

The Effect Of Working Capital Turnover, Profitability, Liquidity And Solvency On Stock Prices

Study of the Telecommunications Sub Sector
Listed On the Indonesian Stock Exchange for the 2013 – 2022 Period

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ABSTRACT

This study aims to determine the effect of working capital turnover, profitability, liquidity, solvency on the stock price of telecommunication companies for the period 2013 - 2022, both partially and simultaneously. The financial ratios studied are: Working Capital Turnover (WCTO), Net Profit Margin (NPM) Current Ratio (CR) and Debt Equity Ratio (TATO) to stock prices. The population in this study is the telecommunications subsector listed on the Indonesia Stock Exchange (IDX) from 2013 to 2022. The research sample was 7 telecommunications sector companies obtained using purposive sampling technique. The data collection technique used is documentation. Data analysis was carried out using panel data analysis techniques. The results showed that partially the Working Capital Turnover, Profitability, and Solvency variables had a significant positive effect on stock prices. While the Liquidity variable has no significant effect on stock prices. However, the results of the study simultaneously variables Working Capital Turnover, Profitability, Liquidity, Solvency affect stock prices.

Keywords: working capital turnover, profitability, liquidity, solvency on stock price

INTRODUCTION

In the transition period after the Covid-19 pandemic that hit the world, matter Which become problem Which main, Which Of course currently faced companies Good company big nor small is problem inworking capital. It is during this transition period that it is important to re-managementworking capital and company assets well and efficiently. Activities activities The company's daily activities are certainly sustainable with its existence capital Work, capital here it is Which will become fund beginning For company buyall the equipment and tools from which of course will create aproducts, where the company hopes that these products will be full create or produce profit with period time Which as soon as possible Possible.

The main problem recently in the transition during this pandemic is finance, which often occurs in a company, namely in ability capital it works. Management on capital Work Which Good Of course becomes an obligation and is the main thing in managing it finance Because mistake Of course will happen on moment We will manage capitalWork And naturally can caused company No capable operate its operations. So from That importance it uses A analysis on capitalThis company's work is carried out to find out the extent of its capital position Work on moment This, Which Then matter This Of course will correlated with position finance Which furthermore will faced Of course in period Which will come. According tosource Which in can the can withdrawn conclusion through step like WhatWhich of course you want to take it a company to solve it.

The transition period after the Covid-19 pandemic is important because it is wrong the only one on sector manufacture This grow in a way aggressive on moment post happen

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pandemic. Mirae assets securities Indonesia in his research Which published on Friday (19/10/2018) assessed that the growth of the consumer goods industry was The industry has experienced a slowdown in recent years. There are several factors that cause slowdown in this sector normal called *Fast Moving Consumer Good / FMCG*. Among them is competition between companies is getting tighter and hotter which results in various local and imported brands. There is a shift in consumer choice from product FMCG to product non-FMCG Also the more slow down industry this... However performance sector industry goods consumption (*Consumer goods*) in exchange effect industry the more gloomy on year 2019, since beginning year its performance plummeted almost 20%, 19.31% to be exact based on data on exchange Thursday (14/11/2019).

