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Liquidity Relations, Current Ratio, Profitability, Gender Diversity, Company Size, and Company Value: Studies in Indonesia

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Abstract

This study aims to test the influence of dependent variables (capital structure, current ratio, and profitability) on independent variables (company value) and test profitability moderation, gender diversity, and company size. Companies that use research data and are listed on the Indonesia Stock Exchange for the years 2017 through 2021 which are included in the research qualifications. Sourced from IDX website and company website. The results of the study found that the current ratio and profitability affect the value of the company. The size of the company negatively affects and the capital structure does not affect the value of the company. Profitability can strengthen the effect of the current ratio on company value and profitability cannot moderate the effect of capital structure on company value. Gender diversity can weaken the influence of capital structure and the current ratio to company value in a unidirectional manner. The influence of profitability on corporate values cannot be mitigated by gender diversity. The capital structure of the company can moderate its value depending on its size, which also has an impact on the company's value. The impact of the current ratio and profitability on the enterprise value cannot be mitigated by the company's size.

Keywords : Capital Structure, Current Ratio, Profitability, Gender Diversity, Company Size, and Company Value.
JEL Classification : G32

1. INTRODUCTION

Today, the diversity of boards is getting more and more attention. Due to the many roles used in the process of generating a company's statement of objectives, the company's profitability is ultimately affected (Panjaitan, 2019). The Gender Diversity Board (BGD) has become an issue of discussion (Khairani & Yunita Harahap, 2017) because having more gender-diverse boards tends to have four advantages for businesses: better financial

performance; chances to draw talent from a wider pool; increased market responsiveness; and finally, the capacity to strengthen corporate governance policies (Agyemang-Mintah & Schadewitz, 2017). The board of directors plays several important roles in the company (Borghesi et al., 2016). Ullah et al., (2020) demonstrated that FDirectors improve board behavior and thus firm value(Agyemang-Mintah & Schadewitz, 2017; Borghesi et al., 2016; Panjaitan, 2019; Tania & Hesniati, 2022). In board composition, company size is a determining factor(Earl Vredevoogd, 1972; Hillman et al., 2007; Hyland & Marcellino, 2002; Saeed et al., 2016) board composition.

Gender diversity brings more creativity and multiple perspectives to decision making and makes problem solving more effective, which can benefit company performance. However, the size of the company can either facilitate or constrain factors like decision-making, group information processing, and firm innovation. Larger companies typically have a more hierarchical structure and more inertia. Small companies, on the other hand, are more likely and quick to adopt creativity and innovation as well as choices and problems from different countries. Firm expansion leads to structural differences within the organization (Li & Chen, 2018). In general, increasing firm size implies greater benefits from professional and gender diversity on boards (Hillman et al., 2007).

Firm Size considered as an important factor in determining the nature of the company's relationship in the external and internal environment of the company (Dahmash, 2015). Firm size very urgent because large companies are reliable in producing products at lower costs than small companies (Abeyrathna & Priyadarshana, 2019). Firm size is a variable that is often used to show company profitability. Numerous studies have been done to determine how profitability is affected by firm size (Abeyrathna & Priyadarshana, 2019). According to several studies, there is a link between the size of a company and its profitability (Oktaryani et al., 2021; Serrasqueiro & Macas Nunes, 2008; Vijayakumar & Tamizhselvan, 2010). This opinion is not in line with (Abeyrathna & Priyadarshana, 2019; Dahmash, 2015) which proves that there is no correlation between firm size and profitability.

The level of profitability reflects the company's potential to earn profits. High financial margins mean the company is doing better. The better the performance of a company, the better the response of shareholders and the higher the company's stock price (Maulida & Karak, 2021) so as to increase the value of the company. The company has a goal that is to grow its earnings, and this is something that must be done regardless of the current market price, because the market price of the stock is what investors consider the company (Kamaliah, 2020). Firm value refers to investors' view of the company and is often associated with its share price. High stock prices lead to high company value (Purbawangsa et al., 2020). Because the higher the share price, the more assets the shareholders have and the more valuable the company is (Kamaliah, 2020).

