ANALYSIS OF THE INFLUENCE OF OPERATIONAL COSTS ON INCREASING THE FINANCIAL PERFORMANCE OF AMERICAN PUBLIC HEALTH CORPORATION

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Abstract
This study aims to find out how the effect of operational costs on improving the performance of American Public Health Corporation. The research method used is quantitative data method. While the data used is secondary data. The method of data analysis in this study uses simple linear regression analysis to obtain a comprehensive picture of the effect of the variables on Operational Costs on Performance Improvement using the SPSS 25 for Windows program. To find out whether there is a significant effect of the independent variable on the dependent variable, a simple linear regression model is used. The results of testing the hypothesis using simple regression analysis and t-test show that: that the t-table value of the Operating Costs variable is 6.862 > the t-table value (df:α : 

Keywords: Operational Costs, Performance Improvement

INTRODUCTION

Every company generally has a desire or goal to get the maximum profit from the business it runs. The profits that are obtained by the company, of course, are very much needed or help the company in its efforts to develop the company at present or in the future. With a growing and global economy, every company must also be able to compete with other companies that produce similar products or services, competing to be able to increase profits as much as possible.

Financial performance is an analysis that is carried out to see how far a company has carried out using the rules of good and correct financial implementation (Fahmi 2014: 2). Like by making a financial report that meets the standards and provisions in SAK (Indonesian Accounting Standards) or GAAP (General Accepted Accounting Principles) and others. Financial ratios are activities of comparing the numbers in financial reports by dividing one number by another. Comparisons can be made between one component and another in one financial report or between components that exist between financial reports (Kasmir, 2016: 104).

Companies in the current era of globalization are required to be able to adapt to an environment with relatively rapid changes that are uncontrollable and face increasingly competitive competition. So that in order to win the competition in business competition, the company must have a competitive advantage. Competitive advantage is when a company can do something that cannot be done by rival companies or has something that rival companies want, then it can represent a competitive advantage (David, 2011).
American Public Helath Corporation is a company engaged in the oil palm plantation sector which in recent years has experienced a decline in performance in the form of a decrease in company profits. Based on an internal survey conducted by looking at the results of an audit of the company's financial statements, it is clear that operating expenses have increased quite significantly in the last two years, affecting the company's income level which has decreased. This happens because there are several components of operational costs that cannot be controlled by the amount of output.

Such planning and supervision must be prepared carefully, with full consideration and adapted to the conditions and developments of the company itself. Every company must have planning and supervision that can streamline and streamline their respective operational activities. Planning is an important function among all functions. One important aspect of planning is decision making, the process of developing and selecting a set of activities to solve a particular problem.

The following presents a cash flow report at American Public Helath Corporation and is one of the problems that has resulted in a decrease in the company's financial performance due to high operating cash flows and other production costs.

Table 1.1 Summary of American Public Helath Corporation Financial Statements

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Cash Flow of Operating activities</th>
<th>Investment Activity Cash Flow</th>
<th>Funding Activity Cash Flow</th>
<th>Gross profit</th>
<th>Operating Profit (Loss)</th>
<th>Net Profit Before Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>1,547,286,442</td>
<td>(1,489,775,897)</td>
<td>(254,779,263)</td>
<td>2,896,422,674</td>
<td>1,323,657,862</td>
<td>157,907,228</td>
</tr>
<tr>
<td>2017</td>
<td>408,570,779</td>
<td>872,086,311</td>
<td>(600,009,826)</td>
<td>4,563,333,753</td>
<td>1,464,806,444</td>
<td>184,814,948</td>
</tr>
<tr>
<td>2018</td>
<td>1,729,656,380</td>
<td>(2,516,249,468)</td>
<td>(201,885,869)</td>
<td>(1,124,765,336)</td>
<td>(4,896,774,920)</td>
<td>(5,576,041,693)</td>
</tr>
</tbody>
</table>

Source: Annual Report American Public Helath Corporation 2018

Based on the data above, it can be seen that the company's finances are very unstable due to the large operational and investment costs of the company.

