BAB V
KESIMPULAN DAN SARAN

5.1 Pendahuluan

Chapter IV presented the result of the data analysis. For this chapter presents a discussion and summary of the hypotheses results and also summaries the limitations of the current research and suggestion for future research.

5.2 Ikhtisar Penelitian

The purpose of this study is to ascertain how financial leverage, profitability, and liquidity affect financial distress in firms in the real estate industry that are listed on the Indonesia Stock Exchange between 2017 and 2022. This study will focus on three research questions: Do financial leverage, profitability, and liquidity affect financial distress? This study approaches issue analysis using quantitative methods. Based on predetermined criteria, corporate reports for the 2017–2022 period were obtained from the Indonesia Stock Exchange (BEI) website (www.idx.co.id). 11 of the 92 property sector businesses that are listed on the IDX were chosen as samples because they satisfied the requirements for the purposive sampling approach. Every hypothesis was found to have an impact on financial hardship through data analysis.

Table 5.1 Summary of the Hypothesis Testing

Hypothesis	Accepted	Rejected
H1: Liquidity has significant effects on financial distress	✓	
H2: Profitability has significant effects on financial distress	✓	
H3: Leverage has significant effects on financial distress	✓	

5.3 Temuan Penelitian

The purpose of this study is to ascertain the state of financial distress in firms in the property industry that are listed on the Indonesia Stock Exchange for the period of 2017–2022, taking into account the potential influences of financial leverage, profitability, and liquidity. Financial hardship is significantly impacted by liquidity, significantly impacted by profitability, and significantly impacted by financial leverage, according to the data analysis results from the previous chapter.

5.2 Hypothesis Testing Result

IV	Standard	Sig.	VIF
Liquidity	,000	,000	1,149
Profitability	-1,001	,000	1,025
Financial Leverage	,058	,000	1,123
R^2	100%		

The hypothesis put forward in this study is accepted if the Table indicates that the independent variables (liquidity, profitability, and financial leverage) exhibit statistically significant associations with the dependent variable and that there is little to no multicollinearity among the independent variables.

5.3.1 Pengaruh Likuiditas pada Finansial Distress

Table 4.4 shows that the liquidity's t value is -194786,657 and that its significant value is,000, both of which are significantly less than 0.05. We find that liquidity has a major role in influencing financial distress. The capacity of a business to settle its short-term debts is shown by the liquidity ratio, which is calculated using current ratios. Working capital, or current assets and current liabilities, is used to compute the ratio. The study's conclusion shows that current ratios significantly and negatively affect financial strain. As a result, hypothesis (H1) is approved. The capacity of a business to pay its short-term obligations is characterized by high liquidity. This state shows that a business is stable and unlikely to have financial difficulties. From the findings of this study, in terms of signaling theory, the company management tries to send ‘signals’ to investors in the form of good news that the company they manage is financially healthy (Mardani et al., 2023). The findings of this study confirm the findings of a study conducted by Sulistyani & Ismanto (2017). Liquidity has been proven to provide negative effects on financial distress. The results of this study are consistent with the research conducted by Atika, et al. (2013) where the results of the study indicate that financial ratios that have an influence to predict financial distress conditions are Current ratios that negatively affect financial distress.

5.3.2 Pengaruh Profitabilitas pada Finansial Distress

Table 4.4 shows that the profitability t value is -585083545,951 and that the significant value is,000, both of which are significantly less than 0.05. A company's net profit during a certain time period was compared to its total assets to determine its profitability. The better, the larger the percentage of this ratio. The results of this study show that financial strain is significantly and negatively impacted by profitability. As a result, hypothesis (H2) is approved. The data analysis results show that, at a substantial level of 0.000, the profitability as determined by Return on Assets (ROA) has a negative impact on financial distress situations. This implies that the firm will have financial difficulties in proportion to the level of profits it generates. The finding of this study is in line with a previous study conducted by Makkulau (2020) stating that profitability has negative and significant effects on financial distress experienced by a company. An organization's level of financial difficulty decreases as its income increases. When it comes to anticipating financial difficulty, the profitability ratio is the most significant. However, the findings of this study contradicted the findings of a previous study conducted by Wulandari (2019) stating that profitability ratios do not affect financial distress.

5.3.3 Pengaruh Leverage pada Finansial Distress

Table 4.4 indicates that the financial leverage has a t value of 32319671,681 and a significant value of,000, both of which are significantly less than 0.05. One way to determine leverage is by using the Debt-to-Total Asset Ratio (DAR). The ratio, which indicates a company's capacity to settle its debts, is the comparison of all assets and all debts. A greater ratio suggests more favorable future prospects. The results of this study show that financial leverage significantly and favorably affects financial hardship. As a result, hypothesis (H3) is approved. Accordingly, the more a company's financial leverage, the more financial difficulty it will undergo, which will lower its value and send a negative signal to the capital market. The results of this study are consistent with the research conducted by Luciana and Kristijadi (2003). The study's findings suggest that financial leverage ratios, or the ratio of total debt to total capital (DER), may be used to forecast a company's likelihood of experiencing financial crisis. Because a corporation is more likely to encounter financial difficulties the higher its level of financial debt. This variable's coefficient is positive, indicating that a company's financial difficulty is positively impacted by the DER variable.

5.4 Kontribusi Penelitian

5.4.1 Kerangka Keilmuan

A past study conducted by Abdullah et al. (2023) found that Liquidity and profitability affect financial distress. Financial leverage has an effect on financial distress accordance with research by Mesak Dance et al. (2019). This research uses samples from property sector companies listed on the IDX for the period 2017-2022. This value is understanding the complex interplay between liquidity, profitability, and financial leverage in influencing financial distress.

5.5 Batasan Penelitian

There are several research constraints associated with this study, which may have an impact on the findings. Only 11 samples, which do not fully represent the complete firm in Indonesia, were observed by the object research utilizing companies in the property industry. While some studies employ a comparatively longer research period, this study's duration, which is the years 2017–2022, is likewise rather short. Just three independent variables—liquidity, profitability, and financial leverage—are used in this study. This research does not address all of the aspects that influence a company's total worth because there are several other factors that may also impact the company's financial difficulty.

5.6 Saran

To enhance future study, consider include all property sector businesses registered on the Indonesia Stock Exchange in the research population area. In order to better represent real situations in the research results, future studies should extend the duration of the study in order to increase the number of research samples. It is anticipated that future studies would make use of characteristics related to the significance of financial difficulty. In particular, probability and activity ratios—which in this study proved to have a significant influence in predicting a company's financial distress—should be viewed by investors and potential investors as a basis for making the best investment decision.