

Research Article

The Influence of Purchase from Related Party, Sale to Related Parties, Funding Source and Inventory Turnover on the Operating Income of Automotive and Component Companies Listed In Indonesia Stock Exchange (IDX)

Rusnaldi¹, Ridhwan Ibrahim¹, Tarmizi Gadeng¹ and Muslim A Djalil*¹¹Magister of Accountancy Program, Faculty of Economics and Business Universitas Syiah Kuala, Banda Aceh, Indonesia**Article History**

Received: 18.02.2020

Accepted: 19.04.2020

Published: 21.04.2020

Journal homepage:<https://www.easpublisher.com/easjebm>**Quick Response Code**

Abstract: This study aims to examine the effect of purchases from related parties, sales to related parties, funding sources and inventory turnover to operating income, both jointly and individually. The four independent variables will be tested for their influence on one non-independent variable, namely operating income. This research includes all population elements that have met the criteria, as many as 65 companies become observations. Observations from 2009-2017 were on automotive and component sector companies. The analytic method used is multiple linear regression. The results of this study found that purchases from related parties and inventory turnover have a positive effect on operating income. Where as sales to related parties and funding sources negatively affect operating income.

Keywords: operating income, purchases from related parties, sales to related parties, sources funding, inventory turnover.

Copyright @ 2020: This is an open-access article distributed under the terms of the Creative Commons Attribution license which permits unrestricted use, distribution, and reproduction in any medium for non-commercial use (Non-Commercial or CC-BY-NC) provided the original author and source are credited.

INTRODUCTION

The automotive and components sector companies are part of manufacturing sector companies that are listed on the Indonesian Stock Exchange. The company is engaged in producing all goods related to automotive and components. The average operating income ratio of automotive sector companies and components in 2013–2017 is fluctuated. Sequentially, the average operating income ratio is 0.1640; 0.0859; 0.0658; 0.0414; and 0.2365. In 2017 there was an increase in the average ratio of operating income from 0.0414 to 0.2365. This shows that, in 2017, the average income ratio of the automotive and component business increased to 23.65%, which in 2016 was only 4.14%.

The increase in the company's operating income is inseparable from various factors. Some of these factors include purchases from related parties, sales to related parties, funding sources and inventory turnover (Yenpao, 2009; Wen, 2010; Andrian, 2012; Fransiska, 2014; Handayani, 2014; Astuti, 2015; Ainiyah, 2016; Farhana, 2016; Umobong, 2017; and Widiasmoro, 2017).

Purchased from parties purchases are purchases made by companies to buy raw materials for the

purpose of being processed into finished goods. Yenpao (2009) and Fransiska (2014) revealed that purchases from related parties have an effect on increasing the company's operating income. However, the average data on the ratio of purchases from related parties increased in 2015, yet lowering operating income in 2015. This was seen by 2015 related party purchases increased by up to 0.2550 from 0.2396 in 2014. The increase was actually lowered the operating income of up to 0.0658 from 0.0859 in 2014. It should be the increase in purchases from related parties would result in also the increasing of operating income.

Furthermore, the operating income is also inseparable from sales to related parties. Sales made by companies to related parties have certainties on the sale of goods and their payments. Wen (2010); Handayani (2014); and Umobong (2017) revealed that sales to related parties have an effect on increasing the company's operating income. However, the average sales ratio to related parties has increased, yet it lowered the operating income. It shown that sales to related parties increased in 2015 to 0.1794 from 0.170 in 2014. But this increase reduced the operating income to 0.0658 from 0.0859 in 2014. The increase in sales to related parties should have been resulted in the

increasing of operating income as well.

The source of funding is also plays a role in the company's operating income. Andrian (2012) and Astuti (2015) stated that the sources of funding reflected in the total debts and it had an effect on increasing the company's operating income. However, the average data on the ratio of funding sources is decreased, yet actually increased the operating income. It shows that the funding source ratio in 2017 has decreased to 1.1289 from 1.5407 in 2016. This decline is actually increased thr operating income to 0.2365 from 0.0414 in 2016. It should be, the decline in funding sources will result in operating incomes will also go down.