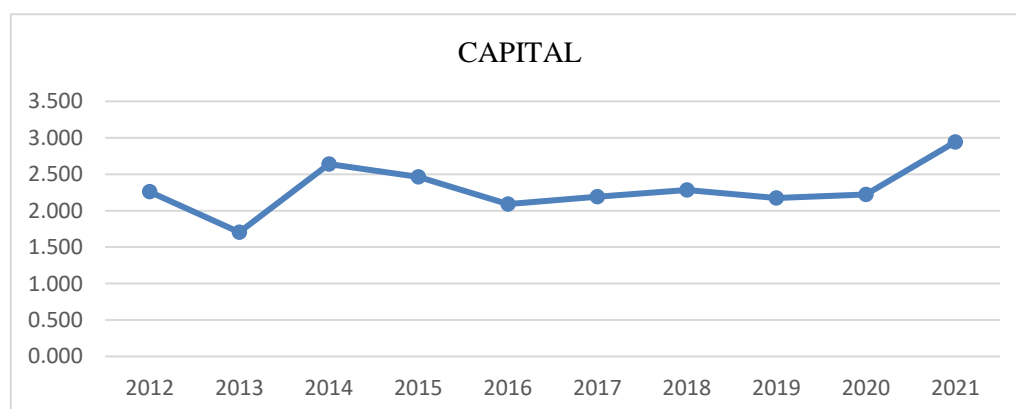
Then in 2021 growth was recorded at 6.91% despite experiencing pressure due to industry. Minister of Industry (Menperin) Agus Gumiwang Kartasasmita convey that, although get pressured due to industry Covid-19 which entered Indonesia since 2020, a number of industries- The industry grew very high in Q2 II-2021. These subsectors include: industry tool transport as big as 45.70%, followed industry metal base 18.03%, industry machine And equipment 16.35%, industry from rubber And plastic 11.72%, seta industry chemical, pharmaceutical and traditional medicine by 9.15%.

Cultivating working capital is the main thing in every industry, This includes making a decision in terms of quantity and structure of current assets and in what way the company can finance them company assets. Companies that cannot consider capital value Work Which Good, can said that A company Not yet capable pay his obligations and of course this will resulting in the company being forced to liquidate. Value on assets of course it must be large enough so that it can finance the company's current debts, therefore, this position manifests the existence of a safe level and satisfying.

Meanwhile, if the company determines excessive working capital, pThis can caused company experience overliquid so from That happen excess funds that will certainly be idle and will bring value inefficiency company, And difficult in creating profit Which optimal.

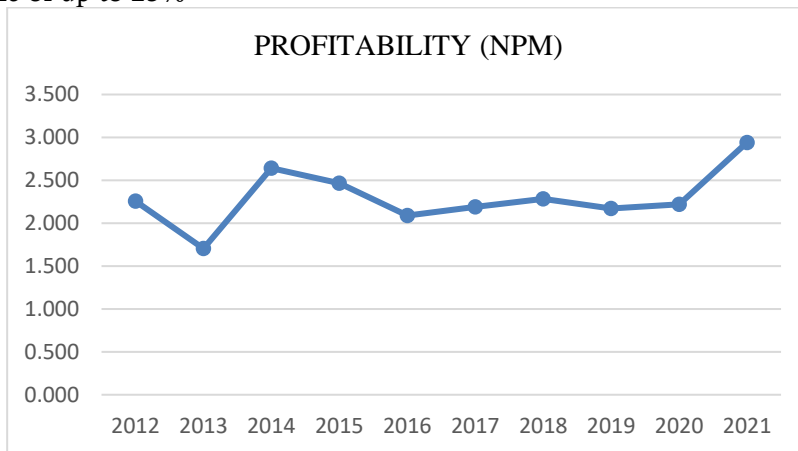
Profit is income resulting from a company's operational activities has been reduced by the amount of company costs. This profit and loss is necessary as a measurement value to estimate company performance or also used in carrying out investment policies. The main components that become mark in produce profit Of course is income And cost. through From these components, different profit assessment results are obtained, including: profit dirty, profit operations, profit before taxes and profits clean.

Following This is results data Which has processed from Working Capital Turnover on Telecommunications Sub Sector Company Which registered in Exchange Effect Indonesia period 201 2 -2021.

