

The influence of profitability, business risk, corporate governance on dividend policy with growth opportunity as a moderation variable (lq45 companies listed on the bej)

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ABSTRACT

LQ45 is a stock index company listed on the Indonesian Stock Exchange with high liquidity which is selected based on certain criteria or choices. Companies that are included in the criteria include having financial condition, transaction value and a high growth rate. These criteria can be seen through the company's dividend policy. Factors that influence dividend policy are profitability, business risk, corporate governance, apart from that, the existence of growth opportunities can provide opportunities for companies to grow and develop in the future. This research will examine how much influence profitability, business risk, corporate governance have on dividend policy, with growth opportunity as a moderating variable. The financial data for this study came from a number of financial reports that are filed on the Indonesia Stock Exchange (BEI). The LQ45 firm index category, which is listed on the BEI for the 2018–2022 period, serves as the population of interest for this study, and the sample size is limited to 20 companies. Descriptive statistical analysis, multiple linear regression analysis, coefficient of determination analysis, simultaneous test (F), partial test (T), and the classical assumption test are the data analysis methods employed in this study. Based on moderator regression analysis (MRA), a method of data processing. It is proven that profitability influences dividend policy with positive and significant results, while business risk and corporate governance do not have a significant influence on dividend policy. Profitability, business risk, corporate governance, after being moderated by growth opportunity, do not have a significant effect on dividend policy.

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1. Introduction

Business is an activity carried out by society that can support economic activity. Generally, the form of a business is a company. Not a few also say that the company is the heart of business. Even though it recorded negative growth when hit by the COVID-19 pandemic in 2020, the national business economy continues to show resilience and is recovering more quickly. Meanwhile, the world economy in the future is starting to show signs of improvement.

The most important element of a company is none other than funding or capital. In accordance with the statement that the business world is very dependent on funding issues (Ukhriyawati & Dewi, 2019). Because, without funding or capital, a company's activities cannot run well. Therefore, investors are the most important and influential element in the company. An investor must have careful consideration before investing. As explained by (Suardana et al., 2020), that investors must consider many things before making their investment decisions. As we know, basically the goal of investors is to gain profits and maximize

returns without forgetting the risk factors faced. According to opinion (Parendra et al., 2020), that a correct assessment of the risk of a company's shares is very important in providing information and reference for investors in deciding to invest. One of investors' decisions in investing is to consider the value of dividends in a company.

In connection with the company's operational activities, namely dividend policy, where dividend policy has become an issue that has been debated quite often since the emergence of the theory of irrelevant dividend policy. This theory states that in a perfect capital market, company value and shareholder wealth are not related to dividend payments. However, the value of a company is determined by the ability to generate profits and the underlying risks of an asset, as well as a company's freedom in determining investments or distributing dividends (Fenisa, 2022). The Dividend Payout Ratio is used to determine dividend policy. The Dividend Payout Ratio is what determines the value of profits that can be retained by the company as a source of funding (Meidawati et al., 2020).

One of the main attractions for investors to invest is the company's high level of profitability. Profits that are worth sharing with shareholders are profits after the company fulfills all its fixed obligations. The company's profit from paying dividends increases with the amount of profit earned. So, the level of return on investment in the form of dividends for investors can be predicted, one of which is through the company's profitability ratio (Fenisa, 2022). In general, profitability is the basis for making investment decisions. When profitability continues to increase, it can show that there is good management and good future prospects (Malini & Widayatmoko, 2021).

The second factor that influences dividend policy is business risk. According to (Mnune & Purbawangsa, 2019), business risk is a situation that shows insecurity from a financial perspective which will have an impact on reducing the quality of company performance. Business risk has a big influence on a company's reputation. To see the business risk of a company, you can look at the share price and the public's tendency to choose the products or services offered by the company (Alamsyah & Malanua, 2021). The results of research conducted by (Roshidayah et al., 2021), states that there is a positive and significant influence between business risk and dividend policy. However, this is different from research conducted by (Sparta & Arbaiya, 2021), explained that business risk in this research had a negative and significant effect on dividend policy.

