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Multiple Regression Model on Selling Price, Sales Volume, Raw Material Costs, and Direct Labor Costs on Profit

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ABSTRACT

During its operations, a company always aims to achieve increased profits. The case of PT Ciomas Adisatwa RPA Unit Banjarmasin from 2019 to 2022 demonstrates a trend of rising profits. Several factors can influence a business's profitability, including selling price, sales volume, and incurred costs. The objective of this study is to analyze how the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin is influenced by selling price, sales volume, raw material costs, and direct labor costs. This research employs a quantitative descriptive approach, utilizing secondary data. The monthly data utilized spans from 2019 to 2022, comprising a total of 48 data points. The results of the study indicate that the selling price, sales volume, and raw material costs have a significant impact on the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin. In contrast, direct labor costs have a minimal influence. These findings imply that pricing strategies and increased sales volume are the main factors that can enhance the company's profitability. Additionally, controlling raw material costs is a crucial aspect that must be managed efficiently to avoid burdening the cost structure. On the other hand, direct labor costs can be minimized through increased production efficiency and the effective use of technology, without compromising production output. Therefore, the company should focus on pricing strategies, marketing, and raw material cost efficiency as key measures to sustainably increase profits.

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A. INTRODUCTION

Companies must be capable of competing with other companies in their respective fields due to the rapid growth of the global economy. Companies must generate a profit or gain to improve their welfare and compete with their competitors. Profit is the difference between the costs incurred and the income earned by a company during a specific period. Several factors influence a company's profit, including product price, sales volume, and the costs incurred. Therefore, management is very important in planning and making decisions about these things (Kresnha, 2021). The selling price of a product is the amount the business has established that must be paid to customers, including production and non-production costs and desired profits. Because high selling prices reduce consumer purchasing power, companies must consider the impact of their selling prices. This will reduce the company's sales and

profits. Companies must consider the costs incurred in their business activities in addition to the selling price and sales volume (Hidayah et al., 2022).

Costs directly related to production include base (raw) material expenses and direct employee (labor) expenses. Base material costs refer to the expenses incurred by a business to acquire base materials, including the costs of raw materials, transportation, and storage. Direct employee costs are expenses incurred by the company to process base materials, which, of course, requires the company to employ employees (Anggraeni et al., 2020). The PT Ciomas Adisatwa RPA Unit Banjarmasin is located in South Kalimantan Province, specifically in Ujung Baru Village, RT 01, RW 01, Bati-Bati District, Tanah Laut Regency. PT Ciomas Adisatwa RPA Unit Banjarmasin is a company engaged in the manufacturing of RPA (Chicken Slaughterhouse) owned by PT Japfa Comfeed Indonesia Tbk. This company produces products such as whole chicken meat, chicken meat cut into several parts, boneless chicken meat, and by-products such as skin, feet, heads, and offal, which are sold fresh and in processed form (Afwika et al., 2025).

Businesses generally strive to achieve continuous profit growth. The author's analysis indicates that PT Ciomas Adisatwa RPA Unit Banjarmasin experienced fluctuations in profitability from 2019 to 2022. The research gap compared to previous studies lies in the finding that this unit only faced losses in January, April, and December of 2022. In contrast, it recorded profits from February to November. The highest profit was recorded in December, amounting to 1,226,451,107, while the largest loss occurred in September, reaching 337,666,732. In terms of raw material costs, the company spent 24,421,383,948 in September and 24,529,682,302 in December, indicating that the consumption of raw materials did not vary significantly between these two months (Lismandini et al., 2022).

