

INFLUENCE OF FINANCIAL PERFORMANCE ON DIVIDEND POLICY: EVIDENCE IN BANKING COMPANIES ON THE INDONESIA STOCK EXCHANGE

I Putu Mega Juli Semara Putra¹, I Gusti Ngurah Bagus Gunadi²

Faculty of Economics and Business,

Mahasaraswati University of Denpasar, Bali, Indonesia

Email: ¹ megeabat@unmas.ac.id ; ² gunadi@unmas.ac.id

Abstrak - Penelitian ini bertujuan untuk menguji pengaruh variabel rasio kecukupan modal, rasio utang terhadap ekuitas, rasio pengembalian aset, dan rasio pinjaman terhadap simpanan terhadap kebijakan dividen. Penelitian dilakukan dengan menggunakan pendekatan kuantitatif. Sampel dalam penelitian ini adalah 12 perusahaan perbankan yang terdaftar di Bursa Efek Indonesia periode 2019-2021. Penentuan sampel menggunakan metode purposive sampling. Alat analisis yang digunakan adalah Analisis Regresi Linear Berganda. Hasil penelitian ini menunjukkan bahwa variabel rasio kecukupan modal berpengaruh negatif terhadap kebijakan dividen, debt to equity ratio tidak berpengaruh terhadap kebijakan dividen, return on assets berpengaruh negatif terhadap kebijakan dividen dan loan to deposit ratio berpengaruh negatif. tidak berpengaruh pada kebijakan dividen. Penelitian ini berimplikasi kepada perusahaan dan pembuat kebijakan di Kementerian dan Lembaga Pemerintah di Indonesia untuk mengatur kebijakan dividen perusahaan di bursa efek Indonesia agar saling menguntungkan bagi perusahaan dan investor. Ini adalah studi pertama yang menguji kebijakan dividen untuk mempengaruhi kinerja keuangan pada perusahaan perbankan di Bursa Efek Indonesia.

Kata kunci: capital adequacy ratio, debt to equity ratio, return on assets, loan to deposit ratio, dividend payout ratio

Abstract - This study aims to examine the effect of the variable capital adequacy ratio, debt-to-equity ratio, return on assets, and loan-to-deposit ratio on dividend policy. The study was carried out using a quantitative approach. The sample in this study was 12 banking companies listed on the Indonesia Stock Exchange for the 2019-2021 period. Determination of the sample using a purposive sampling method. The analytical tool used is Multiple Linear Regression Analysis. The results of this study indicate that the capital adequacy ratio variable has a negative effect on dividend policy, the debt-to-equity ratio has no effect on dividend policy, return on assets has a negative effect on dividend policy and loan to deposit ratio has no effect on dividend policy. This study implicates companies and policymakers in Ministries and Government Agencies in Indonesia to regulate the company's dividend policy on the Indonesian stock exchange so that it is mutually beneficial for companies and investors. This is the first study that examined dividend policy to influence financial performance in banking companies on the Indonesia stock exchange.

Keywords: *capital adequacy ratio, debt to equity ratio, return on assets, loan to deposit ratio, dividend payout ratio*

INTRODUCTION

Every company sets its own dividend policy, determining the amount of profits to be shared with shareholders and the amount of profits to be retained by the company. When a company distributes larger profits in the form of dividends, it may become more attractive to potential investors. This is because potential investors often view such companies as being in good financial health with promising future prospects. In evaluating a company's financial health, investors consider several aspects, including financial performance. Financial performance is analyzed to assess how well a company is performing (Erjawan, 2018).

Financial ratios are indicators that connect two accounting figures and express their relationship by dividing one number by another (Kasmir, 2017: 93). By analyzing financial ratios, one can determine the condition and health of a company during a specific period. The financial ratios used in this study are Capital Adequacy Ratio (CAR), Debt-to-Equity Ratio (DER), Return on Assets (ROA), and Loan-to-Deposit Ratio (LDR) (Erjawan, 2018).