Another factor outside profitability and business risk that can influence dividend policy is corporate governance. *Good Corporate Governance* (GCG) is a system that has the power to provide protection and guarantee rights to stakeholders, including shareholders, creditors, employees, government, customer executives and other stakeholders (Damanik, 2021). Good Corporate Governance (GCG) has a significant impact on the competitiveness of a company, companies that implement a sustainable corporate governance system can have an impact on company value (Malini et al., 2021), (Lestari & Hartawan, 2021), stated that corporate governance is one of the factors influencing dividend policy. This statement is in accordance with the research results (Ramandini & Yuyetta, 2019), Corporate governance significantly and favorably affects dividend policy factors, according to the study's findings.

Based on the controversy over the influence of several profitability variables, business risk and corporate governance on dividend policy, it is suspected that there are moderating variables that strengthen and influence dividend policy the weak relationship between these variables. As well as referring to research (Ramadhan & Yuniningsih, 2022), that corporate governance on dividend policy, it is suspected that there are moderating variables that strengthen and weaken the relationship between these variables. The variables described above can be seen and obtained through the results of the annual stock financial reports for each company. The process of buying and selling shares certainly cannot be done carelessly and needs to go through a special market. According to (Permata & Ghoni, 2019), issuing bonds and selling shares to the public through the capital market can be an alternative source of funding for both government and private companies.

LQ45 is a type of stock index on the BEI. There are only 45 companies included in this index category with high liquidity, which are selected based on certain criteria or choices (Estiasih et al., 2020). According to (Lestari & Hartawan, 2021), companies included in the LQ45 stock index must have criteria including financial condition, transaction value and high growth rates. Temporary, explained that LQ45 is an index that measures the price performance of 45 shares with high liquidity quality and large market capacity, and has full support from good company fundamentals. Therefore, not all issuers can be included in the LQ45 index category, so the shares of companies listed in this index are superior for investors. The author

made companies in the LQ45 index category listed on the BEI as research subjects because this index category has remained a group of leading companies consecutively in the last 5 years (2018-2022 period), due to the high interest of investors in investing their capital in this LQ45 index group, so that it is able to form a multiplier effect which has an impact on economic escalation.

This research will examine how much influence profitability, business risk, corporate governance has on dividend policy with growth opportunity as a moderating variable. This research also contributes to developing investment theory in order to increase company growth and development. The purpose of the hypothesis that will be tested in this research is that profitability influences dividend policy, business risk influences dividend policy, corporate governance influences dividend policy, growth opportunity influences dividend policy, growth opportunity moderates the influence of profitability on dividend policy, growth opportunity moderates the influence of business risk on dividend policy, growth opportunity moderates the influence of corporate governance on dividend policy.

According to research (Lestari & Dewi, 2022) which obtained the results that the increase or decrease in dividend policy of companies in the consumer and goods sector was influenced by growth opportunity, profitability was proven to have an influence on dividend policy, business risk was proven to have no effect on dividend policy. Research result (Zulkifli & Latifah, 2021) demonstrates the results that the corporate governance variable, which is proxied by counting the number of commissioners on the company's board of directors, has a positive impact on the dividend policy variable. Additionally, the results of the corporate governance variable, which is proxied by counting the number of institutional ownership, have a positive impact on dividend policy. according to (Fenisa, 2022) which tested the effect of growth opportunity on the relationship between profitability and dividend policy, showed that the moderating variable growth opportunity strengthened the relationship between profitability and dividend policy.