Previous studies have found different findings on the relationship between profit and base material costs. Unlike Setiawan & Kurniasih (2020), Harahap & Prima (2019), and Heryandi et al. (2022) found that base material costs did not have a substantial impact on profit. In contrast, the benefit obtained by PT Ciomas Adisatwa Banjarmasin was significantly different, despite base material costs being almost the same in September and December. This suggests that other variables, such as selling price and sales volume, may have a greater impact on profit. The purpose of my watchfulness is to learn more about how these variables interact with each other and to gain a better concept of the components that pressure the variation in this company's revenue (Adam et al., 2022). The distinction of this study compared to previous research lies in the methodology employed. In this case, I utilize multivariate regression analysis to assess the impact of selling price, sales volume, raw material costs, and direct labor costs on profit. However, my primary focus is on companies operating in the poultry slaughtering industry (Mulyana & Susilawati, 2021). The objective of this study is to gain a deeper understanding of how profit fluctuations occur at PT Ciomas Adisatwa RPA Unit Banjarmasin. The contribution of this research is not only to provide a clearer depiction of profit variations within the RPA Unit of PT Ciomas Adisatwa Banjarmasin but also to offer valuable insights that can be utilized to enhance business strategies and cost management within the poultry slaughtering sector as a whole (Ulfa et al., 2022).

B. RESEARCH METHOD

This research was conducted through a series of systematically arranged stages to obtain valid and accountable results. The stages began with problem identification, followed by the formulation of research objectives to clarify the study's direction and focus. Subsequently, a literature review and theoretical foundation were conducted, followed by the collection of secondary data from 2019 to 2022, resulting in a total of 48 monthly data points. The entire process is illustrated in the following research flowchart.

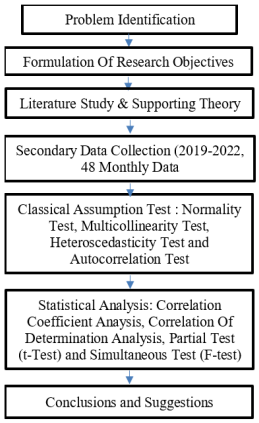

Figure 1. Research Flowchart

The picture above illustrates the methodological steps undertaken in this study. After data collection, data processing was carried out, beginning with classical assumption tests to ensure that the data met the requirements for regression analysis, including tests for normality, multicollinearity, heteroscedasticity, and autocorrelation. Next, statistical analysis was performed, which included testing the correlation and determination coefficients, as well as multiple regression analysis, partial (t-test) and simultaneous (F-test) hypothesis testing. The final stage of the process involved drawing conclusions and formulating recommendations based on the analysis results.

The secondary data functions in this study are sales, base material costs, direct employee costs, and profits of the RPA Unit of PT Ciomas Adisatwa Banjarmasin from 2019 to 2022. Quantitative descriptive statistical analysis, using a multiple regression model, was used to analyze the data of this study (Wibisono et al., 2019). The purpose of this animadversion is to determine the relationship and gauge of influence between independent variables and dependent variables. The independent variables in this study are selling price, sales volume, base material costs, and direct employee costs, while the dependent variable is profit (Y) (Nadiah et al., 2022). Equation (1) for this study's goal is to ascertain:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \ldots + \beta nXn + e \quad (1)$$

Evidence with Y = Dependent variable; X = Independent variable; α = Constant; $\beta 1$ = Coefficient 1; $\beta 2$ = Coefficient 2; βn = Coefficient n; e = Error value.
The following is the study's hypothesis:

1. First hypothesis
   H0 : Profit is not much impacted by selling price
   H1 : Profit is significantly impacted by the selling price
2. Second hypothesis
   H0 : Profit is not much impacted by sales volume
   H2 : Profit is significantly impacted by sales volume
3. Third hypothesis
   H0 : Profit is not significantly impacted by the cost of base materials
   H3 : Profit is significantly impacted by base material costs
4. Fourth hypothesis
   H0 : Profit is not significantly impacted by direct employee expenditures
   H4 : Profit is significantly impacted by direct employee costs
5. Fifth hypothesis
   H0 : Profit is not significantly impacted by selling price, sales volume, base material costs, or direct employee costs taken together
   H5 : Profit is significantly impacted by base material costs, direct employee costs, sales volume, and selling price

First, a swimmer test is conducted on the collected data. Then, testing is conducted on every independent variable to determine whether there is a significant effect on the dependent variable. After testing every independent variable, such as selling price, sales volume, base material costs, and direct employee costs, is carried out simultaneously. Finally, conclusions are based on the test outputs (Suswandoyo & Saputri, 2024).

