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Submission date: 12-Feb-2024 11:35AM (UTC+0700)

Submission ID: 2292456476

File name: Wigy Prayoga_Semhas_Internal Umsida.pdf (621.59K)

Word count: 5003

Character count: 26033

Analysis of Purchases, Receivables and Cash Flow on Profit Through a Cost Saving System as an Intervening Variable at PT. Kalam Leverage Mulia

[Analisis Pembelian, Piutang dan Arus Kas Terhadap Profit Melalui Sistem Penghematan Biaya Sebagai Variable Intervening Pada PT. Kalam Leverage Mulia]

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Abstract. *This research aims to find out the results regarding the analysis of purchases, receivables and cash flow on profits through a cost savings system as an influencing variable for PT. Kalam noble leverage. This research uses quantitative methods. This method is usually carried out randomly, uses research instruments, and applies data or statistical analysis to test predetermined hypotheses. In this context, a quantitative approach is used by collecting data regarding purchases of project materials, receivables and cash flows during the 2018-2022 period. The data analysis technique uses the eviews 12 analysis method. The results of this research show that purchases and receivables do not affect the company's profit, while cash flow affects the company's profit.*

Keywords – purchasing; receivables; cash flow; cost savings; profits

Abstrak. *Penelitian ini memiliki tujuan untuk mengetahui hasil mengenai analisis pembelian, piutang dan arus kas terhadap profit melalui sistem penghematan biaya sebagai variabel intervening pada pt. Kalam leverage mulia. Penelitian ini menggunakan metode kuantitatif. metode ini biasanya dilakukan secara acak, menggunakan instrumen penelitian, dan menerapkan analisis data atau statistik untuk menguji hipotesis yang telah ditentukan sebelumnya. Dalam konteks ini, pendekatan kuantitatif digunakan dengan mengumpulkan data mengenai pembelian material proyek, piutang, dan arus kas selama periode 2018- 2022. Teknik analisis data menggunakan metode analisis eviews 12. Hasil penelitian ini menunjukkan bahwa pembelian dan piutang tidak mempengaruhi profit pada perusahaan, sedangkan arus kas mempengaruhi profit perusahaan..*

Kata Kunci – pembelian; piutang; arus kas; penghematan biaya; keuntungan

I. PENDAHULUAN

In the face of increasingly fierce business competition and dynamic economic changes, cash flow management is a key factor in achieving company success. Like other companies, PT. Kalam Leverage Mulia continues to strive to maintain financial stability and operational continuity. One important aspect of cash flow management is the analysis of purchases, receivables and cash flows of projects being carried out. Sofjan Assauri (2008:2230 states that the purchasing function is a crucial element in the successful operation of a company. This function has the responsibility to receive the quantity and quality of raw materials needed at the right time, at prices that are in line with current price conditions. Proper supervision Care is needed in carrying out the purchasing function, because this is related to the investment of funds in inventory and the smooth flow of materials to the company. In this context, company management needs to ensure efficiency and effectiveness in carrying out the purchasing function to support operational continuity and company growth[1]. Therefore, Siti (2017:23) states that purchasing is a process where an accounting system is used and designed in a company to obtain the goods needed [2]. Basically, there are two terms related to the acquisition of goods or purchasing management services, namely the concept of Procurement (procurement) and Purchasing (purchase). In general, these two terms have a similar meaning, namely the activity of acquiring or purchasing goods [3]. In obtaining materials for project needs and acquiring materials to be used in fabrication, the purchasing transaction process with suppliers does not always run smoothly. For example, the unavailability of raw materials may require seeking other supplier options that have available stock. Material purchases can have an impact on company profits. One way to increase profits is to save on costs directly related to products such as raw materials. Reducing material purchasing costs can increase company profits, raw material prices also influence customer purchasing interest. Therefore, effective and efficient management of material purchases can help increase company profits [4]. Material savings can affect company profits, by reducing the cost of purchasing materials can increase company profits. Apart from that, material purchasing costs can also be saved

by optimizing the purchasing process, such as negotiating prices with suppliers [5]. Apart from that, cost savings that affect the company's receivables and profits can be done by optimizing the purchasing and production process, reducing material purchasing costs can increase company profits [6].