According to (Widiyant, 2019) this ratio is used to assess how profitable a business may be while utilizing its resources. The higher the profitability value, the lower the debt policy value. According to research (Azizah et al., 2020); (Madyoningrum, 2019) and (Puspitaningtyas et al., 2019), shows that profitability influences dividend policy. In research conducted by (Hariyanti & Pangestuti, 2021) and (Nur, 2018) also shows that the results of the profitability variable have a significant positive influence on the dividend policy variable. However, this is different from the research results (Khaddafi & Syahputra, 2019) It demonstrates how the dividend policy variable is significantly impacted negatively by the profitability variable's results.. The results of research conducted by (Lestari & Dewi, 2022) Profitability is proven to have an influence on dividend policy in consumer and goods sector companies. The results obtained are in line with signal theory which explains that dividend payments are made by companies to give a positive signal to the market that the company is successful in making a profit.

Research conducted by (Sparta & Arbaiya, 2021) demonstrates the substantial and negative impact that the business risk variable has on dividend policy. An indication of negative results shows that when the company's business risk level increases, it will cause a decrease in the determined dividend policy. According to research results (Lestari & Dewi, 2022) Business risk is proven to have no effect on dividend policy in consumer and goods sector companies, where an increase in business risk does not guarantee that the level of dividend policy will decrease, or conversely, a decrease in the level of business risk does not necessarily result in an increase in dividend policy.

According to (Anam & Hendra, 2020) It looks at how corporate governance affects dividend policy in non-financial businesses listed on the BEI by looking at institutional ownership, the number of independent commissioners, and the number of directors on the board. The study's findings indicate that while members of the board of directors have a major impact on dividend policy, institutional ownership and independent commissioners have little effect on it. Research result (Zulkifli & Latifah, 2021) shows that good corporate governance, which is represented by the number of board of commissioners, nor the outcomes of corporate governance, which are represented by institutional ownership, have any bearing on dividend policy. According to research results (Kurnianti, 2018) says that dividend policy is significantly positively impacted by institutional ownership. It can be inferred that a company's dividend to shareholder ratio increases with the amount of institutional ownership. says that dividend policy is significantly positively impacted by institutional ownership. It can be inferred that a company's dividend to shareholder ratio increases with the amount of institutional ownership. Meanwhile, independent commissioners, the board of directors and the audit committee showed insignificant results on dividend policy. This research is reviewed using additional variables, where growth opportunity is a moderating variable with the aim of finding out

how much company growth is by looking at the quality of the company in a large market capacity so that the company's shares can become superior for investors.

The description given above can be used to construct the study framework that follows: There is evidence that the value of a company is only determined by its basic profitability and business risks, the higher the profits obtained by the company, the greater the influence on the dividends distributed. In accordance with the research results of (Estiasih et al., 2020), It is claimed that dividend policy is very positively impacted.

H1: Profitability influences dividend policy. Business risk is a consequence that a company obtains when carrying out operational activities, namely the possibility of the company's inability to finance its operational activities (Sparta & Arbaiya, 2021). Research conducted by (Sparta & Arbaiya, 2021) The results show that the business risk variable has a negative and significant influence on dividend policy.

H2: Business risk influences dividend policy. Good Corporate Governance (GCG) is a structure or system that has the power to provide protection and guarantee rights to stakeholders, including shareholders, creditors, employees, government, customer executives and other stakeholders (Damanik, 2021). Research result (Anam & Hendra, 2020) demonstrates that the influence of the board of directors on dividend policy is greater than that of institutional ownership and an independent board of commissioners.

H3: Good corporate governance influences dividend policy. Growth opportunity is the desire of all parties, both internal and external, which can later provide a positive signal because of the opportunity to invest (Widiantari & Candradewi, 2021). According to research (Fenisa, 2022) which tested the effect of growth opportunity on the relationship between profitability and dividend policy, showed that the moderating variable growth opportunity strengthened the relationship between profitability and dividend policy.

H4: Growth opportunity moderates the influence of profitability on dividend policy. Growth opportunity is a company that has the possibility/hope for growth or advancing the company (Salsabilla & Rahmawati, 2021).

