The effect of cash turnover, receivables turnover, inventory turnover, and working capital turnover on Liquidity in food and beverage companies listed on the Indonesia Stock Exchange for the 2018-2021 period

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Keywords
- cash turnover
- receivables turnover
- inventory turnover
- working capital turnover

Abstract
This study aims to analyze the effect of cash turnover, receivables turnover, inventory turnover, and working capital turnover on Liquidity in food and beverage companies listed on the Indonesia Stock Exchange for the 2018-2021 period. This study is waiting for quantitative descriptive methods, population of this study has a total of 30 companies and obtained a sample of 120 companies with purposive sampling techniques. The analysis technique used multiple linear analysis. The results showed that receivables, inventory, and working capital turnover had a negative and insignificant effect on Liquidity in food and beverage companies. The value of the coefficient of determination shows 0.299, which means 32.3%. This study concludes that only cash turnover has a positive and significant effect on Liquidity in food and beverage companies.

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1. Introduction

The food and beverage industry, the development of a variety of culinary that is rapidly changing has resulted in intense competition in this sector. Based on this, each company issues the right corporate strategy so that the company continues to grow. So not only fierce competition is the determining factor in the sustainability or failure of a company. For example, smooth cash flow processes, receivables collection, inventory storage, and working capital. The level of Liquidity of a company as an indicator to measure the sustainability of the company. According to Kasmir (2018: 128), the liquidity ratio measures the company's ability to fulfill obligations outside and within the company that have matured. A company that is able to meet all its short-term financial obligations on time is classified as a liquid company. Conversely, a company that cannot fulfill its short-term financial obligations on time means that it is in an illiquid state (Hery, 2018: 175).
Cash turnover ratio to measure the company's ability to pay short-term obligations. With available cash. A company that has high Liquidity due to large cash so that the level of cash turnover is low and reflects excess cash. Conversely, companies that have low Liquidity if the amount of cash is small means that the cash turnover is high so that the company will or can be in an illiquid state (Murni and Tulung, 2018).

Receivables turnover is one of the important parts of the company because it shows that the relationship between receivables turnover and Liquidity has a strong / close relationship which means that when receivables turnover increases, Liquidity will increase. Conversely, the lower the receivables turnover rate, the liquidity gain will decrease (Astuti and Maelona, 2019).

Inventory turnover ratio is used to measure how many times funds invested in this inventory rotate in a period. The higher the inventory turnover, the higher the company's liquidity gain. Conversely, the lower the inventory turnover level, the lower the liquidity gain (Kasmir, 2018).

Working capital turnover is very important in order to maintain Liquidity in determining how much change in working capital will be used by the company. Good working capital management can be known from the turnover rate each period. The more working capital turnover, the better the management of working capital in the company and affects the level of Liquidity. This is in line with the results of research conducted by Suyanta, Ruliana, and Heriyanto (2020).

For more details, it can be seen from the three companies that became the phenomenon of this research presented as follows:

