



The Influence of Cash Turnover and Inventory Turnover on Return on Assets (ROA) at Adli Banjarmasin Pharmacy

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ABSTRACT

The purpose of this study is to determine the effect of cash turnover on return on assets (ROA) at Adli Banjarmasin Pharmacy. To determine the effect of inventory turnover on return on assets (ROA) at Adli Banjarmasin Pharmacy. To determine the relationship between cash turnover and inventory turnover with return on assets (ROA) simultaneously at Adli Banjarmasin Pharmacy. This study uses a quantitative method. The object of this study is Pharmacy's quarterly financial report starting from 2016-2023. The results of this thesis research indicate that cash turnover partially affects return on assets (ROA), and inventory turnover partially affects return on assets (ROA), while cash turnover and inventory turnover simultaneously affect return on assets (ROA). Discussion of the t-value is greater than the t-table ($2.728 > 1.70113$) and the significance value is greater than the significance level ($0.011 > 0.05$). This means that the Cash Turnover variable partially has a significant effect on Return on Asset (ROA), so H1 is accepted. The t-value is smaller than the t-table value ($0.323 > 1.70113$). and the significance value is greater than the significance level ($0.047 > 0.05$). This means that the Inventory Turnover variable partially has a significant effect on Return on Asset (ROA), so H2 is accepted. The F-table value of 3.33 is obtained from the results of the F-count in this study 3.626 and the significant coefficient (sig) shows an overall value of 0.000. This means that the F-count is greater than the F-table, which is $3.626 > 3.33$ and the coefficient (sig) $0.045 < 0.05$. So, it can be concluded that Cash Turnover and Inventory Turnover simultaneously have a significant effect on Return On Assets (ROA), so H3 is accepted.

1. Introduction

Pharmacies in the millennial era like today can indeed be a very tempting business area, considering that health is one of the needs of the people in Indonesia, especially in South Kalimantan. To answer the needs of the community, especially among millennials and professionals who have an active, dynamic and practical lifestyle and in general, pharmacies have two functions, namely providing services with complete facilities, including on-call doctors and practice rooms as well as a place of business that applies the principle of profit during their business activities. Both functions are carried out in parallel without leaving each other to be able to run a pharmacy business, good working capital management is needed. Seeing how important cash turnover and inventory turnover are in a company, cash turnover and inventory turnover in the company should be closely monitored. Where the company produces and sells goods to generate profit. The usefulness of cash turnover in the company is to see the level of cash efficiency used for company needs. While the usefulness of inventory turnover in the company is to see a high inventory turnover rate usually indicates that the pharmacy is able to sell products quickly which reduces the risk of expired products and decreased quality. This helps control costs related to storage and losses due to unsold products. Adli Banjarmasin Pharmacy is very much needed by the community, regardless of time and age. Because basically Adli Banjarmasin Pharmacy produces and sells medicines, supplements and vitamins that help support public health.

Every company needs cash to finance its daily operational needs, where the cash that has been spent is expected to be able to return to the company in a short time through sales results (Tri Wartono 2018). To assess the effectiveness of cash can be calculated using cash turnover. In the balance sheet, cash is placed at the top, because cash is the most liquid asset among other assets. Cash is a company

asset consisting of coins, banknotes, checks, and deposits in banks that can be disbursed at any time. Included as an element of cash is money in hand or in deposits at banks or other deposit institutions.

According to Andriani & Supriono, (2022) inventory turnover is a ratio that functions to measure and assess how many times funds are invested in rotating inventory during a certain period. Inventory turnover can also be considered as a ratio that shows how many times in a certain period a certain amount of inventory is replaced. The higher this ratio, the better and vice versa.

According to V Wiratna Sujarweni (2017:65) "Return on Asset (ROA) is a ratio used to measure the ability of capital invested in total assets to generate net profit". From several definitions of Return on Asset (ROA) above, it can be concluded that Return On Asset (ROA) is a company's financial ratio to measure the company's strength by gaining profit or profit before tax at the level of income, assets and share capital.

