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THE INFLUENCE OF MANAGERIAL OWNERSHIP, INVESTMENT OPPORTUNITY SET, DEBT POLICY ON DIVIDEND POLICY WITH COMPANY SIZE AS A MODERATION (Study of Non-Financial Companies 2019-2021)

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ABSTRACT

A company's dividend policy is an important decision because it affects the company and its shareholders.Decision making regarding a company's dividend policy is a crucial aspect that affects both the company and its shareholders, especially in the context of the dynamics of the COVID-19 pandemic. The company always strives to improve performance to maximize shareholder benefits. However, managers as administrators often have goals that may be different, reflecting differences in interests between investors who expect dividends and management who may be more inclined to personal interests. The aim of this research is to determine the influence of managerial ownership, investment opportunity set, debt policy on dividend policy with company size as a moderator. The sample for this research is 68 non-financial companies listed on the Indonesia Stock Exchange in 2019-2021. Sample selection in this research was carried out using a non-probability sampling approach using the purposive sampling method. The data analysis technique uses Moderated Regression Analysis (MRA). The research results show that managerial ownership, investment opportunity set, debt policy have a significant positive influence on dividend policy. Company size is able to strengthen the relationship between managerial ownership, investment opportunity set, and weaken the relationship between debt policy and dividend policy.

Keywords: Managerial Ownership, Investment Opportunity Set, Debt Policy, Dividend Policy, Company Size.

INTRODUCTION

A company's dividend policy is an important decision because it affects the company and its shareholders.Company policies such as dividend policy are closely related to company characteristics.Dividend policy for shareholders reflects the company's long-term performance, the greater the dividend obtained indicates good company performance for shareholders (Liyanto, 2022).

The distribution of profits provided by the company and derived from company profits is the meaning of dividends. Dividends are given after obtaining approval from shareholders at the General Meeting of Shareholders (GMS).Dividend policy will reduce the company's

internal funding sources, so companies need to be careful in determining the proportion of dividends to be distributed (Rahmawati et al., 2022).

The COVID-19 pandemic in 2020 has surprisingly affected the world of investment in Indonesia. Even though the pandemic has had a negative impact on the economy, data shows an increase in the number of investors in the Indonesian capital market (Rosadi & Aggraini, 2023). Based on data from the Indonesian Central Securities Depository (KSEI), the number of capital market investors throughout 2022 was recorded at 10.31 million people. This figure increased by 37.68 percent compared to the 2021 period which amounted to 7.49 million investors. Over the last five years or compared to the 2018 period of 1.62 million people, the number of investors in Indonesia has increased more than 5 times or 536.42 percent (Mahdalena, 2023).

Uncertain economic conditions due to the COVID-19 pandemic both in Indonesia and around the world, companies may choose to retain profits to strengthen their balance sheets and increase their financial resilience.Of course, investors expect high dividend distribution so that investors are interested in investing their capital. The decrease in net profit that occurs will affect the amount of dividends that will be given and give a bad signal to investors and potential investors (Sunithe et al., 2020).

Stock investment aims to gain profits in the future, where the form of profit distribution from stock investment is in the form of dividends. Companies often experience difficulties in determining dividend policies considering the difficulty of attracting investors if the dividends distributed are low (Victoria & Viriany, 2019). Companyexpect growth for the survival of the company, on the other hand, dividends are a consideration for investors when investing their capital. In this regard, dividends are one of the most difficult considerations for companies in determining dividend distribution (Arjana & Suputra, 2017).

The COVID-19 pandemic has had a significant impact on various economic sectors, including the capital market.One interesting phenomenon to study is the dividend policy adopted by companies in the pre-pandemic, pandemic and post-pandemic periods. The following is data from non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021 and published their financial reports on the Indonesia Stock Exchange (BEI) website that decided to distribute dividends and those that decided not to distribute dividends. Data can be seen in Figure 1.

