

The Effect *Growth Opportunity, Liquidity, Institutional Ownership and the Covid Pandemic* on Firm Value with Capital Structure as a Moderating Variable

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Abstract: Firm value is a description of a company's performance that can influence investors' assessment of a company. The higher the company value indicates the prosperity of the shareholders. The purpose of this study is to examine the effect *growth opportunity*, liquidity, institutional ownership, and pandemic on firm value with capital structure as a moderating variable. The research sample is a Trade and Investment Service company in the Tourism, Restaurant and Hotel sub-sector which is listed on the Indonesia Stock Exchange for the 2017-2021 period. Sampling in this study using the method *purposive sampling*. The number of samples is 24 companies per year with the amount of data studied is 116. The analysis technique in this study uses multiple linear regression analysis. The results of this study indicate that institutional ownership and capital structure affect firm value, meanwhile *growth opportunity*, liquidity, the pandemic has no effect on firm value, and capital structure does not moderate the effect *growth opportunity*, liquidity, institutional ownership, and pandemics on firm value.

Keywords: *Growth Opportunity; Liquidity; Institutional Ownership; Pandemic; Capital Structure; The value of the company.*

I. INTRODUCTION

Indonesia's rapid economic development has generated fierce competition among newly listed corporations. Because of the fierce competition, many businesses have been motivated to enhance their operations with the primary objective of generating profits (Edward 2022). The prosperity of the shareholders is the company's primary objective, which is attained by raising the company's worth. The long-term objective of the business is to maximize profits, or profits while maximizing the company's worth. Firm value, which is frequently linked to stock prices, is how an investor views the business. High stock price rises the company's worth. The prosperity of the shareholders is shown by a higher firm valuation. Financial performance as gauged by liquidity and profitability measures is one of several elements that affect firm value. In addition, factors taken into account when calculating a company's worth include its size and capital structure (Chasanah 2019).

Large debt loads and unfavorable capital structures will be a hefty burden for the firms themselves (IlyasMuhajir 2009). Second source is required for maximizing mark company and must be used in a balanced and ideal manner. Therefore, it tends to offer greater incentives to owners, which in turn can encourage high investment returns and will result in an increase in firm value from rising stock prices. The higher the portion of a company's capital that comes from its own capital, both investors and owners indicate the low debt they have (Gultom and Wijaya 2013).

Herawaty (2009) argues that the chance for growth is present at the outset for the firm. Investors and business managers are drawn to growing companies because they have favorable long-term prospects for investors. Additionally, businesses with significant liquidity tend to have many prospects for expansion. Creditors are more confident in allocating cash to boost the firm's worth in the eyes of creditors and possible investors when the company is more liquid (Gultom and Wijaya 2013). Institutional ownership may influence management with a strong monitoring system (Suparlan, S.E 2019). The amount of external control of the corporation will rise as institutional ownership does.

This research is based on research by Ananda (2016), according to which capital structure, profitability, and

growth opportunities all have a moderating influence on a company's value. According to Sari (2020), capital structure can regulate the link between profitability and liquidity on firm value. Liquidity has a substantial impact on a company's worth. While liquidity, profitability, and business size have a direct positive and small influence on firm value, they have a direct positive and large impact on capital structure, according to Nurwulandari (2021).

Because the government is now promoting the tourist, restaurant, and hotel sub-sector as one of the development sectors that may spur a nation's growth, this research is based on these enterprises. The number of tourists, both domestic and international, has substantially fallen since the pandemic in 2020. The company's financial situation was impacted by the sharp decline in vacationers. Therefore, it can be claimed that a company's financial success will have an impact on the ups and downs of its stock value. With capital structure acting as a moderating variable, the aim of this study is to examine how growth potential, liquidity, institutional ownership, and pandemics affect business value.

II. LITERATURE AND HYPOTHESIS DEVELOPMENT

A company is a group of people who pool their resources to create products and services. The theory of the corporation (theory of the firm) states that the primary objective of the organization is to increase its wealth or value (Harfiani et al., 2021). In this instance, maximizing shareholder wealth also implies maximizing the value of the enterprise. Investors view a company's firm value as its level of success in relation to its stock price. The term "share price" is frequently used to refer to the closing price, which is the price at which shares are exchanged on a stock market. High stock prices improve a company's value and the market's trust in the company's future prospects and present performance.