Inventory turnover also cannot be ignored by its role in operating income. Inventory turnover is a ratio that reflects on how many times the amount of inventory is replaced in one period. Ainiyah (2016); Farhana (2016) and Widiasmoro (2017) reveal that an increase in inventory turnover will result in an increase in operating income. Vice versa, a decrease in inventory turnover will reduce the company's operating income. However, the average data on inventory turnover ratios has actually decreased, while it also increasing the company's operating income. It shows that the inventory turnover ratio in 2017 decreased to 4.1839 from 4.2713 in 2016. This decrease actually increased the company's operating income to 0.2365 from 0.0414 in 2016. It should be, the decrease in inventory turnover would result in operating income will also decrease.

This research was conducted to ascertain the direction of the relationship of purchases and sales from related parties, funding sources, and inventory turnover with operating income. This is because some previous studies still show different results. Huang's research (2010); and Wen (2010) found that purchases from related parties negatively affected operating income. Then Huang (2010) also found that sales to related parties had a negative effect to the income. Ainiyah (2016); Filipovic (2016) and Habib (2016) find funding sources also have a negative effect to the company's income. Furthermore Moridipour (2014) and Sitienei (2016) find inventory turnover also negatively affects the company's operating income.

Furthermore, the difference between this research and previous research is the observation of automotive sector companies and components. Whereas Fransiska (2014) observes manufacturing sector companies. Also, it is different from the using of inventory turnover variable, while Fransiska (2014) does not use the inventory turnover variable. She used the size of the company and the growth of the company as other variables. The similarity of this study with previous research is to observe the company's operating income. This is because operating income is an important thing to observe and is a reflection of the success of a company.

LITERATURE REVIEW

The Relationship between Purchasing from Related Parties with Operating Income

Related party purchases have a relationship with operating income (Fransiska, 2014). This relationship can be seen from the role of purchases from related parties over the company's operating income. Related party purchases can reduce the company's operating income. This is because when a company makes a purchase from a related party, the purchase price is controlled by the selling company. As a result, the purchase price of raw materials will be high, and the high cost of goods sold will reduce the company's operating income. Purchases from related parties only benefit the controlling company. This is because the controlling company has the power to direct the policies (Huang, DT., & Liu, ZC, 2010; and Wen, Yi Lin., I Angela Lie., & I Keng, 2010).

Different things are expressed by Fransiska (2014), and Yenpao, C., Chien, HC., & Weiju, C. (2009). They revealed that, purchases from related parties would increase the company's operating income. This is because the company making a purchase from a related party has the potential to incur the cost of the purchase and it will be different from the cost of purchase from an unrelated party. The purchase fee, for example, is the cost of buying raw materials from related parties. The cost of purchasing these raw materials has the potential to be lower. With the low cost of purchasing raw materials, the cost of production will also be low. Furthermore, the low cost of production issued by the company means that the company gets a high operating income. In other words it can be said also that, purchases from related parties have a positive effect on the company's operating income.

The Relationship between Sales to Related Parties with Operating Income

Sales to related parties have a relationship with operating income (Handayani, IR, 2014). This relationship can be seen from the role of sales to related parties over operating income. Sales to related parties have certainty about the sale of goods and payment. This assurance has an impact on business income. It will increase the company's operating income. The more sales to related parties are carried out by the company, the more income it will be.

The relevant thing was also expressed by Wen, YL., Angela, YL., & Keng. (2010); Handayani, IR. (2014); and Umobong (2017). They revealed that, sales to related parties would increase the company's operating income. This is because the company can try to save on transaction costs. The company is able to reduce transaction costs, therefore the company's burden is low. Thus the company's incomes will rise. Another case when the company sells its goods to

unrelated parties. Companies must pay higher fees. The company cannot reduce transaction costs, thus the company's incomes will decrease.

Sales to related parties can be done with parties that have affiliations with the company. For example, to avoid risk, a company establishes a long-term sales contract with an affiliate company. The risks they trnd to faces can be like falling prices in the future when the company wants to sell its products. This can decreases income. Companies that has implementing long-term sales contracts, will receive income as much as the price agreed to in the contract, therefore the company will not suffer losses due to uncertainty that occurs in the future. This has an impact on increasing the company's operating income (Umobong, 2017). Or in other words, sales to related parties have a positive effect on the company's operating income.

