Journal Socio Humanities Review (JSHR)
Vol. 3, no. 2, September 2023
P-ISSN: 2808-4144, E-ISSN: 2808-442X

.

The Influence of Free Cash Flow, Profit Stability, Level of Asset Expansion, Leverage, and Company Funding Requirements on Dividend Policy

Dedeh Siti Patonah [1*] , Herma Wiharno [2] , Arief Nurhandika [3*]
Fakultas Ekonomi dan Bisnis, Universitas Kuningan, Jawa Barat, Indonesia[123]
[*]Correspondence: arief.nurhandika@uniku.ac.id

History:
Submit: July 25, 2023
Review: Agustus 18, 2023
Publish: September, 2023

Keywords *:*
Free Cash Flow (FCF), Profit Stability (SM), Asset Expansion Rate (GROWTH), Leverage (DER), Company Funding Needs (CR), and Dividend Policy (DPR).

ABSTRACT

This study aims to analyze the effect of free , earnings stability, level of asset expansion, , and the company's funding requirements on dividend policy partially and simultaneously empirical studies on industrial sector manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2017 period 2021. The data used is secondary data obtained using non- participating observation techniques. The method used in this research is descriptive and verification method with a quantitative approach. Samples were taken using quota sampling, and 26 companies were obtained. The analysis technique used is panel data regression analysis. Data processing uses the eviews 9.0 program. This study uses the variables free , earnings stability which is proxied by SM, the level of expansion of assets which is proxied by GROWTH, is proxied by DER, and the company's funding requirements are proxied by CR. The results shows that simultaneously free , the stability of company earnings, the level of expansion of assets, , and the company's funding requirements have a significant positive effect on dividends policy. Partially, free has a significant positive effect on dividends policies, earnings stability has a significant positive effect on dividend policy, the level of asset expansion has no significant negative effect on dividend policy, has no significant negative effect on dividends policies, and the company's funds requirements have a significant positive effect on dividends policy. From this study, the adjusted R-square value was 0.2244693, which means that 22.45% of the change in the dependent variables can be explained by the determining variables in the model, while the remaining 77.55% is influenced by other variables studied.

INTRODUCTION

One of the investments in the capital market is stock investment. Investors who invest their funds in a company in the form of shares will get a return on their investment in the form of dividends. Dividends are a portion of the company's profits given to shareholders every year. So investors will receive dividends if the company succeeds in posting profits. Likewise, if the company does not make a profit in the previous year, investors will not receive dividends. However, not all companies that experience profits always distribute dividends. In relation to dividend income, investors generally want relatively stable dividend distribution every year, because dividend stability can increase investor confidence in the company, thereby reducing investor uncertainty in investing their capital in the company. On the other hand, companies that will distribute dividends are faced with various considerations, including: the need to retain a portion of profits for re-investment which may be more profitable, the company's funding needs, the company's liquidity, the nature of shareholders, certain related targets. with the dividend payout ratio and other factors related to dividend policy.

The company sets a profit policy to follow up on profit generation which can be allocated to two components, namely dividends and retained earnings. Dividends are used by investors as a predictive tool for future company achievements, including for companies *going public* . Not all companies that generate positive profits can distribute dividends to shareholders. There are several basic reasons that many companies use when deciding not to distribute dividends. First, the company is experiencing serious financial difficulties, making it impossible to pay obligations rather than paying dividends to shareholders. Second, there is a very large need for funds because the investment is very attractive so you have to retain all your income to spend on the investment. Dividend policy is an inseparable part of a company's funding decisions. Dividend policy is a decision whether profits earned by the company will be distributed to shareholders as dividends or will be retained in the form of retained earnings to finance future investments.

In determining dividend policy, it is necessary to consider the survival of a company so that profits are not only used to distribute dividends, but also set aside to invest or pay debts. Companies that still want to live in the business world will not remain silent, but will instead utilize existing funds to invest so that the company continues to grow (Sejati et al., 2020). Dividend policy can be proxied using *the dividend payout ratio* (DPR) and Retention Ratio. The company's own dividend policy is reflected in its *dividend payout ratio* (DPR), namely the percentage of profits distributed in the form of cash dividends, meaning that the size of *the dividend payout ratio* (DPR) will influence the investment decisions of shareholders and on the other hand, influence the company's financial condition (Nuridah et al., 2023).

