

ABSTRACT

One of the complicated problems that often occurs with companies is dividend distribution. Dividend distribution in companies involves principals and agents who have their own interests, thus causing agency conflicts in dividend distribution. So that a dividend policy is needed to decide how much the proportion of corporate profits are distributed as dividends to shareholders.

The purpose of this study is to analyze what factors can affect the company in dividend policy. This study intends to determine the effect of independent variables both simultaneously and passively. In this study, independent variables were used, namely debt to equity ratio (DER), collateralizable assets (COLLAS), sales growth (SG), free cash flow (FCF), and firm size (SIZE) to dividend policy (DPR).

The population in this study is the sector Consumer Goods Industry companies listed on the Indonesia Stock Exchange in 2013-2017. The sampling technique used was purposive sampling and obtained 13 companies with a research period of 5 years, to obtain 65 sample data. The method of data analysis in this study is panel data regression analysis using software views 9.

The random effect model was chosen after the start of the 3 panel test regression model selection tests The results showed that simultaneous debt to equity ratio (DER), collateralizable assets (COLLAS), sales growth (SG), free cash flow (FCF), and size influential company dividend policy (DPR).

Based on the tests that have been conducted, it can be concluded that all research variables are homogeneous data. Partially all independent variables have a significant effect on dividend policy. While partially the debt to equity ratio and collateralizable assets have a significant effect on the negative direction of dividend policy (DPR). Sales growth and free cash flow have no significant effect on the positive direction of dividend policy (DPR). While company size has a significant effect on the positive direction of dividend policy (DPR).

Keywords: Debt to Equity Ratio, Collateralizable Assets, Sales Growth, Free Cash Flow, Firm Size, Dividend Policy.