

MANAGING WORKING CAPITAL IN INCREASING PROFITABILITY AT PT SEMEN TOSANA

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ABSTRACT

Profitability is a ratio to assess the company's ability, seeking management benefits themselves are businessmen efforts that are engaged in an activity and include decision-making, the purpose this research. That is know how the management cash turnover, turnover, imprisonment of financial rowing work capital to profitability at the company PT Semen Tonasa (Persero). Which variables: Cash Turnar (X_1), Rotation of Receivables (X_2), Inventory turnover variables (x_3). Which method used techniques. Data analysis interpretation form of quantitative, statistic data measurement through scientific calculation. The data were analyzed, multiple regression models must meet classical assumptions, hypothesis tests, hypothesis testing criteria. The cash turnover variable (X_1) with the calculation value of 0.189 with a significance level of 0.857, means there is a positive yet unrelentful relationship between return on assets with cash turnover. Variable Records of Receivables (X_2) with a calculation value of 0.443 with a significance level of 0.675, means there is a positive relationship between significantly with return on assets of corruption debt. The inventory turnover variable (X_3) with a calculation of 2,000 to a significance level of 0.102 (Sig> 0.05) means there is a positive relationship between significantly with the return on asset turnover inventory. The working capital variable of the (104) of the total t-calculated value of the 0261, the 0.061 significance level means there is a negative and insignificant relationship between return on assets with working capital turnover. This means that simultaneously turnover, turnoverR, inventory turnove working capital turnover affect the return on assets 2016 to 2020 by 0.911 or 91% while the remaining 9% is influenced by other factors.

KEYWORDS: Cash Turnover, Turn Over, Inventory Turnover, Working Capital Turnover And Return On Assets.



DEVELOPING MARKETING INNOVATION PEATLAND AREA THROUGH PINEAPPLE LOCAL FARMERS IN TANGKIT BARU VILLAGE

Introduction

Basically every company will perform various activities to achieve the established goal. Any activity implemented by the Company always requires funds, whether to finance daily operational activities and to finance their long-term investment. Funds used to carry out daily activities of operationalis called working capital Management responsibility of working capital is of each manager or company leader. Managers must hold supervision of working capital to work capital resources can be used effectively in the future. Managers also need to know the level of working capital turnover in order to prepare a better plan for the future period. In addition to managers, short-term creditors also need to know the level of working capital of a company. That way, short-term creditors will obtain certainty when the company's debt will be paid soon. Working capital is one of the factors that may affect other parts of a company. Working capital can be obtained either from within (earnings and detailed capital), as well as from outside (loan). Capital is a major source in running an effort. The failure or success of the company's management in processing working capital is very influential on the company's profitability. Working capital in the company needs to be halted due to important working capital for each company. This is because some reasons are:

1. Without working capital companies can not perform daily operating activities.
2. Most of the time from the manager is poured to manage the working capital of the company.
3. Current assets of manufacturing companies and services companies have a large amount of total Company Assets.

Working management working in a company is needed to know the amount of optimal working capital that the company needs. Working Capital Management (*Working Capital Management*) is the Management of current assets elements and current debt elements. Working Capital Policy (*Working Capital Policy*) Show basic decisions on the target of each element of elements and smooth actions and how the current assets and how the current assets are well published. The goal of working capital management is to manage current and asset securities so that it is obtained by the working capital net to decent and ensure the company's liquidity level. As for the goals you want to achieve from Capital Management Work is to maximize the value of the company managing current assets so that the level of marginal management investment is the same or larger than the cost of capital used to finance these assets, minimize in the long term capital of capital used to finance assets supervision of the flow of funds current assets. One of the companies that is still operating well and smoothly PT. Cement Tonasa. The cement plant was established since 1968 until now still maintains its business. Good working capital management may be one of the success factors of the company. If the company continues to continue continuously and maintains its profits, it may be profitability every year increases without the addition of working capital or even every year there is an additional capital of the working capital.

DEVELOPING MARKETING INNOVATION PEATLAND AREA THROUGH PINEAPPLE LOCAL FARMERS IN TANGKIT BARU VILLAGE

As for product specifications generated by PT. Cement tonasa is

- a. Portable Cement Type 1, is a type of hydraulic cement made by grinding clinker, cement, and gypsum. This type of cement is produced by PT. Cement Tonasa In accordance with National Standard Indonesia (SNI).
- b. Cement Portland Pozzolan, is a hydraulic cement consisting of a homogeneous mixture of Portland and Pozzolan cement.
- c. Cement of Portland composite, is a mourning of the port of Portland and Gypsum with one or more inorganic materials.