The Relationship between Funding Sources with Operating Income

The source of funding has a relationship with operating income. This relationship can be seen from the role of funding sources for the company's operating income. The source of funding is a source of funds collected by the company to run the company's operations. The source of funds can be from external, e.g debt. The company is indebted to meet its funding needs. With the debt, the company will increase production and it's operational activities. The impact of those additional production, it will produce finished goods. Then the finished goods will be sold to consumers, so it will increase the company's operating income (Andrian, 2012).

The relevant thing was also expressed by Astuti, KD., Retnowati, W., & Rosyid, A. (2015). They stated that debt would increase the company's operating

income. This is because with the existence of debt, the company will increase its production. This increase will be followed by increased sales and will ultimately increase the company's operating income. The more companies owe, the more business incomes the company will get. Or in other words funding sources have a positive effect on the company's operating income.

The Relationship between Inventory Turnover with Operating Income

Inventory turnover has a relationship with operating income (Wayan, S, 2016). This relationship can be seen from the role of inventory turnover on the company's operating income. Inventory that is fast in sales, will increase their turnover. The increase was due to the smooth sales made by the company. With the smooth sales, the company will get their operating income faster too. Furthermore, the impact of the rapid sales is the increasing in the company's operating income (Ainiyah, Q. & Khuzaini, 2016).

Relevant things were also expressed by Widiasmoro, Rio (2017) and Farhana, CD., Gede, PAJ ., & Wayan, S. (2016). They revealed that fast supply turnover would prevent the company from storing inventory costs in the warehouse. This means that if the company has a fast inventory turnover, the company does not need to bear the cost of storing goods in the warehouse. So that it will have an impact on increasing the company's operating income due to the avoidance of the cost of storing goods. Or in other words, inventory turnover has a positive effect on the company's operating income.

Based on the relationship between variables that have been described previously, it can be formulated research framework as shown on figure 1 as follows:

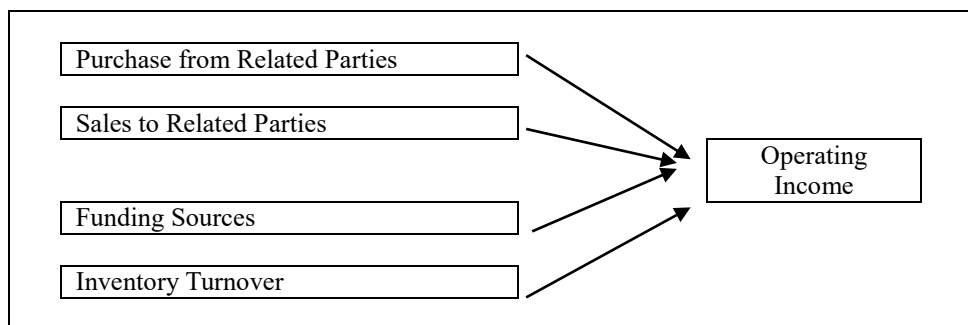


Figure 1. Research Framework

RESEARCH METHOD

The purpose of this study is to test the hypotheses, in the form of testing whether purchases from related parties, sales to related parties, funding sources and inventory turnover will affect the company's operating income. The type of investigation in this study is a causal study which aims to find factors that cause fluctuations in operating income. The

researchers' intervention in this study is minimal intervention. The researcher does not participate in the fluctuations in the company's operating income that have been obtained. The study situation in this study is not regulated. The unit of analysis in this study is automotive and components sector companies individually. The time horizon is balanced panel data, which is a combination of time series data and cross sectional data from 2009 to 2017 (Gujarati, 2004: 637).

The population in this study were automotive and components sector component companies listed in the Indonesia Stock Exchange for the 2009-2017 period. Those companies that have met the criteria are 65 companies. The data sources in this study are secondary data in the form of financial statements of automotive and components sector companies that have been audited.

