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Dividend policy, profitability, institutional ownership, firm size, corporate social responsibility on firm value

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ABSTRACT

The purpose of this research is to examine and analyze the influence of dividend policy, profitability, institutional ownership, firm size, and Corporate Social Responsibility to firm value. The object of this research is a manufacturing company listed on the Indonesia Stock Exchange (IDX) period 2015-2019. The data used in this study is secondary data in the form of annual financial statements. The sample was chosen by using purposive sampling method and obtained by 63 companies. The analytical method used in this study used multiple linear regression with E-Views 7.1 application tool. The result of the research shows that dividend policy has a significant positive effect on firm value, profitability has positive significant influence to the firm value, institutional ownership has positive significant influence to the firm value, firm size has significant positive influence to the firm value, and Corporate Social Responsibility (CSR) has significant negative influence to the firm value.

INTRODUCTION

Firm value describes the success of the company's performance and the company's prospects in the future. Hanafi (2014) states that maximizing firm value is a normative goal of the company. According to Keown, et al. (2004) in Setiani (2015) firm value is the market value of securities in the form of outstanding debt and shareholders' equity. Thus, the value of the company can be reflected in the stock price.

According to Hanafi (2014) the increase in stock prices illustrates the prosperity of shareholders, so in essence the purpose of financial management is to maximize the increase in stock market prices. Therefore, in maximizing the value of the company, a manager who is competent in his field is needed. However, in practice, managers often act opportunistically by improving the welfare of the company, not the welfare of shareholders. Such conditions will cause agency conflict, namely differences in interests between the agent and the principal. Agency conflicts can be triggered by asymmetric information. According to Scott (1997) in Sulistyanto (2008), the existence of information asymmetry can trigger dysfunctional behavior carried out by agents or managers. One of the dysfunctional behaviors carried out by managers is the act of profit management.

Basically, according to Bathala, Moon, and Rao (1994), increasing dividend payments is one way that can be used to reduce conflicts of interest. This is because one of the motivations of investors in investing their capital in the hope of getting returns other than capital gains. According to Fistyarini (2015), the amount of dividend payments is influenced by the amount of company profitability. So that the greater the profitability obtained by the company, it will be a positive signal for investors. Bathala, et al. (1994) also revealed that institutional ownership can reduce agency conflict by supervising the actions of managers. So that the actions of managers who tend to be opportunistic can be minimized and managers will act in accordance with the interests of shareholders.

According to Mardiyah (2002) in Suharsono and Rahmasari (2013), Corporate Social Responsibility (CSR) disclosure in annual financial statements is believed to reduce information asymmetry. In addition, Fista (2017) also revealed that the size of the company can reduce information asymmetry. Where the larger the size of the company, the greater the flow of information that can be obtained by shareholders. Based on the above background, the purpose of this study is to examine and analyze the effect of dividend policy, profitability, institutional ownership, firm size, and Corporate Social Responsibility (CSR) on firm value.

Firm Value

Keown, et al. (2004) in Setiani (2015) revealed that firm value is the market value of debt securities and outstanding shareholders' equity. Brigham and Houston (2010) stated that firm value is very important because high firm value indicates high shareholder prosperity. Hanafi (2014) states that shareholder prosperity is often defined as an increase in stock market prices. According to Weston and Copeland (2008) in Suffah (2016) there are several ratios in measuring firm value, namely Price Earnings Ratio (PER), Price to Book Value (PBV), and Tobin's Q.

Dividend Policy

Hanafi (2014) revealed that dividends are compensation received by shareholders in addition to capital gains. Meanwhile, the dividend policy according to Martono and Harjito (2014) in Ainy (2017) is a decision whether the profits obtained by the company at the end of the period will be distributed to investors in the form of dividends or will be held to be used as capital for investment financing in the future.

Bird In the Hand Theory

According to Gordon and Lintner (1961) in Hanafi (2014), investors tend to prefer large dividend payments at this time rather than capital gains received in the future. This is because the uncertainty of dividends is smaller than capital gains. Although basically high dividend payments will result in high stock prices as well, investors will prefer to pay higher prices to reduce uncertainty.

Signalling Theory

According to Hanafi (2014) this theory was developed by Ross (1977) where if managers have confidence that the company's prospects are considered good, then managers will communicate it to investors to increase stock prices. Managers can give signals to shareholders either through an increase in the amount of debt or other information that shows the company's condition is better.