To ensure smooth procurement in a project, the importance of accounts receivable turnover is a must. Receivables are claims to other parties that arise from past transactions and will be settled in the future. Investment in receivables working capital arises from credit sales, and the extent of this investment depends on the credit policy and receivables collection system that is integrated with the sales increase strategy. Increased sales can contribute to increased company profitability, and receivables are often the largest component of a company's current assets. Therefore, efficient receivables management and appropriate credit policies are very important in supporting company operations and achieving sustainable growth [7]. The availability of funds and access to large financial resources has a significant impact on a company's survival during developments in the business world. Therefore, financial reports are a source of company financial information that presents data regarding the company's financial position, financial performance and cash flow. This information is very useful for various parties who use the report in making investment decisions [8]. Furthermore, consumer decisions are influenced by economic, financial, technological, socio-cultural, political, product, price, location, promotion, physical evidence, environmental influences and processes [9]. In this context, the main purpose of the cash flow statement is to provide relevant information regarding the cash inflow and outflow of a company during a period of time [10]. In a changing situation and increasingly fierce competition, companies, including PT. Kalam Leverage Mulia, faces a number of challenges. One critical aspect to pay attention to is profitability. Information regarding profits contained in financial reports is very important for management, and needs to be conditioned by selecting accounting processes so that they are in line with expectations [11]. Profit or profit is the result of reducing total income from the total expenses incurred by the company. A company is considered to be making a profit if its income is greater than the expenses it incurs. Conversely, if the costs incurred exceed total income, then the company is considered to have experienced a loss [12]. PT. Kalam Leverage Mulia (Kalam) started its business in 2009, this company is located at Ruko Istana Candi Mas Regency A6-E, Candi-Sidoarjo as a private limited company which initially operated in the trade and services sector. As the company develops, PT. Kalam developed his business and became an expert in the fields of production, engineering, trade and services in the field of water and wastewater treatment. In its operations, PT. Kalam implements 3R Actions (Right Product, Right Handling, and Right Application) to achieve effective and efficient products and services. PT. Kalam Leverage Mulia continues to develop its potential to help implement appropriate technology/products in efforts to improve or build clean water and waste water handling systems.

In another study, it was stated that company measurements and company operational results simultaneously influence profit management. However, in this research, the focus is only on aspects of company size and company operational results [13]. In previous research, the profit and loss flow report was not shown. Apart from that, the author also needs to analyze material purchases, in the material purchasing process one needs to pay attention to the material purchasing process, including vendor selection, inventory, and delivery time. Then the next thing to do is evaluate Receivables, or what is known as Account Receivable. This invoice is a claim for payment to another party that will occur in the future as a result of transactions that have occurred in the past [7]. Apart from that, one of the elements that makes cash flow not optimal is the profit and loss report from the cost of goods sold which has been determined for the current period. The accuracy of calculating the cost of goods sold affects the accuracy of the profits achieved by the company or the losses incurred by the company. Thus, the more precise the calculation of cost of goods sold, the more accurate the company's profit or loss report. [14]. Income is all receipts, both cash and non-cash, which are the results and sales of goods or services within a certain period of time (Sholihin, 2013). Income (Revenue) is income that has not been deducted from costs and expenses, while income is net income that has been reduced by expenses and costs [15]. Then, according to Hansen and Mowen (2009), cost savings is a management approach to evaluate each organizational activity in order to reduce or eliminate costs that are deemed unnecessary (unnecessary costs).

Furthermore, comprehensive analysis related to material purchases and project receivables can help management make more precise and effective decisions. In this context, this research will examine how external and internal factors influence material purchasing and project receivables management and how they impact the company's cash flow. A deep understanding of these aspects will help a company optimize its processes, identify opportunities for improvement, and reduce risks associated with cash flow management. This research is also relevant for anticipating the impact of economic and industrial changes that may affect PT operations. Kalam Noble Leverage in the future. This research aims to identify factors that influence cash flow on profits at PT. Kalam Leverage Mulia, especially related to the purchase of materials and receivables from ongoing projects. In evaluating the impact of saving cash flow on profits, companies must consider the negative impacts, such as dependence on markets and sales needs which can hinder the success of saving cash flow [16]. Then in this research we use intervening variables according to Ghozali (2016). Intervening variables are variables that mediate the influence between the independent variable and the dependent variable. The effect of the independent variable on the dependent has an indirect influence and is through the intervening variable.