Dividend Payout Ratio is a comparison between *dividends per share* and earnings per share. The larger the dividend distributed by the company, the more attractive it is to potential investors. However, the company will gain internal financial gain, because it reduces retained earnings. And conversely, the smaller *the dividend payout ratio* , the more detrimental it will be to shareholders (investors), but the company's internal finances will be stronger. According to Sharpe al (2019), Hamzah et al. (2023), and Nurhayati & Rahman (2023) the average company has an ideal *dividend payout ratio* of 26.9% -59.1% for each year.

A phenomenon that often occurs is that not all companies listed on the Indonesia Stock Exchange distribute dividends to shareholders, whether in cash dividends or stock dividends. Only certain industries can pay dividends consistently, even though the dividends paid to shareholders change every year (fluctuation), investors actually prefer to get a return on investment in the form of stable dividends. This is because there are different considerations in making dividend payment policy decisions each year.

In industrial sector manufacturing companies there are several sub-sectors including: Building Products, Electrical Products, Machinery, Commercial Services, Environmental Management, Suppliers of Professional Goods and Services. There are 38 industrial sector manufacturing companies listed on the Indonesia Stock Exchange, where dividend policy data based on the DPR for 2017-2021 can be explained in the following table:

Table 1. Dividend Policy for Manufacturing Companies in the Industrial Sector Listed on the Indonesian Stock Exchange for the 2017-2021 Period

NO	CODE	NAME COMPANY	YEAR					AVER AGE	INFORMATION
			2017	2018	2019	2020	2021		
1	AMFG	Asahimas Flat Glass Tbk.	0,90	1,97	98,47	-	-	33,78	Ideal
2	ARNA	Arwana Citramulia Tbk.	18,05	25,81	33,10	10,98	7,00	18,99	No Ideal
3	IMPC	Impack Pratama IndustriTbk.	11,21	16,78	40,85	17,42	3,28	17,91	No Ideal
4	KOIN	Kokoh Inti Arebama Tbk.	77,91	3,07	0,56	1,06	4,19	105,80	No Ideal
5	KUAS	Ace Oldfields Tbk.	-	-	-	-	1,10	1,10	No Ideal
6	SPTO	Surya Pertiwi Tbk.	9,79	3,50	5,69	26,30	5,10	10,08	No Ideal
7	TOTO	Surya Toto Indonesia Tbk.	4,11	15,95	59,26	0,34	20,55	20,04	Not Ideal
8	CCSI	Communication Cable System In	-	-	-	9,22	71,99	40,60	Ideal
9	IKBI	Sumu Indo Kabel Tbk.	0,58	89,36	115,34	17,19	0,63	44,62	Ideal
10	JECC	Jembo Cable Company Tbk.	1,97	0,44	0,88	1,97	2,42	3,84	Not Ideal
11	KBLI	KMI Wire & Cable Tbk.	2,97	2,31	3,97	0,07	4,97	7,15	Not Ideal
12	KBLM	Kabelindo Murni Tbk.	3,24	7,58	8,40	0,15	74,23	18,72	Not Ideal
13	SCCO	Supreme Cable Manufacturing	0,17	0,23	0,16	0,37	0,63	0,31	Not Ideal
14	VOKS	Voksel Electric Tbk.	2,51	7,76	1,99	1,41	5,15	35,13	Ideal
15	HEXA	Hexindo Adiperkasa TBK.	272,64	23,88	10,72	38,56	17,48	181,65	Not Ideal
16	NTBK	Nusatama Berkah Tbk.	-	-	-	-	235,79	235,79	Not Ideal

