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The Role of Dividend Policy in Moderating the Influence of Investment Decisions, Profitability, and Financing Decisions on the Firm Value in the Mining Sector

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ABSTRACT

The mining sector has always attracted investors due to its distinct nature compared to other industrial sectors. Stocks in this sector tend to rise along with the demand for mining materials and the decreasing availability of mining resources. Investors are not only interested in stock prices but also in other factors. This research aims to determine the effect of dividend policy in moderating the impact of investment decisions, profitability, and financing decisions on the firm value in the mining sector. This study uses a quantitative approach, with a total population of 62 companies listed on the Indonesia Stock Exchange (IDX) from 2018 to 2022. The sample was selected using the purposive sampling method, resulting in 18 companies that meet the predetermined criteria. The data analysis process involves multiple linear regression using SPSS software. The results show that investment decisions, profitability, and financing decisions influence the firm value of mining companies in Indonesia. However, when dividend policy is used as a moderating variable, investment decisions, profitability, and financing decisions no longer have a significant effect on firm value. This is because the significance values between the independent variables and the dependent variable are better without the moderating variable. Thus, this indicates that the moderating variable is unable to mediate between the independent variables and the dependent variable.

Keywords: *Firm Value, Investment Decisions, Profitability, Financing Decisions, and Dividend Policy plates*

ABSTRAK

Sektor pertambangan selalu menarik investor karena sifatnya yang berbeda dibandingkan dengan sektor industri lainnya. Stok di sektor ini cenderung naik seiring dengan permintaan bahan tambang dan berkurangnya ketersediaan sumber daya tambang. Investor tidak hanya tertarik pada harga saham tetapi juga pada faktor lain. Penelitian ini bertujuan untuk mengetahui pengaruh kebijakan dividen dalam memoderasi dampak keputusan investasi, profitabilitas, dan keputusan pembiayaan terhadap nilai perusahaan di sektor pertambangan. Penelitian ini menggunakan pendekatan kuantitatif, dengan total populasi 62 perusahaan yang terdaftar di Bursa Efek Indonesia (BEI) dari tahun 2018 hingga 2022. Sampel dipilih menggunakan metode *purposive sampling*, menghasilkan 18 perusahaan yang memenuhi kriteria yang telah ditentukan. Proses analisis data melibatkan regresi linier berganda menggunakan perangkat lunak SPSS. Hasil penelitian menunjukkan bahwa keputusan investasi, profitabilitas, dan keputusan pembiayaan mempengaruhi nilai perusahaan pertambangan di Indonesia. Namun, ketika kebijakan dividen digunakan sebagai variabel moderasi, keputusan investasi, profitabilitas, dan keputusan pembiayaan tidak lagi berpengaruh signifikan terhadap nilai perusahaan. Ini karena nilai signifikansi antara variabel independen dan variabel dependen lebih baik tanpa variabel moderasi. Dengan demikian, ini

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menunjukkan bahwa variabel moderasi tidak dapat menengahi antara variabel independen dan variabel dependen.

Kata Kunci: Nilai Perusahaan, Keputusan Investasi, Profitabilitas, Keputusan Pembiayaan, dan Plat Kebijakan Dividen

INTRODUCTION

The impact of COVID-19, particularly on the economic sector, has greatly affected the economy in Indonesia. Many sectors were significantly impacted by the COVID-19 outbreak. The industrial sector, which should have been able to grow normally with the development of digitalization technology, found itself unable to act when the COVID-19 outbreak hit Indonesia, resulting in restrictions across the country. As a result of the pandemic, the mining sector experienced a negative impact or a decline in the performance of mining companies in Indonesia. According to news published by CNBC Indonesia on November 11, 2020, the mining sector faced a revenue deficit compared to previous years due to a decline in investment levels. Additionally, many companies were unable to export mining materials to ordering countries via sea routes because of temporary lockdowns. Many countries also imposed restrictions on ships entering and leaving their ports. The pandemic's influence also caused the prices of mining commodities to drop due to distribution disruptions. Below is the data showing the decline in sales in the mining industry:

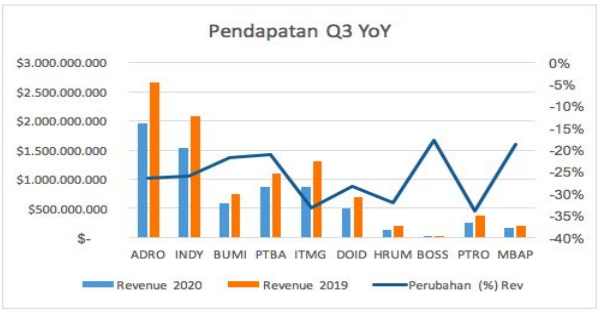

Figure 1. Chart Mining Sector Revenue 2019-2020
Source: CNBC Indonesia, 2024

It can be seen from Chart 1 above that the smallest decline in sales and revenue in Q3-2020 year on year (YoY) was recorded by BOSS with an 18% decrease, followed by MBAP with a 19% decrease. The largest decline in sales and revenue was recorded by HRUM with a 32% decrease. The average decline among the 10 coal issuers was 26%. Below is the data showing the decline in profit/loss in the mining industry:

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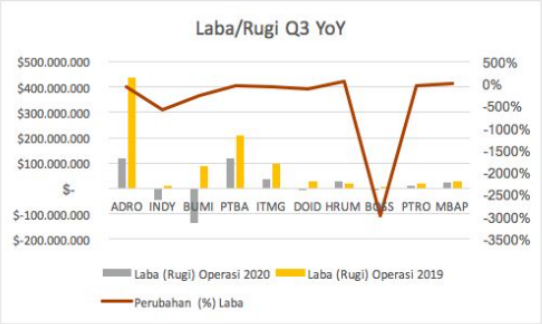

Figure 2. Graph Mining Sector Profit/Loss 2019-2020
Source: CNBC Indonesia, 2024

ADRO, despite experiencing a decline in performance, recorded total sales in Q3 last year amounting to US$ 1.954 billion, equivalent to Rp 27.36 trillion (exchange rate Rp 14,000/US$), and INDY reached US$ 1.538 billion, equivalent to Rp 21.53 trillion. ADRO's total coal production throughout 2020 was 54.53 million tons, down 6% from the same period in the previous year. 'Head of Corporate Communication at Adaro, Febriati Nadira, in her statement in the IDX disclosure of information, said that the coal production volume was slightly higher than the target set for 2020, which was 52 - 54 million tons.' Meanwhile, coal sales volume in 2020 reached 54.14 million tons, down 9% year-on-year.

After the pandemic ended in Indonesia, many sectors have been striving to recover following the downturn in 2020-2022. This has led to the initiation of government programs aimed at restoring the economic situation in Indonesia, particularly in the energy sector, specifically in mining. The government is also pursuing the down streaming of mining products to prevent them from being exported in raw form. The purpose of this is to ensure that Indonesia gains higher profits by exporting semi-finished or finished mining products rather than raw materials to export markets. With this government regulation, it is expected to have a positive impact and increase movement in stock prices, particularly in the mineral or mining sector.

Firm value can be seen from the stock price; if a company has a high stock price, this condition can be one of the determining factors for investment decisions from a financial perspective and increase the confidence of capital owners if there is a good probability of future profit margins. Good cooperation between management and stakeholders in making sound financial decisions will influence the increase in firm value(Wau and Dakhi 2022). For companies that have not gone public, firm value represents the amount a prospective buyer is willing to pay if the company is sold, whereas for companies that have gone public, firm value can be seen from the stock price in the capital market (Nisa 2014).

Management must work hard to optimize firm value, where optimization of firm value can be achieved through the implementation of financial management functions. Each financial decision made will affect other financial decisions and have an impact on firm value. Previous research on firm value conducted by (Sumanti and Mangantar 2015) shows that firm value has a positive and significant influence on

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profitability. However, research conducted by (Muharramah and Hakim 2021)shows that profitability does not have a significant effect on firm value. Firm value itself is influenced by many factors, including investment decisions, company size, and dividend policy (Amaliyah and Herwiyanti 2020).

Further research on financing decisions relates to the raising of funds for implementing investments that have been selected in investment decisions. Essentially, financing can be carried out using various sources of funds, both from external financing and internal financing. According to Modigliani and Miller (1963), financing can increase firm value. If financing is done through debt, the increase occurs due to the tax-deductible effect. Companies with debt will pay interest, which can reduce taxable income and benefit shareholders (Kartono and Warmika 2018).

