

**Analysis of Dividend Policy with Profitability as Intervening Variable in
Financial Sector Companies Listed on The Indonesia Stock Exchange**

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ABSTRACT

The study is done to determine the influence of profitability as an intervening variable in its influence on leverage and the size of the company on the dividends policy. The population of financial sector companies listed in BEI during the year 2018- 2021. The method employed in sample formulating uses a purposive sampling method. We've obtained as many as 24 companies under 4 years of observation, bringing the total data to 96. Using data analysis techniques for path analysis, outlier tests, classic assumption tests, hypothetical and sobel impact detection tests with the help of a SPSS 26 data analysis program. Research suggests that corporate leverage and size do not affect profitability. Leverage has no effect on the dividends policy, corporate size and profitability has no impact on the dividends policy, while profitability as a variable intervening is unable to capitalize on the relationship between leverage and corporate size on the dividends through indirect influence that is greater than direct impact and proving by using the sobel test.

Keywords: Dividend Policy; Leverage; Firm Size; Profitability

INTRODUCTION

Economic developments have resulted in many companies struggling and competing to make their businesses superior, which also has an impact on the welfare of shareholders. Currently, it is very easy for investors to invest in both the corporate and private sectors. Investments can be made through the money market and capital market. For investment in the capital market, there are also several instruments such as shares, mutual funds, derivatives, and others. which has the aim of benefiting both parties to the transaction. The main goal of investors when investing is to obtain large profits by investing their capital, but apart from the profits obtained, of course the risks are also in line with this. There is a phenomenon in the Fact sheet index listed on the Indonesia stock exchange website (www.idx.ic.id). It can be seen in the Historical performance graph that the financial sector is one of the sectors with the greatest growth and performance on the stock exchange compared to the JCI and LQ45 indexes. However, it is still visible that performance is fluctuating from 2018 to 2022, where in 2018 the financial sector performance was 13.2%, then in 2019 it rose to 14.0%, then fell in 2020 to -2.3%, then in 2021 it rose to 21.1%. Then it can be seen that the average DPR in percent in financial sector companies is fluctuating, where the average dividend payment in 2018 was 33.36, then rose in 2019 to 76.17, then fell in 2020 to 63.15, then rising in 2021 to 53.32. Growth in 2019 reached 128.30 then fell to -17.10 in 2020 and then continued to decline until in 2021 it became -15.56.

This is because in that period there were 10 companies that were newly listed in the 2019-2021 period and 72 companies that did not distribute dividends consecutively from 2018-2021. Solvency or leverage is described to see the extent to which a company's assets are financed by debt compared to its own capital. Companies that have a larger debt ratio should distribute smaller dividends because the profits earned are used to pay off obligations. The higher the debt/equity ratio, the stricter the company is regarding debt agreements. In relation to dividend payments, it can be said that the higher the debt/equity ratio, the smaller the dividend payments will be. Hery (2015) states that the leverage ratio is a ratio that shows the company's ability to fulfill all obligations that are the company's responsibility. The leverage ratio is proxied by the Debt to Equity Ratio (DER), the average DER owned by all 106 companies in the financial sector in 2018 was 360% then decreased in 2019 by 324%, then in 2020 it was 305% and in 2021 it was 292% ,

Profitability is related to dividend distribution because profit is one of the main references for dividend payments because with higher profits generated, the allocation of profits to be retained to be re-managed and distributed into dividends will be more focused. According to Yudiana and Yadyana in Fakhrudinsyah & Takarini (2022). Return on Equity (ROE), which is a form of profitability calculation, provides results regarding the size of the company in managing capital effectively based on measuring the level of investment by investors, and if the value of the results of management activities is large, the value of return payments will increase. To describe the profitability variable itself uses ROE where the average ROE for 106 companies can be described as follows, in 2018 it was 4.29%, then in 2019 it was 3.73%, then in 2020 it was 3.27% and in 2021 it was 3.38%. Apart from profitability and leverage factors, there are also factors determining dividend policy, namely company size, which describes the size of a company as indicated by total assets, number of sales, average sales level and average total assets. Large or established companies tend to pay higher dividend rates than small or new companies. Companies that have a large company size will find it easier to enter the capital market so that the company has the opportunity to pay large dividends to shareholders. This variable is measured using the natural log of total assets as one illustration of company size in the financial sector itself for an average of 106 companies amounted to 29.63 in 2018 then in 2019 it became 29.61, then in 2020 it became 29.51 and in 2021 it was 29.74.