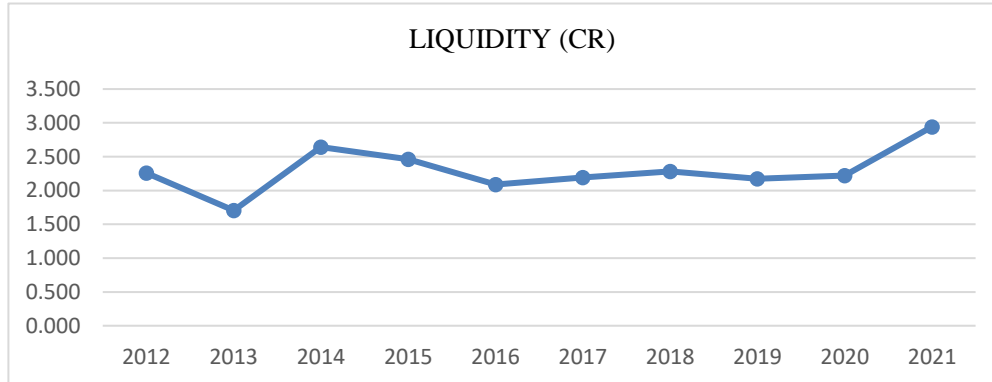


It can be seen from the graph above where the average Working Capital Turnover Telecommunications Sub Sector Which registered in Exchange Effect Indonesia. Fluctuation Which happen on *Working Capital Turnover (WCTO)* caused by several conditions that are not profitable for the Telecommunications Sub Sector, one of them

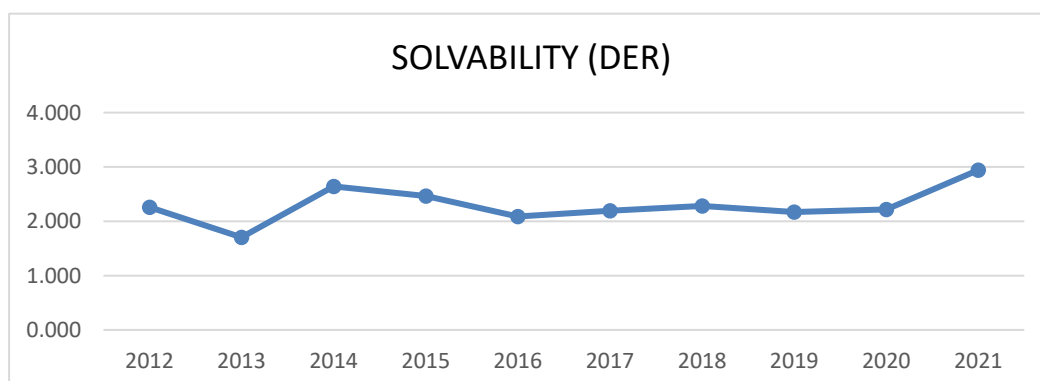
the problem is almost all over company from 2013-2017 experienced financial distress or A total of 6 samples experienced financial distress. Financial distress occurs in some company telecommunication caused decline influencing sales ratio sale to working capital company. That matter depicted on report finance 2013 until to 2014 which experienced a decline of up to 23%



It can be seen from the graph above where the average profitability company sub sector telecommunication which is listed on the Indonesian Stock Exchange. Where visible fluctuations in levels NPM is influenced by several events and policies. one of them the problem Still about almost financial distress all over company from 2013-2017 experienced financial distress or A total of 6 samples experienced financial distress. Then after That experienced the Covid-19 virus almost the whole country and not regardless of Indonesia being affected impact, yes seen in 2020 where the average *net profit margin* start increase because at the moment that's a sub sector telecommunication is one of the an important subsector during Covid-19.



Viewed from chart on picture on is average liquidity company sub sector telecommunication which is listed on the Indonesian Stock Exchange. This is because in 2013-2017 Indonesia experienced erratic changes in the dollar exchange rate which resulted in an increase in the amount of current debt of companies in the



telecommunications sub-sector. This could indicate that the company will experience financial distress as stated by Rahayu (2016). Financial distress is a stage of decline in a company's financial condition before bankruptcy or liquidation occurs. This is in line with Hanafi (2016) who said that a condition where a company's current debt is greater than its current assets, then this condition can indicate mild financial distress. For this reason, analysis of the symptoms of financial distress is very important to obtain early warnings of bankruptcy. (kontan.co.id).

Can seen from picture in on in where describe fluctuation solvency on sub sector telecommunication Which listed on the Indonesian Stock Exchange. In line with Several previous studies have shown that *the debt equity ratio* has a positive effect on stock prices, including Rutika (2015) showing that *the debt equity ratio* has a positive effect on stock prices. Other research, namely that conducted by Asmirantho and Elif Yulawati (2015) shows that *the debt equity ratio* has an effect on stock prices.

