

ABSTRACT

This study aims to predict the determinants and consequences of company sticky costs based on behavioral theory of the firm. The population of this study consisted of 2,416 observations of firm-years from 302 public companies listed on the Indonesia Stock Exchange (IDX), except for financial and banking companies for 2010 to 2017. Data processing and analysis using data pooling with the help of statistical software Eviews 10th edition. The results of this study prove that the level of sticky cost increases when attainment discrepancy is a social level, while the influence of historical level discrepancy attainment causes a decrease in the level of sticky cost. The resource slack was found to reduce the company's sticky costs. The influence of attainment discrepancy level, both historical and social and resource slack on sticky cost behavior is not greater in the service industry and trade than the manufacturing industry. This study failed to show a comparison between small slack and large slack when attainment of discrepancy historical and social positive levels as a determinant of sticky cost. This research also only succeeded in proving that best effort-sticky costs produce better future operating profit compared to least effort-sticky costs, namely when the existence of positive historical performance achievements and also the existence of a large total resource slack and available slack dimensions. This does not apply to the achievement of social performance and also the existence of the total slack of resources and their respective dimensions. Further research related to sticky cost still has a big opportunity for the next few decades.

Keywords: *sticky costs, behavioral theory of the firm, attainment discrepancy level, slack resources, best effort-sticky cost, least effort-sticky cost*