Cash management is a company management system that aims to regulate cash flow in order to maintain company liquidity and optimize cash concepts and planning. Financial managers are expected to have the ability to efficiently manage the receipt and expenditure of company money [17].

The mission of the cash flow report is to present relevant information regarding a company's cash receipts and expenditures in a certain period. The cash flow report has internal use for management and also has external value for shareholders and lenders [18].

Cash flow is an instrument that includes cash inflows and outflows in a period related to company management responsibilities in managing cash resources, whether they come from operational activities, funding or investments [19]. Purchasing is an action taken to obtain goods needed by a company [20]. Purchase accounting is used to obtain goods needed by the company, as part of the process of procuring needs according to the desired time, with an effort to obtain the lowest possible price from a reliable source [21]. Project procurement management has a crucial role in every stage of purchasing or procuring products, services or materials from external parties to the project team, which are needed to carry out work on the project. Decisions taken in developing project procurement management have an impact on project scheduling, resource activity estimation, and the decision whether to make it yourself or buy from external parties [22].

Receivables are the claim rights that a company has against other parties for money, goods or services as a result of transactions that occurred in the past [23]. Receivables refer to claims submitted to customers or other parties with the aim of obtaining payment in the future, as a result of the current provision of goods or services [24]. Receivables are the claim rights that a company has against customers and other parties to receive certain payments, goods or services in the future that arise as a result of current deliveries or services [25].

Research has identified a variety of cash flow management strategies, including efficient inventory management, wise use of payment schemes, and optimization of accounts receivable processes. Study these strategies and identify the most effective ones in the PT context. Kalam Leverage Mulia can provide valuable insight into how to improve a company's cash flow (Huang et al., 2019). A good cash flow management strategy includes planning, budgeting and monitoring cash flow regularly. This is important to ensure the availability of cash funds so that the company remains liquid and solvent (Putri and Merkusiwati, 2020). Implementation of strict working capital management through efficient control of inventory and receivables to smooth the company's cash flow (Sucipto et al., 2020).

II. METODE

This research adopts a quantitative approach. Quantitative research methods are used to explore phenomena in a specific population or sample. Data collection in this method is usually carried out randomly, using research instruments, and applying data or statistical analysis to test predetermined hypotheses. In this context, a quantitative approach is used by collecting data regarding purchases of project materials, receivables and cash flows during the 2018-2022 period.

The location of this research was carried out at PT. Kalam Leverage Mulia which is located at Ruko Istana Candi Mas Regency A6-E, Candi-Sidoarjo.

Pearson correlation analysis, which is also known as Product Moment correlation, is a method for measuring the level of linear relationship between two variables that have a normal data distribution [26]. In analyzing data regarding the relationship between image media use, researchers used the Product Moment correlation formula to determine whether there was a significant relationship between Variable X and Variable Y:

$$r_{xy} = \frac{N \cdot \Sigma XY - (\Sigma X) \cdot (\Sigma Y)}{\sqrt{\{N \cdot \Sigma X^2 - (\Sigma X)^2\} \cdot \{N \cdot \Sigma Y^2 - (\Sigma Y)^2\}}}$$

r_{xy} = Angka Indeks Korelasi antara variable X dengan Variable Y

N = Jumlah sampel

ΣX^2 = Jumlah Kuadrat Variable X

ΣY^2 = Jumlah Kuadrat Variable Y

ΣXY^2 = Jumlah hasil perkalian antara skor X dan Y

ΣX = Jumlah Variable X

ΣY = Jumlah Variable Y

Next, the significance between variable X and variable Y is then determined in the r table at a significance level of 0.05. If the value is positive and $r/\text{count} \geq r/\text{table}$ then there is a significant relationship between variable X and variable Y, if $r/\text{count} \leq r/\text{table}$ then there is no significant relationship between variable X and variable Y ($-1 \leq r \leq 1$). What this means is that the largest r value is +1 and the minimum r value is -1. If $r = -1$ it means the correlation is perfectly negative; $r = 0$ means there is no correlation; and $r = 1$ means the correlation is very strong.