In a company, profitability is the ability of a company to generate profit over a certain period. The profitability ratio is one of the methods or techniques used to analyze financial statements. The profitability ratio is used to measure the company's ability to generate profit from all of its normal business activities. It also indicates the level of capability and success achieved by the company through its business activities (Sudjiman and Sudjiman 2022). High profitability can influence investors' perception of the company's increasing profitability. Profitability is an indicator frequently used by investors to assess the value of a company (Umbung et al, 2021).

Investment decisions have one of the main aspects, namely capital investment. The decision to allocate capital into investment proposals must be evaluated and linked to risks and expected returns. Investment decisions will affect the company’s asset structure, which is the ratio between current assets and fixed assets. According to signaling theory, investment expenditures provide a positive signal regarding the company's future growth, thus increasing stock prices used as an indicator of firm value (Pamungkas and Puspaningsih 2013).

Dividend policy signals investors about the financial health of the company. Companies that consistently distribute dividends are considered more stable, which can moderate the relationship between investment decisions, profitability, and financing with firm value. This is supported by previous research that used dividend policy as a moderating variable. In this case, dividend policy acts as a moderating variable between variable X and variable Y. Dividend policy involves several considerations between retained earnings and dividends. It relates to determining the dividend payout ratio, which is the percentage of net profit after tax distributed as dividends to shareholders. Dividend policy is part of the company's financing decisions, particularly regarding internal financing. This is because the size of the dividends distributed will affect the amount of retained earnings. Dividends can reduce the uncertainty faced by investors.

LITERATURE REVIEW

Company Values

Husnan (2014) defines firm value as the price that a prospective buyer is willing to pay when the company is sold. When a company has gone public or offered shares to the public, firm value is understood as the perception an investor has of the

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company itself. Investors can use firm value as a basis for assessing the company's performance in future periods, where firm value is often associated with stock prices (Sulistyo, 2020). Wijaya and Panji (2015) state that high stock prices are directly proportional to high firm value. A high firm value will increase an investor's confidence in the company. Firm value, as reflected in stock prices, is influenced by several factors such as the stock price index, interest rates, and the company's fundamental conditions. Fundamental conditions relate to the company's internal circumstances, such as its financial condition, which is reflected in its financial performance. If a company intends to conduct a fundamental analysis, it requires fundamental data from the company's financial statements, such as sales, distributed dividends, company profits, and so on

Firm value is not only reflected in a company's stock price. To measure the level of firm value, various methods can be used, and one of the measurement tools is the price-to-book value ratio. Brigham and Houston (2011) state that price-to-book value (PBV) is a financial ratio that compares the stock price with the book value per share. The higher the PBV, the greater the shareholders' prosperity, indicating that the company has achieved one of its goals (Suwardika and Mustanda, 2017).

Investment Decisions

Investment decisions refer to the ability of managers to make decisions on how to allocate funds into various types of investments, with the aim of generating profits in the future. These investment decisions are crucial and influence firm value, as well-managed investment decisions will attract investors to invest in the company. The objective of investment decisions is to achieve high returns with minimal risk or manageable risk, thereby maximizing shareholder wealth and increasing the company's value. Thus, it can be understood that the higher the company's profits, the higher the firm's value.

According to Halim and Hanafi (2014), investment decisions are made based on whether a proposed investment meets the predetermined acceptance criteria from a financial perspective. Investment decisions can also be made to minimize a company's risk and uncertainty (Hartono and Wahyuni 2017). Investors tend to choose companies with lower risks, as it aligns with their primary objective of seeking optimal returns with minimal risk.

Profitability

Profitability is a group of ratios that show the combined effects of liquidity, asset management, and debt on operational results (Brigham & Houston, 2013). Profitability ratios measure a company's ability to generate profits from its business activities. As a result, investors can see how efficiently the company uses its assets and conducts operations to generate profits. Profitability ratios represent the outcome of various policies and decisions made by the company (Saleh 2020).

Funding Decisions

According to Gustian, D. (2017), financing decisions refer to how a company finances its assets. Financing decisions can be interpreted as decisions related to the company's financial structure. According to Septia (2015), a company's financial

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structure consists of the composition of financing decisions, which includes short-term debt, long-term debt, and equity. Rinnaya, et al. (2016) state that financing decisions involve choosing the resources a company will use, whether through debt or equity. Every company aims for an optimal capital structure, one that maximizes the firm's value and minimizes the cost of capital. Financing decisions in research can be measured by the debt-to-equity ratio (DER) (Khotimah 2020).