This chapter will translate the results of research on Influence Working Capital Turnover Ratio, Profitability, Liquidity and Solvency on Share Prices in telecommunications subsector companies Which registered in Exchange Effect Indonesia Period 2013 -2022 Using data secondary Which obtained from report finance annual from 7 company Sub sector Telecommunications with using SPSS version 22.

This research intends to find answers to various questions that arise from phenomena that arise in the research object. These question is what influence Working Capital Turnover, Profitability, Liquidity and Solvency on share prices in telecommunications companies period 2013 – 2022.

METHOD

The type of research used in this research uses an approach quantitative, with the research object namely the dependent variable working capital turnover, profitability, liquidity and solvency and for the independent variable is price share. The subjects used in this research are subsector companies telecommunication registered in exchange effect Indonesia period 2013 -2022. The population in this study is the criteria The sample of telecommunications sub-sector companies listed on the IDX for the 2013 -2022 period is 6 companies. Study This use Technique election population with purposive samplingso there are 6 companies. The type of data used to support study This is data secondary form report finance annual Which obtained through financial sites, namely www.idx.co.id.

RESULTS AND DISCUSSION

Results Analysis Descriptive Data Study

Table 1 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Working Capital Turnover	70	.39	4.50	2.2147	.97004
Profitability	70	.00	.83	.2373	.19170
Liquidity	70	.04	8.64	.9317	1.13332
Solvency	70	.22	7.04	2.2971	1.73295
Stock price	70	690.00	8300.00	3446.7857	2134.94663
Valid N (listwise)	70				

For independent variables Working Capital Turnover has value minimum as big as 0.39 And mark maximum as big as 4.50 with mark mean as big as 2.2147 And For standard deviation as big as 0.97004. There is 4 company Which in a way average is at on *mean*, that is Telkom Indonesia (Persero) Tbk (TLKM), XL Axiata Tbk (EXCL), Indosat Tbk (ISAT), Inti Bangun Sejahtera Tbk. For variable independent Profitability own mark minimum as big as 0.00 And mark maximum as big as 0.83 with mark mean 0.2373 And For standard deviation as big as 0.19170. All companies are above *the mean*, especially in the period 2013 -2017, then alternately after that period company is at in above and under value *mean*. For variable independent Liquidity own mark minimum as

big as 0.4 And mark maximum as big as 8.64 with a mean value of 0.9317 and for standard deviation as big as 1.13332.

For the dependent variable Solvency has a minimum value of 0.22 and the maximum value is 7.04 with value The mean is 2.2971 and the standard deviation is 1.73295. For the dependent variable, Share Price has a minimum value amounting to IDR 690 and the maximum value is IDR. 8,300 with value The mean is 3446.7857 and the standard deviation is 2134.94663.

The classical assumption test is used to ensure that the results in the analysis regression has met the requirements. This test is also to determine whether the data is correct used has met the standards and requirements for tested.

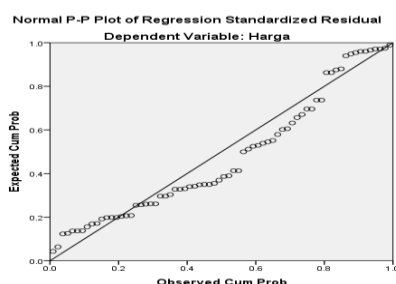


Figure 1 Result of Test Normality

Based on results from chart normal pp plots residuals This suggests that the distribution pattern is normal. This is because the data spread around line diagonal and follow line direction diagonal.

Table 2 Result of Test Multicollinearity

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1601.663	1069.326		1,494	,140		
	X1	798,505	315.167	,363	2,509	,015	,642	1,558
	X2	3215.162	1458.846	,291	2,205	,031	,752	1,329
	X3	18,886	242,301	,010	,057	,947	,777	1,287
	X4	305.167	144,821	,250	2,107	,042	,932	1,072

a. Dependent Variable: Y

By looking at the calculation results in the table above, it shows The *tolerance* value of each independent variable is greater than 0.10. And on the *variance inflation factor* (VIF) value of each independent variable also found to be smaller than 10.00. So that can be concluded taken is not occur multicollinearity in the model this regression.