Agency Theory

The economic connection between parties who grant trust, such as shareholders as principals, and those who are given trust, such as management as agents, is described by agency theory, according to Jensen and Marckling in Udayana (2017). A person with management authority is one who is trusted with looking out for the interests of the shareholders while managing the principal's assets. Management creates financial reports at the conclusion of each period as a means of accountability that conveys performance signals to readers of financial statements.

Signalling Theory

Signal theory outlines how businesses send out signals in the form of information that can better explain their situation than other businesses (Indasari and Yadnyana, 2018). Investors are said to be able to evaluate the firm using the signals provided by the company. Financial data describing the firm is one of the details supplied by the By analyzing several financial ratios, the company's financial performance is evaluated.

Trade off Theory

Management should give careful consideration to capital structure since it influences the cost of capital. The trade-off hypothesis contends that in order to maximize firm value by obtaining ideal debt ratios, management of the company took reasonable judgments to aim for a balance between costs and debt (Terrania et al, 2021).

Developmental Hypothesis

The Effect of Growth Opportunity (GROWTH) on Firm Value (NP)

Growth opportunity is the shift in a company's total assets (Kaylsi&Khoiruddin, 2021). business with development potential A high return will provide the corporation chances to make significant earnings in the future, which will raise the company's worth. Growth of a firm is a good indicator for potential investors to invest, according to signaling theory. The presence of investment prospects might indicate that a firm will develop in the future, which will boost its worth (Krisnando and Novitasari, 2021).

According to research by Tikawati (2016), Oktavia and Fitria (2019), and Yanti et al. (2018), there is an opportunity effect on company value. These findings are consistent with that assertion. The findings of this study, however, disagreed with those of Prasetyo et al. (2017), who claimed that growth opportunity has no impact on a company's value. These justifications form the basis of the following formulation of the research hypothesis:

H1: *Growth Opportunity* influence on Firm Value.

The Effect of Liquidity (LIKUI) on Firm Value (NP)

The amount of liquid assets demonstrates the company's capacity to pay short-term debts. According to the signaling hypothesis, businesses with a high degree of liquidity are better equipped to use the available cash to maximize operations, generate large profits, and pay off short-term debt (Jihadi et al., 2021). High earnings may be a

hint for investors to boost the value of a firm (Sari, 2020).

This is in line with research by Sondakh (2019) and Nita Septiani&Suaryana (2018) that claimed liquidity had an impact on firm value. These justifications form the basis of the following formulation of the research hypothesis:

H2: Liquidity has an effect on Firm Value.

Effect of Institutional Ownership (KI) on Firm Value (NP)

Shares owned by other institutions, such as businesses or other institutions, are referred to as institutional ownership (Suparlan, S.E, 2019). Institutional investors will advocate for improved management performance and corporate value monitoring. This entails demonstrating the viability of institutional ownership as a vehicle to encourage managers to enhance their performance, which can ultimately boost the value of the firm (Pasaribu et al., 2016).

Research by Sukanti et al. (2015) and Pasaribu et al. (2016), which claims that institutional ownership influences business value, also lends credence to this concept. This entails demonstrating the viability of institutional ownership as a vehicle for incentivizing managers to enhance their performance, which in turn can raise the value of the firm as a whole. These justifications form the basis of the following formulation of the research hypothesis:

H3: Institutional Ownership has an effect on Firm Value.

The Effect of a Pandemic (PDM) on Company Value (NP)

The emergence of a new sickness known as Coronavirus Disease-2019 in the start of 2020 shook the whole world (Covid-19). Corona virus, which causes Covid-19, is infectious and lethal. WHO demands compliance Through the provisions of Government Regulation Number 21 of 2020, large-scale social restrictions (PSBB) were put into effect in Indonesia on March 31, 2020. One PSBB deployment had an effect on business operations since it led to a decline, if not complete cessation, in business activity during the pandemic.

According to research (Rahmani, 2020), the drop in stock prices and corporate financial performance is consistent with this. Ofeser&Susibiyantoro's research (2021), which claims that the pandemic has impacted corporate value, is another source of evidence for this. These justifications form the basis of the following formulation of the research hypothesis:

H4: The pandemic has an effect on company value.