Secondary data in this study are the financial statements of automotive and components sector companies that have been audited. The report is the income statement to find out the operating income, the notes on the financial statements to find out the purchases of related parties and sales to related parties, and the balance sheet to find out the sources of funding and inventory turnover. Data collection techniques

carried out in this study are by documentation, with collecting data that is already available on the Indonesia Stock Exchange (IDX). Data is collected by downloading from the official IDX website at <http://www.idx.co.id/>. On the site, enter the listed company menu, then the financial report and annual sub menu, then directly fill out the form to download the desired company financial report.

Furthermore, the measurement of variables in the study aims to operationalize each research variable. Operating income was adopted from Soemarso, (2005: 226), purchases from related parties adopted Handayani (2014), sales to related parties adopted Handayani (2014), funding sources adopted Rodoni (2008), and inventory turnover adopted Ainiyah (2016). In summary the measurement of variables is presented on the table 1 as follows:

Table 1: Operational Variable

No	Variables	Indicators	Scale
1.	Operating Income	<u>Operating Income</u> Total Sales	Ratio
2.	Purchase from Related Parties	<u>Purchase from Related Parties</u> Total Purchases	Ratio
3.	Sales to Related Parties	<u>Sales to Related Parties</u> Total Sales	Ratio
4.	Funding Sources	<u>Liabilities</u> Equity	Ratio
5.	Inventory Turnover	<u>Cost of Revenue</u> Inventory	Ratio

The method of data analysis in this study is using multiple linear regression. Data analysis used Statistical Package for the Social Science (SPSS) software with the equation (Supranto, 2009: 239):

$$Y = \alpha + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + \varepsilon$$

Keterangan:

- Y : Operating income
- α : Constanta
- X_1 : Purchase from related parties
- X_2 : Sales to related parties
- X_3 : Funding sources
- X_4 : Inventory turnover
- ε : Another variables that affects Y

RESULTS AND DISCUSSIONS

The results of this study will answer the research problem formulation. The results of the study are summarized in Table 2 as follows:.

Table 2. The Result of Testing the Hypothesis

Y	= 0,105	+ 0,051 PmB	- 0,103 PjB	- 0,017 SP	+ 0,002 PP
t-value	6,417	1,374	-2,656	-4,241	0,640
Sig. value	0,000	0,175	0,010	0,000	0,525
F-Value / Sig.	6,216 / 0,000				
R / R ² / Adj.R ²	0,541 / 0,293 / 0,246				

Source: Results of Data Processing, 2018.

Based on Table 2, we can see the regression equation and the results of data processing. The values contained in the table are used to answer the problems in the study.

The Influence of Purchase from Related Parties, Sales to Related Parties, Funding Sources, and Inventory Turnover to Operating Income

The results of statistical tests show that, the beta coefficient (β) value of purchases from related parties, sales to related parties, funding sources and inventory turnover are not zero. This value is $0.051 \neq 0$; $-0.103 \neq 0$; $-0,017 \neq 0$; and $0.002 \neq 0$. Then H_{a1} is accepted, meaning that purchases from related parties, sales to related parties, funding sources and inventory turnover affect the company's operating income.

The influence of these four variables can be interpreted that during the years 2009-2017 it has brought an impact on changes in the company's operating income. The impact on company's operating income is influenced by the four indicators. Purchases from related parties, sales to related parties, sources of funding and inventory turnover, who play a role in the increase or decrease in business incomes that experienced by automotive and components sector companies. The influence of purchases from related parties, sales to related parties, sources of funding and inventory turnover of the company's operating income has also been found by previous researchers. They are Fransiska (2014); Yenpao, Chien & Weiju, (2009); Huang & Liu (2010); Kodtra, (2009); Ainiyah & Khuzaini, (2016); Filipovic & Demirovic (2016); Habib, Khan & Wazir, (2016); and Farhana, Gede, & Wayan (2016). They stated that purchases from related parties, sales to related parties, sources of funding and inventory turnover simultaneously had an effect on the company's operating income. All independent variables are only be able to predict the dependent variable of 29.3%. Furthermore, the remaining 70.7% is predicted by other independent variables not included in this research model.