To produce products above the necessary working capital here is data on the total working capital of OL owned by oLeh PT. Cement Tonasa Period 2016 - 2020. And cement products marketed by PT. Cement Tonasa has covered all over Indonesia to foreign countries. Here's the Cement Pall Data. Cement Tonasa Sea-Indonesia from 2016 to 2020

Table 1 Total working capital PT Temanasa Tonasa 2016 - 2020

Year	Total working capital net (In thousands of rupiah)
2016	778.695.398
2017	786.193.028
2018	430.555.677
2019	575.787.754
2020	538.331.496

Source: Balance of PT. Cement Tonasa 2020

Based on sales data on the sale of cement PT. Temasa cement in general increased. With sales that have increased of course the income obtained also increased and the company's policy of each year is also different. Here's the initial picture of their financial condition of PT. Cement Tonasa Period 2016 - 2020.

Table 2 The condition of keuHangan PT. Cement Tonasa Year 2016-2020 (In thousands of rupiah)

Year	Current assets	Total assets	Obligations Smoothly	Net profit
2016	1.189.918.183	1.858.066.211	411.222.785	294.441.495
2017	1.319.980.746	2.401.347.403	533.787.718	429.722.632
2018	1.017.517.644	3.510.477.336	586.961.967	543.587.122
2019	1.237.682.866	5.374.843.616	661.895.112	544.293.789
2020	1.594.864.239	7.331.627.206	1.056.532.734	642.152.214

Source:PT. Cement Tonasa Persero 2020

Based on the table above the expenses in the profit occurring in the company PT. Cement tonasa **Understanding**, *function and purpose of financial management*¹. Understanding Financial Management Financial management discusses financial management, which is basically undertaken either individuals, companies and government. Financial theory applied

DEVELOPING MARKETING INNOVATION PEATLAND AREA THROUGH PINEAPPLE LOCAL FARMERS IN TANGKIT BARU VILLAGE

to the context of the company is known as the company's financial (*Corporation Finance*). Financial decisions taken by "Financial Managers" (ie investment decisions, funding decisions, and dividend policy) are intended to improve the prosperity of the company owner. This is indicated by the increasing value of the company, or stock price (for the company *Go public*). Financial management (*Financial Management*), or in other literature is called spending, is all corporate activities related to how to obtain funds, use funds, and manage assets according to the company's goal thoroughly. Financial management (*Financial Management*), or in other literature is called spending, is all corporate activities related to how to obtain funds, use funds, and manage assets according to the company's goal thoroughly. In other words the financial management is a management (management) on how to obtain assets, fund assets and manage assets to achieve the company's goal. Based on the expert opinion of the experts that have been reached above can be concluded that financial management is the company's activity to obtain funds and use the funds efficiently.

"Obernal people, do not take each other's treasure with a vary path, except with the applicable panel of the prevailing by the same as you are among you. And do not kill you; the real God is the Majesty to you ".⁷This verse discusses or guiding on how to obtain treasures, in this verse is discussed to gain treasures through their respective efforts. Because the property has a position under the life, even life may be to risk or obtain Hatra, then the next verse message "... and do not kill yourself ..." or other people not right, and if we kill others then we are threatened to be killed because "... Allah Allah against you loving ..".

Method

A. Place and research time

This research was conducted on the company PT. Cement Tonasa, While the the period of implementing this research to its mileage for approximately three months Starting April until June 2020.

B. Data collection method

Methods of data collection is done in this writing is:

1. Library research (Library Research) Is the data collection method by studying the literature associated with the title as well as college materials from various books related to the issues discussed to be used as the foundation of theory.
2. The field of research is the method of data collection is done in location (Research Object) directly.

C. Sources of Data and Type

1. Type Data
 - a. Quantitative data, namely data can be calculated or in the form of numbers data. This data can be obtained from financial statements such as balance sheet, income statement, or from cash flow statements on pT. Tonasa Cement period 2016-2020.

