FACTORS AFFECTING CASH HOLDING
(Empirical Study of Property and Real Estate Companies Listed on the Indonesia Stock Exchange for the 2017-2021 Period)

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Abstract

The purpose of this study is to provide empirical evidence on the Effect of Investment Opportunity Set ˛ Cash Conversion Cycle, Asset Growth, Net Working Capital and Company Size on Cash Holding. The population in this study was 83 companies with sampling techniques used were the slovin method and quota sampling. The sample used in this study is a Property and Real Estate company that has complete financial statement data for 2017-2022. The sample used in this study was 205 financial statement data or 41 companies. The methods used in this study are descriptive method and verificative method. The data analysis technique in this study uses panel data regression analysis. The results of simultaneous tests show that the variables investment opportunity set ˛ cash conversion cycle, asset growth, net working capital and company size together affect Cash Holding. Based on the partial test results, the variables investment opportunity set ˛ cash conversion cycle, asset growth, net working capital and firm size partially have a significant positive effect on cash holding.

Keywords*: *Cash holding, Investment Opportunity Set, Cash Conversion Cycle, Asset Growth, Net Working Capital, Firm Size

Jel classification : G1, G11, G31

INTRODUCTION

Cash is cash needed by a business that can be used immediately at any time, which means that cash is a very liquid current asset that drives business operations. Therefore, the company must have good management, especially in the management of the company's finances. If the company has cash that is not in deficit, the company can use it for various activities, such as paying debts, expanding the company, distributing cash dividends or financing other core business activities, on the contrary, if the cash flow of the company is. negative, the

company will engage in various options, one of which is the sale of the company's fixed assets. That's why it's important for businesses to be able to determine cash flow.

Gill and Shah (2012) define cash assets as cash held by the company or available for investment in tangible assets and for distribution to investors. Having cash offers many advantages, but holding large amounts of cash for too long can be harmful to a business because it can lead to excess cash because cash is not used for business operations as it should be and the business loses the opportunity to

benefit from a profitable. investment opportunities because cash only remains at hand.

Marfuah and Zulhilmi (2014) revealed that there are several motives underlying why firms should implement cash management in the business. The first is the transaction motive, or the transaction motive, based on which the company has money to finance various business transactions. If it is easy for the company to withdraw money from the capital market, there is no need to pay in cash, but if not, then the company needs cash to finance various transactions. The second is the Precautionary motive, where according to this motive, the company has cash, the motive of which is to be alert or to avoid unexpected events in the future. Third, namely Speculative motive, or speculative motive, where the company takes advantage of new business opportunities or opportunities that are considered profitable, such as a sudden drop in raw material prices, buying other companies, etc. The latter is an arbitrary motive, based on the motive that a company has cash to profit from lower interest foreign capital markets and then invests those funds in high interest domestic capital markets.

According to Riyanto (2010), H.G. Guthman's theory states that a company can be said to be "well financed" if it has cash between 5% and 10% of current assets. Companies with a cash balance of less than 5% and more than 10% are not considered ideal. Businesses with a cash reserve ratio of less than 5% face problems because the business does not have enough cash when an emergency situation arises that requires the use of funds. However, if the financial ratio of the company is more than 10%, it affects the profit that the company can get for each lost investment opportunity (Humendru and Pangaribuan, 2018).

Below is the money rate data for 45 real estate and real estate companies out of a total of 83 companies with full financial statements 2017-2021.

Table 1

Data Persentase Cash Holding Perusahaan Sektor Properti Dan *Real Estate* Tahun 2017-2021