The Influence of Purchase from Related Parties to Operating Income

The results of statistical tests show that purchasing from related parties has a positive effect on the company's operating income. Beta coefficient value (β_1) purchase from related parties is 0.051. This value is not equal to zero ($0.051 \neq 0$). Thus H_{a2} is not rejected. This means that purchases from related parties have a positive effect on the company's operating income.

The increase in operating income for automotive and components sector companies cannot be separated from the purchase of related parties. Comparison of purchases from related parties over total purchases that reflects the purchases from related parties in the automotive and components sector companies during 2009-2017 has the role of increasing the company's operating income. In other words, when the purchases from related parties increase, it will have an impact on increasing the company's operating income. This

condition can also be said that the company's operating income will not increase if the comparison of purchases from related parties over total purchases does not increase. Thus it means increasing the income of the company's automotive and components sector has been caused by conditions of increased purchases from related parties.

The results of this study are relevant to Fransiska's (2014) and Yenpao's research, Chien & Weiju (2009). They stated that, purchases from related parties had a positive impact on the company's operating income. The increase in the company's operating income will not occur if the purchases from related parties do not increase. Thus, every time a purchase from a related party increases, it will always be followed by an increase in the company's operating income.

But on the contrary, the results of this study are not relevant to the research of Huang & Liu, (2010); Wen, Lie & Keng, (2010). They stated that purchases from related parties negatively affected the company's operating income. When purchases from related parties increase, it will have an impact on the decreasing of the company's operating income. In other words, when purchases from related parties decrease, it will have an impact on increasing the company's operating income. Handayani, (2014) actually revealed that purchases from related parties did not affect the company's operating income. When purchases from related parties increase or decrease, it will not have an impact on the increase or decrease in operating income.

The Influence of Sales to Related Parties to Operating Income

The results of statistical tests show that, sales to related parties have a negative effect on operating income. Beta coefficient (β_2) sales to related parties are -0.103 . This value is not equal to zero ($-0.103 \neq 0$). Thus H_{a3} is not rejected. This means that sales to related parties negatively affect the company's operating income.

The decrease in operating income of automotive and components sector companies can not be separated from sales to related parties. Comparison of sales value to related parties for total sales which is a reflection of sales to related parties in the automotive and components sector during 2009-2017. This value plays a role in reducing the company's operating income. In other words, when sales to related parties increase, it will have an impact on the decline in operating incomes of automotive and components sector companies. This condition can also be said that, the company's operating income will not decrease if the comparison of the value of sales to related parties over total sales does not increase. Thus, it means that the decline in incomes of the automotive and components sector companies has

been caused by an increase in sales to related parties.

The results of this study are relevant to the research of Huang & Liu, (2010). They stated that sales to related parties negatively affected the company's operating income. A decrease in the company's operating income will not occur if the sales to related parties do not increase. Thus, if each sale to related parties increases, it will always be followed by a decrease in the company's operating income.

In contrast, the results of this study are not relevant to the research of Wen, Angela, & Keng, (2010); Handayani, (2014); and Umobong, (2017). They stated that every increase in sales to related parties, it will be followed by an increase in the company's operating income. Next is Fransiska, (2014); Pozzoli, M & Venuti, M. (2014); Okoro & Jeroh, (2016) actually stated that sales to related parties do not affect the company's operating income. This means that the increase or decrease in sales to related parties will not cause an increase or decrease in the company's operating income.

The Influence of Funding Sources to Operating Income

The results of statistical tests show that, funding sources negatively affect the company's operating income. Beta coefficient value (β_3) funding source of $-0,017$ is not equal to zero ($-0,017 \neq 0$). Thus H_{a4} is not rejected. This means that funding sources have a negative effect on the company's operating income.

The decline in operating income for automotive and components sector companies is inseparable from funding sources. Comparison of the value of total debt to total capital is a reflection of funding sources in automotive and components sector companies during 2009-2017. This value plays a role in reducing the company's operating income. This condition happened because the operating income earned will be used to pay interest expense. This burden is a consequence of choosing funding sources from short-term debt and long-term debt.