Capital Adequacy Ratio (CAR) is a ratio that demonstrates a bank's ability to provide funds to overcome the possibility of risk loss. This ratio is important because keeping the CAR at safe limits (minimum 8%) also means protecting customers and maintaining financial system stability. Higher CAR values reflect a bank's increasing ability to withstand the possibility of risk loss. Research results from Erjawan (2018), Wahyuni (2014), Limbog (2015), and Prayunita (2016) conclude that the Capital Adequacy Ratio (CAR) has a positive effect on the dividend payout ratio. However, Rasyid (2018) concluded that CAR had a negative effect on the dividend payout ratio. This is contrary to Murni (2017), which concludes that CAR is not influential in the dividend payout ratio.

Debt to Equity Ratio (DER) is a ratio used to evaluate the financial position of a company. This ratio assesses the ability of the company to pay off its obligations by comparing all debts, including current liabilities, with the total equity. This ratio is useful for knowing the amount of funds provided by creditors with the owner of the company (Kasmir, 2017: 112). Research results from Aristanto (2015), Pramana, Sukaertha (2015), Limbong (2015), Praja (2017), and Kurniawan (2017) conclude that DER has a negative effect on the Dividend Payout Ratio. On the other hand, Prayunita (2016), Modyoningrum (2016), and Nursada (2017) concluded that DER has a

positive effect on the Dividend Payout Ratio. This is in contrast with Endang, Dzulkirom, Prawira (2014), Erjawan (2018), and Swastyastu, Yuniartha, Atmaja (2014), who concluded that DER is not influential on the Dividend Payout Ratio.

Return On Assets (ROA) is a ratio that demonstrates the profitability of a company by showing the percentage of net profit obtained in relation to the total power source or the average number of assets. In other words, ROA measures how efficiently a company manages its assets to produce profit during a certain period. Research results from Apriani (2016), Aristanto (2015), Modyiningrum (2016), Ariasih (2016), and Erjawan (2018) conclude that ROA has a positive effect on the Dividend Payout Ratio. However, Rasyid (2018) and Swastyastu, Yuniartha, Atmaja (2014) concluded that ROA has a negative effect on the Dividend Payout Ratio. This is contrary to Murni et al. (2016), Wahyuni (2014), and Praja (2017), who concluded that ROA is not influential in the Dividend Payout Ratio.

Loan to Deposit Ratio (LDR) is a ratio between the volume of credit extended by a bank and the amount of funds received from various sources. LDR is related to a company's banking finance ratio and liquidity. It measures the level of liquidity by showing the number of deposit futures, current accounts, savings, and other accounts that are used to fulfill loan applications from customers. A high ratio shows that a bank lends all its funds (illiquid), while a low ratio indicates a liquid bank with excess available funding capacity for lending (Latumaerissa, 1999:23). In Erjawan (2018), LDR is also known as the ratio of credit to total party funds, which is used to measure party funds that are distributed in the form of credit. Research results from Limbong (2015), Rasyid (2018), and Pratiwi (2017) conclude that LDR has a positive effect on policy dividends. However, Murni (2017) concludes that LDR has a positive effect on policy dividend. This is different from the findings of Erjawan (2018), Wahyuni (2014), and Prayunita (2016), which conclude that LDR is not influential on policy dividends.

Literature Review and Hypotheses Development

Signaling Theory

The theory of signals was introduced by Michael Spence (1973). A signal is something that a company does to give investors information about how management views the company's prospects. This information takes the form of what the company has already done to realize the owner's desires. The information issued by the company is an important factor that influences the decisions of external investment parties. This information is crucial for investors and business actors because it provides a picture of the past, present, and future of the company, ensuring continuity of the company's life.

Dividend Policy

Sartono (2008:281) defines dividend policy as the decision on whether the profit earned by a company will be shared with shareholders as dividends or will be retained for future investment. The dividend policy is concerned with the determination of earnings between the use of income to pay shareholders as dividends or to be used within the company for meaningful profit that must be held inside the company. The dividend policy refers to the company's choice of whether to share dividends in cash or in other forms, the magnitude of the dividends to be shared, and the frequency of dividend sharing.