Based on the existing explanation, researchers are interested in conducting this research and this research is limited to the financial performance aspect. This was done to find out whether leverage and company size influence dividend policy, and whether leverage and company size influence dividend policy with profitability as an intervening variable.

Formulation of the problem

Based on the background and a more detailed description of this research, the problem formulation in this research is:

1. Does leverage affect profitability in financial sector companies on the Indonesia stock exchange?
2. Does company size affect profitability in financial sector companies on the Indonesia Stock Exchange?
3. Does leverage affect dividend policy in financial sector companies on the Indonesia stock exchange?
4. Does company size influence dividend policy in financial sector companies on the Indonesia Stock Exchange?
5. Does profitability affect dividend policy in financial sector companies on the Indonesia stock exchange?
6. Does leverage influence dividend policy with profitability as an intervening variable in financial sector companies on the Indonesia stock exchange?
7. Does company size influence dividend policy with profitability as an intervening variable in financial sector companies on the Indonesia stock exchange?

Research purposes

Based on the existing problem formulation, the objectives of this research are:

1. To analyze the effect of leverage on profitability in financial sector companies on the Indonesia stock exchange
2. To analyze the effect of company size on profitability in financial sector companies on the Indonesia stock exchange
3. To determine the effect of leverage on dividend policy in financial sector companies on the Indonesia stock exchange
4. To determine the effect of company size on dividend policy in financial sector companies on the Indonesia stock exchange
5. To determine the effect of profitability on dividend policy in financial sector companies on the Indonesia stock exchange
6. To determine the effect of leverage on dividend policy with profitability as an intervening variable in financial sector companies on the Indonesia stock exchange.
7. To determine the effect of company size on dividend policy with profitability as an intervening variable in financial sector companies on the Indonesia stock exchange.

LITERATUR REVIEW

Agency Theory

Agency Theory is a theory put forward by Jensen and Meckling in 1976. Agency Theory is a theory that explains the relationship between shareholders and managers. If a manager or internal party of the company prioritizes individual interests over the interests of shareholders, it will cause losses for the party. company. Conditions like this give rise to an agency conflict between the company owner and a manager. If the manager is deemed to have failed in carrying out his obligations, there

will be a risk later, where the manager will be removed from his position and there is also a risk for shareholders who could lose the capital they have invested.

Pecking Order Theory

Pecking order theory is a theory put forward by Donaldson in 1961 which was later named pecking order theory by Myers in 1984. Pecking order theory is a theory which explains that companies prefer internal financing or funding from the company's operational results in the form of retained earnings. , if the company needs funding from outside the company (external financing), then the company will issue the safest securities first, such as starting from issuing bonds then issuing securities that have option characteristics and if after issuing the safest securities it is not sufficient then the new company will issue or sell shares to the public, so that the order of use of funding sources refers to the pecking order theory, namely internal funds, debt and equity. The use of funds within the company or internal funds is preferable to external funds because internal funds allow the company not to bring in additional investors. In Wikartika & Fitriyah (2018) Pangeran stated that the pecking order is influenced by asymmetric information and share issuance costs which are the biggest drivers. In pecking order where the company prefers to use funding originating from internal capital, namely in the form of cash flow, retained earnings and depreciation.

Dividend Policy

According to Sutrisno in Fakhrudinsyah & Takarini (2022), dividend policy is a policy chosen by company management in deciding whether the profits earned by a company in one period will be paid entirely in the form of dividends or will be partially retained as retained earnings. In general, dividends can be provided with non-cash assets to increase capital for investors in the company or given in cash. In this research, dividend policy is proxied by the dividend payout ratio (DPR). According to Hanafi & Halim, the dividend payout ratio (DPR) can be found using the formula:

$$DPR = \frac{\text{Dividend per share}}{\text{Earnings Per Share}} \times 100$$

Leverage

According to Hanafi & Halim in Damayanti & Anwar, (2022) The solvency ratio or leverage is the company's ability to meet long-term liabilities or debt. Leverage is used to see how much of the company's assets are financed externally or debt compared to its own capital. In this research, the Debt to Equity Ratio (DER) is used. DER describes the extent to which the owner's capital can cover debts to external parties and describes the comparison of debt and equity in company funding. The Debt to Equity Ratio formula used to measure leverage is:

$$DER = \frac{\text{Total Liabilitas}}{\text{Total Equity}} \times 100\%$$

Firm Size

According to Riyanto in A, Nindi (2020), company size shows the size of a company as indicated by total assets, number of sales and the average total assets and sales owned by the company. Company size is divided into 3 categories, namely large companies, medium size companies and small firms. Companies with a large size are considered capable of providing a level of return on investment thereby reducing the level of uncertainty. According to Muhardi (2013), company size is measured by transforming the total assets owned into the natural log form of total assets with the aim of reducing fluctuations in excessive data. By using the natural log, the number of assets with a value of up to trillions can be simplified without changing the proportion of total assets. actual size, so that the size of the company can be formulated as follows:

$$\text{Company Size} = \text{Ln (Total Assets)}$$

Profitability

Profitability is the company's ability to generate profits from the capital it has from earning profits in relation to sales, total assets and its own capital. The profitability ratio used in this research is Return On Equity. (ROE) is a measurement of the income (income) available to company owners (both ordinary shareholders and preferred shareholders) for the capital they invest in the company, So the higher the ROE, the higher the dividends received by shareholders, and vice versa. The formula according to Sartono, (2012) can be calculated as follows:

$$ROE = \frac{\text{Earning After Tax (EAT)}}{\text{Total Equity}} \times 100\%$$

The Relationship between Leverage and Profitability

Companies with high growth definitely need a lot of funds to finance the company's operational activities and funding needs, this can be met with various sources of funds, both external and internal, one form of external source of funds is debt. Leverage is an important factor that influences profitability because leverage can be used by companies to increase capital companies that will have an influence on increasing profits Sukadana and Triaryati (2018). With large debts, managers will choose the results of their business activities to pay off debts rather than paying dividends to investors. This is related to Agency Theory where managers will prioritize their interests over the interests of investors. This large debt causes the profitability of the company in question to be low because the company's attention is diverted from increasing productivity to the need to generate cash flow to pay off their debt. However, some companies also use their own funding or internal and debt are the second or third options that will be used by the company, this is in accordance with the Pecking Order Theory which states that companies prefer internal financing. Empirical research examining the effect of leverage on profitability was conducted by Allimul Ghofar (2021), Rinofah et al. (2022), Sukadana & Triaryati (2018), Nasir

(2020) and Wage et al. (2022) who obtained results where leverage had a negative effect on profitability

H1: Leverage has a negative effect on profitability in financial sector companies listed on the Indonesia Stock Exchange

The Relationship between Company Size and Profitability

The profitability will also increase, but at a certain point or amount the size of the company will ultimately reduce the company's profit. Critical theory emphasizes control by company owners over company resources such as assets, technology, intellectual property as factors that determine company size. in Astakoni & Nursiani (2020), stated that the greater the value generated by the company, which is shown using the value of the assets owned, this will have an impact on the company's prospects in the future. In this case, with a large asset value, of course the manager will choose to use existing profits to increase the assets owned by the company, but of course the investor wants dividend payments considering the large asset value of the company, this creates a conflict, this is related to Agency Theory. By increasing profits, companies can focus it as capital for operations, especially in large companies that definitely want financial independence, this is in accordance with the Pecking order theory. Empirical research examining the effect of company size on profitability was conducted by Nasir (2020), Wage et al. (2022), Astakoni & Nursiani (2020), and Oktaviani, Suyono & Mujiono (2019) who obtained results where company size had a positive effect on profitability.

H2: Company size has a positive effect on profitability in financial sector companies listed on the Indonesia Stock Exchange

The relationship between leverage and dividend policy

Leverage tells how much of a company's profits are used to pay off its debts, so that it can use these profits to help pay off its obligations. Therefore, these funds are prioritized for paying debts rather than being used to pay dividends to investors (Denny, 2016). In the company itself, of course there are managers and shareholders. Where both have different interests. On the company manager's side, of course they want the company to get a high profitability ratio. On the other hand, shareholders also want the dividend payout ratio to be high. Conditions like these trigger conflicts between company owners and managers, this is also related to Agency Theory. With a high leverage value, company managers will have a greater tendency to retain profits for debt repayment and reinvestment, which will result in a reduction in dividend payments. Debt is one of the capital options that companies will choose, but it is not in first place because most companies will choose to carry out internal financing first. This is in accordance with the pecking order theory, which if linked to dividend policy will give rise to unidirectional results. This statement is in accordance with studies conducted by Rochmawati & Yuniningsih (2022), Dewi (2016), Ginting (2018), Dhumawati et al. (2021) and Sudiartana et al. (2020) which states that leverage has a negative impact on dividend policy.

