FACTORS INFLUENCING FIRM VALUE WITH FIRM SIZE AS MODERATING VARIABLE

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ABSTRACT
This study aims to analyze the influence of capital structure and asset management on the firm value of property and real estate companies listed on the Indonesia Stock Exchange, with firm size as a moderating variable. The research utilizes purposive sampling, resulting in data from 35 companies during the 2020-2022. Data analysis was conducted using multiple regression analysis with the assistance of Eviews software version 13. The findings indicate that capital structure has a significant positive effect on firm value, while asset management has no significant effect on firm value. Furthermore, firm size weakens the relationship between capital structure on firm value while firm size does not influence the relationship between asset management on firm value.

Keywords: *Firm Value, Capital Structure, Asset Management, Firm Size, Property*

1. INTRODUCTION

The property & real estate industry is a vital sector in the Indonesian economy. According to Joko Widodo, property companies contribute around 16% of Indonesia's Gross Domestic Product (GDP) [1]. Indonesia's rapid population growth makes the property and real estate sector popular among investors. This can be attributed to the growing demand for property and real estate products while land availability is limited. As a result, land and property values are expected to continue to increase over time.

Property and real estate companies continue to experience growth. In 2019, the share prices of property companies increased by 22.9% [2]. Starting from 2020, businesses in the real estate and property sector that are publicly traded on the Indonesia Stock Exchange (IDX) have witnessed a considerable drop in their stock prices. The average decline recorded was 24.3% in 2020, and 19.1% in 2021 [3].

Several companies' share prices in the property sector experienced a significant decline, including PT Summarecon Agung (SMRA), and PT Intiland Development (DILD). SMRA, as one of the property stocks with a high market capitalization on IDX, recorded stock trades worth IDR 11.83 trillion in 2020. On January 14, 2020, SMRA's share price had reached Rp1,045 per share. However, after that, SMRA experienced a significant decline, even reaching its lowest point at IDR350 per share on April 2, 2020 [4]. Until 2022, SMRA shares have not been able to fully recover and are trading at IDR605 per share at the closing of 2022 (IDX, 2022). On the other hand, DILD shares have continued to experience a downward trend since the end of 2019. DILD's own shares have decreased by 48% since its highest point in 2020. Until the closing of 2022, DILD shares have not recovered and are still trading at a price of Rp171 per share.

This condition certainly provides its own challenges for companies to continue to increase shareholder value. One of the efforts that can be made is to optimize the aspect that have the

potential to affect firm value. Investors also need to look at the factors that affect the value of the company to help make more informed investment decision

Several studies that have been conducted on firm value show that capital structure and asset management affect firm value. Based on research conducted by Santosa, it is known that capital structure positively affects firm value [5]. Capital structure is the way a company finances its operations by combining various types of funding sources such as debt and equity [6]. In assessing a company, investors will examine the level of debt to assess the extent to which the company uses the funds it borrows [5]. The extent of a company's debt can serve as an indicator of its financial health.

In that study, it was also concluded that asset management positively affects firm value [5]. Asset management itself is generally measured through the activity ratio, which relates to how efficiently the firm handles its assets [7]. Efficiency in asset management can increase investor attractiveness and firm value in the capital market [8].

In addition, previous research also found that firm size can amplify the effect of capital structure & asset management on firm value [5]. Firm size can reflect the resources owned by the firm and the firm's level of access to the market [7]. Large firms may have greater resources and more diversified businesses, thus affecting the impact of capital structure and asset management on firm value differently.

The purpose of this research is to examine the influence of capital structure and asset management on firm value and analyze the effect of firm size in moderating the relationship. It is expected that this study will aid management in optimizing factors that impact firm value. The outcomes of this study are also expected to help investors to make more informed investment decisions. This research expected to provide a foundational contribution to future research on firm value.

This research is a replication of Santosa's (2020) research. The differences between this research and Santosa (2020) are as follows. The first difference is that the independent variables used in this study are capital structure and asset management. Meanwhile, the independent variables used in research [5] are liquidity, profitability, leverage, and activity. The second difference is that this study was conducted using a sample of property & real estate sector companies on the IDX. The sample used in the study [5] is a company listed in the Indonesian Sharia Stock Index (ISSI). The last difference is that this research period is from 2020 to 2022. Meanwhile, the research period [5] is from 2013 to 2018.