2. Research Methods

According to Sugiyono (2014:61), "population is a generalization area consisting of objects/subjects that have certain qualities and characteristics that are determined by researchers to be studied and then conclusions are drawn. "Population is a collection of individuals or research objects that have qualities and characteristics that have been determined. This study uses financial reports at Adli Banjarmasin Pharmacy which are detailed quarterly from 2016-2023. The sample used in this study is the saturated sampling technique. According to (Sugiyono, 2016) the definition of saturated sampling is a sampling technique when all members of the population are sampled. Another term for saturated sampling is census, where all members of the population are sampled. The reason this study uses saturated sampling technique is because the population is small, and it is very easy for researchers to obtain financial reports at Adli Banjarmasin Pharmacy. So, the sample in this study uses the entire population to be used as respondents as many as 32 financial reports at Adli Banjarmasin Pharmacy.

3. Results And Discussion

The partial effect of Cash Turnover on Return on Assets at Adli Pharmacy can be described as follows:

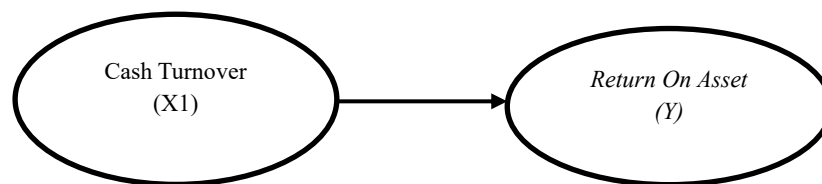


Figure 4.5
Cash Turnover to Return on Asset (ROA)

Source: processed data, 2024

Based on statistical calculations using the SPSS 25 program contained in the regression analysis below:

Information:

$$Y = a + bx_1 + e_i$$

$$Y = 0.476 + 0.802x_1 + e_i$$

$$t_{count} = 2.728$$

$$t_{table} = 1.70113$$

$$sign = 0.011$$

$$R = 0.446$$

$$R^2 = 0.199$$

Based on the results of partial testing (t-test), it can be shown that the calculated t value is 2.728 and if we compare it with the t table of 1.70113 it can be stated that the calculated $t > t_{table}$ means it has a significant effect. This states that the better the Cash Turnover, the better the Return on Asset results obtained. The R value can also be seen with a value of 0.446 or 44.6% so that it can be stated that the Cash Turnover variable has a significant effect on Return on Asset.

The coefficient of determination obtained R^2 value of 0.199 if in percentage is 19.9%. The results indicate that 19.9% of Cash Turnover variables affect Return on Assets partially and the remaining 80.9% is influenced by other factors.

The partial effect of inventory turnover on return on assets at Adli Pharmacy can be described as follows:

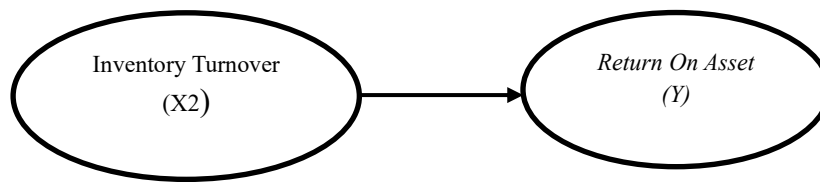


Figure 4.6
Inventory Turnover to Return on Asset (ROA)

Source: processed data, 2024

Based on statistical calculations using the SPSS 25 program contained in the regression analysis below:

Information:

$$Y = a + bx_2 + e_i$$

$$Y = 0.765 + 0.357 + e_i$$

$$t_{count} = 0.340$$

$$t_{table} = 1.70113$$

$$Sig = 0.047$$

$$R = 0.045$$

$$R^2 = 0.059$$

Based on the results of partial testing (t-test), it can be shown that the calculated t value is 0.340 and if we compare it with the t table of 1.70113 it can be stated that the calculated $t < t_{table}$ means that it has no significant effect. This states that the better the Cash Turnover results and the greater the Inventory Turnover, the greater the Return on Asset results obtained. The R value can also be seen with a value of 0.045 or 4.5% so that it can be stated that the Inventory Turnover variable has a significant effect on Return on Asset.

The coefficient of determination obtained R^2 value of 0.059 if in percentage is 5.9%. The results indicate that 5.9% of the Inventory Turnover variable has a partial effect on Return on Asset and the remaining 94.9% is influenced by other factors.

