JOURNAL OF
IDEA Journal of Investment, Development, Economics and Accounting

ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

Vol. 2 • No. 2 • September 2025
Pege (*Hal.*) : **157 – 162**

ISSN (*online*) : 3047-1982
ISSN (*print*) : 3047-3470

website. : 10.70001/jidea.v2i2.410
https://ojs.ideanusa.com/index.php/JIDEA

Darmaguna IDEA Nusantara Foundation
Jl. Pendowo, Limo No. 69, Depok, Indonesia
Telp. 0875 8655 3215
Email : ideajournal@ideanusantara.com

Differences In Company Size, Liquidity, Stock Return, Before and After Stock Split In Public Companies In Indonesia In 2024

Irmawan[1]; Zulfitra[2]; Sahroni[3]
[1-3]Pamulang University, Email: irmawanjaelani@ymail.com

ARTICLE INFO

Research Paper

Article history:
Received : June, 2025
Revised : July, 2025
Accepted : August, 2025

Keywords: Market Capitalization; Stock Returns; Stock Split; Stock Trading Volume.

ABSTRACT

Purpose – This study aims to analyze differences in firm size, liquidity, and stock returns before and after stock splits among publicly listed companies in Indonesia in 2024. Firm size is proxied by market capitalization, while liquidity is measured using trading volume

Methodology/approach – his study uses a qualitative descriptive method with an ethnographic approach. The ethnographic approach was chosen to deeply understand organizational culture, work interaction patterns, and employee management practices within the South Jakarta Administrative City Land Office

Findings – Overall, this study confirms that public sector organizations that are able to integrate training strategies, career development, and competencies in a planned manner will be better prepared to face changes in the work environment, technological developments, and increasing public demands for quality services. Therefore, strengthening strategic employee management is one of the keys to the success of bureaucratic reform and continuous improvement of organizational performance.

JOURNAL OF IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

INTRODUCTION

Stock prices in the capital market are basically heavily influenced by demand and supply dynamics where an increase in stock prices that is too high can cause investors' purchasing power to decrease because they are considered no longer affordable. To overcome this condition, companies often take strategic steps in the form of stock split corporate actions, which is the breakdown of the nominal value of the shares into smaller ones that automatically increase the number of outstanding shares without changing the total value of the company's equity. Although theoretically this action is administrative, in practice the stock split is often considered as a signal regarding the positive future prospects of the company in accordance with signaling theory or as an attempt to adjust the price to a more optimal trading range to be more liquid according to the trading range theory. This phenomenon continues to be an interesting topic to examine due to the inconsistencies between theory and empirical evidence in the field, where markets sometimes give unexpected reactions to such events.

The main motivation in this study is to see how the capital market in Indonesia will react in 2024 to the announcement of a stock split, given the significant growth in the number of retail investors who are very sensitive to price changes per share. Some previous studies have shown mixed results; Some found a positive impact on trading volume and returns, while other studies found a negative or even insignificant impact at all. The difference of opinion and the results of previous research creates a research gap that encourages researchers to re-examine the variables of company size that are proxied by market capitalization, liquidity measured through trading volume, and stock returns (returns).

Based on this background, this study was formulated to answer the question of whether there are significant differences in company size, stock liquidity, and stock returns between the period before and after the stock split corporate action. In line with the formulation of the problem, the main purpose of this study is to analyze in depth the differences in market capitalization, stock trading volume, and stock returns before and after the stock split event in companies listed on the Indonesia Stock Exchange throughout 2024. Through this study, it is hoped that a clear picture will be obtained of the effectiveness of stock splits as a tool to increase the attractiveness of investment and stock liquidity in the eyes of market participants.

LITERATURE REVIEW

The theoretical basis in this study focuses on the mechanisms of the capital market and investors' reactions to corporate actions, especially through the lens of Signaling Theory and Trading Range Theory. Signal Theory states that every event or company policy, such as the announcement of a stock split, contains information that serves as a signal regarding the company's future prospects to the market. Company managers tend to make stock splits when they are optimistic that the stock price will rise again or at least not go down, so this action is often considered an indicator of good future performance. On the other hand, Trading Range Theory argues that management conducts stock splits to keep stock prices within optimal trading ranges. Stock prices that are too high are often considered "expensive" and difficult to reach by retail investors with limited capital, so by lowering the price per share through a stock split, trading liquidity is expected to increase due to the strengthening purchasing power of small investors. Conceptually, a stock split is defined as a change in the nominal value per share followed by an increase in the number of outstanding shares according to certain breakdown factors without changing the total value of the company's equity. The main variables examined in this study include company size, liquidity, and stock returns. The size of a company in the context of the capital market is often proxied by market capitalization, which is the total value of the company obtained by multiplying the number of outstanding shares by the current market price. Stock liquidity represents the ease with which an asset can be traded quickly without causing significant price changes, which in this study is measured through Trading Volume Activity (TVA) or stock trading volume. Meanwhile, stock

ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

return is the return or level of profit obtained by investors, both from the increase in the share price (capital gain) and dividend distribution, which reflects investment performance as well as market perception of the company's condition. Several previous studies have shown mixed results regarding the impact of stock splits on market performance. For example, Utami (2021) found that liquidity had a significant effect on stock split decisions, while Rahmawati (2019) stated that company size had no significant influence. There is also inconsistency in the yield variable in stock returns; Sapruwan and Here (2024) found a positive influence, while Nofita et al (2024) actually found a significant negative influence. Based on the theoretical and empirical review, a research hypothesis was proposed that tested whether there was a significant difference in the market capitalization level, stock trading volume, and stock return between the period before and after the implementation of the stock split in companies going public in Indonesia.

