exchange that provide complete financial statements for the period 2018-2024, have distributed cash dividends during the same period, and have positive equity during the period 2018-2024. The variables studied include the following:

Company value is the amount a potential buyer is willing to pay for the company if it is sold. The value of the company can be measured using Price Book Value (PBV). PBV is a ratio used to assess whether a company's stock is considered expensive or inexpensive by comparing the stock price with the company's book value, calculated using the following formula:

$$PBV = \frac{\text{Market Price per Share}}{\text{Book Value per Share}}$$

Profitability reflects a company's ability to generate profit over a specific period, often measured using Return on Equity (ROE). Profitability can also be defined as a ratio that shows how effectively a company generates profit from its earned revenue, calculated using the following formula:

$$ROE = \frac{\text{Earning After Interest and Tax}}{\text{Equity}}$$

Investment decisions refer to decisions related to the allocation of the company's funds, whether from internal or external sources. This decision can be measured by Total Asset Growth, which calculates the change in the company's total assets over a certain period, using the following formula:

$$\text{Total Asset Growth (TAG)} = \frac{\text{Total Asset} - \text{Total Asset}(t-1)}{\text{Total Asset}(t-1)}$$

Financing decisions are related to how the company funds its investment activities, either through internal or external sources of capital. This can be measured by Debt to Equity Ratio (DER), which is a financial ratio comparing the total debt to the equity owned by the company, calculated using the following formula:

$$\text{DER} = \frac{\text{Total Liabilities}}{\text{Total Equity}}$$

Dividend policy refers to the company's decision on how much of its profit will be distributed to shareholders. This policy is proxied by the Dividend Payout Ratio (DPR), which indicates the percentage of net income after tax that is distributed as dividends to shareholders, calculated using the following formula:

$$\text{Dividend payout ratio} = \frac{\text{Cash Dividend}}{\text{Net Income}} \times 100\%$$

The sample for this study consists of property and real estate companies listed on the Indonesia Stock Exchange (IDX) during the period 2018–2024 that meet the criteria of having complete financial statements, having paid cash dividends, and having positive equity. The final sample consists of 26 companies. To analyze the data, multiple regression analysis and the Sobel test are used.

4. RESULTS AND DISCUSSION

Results

This section presents a descriptive analysis based on 79 observations from 26 companies, after a data-cleaning process that ensured only valid data meeting the research criteria were included in the analysis.

Table 1: Descriptive statistic

	N	Minimum	Maximum	Mean	Std. Deviation
PBV	79	0.062	1.413	0.65839	0.354802
TAG	79	-0.070	0.192	0.04363	0.051708
DER	79	0.107	2.475	0.85224	0.571397
DPR	79	0.000	0.963	0.14639	0.174136
ROE	79	-0.049	0.211	0.06030	0.050634

Source: data processed (2025)

Based on the descriptive analysis results, the average company value (PBV) of property and real estate companies listed in Indonesia is 0.65839, with a standard deviation of 0.354802, indicating low variation between companies. The highest PBV value is recorded by PT. Paramita Bangun Sarana Tbk at 1.413, reflecting investor confidence, while the lowest value of 0.062 is held by PT. Metropolitan Kentjana Tbk, indicating poor performance. Investment decisions (TAG) show a maximum value of

0.192 at PT. Bumi Serpong Damai Tbk, indicating successful fund management that attracts investor interest, while the minimum value of -0.070 at PT. Modernland Realty Tbk shows unprofitable fund management. Funding decisions (DER) reveal a high reliance on debt at PT. Modernland Realty Tbk has a DER of 2.475, while PT. Roda Vivatex Tbk has a lower DER of 0.107, indicating a greater use of equity. Dividend policy (DPR) shows significant variation between companies, with an average dividend payout ratio of 14.64%. PT. Duta Pertiwi Tbk has the highest DPR value at 96.3%, indicating an aggressive profit distribution policy, while some companies did not distribute dividends at all. Profitability (ROE) shows that PT. Bumi Serpong Damai Tbk recorded the highest ROE of 21.1%, reflecting good profit performance, while PT. Surya Semesta Internusa Tbk recorded the lowest ROE of -4.9%, indicating a loss for the year.

Normality Test

A normality test is performed to assess whether the data population follows a normal distribution. In this study, if the data are confirmed to be normally distributed, parametric testing methods will be applied in the subsequent stages. Conversely, if the data does not meet the normality assumption, non-parametric methods may be used. Data is considered normally distributed if the significance value exceeds 0.05. The results of the normality test for each research variable are presented in Table 2 below.

