

Paper-SH- 005: Bankruptcy Prediction Analysis of Companies Listed on The Indonesian Stock Exchange

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ABSTRACT

Bankruptcy prediction is useful for companies which want to maintain their existence in order to take into account the possible policies to increase production and sales. Bankruptcy prediction gives an overview to the company's management and investors that actual conditions are under control. This study aims to determine the financial health level of manufacturing and metal companies listed on the Indonesia Stock Exchange and also to find out if there is a significant difference to the approach using three models to examine a company's financial health. This study used secondary data obtained from www.idx.co.id. The analysis used a linear regression and T-tests. The results of this study indicated that there are no significant difference on predictive models Z-Score and Springate, but there are significant differences to the model predictions with the Z-Score with Zmijewski and Springate with Zmijewski. The Z-Score Model predictions indicate that many companies could potentially bankrupt the state, as well as Springate, but Zmijewski states that companies are more healthy.

Keywords: A-score, springate, zmijewski, bankruptcy, prediction.