H5: Growth opportunity moderates the influence of business risk on dividend policy. Basically, growth opportunity is a reflection of the company's productivity and is a hope desired by internal company parties (management) and external parties (investors and creditors) (Setiyani & Hariasih, 2020).

H6: Growth opportunity moderates the influence of corporate governance on dividend policy.

2. Research Method

The method used in collecting data for this research is a purposive sampling technique based on financial reports published by the Indonesia Stock Exchange (BEI). The population in data collection used in this research is companies registered on the BEI for the 2018-2022 period and included in the LQ45 company index category. There were 71 firms in the study's entire population, and the sample that satisfied the requirements for 20 companies during the 2018–2022 period totalled 100 samples over the course of five years.

Coefficient of determination analysis, multiple linear regression analysis, descriptive statistical analysis, simultaneous test (F), partial test (T), and the classical assumption test are the data analysis methods employed in this study. The software program used in this research, namely IBM Statistics 26, was used to assist the data analysis process used in this research.

3. Results And Discussions

Descriptive Analysis

Based on data that has been processed using IBM statistics 26, statistical data is obtained. So descriptive analysis was carried out to provide an overview of the statistical data from the samples that had been collected. Descriptive analysis was carried out by looking at the average, median, minimum, maximum and standard deviation values of each research variable indicator. The following is a description of the research variables through descriptive statistics according to the data that has been processed:

Table 1. Descriptive analysis

	N	Range	Minimum	Maximum	Sum	Mean	Std. Deviation
Profitability	100	5230	-600	4630	85887	858.87	880,285
Business Risk	100	228303	-763	227540	336025	3360.25	22674.362
Corporate Governance	100	11	3	14	473	4.73	2,265
Dividend Policy	100	52651	-2861	49790	596739	5967.39	7637.191
Growth Opportunities	100	18583	-4847	13736	99963	999.63	2324,516
Valid N (listwise)	100						

The profitability variable is measured using Return on Assets (ROA). Based on the 100 samples studied, the total was 85887 with the lowest value being -600 and the highest value being 4630 and having an average value of 858.87 and a difference value of 5230 with a standard deviation of 880.285. For the business risk variable measured using Brisk, the total value is 336025 with the lowest value being -763 and the highest value being 227540 and having an average value of 3360.25 and having a difference in value of 228303 with a standard deviation of 22674.362. Meanwhile, the corporate governance variable, which is measured using the number of audit committee members, has a total value of 473 with the lowest value being 3 and the highest value being 14 and has an average value of 4.73 and has a difference in value of 11 with a standard deviation of 2,265. The dividend policy variable, which has a total value of 596739, is measured using the total dividend payout ratio (DPR). The highest value is 49790, and the lowest value is -2861. The average value of the variable is 5967.39, with a standard deviation of 7637.191 and a difference in value of 52651. With the last variable, namely growth opportunity, which is measured using the sales growth ratio, it has a total value of 99963 with the lowest value being -4847 and the highest value being 13736 and has an average value of 999.63 and has a difference in value of 18583 with a standard deviation 2324,516.

Classic assumption test

Normality test

In order to determine whether or not the observed data has a normal distribution, the normality test is performed on the study data.

Table 2. Normality test

			Unstandardized Residuals	
Monte Carlo Sig. (2-tailed)	Sig.		Lower Bound	,082
	99%	Confidence Interval	Upper Bound	,096

The value of the Monte Carlo Sig is displayed in table 2 above. It is possible to declare that the data is regularly distributed because the significance value obtained is more than 0.05. 0.096 (>0.05) is the 2-tailed result that was achieved

Multicollinearity Test

By computing the various coefficients and comparing them with the correlation coefficient between the independent variables, the multicollinearity test seeks to ascertain if there is a link or correlation between each item. By examining the Variance Inflation Factor (VIF) value in the regression model, a multicollinearity test will be conducted in this study. The multicollinearity test findings in table 3 below are as follows.

