www.bircu-journal.com/index.php/birci
Budapest International Research and Critics Institute-Journal (BIRCI-Journal)
Humanities and Social Sciences
ISSN 2615-3076 Online)
ISSN 2615-1715 (Print)
Budapest Institute

Company Dividend Policy Analysis Compass Index 100 In Indonesia Stock Exchange

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Abstract

The purpose of the study was to see the effect of leverage as proxied by Debt to Equity Ratio (DER), profitability as proxied by Return on Equity (ROE), and company size proxied by the natural logarithm of total assets (SIZE) on Dividend Policy proxied by Dividend Payout Ratio (DPR). The population of this study is the Kompas 100 Index Company on the Indonesia Stock Exchange (IDX) for the 2017-2020 period. In determining the sample in this study, purposive sampling technique was used and obtained 44 companies with the Kompas 100 Index and an observation period of four years, so that 176 sample data were obtained. Data analysis used the Microsoft Excel 2019 application and E-views version 12 to test the hypothesis with panel data regression analysis with a significance level of 5%. The results of the study partially show that, (1) Leverage has no effect on Dividend Policy, (2) Profitability has an effect on Dividend Policy, and (3) Company Size has no effect on Dividend Policy.

Keywords
Leverage; profitability, company size; dividend policy.

I. Introduction

The higher the company's leverage, the company tends to generate less cash, this is likely to affect the occurrence of earning management. Companies with high debt or leverage ratios tend to hold their profits and prioritize the fulfillment of debt obligations first. According to Brigham and Ehrhardt (2013), the greater the leverage of the company, it tends to pay lower dividends in order to reduce dependence on external funding. So that the greater the proportion of debt used for the capital structure of a company, the greater the number of liabilities that are likely to affect shareholder wealth because it affects the size of the dividends to be distributed. (Yanizzar, et al. 2020)

IDX creates a stock index to group stocks according to certain terms and methodologies. One of the indexes on the IDX is the Kompas 100 Index. According toJuwita & Angela (2016) The Kompas 100 Index Company is a collection of companies that are considered to have good financial performance because they have high liquidity and have a large market capitalization.

One thing that can be a concern and attract investors to carry out investment activities is dividends according toIdawati & Sudiartha (2014) dividend is part of the profit earned by the company. That way, dividends will be distributed by the company if the company has made a profit on its business activities according toOctavia (2014) Dividend policy is a management decision regarding the method the company will take in utilizing the profits obtained, whether it will be distributed to investors or will be reinvested. Factors that can influence the dividend policy made by a company include investment opportunities and company expansion, ease of access to financial markets, level of leverage and company financial stability. (Hanafi, 2008, p.375). In addition, there are also

DOI: *https://doi.org/10.33258/birci.v5i1.4160*

other factors such as the level of company profitability, company liquidity level, and company size. (Nurhayati, 2013).

There is a phenomenon that in 2017-2020, 47.72% of companies on the Kompas 100 index experienced an increase in leverage, and 36.36% of companies experienced an increase in their dividend policy. This phenomenon is not in accordance with the theoryKuswanta (2016) which states that if there is an increase in the value of leverage, it will make the dividend policy decrease. This phenomenon is in line with researchSari, et al (2021) which states that if the leverage value increases, the dividend policy will also increase. However, this phenomenon is not in line with researchSari & Sudjarni (2015) which states that if there is an increase in the value of leverage, it will make the dividend policy decrease.

In 2017-2020, 43.18% of companies on the Kompas 100 index experienced an increase in profitability and 63.64% of companies on the Kompas 100 index experienced a decrease in dividend policy. This phenomenon is not in accordance with the theoryDevi, et al (2014) which states that if the profit earned by the company increases, the dividend policy will also increase. This phenomenon is in line with researchSumanti & Mangantar (2015) which states that if the value of profitability increases, it will make dividend policy decrease. However, this phenomenon is not in line with researchGinting (2018) which states that if the company's profitability increases, the dividend policy will also increase.

