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THE EFFECT OF RETURN ON INVESTMENT AND OPERATING CASH FLOW RATIO ON EARNINGS PER SHARE AT PT. GOLD BATTLE SHIPPING (TEMAS) TBK

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ABSTRACT
This study aims to determine whether Return On Investment and Operating Cash Flow Ratio affect Earning Per Share at PT Pelayaran Tempuran Emas (TEMAS) Tbk. Period 2017 – 2020. The population in this study is quarterly financial report data for the period 2017-2020. The sampling technique used was purposive sampling technique. Data analysis technique using multiple linear regression analysis. The results of the study show that: Return on Investment does not necessarily affect the level of a company's Earning Per Share, nor does Return On Investment affect the level of Earning Per Share. And Return On Investment and Operating Cash Flow Ratio simultaneously have no significant effect on Earning Per Share..

INTRODUCTION
Background of The Problem
The Indonesian economy depends heavily on the capital market. Investors who want to put their money into investments to earn the promised returns do so on the capital market. A capital market in Indonesia is known as the Indonesian Stock Exchange (IDX) or Indonesian Stock Exchange. Going public, or the activity of issuers (companies that go public) offering shares to the public who wish to invest their capital based on the procedures outlined in the Capital Market Law and its Implementing Regulations, aids companies that lack capital or require additional capital.

Because stocks can offer better returns than other investment tools, including dividends and capital gains, stock investments are still a favourite among investors today. A potential investor or investor must carefully analyse the information supplied because stocks, despite having large yields, also have a higher risk than other investments due to unstable or extremely quick swings in stock values on the stock market, sometimes in a matter of minutes. is deciding whether to buy or sell the shares it already has. Investors will take higher risk when an investment instrument has a bigger potential payoff, and vice versa. Investors strive to maximise stock returns when they invest their shares.

Fundamental analysis and technical analysis make up the majority of the required analysis. Changes in the variations in the behaviour of the fundamental factors of firm performance determine the fundamental analysis that underlies the behaviour of stock prices. One could argue that the stock price is determined by the

company's value. The business value will be high if the company performs well, and vice versa. Thus, it may be claimed that the company's great business value attracts investors who want to put their money to work increasing stock prices. The profitability ratio is an evaluation of financial performance used to gauge an organization's capacity to make a profit from its investments. Fundamental research

The leadership of the company will utilise earning per share, or the amount of income made in a given period for each outstanding share, to decide how much dividend money should be paid out. If a corporation's Earnings Per Share (EPS) rises, this indicates that company profits are increasing shareholder wealth as well (Fahmi, 2013). Earnings Per Share (EPS) measures a company's capacity to give shareholders a profit. EPS is so appealing to shareholders because it is a metric frequently used to assess a company's effectiveness in realising earnings from each share purchased. When investing, the primary metric used to assess a stock's attractiveness is its EPS.

Earnings Per Share is influenced by Return On Investment. ROI is information on profits and losses that investors can use to assess the health of the business. The performance of the business will improve if the ROI is good, which will benefit shareholders by raising the share price of the business. Whether a corporation is justified in withdrawing funds with a fixed load or not will depend on its return on investment. Due to the use of foreign capital, a company with steady "earnings" will always be able to meet its financial obligations. On the other hand, businesses with erratic profits run the danger of not being able to cover interest costs or make payments on time.

Based on the formulation of the problem above, the research objectives can be determined as follows:

1). To find out whether Return On Investment (ROI) has an effect on Earning Per Share (EPS) at PT. Pelayaran Tempuran Emas (TEMAS) Tbk. on the Indonesia Stock Exchange for the 2017 – 2020 period.

2). To find out whether the Operating Cash Flow Ratio affects Earning Per Share (EPS) at PT. Pelayaran Tempuran Emas (TEMAS) Tbk. on the Indonesia Stock Exchange for the 2017 – 2020 period.