Table 2: One-Sample Kolmogorov-Smirnov test

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual	
N		79	
Normal Parameters ^{a,b}	Mean	0.0000000	
	Std. Deviation	0.32013656	
Most Extreme Differences	Absolute	0.088	
	Positive	0.088	
	Negative	-0.055	
Test Statistic		0.088	
Asymp. Sig. (2-tailed) ^c		0.200d	
Monte Carlo Sig. (2-tailed) ^e	Sig.	0.129	
	99% Confidence Interval	Lower Bound	0.120
		Upper Bound	0.137

Source: data processed (2025)

Based on the results of the Kolmogorov-Smirnov normality test, the p-value of 0.200 was obtained, which is greater than 0.05. This means there is not enough evidence to claim that the data are not normally distributed. Therefore, it can be concluded that the data in this study are normally distributed, meeting the normality assumption for further regression analysis.

Multicollinearity Test

Multicollinearity testing can be conducted by examining VIF (Variance Inflation Factor) values, where a VIF value greater than 10 indicate a significant multicollinearity. The results of the multicollinearity test are as follows:

Table 3: Variance inflation factor

Variable	Collinearity Statistics	
	Tolerance	VIF
TAG	0.727	1.376
DER	0.803	1.246
DPR	0.797	1.254
ROE	0.613	1.631

Source: data processed (2025)

A VIF value smaller than 10 indicates that there is no significant multicollinearity issue in the regression model. The same applies to the Tolerance value, which should be greater than 0.1. Based on these results, all independent variables in the model have VIF values well below 10 and Tolerance values greater than 0.1. Therefore, it can be concluded that there is no significant multicollinearity issue among these independent variables. This suggests that the relationships between the independent variables in this regression model are relatively weak and will not affect the estimation of regression coefficients.

Heteroscedasticity Test

According to (Ghozali, 2021), scatter plot residuals are recommended as a simple yet effective visual method for detecting heteroscedasticity. If certain patterns are observed in the plot, it indicates the presence of non-homogeneous residual variance, which may affect the quality of the regression model's estimation.

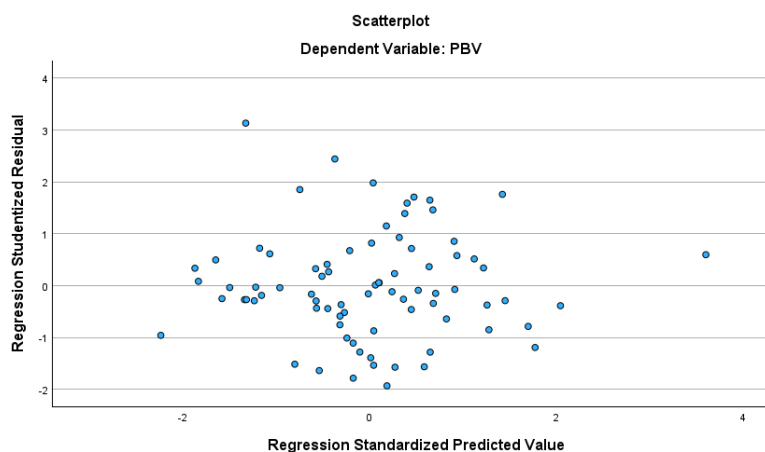


Figure 2: Scatter plot

Source: processed by Author (2025)

Based on the scatter plot of residuals shown above, it can be observed that the residual points are randomly scattered around the horizontal line without showing any specific pattern. The points do not form a systematic pattern, such as a fan-shaped spread or any particular trend, which typically indicates the presence of heteroscedasticity. Instead, the distribution of residual points appears evenly spread across the range of predicted values. This suggests that the residual variance is relatively constant across the predicted values, meaning that this regression model does not suffer from heteroscedasticity. In other words, the assumption of homoscedasticity is met in this model, and the regression coefficient estimates can be considered efficient.

Multiple Linear Regression

Multiple linear regression is a statistical method used to analyze the relationship between one dependent variable and two or more independent variables. The goal is to predict the value of the dependent variable based on the existing independent variables by estimating the regression coefficients that represent the influence of each independent variable.