In the era of free trade competitiveness is a difficult challenge for a company as well as a major issue. Companies must face intense global competition, rapid technological developments and relatively uncontrollable changes which ultimately require companies to become business entities with the characteristics of world-class companies.

Because the success rate of a company can be seen from the profits generated from sales and from the company's investment income. In addition to being able to increase their income, companies are also required to be able to maintain the viability of their companies, especially in the development of an increasingly advanced business world, competition between companies is getting tighter, plus uncertain economic conditions have resulted in many companies failing. Thus the company determines the appropriate strategy, plan and control or supervision in order to increase revenue and maintain the continuity of its business. The problem that is often faced by companies is how companies can operate as efficiently as possible,
This low production price is achieved by reducing the existence of "Cost of Poor Quality (COPQ)", namely costs incurred due to poor quality or product failure that does not meet customer standards (Customer). That way the quality improvement aims to increase profits. Operational performance according to Handoko (2010) is the implementation of managerial activities carried out in the selection, design, renewal, operation and supervision of production systems. Operational performance can be measured using measurements such as market share, new product launches, product/service quality, marketing effectiveness, and customer satisfaction (Carton and Hofer, in ika 2011).

According to Mulyadi (2015: 8) states that the definition of cost is as follows: "Cost is the sacrifice of economic resources, which is measured in units of money that has become or is likely to occur for a particular purpose." Supervision is also needed to find out whether the activities carried out are in accordance with the plans that have been made. Planning and supervision are two things that cannot be separated. Supervision is part of the management function which seeks to ensure that the plans that have been set can be achieved as they should.

American Public Health Corporation needs to make efforts to control operational costs to minimize excessive operational costs such as reducing machine maintenance costs that are too large due to severe damage. It is better to carry out routine machine maintenance so that operational costs are more affordable, then control over reports of labor overtime that are out of sync with work in the company so that later the company's operating budget will be more efficient.

Decisions must be made at various stages in the planning process. Planning is a function that ranks first and serves as the foundation for other management functions. Planning is not only to achieve goals but also to get effective and efficient results which are the goals of the company. Planning includes the act of selecting and connecting past facts with estimates of events that will occur in the future to formulate activities to be carried out during the intended planning period, which are deemed necessary to achieve the desired goals.

In essence, planning is made as an effort to formulate what an organization or company really wants to achieve and how something that wants to be achieved can be realized through a series of formulations of certain activity plans. Good planning is when what is formulated turns out to be realized and achieves the expected goals. Conversely, bad planning is when what has been formulated and determined does not work in implementation, so that the goals of the organization are not realized. Therefore, planning is the initial stage for every organization or company in carrying out each of its activities.

Supervision includes efforts to check whether everything happens according to the plan set, the orders issued and the principles adopted, it is also intended to find out weaknesses and mistakes so that their occurrence is avoided in the future. The way supervision works is to compare everything that has been carried out with standards and make improvements if deviations occur in the company, so supervision can also measure how far the results achieved are in accordance with what has been planned.
American Public Health Corporation can run the company's operations must incur costs. Cost is an important element in carrying out the operations of a company, because costs must be incurred before producing a product, either in the form of goods or services. Costs are economic sacrifices, measured in units of money, that have occurred or are likely to occur to achieve organizational goals, including the cost of goods sacrificed in an effort to earn income.

Based on the results of observations made by the author who served as an employee of the finance department at the company American Public Health Corporation which is engaged in oil palm plantations, it turns out that there have been several irregularities in the company's operational cash flow reports which have caused operational costs to increase, so that the impact has been a decrease company revenue.

**LITERATURE REVIEWS**

**Operational Cost Monitoring Analysis**

Definition of Cost According to Mulyadi (2014) states that the definition of cost is as follows: "Cost is the sacrifice of economic resources, which is measured in units of money that has become or is likely to occur for a particular purpose." According to Mursyidi (2010) states that the notion of cost is as follows: "Cost (cost) is defined as a sacrifice that can reduce cash or other assets to achieve good goals that can be charged at this time or in the future". Meanwhile, according to Sofyan Syafri Harahap (2011) states that the definition of cost is as follows: "Cost is everything that is charged to the product of goods and services that will be sold to get revenue".