Table 1
Research Phenomenon

<table>
<thead>
<tr>
<th>Issuer Code</th>
<th>Year</th>
<th>Cash</th>
<th>Receivables</th>
<th>Supplies</th>
<th>Working Capital</th>
<th>Liability Short-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICBP</td>
<td>2018</td>
<td>4,726,822</td>
<td>4,271,356</td>
<td>4,001,277</td>
<td>22,707,150</td>
<td>7,235,398</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>8,359,164</td>
<td>4,131,950</td>
<td>3,846,690</td>
<td>26,671,104</td>
<td>6,556,359</td>
</tr>
<tr>
<td></td>
<td>2020</td>
<td>9,535,418</td>
<td>5,746,755</td>
<td>4,586,940</td>
<td>50,318,053</td>
<td>9,176,164</td>
</tr>
<tr>
<td></td>
<td>2021</td>
<td>20,377,977</td>
<td>6,834,281</td>
<td>5,857,217</td>
<td>54,723,863</td>
<td>18,896,133</td>
</tr>
<tr>
<td></td>
<td>2018</td>
<td>8,809,253</td>
<td>6,572,676</td>
<td>11,644,156</td>
<td>49,916,800</td>
<td>31,204,102</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>13,745,118</td>
<td>5,964,410</td>
<td>9,658,705</td>
<td>54,202,488</td>
<td>24,686,862</td>
</tr>
<tr>
<td></td>
<td>2020</td>
<td>17,336,960</td>
<td>7,451,670</td>
<td>11,150,432</td>
<td>79,138,044</td>
<td>27,975,875</td>
</tr>
<tr>
<td></td>
<td>2021</td>
<td>29,478,126</td>
<td>8,464,306</td>
<td>12,683,836</td>
<td>86,632,111</td>
<td>40,403,404</td>
</tr>
<tr>
<td>INDF</td>
<td>2018</td>
<td>4,726,822</td>
<td>4,271,356</td>
<td>4,001,277</td>
<td>22,707,150</td>
<td>7,235,398</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>8,359,164</td>
<td>4,131,950</td>
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<td>26,671,104</td>
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</tr>
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<td>9,176,164</td>
</tr>
<tr>
<td></td>
<td>2021</td>
<td>20,377,977</td>
<td>6,834,281</td>
<td>5,857,217</td>
<td>54,723,863</td>
<td>18,896,133</td>
</tr>
<tr>
<td>MYOR</td>
<td>2018</td>
<td>2,495,655.019.108</td>
<td>6,075.135.704.034</td>
<td>3,351.796.321.991</td>
<td>8,542.544.481.694</td>
<td>4,764.510.387.113</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>2,982.004.859.009</td>
<td>5,247.985.089.567</td>
<td>2,790.633.951.514</td>
<td>9,899.940.195.318</td>
<td>3,726.359.539.201</td>
</tr>
</tbody>
</table>

Source: [https://www.idnfinancials.com](https://www.idnfinancials.com)

Based on Table 1.1 above, PT. Indofood CBP Sukse Makmur Tbk, active to date on the IDX, shows that in the 2018-2019 period inventory decreased -4%, while working capital increased by 17%. According to Assauri (2019: 225), "The inventory system itself is a set of policies and controls, which monitor inventory levels, and determine which levels must be maintained when stocks must be replenished and how many must be ordered.". PT. Indofood Sukses Makmur Tbk, active until now on the IDX, shows that in 2018-2019 inventory decreased by 17%, while working capital increased by 9%. According to Kasmir (2018: 85), working capital is capital used to finance company operations when the company is operating. This type of capital is short-term, usually only used for once or several times the production process.

Pt. Mayora Indah Tbk, which is active until now on the IDX, shows that in 2018-2019 working capital increased by 0.8%, while ks decreased by 20.3%.”Cash expenditures are events related to the distribution of goods or services to other entities, and the collection of payments." (Mujilan, 2019:45).

Based on the explanation above, we as researchers are interested in conducting a study entitled "The effect of cash turnover, receivables turnover, supply turnover, and working capital turnover on liquidity in food and beverage companies listed on the Indonesia stock exchange for the 2018-2021 period"
2. Materials and Methods

The research approach used is quantitative research. According to Sugiyono (2019: 13), quantitative research methods are methods of testing specific theories by means of relationships between variables. This method is used to examine certain populations or samples and sampling techniques are usually carried out randomly, data collection also uses research instruments, and quantitative/statistical data analysis with the aim of testing hypotheses that have been set. Researchers use this method because they want to understand the relationship between the effect of cash turnover, receivables, inventories, and working capital on Liquidity in the food and beverage subsector for the 2018-2021 period. The type of data collection used is documentation, namely data collection related to research variables, namely the annual financial statements of listed companies. The type of data used in this study is a type of secondary data research sourced from the documentation of the annual financial statements of related companies. According to Sugiyono (2018: 225) secondary data is a source of data that does not directly contribute data to data collectors.

