ABSTRACT

The company's financial performance is a picture of economic results that can be achieved by the company at a certain time through the company's activities. Net profit is one measure of the company's success in achieving its goals. In addition, net income is one component in measuring the company's financial performance, whether or not the company's financial condition. In this study, the ratio used to measure a company's financial performance is Return on Assets (ROA).

This study aims to determine the effect of Board of Directors Size, Capital Structure using Debt to Equity Ratio (DER) calculations, and Company Size using Ln Total Asset calculations on company financial performance as measured by Return on Assets (ROA) in cosmetics sub sector companies and household needs which are listed on the Indonesia Stock Exchange (IDX) in 2013-2018.

The population in this study is the cosmetic and household sub-sector companies listed on the Indonesia Stock Exchange (BEI) from 2013 to 2018. The sample selection technique uses purposive sampling and obtained 5 companies of the cosmetics and household use sub-sector within a period of 5 years to obtain 30 samples were observed. Data analysis method in this research is panel data regression using Eviews 10 software.

The results showed that simultaneously the size of the board of directors, capital structure, and company size significantly influence the company's financial performance. Partially the size of the board of directors, and the size of the company has no significant effect while the capital structure has a significant negatif effect on the company's financial performance.

Based on these results, companies and investors need to pay attention to the composition of the company's capital structure so that the company can convince shareholders and investors in minimizing the risk that will be borne if they invest their capital.

Keywords: Company Financial Performance, Capital Structure, Board of Directors Size, Company Size