METHODOLOGY

This study uses a comparative quantitative research design that aims to compare the conditions of research variables before and after the occurrence of an event. The type of data used is secondary data in the form of financial data and daily stock data from companies that go public listed on the Indonesia Stock Exchange (IDX) throughout 2024. The population in this study includes all issuers that carried out stock split corporate actions in that period, with the number of samples that met the criteria as many as 16 companies. The data source is obtained by downloading the official report through the Indonesia Stock Exchange (www.idx.co.id) website and other capital market data provider platforms. The data collection technique applied is a documentation method, namely by recording and processing past events in the form of stock price movements, market capitalization, and trading volume in the period of 20 days before and 20 days after the announcement of the stock split.

The variables in this study consisted of dummy variables as independent variables and three bound variables that were tested for difference. The dummy variable (D) is used to distinguish the period, where the value of 0 represents the 20-day period before the stock split and the value of 1 represents the 20-day period after the stock split. The first bound variable is the company size (Y1) which is proxied by the natural logarithm of market capitalization (LN Market Capitalization). The second bound variable is liquidity (Y2) which is measured using the natural logarithm of stock trading volume (LN Volume). The third bound variable is the stock return (Y3) which is calculated based on the difference in the closing price in a certain period compared to the previous period. The data analysis technique was carried out through statistical descriptive analysis and hypothesis testing using the Wilcoxon Signed Rank Test with the help of EViews 12 software. The use of this non-parametric Wilcoxon test was chosen because the study data are not normally distributed, so it is very appropriate to measure the difference between two paired data groups.

RESULT AND DISCUSSION

The statistical descriptive analysis in this study provides an initial overview of the data profiles of 16 companies that will conduct *stock splits* in 2024. The research objects cover various sectors, ranging from basic industries such as PT Alkindo Naratama Tbk (ALDO) to telecommunications sectors such as PT Indosat Tbk (ISAT). The data shows that the stock split ratio used varies, with the main preference at a ratio of 1:2 to 1:20 to adjust the price to a more affordable level for retail investors. The characteristics of market capitalization, trading volume, and stock *returns* showed abnormal distribution, so hypothesis testing was carried out using a non-parametric method through the Wilcoxon Signed Rank Test.

The results of the test on the company size variable proxied by market capitalization showed a noticeable change. Based on the results of the statistical test, it was found that *the*

JOURNAL OF IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

stock split had a significant impact on the market capitalization value in 14 of the 16 issuers studied. Although significant, the direction of the change shows a less favorable trend for the overall value of the company.

Table 1. Wilcoxon Differentiation Test Results on Market Capitalization P-Value Issuer No. Description

No.	Broadcast	P-Value	Remarks
1	ALDO	0,0001	Significant (Down)
2	SONA	0,0001	Significant (Down)
3	ISAT	0,0001	Significant (Down)
4	KDSI	0,0001	Significant (Down)
5	PUDP	0,0001	Significant (Up)
6	DSSA	0,0001	Significant (Up)
7	GMTD	0,0001	Significant (Up)

Source: Data processed by researchers (2025)

Table 1 summarizes some of the results of the differential test on market capitalization which shows that the majority of issuers (11 companies) actually experienced a decrease in market capitalization value after the action. This phenomenon arguably indicates that although *the stock split* is theoretically intended to increase liquidity, the market in Indonesia in 2024 tends to interpret the move as a negative signal regarding the long-term growth prospects or the effect of value dilution on investor perception. These findings provide a novelty that in certain market conditions, *signaling theories* that are usually associated with good news are not always proven, but can actually trigger a correction in the company's value.

On the liquidity variable measured through stock trading volume, the results of the study showed different findings. In contrast to market capitalization, *stock splits* fail to create a significant difference in trading volume in the majority of issuers, namely 11 out of 16 companies. This can be seen from the probability value (*p-value*) which is above the threshold of 0.05 in large issuers such as ALDO and ISAT. These results empirically refute the common assumption in *trading range theory* that a cheaper stock price will automatically drastically increase trading activity. This fact shows that investors' decisions to transact are more dominated by the company's fundamental factors and global market sentiment than simply changes in the nominal price per share.

Finally, the analysis of stock *returns* shows the least significant impact compared to other variables. As many as 14 out of 16 companies showed no noticeable statistical difference in stock returns between the period before and after the event. Issuers such as ISAT and DSSA show stable or random return movements without any meaningful market reaction. Only two issuers, namely PUDP and SCCO, showed significant changes, but with a downward direction. Overall, this discussion concludes that in the 2024 observation period, *stock splits* will not effectively function as a tool to trigger *abnormal returns* for investors, reinforcing the finding that the Indonesian capital market has become more efficient in absorbing administrative information without having to overreact.