C. RESULT AND DISCUSSION

Before data processing using SPSS, the composer will standardize the data because there are differences in the units of measurement between the two variables: the sales volume variable (in kilograms) and the other variables (in rupiah) (Waruwu, 2023). Standardization aims to equalize the unit, so that the standard value no longer depends on the unit of measurement, but becomes the standard value (Firmansyah & Damanik, 2024). Calculations and tests can be performed once the data has been normalized:

Pre-Condition Test

1. Outputs of Normality Test

For ascertain if the regression model's residual variables are distributed normally, the normality check is required. The Sig grade in the normalcy test determines the decision-making process, specifically:

a. The data is considered regularly distributed whether the Sig grade is greater than 0,05.
b. The data remains non-normally distributed even whether the Sig grade is less than 0,05.

The following table displays the normalcy test outputs:

Table 1. Outputs of Kolmogorov-Smirnov Test

N	Normal Parameters[a,b]		Most Extreme Differences			Test Statistic	Asymp. Sig. (2-tailed)
	Mean	Std. Deviation	Absolute	Positive	Negative		
48	.0000000	.66127658	.060	.060	-.060	.060	.200[c,d]

The Sig grade inside Table 1 is 0.200. The outputs show that data in the regression model is normally distributed. In distinct words, the residual variables in this regression model are also considered to be normally distributed.

2. Outputs of Multicolinearity Test

To find out whether the independent variables inside the regression model, the multicollinearity check is used. In this study, the tolerance value and variation inflation factor (VIF) are function for decision making:

a. Multicollinearity issues are not present in the data whether the tolerance value is greater than 0.10 and the VIF or variation inflation factor value is less than 10.
b. Multicollinearity issue with the data whether the tolerance value is less than or equal to 10 and the VIF or variation inflation factor value is greater than 10.

The following is a table showing the results of the multicollinearity test:

Table 2. Outputs of Multicolinearity Test

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Zscore: Selling Price	0.923	1.083
	Zscore: Sales Volume	0.101	9.885
	Zscore: Base Material Cost	0.116	8.641
	Zscore: Direct Employee Costs	0.711	1.407

According to Table 2, the selling price variable has a VIF of 1.083 and a tolerance grade of 0,923, while the sales volume variable has a VIF value of 9,885 and a tolerance of 0,101. The base material cost variable has a VIF value of 8.641 and a tolerance of 0,116. The direct employee cost variable has a VIF grade of 1,407 and a tolerance grade of 0,711. The outputs above indicate that there are no symptoms of multicollinearity. This denote that is no correlation amongst the independent variables in this regression model.

3. Outputs of Heteroscedasticity Test

The objective of the heteroscedasticity check is to ascertain whether there is an inequality in variance between the residuals of different observations in a regression model. This study's heteroscedasticity test employs the white technique, which looks at the chi-square count and chi-square table values with the following criteria as a basis for decision-making:

a. Heteroscedasticity is absent if chi-square count is less than chi-square table.
b. Heteroscedasticity is present if chi-square count is greater than chi-square table.

The following Table 3 exhibits the detection of the heteroscedasticity test:

Table 3. Outputs of Heteroscedasticity Test

Model Summary				
Model	R	R - square	Adjusted R - square	Std. Error of the Estimate
1	.508a	0.258	0.082	0.59026

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The following method can be used to get the chi-square count once the R-square value has been obtained (Equation (2)):

$$\begin{aligned} \text{Chi-square count} &= n \times R2 \\ &= 48 \times 0,258 \\ &= 12,384 \end{aligned} \tag{2}$$

The value of the chi-square table with $df = n - 1$ (n is the number of data), so the df value is $48 - 1 = 47$, and the value of the chi-square table with df is 47 and a significance of 0.05 is 64.001. Thus heteroscedasticity does not occur. That means that the residual variance does not differ from one observation to another.

