

CHAPTER V

CONCLUSION

1.1 Research Conclusion

As we get to the conclusion, at the beginning of this research author has a purpose to analyze and examine whether there is any significant relationship exist between dividend and investment, and whether investment, cash flow and firm value significantly influence dividend payout of the firms that listed in the stagnant stage of its life-cycle. The samples are taken from manufacturing company listed in IDX (Indonesia Stock Exchange), specialized in consumer goods sub-sector firms from the year of 2014 until 2017.

Based on the analysis of data and the discussion that has been done, we can conclude the following results as follows:

1. There is no relationship found between dividend payout and investment on companies at stagnant stage.
2. As there is no correlation between investment and dividend payout found, investment has no effect on dividend payout.
3. Cash flow positively caused significant influence towards dividend payout on companies at stagnant stage.
4. Firm value showed the same result as cash flow who also caused significant effect on dividend payout of the firms at stagnant stage, but in negative way towards each other.

1.2 Research Limitation

There are some limitations on this research that can be considered to obtain a better or a different result for further research. This research has limitations in its scope. The period of time of this research is only four years (2014-2017), the observed firms of this research is only limited to consumer goods sub-sector of manufacturing company that is in the last stage of their life-cycle.

A broader scope of further research may give a better, different, or deeper explanation of the results towards the relationship between dividend payout and investment and other variables that may affect the dividend payout of the firms listed as in stagnant stage.

1.3 Research Suggestions & Implications

1. For Business Practitioners

The business practitioners could gain knowledge from this research on what factors that will most likely to cause an effect on dividend payout of the firm and take a quick look on a firm's performance. Yet, investors must also consider more information from another factors such as internal factors such as current condition of the firms, firm's current policies, etc. and the external factors such as economic condition, the government policy, etc.

2. For Academic

This research provides benefits to the development of science in the field of Corporate Governance. This research is expected to be a material for

readers from academic to broaden the insight and development of research related to dividend and investment on a company, encompasses the sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

3. For Future Researchers

As for limitations that this study has which stated above, the author hoping for future researchers to extend the period of time of the research, and to analyze and examine more variables related to dividend payout, and not to analyze firms on the stagnant stage only, but all stages of firm life – cycle.