Table 3 Result of Test Autocorrelation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,397 ^a	,219	,057	86.93029	1,910

a. Predictors: (Constant), X4, X1, X3, X2

b. Dependent Variable: Y

The table above explains that the Watson durbin value is 1,910, the dL and dU values in this study are dL= 1.4943, dU= 1.7350, so the Autocorrelation calculation (4-d) means the value (4-d) = 2,090 in making autocorrelation test decisions as follows :

Therefore, it can be concluded that at $d = 1.910 > 1.4943$ there is no positive autocorrelation, while at $(4-d) = 2.090$ the value is greater than 1.7505 which results in no negative correlation. It can be concluded from the results that there is absolutely no autocorrelation at all.

Based on results test scatterplot on picture on seen that the presence of the resulting dots spread above and below the number 0 on Y axis. Apart from that, these points also do not form a clear pattern or No orderly. So results test This can concluded that on model regression This No it happens heteroscedasticity.

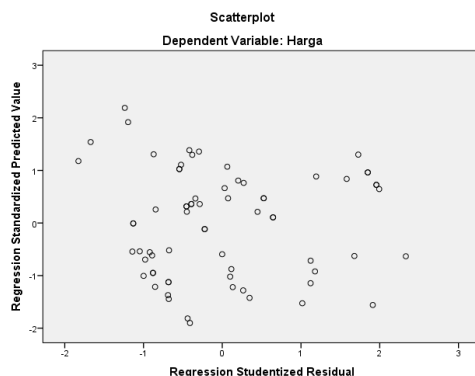


Figure 2 Result of Test Heteroscedasticity

Analysis Regression Linear Multiple

Researchers use this test to test the relationship between one variable dependent and two or more independent variables and know the function of each variable independent in influence variable dependent, in accordance with objective And hypothesis. So produce analysis as following:

Table 4 The Result of Regression Test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1613.036	1079.344		1.494	.140
	X1	788.616	314.345	.358	2.509	.015
	X2	3239.738	1469.185	.291	2.205	.031
	X3	16.434	244.543	.009	.067	.947
	X4	303.361	145.993	.246	2.078	.042

From table on obtained equality regression linear multiple as following:

$$Y = 1613.036 + 788.616 X1 + 3239.73 X2 + 16.434 X3 + 303,361 X4 + e$$

It is suspected that X1 (*Working Capital Turnover*) has an influence on Y (Price Share). From the results of the regression analysis test, the calculated t value was obtained of 0.726 and smaller than the t table of 1.699 (2.509 > 1.6 6 9) (*Two - Tailed*) with level significance as big as 0.15 (p > 0.05) so variable X1 (*Working Capital Turnover*) has an effect on Price Stocks, as such **H1 is accepted**.

Allegedly X2 (*Net Profit Margin*) influential to Y (Price Share). From the results of the regression analysis test, the calculated t value was obtained equal to 2, 205 and greater than the t table 1,699 (2, 205 > 1,699) with a significance level of 0.31 (p > 0.05) then variable X2 (*Net Profit Margin*) influential to Price Share, therefore **H2 is accepted**.

It is suspected that X3 (*Current Ratio*) influences Y (PriceShare). From the results of the regression analysis test, the calculated t value was obtained equal to 0.067 and smaller than the t table 1.6 6 9 (0.067 < 1.6 6 9) (*Two -Tailed*) with a significance level of 0.947 (p > 0.05) then variable X3 (*Current Ratio*) No influence on prices Stocks, as such **H3 is rejected**.

It is suspected that X4 (*Debt Equity Ratio*) has an influence on Y (PriceShare).cFrom the results of the regression analysis test, the calculated t value was obtained equal to 2, 078 and greater than the t table 1.6 6 9 (2, 078 > 1,699) (*Two -Tailed*) with a significance level of 0.042 (p < 0.05) then variable X 4 (*Debt Equity Ratio*) influence on prices Stocks, as such **H 4 accepted**.