DEVELOPING MARKETING INNOVATION PEATLAND AREA THROUGH PINEAPPLE LOCAL FARMERS IN TANGKIT BARU VILLAGE

- b. Qualitative data, namely data obtained is not form of numbers but in the form of company's imperative, a brief history of the company, or oral information concerning policies issued by the Company.
2. Data source
 - a. Primary data, namely data obtained directly by holding direct observation on PT Semen Tonasa company as a research object.
 - b. Secondary data, namely data obtained outside the company is through the books or literature that is closely related to the problem to be discussed.

D. Operational definition

Calculate the cash turnover

Cash is the most liquid rotation or one of the highest element of working capital of liquidity. Means that the larger the amount of cash dimiliated by a company will also higher also the level of liquidity can be formulated the UN:

$$\text{Cash turnover} = \frac{\text{Sales}}{\text{Average Cash}} \dots\dots\dots 1$$

Calculate the turnover of the receivable

Accounts receivables a company has a close relationship with the volume of credit sales, the accounting of receivables and the estimated time of the collection can be assessed by calculating the rate of turnover turnouts means working capital planted in the receivables will be lower. Conversely if the ratio is lower means there is an overinvestment in receivables, the level of receivables of the receivable can be formulated as follows:

$$\text{Turnarish Receivable} = \frac{\text{Sales}}{\text{Average Receivables}} \dots\dots\dots 2$$

$$\text{Average accounts receivant} = \frac{\text{Initial Receivables} + \text{Final Receivables}}{2} \dots\dots\dots 3$$

Calculate the turnout of the inventory

Inventory turnover is the ratio of the amount of price sold with the average value of the preparation owned by the company. Inventory turnover shows how many working capital embedded in the form of inventory spin in the form of a production period

$$\text{Inventory turnover} = \frac{\text{Hpp}}{\text{Average Inventory}} \times 1 \text{ times} \dots\dots\dots 4$$

Calculate the working capital turnover

Working capital turnover reflects the ability to spin in a certain period by dividing sales volume with average working capital. Working capital turnoons show how many overall working capital can spin in one production period.

Calculate profitability

DEVELOPING MARKETING INNOVATION PEATLAND AREA THROUGH PINEAPPLE LOCAL FARMERS IN TANGKIT BARU VILLAGE

This method is used to know the ability of the company's capital to produce profit and assess how much the rate of return of the asset that the company is dedicated. By using the analytical tool is the analysis of the profitability ratio. The formula used is:

E. Method

The method of data analysis used in this discussion is the quantitative method, which is the method of data requires processing analysis techniques, interpretations in the form of quantitative and statistical, through measurement scientific calculations.³² Before the data is analyzed, multiple regression models should be Meet the assumptions classical, testsh ypothesis, hypothesis testing criteria include:

a. Classic assumption test

Used regression models in testing the hypothesis should avoid the possibility of the abuse of classical assumption. Classical Assumption Regression includes:

b. Multicollinearity test

The problems that may arise on the use of multiple regression equations are *multicollinearity*, that is a state that the independent variable correlates with other frequent variables or a free variable is a linear function of other frequent variables. The *Multicollinearity* can be seen from *Tolerance Value* or the value *Variance Inflation Factor (Vif)*. Nugroho (2005) in Sujianto (2009) states if the value *Variance Inflation Factor (VIF)* Not more than 10 then the model is free from multicollinearity.

c. Autocorrelation Test

Autocorrelation can be a correlation interpreted as that occurs among members of a series of observations that dragged on time (if the data time series) or correlation between adjacent places (if cross sectional). That can be The test used to detect the absentee of this classical assumption is the Durbin Watson test (D-W Stat) with the following conditions:

1. $1.65 < dw < 2,35$ then no autocorrelation.
2. $1.21 < dw < 1.65$ or $2.35 < dw < 2.79$ then it can not concluded.
3. $DW < 1,21$ or $DW > 2.79$ then the auto correlation occurs.

d. Heteroskedasticity test

Heteroscedasticity test aims to test whether in the regression model occurred innocence of variance from residuants one observation to other observations. Good regression model is that there is no heteroscased content. Methods that can be used to detect heteroked patience symptoms include: Graph method, Park Glejser, Rank Spearman, and Barlett. In this study the method used to detect helicoscasedity symptoms by seeing the plot graph between the predicted value of the bound variables (ZPred) with the residual (SRESID). Detection There is no heteroscasedity can be done by seeing any of the particular pattern on the scatterplot graph between ZPRED and SRESID where the y axis is predicted y, and the x axis is a residual (y prediction - y actually) located in Studentized.

