Effect of Dividend Policy, Investment Decisions, And Against Company Size Value Manufacturing Company in Indonesia Stock Exchange

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Abstract

Maximizing the prosperity of business owners can be done by maximizing the value of the company. In order to achieve the value of the company, in general the investors hand over the management to the manager or commissioner. Achieving company value must pay attention to what factors can influence it. From this, a study was conducted on the effect of the dividend policy, investment decisions, and firm size on firm value. The type of research used is quantitative descriptive. The sample of this study was 68 samples of manufacturing companies in the period 2016-2017 so that 136 observations were obtained. The research method used is multiple linear regression analysis. The results of the study indicate that the dividend policy, investment decisions, and company size simultaneously influence the value of the company.

Keywords: dividend, investment, size, company value.

INTRODUCTION

Company may be established by having a clear goal is to boost the welfare of the shareholders by increasing the value of perusahaan. Agar can achieve the value of the company, in general, investors hand over its management to the manager or komisaris. Beberapa factors that must be run by the management of dividend policy, and the size of the company's investment decisions are distributed to shareholders.

The enterprise value reflected in the share price stable where the long-term increase, the higher the stock price, the higher the value of the company (Sudana, 2009: 7) The value of companies is the price investors are willing to pay in order to assess the success of the company relating to stock price.

Dividend policy is a decision whether the profits from the company will be distributed to shareholders as dividends or will be retained in the form of retained earnings, to finance investment in the future (Ning, 2012: 8).

The investment decision is one important factor in a financial investment perusahaan. Keputusan very important, because one to achieve corporate goals can be obtained through the company's investment activities. Capital investment (capital investment) would also involve the so-called working capital investment pendek. Keputusan term investment is one aspect of the determination of the capital budget, in addition to funding decisions.
The size of the company is a scale where the size of the company can be classified according to a variety of ways, such as by total assets, log size, the value of the stock market and others (Prasetyorini, 2013: 186). The size of the company can affect the ability to take risks that sometimes arise from a variety of situations faced by the company.

Hipothesis 1 menyatakan kebijakan dividend significant effect on the value of the company. The results are consistent with the theory Bird in The Hand proposed by Gordon (1959) in Brigham (2001: 67), which states that the company's value will be maximized by the dividend payout ratio are high because investors assume that the risk of a dividend is not as big as the increase in the cost of capital. So that investors prefer profits in dividends than expected gains from capital appreciation.

Hypothesis 2 menyatakan keputusan investment significantly influence perusahaan. Penelitian value is equal to the research conducted by Sochib (2018), suggesting that investment decisions significantly influence the value of the company. A good investment decision is a decision taken in purchases of assets that it can provide real benefits that outweigh the costs.

Hypothesis 3 menyatakan ukuran companies positive effect on the value perusahaan. Penelitian conducted by Prasetyorini (2013), states that the size of the company's positive effect on the value of big company. Our company can easily access to the capital markets, because of the ease of accessibility and the ability to obtain funds.

The purpose of this study was to determine the effect of dividend policy, investment decisions, and the size of the company to the value of the company.

METHOD
This type of research is quantitative descriptive study, in this study the research object used is a manufacturing company data obtained from the official website ie IDX Indonesia Stock Exchange (Indonesian Stock Exchange). Populasi in this study is 127 companies. While the sample size of the company is 68, so the total sample 68 x 2 = 136. This research data analysis technique using multiple linear regression analysis is to determine the regression equation; classical assumption test consisting of: normality test, multicollinearity, autocorrelation test and test heterokedastisitas; and hypothesis testing comprising: coefficient of determination R2 test, t test and F test

RESULT AND DISCUSSION
Normality test Data can be determined by using Kolmogrof-Sminorf test. If nilaiAsymp.Sig2. (2-tailed) above 0.05, then the data is expressed in normal distribution. On normality test showed nilaiAsymp.Sig2. (2-tailed) is 0.810 greater than α = 0.05. So it can be concluded that the data were normally distributed residuals. Autocorrelation test Durbin Watson showed the value of 1.842, then the value DWberada between 1.55 to 2.46. So it can be concluded that there is no autocorrelation. Test Multikoliniearitas shows the dividend policy has a tolerance value of 0.970 and 1.031 VIF, investment decisions have a tolerance value VIF 0.976 and 1.025, the size of the company has a tolerance value of 0.991 and 1.009 VIF. The test results menunjukkan tidak multikolinieritas no independent variables that have a VIF value of more than 10, and a large tolerance value of each independent variable no one has a smaller tolerance value of 0.10. So it can be concluded that there is no multicollinearity symptoms.
Test Heterokedastisitas visible dots randomly spread and spread both above and below the number 0 on the Y axis and does not form a specific pattern that jelas. Dengan demikian means not happen heteroskedastisity in regression models that decent regression model is used to determine the effect of the independent variable to variable dependent.

<table>
<thead>
<tr>
<th>Table 1 Test Coefficient of Determination R2</th>
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<tbody>
<tr>
<td><strong>Model Summaryb</strong></td>
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<tr>
<td>Model</td>
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a. Predictors: (Constant), Company Size (X3), Investment Decision (X2), Dividend Policy (X1)
b. Dependent Variable: Corporate Values (Y)

The calculations show that R Square of 0.078 which indicates that all independent variables are dividend policy, investment decisions and the size of the company has a relationship to the dependent variable which is none other than the company's value by 7.8%. Score Adjusted R Square of 0.058 explained that all independent variables by 5.8% and for the remaining balance of 94.2% is explained by other variables outside the research model.

