

ABSTRACT

THE EFFECT OF OPERATING LEVERAGE, FINANCIAL LEVERAGE, GROWTH OPPORTUNITY, AND FIRM SIZE ON PROFITABILITY (A Survey on Industrial Goods Sub-Sector Companies Listed on the Indonesia Stock Exchange for the 2019–2023 Period)

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This research aimed to examine and analyze the Operating Leverage, Financial Leverage, Growth Opportunity, Firm Size, and Profitability of Industrial Goods sub-sector companies listed on the Indonesia Stock Exchange during the 2019–2023 period. It also aimed to determine the extent of the influence of Operating Leverage, Financial Leverage, Growth Opportunity, and Firm Size, both simultaneously and partially, on Profitability in those companies. The method used in this study was a survey with a quantitative approach and secondary data. The sample size in this study consisted of 9 companies from the Industrial Goods sub-sector, each with financial report data spanning 5 years, from 2019 to 2023. The analysis techniques used were classical assumption tests and panel data regression analysis. This study concluded that Operating Leverage, Financial Leverage, Growth Opportunity, and Firm Size simultaneously had a significant effect on Profitability in the Industrial Goods sub-sector companies listed on the Indonesia Stock Exchange for the 2019–2023 period. However, partially, Operating Leverage, Financial Leverage, Growth Opportunity, and Firm Size had a positive but not significant effect on Profitability.

Keywords: *Financial Leverage, Firm Size, Growth Opportunity, Operating Leverage, Profitability*