3). To find out whether Return On Investment (ROI) and Operating Cash Flow Ratio affect Earning Per Share (EPS) at PT. Pelayaran Tempuran Emas (TEMAS) Tbk. on the Indonesian Stock Exchange

THEORY REVIEW

1. Return on Invesment

According to Irham Fahmi in his book Analysis of Financial Statements (2011: 137) Return on investment (ROI) or return on investment, or also written as return on total assets (ROA). This ratio looks at the extent to which the investment that has been invested is able to provide the expected returns. The investment is actually the same as the company's assets invested or placed. The definition of Return On Investment (ROI) is as follows: "Return On Investment (ROI) is looking at the extent to which the investment that has been invested is able to provide returns as expected." ROI can be calculated by the formula:

ROI = Earning After Tax (EAT) x 100%
Total Assets

Bambang Riyanto in the book Basics of Corporate Spending (2010: 336) defines Return On Investment (ROI) as follows: "Return on Investment or the rate of return on investment shows the level of ability of the capital invested in all assets to generate net profits".

There are several benefits that make it easier to calculate assets when using ROI, such as:

1). Make it easier to make decisions to buy assets, provide funding for certain projects or programs, or when deciding to make an investment.

2). Can measure the efficiency of the use of capital, production, and sales.

3). Can compare your business with competitor's business. However, this can only be achieved if you have industry data so you can calculate the industry ratio first.
4). Can be used to do business planning.

However, ROI still has some uncontrollable drawbacks, namely:

1). Does not include the cost of capital element in the formula so that a high ROI value cannot be called effective if it has not been compared with the cost of capital.
2). The percentage obtained from calculating ROI cannot always be compared to competitors, because each business has different accounting and management practices.

2. Operating Cash Flow Ratio

The cash flow ratio, often known as the cash flow ratio, is a mathematical formula used to assess a company's financial standing. When attempting to comprehend the earnings and losses of a corporation, the cash flow ratio is really helpful. Cash flow is the constant movement of funds into and out of a company. A corporation is less vulnerable to financial harm brought on by an overall business slump the more cash flow it generates. In accordance with PSAK No. 2 (2015), "Operating activities are the main income-generating activities of the entity and other activities that are not investment activities and financing activities" are the definitions of "cash flow from operating activities."

The activities involved in creating goods or services for sale are considered operating activities. As a result, these cash flows typically result from business dealings and other situations that have an impact on net profit or loss. The transactions covered in the cash flow of operating activities are explained in PSAK No. 2 paragraph 13 (2015) as follows:

1). Receipt of cash and sales of goods and services
2). Cash receipts from royalties, fees, commissions and other income
3). Payment of cash to suppliers of goods and services
4). Cash payments to employees
5). Cash receipts and payments by insurance companies in connection with premiums, claims, annuities and other insurance benefits
6). Payment of cash or receipt of return (restitution) of income tax unless it can be specifically identified as part of financing and investing activities
7). Cash receipts and payments from contracts entered into for the purpose of financing and investment transactions

The financial impact of transactions that produce income and expenses is included in the cash flows from operational activities (operating activities). A company's operations can create enough cash flow to pay off loans, maintain operating capacities, pay dividends, and make new investments without relying on outside income if there is a significant quantity of cash flow from operating activities.

3. Earning per Share

Earning per Share (EPS) or earnings per share is the level of net profit for each share that the company is able to achieve when carrying out its operations. Earning Per Share provides information to outsiders how far the company's ability to generate profits for each share outstanding in the market. Earnings per share or EPS is derived from the profit available to common stockholders divided by the average number of common shares outstanding.

Earning Per Share is a comparison between net profit after tax in one financial year with the number of shares issued. An increase in Earning Per Share means that the company is in a growth stage or its financial condition is experiencing an increase in sales and profits.

Tandelilin in his book Capital Markets: (Theory and Application) (2016: 198) explains that Earning per Share (EPS) is the net profit of a company that is ready to be distributed to shareholders divided by the number of company shares circulating on the market. High Earning Per Share is an attraction for investors. The higher the EPS, the higher the company's ability to provide income to its shareholders.

