THE EFFECT OF INVESTMENT DECISIONS AND FUNDING DECISIONS ON COMPANY VALUE IN TOURISM AND HOSPITALITY COMPANIES REGISTERED ON INDONESIA STOCK EXCHANGE (IDX)

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Abstract

This study aims: (1) To know and analyze the influence of investment decisions partially on the value of the company in tourism and hospitality companies listed on the Indonesia Stock Exchange (IDX). (2) To find out and analyze the influence of funding decisions partially on the value of the company in tourism and hospitality companies listed on the Indonesia Stock Exchange (IDX). (3) To find out and analyze investment poverty and funding decisions simultaneously on company value in tourism and hospitality companies listed on the Indonesia Stock Exchange (IDX). The sampling technique used was Purposive sampling obtained a sample of 10 Tourism and Hospitality Companies for the 2012-2016 study period. The testers used in this study were classical assumptions (normality test, multicollinearity test, heteroscedasticity test and autocorrelation test), multiple linear regression was used as an analysis tool and to test hypotheses used t-test, F-test and determination test. The results of statistical tests show that simultaneously Investment Decisions and Funding Decisions have a significant positive effect on firm value. Partially Investment Decisions have a positive effect on company value. Funding decisions have a significant positive effect on Company Values in Tourism and Hospitality companies listed on the Indonesia Stock Exchange (IDX).

Keywords: Company Value, Funding Decision, Debt Equity to Ratio, Investment Decision.

INTRODUCTION

The tourism industry has now entered what is called "mass tourism". Where people no longer travel alone, but in groups (groups). This is possible because of the growing number of flights and the availability of accommodation facilities in a relatively large number of rooms. Increasing tourism growth and development has even entered the tourism industry in the free market era as it is now, hospitality business has followed it. The selling of Indonesian tourism that is so unique with the advantages of exotic nature that is increasingly 'selling well' and tends to be visited by many foreign tourists / foreign tourists also has an impact on the hotel occupancy rate. Which is nothing but the law of cause and effect where these two fields complement each other so that it continues to exist and deserves attention from the government and the employers concerned.

Lately investment in hotels and tourism has flourished tourism centers and new hotel buildings and has become a business center that is currently experiencing a significant increase. This is caused by several regions that are focused as the main destination for business and some are used as destinations for traveling.
According to the Indonesian Ministry of Culture and Tourism (2005) in Sapta (2011 p. 1) Good and sustainable tourism management is expected to be able to provide opportunities for economic growth in a tourism destination. The use of local materials and products in the service process in the tourism sector will also provide opportunities for local industries to play a role in the supply of goods and services.

According to Brealey et. Al (2007 p. 46) The value of the company summarizes the investor's collective assessment of how well a company is doing, both its current performance and its future projections. According to Brigham and Edhat (2009, p.518) Company value is an investor's assessment of how well the condition of a company and this condition can be reflected through the market price of the company's stock. Company value can be measured by Price Book Value (PBV). PBV refers to market ratios used to measure the performance of stock market prices on the value of the book.

The following are data on company values in tourism and hospitality companies listed on the IDX:

**Table of Price Book Value (PBV)**

<table>
<thead>
<tr>
<th>Emiten</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bayu</td>
<td>0.75</td>
<td>0.64</td>
<td>1.19</td>
<td>1.18</td>
<td>0.80</td>
<td>0.91</td>
</tr>
<tr>
<td>Buva</td>
<td>2.03</td>
<td>2.26</td>
<td>1.93</td>
<td>1.31</td>
<td>1.20</td>
<td>1.75</td>
</tr>
<tr>
<td>FAST</td>
<td>5.58</td>
<td>3.44</td>
<td>3.51</td>
<td>2.06</td>
<td>2.70</td>
<td>3.46</td>
</tr>
<tr>
<td>HOME</td>
<td>1.02</td>
<td>4.05</td>
<td>2.62</td>
<td>2.72</td>
<td>2.62</td>
<td>2.61</td>
</tr>
<tr>
<td>ICON</td>
<td>14.67</td>
<td>11.68</td>
<td>3.19</td>
<td>4.16</td>
<td>3.41</td>
<td>7.42</td>
</tr>
<tr>
<td>INPP</td>
<td>0.85</td>
<td>0.51</td>
<td>0.48</td>
<td>1.01</td>
<td>1.58</td>
<td>0.89</td>
</tr>
<tr>
<td>JIHD</td>
<td>0.48</td>
<td>0.62</td>
<td>0.52</td>
<td>0.31</td>
<td>0.25</td>
<td>0.44</td>
</tr>
<tr>
<td>JSPT</td>
<td>0.96</td>
<td>0.85</td>
<td>0.75</td>
<td>0.88</td>
<td>2.29</td>
<td>1.15</td>
</tr>
<tr>
<td>MAMI</td>
<td>0.20</td>
<td>0.01</td>
<td>0.19</td>
<td>0.44</td>
<td>0.28</td>
<td>0.22</td>
</tr>
<tr>
<td>PANR</td>
<td>0.81</td>
<td>1.28</td>
<td>1.30</td>
<td>1.31</td>
<td>1.17</td>
<td>1.17</td>
</tr>
<tr>
<td>Total</td>
<td>27.35</td>
<td>25.34</td>
<td>15.68</td>
<td>15.38</td>
<td>16.3</td>
<td>20.02</td>
</tr>
</tbody>
</table>

From the table above, we can see Price Book Value (PBV) data, which shows that in the period of 2012-2016 the Price Book Value (PBV) has 8 tourism and hospitality companies which have decreased and 2 tourism and hospitality companies have increased. This shows that the increase in the company's stock price was not followed by an increase in the value of the stock book. The increase in stock prices if it can be converted into book value of shares will be able to guarantee the share price. Then the company can be said to be liquid but in reality it cannot increase the value of the Price Book Value (PBV). Because the increase in Price Book Value (PBV) can be achieved if there is a decrease in debt borne by the company due to lower cash levels will reduce the number of denominators Price Value Value (PBV).

According to Fahmi (2012, p.86) One of the tools to analyze company value is by ratio analysis. Ratio analysis is a tool that helps us to analyze the company's financial statements so that we can know the strengths and weaknesses of a company. Ratio analysis also provides indicators that can measure the level of profitability, liquidity, income / utilization of assets and liabilities of a company. According to Widoatmodjo (2007, p.263) Information needed by investors in taking investment in the capital market there are three main types of information including information in the form of factors that influence company value, namely: fundamental factors, technical factors, environmental factors.
Investment decisions relate directly to the company, in the sense that investment decisions are closely related to investment activities carried out by the company. According to Sudana (2011 p. 6) Investment decisions are related to the process of selecting one or more alternative investments that are considered profitable from a number of investment alternatives available to the company. Investment decisions can affect the value of the company because the composition of a good investment will be able to attract investors to invest in the company.

Rangkuti (2012, p. 2) Investments issued must produce returns that are in accordance with the amount of capital spent, as well as the risks faced. Constraints that might be faced in building a project, namely the change in exchange rates, inflation rates, changes in purchasing power, and changes in macroeconomic conditions. Many factors must be considered in building a project. The various changes in external factors that affect internal factors can frustrate the project planning that will be undertaken. For this reason, it is very important to conduct an analysis of the level of success in the feasibility study.

### Table of Investment Decision

<table>
<thead>
<tr>
<th>Emiten</th>
<th>Year</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bayu</td>
<td>4,41</td>
<td>3,54</td>
</tr>
<tr>
<td>Buva</td>
<td>0,18</td>
<td>0,16</td>
</tr>
<tr>
<td>FAST</td>
<td>2,00</td>
<td>1,95</td>
</tr>
<tr>
<td>HOME</td>
<td>0,14</td>
<td>0,22</td>
</tr>
<tr>
<td>ICON</td>
<td>1,49</td>
<td>1,12</td>
</tr>
<tr>
<td>INPP</td>
<td>0,09</td>
<td>0,22</td>
</tr>
<tr>
<td>JIHD</td>
<td>0,15</td>
<td>0,48</td>
</tr>
<tr>
<td>JSPT</td>
<td>0,36</td>
<td>0,37</td>
</tr>
<tr>
<td>MAMI</td>
<td>0,10</td>
<td>0,11</td>
</tr>
<tr>
<td>PANR</td>
<td>2,50</td>
<td>1,32</td>
</tr>
<tr>
<td>Total</td>
<td>11,42</td>
<td>9,49</td>
</tr>
</tbody>
</table>

Judging from the data relating to investment decisions, it can be seen that in the 2012-2016 period of tourism and hospitality companies decreased there were 10 These conditions indicate that the amount of assets owned by the company should be able to contribute high to increasing profits. However, this is not in accordance with the conditions that occur, so it can be concluded that an increase in assets is not able to contribute to the increase in profits. According to Mardianto (2008 p. 3) Investment decisions are made to allocate funds to various types of assets, it may also be said business decisions are very important because it will affect the success of achieving company goals in increasing company profits.