Table 3. Model 1 multicollinearity test

Model		Collinearity Statistics	
		Tolerance	VIF
1	Profitability	,922	1,084
	business risks	,986	1,014
	corporate governance	,904	1,106
	growth opportunities	,973	1,028

It is evident from Table 3 above that there are no signs of multicollinearity because the tolerance value of the correlation between the variables in the model is greater than (>0.100) and the variance-in-frequency (VIF) is less than (<10.00).

Heteroscedasticity Test

In contrast to scatterplot graph analysis, the Glejser test produces more accurate findings when employed for heteroscedasticity testing.

Table 4. Heteroscedasticity test

Model	Sig.
1 (Constant)	,000
Profitability	,358
business risks	,645
corporate governance	,148
growth opportunities	,700

The variables included in the heteroscedasticity test have the following values:

Heteroscedasticity does not appear since the profitability variable's significant value is 0.358, which is more than 0.05. Heteroscedasticity symptoms do not exist because the business risk variable's significant value of 0.645 is greater than 0.05. We also conclude that there is no heteroscedasticity because the corporate governance variable has a significant value of 0.148, which is higher than 0.05. Furthermore, the growth opportunity variable's significant value of 0.700 is larger than 0.05, indicating the absence of heteroscedasticity.

Autocorrelation Test

Table 5. Autocorrelation Test (Durbin Watson Test) – Model 1

Model	Durbin-Watson
1	1,763

Table 6. Autocorrelation test (durbin watson test) – model 2

Model	Durbin-Watson
1	1,710

Based on tables 5 and 6, the DW values are 1,763 and 1,710, which means that the DW values lie between DL and DU values. Which indicates that there is no autocorrelation in this study.

Interpretation of Regression Models, Determination Coefficient Tests, Tests of Hypothesis (T Tests), Simultaneous Tests (F), Simultaneous Test (F) Profitability, Business Risk and Corporate Governance on Dividend Policy with Growth Opportunity as a Moderating Variable

Based on the regression results in model 1 and model 2 equations, it can be seen in tables 7 and 8 below:

Table 7. Multiple linear regression test model 1 (without moderating variable)

Model		Unstandardized Coefficients		t	Sig.
		B	Std. Error		
1	(Constant)	5849.503	17618.618	,332	,741
	Profitability	5,346	,735	7,279	,000
	Business Risk	,008	,027	,305	,761
	Corporate Governance	1611,990	2855.912	,564	,574

Based on Table 7, the moderation regression equation for model 1 is as follows:

$$Y = 5849.503 + 5.346 X_1 + 0.008 X_2 + 111.990 X_3 + \varepsilon$$

Where:

- Y = Dividend Policy
- X₁ = Profitability
- X₂ = Business Risk
- X₃ = Corporate Governance
- Z = Growth Opportunities
- β₁₂₃ = Coefficient of variable X₁₂₃
- ε = Standard Error

The interpretation of the regression model and hypotheses testing above is as follows: With a significant value of 0.000 (less than 0.05) and a coefficient value of 5,346, the available data suggests that the profitability variable considerably and favorably influences the dividend policy variable. Furthermore, the business risk variable's significant value is 0.761, which is greater than 0.05, and its coefficient value is 0.008, indicating that there is no discernible positive relationship between the business risk variable and the dividend policy variable. Furthermore, the corporate governance variable's significant value is 0.574, greater than 0.05, and its coefficient value is 1611,990. These data suggest that the corporate governance variable has no discernible, beneficial impact on dividend policy. The reason for variables that show no influence is that the data distribution pattern between each variable is unequal, and in 2020–2021 the Covid-19 epidemic struck, resulting in a revenue loss for every company.