JOURNAL OF IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

Table 2 Research Sample

No	Kode	Emiten	Rasio	Stock Split	
				Before	After
1	ALDO	PT Alkindo Naratama Tbk.	1:2	July 5, 2024	8 July 2024
2	PUDP	PT Pudjiadi Prestige Tbk	1:2	3 July 2024	4 July 2024
3	SONA	PT Sona Topas Tourism Industry Tbk	1:2	January 2, 2024	January 2, 2024
4	TBMS	PT Tembaga Mulia Semanan Tbk	1:2	16 February 2024	20 February 2024
5	ASRM	PT Asuransi Ramayana Tbk	1:4	21 May 2024	22 May 2024
6	ISAT	PT Indosat Tbk	1:4	11 October 2024	14 October 2024
7	KDSI	PT Kedawung Setia Industrial Tbk	1:4	6 November 2024	7 November 2024
8	PBID	PT Panca Budi Idaman Tbk	1:4	30 May 2024	31 May 2024
9	SCCO	PT Supreme Cable Manufacturing & Commerce Tbk	1:4	March 7, 2024	March 8, 2024
10	JECC	PT Jembo Cable Company Tbk	1:5	12 June 2024	13 June 2024
11	MSIN	PT MNC Digital Entertainment Tbk	1:5	4 October 2024	7 October 2024
12	DSSA	PT Dian Swastatika Sentosa Tbk	1:10	17 July 2024	18 July 2024
13	GMTD	PT Gowa Makassar Tourism Development Tbk	1:10	3 January 2024	January 4, 2024
14	INDS	PT Indospring Tbk	1:10	3 July 2024	4 July 2024
15	LPGI	PT Lippo General Insurance Tbk	1:10	13 September 2024	17 September 2024
16	BPII	PT Batavia Prosperindo Internasional Tbk	1:20	May 8, 2024	May 13, 2024

Statistical Data Description Analysis

Table 1. Descriptive Statistic Volume Perdagangan Saham

	ALDO	PUDP	SONA	TBMS
Mean	279502.5	176495.0	105117.5	73685.00
Median	72400.00	37100.00	30700.00	47550.00
Maximum	2000000.	1400000.	1880000.	377000.0
Minimum	4200.000	5400.000	10700.00	8600.000
Std. Dev.	521331.4	299593.0	305469.1	70849.73
Skewness	2.514045	2.507490	5.218321	2.284392
Kurtosis	8.013303	9.374714	30.21970	9.573469
Jarque-Bera	84.02482	109.6450	1416.393	106.8071
Probability	0.000000	0.000000	0.000000	0.000000
Sum	11180100	7059800.	4204700.	2947400.
Sum Sq. Dev.	1.06E+13	3.50E+12	3.64E+12	1.96E+11
Observations	40	40	40	40

JOURNAL OF IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

	ASRM	ISAT	KDSI	PBID
Mean	2135.750	23401750	857397.5	1890010.
Median	840.0000	19050000	12100.00	1365000.
Maximum	10500.00	69300000	17720000	13410000
Minimum	100.0000	4210000.	400.0000	243600.0
Std. Dev.	2608.600	15492890	3332970.	2206213.
Skewness	1.582693	1.317654	4.307556	3.906813
Kurtosis	4.606591	4.044173	20.46140	20.09909
Jarque-Bera	21.00134	13.39192	631.8680	589.0525
Probability	0.000028	0.001236	0.000000	0.000000
Sum	85430.00	9.36E+08	34295900	75600400
Sum Sq. Dev.	2.65E+08	9.36E+15	4.33E+14	1.90E+14
Observations	40	40	40	40

	SCCO	JECC	MSIN	DSSA
Mean	156292.5	107057.5	5659963.	1066303.
Median	106100.0	47500.00	5155000.	1260000.
Maximum	1230000.	733900.0	13900000	2100000.
Minimum	14000.00	3000.000	428500.0	24900.00
Std. Dev.	201707.4	141612.0	2761877.	583109.8
Skewness	3.981763	2.591230	0.796272	-0.539720
Kurtosis	21.32896	10.89881	3.556291	2.244358
Jarque-Bera	665.6143	148.7484	4.742761	2.893639
Probability	0.000000	0.000000	0.093352	0.235317
Sum	6251700.	4282300.	2.26E+08	42652100
Sum Sq. Dev.	1.59E+12	7.82E+11	2.97E+14	1.33E+13
Observations	40	40	40	40

	GMTD	INDS	LPGI	BPII
Mean	5400.000	3397023.	517347.5	671512.5
Median	2000.000	2805000.	209750.0	756600.0
Maximum	25700.00	12960000	4350000.	1140000.
Minimum	200.0000	33000.00	27300.00	7100.000
Std. Dev.	7407.238	3452250.	830392.2	231237.6
Skewness	1.778535	1.063127	3.269055	-0.715324
Kurtosis	4.903270	3.367225	14.09893	3.764661
Jarque-Bera	27.12532	7.759678	276.5551	4.385772
Probability	0.000001	0.020654	0.000000	0.111594
Sum	216000.0	1.36E+08	20693900	26860500
Sum Sq. Dev.	2.14E+09	4.65E+14	2.69E+13	2.09E+12
Observations	40	40	40	40

Tabel 4. Descriptive Statistic Return Saham

	ALDO	PUDP	SONA	TBMS
Mean	0.000925	0.010165	-0.008743	-0.007938
Median	0.000000	0.000000	-0.005400	0.000000
Maximum	0.100600	0.098300	0.176500	0.071000
Minimum	-0.046800	-0.080000	-0.069000	-0.123800
Std. Dev.	0.026182	0.039495	0.041015	0.028825

JOURNAL OF IDEA Journal of Investment, Development, Economics and Accounting

ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

Skewness	1.310570	0.752211	2.196870	-1.541083
Kurtosis	6.945261	3.757854	11.67087	9.351574
Jarque-Bera	37.39243	4.729378	157.4816	83.07040
Probability	0.000000	0.093979	0.000000	0.000000
Sum	0.037000	0.406600	-0.349700	-0.317500
Sum Sq. Dev.	0.026735	0.060833	0.065607	0.032404
Observations	40	40	40	40