According to Riyanto (2001 p. 15) funding decisions reflect the way in which company assets are spent, thus the financial structure is reflected in the overall liabilities in the balance sheet. Financial structure also reflects the balance between overall external capital (both short and long term) with the amount of own capital. This funding decision is a comparison between debt (external capital) and equity (own capital). According to zbringham and Houston (2001, p.38) Funding decisions are measured by total debt, which is total liabilities (both short and long-term debt), while total shareholder's equity is the company's own total capital. This ratio shows the
composition or funding decision of the total loan (debt) to the total capital owned by the company. The higher the Debt to Equity Ratio (DER) shows the composition of the total debt (short and long term) is greater than the total capital itself, so that the impact of the greater burden on the company to external parties (creditors).

According to Martin, et al (2009, p.385) Debt to Equity Ratio (DER) is calculated by debt divided by own capital, meaning that if the company's debt is higher than capital itself the amount of the Debt to Equity Ratio (DER) is above one, so that the funds used for company operational activities are more than the elements of debt rather than equity (equity). Therefore, investors tend to be more interested in the level of Debt to Equity Ratio (DER) which is less than one, because if more than one Debt to Equity Ratio (DER) shows the amount of debt is greater and the risk of the company increases. An increase in the Debt to Equity Ratio (DER) at a certain level will minimize the cost of capital, but if too much is added, it will increase the cost of capital. The following are data on funding decisions at tourism and hospitality companies listed on the Stock Exchange in the 2012-2016 period:

Table of Debt to Equity Ratio (DER)

<table>
<thead>
<tr>
<th>Emiten</th>
<th>Year</th>
<th>Rata-Rata</th>
</tr>
</thead>
<tbody>
<tr>
<td>BAYU</td>
<td>1,10</td>
<td>1,05</td>
</tr>
<tr>
<td>BUVA</td>
<td>0,60</td>
<td>0,77</td>
</tr>
<tr>
<td>FAST</td>
<td>0,80</td>
<td>0,84</td>
</tr>
<tr>
<td>HOME</td>
<td>0,32</td>
<td>0,26</td>
</tr>
<tr>
<td>ICON</td>
<td>3,15</td>
<td>2,30</td>
</tr>
<tr>
<td>INPP</td>
<td>0,86</td>
<td>0,89</td>
</tr>
<tr>
<td>JIHD</td>
<td>0,32</td>
<td>0,29</td>
</tr>
<tr>
<td>JSPT</td>
<td>0,83</td>
<td>0,68</td>
</tr>
<tr>
<td>MAMI</td>
<td>0,20</td>
<td>0,25</td>
</tr>
<tr>
<td>PANR</td>
<td>2,52</td>
<td>2,49</td>
</tr>
<tr>
<td>Total</td>
<td>10,7</td>
<td>9,82</td>
</tr>
</tbody>
</table>

From the table above, it can be seen that from 10 tourism and hospitality companies there are 2 companies experiencing an increase in the value of Debt to Equity Ratio (DER) and in 2 companies there is still a value of Debt to Equity Ratio (DER) which is above one value, meanwhile if the company's debt higher than the capital itself, the amount of the Debt to Equity Ratio (DER) is above one, so the funds used for the company's operational activities are more than the elements of debt rather than equity (equity), this will increase the risks faced by the company.

According to Munawir (2002 p. 64) Ratio analysis is a form or method commonly used in analyzing financial statements of a company. By using an analysis tool in the form of this ratio will be able to explain or give an overview to the analyst about the good or bad situation or financial position of a company. The factors that exist in this period or time with factors of future sales growth that might affect the financial position or the results of the operations of the company in question are covering sales, asset turnover, current ratio.