The type of data for this research is secondary data. Secondary data sources in this research were obtained from purchasing data, project receivables and company cash flow.

The data collection technique used uses secondary data, apart from using literature studies to assist researchers in providing analysis later. The data that has been obtained will later be analyzed to prove the previously determined hypothesis.

In this research, data analysis was carried out using eviews 12 software. The data analysis method used in this research was multiple coefficient regression.

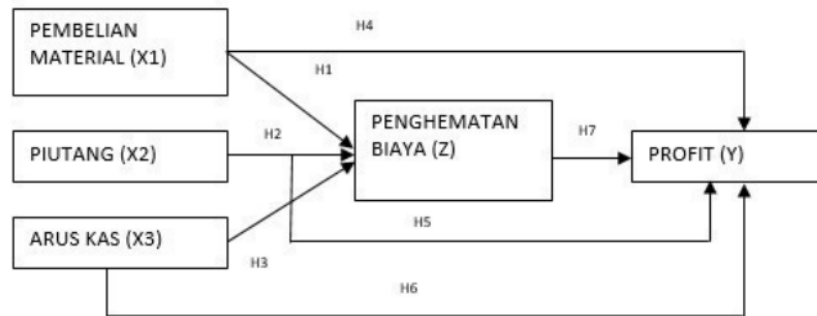
$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_nX_n$$

Information :

- Y = Variable dependen
- A = Konstanta
- B1...bn = Koefisien regresi
- X1...Xn = Variabel Independen

Conceptual Framework

The conceptual framework that describes the influence between variables in this research can be described as follows:



Picture 1 Conceptual Framework

Hypothesis

Picture 1 Conceptual Framework

H1: Purchases have a positive effect on profits

H2: Receivables have a positive effect on profits

H3: Cash flow has a positive effect on profit

H4: Cost savings mediate the effect of purchasing on profit

H5: Cost savings mediate the effect of receivables on profit

H6: Cost savings mediate the effect of cash flow on profit H7: Cost savings mediate against profit

III. HASIL DAN PEMBAHASAN

This descriptive test aims to provide an overview or description of data seen from the calculated average, standard deviation, maximum and minimum values... along with the results of descriptive statistical tests.

Table 1. Statistical descriptive test results

| | X1 | X2 | X3 | Z | Y |
|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Mean | 3.22E+08 | 3.48E+09 | 4.65E+09 | 4.65E+09 | 3.74E+08 |
| Median | 1.97E+08 | 2.22E+09 | 1.65E+09 | 1.65E+09 | 2.79E+08 |
| Maximum | 6.51E+08 | 9.36E+09 | 1.03E+10 | 1.03E+10 | 6.43E+08 |
| Minimum | 91531761 | 8.95E+08 | 1.16E+09 | 1.16E+09 | 2.01E+08 |
| Std. Dev. | 2.46E+08 | 3.49E+09 | 4.49E+09 | 4.49E+09 | 2.01E+08 |

Source: eviews analysis results.12

From the results obtained through analysis, the minimum value obtained for variable x1 is 91531761, where the maximum value is 6.51E+08 and has a standard deviation of 2.46E+08 and an average value of 3.22E+08, which is the This shows that material purchases are higher than the standard deviation limit.

The x2 variable has a minimum value of 8.95E+08, a maximum value of 9.36E+09 and a standard deviation of 3.49E+09 and an average value of 3.48E+09, which value indicates that the receivables in the project has a value that is almost close to the deviation limit.

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The z variable has a minimum value of 1.16E+09, a maximum value of 1.03E+10 and a standard deviation of 4.49E+09 and an average value of 4.65E+09, which in terms of cost savings has sufficient value. in company operations.

The y variable has a minimum value of 2.01E+08, a maximum value of 6.43E+08 and a standard deviation of 2.01E+08 and an average value of 3.74E+08, which means the profit in the company is quite large. standard deviation limit.