The company's high value is also impacted by the liquidity ratio. A ratio called the liquidity ratio gauges a company's ability to meet its financial obligations when the time comes (Ningsih & Sari, 2019b). The liquidity ratio evaluates a firm's financial position in terms of liabilities, which may have an impact on investor ratings and inspire investment confidence in businesses (Ningsih & Sari, 2019b). High liquidity indicates In the eyes of the debtor, the company is good, because the company is seen as being able to repay its debts on time. (Reschiwati et al., 2020a) according to research conducted by (Artati, 2020; Simanungkalit & Silalahi, 2018).

High liquidity can affect the capital structure (Pasaribu et al., 2021; Suhardjo et al., 2022) and backs up the pecking order theory that firms with high liquidity levels favor

internal financing (Reschiwati et al., 2020a). Companies can choose to use external resources as an alternative if internal resources are deemed insufficient, specifically by issuing debt and then equity. Agency theory explains the contractual relationship between the principal and the agent, also known as the agency relationship (Jensen and Meckling, 1976). By raising agency costs to an extent that creditors tend to lower the financing limit available to the company, managers will manipulate liquid assets. This is done to benefit shareholders by transferring wealth from creditors to shareholders (Paramita et al., 2021).

High or low capital structure presents an immediate risk to the company's situation. Management's financial policy is influenced by the interests of shareholders (Reschiwati et al., 2020a). Financial decisions refer to company considerations and financial resources to meet company costs, capital investment and operational needs. The financial position of the company is directly impacted by the capital structure, which in turn affects the company's value (Shariati & Kadir, 2019).

While previous studies (Dhani & Utama., 2017; Prima et al., 2018) claim that capital structure has no impact on company value, and according to the trade-off theory, capital structure and firm value are positively correlated, assuming that leveraged firm value increases with leverage. Yanti and Darmayanti (2019) and Kristianti's (2018) demonstrate how capital structure affects firm value in a way that is consistent with this theory.

2. LITERATURE REVIEW AND HYPHOTHESIS

Trade-off theory

Brealey and Myers (2001:81) put forward a trade-off theory, which explains how the capital structure and firm value are related. The benefits and obligations that result from the use of debt are generally generalized in the capital structure trade-off theory. There is still room for more debt because the benefits outweigh it by a wide margin. If the decision to use debt was made earlier, additional debt is not permitted. This will lower the cost of filing for bankruptcy.

Agency Theory

Jensen and Meckling, (1976: 308) argued about the Agency theory that companies that use the best capital structure are more likely to have fewer conflicts between shareholders and managers, for example. Managers frequently prioritize achieving their personal goals over maximizing shareholder wealth when acting as an agent for shareholders (employers). This causes a problem which is often referred to as the agency problem. Office matters are conflicts of interest between directors and stockholders. Brokerage issues force stockholders to incur representation costs, i.e. capital representation costs associated with controlling administrative activities. This is done so that shareholders can be confident that management will not take exclusive actions that can harm shareholders.

Pecking Order Theory

According to Mangesti Rahayu et al., (2020), the pecking order theory was first proposed when they examined the issue of information asymmetry between managers and stakeholders. According to this theory, businesses prefer to make money using their own resources. According to Myer's (1984) pecking order theory, businesses favor internal sources of funding over external ones.

The value of the company

Investors need Firm Value to determine investment decisions because it is based on the company's stock market price (Husnan, and Pudjiastuti 2007). Company Value is an investor's point of view regarding the level of company performance which is wrong because it is related to stock prices (Purbawangsa et al., 2020).

Tobin's Q is one of the ratios utilized in determining a company's market value. Tobin's Q is one of the best information-producing metrics because it can explain various facts related to business, such as differences between investment objectives, diversification, the relationship between management, share ownership, corporate values, the relationship between managerial effectiveness and profitability in sales and operations, and the relationship between dividend payout and compensation (Kamaliah, 2020).

Current Ratio

Jumingan (2011:123) states that the "current ratio is a ratio that is giving rough scale of the company's liquidity level". According to Fahmi (2012:66), "Current ratio is a tool for a business to use to meet its immediate needs." It is important to understand that using the current ratio to analyze financial data only allows for a cursory analysis; as a result, a more thorough quantitative analysis must be used.

Profitability

Perseroan's capacity to reap benefits related to trading stocks, total assets, and stock influx. This law highlights a company's potential to achieve success using judgment, assets, and equanimity. Several profitability metrics that are frequently used to increase business profitability include gross profit margin, net profit margin, return on equity, return on sales, and return on working capital are all examples of margins (Ningsih & Sari, 2019b).