DEVELOPING MARKETING INNOVATION PEATLAND AREA THROUGH PINEAPPLE LOCAL FARMERS IN TANGKIT BARU VILLAGE

1. If there are dots form a regular pattern then identify has been heterokedasity.
 2. If there isnoclear pattern, as well as the points spread above and below thenumber 0on the y axis, then there is noheteroscased content.
- e. Normality test
- Test normality aims to test whether the regression model, the dependent variable and the independent variable both have a normal distribution or not. A good regression model is to have a normal data or distore is normal. Methodscan be used for include normality: analysis Graphicalstatistical analysis. Test normality in this research is done by means of graphical analysis. Normality can be detected by seeing the data spread (point) on the diagonal axis of the graph or by looking at the histogram of its residual:
1. If the data spreads around the diagonal line and follows the diagonal line or histogram graph shows the normal distribution pattern (resembled bells), regression meets normality assumption.
 2. If the data spreads away from the diagonal line and or not follow the directional direction of the diagonal line or the histogram graph does not show a normal distribution pattern, the regression model does not meet the assumption normality.

Result

This study aims to see the effect of the relationship between independent variables against dependenc variable by using multiple regression linear analysis. But the variables analyzed by the regression model can be a quantitative variable can also be a qualitative variable. Qualitative variables in the regression model are often referred to by the dummy variable.

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In this case,

Y	= Return on Asset (ROA)
A	= Constant of regression equation
b_1, b_2	= Regression coefficient
x_1	= Cash Turnar
x_2	= Recommended Reconcription
x_3	= Inventory turner
x_4	=Working Rounds of Working
Hey	= Standard error

Test hypothesis testing criteria

Test f

Test F is done to see the effect of free variables together with the independent variable:

$H_0:bed_1= B_2= 0$, there is no effect of working capital changes to ROA.

$H_1:bed_1\geq B_2\geq 0$, there is at least one effect on changes in the proportion of working capital against *Return on Asset*

DEVELOPING MARKETING INNOVATION PEATLAND AREA THROUGH PINEAPPLE LOCAL FARMERS IN TANGKIT BARU VILLAGE

Test T

T test is done to know influence each of Masing independent variables consisting of Capital Work on Return on Asset (ROA). The steps to do in this test are as follows formulating the hypothesis:

H0: $\beta_1 = \beta_2 = 0$, there is no effect of change of proportion of working capital against Return on Asset (ROA).

H1: $\beta_1 \geq \beta_2 \geq 0$, there is at least one effect on changes in the proportion of working capital against Return on Asset (ROA).

The results of the depiction of the results obtained in the study consisting of independent variables and dependent variables. The data obtained is the data of financial condition of PT. Tonasa cement published from 2003 to 2012. This data is obtained from the financial statements and annual reports of PT. Temanas cement in the balance sheet, income statements, and other data supported in this study.

Discussion

Based on the results of research and discussion that has been done in Company PT Semen to NASA (Persero) Period 2016-2020, then the conclusion of the conclusion Management of working capital as a means to improve profitability At PT Semen Tonasa. Variable Cash Turnover There is a positive but not significant influence with return on assets, this means the turnover cash variable provides positive but not significant to return on assets, in other words if cash turnover rose, then the return on the asset will be generated in a one-year forecast predicted to remain up despite its insignificant effect.

Conclusion

The Receivable Turnover variable there is positive and insignificant relationship between return on assets with Turnover Receivable. This means the RT variable gives positive but not significant to return on Asset, in other words if Receivable Turnover rose, then the return on assets to be generated in a one-year forecast predicted to remain up and even its influence is not significant. Variable Inventory Turnover There is a positive insignificant effect between return on assets with inventory turnover. This means the inventory turnover variables provide positive but not significant to return on assets, in other words if the Inventory turnover rose, then the return on the asset will be generated in a one-year forecast predicted to remain up and even its influence is not significant. Variable Working Capital Turnover has a negative and significant effect between Return on Asset with Working Capital Turnover. This means the working capital turnover variables gives a negative and significant to return on assets, in other words if the working turnover rises, then the return on the asset will be generated in a one-year forecast predicted to remain down despite its significant effect.

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