Financial Performance

According to Rudianto (2013) in Sari (2016), financial performance is the level of success of company management in carrying out its function to manage company assets effectively over a certain period. Financial performance can be measured by analyzing the company's financial statements using financial ratios. According to Hanafi and Halim (2012) financial ratios consist of 5 types, namely liquidity ratio, activity ratio, solvency ratio, profitability ratio, and market ratio.

Profitability

Kasmir (2010) in Yulindar (2017) states that profitability is a measuring tool that reflects the company's ability to earn profits. Hanafi (2014) revealed that there are three kinds of ratios to measure profitability, namely Profit Margin, Return on Assets (ROA), and Return On Equity (ROE).

Firm Size

Riyanto (2012) in Yulindar (2017) defines firm size as a description of the size of a company based on total assets, number of sales, and average sales. The National Standardization Agency in Sulistiono (2008) in Bachrudin (2017) stated that the size of companies is generally divided into three groups, namely large firms, medium firms, and small firms.

Institutional Ownership

The ownership structure according to Sugiarto (2009) is a comparison between the number of shares owned by insider ownership with shares owned by investors or institutional institutions. Jensen and Meckling (1976) mentioned that the ownership structure is divided into insider ownership and outsider ownership (investors who do not have a direct relationship to the management of the company). The ownership structure consists of managerial ownership, institutional ownership, and public ownership.

Sugiarto (2009) defines institutional ownership, namely the percentage of share ownership by institutional institutions such as banks, insurance institutions, investment institutions, or other institutional institutions. Bathala, et al. (1994) revealed that there are several ways to reduce agency conflicts, one of which is by owning shares in institutional institutions. This is because institutional ownership has a greater proportion compared to individual ownership. So institutional shareholders have greater power in monitoring the actions of company managers.

Corporate Social Responsibility (CSR)

According to Sudana (2011), Corporate Social Responsibility (CSR) or corporate social responsibility is the responsibility of a company for its decisions and activities to the community and the surrounding environment. According to Elkington (1997) in Hadi (2011) to maintain the sustainability of the company, it is necessary to pay attention to the 3P principles, namely profit, people, and planet.

Legitimacy Theory

Dowling and Pfeffer (1975) in Ghozali and Chariri (2007) state that legitimacy is a condition that arises when a firm's value system is congruent with the value system of the broader society in which the firm operates. So that the theory of legitimacy is carried out based on a social contract between the company and the surrounding community where the company operates and uses economic resources. Legitimacy is something given by society, and something needed by companies.

Stakeholder Theories

Based on stakeholder theory in Ghozali and Chariri (2007) the company is not a business entity that only operates for its own interests but must also provide benefits to stakeholders. According to Gray, et al. (1997) in Ghozali and Chariri (2007) the survival of the company depends on the support of stakeholders, where the support must be sought by the company. Social and environmental disclosures are considered part of the dialogue between companies and stakeholders.

The effect of dividend policy on firm value

According to Azizah (2016), dividend policy has a significant positive effect on firm value. These results are also supported by research by Pertiwi (2017), Fista (2017), Rakasiwi, et al. (2017), Jayaningrat, et al. (2017), and Qusaeni and Aji (2017) which states that dividend policy has a significant positive effect on firm value.
According to signalling theory, if managers have confidence about the company's good prospects in the future, managers will give signals to investors, one of which is by paying dividends. Based on bird in the hand theory, investors tend to prefer high dividend distribution at this time compared to capital gains in the future. This is because dividends are profits or profits that will be obtained by shareholders. So that the greater the dividend paid, it will be responded as a positive signal by investors. Thus, investor interest in investing in the company will increase. The higher the interest of investors, it will increase the stock price, and in turn will increase the value of the company.
H_1: Dividend policy has a significant positive effect on the value of the company.

The effect of profitability on the value of the company

Ainy (2017) stated that profitability has a significant positive effect on firm value. Research conducted by Yahdiyani (2017), Azizah (2016), Pertiwi (2017), Fista (2017), Yulindar (2017), Susanto (2016), and Jayaningrat, et al. (2017) also found that profitability has a significant positive effect on firm value.

The greater the profit, the greater the return that will be received by shareholders. This will give a positive signal to investors about the company's good prospects in the future. The presence of positive signals about increasing profits will attract investors to invest their funds in the company. So that the demand for shares will increase, which will increase the stock price, which indicates an increase in the value of the company.
H_2: Profitability has a significant positive effect on the value of the company.