The results of this study are relevant to Kodra's research, (2009); Ainiyah & Khuzaini, (2016); Filipovic & Demirovic, (2016); Habib, Khan & Wazir, (2016). They state that funding sources have a negative effect on operating income. The decrease in the company's operating income will not occur if the funding source does not increase. Thus, if there is an increase in funding sources, it will always be followed by a decrease in the company's operating income.

But on the contrary, the results of this study are not relevant to Andrian, (2012) and Astuti, Retnowati & Rosyid, (2015). They stated that the source of funding was actually has a positive influence on the company's operating income. Every increase in funding sources

will have an impact on increasing business incomes as well.

The Influence of Inventory Turnover to Operating Income

The results of statistical tests show that, inventory turnover has a positive effect on the company's operating income. Beta coefficient value (β_4) inventory turnover of 0.002 is not equal to zero ($0.002 \neq 0$). Thus H_{a5} is not rejected. This means that inventory turnover has a positive effect on the company's operating income.

The increase in operating income for automotive and components sector companies cannot be separated from inventory turnover. Comparison of cost of goods sold on inventory that reflects the inventory turnover of automotive and components sector companies during 2009-2017 has the role of increasing the company's operating income. Inventory that is fast in sales will make the turnover increases. The increase was due to the smooth sales made by the company. With the smooth sales, the company will get a faster operating income too. Furthermore, the impact of the rapid sales is an increase in the company's operating income (Ainiyah, Q. & Khuzaini, 2016).

The results of this study are relevant to the research of Ainiyah, Q. & Khuzaini. (2016); Farhana, CD., Gede, PAJ ., & Wayan, S. (2016) and Widiasmoro, Rio (2017). They stated that inventory turnover has a positive effect on the company's operating income. The increase in the company's operating income will not occur if the inventory turnover does not increase. Thus, if there is an increase in inventory turnover, it will always be followed by an increase in the company's operating income.

But on the contrary, the results of this study are not relevant to the study of Moridipour, H. & Mousavi, Z (2014) and Sitienei, E. & Memba, F. (2016). They stated that inventory turnover negatively affected the company's operating income. When inventory turnover increases, it will have an impact on the company's operating income. In other words when inventory turnover decreases, it will have an impact on increasing the company's operating income.

CONCLUSIONS

1. Supervision from related parties, sales to related parties, funding sources and inventory turnover have a simultaneous impact on operating income.
2. Partially, purchases from related parties and inventory turnover have a significant positive impact on operating income, whereas sales to related parties and funding sources have a significant negative effect on operating income.

Recommendations

For operating purposes are firstly the automotive and components sector companies should

maintain and increase purchases from related parties and inventory turnover that influence the increase in the company's operating income; secondly reduce sales to related parties and also decreasing funding sources in the form of liabilities, the effect will be to reduce the company's operating income.

Meanwhile for the the academics purposes, it is recommended that firstly some other independent variables related to operating income may be included for future research, secondly given the relatively small value of R Square (only 29.3%), some other independent variables have the potential to have an influence on operating income. Thirdly, observe other business sector industries, such as the cement industry, food and beverage industry, and other industrial sectors, finally further research is suggested to use primary data related to the measurement of each research variables.