Table 4: Multiple Linear Regression

Model	B	t-value	t-table	P-value	Hypothesis	Result
(Constant)	0.339					
TAG	0.865	1.024	1.666	0.309	H ₁	Not Significant
DER	0.140	1.928	+/-1.993	0.058	H ₂	Not Significant
DPR	-0.435	-1.816	+/-1.993	0.073	H ₃	Not Significant
ROE	2.744	2.923	1.666	0.005	-	Significant

R Square = 0.186

Source: data processed (2025)

Based on the multiple linear regression analysis presented in Table 4, the results show that only ROE (Return on Equity) has a significant effect on company value, with a p-value of 0.005, which is below the 0.05 threshold. In contrast, TAG (Total Asset Growth), DER (Debt to Equity Ratio), and DPR (Dividend Payout Ratio) all have p-values above 0.05 (0.309, 0.058, and 0.073, respectively), indicating that they do not have a significant impact on company value. The model's R Square value of 0.186 suggests that the independent variables collectively explain only 18.6% of the variation in company value. This relatively low R Square value implies that other factors not included in the model could be influencing company value. While the variables in the model provide some insights, there may be other significant determinants of company value that have not been captured, and further research could explore additional variables or more complex models to better understand the factors driving changes in company value.

Sobel Test

The mediation test use the Sobel test, to determine whether profitability significantly mediates the effects of investment and financing decisions on firm value. The Sobel test measures the strength of the mediating effect of profitability in the relationship between the independent variables (investment and financing decisions) and the dependent variable (firm value). This test calculates the Z (Z score) value to assess the significance of the mediation. The criterion used is that if the Z value is greater than 1.96 (for a 5% significance level), the mediation is considered significant. Conversely, if the Z value is less than 1.96, the mediation is not significant.

Table 5: Multiple Linear Regression (TAG, DER - ROE)

Model	B	t-value	P-value	Result
Constant	0.069	7.551	<0.001	
TAG	0.458	5.028	<0.001	Significant
DER	-0.034	-4.104	<0.001	Significant

Source: data processed (2025)

Based on the results of the multiple linear regression analysis in Tables 4 and 5, the following multiple linear regression equation is obtained:

$$Z = \frac{0.458 \times 2.744}{\sqrt{(0.458^2 \times 0.939^2) + (2.744^2 \times 0.091^2)}} \\ Z = 2.53 < 1,96 \rightarrow H_4 \text{ Significant}$$

Based on the results of the Sobel test above, with a significance level of 1.96 and a calculated Z value of 2.53, the result shows that $|Z|$ is greater than 1.96. Therefore, it can be concluded that profitability significantly mediates the effect of investment decisions on firm value. In other words, the effect of investment decisions on firm value can be significantly explained through profitability as a mediator.

$$Z = \frac{-0.034 \times 2.744}{\sqrt{(-0.034^2 \times 0.0939^2) + (2.744^2 \times 0.008^2)}} \\ Z = -2.41 < 1,96 \rightarrow H_5 \text{ Significant}$$

Based on the results of the Sobel test above, with a significance level of 1.96 and a calculated Z value of -2.41, the result shows that $|Z|$ is greater than 1.96. Therefore, it can be concluded that profitability significantly mediates the effect of financing decisions on firm value. In other words, the effect of financing decisions on firm value can be significantly explained through profitability as a mediator.

Discussion

The Effect of Investment Decisions on Firm Value

Based on multiple linear regression analysis, this study shows that investment decisions, proxied by Total Asset Growth (TAG), have a positive but statistically insignificant effect on firm value. The positive coefficient indicates that higher investment tends to be followed by an increase in firm value. However, because the effect is not statistically significant, investment decisions have not had a strong impact on firm value. This finding aligns with Signaling Theory, which holds that companies that invest send positive signals to investors about growth prospects and business expansion. However, the insignificance of this relationship suggests that the signals sent by the company are not strong enough to influence investor perceptions. This may occur when asset growth is not accompanied by increased profitability, or when investment outcomes have not materialized during the study period. For example, PT Alam Sutera Realty Tbk in 2024 experienced asset growth but also recorded a loss, leading the market to not respond to asset growth as a positive signal. Thus, while investment decisions show a positive relationship, this variable is not significant in determining firm value. This finding is consistent with research by (Rahmiyati et al., 2022) and (Bon & Hartoko, 2022), which also showed that investment decisions have a positive but insignificant effect on firm value. In this context, investors tend to focus more on profitability, asset management efficiency, and the company's ability to generate returns for shareholders.

