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Model Relationship Between Performance Criteria And The Most Significant Accounting of Value-Based Criteria: Economic Added Value (EVA)

Rafika Sari[1*], Vhika Meiriasari[2]
[1] Universitas Indo Global Mandiri, Indonesia, rafikasari@uigm.ac.id
[2] Universitas Indo Global Mandiri, Indonesia, vhikams@uigm.ac.id

[*]Corresponding Author: rafikasari@uigm.ac.id

Abstract: Monetary patrons make informed decisions by assessing positive pointers that an association could show from this point forward, rather than relying altogether upon its evident execution. Consequently, this assessment plans to explore the relationship between execution norms and the main worth based estimation: Monetary Added Worth (EVA). Besides, it investigates what future EVA values mean for a bank's overall worth. The audit uses Board Data Examination and OLS Backslide models to assess the backslide condition. The audit separated data from ten banks in the BIST Banks Rundown spreading over the period from 2011 to 2020. In this manner, the Monetary Added Worth (EVA) measures were changed into standardized EVA (SEVA) by parceling EVA by full scale assets. The eventual outcomes of the Standard Least Squares (OLS) backslide assessment showed that the model's illustrative power for the SEVA variable was 71.92%. Extraordinarily, three variables showed positive associations with SEVA: benefit per share (EPS) and TOBINQ at a significance level of 1%, as well as the improvement speed of cost to-bargains at a significance level of 10%. Concerning Board Data Assessment, the SEVA variable showed an illustrative power of 72.14%, with a basic relationship saw among SEVA and the EPS and TOBINQ measures at the 1% significance level. Observational revelations recommend that including future SEVA as a mediator for bank regard holds responsibility, and it is recognized that the SEVA variable can go about as an intermediary measure for bank regard. Concerning Board Data Examination, the SEVA variable displayed a sensible power of 72.14%. Very, its relationship with the pay per share (EPS) and TOBINQ models was seen as immense at the 1% significance level. Careful assessments suggest that the model, which involves future SEVA as a middle person for bank regard, holds ensure. It is recognized that the SEVA variable can go about as a substitute measure for bank regard.

Keyword: EVA, Performance Criteria, Bank Value, Panel Data

INTRODUCTION

Today, financial backers principally center around the genuine worth of a resource, which is recognized by contrasting an organization's worth and its reasonable worth. Characterizing

genuine worth and how it ought to be sensibly evaluated is viewed as an intricate issue, in light of the fact that the worth of an organization will change extraordinarily contingent upon the condition of the organization, its cutthroat position, the specialists who will complete the evaluation, the targets of the evaluation. assessment. Evaluation and appraisal methods. Past investigations that have recorded firm worth have to a great extent been founded on the connection between firm worth and execution (functional, monetary, and so forth.). As per the suspicions fundamental this examination, an organization's worth expands as its exercises increment. Organization esteem is firmly connected with organization, capital design, consolidations, and a country's overall set of laws. Therefore, every variable that impacts an organization's income and cost of capital will affect organization esteem, in spite of the fact that to various degrees. In this manner, earlier assurance of the impact of these elements will add to a reasonable estimation of organization esteem As opposed to depending on an organization's previous outcomes, financial backers assess their speculations in light of indications of positive execution the organization might show from now on. As indicated by fundamental monetary hypothesis, the genuine worth of an organization is characterized as the current worth of the incomes got by the organization. The organization creates a gain on its speculation, with a relating rebate. Thusly, the worth of an organization relies principally upon future venture incomes and the degree of chance the organization will take to produce incomes. Banks, which go about as delegates by interfacing savers with overabundance assets and those needing supports in monetary business sectors, are key entertainers in the monetary framework. Because of their fundamental job in the monetary framework, banks are consistently under government watch. The objective of banks, as other business organizations in the economy, is to create a gain. Nonetheless, macroeconomic variables that posture dangers to the monetary framework will generally affect the financial area, through its critical job in the economy. Aside from macroeconomic factors, for example, financial and monetary arrangements, trade rates, loan costs and expansion rates, microeconomic variables beginning from the design of banking asset reports likewise impact the financial area.