From the three meanings above, it can be concluded that cost is a sacrifice of economic resources that can reduce cash or other assets measured in units of money that are charged to products of goods and services that will be sold to obtain revenue.

**Operating costs**

According to Werner Murhadi (2013) put forward operational costs as follows: "Operating expenses (operating expense) are costs related to company operations which include selling and administrative expenses (selling and administrative expense), advertising expenses (advertising expense), depreciation costs (depreciation), and amortization expense), as well as repairs and maintenance (repairs and maintenance expense)”. According to Jopie Jusuf (2014) put forward operational costs as follows: "Operating costs or business expenses (Operating Expenses) are costs that are not directly related to the company's products but are related to the company's daily activities."

**Company performance**

Company performance is generally measured based on net income (profit) or as a basis for other measures such as return on investment or earnings per share (Harmono, 2014: 23). According to Jumingan (2014: 239) financial performance is a description of the financial condition in a certain period, both regarding aspects of raising funds and...
channeling funds which are usually measured by indicators of capital adequacy, liquidity and profitability.

**Performance Control**

Control and Performance Control is the process of directing a set of variables which include people, things, situations, and organizations to achieve predetermined goals or objectives. While performance is a view of the overall condition of the company over a certain period of time, it is the result or achievement that is influenced by the company's operational activities in utilizing its resources. The interaction between organizational character and human behavior will influence the design and use of control systems.

Performance is the best example of a type of control, and this performance is referred to as "result control" because it involves reward and punishment, both with individuals and groups. Rewards in the form of monetary compensation, job security, promotion, autonomy and recognition will be given to those who can produce good results for the company. Conversely punishment is given to those who produce poor results for the company.

**METHODS**

**Data Types and Sources**

1. **Data Type**

   According to Sugiyono (2015), the types of data are divided into 2, namely qualitative and quantitative. This study uses data types in the form of qualitative and quantitative.
   
   a. **Qualitative Data**

   Qualitative data according to Sugiyono (2015) is data in the form of words, schemes, and pictures. The qualitative data of this research are the names and addresses of the research objects.

   b. **Quantitative Data**

   Quantitative data according to Sugiyono (2015) is data in the form of numbers or qualitative data that is numbered.

2. **Data Source**

   According to Sugiyono (2012: 193) the types of data are divided into two, namely:

   a. **Primary data** is a data source that directly provides data to data collectors. In this study, the primary data is in the form of data from literature studies from various sources, both previous research and information from competent parties in their respective fields.

   b. **Secondary data** is a source that does not directly provide data to data collectors, for example through other people or through documents. The secondary data in this research are the company's operational cost report data and the company's performance measurement.
Data collection technique
The data collection technique used is by:

1. Interview
   According to Sugiyono (2015: 231) interviews are a data collection technique if the researcher wants to conduct a preliminary study to find problems that must be studied, but also if the researcher wants to know things from respondents that are more in-depth.

2. Library Studies
   Literature study, according to Nazir (2013) data collection technique by conducting a review study of books, literature, notes, and reports that have to do with the problem being solved.

RESULTS AND DISCUSSION

1. Research Descriptive Analysis

   Table 4.1. Description of Operational Costs

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Means</th>
<th>std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost_Operational_X</td>
<td>36</td>
<td>23170</td>
<td>61380</td>
<td>41325.33</td>
<td>13380642</td>
</tr>
<tr>
<td>Performance_Finance_Y</td>
<td>36</td>
<td>-4646</td>
<td>254</td>
<td>-1407.83</td>
<td>2289,609</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

   Table 4.1 above shows the results of descriptive statistical measurements of the variable Operating Costs (X), the answer is a minimum value of 23.17% and a maximum value of 61.38% with an average (mean) answer of 41.32% and a standard value deviation of 13.38%. And the results of descriptive statistical measurements on the Financial Performance variable (Y), the answer is a minimum value of -46.46% and a maximum value of 25.4% with an average (mean) answer of -14.07% and a standard deviation value of 22.89%.