The Effect of Cash and Inventory Turnover Simultaneously on Return on Assets (ROA) at Adli Pharmacy can be described as follows:

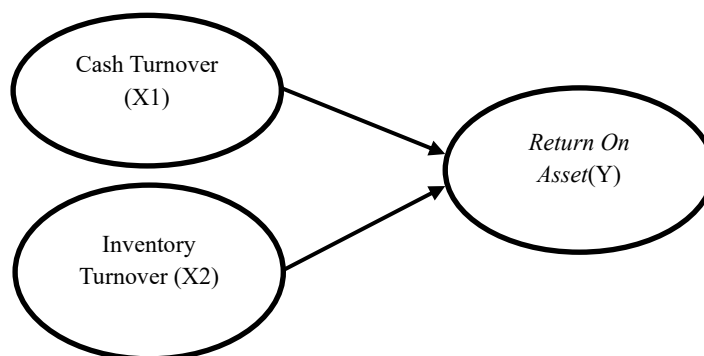


Figure 4.7
Cash turnover and Receivables Turnover Against Return on Asset (ROA)

Source: processed data, 2024

Based on statistical calculations using the SPSS 25 program contained in the regression analysis below:

Information:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e_i$$

$$Y = 0.235 + 0.787 + 0.245 + e_i$$

$$F_{count} = 3.626$$

$$F_{table} = 3.33$$

sig =0.045
 R = 0.460
 R2 = 0.420

Based on the results of simultaneous testing (F Test), it can be shown that the calculated F value is 3.626 and if we compare it with the t table of 3.33 it can be stated that the calculated $t > t$ table means it has a significant effect. This states that the greater the Inventory Turnover, the better the Return on Asset results obtained. It can also be seen that the R value is 0.460 or 46% so that it can be stated that the Cash Turnover and Inventory Turnover variables have a significant effect on Return on Asset

From the results of the analysis above, it is known that the Adjusted R square (R2) value is 0.420 if in percentage it is 42%. This result shows that 42% of the Return on Asset variable has a simultaneous effect on the Cash Turnover and Inventory Turnover variables, while the remaining 58% of the Return On Asset variable is influenced by other variables that are not included in this research model.

Table 4.4 Hypothesis Testing

Variables	R ²	t _{count}	t _{table}	Sig	Caption
X1 → Y	0.199	2,728	1,70113	0.011	Significant
X2 → Y	0.045	0.340	1,70113	0.047	Significant
X1 X2 → ☆	R²	Fcount	ftable	0.045	significant
	0.420	3,626	3.33		

Source: processed data, 2025

- 1) The first hypothesis (H1) is accepted, it can be seen that the t-value is 2.728 with a significance level of 0.011, meaning that $t\text{-count} > t\text{-table}$ ($2.728 > 1.70113$) and cash turnover <significant level ($0.011 < 0.05$) indicates that the cash turnover variable partially has a significant effect on Return On Assets at Adli Banjarmasin Pharmacy for the 2016-2023 period, with an R2 value of 0.199, in other words, cash turnover has a 19.9% effect on Return On Assets (ROA), while 80.9% is influenced by other factors.
- 2) The second hypothesis (H2) is accepted, it can be seen from the t-value of 0.340 with a significance level of 0.047, meaning that $t\text{-count} < t\text{-table}$ ($0.340 < 1.70113$) and Inventory Turnover <significant level ($0.047 < 0.05$) indicates that the Inventory Turnover variable partially has a significant effect on Return On Assets at Adli Banjarmasin Pharmacy for the period 2016-2023, with an R2 value of 0.045, in other words, Inventory Turnover has a 45% effect on Return On Assets (ROA), while 55% is influenced by other factors.
- 3) The third hypothesis (H3) is accepted, it can be seen from the t-value of 3.626 with a significance level of 0.039, meaning that $t\text{-count} > t\text{-table}$ ($3.626 < 3.33$) and inventory turnover <significant level ($0.045 < 0.05$) indicating that the variables Cash Turnover and Inventory Turnover simultaneously have a significant effect on Return On Assets at Adli Banjarmasin Pharmacy for the period 2016-2023, with an R2 value of 0.420, in other words, Cash Turnover and Inventory Turnover affect the Return On Asset value variable by 42%, while the remaining 58% is influenced by other factors not explained in this study.

Cash Turnover Influences Return on Asset (ROA) At Adli Banjarmasin Pharmacy

The results of the analysis show that the Cash Turnover of Adli Pharmacy as measured by Return on Asset (ROA) has a negative effect on Return On Asset (ROA). This can be seen from the significance value and the t table value so that there is a partial influence of cash turnover on Return on Asset (ROA). Thus, it means that HO is accepted HA is accepted. This means that Cash Turnover has a significant effect on Return on Asset (ROA).

