

ABSTRACT

Competition in the business world is getting higher, every company wants to keep the company afloat. In order for companies to survive, companies need investments through funding decisions. In making funding decisions, companies have alternatives from internal and external. Managers must be careful in making funding decisions so that they are in line with company goals. In this case the capital structure is important for the company, because capital is the basic thing to build and ensure the survival of the company.

Purpose of this study to determine the simultaneous and partial effect on company size, sales growth, profitability and liquidity on the capital structure of food and beverage sub-sector companies listed on the Indonesia Stock Exchange in 2016-2020.

This study uses quantitative methods, the data used are secondary data in the form of financial statements. The population in this study is the food and beverage sub-sector listed on the Indonesian stock exchange in 2016-2020. The sample selection technique used purposive sampling based on the specified criteria, 16 companies with a research period of 5 years were obtained so that 80 samples were obtained. Hypothesis testing using panel data regression using Eviews 11 software.

The results of this study indicate that company size, sales growth, profitability and liquidity simultaneously affect the capital structure. Firm size and liquidity have a partial negative effect on capital structure, while sales growth and liquidity have no partial effect on capital structure.

Suggestions for further researchers are expected to be able to use other independent variables that are thought to have an effect on capital structure such as asset structure, business risk, ownership structure, diversification and other independent variables. Further researchers can also increase the research period or expand the object of research.

Keywords: *Company size, Sales growth, Profitability, Likuidity, Capital structure*