

ABSTRACT

The development of the world economy requires Indonesia to encourage its industries, especially the consumer goods industry sector which is the dominant manufacturing company to have a fairly stable financial performance. In order to be consistent in increasing its production capacity, the consumer goods industry is expected to be able to apply technological innovations and reliable resources to achieve better performance. Improving company performance is very important for the welfare of shareholders which is one of the company's goals.

In this study, the dependent variable used is financial performance as proxied by ROA and the independent variables used are Intellectual capital and dividend policy. So the purpose of this study is to find out whether Intellectual capital and dividend policy have a simultaneous and partial effect on financial performance as proxied by ROA in consumer goods industrial sector companies listed on the IDX in 2016-2019.

The analytical method used in this study is panel data regression analysis. With the sample selection technique using the purposive sampling method and obtained 26 companies in the consumer goods industry sector listed on the IDX in 2016-2019 within a period of 4 years so that 104 observations were obtained.

Based on the results of the study, Intellectual capital and dividend policy simultaneously affect financial performance as a proxy for ROA. And partially Intellectual capital and dividend policy have a positive effect on financial performance as a proxy for ROA in consumer goods industrial sector companies listed on the IDX in 2016-2019.

Further researchers are advised to use other variables that are not used in this study which are considered to have an influence on financial performance, especially those proxied by ROA. The company is expected to further improve and utilize the company's intellectual capital properly and pay more attention to decision making in the distribution of dividends to investors in order to improve the company's financial performance. And investors and potential investors are expected to be more careful in looking at the condition of the company, such as paying attention to the company's profitability and policies in dividend distribution before investing their funds.

Keywords: *dividend policy, financial performance, intellectual capital*