This study shows that Cash Turnover is one of the determining factors in Return on Asset (ROA) partial cash turnover on Return On Asset (ROA) at Adi Banjarmasin Pharmacy highlights the importance of management in influencing the company's financial performance. ROA is one of the main indicators to measure the efficiency of asset use in generating profit. The results of the study show that partial cash turnover significantly affects the pharmacy's ROA. Specifically, efficient cash turnover allows pharmacies to better manage their financial resources, maximize the use of cash in daily operations, such as inventory payments, operating costs, and employee payments. Thus, efficiency in cash turnover can increase the profitability of assets owned by the pharmacy. Factors that contribute to this significant influence include the speed in converting cash assets into income and managing receivables and creditors more effectively. In the context of Adi Banjarmasin Pharmacy, good management of partial cash turnover can optimize asset use and improve operational efficiency, which in turn increases ROA.

The results of this study support the theory Martani (2015), cash is a financial asset that can be used for operational activities in a company. Cash is the most liquid asset because it can be used to pay company obligations and in the working capital element, cash has the highest liquidity value. The results of this study also support Kasmir's theory (2015:140) cash turnover is a ratio used to measure the level of cash availability to pay bills (debts) and costs related to sales. Cash is the most liquid asset owned by a company, cash will be sorted or placed as the first component of current assets in the balance sheet. Some companies use cash and cash equivalents in reporting their cash. Cash consists of cash stored in the bank and cash available in the company.

The results of this study are strengthened by Beautiful Princess Febri Yanti, (2023). With the title of the thesis "The Effect of Cash Turnover, Receivables Turnover, Inventory Turnover and Company Size on Return on Assets in Companies in Jakarta Islamic Index. The results of data regression testing show the t-count for the independent variable cash turnover, meaning H1 is accepted. So, it can be concluded that cash turnover influences Return on Assets.

This result does not support the research by Dona Elvia Desi, (2018) with the title of the thesis "the effect of cash turnover and inventory turnover on Return on Asset at PT Indofood Makmur Tbk Sukses period 2008-2015. The results of the study indicate that the cash variable does not have a significant effect on ROA. Thus, this study accepts the first hypothesis (H1) which states that cash does not have a significant effect on Return on Asset.

These results support the research by Elvi Bethari Saragih, (2019). Analysis of the Effect of Cash Turnover, Receivables, Inventory on Return on Assets in the Cigarette Industry Listed on the IDX. These results show that the test that has been carried out using the t-test, meaning that H0 is rejected and H1 is accepted. This shows that Cash Turnover has a negative and significant effect on Return on Assets (ROA). Cash turnover in the company Cigarette Industry Registered on BEI it is very effective therefore the results of this study indicate that cash turnover has a negative and significant effect on Return on Asset (ROA). In other words, cash turnover statistically has a significant negative effect on Return on Asset (ROA) performance.

These results support the theory of Vindy Alfita Wardani, (2023) **The Effect of Cash Turnover, Receivables Turnover and Inventory Turnover on Return on Assets (ROA) in Cigarette Companies Listed on the Indonesia Stock Exchange for the 2018-2021 Period.** Based on partial testing, cash turnover influences Return on Assets, so Ha is accepted, and Ho is rejected, meaning that cash turnover has a significant effect on Return on Assets (ROA) in ceramic companies listed on the Indonesia Stock Exchange. **Cigarettes listed on the Indonesia Stock Exchange are very effective** in managing the cash owned. Because theoretically, if managing cash turnover effectively, it will have an impact on high cash turnover, which means faster cash returns to the company. So, the company can refinance the company's operational activities and have the opportunity for greater investment. So that sales and profitability will increase, and the company's financial condition will not be disturbed.

Inventory turnover has a significant effect on Return on Assets (ROA) at Adli Banjarmasin Pharmacy

The results of the analysis show that Inventory Turnover is very unrelated to Return on Asset (ROA) which does not have a significant effect on Return On Asset (ROA). This can be seen from the significant value and the calculated t value < t table. This means that inventory turnover does not have a significant effect on Return on Asset (ROA).

