

SUMMARY

HENDRAMIKO. Effect of Microeconomic Factors and Macroeconomic Factors on Company Profitability (Case Study: PT Perkebunan Nusantara V). Supervised by NOER AZAM ACHSANI and HENDRO SASONGKO.

The main problem in the state-owned plantation sector today is working capital. This phenomenon can be seen from the performance of several BUMN subsidiaries in the plantation sector that generate high profits, but does not guarantee the availability of optimal working capital and support its smooth operations. This research was conducted to analyze the influence of microeconomic and macroeconomic factors on profitability also to make alternative strategies and policies that can improve the position of PTPN V in the Indonesian plantation industry.

This study uses secondary data in the form of monthly management reports of PTPN V and macroeconomic data for 2012-2017, while the primary data is obtained from the results of focus group discussions (FGD). Data processing and analysis uses the Vector Autoregression (VAR) model and SWOT matrix. The results showed significant profitability (GOP and ROA) influenced by the previous month's GOP and ROA and variables from microeconomic and macroeconomic factors. The FEVD results showed the research variables that influence GOP are the previous month's GOP of 65.55%, microeconomic factors of 21.38%, and macroeconomic factors of 13.07%, while this month's ROA is influenced by the previous month's ROA of 63.16%, microeconomic factors of 25.60%, and macroeconomic factors of 11.24%.

The results of the study recommend the management of PTPN V to maintain the consistency of earnings for business continuity in the long run. Based on IFE and EFE scores on the Internal External matrix (IE matrix), currently PTPN V is in the 5th cell, which means the strategy that must be carried out by PTPN V management is the hold and maintain strategy. The results of the SWOT analysis provide several alternative strategies for the management of PTPN V to maintain continuity of routine operational activities and developing strategic cooperation with the banks and companies that produce downstream products and renewable products with CPO and SIR raw materials.

Keywords: macroeconomic factors, microeconomic factors, profitability, strategy