The multicollinearity test uses the VIF method where the value of each variable is <10.00, which is the result of the test:

Table 2. Multicollinearity Test Results

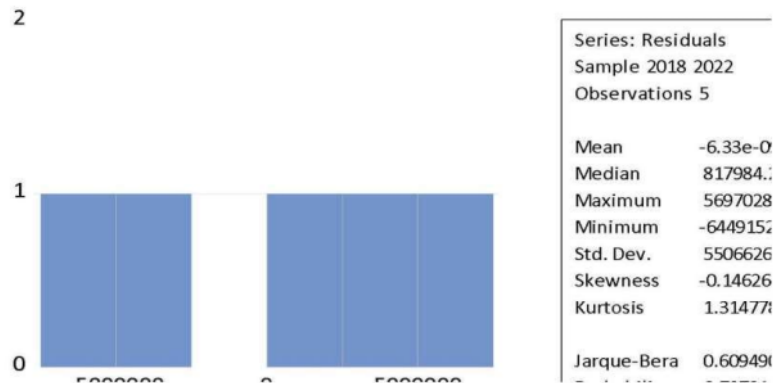
| Variable | Coefficient Variance | Uncentered VIF | Centered VIF |
|-----------|-------------------------|-------------------|-----------------|
| C | 2.47E+14 | 10.16732 | NA |
| X1 | 0.000791 | 4.963883 | 1.574831 |
| X2 | 3.84E-06 | 3.455272 | 1.543025 |
| X3 | 1.66E-06 | 2.585812 | 1.106161 |

Source: eviews analysis results.12

The test results state that the value of variable x1 has a value of 1.574831, X2 has a value of 1.543025 and the value of x3 is 1.106161, which is a value smaller than <10.00. it can be concluded that the assumptions of the multicollinearity test are met.

The normality test aims to test regression where the limit value must be more than 0.05 with the following results:

Table 3. Normality Test Results



Source: eviews analysis results.12

From the results obtained in this analysis, the value of the normality test is 0.737311, which is a value greater than 0.05, then the data can be declared normal. Heteroscedasticity test using the glazing method where the value of the test is >0.05 so it can produce results.

Table 4. Heteroscedasticity Test Results

| Heteroskedasticity Test: Glejser | | | |
|--|-----------------|----------------------------|---------------|
| Null hypothesis: Homoskedasticity | | | |
| F-statistic | 8.939501 | Prob. F(3,1) | 0.2399 |
| Obs*R-squared | 4.820264 | Prob. Chi-Square(3) | 0.1854 |
| Scaled explained SS | 0.415605 | Prob. Chi-Square(3) | 0.9370 |

Source: eviews analysis results.12

The results of this test produce a chi-square value of 0.1854, which is > 0.05, so that the data can be stated that heteroscedasticity does not occur. Autocorrelation test using the LM Test method where the value is >0.05 which results in analysis

Table 5. Autocorrelation Test Result

| Breusch-Godfrey Serial Correlation LM Test: | | | |
|---|-----------------|---------------------|---------------|
| Null hypothesis: No serial correlation at up to 2 lags | | | |
| F-statistic | 2.369315 | Prob. F(2,1) | 0.4174 |
| F-statistic | 2.369315 | Prob. F(2,1) | 0.4174 |

The results of this analysis produce an autocorrelation test value of 0.1269, which is > 0.05, which can be stated that there is no autocorrelation in the data.

The regression test aims to determine the influence of the independent variable on the dependent variable.

Table 6. Test results of purchasing, receivables and cash flow variables on company profits

| Variable Coefficient | Std. Error | t-Statistic | Prob. | Variable Coefficient |
|----------------------|-----------------|-----------------|-----------------|----------------------|
| C | 2.21E+08 | 15704854 | 14.09174 | C |
| X1 | -0.140277 | 0.028123 | -4.987960 | X1 |
| X2 | -0.004299 | 0.001959 | -2.193849 | X2 |
| X3 | 0.045698 | 0.001289 | 35.45224 | X3 |

Source: eviews analysis results.12

The regression results show the direction of influence of the independent variables purchases, receivables, cash flow on the dependent variable profit. With the independent variable regression coefficient, the resulting values are as follows: 5

Variable x1 has a probability value of 0.1260 and x2 has a value of 0.2723. This value is >0.05 which can be stated that variables x1 and x2 have no effect on y. Meanwhile, the variable x3 produces a value of 0.0180, which is <0.05, which can be stated that the value of x3 has an effect on y.

