

## **ABSTRACT**

*Dividend as a form of return on stock investment made in a company, is one of the things that can attract the attention of investors. The higher the dividends distributed by a company, the more investors are interested in investing their funds in the shares of the company concerned. In addition, the high dividends distributed also indicate that the financial condition of a company is in good condition, as indicated by the increased level of accumulation of the company's net profit. However, in practice, an increase in profits does not guarantee that a company will distribute dividends in a large percentage, or even just distribute dividends to its shareholders. So it is concluded that it is thought that there are other factors that influence dividend policy, apart from the presence of shareholders in the company.*

*The purpose of this study was to determine the effect of profitability, liquidity, growth, firm size, and leverage on dividend policy, with the population being state-owned companies listed on the Indonesia Stock Exchange in the 2017-2021 period.*

*The sampling technique used is purposive sampling with criteria consisting of: 1) BUMN companies listed on the IDX from 2017-2021, 2) consistently publish audited financial reports, and 3) consistently distribute dividends from 2017- 2019, so that a sample of 6 companies was obtained. The research period is 5 years, so that the total sample data obtained is 30 data. The data processing method used is descriptive analysis and panel data regression using OLS (Ordinary Least Squared) with the help of Eviews 12 software.*

*Based on the results of this study, simultaneously the variables profitability, liquidity, growth, firm size, and leverage have a significant effect on dividend policy, while partial testing shows profitability, liquidity, firm size, and leverage have a significant effect on dividend policy, while growth has no significant effect on the dividend policy of state-owned companies listed on the Indonesia Stock Exchange for the 2017-2021 period.*

*The results of this study can be used as additional insight for financial managers to decide on dividend policy, as input for investors when investing in shares of state-owned companies listed on the Indonesia Stock Exchange for the 2017-2021 period, as teaching materials for academics in the context of understanding financial ratios and deepening regarding the factors that influence dividend policy, as well as material for further research for researchers taking into account the limitations in this study. Suggestions for further research are to use different objects, a larger amount of observational data, and to use or add other independent variables besides those used in this study.*

**Keywords:** *dividend policy, profitability, liquidity, growth, firm size, leverage.*