The Effect of Financing Decisions on Firm Value

Financing decisions, proxied by the Debt to Equity Ratio (DER), have a positive but statistically insignificant effect on firm value. Although an increase in debt tends to be followed by an increase in firm value, this effect is not strong enough to influence market valuation. These findings do not fully support the Modigliani-Miller (MM) Theory with Taxes, which suggests that using debt provides tax shield benefits, thereby increasing net income and, ultimately, firm value. In the empirical context of this study, the increase in DER did not result in a strong market response, likely due to the higher

financial risk associated with debt, especially the risk of default and high interest burdens. If debt increases are not accompanied by adequate improvements in profitability, investors may view this financing decision as an added risk rather than a value driver. Putra & Sari (2023) stated that investors do not consider DER as a primary indicator for investment decisions. Investors generally pay more attention to other fundamental variables, such as profitability, growth prospects, operational efficiency, and the company's ability to generate consistent returns. Therefore, while debt may provide tax benefits theoretically, the market did not view it as a significant factor in determining firm value during the study period. These findings align with research by (Desipradani & Sa'diyah, 2024), (Hartika & Iswara, 2024) and (Putra & Sari, 2023), which indicate that DER, as an indicator of financing decisions, does not have a significant effect on firm value. This insignificance reflects that capital structure is not a major consideration for investors, especially when a company is in an unstable profitability condition or when debt usage is not seen as optimal.

The Effect of Dividend Policy on Firm Value

Based on the multiple linear regression analysis, the study shows that dividend policy, proxied by the Dividend Payout Ratio (DPR), has a negative but statistically insignificant effect on firm value. This means that as the dividend policy increases (a higher dividend payout ratio), the firm's value decreases, although the relationship is not strong or significant. This result is inconsistent with the Bird in the Hand Theory, which suggests that dividend policy positively influences firm value. However, it is consistent with Tax Preference Theory, which posits that higher dividend policies may negatively affect firm value under certain conditions. These results also differ from studies by (Mutmainnah et al., 2019) and (Purnamasari & Fauziah, 2022). which indicated that dividend policy has a significant effect on firm value.

Profitability Mediates the Effect of Investment Decisions on Firm Value

Based on the results of the Sobel test, it can be concluded that profitability, measured by Return on Equity (ROE), acts as a significant mediating variable in the relationship between investment decisions and firm value. This means that the better the investment decisions, the higher the profitability, reflected in the ROE, which in turn increases the firm's market value. Theoretically, efficient and effective investment decisions can drive increased productivity and operational efficiency, which leads to higher profits for the company. This profit increase sends a positive signal to investors, which boosts demand for the company's shares and contributes to the overall increase in firm value. Therefore, profitability plays an important role in linking investment decisions with firm value, making it a crucial mediator in this process.

This result is consistent with research by Sudiyatno et al (2020), who found that profitability significantly mediates the effect of investment decisions on firm value. This study supports the view that proper investment decisions not only improve the company's financial performance but also influence the positive perception of investors, which impacts the company's market value. Furthermore, well-planned investment strategies are able to generate profitable returns for the company. Strategically conducted asset expansions can increase operational capacity and efficiency, ultimately contributing to the company's profit growth. Investors view aggressive investment policies as a positive indicator of future profitability growth prospects. A recent study by (Hutasoit et al., 2025) also confirms that profitability serves as a mediating variable in the relationship between investment decisions and firm value. Although investment decisions do not directly affect firm valuation, their impact can materialize first through

increased profitability. This mechanism explains that effective investments will improve the company's ability to generate profits, which are then perceived positively by the market and contribute to the increase in firm value. In contrast, (Rahmiyati et al., 2022) argue that profitability cannot mediate the effect of investment decisions on firm value.

Profitability Mediates the Effect of Financing Decisions on Firm Value

Based on the results of the Sobel test, it was found that profitability, proxied by Return on Equity (ROE), is able to mediate the relationship between financing decisions and firm value. This means that ROE functions as a mediator that bridges the influence of financing decisions on the increase in firm value. This study confirms that proper financing decisions can enhance profitability, which in turn strengthens firm value. According to capital structure theory and trade-off theory, the financing decisions made by the company directly affect profitability. Good financing decisions will demonstrate the company's ability to manage capital efficiently, sending a positive signal to investors. Strong profitability reflects optimal company performance, which increases market confidence, reflected in rising stock prices, and ultimately increases firm value. As investor confidence increases, the company will find it easier to acquire the external funds needed for further expansion and development. Therefore, profitability not only reflects the company's internal performance but also plays an essential role as a mechanism linking financing decisions with firm value. These findings align with research by Rahmiyati et al. (2022), which states that profitability significantly mediates the effect of financing decisions on firm value.