2. Classic assumption test
   The testing of the classical assumptions with the SPSS 25.00 program carried out in this study includes:

   a. Normality test
      The Normality Test aims to test whether in the regression model, the confounding or residual variables have a normal distribution (Ghozali, 2016: 154). Data normality testing can be done using two methods, graphics and statistics. The normality test for the graphical method uses the normal probability plot, while the normality test for the statistical method uses the one sample Kolmogorov Smirnov test.
Figure 4.1 Normal P Plot

Data that is normally distributed will form a straight diagonal line and residual data plotting will be compared with the diagonal line, if the residual data distribution is normal then the line that describes the actual data will follow the diagonal line (Ghozali, 2016). Data that is normally distributed will form a straight diagonal line and residual data plotting will be compared with the diagonal line, if the residual data distribution is normal then the line that describes the actual data will follow the diagonal line (Ghozali, 2016). The test results using SPSS 25.00 are as follows:

Table 4.2. One Sample Kolmogorov Smirnov Test

<table>
<thead>
<tr>
<th>Unstandardized Residuals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>N</strong></td>
</tr>
<tr>
<td>Normal Parameters, b</td>
</tr>
<tr>
<td>Means</td>
</tr>
<tr>
<td>std. Deviation</td>
</tr>
<tr>
<td>Most Extreme Differences</td>
</tr>
<tr>
<td>Absolute</td>
</tr>
<tr>
<td>Positive</td>
</tr>
<tr>
<td>Negative</td>
</tr>
<tr>
<td>Test Statistics</td>
</tr>
<tr>
<td>asymp. Sig. (2-tailed)</td>
</tr>
<tr>
<td>Monte Carlo Sig. (2-tailed)</td>
</tr>
<tr>
<td>Sig.</td>
</tr>
<tr>
<td>99% Confidence Intervals</td>
</tr>
<tr>
<td>LowerBound</td>
</tr>
<tr>
<td>Upperbound</td>
</tr>
</tbody>
</table>

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. Based on 36 sampled tables with a starting seed of 2000000.
Source: Data processed from attachment 3 (2020)

From the output in table 4.2 it can be seen that the significance value (Monte Carlo Sig.) of all variables is equal to 0.361. If the significance is more than 0.05, then the residual value is normal, so it can be concluded that all variables are normally distributed.

b. **Heteroscedasticity Test**

The heteroscedasticity test aims to test whether from the regression model there is an inequality of variance from the residuals of one observation to another. A good regression model is one that has homoscedasticity or does not have heteroscedasticity. One way to detect the presence or absence of heteroscedasticity is with the Glejser test, in the glejser test, if the independent variable is statistically significant in influencing the dependent variable then there is an indication of heteroscedasticity occurring. Conversely, if the independent variable is not statistically significant in influencing the dependent variable, then there is no indication of heteroscedasticity. This is observed from the significance probability above the 5% confidence level (Ghozali, 2016: 138).

The results of data processing using SPSS 25.00 show the results in the following table:

**Table 4.3. Glejser Test Results**

<table>
<thead>
<tr>
<th>Model</th>
<th>Coefficientsa</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unstandardized Coefficients</td>
</tr>
<tr>
<td></td>
<td>B</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
</tr>
<tr>
<td></td>
<td>Cost_Operational_X</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Abs_RES

Table 4.3 shows the significance value of the Operational Cost variable of 0.580 where the value of this variable is greater than 0.05 so it can be concluded that there are no symptoms of heteroscedasticity.

c. **Autocorrelation Test**

Autocorrelation test aims to test whether in the linear regression model there is a correlation between the confounding errors in period t and the confounding errors in the t-1 (previous) period. Autocorrelation testing uses the Durbin-Watson test, with the criteria du < d < 4-du. The test results using SPSS 25 are shown as follows:
Table 4.4. Autocorrelation Test