The subsequent content of the paper is structured in the following manner. Section 2 provides the preliminaries used in this paper, covering the basic theories used in this study. Section 3 outlines the research model and hypothesis used in the study. Then, the population, sample count, sample criteria, and proxies are described in Section 4. The results of the study are presented in Section 5. Lastly in Section 6, the paper is concluded, and future research recommendations are presented.

Signaling Theory
This research is based on signaling theory. Signaling theory is a theory that explains how companies use certain actions or signals to communicate information about the company's future conditions and prospects to investors or the market [9]. This theory is based on the assumption of information asymmetry in which company management has access to better

information than investors know [8]. Signals, such as financial statements, business policies, and dividends, are used to overcome this information asymmetry. Financial statements provide a clear view of a company's performance and help investors assess financial health and make investment decisions.

Agency Theory
In addition to signaling theory, this research is based on agency theory, which is a framework that reviews the dynamic between two parties, namely the principal (shareholder) and the agent (management), where the principal has an interest in optimizing firm value. In contrast, the agent acts on behalf of the principal [10]. This theory identifies a potential misalignment of interest between the two parties, where the principal wants good company performance and increased firm value. At the same time, the agent may be tempted to take actions that only benefit himself [10].

Firm Value
Firm value is a reflection of the investor's perception in the firm's stock price of the success of a firm, which refers to how investors assess the company's performance and prospects [7]. The increase in firm value will benefit shareholders [11].

Capital Structure
Capital structure refers to the balance or ratio between long-term foreign capital and internal capital of a company [12]. It includes a company's policy of creating certain types of financing (securities), such as debt or equity, to finance its operations.

Asset Management
Asset management refers to the structured process to maintain, operate, care for, improve, and dispose of assets efficiently [12]. Asset management involves the use of activity ratios to measure a company's effectiveness in managing its resources and assets [7].

Firm Size
Company size is a ratio that can be measured by calculating its total assets [8]. Company size is a determining factor for profit, where large companies optimize resources for maximum profit, while small companies utilize resources according to their capacity [7].

The Effect of Capital Structure on Firm Value
Capital structure is the ratio between the sources of funds used by the company, such as debt and equity, to finance its operations [12]. Based on signaling theory, management that chooses debt financing can positively signal their optimism for the company's future and readiness to take higher risks [9]. Based on research conducted by Santosa, debt financing can also benefit from tax deductions due to interest on borrowings and encourage business expansion [5]. Debt use will increase the firm's value by paying attention to a certain point. According to Panjaitan & Supriati., capital structure has a significant positive effect on firm value because debt will reduce the conflict between shareholders and management. Debt will also reduce the excess cash flow in the firm, thereby reducing the possibility of waste made by management [11]
H1: Capital structure has a significant positive effect on firm value.

The Effect of Asset Management on Firm Value
Asset management involves the use of activity ratios to measure a firm's effectiveness in managing its resources and assets [7]. Efficiency in asset management can increase investor attractiveness and firm value in the capital market [8]. The more efficient the asset

management, the lower the investment required to achieve profitable sales. This can potentially increase investor interest and firm value [5]. According to Jihadi et al., asset manegement has a significant positive effect on firm value because a higher activity ratio indicates a more efficient utilization of all company assets to generate profits. Increased profits, in turn, draw in investors, contributing to the growth of the firm's overall value [7].
H2: Asset management has a significant positive effect on firm value.

The Effect of Firm Size in Moderating Capital Structure on Firm Value
Large companies can be more flexible in optimizing their capital structure [11] including issuing new debt as a positive signal to investors and increasing the value of the firm [9]. According to signaling theory, funding decisions, such as issuing new debt, can serve as a positive signal about the company's future prospects [9]. This is relevant to the relationship between capital structure and firm value. According to Santosa, firm size strengthens the influence between capital structure on firm value. This is because companies with more flexible access to funding [5], such as large corporations, can optimize their capital structure more effectively to enhance firm value. In contrast, small firms are limited in funding sources and have difficulty optimizing the capital structure. Large firms have better access to external funding sources, such as debt at a lower cost thanks to greater resources and capabilities.
H3: Firm size strengthens the influence between capital structure on firm value.