Financing decisions relate to the company's financial structure. These decisions are concerned with the form and amount of investment financing. Debt policy refers to the company's policy on the extent to which it uses debt financing. An increase in debt is perceived by external parties as an indication of the company's ability to meet its future obligations, which is positively received by the market (Amaliyah and Herwiyanti 2020).

Dividend Policy

Dividend policy is a policy related to determining whether the company's profits will be distributed to shareholders as dividends or retained as retained earnings. The decision regarding dividend payments is a critical one for a company. This policy involves two parties with differing interests: the first being the shareholders, and the second being the company itself. A company's dividend policy should be viewed as an integral part of its financing decisions. The Dividend Payout Ratio (DPR) determines the amount of profit that can be retained within the company. The more profit retained in the company, the less cash will be available for current dividend payments (Amaliyah and Herwiyanti 2020).

Signaling Theory

Signaling Theory, developed by Ross (1977), states that company executives, who have better information about their company, are motivated to convey that information to potential investors in order to increase the company’s stock price (Mariani and Suryani, 2018). The goal is to raise the company's stock price. Signaling theory explains how companies inform financial statement users about their actions. Management reports that they adopt conservative accounting principles, which positively impact profits. Signaling theory serves as the theoretical basis for explaining the relationship between a company’s financial performance and its firm value (Fitriyah F et al. 2024).

Trade-off Theory

Sofyaningsih and Hardiningsih (2011) state that the trade-off theory posits that the level of leverage is influenced by the company's growth rate. According to the trade-off theory, companies with high growth rates tend to finance their investments by issuing shares, as their stock prices are relatively high. Another reason is that high-growth companies are likely to incur significant costs of financial distress due to their high bankruptcy risk. Additionally, the trade-off theory suggests that taxes can be saved by utilizing the expenses incurred from the use of debt; however, on the other hand, a substantial proportion of debt can negatively affect the company's value because the ratio of profit to expenses shifts, resulting in lower profits while the

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company's expenses increase due to the necessity of making various debt-related payments (Afifah and Prajawati, 2022).

Bird in The Hand Theory

The Bird in The Hand Theory was developed by Gordon & Lintner (1962). This theory suggests that investors prefer high dividend payments from the company's profits. This preference arises because receiving dividends involves lower risk compared to capital gains, which are full of uncertainty in the future. High dividend payments lead to an increase in stock prices, which in turn positively impacts the company's value. Nainggolan and Listiadi (2014) state that according to the bird in the hand theory, a company's cost of capital will increase if the dividend payout ratio (DPR) is low, as investors prefer receiving dividends over capital gains, given that dividends carry lower risk compared to capital gains. By paying dividends, uncertainty is reduced, which in turn decreases risk, ultimately lowering the rate of return required by shareholders.

Conceptual Framework

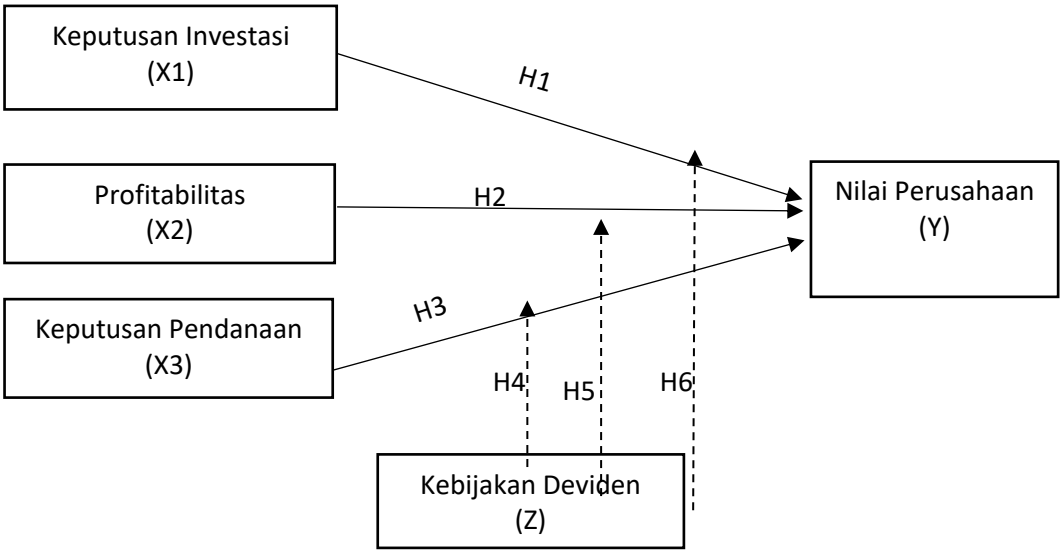

Figure 3. Conceptual Framework
Source: Processed by the researcher (2024)

