

ABSTRACT

Dividend policy is a decision whether the company's profits will be distributed to shareholders in the form of dividends or the profits will be retained to be reinvested in the future.

This study aims to determine the effect of profitability, investment opportunities, managerial ownership and institutional ownership on dividend policy in consumer goods industry sector companies listed on the Indonesia Stock Exchange in 2015-2018. The population in this study is the consumer goods industry sector companies listed on the Indonesia Stock Exchange in 2015-2018.

The sampling method used was purposive sampling method with a sample size of 13 companies and the study period was 4 years with a sample of 54 data. The data analysis technique used descriptive statistics and hypothesis testing using panel data regression analysis using Microsoft Excel 2019 and Eviews 10 software applications.

The test results obtained from this study simultaneously show that profitability, investment opportunities, managerial ownership and institutional ownership have a significant effect on dividend policy. Partially profitability, investment opportunities, managerial ownership and institutional ownership have no influence on dividend policy.

Based on the research that has been done, the authors suggest further researchers to add or change with other variables that are thought to have an effect on dividend policy and to replace the research object in other sector companies.

Keywords: Dividend Policy, Institutional Ownership, Investment Opportunities, Managerial Ownership, Profitability.