This study shows that partial Inventory turnover positively affects the pharmacy's ROA. Good Inventory Turnover allows the pharmacy to manage and collect Inventory more efficiently, thereby

increasing liquidity and accelerating cash flow from Inventory to the company's cash. Thus, effective Inventory management can increase the profitability of assets owned by the pharmacy. Key factors that contribute to this significant influence include good Inventory speed, as well as a targeted Inventory management strategy. In the context of Adi Banjarmasin Pharmacy, effective partial Inventory management implementation can improve cash flow and strengthen ROA in a positive way.

The results of this study support the theory of Husaeri Priatna & Regina Aswiani 2017 Inventory turnover is the number of times goods are sold and restocked during a certain period. The inventory turnover ratio is a comparison between the cost of goods sold and the average inventory owned by a company during a certain period. This ratio is used to measure how efficient the company is in managing and selling its inventory. The results of this study support the theory According to Kasmir (2015:114) Inventory turnover is a ratio used to measure how many times the funds invested in inventory are rotated in a period. It can also be interpreted that inventory turnover is a ratio that shows how many times the amount of inventory is replaced in one year. The smaller this ratio, the worse and vice versa. The results of this study support the theory According to Harahap (2016:308) inventory turnover is Showing how fast inventory turns over in a normal production cycle. The faster the turnover, the better because it is assumed that sales activities are running quickly. Based on the definition that has been described, it can be concluded that inventory turnover shows how many times inventory or goods are sold and replaced in one period. Inventory turnover is one of the most needed working capital elements in a company and is also a component of the company's assets that directly affects profits.

The results of this study are supported by Putri Febri Yanti, (2023) with the title of the thesis "The Effect of Cash Turnover, Receivables Turnover, Inventory Turnover and Company Size on Return on Assets in Companies in the Jakarta Islamic Index. The results of the panel data regression test show the results of the t count for the independent variable of Inventory turnover and the t table value can be concluded that the results of the t count < t table, namely H2 is accepted, meaning that Inventory turnover has an effect on Return on Assets (ROA). Inventory turnover effectively will have a positive impact on the rate of return on assets because the higher the receivables turnover ratio, the better because the amount of uncollectible Inventory is decreasing and there is no over-investment in Inventory. That way, cash will come in faster for the company from Inventory collection, so that cash can be reused for the company's operational activities, impacting sales activities and increasing the rate of return on assets.

This result is supported by Dona Elvia Desi, (2018) with the title of the thesis "the effect of cash turnover and inventory turnover on Return on Asset at PT Indofood Makmur Tbk Sukses period 2008-2015. The results of the study indicate that the Inventory variable has a significant effect on ROA. Thus, this study accepts the third hypothesis (H2) This is evidenced by the results of the hypothesis test with a probability value that is smaller than the significance value. which means that Inventory Turnover has a significant effect on Inventory policy. This study shows that the results of the hypothesis test with a probability value that is smaller than the significance value. The higher the Inventory turnover, the better the Inventory management. With good Inventory turnover, the income and profits obtained by the company will be greater.

This result is supported by, Elvi Bethari Saragih, (2019) with the title of the Thesis "The Effect of Cash Turnover, Receivables Turnover and Inventory Turnover on Return on Assets in basic and chemical industry companies listed on the Indonesia Stock Exchange. Based on the results of the test that has been carried out with the t-test, it shows that the Inventory turnover value obtained from the significance value means that H0 is rejected and H2 is accepted. This shows that Inventory Turnover has a negative and significant effect on Return on Assets (ROA). Inventory turnover management is very important in this company; therefore, hThe results of this study indicate that inventory turnover has a negative and significant effect on Return On Asset (ROA). In other words, inventory turnover statistically has a significant negative effect on Return on Asset (ROA) performance.

This result is supported by Indah Novia Sari, (2023) with the title of the thesis "Analysis of the Effect of Cash Turnover, Receivables, Inventory on Return on Assets in the Cigarette Industry Listed on the IDX. Because the sig. value for Inventory turnover is smaller than the calculated T value and 1 is greater than the t table, it can be concluded that receivables turnover has an effect on Return on Assets or in other words H2 is Accepted.

In this case, the Inventory Turnover carried out by the company plays a role in generating and increasing the company's profit. If the inventory is larger, the company's profit will increase drastically, and ROA will also increase.