17	SKRN	Superkrane Mitra Utama Tbk.	24,77	5,22	2,98	1,41	1,33	7,14	Not Ideal
18	UNTR	United Tractorts Tbk.	0,16	102,71	0,14	120,67	0,35	44,81	Ideal
19	AMIN	Ateliers Mecaniques D Indonesia	8,82	6,11	8,92	89,14	2,86	57,92	Ideal
20	ARKA	Arita Prima Indonesia Tbk.	-	-	-	1,88	452,90	227,39	Not Ideal
21	GPSO	Arkha Jayanti Persada Tbk.	-	-	-	2,95	0,64	1,80	Not Ideal
22	MARK	Geoprima Solusi Tbk.	3,57	1,29	2,61	0,97	0,28	1,75	Not Ideal
23	JTPE	Mark Dynamics Indonesia Tbk.	12,67	6,46	3,97	16,00	4,73	8,77	Not Ideal
24	BLUE	Jasuindo Tiga Perkasa Tbk.	-	1,02	7,65	-	109,83	39,50	Ideal
25	LION	Berkah Prima Perkasa Tbk.	0,13	18,83	3,15	11,79	58,32	46,11	Ideal
26	ASGR	Lion Metal Works Tbk.	1,55	1,27	1,44	43,03	3,82	10,22	Not Ideal
27	DYAN	Astra Graphia Tbk.	0,42	2,29	90,38	1,83	11,09	21,20	Not Ideal
28	ICON	Dyandra Media Internasional Tb	-	-	-	22,57	7,75	15,16	Not Ideal
29	MFMI	Island Concepts Indonnesia Tbk.	17,91	-	-	-	-	17,91	Not Ideal
30	SOSS	Multifiling Mitra Indonesia	4,44	4,99	5,10	321,42	29,01	72,99	Not Ideal
31	ABMM	Shield On Service Tbk.	-	79,41	-	-	-	79,41	Not Ideal
32	ASII	ABM Investama Tbk.	-	-	1,25	2,37	-	1,81	Not Ideal
33	BHIT	Astra Internasional Tbk.	0,51	0,42	0,49	0,87	1,65	0,79	Not Ideal
34	BMTR	MNC Investama Tbk.	46,23	7,38	0,71	1,44	0,43	11,24	Not Ideal
35	BNBR	Global Mediacom Tbk.	0,89	0,54	129,66	232,16	0,18	181,71	Not Ideal
36	EMTK	Bakrie & Brothers Tbk.	-	-	4,15	-	-	4,15	Not Ideal
37	MLPL	Elang Mahkota Teknologi Tbk.	6,34	73,51	186,78	0,69	3,59	54,18	Ideal
38	MLPL	Multpolar Tbk.	203,23	141,27	0,26	0,60	0,85	69,24	Not Ideal

Source data processed by writer

Based on Table 1, it can be seen that the dividend policy in industrial sector manufacturing companies listed on the Indonesia Stock Exchange during 2017-2021 is reviewed using the average *Dividend Payout Ratio* according to Sharpe (2019), E. Nurhayati et al. (2023), Fatmasari et al. (2022), and Purnama & Azizah (2019) there are companies that have a value less than the ideal standard, namely 26, 9%-59.%. Of the 38 companies analyzed, it shows that 23.68% of companies have an ideal average dividend policy and 76.32% of companies with a non-ideal average dividend policy (55.26% of companies with a dividend policy below the ideal average, and 25.68% of companies with an average dividend policy above ideal). Companies whose dividend policy is below 26.9 % are said to be not ideal because their profits are too large and these profits provide too many dividends to shareholders. Likewise, companies whose dividend policy is above 59.1% are said to be not ideal because the company gives too many dividends to investors or shareholders, as a result the retained earnings are too small so that when the company wants to expand the company will have financial difficulties.

And looking at 2017-2021, of the 38 companies, there are several companies that consistently distribute dividends, the number of companies that consistently distribute dividends is 26 companies or around 68.42% and the remaining 12 companies or around 31.58% do not consistently distribute dividends. And this is a problem that can have an impact on reducing investor interest in investing their capital in the company.

Factors that influence a company's dividend policy. According to Pangestuti (2019) and Purnama et al. (2016) factors that influence dividend policy include Free Cash Flow, Profit Stability, Asset Expansion Level, *Leverage* , and Company Fund Needs.

Free cash flow is company cash that can be distributed to creditors or shareholders that is not needed for working capital or investment in assets. One of the factors determining dividend payments is that positive free cash flow will allow the company to expand more freely and provide additional revenue without requiring additional funds from debt so that *the debt to equity ratio* will continue to decline. The higher the free cash flow in a company, the higher the level of dividend payments (payments in the form of cash) in that company. This is supported by researchers Oktaviani (2022), N. Nurhayati (n.d.), Purnama et al. (2016), Mangundap et al. (2018), Natalia & Santoso (2017), Taliding et al. (2022), and Rochmah & Ardianto (2020) stating that the current Free cash has a positive effect on dividend policy. And this is different from research by Putra & Yusra (2019), N. Nurhayati (2021), Angga Dwi Putra (2015), Puspasari & Purnama (2018), and Lopolusi (2013) which states that free cash flow has no effect on dividend policy in companies, which means that the size of free cash flow does not affect dividend payout. ratio paid to shareholders of a company.

Apart from free cash flow, profit stability also influences dividend policy. Profit stability is proxied into profit variability. Profit variability is the ability to generate profits in the present and future . The more stable the company's profits, the more stable the dividends that shareholders will receive. So, the influence of the company's dividend policy is by looking at the level of stability of profits generated by the company (Novrys, 2017). This is supported by researchers Kharisma (2015), Nurfatimah & Barokah (2017), Nafi'ah (2016), Rahmawati & Martika (2018), and Novrys (2017) who state that earnings stability has a positive effect on dividend policy. In contrast to research conducted by Bahri (2017) that profit stability has a negative effect on dividend policy.

