

CHAPTER V

CONCLUSION

5.1. Conclusion

Company value can be influence by several factor, this research was conducted to examine that factors. These factors include investment decision, financing decision, and dividend policy. Based on the results of the data analysis that has been collected and processed, the conclusions of this research results are follows:

- a. Investment decision has a positive effect on company value.
- b. Financing Decision has a positive effect on company value. It shows that with using a good financing decision, company know the proportion of debt increase then the available operational fund, if the debt is managed properly it can increase the company's profit so that the company's performance will be high.
- c. Dividend Policy has a positive effect on company value. These decisions aim to improve the prosperity and performance of shareholders. Dividend policy will give effect with how much retained earnings for the company that source for internal financing that uses for development for the company in the future and also can increase company value in the shareholders side.

5.2. Limitation

There are some limitations that occur in this study, including:

- a. This research take three years from 2015 until 2017, so the data just describe the short term condition of the company and not enough describe for a long term condition.
- b. This research may only give the suggest to investors in fundamental factors, even though usually not only the fundamental factor that important of the firm but also the other factor outside the firm or external factor and technical analysis in the market. Since, actually those fundamental factors did not influence that much to the stock price.
- c. This research only used company internal factors.

5.3. Suggestion

According to the results of research conducted, the suggestions from the authors are as follows:

- a. The next researcher can make a research that focus on financial sector which play an important role in developing economies. Further researchers should be able to increase the number of samples of companies to be investigated by including other industries listed in Indonesia Stock Exchange (IDX).

The next researcher can use other measuring tools for investment decision variables such as net present value to be more visible whether the investment is giving profit or loss and can use price earning ration or debt to asset ratio equation.