In research collected, processed and analyzed to obtain answers to the problems that arise in this study. According to Sugiyono (2018: 285), data analysis techniques related to calculations to answer problem formulations and hypothesis testing proposed are used to test population parameters through statistics or test population size through sample data. According to sugiono (2020:57), population is a generalized area consisting of objects / subjects that have certain quantities and characteristics that are determined by researchers to be studied and then drawn conclusions. The total population to be studied is 30 manufacturing companies, the consumer goods industry sector, the food and beverage sub-sector listed on the IDX. According to Siyanto et al (2019) the sample is part of the number and characteristics possessed by the population, or even a small part of the population members taken according to the procedure so that it can represent the population. The criteria that can be set in sampling this study are as follows:

Table 2 Sample selection table

<table>
<thead>
<tr>
<th>No</th>
<th>Criteria</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Food and beverage companies listed on IDX in 2018-2021</td>
<td>39</td>
</tr>
<tr>
<td>2</td>
<td>Companies that did not publish consecutive financial statements during 2018-2021</td>
<td>(9)</td>
</tr>
<tr>
<td>3</td>
<td>Food and beverage companies that do not have the required data completeness during 2018-2021</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Number of samples</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Number of research samples (30 x 4 years)</td>
<td>120</td>
</tr>
</tbody>
</table>

Based on Table II.2, this research sample is 120 financial statements of food and beverage companies listed on the Indonesia Stock Exchange for the 2018-2021 period.

Table 3 Identification and Operational Definition of Research Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Operational Definition</th>
<th>Indicator</th>
<th>Scale</th>
</tr>
</thead>
</table>
| Cash turnover (X1)        | Cash turnover is a ratio used to measure the level of cash available to pay debts and costs associated with sales. (Kasmir 2019:140) | Cash turnover = \(
\frac{Sales}{Averages \ Cash}
\) | Ratio |
| Receivable Turnover (X2)  | Accounts receivable turnover is a ratio used to measure the number of times funds are embedded in a period. In other words, this ratio describes how quickly trade receivables are successfully collected into cash (Hery 2018:179) | Receivable Turnover = \(
\frac{credit \ sales}{Averages \ receivable}
\) | Ratio |
| Inventory turnover (X3)   | Inventory Turnover is a ratio used to measure the number of times funds are invested in a period. (Kasmir 2019:182) | Inventory turnover = \(
\frac{cost \ of \ goods \ sold}{Inventory}
\) | Ratio |
| Working capital turnover (X4) | Working Capital Turnover is capital used to carry out company operating activities, which can be interpreted as investments invested in lancer assets or short-term assets | Working capital turnover = \(
\frac{Net \ Annual \ Sales}{Capital \ Work}
\) | Ratio |
Liquidity is a ratio that can be used to measure the extent of a company's ability to pay off its short-term obligations that will soon mature. Hery (2018:149)

\[
\text{Current ratio} = \frac{\text{Current Aktiva}}{\text{Current Debt}}
\]

3. Results and Discussions

Descriptive Statistical Analysis.

Descriptive statistics contain dependent variables and statistically independent variables. Where the independent variables are Cash Turnover, Receivables Turnover, Inventory Turnover and Working Capital Turnover and the dependent variable is Liquidity. The sum of these observational data is 120 with 4 years of observation. The results of the descriptive analysis are displayed as follows:

<table>
<thead>
<tr>
<th>Table 4 Descriptive Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td>Cash turnover 120</td>
</tr>
<tr>
<td>Receivable Turnover 120</td>
</tr>
<tr>
<td>Inventory turnover 120</td>
</tr>
<tr>
<td>Working capital turnover 120</td>
</tr>
<tr>
<td>Liquidity 120</td>
</tr>
</tbody>
</table>

Source: Data Processed by Researchers 2022.