The effect of institutional ownership on firm value

According to Ainy (2017), institutional ownership has a significant positive effect on firm value. This result is also supported by research by Pertiwi (2017), Purnamasari (2017) and Jayaningrat, et al. (2017) which states that institutional ownership has a significant positive effect on firm value.

According to agency theory, the way to reduce agency conflict is to use a supervisory mechanism, one of which is by ownership of shares by institutional holdings. Higher levels of institutional ownership indicate a tighter system of supervision, so that opportunistic actions of managers can be reduced. Thus, managers will act in accordance with the interests of shareholders to improve the welfare

of shareholders. The increasing welfare of shareholders, reflected in the increase in stock price, indicates that the company's value has also increased.
H_3: Institutional ownership has a significant positive effect on the value of the company.

The effect of firm size on firm value

According to Yahdiyani (2017), the size of the company has a significant positive effect on the value of the company. This is supported by research by Azizah (2016), Pertiwi (2017), Fista (2017) and Yulindar (2017) which states that firm size has a significant positive effect on firm value.

The larger the size of the company is reflected in the larger the total assets. This indicates that the company's operational activities are getting bigger as well. So that the company will generate greater profits from its operational activities. This will be considered a good prospect for the company in the future. Thus, investors will give a positive response by investing in the company. So that the demand for company shares will increase accompanied by an increase in stock prices. Where an increase in stock price indicates an increase in firm value.
H_4: The size of the company has a significant positive effect on firm value.

The influence of Corporate Social Responsibility (CSR) on firm value

Susanto (2016) stated that Corporate Social Responsibility (CSR) has a significant positive effect on firm value. This is also supported by the research of Dewi and Sanica (2017), Jo and Harjoto (2011) and Chintrakarn, et al. (2017) which states that Corporate Social Responsibility (CSR) has a significant positive effect on firm value.

According to legitimacy theory, legitimacy is something given by society and something that companies seek or need. While stakeholder theory states that companies must be able to provide benefits to stakeholders. This is in accordance with the disclosure of Corporate Social Responsibility (CSR) which shows the company's concern for the interests of stakeholders who have a wider scope than the interests of shareholders. So that the wider disclosure of Corporate Social Responsibility (CSR) will get positive appreciation from investors and have an impact on increasing demand for shares. An increase in demand for shares will increase the stock price, which reflects the value of the company, which has also increased.
H_5: Corporate Social Responsibility (CSR) has a significant positive effect on the value of the company.

RESEARCH METHODS

The population in this study is manufacturing companies listed on the Indonesia Stock Exchange in 2015-2019. The type of data used is secondary data in the form of annual financial statements. The sampling technique uses a purposive sampling method with criteria: manufacturing companies that disclose Corporate Social Responsibility (CSR), manufacturing companies that have a proportion of institutional ownership, manufacturing companies that earn profits and manufacturing companies that pay dividends. The data collection technique uses the documentation/archive method against the annual financial statements of manufacturing companies listed on the IDX. The annual financial report is sourced from data published by IDX which can be obtained through IDX's official website, namely www.idx.co.id.

Operational Definition of Research Variables

Firm Value

Firm value is an investor's perception of the issuer which is reflected in the share price. Hanafi (2014) formulated PBV as follows:

$$\text{PBV} = \frac{stock\ market\ price\ per\ share}{book\ value\ per\ share} \qquad (1)$$

Dividend Policy

Dividend policy is a decision to determine the percentage of net profit (Earning After Tax) that will be distributed in the form of dividends or retained earnings. Hanafi and Halim (2012) formulated the dividend payout ratio as follows:

$$\text{Dividend Payout Ratio} = \frac{dividend\ per\ share}{Earning\ per\ share} \qquad (2)$$

Profitability

Profitability reflects a company's ability to make a profit over a period. Hanafi (2014) formulated the return on asset ratio as follows:

$$\text{Return on asset} = \frac{Learning\ after\ tax}{Total\ Asset} \quad (3)$$

Institutional Ownership

Institutional ownership is the percentage of share ownership by institutional institutions of all shares.

$$\text{KI} = \frac{Institutional\ ownership}{Total\ outstanding\ share} \quad (4)$$

Firm Size

The size of the company can be reflected in the total assets owned by the company. Weston and Thomas (2008) in Firmansah and Suwitho (2017) formulated the measurement of firm size as follows:

Size = Ln Total Asset (5)

Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) is an action taken by a company as a sense of responsibility to the social or environment in which the company operates. Yahdiyani (2017) formulated Corporate Social Responsibility (CSR) measurements as follows:

$$\text{CSRDI}_J = \frac{\sum X_{ij}}{n} \quad (6)$$

The analysis tools used in this study are multiple linear regression, because the number of independent variables is more than one, and data processing using SPSS 22. The analysis phase used includes descriptive analysis and inferential analysis. According to Ghozali (2011) descriptive statistical analysis can provide an overview of a data seen from the mean value, standard deviation, variance, maximum, minimum, sum, range, kurtosi, and skewness. Sugiyono (2019) Inferential analysis is a statistical technique that can be used to analyze sample data and results to be inferred as a population.