Effect of Capital Structure (DER) on Firm Value (NP)

A company's capital structure determines whether debt or equity will be used to finance its operations (Edward, 2022). Because it demonstrates the company's future potential, the choice to employ large debt can raise the company's worth. According to exchange theory, using debt increases the amount of operating profit that investors obtain from a corporation. As a result, the value and price of corporations' shares rise the more debt they employ (Zelinka et al., 2016). According to the trade-off principle, any new debt will raise the company's value if the capital structure is below the ideal point. On the other perspective, if the capital structure is above the ideal level, any extra debt will lower the company's value. Since the ideal capital structure aim has not been reached, the trade-off theory predicts a positive link between business value and capital structure.

According to research by Suwardika and Mustanda (2017) and Zelinka et al. (2016), capital structure has an impact on business value. These justifications form the basis of the following formulation of the research hypothesis:

H5: Capital Structure has an effect on Firm Value.

The influence of Capital Structure (DER) Moderates Growth Opportunity (GROWTH) on Firm Value (NP)

According to (Pangul&Maski, 2014), a high growth possibility will likely provide big earnings in the future, which will encourage investors. In an effort to enhance growth opportunity enterprises, businesses must pay close attention to the financial structure that the company owns. According to Hamidah et al. (2015), issuing bonds is less expensive for businesses than issuing shares, which is another reason why businesses choose to use debt as a component of their capital structure.

The results of three articles et al., 2017, Hamidah et al., 2015, and Krisnando&Novitasari, 2021 – indicate that the capital structure can reduce the impact of growth opportunities on firm value. Growth opportunity has an impact on firm value through the capital structure. These justifications form the basis of the following formulation of the research hypothesis:

H6 : Capital structure moderates influence *Growth Opportunity* to Company Value.

The Effect of Capital Structure (DER) Moderates Liquidity (LIKUI) on Firm Value (NP)

An company that is able to meet its financial commitments on time is in a liquid condition, which suggests that the organization has a strong chance of growing. Companies with a high level of liquidity can keep their desired capital

structure and readily get more capital. According to the signaling hypothesis, businesses with a high degree of liquidity are better equipped to use the available cash to maximize operations, generate large profits, and pay off short-term debt (Fajariyah&Susetyo, 2020).

Sari (2020) and Harfiani et (2021) al research, .s which explains that capital structure is capable of moderating the influence of liquidity on company value, provides evidence in favor of this claim. These justifications form the basis of the following formulation of the research hypothesis:

H7 : Capital Structure moderates the influence of Liquidity on Firm Value.

The Effect of Capital Structure (DER) Moderates Institutional Ownership (KI) on Firm Value (NP)

Higher institutional ownership will curb managers' opportunistic tendencies, which can save agency costs and boost business value (Siddik, 2017). According to agency theory, a high level of institutional ownership will lead to increased monitoring efforts, which may be used to influence managers' capital structure decision-making. Debt's function as a management control tool will be replaced by effective institutional ownership monitoring. External capital and capital structure are strongly connected (debt The capital structure will become more complex if the corporation only receives a limited amount of money from internal entities. With this in mind, investors will presume that the company is performing well and demonstrating the efficiency of institutional ownership's degree of oversight in order to subsequently entice new investors to acquire the company's shares and boost firm value.

Research by Sari (2020) and Sukanti et al. (2015), which explains that capital structure is capable of moderating the influence of institutional ownership on business value, lends credence to this. These justifications form the basis of the following formulation of the research hypothesis:

H8 : Capital Structure moderates the effect of Institutional Ownership on Firm Value.

The Effect of Capital Structure (DER) Moderates the Pandemic (PDM) on Firm Value (NP)

The community's economics is only one of the many areas of life that Covid-19 has significantly impacted. The value of the firm has also altered as a result of Covid-19, particularly for businesses in the restaurant, hotel, and tourist subsectors. The firm's financial situation is impacted by the huge drop in tourists, which may have an impact on capital investors in the company. This is corroborated by Dita's (2013) research, which indicates that in the tourist, restaurant, and hotel industries, capital structure can attenuate the impact of the pandemic on company value. These justifications form the basis of the following formulation of the research hypothesis:

H9 : Capital Structure moderates the impact of the Pandemic on Firm Value.