Effect of Return on Investment on Earning Per Share

Capital that is invested with the intention of making a profit is called return on investment. Return on Investment also demonstrates the business' capacity to make money from the resources it uses. By maximising corporate value, this increase in profit has a good impact on the firm's financial performance, which will be well received by investors, leading to an increase in demand for company shares and an increase in the stock price.

Effect of Operating Cash Flow Ratio on Earning Per Share

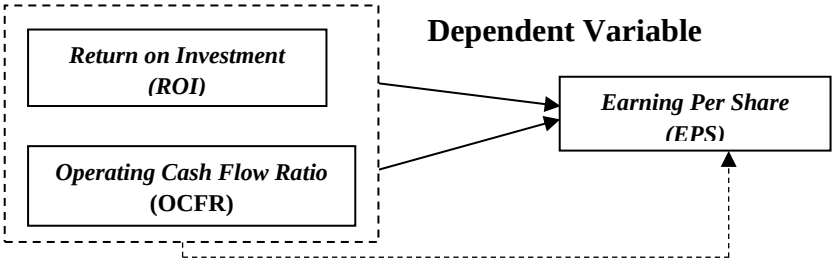
Earning per share is a measuring tool used to measure market recognition of the company's condition to determine the amount of earnings per share. Giving profits to each company is a way to increase investors, because it is from that profit that investors feel interested in investing in that company. A high earning per share reflects that the company has succeeded in managing its finances, so that it can distribute profits in the form of dividends and increase shareholder interest in investing.

Framework of Thinking

In this study the first independent variable is Return On Investment, the second independent variable is Operation Cash Flow Ratio. While the Dependent Variable is Earning Per Share. Return On Investment shows the company's ability to generate profits from the assets used and the Operation Cash Flow Ratio is related to the cash flow obtained by the company from its operational activities. The two independent variables have a significant effect on the Dependent Variable Earning Per Share. While the rest is influenced by other factors that are not included in the research model. Changes in one or both of these independent variables will have an influence on the company's financial performance in achieving its goals, so that the demand for company shares can increase and can increase the company's stock price, so the following framework can be arranged:

Thinking Framework Image

Independent Variable



Hypothesis Formulation

From the description of the thinking framework above, the research hypothesis can be formulated as follows:
H1: Return On investment has a partial effect on Earning Per Share in the Company.
H2: Operation Cash Flow Ratio has a partial effect on Earning Per Share in the Company
H3: Return On investment and Operation Cash Flow Ratio simultaneously have a significant effect on Earning Per Share in the Company.

RESEARCH METHODS

Research Variable

This study uses two variables, namely the independent variable and the dependent variable. The independent variable or variable X1 is in the form of Return On Investment and X2 is in the form of Operation Cash Flow Ratio while the dependent variable or variable Y is in the form of Earning Per Share.

1) Independen Variable :

a). The first independent variable is the return on investment in the form of a variable which is the cause of the change showing that it affects the dependent variable. While the ratio formula is as follows:

$$ROI = \frac{\text{Earning After Tax (EAT)} \times 100\%}{\text{Total Assets}}$$

b). The second independent variable Operation Cash Flow OCF uses the following formula:

EBIT + Depreciation - Tax

2) Dependent variable in the form of Earning Per Share, with the following formula:

Earnings per Share = Net Profit / Number of Outstanding Shares

Population and Sample

In this study, the population is the financial report data of PT. Pelayaran Tempuran Emas (Temas) Tbk. from the first stand until now. The sample in this study is quarterly data from the financial statements of PT. Pelayaran Tempuran Emas (Temas) Tbk. in the form of financial statements for the 2017 - 2020 Quarterly Period. The variable data studied from the Financial Statements consists of: the first independent variable Return On Investment the second independent variable Operation Cash Flow Ratio and the dependent variable Earning Per Share.

Data Analysis Technique

In this research, the analysis technique used is quantitative and qualitative analysis. Qualitative analysis techniques are carried out by triangulation (combined), data analysis is inductive/qualitative in nature, and the research results emphasize meaning rather than generalization.

While the quantitative analysis technique is to use descriptive statistical testing and hypothesis testing to classify and summarize data in the form of numbers obtained from the amount of a combination or measurement. Where quantitative data obtained from the amount of a combination always use whole numbers.

