



The Effect of Profitability, Liquidity, Leverage and Firm Growth of Firm Value with its Dividend Policy as a Moderating Variable

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Abstract: This study aims to examine the effect of profitability, liquidity, leverage, and company growth on firm value, with dividend policy as a moderating variable, as well as Firm Size as a control variable. This research was conducted with documentation method, as well as sampling purposive sampling technique. This study was processed using the SPSS program, totaling 396 observations with data. Where the population is 146 manufacturing companies listed on the Stock Exchange during the period from 2013 to 2016, and the number of samples amounted to 108, 106, 94 and 112 companies, respectively. Profitability and high growth company are proven to increase of Firm Value, but liquidity and high leverage are proven to reduce Firm Value.

Keywords: Profitability, Liquidity, Leverage, Firm Growth, Dividend Policy, Firm Size, Firm Value.

JEL Classification: G32

1. INTRODUCTION

Each company must take into account the advantages obtained, as well as with investors who want to profit from the capital that they grow in the company. A company can be said to be included in the company an attractive one from the company's ability not only generate a profit, but also able to maintain and increase profits. This advantage is known as corporate profits. Management of the company believes and is confident that consistent profits to attract and retain investors to invest in the company, which in turn will increase Firm Value. Investors are more interested in a company that can generate profits continuously rather than companies without earnings.

The company's goal is the prosperity of our shareholders and enhance shareholder value as reflected in the company's stock price. Investors are more interested in investing in companies that have favorable job prospects and promises, one of which financial performance.

According to Rosada and Idayati (2017) Firm Value is very important because of the high value of the company which will be followed by a high prosperity shareholders. Hanafi and Halim (2009: 82) states that the company's value can be measured by the ratio of the market. Market ratio is the ratio that measures the market price relative to book value. There are several ratios to measure the market value of companies, one of which is the Tobin's Q Tobin's Q is considered to give the best information for Tobin's Q include all elements of debt and share capital of the company, including common stock, the equity of the company, as well as all company assets.

According to Fahmi (2014: 338) states that the signal theory is a theory that discusses the rise and fall of prices in the market, so it will have no effect on the decisions of investors. The response of investors to the positive signal and negtif greatly affect market conditions, they will react in different ways in response to such signals as buying stocks or observe the development of the stock.

The company's value can be seen on the company's ability to generate profits. Sartono (2001: 122-125) states that profitability is the ability of the company makes a profit in relation to sales, total assets, and the capital itself. Profitability can be measured in GPM (Gross Profit Margin), NPM (Net Profit Margin), ROI (Return on Investment), ROE (Return on Equity) and ROA (Return on Assets).

Pertiwi et al. (2016) found that the profitability of a significant effect on Firm Value. Cahyanto (2014), Pertiwi et al. (2016) and Rosada and Idayati (2017) found that profitability as measured by proxy ROE (Return on Equity) significantly affects Firm Value.

The company's value can also be seen from how liquid the company and the ability to meet short-term obligations. According to Hanafi and Halim (2009: 75) states that the liquidity ratio measures the ability of the company's short-term liquidity to see the company's current assets relative to its current debt.

Mahendra Dj et al. (2012) found that liquidity is not significant positive effect on firm value. Timbuleng et al. (2015) found that liquidity does not affect Firm Value. Massie et al. (2018) found that liquidity significant positive effect on firm value. This suggests that the effect of liquidity on Firm Value is still varied.

Values can also be seen on the company's ability to meet the total liabilities, both short term liabilities and long term liabilities. Kasmir (2008: 155, 157) states that the leverage can be measured by the DER (Debt to Equity Ratio), DAR (Debt to Assets Ratio), LTDER (Long Term Debt to Equity Ratio), tangible assets coverage ratio, current liabilities to net worth, TIE (Time Interest Earned), and fixed charge coverage.

Putri and Fidiana (2017) found that the debt policy not significant effect on Firm Value. Massie et al. (2018) found that the leverage does not significantly influence Firm Value. Dewi et al. (2014) found that the positive effect of capital structure significantly. This suggests that the effect of leverage on firm value is varied.

The company's value can also be seen on the company's ability to grow and develop, one of the growth of the company's assets. Fahmi (2014: 83) states that the growth ratio is the ratio that measures how much a company's ability to maintain its position in the industry and the general economic development.

Putri and Fidiana (2017) found that the growth opportunity does not affect Firm Value. however Dewi et al. (2014) and Deli and Kurnia (2017) found that the growth of the company significant positive effect on firm value. This suggests that the effect of the growth of the company to Firm Value is still varied.

Based on the theory of contingency, the company's management policy for each specific situation and different periods, certainly well adapted to the capabilities of the company. Thus it is expected with the dividend policy can support the performance of the company so well in generating high profits, so as to meet short-term liabilities and long-term. It also helps to decide what proportion of the debt and the right capital, improve the efficiency of the productivity of the company's assets. This can increase Firm Value.