III. METHODS

This type of research uses a quantitative statistical methodology. In this research, the capital structure will be used as a moderating variable to explore how growth potential, liquidity, institutional ownership, and pandemics affect business value. Purposive sampling was used to choose the sample, which consisted of 24 companies each year, and 116 data to be studied. Multiple linear regression analysis is the method used for this study's analysis, and it uses the equation:

1. $Y = \alpha + \beta_1 GROWTH + \beta_2 LIKUI + \beta_3 KI + \beta_4 PDM + e$
2. $Y = \alpha + \beta_1 GROWTH + \beta_2 LIKUI + \beta_3 KI + \beta_4 PDM + \beta_5 DER + \beta_6 GROWTH*DER + \beta_7 LIKUI*DER + \beta_8 KI*DER + \beta_9 PDM*DER + e$

Information :

Y	= Firm Value
a	= Constant
b1- b9	= Regression coefficient
GROWTH	= Growth Opportunity
LIQUID	= Liquidity
TO	= Institutional Ownership
PDM	= Pandemic
THE	= Capital Structure
and	= Standart Error

Secondary data from the Capital Market Reference Center's website www.idx.co.id and IDN Financials served as the research's data source. Secondary data is a range of already published material that is consciously gathered to supplement research data requirements.

1.1 Variable Definitions

3.1.1 Growth Opportunity (X1)

Growth opportunity is a firm's chance to expand in the future and to make investments that will help the organization.(Madyoningrum 2019). *Growth Opportunity* formulated as follows:

$$\text{Growth : } \frac{\text{Total Assets}^t - \text{Total Assets}^{t-1}}{\text{Total Assets}^{t-1}}$$

3.1.2 Liquidity (X2)

A ratio named liquidity is to gauge a company's capacity to fulfill its immediate commitments (Reschiwati et al, 2020). Liquidity is measured using *Current ratio*.*Current ratio* formulated as follows:

$$\text{CR : } \frac{\text{Current asset}}{\text{Liquid Debt}}$$

3.1.3 Institutional Ownership (X2)

Institutional ownership refers to organizations or institutions owning stock in a corporation. The ratio of institutional shareholders' ownership to the total number of outstanding shares of the corporation is the indicator used to measure institutional ownership (Thesarani 2013). Institutional Ownership can be formulated as follows:

$$\text{KI : } \frac{\text{Institutional shares}}{\text{Number of shares outstanding}}$$

3.1.4 Pandemic (X4)

Using a dummy variable, the circumstances prior to and during the Covid-19 pandemic are used to compute the pandemic (Tiwu 2020). Companies afflicted by the pandemic, namely in 2020–2021, had the dummy variable recorded as 1, while those not affected, specifically in 2017–2019, had the dummy variable written as 0.

3.1.5 Firm Value (Y)

A company's success is described by its firm value, which can affect how investors see a company (Sari 2020). Firm value in this study is measured by Tobin's q. The formula is:

$$\text{Q : } \frac{\text{EMV} + \text{D}}{\text{TA}}$$

Where Q = company value; D = total debt; EMV = market value of equity ; TA = total assets. EMV (*equity market value*) is obtained by multiplying the closing share price by the number of outstanding shares.

3.1.6 Capital Structure (M)

Capital Structure. In this study, capital structure is a moderating variable. The capital structure has a strategic influence on achieving the company's long-term goals (Kristianti 2018). Capital structure is measured using DER (*Debt to Equity Ratio*). The formula is:

$$\text{DER: } \frac{\text{Total Amoun of debt}}{\text{Total Equity}}$$

IV. RESULT

By analyzing the mean, median, maximum, minimum, and standard deviation, descriptive statistical analysis will be utilized to explain the entire data used in this study.