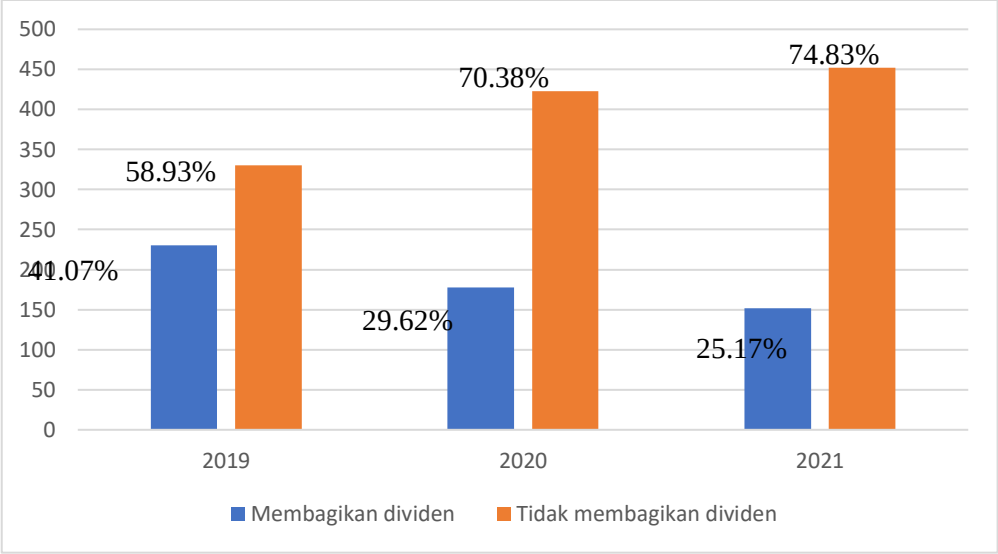

Figure 1. Non-financial company dividend data 2019-2021
Source: Processed data, 2023

Figure 1 shows that in 2019, there were 560 companies registered on the Indonesia Stock Exchange (BEI) and publishing their financial reports on the Indonesia Stock Exchange (BEI) website. Of this number, 230 companies decided to distribute dividends to their shareholders. This means that around 41.07 percent of the total companies listed on the IDX in 2019 decided to distribute dividends. In other words, almost half of listed companies find it profitable enough to distribute some of their profits to shareholders.

In 2020, there were 601 companies listed on the Indonesian Stock Exchange (BEI) and published their financial reports on the Indonesian Stock Exchange (BEI) website. Of this number, only 178 companies decided to distribute dividends to their shareholders. This means that only around 29.62 percent of the total companies listed on the IDX in 2020 decided to distribute dividends. In 2021, there are 604 companies listed on the Indonesia Stock Exchange (BEI). Of this number, only 152 companies decided to distribute dividends to their shareholders. This means that only around 25.17 percent of the total companies listed on the IDX in 2021 decided to distribute dividends. This figure shows a further decrease compared to 2020, where 29.62% of companies distributed dividends, and a more significant decrease compared to 2019, where 41.07% of companies distributed dividends.

This decline can largely be attributed to the economic impact caused by the COVID-19 pandemic. The pandemic has caused significant economic uncertainty, reduced revenues, and increased operational costs for many companies. As a result, many companies are choosing to withhold dividend payments and preserve their cash to ensure the continuity of their operations during this uncertain period. In other words, the COVID-19 pandemic has forced many companies to prioritize liquidity and financial stability over distributing profits to shareholders.

Financial managers in determining dividend policy must consider the extent of internal financing sources needed to finance operations. This must be calculated appropriately and be accounted for, considering that profits reinvested in operational activities are the rights of shareholders and are not distributed as dividends. The risks and returns that will be obtained when deciding not to distribute dividends are the basis of management's considerations (Hasnawati, 2017).

Companies will always try to improve company performance in order to maximize the welfare of shareholders, but managers as company administrators often have different goals. For this reason, there needs to be a mechanism that can protect the interests of investors and other related parties. The separation of company owners (principals) from management (agents) creates differences in information asymmetry between company owners and management or what is called agency theory (Jensen & Meckling, 1976). Differences in interests between investors and management are called agency conflicts. Agency conflicts can be reduced by various mechanisms, one of which is dividend policy. Investors prefer stable dividends because this will increase investor confidence in the company (Arrahma & Nugroho, 2023).

Dividend policy has a huge influence on investors and companies. For investors, a profitable company is a company that is able to pay dividends (Sari et al., 2022). The size of the dividend paid by the company depends on the company's dividend policy, so the considerations made by management are very important for investors to invest share capital in a company. Management considers factors that can influence the dividend policy set by the company (Silaban, 2016). Jensen & Meckling (1976) in research by Jayanti & Puspitasari (2017) stated that there are several variables that can influence dividend policy, namely managerial ownership, investment opportunity set, and debt policy.

Viewed from an investor's perspective, one important indicator for harmonizing the differences in interests between the owner (principal) and management (agent) is the existence of managerial ownership.When management owns company shares, they will have the same incentives as the owners to increase the company's value. This can encourage management to make better decisions and act in the best interests of the owners (Jensen & Meckling, 1976). Research by Hasan & Septiningrum (2023) states that managerial ownership has a significant positive effect on dividend policy. A different thing is stated in the research of Rahayu & Rusliati (2019) which states that managerial ownership has a negative effect on dividend policy. Meanwhile, research by Roos & Manalu (2019) states that managerial ownership has no effect on dividend policy.