In 2017-2020, 84.09% of companies on the Kompas 100 index experienced an increase in company size and 63.64% of companies on the Kompas 100 index experienced a decrease in dividend policy. This phenomenon is not in accordance with the theoryPrincess (2017) which states that the larger the size of the company, the greater the dividend policy. This phenomenon is in line with researchFirmansyah, et al (2020) which states that if the size of the company increases, the dividend policy will be smaller. However, this phenomenon is not in line with researchMui & Mustapha (2016) which states that if the size of the company increases, the dividend policy will also increase.

Based on the phenomenon and gap research, this study was conducted to determine the effect of leverage, profitability and firm size on dividend policy on the Kompas 100 index company on the Indonesia Stock Exchange. And it is hoped that the results of this study will also be useful for companies in determining their dividend policy, and also for investors in determining investment decisions.

II. Review of Literature

2.1 Signaling Theory

Signaling theory according toSpence (1973)is a form of signal or signal, where the sender (the owner of the information) tries to provide relevant pieces of information that can be utilized by the recipient. The receiving party will then adjust its behavior according to its understanding of the signal.

Signaling theory explained both the signal of failure and the signal of success conveyed by the company to its investors. Two conditions can occur in this situation. The first situation is called symmetric information, namely the creation of equal proportions of information about the company owned by managers and investors. While the second situation is called asymmetric information, namely the proportion of information about the company that is owned by managers is better than investors.(Brigham & Houston, 2010).

The dividend policy set by a company can be seen as a form of signal given by the company to its investors. These signals can be received and translated by investors to find out the financial condition and prospects of a company's business activities in the future.

The steady increase in the number of dividends per share distributed by the company to its investors can be a positive signal that can indicate that the company is getting high earnings per share. An assessment of the good or bad financial performance of a company can be interpreted as a positive or negative signal for investors. If the company's performance is good, of course this can be a positive signal for investors. Meanwhile, if the company's performance is not good, of course it will give a negative signal for investors.(Sugiarto, 2009, p.48).

2.2 Dividend Policy

Some of the theories used as the basis for determining dividend policy for companies, so that it can be used as an understanding of why a company takes a certain dividend policy are as follows:

a. *Dividend Irrelevance Theory*
   Modigliani – Miller inSartono (2010)argues that under a given investment decision condition, dividend payments have no effect on the welfare of shareholders. MM further argues that the firm value is determined by the earning power of the firm's assets, thus firm value is determined by investment decisions.
b. *Bird-in-the-hand theory*
   Myron J. Gordon and J. Lintner inSartono (2010)argues that shareholders prefer that earnings be distributed in the form of dividends rather than retained earnings. The reason is that the payment of dividends is a definite income compared to capital gains. Gordon Lintner thinks that investors view one bird in hand as worth more than a thousand birds in the sky. This revenue has been named the-bird-in-the-hand fallacy by Modigliani-Miller.
c. *Tax Preference Theory*
   The third group argues that if dividends are taxed on capital gains, investors will demand a higher rate of return for stocks with high dividend yields. This group suggests that companies prefer to determine low dividend yields or even not distribute dividends to minimize the cost of capital and maximize firm value.

According toSudana (2015, p.26)To see the amount of dividends distributed by the company in determining the dividend policy, it can be seen by measuring the dividend payout ratio. The net profit obtained by the company can be partially distributed as dividends distributed to investors or can also be distributed as retained earnings. The following is the formula for calculating the dividend payout ratio:

$$\textit{Dividend Payout Ratio} = \frac{\text{Dividen yang dibagikan}}{\textit{Earning After Tax}} \text{x } 100$$

2.3 Leverage

According toBrigham & Houston (2010, p. 140)Leverage or what can also be called corporate funding by way of debt will describe how much debt is used as company funding.