Mahendra Dj *et al.* (2012) which found that the profitability of significant positive effect on Firm Value, but when moderated by dividend policy is able to increase Firm Value when profitability. Different from Martini (2015) which found that positive significant profitability dividend policy is able to moderate the relationship with the company's profitability. This suggests that the effect of profitability on the value of companies with dividend policies still vary moderated.

Mahendra Dj *et al.* (2012) found that liquidity is not a significant positive effect on firm value, and dividend policy can not be moderated. While Wijaya and Purnawati (2014) found that liquidity significant negative effect on Firm Value, and can not be moderated dividend policy. This suggests that the effect of liquidity on the value of companies with dividend policies still vary moderated.

Mahendra Dj *et al.* (2012) found that leverage significant negative effect on Firm Value, and was not able to moderate dividend policy. Martini (2015) and Deli and Kurnia (2017) found that the positive effect of debt policy on corporate value, and can be moderated dividend policy. This suggests that the effect of liquidity on the value of companies with dividend policies still vary moderated.

Shabrina (2015) found that the growth opportunity negatively affect Firm Value, but can be moderated dividend policy. This means that the higher Firm Growth led to the declining value of the company because they tend to use more debt than companies with low growth. But when moderated dividend policy, an increase in Firm Growth to enhance shareholder value.

2. LITERATURE REVIEW

2.1. Signal Theory

Theory signals (signaling theory) states that a company would signal to the financial statements, including investors who aim to enhance shareholder value. This signal can be any information related

to management's efforts to realize what was required of investors, or other information that can show their company better than other companies. This signal is given to reducing information asymmetry where internal party better understand the condition of the company. Signal theory in this study is used to draw the relationship of influence of each independent variable on the dependent variable, namely the relationship of profitability, liquidity, leverage, and Firm Growth with Firm Value.

2.2. Contingency Theory

Contingency theory researchers use to draw connections moderate dividend policy in each of profitability, liquidity, leverage, and Firm Growth to corporate value. In other words, this theory is used to bring up the dividend policy as a moderating variable. Contingency approach to management accounting is based on the premise that there is no appropriate accounting system is universally applicable equally to all organizations in all circumstances. Instead, it is recommended that the special features of the appropriate accounting system will depend on the particular circumstances in which the organization finds itself. So the contingency theory should identify the specific aspects of the accounting system associated with the particular circumstances and indicate a match to match.(Otley, 1980)

2.3. Firm Value

According to Rosada and Idayati (2017) Firm Value is very important because of the high value of the company which will be followed by a high prosperity shareholders. High enterprise value into the desire of the owner of the company because with so show the prosperity of shareholders is also high. Shareholder and the company interpreted by the market price of the shares is a reflection of the investment decisions, financing decisions, and asset management.

One model of financial analysis used to assess the performance of the company is the ratio of Tobin's Q. This ratio is used to determine the performance of the company through the potential development of the stock price, the potential ability of managers to manage the assets of companies and potential investment growth. Investors need information on Tobin's Q to determine whether the company in growing conditions, not growing or even declining, so that they can decide what to do in these conditions(Sudiyatno & Puspitasari, 2010),

2.4. Profitability

Kasmir (2008: 196) states that the company's management in practice is required to be able to meet the set target. To measure the level of profit a company used profitability ratio. Profitability ratios of ratios for assessing the company's ability to profit. This ratio also provides a measure of the level of effectiveness of corporate management as indicated by the profit from sales and investment income, where it also shows the efficiency of the company.

Companies with a high net profit signifies that the company is able to generate a profit by utilizing the resources of the company. Management of the company will try their best to be able to control the resources that exist to generate profits. Funds from investors who enter will be processed in such a way that sufficient to fund the company's operations. These funds will be included in the company's equity.

According to Kasmir (2008: 204) ROE is the ratio of net income to measure the tax sesuai with their own capital. The higher this ratio, the better. That is the position of the owner of the company is getting stronger, and vice versa. ROE can be obtained by comparing the net income by the total equity of the company.

2.5. Liquidity

Kasmir (2008: 129-130) states that the liquidity serves to demonstrate the company's ability to meet kewajiban that have matured, both obligation on parties outside the company or in the company. According to Hanafi and Halim (2009: 75) states that the liquidity ratio measures the ability of the company's short-term liquidity to see the company's current assets relative to its current debt.

Companies that can pay off its short-term debts at maturity can also attract the attention of investors and gain the confidence of creditors. Investors happy if the company including the company liquid as it signifies a lack of financial problems that occur. Creditors believe that if the company can pay off short-term debt at maturity, the creditor does not worry if the company's debt for a long period of time.

Kasmir (2008: 134-142) states that the current ratio is a ratio to measure a company's ability to pay short-term obligations or debt immediately due upon being billed as a whole. CR can be obtained by comparing total current assets to total current liabilities of the company.