From Table 4 it can be known that the total sample, smallest value, largest value, average value and standard deviation based on the variables Cash Turnover, Receivables Turnover, Inventory Turnover, Working Capital Payments, and Liquidity are as follows:

1. Cash Turnover Food and beverage companies listed on the Indonesia Stock Exchange with the lowest value is -3.46, obtained by DLTA companies in 2018, the highest value is 4.33, obtained with the issuer code BUDI in 2020, the average result is 1.4045 and the standard deviation is 1.70107

2. Receivables Turnover Food and beverage companies listed on the Indonesia Stock Exchange with the lowest value is -1.52, obtained by companies with issuer code CAMP in 2017, the highest value is 3.85, obtained by companies with issuer code DMND in 2020 average results of 1.2850 and standard deviation .88452.

3. Inventory Turnover Food and beverage companies listed on the Indonesia Stock Exchange with the lowest value is -2.97, obtained by companies with issuer code CLEO in 2017, the lowest value is 2.66, obtained by companies with issuer code GOOD in 2019, average yield 1.0062 and standard deviation .94763.

4. Working capital turnover Food and beverage companies listed on the Indonesia stock exchange with the lowest value is -1.34, obtained by companies with issuer code HOKI in 2017, the highest value is 2.59, obtained by companies with issuer code MYOR in 2020, the average result was .3861 and standard deviation was .93491.

5. Liquidity in food and beverage companies listed on the Indonesia Stock Exchange with the lowest value of -1.34, obtained by companies with the issuer code FOOD in 2020, the highest value is 2.59, obtained by companies with CEKA issuer code in 2010 with average results of .8874 and standards .91413.

Classical Assumption Test Results

Normality Test

Histogram Chart Analysis

Figure 1

Histogram Test
Based on the display of graph III.1 above, it can be concluded that the histogram graph produces a normal distribution pattern. The normal distribution pattern in the histogram graph above is characterized by data that spreads out following the direction of the diagonal line showing a normal distribution pattern, so the regression model meets the assumption of normality.

**P-Plot Graph Analysis**

**Uji Normal Probability Plot of Regression Standardized Residual**

*Figure 2 P-Plot Normality Test*

Based on figure III.2 above, the Normal P-Plot of Regression Standardized Residual above shows the data spread around the diagonal line and the spread according to the direction of the diagonal line so that it can be concluded that the regression model data is normally distributed.

**Statistical analysis**

<table>
<thead>
<tr>
<th>Table 5</th>
<th>Normality Test</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>One-Sample Kolmogorov-Smirnov Test</strong></td>
<td>Unstandardized Residual</td>
</tr>
</tbody>
</table>

*Source: data processed Spss Version 25*

*Source: SPSS processed data, Version 25*
Based on the results of Table III.2 research above, it can be seen that the variable tests of Cash Turnover, Receivables Turnover, Inventory Turnover, and Working Capital Turnover on Liquidity are customarily distributed because of the significant value of 0.200 &gt; 0.05.

Table 6
Autocorrelation Test

<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>.568a</td>
<td>.323</td>
<td>.299</td>
<td>.76513</td>
<td>2.087</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Cash Turnover, Receivables Turnover, Working Capital Inventory Turnover
b. Dependent Variable: Liquidity

Source: SPSS processed data, version 25.

Durbin Waston's value from the SPSS result is 2.087. The value is greater than DU which is 1.7715 and smaller than 4 – DU (4 – 1.7830 = 2.2285) DU < DW < 4 – DU 1.7715< 2.087 < 2.2285. So it can be concluded that there are no symptoms of Autocorrelation.

Multicollinearity Test

Table 7
Multicollinearity Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>1</td>
<td>Cash Turnover</td>
</tr>
<tr>
<td></td>
<td>Receivables Turnover</td>
</tr>
<tr>
<td></td>
<td>Inventory Turnover</td>
</tr>
<tr>
<td></td>
<td>Working Capital Turnover</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Liquidity

Source: SPSS processed data, Version 25.

Based on Table 7 shows that the Tolerance value of each independent variable as Cash Turnover .888, Receivables Turnover .773, Inventory Turnover .842, Working Capital Turnover value .955, so that from the overall data > 0.10. While the VIF value of each independent variable as Cash Turnover 1.127, Receivables Turnover 1.293, Inventory Turnover 1.187 and Working Capital Turnover value 1.048 so that the overall data < 10.00. So the entire data in the table above is free from multicollinearity.