1) Descriptive analysis

Descriptive analysis, namely data analysis by describing or describing the data that has been collected as it is without the intention of making generally accepted conclusions / generalizations. The characteristics of this descriptive analysis include the presentation of the data which places more emphasis on the form of tables, graphics, and statistical measures such as percentages, averages,variance, correlation, trend and index numbers. In addition, in this analysis there is no significant test and error rate, because the researcher does not intend to make generalizations, so there are no generalization errors

2) Classic assumption test

Before the data is analyzed further using multiple regression analysis, a classic assumption test will be carried out which consists of a normality test, heteroscedasticity test and multicollinearity test.

a. Normality test

The normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution. In this study used probability normal testplot on the basis of decision making, if the data spreads around the diagonal line and follows the direction of the diagonal line, then the regression model meets the assumption of normality but if the data spreads away from the diagonal line and does not follow the direction of the diagonal line, then the regression model does not meet the assumption of normality.

b. Multicollinearity Test

This test aims to test whether the regression model found a correlation between independent variables. A good regression model should not have a correlation between the independent variables. Multicollinearity test seen from the valueVariance Inflation Faktor (VIF) < 10 and valuetolerance > 0.1, the data is free from multicollinearity.

c. Heteroscedasticity Test

The heteroscedasticity test aims to test whether there is inequality in the regression modelvariance from the residual of one observation to another observation. To detect the presence or absence of heteroscedasticity by looking at the graphscatterplot between the predicted value of the dependent variable, namely ZPRED, and the residual, SRESID. Detection of the presence or absence of heteroscedasticity can be done by looking at the presence or absence of certain patterns on the graphscatterplot between ZPRED and SRESID

d. Correlation Auto Test

Autocorrelation test is a statistical analysis conducted to find out whether there is a correlation between the variables in the prediction model with changes in time. Therefore, if the assumption of autocorrelation occurs in a prediction model, then the disturbance values are no longer independent pairs, but are paired in an autocorrelation manner. On this occasion, we will only focus on the autocorrelation test tutorial SPSS. However, we will still discuss other important principles in a concise and concise manner that is easy to understand

The Durbin Watson test will produce a Durbin Watson (DW) value which will later be compared with two (2) Durbin Watson Table values, namely Durbin Upper (DU) and Durbin Lower DL). It is said that there is no autocorrelation if the value of DW > DU and (4-DW) > DU or can also be denoted as follows: (4-DW) > DU < DW. To determine negative or positive autocorrelation

3) Multiple Linear Regression Analysis

Multiple regression analysis is used to measure the influence of several independent variables (X) on the dependent variable (Y). In this study, the independent variables are Return On Assets (X1) and Operation Cash Flow Ratio (X2), while the dependent variable is Earning Per Share (Y). The formulation of the statistical analysis tool for multiple linear regression mathematically can be described as follows:

$Y = a + b1X1+b2X2+\ldots+bnXn$

Where:

Y = dependent variable

a = constant

b1,b2 = regression coefficient

X1, X2 = independent variables

4) Hypothesis testing

Hypothesis testing is a procedure that allows decisions to be taken, namely the decision to reject or accept the hypothesis being tested. Statistically, the regression function used in this study can be measured from the value of the t statistic and the value of the f statistic and the coefficient of determination.

a. Partial Test (T Test)

The t test is used to determine the effect of each independent variable on the dependent variable. The t statistical test is basically carried out to show how far the influence of an independent variable individually on the dependent variable. The t test is carried out by comparing the significance value of each variable onoutput regression results with 0.05 (significance level $\alpha = 5\%$). The test criteria used are as follows:

1). If the significance value of each variable < 0.05, then H_0 rejected. This means the independent variable (X_1 and X_2) partially affect the dependent variable (Y).

2). If the significance value of each variable is > 0.05, then H_0 accepted. This means the independent variable ($_{X1 \text{ and } X3}$) does not affect the dependent variable (Y) partially.

b. Simultaneous Test (F Test)

Explains that the F test is used to determine whether there is a simultaneous (simultaneous) effect of the independent (free) variables on the dependent (bound) variable. The F test can be done by looking at the significant level of F onoutput the results of the regression analysis with 0.05 (significance level $\alpha = 5\%$).