Leverage The Company uses the Debt to Equity Ratio to determine the extent to which the company can pay all of its obligations, be it short or long term. The higher the value of the company's DER, it illustrates the higher the obligations that must be paid by the company. (Monika & Sudjarni, 2017). The DER calculation formula is:

$$\textit{Debt to Equity Ratio} = \frac{\text{Total Liabilitas}}{\text{Total Ekuitas}} \text{x } 100$$

According toKuswanta (2016)if the value of leverage increases, it will make the value of dividends decrease. Based on this theory, it is concluded that leverage is the level of debt used by the company as a source of funds. Leverage is able to measure the extent to which the company is able to pay the company's obligations.

If the company's leverage value is low, then it is assessed if the company is able to pay its obligations. On the other hand, if the leverage value of the company is high, there can be a risk of loss and even bankruptcy of the company so that it can have an influence on the dividend policy made by the management.

This is in line with researchSari & Sudjarni (2015)which concludes that leverage has an influence on dividend policy.

H1: Leverage has an effect on dividend policy.

2.4 Profitability

According toSartono (2010, p.122)profitability is a measure of the extent to which the company has the ability to generate profits from the company's operational activities.

According to Pangestuti (2020) the profitability ratio is used as a benchmark before investors carry out investment activities, because a high profit value can increase the company's opportunity to distribute dividends. The formula for calculating the company's profitability can use the following formula:

$$\textit{Return on Equity} = \text{x } 100\frac{\text{Laba bersih}}{\text{Total ekuitas}}$$

According toSulaiman & Sumani (2016)the value of profitability can have an influence on dividend policy, because the higher the value of profitability generated, the higher the value of dividends distributed to investors. If the company can earn high profits, the higher the opportunity for the company to distribute dividends to its investors. Investors will usually pay attention to the profitability ratio in assessing whether or not it is feasible to invest in a company.

If the company succeeds in achieving large profits or profits, this will open up opportunities for investors from the company to get dividends. So it can be understood that profitability can have an influence on the dividend policy taken by management.

This is in line with researchGinting (2018)which concludes that profitability has an influence on dividend policy.

H2: Profitability has an effect on dividend policy.

2.5 Company Size

According toSuwardika & Mustanda (2017)The size of the company is a picture of the size of the rejection of the size of the company that can be known through the size of the company's assets, the amount of sales, and the amount of company equity. Large companies will give trust to their investors by showing good performance.

According to Adha, et al (2021) companies with large sizes have many advantages so that they can increase the positive assessment of the company in the eyes of investors. Large companies make it easier for companies to get funding sources that can later be used to increase company capital. The following is the formula for calculating company value:

$$\textit{Size} = \text{LN(Total assets)}$$

According toPrincess (2017)The larger the size of the company, the greater the value of the dividends distributed will also be. If the size of the company gets bigger, the company will have the ability to get better sources of funding and this can minimize the risks faced by the company. The greater the value of the total assets owned by the company, the greater the company's ability to distribute dividends to its investors, so that

the size of the company can have an influence on the dividend policy taken by management.

This is in line with researchMui & Mustapha (2016)which concludes that firm size has an effect on dividend policy.

H3: Firm size has an effect on dividend policy.

III. Research Method

3.1 Population and Sample

Companies listed on the Indonesia Stock Exchange for the period 2017-2020 are the population in this study. Meanwhile, the Kompas 100 index companies listed on the Indonesia Stock Exchange for the 2017-2020 period were the sample in this study and the sampling technique used was purposive sampling so that 44 companies were obtained.

3.2 Data collection technique

Secondary data is the type of data used in this study. Secondary data in this case is the financial report of the Kompas 100 index company on the IDX for the 2017-2020 period, obtained from the IDX website, namely www.idx.co.id and other sources.