The Effect of Firm Size in Moderating Asset Management on Firm Value
Company size can be a determining factor for company profits [7]. Large companies tend to have more efficient asset management so that they can optimize firm value for shareholders. The actions of large companies in implementing efficient asset management can be a positive signal to investors about good asset management and optimal firm value. According to Santosa, firm size strengthens the influence between asset management on firm value. This is because, with the increase in company assets, the level of efficiency is considered to rise to create optimal firm value [5]. The efficiency level reflects the overall utilization of company assets in generating a certain level of sales [9]. Therefore, the growing interaction between efficiency and company size simultaneously has a more significant impact on firm value. This interaction indicates that the company size is effectively managed to create sales [5].
H4: Firm size strengthens the influence between asset management on firm value.

In summary, the hypotheses are shown below:
H1: Capital structure has a significant positive effect on firm value.
H2: Asset management has a significant positive effect on firm value.
H3: Firm size strengthens the influence between capital structure on firm value.
H4: Firm size strengthens the influence between asset management on firm value.

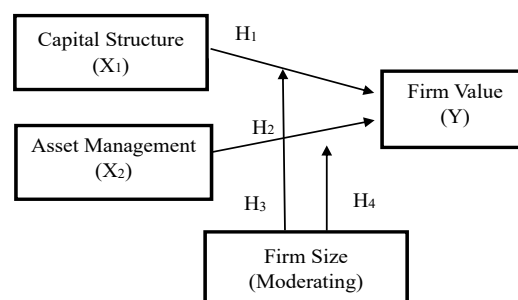The research model of this study is presented in Figure 1 below:

Figure 1. The Research Model

2. RESEARCH METHOD

The research conducted in this study employed a quantitative method. The study encompassed all property & real estate firms that listed on the IDX from 2020 to 2022. This study uses a purposive sampling method. Purposive sampling is a sample selection method that has the characteristic that sample members are selected selectively in accordance with the research objectives [13]. In this study, the sample was selected based on several conditions, namely property & real estate firms listed on the IDX consecutively during 2020-2022 and published financial reports in IDR currency consistently during the 2020-2022 period.

Based on this method, from a population of 92 companies, there are only 58 companies that fulfill all of the above criteria. After conducting an outlier test, the sample size for this study was reduced to 35 companies. The amount of data collected from 35 sample companies is 105 data. The data is processed using Eviews 13 software.

The operationalization of the research variables shown in Table 1 is as follows:

Table 1. The Operationalization of Variables

Variabel	Proxy	Scale	Source
Dependent Variable			
Firm Value	Proxy: Tobin's Q $$Tobin's\ Q = \frac{(Market\ Capitalization + Total\ Debt)}{Total\ Asset}$$ Information: *Market Capitalization = Number of Outstanding Shares × Stock Closing Price*	Ratio	Santosa (2020)
Independent Variable			
Capital Structure	Proxy: Debt to Equity Ratio $$DER = \frac{Total\ Debt}{Total\ Equity}$$	Ratio	Santosa (2020)
Asset Management	Proxy: Total Asset Turnover $$TATO = \frac{Net\ Sales}{Total\ Asset}$$	Ratio	Santosa (2020)
Moderating Variable			
Firm Size	Proxy: Natural Logarithm of Total Asset $$Size = Ln\ (Total\ Asset)$$	Ratio	Santosa (2020)

3. RESULTS AND DISCUSSIONS

The following are the results of descriptive statistics of data on independent and dependent variables from 105 data:

Table 2. Descriptive Statistics
Source: Data Processing using EViews 13

	TOBINSQ	DER	TATO	SIZE
Mean	0.689201	0.847723	0.114506	29.34702
Median	0.710400	0.609900	0.101500	29.59210
Maximum	1.101400	3.788200	0.309900	31.80540
Minimum	0.278000	0.012700	0.002500	25.63180
Std. Dev.	0.175936	0.776047	0.076639	1.481588
Skewness	-0.020158	1.777528	0.446993	-0.517274
Kurtosis	3.008697	6.568998	2.221547	2.474939
Jarque-Bera	0.007442	111.0207	6.147749	5.888655
Probability	0.996286	0.000000	0.046242	0.052637
Sum	72.36610	89.01090	12.02310	3081.437
Sum Sq. Dev.	3.219177	62.63389	0.610840	228.2907
Observations	105	105	105	105

Classical Assumption Test
The following is a summary table of the classic assumption test results of the variables to be used:

Table 3. Classical Assumption Test

Classic Assumption Test	Method	Criteria	Result	Conclusion
Normality Test	*Jarque-Bera*	*p-value* > 0.05	0.158240	Data is normally distributed
Autocorrelation Test	*Durbin-Watson*	-2 < DW < 2	0.964546	Free from autocolleration problem
Heteroscedasticity Test	*Breusch-Pagan Godfrey*	Prob. Chi-Square Obs*R Squared > 0.05	0.1935	Free from heteroscedasticity problem
Multicollinearity Test	*Variance Inflation Factor*	Centered VIF < 10; Coefficient Variance < 0.80	Centered VIF DER = 1.199576 TATO =1.218533 Size = 1.428652 Coefficient Variance DER = 0.000326 TATO = 0.033970 Size = 0.000107	Free from multicollinearity problem

This study was conducted using a panel data regression model with the following equation:
Model 1:
$Y = \alpha + \beta1DER + \beta2TATO + \varepsilon$
Model 2:
$Y = \alpha + \beta1DER + \beta2TATO + \beta3Size + \beta4(DER \times Size) + \beta5(TATO \times Size) + \varepsilon$

The Chow test reveals that the probability value for the chi-square value is 0.0000, which is less than the 5% significance level. It indicates Ha is accepted, and the selected model derived from the Chow Test is the Fixed Effect Model (FEM).

Table 4. Chow Test Result (Model 1)
Source: Data processing using EViews 13

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	8.005453	(34,68)	0.0000
Cross-section Chi-square	169.048226	34	0.0000

In this research, the model used was initially tested with the Chow Test. After that, the Hausman Test was performed to confirm whether the FEM was appropriate. The results of the Hausman Test indicated a random cross-section probability value of 0.0510, which is higher than the 5% significance level. As a result, it was concluded that the estimation model chosen from the Hausman Test should be the Random Effect Model (REM), as Ha was rejected.

Table 5. Hausman Test Result (Model 1)
Source: Data processing using EViews 13

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	5.951252	2	0.0510

After performing the Hausman test, the Lagrange-Multiplier test (LM test) was employed to validate the utilization of a Random Effect Model in this study. According to the LM test results, the probability for the Breusch-Pagan cross-section was determined to be 0.0000, which is below the 5% significance level. Consequently, Ha is accepted, leading to the conclusion that the model applied in this research is indeed a Random Effect Model (REM).

Table 6. Lagrange-Multiplier Test Result (Model 1)
Source: Data processing using EViews 13

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided
        (all others) alternatives

| | Test Hypothesis | | |
	Cross-section	Time	Both
Breusch-Pagan	45.16695	0.066327	45.23328
	(0.0000)	(0.7968)	(0.0000)

Based on the outcomes of the multiple regression analysis, as presented in Table 7, the adjusted R^2 value of 0.249590 signifies that 24.96% of the firm value, the dependent variable in this study, can be explained by the independent variables in this research, namely capital structure and asset management. The remaining 75.04% is explained by other variables apart from the variables in this study. The simultaneous significance test (F-test) findings reveal that all independent variables in this study jointly influence the dependent variable. This is evident with a Prob value (F-Statistic) of 0.000000.

Table 7. Multiple Regression Analysis Results
Source: Data processing using EViews 13

Dependent Variable: Tobin's Q
Method: Panel EGLS (Cross-section random effects)
Date: 10/28/23   Time: 21:44
Sample: 2020 2022
Periods included: 3
Cross-sections included: 35
Total panel (balanced) observations: 105
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.539889	0.035344	15.27536	0.0000
DER	0.125195	0.021556	5.807872	0.0000
TATO	0.377115	0.197898	1.905605	0.0595

Effects Specification				
			S.D.	Rho
Cross-section random			0.114204	0.7042
Idiosyncratic random			0.074012	0.2958

Weighted Statistics				
R-squared	0.264021	Mean dependent var		0.241521
Adjusted R-squared	0.249590	S.D. dependent var		0.087078
S.E. of regression	0.075432	Sum squared resid		0.580384
F-statistic	18.29542	Durbin-Watson stat		1.540098
Prob(F-statistic)	0.000000			

Unweighted Statistics				
R-squared	0.390898	Mean dependent var		0.689201
Sum squared resid	1.960807	Durbin-Watson stat		0.455857

The multiple linear regression is obtained as follows:

Tobin's Q = 0.539889 + 0.125195DER + 0.377115TATO + ε

According to the partial significance test (T-test), the independent variable that significantly affects the firm value is the capital structure with a Prob value of 0.0000 below 0.05.