2.6. Leverage

Kasmir (2008: 151, 155) suggests that leverage is a ratio used to measure the extent of the company's assets are financed by debt. that is to say how much the debt burden borne by the company as compared to its assets. Usually the use of leverage customized with company objectives. Based on the results of measurements of leverage, the company will find out some way related to the use of own capital and borrowed capital as well as determine the ratio of a company's ability to meet its obligations.

The company's ability to meet the total obligation to fund capital management and good corporate asset can be one of the important points to consider to attract investors. Companies who do not have bad credit can be a positive signal for investors to invest in the hope they will get a high dividend. This can increase the company's share price, so Firm Value will be high.

Kasmir (2008: 157) states that the DER is a ratio used to assess the debt for equity. This ratio is sought by comparing the total debt to total equity. DER ratio illustrates the extent to which the owners of capital to cover debts to outside parties. The smaller this ratio, the better. This ratio is also called leverage ratio. For best security outside parties if the total capital ratio is greater than or at least the same amount of debt. But for shareholders or management, this ratio should be big. (Harahap, 2013: 303)

2.7. Firm Growth

Fahmi (2014: 83) states that the growth ratio is the ratio that measures how much a company's ability to maintain its position in the industry and the general economic development. Firm Growth shows the extent of the company's ability to grow and develop one of the growth of the company's assets. If the management company can take advantage of the company's assets optimally, it will increase corporate profits. The more efficient use of corporate assets, the lower the cost required to fund the operation of the asset. The more effective use of corporate assets, the lower the chance of assets unused. Assets not used can be sold, so the company will receive additional funds. In assessing the growth of the company can use the calculation of Total Assets Growth (TAG). Total assets showed growth projections company's growth potential between the current year with the previous year.

Management of the company will be more pleased when the assets of big companies, they would be free to manage the expectations of the gains will increase. If the company is also expanding the business in the near future, the management need to use specific strategies to remain in control of company operations in order not to lose besides the fixed production runs. Business expansion is usually encouraged because the company is in a growth phase, where production is getting bigger, getting the full confidence of investors and creditors, and business growth opportunities elsewhere are favorable.

2.8. Dividend Policy

Sartono (2001: 281) is the dividend policy decision whether the profits from the company will be distributed to shareholders as dividends or will be retained in the form of retained earnings to finance investment in the future. The dividend distribution is divided into two, namely the cash dividend and stock dividend, but in Indonesia prefer cash dividends.

According Sudana (2015: 192) dividend policy relating to the determination of the dividend payout ratio, ie the percentage of the amount of net profit after tax which is distributed as dividends to shareholders. Parliament proxy can be calculated by comparing the dividend per share to earnings per share for the company.

2.9. Firm Size

Firm size indicates the size of how big a company owned assets. A large company will have three advantages are easy to get venture capital, strong in bargaining, and has a big advantage as well. Firm Size can be measured using the natural logarithm of total assets and serves as a control variable, the variable that is neutral and can be controlled so that the relationship of independent variables with the

dependent variable is not influenced by factors outside the research. The natural logarithm of total assets is used when other variables measured by the ratio of scale that can be interpreted by regression.

3. CONCEPTUAL FRAMEWORK

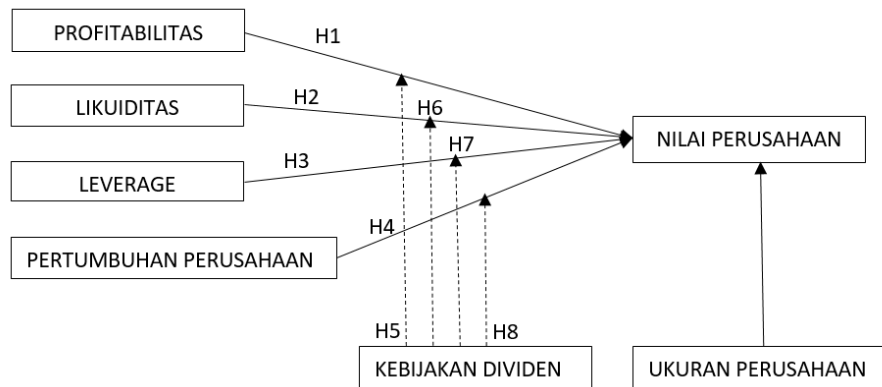


Figure1. *Conceptual Framework*

3.1. Effect of Profitability against Firm Value

Dewi et al. (2014), Pertiwi et al. (2016) and Rosada and Idayati (2017) found that the profitability of significant positive effect on firm value. The higher profitability of the bigger companies. In accordance with the theory of signal that companies with high profitability of the company is good at managing resources to generate income to be received in the form of dividends. The investors will be interested to own shares of the company, so the stock price increases. This will increase Firm Value.