Multiple Linear Regression Analysis

Multiple Linear Regression Equations

PBVit = ɑ + ƀ1 DPRit + ƀ2 ROAit + ƀ3 KIit + ƀ4 Sizeit + ƀ5 CSRit + e (7)

Where:

ɑ	= konstanta
PBVit	= FirmValue (Price to Book Value)
DPRit	= Dividend Policy (Dividend Payout Ratio)
ROAit	= Profitability (Return on Asset)
KIit	= Institutional Ownership (KI)
Sizeit	= Firm Size (Size)
CSRit	= Corporate Social Responsibility (CSR)
ƀ1, ƀ2, ƀ3, ƀ4, ƀ5	= Coefficient of change for each independent variable value
e	= Error term

Classical Assumption Test

According to Gujarati (2007) in Dewi and Sanica (2016), the classical assumption test is a test that must be fulfilled before conducting multiple linear regression analysis to get the best results. According to Ghozali (2011) classical assumption tests include normality tests, heterokedasticity tests, multicollinearity tests, and autocorrelation tests.

RESULTS AND DISCUSSION

The object of this study is manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2015-2019 period. The sampling technique uses purposive sampling. Here are the details of sample selection using purposive sampling:

Table 1. Research Sample Overview

No	Criterion	Year 2015	2016	2017	2018	2019	Total
1.	Manufacturing Companies that Listed on IDX during the research period	137	139	142	141	144	703
2.	Manufacturing Companies that did not have complete data during the study period	(38)	(40)	(43)	(42)	(45)	(208)
3.	Manufacturing Companies that do not disclose Corporate Social Responsibility (CSR) during Research period	(15)	(13)	(12)	(9)	(8)	(57)
4.	Manufacturing Companies that did not have a proportion of institutional ownership during the study period	(2)	(2)	(2)	(2)	(2)	(10)
5	Manufacturing companies that did not earn profit during the research period	(6)	(8)	(11)	(19)	(12)	(56)
6	Manufacturing companies that did not pay dividends during the study period	(25)	(25)	(21)	(25)	(32)	(128)
	Total	51	51	53	44	45	244
	Data outlier	(2)	(2)	(2)	(3)	(3)	(12)
	Research sample	49	49	51	41	42	232

Source: Data processed

Table 2. shows that ROA, KI, size, CSR show centralized data (not spread) seen from the standard deviation value smaller than the mean value (mean). While the DPR AND PBV spread, this is indicated by the standard deviation value greater than the mean value.

Table 2. Descriptive Statistical Analysis

	DPR	ROA	KI	SIZE	CSR	PBV
Mean	0.558317	0.094325	0.700441	28.98708	0.255116	2.839241
Median	0.365920	0.082242	0.702000	28.73190	0.230769	1.776794
Maximum	10.48387	0.394769	0.982414	33.19881	0.604396	22.54123
Minimum	0.007406	0.000512	0.322156	25.57957	0.043956	0.099757
Std. Dev.	0.972706	0.074845	0.166488	1.677342	0.128960	3.297910
Observations	232	232	232	232	232	232

Source: Data processed

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Inferential Analysis

Table 3. Multiple Linear Regression

Variable	Coefficient	Std. Error
C	-2.600234	0.383608
LOG_DPR	0.107857	0.040195
SQRT_ROA	2.584179	0.149423
KI	0.250858	0.113616
SIZE	0.074495	0.012920
CSR	-0.665712	0.165835

Source: Data processed

Based on the results of multiple linear regression in the table above, the multiple linear regression equation can be formulated as follows:

PBV = -2,600234 + 0,107857DPR + 2,584179ROA + 0,250858KI + 0,074495SIZE – 0,665712CSR + e

Classical Assumption Test (7)

a. Normality Test
Based on the results of the probability value of Jarque Bera (JB), which is 0.085016 > 0.05. So that the data in this study has met the assumption of normality.

b. Heteroscedasticity Test
Based on the results, it shows a significant value of 0.0754>0.05. So, it can be concluded that heteroscedasticity does not occur.

c. Multicollinearity Test
Based on the results, it shows the value of the Variance Inflation Factor (VIF) of each independent variable <10, so there are no symptoms of multicollinearity.

d. Uji Autokorelasi
Based on the results showed that the value of Durbin-Watson (DW) was 1.8199 < 1.965204 < 2.1801 so that the data in this study did not occur autocorrelation.