3.3 Data analysis technique

Quantitative analysis is an analytical technique, and secondary data is the type of data used to conduct this research. To analyze and test the data hypotheses, the assistance of the Microsoft Excel 2019 application program and Eviews version 12 was used with the panel data regression model used:

Yit = 0 + 1X1 + 2X2 + 3X3 + it

Note:

Yit = Dividend Policy

X1 = Leverage

X2 = Profitability

X3 = Company size

= Constant

i = Company Name Compass Index 100

t = Time Period

= Error Term

There are three tests used to estimate the panel data, namely the F Test (Restricted Test), the Hausmann test and the Lagrange Multiplier test. To determine which model is best to use.

3.4 Classic assumption test

To produce a more precise estimator model parameter value, it is necessary to detect whether the model deviates from the classical assumptions or not. In this study, the test used was the normality test.

3.5 Hypothesis testing

Hypothesis testing (temporary conjecture) utilizes the model regression analysis method with the Eviews version 12 application. The methods used to test the hypothesis are partial test (t test) and coefficient of determination test (R2).

IV. Result and Discussion

4.1 Descriptive statistics

To get a picture of a data set in a research that describes each variable with mean, maximum, minimum, and standard deviation, it is necessary to use descriptive statistics. The following are the results of data processing with the help of the E-views 12 application with a total sample of 176 data for this study, the results obtained are as follows:

Table 1. Descriptive Statistical Results

	DIVIDEND POLICY	LEVERAGE	PROFITABILITY	COMPANY SIZE
mean	46,45977	190.8426	16.98472	31.00895
median	35.50000	101.5200	13.71500	30.82000
Maximum	230.1400	1021,810	145.0900	34.95000
Minimum	3.090000	4.330000	0.740000	25.08000
Std. Dev.	46.56639	222.8915	20.16411	1.762990
Observations	176	176	176	176

Source: E-views 12 (data processed)

Below is a descriptive statistical interpretation:

a. Dividend Policy
Dividend Policy is proxied by the DPR. The DPR's mean of 44 Kompas 100 index companies in the 2017-2020 period is 46.45. The maximum value of the DPR from 44 Kompas 100 index companies in the 2017-2020 period is 230.14 at the Sarana Menara Nusantara Tbk company. (TOWR) in 2018. Meanwhile, the minimum DPR value of 44 Kompas 100 index companies in the 2017-2020 period was 3.09 at Japfa Comfeed Indonesia Tbk. (JPFA) in 2019. The DPR's standard deviation value of 44 Kompas 100 index companies in the 2017-2020 period is 46.56. A standard deviation greater than the Mean value indicates a gap between the maximum and minimum DPR values.

b. *Leverage*
*Leverage*proxied by DER. The mean DER of 44 Kompas 100 index companies in the 2017-2020 period is 190.84. The maximum DER value of 44 Kompas 100 index companies in the 2017-2020 period is 1021.81 at the West Java Regional Development Bank and Banten Tbk. (BJBR) in 2020. Meanwhile, the minimum DER value of 44 Kompas 100 index companies in the 2017-2020 period is 4.33 for the Puradelta Lestari Tbk company. (DMAS) in 2018. The standard deviation of the DER value of 44 Kompas 100 index companies in the 2017-2020 period is 222.89. A standard deviation that is greater than the Mean value indicates a gap between the maximum and minimum DER values.

c. Profitability
Profitability is proxied by ROE. The mean ROE of 44 Kompas 100 index companies in the 2017-2020 period is 16.98. The maximum ROE value of 44 Kompas 100 index companies in the 2017-2020 period is 145.09 at Unilever Indonesia Tbk companies. (UNVR) in 2020. Meanwhile, the minimum ROE of 44 Kompas 100 index companies in the 2017-2020 period is 0.74 for Aneka Tambang Tbk. (ANTM) in 2018. The standard deviation value of the ROE of 44 Kompas 100 index companies in the 2017-2020 period is 20.16. A standard deviation greater than the Mean value indicates a gap between the maximum and minimum ROE values.