3.2. Effect of Liquidity against Firm Value

Mahendra Dj et al. (2012) found that liquidity is not significant positive effect on firm value. Timbuleng et al. (2015) found that liquidity does not affect Firm Value. however Massie et al. (2018) found that liquidity significant positive effect on firm value. In accordance with the signal theory which states that companies with high liquidity, then the company is good in processing the funds available to maximize the company's operations, as well as pay off short-term debts

3.3. Effect of Leverage against Firm Value

Putri and Fidiana (2017) found that the debt policy not significant effect on Firm Value. Massie et al. (2018) found that the leverage does not significantly influence Firm Value. Dewi et al. (2014) found that the positive effect of capital structure significantly. In accordance with the signal theory, companies that have positive equity and certain debt indicates that the management of funding for operational activities was nice. This would be a positive signal for investors because they believe in investing in the company, it is expected they will also get the maximum revenue

3.4. Influence against Company Growth Company Value

Putri and Fidiana (2017) found that the growth opportunity does not affect Firm Value. however Dewi et al. (2014) and Deli and Kurnia (2017) found that the growth of the company significant positive effect on firm value. In accordance with the theory of signal, high asset growth indicates that the chances of the company to benefit too high in the future. It is therefore expected with great growth company will be a consideration for investors to invest, so Firm Value will increase.

3.5. Moderation Role Profitability Dividend Policy in Effect against Firm Value

Mahendra Dj et al. (2012) and Sisca (2018) found that the profitability of significant positive effect on Firm Value, but can not be moderated dividend policy. however Martini (2015) found that the positive effect on the profitability of the company's value, and can be moderated dividend policy. In accordance with the contingency theory, that the managerial policy including dividend policy at any condition of the company is different, depending on the needs and objectives of each company. Hence with the policy differences, the expected relationship with the company's profitability will continue to benefit both internally and externally.

3.6. Moderation Role of Liquidity Dividend Policy in Effect against Firm Value

Mahendra Dj et al. (2012) found that the positive effect was not significant liquidity and dividend policy can not be moderated. This means that dividend policy is able to increase Firm Value's current high corporate liquidity and dividend policy are not able to lower Firm Value's current low liquidity. While Wijaya and Purnawati (2014) found that liquidity significant negative effect on Firm Value, and cannot be moderated dividend policy. however Lestari (2017) found that liquidity significant positive effect on Firm Value, and can be moderated dividend policy. In accordance with the contingency theory that the managerial policy of the company is mainly dividend policy each company is different in every state, depending on the needs and objectives of each company. Therefore, with the dividend policy as a moderating expected to enhance shareholder value.

3.7. Moderation Role Leverage Dividend Policy in Effect against Firm Value

Mahendra Dj et al. (2012) and Sisca (2018) found that leverage significant negative effect, as well as the dividend policy can not be moderated. however Martini (2015) and Lestari (2017) found that the positive effect of debt policy on corporate value, and can be moderated dividend policy. In accordance with the contingency theory that the managerial policy of the company, including the dividend policy at any condition of the company is different, depending on the needs and objectives of each company. With the inclusion of the dividend policy is expected to provide a positive impact on the share price and can enhance shareholder value.

3.8. Moderation Role Dividend Policy in Effect against Company Growth Company Value

Firm Growth is an opportunity for the company is growing and developing in a positive direction. One of them can be seen in the growth of corporate assets effectively and efficiently can bring substantial benefits in the future. These advantages are managed such that investors will also receive revenue in the form of cash dividends that great anyway. Companies that have high growth opportunities tend to use stock to fund the company's operations, so that the stock price will be high. Stock prices can increase Firm Value. In accordance with the contingency theory that the managerial policy of the company, especially the dividend policy at any condition of the company is different, depending on the needs and objectives of each company.

4. METHODS

4.1. Types of Research

This type of research is explanatory, the research aims to test a theory or hypothesis whether to support or reject previous theories or hypotheses. In this study identifies, describes and shows the direction of the relationship of profitability, liquidity, leverage, and the growth of the company to Firm Value to be moderated by dividend policy and is controlled by Firm Size.

4.2. Operational Definition

The dependent variable in this research that the company's value, as measured by a proxy for Tobin's Q. The independent variable in this study is profitability, as measured by proxy Return On Equity (ROE), liquidity using the Current Ratio (CR), leverage as measured by proxy Debt Equity Ratio (DER), and Firm Growth as measured by proxy Total Assets growth (TAG). Moderating variable in this research that dividend policy as measured by proxy Dividend Payout Ratio (DPR). Control variables in this study are Firm Size measured by proxy Ln TA (natural logarithm of total assets).

