

ABSTRACT

The Indonesia Stock Exchange (IDX) is a forum for the capital market in Indonesia. Until 2022, there are at least 783 companies listed on the IDX, and this number continues to increase substantially every year. The property and real estate sub-sector companies are part of the property, real estate and construction sectors which are listed on the Indonesia Stock Exchange (IDX). Property and real estate are considered to have a considerable influence on development and the economy in Indonesia.

This study aims to determine the relationship between profitability, activity, and managerial ownership either simultaneously or partially with firm value. Firm value uses the Price to Book Value (PBV) proxy. As for profitability in this study, the Net Profit Margin (NPM) proxy and the activity ratio by the Total Assets Turnover (TATO) proxy were measured in property and real estate companies listed on the Indonesia Stock Exchange in 2018-2021.

The method used in this study is a quantitative method with research data sources which are secondary data sources. The sample method used is purposive sampling method, with a sample of 17 companies within 4 years. This study uses panel data regression analysis with Eviews 12 software.

The results showed that profitability, activity and managerial ownership have a simultaneous effect on firm value. Partially, profitability and activity do not affect firm value. Meanwhile, managerial ownership influences firm value. It is hoped that further researchers will add other variables, research periods and choose research objects in different sectors on the IDX. For investors, to be wiser in making decisions when investing their capital in companies with good corporate value. For companies to further improve the performance of managerial parties in increasing the value of the company and utilizing the performance of managerial ownership.

Keywords: profitability, activity, managerial ownership, and firm value.