From the existence of the phenomenon of the problem that occurs, this research is entitled "The Influence of Investment Decisions and Funding Decisions Against Company Values in Tourism and Hospitality Companies Listed on the IDX".
THEORITICAL REVIEW
The value of the company
According to Herlianto (2013, p. 20) that:
"Securities or often referred to as securities is a piece of paper that shows the right of
investors to obtain a part of the prospect or wealth of the organization that issues the
securities".

Standard Measurement of Company Value
To measure the value of a company can be seen from the closing price in one
period (closing price). The company value ratio is one of the most important ratios.
Investors can use a price-earnings ratio (PE), for example, to measure the price of a
company's value. The lower the PE, the cheaper the value of the company. Investors can
also measure the level of dividend profits that can be obtained from a company value.
So, this ratio should not be missed.
According to Brigham and Houston (2007, p. 110) to measure the value of a
company can use the formula as follows:

\[ PBV = \frac{\text{Share price perpiece}}{\text{book value for a share}} \]

Investment Decision
Investment is to place money or funds in the hope of obtaining certain
additional or gains on the money or funds. According to Tandelilin (2007, p. 3)
that: "Investment is a commitment to a number of funds or other resources carried out at
this time, with the aim of obtaining a number of profits in the future. An investor buys a
number of shares at present in the hope of gaining profits from the increase in stock
prices or a number of dividends in the future, in return for time and risks associated with
the investment. Assets in this scope mean more the act of selling goods or services.
Marketing activities are assets in the scope of results or income means an assessment of
the company's real assets in a period. According to Swastha (2007, p. 406) "There are
several factors that influence investment decisions as follows:
1) Conditions and capabilities of sellers;
2) Market conditions;
3) Condition of company organization;
4) And other factors such as nature, culture, politics, religion, social."

Measurement Standards for Investment Decisions

\[ \text{Investment Decision} = \frac{\text{Sales}}{\text{Total of Asset}} \]

Funding Decision
According to Riyanto (2011 p. 5) that: "The fulfillment of company funds can
come from internal sources (internal financing) and external sources (external
financing). Corporate funding needs from internal sources, namely the source of funds
that are formed or generated by themselves within the company, usually in the form of
retained earnings and depreciation. Corporate funding needs can also come from
external sources, namely sources of funds from outside the company that come from
creditors and owners, participants or shareholders in the company ".

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Funding Decision Measurement Standards

Regarding long-term loans, often limiting a company's ability to pay cash dividends. The restrictions are intended to protect the paramilitary lenders. Funding decisions in this study were confirmed through the Debt to Equity Ratio (DER).

Santoso (2008, p. 21) to measure the debt to equity ratio (DER) can be measured by comparing the total debt with the total capital of the company. Indicators that can be used to measure loan contracts include.

\[
DER = \frac{\text{Liability}}{\text{Total of capital}}
\]

METHODOLOGY OF RESEARCH

The research approach taken is quantitative associative research. The place and time of the study are as follows: Place: Tourism and hospitality companies listed on the Indonesia Stock Exchange www.idx.co.id Time: This research starts from December 2017 to March 2018. The population of this research is 38 tourism and hospitality companies which is listed on the IDX. (data attached) The research sample specified is 10 tourism and hospitality companies listed on the Indonesia Stock Exchange that are in accordance with the above sampling criteria.

The type of data collected in supporting the variables under study is quantitative data, namely data in the form of numbers in the financial statements. Sources of data obtained in this study are secondary data. This Data Collection Technique was carried out by documentation study namely. The data technique in this study was carried out by documentation study with tests (Testing of Classical Assumptions, Data Normality Test, Multicollinearity Symptoms Test, Heteroscedasticity Symptom Test, Autocorrelation Symptom Test, Multiple Linear Regression). Hypothesis Testing: (Partial Test t Test, F Test, Determination Coefficient (R-Square).

RESULT AND DISCUSSION

Normality Test

This test aims to test whether in the regression model, the dependent variable (bound) and the independent variable (free) both have a normal distribution or not. According to Sugiyono (2012, p. 175) Statistical tests that can be used to test whether residuals are normally distributed are non parametric statistical tests.

Picture 1

Normality Test P – Of Regression Standardized Residual

Plots
In the normal p-plot graph shown in the figure above that the data spreads around the diagonal line and follows the direction of the diagonal line, it can be concluded that the regression model has met the assumption of normality.

