The Effect of Profitability, Intangible Asset, and Leverage on Dividend Policy and Firm Value

Luxy Ela Tessya Nova[1], Sutrisno[2]

[1]Universitas Islam Indonesia, Faculty of Business and Economics, Yogyakarta, Indonesia

[2]Universitas Islam Indonesia, Faculty of Business and Economics, Yogyakarta, Indonesia

doi: 10.51505/IJEBMR.2023.7303 URL: https://doi.org/10.51505/IJEBMR.2023.7303

Received: February 07, 2023 Accepted: February 11, 2023 Online Published: March 01, 2023

Abstract

The increasing population in Indonesia has resulted in the need for consumption of primary goods to be very rapid. In addition, economic development has made competition increasingly fierce in the world of trade, which operates in various sectors, for example in consumer non-cyclicals companies. This study aims to examine the effect of profitability, intangible assets, leverage on dividend policy and corporate value of main board index companies in the consumer non-cyclicals sector on the Indonesian stock exchange during the 2017-2021 period. Profitability is measured by return on assets (ROA), intangible assets are measured by the logarithm of the book value of intangible assets (IAS), leverage is measured by the debt to equity ratio (DER), dividend policy is measured by the dividend payout ratio (DPR) and company value is measured by price to book value (PVB). The population of this study is the health sector companies that are on the Indonesia Stock Exchange as many as 57 companies and 26 are taken as samples. The data collection period is from 2017 to 2021, with annual data. This study uses multiple linear regression analysis to test the hypothesis. The results show that profitability and leverage have no significant effect on dividend policy. Meanwhile, intangible assets have a negative and significant effect on dividend policy. Profitability and leverage have no significant effect on firm value. Meanwhile, intangible assets and dividend policy have a positive and significant effect on dividend policy.

Keywords: profitability, intangible assets, leverage, dividend policy, firm value

1. Introduction

The primary consumer goods industry or commonly referred to as the non-cyclical consumer goods industry is an industry that operates in the production and distribution sector that produces consumer goods or primary (basic) goods that are widely needed by the community (Nugroho & Munari, 2021). The increasing population in Indonesia has resulted in the need for consumption of primary goods to be very rapid. In addition, economic development has made competition increasingly fierce in the world of trade, which operates in various sectors, for example in consumer non-cyclicals companies. Technological advances can affect the

Vol. 7, No.03; 2023

ISSN: 2456-7760

development of a country's economy, this is due to the faster rate of market change. Companies do business in increasingly fierce competition in order to maintain the company in its survival so that there are no losses (Revinka, 2021).

Companies must determine an appropriate business strategy to achieve company goals, namely achieving maximum profits and prospering company value which is reflected through its share price (Rika Gamayuni, 2015). Maximizing the value of the company is also very important for the company, because the higher the value of a company, the better the value of the company in the eyes of investors and potential investors so that it can attract the attention of potential investors to invest part or all of their capital in the company (Algiffary, 2020).

Firm value is an indicator used by investors in predicting the level of success of a company, which is also often associated with stock prices, because higher stock prices indicate higher company value (Seth & Mahenthiran, 2022). High company value determines the trust that the market places on the company's prospects in the future (Mangesti Rahayu et al., 2020).

There are several factors that can affect company value, including: profitability, capital structure, intangible assets, company size and dividend policy. Company growth is a change (it can decrease or it can increase) the company's total assets where last year's asset growth illustrates future profitability and future growth (T. Purwanti, 2020) in assessing a company, there are also other variables such as company size, leverage and profitability where the research results have a significant effect on the value of manufacturing companies.

Profitability is a company's ability to obtain profit or profits to measure the level of effectiveness of a company's management (T. Purwanti, 2020). Increasing profitability has a positive effect on the company's financial performance in achieving the goal of maximizing company value which will be responded positively by investors, so that the demand for shares increases and can increase share prices. Profitability ratios can be reflected by return on assets (ROA) (Iswajuni et al., 2018). The results of the study also show that profitability has a positive and significant effect on firm value (Mangesti Rahayu et al., 2020).

The cause of the significant gap between the equity value (that deviation or gap in book value and the market value of equity), and whether the financial statements show that assets that are physically and financially represented by financial performance are still being used by investors reflected in company balances calculated at less than to predict the value company (Alhabshi et al., 2017). Among the various activities that companies can use to generate innovation, investment in intangible assets occupies a major role and increases company value (Ferdaous & Rahman, 2019).

Leverage is the use of debt by companies to carry out company operations (Narindro & Basri, 2019). Mandey et al (2017) stated that leverage is used to measure how much a company's assets are financed by short-term debt and long-term debt, in this case to improve company operations. The debt ratio in this study is proxied to be the Debt to Equity Ratio (DER) which is a comparison between the total debt owned by a company to its own capital.

The dividend payout ratio can affect company value positively or negatively (Putri, 2017). There are many factors that can affect a company's dividend policy such as dividend payment constraints, investment opportunities, alternative sources of capital (Fida et al., 2012). Faulkender, et al., (2006) concluded that decisions regarding financial policy are based on the design of the capital structure and the determination of the dividend policy.