Uji Heteroskedastisitas

Figure 3
Test Scatterplot.
Based on Figure III.3 above, it can be seen that the data spreads above and below the number 0, the points do not only collect above or below, the spread of data points does not form a wavy pattern widening then narrowing and widening again, and the distribution of data is scattered or not patterned. So the above data is declared free from heteroscedasticity.

**Test the hypothesis**

**Multiple Linear Regression Analysis**

The analysis model of this study is multiple linear regression analysis. The linear regression analysis method serves to determine the influence of the relationship between the independent variable and the dependent variable.

<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</td>
<td>(Constant)</td>
<td>.175</td>
<td>.133</td>
<td>8.809</td>
</tr>
<tr>
<td></td>
<td>Cash Turnover</td>
<td>-.309</td>
<td>.044</td>
<td>-7.052</td>
</tr>
<tr>
<td></td>
<td>Receivables Turnover</td>
<td>-.021</td>
<td>.090</td>
<td>-.227</td>
</tr>
<tr>
<td></td>
<td>Inventory Turnover</td>
<td>.151</td>
<td>.081</td>
<td>1.867</td>
</tr>
<tr>
<td></td>
<td>Working Capital Turnover</td>
<td>.055</td>
<td>.077</td>
<td>.713</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Liquidity*

*Source: spss version 25 processed data*

Y = 1.175 + (-.309) + (-.021) + .151 + .055 + e

Based on Table III.5 above, the explanation of multiple linear regression above is:

1. Constant (a) is 1.175 which means that if there are variable values of Cash Turnover, Receivables Turnover, Inventory Turnover, and Working Capital Turnover. So, the value of Liquidity is 1,175
2. *Cash Turnover* -.309 which means *every decrease in* the variable Cash Turnover by 1 unit. Therefore, the value of Liquidity also decreases by -.309 units assuming that the other variables are fixed.
3. *Receivables Turnover* -.021 which means *every decrease in* the *Receivables Turnover* variable by 1 unit. Then the Liquidity value also decreases by -.021 units assuming that the other variables are fixed.
4. *Inventory Turnover* .151 which means *every increase in* the variable Inventory Turnover by 1 unit. Then the value of Liquidity also increases by .151 units assuming that the other variables are fixed.
5. *Working Capital Turnover* .055 which means *every increase in* the Capital Circulation variable by 1 unit. then the Liquidity value also increases by .055 units assuming that the other variables are fixed.
Coefficient Test of Determination

Adjusted R Square with R2 that the coefficient of determination (R2) is used to measure how far the model can explain the variation of the dependent variable.

Table 9 Coefficient Determination
Model Summary

<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>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.568</td>
<td>.323</td>
<td>.299</td>
<td>.76513</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Cash Turnover, Receivables Turnover, Inventory Turnover, Working Capital Turnover
b. Dependent Variable: Liquidity

Source: Data Processed Spss V25

Based on Table III.6 above, it is known that the R Square value is 0.323, this means that the effect of the variables Cash Turnover, Receivables Turnover, Inventory Turnover, Working Capital Turnover, simultaneously on Liquidity is 32.3%.

Partial Significant Test (T-Test)

A partial test is used to determine the effect of each dependent variable on the independent variable with a significant level of 5%. If the significant value < 0.05, the independent variable affects the dependent variable. Conversely, if the GIS > 0.05, it can be concluded that the independent variable is not influencing the dependent variable.