This result is supported by Vindy Alfita Wardani, (2023) with the title of the thesis "The Effect of Cash Turnover, Receivables Turnover and Inventory Turnover on Return on Assets (ROA) in Cigarette

Companies Listed on the Indonesia Stock Exchange for the 2018-2021 Period significant value is obtained, then H_0 is accepted, which means that partially the inventory turnover variable has an effect on Return On Assets in cigarette companies listed on the Indonesia Stock Exchange. With increasing inventory turnover, it is followed by a decrease in Return on Assets in companies listed on the Indonesia Stock Exchange, especially cigarette companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2021 period. High inventory turnover can indicate efficiency in inventory management, which in turn can increase return on assets (ROA). By managing inventory effectively, companies can reduce storage costs and the risk of expiration, allowing assets to be used more optimally to generate revenue. If the company can sell products faster, this also contributes to profitability, making ROA better.

Cash Turnover and Inventory Turnover Against Return on Asset (ROA)

The results of multiple regression using the level of significance show that the results simultaneously have a significant effect on Cash Turnover and Receivables Turnover at Adi Banjarmasin Pharmacy. The results of the analysis show that Cash Turnover and Receivables Turnover have a significant effect on Return on Asset (ROA). In this study, the study shows that ROA has a significant effect simultaneously on cash turnover and receivables turnover at the pharmacy. Specifically, a high ROA can indicate that the pharmacy is able to manage its assets efficiently and optimize the use of its financial resources, including cash and inventory. Fast and efficient cash turnover can provide the pharmacy with better access to the liquidity needed to finance daily operations and other short-term investments. Meanwhile, effective inventory turnover can help reduce risk and accelerate cash flow from sales to reusable income.

The results of this study support the theory According to (Kasmir, 2015). Return on Asset (ROA) is a ratio used to show a company's ability to generate profits using the total assets owned. The results of this study support the theory According to Hery (2017), the Return on Asset (ROA) ratio is a ratio used to calculate how much net profit a company will obtain from each rupiah of funds that have been invested in total assets. The results of this study support the theory According to (Almira & Wiagustini, 2020). Another opinion states that Return on Asset (ROA) is one of the types of profitability ratios that shows the company's ability to generate profits from assets that have been used by the company. Based on several expert opinions above, it can be concluded that Return on Asset (ROA) is one of the types of profitability ratios that is useful for measuring a company's ability to generate profits from the amount of assets that have been invested by the company.

The results of this study are supported by Putri Febri Yanti, (2023) with the title of the thesis "The Effect of Cash Turnover, Receivables Turnover, Inventory Turnover and Company Size on Return on Assets in Companies in the Jakarta Islamic Index. The results of this data regression test show that F_{count} is greater than F_{table} , so it can be concluded that H_3 is accepted, namely there is an effect of cash turnover and receivables turnover on Return on Assets in pharmaceutical sub-sector companies listed on the Indonesia Stock Exchange (IDX) for the 2014-2017 period. Data testing shows that simultaneously the variables of inventory turnover, receivables turnover and cash turnover have a significant effect on Return on Assets in a positive direction.

The results are supported by Dona Elvia Desi, (2018) with the title of the thesis "the effect of cash turnover and inventory turnover on Return on Asset at PT Indofood Makmur Tbk Sukses period 2008-2015. The results of the study indicate that the cash and inventory variables have a significant effect on ROA. Thus, this study accepts the second hypothesis (H_3) which states that cash and inventory have a significant effect together on ROA. This is evidenced by the results of the hypothesis test with a probability value that is smaller than the significance value. Cash turnover and inventory turnover simultaneously have a significant effect on Return on Asset. This is evidenced by the results of the hypothesis test with a probability value that is smaller than the significance value, so that the high and low cash turnover and inventory turnover have an impact on the significant value of increasing and decreasing Return on Asset.

These results are supported by Elvi Bethari Saragih, (2019) with the title of the Thesis "The Effect of Cash Turnover, Receivables Turnover and Inventory Turnover on Return on Assets in basic and chemical industry companies listed on the Indonesia Stock Exchange. Based on the results of the cash turnover and inventory turnover tests, the results of this F test are obtained from the F value which means that H_0 is rejected and H_3 is accepted. So, it can be concluded that Cash Turnover and Inventory Turnover together have a significant effect on Return on Assets (ROA). High cash and receivables turnover indicates that the company can collect inventory quickly and manage cash efficiently. Thus,

the company's assets are used more efficiently to generate income, which in turn increases ROA. High cash and inventory turnover indicates that the company can collect inventory quickly and manage cash efficiently. Thus, the company's assets are used more efficiently to generate income, which in turn increases Return on Assets (ROA).