Vol. 7, No.03; 2023

ISSN: 2456-7760

2. Theory and Hypothesis Development

Profitability to company value

Putra & Lestari (2016) show that Profitability has a positive and significant effect on firm value. If profitability increases, the value of the company also increases. This proves that investors are interested in companies that have good profitability. High profitability can also indicate good company prospects to investors because investors will be attracted to companies that have good profitability, resulting in increased demand for shares. Increased demand for shares will cause the company's value to increase.

A company's financial performance is described as a high ROA which is an indicator of how profitable a company is relative to its total assets. ROA gives managers, investors or analysts an idea of how efficient a company's management is in using its assets to generate revenue. The results of the study (Jihadi et al., 2021) show that there is a positive effect of ROA on firm value, so that the higher the ROA, the higher the firm value.

Companies that have high profitability show good prospects for company performance so that they can increase company value. The results of the study (Sari, 2020) are in line with the perspective of signaling theory which states that high profitability indicates good company prospects so that investors will respond positively and company value will increase. A high level of profitability will also be able to create high corporate value so that it will have an impact on increasing the company's stock price.

H_1: Profitability (ROA) has a positive influence on firm value

Intangible assets to company value

The research results of Rika Gamayuni (2015) show that intangible assets have a positive and significant effect on firm value. The higher the intangible assets owned by the company, the higher the company's ability to generate profits, and investors will appreciate the company (seen from the large market capitalization of the company) which will increase the value of the company. The higher the intangible assets, the higher the dividends paid, because the company wants to provide a good quality signal for investors

Fikri et al., (2017) shows that the intangible asset variable has a significant influence on firm value. The magnitude of the influence of intangible assets in contributing to the influence on firm value. So the higher the intangible assets, the higher the firm value.

Intangible assets have a positive and significant impact on company value in research (Ocak, 2019). The importance of intangible assets for the value of the company and thus, companies should know that investing more in these types of strategic assets will increase the success of the company. In Glova & Mrázková's research (2018) it also shows that intangible assets with increased R&D costs have a positive effect on company value. Faster increase in firm value with an increase in R&D costs to total assets (ceteris paribus) compared to an increase in relation to the other regressions.

H_2: Intangible assets (IAS) have a positive influence on firm value

Vol. 7, No.03; 2023

ISSN: 2456-7760

Leverage on company value

Leverage has a positive effect on firm value in the agricultural food product industry on the Indonesia Stock Exchange in 2016 – 2020 (Digdowiseiso & Winarsih, 2020). Companies that have high leverage are vulnerable to bad credit and even bankruptcy. This study proves that a dividend policy that is able to reduce high levels of leverage can increase investor confidence that a company can pay dividends in a stable amount without worrying that the company will go bankrupt due to debt, thereby increasing firm value. Leverage affects the value of the company considering the company's ability to increase profits through changes in sales volume will get a positive response from the company.

Leverage calculated by the Debt to Assets Ratio (DAR) has a significant and positive effect on the company value of food & beverage companies on the IDX (F. Prasetya Margono, 2021). Leverage calculated using the Debt to Asset Ratio (DAR) has indicated a positive effect on firm value. So, if leverage increases, it will be followed by an increase in firm value and vice versa. Investors want to consider deciding to give investors to companies that have large leverage ratios. An increase in leverage is considered as an assessment if the company has the size of the company's assets which in turn can affect the increase in company productivity.

In research (Markonah et al., 2020) the leverage variable (DER) has a significant effect on the firm value variable (PBV). Leverage will provide benefits for investors if the profit earned is greater than the fixed costs that must be incurred by the company. On the other hand, leverage can also increase risk if the profit earned is lower than the fixed costs incurred.

H_3: Leverage (DER) has a positive effect on firm value

Dividend Policy on company value

Companies with all financial equity when paying dividends have an impact on company value. Their assumptions are based on long-term payout ratios. The results of the study (Rehman, 2016) show that dividend policy has a significant effect on the dependent variable (Tobin's Q). The cost of equity finance should include dividend payments in perpetuity, the expected annual growth rate of the dividends and the share price.

Dividend policy proxied by the variable Dividend payout ratio (DPR) partially has an insignificant effect on the value of manufacturing companies proxied by PBV (Mardiyati & Ahmad, 2012). This is in accordance with the theory put forward by Miller and Modligiani which states that dividend policy does not affect firm value because according to them the dividend payout ratio is only a breakdown and does not affect shareholder wealth. The increase in dividend value is not always followed by an increase in company value. Because the value of the company is determined only by the company's ability to generate profits from the company's assets or investment policies.

The dividend payout ratio (DPR) has a positive effect on firm value (Tobinsq) in the Non-Bank Financial Industry (Putri, 2017). In accordance with the bird in the hand theory which states that there is a relationship between dividend policy and firm value. Investors are more interested in dividends because dividends are considered safer and more certain than capital gains. The more investors who have this perception, the number of investors who will invest their funds in companies that pay dividends will also increase. This will affect the stock price and increase the value of the company.