d. Company Size

Company size is proxied by size. The mean size of 44 Kompas 100 index companies in the 2017-2020 period is 31.00. The maximum size value of 44 Kompas 100 index companies in the 2017-2020 period is 34.95 at Bank Rakyat Indonesia (Persero) Tbk. (BBRI) in 2020. Meanwhile, the minimum size value of 44 Kompas 100 index companies in the 2017-2020 period is 25.08 at the Semen Indonesia (Persero) Tbk. (SMGR) which is in 2020. The standard deviation value of the size of 44 Kompas 100 index companies in the 2017-2020 period is 1.76. A standard deviation that is smaller than the Mean value indicates that there is no gap between the maximum and minimum SIZE values.

4.2 Regression Model Used

Table 2. Random Effect Model

Cross-section random effects test equation:
Dependent Variable: DIVIDEND POLICY
Method: Least Squares Panel
Periods included: 4
Cross-sections included: 44
Total panel (balanced) observations: 176

Variable	Coefficient	Std. Error	t-Statistics	Prob.
C	2.162516	173.6878	0.012451	0.9901
LEVERAGE	-0.018989	0.082128	-0.231209	0.8175
PROFITABILITY	-1.428693	0.496227	-2.879115	0.0047
COMPANY SIZE	2.327943	5.530459	0.420931	0.6745

Source: E-views 12 (data processed)

Based on the results of the panel data regression test that was tested using the E-views 12 application, the following is the regression equation for the panel data model:
DPR = 2.162516 – 0.018989 (DER) – 1.428693 (ROE) + 2.327943 (SIZE) +

4.3 Classic assumption test

The Classical Assumption Test in this study is the Normality Test because the panel data regression model used is the Random Effect Model (REM). The following are the results of the normality test in this study:

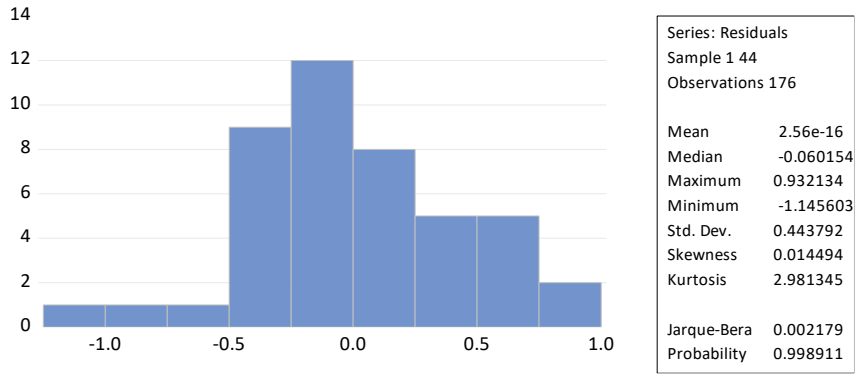

Figure 1. *Normality Test Results*

Source: Eviews12 (data processed)

Based on the picture above, it is known that the Jarque-Bera probability value is 0.998911 which is greater than 0.05, this indicates that the data is normally distributed.

4.4 Partial Test (t Test)

This partial test is carried out with a function to see the effect of leverage, profitability, and firm size on dividend policy.

Table 3. Partial Test Results (t Test)

Variable	Coefficient	Std. Error	t-Statistics	Prob.
C	2.162516	173.6878	0.012451	0.9901
LEVERAGE	-0.018989	0.082128	-0.231209	0.8175
PROFITABILITY	-1.428693	0.496227	-2.879115	0.0047
COMPANY SIZE	2.327943	5.530459	0.420931	0.6745

Source: E-views 12 (data processed)

Based on the table above, the following are the results of the partial test (t test):