It is suspected that X1 (*Working Capital Turnover*), X2 (*Net Profit Margin*), X3 (*Current Ratio*), and X4 (*Debt Equity Ratio*) influential to Y (Price Share). From results testing analysis regression obtained mark f countas big as 2, 841 And more big from on f table 2, 50 (2, 841 > 2, 50) with level significance as big as 0.031 (p < 0.05) so Working Capital

Turnover, Profitability, Liquidity and Solvency variables have an influence simultaneous to Stock Prices. Which. means. **H5. Accepted.**

F Test used to know is all factor independent Which entered in model regression in study own influence combined to dependent variable. Test results f is as follows:

Table 5 Result of F Test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	46808244.022	4	11702061.005	2,841	.031 ^b
	Residual	267693557.76	65	4118362.427		
	Total	314501801.78	69			

a. Dependent Variable: Y

b. Predictors: (Constant), X4, X1, X3, X2

Source Data : Report finance processed SPSS version 22

Results test F on table anova This can is known that in model equality This own level significance, that is 0.031 more small compared to level significance α (0.05) ($0.031 < 0.05$), and the calculated F value is 2,841. F valuecount For amount sample 70 data obtained ie 2,50 so can It was concluded that the calculated F value was greater than the F table ($2.841 > 2.50$). With thereby withdrawn conclusion that variable independent in model study This in a way simultaneous influential significant to variable dependent (Y) namely Price Share

Table 6 Coefficient Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.397 ^a	.219	.057	86.93029

a. Predictors: (Constant), X4, X1, X3, X2

b. Dependent Variable: Y

Test Coefficient determinant displays How method measure capacity model For explain fluctuation variable its independence. Test coefficient determination on This research shows the results as follows: From the table above it can be seen that R Square (R^2) is 0.219. This means that 21.9% of the share price variable (*discretionary accruals*) can be explained by the independent variable Working Capital Turnover (X1), Profitability (X2), Liquidity (X3) and Solvency (X4). Whereas the rest as big as 78.1% explained by factors other in outside model Which analyzed Which not researched.

Discussion

Effect of Working Capital Turnover to Price Share. From the results testing analysis regression obtained calculated t value of 0.726 and more small from the t table 1.669 ($2.509 > 1.669$) (*One-Tailed*) with level significance of 0.15 ($p > 0.05$) then variable X1 (*Working Capital Turnover*) has an effect to Share Prices, with thereby **H1 accepted.** Ratio working capital turnover in general used For determine performance financial A company in analyze operation finance in a way whole. This can also be done used For make calculation is something company will capable pay off debt in period time certain as well as To use avoid running out of cash as consequence from increasing mark need production For operational company.

In research This working capital turnover faced is influential or No influential to price shares, the meaning of the results of this research is that if working capital turnover decreases, share prices will also decrease, and vice versa, if the value of working capital turnover increases, then share prices will also increase. This research succeeded in showing results that are in line with research by Ali Hamdi (2013) which showed that working capital turnover had a significant effect on stock prices, as well as research by

Devie & Rokhmi (2017) which showed results that working capital turnover had a significant effect on stock prices.

The Effect of Profitability on Stock Prices. From the results testing analysis regression obtained calculated t value as big as of 2,205 and more big from the t table 1.699 ($2.205 > 1.699$) with level significance is 0.31 ($p > 0.05$), then variable X2 (*Net Profit Margin*) has an effect to Share Prices, with thereby **H2 is accepted**. This means that NPM in this research has a significant effect on stock prices. So in this case there is an inconsistency with the existing theory that the meaning of Net Profit Margin is measuring profitability related to sales generated, net sales income, NPM or net profit margin is sales profit after calculating all costs and income taxes. *Net Profit Margin* shows financial ratios regarding the company's profitability. If the profitability ratio is greater, it means the company is better at generating profits. A high NPM can indicate good company performance because it can generate large profits. The decision that must be taken by the owner is that the company owner must increase sales in order to generate high profits because the greater the sales activity, the company's shares will attract more interest from investors and will increase the price. shares of the company.