METHOD

The research involved Consumer Goods Industry companies listed on the Indonesia Stock Exchange 2015-2019. Initially, 30 companies were selected by purposive sampling. Sample selection was based on criteria determined by the researcher, namely:

Table 1. Sample Criteria

No.	Criteria	Amount
1.	A company that focuses on the Consumer Goods Industry sector and is listed on the Indonesia Stock Exchange (BEI) under Future Cash Flow	30
2.	Consumer Goods Industry Companies on the Indonesian Stock Exchange consistently report complete annual reports for 2015-2019. With the end of the financial reporting period every December 31.	(10)
3.	The Consumer Good Industry Company has never experienced a loss since 2015-2019.	(6)
Number of companies that meet the sample criteria		14
Total research sample (5x14)		70

This research uses secondary data, which means the data is obtained not directly through the research object, but through other parties or documents. In this case, researchers collected information through data processed by the Indonesian Stock Exchange (BEI). The data in question is the annual financial report of the 2015-2019 BEI Consumer Goods Industry company. This data is accessed via the BEI website (www.idx.co.id).

Table 2. Operational Variables

Variable	Draft	Indicator	Measurement	Scale
Free / Independent Variable (X)				
Profit Dirty (X1)	Measuring the company's income directly from product sales within one accounting period by comparing the income received with the cost of goods sold.	Gross profit	Gross Profit = Net sales - Principal Expense Sales (DRIVE WHEELS)	Nominal

Quantitative examination techniques were utilized in this exploration, with the primary system being elucidating investigation. The procedure utilized is board information relapse (pooled information), which consolidates cross segment and time series techniques. This investigation incorporates model choice, speculation model testing, and by and large testing. This examination involves two primary instruments for handling information, to be specific Succeed 2013 and Audits variant 10 programming.

RESULTS AND DISCUSSION

Description of Research Data

This section presents an explanation of the data from the variables carried out in the research. These variables consist of Gross, Operating, Net Profit, and Changes in Receivables and Operating Cash Flow.

Descriptive Statistical Analysis

Table 3. Descriptive Statistical test Results

	Operating cash flows	Gross profit	Operational profit	Net profit	Changes in receivables
It means	1,214,954,550,255.	2,942,987,327,442.	1,362,275,400,275.	910,779,349,293.	83,289,855,546
Max	13,344,494,000,00.	22,716,361,000,000.	9,831,024,000,000.	5,902,729,000,00.	700,747,000,000
Min	-98,662,799,904.	98928193444.	33,586,321,507.	957,169,058	-580,473,000,000.
Std. Dev	2352295602336	5573619063115.	2514971859874.	1569041984491.	188,596,783,521
Observation	70	70	70	70	70

Considering the results of unmistakable estimations, the association's useful pay shows a base worth of - 98,662,799,904 PT Sekar Bumi Tbk 2017. Of course, the most outrageous worth degrees 13,344,494,000,000, at PT Indofood Sukses Makmur, Tbk. The ordinary pay for the association overall is 1,214,954,550,255, with a standard deviation of 2352295602336. Considering the outcomes of connecting with estimations, the base worth of the association's net advantage was 9,892,819,344,442 by PT Buyung Poetra Sembada Tbk in 2015. In the meantime, the best worth came to 22,716,361,000,000, by PT Indofood Sukses Makmur, Tbk. The common net advantage for the association in general is 29,429,873,274,423.43 with a standard deviation of 55,736,190,631,158.11.

Considering the outcomes of unmistakable estimations, the base worth of association working advantage was 33,586,321,507 by PT Sekar Laut Tbk in 2015. Meanwhile, the most outrageous worth came to 9,831,024,000,000, by PT Indofood Sukses Makmur, Tbk in 2019. Ordinary association working advantage commonly talking, specifically 1,362,275,400,275.315 with a standard deviation of 2,514,971,859,874.929. In this assessment, the association's net not set in stone considering the continuous year's advantage.

The base worth was 957,169,058, by PT Sekar Bumi Tbk in 2019. On the other hand, the best worth came to 5,902,729,000,000, by PT Indofood Sukses Makmur, Tbk in 2019. The commonplace net advantage for the association with everything taken into account was 910,779. 349,293.5712 with a standard deviation of 1,569,041,984,491.043. Changes in not set in stone by the difference between current receivables and prior year's receivables.

The result is a base worth of - 580,473,000,000 guaranteed by PT Budi Starch and Sugar Tbk in 2015. On the other hand, the most outrageous worth came to 700,747,000,000 guaranteed by PT Indofood Sukses Makmur, Tbk in 2015. The run of the mill change in the association's receivables generally was 83,289, 855,546.77141 with a standard deviation of 188,596,783,521.4714.