H_4: Dividend policy (DPR) has a positive influence on firm value

Profitability on dividend policy
Companies that have good cash flow or profitability can pay dividends or increase dividends. So, it can be concluded that return on assets has a positive effect on dividend policy. The results of this study are in line with research (Firmansyah, 2020) which states that profitability has a positive effect on dividend policy.

Past dividend decisions or payments, profitability and growth opportunities can be identified as a set of dividend policy determinants that significantly impact the propensity to pay dividends and their payments. In line with the results of research (Dewasiri et al., 2019) which states that profitability is the main determinant of the tendency to pay dividends.

Profitability increases a company's ability to pay more dividends, profitability is defined as an entity's ability to generate profits and is used as a measure of company performance. Similar results have been suggested by other studies that profitability is an important determinant of dividend policy (Arif & Akbar, 2013).

H_5: Profitability (ROA) has a positive effect on dividend policy

Intangible Assets to the dividend policy
Companies with high intangible assets must pay high dividends so that they provide a good quality signal for investors. The higher the intangible assets and the higher the cost of capital for investment, investors prefer to finance investments using retained earnings because the costs are the lowest. Supported by research (Al-Malkawi, 2007) intangible assets are an important determinant of the level of dividends paid by Jordanian companies.

Retained earnings are used more to finance investment than to pay dividends so companies with high intangible assets will pay low dividends. This research is supported by (I. Purwanti & Mu'ah, 2019) intangible assets have a positive effect on the dividend payout ratio, but this effect is not significant.

Pecking order theory by Myers (1984) states that companies prefer internal funding sources (retained earnings) first. From outside financing, the company will choose to issue debt rather than equity. Thus, the high intangible assets of the company will cause a high level of debt. As an intangible asset associated with a high level of information asymmetry, the pecking order theory shows a high level of debt.

The conflicting theory is reinforced by previous research Rika Gamayuni (2015) the effect of intangible assets has a positive effect on dividend policy (dividend payout ratio).

H_6: Intangible Assets (IAS) have a positive effect on dividend policy

Vol. 7, No.03; 2023

ISSN: 2456-7760

Leverage on dividend policy

The higher the leverage ratio, the lower the opportunity for dividends as a consequence of leverage is negatively related to dividends. These results are supported by research theory (Kaźmierska-Jóźwiak, 2015) providing evidence of a significant negative relationship between firm leverage (LEV) and dividend payout ratio (DPO). This shows that the Polish companies analyzed with high leverage ratios are, as expected, less likely to pay dividends.

First, companies with high leverage prefer to cut dividends voluntarily or under pressure from creditors. Cash that can be used to pay dividends can be used to pay debt obligations. Second, high debt levels increase a company's risk and increase the cost of external financing, which makes it dependent on retained earnings. Third, debt has an important role in disciplining management and reducing information asymmetry and agency problems. Thus, high debt levels can reduce the need for valuable cash signals embedded in dividend payments. This research is supported by (Jabbouri, 2016) where leverage is significantly negatively related to dividend policy.

By increasing interest expense, net profit will decrease, so that the portion of profit that can be distributed to shareholders will also be lower. The results of this study support the hypothesis stated earlier that financial leverage has a negative effect on dividends (Narindro & Basri, 2019).

H_7: Levelragel (DElR) has a negative effect on dividend policy

3. Method

Population and samplel

The data population in this study are all main board index companies in the consumer non-cyclicals sector on the Indonesia Stock Exchange. There are 57 main board index companies for the consumer non-cyclicals sector during the 2017-2021 period. It was found that 26 companies in the consumer non-cyclicals sector on the Indonesia Stock Exchange had met the criteria as research samples.

Variables and thelir melasurelmelnts

In this study, it has two dependent variables, namely dividend policy and dividend payout ratio (DPR), firm value with price to book value (PVB) and 3 independent variables consisting of profitability with return on assets (ROA), intangible assets with logarithms of book value intangible assets (IAS), leverage with debt to equity ratio (DER). The following is a measure of each variable.

Table 1: Variable and Measurement

No	Variable	Symbol	Measusrement
1	Firm Value	PVB	Market Price per Share/Book Value per Share
2	Dividen Policy	DPR	Dividen Per share/Earning Per Share
3	Profitability	ROA	Earnig After Taz/Total Assets
4	Intangible Asset	IAS	Log (Book value of Intangible Assets
5	Leverage	DER	Total Debt/Total Equity

Analisis Data

This study uses multiple linear regression analysis with a significance level of 0.05. The regression equation is as folows:

Model 1:

PBV = α + β1 ROA + β2 IAS + β3 LEV + β4 DPR + βn Xn + e

Model 2:

DPR = α + β1 ROA + β2 IAS + β3 LEV + βn Xn + e

4. Result

Descriptive statistics

Descriptive analysis is a statistical method used to analyze data and describe or give an overview of the object under study through sample or population data as it is, without conducting analysis and making general conclusions.

