

## ABSTRACT

*This study aims to examine the working capital factors that affect company profitability. The independent variables used are Average Collection Period (ACP), Inventory Conversion Period (ICP), and Average Payment Period (APP). Then to measure profitability, Return on Assets (ROA) is used as the dependent variable. Firm Size, Financial Leverage, Sales Growth, and Tangibility Ratio are used as control variables.*

*This study uses secondary data with a population of 195 manufacturing companies listed on the Indonesia Stock Exchange in the 2018-2021 period. This study used purposive sampling method and obtained 128 companies as samples in this study. The analysis method used in this research is multiple linear regression analysis.*

*The results showed that Average Collection Period (ACP) and Inventory Conversion Period (ICP) had a negative and significant effect on Return on Asset (ROA). Meanwhile, Average Payment Period (APP) has a positive and significant effect on Return on Assets (ROA).*

**Keywords:** *Average Collection Period (ACP), Inventory Conversion Period (ICP), Average Payment Period (APP), Return on Assets (ROA).*