**Multicollinearity Test**

Multicollinearity test aims to test whether there is a correlation between independent variables in the regression model. If the regression model occurs multicollinearity, then the regression coefficient cannot be estimated and the standard error value becomes infinite.

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tolerance</td>
<td>VIF</td>
</tr>
<tr>
<td>l (Constant)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LN_X1</td>
<td>.621</td>
<td>1.610</td>
</tr>
<tr>
<td>LN_X2</td>
<td>.621</td>
<td>1.610</td>
</tr>
</tbody>
</table>

a. Dependent Variable: LN_Y

Based on the above table when processed using SPSS can be seen that the value of each variable tolerance smaller than VIF <10: This proves that the value of each variable VIF multicollinearity free of symptoms.

**Heterokedastisity Test**

The regression model that meets the requirements is where there is equality of residual variance data other observations still called heterokedastisity. A regression model was better not happen heterokedastisity.

**Picture 2**

Result of Heterokedastisity test
From the results heterokedastisity test seen that there is a clear pattern, and the point - the point spread above and below zero on the Y axis, then identifying not happen heterokedastisity. It can be concluded that there is no heterokedastisity in regression models.

**Multiple Linear Regression Analysis**

In analyzing the data used multiple linear regression analysis. Where multiple linear regression analysis is useful to determine the effect of each independent variable on the dependent variable.

**Table 2**

**Multiple Linear Regression Test Results**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.461</td>
<td>.191</td>
</tr>
<tr>
<td></td>
<td>LN_X1</td>
<td>.155</td>
<td>.159</td>
</tr>
<tr>
<td></td>
<td>LN_X2</td>
<td>.488</td>
<td>.249</td>
</tr>
</tbody>
</table>

a. Dependent Variable: LN_Y

From the table above, we know the values as follows:

- Constants = 0.461
- Investment Decission = 0.155
- Debt to Equity Ratio = 0.488

These results are entered into multiple linear regression equations so that the following equation is known:

\[ Y = 0.461 + 0.155X_1 + 0.488X_2 + \varepsilon \]

**Explanation**:

1. The constant of 0.461 with the direction of the positive relationship shows that if the independent variable is considered constant, the value of the company has increased by 0.461 or 46.1%.
2. \( \beta_1 \) equal to 0.155 with the direction of the positive relationship indicating that each investment decision will be followed by an increase in the value of the company of 0.155 or by 15.5% assuming other independent variables are considered constant.
3. \( \beta_2 \) equal to 0.488 with the direction of the positive relationship indicating that each increase in funding decisions (debt to equity ratio) will be followed by a decrease in firm value of 0.488 or 48.8% assuming other independent variables are considered constant.

**Hypothesis Test**

**Partial Test (t-test)**

Testing the influence of variables - the independent variable (X) to variable - dependent variable (Y):
Table 3
Partial Test Results (t test)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>,461</td>
<td>,191</td>
<td>2,412</td>
<td>,020</td>
</tr>
<tr>
<td>LN_X1</td>
<td>,155</td>
<td>,159</td>
<td>,162</td>
<td>,976</td>
</tr>
<tr>
<td>LN_X2</td>
<td>,488</td>
<td>,249</td>
<td>,325</td>
<td>1,960</td>
</tr>
</tbody>
</table>

The Effect of Investment Decision to Company Value

The value of \( t_{\text{count}} \) for the variable investment decision is 0.976 and the table with \( \alpha = 5\% \) is known as 2.011. Thus the \( t_{\text{count}} \) is smaller equal to \( t_{\text{table}} \) and the \( t_{\text{count}} \) is greater than \( -t_{\text{table}} \) (-2,011 ≤ 0.976 1111111) and the significance value is (0.334 > 0.05). Based on these results it can be concluded that H0 is accepted and Ha is rejected, this shows that partially there is no significant effect of investment decisions on firm value. With the increase in investment decisions, it is followed by an increase in the value of companies in tourism and hospitality companies listed on the Indonesia Stock Exchange.