Investment Opportunity Set (IOS), which reflects the profitable potential of an investment project, can be a key factor influencing dividend policy. Companies with attractive investment opportunities may be inclined to withhold dividends to support business growth and expansion. Conversely, companies with a limited investment

opportunity set may be more inclined to pay dividends to shareholders (Myers & Majluf, 1984). The research results of Patrisia & Ihsan (2021) state that the investment opportunity set has a significant positive effect on dividend policy, the greater the number of opportunities a company has to invest, the greater the dividends the company will distribute to shareholders. Meanwhile, research by Rifai et al., (2022) states that the investment opportunity set has a significant negative effect on dividend policy, because the Investment Opportunity Set (IOS) is still just wishful thinking, the Investment Opportunity Set (IOS) chances of success or failure are also balanced. Apart from that, the Investment Opportunity Set (IOS) is also a means for companies to carry out market research which requires large costs.

A company's debt policy can also contribute to its dividend policy. Companies that rely on debt financing may have interest and principal payment obligations, which may limit their flexibility in paying dividends. Conversely, companies with lighter capital structures may have more room to distribute profits to shareholders.If the company is able to pay off its debts, the company tends to distribute dividends (Roos & Manalu, 2019). Research by Rifai et al., (2020) states that debt policy has a negative effect on dividend policy, meaning that companies with high levels of debt will prioritize debt payments so that dividends paid to shareholders will decrease. Research by Mauris & Rizal (2021) states that partially debt policy does not have a significant influence in a negative direction on dividend policy. Whether companies have a debt policy level above the average or those with a debt policy level below the average, the company still distributes dividends. Meanwhile, research by Praduana et al., (2024) shows that debt policy has a positive effect on dividend policy. This is because a company has more debt than the capital it has, so the level of uncertainty in dividend payments to investors will increase.

Company size is an important variable that can be used to analyze companies and industries. Company size can be measured based on several factors, such as total assets, total revenue, and number of employees (Rahayu & Rusliati 2019).The size of the company is seen from the size of the equity value, company value, or the total asset value of the company. In general, the bigger a company, the greater its activities. Company size is an indicator of a company's performance for investors. Research conducted by Putri et al., (2023) states that company size has a positive influence on dividend policy. Thus, larger and more mature companies tend to pay more dividends.

Dividend policy in this research is measured by the dividend payout ratio (DPR). The reason this research uses the dividend payout ratio (DPR) as the dependent variable is because the dividend payout ratio generally determines the portion of profits that will be distributed to shareholders and that will be retained as part of the dividend payout ratio (DPR). from retained earnings. Dividend policy is a financial activity related to the distribution of profits earned by the company, so currently there is still an opinion that this

dividend policy is part of the funding decision. In principle, this dividend policy concerns the decision whether profits earned by the company should be distributed to shareholders in the form of cash dividends and share buybacks or whether these profits should be retained in the form of retained earnings for future investment spending (Darmayanti, 2016).

This research develops research conducted by Prihatini et al., (2018) which examined the influence of profitability, investment opportunity set and managerial ownership on dividend policy, the results of which show that profitability, investment opportunity set and managerial ownership have a positive effect on dividend policy.The period 2019 to 2021 was chosen in this research for several important reasons. First, in 2021, the Indonesian Stock Exchange (BEI) will begin implementing the IDX Industrial Classification (IDX-IC). Previously, BEI used the Jakarta Stock Industrial Classification (JASICA). The implementation of this classification brings significant changes in the way companies are grouped and analyzed based on their industry sector. Therefore, 2021 is used as the cut-off in this research to ensure the consistency and relevance of the data used.

The COVID-19 pandemic was also a consideration in selecting the research period. 2019 was chosen as the year before the pandemic, which provides data on normal conditions before there was significant disruption to the global economy. 2020 was the year when the COVID-19 pandemic occurred, providing an illustration of the direct impact of the pandemic on company performance and the stock market. The year 2021 was chosen as the start of the recovery period from the pandemic, allowing analysis of recovery efforts and the impact of policies implemented to overcome the crisis. Taking into account the classification change from JASICA to IDX-IC and the context of the COVID-19 pandemic, this period provides a comprehensive and relevant view for an in-depth and comprehensive analysis.

