ABSTRACT

Dividend policy is a decision on whether the profit earned by the company will be distributed to shareholders as dividends or will be held in the form of retained earnings for investment financing in the future. Therefore, it is not uncommon for there to be conflicts of interest between management and shareholders.

This study was conducted to test the partial and simultaneous influence on the variables of Profitability, Liquidity, Managerial Ownership, and Company Growth on Dividend Policy in Banking Companies Listed on the Indonesia Stock Exchange for the 2017-2020 period.

This research uses a quantitative approach. The population of this study is banking companies listed on the Indonesia Stock Exchange for the 2017-2020 period. The selection of research samples was carried out using purposive sampling techniques. So that it was obtained by as many as 12 companies for 4 years. The analysis technique in this study used panel data regression using Eviews 12 software.

The results showed that simultaneously Profitability, Liquidity, Managerial Ownership, and Company Growth had a significant effect on Dividend Policy. In part, Profitability has a negative and significant effect on dividend policy, while liquidity, managerial ownership, and company growth have no significant effect on dividend policy.

Based on the research that has been carried out, companies need to pay attention to the company's profitability, liquidity, managerial ownership, and company growth in creating added value to increase company value.

***Keyword**: profitability, liquidity, managerial ownership, company growth, dividend policy.*