Capital Adequacy Ratio (CAR)

The Capital Adequacy Ratio (CAR) is the ratio of functioning capital adequacy that accommodates the risk of possible losses faced by banks. Bank Indonesia requires the bank's CAR ratio to be at least eight percent, and the higher the bank's CAR, the better. CARs are a comparison between capital and assets weighted according to risk (ATMR).

Debt to Equity Ratio (DER)

The Debt to Equity Ratio (DER) is the debt ratio used to measure how much of the company's assets are financed by debt or how much corporate debt influences management of the company's assets. The method is to compare the total debt to total assets. The higher the level of leverage, the

smaller or lower the dividends distributed, as the level of leverage indicates that the investee pays off obligations from existing profits, so that the dividends distributed to investors are small. The debt rating will influence the level of net income received by stockholders. This means that the company will finance the debt first, and then the remainder of the profit will be shared as dividends. If management decides to pay off existing debts, the company needs to withhold a large amount of earned profits, thereby making dividends paid to investors smaller. An increase in debt will influence the level of net income received by stockholders. This means that the company will finance the debt first, and then the remainder of the profit will be shared as dividends. (Kasmir, 2017: 112).

Return on Assets (ROA)

Ratio can be used to measure a bank's internal management's ability to obtain profit in a comprehensive manner. A higher ROA (Return on Assets) indicates that the bank has achieved greater profits and has a stronger position in terms of asset utilization.

Some advantages of ROA include:

- a) It provides a comprehensive measurement, where the entire financial report is reflected in this ratio.
- b) ROA is easy to calculate, understand, and interpret as an absolute value.
- c) ROA is a dominant indicator that can be applied to each responsible organizational unit, answering to the profitability of business units.

Loan to Deposit Ratio (LDR)

LDR is the ratio between long-term debts and own capital. The goal is to measure how much of the company's own capital is being used to guarantee long-term debts, through comparing the amount of long-term debts with the own capital provided by the company. This is because the amount of funds required to finance credits becomes greater. (Kasmir, 2017: 112).

Hypothesis

- H1: Capital Adequacy Ratio (CAR) has a positive influence on the dividend policy of banking companies.
- H2: Debt to Equity Ratio (DER) has a negative effect on the dividend policy of banking companies.
- H3: Return on Assets (ROA) has a positive impact on the dividend policy of banking companies.
- H4: Loan to Deposit Ratio (LDR) has a negative influence on the dividend policy of banking companies.

Research Models can seen in Figure 1

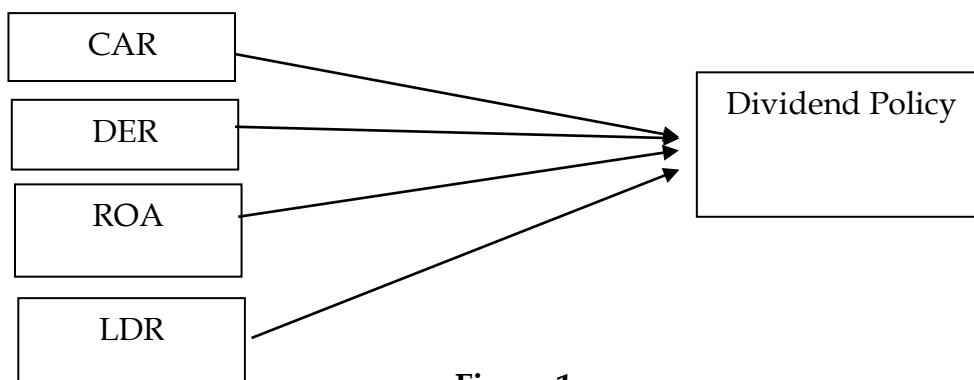


Figure 1.
Conceptual framework Influence of financial performance on dividend Policy

METODOLOGY

The sample for this study consists of banking companies listed on the Indonesian stock exchange. The sample selection was done using purposive sampling, which resulted in 36 companies meeting the criteria for the study from a population of 43 companies for the years 2019-2021.