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.762a</td>
<td>.581</td>
<td>.568</td>
<td>1504.251</td>
<td>1,778</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Operational_Cost_X  
Source: Data processed from attachment 3 (2020)

From table 4.4 above With a table value at a significance level of 5%, the number of samples is 36 (n) and the number of independent variables is 1 (k = 1), so in the Durbin-Watson table, the upper limit value (du) is 1.524 and the lower limit (dl) is 1.410, because the DW value of 1.778 is greater than the upper limit (du) 1.524 and less than 1 – 1.524 (1-du), it can be concluded that there is no autocorrelation in this regression model, or the calculation can be concluded that the DW value lies in the test area.

3. Simple Linear Regression Testing

Simple linear regression testing explains the magnitude of the role of the Operational Cost variable (X) on the Financial Performance variable (Y). Data analysis in this study used simple linear regression analysis using SPSS 25.0 for windows. The analysis of each variable is explained in the following description:

Table 4.5. Simple Linear Regression Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>std. Error</td>
<td>Betas</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>3980760</td>
<td>824,332</td>
<td>4.829</td>
<td>.000</td>
</tr>
<tr>
<td>Cost_Operational_X</td>
<td>-.130</td>
<td>.019</td>
<td>.762</td>
<td>6.862</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance_Financial_Y

Based on these results, the simple linear regression equation which describes the simple linear regression equation above is as follows: Based on these results, the simple linear regression equation has the formulation: Y = a + bX, so the equation is obtained: Y = 3980.760 + -0.130X

a. The constant value (a) of 3980.760 indicates the magnitude of Financial Performance (Y) if Operational Costs (X) and Financial Performance (Y) equals zero.

b. The regression coefficient value of Operational Costs (X) (b1) is -0.130 indicating the large role of Operating Costs (X) on Financial Performance (Y) assuming a variable Financial Performance (Y) constant. This means that if the factor of Operational Costs (X) increases by 1 value unit, it is predicted that Financial
Performance (Y) will increase by -0.130 value units assuming that Financial Performance (Y) is constant.

4. Coefficient of Determination (R2)

The coefficient of determination is used to see how much the independent variable contributes to the dependent variable. The greater the value of the coefficient of determination, the better the ability of variable X to explain Variable Y. If the determination (R2) is greater (closer to 1), then it can be said that the effect of variable X is large on Financial Performance. The value used in viewing the coefficient of determination in this study is in the adjusted R square column. This is because the value of the adjusted R square is not susceptible to the addition of independent variables. The value of the coefficient of determination can be seen in Table 4.6 below:

**Table 4.6. Coefficient of Determination**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.762a</td>
<td>.581</td>
<td>.568</td>
<td>1504.251</td>
<td>1.778</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Operational_Cost_X
b. Dependent Variable: Performance_Financial_Y

Based on table 4.6 it can be seen that the value of the adjusted R square is 0.568 or 56.8%. This shows that the Operational Cost variable (X1) can explain the Financial Performance variable (Y) of 56.8%, the remaining 43.2% (100% - 56.8%) is explained by other variables outside this research model. As stated by Werner Murhadi (2013) put forward operational costs as follows: "Operating expenses (operating expenses) are costs associated with company operations which include selling and administrative expenses (selling and administrative expenses), advertising expenses (advertising expense), depreciation costs (depreciation and amortization expense), as well as repairs and maintenance (repairs and maintenance expense)

5. Hypothesis testing

1. t test (Partial)

The t statistical test is also known as the individual significance test. This test shows how far the influence of the independent variables partially on the dependent variable. In this study, partial hypothesis testing was carried out on each independent variable as shown in Table 4.7 below:

**Table 4.7. Partial Test (t)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>std. Error</td>
<td>Betas</td>
</tr>
<tr>
<td>1</td>
<td>3980760</td>
<td>824,332</td>
<td>4,829</td>
</tr>
</tbody>
</table>
ANALYSIS OF THE INFLUENCE OF OPERATIONAL COSTS ON INCREASING THE FINANCIAL PERFORMANCE OF AMERICAN PUBLIC HEALTH CORPORATION