Based on the background that has been explained, there are gap theories and research, as well as the phenomena that have been described. To fill the gap in previous research, researchers suspect that there are other variables that influence dividend policy. Therefore, this research proposes a debt policy variable and a moderating variable of company size which is proxied by total assets as an element of novelty in this research.Based on the background of the problem described, the research carried out was entitled: "The Influence of Managerial Ownership, Investment Opportunity Set, Debt Policy on Dividend Policy with Company Size as Moderating".

RESEARCH METHODS

This research uses a quantitative approach in the form of associative research with a causality type. Associative research is research that aims to determine the relationship between two or more variables. Associative research with the causality type is research

that explains the influence of the independent variable on the dependent variable (Sugiyono, 2019).

This research was conducted to determine the influence of three independent variables, namely managerial ownership, investment opportunity set, and debt policy on the dependent variable, namely dividend policy and to determine the influence of company size in moderating the influence of managerial ownership, investment opportunity set and debt policy on dividend policy.

RESULTS AND DISCUSSION OF RESEARCH RESULTS

Results of Research Data Analysis

Selection of Panel Data Regression Models

Selection of a panel data regression model can be done using three approaches, namely the Common Effect Model (CEM). Fixed Effect Model (FEM), and Random Effect Model (REM) (Pandono & Sofyan, 2018). Chow test, Hausman test, Lagrange multiplier test were carried out to determine the best model to be used in this research. The results of selecting the regression model in this study are as follows.

1) Chow Test Results

The Chow test is carried out to determine the best model between the Common Effect Model (CEM) or Fixed Effect Model (FEM) to be used in estimating panel data. Model selection is determined based on the probability value for Cross-section F. If the p value is > 0.05, the model selected is the Common Effect Model (CEM). If the p value <0.05, the model chosen is the Fixed Effect Model (FEM). The results of the Chow test that have been carried out can be seen in Table 1 below:

Table 1. Chow Test Results

Effect Test	*Statistics*	*df*	*Prob.*
Cross-section F	1.9179	(67,130)	0.0008

Shown in Table 1, the p value of 0.008 is smaller than 0.05 so hypothesis 0 is rejected. Based on the chow test results, the selected model is the Fixed Effect Model (FEM)

2) Hausman Test Results

The Hausman test was carried out to determine the best model between the Fixed Effect Model (FEM) and the Random Effect Model (REM). Model selection is determined based on the probability value for random cross-section. If the p value is > 0.05, the model chosen is the Random Effect Model (REM). If the p value <0.05, the model chosen is the Fixed Effect Model (FEM). The results of the Hausman test that has been carried out can be seen in Table 2 below:

Table 2. Hausman Test Results

Test Summary	*Chi-Sq. Statistics*	*Chi-Sq. df*	*Prob*
Random cross-section	93,823	6	0.0002

Shown in Table 2, the p value of 0.0002 is smaller than 0.05 so hypothesis 0 is rejected. Based on the Hausman test results, the model chosen is the Fixed Effect Model (FEM).

3) Lagrange Multiplier Test Results

The Lagrange Multiplier test was carried out to determine the best model between the Common Effect Model (CEM) and the Random Effect Model (REM). Model selection is determined based on the Breusch-Pagan probability value. If the p value is > 0.05, the model chosen is the Common Effect Model (CEM). If the p value <0.05, the model chosen is the Random Effect Model (REM). The results of the Lagrange Multiplier test that has been carried out can be seen in Table 3 below.

Table 3. Lagrange Multiplier Test Results

	Cross-section	*Time*	*Both*
Breusch-Pagan	23,000	0.8655	23,866
Prob.	(0.0000)	(0.3522)	(0.0000)

Shown in Table 3, the p value of 0 is smaller than 0.05 so hypothesis 0 is rejected. Based on the results of the Lagrange Multiplier test, the model chosen is the Random Effect Model (REM).

The results of the Chow test, Hausman test, and Lagrange Multiplier test show that the Fixed Effect Model (FEM) is the chosen approach for estimating panel data regression. Based on this, the best model approach used to determine the influence of managerial ownership, investment opportunity set, debt policy on dividend policy with company size as a moderator is the Fixed Effect Model (FEM).

Classic assumption test

The classical assumption test is a test that needs to be carried out before carrying out multiple linear regression analysis. In this research, the classical assumption tests carried out include the autocorrelation test, multicollinearity test, and heteroscedasticity test. The following are the results obtained from these three tests.