Another factor that influences dividend policy is the level of asset expansion. Assets are assets used for company operational activities. The greater the assets, the greater the operational results generated by a company. An increase in assets followed by an increase in operating results will further increase external parties' confidence in the company. Companies that have high growth will have a tendency to pay low dividends because they are interested in financing investments with internal funds. However, if the company has reached the well established stage, the company will pay high dividends. This is in accordance with research conducted by Bramaputra et al. (2022), Suhendar & Hakim (2021), Natalia & Santoso (2017), Setiawati & Yesisca (2016), Ratnasari et al. (2021), Sari & Suryantini (2019), Dewi & Sedana (2018), and Novianti & Amanah (2017) which state that the level of asset expansion has a negative effect on dividend policy. This is different from research conducted by Setiawati & Yesisca (2016) and Hasanah et al. (2020) which states that the level of asset expansion has a positive effect on dividend policy.

Apart from the factors above, there are factors that influence dividend policy, namely *leverage* . *Leverage* is a term used by companies to measure a company's ability to fulfill all of a company's financial obligations. The *leverage* ratio is a ratio used to measure the extent to which company assets are financed with debt (Kasmir, 2016). The higher *the leverage* , the greater the company's ability to distribute dividends. This is in accordance with research conducted by Pangestuti (2019), Hamzah & Suhendar (2020), Santy et al. (2017), Bramaputra et al. (2022), and Permana (2016) stating that *leverage* has a negative effect on dividend policy. In contrast to research conducted by Ratnasari et al. (2021), Yusuf & Nurhayati (2017), Santy et al. (2017), and Yulianwar et al. (2023) which states that *leverage* has a positive effect on dividend policy.

The next factor that can influence dividend policy is the need for funds which is proxied by liquidity. The company's funding needs show the company's ability to fund company operations and pay off its short-term obligations. The higher a company's need for corporate funds , the company must provide reciprocity in the form of high dividends to investors. This is proven by previous research conducted by Yulianwar et al. (2023), Rahmania & Andayani (2017), N. Nurhayati (2021), Dewi & Sedana (2018), Hamzah & Sukma (2021), Ratnasari et al. (2021), and Krisardiyansah & Amanah (2020) who stated that the need Company funds have a positive effect on dividend policy. In contrast to research conducted by Arifin & Asyik (2015) shows that company funding needs have a negative effect on dividend policy.

Based on the background of the problem previously explained, the researcher is interested in researching dividend policy with the title "The Influence of Free Cash Flow, Profit Stability, Level of Asset Expansion, *Leverage* and Company Fund Needs on Dividend Policy in Industrial Sector Manufacturing Companies Listed on the Stock Exchange Indonesia for the 2017-2021 Period".

METHOD

The research method used in this research is descriptive and verification. The variables used in this research are the independent variable and the dependent variable. The population in this research is financial report data from Industrial Sector Manufacturing Companies listed on the Indonesia Stock Exchange in 2017-2021, totaling 38 companies × 5 = 190 financial reports. Then samples were drawn using the *quota sampling technique* because not all samples had the criteria specified by the author, the companies used as samples were 26 companies.

In accordance with the type of data required, namely secondary data, the data collection method in this research is to use non-participating observation, namely observations carried out by researchers who are not directly involved in presenting financial reports. The data used in this research was obtained from the Indonesian Stock Exchange website and the official website of each company for the 2017-2021 period.

The data collection technique used in this research is a documentation technique, where the researcher collects and studies the required documents, namely in the form of financial reports. Data This financial report can be obtained and accessed from the official website of the Indonesian Stock Exchange, namely www.idx.co.id.

RESULTS AND DISCUSSION

Hasil Uji Silmultan (Uji F)

The F test can be used to test the hypothesis of the influence of free cash flow, profit stability, level of asset expansion, *leverage* , and the integrity of company funds on dividend policy. Testing in this study used a significant level of 0.05 (α = 5%).

Table 2. Simultaneous Test Results (F Test)

	Weighted Statistics		
R-squared	0.254744	*Mean dependent var*	2.080770
Adjusted R-squared	0.224693	*elementary school dependent var*	1.539624
S.E of regression	1.355663	*Sum squared resident*	227.8899
F-statistic	8.477135	*Durbin-Watson stat*	2.007938
Prob(F-statistic)	0.000001		

Source: *Outputs Eviews 9*

Based on table 2 of the F test results, it can be seen that the F value is 8.477135 with a significance of 0.000001. In table F, the significance level is 5% with df1= number of variables -1= 6-1= 5 and df2= number of samples (n) – number of independent variables (k)-1 = 130-5-1= 124, the results obtained by Ftabek are 2.68. The value of Fcount = 8.477135 > Ftable 2.68 with a probability value of 0.000001 < 0.05 so that H0 is rejected and Ha is accepted, meaning that free cash flow, profit stability, level of asset expansion, *leverage* , and the company's funding needs simultaneously and significantly influence dividend policy.