	ASRM	ISAT	KDSI	PBID
Mean	0.000733	-0.005083	-0.002772	0.003102
Median	0.000000	-0.003450	0.000000	0.000000
Maximum	0.032500	0.077600	0.059800	0.091200
Minimum	-0.045200	-0.061300	-0.142200	-0.065100
Std. Dev.	0.015519	0.029146	0.032508	0.028171
Skewness	-0.455244	0.268304	-1.695661	0.537178
Kurtosis	4.273954	3.757295	10.45079	4.787953
Jarque-Bera	4.086581	1.435738	111.6923	7.251692
Probability	0.129602	0.487791	0.000000	0.026627
Sum	0.029300	-0.203300	-0.110900	0.124100
Sum Sq. Dev.	0.009393	0.033129	0.041213	0.030950
Observations	40	40	40	40

	SCCO	JECC	MSIN	DSSA
Mean	-0.003503	-0.006238	-0.005693	0.018523
Median	-0.008650	-0.007300	0.000000	0.005000
Maximum	0.177300	0.091600	0.050000	0.183000
Minimum	-0.048500	-0.118900	-0.109400	-0.045200
Std. Dev.	0.037300	0.040559	0.034009	0.043954
Skewness	3.075001	0.081671	-0.854709	2.218446
Kurtosis	15.32251	4.534193	4.436607	7.826903
Jarque-Bera	316.1111	3.967383	8.309913	71.64167
Probability	0.000000	0.137561	0.015686	0.000000
Sum	-0.140100	-0.249500	-0.227700	0.740900
Sum Sq. Dev.	0.054259	0.064157	0.045107	0.075345
Observations	40	40	40	40

	GMTD	INDS	LPGI	BPII
Mean	0.022865	0.007880	0.000513	0.000658
Median	0.008850	-0.002150	-0.004350	0.000000
Maximum	0.100000	0.155000	0.242800	0.028600
Minimum	-0.100000	-0.079200	-0.069100	-0.045000
Std. Dev.	0.055753	0.048736	0.049412	0.011883
Skewness	-0.552356	1.418946	3.017677	-1.132659
Kurtosis	3.127844	5.263378	15.67460	8.140111
Jarque-Bera	2.061224	21.96086	328.4517	52.58734
Probability	0.356788	0.000017	0.000000	0.000000
Sum	0.914600	0.315200	0.020500	0.026300
Sum Sq. Dev.	0.121228	0.092634	0.095219	0.005507
Observations	40	40	40	40

JOURNAL OF
IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

Results of Wilcoxon Mann Whitney's Differential Test (Hypothesis Test) on Market Capitalization

The wilcoxon signed test is a nonparametric test used to measure the difference between 2 groups of data paired on an ordinal scale or interval of data on the ordinal scale. This test usually also know match pair test. The basis for decision making in this test *wilcoxon signed test* is as follows: :

When the probability value of Asym.sig 2 f ailed < 0.05 then there is a difference.

When the probability value of Asym.sig 2 f ailed > 0.05 then there is no difference

Dummy regression according to Gujarati (2014) is a type of regression analysis, but at least one of the variables is qualitative data on a nominal or ordinal scale. The variables in the regression equation that are qualitative data usually require a method to form a quantification value (in the form of numbers) from the qualitative data obtained. Variabel *dummy* is a variable that is used for variables that are qualitative to quantitative. Variabel *dummy* atau biasa also mention as variabel doll merupakan variabel artificial yang four assume data qualitative menjadi data atau Quantitative dengan memberi kode 0 (n ol) atau 1 (s atu).

Table 5 Results of Wilcoxon Mann Whitney's Differential Test (Hypothesis Test) on Market Capitalization

No	Code	Emiten	Prob	Before Stock Split	After Stock Split
1	ALDO	PT Alkindo Naratama Tbk.	0.0000	Positive	Negative
2	PUDP	PT Pudjiadi Prestige Tbk	0.0000	Negative	Positive
3	SONA	PT Sona Topas Tourism Industry Tbk	0.0000	Positive	Negative
4	TBMS	PT Tembaga Mulia Semanan Tbk	0.0000	Positive	Negative
5	ASRM	PT Asuransi Ramayana Tbk	0.0155	Positive	Negative
6	ISAT	PT Indosat Tbk	0.0002	Positive	Negative
7	KDSI	PT Kedawung Setia Industrial Tbk	0.0000	Positive	Negative
8	PBID	PT Panca Budi Idaman Tbk	0.0008	Positive	Negative
9	SCCO	PT Supreme Cable Manufacturing & Commerce Tbk	0.0004	Positive	Negative
10	JECC	PT Jembo Cable Company Tbk	0.0000	Positive	Negative
11	MSIN	PT MNC Digital Entertainment Tbk	0.0000	Positive	Negative
12	DSSA	PT Dian Swastatika Sentosa Tbk	0.0000	Negative	Positive
13	GMTD	PT Gowa Makassar Tourism Development Tbk	0.0000	Negative	Positive
14	INDS	PT Indospring Tbk	0.0000	Positive	Negative
15	LPGI	PT Lippo General Insurance Tbk	0.1806	Negative	Positive

JOURNAL OF IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

No	Code	Emiten	Prob	Before Stock Split	After Stock Split
16	BPII	PT Batavia Prosperindo Internasional Tbk	0.4652	Negative	Positive

Wilcoxon Mann Whitney Hypothesis Test Results on Stock Trading Volume

The wilcoxon signed test is a non-parametric test used to measure the difference between 2 groups of data that are paired at ordinal scale or intervals but the data is abnormally distributed. This test is also known as the match pair test. The basis for decision-making in the wilcoxon signed test is as follows:

When the probability value of Asym.sig 2 fails < 0.05, there is a difference.