5. CONCLUSIONS, IMPLICATIONS, SUGGESTIONS AND LIMITATION OF THE RESEARCH

This study aims to examine the effects of investment decisions, financing decisions, and dividend policies on firm value, with profitability as a mediating variable in the property and real estate sector listed on the Indonesia Stock Exchange (IDX) during the period 2018–2024. The results of the study show that investment decisions have a positive but insignificant effect on firm value, financing decisions do not significantly affect firm value, and dividend policies have a negative but insignificant effect on firm value. Profitability has been shown to mediate the effect of investment and financing decisions on firm value, with higher profitability leading to a greater potential for increased firm value. The theoretical implications of this study contribute to Signaling Theory, indicating that investment and financing decisions affect firm value through profitability as a mediator. This research deepens the understanding of the mediating mechanism between financial decisions and firm value and opens the path for further theory development, particularly in the property and real estate sector. From a practical perspective, the findings provide guidance for managers in the property and real estate sector to develop more effective investment, financing, and dividend policy strategies. Companies should prioritize profitability as a key factor in enhancing firm value, focusing on operational efficiency and asset management oriented toward return on investment. Furthermore, dividend policies should be balanced with the company's long-term growth to create sustainable value for shareholders and the company's development. Future researchers are encouraged to add other variables in their studies and to expand the sample to include companies from other industry sectors.

6. REFERENCES

- Agung, G., Hasnawati, S., & Huzaimah, R. A. F. (2021). The Effect of Investment Decision, Financing Decision, Dividend Policy on Firm Value. *Jurnal Bisnis Dan Manajemen*, 1–12. <https://doi.org/10.23960/jbm.v17i1.189>
- Agyei, J., Sun, S., & Abrokwah, E. (2020). Trade-Off Theory Versus Pecking Order Theory: Ghanaian Evidence. *Sage Open*, 10(3). <https://doi.org/10.1177/2158244020940987>
- Ajayi, V. O. (2025). A Review on Primary Sources of Data and Secondary Sources of Data. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.5378785>
- Alfin, M., & Bachtiar, A. (2023). Pengaruh Variabel Eksternal Dan Internal Terhadap Harga Saham Sub Sektor Properti Indeks LQ45 Periode 2018-2020. *Nuansa Akademik: Jurnal Pembangunan Masyarakat*, 8(2), 485–504. <https://doi.org/10.47200/jnajpm.v8i2.1833>
- Alghifari, E. S., Gunardi, A., Suteja, J., Nisa, I. K., & Amarananda, Z. (2022). Investment Decisions of Energy Sector Companies on the Indonesia Stock Exchange: Theory and Evidence. *International Journal of Energy Economics and Policy*, 12(6), 73–79. <https://doi.org/10.32479/ijeep.13642>
- Amarudin, ., Adam, M., Hamdan, U., & Hanafi, A. (2019). Effect of Growth Opportunity, Corporate Tax, and Profitability toward Value of Firm through Capital Structure (listed Manufacturing Companies of Indonesia). *Finance: Theory and Practice*, 23(5), 18–29. <https://doi.org/10.26794/2587-5671-2019-23-5-18-29>
- Andira, F. S., Fuad, M., & Dewi, M. (2024). Analisis Fundamental pada Perusahaan Properti dan Konstruksi yang Terdaftar di Bursa Efek Indonesia Tahun 2017-2021. *Persya: Jurnal Perbankan Syariah*, 2(1), 1–7. <https://doi.org/10.62070/persya.v2i1.51>
- Bhat, K.-U., Chen, S., Chen, Y., & Jebran, K. (2020). Debt capacity, debt choice, and underinvestment problem: Evidence from China. *Economic Research-Ekonomika Istraživanja*, 33(1), 267–287. <https://doi.org/10.1080/1331677X.2019.1699438>
- Bon, S. F., & Hartoko, S. (2022). The Effect of Dividend Policy, Investment Decision, Leverage, Profitability, and Firm Size on Firm Value. *European Journal of Business and Management Research*, 7(3), 7–13. <https://doi.org/10.24018/ejbmr.2022.7.3.1405>
- Brigham, E. F., & Houston, J. F. (2006). *Dasar-dasar manajemen keuangan* (1st ed.). Penerbit Salemba Empat.
- Budi Gautama Siregar, Muhammad Salman, & Aswadi Lubis. (2024). Optimalisasi Struktur Modal Dengan Trade Off Theory Pada Bank Umum Syariah. *Jurnal Penelitian Ekonomi Akuntansi (JENSI)*, 8(2), 264–278. <https://doi.org/10.33059/jensi.v8i2.10663>
- Bui, T. N., Nguyen, X. H., & Pham, K. T. (2023). The Effect of Capital Structure on Firm Value: A Study of Companies Listed on the Vietnamese Stock Market. *International Journal of Financial Studies*, 11(3), 100. <https://doi.org/10.3390/ijfs11030100>
- Desipradani, G., & Sa'diyah, H. (2024). Pengaruh Keputusan Investasi, Profitabilitas, Dan Struktur Modal Terhadap Nilai Perusahaan. *Balance Vocation Accounting Journal*, 8(1), 39. <https://doi.org/10.31000/bvaj.v8i1.11805>
- Faridah, N., & Kurnia, K. (2016). Pengaruh Keputusan Investasi, Pendanaan, Kebijakan Dividen, Tingkat Suku Bunga Terhadap Nilai Perusahaan. *Jurnal Ilmu Dan Riset Akuntansi (JIRA)*, 5(2).
- Faturohman, T., & Noviandy, R. Q. (2022). An Empirical Analysis of Firm-specific