4.3. Firm Value

Firm Value is the evaluation given by investors to purchase the company is liquidated or their current investment growth opportunities in a growing company. The company's value is measured by Tobin's Q. proxy proxy Tobin's Q is measured by summing the value of the stock market and the debt market value compared to the value of the issued share capital in assets.

$$\text{Tobin's Q} = (\text{MVE} + \text{D}) / \text{TA}$$

$$\text{MVE} = \text{Closing Stock Price} \times \text{Number of Shares Outstanding}$$

Information:

MVE = Market Value Equity (Market value of equity)

D = Debt (Total Liabilities)

TA = Total Assets

4.4. Profitability

Sartono (2001: 122-125) states that profitability is the ability of the company makes a profit in relation to sales, total assets, and the capital itself. Profitability measured by proxy ROE (Return on Equity). ROE proxy can be measured by the amount of net income to equity companies.

$$ROE = \frac{\text{Laba Bersih Setelah Bunga dan Pajak}}{\text{Total Ekuitas}}$$

4.5. Liquidity

Harahap (2013: 301) states that the liquidity ratio describes the company's ability to settle its short-term obligations. Liquidity is measured by proxy CR (Current Ratio). CR proxy can be measured by comparing current assets to current liabilities of the company.

$$CR = \frac{\text{Total Aktiva Lancar}}{\text{Total Hutang Lancar}}$$

4.6. Leverage

Leverage is the company's ability to meet short-term liabilities and long-term maturity date at a certain period. Leverage measured by proxy DER (Debt to Equity Ratio). DER proxy can be measured by comparing total liabilities and equity of the company.

$$DER = \frac{\text{Total Hutang}}{\text{Total Ekuitas}}$$

4.7. Firm Growth

Firm Growth is the extent to which the company's ability to grow and develop, one of the growth of the company's assets. Firm Growth is measured by a proxy Total Assets Growth (TAG). TAG proxy can be measured by comparing the total assets in the period with total assets in the previous period.

$$TAG = \frac{TA_t - TA_{t-1}}{TA_{t-1}}$$

4.8. Dividend Policy

Sartono (2001: 281) is the dividend policy decision whether the profits from the company will be distributed to shareholders as dividends or will be retained in the form of retained earnings to finance investment in the future. Dividend policy can be measured by a proxy Dividend Payout Ratio (DPR). Dividend proxy can be measured by comparing the dividend per share by earnings per share.

$$DPR = \frac{\text{Dividen per Lembar Saham}}{\text{Laba Bersih per Lembar Saham}}$$

4.9. Firm Size

Firm Size is a measure that shows how much a company from the assets. Firm Size can be measured by using proxy Ln TA (natural logarithm of total assets). This proxy can be measured by melogaritmanaturalkan total assets of the company.

Ln Natural logarithm TA = Total Assets

5. TYPES AND SOURCES OF DATA

The type of data in this research is quantitative, ie data that can be measured by a number. The data in this study using the ratio as a measurement of the variables, then analysis. Sources of data in this study is from the official website IDX, additional financial statement information from idn financials, additional information company list of websites sector issuers Indonesia Stock Exchange (IDX), additional stock price information from the website of the investment world, additional information on the payment of dividends from the e-bursa.

5.1. Population and Sample Research

The study population is a number of 146 companies listed in Indonesia Stock Exchange (BEI) in the period 2013-2016. The research sample is a number of 108 companies in the period of 2013, 106 companies in the period of 2014, 94 companies in the period 2015 and 2016. The 112 companies in the period of the study sampling technique that is judgment sampling.

5.2. Methods and Data Collection

Methods of data collection in this study is documentation, namely data collection techniques performed by studying the financial records on a sample of companies from the Indonesia Stock Exchange, then processed and analyzed using ratio analysis.

5.3. Data Analysis Technique

Data analysis techniques used in this study is comprised of descriptive analysis stage, the classic assumption test (test for normality, multicollinearity test, and test heterokedastisitas), t-test, regression analysis moderation (MRA), and the coefficient of determination.

The equation regression model in this study are:

$$NP = 2,136 + 2.653PRO + 0.014LIQ - 0.073LEV + 0.286PP + 0.074UP$$

$$NP = 2,030 + 2.562PRO + 0.013LIQ - 0.072LEV + 0.300PP + 0.151KD + 0.074UP$$

$$NP = 1,698 + 3.004PRO - 0.032LIQ - 0.062LEV + 0.266PP + 0.174KD - 0.630PRO*KD + 0.117LIQ*KD - 0.084LEV*KD + 0.310PP*KD + 0.058UP$$

Information :

NP = Firm Value

PRO = Profitability

LIQ = Liquidity

LEV = Leverage

PP = Pertumbuhan Perusahaan (Firm Growth)

KD = Kebijakan Dividen (Dividend Policy)

PRO*KD = Profitability Moderation interaction with the Dividend Policy

LIQ*KD = Liquidity Moderation interaction with the Dividend Policy

LEV*KD = Leverage Moderation interaction with the Dividend Policy

PP*KD = Firm Growth Moderation interaction with Dividend Policy

UP = Ukuran Perusahaan (Firm Size)

6. RESULTS AND DISCUSSION

6.1. Descriptive Analysis

Table1. Results Descriptive Statistics

Variables	N	Minimum	Maximum	Mean	Standard Deviation
NP	396	0.30	21.53	2.0007	2.64547
PRO	396	0	1.44	.1371	0.17596
LIQ	396	0	23.39	2.5914	2.63496
LEV	396	0.07	7.99	1.1050	1.14003
PP	396	-0.44	2.17	0.1359	0.21970
KD	396	0	6.29	2,553	0.51097
UP	396	24.68	33.13	28.4296	1.55575

Source: Results SPSS output.