H3: Leverage has a negative effect on dividend policy in financial sector companies listed on the Indonesia Stock Exchange

Relationship between Company Size and Dividend Policy

If the company has a large enough total asset value, then management will have more freedom in using the company's assets. In the company itself, of course, there are managers and shareholders. Where both have different interests as stated in Agency Theory. Company size is the size of the company, large and well-established companies will have easy access to the capital market. This convenience is quite important for its flexibility and ability to obtain larger funds. However, usually the larger the size of the company, the more focused the company is on its business activities so that instead of distributing large nominal dividends, the company prefers to retain its profits for the sake of business progress and sustainability. This is in line with the pecking order theory where companies, including large companies, prefer to retain their capital for the progress and stability of operational activities and it is estimated that this will also have an impact on existing dividend policies. The above theory is strengthened by research conducted by Tritanti & Fitriati (2022), Candra & Fachrurrozie (2016) and Dewi (2016), which states that company size has a negative effect on dividend policy.

H4: Company size has a negative effect on dividend policy in financial sector companies listed on the Indonesia Stock Exchange

The relationship between profitability and dividend policy

Profitability ratios can be used to measure the success of a business in generating profits, a company needs to pay dividends, because the level of profit affects the level of dividend payments distributed to shareholders. In the company itself, of course there are managers and shareholders. Where both have different interests. On the company manager's side, of course they want the company to get a high profitability ratio. On the other hand, shareholders also want the dividend payout ratio to be high. Conditions like these trigger conflicts between company owners and managers. This is also found in Agency theory. Some companies also implement internal financing where existing profits will be retained to be reused for operational purposes, this is stated in the Pecking order theory. This statement is in accordance with studies conducted by Ginting (2018), Madyoningrum (2019), Sudiartana et al. (2020), Rochmawati & Yuniningsih (2022) and A, Nindi; A (2020) which says that increasing profitability has a positive impact on dividend policy.

H5: Profitability has a positive effect on dividend policy in financial sector companies listed on the Indonesia Stock Exchange.

The Relationship Between Leverage on Dividend Policy and Profitability as an Intervening Variable

Fixed expenses arising from the use of debt can affect the company's performance in increasing profitability, so that it can result in a decrease in

distributing dividends or profits that should be received by shareholders. This is a conflict where of course managers prefer to retain profits rather than distribute dividends to investors. This statement is in accordance with a study conducted by Anindyajati & Saiful Anwar (2021) which states that leverage has an influence on dividend policy through profitability. Companies with a high level of leverage will have an impact on reducing the profitability obtained by the company. The more maximal the company's assets, the more maximal the profits obtained will be, because the company's assets are used by the company for the company's operational activities whose aim is to obtain profits Ambarwati et al, (2015). This statement supports the statement that leverage has no effect on dividend policy through profitability, so it can be interpreted that if leverage is large, the company will prefer to retain profits and reduce dividend distribution, this is a difference in interests between managers and shareholders in Agency theory. This is also in line with the pecking order theory where company managers prefer internal financing.

H6: Leverage influences dividend policy through profitability in financial sector companies listed on the Indonesia Stock Exchange.

The Relationship Between Company Size and Dividend Policy and Profitability as an Intervening Variable

The larger the company size, the greater the opportunity for profits to be generated so that it can encourage the company to take policies. In reinvesting using retained earnings, the result is that dividend payments become less, which creates a conflict between shareholders and managers due to differences in interests in dividend payment activities. The larger the size of the company, the greater the opportunity for profits to be generated so that it can encourage the company to take a policy of reinvesting using retained earnings, as a result dividend payments will be less. This is in line with the pecking order theory where company managers prefer internal financing so that profits will be preferred to be retained rather than issued as dividends which require additional costs. This statement is supported by research from Rohaeni & Ma'mun, (2020) which states that company size has no effect on dividend policy through profitability, so it can be interpreted that if the size of the company is large, the company will prefer to retain profits and reduce dividend distribution.

H7: Company size influences dividend policy through profitability in financial sector companies listed on the Indonesia Stock Exchange.