Hasil Uji Pengaruh Parsial (Uji t)

The partial test is used to determine the level of significance between each variable individually or partially , using *the Eviews* application program *9* is based on *random effects*.

Table 3. *Random Effect Model* Estimation Results

Variables	*Coefficient*	*Std. Error*	*t-Statistics*	*Prob.*
C	1.678764	0.147094	11.41286	0.0000

FCF?	2.731776	0.987595	2.766089	0.0065
SL?	2.417616	0.804101	3.006607	0.0032
TA?	-0.752735	1.424936	-0.528258	0.5983
LEV?	-1.034479	1.138052	-0.908996	0.0763
KD?	3.011432	0.828046	3.636793	0.0004

Source: *Output Eviews 9*

Based on table 3 , it is possible to test the influence of free cash flow, profit stability, level of asset expansion, *leverage* , and company funding requirements on dividend policy as follows:

1. The Effect of Free Cash Flow on Dividend Policy
   Testing the free cash flow variable on dividend policy produces a statistical t value (calculated ^{t}) of 2.766089. At a significance level of 0.05 and a degree of freedom df = nk = 125, $^{\text{the t}}$ table is 1.65714. So it can be concluded that the t value is greater than $^{\text{the t}}$ table (2.766089> 1.65714) and the significant value is 0.0065 < 0.05, so H0 is rejected and Ha is accepted, meaning that free cash flow has a positive and significant effect on dividend policy.
2. The Influence of Profit Stability on Policy
   Testing the profit stability variable on dividend policy produces a t statistic (^{t} count) of 3.006607. At a significance level of 0.05 and a degree of freedom df = nk = 125, $^{\text{the t}}$ table is 1.65714. So it can be concluded that the calculated $^{\text{t value}}$ is greater than $^{\text{the t}}$ table (3.006607> 1.65714) and the significant value is 0.0032 < 0.05, so H0 is rejected and Ha is accepted, meaning that earnings stability has a positive and significant effect on dividend policy.
3. The Influence of Asset Expansion Levels on Dividend Policy
   Testing the variable level of asset expansion on dividend policy produces a t statistic (^{t} count) of -0.528258. At a significance level of 0.05 and a degree of freedom df = nk = 125 $^{\text{, the t}}$ table is -1.65714. So it can be concluded that the calculated $^{\text{t-}}$ value is greater than $^{\text{the t}}$ table (-0.528258 > -1.65714) and the significant value is 0.5983 > 0.05, so H0 is accepted and Ha is rejected, meaning that the level of asset expansion has a negative and insignificant effect on dividend policy.
4. The Effect of *Leverage* on Dividend Policy
   Testing the *leverage variable* on dividend policy produces a t statistic (^{t} count) of -0.908996. At a significance level of 0.05 and a degree of freedom df = nk = 125, the $^{\text{t-}}$ table is -1.65714. So it can be concluded that the calculated $^{\text{t-}}$ value is greater than $^{\text{the t}}$ table - 0.908996 > -1.65714) and the significant value is 0.5983 > 0.05, so H0 is accepted and Ha is rejected, meaning that *leverage* has a negative and insignificant effect on dividend policy.
5. The Influence of Company Funding Requirements on Dividend Policy
   Testing the company's funding needs variable on dividend policy produces a statistical t value (^{t} count) of 3.636793. At a significance level of 0.05 and a degree of freedom df = nk = 125, $^{\text{the t}}$ table is 1.65714. So it can be concluded that the calculated ^{t} value is greater than $^{\text{the t}}$ table (3.636793> 1.65714) and the significant value is 0.0004 < 0.05,

so H0 is rejected and Ha is accepted, meaning that the company's funding needs have a positive and significant effect on dividend policy.

The Influence of Free Cash Flow, Profit Stability, Level of Asset Expansion, *Leverage* , and Company Funding Requirements on Dividend Policy

The research results show that free cash flow, profit stability, level of asset expansion, *leverage* , and company funding needs simultaneously influence dividend policy. With significant results, the results of this research can be generalized to members of the population and significantly free cash flow, profit stability, level of asset expansion, *leverage* , and company funding needs can be used to predict dividend policy and can be presented as a guide for investors as a component in helping investment decision making.