Capital Structure

Debt to equity ratio, which represents the company's long-term liabilities, is used to calculate the capital structure. In actual practice, conflicts referred to as "agency conflicts" often arise in business due to the presence of related parties, principals between them and agents with vexing interests. According to the trade-off theory, if the corporate's organizational structure is below the optimal level, any change in its internal structure will result in a decrease in the company's stock price. This problem is caused by the existence of tax-related business activities so that the financial structure of the business can be affected (Reschiwati et al., 2020a).

Company Size

The amount of assets a company has in total is reflected in its size. Because their investment threshold is high and there is some ongoing asymmetric information, the largest companies can easily increase their investment. In trade-off theory, the larger the company, the more debt it can take on. Very low bankruptcy risk for large companies, which indicates that capital structure can be said to be influenced by company size because large companies have much lower borrowing costs than small companies, which encourages companies to raise more debt capital.

H1: Relationship between capital structure, profitability, gender diversity, firm size and firm value

Equity derived from long-term liabilities and equity which serves as the source and basis of business transactions is a structural feature of the company's financial operations (Nurazi et al., 2020). The higher the capital structure derived from external capital, the higher the firm value. This is in accordance with research conducted by Vintilə et al., (2015) Draniceanu et al. (2013); Chowdhury and Chowdhury (2010:117); Dwirachma and Purnamasari (2014: 7) that capital structure affects company value. Dhani & Utama., (2017); Prima et al., (2018) have different results regarding capital structure. They claimed that the capital structure and firm value did not correlate. Conversely, companies with large business sizes will have more debt because the risk of bankruptcy is smaller. This is in line with the trade-off theory, which holds that larger businesses have more debt because they

frequently fail. The lower bankruptcy risk of large firms means that the costs of using debt are lower for large businesses than for small businesses, encouraging businesses to borrow more money (Reschiwati et al., 2020b).

In general, the relationship between capital structure and the amount of financing is clear, regardless of whether the funding is internal or external (Mangesti Rahayu et al., 2020). Mangesti Rahayu et al., (2020) found that companies prefer to use finance from profitability to leverage external financial sources to increase shareholder value. The profitability ratio measures a company's ability to make a profit. This allows investors to observe how effectively a company is using its funds in its business to generate profits.

Mardiyati et al. (2012) stated that profitability affects firm value positively. Contrary to (itunu I et al., 2020; Reschiwati et al., 2020c) that there is no correlation between capital structure and profitability. Likewise, company size does not affect the capital structure (Reschiwati et al., 2020b).

Take into account the fact that funding decisions are principally strategic decisions that require board approval or ratification. Adusei & Screwdriver, (2019) found that there is a strong and statistically significant negative relationship between the gender diversity of administrators and capital structure. Well-known previous studies on the determinants of MFI capital structure (Tchuigoua, 2014; Mersland and Urgeghe, 2013; Hartarska and Nadolnyak, 2008) have not considered the gender diversity of boards. From this statement, the researcher is interested in knowing the effect of gender diversity on the capital structure of companies listed on the Indonesia Stock Exchange.

H2: Relationship between current ratio, profitability, gender diversity, firm size and firm value

The current ratio reduces a company's potential to pay current needs with current assets (Nirwana et al., 2022). A high Current Ratio value indicates accounts receivable is greater than the value of current liabilities (Pasaribu et al., 2021). The liquidity ratio is the current ratio. The liquidity ratio evaluates the company's liquidity and its capacity to settle short-term liabilities, so this ratio measures the company's potential to pay its obligations when they are due (Ningsih & Sari, 2019a). As businesses are increasingly able to make timely payments to creditors, high levels of liquidity mean that their position in the market for credit is improving. Reschiwati et al., (2020c)meaning that liquidity has an influence on firm value (Amponsah-Kwatiah & Asiamah, 2020; Reschiwati et al., 2020a)

Like profitability, profitability can increase the company's profitability, resulting in positive returns from shareholders, which can lead to rising stock prices, which in turn, increase the company's profitability in the long term (Le, 2019; Reschiwati et al., 2020a). In contrast to the research conducted (Pasaribu et al., 2021) which indicates that there is no correlation between profitability and company valuation.