Based on the figure above, several research hypotheses emerge. The hypotheses in this study are as follows:

H1: There is a positive relationship between investment decisions and company value.
H2: There is a positive relationship between profitability and company value.
H3: There is a positive relationship between funding decisions and company value.
H4: Dividend policy variables are able to moderate the relationship between funding decision variables and company value.
H5: There is a positive influence of profitability on company value moderated by dividend policy.

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H6: Dividend policy variables are able to moderate the relationship between investment decision variables and company value.

RESEARCH METHODOLOGY

This study uses a quantitative approach. Quantitative research is a research method based on assumptions, followed by determining variables, and then analyzed using valid research methods, particularly in quantitative research. According to Arikunto, quantitative research is a method that, as the name suggests, requires the use of numbers, from data collection, interpretation of the data, to the presentation of the results. Quantitative research is very helpful in obtaining information from a sample using numbers to clarify reality. This study employs a direct relationship research method, which is the relationship that influences variable Y by variable X.

This research was conducted on mining companies listed on the Indonesia Stock Exchange (IDX) during the period of 2019-2022. The reason for choosing the IDX as the research location is that it already has sufficiently detailed and valid data. Thus, it will be easier for the researcher to observe which variables or data will be used as the subject of the research. The researcher can obtain this data from the Indonesia Stock Exchange, which can be accessed through the website www.idx.co.id.

Sugiyono (2014) defines population as the area of generalization that consists of objects or subjects that have certain quantities and characteristics determined by the researcher for study and from which conclusions are drawn. Arikunto (1998) states that a sample is a part of the population (a portion or representative of the population being studied) (Sinaga 2014). The determination and selection of research samples were conducted using purposive sampling techniques. This research uses companies operating in the mining subsector listed on the Indonesia Stock Exchange (IDX) from 2018 to 2022, with a population of 62 companies whereas sample used consisted of 16 companies.

RESULTS AND DISCUSSION

Normality Test

Table 1. Normality Test Results
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		50
Normal Parameters[a, b]	Mean	.0000000
	Std. Deviation	.91971074
Most Extreme Differences	Absolute	.121
	Positive	.121
	Negative	-.068
Test Statistic		.121

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Asymp. Sig. (2-tailed)[c]	.073[c]

Source: *Output* SPSS 23

Based on the results of the normality test in Table 1, it can be seen that the Kolmogorov-Smirnov test shows a value of 0.121 with a significance level of 0.073, which means it is greater than 5% or 0.05. Based on these results, it can be concluded that the regression test has met the normality requirement.

Multicollinearity Test

Table 2. Multicollinearity Test Results
Coefficients[a]

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
LAG_LNPER	.176	5.679
LAG_LNDER	.772	1.296
LAG_LNDPR	.156	6.419
LAG_LNROA	.911	1.098

Source: *Output* SPSS 23

From Table 2, it can be seen that the variance inflation factor (VIF) values for all independent variables, namely investment decisions, profitability, funding decisions, and dividend policy, are less than the VIF of 10. This means that all independent variables are not affected by multicollinearity issues.

Heteroscedasticity Test

Table 3. Results of Heteroscedasticity Test (Glejser Test)
Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	.281	.067		4.183	.000
(Constant)	.045	.031	.509	1.464	.151
PER	.020	.071	.046	.276	.784
DER	.055	.032	.628	1.700	.096
DPR	.034	.043	.122	.801	.427
ROA					

Source: *Output* SPSS 23

Table 3 shows the significance values for each variable using the Glejser method, as it is considered more objective for assessing and identifying the presence of heteroscedasticity. If the Sig. value between the independent variables and the absolute residual variable is greater than 0.05, this indicates no signs of

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heteroscedasticity. Conversely, if the Sig. value between the absolute residual variables is less than 0.05, it indicates the presence of heteroscedasticity. In Table 4.3, the Sig. values for PER = 0.151, DER = 0.784, DPR = 0.096, and ROA = 0.427 are obtained. Therefore, it is concluded that there are no signs of heteroscedasticity in the regression model of this study, as the residual values are > 0.05.