1. Effect of Leverage on Dividend Policy
   *Leverage*which is proxied by DER shows a value of 0.8175 > 0.05. Then, the coefficient value is -0.018989. The value of -tcount is greater than -ttable which is -0.231209 > -1.97385. The value of df = Nk-1 = 176-4 = 172 and a significance level of 0.05, it means that Ha is rejected and H0 is accepted, which means that the leverage variable has no effect on the dividend policy variable.
2. The Effect of Profitability on Dividend Policy
   Profitability proxied by ROE shows a value of 0.0047 < 0.05. Then, the coefficient value is -1.428693. The value of -tcount is smaller than -ttable which is -2.879115 < -1.97385. The value of df = Nk-1 = 176-4 = 172 and a significance level of 0.05, then Ha is accepted and H0 is rejected, which means that the profitability variable affects the dividend policy variable.
3. Effect of Firm Size on Dividend Policy

The size of the company proxied by Size shows a value of 0.6745 > 0.05. Then, the coefficient value is 2.327943. The value of tcount is smaller than ttable, namely 0.420931 < 1.97385. The value of df = Nk-1 = 176-4 = 172 and a significance level of 0.05, then Ha is rejected and H0 is accepted, which means that the firm size variable has no effect on the dividend policy variable.

4.5 Coefficient of Determination Test (R2)

This test aims to see how well Leverage, Profitability, and Company Size are in describing Dividend Policy.

Table 4. Results of the Coefficient of Determination

Cross-section fixed (dummy variables)			
MSE root	31.04499	R-squared	0.552995
Mean dependent var	46,45977	Adjusted R-squared	0.393598
SD dependent var	46.56639	SE of regression	36.26210
Akaike info criterion	10.24284	Sum squared resid	169627.3
Schwarz criterion	11.08951	Likelihood logs	-854.3702
Hannan-Quinn Criter.	10.58625	F-statistics	3.469290
Durbin-Watson stat	2.761450	Prob(F-statistic)	0.000000

Source: E-views 12 (data processed)

From the table above, it is known that the value of the coefficient of determination is 0.393598 or 39.35%. This shows that dividend policy can be influenced by independent variables, namely leverage, profitability, and firm size of 39.35%. While the remaining 60.65% is illustrated by other variables that are not used in this study, namely liquidity, company growth, inflation rates and interest rates.

4.6 Discussion

a. Effect of Leverage on Dividend Policy

The Leverage variable proxied by DER has a value of -tcount greater than -ttable, namely -0.231209 > -1.97385. Thus, it can be stated that the leverage variable has no effect on the dividend policy variable. If the leverage increases, then the dividend policy increases, and vice versa. For example, the increase in DER in companies in the mining sector because their total liabilities each year experience a higher increase when compared to the increase in equity, such as in ADRO and ELSA companies. However, this does not prevent the company from setting a dividend policy as indicated by the increase in the value of the DPR.

Research conductedKuswanta (2016)states that if the leverage value increases, it will make the dividend policy decrease because if the value of the company's liabilities is greater than the company's equity value, it will make the company tend to prioritize its funds for debt payments compared to distributing dividends. Based on this theory, the researcher makes an initial hypothesis which states that Leverage has an effect on Dividend Policy.

In contrast to this research, this study states that the size of Leverage does not affect the Dividend Policy, as can be seen when a company has a high debt value, but it does not prevent the company from paying dividends to its investors. For example, the ELSA Company in 2018 experienced an increase in DER, but this did not prevent the company from setting a dividend policy as indicated by the company's DPR value which also increased. This is because the ELSA Company also experienced an increase in sales of Rp.

1,645,788,000,000 so that even though the total debt of the ELSA Company increased, the company could still distribute dividends to its investors.

As many as 81.81% of the Kompas 100 index companies in the 2017-2020 period experienced an increase in the DER value and also an increase in the DPR value and vice versa, the companies experienced a decrease in the DER value and also experienced a decrease in the DPR value.

