Abstract: The purpose of the following research is to analyse the effect of operating cash flow, leverage, sales growth and working capital turnover simultaneously and partially to profitability and to determine and analyse whether firm size variables as moderating variables can strengthen and weaken the relationship between operating cash flow, leverage, growth working capital sales and turnover in Manufacturing Companies Listed on the Indonesia Stock Exchange (IDX). This type of research uses causal design which is useful for analysing the causal relationship between one variable with another variable and the object of this research is all manufacturing companies in the Indonesia Stock Exchange (IDX). The data used are secondary data obtained from IDX and the source of each company's site for the period 2008-2017. Sampling using purposive sampling method, obtained a sample of companies as many as 56 companies from 149 population companies with a total observation of 560. The method of data collection used is documentation techniques. The method of data analysis uses descriptive statistical methods, data panel regression analysis and interactive tests to moderate panel data variables, using the Eviews software tool. The results of this study indicate that simultaneously operating cash flow, leverage, sales growth and working capital turnover are significant to profitability. Partial testing shows that operating cash flow and sales growth on profitability have a significant positive effect, while leverage and working capital turnover have a positive and not significant effect on profitability. Moderating testing with interaction test shows that company size is not proven / moderating as a moderating variable that can moderate the relationship of operating cash flow, leverage and working capital turnover with profitability, while firm size is proven as a moderating variable of sales growth to profitability in manufacturing companies listed in Indonesia Stock Exchange (IDX).

Keywords: Operating Cash Flow, Leverage, Sales Growth, Working Capital Turnover, company size.

1. Introduction

The basic objective of a company is to develop the profitability of an operational business. There is a very important goal to consider before establishing a company that is as an economic goal and social goal. The economic goal is to have big responsibilities such as maintaining business existence, quantity / quality of goods and the welfare of its employees. This economic goal is one of the final goals that has become a problem for a company that occurs on the field that is very fatal, the failure of a business that has been initiated from the beginning, so that the economic goals can run well the establishment of the company needs social goals this is very important as strengthening economic goals, because it provides an illustration if in building a company that requires a consumer, real interaction with customers. Social goals are more directed at providing
goods and services for the needs of their customers, satisfying what they need and a decent service society. Economic goals and social goals are two things that cannot be separated, a company will develop well if economic goals are already running and social goals are not abandoned. So that the company we build is able to survive and compete in the era of competition so strong and tight that it cannot be avoided. Competitive business competition requires companies as business people to improve their effective and efficient performance of all existing company resources optimally, in order to maintain viability and achieve their corporate goals. As the objectives of the company are established according to (Siallagan and Machfoedz, 2006) with the aim of increasing the value of the company so it can provide prosperity to the owner or shareholders.

Achieving company goals is determined by performance which can later be used as a basis for decision making both internal (company owner) and external (investor), with profit achievement, the company's specific goal is to achieve maximum profit or maximum profit and to give maximum satisfaction to company owners and shareholders. Company profits are needed for the benefit of the company's life and the company's inability to get profits. To gain profit company must conduct operational activity. Profitability company is one of the few things that can affect the survival of the company is a factor to assess whether the poor performance of the company.

**Figure 1**

ROA growth chart of several manufacturing companies
Period 2008-2017

![Average annual ROA growth chart](image)

Observation and analysis in Figure 1 graphs of profit on return (return on assets / ROA) representing several manufacturing companies during the period of 2008 - 2017 listed on the Indonesia Stock Exchange (IDX), explaining that the growth rate of each company's operational activities towards profitability (ROA) is very volatile every year
in 10 years of observation. Like companies that experience a good value of profitability (ROA), namely PT. Sepatu Bata Tbk (BATA) with profitability (ROA) of 39.20% in 2008, while companies experiencing low profitability (negative) PT. Barito Pasifik Tbk (BRPT) of -19.72% in 2008. For the growth of the average value of profitability (ROA) in each year that is good / high from the accumulation of six companies in each year occurred in 2008 amounting to 8.25%, while the lowest value occurred in 2015 amounted to -0.29%, this happened there were several factors that influenced the company's operational activities so that profitability (ROA) was negative or the company did not achieve profit (loss).