- Determinants of Capital Structure Before and During COVID-19 Pandemic: Evidence from Listed Hotels, Restaurants, and Tourism Entities on the Indonesia Stock Exchange. In *Quantitative Analysis of Social and Financial Market Development* (pp. 119–133). Emerald Publishing Limited. <https://doi.org/10.1108/S1571-038620220000030008>
- Forte, R., & Tavares, J. M. (2019). The relationship between debt and a firm's performance: the impact of institutional factors. *Managerial Finance*, 45(9), 1272–1291. <https://doi.org/10.1108/MF-04-2018-0169>
- Ghozali, I. (2021). *Aplikasi analisis multivariate dengan program IBM SPSS 26* (10th ed.). Badan Penerbit Universitas Diponegoro.
- Gitman, L. J., & Zutter, C. J. (2012). *Principles of managerial finance* (13th ed.). Addison-Wesley Publishing Company.
- Hartika, N. M., & Iswara, U. S. (2024). The Influence Of Profitability And Funding Decisions On Company Value. *Jurnal Ilmiah Akuntansi Dan Keuangan (JIaku)*, 3(1), 39–49. <https://doi.org/10.24034/jiaku.v3i1.6408>
- Henong, S. B. (2022). Dampak Pandemi Covid-19 terhadap Penyelesaian Proyek Konstruksi: Tinjauan Literatur Sistematis. *Journal of Sustainable Construction*, 2(1), 23–29. <https://doi.org/10.26593/josc.v2i1.6018>
- Hutasoit, R. R. P., Sianturi, J. A. T. P., & Rajagukguk, T. (2025). Peran Profitabilitas Memediasi Keputusan Investasi terhadap Nilai Perusahaan Sektor Food and Beverage di BEI 2018-2023. *Jurnal Bisnis Mahasiswa*, 5(4), 1862–1873. <https://doi.org/10.60036/jbm.707>
- Jagun, Z. T., Nyakuma, B. B., Daud, D., & Samsudin, S. (2022). Property development during the COVID-19 pandemic: challenges and outlook in Malaysia. *Environmental Science and Pollution Research*, 29(57), 85717–85726. <https://doi.org/10.1007/s11356-021-18378-2>
- Kasmir. (2012). *Analisis Laporan Keuangan* (12th ed.). PT RajaGrafindo Persada.
- Lindy Karyadi, F., Santoso, W., & Riza, F. (2025). Pengaruh Keputusan Investasi, Keputusan Pendanaan dan Kebijakan Dividen Terhadap Nilai Perusahaan dengan Mediasi Kinerja Keuangan pada Sektor Properti, Real Estat dan Konstruksi Bangunan di Indonesia. *Journal of Accounting and Finance Management*, 6(5), 2992–3015. <https://doi.org/10.38035/jafm.v6i5.2881>
- Liu, G., & Zhang, C. (2020). Economic policy uncertainty and firms' investment and financing decisions in China. *China Economic Review*, 63, 101279. <https://doi.org/10.1016/j.chieco.2019.02.007>
- Ludianingsih, A., Wiyono, G., & Kusumawardhani, R. (2022). Pengaruh profitabilitas, likuiditas, ukuran perusahaan dan keputusan investasi terhadap nilai perusahaan. *Reslaj: Religion Education Social Laa Roiba Journal*, 4(2), 437–446. <https://doi.org/https://doi.org/10.31955/mea.v6i2.2146>
- Mardiyati, U., Abrar, M., & Ahmad, G. N. (2015). Pengaruh keputusan investasi, keputusan pendanaan, ukuran perusahaan dan profitabilitas terhadap nilai perusahaan pada sektor manufaktur barang konsumsi yang terdaftar di bursa efek indonesia periode 2010-2013. *JRMSI-Jurnal Riset Manajemen Sains Indonesia*, 6(1), 417–439.
- Mutmainnah, M., Puspitaningtyas, Z., & Puspita, Y. (2019). Pengaruh Kebijakan Dividen, Keputusan Investasi, Ukuran Perusahaan Dan Kepemilikan Manajerial Terhadap Nilai Perusahaan. *Buletin Studi Ekonomi*, 18. <https://doi.org/10.24843/BSE.2019.v24.i01.p02>
- Nelwan, A., Tulung, J. E. (2018). Pengaruh kebijakan dividen, keputusan pendanaan dan