This result is supported by Indah Novia Sari, (2023) with the title of the thesis "Analysis of the Effect of Cash Turnover, Receivables, Inventory on Return on Assets in the Cigarette Industry Registered on the IDX. above, the calculated F value is greater than the F table, so that with this condition where the calculated F is greater than the F table and the significant value is smaller than, it can be concluded that Cash turnover and Receivables turnover have a significant effect on Return on Assets (ROA). Cash turnover and Inventory turnover will always affect the level of sales generated, when the turnover increases, it will increase the company's ROA.

The results of this study are supported Vindy Alfita Wardani, (2023) with the title of the thesis "The Effect of Cash Turnover, Receivables Turnover and Inventory Turnover on Return on Assets (ROA) in Cigarette Companies Listed on the Indonesia Stock Exchange for the 2018-2021 Period. Based on the results of simultaneous hypothesis testing of the influence of cash turnover and inventory turnover on Return on Assets in cigarette companies listed on the Indonesia Stock Exchange obtained from the significance value, which means that simultaneously cash turnover and inventory turnover have a positive and significant effect on Return on Assets. Cash turnover and inventory turnover move together (in the same direction) will have a positive impact on profitability. So, it is important to manage cash turnover, inventory turnover effectively, to affect profitability. If the financial management of ceramic companies listed on the IDX can manage the three components of working capital effectively, then it is possible that the company's profitability will increase from year to year.

Implications of Research Results

This study aims to determine the partial and simultaneous influence of the variables of Cash Turnover and Inventory Turnover on Return on Assets at Adli Banjarmasin Pharmacy.

The results of this study reveal the finding that Cash Turnover has a significant effect on Return On Asset at Adli Banjarmasin Pharmacy. The findings can contribute to Adli Pharmacy to be able to increase Pharmacy cash every year, and Pharmacy must be able to generate cash stably every year, to manage cash turnover well tends to have a higher ROA. Management needs to focus on cash flow management to improve efficiency and profitability. By understanding the relationship betallocate resources betterA, companies can better allocate resources for investment. Companies can choose projects that not only increase revenue but also maintain healthy cash flow.

This study also found that Inventory Turnover has a significant effect on Return On Asset at Adli Banjarmasin Pharmacy. Where Adli Pharmacy can manage the Pharmacy's ability to manage inventory. With the stability of inventory, it can encourage companies to make better decisions regarding purchasing, production, and stock management. This can help reduce storage costs and the risk of obsolescence.

Cash Turnover and Inventory Turnover are closely related to Return On Assets. If the Cash Turnover and Inventory Turnover levels increase, Return On Assets at Pharmacies will certainly also increase. Return On Assets is also influenced by other variables that were not examined in this study.

4. Conclusion

Based on the results of data analysis and discussion conducted in the previous chapter, several conclusions can be drawn as follows:

- 1) Cash turnover partially has a significant effect on Return On Asset (ROA) at Adli Banjarmasin Pharmacy for the 2016-2023 period.
- 2) Inventory turnover partially has a significant effect on Return on Assets (ROA) at Adli Banjarmasin Pharmacy for the 2016-2023 period.
- 3) *Return On Asset* (ROA) simultaneously has a significant effect on Cash Turnover and Receivables Turnover at Adi Banjarmasin Pharmacy for the 2016-2023 period.

Based on the research above, the suggestions that can be given are:

- 1) For Pharmacy, Pharmacy is expected to be able to manage cash turnover and Inventory Turnover, because both play a very important role in the company's operations. With the

- coordination of cash turnover and Inventory Turnover of the company well, the opportunity to get a Return On Asset value will be greater.
- 2) For researchers, Researchers Want to provide valuable contributions to the literature on financial management, especially in Cash Turnover, Inventory Turnover and Return On Asset (ROA) in the pharmacy sector, especially in the context of Adli Banjarmasin Pharmacy. The results are expected to be the basis for the development of better and sustainable financial management strategies, as well as an encouragement for further in-depth research in this field.

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