

ABSTRACT

One of the firm's main goals is to increase the value of the firm. Increasing the value of the firm for the firm is very important, because the high value of a firm means that the performance of the firm is valued both by investors and outside parties concerned. So the firm is considered capable of prospering the shareholders and attracting investors to invest their capital.

This study aims to determine the effect of firm size (SIZE), debt policy (DER), and profitability (ROA) on firm value (Tobin's Q) in manufacturing basic industry and chemicals companies listed on the Indonesia Stock Exchange in 2013-2017. The data used in this study was obtained from annual report and financing report data. The annual report and financing report is taken from the official website of the Indonesia Stock Exchange.

The population in this study are manufacturing basic industry and chemicals companies listed on the Indonesia Stock Exchange in 2013-2017. The sampling technique used is purposive sampling and obtained 39 firms with a research period of 5 years, this obtaining 195 sample data. The method of data analysis in this study is panel data regression analysis using software eviews 9.

The result showed that simultaneous firm size (SIZE), debt policy (DER), and profitability (ROA) had a significant effect on firm value (Tobin's Q). While partially firm size (SIZE) does not have a significant effect on the positive direction of firm value. Debt policy (DER) does not have a significant effect on the positive direction of firm value. Profitability (ROA) has a significant effect on the positive direction of firm value.

Based on the result of this study, if manufacturing basic industry and chemicals companies try to increase the value of the firm, the firm needs to pay attention to profitability because it has a positive effect on firm value. Companies are advised to continue to manage their assets effectively so that they can maintain their profits to increase the firm value to be good in the eyes of investors.

Keyword: Firm Size, Debt Policy, Profitability, Firm Value