- keputusan investasi terhadap nilai perusahaan pada saham bluechip yang terdaftar di BEI. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 6(4). <https://doi.org/https://doi.org/10.35794/emba.v6i4.21196>
- Ong, Y. S., Yusof, N., & Osmadi, A. (2021). Challenges of Green Office Implementation: A Case Study in Penang, Malaysia. *International Journal of Sustainable Construction Engineering and Technology*, 12(1), 153–163.
- Park, K. H., & Byun, J. (2022). Board Diversity, IPO Underpricing, and Firm Value: Evidence from Korea. *GLOBAL BUSINESS FINANCE REVIEW*, 27(1), 65–82. <https://doi.org/10.17549/gbfr.2022.27.1.65>
- Prakoso, S., & Zulfiati, L. (2024). Pengaruh biaya lingkungan, green innovation dan keputusan investasi terhadap nilai perusahaan dengan profitabilitas sebagai pemoderasi. *Jurnal STEI Ekonomi*, 33(1), 1–20.
- Pramana Putra, & Eka Purnama Sari. (2023). Pengaruh ROA, CR, dan DER terhadap PBV Pada Sektor Manufaktur Sub Sektor Makanan dan Minuman Yang Terdaftar di Bursa Efek Indonesia Periode 2018-2020. *Manajemen Kreatif Jurnal*, 1(4), 189–202. <https://doi.org/10.55606/makreju.v1i4.2167>
- Pramartha, I. Made Aditya, Ni Made Dwi Ratnadi, Gerianta Wirawan Yasa, & I. G. N. A. S. (2020). Financial Decision-Making and Firm Value: Examining the Moderating Effect of Good Corporate Governance in a State-Owned Enterprise. *Journal of Advanced Research in Dynamical and Control Systems*, 12, 1440–1450.
- Purnamasari, D. I., & Fauziah, M. R. (2022). The Impact of Firm Size, Capital Structure and Dividend Policy on Firm Value during Covid-19 Pandemic. *Journal of Accounting Science*, 6(2), 124–133. <https://doi.org/10.21070/jas.v6i2.1610>
- Rahmani, S. A., Widyarini, M., & Dewi, V. I. (2026). Profitability, Capital Structure, and Investment Decisions on Firm's Value in the Pharmaceutical Sector in Indonesia: Before, During, and Post the COVID-19 Pandemic. *Profit: Jurnal Adminsitrasi Bisnis*, 20(1), 1–18. <https://doi.org/https://doi.org/10.21776/ub.profit.2026.020.01.1>
- Rahmiyati, N., Wardani, E. S., & Hwihanus, H. (2022). Pengaruh Ekonomi Makro, Keputusan Investasi, Keputusan Pendanaan, Terhadap Nilai Perusahaan dengan Profitabilitas Sebagai Variabel Intervening Pada Badan Usaha Milik Negara Yang Terdaftar di Bursa Efek Indonesia. *REVITALISASI*, 11(2), 162. <https://doi.org/10.32503/revitalisasi.v11i2.3105>
- Rosa, M., Hasnawati, S., & Kufepaksi, M. (2023). The influence of investment decisions, funding policies and dividend policies on company value (Empirical Study on LQ45 Companies on theIDXPeriod 2011-2020). *Journal of Economics and Finance*, 13(5), 23–30. <https://doi.org/https://doi.org/10.9790/5933-1305012330>
- Sari, R. P., Romli, H., & Marnisah, L. (2020). PENGARUH FAKTOR FUNDAMENTAL MAKRO DAN MIKRO PERUSAHAAN TERHADAP NILAI PERUSAHAAN (Pada Industri Pulp and Paper yang terdaftar di BEI). *Jurnal Ecoment Global*, 5(2), 237–250. <https://doi.org/10.35908/jeg.v5i2.1109>
- Satrio Silindung, B., & Budi Yanti, H. (2023). ANALISIS KINERJA KEUANGAN PERUSAHAAN SEKTOR PROPERTI DAN REAL ESTATE SEBELUM DAN SELAMA PANDEMI COVID-19. *Jurnal Ekonomi Trisakti*, 3(1), 329–340. <https://doi.org/10.25105/jet.v3i1.15437>
- Shah, A. U. M., Safri, S. N. A., Thevadas, R., Noordin, N. K., Rahman, A. A., Sekawi, Z., Ideris, A., & Sultan, M. T. H. (2020). COVID-19 outbreak in Malaysia: Actions taken by the Malaysian government. *International Journal of Infectious Diseases*, 97, 108–116. <https://doi.org/10.1016/j.ijid.2020.05.093>
-