Table 2: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
ROA	130	.00	11.67	.3924	158.881
IAS	130	11.53	15.84	133.882	.90980
DER	130	.00	5.62	11.006	107.019
DPR	130	.00	2.70	.3932	.49423
PVB	130	.01	16.49	24.508	322.945
Valid N (listwise)	130				

Source: Data processed

Based on the table above, the variable profitability is measured using Return on Assets (ROA) which has a minimum value of 0.00 and a maximum value of 11.67. The average or mean value is 0.3920 and the standard deviation is 1.58851. The mean/average value is smaller than the standard deviation, which is 0.3920<1.58851 indicating that the distribution of profitability values is not good.

Intangible Assets are proxied using the logarithm of intangible assets (IAS). Based on the table above it can be seen that of the 130 existing data, the IAS variable has a minimum value of 11.53 and a maximum value of 15.85. The average or mean value is 13.3875 and the standard deviation is 0.90984. The mean/average value is greater than the standard deviation, namely 13.3875> 0.90984 indicating that the distribution of IAS values is good.

Leverage is proxied using the Debt to Equity Ratio (DER). Based on the table above, it can be seen that of the 130 existing data, the DER variable has a minimum value of 0.00 and a maximum value of 5.62. The average or mean value is 1.1002 and the standard deviation is 1.07043. The mean/average value is greater than the standard deviation, namely 1.1002> 1.07043 indicating that the distribution of DER values is good.

Dividend Policy is proxied using the Dividend Payout Ratio (DPR). Based on the table above, it can be seen that of the 130 existing data, the DPR variable has a minimum value of 0.00 and a maximum value of 2.70. The average or mean value is 0.3924 and the standard deviation is 0.49412. The mean/average value is smaller than the standard deviation, which is 0.3924<0.49412 indicating that the distribution of the DPR values is not good.

Company value is proxied using the Price Book of Value (PBV). Based on the table above, it can be seen that of the 130 existing data, the company transparency variable has a minimum value of 0.01 and a maximum value of 16.49. The average or mean value is 2.4501 and the standard deviation is 3.22937. The mean/average value is smaller than the standard deviation, namely 2.4501 <3.22937 indicating that the distribution of companies is not good.

Hypothesis Test Results
Based on the calculation of multiple linear regression tests using the SPSS 22.0 program for windows listed in Table 3 is listed as follows:

Table 3: Hypothesis Test Result

Variable	Firm Value (PBV)			Divisend Policy (DPR)		
	Coef.	t	Sig.	Coef.	t	Sig.
(Constant)	7.180	2.879	.005	2.547	2.879	.005
ROA	-.076	-.865	.389	.037	-.865	.389
IAS	-.443	-2.380	.019	-.161	-2.380	.019
DER	.070	.508	.612	-.016	.508	.612
DPR	.701	2.316	.022		2.316	.022

Source: Data processed

Based on table 3, the ROA results are obtained with a coefficient value of -0.076, t value = -0.865, and a probability of 0.389. The significance value is greater than the expected significance level (0.389 > 0.05) indicating that profitability (ROA) has no effect on firm value. intangible assets (IAS) with a coefficient of -0.443, a value of t = 0.2380, and a probability of 0.019. The

Vol. 7, No.03; 2023

ISSN: 2456-7760

significance value is smaller than the expected significance level (0.019 <0.05) so it affects firm value. Leverage (DER) with a coefficient of 0.070, a value of t = 0.508, and a probability of 0.612. The significance value is greater than the expected significance level (0.612 > 0.05) indicating that leverage (DER) has no effect on firm value. Dividend policy (DPR) with a coefficient of 0.701, a value of t = 2.316, and a probability of 0.022. The significance value is lower than the expected significance level (0.022 <0.05) indicating that the dividend policy (DPR) allocation variable has a positive and significant effect on firm value.

The results in the table show ROA with a coefficient of 0.037, a value of t = 1.405, and a probability of 0.163. The significance value is greater than the expected significance level (0.163 > 0.05) indicating that profitability (ROA) has no effect on dividend policy. Intangible assets (IAS) with a coefficient of -0.161, a value of t = -3.505, and a probability of 0.001. The significance value is lower than the expected significance level (0.001 <0.05) indicating that the intangible asset allocation variable (IAS) has a negative and significant effect on dividend policy. estimated allocation of leverage (DER) with a coefficient of -0.016, a value of t = -0.415, and a probability of 0.679. The significance value is greater than the expected significance level (0.679 > 0.05) indicating that leverage (DER) has no effect on dividend policy.

5. Discussion

Profitability to company value

Profitability (ROA) in this study was found to have no effect on firm value. The absence of the effect of ROA on firm value can be caused by management's performance not having the ability to use the assets owned which causes net income to be small while the assets owned by the company are very large. In addition, it can also occur because the profits owned by the company cannot reflect the size of the company. This result is also in line with the research of Sukmawardini & Ardiansari (2018) Return on Assets (ROA) has no effect on company value.