The results of this study are supported by previous research including researchSari, et al (2021),Trust (2020), andGinting (2018)which states that Leverage has no effect on Dividend Policy.

b. The Effect of Profitability on Dividend Policy

Profitability variable that is proxied by ROE has a value of -tcount which is smaller than -ttable, namely -2.879115 < -1.97385. Thus, it can be stated that the profitability variable has an effect on the dividend policy variable. If profitability increases, the dividend policy also increases and vice versa. For example, the increase in ROE in the basic and chemical industrial sector companies because the company's net profit experienced a higher increase when compared to the increase in equity, such as in CPIN and INKP companies. This gives the company more opportunities to share some of its profits as dividends as indicated by the increase in the value of the DPR.

Research conductedDevi, et al (2014)states that the higher the value of the profits obtained by the company, the higher the company's dividend policy will be. This is because if the company manages to get a sufficient profit value, then the company has more ability to set aside some of its profits to be distributed as dividends to its investors. Based on this theory, the researcher makes an initial hypothesis which states that Profitability has an influence on Dividend Policy.

In line with this research, this study states that the size of Profitability affects Dividend Policy. As can be seen when a company experiences an increase in profitability, the company's dividend policy will also increase. For example, the CPIN Company in 2018 experienced an increase in ROE, which was also followed by an increase in the DPR. This is due to the CPIN Company experiencing an increase in the value of net income by Rp.2, 051,610,000,000 which makes the company more likely to share some of the profits it earns as dividends for its investors.

As many as 77.27% of the Kompas 100 index companies in the 2017-2020 period experienced an increase in the value of ROE and also an increase in the value of the DPR and vice versa, the company experienced a decrease in the value of ROE and also experienced a decrease in the value of the DPR.

The results of this study are supported by previous research including researchTrust (2020),Akbar & Fahmi (2020),Bansaleng, et al (2014), andSari, et al (2021)which states that Profitability has an effect on Dividend Policy.

c. Effect of Firm Size on Dividend Policy

Firm Size variable as proxy for Size has a lower tcount than ttable, namely 0.420931 < 1.97385. It can be stated that the firm size variable has no effect on the dividend policy variable. This means that the size of the company does not affect the dividend policy.

Research conductedPrincess (2017)states that if the size of the company is larger, the dividend policy will also be greater, because if the company has a large size, it indicates that the company has good financial and operational performance and the company will be better able to distribute dividends to its investors. . Based on this theory, the researcher makes an initial hypothesis which states that firm size has an effect on dividend policy.

In contrast to this research, this study states that company size does not have an effect on Dividend Policy. This can be seen when there are companies that experience an increase in total assets, but the value of their dividend policy actually decreases. For example, the ACES Company in 2018 experienced an increase in SIZE, but instead experienced a decrease in the DPR. This was caused by the ACES Company which experienced an increase in total assets of Rp. 892,340,305,062, but the increase in total assets did not affect the company's dividend policy, where the value of dividends distributed to investors actually decreased. So that an increase in the company's total assets will not necessarily increase the amount of dividends distributed by the company.

As many as 88.36% of the Kompas 100 index companies in the 2017-2020 period experienced an increase in the SIZE value and a decrease in the DPR value and vice versa, the companies experienced a decrease in the SIZE value and an increase in the DPR value.

The results of this study are supported by previous research including researchFirmansyah, et al (2020),Kuswanta (2016), andIdawati & Sudiartha (2014)which states that Company Size does not affect the Dividend Policy.

V. Conclusion

The results of the study state that the leverage proxied by DER has no effect on the Dividend Policy of the Kompas 100 Index companies on the Indonesia Stock Exchange for the 2017-2020 period. Profitability proxied by ROE has an effect on the Dividend Policy of Kompas 100 Index companies on the Indonesia Stock Exchange for the 2017-2020 period. The size of the company that is proxied by SIZE has no effect on the Dividend Policy of the Kompas 100 Index companies on the Indonesia Stock Exchange for the 2017-2020 period.

The results of this study are expected to be taken into consideration by the company in determining its dividend policy and helping investors before making investment decisions.

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