No	Kode	Cash holding					Rata-rata Cash holding	Keterangan
		2017	2018	2019	2020	2021		
1	APLN	24.35%	10.22%	10.40%	7.23%	8.88%	12.22%	Tidak ideal
2	ASRI	30.98%	30.98%	47.94%	28.97%	32.66%	34.31%	Tidak ideal
3	BAPA	2.24%	1.15%	1.30%	1.49%	0.68%	1.37%	Tidak ideal
4	BEST	24.56%	40.96%	26.11%	29.35%	22.29%	28.65%	Tidak ideal
5	BIKA	8.81%	6.59%	6.09%	3.18%	2.94%	5.52%	Ideal
6	BIPP	47.11%	13.91%	19.91%	28.17%	33.31%	28.48%	Tidak ideal
7	BSDE	32.25%	38.85%	28.29%	38.49%	27.35%	33.05%	Tidak ideal
8	CITY	12.85%	9.38%	6.38%	6.32%	7.13%	8.41%	Ideal
9	CSIS	6.35%	4.61%	13.26%	1.05%	1.72%	5.40%	Ideal
10	CTRA	21.31%	20.08%	23.29%	25.55%	32.71%	24.59%	Tidak ideal
11	DART	14.19%	33.44%	27.93%	16.55%	50.37%	28.50%	Tidak ideal
12	DILD	20.78%	23.34%	33.87%	31.20%	26.30%	27.10%	Tidak ideal
13	DMAS	22.21%	20.88%	16.63%	36.76%	18.92%	23.08%	Tidak ideal
14	DUTI	35.92%	44.72%	45.06%	41.36%	42.59%	41.93%	Tidak ideal
15	ELTY	1.07%	1.60%	2.30%	1.73%	4.35%	2.21%	Tidak ideal
16	EMDE	14.91%	4.02%	4.25%	2.71%	4.69%	6.12%	Ideal
17	GMTD	2.52%	3.68%	3.80%	3.97%	6.24%	4.04%	Ideal
18	GPRA	4.33%	4.91%	2.73%	2.61%	4.59%	3.83%	Ideal
19	GWSA	19.48%	32.58%	28.33%	18.73%	7.43%	21.31%	Tidak ideal
20	INPP	74.20%	77.18%	72.70%	57.90%	30.20%	62.44%	Tidak ideal
21	JRPT	21.00%	24.62%	20.97%	24.09%	16.19%	21.37%	Tidak ideal
22	KIJA	11.66%	10.74%	11.77%	13.83%	85.08%	26.62%	Tidak ideal
23	LAND	1.95%	14.66%	20.41%	9.95%	10.36%	11.47%	Tidak ideal
24	LPCK	5.71%	8.94%	4.28%	6.54%	4.12%	5.92%	Ideal
25	LPKR	5.65%	4.89%	12.60%	9.05%	15.58%	9.55%	Ideal
26	LPLI	2.14%	2.87%	5.04%	3.26%	37.39%	10.14%	Tidak ideal
27	MDLN	34.04%	16.44%	19.51%	8.99%	32.75%	22.35%	Tidak ideal
28	MKPI	89.04%	82.63%	76.66%	64.93%	69.14%	76.48%	Tidak ideal
29	MMLP	51.58%	38.22%	22.79%	76.90%	66.76%	51.25%	Tidak ideal
30	MTLA	20.19%	12.19%	20.84%	15.24%	19.27%	17.55%	Tidak ideal
31	MTSM	22.76%	10.13%	19.07%	36.87%	61.34%	30.03%	Tidak ideal
32	NIRO	76.91%	81.11%	79.13%	63.61%	37.24%	67.60%	Tidak ideal
33	OMRE	19.35%	14.14%	7.09%	4.50%	11.34%	11.28%	Tidak ideal
34	PLIN	50.90%	60.79%	77.38%	62.88%	59.69%	62.33%	Tidak ideal
35	POLI	3.86%	8.53%	8.88%	7.51%	5.06%	6.77%	Ideal
36	POLL	26.87%	12.93%	7.25%	1.12%	0.57%	9.75%	Ideal
37	PPRO	14.02%	5.32%	4.64%	3.49%	12.64%	8.02%	Ideal
38	PUDP	18.50%	18.59%	9.14%	6.07%	3.34%	11.13%	Tidak ideal
39	PWON	40.42%	47.08%	44.73%	33.61%	56.26%	44.42%	Tidak ideal
40	RBMS	16.34%	64.24%	33.34%	42.57%	53.17%	41.93%	Tidak ideal
41	RDTX	90.01%	89.58%	68.83%	62.16%	39.02%	69.92%	Tidak ideal
42	RODA	4.94%	3.50%	3.30%	2.60%	4.20%	3.71%	Tidak ideal
43	SMDM	8.51%	8.99%	10.07%	8.65%	22.76%	11.80%	Tidak ideal
44	SMRA	16.04%	14.59%	14.93%	13.93%	21.29%	16.16%	Tidak ideal
45	TARA	70.70%	18.80%	24.26%	26.02%	7.62%	29.48%	Tidak ideal

Based on the table, it can be concluded that 80% of real estate and real estate companies still cannot manage their financial resources ideally in the period 2017-2021. The first factor considered to affect cash holdings is the setting of investment opportunities. IOS is a combination of owned assets and future investment opportunities. An earlier study by Magfiroh et al (2022) found that setting investment options had no effect on cash holdings, while the study by Abbas et al. (2020) found that fixing investment options had a significant positive effect on cash holdings. Keeping.