H3 : Relationship between profitability, gender diversity, firm size and firm value

Profitability analysis is used to increase a company's capacity to generate profits from activities such as selling goods, making investments, and providing customer service. Investor confidence to purchase company shares will rise in direct proportion to the company's ability to generate profits (Ningsih & Sari, 2019b). This demonstrates that a company's profitability and market value are inversely related. Moving along with the research conducted by (Kamaliah, 2020; Naceur & Goaied, 2002; Purbawangsa et al., 2020; Reschiwati et al., 2020) that profitability can affect the value of the company.

3. RESEARCH METHODS

Population and sample

Population is the number of research subjects studied in a study to produce conclusions. The study's sample consists of companies that were listed on the Indonesia Stock Exchange between 2017 and 2021. The sample data collection procedure for this evaluation uses a purposive sampling technique with due regard to several qualifications in table 1 below:

Table 1. sample qualifications

No.	Criteria	Number of Businesses
1.	The organization is a listed company on the Indonesia Stock Exchange for the 2017-2021 period	810
2.	Companies without a female board of commissioners or board of directors during the 2017-2021 period	(493)
3.	Companies that are not profitable during the 2017-2021 period	(149)
4.	The company does not use rupiah units in writing annual reports for the 2017-2021 period	(19)
5.	Companies that did not list their shares in full during the 2017-2021 period	(49)
6.	The company that was eliminated due to extreme data	(48)
	TOTAL	52

This study uses data derived from annual reports published on the websites of companies listed on the Indonesia Stock Exchange (www.idx.co.id) between 2017 and 2021, as well as the websites of the companies themselves.

4. Data analysis technique

Multiple linear regression analysis and test moderated regression analysis (MRA) is used for the analysis in this study using SPSS version 20 a was processed. Moderated Regression Analysis (MRA) is a causality test between independent and dependent variables that is weakened or strengthened by moderate variables (Nurlaily & Asuwaidi, 2022).

5. RESULTS AND DISCUSSION

Descriptive statistics

The sample selected was 52 companies for five years, from 2017 to 2021. Table 2 displays the outcomes of the descriptive statistics. The average value, min. value, max. value, and standard deviation are used in the study's variable descriptions. The table displays the findings of the conventional assumption test, which includes the normality test, multicollinearity test, autocorrelation test, and heteroscedasticity test. Normality test with Kolmogorov-Smirnov produces Asymp. Sig. (2-tailed) 0.213 which is greater than 5%, the information is normally distributed. The VIF value reveals the results of the multicollinearity test <10, which means that the independent variable is free from multicollinearity.

Table 2. Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Means	std. Deviation
DAR	238	.04	.94	.4435	.21410
DER	238	.05	5.92	1.2181	1.25236
UP	238	12.96	35.06	29.3497	1.97875
CR	238	.00	9.18	1.9540	1.25257
ROA	238	.00	.80	.0697	.08239
ROE	238	.01	.97	.1251	.13478
TOBIN'S Q	238	.30	6.96	1.5389	1.20090
GD	238	1	9	2.85	1,227
Valid N (listwise)	260				

Source: SPSS output processed by researchers

Classic assumption test

Table 3. Classical Assumption Test

Model	Normality	Multicollinearity		Autocorrelation	Heteroscedasticity	
	Kolmogorov-Smirnov	Tolerance	VIF	Durbin-Watson	t	Sig.
DAR	asymp. Sig. (2-tailed) 0.213	0.242	4,141	1,944	-0.364	0.716
DER		0.258	3,881		0.688	0.493
CR		0.676	1,479		0.534	0.594
ROA		0.648	1,543		1.128	0.263
ROE		0.628	1,591		-0.678	0.500
GD		0.899	1.112		0.121	0.904
UP		0.731	1,369		-0.673	0.503

Source: SPSS output processed by researchers

This study's autocorrelation test uses the Durbin-Watson value, which yields a result of 1.944. Durbin Watson's table demonstrates dL = 1.71122 and dU = 1.80532. To find out whether there is autocorrelation, you can use the formula dU < d < 4-Du. From this formula it can be seen that 1.80532 < 1.944 < (4-1.80532) = 1.80532 < 1.944 < 2.1946. This means that there is no autocorrelation. The Sig. greater than 5% reveals the heteroscedasticity test. This indicates that there is no issue with heteroscedasticity in the data. It can be concluded that the classical assumption test is fulfilled.