When the probability value of Asym.sig 2 fails > 0.05, there is no difference.

A regression analysis, but at least one of the variables is qualitative data on a nominal or ordinal scale. The variables in the regression equation that are qualitative data require a method to make the valueiquantification (iin the form of numbers) of the qualitative data which in dummy variables is a variable that is used for variables that are qualitative in nature and quantitative. The dummy variable or commonly called the dummy variable is an artificial variable that four assumes the data Measure of Self-Esteem Is A Positive Thing About A Person Who Is

Table 6 Wilcoxon Mann Whitney Hypothesis Test Results on Stock Trading Volume

No	Code	Emiten	Prob	Before Stock Split	After Stock Split
1	ALDO	PT Alkindo Naratama Tbk.	0.1199	Negative	Positive
2	PUDP	PT Pudjiadi Prestige Tbk	0.1556	Negative	Positive
3	SONA	PT Sona Topas Tourism Industry Tbk	0.2134	Positive	Negative
4	TBMS	PT Tembaga Mulia Semanan Tbk	0.7972	Negative	Positive
5	ASRM	PT Asuransi Ramayana Tbk	0.0090	Positive	Negative
6	ISAT	PT Indosat Tbk	0.0639	Negative	Positive
7	KDSI	PT Kedawung Setia Industrial Tbk	0.0294	Negative	Positive
8	PBID	PT Panca Budi Idaman Tbk	0.0020	Positive	Negative
9	SCCO	PT Supreme Cable Manufacturing & Commerce Tbk	0.8604	Positive	Negative
10	JECC	PT Jembo Cable Company Tbk	0.0193	Negative	Positive
11	MSIN	PT MNC Digital Entertainment Tbk	0.4488	Positive	Negative
12	DSSA	PT Dian Swastatika Sentosa Tbk	0.7353	Negative	Positive
13	GMTD	PT Gowa Makassar Tourism Development Tbk	0.0468	Negative	Positive
14	INDS	PT Indospring Tbk	0.6554	Negative	Positive
15	LPGI	PT Lippo General Insurance Tbk	0.5609	Negative	Positive

JOURNAL OF IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

No	Code	Emiten	Prob	Before Stock Split	After Stock Split
16	BPII	PT Batavia Prosperindo Internasional Tbk	0.6554	Positive	Negative

Wilcoxon Mann Whitney's Differential Test Results on Stock Returns

A wilcoxon-marked test is a non-parametric test used to measure the difference between 2 groups of data paired on an ordinal scale or interval but the data is abnormally distributed. This test is also known as the match pair test. The basis for decision-making in the test that wilcoxon signed is as follows:

When the probability value of Asym.sig 2 fails < 0.05, there is a difference.

When the probability value of Asym.sig 2 fails > 0.05, there is no difference.

Regression analysis, but at least one of the variables is qualitative data on the nominal orordinal scale. The variables in the regression equation which are qualitative data require a method to quantify the value (in the form of aingka) from the i qualitative data in. Dummy variables are variables that are used for variables that are qualitative and quantitative. The dummy or ordinary variable is called the dummy variable is an artificial variable that four assumes data a Measure of self-esteem is a positive thing about a person who

Table 2 Hasil Uji Beda (Uji Hipotesis) Wilcoxon Mann Whitney pada Return Saham

No	Code	Emiten	Prob	Before Stock Split	After Stock Split
1	ALDO	PT Alkindo Naratama Tbk.	0.7049	Positive	Negative
2	PUDP	PT Pudjiadi Prestige Tbk	0.0468	Positive	Negative
3	SONA	PT Sona Topas Tourism Industry Tbk	0.1441	Positive	Negative
4	TBMS	PT Tembaga Mulia Semanan Tbk	0.4989	Positive	Negative
5	ASRM	PT Asuransi Ramayana Tbk	0.9353	Positive	Negative
6	ISAT	PT Indosat Tbk	0.1850	Positive	Negative
7	KDSI	PT Kedawung Setia Industrial Tbk	0.1850	Positive	Negative
8	PBID	PT Panca Budi Idaman Tbk	0.2085	Positive	Negative
9	SCCO	PT Supreme Cable Manufacturing & Commerce Tbk	0.0058	Positive	Negative
10	JECC	PT Jembo Cable Company Tbk	0.1636	Negatif	Positive
11	MSIN	PT MNC Digital Entertainment Tbk	0.5428	Positive	Negative
12	DSSA	PT Dian Swastatika Sentosa Tbk	0.5162	Positive	Negative
13	GMTD	PT Gowa Makassar Tourism Development Tbk	0.3793	Negatif	Positive
14	INDS	PT Indospring Tbk	0.1136	Positive	Negative
15	LPGI	PT Lippo General Insurance Tbk	0.3507	Positive	Negative

JOURNAL OF IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

No	Code	Emiten	Prob	Before Stock Split	After Stock Split
16	BPII	PT Batavia Prosperindo Internasional Tbk	0.4819	Positive	Negative

