

Abstract

***IMPLICATION OF FINANCIAL CONSTRAINT ON INVESTMENT
OPPORTUNITY SET AND CAPITAL STRUCTURE
(Study on Property and Real Estate Company Listed on BEI periods 2011-2013)***

By

Citra Veronisa

Companies often faced with financial constraint condition in financing activities and balance the composition of the company's financial structure. Investment opportunity set and capital structure are two important components in the company's activities. Investment opportunity set and capital structure will not be separated from sources of corporate funding. This study aimed to examine the influence of financial constraints on company's investment opportunity set and capital structure. This research method is explanatory research that aims to determine the effect of financial constraints on the investment opportunity set and capital structure on property and real estate companies listed on Indonesia Stock Exchange periods 2011-2013 by using analytical tools SmartPLS. The samples in this study using purposive sampling method, there were 13 companies as sample in this research. Results of a study of 13 companies, it is known that financial constraints have a negative effect on the investment opportunity set. The study also shows that financial constraints have a negative effect on the capital structure.

Keywords: Capital Structure , Financial Constraint, Investment Opportunity Set, SmartPLS