Table 7. Test results of cost savings variables on company profits

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|----------|-----------------|-----------------|-----------------|---------------|
| C | 1.68E+08 | 22314406 | 7.507929 | 0.0049 |
| Z | 0.044323 | 0.003632 | 12.20426 | 0.0012 |

Source: eviews analysis results.12

These results can be expressed with the equation: $Y = 167516974.671 + 0.0443225846845 * Z$

The intervening variable produces a value of 0.0012, which is <0.05, which can be concluded that the intervening variable has an effect 5 on the independent variable.

The Sobel test aims to determine the influence of independent variables on the dependent through intervening variables.

- a. Test results of the influence of purchases on profits through cost savings.

| Input: | Test statistic: | Std. Error: | p-value: |
|---------------------|--------------------------|-------------|-----------|
| a 8.73 | Sobel test: 3.73076923 | 0.0936 | 0.0001909 |
| b 0.04 | Aroian test: 3.73076923 | 0.0936 | 0.0001909 |
| s _a 2.34 | Goodman test: 3.73076923 | 0.0936 | 0.0001909 |
| s _b 0.00 | Reset all | Calculate | |

Source: Sobel test results

3 From the results of the sobel test, the p value obtained is 0.00, which is <0.05 with a statistical sobel test value of 0.093. So it can be concluded that variable X1 has a significant effect on variable Y through variable z (intervening).

- b. The effect of Receivables on profits through cost savings

| Input: | Test statistic: | Std. Error: | p-value: |
|---------------------|-------------------------|-------------|------------|
| a 1.01 | Sobel test: 0.6196319 | 0.0652 | 0.53550015 |
| b 0.04 | Aroian test: 0.6196319 | 0.0652 | 0.53550015 |
| s _a 1.63 | Goodman test: 0.6196319 | 0.0652 | 0.53550015 |
| s _b 0.00 | Reset all | Calculate | |

Source: Sobel test results

From the results of the Sobel test, the p value obtained was 0.535, which is >0.05 with a statistical Sobel test value of 0.0652. So it can be concluded that variable X2 has no significant effect on variable Y through variable z.

c. The effect of Receivables on profits through cost savings

| | Input: | Test statistic: | Std. Error: | p-value: |
|----------------|--------|---------------------------|-------------|----------|
| a | 1.000 | Sobel test: 10.23355442 | 0.00429958 | 0.000 |
| b | 0.044 | Aroian test: 10.22136996 | 0.00430471 | 0.000 |
| s _a | 0.070 | Goodman test: 10.24578257 | 0.00429445 | 0.000 |
| s _b | 0.003 | Reset all | Calculate | |

Source: Sobel test results

From the results of the Sobel test, the p value obtained is 0.000, which is >0.05 with a statistical Sobel test value of 0.004. So it can be concluded that variable X3 has a significant effect on variable Y through variable z (intervening).

Based on the results of the research above regarding purchases, receivables, cash flow on profits through cost savings, the data of which is processed using eviews.12 can be explained through the following discussion:

Based on the results that have been processed using eviews.12, it is known that the purchase variable and profit have no relationship, so H1 is rejected. This statement is in line with previous research [27] stating that purchases have no influence on profits.

From the results of thorough tests carried out, it shows that the value of the probability of the relationship between purchases and profits has a value greater than 0.05, which is a value of 0.1260 so it can be declared as having no effect.

Based on the results that have been processed using eviews.12, it is known that the variables receivables and profit have no relationship, so H12 is rejected. This statement is in line with previous research [28] stating that receivables have no effect on profits. These receivables are in arrears for payments made by other companies to our company, so that if there are arrears or delays in paying, it will result in losses for the company.

From the results of thorough tests carried out, it shows that the value of the probability of the relationship between Receivables and profit has a value greater than 0.05, which value is 0.273 so it can be declared as having no effect.