The results of the calculation of the value of profitability (ROA) and analysis of the graph above, of course lead to conditions or phenomena of the actors of capital owners or creditors for investment plans to be very careful. With benchmarking, it must be earlier to observe and analyse the value of profitability (ROA) of a company that focuses on calculating the value of profitability (ROA) in order to measure the company's ability to pay loan principal and interest for creditors before investing. Therefore, the company is always demanded to keep the level of profitability (ROA) continues to increase and stabilize, thus making investors interested in investing (investment) in the company. Because the purpose of the company is established to get profits and can later be used as a parameter for the development of the company. It is clear that profitability describes a company as closely related to external parties and cannot rely solely on internal parties, because external parties invest more in a company. Companies need to provide confidence to external parties to invest or lend funds to a company, so that it is closely related between profitability, company performance and the survival of the company. Based on the description above in this case the researcher is interested in choosing the title: "The influence of operating cash flow, leverage, sales growth, working capital turnover on profitability with company size as a moderating variable in manufacturing companies listed on the Indonesia Stock Exchange in the period 2008 - 2017".

2. Literature Review and Hypothesis
2.1. Profitability

Munawir (2010), argues that profitability is the company's ability to obtain profits (profit) relating to total assets (total assets), sales (sales), and own capital, thus analysis of profitability is very important for long-term investors because with an analysis of profitability shareholders will see how much profit will be obtained in the form of dividends. According to Kasmir (2012), profitability is a ratio to assess a company's ability to seek profits. This profitability gives an idea of how effective the company operates so as to provide benefits to the company.

The purpose of using profitability ratios for companies, namely:

a. To measure or calculate profits obtained by the company in a certain period;
b. To assess the position of company profits in the previous year with the current year;
c. To assess the development of profits from time to time;
d. To assess the amount of net income after tax with own capital;
e. To measure the productivity of all company funds used both loan capital and own capital;
f. To measure the productivity of all company funds used both own capital;
2.2. Operating Cash Flow

According to Martani, Wardhani, et al (2016: 147-148) cash flow report is a report that presents information about the cash inflows and outflows and cash equivalents of an entity for a certain period. Through the cash flow report, users of financial statements want to know how the entity produces and uses cash and cash equivalents. The purpose and usefulness of the cash flow report is to present changes in the entity's cash and cash equivalents during a period classified based on operating, investing and funding activities. This information is useful for investors, creditors, and other users of financial statements, which aims as follows:

a. Evaluating the ability of an entity to produce cash and cash equivalents, time and certainty in producing them.

b. Evaluate the entity's financial structure (including liquidity and solvency and ability to fulfill obligations and pay dividends).

c. Understand the post which is the difference between the current period profit and loss and net cash flows in operating activities (accruals). This analysis of differences can often help in evaluating the quality of the entity's profits.

d. Comparing operating performance between different entities, because the net cash flow of the cash flow statement is not influenced by differences in choice of accounting methods and management considerations, unlike the accrual basis used in determining the entity's profit and loss.

e. Make it easy for report users to develop models to assess and compare the present value of future cash flows between different entities.

2.3. Leverage

Leverage is the use or source of funds for which the company must bear the fixed costs or pay a fixed burden. (Martono and Agus, 2005: 58) in (Dahuna, 2016). Leverage ratio is used to measure a company's ability to pay all its obligations, both long term and short term if the company is liquidated, according to Kasmir (2012).

Leverage is the use of assets or sources of funds (own capital and creditors' debts) where such use must close or pay a fixed burden. The leverage shows the proportion of the use of debt to finance its investment. Companies that have high leverage mean that the company is very dependent on loan funding from outside parties (creditors or investors) to finance their assets, while companies that have low leverage mean that the company is operational funding companies use more personal capital than loans from outside parties.

2.4. Sales Growth

The company's growth can be seen from the increase in sales from year to year because sales are the main function to maximize company profits. The company's sales growth illustrates the indicator of the company's success, the success of which is a benchmark for investment in future growth and the company's growth can be shown as the company's growth in assets. The bigger the assets are, the bigger the operational results produced by the company.

Chotimah and Šusilowibowo (2014) stated that sales growth is an important main parameter from the results of market acceptance of products / services marketed by a company, where revenue generated from sales can be used to calculate and assess sales growth rates to the extent that success is achieved. Companies that get positive sales growth mean the company shows the company's ability to market its products.
The proxy used in this study is the growth of sales, namely the difference between the number of sales of this period and the previous period compared to the sales of the previous period.