The calculations show the lowest value NP is 0.3, the highest score is the highest NP 21.53, the average value is 2.0007 NP and NP standard deviation is 2.64547. The lowest value NP is owned by

the company manufacturing base and chemical industry chemical sub-sectors, namely Intan Wijaya International (INCI). While the highest value NP manufacturing company owned by the consumer goods industry sector sub-sectors of cosmetics and household use, namely Unilever Indonesia (UNVR). In Table 4.2. shows that the variation or distribution of the company's value in this research model is greater than the average value NP, meaning that Firm Value in the research model is increasingly diverse.

The calculations show the lowest value PRO is 0, PRO highest value is 1.44, the average value PRO is 0.1371, and the standard deviation PRO is 0.17596. PRO lowest value owned by a company manufacturing various industry sub sectors of textile and garment sector, namely Star Petrochem (STAR) of 0.0006. While the highest value PRO owned by companies manufacturing consumer goods industry sector sub-sectors of food and beverages, namely Multi Bintang Indonesia (MLBI). This indicates that MLBI is able to generate profits compared STAR. In Table 4.2. shows that the variation or spread of profitability in this research model is greater than the average value PRO, meaning that the level of profitability in this research model increasingly diverse.

The calculations show LIQ lowest value is 0, the highest value LIQ is 23.39, the average value LIQ is 2.5914, and the standard deviation is 2.63496 LIQ. LIQ lowest value owned by a company manufacturing consumer goods industry sub-sector pharmaceutical sector, namely Merck (MERK) of 0.004. While the highest value LIQ owned by companies manufacturing consumer goods industry sector sub-sectors of food and beverages, namely Delta Djakarta (DLTA). This indicates DLTA better able to meet short-term obligations at maturity. In Table 4.2. shows that the variation or spread of liquidity in this research model is greater than the average value LIQ, meaning that the level of liquidity in the research model is increasingly diverse.

The calculations show LEV is the lowest value of 0.07, the highest value LEV is 7.99, the average value of LEV is 1,105, and the LEV standard deviation is 1.14003. LEV lowest value owned by a company manufacturing consumer goods industry sub-sector pharmaceutical sector, namely Medicinal and Pharmaceutical Industry Appears Sido (SIDO). While the highest value LEV owned by the company manufacturing the chemical industry sector and sub-sector base metals, namely copper Noble Semanan (TBMS). This indicates to invest in more risky than SIDO TBMS because of the high debt used in the company. In Table 4.2. shows that the variation or spread of the leverage in our model is greater than the average value of LEV, meaning that the level of leverage in our model increasingly diverse.

The calculations show the lowest value of PP is 0.44, the highest value of PP is 2.17, the average value PP is 0.1359, and the standard deviation of PP is 0.21970. PP Lowest value owned by a company manufacturing base and chemical industry chemical sub-sectors, namely Budi Acid Jaya (MIND). While the highest value of PP is owned by the company manufacturing base and chemical industry sector sub-sectors of cement, namely Waskita Precast Concrete (WSBP). This indicates that the turnover of assets on WSBP better than BUDI. In Table 4.2. shows that the variation or distribution of Firm Growth in this research model is greater than the average value of the PP, which means that Firm Growth in the research model is increasingly diverse.

The calculations show the lowest value KD is 0, the highest value KD is 6.29, the average value of KD is 0.2553, and the standard deviation of KD is 0.51097. The lowest value KD is owned by 65 companies because they do not distribute dividends during the study period. The highest value of KD is owned by the company manufacturing basic industrial sectors and sub-sectors kimi metal, namely Alumindo Light Metal Industry (ALMI) for the year 2013-2014 study ALMI dividend in large quantities. In Table 4.2. shows that the variation or distribution of dividend policy in this research model is greater than the average value of KD, which means that the dividend policy in the research model is increasingly diverse.

The calculations show the lowest value UP is 24.86, the highest value UP is 33.13, the average value UP is 28.4296, and the standard deviation of UP is 1.55575. The lowest value UP is owned by the company manufacturing base and chemical industry sector sub plastics and packaging sectors, namely Siwani Makmur (SIMA). The highest value UP manufacturing company owned by the various industry sectors automotive sub-sectors, namely Astra International (ASII). In Table 4.2. shows that the variation or distribution of Firm Size in this research model is greater than the average value of UP, meaning that Firm Size in the research model is increasingly diverse.

6.2. Classic Assumption Test

Table2. Normality Test Results

Regression Model	Test	Residual unstandardized
Regression Model 1	Kolmogorov-Smirnov Z	1260
	Asymp. Sig. (2-tailed)	0,084
Regression Model 2	Kolmogorov-Smirnov Z	1290
	Asymp. Sig. (2-tailed)	0,072
Regression Model 3	Kolmogorov-Smirnov Z	1314
	Asymp. Sig. (2-tailed)	0.063

Source: SPSS output.