In line with research conducted by Aulia et al (2018) and Alawiyah (2020) that profitability has no effect on company value. This shows that high profitability has no effect on firm value. This is because the companies studied have an average value of profitability that is a loss while the average company value has a stagman value.

Intangible assets to company value

Intangible Assets (IAS) in this study were found to have an effect on firm value. This means that the better management of intangible assets has an impact on increasing the value of the company. This research supports stakeholder theory and the results of research (Widhiastuti & Latrini, 2015) and research (Fikri et al., 2017) based on research results show that intangible assets have a positive and significant effect on firm value. The magnitude of the influence of intangible assets in contributing to the influence on firm value. So the higher the intangible assets, the higher the firm value.

The higher the intangible assets, the higher the dividends paid, because the company wants to provide a good quality signal for investors. In line with the research results of Rika Gamayuni (2015) showing that intangible assets have a positive and significant effect on firm value.

Vol. 7, No.03; 2023

ISSN: 2456-7760

The results of this study are also in line with the research of Widnyana et al (2020) Intangible assets have a positive effect on firm value. This means that the higher the intangible assets, the higher the ability of capital invested in all assets to generate profits for company owners.

Leverage on company value

Leverage (DER) in this study was found to have no effect on firm value. The coefficient value shows a positive value, meaning that the higher the company's debt ratio, the company has maximized the use of its debt as capital. This causes the value of the company will also increase. The research results are not in line with (Lusiana & Agustina, 2018) where leverage policy has an effect on firm value. In the results of this study, leverage has no effect on firm value. The results of this study are supported by research (Farizki et al., 2021) and research (Dewantari et al., 2020) in their research finding that leverage has no effect on firm value. A high DER number is not always the cause of low company value. Likewise, a low DER number does not always increase the company's value. Because investors see from various sides of the financial statements. The results are also supported by previous research from Saputri & Bahri (2021) that DER (debt to equity ratio) has no effect on company value.

Dividend Policy on company value

Dividend Policy (DPR) in this study was found to have an effect on firm value. These results are consistent with signaling theory which states that dividend payments will be captured as a positive signal by the market which in turn will increase firm value (Pracihara, 2016). The greater the dividend distributed to shareholders, the better the performance of the issuer or company will be considered and ultimately increase the value of the company. If the dividend policy increases, the value of the company also increases. This proves that companies that distribute dividends to shareholders will attract investors to invest. Based on the results of the study (Putra & Lestari, 2016) the results of the hypothesis test state that dividend policy has a significant positive effect on firm value. An increase in dividend payments can be a positive alert for investors because they consider the company to have good and profitable prospects in the future. This is explained in research (Saputri & Bahri, 2021).

Profitability on dividend policy

Profitability (ROA) in this study was found to have no effect on dividend policy. Therefore, the research hypothesis is not proven. Companies that generate profits in their operations are not necessarily going to use these profits to be distributed as dividends, especially companies that plan to invest in assets in the future. The research results are in line with those conducted by Novita Sari & Sudjarni (2015) where return on assets individually does not affect dividend policy.

The results of this study prove that the higher the company's profit level, the higher the company's dividend distribution, conversely, companies with low profits may not necessarily be able to pay dividends (Damayanti & Ahcayani, 2006). Profitability is said to have no significant effect on dividend policy because a high level of profitability is not a guarantee for a company that will later distribute dividends to shareholders or investors. The results of this study are in line with research conducted by Marina (2018), Maldajian & El Khoury (2014), and Marlindasari & Sulistiyani (2021), which state that profitability has no significant effect on dividend policy.

Vol. 7, No.03; 2023

ISSN: 2456-7760

Intangible Assets to the dividend policy

Intangible Assets (IAS) in this study were found to have an effect on dividend policy. This suggests that higher intangible assets will lead to higher dividend payments. In line with research from (Qureshi & Siddiqui, 2021) evaluating the impact of intangible assets on Dividend Policy. The hypothesis results show that intangible assets have a significant positive effect on dividend policy. Intangible assets have a significant negative impact on debt payments and dividends in research (Alves & Martins, 2014).

From a theoretical standpoint, these results suggest that the accumulation of high amounts of agency costs from debt, bankruptcy costs, information asymmetry, and non-debt tax protection associated with intangible assets/RD is canceled out by the important agency costs of equity and signaling arguments for the four governance policies but not for the two financial policies.

The results of the study are in line with previous research by Rika Gamayuni (2015) that the effect of intangible assets has a positive effect on dividend policy (dividend payout ratio), these results support the signaling theory which states that intangible assets have a positive and significant effect on dividends, because companies with high intangible assets will pay higher dividends in order to provide a good signal for investors.

Leverage on dividend policy

Leverage (DER) in this study was found to have no effect on dividend policy. A decrease or increase in the level of leverage and also the level of liquidity of a company does not contribute significantly to the company's capacity to process dividend distribution to shareholders. This is in line with the results of research conducted by (Sudiartana et al., 2020) which suggests that there is no significant effect between leverage and dividend policy.