The results of Wilcoxon Mann Whitney's differential test show that the stock split as a whole has a significant impact on the market capitalization of issuers, which is evident in 14 out of 16 companies with a probability (p-value) of < 0.05. The majority of significant issuers, namely 11 companies (including ALDO, SONA, ISAT, and KDSI), experienced a decline in market capitalization after the stock split (marked by a change in direction from Positive to Negative). This phenomenon may indicate that while a stock split is intended to increase liquidity, the market may interpret the move as a negative signal regarding the company's long-term growth prospects or a value dilution effect on investor perception. On the other hand, the three issuers (PUDP, DSSA, and GMTD) showed a significant increase in market capitalization (Negative $\rightarrow$ Positive), and the cloning of the theory of blahwa sltoclk slpllilt successfully provided positive signals related to the financial health and prospects of the company that drove market demand. Meanwhile, the two issuers (LPGI with a Prob of 0.1806 and BPII with a Prob of 0.4652) did not show any statistically significant differences in market capitalization, indicating that for these companies, the post-stock split changes may be due to random factors or other external factors beyond the corporate announcement. In conclusion, although stock splits trigger real changes in market capitalization, the direction of change is not uniform and tends to be dominated by declines, confirming that market reactions are very specific to each issuer.

Discussion on Stock Trading Volume

The results of Wilcoxon Mann Whitney's differential test on stock trading volume show that stock splits do not have a consistent and significant impact on market liquidity for the majority of issuers. A total of 11 of the 16 companies (including major issuers such as ALDO, PUDP, SONA, TBMS, and ISAT) had a probability value (p-value) above the significance threshold of 0.05, meaning that there was no significant difference in the trading volume of the shares before the stock after the stock split for this group. This results refute the liquidity theory that a lower share price will automatically increase trading activity. However, five issuers showed significant changes. Three of them (KDSI, JECC, and GMTD) managed to increase trading volume significantly (Negative to Positive), supporting the assumption that stock splits succeeded in making stocks more affordable and attracting retail investors. On the other hand, two issuers (ASRM and PBID) actually experienced a significant decrease in trading volume (Positive to Negative) post-stock split. Overall, although a stock split is a corporate action that changes the nominal price of a share, only a small percentage of issuers actually experience a significant increase in liquidity, suggesting that investors' decision to trade is dominated more by company fundamentals and market sentiment than by the price per share.

Discussion on Stock Return

The results of Wilcoxon Mann Whitney's differential test on Stock Return show that for the majority of issuers, the stock split action does not cause a significant difference in stock return performance. A total of 14 of the 16 companies had a probability value (p-value) above the significance threshold of 0.05, which means that there was no statistical difference in stock returns before and after the stock split for this group. These issuers, including ALDO (0.7049), ISAT (0.1850), and DSSA (0.5162), indicate that their stock returns are relatively stable or that the changes are only random, which does not support the hypothesis that the stock split will affect returns in real terms. However, there are two issuers that show significant changes in returns {Prob < 0.05). The two issuers, namely PUDP (0.0468) and SCCO (0.0058), showed a change in direction from Positive to Negative, indicating that their stock returns decreased

JOURNAL OF
IDEA Journal of Investment, Development, Economics and Accounting
ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

significantly after the stock split was implemented. This significant decline in returns could reflect a negative market reaction to stock split information or an assessment that the potential profits of the stock have diminished. Overall, these findings conclude that stock splits fail to be a strong signal for improved stock return performance, and even in significant cases, the impact tends to be negative

CONCLUSION

Market Capitalization

Dominant Significant Impact: In general, stock splits have been shown to have a statistically significant impact on Market Capitalization in the majority of issuers (14 out of 16 companies). Direction of Impact: Although significant, the impact is not uniform. The majority of issuers (11 companies) experienced a significant decline in Market Capitalization after the stock split (Positive to Negative). Only a small percentage (3 companies) experienced a significant increase in Market Capitalization (Negative to Positive). This indicates that market sentiment towards the value of the company after the stock split tends to be negative or the stock split does not always succeed in sustaining the company's value in the eyes of investors.

Stock Trading Volume (Trading Volume)

Insignificant Impact: In contrast to Market Capitalization, stock splits fail to create significant trading volume differences in the majority of issuers (11 out of 16 companies). This result undermines the hypothesis that stock splits have always succeeded in drastically increasing market liquidity. Limited Impact Direction: Only 5 issuers showed significant change. Among them, 3 issuers (KDSI, JECC, GMTD) experienced a significant increase in trading volume, which supports the liquidity signal theory. The rest, 2 issuers (ASRM, PBID) actually experienced a significant decrease in trading volume.

Return Saham (Stock Return)

Least Significant Impact: Stock splits show the least impact on stock returns. Almost all issuers (14 out of 16 companies) indicated that the stock split did not have a significant difference in stock returns before and after the event. Negative Significance: Only 2 issuers (PUDP and SCCO) experienced significant differences, and the direction of change was a significant decrease in returns (Positive to Negative). These findings suggest that stock splits do not serve as a positive signal for increased stock returns, and even in significant cases, are likely to be followed by loss returns

REFERENCES

Aryawati, N. P., Harahap, T. K., Yanti, N. N. S. A., Mahardika, I. M. N. O., Widinarsih, D. M., Ahmad, M. I. S., Selvi, & Amali, L. M. 2022. Manajemen Keuangan (Cetakan Pe). Tahta Media Group.

Baker, H. K. and P. L. Gallagher. 1980. Management's View of Stock Splits. Financial Management 9 (Summer), 73-77.

ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

Bodie, Z., Kane, A. and Marcus, A. (2014) Investments. 10th Edition. ISBN: 9780077161149

Brigham, E. F., & Houston, J. F. (2019). Fundamentals of Financial Management. Cengage Learning.

Istifdhloh, Masno Marjohan dan Zulfitra. 2023. Pengaruh Profitabilitas dan Likuiditas terhadap Nilai Perusahaan dengan Leverage sebagai Variabel Intervening. Vol 6, No 2 (2023): Jurnal SEKURITAS

Jensen, M. C., & Meckling, W. H. (1976). "Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure." Journal of Financial Economics, 3(4), 305-360.

Kalay, A. and M. Kronlund. 2009. Stock Split: Information or Liquidity. Working Paper. Booth School of Business University of Chichago.

Kasmir, 2018. Analisis Laporan Keuangan. Jakarta : PT Raja Grafindo Persada.

Khasanah, Siti Khuswatun. 2019. Pengaruh Ukuran Perusahaan, Likuiditas, Kebijakan Utang dan Kinerja Keuangan Terhadap Nilai Perusahaan dengan Kebijakan Dividen Sebagai Variabel Moderating Pada Perusahaan Manufaktur di Bursa Efek Indonesia. Jurnal Penelitian Akuntansi: Goodwill, Volume 1, Nomor 1, April 2019, Hal 15-24, ISSN: 2684-8805.

Kinata, E. J. (2016). The effect of market volatility and firm size towards the difference of market reaction around stock-split announcement in Indonesia stock exchange. Journal of Administrative and Business Studies, 2(6), 304-313. https://doi.org/10.20474/jabs-2.6.

Little, K. 2014. Market cap is important guide for comparing stock. URL: goo.gl/A7jEc2. Last accessed on 28 September 2014.

Mahmood, A. A. A., Jarallah, E. M., & Ghdhaib, M. G. (2025). Impact of Stock Split on Stock Return in Companies Listed on the India Stock Exchange. Journal of Applied Business and Technology, 5(3), 154-163. https://doi.org/10.35145/jabt.v5i3.163

Manap, A., Ginting, R. U. B., Lubis, Z., Idris, N., & Mustangin, M. (2023). Stock Price, Return, and Abnormal Return Differences Before and After Stock Split In High and Low Profile Companies Listed On The Indonesian Stock Exchange. Al-Kharaj: Journal of Islamic Economic and Business, 5(1). https://doi.org/10.24256/kharaj.v5i1.3645

Masno Marjohan, 2020. The Effect Analysis of Liquidity, Solvency on Profitability and Its Impact to the Company Value at PT KS, Tbk. Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Volume 3, No 4, November 2020, Page: 3845-3860 e-ISSN: 2615-3076(Online), p-ISSN: 2615-1715(Print). DOI: https://doi.org/10.33258/birci.v3i4.1451

McNichols, M., & Dravid, A. (1990). Stock dividends, stock splits, and signaling. the Journal of finance, 45(3), 857-879. https://doi.org/10.1111/j.1540-6261.1990.tb05109.x

Modigliani, F., & Miller, M. H. 1958. "The Cost of Capital, Corporation Finance, and the Theory of Investment." American Economic Review, 48(3), 261-297.

Muna, H. & Khaddafi, M. (2022). The Effect of Stock Split on Stock Return, Stock Trading Volume, and Systemic Risk in Companies Listed on the Indonesia Stock Exchange. International Journal of Finance, Economics and Business, 1(1), 51-56. https://doi.org/10.56225/ijfeb.v1i1.4

Munawir. 2014. Analisa Laporan Keuangan, Edisi ke 4. Yogyakarta: Liberty.

Murhadi, W. R. 2013. Analisis Laporan Keuangan, Proyeksi dan Valuasi Saham. Jakarta: Salemba Empat

ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

NASDAQ Inc. (2018). Firms listed on the NASDAQ OMX. Available at: http://www.nasdaqomxnordic.com/aktier

Ningrum, E. P. 2021. Nilai Perusahaan (Konsep dan Aplikasi). Adab CV. Adanu Abimata

Priatno, J., & Freddy, F. (2021). Analysis of the Effect of Stock Split on Abnormal Stock Return and Share Liquidity. Eduvest, 1(7), 377334. https://doi.org/10.36418/edv.v1i7.95

Rahman, A. H., Widagdo, B., & Ambarwati, T. (2021). Impact of Before and After Stock Split on Trading Volume Activity, Stock Returns, and Abnormal Returns:(Study on Companies Listed on the IDX in 2015-2019). Jurnal Manajemen Bisnis dan Kewirausahaan, 1(03), 173-179. https://doi.org/10.22219/jamanika.v1i3.18237

Rinofah, Risal, Ratih Kusumawardhna, dan Retno Dwi Pangesti. 2022. Pengaruh Kepemilikan Manajerial, Investment Opportunity Set (IOS), Ukuran Perusahaan Terhadap Nilai Perusahaan dengan Kebijakan Dividen sebagai Variabel Intervening. Jurnal Ilmiah Universitas Batanghari Jambi, Volume 22 Nomor 2, Juli 2022, 945-956, E-ISSN: 1411-8939, P-ISSN: 2549-4236.

Rismayanti, Eka Mira, Yusralaini dan Devi Safitri. 2020. Pengaruh Struktur Kepemilikan, Kebijakan Utang dan Nilai Perusahaan dengan Kebijakan Dividen Sebagai Variabel Moderating. Jurnal Kajian Akuntansi dan Bisnis Terkini, Volume.1, Nomor.1, Maret 2020, PP. 67-87, E-ISSN: 2721-1819, P-ISSN:2721-2416.