Analysis & Measurement Models

1. Policy dividend be measured with using the ratio ie *Dividend Payout Ratio* (DPR) with formula :

$$DPR = \frac{\text{CashDividen}}{\text{EAT}} \times 100\% \dots\dots\dots(1)$$

2. *Capital Adequacy Ratio* (CAR)

CAR is calculated with formula :

$$CAR = \frac{\text{Modal}}{\text{AktivaTertimbangMenurutResiko (ATMR)}} \times 100\% \dots\dots\dots(2)$$

3. *Debt to Equity Ratio* (DER)

DER is calculated with formula : $DER = \frac{\text{TotalHutang}}{\text{TotalModal}} \times 100\% \dots\dots\dots(3)$

4. *Return on Assets* (ROA)

ROA got counted with formula :

$$ROA = \frac{\text{LabaSesudah Pajak}}{\text{TotalAktiva}} \times 100\% \dots\dots\dots(4)$$

5. *Loan to Deposit Ratio* (LDR)

LDR is calculated with formula ;

$$LDR = \frac{\text{TotalKredit}}{\text{TotalDanaPihakKetiga}} \times 100\% \dots\dots(5)$$

For know direction and magnitude variable free to variable bound namely CAR, DER, ROA, LDR against policy dividend used analysis multiple linear regression with minitab program assistance version 19.

Regression models This used For test influence variables free in predict condition policy dividend in research .

$$DPR = \alpha + \beta_1 CAR + \beta_2 DER + \beta_3 ROA + \beta_4 LDR + e$$

.....(6)

Description :

DPR : Policy Dividend

α : Numbers constant

β : Coefficient Regression

CAR : *Capital Adequacy Ratio*

DER : *Debt to Equity Ratio*

ROA : *Return On Assets*

LDR : *Loan To Deposit Ratio*

e : *error*

Normality Test:

The One Sample Kolmogorov-Smirnov Test (Ghozali, 2016: 154) was used to test for normality. The test was performed by examining the probability values with the following conditions:

- If the significance value or p-value is less than or equal to 0.05, the data distribution is not normal.
- If the significance value or p-value is greater than 0.05, the data distribution is normal.

Multicollinearity Test:

The multicollinearity test was conducted using the regression method to examine the tolerance level or variance inflation factor (VIF) of each

independent variable. The common cutoff values used to determine whether the independent variables in the regression model are free from multicollinearity are:

If the tolerance value is greater than 0.10 or the VIF is less than 10, the independent variable is free from multicollinearity (Suyana, 2016: 111).

Autocorrelation Test:

To test for the existence of autocorrelation, the Durbin-Watson (DW) test was used. If the DW test value is available, it is compared with the table value using a 95% level of confidence. The criteria for making a decision are:

- If the DW value is between $(4 - d_u)$ and d_u , then there is no autocorrelation.
- If the DW value is between 0 and d_l , then there is positive autocorrelation.
- If the DW value is greater than $(4 - d_l)$, then there is negative autocorrelation.
- If the DW value is between d_l and d_u , or between $(4 - d_u)$ and $(4 - d_l)$, then no conclusion can be drawn about the presence or absence of autocorrelation (Suyana, 2016: 105).

Heteroscedasticity Test

For detect There is nope heteroscedasticity Glejser's test was used. If the Glejser test results show mark probability significance more big of 0.05, then the regression model No contain heteroscedasticity.

Model F Test

Coefficient Test Determination (R^2)

Study This use *adjusted* R^2 . The *adjusted* R^2 value can increase or decrease if one independent variable is added to in models.

The significance test is the simultaneous F-test, and the results are obtained from the analysis of variance (ANOVA) table. The provision is as follows:

- If the significance level (Sig) is less than or equal to 0.05, then the research model can be used, and the model is considered appropriate.
 - If the significance level (Sig) is greater than 0.05, then the research model cannot be used, and the model is considered inappropriate.
- Test the significance of individual parameters t (t-test)

The significance of individual parameters is tested using the t-test, also known as the individual significance test. This test shows how much each independent/explanatory variable individually explains the variation in the dependent variable. The decision criteria are as follows:

If the significance level (Sig) is less than or equal to 0.05, then the independent variable is significantly influential on the dependent variable.

