

CHAPTER V

CONCLUSION

5.1 Conclusion

This study aims to analyze and provide empirical evidence of the effect of determinant factors (managerial ownership, institutional ownership, liquidity, leverage, profitability, firm size) on dividend policy. This study uses a sample of property sector companies in Indonesia. Based on the results of the tests that have been carried out, the following research findings are obtained:

1. The relationship between managerial ownership and dividend policy is not significant. This may be due to the fact that some samples have low managerial ownership so that the decision to distribute dividends is mostly determined by shareholders from outside the company.
2. The relationship between institutional ownership and dividend policy is not significant. This may be due, by each company or industry has unique characteristics. Institutional ownership may have different effects in the specific context of a particular company or industry.
3. The relationship between liquidity and dividend policy is not significant. This may be caused by, after conducting statistical analysis, the research results show that there is no significant relationship between liquidity and dividend policy. This means that the variable liquidity does not have a significant impact on the company's decision to pay dividends. It is possible that there are other factors that are more dominant in influencing the company's dividend policy.
4. The relationship between leverage and dividend policy is not significant. This may be caused by, an increase in debt will affect the size of the net profit available to shareholders, including dividends received because the obligation to pay debts takes precedence over dividend distribution, so the company does not have more funds to distribute dividends.
5. The relationship between profitability and dividend policy is not significant. This may be due to; the specific context of the company or industry can also affect the relationship between profitability and dividend policy. Industry characteristics, market conditions, or other factors unique to the business environment can lead to rejection of the profitability hypothesis in certain research contexts.
6. The relationship between firm size and dividend policy is not significant. the specific context of a company or industry can also influence the relationship between firm size and dividend

policy. Industry characteristics, market conditions, or other factors unique to the business environment can lead to rejection of the firm size hypothesis in certain research contexts.

5.2 Research Limitations

Research limitations that can be given to future researchers are:

1. This test was conducted in the property company sector in Indonesia (2017-2021). Future researchers is expected to use a different time span because researchers took data from 2017-2021 where the covid-19 pandemic occurred which could affect data research data.

2. This research also has limitations in that the results of this research cannot be generalized. Therefore, future research on a similar topic can use different samples.

3. Future researchers should further modify the measurement ratios of the research variables used, or they can also modify the research objects. So the research carried out will be more varied.

5.3 Suggestion

1. In testing the coefficient of determination, only 3.139% of the independent variable's ability to explain the dependent variable. It means that there are still around 96.861% outside this research. It is recommended that further research add new variables.