2.5. Working Capital Turnover
Working capital is defined as investment invested in current assets or short-term assets, such as cash, banks, securities, accounts receivable, stocks, and other current assets (Kasmir, 2013: 250). The working capital turnover period begins when cash is invested in the components of working capital until when it returns to cash. Working capital is always in a state of operation or spinning within the company as long as the company concerned is in a business condition. The shorter the period means the faster the turnover of working capital and the efficient use of high working capital. Conversely, the longer the period of working capital turnover means the slower the turnover of working capital and the efficiency of the use of low working capital.

2.6. Firm Size
The greater the assets of a company, the greater the invested capital. Larger companies have a strong incentive to present a high level of profitability compared to smaller company companies because large companies are more researched and viewed more critically by investors. According to Sidharta, 2000 in (Permatasari, 2017) company size is the scale of the company seen from the total assets of the company at the end of the year. According to (Setiyadi, 2007 in (Permatasari, 2017) the size of the company commonly used to determine the level of the company is:
   a. Labor, is the number of permanent and honorary employees who are registered or work in the company at a certain time.
   b. The level of sales, is the sales volume of a company in a certain period.
   c. Total debt, is the amount of the company's debt for a certain period
d. Total assets, are all assets owned by the company at a certain time.

Conceptual Framework

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Moderating Variable</th>
<th>Dependent Variable</th>
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</thead>
<tbody>
<tr>
<td>Operating Cash Flow (X1)</td>
<td></td>
<td>Profitability (Y)</td>
</tr>
<tr>
<td>Leverage (X2)</td>
<td></td>
<td></td>
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<tr>
<td>Sales Growth (X3)</td>
<td></td>
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<tr>
<td>Working Capital Turnover (X4)</td>
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<tr>
<td>Firm Size (Z)</td>
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Figure 2. Current Research Conceptual Framework
Research Hypothesis
The research hypotheses are:
H1: Operating Cash Flow has a positive effect on Profitability
H2: Leverage has a negative effect on profitability
H3: Sales growth has a positive effect on profitability
H4: Working capital turnover has a positive effect on profitability.
H5.1: Firm size can moderate the effect of cash flow from operating activities on profitability.
H5.2: Firm size can moderate the effect of leverage on profitability.
H5.3: Firm size can moderate the effect of sales growth on profitability.
H5.4: Firm size can moderate the effect of working capital turnover on profitability.

3. Method
This study uses a causal design. This research was conducted at the Indonesia Stock Exchange (IDX), which is the annual financial report of the manufacturing company that was published in the period 2008-2017. The population in this study is that all manufacturing companies listed on the Indonesia Stock Exchange (IDX) in the 2008-2017 period amounted to 149 which were grouped by company sub-sector. The sampling technique used in this research is judgment taking technique or Purposive sampling. The criteria used in this research is judgment taking technique or Purposive sampling. The criteria used in this study are to select sample members specifically based on the research objectives and the suitability that has been determined by the researcher:

<table>
<thead>
<tr>
<th>No</th>
<th>Sample Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Manufacturing companies listed on the Indonesia Stock Exchange (IDX)</td>
</tr>
<tr>
<td>2</td>
<td>Annual Financial Reports are published for the period 2008 - 2017</td>
</tr>
<tr>
<td>3</td>
<td>Results of Annual Financial Reports that have been audited by the authority of the Public Accountant Office (KAP)</td>
</tr>
</tbody>
</table>

Then the sample used in this study is 56 manufacturing companies in 10 years of observation (2008-2017) based on the criteria selection conducted so that the total research data is 56 manufacturing companies x 10 years = 560 research data. In this study specifically for cash flow variables operating activities and sales growth used by researchers using financial statements in 2007, because the formula for measuring sales growth using earnings after tax in the previous year to calculate cash flow operating activities and sales growth in 2008.

4. Discussion
4.1. Effect of operating cash flows on profitability
The results of partial hypothesis testing (t test) show operating cash flows with total proxies Operating cash flows have a positive and significant effect on profitability. With the increase in operating cash flow, it can maintain the survival of the company. The survival of the company in the short term can be seen from the operational activities of the company.

Cash flow statements can be used by financial statement users who want to know how the entity produces and uses cash and cash equivalents. The amount of cash flow derived from operating activities can be used as an indicator to determine whether from
its operations the company can generate enough cash flow to repay loans, maintain the organization's operational capabilities, pay dividends and make new investments without resorting to external sources of funding. This information can also be used as a reference by the company regarding company operational planning in the following year.