<table>
<thead>
<tr>
<th>Table 2 Test t Coefficientsa</th>
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<tr>
<td>Model</td>
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<td></td>
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<tr>
<td>(Constant)</td>
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<tr>
<td>1 Dividend Policy (X1)</td>
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<tr>
<td>Investment Decision (X2)</td>
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<tr>
<td>Company Size (X3)</td>
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</table>

a. Dependent Variable: Corporate Values (Y)

Source: Secondary data were processed using SPSS

The calculations show that variable dividend policy gained 0.003 significance value less than 0.05. That is, the partial variable dividend policy affects signifikanterhadap value of companies listed on the Indonesia Stock Exchange.
Variable investment decisions derive significant value of 0.508 is greater than 0.05. That is, in partial signifikanterhadap investment decision does not affect the value of companies listed on the Indonesia Stock Exchange. Variable size of the company gained significant value of 0.222 lebihbesar of 0.05. That is, in partial signifikanterhadap company size does not affect the value of companies listed on the Indonesia Stock Exchange.

Multiple linear regression equation is:
\[ Y = 0.0805 + (-0.046) X_1 + (-0.001) X_2 + (-0.016) X_3 \]

In this research all independent variables that have a negative regression coefficient variable dividend policy, investment decisions and the size of the company, meaning that the higher the dividend policy, investment decisions and the size of the company the lower is the value of the company.

<table>
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<th>Table 3 Test F</th>
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<td>ANOVAa</td>
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<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1,364</td>
<td>3</td>
<td>1,495</td>
<td>3.746</td>
<td>0.013b</td>
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<tr>
<td>residual</td>
<td>16.017</td>
<td>132</td>
<td>0.121</td>
<td></td>
<td></td>
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<tr>
<td>Total</td>
<td>17.380</td>
<td>135</td>
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</tbody>
</table>

a. Dependent Variable: Corporate Values (Y)
b. Predictors: (Constant), Company Size (X3), Investment Decision (X2), Dividend Policy (X1)

Source: Secondary data were processed using SPSS

The calculations show that F count3.746 greater than F table value of 2.67 and a significance value of 0.013 is smaller than \( \alpha = 0.05 \). It can be deduced that the dividend policy, investment decisions, the size of the company simultaneously affect the value of the company. (H1 simultaneously filed accepted).

The first hypothesis in this study predicts that the dividend policy affects the value perusahaan.Hasil hypothesis testing showed that coefficient \((-0.046)\) and the significance value of 0.003 is smaller than \(<\) indicates bahwasecara 0.05.Nilai partial dividend policy variables affect signifikannegatif against enterprises.With value so the hypothesis 1 (H1 accepted) The results of this study indicate that the dividend policy made by a company may affect the amount of value perusahaan.Artinya, increasing the dividend policy, the company's value will decline. Conversely, if the dividend policy declines, the value of the company akanmeningkat.

The results of this research together with research conducted by Setyowati (2016) showed that the dividend policy affects the value of the company. The regression coefficient is negative means that the company that has the House of Representatives (Dividend Payout Ratio) is high will not necessarily provide huge dividends, because the possibility that the company will use the results of the additional profits as capital to play perusahaan.Hasil research activities are also consistent with research that was done by Rakhimsyah (2011) and Leta (2013), which suggests that dividend policy is proxied by the
House of Representatives (dividend Payout Ratio) effect on firm value. The level of dividends paid to shareholders, with regard to the intensity of the company.

The second hypothesis in this study predicts that decision investasitidak significant effect on the value perusahaan.Hasil hypothesis testing showed that coefficient (-0.001)and the significant value of 0.508 greater than (> ) indicates bahwasecara parsialvariabel 0,05.Nilai investment decision did not significantly affect the value of such enterprises. With hypothesis 2 (H2 rejected) bahwakeputusan results of this study indicate the investment made by a company may not be able to affect the size of the company's value. That is, increasing or decreasing investment decision then there will be an increase or decrease of the value perusahaan. Tidak influential investment decision on the value of the company, because of the decision taken by the company in terms of buying assets of no real benefit that is greater than the costs. The results of this research together with research conducted by Efni (2011) demonstrated that the investment decision does not affect the value of the company. Whether or not the investment decision does not affect the amount of value of the company.

The third hypothesis in this study predicts that the size perusahaan tidak significant effect on the value perusahaan. Hasil hypothesis testing showed that coefficient (-0.016) and the significant value of 0.222 is greater than (> ) indicates bahwasecara parsialvariabel 0,05. Nilai company size did not significantly affect the value of such enterprises. With hypothesis 3 (H3 rejected) results of this study indicate bahwaukuran company can not affect the amount of value company. That is, increasing or decreasing the size of the company then there will be an increase or decrease in the value of the company. This is not consistent with the theory that the bigger the company, the more easily the company received funding sources that can then be used by management to increase the value of the company (Indriyani, 2017: 343).

The results of this research together with research conducted by the Goddess (2015) indicates that company size does not significantly influence the value of the company. Size companies that do not have a significant effect meaning that company size is not a consideration for investors in investing.

CONCLUSION
F test results indicate that the dividend policy, investment decisions, and the size of the company simultaneously affect the value of the company. While the t test results showed that the partial dividend policy significantly negative effect on firm value. The investment decision partially no significant effect on the value of the company. And the size of the company partially no significant effect on the value of the company.

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