Table 1
Descriptive Statistics

Variable	N	Min	Max	Mean	Std. Dev
GROWTH	116	-0,31563	2,64776	0,0462549	0,28323604
LIQUID	116	0,15464	9,20671	2,106392	1,88374097
TO	116	0,0977	1,00000	0,6841728	0,20613467
PDM	116	0	1	0,40	0,491
E.G	116	0,25954	5,81857	1,4968187	1,22333648
THE	116	0,03619	7,67516	0,8222902	0,90836188

Source: Processed data

Growth opportunity is depicted in Table 1 to have a range of values, with a minimum value of -0.31563, a maximum value of 2.64776, an average value of 0.0462549, and a standard deviation of 0.28323604. The value of liquidity ranges from 0.15464 to 9.20671, with an average of 2.106392 and a standard deviation of 1.88374097. Institutional ownership has a value of 0.0977 as its minimum, 1.00000 as its highest, 0.6841728 as its average, and 0.20613467 as its standard deviation. Pandemic's ranges from 0 to 1, with an average of 0.40 and a standard deviation of 0.491. Minimum firm value is 0.25954, highest firm value is 5.81857, average firm value is 1.4968187, and standard deviation is 1.22333648. The capital structure's values range from 0.03619 to 7.67516 and are averaged at 0.8222902 with a standard deviation of 0.49139.

Table 2
Multiple Linear Regression Test

Variable	Equation 1			Equation 2		
	Standardized Coefficients			Standardized Coefficients		
Variable	Beta	t	Say.	Beta	t	Say.
(Constant)		1,922	0,157		-0,845	0,400
GROWTH	0,118	1,284	0,202	0,126	1,214	0,228
LIQUID	-0,140	-1,569	0,120	-0,107	-0,805	0,423
TO	0,242	2,709	0,008	0,475	3,076	0,003
PDM	-0,116	-1,267	0,208	-0,009	-0,062	0,950
THE				1,779	2,204	0,030
GROWTH*THE				0,063	0,416	0,678
LIKUI*DER				-0,033	-0,192	0,848
KI*DER				-1,427	-1,835	0,069
PDM*DER				-0,232	-0,720	0,473
F Count		3,834				2,969
Say. F		0,006				0,003
R2		0,121				0,201
Adjusted R2		0,090				0,134

Source: Processed data

A classic assumption test was performed before it was utilized for interpretation. The normality test findings reveal a significance value of 0.000 0.005, indicating an irregular data distribution in the regression model. The VIF of each independent and moderating variable is below 10, and the tolerance value is more than 0.10, thus it is possible to conclude from the results of the multicollinearity test that there is no multicollinearity in this research model. The absolute residual significance level for all independent variables is greater than 0.05 in the Spearman rho test findings,

indicating that heteroscedasticity is not present and test results It is possible to determine the Durbin Watson or autocorrelation test value of 1.862. If taken into account when making decisions, then $1.7690 < 1.862$ (4 - 1.7690). This outcome satisfies the condition $dU < DW < dU$, indicating the absence of autocorrelation.

The coefficient value of the variables growth opportunity and institutional ownership in the regression equation 1 above demonstrates a positive correlation between each of these factors' effects on firm value. The correlation between the effects of each of these variables on company value is demonstrated by the liquidity and pandemic variables.

As can be observed from the above F test findings, the independent variables growth opportunity, liquidity, and institutional ownership have demonstrated a fit model with F Count = 3.834 and F Table = 2.45, implying F Count > F Table with a significance value of F of 0.006. The t test findings, however, reveal that the variable "growth opportunity" has a significant value of t of 0.202 greater than 0.05 and a regression coefficient value of 0.118, leading one to the conclusion that "growth opportunity" has no impact on the company's worth. It may be concluded that liquidity has no impact on the value of the company because the significance value of t for the liquidity variable is 0.120 greater than 0.05 and the regression coefficient value is -0.140. With a regression coefficient value of 0.242 and a t significance value for the institutional ownership variable of 0.008 less than 0.05, it is clear that institutional ownership affects business value. With a regression coefficient value of -0.116 and a t significance value for the pandemic variable of 0.208 above 0.05, it is clear that the pandemic has no impact on company value. While value-adjusted R² = 0.090 indicates that independent factors such as growth opportunity, liquidity, institutional ownership, and the epidemic may account for 9% of the dependent variable, namely firm value, the remaining 91% is impacted by factors outside of this study model.

Based on the solutions to equation 1, institutional ownership and capital structure are the variables that have the greatest impact on firm value, with significance values of t of 0.003 and 0.030 less than 0.05, respectively, and regression coefficient values of 0.475 and 1.779, respectively. As a result, it can be said that institutional ownership and capital structure have a significant impact on firm value. The growth opportunity, liquidity, pandemic, and capital structure factors, which do not alter NP, do not mitigate the impact of the independent variables on the dependent variable. F Count = 2.969 and F Table = 2.45 are the results of the F test, indicating that F Count > F Table with a significance value of F of 0.003. Value-adjusted R² = 0.134 indicates that the independent variable may account for 13.4% of the variance in the dependent variable; the remaining 86.6% of the variance is influenced by factors outside of the scope of this research model.