4. Outputs of Autocorrelation Test

The autocorrelation check is used to establish if there is a correlation midst the nuisance error in period t and the nuisance error in the previous period (t-1) in a linear regression model. For the Runs check autocorrelation check, the basis for decision making is as follows:

a. Autocorrelation symptoms are not present in the model whether the Asymp Sig grade is greater than 0.05.
b. Autocorrelation symptoms are present in the model if the Asymp Sig grade is less than 0.05.

Table 4 below appoint the autocorrelation check findings as follows:

Table 4. Outputs of Heteroscedasticity Test

Runs Test	
	Unstandardized Residual
Test Valuea	-0.03792
Cases <Test Value	24
Cases >= Test Value	24
Total Cases	48
Number of Runs	23
Z	-0.438
Asymp. Sig. (2-tailed)	0.662
a. Median	

The Asymp. value of the signature. (2-tailed) is 0.662. Thus, there is no symptom of autocorrelation. In short, there is no correlation between the nuisance error in period t and the nuisance error in the previous period in the regression model.

Analysis of the Correlation Coefficient (R)

The purpose of correlation coefficient analysis is to find out how strong the relationship or correlation is between the independent variable and the dependent variable. The coefficient value can be related as follows:

a. 0.00 to 0.199 indicates a very weak correlation.
b. 0.200 to 0.399 denotes a relationship that is low.
c. 0.400 to 0.599 implies being in a relationship that is moderate.
d. 0.600 to 0.799 implies being in a solid connection.
e. 0.800 to 1.000 indicates a very solid bond.

Table 5 below displays the correlation coefficient test findings as follows:

Table 5. Outputs of Correlation Coefficient Analysis

Correlations						
		Zscore: Selling Price	**Zscore: Sales Volume**	**Zscore: Base Material Cost**	**Zscore: Direct Employee Cost**	**Zscore: Profit**
Zscore: Selling Price	Pearson Correlation	1	-0,178	-0,139	0,073	,541**
	Sig. (2-tailed)		0,226	0,347	0,62	0
	N	48	48	48	48	48
Zscore: Sales Volume	Pearson Correlation	-0,178	1	,933**	,435**	, 314*

Correlations						
		Zscore: Selling Price	Zscore: Sales Volume	Zscore: Base Material Cost	Zscore: Direct Employee Cost	Zscore: Profit
	Sig. (2-tailed)	0,226		0	0,002	0,03
	N	48	48	48	48	48
Zscore: Base Material Cost	Pearson Correlation	-0,139	,933**	1	,312*	-,445**
	Sig. (2-tailed)	0,347	0		0,031	0,002
	N	48	48	48	48	48
Zscore: Direct Employee Cost	Pearson Correlation	0,073	,435**	,312*	1	0,139
	Sig. (2-tailed)	0,62	0,002	0,031		0,346
	N	48	48	48	48	48
Zscore: Profit	Pearson Correlation	,541**	,314*	-,445**	0,139	1
	Sig. (2-tailed)	0	0,03	0,002	0,346	
	N	48	48	48	48	48

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

The outputs of the koefisien korelasi analysis between the variables bebas and terikat are shown in Table 5 above, with the pearson korelasi values explained as follows:

a. The pearson correlation between the prices of the selling price (X1) and the profit (Y) is around 0.541, indicating a positive correlation between the two prices.
b. The pearson correlation between the volume of sales volume (X2) and profit (Y) is around 0.314, indicating a positive correlation between the two volumes.
c. The pearson korelasi between the base material cost (X3) and profit (Y) is as high as 0.445, which indicating that there is a negative correlation between the two.
d. There is a very low positive correlation between direct employee costs (X4) and profit (Y), with a Pearson correlation grade of 0.139.