The Effect of Funding Decision to Company Value

The \( t_{\text{count}} \) value for the Funding Decision variable is 1960 and \( t_{\text{table}} \) with \( \alpha = 5\% \) is known as 211. Thus the \( t_{\text{count}} \) is equal to \( t_{\text{table}} \) and \( t_{\text{count}} \) is greater than \( -t_{\text{table}} \) (-2,011 60 1960 ≤ 2,011) and the significance value is 0.056 > 0.05) Based on these results it can be concluded that H0 is accepted and Ha is rejected, this shows that partially there is no significant effect of Deb to equity ratio on firm value. With the increase in the Deb to equity ratio, it is not followed by an increase in the value of companies in tourism and hospitality companies listed on the Indonesia Stock Exchange.

Simultaneous Test (F Test)

F test used to determine whether the overall independent variable have an effect on the dependent variable.

Table 4
Simultaneous test results (F test)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>13,256</td>
<td>2</td>
<td>6,628</td>
<td>5,756</td>
<td>.006*</td>
</tr>
<tr>
<td>Residual</td>
<td>54,115</td>
<td>47</td>
<td>1,151</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>67,371</td>
<td>49</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ANOVA (Analysis of Variance) test in the table above, \( F_{\text{count}} \) is 5.756 with a significance level of 0.006 while the \( F_{\text{table}} \) is known to be 3.195. Based on these results it can be seen that \( F_{\text{count}} > F_{\text{table}} \) (6,263 > 3,195) H0 is rejected and Ha is accepted. So it can be concluded that the investment decision variable funding decisions together have
a significant effect on the value of tourism and hospitality company companies listed on the Indonesia Stock Exchange.

**The Coefficient of Determination (R-Square)**

The coefficient of determination is used to determine the percentage of the effect of the dependent variable with the independent variable is by squaring the coefficients and expressed as a percentage (%).

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.444&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.197</td>
<td>.163</td>
<td>1.07303</td>
<td>1,355</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), LN_X2, LN_X1
b. Dependent Variable: LN_Y

Adjusted R Square (R<sup>2</sup>) value or coefficient of determination is 0.163. This number identifies that the company value (dependent variable) is able to be explained by investment decisions, Deb to equity ratio (independent variable) of 44.4%, while the remaining 55.6% is explained by other reasons not examined in this study. Then the standard error of the estimate is 1.07303 or 1.07 where the smaller the number will make the regression model more precise in predicting company value.

**DISCUSSION**

The analysis of the findings of this study is an analysis of the findings of this study on the suitability of the theory, opinion, and previous research that has been put forward the results of previous research and behavioral patterns that must be done to overcome these things. The following are 3 (three) main parts that will be discussed in the analysis of the findings of this study, as follows:

**The Effect of investment decisions on company value**

The research results obtained regarding the effect of Investment Decisions and Funding Decisions on Corporate Values in Tourism and Hospitality companies listed on the Indonesia Stock Exchange. From the ANOVA (Analysis of Variance) test in the table above, F-count is 5.756 with a significance level of 0.006 while the F-table is known to be 3.195. Based on these results, it can be seen that Fcount> Ftable (5.756> 3.195) H<sub>0</sub> is rejected and H<sub>a</sub> is accepted. So it can be concluded that investment decision variables, funding decisions together have a significant effect on the value of tourism and hospitality company companies listed on the Indonesia Stock Exchange.

The results of this study are not in line with the statement of Prasetyo (2011, p. 158) which says that the right decisions made by a manager in making investment decisions will create an increase in value for the company so that it will increase the value of the company. This is because if a manager who manages to create the right investment decisions will produce optimal performance which will later be able to increase the value of the company.

The results of this study are consistent with the research conducted by Wahyudi and Pawestri (2006) that the effect of investment decision variables on firm value is not
significant. However, this study is consistent with the results of research conducted by Fenandar (2012) and Wijaya and Wibawa (2010) which state that the effect of investment decision variables on firm value is significant.

The ineffectiveness of investment decisions proxied by the growth of assets with the value of the company found in the results of this study can be due to the inaccurate investment decisions taken by managers in tourism and hospitality companies. In addition, asset growth, which is the result of investment decisions, only compares current assets with previous year's assets. Although the assets of the current year have experienced reductions, it does not guarantee that the assets of the following year will also decline or vice versa. So that this is not too a concern for investors if they invest. If investors consider the company to have good prospects, investors will still invest even though the asset has decreased or increased.