This could be explained as follows in light of the regression test's findings:

a). Influence Growth Opportunity (GROWTH)to Firm Value (NP)

It is significant from the t test findings that the variable "growing opportunity" has no impact on company value because its significance value is 0.202 over 0.05 and its regression coefficient is 0.118 (H1 is rejected). This requirement might be read to mean that a company's value will not be impacted by a high amount of growth prospects that do not result in an increase in earnings. Rapidly expanding businesses frequently need to boost their fixed assets for corporate development. As a result, businesses with fast growth rates will require more funding in the future in order to continue making profit (Edward 2022). Research by Terania et al. (2021), Harfiani et al. (2021), Sutrisno, (2016), and others is consistent with these findings (DwiAstaraniAslindar 2020).

b). Effect of Liquidity (LIKUI) on Company Value

Liquidity does not affect company value, according to the findings of the t test, which reveal that the variable has a significance value of 0.120 greater than 0.05 and a regression coefficient of -0.140. (H2 is rejected). This condition can be understood to mean that, even though the current ratio also illustrates the level of security of short-term creditors or the company's ability to pay short-term debts, the value of current assets (which can be used as money right away) with a comparison to short-term debt does not have a positive effect on increasing company value. Because the corporation must assume the risk of capital expenses, investors will view high liquidity as a negative indication because it might result in idle cash in the company. Research by Anjarwati et al. (2015) and Fajariyah&Susetyo (2015) supports these findings (2020). Companies with significant levels of liquidity may potentially see their value decline as a result of poor asset management. This is due to idle assets the management of the firm does not utilise (DwiAstaraniAslindar 2020).

c). Effect of Institutional Ownership (KI) on Firm Value (NP)

It is significant from the t test findings that institutional ownership has an impact on company value because the variable's significance value is 0.008 less than 0.05 and its regression coefficient is 0.242. (H3 accepted). This demonstrates that institutional shareholders' effect on rising company value increases linearly with the size of their

shareholdings. This study demonstrates that institutional parties' oversight becomes more stringent as share ownership increases, which has an impact on the rise in company value. These results are consistent with research by Pasaribu et al. (2016), which demonstrates that institutional ownership is a trustworthy mechanism for encouraging managers to enhance their performance, which may then boost the value of the firm itself.

d). The Effect of a Pandemic on Company Value (E.G)

The results of the t test show that the pandemic variable has a significance value of 0.208 more than 0.05 with a regression coefficient value of -0.116 so it can be concluded that the pandemic has no effect on firm value (H4 is rejected). This shows that in the tourism, restaurant and hotel sub-sector companies, the influence of Covid-19 tends to be negative on company value. This is because the company continues to maintain its funding policy, investment policy and dividend policy during the covid-19 pandemic, namely by prioritizing the safety and health of employees from the covid-19 pandemic, providing support to the health of the surrounding community and securing businesses so that revenue and profits are positive, so that company value remained stable (Burhanudin, Darwini, and Wardani 2022). These results are consistent with the research of Esomar and Christianty, (2021), which shows that the pandemic has not had much effect on this sub-sector company.

e). Effect of Capital Structure (DER) on Firm Value (NP)

It may be concluded from the t test results that capital structure has an impact on company value because the variable's significance value is 0.030 less than 0.05 and its regression coefficient is 1.779. (H5 accepted). In essence, a higher capital structure tends to boost firm value as it demonstrates a high degree of corporate capital in growing earnings. This is so because the financial structure of the business is permanent financing made up of preferred stock, long-term debt, and shareholder cash. Careless funding decisions will lead to fixed costs in the form of excessive capital costs, which can lead to a decline in firm value. These results are consistent with research (Chasanah 2019) and (Muhammad Hafiz Siddik 2017) which show that capital structure affects firm value.

f). Influence of Capital Structure (DER) in Moderating Growth Opportunity (GROWTH) to Firm Value (NP)