Table 8. Multiple linear regression test model 2 (with moderating variables)

Model		Unstandardized Coefficients		t	Sig.
		B	Std. Error		
1	(Constant)	4695.922	20071.035	,234	,816
	profitability*growth opportunity	,729	,514	1,419	,159
	Business risk*growth opportunity	-4.780E-5	,000	-1,473	,144
	corporate governance*growth opportunity	,046	,090	,510	,612

Based on Table 8, the model 2 moderation regression equation is as follows:

$$Y = 4695.922 + 0,729 X_1Z + (-4.780E-5) X_2Z + 0.046 X_3Z + \varepsilon$$

Growth potential and profitability have an interaction variable that has a significant value of 0.159, which is higher than 0.05. This data suggests that the influence of the profitability variable on the dividend policy variable cannot be mitigated by the growth opportunity variable. The aforementioned findings indicate that businesses need to prioritize corporate governance in order to take advantage of the chance it presents for them to advance and prosper. We can conclude that the growth opportunity variable is unable to moderate the influence of the business risk variable on the dividend policy variable because the interaction variable between business risk and growth opportunity has a significant value of 0.144, which is greater than 0.05. The aforementioned findings indicate that businesses need to prioritize corporate governance in order to take advantage of the chance it presents for them to advance and prosper. The interaction variable between corporate governance and growth opportunity has a significant value of 0.612, which is higher than 0.05. From this data, it can be inferred that the variable of corporate governance has a stronger impact on the variable of dividend policy than the growth potential variable. The aforementioned findings indicate that in order for businesses to benefit from corporate governance and have the chance to expand and advance, they need to concentrate on it. Variables with no effect are those where the data distribution pattern is unequal between each variable, and in 2020–2021, the Covid-19 epidemic struck, resulting in lower revenue for all companies. This prevented the companies' growth from proceeding as planned.

Determination Coefficient Test

coefficient of determination test results are shown in the table below.

Table 9. Determination coefficient test (model 1)

Model	R	R Square	Adjusted R Square
1	,797a	,635	,631

The firm governance, business risk, and profitability factors have a 63.1% effect on the dividend policy variable, according to the Adjusted R Square value of 0.631.

Table 10. Determination coefficient test (model 2)

Model	R	R Square	Adjusted R Square
1	,779a	,606	,602

It is known that the adjusted R Square value is 0.602, which means that the influence of the growth opportunity variable moderating profitability, business risk and corporate governance on the dividend policy variable is 60.2%.

Simultaneous Test (F)

To determine whether independent factors have an impact on the dependent variable concurrently or jointly, the F test is used. The F test or ANOVA is carried out by comparing the significance level determined for the research with the probability value of the research results. The F test can be seen in the following table:

Table 11. Simultaneous test (F)

Model		F	Sig.
1	Regression	15,428	,000b
	Residual		
	Total		

According to the findings of the simultaneous testing in Table 11, a significant value of 0.000 was obtained. H_0 is rejected and H_1 is accepted since the calculated significant value is less than 0.05. This indicates that the factors profitability, business risk, and corporate governance all have a significant simultaneous influence on dividend policy, with growth potential acting as a moderating factor.

Hypothesis Test (T)

In testing the moderation equation hypothesis, profitability, business risk, corporate governance, profitability moderated by growth opportunity, business risk moderated by growth opportunity, corporate governance moderated by growth opportunity are included in the independent variables, while dividend policy is the dependent variable. Table 8 displays the results of the partial test processing. The following criteria are applied in the T test: a) H_0 is accepted and H_a is rejected if the probability number (p-value) is greater than 0.05, proving the absence of any relationship between the independent and dependent variables, b) H_a is accepted and H_0 is denied if the probability number (p-value) is less than 0.05, indicating that the independent and dependent variables are related.