1) Heteroscedasticity Test

The heteroscedasticity test is carried out to determine whether in the

regression model there is an inequality of variance from the residuals of one observation to another observation. The heteroscedasticity test used is the Breusch-Pagan test. Decision making is made based on the probability value (p). The regression equation is free from heteroscedasticity if the value of Prob. The F-statistic is greater than 0.05. The results of the heteroscedasticity test that has been carried out can be seen in Table 4, which is as follows:

Table 4. Heteroscedasticity Test Results

F-statistic	1.3990	*Prob. F(6,197)*	0.2167
*Obs*R-squared*	8.3371	*Prob. Chi-Square(6)*	0.2144
Scaled explained SS	16,457	*Prob. Chi-Square(6)*	0.0115

Based on Table 4, the value of Prob. The F-statistic is 0.2167 (p > 0.05) so there is no heteroscedasticity problem in the regression model.

2) Multicollinearity Test

The multicollinearity test was carried out to determine whether or not there was a correlation between the independent variables. Decision making is made based on the VIF value. If the VIF value is smaller than 10, the regression model does not have multicollinearity problems. If the VIF value is greater than 10, multicollinearity occurs in the regression model. The results of the multicollinearity test that has been carried out can be seen in Table 5, which is as follows.

Table 5. Multicollinearity Test

Variables	*Coefficient of Variance*	*Uncentered VIF*	*Centered VIF*
C	0.0288	15,569	NA
KM	0.0037	1.1053	1.1030
iOS	5.9000	1.0565	1.0149
KH	0.0034	2.6003	1.0340
UK	0.0627	12,856	1.3234
KMUK	0.0269	4.8076	1.0047
IOSUK	0.0276	5.8371	1.0199

KHUK	0.0248	5.2697	1.0069

Based on Table 5, the VIF value of managerial ownership is 1.1030; investment opportunity set of 1.0149; debt policy of 1.0340; company size of 1.3234; managerial ownership moderated by company size of 1.0047; investment opportunity set which is moderated by company size is 1.0199; and debt policy which is moderated by company size is 1.0069. The test results show that the VIF value for all variables is smaller than 10. Thus, the regression model does not have symptoms of multicollinearity or there is no correlation between variables.

3) Autocorrelation Test

The autocorrelation test tests whether the multiple linear regression model has a residual correlation between the t-th period and the residual in the previous period (t-1). The autocorrelation test in this study used the Durbin-Watson (DW) test. The regression model is free from autocorrelation problems if the DW (Durbin-Watson) value is greater than DU (upper limit) and the DW value is smaller than 4-DU (lower limit).

Table 6. Autocorrelation Test Results

Mean dependent var	0.307937
SD dependent var	0.302062
Akaike info criterion	0.121594
Schwarz criterion	0.586036
Hannan-Quinn Criter	0.289522
Durbin-Watson stat	2.012799

Based on the results of the classic autocorrelation assumption test in table 6 above, it can be seen that the DW value of 2.012799 is between DU= 1.83 and 4-DU= 2.17. So it can be said that the data is free of autocorrelation or there is no correlation between one confounding factor and another.

Moderated Regression Analysis (MRA) Test

Based on the classical assumption test, the data in this study were declared free of symptoms of heteroscedasticity and free of symptoms of multicollinearity. The next test uses Moderated Regression Analysis (MRA) to determine the influence of managerial ownership, investment opportunity set, debt policy on dividend policy with company size as a moderator. The MRA test results can be seen in table 7 below.

Table 7. MRA Test Results

Variables	*Coefficient*	*Std. Error*	*t-Statistics*	*Prob.*
C	3,717	0.880	4,222	0.0000
KM	4,642	1,680	2,762	0.0065
iOS	0.348	0.132	2,629	0.0096
KH	0.500	0.175	2,848	0.0051
UK	0.003	0.001	2,093	0.0411
KMUK	3,841	0.978	3,926	0.0002
IOSUK	0.400	0.201	1,198	0.0494
KHUK	-0.923	0.335	-2,752	0.0067
Adjusted R-squared	0.723			
F-statistic	3,862			
Prob (F-statistic)	0.002			

Based on Table 7, the constant value (β0) is 3.717, the managerial ownership regression coefficient (β1) is 4.642, the investment opportunity set regression coefficient (β2) is 0.348, the debt policy regression coefficient (β3) is 0.500, the regression coefficient for the moderating variable company size (β4) is 0.003 , managerial ownership regression coefficient with company size as moderation (β5) 3.841, investment opportunity set regression coefficient with company size as moderation (β6) 0.400, debt policy regression coefficient with company size as moderation (β7) -0.923. The linear regression model equation with moderating variables is as follows:

Y = 3.717 + 4.642 KM + 0.348 IOS + 0.500 KH + 0.003 UK + 3.841 KM*UK + 0.400 IOS*UK – 0.923 KH*UK + e

The explanation of the regression equation above is as follows:

1) A constant value of 3.717 means that if managerial ownership, investment opportunity set, debt policy and company size as moderation are equal to zero, then dividend policy increases by 3.717.