The Effect of Free Cash Flow on Dividend Policy

From the research results, it can be seen that the free cash flow variable has a positive and significant effect on the dividend policy of industrial sector companies that are listed on the Indonesia Stock Exchange. Significant influence means that the results of this research can be generalized to the entire population. If free cash flow increases, the higher the level of dividend payments. Thus, the availability of funds can be used for the prosperity of shareholders. Shareholders believe that *free* shares distributed as dividends will have higher value and lower risk.

The Influence of Profit Stability on Dividend Policy

From the research results, it can be seen that the profit stability variable which is proxied into profit variability using the ratio measurement of cash flow volatility compared to net profit volatility has a positive and significant effect on the dividend policy of industrial sector companies that are listed on the Indonesia Stock Exchange. Significant influence means that the results of this research can be generalized to the entire population. If profit stability increases, the dividends that shareholders will receive will also be stable. So, the influence of the company's dividend policy is by looking at the level of stability of profits generated by the company.

Effect of Asset Expansion Rate

From the research results, it can be seen that the profit stability variable which is proxied by company growth is negative and not significant for dividend policy. Industrial sector companies that are registered on the Indonesia Stock Exchange. Significant influence means that the results of this research can be generalized to the entire population. The higher the level of asset expansion, the greater the budget requirements of a company in the future , the higher the possibility of the company retaining profits by not paying dividends to investors.

The Effect of *Leverage* on Dividend Policy

From the research results, it can be seen that the *leverage variable* whose calculation is proxied into *the debt equity ratio* (DER) has a negative and insignificant effect on dividend policy. Industrial sector companies that have *gone public* and are listed on the Indonesian Stock Exchange. Significant influence means that the results of this research can be generalized to the entire population. The higher it is, the more a company's ability to distribute dividends will increase.

CONCLUSION

This research aims to determine the influence of free cash flow, profit stability, level of asset expansion, and company funding needs on the company's dividend policy. industrial sector manufacturing listed on the Indonesia Stock Exchange in 2017-2021. From this research the following conclusions can be drawn:

1. Free Cash Flow, Profit Stability, Level of Asset Expansion, *Leverage* , and Company Funding Needs simultaneously influence dividend policy. This means that every change in the variables of free cash flow, profit stability, level of asset expansion, *leverage* , and company funding needs will be followed by an increase in dividend policy.
2. Free Cash Flow has a positive and significant effect on dividend policy. This means that the higher the free cash flow in a company, the higher the level of dividend payments (payments in the form of cash) in that company.
3. Profit Stability has a positive and significant effect on dividend policy. This means that the higher the profit stability of the company, the higher the dividends that shareholders will receive.
4. The level of asset expansion has a negative and insignificant effect on dividend policy. This means that the size of the level of asset expansion does not affect the dividend policy paid to investors or shareholders of a company.
5. *Leverage* has a negative and insignificant effect on dividend policy. This means that the size of *the leverage* does not affect the dividend policy paid to investors or shareholders of a company.
6. Company Fund Requirements have a positive and significant effect on dividend policy. This means that the higher the company's need for funds , the company must provide reciprocity in the form of high dividends to investors.

REFERENCES

Arifin, S., & Asyik, N. F. (2015). Pengaruh Profitabilitas, Likuiditas, Growth Potential, Dan Kepemilikan Manajerial Terhadap Kebijakan Dividen, 4 (2), 1–17. *Jurnal. Jurusan Akuntansi STIE SIA. Surabaya*.

Bramaputra, E. D., Musfitria, A., & Triastuti, Y. (2022). Pengaruh likuiditas, leverage, pertumbuhan perusahaan, dan profitabilitas terhadap kebijakan dividen pada perusahaan manufaktur makanan minuman yang terdaftar pada Bursa Efek Indonesia periode 2013-2015. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, *3*(3), 424–439.

Dewi, I. A. P. P., & Sedana, I. B. P. (2018). *Faktor-faktor yang mempengaruhi kebijakan* *dividen pada perusahaan manufaktur di Bursa Efek Indonesia*. Udayana University.

Fatmasari, D., Harjadi, D., & Hamzah, A. (2022). Error Correction Model Approach As A Determinant of Stock Prices. *TRIKONOMIKA*, *21*(2), 84–91.

Hamzah, A., Rahayu, A. L., Khaerunnisa, H. F., Riska, R., & Aulia, D. H. (2023). Factors Affecting Community Participation in Paying Land and Building Tax in Kuningan Regency. *Jambura Equilibrium Journal*, *5*(1), 9–16.