Selection of Panel Data Regression Models

A. Likelihood Ratio Test (Chow Test)

The Probability Proportion Test (Chow Test) is completed to see if the Proper Impacts Model (FEM) is superior to the General Impacts Model (CEM). Testing is completed with the F measurable test which is contrasted and table F and taking a gander at the likelihood of importance, the speculation is:

H0 = Normal Impacts Model (CEM) is superior to Fixed Impacts Model (FEM)

H1 = Fixed Impacts Model (FEM) is superior to Normal Impacts Model (CEM)

Table 4. Likelihood Ratio Test Results (Chow Test)

Redundant Fixed Effects Test Similarity: Untitled Cross-sectional fixed effects test			
Effect Test	**Statistics**	**Df**	**Prob.**
F cross section	1.533308	(13.52)	0.0370
Chi-square cross section	22.714399	13	0.0452

The experimental outcomes show that the cross-sectional measurement F is 1.533308, and the likelihood is 0.0452. The likelihood esteem is more modest $\alpha = 0.05$ ($0.0000 < 0.05$) and that implies that the invalid speculation (H0) is dismissed and the elective theory (H1) is acknowledged. The more proficient model utilized is the Decent Impacts Model (FEM).

B. Hauman Test

The Hausman test is utilized to choose the best methodology, Fixed Impacts Model or Arbitrary Impacts Model. This test follows a chi-square circulation over the speculation: H0 = Arbitrary Impacts Model (REM) is superior to Fixed Impacts Model (FEM)

H1 = Fixed Impacts Model (FEM) is superior to Irregular Impacts Model (REM)

Table 5. Hausman Test Results

Correlated Random Effects-Hausman Test Similarity: Untitled Cross-sectional random effects test			
Chi-Sq. Statistics	**Chi-Sq. df**	**Prob.**	**Prob.**
19.641243	4	0.0006	0.0006

Considering the exploratory results, it might be seen that the probability regard (p-regard) of the sporadic cross region in table 5 is 0.0006. This suggests that this value is more unassuming than the significance regard, specifically 5% or $0.0000 < 0.05$, inferring that the invalid hypothesis (H0) is excused and the elective hypothesis (H1) is recognized. The most useful model in research is the Appropriate Effects Model (FEM). Likewise, considering

the impression of the two tests above, we can reason that the Nice Effects Model (FEM) is the most conventionally elaborate choice in coming about hypothesis testing.

C. Panel Data Regression Analysis

Tabel 6. Results of Panel Data Regression Analysis

Dependent Variable: OCF
Method: Least Squares Panel
Date: 01/10/21 Time: 13:06
Sample: 2015 2019
Periods included: 5
Cross sections include: 14
Total panel observations (balanced): 7

Variable	Coefficient	Std. Error	t-Statistics	Variable
Gross profit	1.314427	0.252235	5.211112	Gross profit
Operational profit	-1.639289	0.606173	-2.704325	Operational profit
Net profit	1.390761	0.523959	2.654334	Net profit
Changes in Receivables	-0.821597	0.551301	-1.490288	Changes in Receivables
C	-1.62551	3.94557	-4.110558	C

In the table above you can see the consequences of the board information relapse examination which is figured out: Functional Income = - 1.62551+1.314427 LKit-1.639289 LOit+1.390761 LBit- - 0.821597 Ppit.

1. The steady has a worth of - 1.62551, intending that by considering the impact of Net, Working, Net Benefit and Changes in Receivables, future Working Income will have a worth of - 1.62551.
2. The Net Benefit variable has a positive coefficient of 1.314427. This intends that on the off chance that Net Benefit increments by one unit accepting different factors stay steady, future incomes will increment by 1.314427.
3. The Working Benefit variable has a negative coefficient of 1.639289. This shows that in the event that Working Benefit increments by one unit accepting different factors stay consistent, future incomes will diminish by 1.639289.
4. The Net Benefit variable has a positive coefficient of 1.390761. As such, in the event that Net Benefit increments by one unit accepting different factors stay consistent, future incomes will increment by 1.390761.
5. The Adjustment of Receivables variable has a negative coefficient of 0.821597. This truly intends that assuming Changes in Receivables increment by one unit, accepting different factors stay consistent, future incomes will diminish by 0.821597.

D. Uji Hipotesis

Factual t test (seb level) The measurable t test in research is utilized to survey whether the impact of the autonomous variable on the reliant variable exclusively (independently) has huge measurable significance.