1. If the significance value of each variable < 0.05, then H_0 rejected. This means the independent variable (X_1 and X_2,) affect the dependent variable (Y) simultaneously.
2. If the significance value of each variable is > 0.05, then H_0 accepted. This means the independent variable ($_{X1}$ and$_{x2}$,) does not affect the dependent variable (Y) simultaneously.

With the level of significance in this study usingalpha 5% or 0.05, the results of the F test can be calculated with the help of the SPSS program in the ANOVA table.

c. Coefficient of Determination

Furthermore, to find out how much the percentage of contribution from the independent variable X_1 and X_2 together on Earning Per Share as the dependent variable can be seen from the magnitude of the coefficient of determination (R^2). Where is R^2 explains how much the independent variables used in this study are able to explain the dependent variable. The value of the coefficient of determination is between zero and one. R

value^2 which is small means the ability of the independent variables to explain the variation of the dependent variable is very limited. A value close to one means that the independent variables provide almost all the information needed to predict the variation of the dependent variable..

RESEARCH RESULT

Results of Data Analysis

The following will describe the results of data analysis and interpretation of research results consisting of a description of the research subject. Other research results that will be discussed are research results that answer research problems.

Classic assumption test

The classical assumption is the conditions that must be met in the linear Ordinary Least Square (OLS) regression model so that the model becomes valid as an estimator.

1. Normality Test Results

The normality test aims to test whether the regression model data, confounding variables or residuals have a normal distribution. In this study, to detect whether the residual data is normally distributed or not by using histogram analysis and normal probability plot graphs.
The normality test results can be seen as follows.

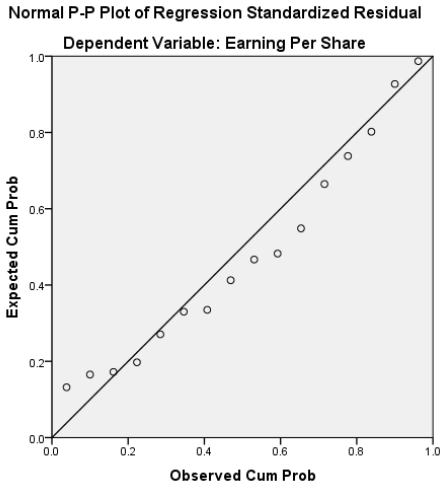
Tabel 1 Hasil Uji Normalitas

One-Sample Kolmogorov-Smirnov Test

		Unstandardize
N		16
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	17.29749190
Most Extreme Differences	Absolute	.144
	Positive	.144
	Negative	-.115
Test Statistic		.144
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

Based on the SPSS output table, it is known that the significance value of Asymp. Sig of 0.200 is greater than 0.05, then according to the basis for decision making in the Kolmogorov One-Sample normality test above, it can be concluded that the data is normally distributed. Thus the assumption or requirement of normality in the regression model has been fulfilled.



Picture 1 Normal Probability Plot

From the results of the data processing above, it also produces a graph and results entitledSteam and Leaf Plot, Detrenden Normal Q-Q Plots andNormal Q-Q Plots. These additional results do not mean it can not be used. However, this addition is also very useful for proving that our data can be normally distributed. The diagonal line in this graph describes the ideal state of data that follows a normal distribution. The dots around the line are the state of the data we are testing. If most of the points are very close to the line or even attached to the line, then we can conclude that our data follows a normal distribution. However, if there is only one point that is far or outside the Q-Q Plots line, it indicates that there is data that is not normally distributed.

1. Multicollinearity Test Results

The multicollinearity test aims to test whether the regression model found a correlation between the independent (independent) variables. A good regression model should not have a correlation between independent variables. Multicollinearity can be seen from the Tolerance and Variance Inflation Factor (VIF) values. If the tolerance value is > 0.10 and the VIF value is < 10, then the regression model is free from multicollinearity symptoms.