If the company's NPM ratio is large, it shows that the company is performing well, because it can generate large net profits through its sales activities, so that it is used by investors in making decisions about whether to buy the issuer's shares, because increasing net profits affect investors' interest in investing their funds in the company. This will ultimately cause the company's share price to increase. This can be caused by the basic elements of *Net Profit Margin* itself, where investors usually pay attention to the company's net sales or turnover figures when making a decision to invest. Increasing sales followed by increasing net profit can increase the *Net Profit Margin percentage*.

This research is supported by previous research. In research from Delvianti (2021) regarding the influence of current ratio, net profit margin and earnings per share on share prices on the Indonesian stock exchange (case study in the telecommunications sub-sector) it is said that NPM has a significant influence on share prices.. This could be because Net Profit Margin measures the quality of the profits generated. Then in another study, Santi & Dahlia (2017) on the influence of *net profit margin* and return on equity assets on share prices of companies listed on the Indonesian Stock Exchange in their research, *Net Profit Margin* has a significant effect on share prices.

Influence Liquidity to Price Share. From the results testing analysis regression obtained calculated t value as big as as big as 0.067 and smaller than the t table 1.6 6 9 ($0.067 < 1.6 6 9$) (*One -Tailed*) with a significance level of 0.947 ($p > 0.05$) then variable X3 (*Current Ratio*) No influence on prices Stocks, as such **H3 is rejected**. *The current ratio* or current ratio is considered the most important liquidity ratio used by investors, which shows the ratio of current assets to current liabilities. This analytical information is used to determine the working capital position of a company. If *the Current Ratio* is low, there will be a decline in the market price of the company's shares. Vice versa, if *the Current Ratio* is too high, it is also not very good because this can indicate the company's ability to earn less than optimal profits, which can be proven by the small number of activities carried out by the company. As a result, investors' interest in investing capital and buying shares in companies has decreased.

This research found that *the current ratio* has no effect on stock prices, which shows that the t calculated result is -0.067 with a significance value of 0.947. A negative *current ratio* indicates that the company's performance is not very good because this can indicate the company's ability to earn less than maximum profits, which can be proven by the small number of activities carried out by the company. This causes the share price of a company to decrease. The results of this research are consistent with research conducted by Rita Widayanti & Fredella Colline (2019) with the *current ratio results* not influence on share prices. *A Current Ratio* that is too high is also not very good because it can indicate the company's ability to earn less than optimal profits, which can be proven by the small number of activities carried out by the company. As a result, investors' interest in investing capital and buying shares

in companies has decreased.

Effect of Solvency to Share Prices. From the results of the regression analysis test, the calculated t value was obtained 2,078 and greater than the t table 1.669 (2,078 > 1,699) (*Two-Tailed*) with a significance level of 0.042 ($p < 0.05$) then variable X₄ (*Debt Equity Ratio*) influence on prices Stocks, as such **H4 accepted**. One alternative external funding for companies is debt. The amount of debt of a company can be used as an indicator Good the bad condition finance A company. With thereby big debt Also can made tool measuring or as consideration from potential investors who will invest in a company, and in study This researcher use A ratio For measure fairness big debt A company that is *Debt to Equity Ratio* (DER). *Debt to Equity Ratio* (DER) used with compare amount debt to the equity value of a company. So in other words *Debt to Equity Ratio* (DER) can describe how much big ability company in pay off the debt with capital Which owned by company the. Mark *Debt to Equity Ratio* (DER) Which tall show level dependency company Which tall to party externally in terms of funding so that it will have an effect on the company's expenses Which the greater it is.