2) The regression coefficient value for managerial ownership is 4.642, meaning that if managerial ownership increases by one unit with the other variables remaining constant, then dividend policy will increase by 4.642.
3) The investment opportunity set regression coefficient value is 0.348, meaning that if the investment opportunity set increases by one unit with the other variables remaining constant, then dividend policy will increase by 0.348.
4) The debt policy regression coefficient value is 0.500, meaning that if debt policy increases by one unit with the other variables remaining constant, then dividend policy will increase by 0.500.
5) The company size regression coefficient value is 0.003, meaning that if the company size increases by one unit with the other variables remaining constant, then the dividend policy will increase by 0.003.
6) The regression coefficient value of managerial ownership which is moderated by company size is 3.841, meaning that if managerial ownership which is moderated by company size increases by one unit with the other variables being constant, then dividend policy will increase by 3.841.
7) The regression coefficient value of the investment opportunity set which is moderated by company size is 0.400, meaning that if the investment opportunity set which is moderated by company size increases by one unit with other variables remaining constant, then the dividend policy will increase by 0.400.
8) The regression coefficient value of debt policy which is moderated by company size is -0.923, meaning that if debt policy which is moderated by company size increases by one unit with the other variables remaining constant, then dividend policy will decrease by 0.923.

Coefficient of Determination Test (R2)

The coefficient of determination (R2) test was carried out to determine the ability of the independent variables, moderating variables and control variables in the regression model to explain variations in the values of the dependent variable. The R2 value that is getting closer to 1 indicates that the ability of the independent variable and the moderating variable in explaining the dependent variable is getting better. In this research, the coefficient of determination value can be seen in Table 7. Based on Table 7, it is known that the Adjusted R-squared (R2) value is 0.723 or 72.3 percent. This means that 72.3 percent of the variation in dividend policy is influenced by independent variables, namely managerial ownership, investment opportunity set, debt policy. Meanwhile, the remaining 27.67 percent was influenced by other variables which were not the focus of this research.

Model Feasibility Test (F Test)

The F test is carried out to determine whether the estimated regression model is suitable or not suitable for use. If the significance value (probability value or p-value) F is less than or equal to 0.05, then the estimated regression model is suitable for use. If the significance value (probability value or p-value) F is greater than 0.05 then the regression

model is not suitable for use. In this research, the results of the F test can be seen in Table 7. The F test shows a significance value of 0.002, which is smaller than 0.05. This means that the regression model is suitable for use in this research. These results mean that managerial ownership, investment opportunity set, debt policy with company size as moderators simultaneously influence dividend policy, namely being able to predict or explain the phenomenon of dividend policy in non-financial companies listed on the Indonesia Stock Exchange for the 2019-2021 period.

Hypothesis Test (t Test)

The t test in this research was carried out to determine the influence of managerial ownership, investment opportunity set, debt policy and company size as partial moderators of dividend policy. The results of the hypothesis test can be seen in Table 7.

1) The first hypothesis (H1) is that managerial ownership has a significant positive effect on dividend policy. The results of calculations using Eviews 13 show that managerial ownership has a significant effect on dividend policy with a t-statistic value of 2.7627 and a p-value of 0.0065 or <0.05. Furthermore, the results of the coefficient value show a value of 4.6420, which means there is a positive influence. Thus, the first hypothesis (H1) which states that managerial ownership has a positive effect on dividend policy can be accepted.

2) The second hypothesis (H2) investment opportunity set (IOS) has a significant positive effect on dividend policy. The results of calculations using Eviews 13 show that the investment opportunity set has a significant effect on dividend policy with a t-statistic value of 2.6291 and a p-value of 0.0096 or <0.05. Furthermore, the results of the coefficient value show a value of 0.3484, which means there is a positive influence. Thus, the second hypothesis (H2) which states that investment opportunity set has a positive effect can be accepted.
3) The third hypothesis (H3) is that debt policy has a significant positive effect on dividend policy. The results of calculations using Eviews 13 show that debt policy has a significant effect on dividend policy with a t-statistic value of 2.8486 and a p-value of 0.0051 or <0.05. Furthermore, the results of the coefficient value show a value of 0.5003, which means there is a positive influence. Thus, the third hypothesis (H3) which states that debt policy has a negative effect is rejected.
4) The fourth hypothesis (H4) is that company size strengthens the positive relationship between managerial ownership and dividend policy. The results of calculations using Eviews 13 show that company size is able to moderate managerial ownership of dividend policy with a t-statistic value of 3.9264 and a p-value of 0.0002 or <0.05. Furthermore, the results of the coefficient value show a value of 3.8414, which means

there is a positive influence. Thus, the fourth hypothesis (H4) which states that company size is able to strengthen the influence of the positive relationship between managerial ownership and dividend policy can be accepted.