Ross, S. A. (1977). The determination of financial structure: the incentive-signalling approach. The Bell Journal of Economics, 23-40.

Saleh, Muhammad. 2020. Pengaruh Kebijakan Utang, Profitabilitas, dan Keputusan Investasi Terhadap Nilai Perusahaan Dengan Kebijakan Dividen Sebagai Variabel Moderasi. Jurnal Manajemen dan Organisai Review (MANOR), Volume.2, Nomor 1, Mei 2020, E-ISSN: 2716-148x, P-ISSN: 2657-0130.

Sari, R., & Lestari, I. (2021). Analisis Pengaruh Likuiditas, Profitabilitas, dan Kebijakan Dividen terhadap Nilai Perusahaan pada Perusahaan Sektor Industri Barang Konsumsi di BEI. Jurnal Manajemen Keuangan, 14(2), 134-145

Senata, Maggee. 2016. Pengaruh Kebijakan Dividen Terhadap Nilai Perusahaan Yang Tercatat Pada Indeks LQ-45 Bursa Efek Indonesia. Jurnal Wira Ekonomi Mikroskil Volume 6, Nomor 01, April 2016.

Siringoringo, Sansutri, Helmi Herwati, dan Iwin Arnova. 2023. Pengaruh Profitabilitas, Kebijakan Dividen, Ukuran Perusahaan, Kebijakan Utang, dan Struktur Modal Terhadap Nilai Perusahaan. Jurnal Alwatzikhoebillah: Kajian Islam, Pendidikan, Ekonomi, Humaniora, Vol. 9 No. 1 Januari 2023, hal. 82-97, p-ISSN: 2442-384X e-ISSN: 2548-7396.

Stoval, R.H. (1995). Stock Split Candidate. Financial World, 164, 86

Sugiyanto, dan Tato Setiawan. 2019. Pengaruh Likuiditas Profitabilitas Dan Good Corporate Governance Terhadap Nilai Perusahaan (Studi Kasus Pada Perusahaan Jasa Perbankan Yang Terdaftar Di Bursa Efek Indonesia Pada Tahun 2014-2019). Prosiding Seminar Nasional Humanis 2019. Universitas Pamulang

Sugiyono. 2009. Metode Penelitian Bisnis (Pendekatan Kuantitatif, Kualitatif & R&D). Cet. Ke-13. CV. Alfabeta. Bandung.

Sulhan, Muhammad dan Sofi Nurilah. 2018. Pengaruh Struktur Kepemilikan dan Profitabilitas terhadap Kebijakan Utang Dengan Kebijakan Dividen Sebagai Variabel Moderasi.

ISSN (*print*) : 3047-3470 & ISSN (online) : 3047-1982

Seminar Nasional dan Call for Paper: Manajemen, Akuntansi dan Perbankan, Volume .1, No.1 Tahun 2018.

Pamungkas, Topan, Iin Rosini dan Suripto. 2024. Size Perusahaan Memoderasi Hubungan Good Corporate Governance, Green Supply Chain Management dan Green Accounting Terhadap Kinerja Keuangan Perusahaan. Al kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah. Volume 6 Nomor 5 (2024) 5600 – 5624 P-ISSN 2656-2871 E-ISSN 2656-4351

Widarnaka, Nardi Sunardi dan Holiawati. 2022. Pengaruh Pertumbuhan Perusahaan, Ukuran Perusahaan dan Likuiditas Terhadap Nilai Perusahaan Dengan Kebijakan Utang Sebagai Variabel Moderasi. Jurnal Syntax Admiration, Volume 3 Nomor 10, Oktober 2022, p-ISSN : 2722-7782 e-ISSN : 2722-5356.

Widiana, M. E. 2020. Buku Ajar Pengantar Manajemen. CV. Pena Persada.

Widodo, T., & Nugraheni, P. (2020). Pengaruh Kebijakan Dividen, Current Ratio, dan Return on Equity terhadap Nilai Perusahaan pada Sektor Properti di BEI. Jurnal Ekonomi dan Bisnis Indonesia, 35(1), 78-89.

Wijaya, Rico. 2017. Kinerja Keuangan dan Ukuran Perusahaan terhadap Harga Saham dengan Kebijakan Dividen sebagai Variabel Intervening. Jurnal Keuangan dan Perbankan, Volume 21 Nomor 3, Hal : 459-472, E-ISSN: 2443-2687, P-ISSN: 1410-8089

Wulandari, Christina D., Tri Damayanti, Apriana Anggreini Bangun dan Aulia Rizki Anggraini. 2022. Pengaruh Tingkat Profitabilitas, Leverage, dan Kebijakan Utang Terhadap Nilai Perusahaan dengan Kebijakan Dividen Sebagai Variabel Intervening. Jurnal Ekonomi dan Bisnis, Volume.11, Nomor .3, November 2022, P-ISSN: 2503-4413, E-ISSN: 2654-5837, Hal 301-310.

Wulff, Christian (1999) : The market reaction to stock splits: Evidence from Germany, SFB 373 Discussion Paper, No. 1999,42, Humboldt University of Berlin, Interdisciplinary Research Project 373: Quantification and Simulation of Economic Processes, Berlin, https://nbn-resolving.de/urn:nbn:de:kobv:11-10046293