- Sudana, I. M. (2015). *Teori dan praktik manajemen keuangan perusahaan* (2nd ed.). Erlangga.
- Sudiyatno, B., Puspitasari, E., Suwarti, T., & Asyif, M. M. (2020). Determinants of Firm Value and Profitability: Evidence from Indonesia. *The Journal of Asian Finance, Economics and Business*, 7(11), 769–778. <https://doi.org/10.13106/jafeb.2020.vol7.no11.769>
- Sugiyono. (2019). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. CV. Alfabeta.
- Sulhan, M., & Purnamasari, P. E. (2020). The Effect of Funding Policy, Investment Policy, and Dividend Policy on the Firm Value through Good Corporate Governance as an Intervening Variable. *Global Review of Islamic Economics and Business*, 8(1), 049–058. <https://doi.org/10.14421/grieb.2020.081-05>
- Suteja, J., Gunardi, A., Alghifari, E. S., Susiadi, A. A., Yulianti, A. S., & Lestari, A. (2023). Investment Decision and Firm Value: Moderating Effects of Corporate Social Responsibility and Profitability of Non-Financial Sector Companies on the Indonesia Stock Exchange. *Journal of Risk and Financial Management*, 16(1), 40. <https://doi.org/10.3390/jrfm16010040>
- Tan, Y., Luo, P., Yang, J., & Ling, A. (2020). Investment and capital structure decisions under strategic debt service with positive externalities. *Finance Research Letters*, 33, 101193. <https://doi.org/10.1016/j.frl.2019.05.011>
- Tao, Q., Zahid, Z., Mughal, A., & Shahzad, F. (2022). Does operating leverage increase firm's profitability and bankruptcy risk? Evidence from China's entry into. *International Journal of Finance & Economics*, 27(4), 4705–4721. <https://doi.org/10.1002/ijfe.2395>
- Utami, A. P. S., & Darmayanti, N. P. A. (2018). Pengaruh Keputusan Investasi, Keputusan Pendanaan Dan Kebijakan Dividen Terhadap Nilai Perusahaan Food And Beverages. *Jurnal Manajemen Unud*, 7(10), 5719–5747.
- Vernimmen, P., Quiry, P., & Le Fur, Y. (2022). *Corporate Finance: Theory and Practice*. John Wiley & Sons.
- Yanti, J., & Setiawati, R. (2022). Pengaruh Kebijakan Dividen Terhadap Nilai Perusahaan Dengan Profitabilitas Sebagai Variabel Intervening (Pada Perusahaan Manufaktur Sektor Barang Konsumsi Yang Terdaftar Di Bursa Efek Indonesia Pada Tahun 2016-2019). *Jurnal Manajemen Terapan Dan Keuangan*, 11(01), 243–254. <https://doi.org/10.22437/jmk.v11i01.17389>
- Yondrichs, Muliati, Supriadi Laupe, Arung Gihna Mayapada, & R. J. (2021). The Effect of Fundamental Factors, Sustainability Reporting, and Corporate Governance on Firm Value. *Universal Journal of Accounting and Finance*, 9, 1503–9.