The following are the results of the multicollinearity test using the Tolerance and Variance Inflation Factor (VIF) values::

Table 2 Multicollinearity Test Coefficients[a]

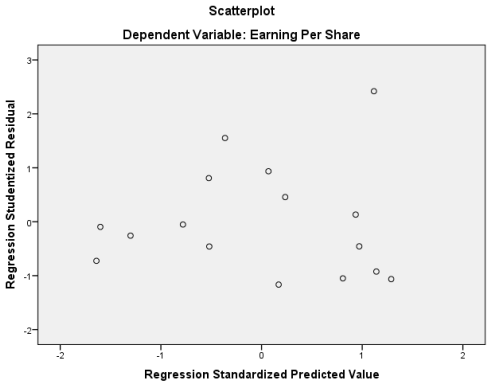
Model	Unstandardized		Standardized	T	Sig.	Collinearity	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	6.526	15.661		.417	.684		
Return on Investment	7.204	7.008	.278	1.028	.323	.965	1.037
Operating Cash Flow Ratio	7.863	14.802	.144	.531	.604	.965	1.037

a. Dependent Variable: Earning Per Share

If the tolerance value is > 0.10 and the VIF value is 0.10 and the VIF value is <10, then the regression model is free from multicollinearity symptoms. Variable Return on Investment (X1) andOperating Cash Flow Ratio (X2) meets the basic decision because the tolerance value is > 0.10 and the VIF value is < 10

1. Heteroscedasticity Test Results

To see whether there is heteroscedasticity in a study, one way is to use a Scatterplot Graph, namely through a scatter diagram between the predicted value of the dependent variable (ZPRED) and its residual (SRESID). The results of the heteroscedasticity test can be seen as follows:



Picture 2

Based on the picture above, a scatterplot graph is shown which shows that the dots spread randomly and do not show a particular pattern. This shows that the model is in accordance with the basic decision making, so that this regression does not occur heteroscedasticity. Analysis using graphic plots has a significant weakness because the number of observations affects the results of plotting. Therefore we need a statistical test that can better guarantee the accuracy of the results. The statistical test used in this study is the Glejser test, which is regressing each independent variable with an absolute residual as the dependent variable. The results of the heteroscedasticity test using the Glejser test can be seen as follows:If the tolerance value is > 0.10 and the VIF value is 0.10 and the VIF value is <10, then the regression model is free from multicollinearity symptoms. Variable Return on Investment (X1) andOperating Cash Flow Ratio (X2) meets the basic decision because the tolerance value is > 0.10 and the VIF value is < 10

1. Heteroscedasticity Test Results

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Table 3 Heterosekedasitas Test

Coefficients[a]

Model		Unstandardized		Standardiz	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.183	8.562		-.021	.983
	Return on Investment	6.331	3.831	.418	1.653	.122
	Operating Cash Flow Ratio	8.037	8.092	.251	.993	.339

a. Dependent Variable: Abs_RES

Based on the above table shows that none of the independent variables statistically significant affect the dependent variable Absolute value (AbsUt). This can be seen from the significance probability above the 5% confidence level or α = 0.05. So it can be concluded that the regression model does not contain heteroscedasticity.

1. Autocorrelation Test

Autocorrelation aims to test whether in the linear regression model there is a correlation between the confounding errors in period t and the confounding errors in the t-1 (previous) period. In this study using the Durbin-Watson test. The results of the autocorrelation test can be seen as follows
:

Table 4 Autokorelasi Test

Model Summary[b]

Model	R	R Square	Adjusted R	Std. Error of	Durbin-
1	.445[a]	.198	.075	10.15729	2.171

a. Predictors: (Constant), Operating Cash Flow Ratio, Return on Investment
b. Dependent Variable: Abs_RES

Based on the results presented in table 4.8, it can be seen that the DW value is 2,171, this value will be compared with the table value using a significance value of 5% the number of samples is 16 (n) and the number of independent variables is 2 (k = 2), then in the Durbin Watson table the value obtained is du = 1.538. Because the DW value of 2,171 is greater than the upper limit (du) 1,538 and less than (4-du) 4-2,171 = 1,538, it can be concluded that there is no positive or negative autocorrelation or it can be concluded that there is no autocorrelation.