This research is also in line with [29] which states that the things that cause receivables turnover to not have a significant effect are that the level of receivables turnover is too low and it takes a long time to be collected in cash, credit sales made by the company are also small so sales decrease and causing the company's profitability to also decrease. Terms of payment of receivables are also a factor, because if the payment is soft it will result in the amount of receivables being larger.

Based on the results that have been processed using eviews 12, it is known that the cash flow variable and profit have a relationship, so H3 is accepted. This statement is in line with previous research [30] stating that cash flow influences profits. Where cash flow is one unit higher profit and indicates that if the company's cash flow is good then the profit in the company is good, so in this case it is stated that cash flow has a positive influence on company profits.

From the results of thorough tests carried out, it shows that the value of the probability of the relationship between cash flow and profit has a value smaller than 0.05, which is a value of 0.018 so it can be declared influential.

Based on the results that have been processed using the Sobel test, it is known that the purchase variable has a relationship with profit through cost savings, so H4 is accepted. This statement is in line with previous research [31] stating that purchasing on profits through cost savings has an influence. Where cost savings can pressure the company to spend a certain amount of funds on purchases so that it can reduce expenses which results in the company's profit not being out as much due to capital efficiency or cost savings in financing.

From the results of thorough tests carried out, it shows that the value of the probability of a purchase relationship to profit through cost savings has a value smaller than 0.05, which is a value of 0.000 so it can be declared influential.

Based on the results that have been processed using Sobel test, it is known that the variables receivables and profit through cost savings have no relationship, so H5 is rejected. This statement is in line with previous research [32] stating that receivables have no influence on profits through cost savings. Where the turnover of receivables causes the level of profitability to decrease, even though there is an increase in the cost of receivables, this is one of the things where the income that should have been received is still covered. This is what causes the level of profitability to fluctuate.

From the results of thorough tests carried out, it shows that the value of the probability of the relationship between Receivables and profits through cost savings has a value greater than 0.05, which value is 0.535 so it can be stated that it has no effect.

Based on the results that have been processed using the Sobel test, it is known that the variable cash flow and profit through cost savings has a relationship, so H6 is accepted. This statement is in line with previous research [33] stating that cash flow has an influence on profits through cost savings. which in cash flow sets the company's benchmark for profit, especially with cost savings the company's cash flow becomes good which can be seen from the profits obtained by the company. So in this case the influence of cash flow on profits through cost savings has a significant influence.

From the results of thorough tests carried out, it shows that the value of the probability of the relationship between Receivables and profits through cost savings has a value smaller than 0.05, which is 0.000, so it can be declared influential.

Based on the results that have been processed using evIEWS 12, it is known that the cost savings variable and profit have a relationship, so H7 is accepted. This statement is in line with previous research stating [34] that cost savings have an effect on profits. Where cost savings or capital efficiency greatly influences profits in the company, which can help or reduce the capital spent by the company in terms of spending, which in this case results in profits in the company.

From the results of thorough tests carried out, it shows that the value of the probability of the relationship between cost savings and profit has a value smaller than 0.05, which is a value of 0.000 so it can be declared influential.

IV. SIMPULAN

The findings of this research have several implications for PT Kalam Leverage Mulia in terms of financial management and operational sustainability. The results of the research show that purchases and trade receivables do not have a significant effect on company profits and trade receivables do not have a significant effect on profitability through cost savings, while cash flow and cost savings have a significant effect on profitability and the purchase and cash flow variables have a significant effect on profitability. through cost savings. This indicates that companies must focus on managing cash flow effectively to increase their profitability. In addition, this research highlights the importance of implementing an efficient cost savings system to improve a company's financial performance. These findings provide valuable insights for companies' decision-making and risk management processes, especially in the context of continuously changing economic and industrial dynamics. This approach can help companies make the right decisions and develop effective strategies to ensure long-term financial sustainability and growth.

UCAPAN TERIMA KASIH

The author would like to express his gratitude for the smooth running of this research to Allah SWT for all His blessings and grace as well as His gift of help, the Prophet Muhammad SAW who has been a role model for the author, his parents, his supervisor who always gives his time and his friends at Muhammadiyah University of Sidoarjo.

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