5) The fifth hypothesis (H5) is that company size strengthens the influence of the positive relationship between investment opportunity set and dividend policy. The results of calculations using Eviews 13 show that company size is able to moderate the investment opportunity set on dividend policy with a t-statistic value of 1.9840 and a p-value of 0.0494 or <0.05. Furthermore, the results of the coefficient value show a value of 0.4006, which means there is a positive influence. Thus, the fifth hypothesis (H5) which states that company size is able to strengthen the positive relationship between investment opportunity set and dividend policy can be accepted.
6) Sixth Hypothesis (H6) company size weakens the negative influence of debt policy on dividend policy. The results of calculations using Eviews 13 show that company size is able to moderate debt policy on dividend policy with a t-statistic value of -2.7529 and a p-value of 0.0067 or <0.05. Furthermore, the results of the coefficient value show a value of -0.9237, which means there is a negative influence. Thus, the sixth hypothesis (H6) which states that company size can weaken the negative influence of debt policy on dividend policy can be accepted.

Discussion of Research Results

Analysis of the Influence of Managerial Ownership on Dividend Policy

Based on the research results in Table 7, the greater the company's managerial ownership, the greater the dividend policy will increase. This shows that managerial ownership has a significant positive effect on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. So the hypothesis which states that managerial ownership has a positive effect on dividend policy can be accepted.

The results of this research are in line with agency theory. Agency theory considers the relationship between shareholders (principals) and managers (agents) in a company and how their interests may conflict. Agency theory in the context of dividend policy states that managers have an incentive to pursue a dividend policy that benefits themselves, regardless of whether it is an optimal decision for shareholders. The existence of managerial ownership can benefit shareholders because managers act as management as well as shareholders. Dividend policies taken by managers can be in line with the interests of shareholders, in addition, managerial ownership can reduce agency costs or costs incurred by company owners to regulate and supervise the actions of managers so that they act based on the interests of the company.

This research supports the results of research conducted by Prihatini et al., (2018), Hasan & Septiningrum (2023), Pramaswari (2018) which stated that managerial ownership has a positive effect on dividend policy. High managerial ownership will cause the assets owned to not be diversified optimally so that managers want a return on opportunity costs, namely by distributing larger dividends. This research also supports research by Erawati & Astuti (2021) which states that managers who own company shares may have an incentive to distribute dividends to shareholders to increase the value of their own shares. This means that managers with significant shareholdings tend to support a higher dividend policy.

Analysis of the Influence of Investment Opportunity Set on Dividend Policy

Based on the research results in Table 7, the greater the company's investment opportunity set, the greater the dividend policy will increase. This shows that the investment opportunity set has a significant positive effect on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. So the hypothesis which states that the investment opportunity set has a positive effect on dividend policy can be accepted.

The results of this research are in line with agency theory. One of the basic principles in agency theory is that there is a conflict of interest between shareholders and managers, where managers can act to maximize their personal interests rather than the interests of shareholders. When a company has a large IOS, it means there are many profitable investment projects available. Managers may be more likely to choose to invest company profits back into the business rather than pay dividends to shareholders. This can reduce potential conflicts of interest between managers and shareholders because managers try to maximize company value by choosing the most profitable investments.

This research is also in line with signaling theory where dividend policy can also function as a signal of quality for the company. If a company chooses to pay dividends despite having a large IOS, it can be taken as an indication that the company has a good enough investment project that it does not need to allocate all profits into new investments. This can increase shareholder trust in company management.

This research supports the research resultsPrihatini et al., (2018), Genusi & Maharani (2021), Andaswari et al., (2017), Noviyana & Rahayu (2021) which states that the investment opportunity setconsidered as an investment option owned by the company. Companies that have investment opportunities tend to use their funding sources to pay dividends. The IOS value obtained by the company increases, so the company's dividend payments will also increase.

Analysis of the Influence of Debt Policy on Dividend Policy

Based on the research results in Table 7, the greater the company's debt policy, the greater the dividend policy will increase. This shows that debt policy has a significant positive effect on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. These results are not in accordance with the research hypothesis which states that debt policy has a negative effect on dividend policy.