Autocorrelation Test

Table 4. Model Autocorrelation Test Results
Road Test

	Unstandardized Residual
Test Value[a]	.04049
Cases < Test Value	24
Cases >= Test Value	25
Total Cases	49
Number of Runs	25
Z	.000
Asymp. Sig. (2-tailed)	1.000

Source: *Output* SPSS 23

Table 4 shows that the Asymp. Sig. (2-tailed) value is 1.000. This significance level is greater than the 5% significance threshold, indicating that the model passes the autocorrelation test, meaning no autocorrelation is present.

Hypothesis Test

Table 5. Results of Determinant Coefficient Test
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.714[a]	.557	.500	.30655

Source: *Output* SPSS 23

The coefficient of determination (R^2) test is used to measure how well the model explains the variation in the dependent variable (Y), while the remaining variation is explained by variables outside the model. This study uses the adjusted R Square value to evaluate the best regression model. Based on the analysis, the adjusted R Square value obtained is 0.557 or 55.7%, which means that the PBV variable (Y) is explained by 55.7% of the PER, DER, DPR, and ROA variables. Meanwhile, the remaining 44.3% is explained by other variables outside the regression equation or those not studied.

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Table 6. T-Test Results
Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	-3.020	.200		-15.105	.000
(Constant)	.308	.091	.967	3.370	.002
PER	.174	.211	.113	.825	.414
DER	.357	.096	1.129	3.700	.001
DPR	.469	.128	.463	3.674	.001
ROA					

a. Dependent Variable: PBV

Source: *Output* SPSS 23

Based on the table above, this hypothesis tests the effect of variable X, represented by PER, DER, and ROA, on firm value. The regression coefficient for PER is 0.308, with a t-value of 3.370 and a significance level of 0.002, which is smaller than the expected significance level (0.02 < 0.05). Thus, PER has a positive and significant effect on firm value in the mining sector from 2018 to 2022. The regression coefficient for DER is 0.174, with a t-value of 0.825 and a significance probability of 0.414, which is greater than the expected significance level (0.414 > 0.05). Therefore, DER has a negative and insignificant effect on firm value in the mining sector from 2018 to 2022. The regression coefficient for ROA is 0.469, with a t-value of 3.700 and a significance probability of 0.001, which is smaller than the expected significance level (0.01 < 0.05). Thus, ROA has a positive and significant effect on firm value in the mining sector from 2018 to 2022. Therefore, the results show that PER and ROA have a positive and significant effect on firm value in the mining sector from 2018 to 2022, while the DER variable has a negative and insignificant effect on firm value in the mining sector from 2018 to 2022.

Table 7. Moderated Regression Analysis (MRA)
Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-2.995	.221		-13.576	.000
PER	.297	.103	.932	2.892	.006
DER	.237	.228	.154	1.040	.005
DPR	.340	.109	1.076	3.112	.003
ROA	.502	.170	.496	2.962	.005
PER*DPR	.005	.012	.108	.438	.664
DER*DPR	.046	.072	.152	.637	.527
ROA*DPR	.020	.055	.065	.362	.719

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Source: *Output* SPSS 23

The significance value between the investment decision variable (PER) and the dividend policy (DPR) is 0.664 > 0.05, leading to the conclusion that the dividend policy variable (DPR) cannot moderate the effect of investment decisions (PER) on firm value.

The significance value between the profitability variable (ROA) and the dividend policy (DPR) is 0.527 > 0.05, leading to the conclusion that the dividend policy variable (DPR) cannot moderate the effect of profitability (ROA) on firm value.

The significance value between the funding decision variable (DER) and the dividend policy (DPR) is 0.719 > 0.05, leading to the conclusion that the dividend policy variable (DPR) cannot moderate the effect of funding decisions (DER) on firm value.

Discussion

The Influence of Investment Decisions on Company Value.

Based on the hypothesis testing that has been conducted, the analysis results indicate that the investment decision variable significantly influences firm value in the mining sector from 2018 to 2022, thus the hypothesis is accepted. This can be interpreted as the direct effect showing that the significance of investment decisions on firm value has a significance level of less than 5%.

Investment refers to the activity of placing funds or money with the aim of maintaining or increasing value while expecting a positive return from the activity. Investment decisions involve the allocation of funds, either from within the company or from external sources, into various forms of investment, both short-term and long-term. If there is a profitable investment opportunity, it is advisable for the company manager to seize the opportunity to increase shareholder wealth. The greater the profitable investment opportunities, the larger the investments made.

