

2.1 Conceptual Framework

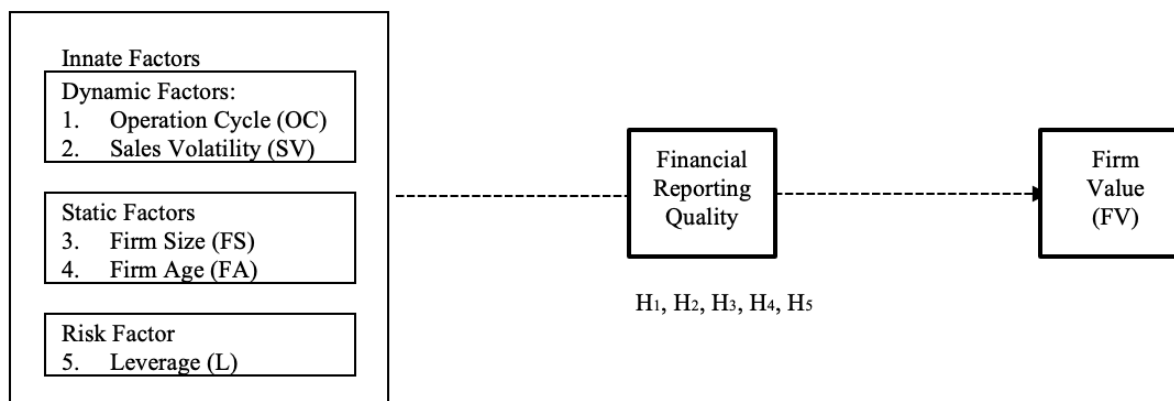


Figure 1: The Conceptual Framework of Valuation of Financial Reporting Quality and Firm Value

Source: Authors own work

Table 1: Descriptive Statistics

Variable	Obs	Min	Max	Mean	Std. Dev
Operation Cycle (OC)	425	.00	4861.52	144.77	426.09
Sales Volatility (SV)	425	.00	58526.67	1119.39	5133.43
Firm Size (FS)	425	5.89	15.97	11.59	1.68
Firm Age (FA)	425	.00	63.00	31.48	1.52
Financial Reporting Quality (FRQ)	425	.00	3.32	.41	.39
Firm Value (FV)	425	.00	301331.46	7253.63	24311.82
Valid N (listwise)	425	0.02	41.87	2.24	4.68

Source: Analyzed Financial Report, 2021

Table 2: Results of Model I Coefficients^a

Model		Standardized Coefficients Beta	t	Sig.
1	(Constant)	13.550	7.839	.000
	Operation Cycle (OC)	-.002	-4.541	.000
	Sales Volatility (SV)	-.000	-3.854	.000
	Firm Size (FS)	.958	6.598	.000
	Firm Age (FA)	-.001	-1.471	.142
	Leverage (L)	-.041	-.073	.942

a. Dependent Variable: Firm Value (FV)

Source: Analyzed Financial Report, 2021

Table 3: Results of Model II Coefficients^a

Model		Standardized Coefficients Beta	t	Sig.
1	(Constant)	-90008.271	-10.237	.000
	Operation Cycle (OC)	.546	.199	.842
	Sales Volatility (SV)	-1.260	-4.641	.000
	Firm Size (FS)	8388.561	11.354	.000
	Firm Age (FA)	1.762	.510	.610
	Leverage (L)	-3737.551	-1.318	.188

a. Dependent Variable: Financial Reporting Quality (FRQ)

Source: Analyzed Financial Report, 2021

Table 4: Results of Model III Coefficients^a

Model		Standardized Coefficients Beta	t	Sig.
	(Constant)	2.354	9.952	.000
	Financial Reporting Quality (FRQ)	-1.630	-1.746	.081

a. Dependent Variable: Firm Value (FV)

Source: Analyzed Financial Report, 2021

Table 5: Results of Model (H₁, H₂, H₃, H₄,H₅) Coefficients^a

	Financial Reporting Quality	Firm Value	Total Effect	Sig	
Operation Cycle (OC)	.546	-.002	-.001	.000***	Hypothesis supported
Sales Volatility (SV)	-1.260	-.000	-0.000	.000***	Hypothesis supported
Firm Size (FS)	8388.561	.958	8036.241	.000***	Hypothesis supported
Firm Age (FA)	1.762	-.001	-.002	.157	Hypothesis not supported
Leverage (L)	-3737.551	-.041	153.240	.256	Hypothesis not supported

Stand. err. in parentheses ** p<0.05, *** p<0.01

Information

**p<0.05 : Significance level 0.05 (5%)

***p<0.01 : Significance level 0.1 (1%)