According to Humendru and Pangaribuani (2018), another factor influencing cash concentration is the cash exchange. Where the cash conversion cycle measures how long it takes for a company's investment to turn into cash.

Based on the research of Agus Gunawan et al. (2021), they argued that money balances are significantly affected by the cash exchange cycle. A study by Senjaya and Yadnyana (2016) states that cash balances are not affected by the cash turnover cycle.

A third factor affecting cash concentration is growth opportunity. In this study, growth opportunity is represented by asset growth. Asset growth is the ability of a company to increase its size based on the annual change in total assets owned by the company (Setijaningsih and Aurelia, 2020). companies have high growth potential (Viriany and Garry, 2021). A study by Magfiroh et al (2022) argues that growth potential has a significant impact on cash reserves. On the other hand, a study by Wulandar and Setiawan (2019)

argues that growth opportunities do not affect cash positions.

A fourth factor that is said to affect cash flow is net working capital or net working capital. Net working capital is obtained from the current assets minus the current liabilities of the company divided by the total. Liadi and Suryanawa (2018) found in their study that net working capital has a significant negative effect on cash. However, a study by Wulandar and Setiawan (2019) argues that net working capital has a significant positive effect on cash reserves.

The next factor that affects cash according to Saputri and Kuswardono (2019) is the size of the company. Firm size is a measure of the size of a firm as measured by the assets owned by the firm. According to the study (Bangun and Wijaya, 2019), the relationship between firm size and cash has a negative effect. At the same time, there are studies showing that firm size has a significant positive effect on cash, such as Saputri and Kuswardono (2019) and Ratdiana and Akmalia (2020).

Based on the above descriptions, the researcher is interested in doing the cash flow study again, while the variables taken in this study are investment opportunity pool, cash conversion cycle, asset growth, net working capital and firm size. Therefore the title of this study is "**Factors Affecting Cash**".

REVIEW OF LITERATURE

Trade-off Theory

Trade-off theory states that there is an optimal level of cash holdings where the optimal level of cash is achieved by balancing costs and benefits (Miller and Orr, 1966). This theory explains that when making decisions about how much cash to hold, firms weigh the benefits of holding cash against the costs or risks of holding cash. Opportunity costs arise because companies want to keep money rather than invest in a profitable project. The benefits of holding cash come from prudence, which can reduce the chance of financial hardship because cash can be used to finance unexpected activities.

Pecking Order Theory

The pecking order theory states that there is a ranking of financing sources in a company's decision-making process (Myers and Majluf, 1984). According to this theory, when a company needs funds for a corporate investment, the company must first finance the investment opportunity with its own internal funds. If it is not possible to cover the investment need with internal funds, the company can use external financing, i.e. debt, and the last financial source involved is the issue of share capital.

Cash Holding

According to (Gill and Shah, 2012), cash assets are available cash that is used for investment in tangible assets and distributed to investors. However, Maghfiroh et al. (2022) describe cash assets as an opportunity cost in the allocation of cash resources and their

goal is to prevent or prevent firms from investing all their assets in cash.

Investment Opportunity Set

According to Hidayah (2015), an investment scenario is a selection of future investment opportunities that can affect the company's assets or projects that have a positive net present value.

Cash Conversion Cycle

Juardi et al. (2021) talk about how quickly companies make their products, from paying invention costs to collecting cash from consumers in the form of payment for finished products.

Asset Growth

Setijaningsih and Aurelia (2020) argue that asset growth is the ability of a firm to increase firm size based on the annual change in total assets owned by the firm.

Net Working Capital

Working capital also refers to a company's ability to finance its operating needs and short-term liabilities with short-term assets (Viriany, 2022).

Firm Size

Company size indicates how large or small the company is. The bigger the company, the better the company is able to increase investor interest.

THEORETICAL FRAMEWORK

The impact of investment opportunities on cash holdings

Based on pecking order theory, the size of the investment event indicates the increase in the money supply used by firms for investment activities. A company's profitable investment opportunities will disappear if the company does not have sufficient funds. Firms with high investment opportunities also retain large amounts of cash because firms use cash for investments when they have profitable investment opportunities. Therefore, based on the studies of Gunawa et al (2021) and Putri (2022), it can be said that the investment opportunity has a positive effect on cash retention.

Effect of cash conversion cycle on cash holdings

Companies with a long cash turnover cycle tend to have large cash balances, so it can be assumed that companies have a large cash reserve as a precaution. According to the pecking order theory, the longer the cash cycle, the longer the need for internal financing, the more companies tend to hold large amounts of cash. Based on this description, the cash exchange cycle has a positive effect on the cash balance, as shown in studies by Setyaningrum and Setiawat (2021) and Putri (2022).