2. Multiple Linear Regression Analysis

The method used to test the hypothesis is multiple regression, this is in accordance with the formulation of the problem, objectives and hypotheses
this research. The multiple regression method connects one dependent variable (Earning Per Share) with several independent variables (Operating Cash Flow Ratio and Return On Investment) in a single predictive model. By using SPSS software, the results of multiple linear regression analysis are obtained as follows
:

Table 5 Results of Multiple Linear Regression Analysis

Coefficients[a]

Model		Unstandardized		Standardize	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.526	15.661		.417	.684
	Return on Investment	7.204	7.008	.278	1.028	.323
	Operating Cash Flow Ratio	7.863	14.802	.144	.531	.604

a. Dependent Variable: Earning Per Share

$\hat{Y} = 6.526 + 7.204\ X1 + 7.863\ X2$

Based on these equations it can be explained that:

a). Sales constant of 6,526 means that the level of Earning Per Share is 6,526 times if, Return On Investment and Operation Cash Flow (constant)

b). Return On Investment has a positive regression coefficient of -7,204 meaning that if there is an increase in Return On Investment by 1 unit, it will increase the level of Earning Per Share by 7,204 assuming a constant Return On Investment.

c). Operation Cash Flow has a positive regression coefficient of 7,863 meaning that if there is an increase in Operation Cash Flow by 1 unit, it will increase the level of Earning Per Share by 7,863 assuming the Operation Cash Flow remains constant.

Hypothesis Test

1. Partial Test (t-test)

Partial testing is carried out to determine the relationship or influence of one of the independent variables with the dependent variable assuming the other variables are constant.

The t test is seen from the level of significance of each independent variable. If the sig value is below 0.05, then the independent variable affects the dependent variable.

Table 6 Partial Test Results (Uji t)

Coefficients[a]

Model		Unstandardized		Standardize	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.526	15.661		.417	.684
	Return on Investment	7.204	7.008	.278	1.028	.323
	Operating Cash Flow Ratio	7.863	14.802	.144	.531	.604

a. Dependent Variable: Earning Per Share

Based on the table above it can be concluded regarding the partial hypothesis test of each independent variable on the dependent variable, as follows:

a. Testing Return on Investment on Earning Per Share

The table above shows that the significance value for the Return On Investment variable is 0.323. Because the significance value is 0.323 > 0.05 then Ho is accepted. So it can be concluded that the Return on Investment test has no significant effect on Earning Per Share

b. Testing Operating Cash Flow Ratio against Earnings Per Share

The table above shows that the significance value for the Operating Cash Flow Ratio variable is 0.604. Because the significance value is 0.604 > 0.05 then Ho is rejected. So it can be concluded that the Operating Cash Flow Ratio has no significant effect on Earning Per Share

2. Simultaneous Test (F-test)

To determine the effect of Return on Investment and Operating Cash Flow Ratio on Earning Per Share, it is necessary to test the hypothesis simultaneously, which can be seen from the ANOVA table of the results of SPSS processing.

Table 7 Simultaneous Test Results (Uji F)

ANOVA[a]

Model		Sum of	df	Mean Square	F	Sig.
1	Regression	405.702	2	202.851	.588	.570[b]
	Residual	4488.048	13	345.234		
	Total	4893.750	15			

a. Dependent Variable: Earning Per Share
b. Predictors: (Constant), Operating Cash Flow Ratio, Return on Investment

From the ANOVA table above, the F-count value is 0.588 and the F-test significance value is 0.570, because the significance value is greater than 0.05, Ho is accepted and the conclusion is that simultaneously there is no significant effect, Return on Investment and Operating Cash Flow on Earning Per Share.