Table3. Multicollinearity Test Results Model 1

variables	Statistic Collinearity		Information
	Tolerance	VIF	
PRO	0.944	1,060	Non Multicollinearity
LIQ	0,836	1,196	Non Multicollinearity
LEV	.860	1,163	Non Multicollinearity
PP	.980	1,020	Non Multicollinearity
UP	0,940	1,064	Non Multicollinearity

Source: SPSS output.

Table4. Test Results Multicollinearity Model 2

variables	Statistic Collinearity		Information
	Tolerance	VIF	
PRO	0.905	1,105	Non Multicollinearity
LIQ	0.835	1,197	Non Multicollinearity
LEV	.860	1,163	Non Multicollinearity
PP	.979	1,022	Non Multicollinearity
KD	0.944	1,059	Non Multicollinearity
UP	0.932	1,073	Non Multicollinearity

Source: SPSS output.

Table5. Test Results Multicollinearity Model 3

variables	Statistic Collinearity		Information
	Tolerance	VIF	
PRO	0,266	3,759	Non Multicollinearity
LIQ	0.373	2,680	Non Multicollinearity
LEV	0,747	1.338	Non Multicollinearity
PP	0.744	1,344	Non Multicollinearity
KD	0,138	7.242	Non Multicollinearity
PRO * KD	.210	4.765	Non Multicollinearity
LIQ * KD	0,249	4.014	Non Multicollinearity
LEV * KD	.224	4.469	Non Multicollinearity
PP * KD	.360	2.779	Non Multicollinearity
UP	.917	1,091	Non Multicollinearity

Source: SPSS output.

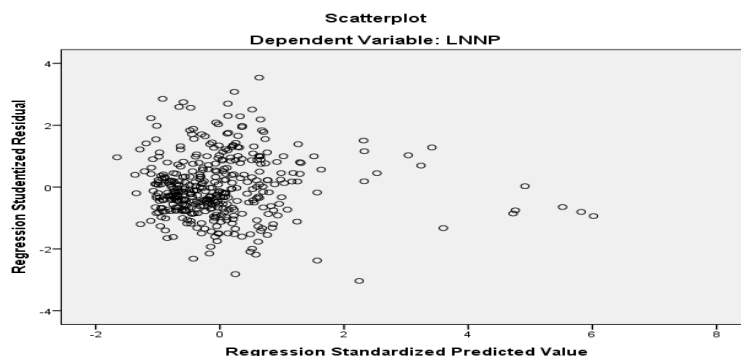


Figure2. Test Results heterokedastisitas

Kolmogorov-Smirnov value calculation results of the first, the model 1 that is equal to 1260 with a significance level of 0.084. Second, the model 2 shows the value of the Kolmogorov-Smirnov is equal to 1290 with a significance level of 0.072. Finally, in model 3 that is equal to 1314 with a significance level of 0.063. In all three models indicate that significant value is greater than 5%, then the three models are normally distributed.

Based on Table 3. note that the independent variables are profitability (PRO), liquidity (LIQ), leverage (LEV), Firm Growth (PP), and the control variables are firm size (UP) has a tolerance value of more than 0.1 and VIF less than 10. it can be concluded that all the independent variables in the multiple regression models were tested in this study did not have a problem multicollinearity.

Based on Table 4. note that the independent variables are profitability (PRO), liquidity (LIQ), leverage (LEV), Firm Growth (PP), namely moderating variable dividend policy (KD), and the control variables are firm size (UP) have value tolerance more than 0.1 and VIF is less than 10. it can be concluded that all the independent variables in the multiple regression models were tested in this study did not have a problem multicollinearity.

Based on Table 5. note that the independent variables are profitability (PRO), liquidity (LIQ), leverage (LEV), Firm Growth (PP), namely moderating variable dividend policy (KD), the control variables are firm size (UP), and the interaction with moderation (PRO * KD, LIQ * KD, KD LEV *, PP * KD) has a tolerance value of more than 0.1 and VIF is less than 10. it can be concluded that all the independent variables in the multiple regression models were tested in the research has no trouble multicollinearity.

Based on Figure 2 can be seen that the dots spread and does not form a specific pattern. Thus, it can be concluded that there is a phenomenon homokedastisitas, or variance of the residuals of the observations to other observation is constant. So there is no correlation between confounding variables with independent variables and the dependent variable was really only be explained by the independent variables. These test results stating that the regression model heterokedastisitas free of symptoms.

6.3. Model Analysis and Hypothesis Testing

Table6. Regression Analysis Model 3

variables	Multiple Linear Regression			Conclusion
	B	t	Sig.	
constants	-1.698	-3.121	0.002	Significant
PRO	3.004	9.708	0.000	Significant
LIQ	-0.032	-1.1814	0.071	Significant
LEV	-0.062	-2.166	0.031	Significant
PP	0,266	1.793	0.074	Significant
KD	0.174	1.178	0.240	Not significant
PRO * KD	-0.630	-1.907	0.057	Significant
LIQ * KD	0.117	3.086	0.002	Significant
LEV * KD	-0.084	-1.999	0.046	Significant
PP * KD	0.310	.649	0.517	Not significant
UP	0.058	3.055	0.002	Significant
R	0.694			
R2	0.481			
test F	35.679			
significance	0.000			

Source: SPSS output.