Effect of asset growth on cash deposit

The increase in assets is the difference between the total amount of the current period and the previous period compared to the assets of the previous period. For the development of companies, the growth of assets is expected very strongly, because high growth is a sign of the development of the company. But the company definitely needs large funds to continue its growth and development.

When a company experiences stronger and faster growth, it needs more funds to fund its operations, so a fast-growing company needs more cash. The greater the ability of the company to grow, the greater the return that must be achieved, the greater the ability of the company to retain cash for future investment needs. Therefore, according to studies (Oktafiana and Hidayat, 2022) and Maghfiroh et al. (2022), growth indicators of growth opportunity assets have a positive effect on cash.

Effect of net working capital on cash reserves

High net working capital also causes the amount of cash owned by the company to be high because cash is part of net working capital. Therefore, the higher the net working capital, the higher the financial assets owned by the company. This is because net working capital can be a good proxy so that when a company needs cash for its operations, net working capital can be quickly converted to cash. The company needs positive working capital so that the company can continue its operations and that it has enough funds to cover long-term debts and operating costs in the future. This was proven by the studies of Wulandar and Setiawan (2019), Abbas et al. (2020) and Maghfiroh et al. (2022).

The effect of firm size on cash reserves

Firm size is a scale that describes the size of a firm, measured in nominal terms such as total firm assets and total sales. The larger the company's balance sheet or total turnover reflects how strong the

company's situation is. Larger companies can operate more efficiently and earn higher profits than smaller companies.

The bigger the company shows, the more money the company saves because the company needs cash to finance its operations. According to studies by Saputri and Kuswardonoo (2019), Dewi and Setiyono (2021), firm size has a positive effect on cash holdings.

Hypothesis

H1: Sequence of investment opportunities, cash conversion cycle, asset growth, net working capital, firm size simultaneously affect cash position.

H2: A set of investment opportunities has a positive effect on cash reserves.

H3: Cash turnover cycle has a positive effect on cash supply.

H4: Asset growth has a positive effect on cash holdings.

H5: Net working capital has a positive effect on cash deposits.

H6: Firm size has a positive effect on cash reserves.

RESEARCH METHODS

The research method used in this study is descriptive and control method. The descriptive method is used to determine the presence of an independent variable, whether just one or several variables, and its purpose is not to make comparisons of the variable itself and to look for relationships with other variables. The control method gives an

answer about how much cash reserve the investment opportunity has, money conversion cycle and growth

opportunities have either partially or simultaneously. Operasional Variabel

Table 2
Operational variables

Variables	Indicator
IOS (X1)	MBVA= $$\dfrac{TA - TE + (listed\ share\ x\ closing\ price)}{Total\ Assets}$$ Note: TA = total assets TE = Total Equity Abbas et al. (2020)
CCC (X2)	CCC = Days inventory+Days receivable-Days payable Days Inventory= $\dfrac{Inventory}{HPP/365}$ Days receivable= $\dfrac{Account\ Receivable}{Penjualan/365}$ Days Payable= $\dfrac{Account\ Payable}{HPP/365}$ Abbas et al. (2020)
AG (X3)	AG= $$\dfrac{Total\ Assets\ Tahun\ i - Total\ Assets\ i-1}{Total\ Assets\ tahun\ i}$$ Marfuah & Zulhilmi (2015)
NWC (X4)	NWC= $$\dfrac{current\ assets - short\ term\ liabilities}{Total\ Assets}$$ (Wulandari dan Setiawan, 2019)
SIZE (X5)	SIZE = Ln (Total Aset) (Darmawan dan Nugroho, 2021)
CH (Y)	CH = $\dfrac{Cash + Cash\ equivalents}{Total\ current\ Asset}$ x 100% (Riyanto, 2010)

Population and sample

The core set of this study is the financial statements of the real estate and real estate companies listed on the Indonesia Stock Exchange (IDX) for the period 2019-

2021. The whole group consists of 83 companies, so this study has a total of 415 observation data from financial statements.