The results of this research are supported by agency theory. Debt policy can provide discipline to shareholders to pay dividends consistently. When a company has debt, shareholders must periodically pay interest to creditors. In order to ensure continuity of interest payments, shareholders tend to prefer to pay dividends consistently, because delaying or reducing dividend payments can create distrust from creditors and reduce share prices (Prasetyo et al, 2021).

This research supports the research of Munawaroh (2016), Permana (2017), Praduana et al., (2024) which states that debt policy has a positive effect on dividend policy, if the company pays dividends it will cause retained earnings to decrease so that the company needs funds from debt, because internal funds are insufficient to finance the company's growth. This is due to retaining investors to invest and providing a good signal for the market.

Analysis of Company Size moderates the influence of Managerial Ownership on Dividend Policy

Based on the research results in Table 7, this shows that company size strengthens the positive influence of managerial ownership on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. So the hypothesis which states that company size is able to strengthen the influence of the positive relationship between managerial ownership and dividend policy is accepted.

This research is in line with agency theory: company size can influence the dynamics of the relationship between managers and shareholders. Managers of larger companies may have more complex agency structures because of the larger scale of their activities. Managers of larger firms, however, may have more opportunities to act in accordance with self-interest. Managerial ownership makes managers have a direct interest in company performance and encourages them to act in the interests of shareholders. Managers who own shares may make decisions that benefit shareholders, including dividend policies that produce returns to shareholders.

This research is in line with research conducted by Arido et al., (2016), Tinangon et al., (2022), Agustino & Dewi (2019) which states that managerial ownership is a portion of the entity's shares owned by commissioners or directors as company management. has two

important roles, being a shareholder and company manager, actively taking part in company actions. So, with a large company size, the managers who manage the company can choose internal and external capital funding, such as through the capital market or investors, as well as funding through debt which is used to operate the company's activities, so that dividend payments will be larger when the size of a company is large.

Analysis of Company Size moderates the influence of Investment Opportunity Set on Dividend Policy

Based on the research results in Table 7, this shows that company size strengthens the positive influence of investment opportunity set on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. So the hypothesis which states that company size is able to strengthen the influence of the positive relationship between investment opportunity set and dividend policy is accepted.

This research is in line with agency theory: larger companies tend to have access to more and more diverse investment projects, due to greater resources and capabilities. Company size can strengthen the positive influence of IOS on dividend policy. Large companies that have many investment projects may have more options for using the profits generated, such as reinvesting in new projects, paying dividends to shareholders, or keeping profits in cash. A larger company size can give managers more freedom in managing dividend policies because more investment options are available.

The results of this research support the research conductedPrihatini et al., (2018) good returns, so that in the end it will be able to influence management's decision to adopt a dividend policy that benefits shareholders.

Analysis of Company Size moderates the influence of Debt Policy on Dividend Policy

Based on the research results in Table 7, this shows that company size can weaken the negative influence of debt policy on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. So the hypothesis which states that company size is able to weaken the influence of the negative relationship between debt policy and dividend policy is accepted.

This research is in line with agency theory. The decision to use debt as a source of funding can be a point of controversy in the relationship between managers and shareholders. Managers may have an incentive to utilize debt to expand the scale of the company's operations or to implement projects that generate personal profits for them. Shareholders are concerned about the risks associated with debt, such as interest payments and lack of liquidity. Larger companies often have better access to financial markets and

may find it easier to obtain loans. This means that larger companies have more flexibility in debt policy management.

The results of this research support research conducted by Ihsan et al., (2021), Rozi & Alwarni, (2020) which states that company size does not significantly weaken the influence of debt policy on dividend policy. The research results of Trisna & Gayatri (2019) show that the influence of debt policy on dividend policy can be moderated by company size.Large-scale companies find it easier to enter the capital market, so companies tend to pay large dividends to maintain the company's reputation among investors.

CONCLUSION

Based on the data obtained from this research, the following are several conclusions:

1) Managerial ownership has a positive and significant effect on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. This shows that the higher the managerial ownership of the company, the higher the dividend policy will be for non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021.
2) *Investment Opportunity Set* (IOS) has a positive and significant effect on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. This shows that the higher the company's investment opportunity set (IOS), the higher the dividend policy will be for non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021.
3) Debt policy has a positive and significant effect on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021. This shows that the higher the company's debt policy, the higher the dividend policy for non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021.
4) Company size strengthens the influence of managerial ownership on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021.
5) Company size strengthens the influence of the investment opportunity set (IOS) on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021.
6) Company size weakens the influence of debt policy on dividend policy in non-financial companies listed on the Indonesia Stock Exchange (BEI) in 2019-2021.

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