Hamzah, A., & Suhendar, D. (2020). Financial Inclusion model on the development of batik smes in Cirebon regency. *Jurnal Minds: Manajemen Ide Dan Inspirasi*, *7*(2), 95–104.

Hamzah, A., & Sukma, N. (2021). Determinasi Financial Technology Dengan Pendekatan Unified Theory of Acceptance and Use of Technology II. *J. Bisnis Dan Manaj*, *11*(1), 1–14.

Hasanah, S., Nurhayati, E., & Purnama, D. (2020). Akuntabilitas pengelolaan keuangan desa: Studi pada pemerintah desa di Kecamatan Cibeureum Kabupaten Kuningan. *Reviu Akuntansi Dan Bisnis Indonesia*, *4*(1), 17–27.

Kasmir, S. (2016). The Mondragon cooperatives and global capitalism: A critical analysis. *New Labor Forum*, *25*(1), 52–59.

Krisardiyansah, K., & Amanah, L. (2020). Pengaruh Free Cash Flow, Profitabilitas, Likuiditas Dan Leverage Terhadap Kebijakan Dividen. *Jurnal Ilmu Dan*, *9*(7), 132–149.

Lopolusi, I. (2013). Analisis Faktor-Faktor yang Mempengaruhi Kebijakan Dividen Sektor Manufaktur yang Terdaftar di PT Bursa Efek Indonesia Periode 2007-2011. *Calyptra*, *2*(1), 1–18.

Mangundap, S., Ilat, V., & Pusung, R. (2018). Pengaruh Leverage Dan Free Cash Flow Terhadap Kebijakan Dividen Pada Perusahaan Indeks LQ45 Yang Terdaftar Di Bursa Efek Indonesia Tahun (2012-2016). *Going Concern: Jurnal Riset Akuntansi*, *13*(02).

Natalia, E., & Santoso, H. F. (2017). Pengaruh Arus Kas Bebas, Pertumbuhan Perusahaan, Rasio Total Utang dan Modal Sendiri, Rasio Laba Bersih dan Total Aset terhadap Kebijakan Deviden. *Jurnal Akuntansi*.

Novianti, Z. E. W., & Amanah, L. (2017). Effect of Profitability, Growth, Debt Policy and Institutional Ownership on Dividend Policy. *Journal of Accounting Science & Research*, *6*(9), 1–15.

Nurfatimah, S. N., & Barokah, Z. (2017). Family Ownership, Independent Oversight, and Financial Information Transparency: Evidence From Asia. *The Indonesian Journal of Accounting Research*, *20*(3).

Nurhayati, E., Hamzah, A., & Nurmunasyaroh, V. (2023). CAN THE REPUTATION OF PUBLIC ACCOUNTANTS MODERATE AUDIT DELAY? *JIAFE (Jurnal Ilmiah Akuntansi Fakultas Ekonomi)*, *9*(1), 15–26.

Nurhayati, N. (n.d.). Kompetensi Aparatur Desa, Pemanfaatan Sistem Keuangan Desa, dan Sistem Pengendalian Internal terhadap Kualitas Laporan Keuangan. *Profita: Komunikasi Ilmiah Akuntansi Dan Perpajakan*.

Nurhayati, N. (2021). Faktor-Faktor Pendukung Akuntabilitas Pengelolaan Keuangan Desa. *JIAFE (Jurnal Ilmiah Akuntansi Fakultas Ekonomi)*.

Nurhayati, N., & Rahman, A. (2023). SYSTEMATIC LITERATURE REVIEW: TATA KELOLA KOLABORATIF DALAM SEKTOR PUBLIK. *Jurnal Agregasi: Aksi Reformasi Government Dalam Demokrasi*, *11*(1), 1–22.

Nuridah, S., Supraptiningsih, J. D., Irawan, A., Panjaitan, E. J., & Maharani, N. (2023). Pengaruh Earning Per Share Dan Kebijakan Dividen Terhadap Nilai Perusahaan. *Profit: Jurnal Manajemen*, *Bisnis Dan Akuntansi*, *2*(1), 176–189.

Oktaviani, R. (2022). Pengaruh Agency Cost Model dengan Indikator Insider Ownership, Dispersion Of Ownership, Free Cash Flow, dan Collateralizable Assets terhadap Dividend Policy. *Bandung Conference Series: Business and Management*, *2*(1), 618–625.

Pangestuti, D. C. (2019). Analisis faktor–faktor yang mempengaruhi kebijakan dividen. *Jurnal Mitra Manajemen*, *3*(11), 1055–1072.