Multiple Linear Regression Test and Moderated Regression Analysis (MRA) Test

Table 4. linear regression test

Summary models

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.501a	.251	.228	1.05499

a. Predictors: (Constant), GD, ROA, DER, UP, CR, ROE, DAR

Source: SPSS output processed by researchers

Table 4 shows that its R Square is 0.251, i.e., 25.1%, which explains how the independent variable and dependent variable are related, the rest is explained by other variables.

Table 5. Moderated Regression Analysis (MRA) test

Summary models

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.676a	.457	.418	.91643

a. Predictors: (Constant), X2B_Z3B, X1B_Z2, X1A_Z3, X2_Z1, X1A_Z1, X1B_Z3B, X2_Z2, X1A_Z2, X3B_Z1, X3A_Z1, X1B_Z1, X3B_Z2, X2_Z3, X1B_Z3, X3A_Z2, X2_Z3B

Table 5 shows that the R Square value is 0.457, i.e. 45.7%, which clarifies the connection between the independent and dependent variables, the rest is explained by other variables. The R Square resulting from the Moderated Regression Analysis (MRA) test experienced an increase from the multiple linear regression test.

Discussion

Table 6. multiple linear regression

Coefficientsa

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	**std. Error**	**Betas**		
1	(Constant)	3,678	1,243		2,960	003
	DAR	-.887	.651	-.158	-1,362	.175
	DER	072	.108	075	.666	.506
	UP	-.089	041	-.147	-2,209	.028
	CR	.314	.067	.327	4,712	.000
	ROA	2,701	1,033	.185	2,614	010
	ROE	.928	.641	.104	1,447	.149
	GD	-.043	059	-.044	-.735	.463

a. Dependent Variable: TOBINS Q

The outcomes of the tests that were run can be summarized as follows:

H1: Relationship between capital structure, profitability, gender diversity, firm size and firm value

The Debt to Asset Ratio (DAR) and the Debt to Equity Ratio (DER) serve as proxies for the capital structure. It can be seen that the t-count of DAR is 1.362 <1.969 t-table with a significance value of 0.175 > 0.05. Meanwhile t DER 0.666 <1.969 t table with a significance value of 0.506 > 0.05. This means that the capital structure has no effect on firm value. Therefore, it can be inferred that H1 is rejected. Move by the findings of the study that was conducted (Le, 2019; Luu, 2021; Ningsih & Sari, 2019b; Sinha, 2017; Widyastuti, 2019).

Table 7. Moderated Regression Analysis (MRA)

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	**std. Error**	**Betas**		
1	(Constant)	1.162	.347		3,351	001
	X1A_Z1	.295	.316	.199	.934	.351
	X1B_Z1	-.052	061	-.194	-.854	.394
	X2_Z1	-.146	044	-.604	-3,300	001
	X3A_Z1	2,833	1,828	.603	1,550	.123
	X3B_Z1	.494	1,262	.135	.392	.696
	X1A_Z2	-.043	048	-.239	-.899	.370
	X1B_Z2	008	.009	.253	.860	.391
	X2_Z2	013	006	.391	2,225	.027
	X3A_Z2	-.775	.383	-1,654	-2,022	044
	X3B_Z2	.272	.233	.905	1,169	.244
	X1A_Z3	39,249	20,223	1831	1941	054
	X1B_Z3	-8.106	2,868	-1,587	-2,826	005
	X2_Z3	9,936	3,267	1,731	3,041	003
	X1A_Z3B	-13,163	10061	-1,083	-1,308	.192
	X1B_Z3B	2,120	1,100	.785	1928	055
	X2_Z3B	-4,797	2,652	-1,094	-1,809	072

a. Dependent Variable: TOBINS Q

Gender diversity in moderating the effect has a t value of 0.934 <1.969 t table and a significance value of 0.351. Meanwhile t DER 0.834 <1.969 t table and significance value 0.394 > 0.05. meaning that gender diversity cannot moderate the effect of capital structure on firm value. Likewise, company size cannot moderate the effect of capital structure on firm value. Firm size in moderating DAR has a t count value of 0.899 <1.969 and a significance value of 0.370 > 0.05, while in moderating DER it has a t count value of 0.860 <1.96 and a significance value of 0.391 > 0.05. In line with research(Atari et al., 2019),because the size of a company is large or small, it does not cause the relationship between capital structure and firm value to become stronger as previously thought.

Unlike the case with profitability with ROA and ROE proxies. The test findings show that profitability can reduce the impact of capital structure on firm value. These outcomes mirror those of the research (Ramadhani et al., 2021; Telaumbanua et al., 2020).

