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The effect of *Total Asset Turn Over (TATO)* and *Current Ratio (CR)* on *Return On Asset (ROA)* at PT Unilever Indonesia Tbk.

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Abstract. *This study aims to determine the simultaneous and partial influence of the independent variable, namely Total Asset Turn Over (TATO) and Current Ratio (CR) on the dependent variable, namely Return On Asset (ROA). This research was conducted at PT Unilever Indonesia Tbk. The type of research used in this study was associative research. The population used in this study is the company's financial statement data in the form of balance sheet and profit and loss financial statements, and the number of samples used is the balance sheet and profit and loss financial statements for 10 years, namely 2013 to 2022. The data collection method in this study was carried out by literature or secondary studies. The data analysis techniques used are multiple regression, classical assumption test, t test, f test, and coefficient of determination. Based on the results of the study, it can be concluded that simultaneously Total Asset Turn Over (TATO) and Current Ratio (CR) have a significant effect on Return On Asset (ROA) at PT Unilever Indonesia Tbk, partially Total Asset Turn Over does not have a significant effect on Return On Asset and partially Current Ratio has a significant effect on Return On Asset at PT Unilever Indonesia Tbk for the 2013-2022 period.*

Keywords: *Total Asset Turn Over, Current Ratio, Return On Asset*

A. INTRODUCTION

The capital market has an important role in improving a country's economy. With the capital market, investor as parties who have excess funds can invest their funds in securities in the capital market in the hope of getting profit. Meanwhile, companies as parties who need funds can use these funds to develop the company's operational activities, so as to improve state economic activities and the welfare of the wider community.

PT. Unilever Indonesia Tbk. not only innovates products but also carries out sustainability activities as a driving ground in every activity. So every consumer chooses one of Unilever's product, which means they improve their quality of life, their environment and the world we share.

PT. Unilever Indonesia Tbk has made various efforts to maximize the company's Return on assets (ROA), but the company's Return on assets (ROA) has fluctuated in recent year, this can be seen in the following table:

TAHUN	TATO (%)	CR (%)	ROA (%)
2013	230,42	69,63	40,10
2014	242,66	71,49	41,50
2015	231,93	65,39	37,20
2016	239,18	60,56	38,16
2017	217,93	63,36	37,04
2018	214,11	74,76	46,66
2019	207,86	65,28	35,80
2020	209,26	66,09	34,88
2021	207,38	60,80	30,19
2022	225,01	61,42	29,28

Based on the table above, it can be seen that the growth of TATO, CR, and ROA for the period 2013-2022, TATO in 2013 had a result of 230.42% and then increased from 2014 of 242.66%, decreased from 2015 of 231.93%, and increased in 2017 by 239.18%, decreased from 2017 to 2019 of 209.26%. And so is the cycle of ups and downs from year to year, and CR has a result in 2013 of 69.63% from 2014 to 2016 decreased by 60.56%, from 2017 to 2022 up and down quite significantly so that in 2021 it had a yield of 61.42%, and ROA in 2013 had a result of 40.10% from 2014 to 2022 experienced quite significant ups and downs so that in 2022 it had a value of 29.28%. So in conclusion, PT Unilever Indonesia Tbk experienced a significant state of corporate profit which can be ascertained that the company experienced unstable fluctuations in the following year.

B. LITERATURE REVIEW

1. Total Asset Turn Over (TATO)

Total Assets Turn Over (TATO) is a ratio chosen to represent the activity ratio to measure the effectiveness of the total assets owned by the company in generating sales. (Kasmir, 2016) revealed "TATO is a ratio used to measure the turnover of all asset owned by the company and measure how much sales are obtained from each rupiah of assets". The formula for calculating *Total Asset Turnover* (TATO) is:

$$TATO = \frac{\text{Penjualan}}{\text{Aktiva}}$$

2. Current Ratio

According to Kasmir (2018: 134), the current ratio is a ratio to measure the company's ability to pay short-term obligation or debts that are immediatel due when collected as a whole. In other word, how much current assets are available to cover short-term liabilities that are soon due. The formula for finding the current ratio according to Kasmir (2018: 135) is as follows:

$$\text{Current Ratio} = \frac{\text{Aset lancar}}{\text{Utang Lancar}}$$

3. Return On Assets

Return On Assets is a ratio that shows how much assets contribute to creating net income. In other words, this ratio is used to measure how much net profit will be generated from each rupiah of funds embedded in total assets (Hery, 2018: 193).

$$\text{Return On Assets} = \frac{\text{Laba Bersih}}{\text{Total Aset}}$$

C. RESEARCH METHODOLOGY

In this study, associative types of research were used. Associative research is research that aims to determine the relationship between two or more variables (Sugiyono, 2017). Population according to Sugiyono (2009: 80) is a generalized area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusion". The population used in this study is the company's financial statement data in the form of balance sheet and profit and loss financial statements, and the number of samples used is the balance sheet and profit and loss financial statements for 10 years, namely 2013 to 2022. Sample According to (sugiyono, 2019a) Sample is a part of the whole and characteristic possessed by a population. The research instrument used is a list of tables in the form of financial statement data (balance sheet and profit and loss) at PT. Unilever Indonesia Tbk. Data collection techniques in this study are literature or secondary studies. The data analysis techniques used are multiple regression, classical assumption test, t test, f test, and coefficient of determination.