Analysis of Determination Coefficient (R^2)

The degree to which the model can depict the variation of the dependent variable is ascertained by the determination coefficient analysis. The determination coefficient value ranges among 0 (zero) and 1 (one), and the dependent variable can offer nearly all of the data required to forecast how the dependent variable will change. As a output of the coefficient of determination analysis, here are the outputs:

Table 6. Outputs of Determination Cofficient Analysis

Model Summary				
Model	R	R-square	Adjusted R - square	Std. Error of the Estimate
1	.750[a]	0.563	0.522	0.6913498

a. Predictors: (Constant), Zscore: Direct Employee Cost, Zscore: Selling Price, Zscore: Base Material Cost, Zscore: Sales Volume

Based on Table 6, the independent variables and dependent variable every produce an Adjusted R–square of 0,522. This shows that selling price, sales volume, base material costs, and direct employee costs account for 52,2% of the company's profit. Other variables not discussed in this study provide the remaining 47,8%.

Analysis of Multiple Regression Model

The purpose of this model is to ascertain whether there is a positive or negative correlation between the independent and dependent variables. The outputs are the following for the multiple regression model:

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Table 7. Outputs of Multiple Regression Model

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-5.28E-16	0.1		0	1
	Zscore: Selling Price	0.519	0.105	0.519	4.949	0
	Zscore: Sales Volume	0.866	0.317	0.866	2.731	0.009
	Zscore: Base Material Cost	-1.212	0.296	-1.212	-4.09	0
	Zscore: Direct Employee Cost	0.102	0.12	0.102	0.853	0.398
a. Dependent Variable: Zscore: Profit						

Table 7 allows for the following determination of the multiple regression Equation (3):

$$Y = -5.284 \times 10^{-16} + 0.519X_1 + 0.866X_2 - 1.212X_3 + 0.102X_4 + e \quad (3)$$

Every variable's regression coefficient can be explained using this equation as follows:

a. If the variables selling price, sales volume, base material costs, and direct employee costs are considered zero (0), then the company's profit will decrease by 5,284E-16. This is because the constant value is negative, namely 5.284E-16.
b. The regression coefficient of selling price (X1) shows a positive sign of 0.519, which means that, assuming other variables remain constant, the company's profit will rise by 0.519 if the selling price rise by one unit.
c. The sales volume regression coefficient (X2) has a positive value of 0,866, which means that assuming other variables do not change, the company's profit will rise by 0.866 whether the sales volume rise by one unit.
d. The regression coefficient of base material costs (X3) is negative, at -1.212, which indicates that, assuming other variables remain constant, the company's profit will decrease by 1,212 if base material costs increase by one unit.
e. The regression coefficient of direct employee costs (X4) has a positive value of 0.102, which implies that if all other factors stay the same, a rise in direct employee cost units will increase the company's profit by 0.102.

Outputs of T-Test

To find out how much power every independent variable has on every dependent variable, this test is used. Every independent variable is measured by comparing the significance value with 0.05 and the decision making is as follows:

a. The independent variable affects the dependent variable if the significance value is less than 0.05.
b. The independent variable does not affect the dependent variable if the significance value is greater than 0.05.

The following are the findings of the t test:

Table 8. Outputs of T-Test

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-5.28E-16	0.1		0	1
	Zscore: Selling Price	0.519	0.105	0.519	4.949	0
	Zscore: Sales Volume	0.866	0.317	0.866	2.731	0.009
	Zscore: Base Material Cost	-1.212	0.296	-1.212	-4.09	0
	Zscore: Direct Employee Cost	0.102	0.12	0.102	0.853	0.398
a. Dependent Variable: Zscore: Profit						

The following explanation applies to the outputs displayed in Table 8:

a. First hypothesis test (H1): approved
   Selling price has a significant partial influence on profit, according to the significance value of the selling price variable (X1), which is 0.000, which is less than 0.05.
b. Second Hypothesis test (H2): approved
c. Third Hypothesis test (H3): approved

The base material cost variable (X3) shows a significant partial influence on profit, with a significance value of 0,000 less than 0.5.

d. Four Hypothesis test (H4): rejected
The direct employee cost variable (X4) has a significance value of 0.398, greater than 0.05, which indicates that direct employee costs do not have a significant partial effect on profit.