Table 4. Test t

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-2.600234	0.383608	-6.778358	0.0000
LOG_DPR	0.107857	0.040195	2.683370	0.0078
SQRT_ROA	2.584179	0.149423	17.29436	0.0000
KI	0.250858	0.113616	2.207942	0.0283
SIZE	0.074495	0.012920	5.766096	0.0000
CSR	-0.665712	0.165835	-4.014315	0.0001

Source: Data processed

Based on the table above, the results of the t test can be described as follows:

1) The results of testing the first hypothesis. The dividend policy regression coefficient is 0.107857 with a significance level of 0.0078<0.05. That is, the dividend policy has a significant positive effect on the value of the company. The results of the study support the first hypothesis.
2) The results of testing the second hypothesis. The profitability regression coefficient is 2.584179 with a significance level of 0.0000<0.05. That is, profitability has a significant positive effect on the value of the company. The results of the study support the second hypothesis.
3) The results of testing the third hypothesis. The institutional ownership coefficient is 0.250858 with a significance level of 0.0283<0.05. That is, institutional ownership has a significant positive effect on the value of the company. The results of the study supported the third hypothesis.
4) The results of testing the fourth hypothesis. The regression coefficient of firm size is 0.074495 with a significance level of 0.0000<0.05. That is, the size of the company has a significant positive effect on the value of the company. The results of this study support the fourth hypothesis.
5) The results of testing the fifth hypothesis. The regression coefficient of Corporate Social Responsibility (CSR) is -0.665712 with a significance level of 0.0001<0.05. That is, Corporate Social Responsibility (CSR) has a significant negative effect on the value of the company. The results of the study did not support the fifth hypothesis.

Coefficient of Determination Test (R2)

Table 5. Test Coefficient of Determination (R2)

R-squared	Adjusted R-squared
0.627895	0.619662

Source: Data processed

Table 5 shows that the Adjusted R-squared value is 0.619662. This means that dividend policy (DPR), profitability (ROA), institutional ownership (IP), firm size (SIZE), and Corporate Social Responsibility (CSR) can explain the company's value (PBV) of 61.97%.

Dividend policy has a significant positive effect on the value of the company. This shows that the greater the dividend paid, the more the value of the company increases. One of the motivations of investors is in investing their shares in the hope of obtaining dividends in addition to capital gains. This condition is in accordance with bird in the hand theory which states that investors tend to prefer high dividend distribution at this time compared to capital gains in the future. This is because dividends are profits that are received by investors compared to capital gains that contain uncertainty.

Company managers will take advantage of these conditions by making dividend payments, a signal to investors about the company's prospects. In line with signalling theory which states that if managers have confidence that the company's prospects are considered good, then managers will tend to inform investors. So that the higher the dividends paid, the higher the interest of investors in investing their capital. So that the high demand for the company's shares has an impact on the stock price, which also increases and ultimately reflects the company's value, which also increases. The results of this study support the research of Azizah (2016), Pertiwi (2017), Fista (2017), Rakasiwi, et al. (2015), Jayaningrat, et al. (2017), and Qusaeni and Aji (2017) which stated that dividend policy has a significant positive effect on firm value.

Profitability has a significant positive effect on the value of the company. This shows that the higher the profitability, the value of the company will also increase. Profitability can be used as a benchmark for the rate of return received by investors. So that the greater the profit generated, the greater the rate of return received by investors. The increasing return received by investors will be responded as a positive signal by investors that the company has good prospects in the future. Thus, investors are interested in investing their funds in the company. The increasing interest of investors causes the demand for shares in the company to increase. So that the stock price also increased, which in the end the value of the company also increased. The results of this study support research from Ainy (2017), Yahdiyani (2017), Azizah (2016), Pertiwi (2017), Fista (2017), Yulindar (2017), Susanto (2016), and Jayaningrat, et al. (2017) which states that profitability has a significant positive effect on firm value.

