

**Effect of receivables turnover, inventory turnover, and liquidity on profitability
in manufacturing companies listed on the
Indonesia stock exchange 2006-2009**

Abstract

The development of the business world is increasingly rapidly lead to a sharp rivalry between the companies. Companies that will survive a strong company that is not otherwise able to compete going into bankruptcy. In order to survive in the competition required good planning and management, it is the responsibility of management.

Each company will conduct various activities to achieve the goals set by the previous company. In this case the capital is a very important role because it required companies to finance daily operations. Capital used to finance the daily operation called working capital. Working capital is cash, marketable securities which are easily redeemable (ie demand deposits, checks, deposits), accounts receivable and inventories. Receivables and inventories are part of working capital is very important to be managed effectively and efficiently for the company to profit and liquidity can be maintained.

In this study, accounts receivable turnover ratio (X1), inventory turnover ratio (X2), and liquidity ratio (X3) as independent variables. and profitability (Y) as the dependent variable, because the researchers wanted to know whether the receivables turnover ratio (X1), inventory turnover ratio (X2), and liquidity ratio (X3) effect on profitability (Y).

This study uses the financial statements of 30 companies manufacturing company analysis of the sample period 2006-2009. Regression show the efficiency of labor, capital liquidity and solvency impact on profitability in the consumer goods industry firms listed on the idx of the year 2006 to 2009 amounted to 53.2% as seen from the values $p = 0.000 < 0.05$. Some 0532 positive and significant effect on profitability, liquidity and solvency, but no significant effect on profitability. Based on the research suggested to management to maintain the accounts receivable turnover, inventory turnover and the company must manage liquidity effectively and efficiently to generate sufficient operating income.

Keywords: accounts receivable turnover, inventory turns, liquidity, profitability