If the significance level (Sig) is greater than 0.05, then the independent variable is not significantly influential on the dependent variable.

RESULT AND DISSCUSION

Table 1
Descriptive Statistic

	N	Minimum	Maximum	Mean	Std. Deviation
CAR	36	10.52	29.58	21.5461	4.10532
DER	36	.38	14.75	5.8958	2.72487
ROA	36	.13	3.13	1.4931	.83152
LDR	36	21.90	103.25	81.2903	21.25393
DPR	36	.74	239.87	43.7674	46.30080
Valid N (listwise)	36				

Based on statistics descriptive in table 1 shows minimum, maximum, average, and standard values deviation of each variable (CAR, DER, ROA, LDR, and DPR). Sample or observation as many as 36 consisting of 12 companies in 2019 12 companies in 2020, and 12 companies in 2021.

Table 2
Analysis Multiple Linear Regression

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	246.325	58.986		4.176	.000
	CAR	-5.276	1.692	-.468	-3.118	.004
	DER	.149	2.499	.009	.060	.953
	ROA	-28.530	8.001	-.512	-3.566	.001
	LDR	-.580	.318	-.266	-1.823	.078

a. Dependent Variable: DPR

Based on Table 2 above can written equality multiple linear regression as following :

$$\text{DPR} = 246.325 - 5.276 \text{ CAR} + 0.149 \text{ DER} - 28.530 \text{ ROA} - 0.580 \text{ LDR}.$$

Based on Table 2 the effect of each variable independent to variable dependent explained as following :

a) Capital Adequacy Ratio (CAR)

Based on the analysis, it can be concluded that the hypothesis H1, which states that Capital Adequacy Ratio (CAR) is positively influential to policy dividends, is rejected. The coefficient (β) value of -5.276 and the negative t-value of -3.118 indicate that there is a negative relationship between CAR and policy dividends. This means that an increase in CAR may result in a decrease in policy dividends, as the bank may hold onto capital for business development rather than paying out a higher dividend to shareholders.

b) Debt to Equity Ratio (DER)

Based on the results, it can be concluded that the variable Debt to Equity Ratio (DER) is not influential on policy dividends. This is because the calculated t-value of 0.060 is greater than the mark t-test significance of 0.953, which means that there is no significant relationship between DER and DPR. Therefore, the hypothesis that DER is negatively influential on policy dividends (H2) is rejected. This means that changes in a company's DER do not have any significant impact on its DPR, and investors do not consider the use of debt or the return on debt to be important factors in their investment decisions. They are more likely to trust the management of the company instead of focusing on its debt ratio.

c) Return On Assets (ROA)

The coefficient (β) for Return On Assets (ROA) is negative (-28.530), and the t-test significance value is significant (0.001), indicating that ROA is influential negatively on policy dividends. Therefore, the hypothesis

that ROA is influential and positive to policy dividends (H₃) is rejected. An increase in ROA may lead to an increase in the bank's profits, which can be used for bank development or held by the bank, resulting in a lower dividend payment to shareholders.

d) Loan To Deposit Ratio (LDR)

Based on the analysis, it can be concluded that the Loan to Deposit Ratio (LDR) variable is not influential on policy dividends (DPR), as the hypothesis (H₄) stating that LDR is negatively influential on DPR is rejected. The study suggests that the LDR variable does not have a significant impact on dividend payouts, and the bank's ability to pay back depositors' withdrawal depends on the credit given as a source of liquidity. A high LDR ratio may indicate a higher risk in investing, and an increasing LDR ratio from year to year may indicate low liquidity levels and may lead to a loss of confidence in the concerned bank. However, the study found no evidence that changes in LDR affect dividend payouts to shareholders or investors.

CONCLUSION

Capital Adequacy Ratio (CAR) has a negative effect on Policy Dividend (DPR) as an increase in CAR results in a decrease in DPR due to the bank holding capital for development purposes instead of paying higher dividends to shareholders.