In this study, Slovin's formula was used as the sampling method and a sample of 41 companies was obtained. The sampling technique of this study used the quota sampling method. The sampling criteria are as follows:

Table 3
Sample selection criteria

No	Sample criteria	Total
1	1 Real estate and real estate listed on the Indonesia Stock Exchange (IDX) in the period 2017-2021	83
2	Indonesian listed property and real estate companies that have not submitted 2017-2021 full financial statements for the year	(42)
	Number of companies	41 companies
	Total duration	5 years
	Total Sample	205 samplel

Based on the given table, the number of observation data in this study was 41 companies multiplied by a 5-year period, making a total of 205 samples.

Data analysis technique

Descriptive statistical analysis

Descriptive analysis is a statistic used to analyze and explain collected data as such without generally accepted conclusions.

Confirmatory analysis

Control analysis is a research method based on the philosophy of positivism, which studies certain populations and samples, collects information through research instruments, analyzes quantitative/statistical data with the aim of verifying established hypotheses.

A classic hypothesis test

The purpose of the classical hypothesis test is to test the feasibility of the regression model used in the study. In addition, the goal is to ensure that the regression model has normally distributed data.

Panel Data Regression Analysis

It can be said that panel data is a combination of cross-sectional data and time series data, so they affect the amount of panel data. Cross-sectional data is data collected from multiple individuals at the same time, while time-series data is data collected over time.

RESULTS AND DISCUSSION
Results of descriptive statistical analysis
The following is the result of a descriptive analysis of investment opportunities, cash conversion cycle, asset growth, net working capital and company size, represented by mean, maximum and minimum.

Table 4

Descriptive analysis

	MEAN	MIN	MAX	S.D
IOS	1.0099	0.2158	7.9584	0.97541
CCC	6587.2	-0.8847	37056	30760.2
AG	0.0445	-0.341	0.9035	0.14146
NWC	0.2252	-0.465	0.9221	0.22900
SIZE	29.258	24.970	31.7495	1.49537
CH	0.2528	0.0068	0.90010	0.2240

Source: data processing results

Based on the table, it can be seen that the average fixed value of the investment opportunity for real estate and real estate in the period 2017-2021 is 1.00997 units, the minimum value is 0.2158 units, and the maximum value is 7, 9584 units, where the standard deviations are 0.97541 units or more than 0, so This value indicates that there is a large variation or a fairly large gap in the observed data.

Based on the table, it can be seen that the average value of the monetary conversion cycle of real estate and real estate in the period 2017-2021 is 6587.2 units with a minimum value of -0.8847 units and a maximum value of 37056 units, where the standard deviation is 39769.2 units, i.e. greater than 0. so this value shows the observation data a big swing or a big enough gap.

Based on the table, it can be seen that the average value of growth of real estate and real estate in the period 2017-2021 is 0.04453 units with a minimum value of -0.3417 units and a maximum value of -0.3417 units.

0.90359 units when the standard deviation is 0.14146 units or greater than 0, so this value indicates a large variation or a fairly large gap in the observed data.

Based on the table, it can be seen that the average value of net working capital of real estate and real estate in the period 2017-2021 is 0.22524 units with a minimum value of -0.4651 units and a maximum value of 0.92218 units, where the standard deviation is 0.22900 units or more than 0. so this value indicates a large fluctuation or a fairly large gap in the observational data.

Based on the table, it can be seen that the average company-sized value of real estate and real estate in the period 2017-2021 is 29.2580 units, the minimum value is 24.970 units, and the maximum value is 31.7495 units, where the norm. deviation is 1.49537. units or more than 0, so This value indicates that there is a large variation or a fairly large gap in the observational data.

Based on the table, it can be seen that the average cash reserve value of real estate and real estate in the period 2017-2021 is 0.2528 units, the minimum value

is 0.0068 units, and the maximum value is 0.90010 units, where the norm. is the deviation is 0.224005. units or more than 0, so This value indicates that there is a large variation or a fairly large gap in the observational data.
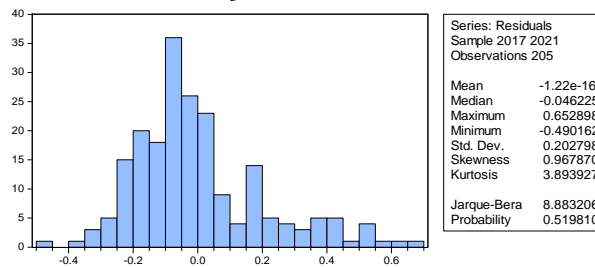
Results of control analysis

A classic hypothesis test
Normal test
Based on Graph 1 below, the probability or p-value is 0.519810> 0.05. Then Ho is accepted. This means that the results of the normality test were met in this study.