It can be explained from the t test findings that capital structure does not attenuate the influence of growth opportunity on firm value because the variable growth opportunity* capital structure has a significant value of 0.678 more than 0.05 and a regression coefficient of 0.063. (H6 is rejected). Due to this circumstance, high-growth businesses need significant equity investments, which lowers their value (Sutrisno 2016). Companies don't utilize debt to raise money; instead, they use internal resources to support operations and investments in business growth. These results are reinforced by research by Terania et., Al (2021), which explains that *growth opportunity* does not affect the capital structure because the company does not consider it *growth opportunity* to optimize the capital structure.

g). Effect of Capital Structure (DER) in Moderating Liquidity (LIKUI) on Firm Value (NP)

It can be observed from the t-test findings that capital structure does not attenuate the effect of liquidity on company value because the variable liquidity*capital structure has a significance value of 0.848 greater than 0.05 and a regression coefficient of -0.033. (H7 is rejected). This situation results from the fact that short-term debt, which is used to gauge liquidity, only makes up a small portion of the capital structure, which is dominated by long-term debt (Muhammad Hafiz Siddik 2017). The research of Fajariyah et al, (2020), which shows that a high level of liquidity ratio is able to meet its short-term commitments with its internal money, also supports these findings. As a result, the corporation will only need a minimal amount of debt.

h). Effect of Capital Structure (DER) in Moderating Institutional Ownership (IC) on Firm Value (E.G)

It can be deduced from the results of the t test that capital structure does not attenuate the effect of institutional ownership on firm value because the institutional ownership* capital structure variable has a significance value of 0.069 more than 0.05 and a regression coefficient value of -1.427. (H8 is rejected). Lending to corporations will be modestly reduced by high institutional ownership. Institutional owners are unable to regulate and restrain borrowing, hence there will eventually be agency costs. This is also reinforced by institutional ownership data, which, in contrast to other data, has not changed significantly over the past five years, thus it does not analyze well enough. The research by Muhammad Hafiz Siddik (2017) and Ngatemin et al. (2018), which demonstrate that capital structure cannot attenuate the influence of institutional ownership on business value, support these findings.

i). Effect of Capital Structure (DER) in Moderating Pandemic (PDM) on Firm Value (NP)

It can be deduced from the t test findings that capital structure does not attenuate the impact of the pandemic

on company value because the PDM*DER variable has a significance value of 0.473 greater than 0.05 and a regression coefficient value of -0.232. (H9 is rejected). The capital structure of businesses in the restaurant, hotel, and tourist subsectors did not significantly alter before and after Covid-19, according to this criterion. in order to achieve the long-term objective of luring investors or other prospects more successfully and avoid suffering significant losses (Henny and Alfiani 2022). The research of Esomar and Christiandy (2021), which reveals that capital structure does not attenuate the impact of the pandemic on firm value, supports this finding.

Finding out if the moderating variable will make the link between the independent factors and the dependent variable stronger or weaker is the goal of a moderation regression analysis (MRA). Ghazali (2018). (2018). In order to determine if the capital structural variable (DER) serves as a moderating variable, the value of the beta coefficient is compared. The research' findings suggest that the capital structure (DER) is unable to control the impact of growth opportunity (GROWTH), liquidity (LIKUI), institutional ownership (KI), and pandemic (PDM) on business value (NP).

V. CONCLUSION

The purpose of this research is to determine how the factors Growth Opportunity (GROWTH), Liquidity (LIKUI), Institutional Ownership (KI), and Covid Pandemic (PDM) affect firm value (NP) with capital structure (DER) acting as a moderating variable on the company tourism, restaurant, and hotel sub-sectors listed on the Indonesia Stock Exchange in 2017–2021. It is possible to draw the conclusion that institutional ownership and capital structure both positively affect business value based on the findings of the tests and discussions that have been conducted in this study. Contrarily, growth potential, liquidity, and the pandemic have no impact on the firm's value, and the capital structure does not mitigate the impact of these factors on the firm's value.

The firms that were the focus of the research were restricted to those in the tourist, restaurant, and hotel sub-sectors, preventing generalization of the findings. Additionally, the normality test results are biased due to non-normal distribution.

Thank you speech

It is suggested that the research sample be increased for subsequent studies on the same subject so that the findings can be more broadly applied. Additionally, it might include additional elements like firm size, profitability, and asset growth that can influence the value of a company.

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