D. RESULTS AND DISCUSSION

1) Data Description

The following is the data obtained and processed from each variable X1 Total Assets Turnover (TATO), X2 Current Ratio (CR) and Y Return on Assets (ROA) of PT Unilever Indonesia Tbk for the 2013-2022 period which is described in the following table:

TAHUN	TATO (%)	CR (%)	ROA (%)
2013	230,42	69,63	40,10
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2) Test the hypothesis

Hypothesis Test is used to describe a relationship between two related variables which is a temporary assumption that need to be tested for truth about allegation in a study that has benefits in an effective and efficient research process. According to Sugiyono (2017: 63) a hypothesis is a temporary answer to the formulation of a researc problem, where the formulation of the researc problem has been stated in the form of a question sentence. There are two types of hypothesis tests that can be performed as follows:

a. Partial Test (t)

This test is by comparing the profitability value or p-value with a significance of 0.05. If the p-value is less than 0.05 then Ha is accepted, and vice versa if the p-value is greater than 0.05 then Ha is rejected. The criteria for the results of the examiner can be seen as follows:

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-39,973	19,900		-2,009	,085
TATO	,086	,073	,220	1,176	,278
CR	,879	,201	,820	4,378	,003

a. Dependent Variable: ROA

Source: SPSS Research Results version 22 (data processed)

Hypothesis testing with profitability value or p-value symbolized by $\alpha = 0.05$, with the degree of testing is $n-k-1 = 10-2-1 = 7$. In this case, the ttable is

$T_{table} = (\alpha/2 ; n-k-1)$

$T_{table} = (0.05/2; 7)$

$T_{table} = 0.025 ; 7$

Then T_{table} is 2.364.

a) Based on table above, it can be concluded that the results of the t test (partial) are as follows: The Effect of Total Assets Turnover on Return On Assets

Based on the result of the t test in table above, the calculation for Total Asset Turnover is 1.176 and the table results are 2.364 with a significance of $0.278 > 0.05$. So it can be known $t_{calculate} 1,176 < t_{table} 2,364$, so it can be concluded that Total Assets TurnOver partially does not have a significant effect on Return On Assets.

b) Effect of Current Ratio on Return On Assets

Based on the result of the t test in table above, the calculation for the Current Ratio is 4.378 and the ttable result are 2.364 with a significance of $0.003 < 0.05$. So it can be known $t_{calculate} 4.378 < t_{table} 2.364$, so it can be concluded that the Current Ratio partially has a significant effect on Return On Assets.

b. Simultaneous Test (F)

According to Sugiyono (2017: 183), it is used to determine the strength of the relationship between two independent variables together or more by affecting the dependent variable. In conducting simultaneous tests (F) between independent variables and dependent variables with decision making are as follows:

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	179,033	2	89,516	10,922	,007 ^b
	Residual	57,373	7	8,196		
	Total	236,406	9			
a. Dependent Variable: ROA						
b. Predictors: (Constant), CR, TATO						

Source: SPSS Research Results version 22 (data processed)

Based on table above, it shows that $F_{calculate}$ is 10.922. Using the distribution table F with a signification level of 0.05, the degree of numerator is 2 degrees free denominator is 7. So the F_{table} value is 4.74. It is known that $F_{calculate} 10.922 < F_{table} 4.74$ with a significant level of $0.007 < 0.05$, it can be concluded that Total Assets Turnover and Current Ratio have a significant effect simultaneousl on Return On Assets.

E. CONCLUSIONS AND SUGGESTIONS

1. Partially, the variable Total Assets Turnover does not have a significant positive effect on Return on Assets where the calculation is $1.176 < \text{table } 2.364$ with a significant value of $0.278 > 0.05$.
2. Partially, the Current Ratio has a significant effect on Return on Assets where the calculated value is $4.378 < \text{table } 2.364$ with a significant value of $0.003 < 0.05$.
3. Total Assets Turnover and Current Ratio simultaneously have a significant effect on Return on Assets where the value of $F_{\text{calculate}} 10.922 < F_{\text{table}} 4.74$ with a significant value of $0.007 < 0.05$. While the value of the coefficient of determination shows Total Assets Turnover (TATO) and Current Ratio (CR) explains the variable Return on Assets (ROA) of 68.8%, while the remaining 31.2% is explained by other variables that were not studied in this study.

Based on the conclusions above, the researcher gave some suggestions

With the hope that it can be a benefit for other researchers, including:

1. Companies are expected to optimize more in measuring the level of efficiency of the utilization of the company's resources, if the value The greater the Total Assets Turnover (TATO), the ratio will be The better, which means that assets can rotate faster and achieve profit, thus demonstrating more efficient use overall assets in generating sales in company.
2. The company should still be able to manage longer asset and longer debt better. If the Current Ratio (CR) value Low is usually considered to indicate the occurrence of a problem in liquidity, and vice versa if the value of the Current Ratio (CR) is increasing The higher the liquidity of a company.
3. Further researchers are expected to add variables others, so that the results obtained can be more accurate and has a very wide scope.

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