Chart 1
Uji Normalitas

| Series: Residuals |
| Sample 2017 2021 |
| Observations 205 |
| |
| Mean   -1.22e-16 |
| Median   -0.046225 |
| Maximum   0.652898 |
| Minimum   -0.490162 |
| Std. Dev.   0.202798 |
| Skewness   0.967870 |
| Kurtosis   3.893927 |
| |
| Jarque-Bera 8.883206 |
| Probability 0.519810 |

source: E-Views 9

Multicollinearity test

Table 5
Multicollinearity test

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.084902	412.8283	NA
IOS	0.000231	2.213689	1.065623
CCC	2.08E-21	1.020062	1.015082
PA	0.010424	1.109813	1.009310
NWC	0.004257	2.130249	1.080154
SIZE	9.60E-05	400.6527	1.038786

From the table above, it can be seen that the centralized VIF IOS is 1.065623, CCC is 1.015082, PA is 1.009310, NWC is 1.080154, SIZE is 1.038786. If the value is <10, it can be said that the equation model does not have multicollinearity.

Autocorrelation test

Table 6
Autocorrelation test

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	8.152762	Prob. F(2,197)	0.411216
Obs*R-squared	9.283666	Prob. Chi-Square(2)	0.410111

source: Output E-Views 9.0

From Table 6, it can be seen that Obs*R square ( ) is 9.283666 with Prob value. Chi-square 0.410111 > 0.05 so there is no autocorrelation in this study or Ho is accepted.

Heteroscedastic test

Table 7
Heteroscedastic test

Heteroskedasticity Test: White

F-statistic	1.889727	Prob. F(19,185)	0.0670
Obs*R-squared	33.31972	Prob. Chi-Square(19)	0.0921
Scaled explained SS	45.43153	Prob. Chi-Square(19)	0.0006

Source: Output E-Views 9.0

From Table 7 above, it can be seen that Obs*R Square ( ) is 33.31972 with Prob value. Chi-square 0.0921> 0.05, so there was no heteroscedasticity in this study or Ho was accepted.

Results of hypothesis testing and discussion
Simultaneous test

Table 8
Simultaneous test

Cross-section fixed (dummy variables)

R-squared	0.827070	Mean dependent var	0.252814
Adjusted R-squared	0.776724	S.D. dependent var	0.224005
S.E. of regression	0.105847	Akaike info criterion	-1.455522

Sum squared resid	1.770168	Schwarz criterion	-0.693661
Log likelihood	196.1910	Hannan-Quinn criter.	-1.147368
F-statistic	16.42752	Durbin-Watson stat	1.956010
Prob(F-statistic)	0.000000		

Source: Output E-Views 9.0

In Table 8, the value of Fcount is 16.42752. If the value of Ftable is 0.05 at the significant level, when df1 (number of variables -1) = 6 -1 = 5 and df2 (n-k-1) = 205-6-1 = 198, the value of Ftable is 2.26. If you compare the value of Fcount with the value of Ftable, then Fcount > Ftable value (16.42752 > 2.26), with a **Partial test**

probable value of $0.000000 < 0.05$, then H01 is rejected and Ha1 is accepted, which means that investment opportunity pool, cash conversion cycle, asset growth, net working capital and firm size simultaneously affect cash holdings.

Table 9 8
Partial test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	9.004288	0.910504	9.889344	0.0000
IOS?	0.422159	0.151893	2.779318	0.0115
CCC?	0.366121	0.120011	3.050728	0.0062
AG?	0.864437	0.204633	4.224328	0.0000
NWC?	0.357916	0.098018	3.651533	0.0047
SIZE?	0.211246	0.071499	2.954530	0.0131

a. **Pengaruh *Investment Opportunity Set* Terhadap *Cash Holding***

From the above table 8, it can be seen that the value of tcount for investment opportunity is 2.779318, while the table value for 0.05 significant is 1.65255. Since tcount>ttable (2.779318>1.65255) with probability value 0.0115 < 0.05, then Ho2 is rejected and Ha2 is

accepted, which means that the investment opportunity has a significant positive effect on cash deposits.

b. **Effect of cash conversion cycle on cash holdings**
From the above table 8, it can be seen that the cash exchange cycle tcount is 3.050728 while the table

value with significant 0.05 is 1.65255. Since tcount > ttable (3.050728 > 1.65255) with probability value 0.0062 andlt; 0.05, then Ho3 is rejected and Ha3 is accepted, which means that the cash conversion cycle has a significant positive effect on the cash stock. This means that if the cash exchange cycle is fast, the cash supply is smaller and conversely, if the cash exchange cycle lasts a long time, the cash deposits are larger.

