

ABSTRACT

Firm value is a picture of a company's performance in the eyes of investors related to the level of management achievement in managing company resources, which can be seen from its stock price. The purpose of this study is to determine the effect of foreign ownership variables, investment decisions, and profitability on Firm value in companies listed in the LQ45 index on the Indonesia Stock Exchange for the 2019-2023 period.

This study uses a quantitative research method because the data comes from secondary data whose analysis results are processed using Eviews 12 software. Sampling uses a purposive sampling technique where the sample must meet the criteria required in the study, and eliminate samples that do not meet the criteria. The sample used in this study was 22 samples. The analysis in the study used panel data regression and descriptive statistics.

Based on the results of the study, it was found that foreign ownership, investment decisions, and profitability simultaneously affect firm value. Foreign ownership partially does not affect firm value. Investment decisions partially have a positive effect on firm value. Profitability partially does not affect firm value.

It is recommended for further research to add different variables, objects, and years of research. It is recommended to company management that if they want to increase the company's value, pay attention to the investment decision factor. It is recommended to investors if they have the desire to invest in companies indexed in LQ45 on the IDX based on company value, then pay attention to the investment decision factor.

Keywords: firm value, foreign ownership, investment decisions, profitability.