Table 10 Partial Test (Test T) Coefficients

<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>(Constant)</td>
<td>1.175</td>
<td></td>
<td>8.809</td>
<td>.000</td>
</tr>
<tr>
<td>Cash Turnover</td>
<td>.309</td>
<td>.574</td>
<td>7.052</td>
<td>.000</td>
</tr>
<tr>
<td>Receivables Turnover</td>
<td>-.021</td>
<td>-.227</td>
<td>-1.687</td>
<td>.047</td>
</tr>
<tr>
<td>Inventory Turnover</td>
<td>.151</td>
<td>.156</td>
<td>1.867</td>
<td>.064</td>
</tr>
<tr>
<td>Working Capital Turnover</td>
<td>.055</td>
<td>.077</td>
<td>.713</td>
<td>.477</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Liquidity

Source: Data Processed Spss V25

Based on the Table above, it shows that:

1. The Cash Turnover variable has a calculated value of < t-table, which is 7.052 < 1.65821 and a value of Sig.0.00 < 0.05, which means, the variable Cash Turnover has a positive and significant effect on Liquidity in Food and Beverage Companies listed on the IDX in 2018-2021.

2. The Receivables Turnover variable has a calculated value of < t-table, which is -.227 < 1.65821 and a Sig. value of 0.820 > 0.05 which means, the variable of Receivables Turnover has a negative and non-Sig effect on Liquidity in Food and Beverage Companies listed on the IDX in 2018-2021.

3. The Inventory Turnover variable has a calculated value of > t-table, which is 1.867 > 1.65821 and a Sig. value of 0.064 > 0.05, which means, the Inventory Turnover variable has a positive and non-Sig effect on Liquidity in Food and Beverages listed on the IDX in 2018-2021.

4. The Working Capital Turnover variable has a calculated value of > table, namely .713 > 1.65821 and a sig. value of 0.713 > 0.05, which means that the working capital turnover variable has a positive and insignificant effect on Liquidity in Food and Beverage companies listed on the IDX in 2018-2021.

Simultaneous Significant Test (Test F)

Simultaneous testing basically shows whether all independent or independent variables included in the model have an equal influence on the dependent variable. If the significant value < 0.05 then the Hypothesis is accepted and vice versa if the significant value > 0.05 then the Hypothesis is rejected.

Table 11 Simultaneous Test (Test F)
The Effect of Inventory Turnover on Liquidity

The higher the value obtained, the lower the operational costs charged to the receipt. If the amount of receivables provides information about the type of receivables and the effectiveness of collection.

This is in line with what was developed by (Bhegawati, 2018) Based on the results of the study, it shows that the turnover of receivables does not affect the Liquidity of food and beverage subsector manufacturing companies listed on the Indonesia Stock Exchange. Higher receivables turnover does not guarantee a company’s ability to pay its short-term obligations or Liquidity. This can happen because the company has an amount of cash that can still meet or be available to pay its short-term obligations so that it will not rely on receiving receivables to pay its debts. The second comparison above is that Receivables Turnover has a negative and insignificant effect on Liquidity. The results of the hypothesis testing study have a t-count of -1.867 and p = 0.064 > 0.05. means the third hypothesis in this study that Partial Inventory Turnover has no effect and is not significant on Liquidity. If the inventory turnover ratio is low, the company is working poorly and inefficiently and a lot of baacan materials are piling up. This means a lower return on investment. This is in line with what was developed by (Bhegawati, 2018) Based on the study results, it shows that cash turnover has a positive effect on the Liquidity of food and beverage subsector manufacturing companies listed on the Indonesia Stock Exchange. The high rate of cash turnover reflects the speed of cash flow back from cash that has been invested. With the return of cash, it can avoid the company’s financial difficulties and minimize the cost or risk of not returning cash to the company so that the company’s liquidity level will increase. The second comparison above is that Cash Turnover positively and significantly affects Liquidity in Food and Beverage Companies listed on the IDX in 2018-2021.

H2 : Receivables turnover negatively affects Liquidity.

Discussion of Research

The Effect of Receivables Turnover on Liquidity

The results of the hypothesis testing study partially have a t-count of -7.809 and t-table 1.65821, then t-calculate < t-table (-7.809 < 1.65821) and sig 0.00 < 0.05. means the first hypothesis in this study that Partial Receivables Turnover has an effect and is significant on Liquidity. This measure measures the amount of income available to pay bills and costs associated with judging. The more the sale of the company’s currency, the better the financial performance and vice versa, the lower the exchange rate of the company’s currency, the less effective it is because more money is stagnant or unused.