Output of F-Test

The following significance values are used to assess the influence of independent variables on dependent variables simultaneously:

a. If the independent variables significantly affect the dependent variables simultaneously, if the significance value is less than 0.05.
b. If the independent variable does not significantly affect the dependent variable simultaneously, the significance value is greater than 0.05.

The following are the findings of this study's f test:

Table 9. Outputs of F-Test

ANOVA[a]						
	Model	**Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig.**
1	Regression	26.448	4	6.612	13.833	.000b
	Residual	20.552	43	0.478		
	Total	47	47			

a. Dependent Variable: Zscore: Profit
b. Predictors: (Constant), Zscore: Direct Employee Cost, Zscore: Selling Price, Zscore: Base Material Cost, Zscore: Sales Volume

Table 9 shows the outputs of the F-test, which indicate a significance value of 0.000, or a value lower than 0.05. Since the five independent variables in this study—selling price, sales volume, base material costs, and direct employee costs—have a simultaneous effect on profit, further interpretation is necessary (H5 is accepted).

The findings of this study indicate that the significance value of the t-test is 0.000, which is less than 0.05. The selling price (X1) exhibits a moderate positive correlation with profit (Y), with a value of 0.541. These results suggest that the selling price influences the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin. This occurs because a higher selling price leads to increased sales and revenue, allowing the company to cover its operational costs. However, setting a selling price that is too high compared to market rates and competitors may have negative consequences, as it can weaken consumer purchasing power. If consumer interest in purchasing the product declines, sales volume will also decrease, ultimately affecting the company's profitability (Kresnha, 2021). Therefore, determining the selling price of a product is a crucial aspect that companies must carefully consider. Businesses must consider production costs, target markets, market conditions, and the presence of competitors. Previous research has shown that the selling price and sales volume significantly influence a company's profits. Similarly, this study also demonstrates that an appropriately set selling price can enhance revenue and profitability.

The findings of this study are supported by research conducted by Heryandi et al. (2022), which also found that selling price has a significant impact on profitability. However, the key difference between this study and the research by Heryandi et al. (2022) lies in the focus of the analysis. While Heryandi et al. (2022) examined various industrial sectors in general, this study specifically investigates the poultry slaughtering industry at PT Ciomas Adisatwa RPA Unit Banjarmasin. As a result, these findings reinforce previous research within a more specific context while providing additional insights into the dynamics of selling prices in the poultry slaughtering sector. Base material costs and direct employee costs also contribute to the cost structure, but their impact on profit is not as significant as other factors. Setiawan and Kurniasih's research also states this (Setiawan & Kurniasih, 2020). The study also emphasizes the relationship between various factors and the importance of proper pricing and sales volume strategies in increasing profits, especially in poultry slaughter. This is because, although base material costs do not change significantly between high and low profit months, factors such as selling price and sales volume are more influential in determining the final outputs.

The findings of this study indicate that the significance value in the t-test is 0.009, which is lower than the 0.05 threshold. Sales volume (X2) has a weak positive correlation with profit (Y). These results suggest that the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin is influenced by sales volume. As sales volume increases, the number of products produced will also

rise. Higher sales naturally lead to greater company profits. Therefore, the company needs to implement effective marketing strategies, such as product promotion and distribution, to boost sales volume. Moreover, the presence of competitors plays a role in driving sales growth. To maintain customer interest and sustain sales, the company must focus on preserving and improving product quality (Nandari, 2017).

