

Abstract

Pengaruh Tingkat Kecanggihan Teknik-teknik Capital Budgeting yang Diterapkan terhadap Prestasi Ekonomi Perusahaan-Perusahaan Go-public yang Terdaftar di Bursa Efek Surabaya

The Influence of Application of Sophisticated Capital Budgeting Techniques Applied Toward Business Economic Performance of Go-public Companies Listed in Surabaya Stock Exchange

By:

Agus Widodo Mardijuwono, I Made Narsa, Andry Irwanto, Bambang Suhardito, and Windijarto

This is a quantitative research that examines the hypotheses. The study has been applied in go-public companies listed in Surabaya Stock Exchange (SSE). The sampling research is 25 companies. The problems of this research are (1) What have the go-public companies listed in SSE applied sophisticated capital budgeting techniques for investment decision making, and how far is their sophistication? (2) What is the influence of the sophisticated capital budgeting techniques applied in go-public companies listed in SSE toward the business economic performance?

The objectives of this research are (1) to obtain the empirical evidence about capital budgeting techniques applied in go-public companies listed in SSE and (2) to obtain the empirical evidence concerning the influence of the sophisticated level of capital budgeting techniques toward the business economic performance in go-public companies listed in SSE.

The hypotheses of this research are (1) the go-public companies that listed in SSE have applied sophisticated capital budgeting techniques for investment decision making and (2) the sophisticated capital budgeting techniques applied by go-public companies listed in SSE has the influence in significant level toward the business economic performance.

Methodology

The research variables. *The research variables are the business economic performance (Y), the kinds of capital budgeting techniques (X1), risk analysis techniques (X2), management science techniques (X3), total assets (X4), the type of companies (X5), the line of business (X6), and the kinds of ownership (X7).*

Population and sample. *The population of this research are go-public companies listed in SSE with experience background about 4 years long. This research in go-public companies would only be examining the sample. Sampling technique applied in this research is two-stage cluster sampling. Corporations will be clustered according to business area, then the number of samples will be judgementally determine, and finally the samples will be selected by simple random sampling.*

Collecting data. *Research data consist of primary and secondary data. Primary data will be collected by questionnaire and secondary data are recorded from financial statements obtained from SSE library.*

Data processing technique. *Relationship pattern of intervariables is causal. Statistical technique used is multiple regression.*

Research outcomes. *The outcomes of this research are as the following:*

- (1) the go-public companies listed in SSE have applied sophisticated capital budgeting techniques for decision making process,*
- (2) the sophisticated capital budgeting techniques applied for decision making process significantly directly influence the business economic performance, with 95% level of significant, and*
- (3) the result of stepwise multiple regression analysis meets the best regression equation on variables researched:*

$$Y = 2,273 + 0,2299X_2 - 0,1257X_3 + 0,4967X_4 + e.$$

key words: *sophisticated, capital budgeting techniques, risk analysis techniques, management science techniques, business economic performance.*