The partial test of the moderation equation for this study yielded the following results: According to the signaling theory idea, profitability has a beneficial influence on dividend policy. According to Table 8's partial t test analysis results, there is a 0.001 (probability < 0.05) significant level and a t coefficient value of 4,036 for the impact of profitability on dividend policy. This indicates that profitability as determined by the return on assets (ROA) ratio (H_1 received) has a favorable and significant impact on dividend policy. According to the partial t test analysis results in Table 8, the business risk variable does not positively affect dividend policy, contrary to the signaling theory hypothesis. The t coefficient value of the influence of business risk on dividend policy is 1,418 with a significance of 0.140 (probability > 0.05). This suggests that company risk, as determined by Brisk, has no appreciable and beneficial influence on dividend policy (H_2 is rejected). According to the signaling theory concept, corporate governance has no beneficial effect on dividend policy. The findings of Table 8's partial t test analysis show that the relationship between corporate governance and dividend policy has a significance of 0.742 (probability > 0.05) and a t coefficient value of 998,188. This suggests that the number of audit committee members, as a proxy for corporate governance, has no discernible beneficial effect on dividend policy (H_0 is rejected). Growth potential does not mitigate the impact of the profitability variable on the variable pertaining to dividend policy. Based on the partial t test analysis results, Table 8 shows that the dividend policy's profitability coefficient is 4,036 at a significance level of 0.001 (probability < 0.05). After moderating for growth potential, the coefficient value of profitability*growth opportunity on dividend policy is 0.729, indicating that the association between profitability and dividend policy is not increased. A significance of 0.159 (probability > 0.05) lends support to this conclusion, and H_0 is rejected. Growth Opportunity was unable to lessen the impact of the company risk variable on the dividend policy variable. Company risk has a 1,418 coefficient value on dividend policy, according to Table 8's partial t test analysis results, with a significant level of 0.140 (probability > 0.05). The coefficient value of business risk*growth opportunity on dividend policy, which is $-4,780E-5$ after moderating and has a significance of 0.144 (probability > 0.05) (H_5 is rejected), shows that the relationship between business risk and dividend policy is not strengthened by the growth opportunity moderating variable. Growth Opportunity is unable to lessen the influence of corporate governance elements on dividend policy-related variables. Corporate governance has a 998,188 coefficient value on dividend policy, according to Table 8's partial t test analysis results, with a significance of 0.742 (probability > 0.05).

4. Conclusion

Looking at the results of several analyzes and discussions carried out, the 20 LQ45 companies in the sample have gone through sample selection using purposive sampling techniques. The variables of this research are profitability, business risk, corporate governance, dividend policy and growth opportunity. The study's conclusions and results demonstrate that corporate governance has no appreciable effect on dividend policy, the profitability variable has a positive and considerable influence on dividend policy, and the business risk variable has no appreciable impact on dividend policy. Whereas for the significant value of the interaction variable between profitability and growth opportunity concludes that the growth opportunity variable is not able to moderate the influence of the profitability variable on the dividend policy variable. For the significant value of the interaction variable between business risk and growth opportunity it is concluded that the growth opportunity variable is unable to moderate the influence of the business risk variable on the variable dividend policy, and the significant value of the interaction variable between corporate governance and growth opportunity, it is concluded that the growth opportunity variable is unable to moderate the influence of the corporate governance variable on the dividend policy variable. This research has explained the influence of profitability, business risk, corporate governance, on dividend policy with growth opportunity as a moderating variable. This research has provided the same results as previous researchers, but there are also different results from previous research. So that the different results in this research can be used as material for review from previous research and future research. Thus, the results of this research can provide a reference for investors and potential investors to consider when choosing a company. Prospective investors can determine whether or not to invest in a company by looking at the financial reports in terms of the company's growth rate in terms of profits to be obtained. Based on the conclusions above, the author provides suggestions for further research, hopefully adding the number of other variables not examined in this research. As well as increasing the number of samples, where not only LQ45 but all stock indices listed on the Indonesian Stock Exchange (BEI). And it is also possible to extend the research year so that it is possible to reflect on the conditions that occur and also see changes.

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