Previous studies have found that although sales volume contributes to increasing company profits, its impact is smaller compared to other factors such as selling price. The findings of this study align with the research conducted by Heryandi et al. (2022), which stated that while sales volume influences profitability, its effect is not as significant as that of other factors, such as selling price. However, a key difference between this study and that of Heryandi et al. (2022) lies in the scope and approach used. Heryandi et al. (2022) examined various industrial sectors in general, whereas this research specifically focuses on the poultry slaughtering industry at PT Ciomas Adisatwa RPA Unit Banjarmasin. Additionally, this study highlights the role of marketing strategies, such as product promotion and distribution, as supporting factors in increasing sales volume. This aspect was not a primary focus in Heryandi et al. (2022) research.

This study also aligns with the research conducted by Setiawan and Kurniasih, which found that pricing strategies and fixed production costs play a more dominant role in influencing profits, even though sales volume remains an important factor. However, this study differs from Setiawan and Kurniasih's research in terms of the variables analyzed. While Setiawan and Kurniasih emphasized pricing strategies and fixed production costs, this study incorporates direct labor costs as a variable in analyzing its relationship with company profits. Furthermore, this research provides a more in-depth perspective on how marketing strategies and market competitiveness can be crucial factors in increasing sales volume and profitability. The findings of this study offer practical insights for companies to consider effective marketing approaches to enhance sales while reinforcing previous research findings within the specific context of the poultry slaughtering industry.

The findings of this study indicate that base material costs (X3) have a moderate negative correlation with profit (Y), with a correlation value of 0.445 and a t-test significance value of 0.000, which is less than 0.05. The results show that base material costs influence the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin. The company must reduce base material costs to prevent them from becoming excessively high because an increase in base material costs will directly impact the company's profit. Companies should develop strategic plans for base material usage based on existing data to control both the quantity ordered and the associated costs. Additionally, they can seek suppliers that offer lower prices while maintaining product quality, a process that requires careful supervision and research (Suzan & Siagian, 2023).

Previous studies have shown that managing base material costs is crucial in improving business profitability. This study aligns with the research conducted by Heryandi et al. and Setiawan & Kurniasih (2020), who found that high base material costs are directly related to lower profits due to increased production costs. However, the key difference between this study and the research conducted by Heryandi et al. lies in the approach used to analyze the impact of base material costs on profitability. While Heryandi et al. focused on a broader industry analysis, this study specifically examines the poultry slaughtering industry, particularly at PT Ciomas Adisatwa RPA Unit Banjarmasin. Additionally, this study highlights practical strategies that companies can implement to manage base material costs, such as selecting suppliers that offer more competitive prices and improving procurement planning.

This study is also supported by Damayanti, whose findings suggest that companies should carefully plan base material procurement and select suppliers offering competitive prices without compromising quality. However, this study places greater emphasis on an empirical analysis of the direct impact of base material costs on company profits. In contrast, Damayanti's research focuses more on managerial aspects and general strategies for managing base materials without specifically linking them to company profitability. Therefore, this study provides additional contributions by offering practical guidance on effectively managing base material procurement, reducing production costs, and increasing profitability within the context of the poultry slaughtering industry (Harahap & Prima, 2019).

The findings of this study indicate that direct labor costs (X4) have a very low positive correlation with profit (Y), with a correlation coefficient of 0.139 and a t-test significance value of 0.398, which is greater than 0.05. These results suggest that direct labor costs do not influence the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin. The author believes that production efficiency, such as the use of modern technology, can reduce labor costs without decreasing production volume. The second assumption is that direct labor costs have no significant effect because other variables have a greater and more substantial impact on profit, making the effect of direct labor costs appear smaller.

This study aligns with the research conducted by Damayanti, which states that companies do not directly factor in labor costs when calculating profit but instead consider other costs that have a more significant influence on profitability. However, the

key difference between this study and Damayanti's research lies in their analytical approach. This study employs a quantitative analysis with a regression model to empirically measure the impact of direct labor costs on profit. In contrast, Damayanti's research focuses more on managerial aspects and labor efficiency strategies without directly assessing their effect on profitability. Additionally, this study highlights the role of production efficiency, particularly the adoption of modern technology, as a means to reduce labor costs without compromising production output—an aspect that was not the primary focus of Damayanti's research.

