

ABSTRACT

Dividend policy is included in one of the three important decisions of financial management. Dividend policy is a company's decision to determine whether the profits earned by the company will be distributed to investors in the form of dividends or by increasing the company's retained earnings for investment financing in the future. If the company chooses to distribute the profits earned as dividends, it will reduce internal sources of funds resulting in dependence on the company's external sources of funds.

This study aims to determine the variables that influence companies in making decisions regarding dividend policy in consumer goods industrial sector companies listed on the Indonesia Stock Exchange in 2015-2019. Some of these factors are earnings per share, investment opportunities, total asset turnover, and collateralizable assets. The data used in the study were obtained from the 2015-2019 annual financial statements.

The population in this study is the consumer goods industrial sector companies listed on the Indonesia Stock Exchange in 2015-2019. The sampling technique used purposive sampling method in order to obtain 13 samples of companies with a research period of 5 years, in order to obtain 65 total data. The data analysis method in this study is panel data regression.

The results showed that the variables of earnings per share, investment opportunity, total asset turnover, and collateralizable assets simultaneously had an effect on dividend policy. The variable total asset turnover partially has a significant positive effect on dividend policy. The collateralizable asset variable has a significant negative effect on dividend policy. While the investment opportunity variables and earnings per share have no effect on dividend policy.

For further researchers, it is recommended to add variables, change the object of research, use different latest methods and practices. For companies, it is recommended to further improve the company's performance and manage total asset turnover effectively in order to achieve high sales. For investors and potential investors, it is advisable to analyze the total asset turnover (TO) to be used as a source of information in providing an overview of developments to invest or not in a company, because according to the results of the study it is stated that high total asset turnover has an effect on dividend policy.

Keywords: *collateralizable asset, dividend policy, earning per share, investment opportunities, total asset turnover*