RESULT AND DISCUSSION

Outlier Test

Table 1. Outlier Test

	Minimum	Maximum	Mean	Std. Deviation	N
Mahal Distance Outlier I	.078	35.471	2.969	4.376	96
Mahal Distance Outlier II	.192	15.756	2.968	2.766	93

Source: SPSS 26 data processing result

Outliers occur when Mahal, Distance Maximum > Mahalanobis Distance table with probability and number of variables [=CHIINV (0.001;4): searched via Excel] = 18.466. In Table 4.1, after carrying out the outlier test using SPSS 26, the first outlier test results show the value of Expensive. Distance Maximum = 35.471 > 18.466, namely 3 cases (data units) so elimination is carried out. Next, the outlier test was carried out again with the result being an Expensive value. Distance Maximum = 15,756 < 18,466. This indicates that there are no outliers in the data, therefore this data has good quality so it can be continued for further processing.

Classic Assumption Test

Table 2. Classic Assumption Test

	Asymp. Sig. (2-tailed)	Leverage	Ukuran Perusahaan	Profitabilitas
Normality	0.200	-	-	-
Multicollinearity (VIF)	-	2.265	2.320	1.041
Heteroscedasticity(Residual)	-	0.885	0.937	0.272

Source: SPSS 26 data processing result

Normality Test

Output results of the normality test using the Kolmogrov-Smirnov (K-S) test, it is said that the data is normally distributed, because as seen in table 4.2, the 2-tailed asymptotic significance value for the Unstandardized Residual in the study is 0.200 > 0.05.

Multicollinearity Test

Based on table 4.2, it shows that the VIF value for the three independent variables is less than 10, which means that it is said that the regression model does not have multicollinearity in all independent variables, and means that there are no

symptoms of multicollinearity in the regression model.

Heteroscedasticity Test

Based on table 4.2, the results of the heteroscedasticity analysis show that the Unstandardized Residual value of the independent variable has no significant correlation with the residual (Sig value is greater than 0.05 or non-significant). So it is said that the entire construct does not have heteroscedasticity.

Autocorrelation Test

Table 3. Autocorrelation Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.130 ^a	.017	-.015	35.7074107	1.865

Source: SPSS 26 data processing result

The Durbin Watson Table values with 93 data points and three independent variables are $dL=1.5966$ and $dU=1.7296$. By comparing the Durbin Watson (DW) values calculated using the Durbin Watson table, it can be seen that the calculated Durbin Watson (DW) values lie in areas where there is no positive or negative autocorrelation. So that autocorrelation does not occur.

Hypothesis testing and Path Analysis

In this research, data analysis uses path analysis which is aimed at seeing the impact of leverage and company size on dividend policy and profitability as an intervening variable.

Hypothesis testing

Structure of Equation I

Table 4. Multiple Linear Regression Structure of Equation I

	Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	T	
1	(Constant)	-15.734	15.717		-1.001	.319
	DER	-.002	.006	-.057	-.370	.712
	LnTA	.862	.553	.238	1.559	.122

Source: SPSS 26 data processing result

The Path Equation (Equation Structure I) created is as follows:

$$Z = P_{ZX1}X_1 + P_{ZX2}X_2 + \epsilon_1$$

$$\text{Profitability} = -0,057 X_1(\text{Leverage}) + 0,238 X_2(\text{Firm Size})$$

From the equation above and based on Table 4.4 Leverage (X1) has a negative impact on Profitability (Z) with a significance level of $0.712 > 0.05$ (Greater than 0.05) so it is non-significant (negative), so the Hypothesis is rejected. Then, based on Table 4.4, company size (X2) has a positive impact on profitability (Z) with a significance level of $0.122 > 0.05$ (greater than 0.05), so it is non-significant (negative), so the hypothesis is not accepted.

Table 5. Multiple Linear Regression Structure of Equation II

	Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	T	
1	(Constant)	109.277	62.019		1.762	.081
	DER	.019	.022	.138	.884	.379
	LnTA	-2.256	2.199	-.162	-1.026	.308
	ROE	-.220	.407	-.057	-.542	.589

Source: SPSS 26 data processing result

The Path Equation (Equation Structure II) created is as follows:

$$Y = PYX1X1 + PYX2X2 + PYzz + \epsilon_2$$

$$\text{Dividend Policy} = 0,138 \text{ Leverage} - 0,162 \text{ Size} - 0,057 \text{ Profitability}$$

From the equation above and based on Table 4.5 Leverage (X1) has a positive impact on Dividend Policy (Y) with a significant level of $0.379 > 0.05$ (Greater than 0.05) so it is non-significant (positive), so the hypothesis cannot be accepted. Then, based on Table 4.5, company size (X2) has a negative impact on dividend policy (Y) with a significant level of $0.308 > 0.05$ (greater than 0.05), so it is non-significant (negative), so the hypothesis is rejected. Then, based on Table 4.5, company size (X2) has a positive impact on dividend policy (Y) with a significant level of $0.589 > 0.05$ (greater than 0.05) so it is non-significant (negative), so the hypothesis cannot be accepted.