This study is also supported by Setiawan & Kurniasih (2020), who stated that direct labor costs often have a limited direct impact on company profits. This is because other components, such as selling price and base material costs, play a more significant role in influencing profitability. However, the difference between this study and the research conducted by Setiawan & Kurniasih (2020) lies in the approach used to analyze the factors affecting company profits. Setiawan & Kurniasih (2020) focused more on the accounting aspects of labor costs and how companies allocate these costs in financial reports. In contrast, this study places greater emphasis on production efficiency and how technology can be leveraged as a solution to enhance productivity without significantly increasing labor costs. This study highlights that the use of advanced technology in production efficiency can increase output without necessarily reducing labor costs. These findings align with previous research, which indicates that technology can improve productivity while reducing reliance on direct labor. Therefore, this study suggests that, to enhance profitability, companies should prioritize other factors, such as pricing strategies and base material costs, while acknowledging that direct labor costs remain an essential component of the cost structure (Triwidatin, 2022).

The findings of this study indicate that the results of the F test for the variables of selling price, sales volume, base material costs, and direct employee costs show a significance value of 0.000, which is lower than 0.05. This suggests that selling price, sales volume, base material costs, and direct employee costs collectively influence the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin by 52.2%, based on the results of the determination coefficient test. An increase in sales volume and selling price will positively impact the company's revenue, thereby enhancing the potential for profit generation. Since base materials are the primary components processed into finished products for sale, base material costs will inevitably rise alongside increased sales. Based on the explanation above, it is evident that the selling price, sales volume, base material costs, and direct employee costs collectively have a significant impact on the company's profit (Yuliani & Hariyana, 2024).

This study aligns with the research conducted by Heryandi et al. (2022), which states that selling price and sales volume have a significant impact on profit, as both influence the revenue received by the company. However, the difference between this study and Heryandi et al. (2022) research lies in the approach used to analyze the factors affecting profit. Heryandi et al. (2022) focused more on the statistical relationship between selling price, sales volume, and profit. In contrast, this study also considers other factors, such as production efficiency and strategies for managing base material and labor costs, which also play a role in increasing profitability.

This study is also supported by the research of Setiawan & Kurniasih (2020), who found that base material and labor costs have a direct impact on profit. However, their impact is not as significant as the selling price and sales volume. However, the difference between this study and Setiawan & Kurniasih (2020) research lies in the scope of analysis. Setiawan & Kurniasih (2020) emphasized cost accounting aspects and how companies allocate base material and labor costs in financial statements. Meanwhile, this study focuses more on broader cost management strategies, including how production efficiency and the use of technology can help companies optimize profitability.

D. CONCLUSION AND SUGGESTION

The conclusion from the analysis and discussion regarding the influence of selling price, sales volume, base material costs, and direct employee costs on the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin is that the selling price has a significant impact on the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin. This is indicated by the significance value, which is 0,000, which is smaller than 0,05. Additionally, as revenue increases, a higher selling price will also impact profit. The profit of PT Ciomas Adisatwa RPA Banjarmasin Unit is influenced by sales volume. This is indicated by a smaller significance value of 0.009 compared to 0.05, which suggests that the greater the sales volume, the greater the sales generated. Of course, an increase in sales volume will contribute to an increase in the company's profit. The cost of base materials influences the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin. The significance value of 0.000 is smaller than 0.05, indicating this. If the cost of base materials increases, the company's costs will also increase accordingly. This increase in costs will certainly have a direct impact on the company's profits. The significance value of 0.398, which is greater than 0.05, indicates that direct employee costs do not affect the profit of PT Ciomas Adisatwa RPA Unit Banjarmasin. This shows that direct employee costs do not affect the company's profit.

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DECLARATIONS

AUTHOR CONTIBUTION

All authors contributed to this manuscript, from exploring ideas to writing this article.

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COMPETING INTEREST

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this article.

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