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| Cost_Operational_X | 0.130 | 0.019 | 0.762 | 6.862 | 0.000 | 1,000 | 1,000 |

a. Dependent Variable: Performance_Financial_Y

Hypothesis Testing Effect of Operational Cost Variable (X) on Financial Performance Variable (Y) The form of hypothesis testing based on statistics can be described as follows:

Decision Making Criteria:

1) Reject the hypothesis if tcount < ttable or -tcount > -ttable or Sig value. >0.05
2) Accept the hypothesis if tcount ≥ ttable or -tcount ≤ -ttable or Sig. < 0.05

From table 4.9, the tcount value is obtained 6.862 With α = 5%, ttable (5%; 36-k°(1)° = 35) obtained a ttable value of 2.030 From this description it can be seen that tcount (6.862) > ttable (2.030), so does the significance value of 0.000 < 0.05, it can be concluded that the first hypothesis is accepted, meaning the variable Operating Costs (X) has a significant effect on the variable Financial Performance (Y). In other words, it means that Operational Costs affect the financial performance of American Public Health Corporation. Operating expenses are a major component of operating income calculations, and operating income is an important component of many financial measures. Thus, the lower the company's operating costs, the more profitable a business in general.

This research is in line with Nuraini Rashid (2013) Operational Cost Analysis of Financial Performance at Pt. Bank Negara Indonesia (Persero) Tbk Makassar Branch, the result is that the resulting reduction in earning power indicates the efficient use of capital used for the company's operational costs. Based on the results of the analysis, it can be said that the hypothesis proposed by the author is acceptable. Financial performance and financial reports are media used in assessing financial performance so that financial reports are the end result of the accounting process which shows the current condition of the company as a medium of communication between financial data and company activities for interested parties to make decisions in a certain period. In accordance with the theory according to Nafarin (2010: 76) “Operating costs are the company's main business costs other than the cost of goods sold. Business expenses consist of selling costs, administrative and general costs. In carrying out its activities, a company will incur various types of costs including material costs, direct wages and overhead costs where these three costs are called production costs. Other costs for the smooth running of sales or marketing and administrative operational costs.
CLOSING

Conclusion

This study tries to answer the research objective, namely to find out how the influence of Operational Costs on the financial performance of PT.Gotong Rotong Jaya. Based on the results of the research and discussion in the previous chapter, it can be concluded as follows:

1. What was submitted stated that: From table 4.7, a tcount value of 6.862 is obtained. With α = 5%, ttable (5%; 36-k = 35) a ttable value of 2.030 is obtained. From this description it can be seen that tcount (6.862) > ttable (2.030), and its significance value is 0.00 <0.05, it can be concluded that the first hypothesis is accepted, meaning Operating costs (X) significant effect on Financial Performance (Y1).

2. From the results of the calculation of the regression analysis that has been carried out, it shows that these variables have a positive and significant influence on financial performance. Therefore, in improving financial performance, it is better to increase operational costs within the company.

3. Limitations This study only uses the variable Operational Costs, as factors that influence financial performance. This variable makes a fairly good contribution, but it is still very possible that there are other variables that also affect Operational Costs on Financial Performance.

Suggestions

To perfect this research, there are several additional aspects proposed in the suggestions in this research, namely as follows:

1. Based on the results of the calculation of the regression analysis, it can be seen that the operational costs have a significant effect on the financial performance of American Public Health Corporation.

2. Further research is suggested to consider variables not examined in this study.

3. It is recommended for future researchers to expand the scope of research objects, for example in government, provincial or national coverage throughout Indonesia.

4. Expected on the company American Public Health Corporation to see operational costs properly, to be more efficient and fast and to increase financial performance in the company. The above variables should be used as a company strategy or as material for consideration so that the company pays attention to the company's activities in determining operational costs and its core financial performance. This means that the company must continue to maintain the company's financial performance and operational costs in managing the company it owns so that there is no decline in financial performance.
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