Institutional ownership has a significant positive effect on the value of the company. Thus, the higher the shares owned by institutional institutions; the value of the company also increases. According to agency theory, agency conflicts can be minimized by aligning the interests of shareholders (principals) with the interests of managers (agents), one of which is by the ownership of shares by institutional institutions. This is because institutions have the power to monitor the actions of managers. The higher the level of share ownership by the institution, the tighter the supervision that can be carried out by the principal. Thus, the actions of managers who tend to be opportunistic can be reduced and managers will act in accordance with the interests of shareholders to improve the welfare of shareholders. The higher the welfare of investors, the higher the demand for shares. So that the stock price increases which is ultimately followed by an increase in the value of the company. The results of this study support research from Ainy (2017), Pertiwi (2017), Purnamasari (2017), and Jayaningrat, et al. (2017) which states that institutional ownership has a significant positive effect on firm value.

The size of the company has a significant positive effect on the value of the company. This shows that the larger the size of the company, the more the value of the company increases. The larger the size of the company is reflected in the larger assets. This indicates the greater operational activities carried out by the company. Larger operational activities will generate greater profits. Thus, the greater the profit obtained by the company, the higher the rate of return obtained by shareholders. So that investor interest in investing their funds is increasing, which in turn

Demand for stocks has also increased. The increasing demand for shares causes stock prices to increase, which is ultimately followed by an increase in firm value. The results of this study support research from Yahdiyani (2017), Azizah (2016), Pertiwi (2017), Fista (2017), and Yulindar (2017) which states that firm size has a significant positive effect on firm value.

Corporate Social Responsibility (CSR) has a significant negative effect on the value of the company. This shows that the greater the disclosure of Corporate Social Responsibility (CSR), the value of the company decreases. The greater the Corporate Social Responsibility (CSR) activities carried out by the company, the greater the cost to be incurred by the company. This condition causes the company's profit which is used to finance the company's investment to get a higher return to decrease. So that the return obtained by shareholders has also decreased. Thus, investor interest in investing is decreasing due to the lower rate of return. This is because one of the motivations of investors in investing their capital in the hope of getting a return on their investment. The decline in investor interest in investing their funds resulted in a declining stock price. So that the value of the company has also decreased. The results of this study support research from Sandra (2017) which states that Corporate Social Responsibility (CSR) has a significant negative effect on firm value.

The results and discussion contain the findings of the research and scientific discussion. Research findings must be supported by adequate data. This section should answer the research hypothesis and describe the comparison with the results of previous studies. The results and discussion at least contain (1) (what/how elements) whether the data presented has been processed (not raw data), set forth in the form of tables or figures, and given easy-to-understand explanations; (2) (the why element) in this discussion section shows a link between the results obtained and the basic concepts and/or hypotheses. The discussion must be supported by real and clear facts; and (3) (what else?), whether there is conformity or contradiction with the results of previous research. Avoid writing in the form of bullet numbering or list item models; preferably, even though it is a list item, it is still written in the form of descriptive paragraphs. Articles can be written in Indonesian or English. Articles must be written according to the template. The maximum number of pages is 20 pages with an A4 writing field size and a normal margin format (2.54 cm x 2.54 cm). Foreign words or terms use italics or italics. (Times New Romance 11, before after 0). When loading tables and figures, the numbering is a continuation of the previous number. Each table and figure must be given a title. (New Romance 11, before and after 0)

CONCLUSION

Investors tend to prefer high dividend distributions at this time compared to capital gains in the future. This is because dividends are profits that are received by investors compared to capital gains that contain uncertainty. The higher the level of profit obtained by the company, the greater the dividends received by shareholders, this shows that a high level of profit gives a positive signal to investors / shareholders. The higher the level of share ownership by the institution, the tighter the supervision that can be carried out by the principal. Thus, the actions of managers who tend to be opportunistic can be reduced and managers will act in accordance with the interests of shareholders to improve the welfare of shareholders. The larger the size of the company is reflected in the larger assets. This indicates the greater operational activities carried out by the company. Larger operational activities will generate greater profits. Thus, the greater the profit obtained by the company, the higher the rate of return obtained by shareholders. The greater the Corporate Social Responsibility (CSR) activities carried out by the company, the greater the cost to be incurred by the company. This condition causes the company's profit, which is used to finance the company's investment, to get a higher return to decrease. So that the return obtained by shareholders has also decreased.

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