The Chow test reveals that the probability value for the chi-square v is 0.0000, which is less than the 5% significance level. It indicates Ha is accepted, and the selected model derived from the Chow Test is the Fixed Effect Model (FEM).

Table 9. Chow Test Result (Model 2)
Source: Data processing using EViews 13

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	7.160404	(34,65)	0.0000
Cross-section Chi-square	163.504382	34	0.0000

In this research, the model used was initially tested with the Chow Test. After that, the Hausman Test was performed to confirm whether the Fixed Effect Model (FEM) was appropriate. The results of the Hausman Test indicated a random cross-section probability value of 0.2239, which is higher than the 5% significance level. As a result, it was concluded that the estimation model chosen from the Hausman Test should be the Random Effect Model (REM), as Ha was rejected.

Table 10. Hausman Test Result (Model 2)
Source: Data processing using EViews 13

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	6.956325	5	0.2239

After performing the Hausman test, the Lagrange-Multiplier test (LM test) was employed to validate the utilization of a Random Effect Model in this study. According to the LM test results, the probability for the Breusch-Pagan cross-section was determined to be 0.0000, which is below the 5% significance level. Consequently, Ha is accepted, leading to the conclusion that the model applied in this research is indeed a Random Effect Model (REM).

Table 11. Lagrange-Multiplier Test Result (Model 2)
Source: Data processing using EViews 13

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided
(all others) alternatives

| | Test Hypothesis | | |
	Cross-section	Time	Both
Breusch-Pagan	42.19805	0.066160	42.26421
	(0.0000)	(0.7970)	(0.0000)

Based on the data provided in Table 12, the results from the regression analysis of model 2 indicate that the p-value associated with firm size as a moderating variable in the relationship between capital structure and firm value is 0.0325. This p-value is below the 5% significance level, signifying a substantial impact of firm size on the connection between capital structure and firm value. Furthermore, the coefficient representing the interaction between capital structure and firm size is negative, indicating that firm size negatively affects the relationship between capital structure and firm value. Therefore, it can be concluded that the inclusion of firm size as a moderating variable significantly weakens the influence of the interaction between capital structure and firm value.

Table 12. Moderated Regression Analysis Results
Source: Data processing using EViews 13

Dependent Variable: Tobin's Q
Method: Panel EGLS (Cross-section random effects)
Date: 10/28/23   Time: 21:34
Sample: 2020 2022
Periods included: 3
Cross-sections included: 35
Total panel (balanced) observations: 105
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.975438	0.687475	-1.418870	0.1591
DER	1.313173	0.554588	2.367834	0.0198
TATO	-2.004191	4.046692	-0.495266	0.6215
SIZE	0.053033	0.023833	2.225175	0.0283
DER*SIZE	-0.040674	0.018751	-2.169207	0.0325
TATO*SIZE	0.074917	0.136076	0.550550	0.5832

Effects Specification				
			S.D.	Rho
Cross-section random			0.111272	0.6998
Idiosyncratic random			0.072879	0.3002

Weighted Statistics			
R-squared	0.325475	Mean dependent var	0.243771
Adjusted R-squared	0.291409	S.D. dependent var	0.087429
S.E. of regression	0.073596	Sum squared resid	0.536217
F-statistic	9.554010	Durbin-Watson stat	1.602290
Prob(F-statistic)	0.000000		

Unweighted Statistics			
R-squared	0.467768	Mean dependent var	0.689201
Sum squared resid	1.713348	Durbin-Watson stat	0.501460

The multiple linear regression is obtained as follows:

Tobin's Q = - 0.975438 + 1.313173DER - 2.004191TATO + 0.053033Size - 0.040674 (DER × Size) + 0.074917 (TATO × Size) + ε

The firm size shows a significant result with a value of 0.0283, and interacting with DER×Size, it still yields a significant result with a value of 0.0325. This means that the firm size variable is a quasi-moderator variable in the relationship between capital structure and firm value. Meanwhile, the interaction of TATOxSize yields insignificant result with a value of 0.5832. This means that firm size is a predictor moderator in the relationship between asset management and firm value. The results of all hypothesis testing are shown as follows:

Table 8. The Results of Hypotheses Testing
Source: Data processing using EViews 13

	Hypothesis	Coefficient	Significance	Conclusion
H1	The capital structure has a significant positive influence on firm value	0.125195	0.0000	H1 Accepted
H2	Asset management has a significant positive influence on firm value	0.377115	0.0595	H2 Rejected
H3	Firm size strengthens the influence of capital structure on firm value	-0.040674	0.0325	H3 Rejected
H4	Firm size strengthens the influence of asset management on firm value	0.074917	0.5832	H4 Rejected

4. CONCLUSIONS AND SUGGESTIONS

The authors drew several conclusions from the data collected in this study.

First, capital structure has a significant positive effect on the value of property & real estate companies listed on the IDX in the 2020-2022 period, meaning that the first hypothesis is accepted. The company's policy to finance through debt can benefit from tax deductions on debt interest and encourage business expansion as long as it is within reasonable limits [5]. Debt financing will also reduce excess cash flow in the company, thereby reducing the possibility of wasteful spending by management [11]. The company's policy to issue new shares can also reduce the company's share price due to the increasing number of shares offered [11]. The results of this study are aligned with the research of Santosa [5], Panjaitan & Supriati [11], Jihadi *et al.* [7], Pasaribu *et al.* [14], Kurniawan & Susanti [8], Wirianata & Wijoyo [15], Stiyarini & Santoso [16], Putri & Hastuti [17].

Second, asset management has no significant effect on the value of property and real estate companies listed on the IDX in the 2020-2022 period, meaning that the second hypothesis is rejected. This is because the property sector involves real estate development, which is usually a long-term project and takes a long time to reach sales. This condition causes low total asset turnover and does not reflect the company's actual operational effectiveness. This results in investors paying less attention and considering the ratio of total asset turnover in investing and more considering other factors, such as Good Corporate Governance, profitability, or liquidity. The results of this study are aligned with the research of Pasaribu *et al.* [14], Bellinda & Dewi [10], Kurniawan & Susanti [8].

Third, firm size weakens the impact between capital structure and firm value, meaning that the third hypothesis is rejected . Large firms usually have better access to capital markets and various other funding sources compared to small firms. Therefore, they may be less dependent on debt as the main source of funding, which means that capital structure may have less influence on firm value. Investors may also have more confidence in large firms in their ability to repay debt, meaning that an increase in debt may not increase firm value as much as it might for smaller firms. The results of this study are aligned with the research of Panjaitan & Supriati [11].

Fourth, company size is unable to moderate the impact between asset management and firm value, meaning that the fourth hypothesis is rejected. This means that all companies, whether

large or small, have realized the importance of increasing company value. Hence, they try to increase the efficiency of the company in managing its assets. The influence of asset management on a firm's value appears to be more closely tied to the specific management practices employed rather than the company's size. Small companies that adopt efficient asset management practices can achieve comparable outcomes to their larger counterparts, even though they may have fewer resources at their disposal.

From the results mentioned earlier, we can see that capital structure has a significant positive impact on firm value. Asset management doesn't affect firm value. Additionally, when considering company size as a moderating factor, it weakens the impact of capital structure on firm value, but doesn't affect the interaction between asset management and firm value.

This study has several limitations. First, the coefficient of determination (Adjusted R^2) in this study is still low which indicates the need for the addition of other independent variables, such as profitability, liquidity, or good corporate governance in the next study. Second, company size in the study failed to strengthen the relationship between capital structure and asset management on firm value. It is recommended for future researchers to use other moderating variables, such as profitability or dividend policy. The sample of companies used in this study was limited to 35 property & real estate companies, and the research period was limited to only three years, from 2020 to 2022. Therefore, future research is expected to overcome this limitation by involving a larger sample of companies and extending the observation period.

Based on the results of this study, it is recommended for companies to optimize corporate capital because it has a significant effect on firm value. This involves increasing the use of debt that supports company growth. However, it is essential for companies to maintain a healthy balance or proportion of debt so that financial risk can remain under control. Companies also need to pay attention to aspects of company size in making funding decisions. Meanwhile, investors are expected to pay attention to the company's capital structure carefully before investing in a company. Based on this study, capital structure with a high debt composition has a positive influence on firm value. However, it is important to still consider the extent to which the proportion of debt is reasonable and in accordance with acceptable risks.

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