Debt to Equity Ratio (DER) has no influence on policy dividends as changes in DER do not affect the DPR, and investors do not consider debt usage or return as important factors when investing in a company.

Return on Assets (ROA) has a negative impact on policy dividends as an increase in ROA results in more profit for the bank to use for development purposes, reducing the amount of dividends paid to shareholders.

Loan to Deposit Ratio (LDR) has no influence on policy dividends as changes in LDR do not affect the DPR. The LDR describes a bank's ability to pay back deposits with credit as a source of liquidity, and a high LDR can indicate a riskier investment with a potential impact on the bank's reputation and share dividends.

SUGGESTION

Based on the results of the research that has been done, several suggestions are given in the hope of improving Dividend Policy. The suggestions that can be given by researchers are that companies can pay attention to financial performance in increasing the number of investors and increasing dividend distribution. Further researchers can add other variables and expand the object of research and the research period.

ACKNOWLEDGEMENT

I would like to thank all parties who contributed to completing this research.

REFERENCE

- Abarbanell , Jeffery S. And Bushee , Brian J. 1997. *Fundamental Analysis, Future Earnings, and Stock Prices*. Journal of Accounting Research Vol. 35 No. 1 Spring 1997.
- Armstrong, Christopher S., Barth, Mary E., Jagolinzer , Alan D., Riedl , Edward J. 2010. *Market Reaction to the Adoption of IFRS in Europe* . The Accounting Reviews. Vol. 85, no. 1 2010.pp. 31-61.
- Anne Beatty , Scott Liao, Haiwen (Helen) Zhangc , 2019. *The effect of banks' financial reporting on syndicated-loan structures* . Journal of Accounting and Economics. 67 (2019) pp. 496-520.
- Apriani , Ni Putu. 2016. *Effect of Company Performance on Policy Dividend With Corporate Governance As Variable Moderation* . Thesis . Denpasar. Mahasaraswati University .
- Ardiyanti. M . *Influence Profitability , Liquidity , and Leverage To Policy Dividend 2008-2014* . Thesis . Hasanuddin University Faculty of Economics and Business Makassar .
- Ariasih , Ni Wayan yunik . 2016. *Influence Profitability Structure Ownership And Capital Structure Against Policy Initiation Dividends in Intital Public Offering (IPO) Companies Registered on the Indonesia Stock Exchange (IDX)*. Thesis . Denpasar. Mahasaraswati University .
- Aristanto , Bryan. 2015. *Analysis of Influencing Factors Dividend Payout Ratio* . Thesis Diponegoro University Faculty of Economics and Business .

Charles MC Lee. 2001. *Market efficiency and accounting research: a discussion of 'capital market research in accounting' by SP Kothari* . Journal of Accounting and Economics 31 (2001) 233–253

CNN Indonesia (27/03/2017) Case of PT Vale Indonesia Tbk (INCO)

Dewi, Ni Putu Kartika. 2016. Influence Ratio finance To Policy Dividends in Financial Sector Companies Listed on the Indonesia Stock Exchange in 2012-2014. *Thesis* . Denpasar. Mahasaraswati University .

Endang , Maria Goretti Wi. Dzulkirom , Moh. Soldier , Ismawan Yudi . *Journal accounting University of Brawijaya Malang*.

Erjawan , Gede Risma , 2018. Effect of financial performance To Policy Dividends in Banking Companies Listed on the Indonesia Stock Exchange for the 2012-2016 period . *Thesis* . Denpasar. Mahasaraswati University .

Ghozali , H. Imam. 2018. *Application Multivariate Analysis With the IMB SPSS 25 Program Edition 9*. Semarang: Undip .

Gumanti , Tatang ary . 2013. Policy Dividend Theory , Empirics , and Implications Edition first . Yogyakarta. UPP STIM YKPN

Please , Sofyan staff . 2016. *Analysis Critical on Report finance* . Jakarta: PT Raja Grafindo Persada .

cashmere . 2017. *Introduction Management finance Edition second* . Jakarta: golden .