Based on Table 6, the results of the regression model analysis shows the company's profitability and growth variables significant positive effect on firm value. That is, the higher the profitability and growth of the company will increase Firm Value. While variable liquidity and leverage significant negative effect on Firm Value. That is, the higher liquidity and leverage will decrease Firm Value.

Dividend policy to strengthen the liquidity effect on firm value. That is, the greater the dividend policy will reinforce the positive impact of liquidity on firm value. But the dividend policy to weaken

the influence of profitability and leverage on firm value. That is, the greater the dividend policy will weaken the positive effect on firm value and profitability of the negative effect of leverage on firm value. While the dividend policy is not able to moderate the effect of growth on firm value. That is, the greater the dividend policy it will not strengthen or weaken the positive effect of growth on firm value.

7. CONCLUSION

- Companies that have a high level of profitability shows that the management company to manage the resources of the company so as to achieve a high income. High profits will also distribute a high dividend, it will attract investors and increase demand for stocks. This will lead to the better value of the company.
- Companies that have a high liquid assets, such as cash, will be susceptible to a lot of idle funds. This idle funds will reduce corporate profits, so the return received by investors in the form of cash dividends will also be reduced. This can result in the decline in Firm Value.
- Companies that have a high debt level, the level of risk of default is also high, so that investors have become less inclined to invest in the company. This is what can cause a decline in Firm Value
- Companies that have a high growth rate indicates that the management of the company is to expand its business or has a high productivity. Companies that are doing large-scale production can usually achieve great benefits as well. It can be a positive signal for investors to invest, so the stock will be high demand. This can lead to higher corporate value.
- Companies that have a high level of profitability will also distribute high dividends. Therefore, companies that can distribute high dividends, difficult to maintain it even can not distribute dividends for the next period. However, Firm Value remains high as investors see that the company remains capable of generating high profits.
- Companies that have a high level of liquidity which may increase Firm Value as a great company to meet short-term obligations, so that the profits from too high. This high profit can be a positive signal for investors, so as to cause the higher Firm Value.
- Companies that have a high leverage susceptible to bad loans even to bankruptcy. This study proves that the dividend policy is able to hit the high degree of leverage can increase investor confidence that the company can pay dividends in the amount of stable without worrying about the company will be bankrupt because of debts, thereby increasing Firm Value.
- This study proves that the dividend policy can not increase Firm Value when Firm Growth is high or low. This can happen because the number of samples that do not pay dividends, and there are several companies that experienced a decline in assets. Firm Growth is closely related to income, but most companies that have a good asset growth will wear profits obtained as funding, so the acquisition of dividend decreases. Therefore, the role of dividend policy does not look good for the prosperity of our shareholders, and enhance shareholder value.

7.1. Managerial Implications

In this study indicate that companies can take advantage of the company's assets properly so as to achieve high profits. Earnings that can improve Firm Value as it reflects the performance of the company with good prospects, so that the company can achieve the goals besides increasing Firm Value is also the prosperity of our shareholders. Management companies can innovate to boost profits. However, the company management needs to pay more attention to the management of funds in the form of debt because of high debt proportion susceptible to problems which will affect the declining value of the company.

Investors should continue to pay attention and use the information in the financial statements related to profitability, liquidity, and leverage to help in taking the right decision to invest in the company so as to obtain the expected return from the investment. It also should have to analyze the information in the financial statements related to Firm Growth and dividend policy in order to see how the company is able to manage its resources including the company's assets and net gain obtained so as to enhance shareholder value.

7.2. Academic Implications

In this study proves that the dividend policy can strengthen the positive impact of liquidity on Firm Value, and is able to weaken the positive effect of profitability and the negative impact of leverage on firm value. But the dividend policy is able to moderate positive effect on firm value growth of the company. This occurs because not all investors pay attention to information about Firm Growth because they have to analyze the financial statements in advance. In addition most of the sample companies do not distribute dividends, it indicates that the dividend policy is different for each company under certain conditions can affect Firm Value.

7.3. Limitations

Limitations in this research that in this study only uses a manufacturing company, so less representing industry in Indonesia listed in Indonesia Stock Exchange. In addition, other variables that can be used to assess a company there are many, such as economic value added (EVA), stock returns, and so forth. Therefore, these results prove that the dividend policy can not moderate the effect of growth on Firm Value, in terms of the company's assets, researchers can then use other terms such as sales. Firm Growth can be measured by a proxy Sales Growth (SG), PER (Price Earning Ratio), EPS (Earning Per Share), DPS (Dividend Per Share) or other proxy adapted to the purpose of research.

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