c. **Effect of asset growth on cash deposit**
From the above table 4.25 it can be seen that the t-score of asset growth is 4.224328 while the table value at 0.05 significant is 1.65255. Since tcount > ttable (4.224328 > 1.65255) with probability 0.0000 andlt; 0.05, then Ho4 is rejected and Ha4 is accepted, which means that asset growth has a significant positive effect on Cash Holding.

d. **Effect of net working capital on cash deposit**
From the above table 8, it can be seen that the t-score of active growth is 3.651533 while the table value at significant 0.05 is 1.65255. Since tcount > ttable (3.651533 > 1.65255) with probability 0.0047 andlt; 0.05, then Ho5 and Ha5 are accepted and rejected, which means that net working capital has a significant positive effect on Cash Holding.

e. **Effect of firm size on cash reserves**

From the table 8 above, it can be seen that the t-score of firm size is 2.954530 while the table value at significant 0.05 is 1.65255. Since tcount > ttable (2.954530 > 1.65255) with probability 0.0131 andlt; 0.05, then Ho6 is rejected and Ha6 is accepted, which means that firm size has a significant positive effect on cash deposits.

Discussion
Effects of investment opportunities, cash conversion cycle, asset growth, net working capital and firm size on cash

Based on the panel regression analysis conducted in this study, it is found that the simultaneous results of testing investment opportunity fixed variables, cash conversion cycle, asset growth, net working capital and firm size at the same time significantly affect cash concentration in real estate and real estate. . Indonesia Securities (IDX) from 2017 to 2021. In addition, the coefficient of determination test results show that the number of investment opportunities, money conversion cycle, asset growth, net working capital and company size influence 77.67%, and the remaining 22.33% is the influence of other factors outside the research model.
The set of investment opportunities shows the growth of the company's cash reserve used in investment activities. If investment opportunities are high, the company has cash to use for investment opportunities that are considered profitable. In addition, a long cash turnover cycle increases the need for

internal financing, where firms tend to hold large amounts of cash. Asset growth refers to a company's ability to increase its size. The greater the opportunity for the company to grow further, the greater the return must be achieved, therefore the greater the cash reserve. This is related to the size of the company, where the bigger the company, the greater the need for cash. Net working capital also affects cash because cash is considered part of net working capital.

Impact of investment opportunities on cash reserves

Based on the hypothesis testing, it shows that there is a positive and significant effect on cash holding among the investment options set. This is also related to the pecking order theory, in which the investment option setting has a positive effect on cash holdings, with a high investment option increasing the firm's cash supply. High IOS increases the demand for cash, companies tend to hold cash to avoid running out of cash. As a result of the company's lack of cash, the company may lose potentially profitable investment opportunities, unless the company uses external financing, which causes additional costs to the company. Therefore, from this great investment opportunity it follows that companies increase funds as a source of internal financing

The results of this study are consistent with Gunawan et al (2021) and Putri (2022), according to which investment opportunity has a positive and significant effect on cash retention.

Effect of cash conversion cycle on cash holdings

Based on the hypothesis test results, it shows that there is a positive and significant relationship between the cash exchange cycle and cash holdings. This can be interpreted as a company having a long cash conversion cycle, the higher the company's cash reserves, and conversely, the faster the cash conversion cycle, the less cash it has. Regarding the theory of picode, where a company prefers to use internal funds as the first option to finance its operations. Internal financing is preferred, because financing is not risky and usually cheaper. This means that companies tend to emphasize their cash over debt or equity issuance. Because the longer the cash exchange cycle, the greater the need for internal financing, companies tend to hold large amounts of cash. The results of this study are consistent with the views of Setyaningrum and Setiawat (2021) and Putri (2022), who argue that the cash turnover cycle has a positive and significant effect on firm value.

Effect of asset growth on cash deposit

Based on the hypothesis test results, it shows that there is a positive and significant effect between asset growth and money concentration. This can be interpreted when the company's assets grow rapidly, it requires a larger cash reserve. The company is expected to have a high growth in assets, because a high growth rate is a sign of the development of the company. When a company experiences stronger growth, it needs more cash to finance its operating

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needs to increase cash reserves. the greater the company's ability to grow, the greater the company's ability to hold cash to cover future investment needs. The results of this study are consistent with Maghfiroh et al (2022) and Oktafiana and Hidayat, 2022, according to which growth opportunities supported by active growth have a positive and significant effect on cash balance.