Permana, H. A. (2016). analisis pengaruh leverage, likuiditas, profitabilitas, pertumbuhan perusahaan dan ukuran perusahaan terhadap kebijakan dividen pada perusahaan manufaktur yang terdaftar di BEI. *Jurnal Manajemen Bisnis Indonesia (JMBI)*, *5*(6), 648–659.

Purnama, D., & Azizah, S. N. (2019). Implementasi sistem keuangan desa berbasis akuntansi keperilakuan. *Jurnal Kajian Akuntansi*, *3*(2), 160–169.

Purnama, D., Pinasti, M., & Herwiyanti, E. (2016). Pengaruh Manajemen Laba, Likuiditas, Dan Leverage Terhadap Pengungkapan. *Jurnal Organisasi Dan Manajemen*, *12*(1), 1–12.

Puspasari, O. R., & Purnama, D. (2018). Implementasi sistem keuangan desa dan kualitas laporan keuangan pemerintah desa di kabupaten kuningan. *Jurnal Kajian Akuntansi*, *2*(2), 145–159.

Putra, A. D., & Yusra, I. (2019). *Peran profitabilitas dalam memoderasi pengaruh free cash flow terhadap kebijakan dividen di Indonesia*.

Rahmawati, T., & Martika, L. D. (2018). Analisis Kontribusi Kinerja Keuangan dan Kinerja Etis Perbankan Syariah Terhadap Pertumbuhan Perekonomian Indonesia. *Jurnal Inspirasi Bisnis Dan Manajemen*, *2*(2), 177–190.

Ratnasari, D., Suriyanti, L. H., & Azmi, Z. (2021). Faktor-faktor Yang Mempengaruhi Perataan Laba Di Bursa Efek Indonesia Tahun 2015-2019. *Prosiding Seminar Nasional Ekonomi, Bisnis & Akuntansi*, *1*, 108–121.

Rochmah, H. N., & Ardianto, A. (2020). Catering dividend: Dividend premium and free cash flow on dividend policy. *Cogent Business & Management*, *7*(1), 1812927.

Santy, N., Rahmawati, T., & Hamzah, A. (2017). Pengaruh efikasi diri, norma subjektif, sikap berperilaku dan pendidikan kewirausahaan terhadap intensi berwirausaha. *Jurnal Inspirasi Bisnis Dan Manajemen*, *1*(1), 63–74.

Sari, N. P. A. S. P., & Suryantini, N. P. S. (2019). *Pengaruh Profitabilitas, Likuiditas, Dan Tingkat Pertumbuhan Terhadap Kebijakan Dividen Pada Perusahaan Manufaktur*. Udayana University.

Sejati, F. R., Ponto, S., Prasetianingrum, S., Sumartono, S., & Sumbari, N. N. (2020). Faktor-Faktor Yang Mempengaruhi Kebijakan Dividen. *Berkala Akuntansi Dan Keuangan Indonesia*, *5*(2), 110–131.

Setiawati, L. W., & Yesisca, L. (2016). Analisis pengaruh pertumbuhan perusahaan, kebijakan utang, collateralizable assets, dan ukuran perusahaan terhadap kebijakan dividen pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia periode 2012-2014. *Jurnal Akuntansi*, *10*(1), 52–82.

Suhendar, D., & Hakim, D. R. (2021). Pengungkapan Sukarela Berdasarkan Karakteristik Perusahaan dan Kepemilikan Institusional. *Jurnal Akuntansi Berkelanjutan Indonesia*, *4*(1), 16–30.

Taliding, A., Sauw, O., & Lenas, M. N. J. (2022). Analisis Kebijakan Hutang Dan Free Cash Flow Terhadap Kebijakan Dividen Pada Perusahaan Infrastruktur Yang Terdaftar Di Bursa Efek Indonesia Tahun 2018-2020. *SEIKO: Journal of Management & Business*, *5*(1), 218–226.

Yulianwar, U., Wiyono, G., & Maulida, A. (2023). Pengaruh Likuiditas, Leverage, Profitabilitas, dan Ukuran Perusahaan terhadap Kebijakan Dividen pada Perusahaan Manufaktur di BEI. *Al-Kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah*, *5*(3), 1176–1188.

Yusuf, A. A., & Nurhayati, N. (2017). Analisis Penggunaan Metode Pencatatan Cash Basis dan Accrual Basis Pada Transaksi-transaksi di Bank Syariah. *Al-Amwal: Jurnal Ekonomi Dan Perbankan Syari'ah*, *9*(1).