3. Results of the Determination Coefficient Test Analysis

Determination analysis in multiple linear regression is used to determine the percentage of the independent variable's ability to explain the variation of the dependent variable. Regression with two or more independent variables used adjusted R2 as the coefficient of determination. The test results of the coefficient of determination can be seen from the following table:

Table 8 Analysis of the Coefficient of Determination

Model Summary

Model	R	R Square	Adjusted R	Std. Error of
1	.288[a]	.083	-.058	18.580

a. Predictors: (Constant), Operating Cash Flow Ratio,

In the table above, the adjusted R2 value is 0.083. This shows that the independent variables, namely, the Operating Cash Flow Ratio and Return On Investment are able to explain the variation in the Earning Per Share variable of 0.083 or 8.3%. The remaining 91.7% is explained by other factors outside the variables in this study.

Discussion of Research Results

Effect of Return on Investment on Earning Per Share at PT. Pelayaran Tempuran Emas

The results of testing the first hypothesis obtained that the Return on Investment proxied by the current ratio is positive and not significant to Earning Per Share. Proof that this variable has a positive and not significant effect can be seen by using the degree of significance whose value is above 0.05, which is equal to 0.323. The results of this study empirically mean that the size of the Return on Investment does not necessarily affect the level of Earning Per Company shares.

Effect of Operating Cash Flow Ratio on Earning Per Share at PT. Pelayaran Tempuran Emas

The results of testing the hypothesis obtained that the Operating Cash Flow Ratio has a positive and not significant effect on Earning Per Share. Proof that this variable has a positive and insignificant effect can be seen by using the degree of significance whose value is above 0.05, which is equal to 0.604. The results of this study empirically give the meaning that the size of the value of the Operating Cash Flow Ratio does not affect the high or low level Earning Per Share . The existence of a positive influence indicates that the slower the Operating Cash Flow Ratio, the greater the management risk in investing funds.

The Influence of Operating Cash Flow Ratio and Return On Investment Simultaneously Against Earning Per Share PT. Pelayaran Tempuran Emas

The conclusion obtained is that the F-count is 0.588 and the significance value of the F test is 0.588, because the significance value is greater than 0.05 then Ho is accepted and the conclusion is that simultaneously there is no significant effect, Operating Cash Flow Ratio and Return On Investment on Earning Per share . This shows that the independent variables, namely, the Operating Cash Flow Ratio and Return on Investment to Earning Per Share, are able to explain the variation in the Earning Per Share variable of 0.083 or 8.3%. The remaining 91.7% is explained by other factors outside the variables in this study

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CONCLUSIONS AND RECOMMENDATIONS

Conclusion

From the results of data analysis and discussion in the previous chapter, the following conclusions can be drawn:

1. Return on Investment has a positive and insignificant effect can be seen by using the degree of significance whose value is above 0.05, which is equal to 0.323 The results of this study empirically mean

that the large or small valueReturn on Investment not necessarily affect the high or low levelEarning Per Share company.

2. The results of testing the hypothesis obtained thatOperating Cash Flow Ratio positive and not significant effect on Earning Per Share. Proof that this variable has a positive and insignificant effect can be seen by using the degree of significance whose value is above 0.05, which is equal to 0.604. The results of this research empirically mean that the value is large or smallReturn On Investment does not affect the high or low level Earning Per Share . The existence of a positive influence indicates that the slowerReturn On Investment the greater the management risk in investing funds.

3. The conclusion obtained is that the F-count value is 0.588 and the significance value of the F test is 0.588, because the significance value is greater than 0.05 then Ho is accepted and the conclusion is that simultaneously there is no significant effect,Return On Investment andOperating Cash Flow Ratio toEarning Per Share . This shows that the independent variables namely,Return On Investment and Operating Cash Flow Ratio able to explain the variation of variablesEarning Per Share of 0.083 or 8.3%. The remaining 91.7% is explained by other factors outside the variables in this study

Suggestion

Based on the conclusions above, the authors provide suggestions that are expected to be useful for PT. Pelayaran Tempuran Emas Tbk. listed on the Indonesia Stock Exchange for the 2017-2020 period. PT. Pelayaran Tempuran Emas Tbk. need to increase their profits. Increased company profits will result in a level Return On Investment has increased, thus attracting investors to invest

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