From the results of research carried out by researchers, it is that *Debt to Equity Ratio* (DER) influential. So from these results and the explanation in the paragraph above enough to explain why there can be a positive relationship from variable *Debt to Equity Ratio* (DER) on share prices. This is meaningful DER have influence to price shares, which means if the company's DER increases then the share price the company is likely to also increase. DER is ability company For pay the debt with equity Which owned. So that moment the more tall ability company in pay the debt use equity Which depicted with a low DER level will increase share prices due to High demand for shares on the stock exchange will influence the increase price share.

Debt to Equity Ratio (DER) influences share prices This occurs because the company's strategy in funding uses debt For reduce burden tax. Use debt in amount Which more large will reduce taxes and lead to more operating profits (EBIT) company Which flow to investors. Besides That, when activity company the more tall can allegedly that the product capable penetrate market Which targeted And will bring level profit which is getting higher. The results of the t test show the significance value of the *Debt variable to Equity Ratio* has an influence on prices share, matter This can seen from calculation t count > t table (2,078 > 1,699) And significance value 0.042 ($p < 0.05$). Results it shows that variable *Debt to Equity Ratio* own influence to share prices. So the influence it has is positive significant.

This is supported by research conducted by Levina and Dermawan (2019) which states that partially *Debt to Equity Ratio* (DER) own influence to price share. Same as in research by Isna Ahmad and Sahmin Noholo (2018) state that *the Debt to Equity Ratio* (DER) has a significant influence to price shares however positive.

Influence of Working Capital Turnover, Profitability, Liquidity, Solvency to Share Prices, the calculated f value was 2.841 And more big from on f table 2,50 (2,841 > 2,50) with level significance as big as 0.031 ($p < 0.05$) so Working Capital Turnover, Profitability, Liquidity and Solvency variables have an influence to the Share Price which means **H5 accepted**. This is supported by research conducted by Delvianti (2021) which states that partially profitability, liquidity, solvency own influence to price share.

CONCLUSION

Results of hypothesis testing (H1). Partial *Working Capital Turnover* (WCTO) significant effect on share prices. This conclusion is based on The results obtained from the research are T count > T table (2.509 > 1.669) and a significance value of 0.15 ($p > 0.05$). So it can be concluded that *Working Capital Turnover* (WCTO) influences share prices in telecommunications sub-sector companies listed on the Indonesian Stock Exchange for the period 2012 – 2021.

Results of hypothesis testing (H2). partial *Net Profit Margin* (NPM) has a significant effect on stock price. This conclusion is based on the results obtained from study is T count

> T table (2.205 > 1.669) and mark significance 0.031 ($p < 0.05$). So it can be concluded that Profitability influences share prices in telecommunications sub-sector companies listed on the Indonesian Stock Exchange for the period 2012 – 2021.

Partial hypothesis test results (H3). *Current Ratio* No influential to price share. This conclusion is based on the results obtained from the research T count < T table (0,067 < 1.669) (*One-Tailed*) with with level significance of 0.947 ($p > 0.05$). So it can be concluded that liquidity has no effect on share prices in telecommunications sub-sector companies which is listed on the Indonesian Stock Exchange period 2012 – 2021.

Results of hypothesis testing (H4). partial *Debt Equity Ratio* (DER) has a significant effect on stock price. This conclusion is based on the results obtained from study is T count > T table (2,078 > 1,699) And mark significance 0.042 ($p < 0.05$). So it can be concluded that solvency influences share prices in telecommunications sub-sector companies which is listed on the Indonesian Stock Exchange.

Based on the results of research that has been carried out on relationships between variable *Working Capital Turnover Ratio* (WCTO), Ratio Profitability (*Net Profit Margin* (NPM)), Ratio Liquidity (*Current Ratio* (CR)), and Solvency Ratio (*Debt Equity Ratio* (DER)) to share price variables in telecommunication sub-sector companies Which registered in BEI on period 2012-2021. Canconcluded that in a way simultaneous WCTO, NPM, CR, and DER influential in a way significant to price share. Conclusion Thisbased on the results obtained from the research, F count > F table (2,841 > 2,50) with level significance as big as 0.031 ($p < 0.05$). Thus simultaneously simultaneous WCTO, NPM, CR, and DER influential to price share.

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