H2: Relationship between current ratio, profitability, gender diversity, firm size and firm value

By comparing current assets and current liabilities, the current ratio determines an industry's ability to pay its short-term obligations (Pasaribu et al., 2021). The current ratio has a DAR t value of 4.712 > 1.969 t table with a significance value of 0.000 > 0.05. This

means that the current ratio has a positive and significant relationship to firm value. Based on signal theory, the company's ability to fulfill its short-term commitments is viewed positively by the stock market, because it is seen as capable of maintaining the company's performance at a level that can lead to an increase in shareholder value. Then it can be interpreted that H2 is accepted. Support research conducted by (Kahfi et al., 2018; Oktaryani et al., 2021; Putri & Sari, 2020; Reschiwati et al., 2020a; Rostanti & Syafriana Effendi, 2019; Setyawati et al., nd).

Gender diversity in moderating the current ratio to firm value has a t-value of -3.300 > 1.969 and a significance value of 0.001 < 0.05. From these values it can be seen that gender diversity has a negative and significant effect. This means that gender diversity can weaken the effect of the current ratio on firm value in a non-directional way.

Company size in moderating the effect of the current ratio on firm value has a t value of 2.225 > 1.969 and a significance value of 0.027 <0.05. This means that company size can moderate the current ratio to firm value.

Profitability with the DAR proxy in moderating the current ratio to firm value has a t-value of 3.401 > 1.969 and a significance value of 0.003 <0.05 while DER has a t-count of -1.809 <1.969 and a significance value of 0.72 > 0.05. This means that profitability has a positive and significant influence in moderating the current ratio on firm value. This means that profitability moderates (strengthens) the effect of the current ratio on firm value. In pecking order theory and results ((Haresh (2012); Quayyum (2011); Azam (2016); Ebenezer and Asiedu (2013); Ahmed (2013) and Mohamad and Saad (2010)) say that increasing the current ratio will increase profitability company (Le, 2019). It can be concluded that the moderating variables in this study (gender diversity, firm size and profitability) are able to moderate the current ratio to firm value.

H3 : Relationship between profitability, gender diversity, firm size and firm value

The Return on Assets (ROA) and Return on Equity (ROE) proxies are used in this study to measure profitability. ROA has a calculated t value of 2.614 > 1.969 and a significance value of 0.010 < 0.05. While ROE has a calculated t value of 1.447 <1.969 and a significance value of 0.149. This indicates that, in contrast to ROE, ROA has an impact on firm value. The wealth that a company offers to its shareholders increases as its profits rise. Greater wealth offered by a company attracts investors to own the company and has a positive impact on share prices in the market (Ningsih & Sari, 2019b). These results are supported by research from (Husna & Satria, 2019; Kamaliah, 2020; Ningsih & Sari, 2019b; Purbawangsa et al., 2020; Reschiwati et al., 2020a).

Gender diversity and company size cannot moderate the effect of profitability on firm value. however, it is different from ROA when it is moderated by company size having a t-value of -2.022 > 1.969 and a significance value of 0.044 <0.05. meaning that company size is able to moderate profitability by proxy ROA on firm value. This is in line with research (Fitria & Irkhami, 2021) which states that company size is able to moderate the effect of profitability on firm value. However, compared to the research conducted (Atari et al., 2019) states that company size cannot moderate profitability on firm value.

6. CONCLUSIONS AND SUGGESTIONS

The aim of this research is to examine the relationship between capital structure, profitability, organizational size, gender diversity, and firm value. According to the test results, the current ratio and profitability with the proxy Return on Assets (ROA) are profitable and significant in relation to company valuation. Meanwhile, firm value is

negatively and significantly impacted by firm size. Capital structure has no effect on firm value. However, when the influence of capital structure is moderated by Return on Assets (ROA) or capital structure, the test results are influential.

According to the test results for gender diversity in moderating the impact of capital structure, firm value cannot be moderated by gender diversity. However, when the capital structure is moderated by profitability it produces an effect or it can be said that profitability is able to moderate the impact of capital structure on firm value.

The current ratio to firm value is moderated by gender diversity, firm size and profitability resulting in a significant effect. This means that gender diversity can moderate (weaken) the effect of the current ratio on firm value. Firm size is able to moderate the effect of the current ratio on firm value and profitability is able to moderate the effect of the current ratio on firm value.

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