

## **ABSTRACT**

*In 2016-2019 the profitability of property and real estate companies in Indonesia tended to be unstable. This shows that the company does not manage resources efficiently resulting in the company experiencing losses and even bankruptcy. The characteristics of the company as a resource to be managed properly so that the company gets a competitive advantage which can affect profitability. On the basis of Resource Based Theory, companies with efficient resource management and competitive advantage should be able to compete so that companies get profitability. The purpose of this study was to examine the effect of a firm's characteristics on profitability. This study uses working capital, firm size, company efficiency, liquidity, leverage as the independent variable and profitability as the dependent variable.*

*The population of this study consisted of all property and real estate companies on the Indonesia Stock Exchange (BEI) for the period 2016-2019. Determination of the sample using systematic random sampling method in order to obtain a sample of this study amounted to 29 companies. Data were analyzed using multiple regression analysis for hypothesis testing.*

*The results from the research provided that company size and company efficiency have a significant positive effect on profitability. Meanwhile, working capital, liquidity, and leverage have no significant effect on profitability. According to these results provided that the greater the size of a company and the higher the level of efficiency of the company will have an effect on profitability. Working capital, liquidity, and leverage are resources that companies need to pay attention to in achieving competitive advantage and company profitability.*

*Keyword: Firm Characteristics, Competitive Advantage, Profitability, Working Capital, Firm Size, Company Efficiency, Liquidity, Leverage*