Operational activity is an activity that reflects the daily activities / activities of the company which are expected to create a maximum income, operating activities are also related to the income statement section such as cash receipts from the sale of goods and services, royalties, commissions, other income and cash payments to suppliers of goods, employees and other service suppliers. The results of this study are in line with Wehantouw & Tinangon (2015), Sitepu, Purwanto, et al (2017), stating that operating cash flow variables have a significant positive effect on profitability, but inversely proportional to the research conducted by Sasongko & Apriani (2016) with the results of Operating cash flow variables have no significant effect on profitability.

4.2. Effect of Leverage on Profitability

The results of partial hypothesis testing (t test) show that Leverage with total debt / equity proxy has a positive but not significant effect on profitability. Leverage can be said as the level of a company's ability to use assets and / or funds that have a fixed burden (debt or privilege) in realizing one of the company's objectives, namely maximizing profits. The leverage shows the proportion of the use of debt to finance its investment. Companies that have high leverage mean that the company is very dependent on loan funding from outside parties (creditors or investors) to finance their assets, while companies that have low leverage mean that the company is operating finance companies using more capital than external loans.

In this study we can take an example of the highest and lowest values of leverage, in 2012 PT. Schering Plow Indonesia Tbk (SCPI) the highest leverage value from this research can be interpreted as a company using funding from outside parties to manage its company PT. Schering Plow Indonesia Tbk (SCPI) whereas in 2013 had the lowest leverage value, meaning here the company uses its own capital in carrying out its operations.

Research conducted by Susanti & Utiyati (2017), Nurhasni, Rifa, et al (2015), Jouha (2013) states that leverage has a significant positive effect on company profitability, in contrast to Putra & Badjra (2015), Ratnasari & Budiyanto (2016), Ibrahim & Widyarti (2015) states that the leverage variable has a significant negative effect on company profitability, while the results of research by Ranitasari Suryaningsih (2016), Soepardi, Surono, et al (2016) state that the leverage variable has no significant effect.

4.3. Effect of Sales Growth on Profitability

The results of partial hypothesis testing (t test) show sales growth with sales t - sales proxy t-1 / sales t-1 has a positive and significant effect on profitability. Sales growth can show the extent to which a company can increase sales compared to total sales overall. Chotimah and Susilowibowo (2014) say sales growth is an important main parameter from the results of market acceptance of products / services marketed by a company, where the revenue generated from sales can be used to calculate and assess sales growth rates to the extent that success is achieved. Companies that get positive sales growth mean the company shows the company's ability to market its products. In
This study the highest sales growth value was obtained by PT. Surya Toto Indonesia Tbk (TOTO), which operates in the ceramics, porcelain & glass sector, is 53.39%, it can be said that this company managed to deliver its production to the maximum.

It can be concluded that with the increase in sales growth, the growth of profitability is very closely also increased. This can be because to generate high profits then the sales activities that become the main activities of the company must be high too, so that the income earned can increase the profitability of the company. This result is different from Putra Badjra (2015), stating the sales growth variable on profitability has a significant negative effect, while the research conducted by Meidiyustiani (2016), Ibrahim & Widyarti (2015) sales growth variable has no significant effect on profitability.

4.4. Effect of Working Capital Turnover on profitability

The results of partial hypothesis testing (t test) show that working capital turnover with sales proxies (current assets - current debt) has a positive effect but is not significant for profitability. For companies to run operational activities, companies need working capital. Working capital can also be in the form of short-term assets such as cash, banks, securities, equipment, inventory and other current assets. The working capital turnover period begins when cash is invested in the components of working capital until when it returns to cash. Working capital is always in a state of operation or spinning within the company as long as the company concerned is in a business condition. The shorter the period means the faster the turnover of working capital and the efficient use of high working capital. Conversely, the longer the period of working capital turnover means the slower the turnover of working capital and the efficiency of the use of low working capital.

In this study the lowest capital turnover was obtained by PT. Multi Bintang Indonesia Tbk (MLBI) in 2010 which is equal to -484,8070, so this company has a high working capital turnover and more efficient use of its working capital. The highest working capital turnover value was obtained by PT. 2014 Budi Strarch and Sweetener Tbk (BUDI), which amounted to 1893,953, so this company has a long working capital turnover and less efficient use of working capital.