The results of this study are not in line with (Ratnasari & Purnawati, 2019) leverage has a positive and insignificant effect on dividend policy. The results of this study indicate that the ability to pay dividends is not affected by the amount of debt owned by the company. An increase in financial leverage will lead to an increase in the interest expense incurred by the company.

The main proponents of the dividend irrelevance theory are Merton Miller and Franco Modigliani (MM). They argue that the value of a company is determined by its basic ability to generate profits and its business risks. MM argues that the value of a company depends solely on the income generated by its assets, not how this income is divided between dividends and retained earnings (Brigham & Houston, 2018).

6. Conclusions and Recommendation

Based on the results of hypothesis testing, it can be concluded that on profitability, leverage has no effect on dividend policy, while intangible assets have proven to have an effect on dividend policy. Besides that, profitability, leverage also has no effect on firm value, while intangible assets and dividend policy have an effect on firm value.

For further research, it is better to take into account other factors that can affect firm value as a variable in research, besides that the considerations for choosing other sectors on the Indonesia Stock Exchange can be used in conducting research. In future research it is expected to produce more perfect research with several inputs including For future researchers It is hoped to use more

Vol. 7, No.03; 2023

ISSN: 2456-7760

than one measurement proxy for each variable, increase the number of sample companies and their periods and use other variables so that they can have comparisons and results better researched.

References

Al-Malkawi, H.-A. N. (2007). Determinants of Corporate Dividend Policy in Jordan: An Application of the Tobit Model. *Journal of Economic and Administrative Sciences*, *23*(2), 44–70.

Alawiyah, L. (2020). Pengaruh Likuiditas, Leverage, Dan Profitabilitas Terhadap Nilai Perusahaan Pada Perusahaan Tekstil Dan Garmen Yang Terdaftar Di Bursa Efek Indonesia Periode 2014-2018 Lia. *Jurnal Bisnis Dan Akuntansi*, *2020*, 226–234.

Algiffary, Y. (2020). Pengaruh Tax Planning, Profitabilitas, dan Pengungkapan Corporate Social Responsibility terhadap Nilai Perusahaan. *Journal of Business and Economics (JBE) UPI YPTK*, *5*(3), 27–32.

Alhabshi, S. M., Rashid, H. M. A., Khadijah Syed Agil, S., & Ahmed, M. U. (2017). Financial reporting of intangible assets in Islamic finance. *ISRA International Journal of Islamic Finance*, *9*(2), 190–195.

Alves, S., & Martins, J. (2014). The Impact of Intangible Assets on Financial and Governance Policies: A Simultaneous Equation Analysis. *Journal of Applied Finance & Banking*, *4*(1), 1792–6599.

Arif, A., & Akbar, F. (2013). Determinants of Dividend Policy : A Sectoral Analysis from Pakistan. *International Journal of Business and Behavioral Sciences*, *3*(9), 16–33.

Aulia, A. N., Mustikawati, R. I., & Hariyanto, S. (2018). Profitabilitas, Ukuran Perusahaan dan Intellectual Capital Terhadap Nilai Perusahaan. *Jurnal Risert Mahasiswa Manajemen*, *6*(1), 1–7.

Brigham, E. F., & Houston, J. F. (2018). *Dasar-dasar manajemen keuangan*. Online Public Access Catalog Perpustakaan Nasional RI.

Chan, L. K. C., Josef, L., & Sougiannis, T. (2001). The Stock Market Valuation of Research and Development Expenditures. *The Journal of Finance*, *Vol. 56*, *N*, 2431-2456 (26 pages).

Damayanti, & Ahcayani. (2006). *Analisis Pengaruh Investasi, Likuiditas, Profitabilitas, Pertumbuhan Perusahaan dan Ukuran Perusahaan Terhadap Kebijakan Dividen Payout Ratio* (pp. 184–189).

Dewantari, N. L. S., Cipta, W., & Susila, G. P. A. J. (2020). Pengaruh Ukuran Perusahaan Dan Leverage Serta Profitabilitas Terhadap Nilai Perusahaan Pada Perusahaan Food and Beverages Di Bei. *Prospek: Jurnal Manajemen Dan Bisnis*, *1*(2), 74.

Dewasiri, N. J., Yatiwelle Koralalage, W. B., Abdul Azeez, A., Jayarathne, P. G. S. A., Kuruppuarachchi, D., & Weerasinghe, V. A. (2019). Determinants of dividend policy: evidence from an emerging and developing market. *Managerial Finance*, *45*(3),

Digdowiseiso, K., & Winarsih, N. (2020). *The Effect of Current Ratio , Return on Asset , and Degree of Operating Leverage on Company Value through Capital Structure in the Listed Companies of the Agricultural Food Product Industry over the Period 2016-2020*. 25221–25236.

F. Prasetya Margono, R. G. (2021). *the influence of firm size , leverage , profitability , and dividend policy on firm value of companies in indonesia stock exchange*. *10*(2).