In their study, Pamungkas and Puspaningsih (2013) found that there is a significant positive influence of investment decisions on firm value. This study is supported by the signaling theory proposed by Miller and Modigliani (1961), which states that values are determined solely by "real" considerations, in this case, the earning power of the company's assets and its investment policy, and not based on the packaging of these earnings for distribution. Based on this statement, it can be understood that investment is an important factor in generating company profits, ultimately increasing firm value (Ross 1977).

The Influence of Profitability on Company Value

Based on the hypothesis testing conducted, the analysis results indicate that the profitability variable significantly influences firm value in the mining sector from 2018 to 2022, thus the hypothesis is accepted. This means that the direct effect shows that the significance of profitability on firm value has a significance level of less than 5%.

Profitability refers to the company's ability to generate profits over a specific period. Profitability ratios are a set of ratios that show the combined effects of

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liquidity, asset management, and debt on the company's operational results. It is also defined as the level of net profits a company can achieve while operating. In this study, the profitability ratio uses the indicator of return on assets (ROA). ROA is one of the most commonly used financial indicators to assess a company's performance because it is easy to calculate and understand.

In Fadhli (2015) study, it was found that there is a positive influence between profitability and firm value. If the return on assets (ROA) is high, it sends a positive signal to investors that a company with good performance in managing its assets can generate high profitability. The relationship between profitability and signaling theory shows that a company's opportunities can be observed from its profitability level. High profitability indicates good prospects for the company and vice versa. The company can provide information to investors that firm value can be measured by the number of its shares, leading investors to respond positively by increasing stock demand, which in turn raises the stock price and the firm's value (Lestari and Afkar ,2022).

The Influence of Funding Decisions on Company Value

Based on the hypothesis testing conducted, the analysis results indicate that the investment decision variable significantly influences firm value in the mining sector from 2018 to 2022. Thus, the hypothesis is accepted. This suggests that the direct effect shows that the significance of investment decisions on firm value has a significance level of less than 5%.

According to Brigham and Houston (2010), financing decisions involve managing the capital structure and implementing appropriate funding policies to enhance shareholder value. They emphasize the importance of balancing debt and equity to minimize capital costs and manage financial risk. Financing decisions refer to the selection of funding sources that the company will use to finance planned investments based on the available alternative sources of funds, thus achieving an efficient combination of fund usage. The Trade-off Theory is a capital structure theory that states companies trade off the tax benefits of debt financing against the problems arising from potential bankruptcy. The Trade-off Theory reveals that companies will take on debt to a certain extent, but excessive debt will decrease the firm's value. Increased debt elevates the level of risk on the company's income streams, which are influenced by external factors (Piristina and Khairunnisa 2019).

The Influence of Dividend Policy in Moderating the Relationship Between Funding Decision Variables and Firm Value.

Based on the hypothesis testing conducted, the analysis results indicate that the dividend policy variable is unable to moderate the financing decision on firm value in the mining sector from 2018 to 2022. This can be interpreted as the direct effect showing that the significance level of the dividend policy does not moderate the financing decision on firm value, with a value of 0.527 > 0.05. This means that the dividend policy weakens the effect of financing decisions on firm value**.**

This occurs because a high dividend policy cannot influence financing decisions regarding firm value. The dividend policy cannot increase the firm's value

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when debt levels are high and cannot reduce the firm's value when debt levels are low. The use of debt can increase firm value when the benefits of debt exceed the costs of the debt itself. In other words, the extent to which debt benefits the company affects the firm's value, not the amount of debt. Thus, this result aligns with Brigham and Houston's (2006) view that firm value and capital costs are not influenced by dividend policy.

Easterbrook (1984) explains that the bird-in-the-hand theory would have an effect if investors use their dividends for consumption or to purchase securities. However, if they reinvest the dividends they receive in the same or a different company, they are committing their cash to the same risk as if no dividend had been paid, meaning the bird-in-the-hand effect will not apply.

The Influence of Dividend Policy in Moderating the Relationship Between Profitability Variables and Firm Value.

Based on the hypothesis testing conducted, the analysis results indicate that the dividend policy variable is unable to moderate the effect of profitability on firm value in the mining sector from 2018 to 2022. This means that the direct influence shows that the significance level of dividend policy does not moderate profitability's effect on firm value, with a value of 0.719 > 0.05. In other words, the dividend policy weakens the effect of profitability on firm value.