This is different from the research of Meidiyustiani (2016), Ambarwati, Yuniarta, et al (2015) stating the results of the study obtained that firm size has a significant positive effect on profitability, while the research by Putra & Badjra (2015), Ratnasari & Budiyanto (2016), results His research states that company size does not have a significant effect on profitability.

4.5. Effect of operating cash flow, leverage, sales growth and working capital turnover on profitability with company size as a moderating variable.

For the effect of variable firm size with proxy ln (Total assets) as a partial moderation variable, this can be seen from the t test of the interaction variable between Company Size and operating cash flow, Company Size and Leverage, Company Size and Sales Growth, Company Size and Turnover working capital. From the results of the t test obtained company size is not able to modify the influence of operating cash flow, leverage, and working capital turnover on profitability so the hypothesis. While the results of the t test also show the size of the company can moderate the influence of sales growth on profitability.
The results of this study identify that the size of the company can only moderate the growth of sales, where with the size of the company getting bigger or more branches or more areas of regional coverage the company will get a good increase as well. While company size is not able to moderate operating cash flow, leverage and turnover of working capital towards profitability. Leverage ratio is an important ratio of funding for companies by showing the percentage of company assets that are supported by debt funding. The larger the size of the company, the greater the assets owned by a company, this shows that most companies, but companies that have high assets may be funding not only from current assets but from debt so that the size of the company is not able to moderate even though profitability has increased but must cover existing debt. The higher operating cash flow generally shows that cash receipts or cash equivalents increase so that the company's cash funds available for use by company activities can be fulfilled and will increase the company's profits. However, there are a number of things that must be reviewed by the company's funding sources, possibly from a third party, so that even though the income earned is high, the company must pay back to the third party.

The larger size of the company results in the company's operations also increasing so that the working capital turnover is also more complex or less efficient so that the benefits obtained will decrease as well. Therefore the size of the company is not able to moderate the turnover of working capital against profitability.

The research conducted by Ni Luh Made Wiwiek Oktapiani & I Gusti Bagus Wiksana (2018) states that the size of the company is able to moderate the influence of capital structure on profitability, which measurement uses the ROA ratio. The results of the study for company size variables conducted by Meidiyustiani (2016), Ambarwati, Yuniarta, et al (2015) state that the results of the study show that firm size has a significant positive effect on profitability, while research by Putra & Badjra (2015), Ratnasari & Budiyanto (2016), the results of his research state that company size does not have a significant effect on profitability.

5. Conclusion and Recommendations
5.1. Conclusion

Based on the descriptions as the author has described the research data that has been collected and then processed. Regarding the influence of operating cash flow, leverage, sales growth and working capital turnover on profitability with company size as a moderating variable in the manufacturing sector listed on the Stock Exchange for the period 2008-2017. So the author draws conclusions on the answers and several questions contained in the formulation of the problem which is the basic reference for the purposes and objectives of this study, including the following:

a. Operating cash flow has a significant positive effect on profitability
b. Leverage has a positive but not significant effect on profitability
c. Growth in sales has a significant positive effect on profitability
d. Positive Working Capital Turnover but does not significantly affect Profitability
e. The size of the company is not significant in moderating the effect of operating cash flow on profitability.
f. The size of the company is not significant in moderating the influence of leverage on profitability
g. Firm size is significant in moderating the effect of sales growth on profitability.
h. The size of the company is not significant in modifying the effect of working capital turnover on profitability.

5.2. Research Limitations
The limitations of this study are:

a. The results of the moderating test with interaction tests show that the size of the company is not proven as a moderating variable that can moderate the relationship of operating cash flows, leverage, and working capital turnover with profitability in manufacturing companies on the Indonesia Stock Exchange.

b. This research is only limited to manufacturing companies listed on the IDX, so that it does not reflect the development of overall profitability.

5.3. Recommendations
In order for the limitations of the study in this study to be refined in the future by future researchers, the researchers’ suggestions include:

a. For the next researcher to be able to replace the moderating variable of company size with other variables to moderate the influence of independent variables on the dependent variable or can replace or add independent research variables so that company size can moderate the relationship of independent variables with dependent variables or combined variables (profitability) ROA & ROI

b. This research is only limited to manufacturing companies listed on the Indonesia Stock Exchange, to the next researchers are also expected to be carried out on all companies listed on the Indonesia Stock Exchange.

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