Table 7. t Statistical Test Results (Partial)

Dependent Variable: OCF
Method: Least Squares Panel
Date: 01/10/21 Time: 13:06
Sample: 2015 2019
Periods included: 5
Cross sections include: 14
Total panel observations (balanced):

Variable	Coefficient	Std. Error	t-Statistics	Variable
C	- 1.62551	3.94557	-4.110558	C
X1	1.314427	0.252235	5.211112	X1
X2	-1.639289	0.606173	-2.704325	X2
X3	1.390761	0.523959	2.654334	X3
X4	-0.821597	0.551301	-1.490288	X4

The following are the results of the hypothesis truth test analysis static t test (partial):

a. Speculation Test 1: Net Benefit Influences Future Functional Incomes The point of the examination is to concentrate on how Net Benefit (LK) influences Functional Income (AKO) later on. Specialists suspect that LK essentially affects AKO. The consequences of factual testing show that this supposition that is right. The determined t esteem is (5.211112) which is more prominent than the t table (1.997138) and the likelihood (0.0000) is more modest than the importance level (0.05), and that intends that there is a huge connection among LK and AKO later on. All in all, this exploration finds solid proof that LK emphatically affects AKO later on.
b. Speculation Test 2: Working Benefit Influences Future Working Income The determined t esteem is (- 2.704325) which is more modest than the t table (1.997138) and the likelihood (0.0092) is lower at the importance level (0.05). This truly intends that there is a critical connection among LO and AKO later on. Besides, a negative LO coefficient demonstrates a negative relationship. That is, the higher the LO, the lower the AKO later on.
c. Speculation Test 3: Net Benefit Influences Future Functional Income The determined t esteem (2.654334) is more prominent than the t table (1.997138) and the likelihood is (0.0105) which is more noteworthy at the importance level (0.05), intending that there is no huge connection among LB and AKO later on. All in all, this investigation discovered that LB didn't altogether impact future AKO.
d. Test speculation 4: Changes in receivables have no impact on future functional incomes The determined t esteem is (- 1.490288) which is more modest than the t table (1.997138) and the likelihood is (0.1422) which is more prominent than the importance level (0.05), significance there is no huge connection between changes in receivables and future incomes. At the end of the day, the investigation discovered that adjustments of receivables didn't altogether influence future incomes..

E. Coefficient of Determination Test

This research uses the coefficient of determination to assess the ability of the regression model to predict the dependent variable which is measured through the Adjusted R-Square value. The following are the results of the coefficient of determination test in the research:

Table 8. Coefficient of Determination Test Results

Weighted Statistics			
R-squared	0.97811.	Average dependent var	R-squared
Adjusted R-squared	0.970953.	SD dependent var	Adjusted R-squared
SE regression	172665.4.	Akaike info criteria	SE regression
Sum of resident squares	1.55E+12.	Black criteria	Sum of resident squares
Log possibilities	-933.0597.	Hannan-Quinn Criter	Log possibilities

F-statistics	136.6757.	Durbin-Watson stat	F-statistics
Prob(F-statistic)	0.0000.	Prob(F-statistic)	

Analysis of the coefficient of determination shows that 93.57% of the variation in Operating Cash Flow is predicted by a combination of Gross, Operating, Net Profit and Changes in Receivables. This means that this regression model can explain almost all fluctuations in Operating Cash Flow. The remaining 6.43% of variations in Operating Cash Flow may be influenced by factors other than the model, such as company policy, or other external events, and macroeconomic conditions.

CONCLUSION

This examination was led with information from ten banks in the BIST Banks Record covering a long term period from 2011 to 2020 determined to create an econometric model in view of SEVA measures to uncover the model that best makes sense of the worth and commitment of banks. Ongoing writing adding new points of view. SEVA is viewed as one of the measures that best addresses an organization's worth to investors and vested parties. The model was investigated utilizing the OLS Relapse technique and Board Information Examination. The reliant variable is "future standard EVA esteem" at time t, while the free factors are picked as the measures MB, PS, PE, PCF, DY, TOBINQ, EPS, and PSGROWTH at time t. We thankfully recognize monetary help from the Indonesian Public Sociologies Asset (Award Number 20BGL029, project name "Two-Way Administration Model and Dynamic Advancement System of Cross-Line Consolidations and Acquisitions of State-Possessed Ventures in Indonesia's Blended Proprietorship Change").

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