This result aligns with Brigham and Houston's (2006) assertion that dividend policy does not influence firm value or capital costs. Thus, dividend policy cannot increase firm value when profitability is high, nor can it decrease firm value when profitability is low. Modigliani and Miller (1958) also state that stock price changes following dividend distributions reflect public preference for dividends over retained earnings. Investors tend to focus on the company's ability to manage its assets and generate profits, rather than the size of the dividends distributed. Investors only react to information that raises stock prices, not necessarily the amount of dividends paid. In the study by Kusaendri and Mispiyanti (2022), the dividend policy variable was also unable to moderate the relationship between profitability and firm value. However, in Mery , et. al (2017) study, dividend policy was found to moderate the relationship between profitability and firm value. The connection between signaling theory and profitability, as moderated by dividend policy, shows that dividend policy does not signal an increase in firm value when profitability is high, nor a decrease in firm value when profitability is low. Investors are more focused on the company's asset value increasing alongside higher profitability levels.

The Influence of Dividend Policy in Moderating the Relationship Between Investment Decision Variables and Company Value.

Based on the hypothesis testing conducted, the analysis results indicate that the dividend policy variable is unable to moderate the effect of investment decisions on firm value in the mining sector from 2018 to 2022. This means that the direct influence shows that the significance level of dividend policy does not moderate the effect of investment decisions on firm value, with a value of 0.664 > 0.05. In other words, the dividend policy weakens the effect of investment decisions on firm value.

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This shows that the dividend policy does not trigger a public reaction and therefore is unable to strengthen or weaken the influence of a company's investment decisions on its firm value. The dividend policy depends on the company's decision to distribute dividends as cash or retain them as earnings. On the other hand, companies tend to prefer retaining earnings rather than distributing them as dividends to investors. This reflects a difference in preferences between investors and companies. Mustafa and Junaid (2018) suggest that dividend policy does not play a role in influencing the relationship between investment decisions and firm value. Gordon and Lintner (1959) proposed the "bird in the hand" theory, which states that a company's value will be maximized in the eyes of investors if dividend payments are high because investors perceive the risk of dividends to be lower than the increased cost of capital. As a result, investors prefer returns in the form of dividends rather than the expected gains from capital appreciation. Based on this statement, it can be concluded that a company's value is determined solely by its fundamental ability to generate profits and the associated risks. Therefore, the value of the company will depend on the income generated by its assets, rather than how that income is distributed in the form of dividends or retained earnings (Miraningrum and Wendy, 2023).

CONCLUSION AND SUGGESTIONS

Based on the research results, it can be concluded that time management and learning motivation play important roles in influencing the level of academic procrastination among students. First, investment decisions have a significant effect on firm value in the mining sector. When investment opportunities grow and investors recognize these opportunities, the value of investments increases. Second, profitability significantly affects firm value in the mining sector. This is because when the return on assets (ROA) is high, it sends a positive signal to investors that the company is performing well in managing its assets and generating high profitability. Third, funding decisions significantly affect firm value in the mining sector. When proper funding decisions are made by balancing debt and equity to minimize financial management risks, it results in efficient management. Fourth, the dividend policy, in moderating the relationship between funding decisions and firm value, does not have a significant impact on firm value in the mining sector. When high dividend policies cannot influence firm value, whether debt levels are low or high.

Fifth, the dividend policy, in moderating the relationship between profitability and firm value, does not have a significant impact on firm value in the mining sector. This is because investors are less concerned with the amount of dividends distributed and are more focused on the rising stock prices, meaning that dividend policy also does not significantly influence a company’s profitability. Sixth, the dividend policy, in moderating the relationship between investment decisions and firm value, does not have a significant impact on firm value in the mining sector. Dividend policy does not trigger an increase in a company’s investment value, as it depends on the company's decision to distribute dividends as cash or retain them as earnings.

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Based on the research results, several suggestions can be given. Companies are expected to continuously provide objective and relevant financial information related to financial statements. This information must be verifiable so that investors can adequately assess the company's condition, enabling them to make more informed investment decisions, including considerations for purchasing company shares. Investors intending to invest in a company should not only consider the company's image and speculate on macroeconomic conditions. Instead, they should carefully evaluate the company's financial condition, including factors such as investment decisions, profitability, financing decisions, and dividend policy, as the basis for their investment decisions.

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