Kothari SP 2001. *Capital markets research in accounting*. Journal of Accounting and Economics 31 (2001) 105–231.

Kothari SP, & Ball, Ray. 1991. *Security Returns Around Earnings Announcements* . The Accounting Review Vol. 66, No. 4 oct. 1991, pp. 718-738.

Kurniawan, Indra Suyanto .2017. Effect of financial performance To *Dividend Payout Ratio* Study Empirical in state-owned companies 2011-2014 period . *Thesis* . Faculty of Economics and Business , Mulawarman University Samarinda .

Limbong, Geloria Terulin . 2015. Effect of *Loan to Deposit Ratio, Capital Adequacy Ratio, Earning Share, Debt To Equity Ratio, and Firm Size* To

Dividend Payout Ratio in Banking Companies Listed on the Indonesia Stock Exchange . *Thesis* North Sumatra University .

Pure , Sri. 2016. performance finance to policy dividends on state-owned banks that went public on the Indonesia Stock Exchange in 2011-2015. *Thesis* . Faculty of Economics and Business , University of Samaratulangi Manado.

Madyoningrum , Asriwinanti . 2016. Influence *Firm size* , Leverage and *profitability* To policy Dividends on the company *IDX Food and Beverage* 2000-2014 . *Thesis* Faculty of Economics, University of Lampung.

Malia H. 2015. Effects of Financial Performance To policy Dividend 2012-2014 year . *Thesis* . Faculty of Economics and Business Islamic University UIN Alauddin Makassar .

Prayunitha , Yunitha . 2016. *Effect of Capital Adequacy Ratio, Loan To Deposit Ratio and Debt to Equity Ratio* on *Dividend Payout Ratio* at Commercial Banks Convertible Registered on the Indonesia Stock Exchange in 2010-2014. *Thesis* Esa University Faculty and Business excel .

Praja . Ni Putu Adyastuti . 2017. Analysis Influencing Factors _ _ _ Policy Dividends in Banking Companies Listed on the Indonesia Stock Exchange for the 2013-2015 period . *Thesis* . Faculty of Economics, Mahasaraswati University, Denpasar.

Pramana , Aditya Rian Gede . Sukartha I Made. Analysis Influencing Factors _ policy dividend On the Indonesian Stock Exchange . *Journal* Udayana University Accounting .

Prtaiwi , Afrah Dyah . Influence ownership Institutional , Non Performing Loans, Loan To Deposit Ratio and Growth Assets to policy Dividends in Banking Companies Listed on the Stock Exchange Indonesia in 2011-2015. *Journal* University Hasanudin Makasar.

Rashid, Rosmita . 2018. The Effect of Financial Performance To Policy Dividend empirical study on the industry banking registered on the Indonesia Stock Exchange in 2011-2014 . *Thesis* . Major Tarumanegara University Jakarta Accounting .

Spence, Michael. 1973. *Job Market Signaling* . *The Quarterly Journal of Economics* . Vol. 87, No. 3. (Aug., 1973), pp. 355-374.

Sugiyono . 2018. *Method Study Business Approach Quantitative , Qualitative , Combination and R & D* . Bandung: Alfabet

Swatyastu , Wiradharma Made. Yuniarta , Adigede . Atmaja Tungga Anantwikrama . Analysis Influencing Factors _ Policy Dividend Payout ratio listed on the Indonesia Stock Exchange (IDX). *Journal* . Major Undiksha University Accounting .

Shamsuddin , Lukman. 2016. *Management Company finance* . Jakarta: Rajawali press.

Wahyuni, Fajar setowati Indah. 2014. *Effect of Return On Assets, Capital Adequacy Ratio, Bopo, and Loan To Deposit Ratio Against Policy dividends on the company Banking Listed on the Indonesia Stock Exchange* . Thesis Faculty of Zhang, Xiao-Jun. 2000. *Conservative accounting and equity valuation* . *Journal of Accounting and Economics* 29 (2000) 125}149.

Economics, Yogyakarta State University.

www.idx.co.id