The Effect of Funding Decisions on Company Value

The t\textsubscript{count} value for the Funding Decision variable is 1960 and t table with \(\alpha = 5\%\) is known as 2011. Thus the t\textsubscript{count} is equal to t table and t\textsubscript{count} is greater than - t\textsubscript{table} (-2,011 ≤ 1960 ≤ 2,011) and the significance value is 0.056 > 0.05) Based on these results it can be concluded that H0 is accepted and Ha is rejected, this shows that partially there is no significant effect of Deb to equity ratio on firm value. With the increase in the Deb to equity ratio, it is not followed by an increase in the value of companies in tourism and hospitality companies listed on the Indonesia Stock Exchange.

The results of this study are in accordance with the Trade off Theory in Brealey et al (2007 p. 18), stating that managers will try to increase the level of debt to a point where the value of additional interest tax protection is completely offset by the additional costs of financial problems, meaning the use of debt will increase the value of the company only up to an optimal point. After that point, the use of debt can actually reduce the value of the company because the increase in profits from the use of debt is not comparable to the financial cost or obligation of interest costs from debt. The results of this study are in accordance with the results of previous research conducted by Fitriana (2015) which states that there is no significant effect of funding decisions on firm value. However, contrary to the results of the Pancawati (2009) study, Mizqia et al (2013) and Afzal & Rohman (2012), stated that funding decisions have a positive and significant effect on firm value.

Warsono (2008, p.36) The higher the debt, the more funding with debt. So it is increasingly difficult for companies to obtain additional penera because it is feared the company is unable to cover its debts with its capital. Conversely the lower the ratio, the smaller the company is financed by debt.

The Effect of investment decision, funding decision on company value

The t\textsubscript{count} value for the Funding Decission variable is 1960 and t table with \(\alpha = 5\%\) is known as 2011. Thus the t\textsubscript{count} is equal to t table and t\textsubscript{count} is greater than - t\textsubscript{table} (-2,011 ≤ 1960 ≤ 2,011) and the significance value is 0.056 > 0.05) Based on these results it can be concluded that H0 is accepted and Ha is rejected, this shows that partially there is no significant effect of Deb to equity ratio on firm value. With the increase in the Deb to equity ratio, it is not followed by an increase in the value of companies in tourism and hospitality companies listed on the Indonesia Stock Exchange.
The results of this researcher are in accordance with the statement by Putri and Indarti (2012) which states that investment decision variables and funding decision variables together have a significant effect on firm value in manufacturing companies listed on the Indonesia Stock Exchange for the period 2007-2009.

Research conducted by Suprihatmi and Wahyuddin (2008) in examining the effect of debt ratios, activity ratios in influencing company value in manufacturing companies listed on the Jakarta Stock Exchange, has proven that financial ratios are debt to equity, inventory turnover, total assets turnover, return on investment, can simultaneously affect the value of the company.

CONCLUSION

Based on the results of the research and discussion previously stated, it can be concluded from the research on the Influence of Investment Decisions, Funding Decisions on Corporate Values in Tourism and Hospitality companies listed on the Indonesia Stock Exchange (IDX) for the period 2012 to 2016 with a sample of 10 companies following:

1. Investment decisions do not have a significant effect on company value. This shows that any investment made by the company does not affect the value of the company. This can be caused one of which is because the level of investment risk that will be borne in the future in accordance with the amount of investment made so that it will affect the confidence of investors to invest some funds into the company. While for investment decisions if the higher the investment decision, the company or business entity shows the ability to penetrate new markets. Companies in industries that have a high sales growth rate must provide sufficient capital to pay for the company and with high profits the company tends to use debt as its external source of funds. So from that the value of the company with the direction of a positive relationship indicates that every increase in investment decisions is not followed by an increase in the value of the company.

2. Funding decisions have no significant effect on company value. This is due to the large debt burden that must be paid by the company which causes financial risk to the company to be high and affects the value of the company that becomes low.

3. Investment decisions and funding decisions together have a significant effect on company value. This means that the company is more concentrated on increasing optimal profits so that it can generate profits in the form of funds after which it can be converted into inventory to be rolled back as efficiently and effectively as possible to increase profits by reducing costs and minimizing debt in order to generate maximum profits so that funds can used when due for payment of the company's short-term debt. So that the company can be said to be liquid with maximum profit.

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