Effect of net working capital on cash reserves

Based on the hypothesis test results, it shows that net working capital has a positive and significant effect on cash resources. This can be interpreted as the higher the net working capital, the higher the company's cash reserves. Net working capital means the company's ability to finance its operating needs and short-term liabilities with the company's current assets. This net working capital must be regulated as best as possible so that it meets the financial needs of the company's operations and does not affect the company's liquidity. According to trade-off theory, when there is high net working capital, cash wealth is high. This is because one of the ways to maintain the liquidity of the company is to increase cash reserves. If a business is struggling, one way to avoid financial difficulties and bankruptcy is to have the money to keep the business going. This is consistent with the studies of Abbas et al. (2020) and Maghfiroh et al. (2022) that net working capital has a positive and significant effect on cash positions.

The effect of firm size on cash reserves

Based on the hypothesis test results, it shows that there is a positive and significant effect between firm size and financial position. This can be interpreted as the bigger the size of the company, the bigger the cash reserve, because the company needs cash to finance its operations. Company size describes how large the company is measured in nominal value across the company's total assets. The greater the total amount of assets owned, the stronger the position of the company. Larger companies are also more diversified and have less financial distress, so it can be said that large companies perform better than small companies, which naturally have more money for investment activities, and large companies are generally better kept in cash . Therefore, the larger the size of the company, the larger the cash reserve held by the company, which can be used as a reserve fund if something unexpected happens in the future. This is consistent with the studies of Saputri and Kuswardono (2019) and Dewi and Setiyono (2021) that firm size has a positive and significant effect on cash reserves.

CONCLUSIONS AND RECOMMENDATIONS
Conclusion

1. The sequence of investment opportunities, cash conversion cycle, asset growth, net working capital, and firm size all simultaneously affect cash holdings. This means that if the fixed investment opportunity, cash conversion cycle, asset growth, net working capital and

firm size change at the same time, cash reserves will also change.

2. The set of investment opportunities positively and significantly affects the cash reserve. This means that if the investment opportunity set is high, financial wealth will increase, and conversely, the lower the investment opportunity set, the financial wealth will be lower.

3. The cash conversion cycle has a positive and significant effect on cash deposits. This means that the longer the cash conversion cycle, the higher the company's cash reserves, and conversely, the faster the cash conversion cycle, the lower the cash reserves.

4. Asset growth has a positive and significant effect on cash holdings. This means that the higher the growth of the company's assets, the company needs a large amount of cash, and conversely, the lower the growth of assets, the smaller the company's cash reserves.

5. Net working capital has a positive and significant impact on financial resources. This means that the higher the net working capital, the higher the company's cash reserves, and the lower the net working capital, the lower the cash reserves.

6. Firm size has a positive and significant effect on the amount of money. This means that the bigger the company size, the bigger the company's cash will grow, and conversely, the smaller the company size, the smaller the cash reserves will be.

Suggestion

1. The results of the study show that investment occurrence, cash conversion cycle, asset growth, net working capital and firm size can jointly explain the availability of cash. To manage the ideal level of cash reserves, it is recommended to consider investment opportunity configuration, cash conversion cycle, asset growth, net working capital and company size.

2. The results of the mass survey on investment opportunities have a significant positive impact on financial resources. So, in order to increase the cash supply and create an ideal cash position for the company, it is recommended that the company should control and maximize its cash for every profitable investment opportunity.

3. The results of the cash conversion cycle study have a significant positive impact on cash reserves. So, it is desirable that companies can manage and plan their inventory well, which will reduce the company's inventory change cycle and also manage quick receipts, so that companies can receive money faster and manage

their cash reserves at an ideal level.

4. The results of the asset growth survey have a significant positive impact on financial resources. thus, it is recommended that the company can manage and grow its assets so that the company continues to develop well and the financial position of the company can be well managed.

5. The results of the study show that net working capital has a significant positive effect on cash resources. it is suggested that for companies to make money properly, profits and risks must be balanced, and the company's current assets and current liabilities must be managed.

6. The results of the study of firm size have a positive and significant effect on financial resources. To increase cash, companies are advised to increase the size of the company by increasing the value of assets, equity or sales, because the greater the value of assets, equity or sales, the greater the size of the company.

7. Based on the analysis results obtained from the definition test, it is found that the set of investment opportunities, cash conversion cycle, asset growth, net working capital and firm size influence or influence 77.67% of the company's cash concentration and 22 ,33% . it is influenced by

other variables that have not been studied. Thus, additional researchers are advised to include other independent variables such as leverage, cost of capital, cash flow, liquidity or other variables that can affect cash.

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