F Test

Table 6. F Test for Equations I and II

Model	F	Sig.
Regression I	3.131	.048 ^b
Regression II	2.611	.050 ^b

Source: SPSS 26 data processing result

The results for the F test for equation I are 3.131, and the sig = 0.048 value is smaller than 0.05 (5%) which means it is significant. Then the test results in the F test equation II were 2.611, and made the sig = 0.050 value smaller than 0.05 (5%) with the meaning of being significant, then referred to as something that was able to apply the regression model to the research correctly.

Coefficient of Determination Test (R²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
Regression I	.285 ^a	.081	.061	5.34214
Regression II	.252 ^a	.063	.032	34.4217633

Source: SPSS 26 data processing result

Path Analysis

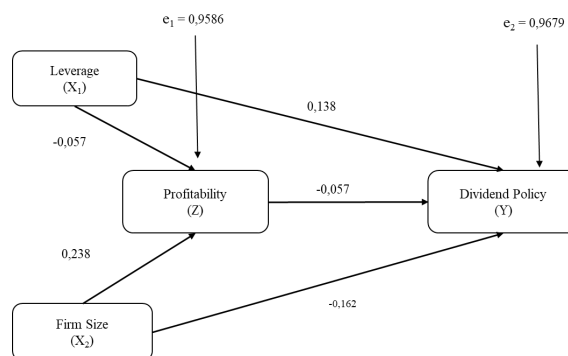


Figure 1. Path Analysis

From the existing path diagram, it was then tested using the Sobel test where the following results were obtained:

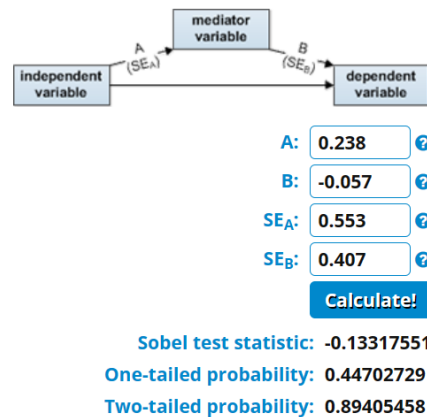
Equation I

The screenshot shows the following input and output for the Sobel test:

- Independent variable: **A: -0.057**
- Mediator variable: **B: -0.057**
- Standard Error of A: **SE_A: 0.006**
- Standard Error of B: **SE_B: 0.407**
- Calculate!** button
- Sobel test statistic: 0.14003392**
- One-tailed probability: 0.44431659**
- Two-tailed probability: 0.88863319**

Based on the test results, the calculated Z value of 0.0962 is smaller than the Z Table value of 1.96 (0.0962 < 0.9750) with a significance level of 5%. This shows that there is no mediation effect between Leverage (X₁) on dividend policy (Y) through profitability (Z). and also based on the results of the Sobel test with an online Sobel calculator based on images, it was found that there was no mediation effect, characterized by a two-tailed probability > 0.05.

Equation II



Based on the test results, the calculated Z value of -0.0381 is smaller than the Z Table value of 1.96 (-0.0381 < 0.9750) with a significance level of 5%. This shows that there is no mediation effect between company size (X2) on dividend policy (Y) through profitability (Z). This is supported by the results of online Sobel test calculations where the two-tailed probability is greater than 0.05 (5%) so that there is no mediation effect.

CONCLUSIONS AND SUGGESTIONS

In accordance with the data review and discussion carried out by researchers in the financial sector listed on the IDX for the 2018-2021 period, the following conclusions can be drawn, firstly OLeverage and company size both have no contribution to profitability in financial sector companies, secondly leverage does not contribute to dividend policy, the third is that company size does not make a significant contribution to dividend policy, the fourth is that profitability also does not contribute significantly to dividend policy, the fifth is that profitability as an influencing variable cannot mediate and does not contribute to the relationship between leverage and dividend policy, the last is profitability as an intervening variable cannot mediate the relationship between company size and dividend policy.

Suggestions that can be given by researchers are in accordance with the results obtained. Firstly, the company is expected to be able to take the information resulting from this research as consideration for decision making in dividend policy, secondly, for future researchers, with the leverage and company size variables being insignificant, it is hoped that future researchers can use other factors, different types of companies and also a longer research time span than this research.

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