Farizki, F. I., Suhendro, S., & Masitoh, E. (2021). Pengaruh Profitabilitas, Leverage, Likuiditas, Ukuran Perusahaan Dan Struktur Aset Terhadap Nilai Perusahaan. *Ekonomis: Journal of Economics and Business*, *5*(1), 17.

Ferdaous, J., & Rahman, M. M. (2019). The effects of intangible assets on firm performance. *American Journal of Business*, *34*(3/4), 148–168.

Fikri, N. nur, Fadilah, S., & Nurcholisah, K. (2017). Pengaruh Intangible Asset, Kinerja Keuangan, Kebijakan Keuangan terhadap Nilai Perusahaan(Studi Empiris pada Perusahaan Manufaktur Subsektor Perkebunan yang Terdaftar di Bursa Efek Indonesia Periode 2012-2016). *Prosiding Akuntansi*, *3*(2), 2460–6561.

Firmansyah. (2020). Pengaruh Profitabilitas, Likuiditas Dan Ukuran Perusahaan Terhadap Kebijakan Dividen Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Ilmu Akuntansi*, *1*(2), 1–10.

Glova, J., & Mrázková, S. (2018). *Impact of Intangibles on Firm Value : An Empirical Evidence from European Public Companies 1*. *1*, 665–682.

Iswajuni, I., Manasikana, A., & Soetedjo, S. (2018). The effect of enterprise risk management (ERM) on firm value in manufacturing companies listed on Indonesian Stock Exchange year 2010-2013. *Asian Journal of Accounting Research*, *3*(2), 224–235.

Jabbouri, I. (2016). Determinants of corporate dividend policy in emerging markets: Evidence from MENA stock markets. *Research in International Business and Finance*, *37*, 283–298.

Jihadi, M., Vilantika, E., Hashemi, S. M., Arifin, Z., Bachtiar, Y., & Sholichah, F. (2021). The Effect of Liquidity, Leverage, and Profitability on Firm Value: Empirical Evidence from Indonesia. *Journal of Asian Finance, Economics and Business*, *8*(3), 423–431.

Kaźmierska-Jóźwiak, B. (2015). Determinants of Dividend Policy: Evidence from Polish Listed Companies. *Procedia Economics and Finance*, *23*(15), 473–477.

LUSIANA, D., & AGUSTINA, D. (2018). Faktor-faktor yang mempengaruhi nilai perusahaan pada perusahaan non keuangan. *Jurnal Bisnis Dan Akuntansi*, *19*(1), 81–91.

Maldajian, C., & El Khoury, R. (2014). Determinants of the Dividend Policy: An Empirical Study on the Lebanese Listed Banks. *International Journal of Economics and Finance*, *6*(4), 240–256.

Mandey, S., Pangemanan, S., & Pangerapan, S. (2017). Analisis Pengaruh Insider Ownership, Leverage, Dan Profitabilitas Terhadap Nilai Perusahaan Pada Sektor Perusahaan Manufaktur Di Bursa Efek Indonesia Periode Tahun 2013-2015. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, *5*(2), 1463–1473.

Mangesti Rahayu, S., Suhadak, & Saifi, M. (2020). The reciprocal relationship between profitability and capital structure and its impacts on the corporate values of manufacturing companies in Indonesia. *International Journal of Productivity and Performance Management*, *69*(2), 236–251.

Mardiyati, U., & Ahmad, G. N. (2012). *PENGARUH KEBIJAKAN DIVIDEN, KEBIJAKAN HUTANG DAN PROFITABILITAS TERHADAP NILAI PERUSAHAAN MANUFAKTUR YANG TERDAFTAR DI BURSA EFEK INDONESIA (BEI) PERIODE 2005-2010*. *3*(1), 1–17.

Marina, R. (2018). *Analisis Pengaruh Likuiditas, Profitabilitas, Ukuran Perusahaan dan Leverage terhadap Kebijakan Dividen pada Perusahaan Manufaktur yang terdaftar di BEI (Studi Kasus pada Sektor Industri Makanan dan Minuman 2013-2017)*. *13*, 2018.

Markonah, M., Salim, A., & Franciska, J. (2020). *Effect of profitability, leverage, and liquidity to the firm value*. *1*(1), 83–94.

Marlindasari, D., & Sulistiyani, T. (2021). *ANALISIS PENGARUH INVESTASI, LIKUIDITAS, PROFITABILITAS, UKURAN PERUSAHAAN, DAN PERTUMBUHAN PERUSAHAAN TERHADAP DIVIDEN PAYOUT RATIO PADA PERUSAHAAN SEKTOR INDUSTRI BARANG KONSUMSI YANG TERDAFTAR DI BURSA EFEK INDONESIA*.

Myers, C. (1984). The Capital Structure Puzzle. *The Journal of Finance*, *39*(3), 574–592.

Narindro, L., & Basri, H. (2019). Assessing determinants of dividend policy of the government-owned companies in Indonesia. *International Journal of Law and Management*, *61*(5–6), 530–541.