This is in line with what was developed by (Bhegawati, 2018) Based on the study results, it shows that cash turnover has a positive effect on the Liquidity of food and beverage subsector manufacturing companies listed on the Indonesia Stock Exchange. The high rate of cash turnover reflects the speed of cash flow back from cash that has been invested. With the return of cash, it can avoid the company’s financial difficulties and minimize the cost or risk of not returning cash to the company so that the company’s liquidity level will increase. The second comparison above is that Cash Turnover positively and significantly affects Liquidity in Food and Beverage Companies listed on the IDX.


The Effect of Inventory Turnover on Liquidity

The results of the partial hypothesis testing study have a t-count of 1.867 and t-table 1.65821, then t-calculate > t-table (1.867 > 1.65821) and sig 0.064 < 0.05. means the third hypothesis in this study that Partial Inventory Turnover has no effect and is not significant on Liquidity. If the inventory turnover ratio is low, the company is working poorly and inefficiently and a lot of baacan materials are piling up. This means a lower return on investment. This is...
in line with what was developed by (Bhegawati, 2018) Based on the study results, it shows that inventory turnover has a positive effect on the Liquidity of food and beverage subsector manufacturing companies listed on the Indonesia Stock Exchange. Inventory turnover is one factor affecting the current ratio, which is one measure to see a company's Liquidity. Inventory turnover shows how often inventory was replaced or sold within a year. High inventory turnover indicates the shorter time spent investing funds in the inventory. The second comparison above is that Inventory Turnover positively and significantly affects Liquidity in Food and Beverage Companies listed on the IDX.

**H3 : Inventory turnover has a positive effect on Liquidity**

**Effect of Working Capital Turnover on Liquidity.**

The results of the partial hypothesis testing study have a t-count of .713 and t-table 1.65821. then t-calculate < t-table (.713 < 1.65821) and sig 0.477 < 0.05. means the fourth hypothesis in this study that partial working capital turnover has no effect and is not significant on Liquidity. This means the routing of cash invested in the working capital component until the point where cash returns again. This is not in line with what was developed by (Zulkarnain M et al., 2019) Based on the test results, there is a negative and significant influence on Liquidity in food and beverage sub-sector companies listed on the Indonesia Stock Exchange. Based on the results of the analysis, it can be seen that working capital turnover cannot predict Liquidity in 12 food and beverage sub-sector companies listed on the Indonesia Stock Exchange. This condition can be interpreted that excessive working capital turnover will be able to reduce the company's liquidity level. The second comparison above is that Capital Turnover has a negative and insignificant effect on Liquidity in Food and Beverage Companies listed on the IDX.

**H4 : Working Capital Turnover has a positive effect on Liquidity**

4. Conclusion

Partially, Cash Turnover has a positive and significant effect on Liquidity in food and beverage companies. Partially, Receivables Turnover has a negative and insignificant effect on Liquidity in food and beverage companies. Partially, Inventory Turnover and Working Capital Turnover have a positive and significant effect on Liquidity in food and beverage companies. Simultaneously, Cash Turnover, Receivables Turnover, Inventory Turnover, and Working Capital Turnover simultaneously positively and significantly affect Liquidity in food and beverage companies.

For companies, they should manage efficiently and effectively about advantages and disadvantages as well as efficiently and effectively about advantages and disadvantages and need to observe other factors that have a greater influence on Liquidity which factors are more influential in efforts to increase Liquidity. Further researchers expect to continue this research from various industrial sectors with various other variables and increase the research period that can affect Liquidity. The next researcher to extend the study beyond 4 years, a minimum of 5 years so that the impact can trigger a tendency that will occur in the long term to describe the actual situation. it can provide more precise and accurate research results and use new theories outside this research topic in developing further theories because, along with the rapid development of the times, many theories will change. For investors or potential investors, this research's results should consider when deciding to invest.

5. References