REFERENCES

1. Ainiyah, Q., & Khuzaini. (2016). Pengaruh Perputaran Piutang, Perputaran Persediaan dan Debt to Equity Ratio terhadap Profitabilitas. *Jurnal Ilmu Riset Manajemen*, 5(1), 1-19.
2. Andrian, J. (2012). Pengaruh Struktur Modal, Pertumbuhan Perusahaan, Capital Expenditure dan Insentif Manajer terhadap Nilai Perusahaan dengan Profitabilitas sebagai Variabel Intervening. *Jurnal Bisnis Strategi*, 21(2), 18-49.
3. Astuti, KD., Renowati, W., & Rosyid, H. (2015). Pengaruh Struktur Modal terhadap Profitabilitas, Studi pada Perusahaan Go Publik yang Menjadi 100 Perusahaan Terbaik Versi Majalah Fortuner Indonesia Periode Tahun 2010-2012. *Jurnal Akuntansi*, 2(1), 49-60.
4. Farhana, CD., Gede, PA., & I Wawan, S. (2016). Pengaruh Perputaran Persediaan, Pertumbuhan Penjualan terhadap Profitabilitas pada PT Ambara Madya Sejati di Singaraja Tahun 2012-2014. *E-Journal Bisma Universitas Pendidikan Gannesha*, 4, 1-10.
5. Filipovic, AL., & Demirovic, SD. (2016). The Relationship Between Debt and Profitability of Stock Companies In Montenegro. *JCEBI*, 3(2), 19-34.
6. Fransiska. (2014). Pengaruh Transaksi Pihak-Pihak Istimewa terhadap Kinerja Keuangan Perusahaan. *Modus*, 26(2), 107-120.
7. Gujarati, DN. (2004). *Basic Econometrics 5th*. International Edition. New York: Mc-Grawhill.
8. Habib, HJ., Khan, F., & Wazir, MI. (2016). Impact of Debt on Profitability of Firms, Evidence From Non Financial Sector of Pakistan. *City University Research Journal*, 6(1), 70-80.
9. Handayani, IR. (2014). Analisis Pengaruh Pembelian dan Penjualan kepada Pihak yang Berelasi dan Tidak Berelasi terhadap Laba Bersih pada Industri Otomotif dan Komponennya. *Jurnal Mix*, 4(1), 1-11.
10. Huang, DT., & Liu, ZC. (2010). A Study of The Relationship Between Related Party Transactions and Firm Value in High Technology Firms in Taiwan and China. *African Journal of Business Management*, 4(9), 1924-1931.
11. Moridipour, H., & Zahra, M., (2014). Relationship Between Inventory Turnover with Gross Profit Margin and Sales Shocks. *International Research Journal of Applied and Basic Sciences*, 8(8), 1106-1109.
12. Okoro, GE., & Edirin, J. (2016). Does Related Party Transactions Affect Financial Performance of Firm in Nigeria, Evidence from Publicly Quoted Firm. *Trendy Podnikani, Business Trends*, 6(2), 47-53.
13. Pozzoli, M., & Marco, V. (2014). Related Party Transactions and Financial Performance, is There a Corelation, Empirical Evidence from Italian Listed Companies. *Open Journal of Accounting*, 3, 28-37.
14. Sekaran, U. & Bougie, R. (2017). *Metodologi Penelitian untuk Bisnis, Pendekatan Pengembangan Keahlian*. Jilid 1 dan 2, Edisi 6. Jakarta: Salemba Empat.
15. Soemarso, S. (2005). *Akuntansi Suatu Pengantar*. Cetakan Pertama. Jakarta: Rineka Cipta.
16. Supranto, J. (2000). *Statistik Teori dan Aplikasi*. Jakarta: Erlangga.
17. Umobong, A. (2017). Related Party Transactions and Firm Financial Performance. *African Research Review*, 11(1), 60-74.
18. Wen, YL., I Angela Lie., & I Keng. (2010). Related Party Transactions, Firm Performance and Control Mechanism, Evidence from Taiwan. *International Research Journal of Finance and Economics*, 35, 82-98.
19. Widiasmoro, R. (2017). Pengaruh Perputaran Kas, Perputaran Piutang, dan Perputaran Persediaan terhadap Profitabilitas pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Tahun 2011-2014. *Jurnal Penelitian dan Kajian Ilmiah*, 15(3), 53-62.
20. Yenpao, C., Chien, HC., & Weiju, C. (2009). The Impact of Related Party Transactions on the Operasional Performance of Listed Companies in China. *Jurnal of Economic Policy Reform*, 12(4), 285-297.
21. Yu, Je Lee & Mei Fen Wu. (2012). To Verify How Ownership Structures, Board of Directors Characteristics, Related Party Transactions Upon the Operating Performance as Exemplified with Taiwan Listed Info Electronics Companies. *International Journal of Acedemic Research in Accounting Finance and Management Sciences*, 2(2), 144-159.