Novita Sari, K., & Sudjarni, L. (2015). Pengaruh Likuiditas, Leverage, Pertumbuhan Perusahaan, Dan Profitabilitas Terhadap Kebijakan Dividen Pada Perusahaan Manufaktur Di Bei. *E-Jurnal Manajemen Universitas Udayana*, *4*(10), 255134.

Nugroho, I. A. G., & Munari. (2021). Pengaruh Intellectual Capital Terhadap Financial Performance Perusahaan Consumer Non-Cyclicals Listed Di Bursa Efek Indonesia Tahun 2018-2019. *Jurnal Ilmiah Komputerisasi Akuntansi*, *14*(1), 31–38.

Ocak, M. (2019). *The Impact of Intangible Assets and Sub-Components of Intangible Assets on Sustainable Growth and Firm Value : Evidence from Turkish Listed Firms*. 5–7.

Pracihara, S. M. (2016). *PENGARUH KEBIJAKAN HUTANG, KEPEMILIKAN MANAJERIAL, KEBIJAKAN DIVIDEN, DAN UKURAN PERUSAHAAN TERHADAP NILAI PERUSAHAAN (Studi pada Sektor Pertambangan yang Terdaftar di BEI Periode 2011-2014)*.

Purwanti, I., & Mu'ah. (2019). Pengaruh Intangible Asset Terhadap Kinerja Keuangan. *Jurnal Ilmiah Manajemen*, *9*(1), 72–87.

Purwanti, T. (2020). The Effect of Profitability, Capital Structure, Company Size, and Dividend Policy on Company Value on the Indonesia Stock Exchange. *International Journal of Seocology*, *01*(02), 060–066.

Putra, A. N. D. A., & Lestari, P. V. (2016). Pengaruh Kebijakan Dividen, Likuiditas, Profitabilitas Dan Ukuran Perusahaan Terhadap Nilai Perusahaan. *E-Jurnal Manajemen Unud*, *5*(7), 4044–4070.

Putri, V. R. (2017). *The Effect of Profitability , Dividend Policy , Debt Policy , and Firm Age on Firm Value in The Non-Bank Financial Industry*. *10*(1), 14–21.

Qureshi, M. J., & Siddiqui, D. A. (2021). The Effect of Intangible Assets on Financial Performance, Financial Policies, and Market Value of Technology Firms: A Global Comparative Analysis. *Asian Journal of Finance & Accounting*, *12*(1), 26.

Ratnasari, P. S. P., & Purnawati, N. K. (2019). Pengaruh Profitabilitas, Likuiditas, Tingkat Pertumbuhan Perusahaan Dan Leverage Terhadap Kebijakan Dividen. *E-Jurnal Manajemen Universitas Udayana*, *8*(10), 6179.

Rehman, O. U. (2016). Impact of Capital Structure and Dividend Policy on Firm Value. *Journal of Poverty, Investment and Development*, *21*(1), 40–57. www.iiste.org

Revinka, S. (2021). Pengaruh Pandemi Covid-19 Terhadap Nilai Perusahaan Pada Sebelas Sektor Di Bursa Efek Indonesia (Bei). *Jurnal Acitya Ardana*, *1*(2), 145–163.

Rika Gamayuni, R. (2015). The Effect Of Intangible Asset, Financial Performance And Financial Policies On The Firm Value. *International Journal of Scientific & Technology Research*, *4*(01), 1. www.ijstr.org

Saputri, D. R., & Bahri, S. (2021). The Effect Of Leverage, Profitability, And Dividend Policy On Firm Value. *International Journal of Educational Research & Social Sciences*, *2*(6),

Sari, I. A. G. D. M. (2020). Profitability and liquidity on firm value and capital structure as intervening variable. *International Research Journal of Management, IT and Social*

Seth, R., & Mahenthiran, S. (2022). Impact of dividend payouts and corporate social responsibility on firm value – Evidence from India. *Journal of Business Research*, *146*(April), 571–581.

Sudiartana, I. G. P., Agus, I. G., Yudantara, P., Studi, P., Akuntansi, S., Ekonomi, J., & Ekonomi, F. (2020). *Dan Leverage Terhadap Kebijakan Dividen*. 287–298.

Sukmawardini, D., & Ardiansari, A. (2018). The Influence of Institutional Ownership . Profitability ,. *Management Analysis Journal*, *7*(2), 212–222.

Widhiastuti, N. L. P., & Latrini, M. Y. (2015). Pengaruh Return on Asset dan Intangiable Asset terhadap Nilai Perusahaan dengan Corporate Social Responsibility sebagai Variabel Pemoderasi. *E-Jurnal Akuntansi Universitas Udayana*, *11*(2), 370–383.

Widnyana, I. W., Wiksuana, I. G. B., Artini, L. G. S., & Sedana, I. B. P. (2020). Influence of financial architecture, intangible assets on financial performance and corporate value in the Indonesian capital market. *International Journal of Productivity and Performance Management*, *7*.