

UDC 332

THE EFFECT OF DEBT MATURITY, LEVERAGE, AND INVESTMENT OPPORTUNITY SET ON COMPANY VALUE WITH DIVIDEND POLICY AS MEDIATION

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ABSTRACT

The goal of every company is to maximize shareholder wealth by increasing company value. The financial decisions of a company are managed by managers who are obliged to report their performance through financial reports which can serve as information/signals to investors/shareholders. Signal theory states that companies (owners of information) give signals to investors to react and affect company value. Factors that can affect company value according to signal theory are debt maturity, leverage, investment opportunity set, and dividend policy. This research was conducted on manufacturing companies on the IDX from 2017-2021 because the manufacturing industry is a driver of Indonesia's GDP, but manufacturing Company Value has decreased from 2018 to 2021. This study aims to provide a more comprehensive view of the effect of debt maturity, leverage, and investment opportunity set on Company Value with Dividend Policy as a mediator. This study used a purposive sampling method with a sample of 30 companies. The results of the study found that debt maturity has a positive effect on Dividend Policy while leverage and investment opportunity sets have no effect on Dividend Policy. Debt maturity, leverage, and dividend policy partially have a positive effect on company value, which means this research is able to prove signal theory as good news from companies to investors with the aim of increasing company value. The investment opportunity set has no effect on company value, which means that this research does not prove the signal theory of the investment opportunity set as a positive signal. The dividend policy mediation variable in this study is able to mediate the effect of debt maturity on company value, but is unable to mediate the effect of leverage and investment opportunity set on company value.

KEY WORDS

Debt maturity, leverage, investment opportunity set, dividend policy, company value.

The capital market is one of the driving tools for a country's economy because the capital market is a means of forming capital and accumulating long-term funds aimed at increasing public participation in mobilizing funds to support national development financing. The capital market is also a representation for assessing the condition of a country's companies because almost all industries in a country are represented by the capital market. The Indonesia Stock Exchange (IDX) is one of the regulators and trading organizers in the Indonesian Capital Market which provides various market data developed to provide information to the public so that they can make the right investment decisions.

The Composite Stock Price Index (IHSG) is one of the stock market indices used by the IDX, where the IDX includes price movements of all ordinary shares and preferred shares listed on the IDX. The IDX measures the price performance of all stocks listed on the IDX's main board and development board so that the IDX is often used as a benchmark for investors when transacting stocks. The following is the movement of the IDX from 2017 to 2021.

Figure 1 show that the IDX experienced a decline from 2017 to 2018, then increased in 2019. The IDX experienced a significant decline in 2020 but may increase again in 2021. The movement/fluctuation of the IDX is effected by external factors originating from abroad and internal factors originating from within the country, namely macroeconomics. The stock price of a company is also effected by external factors and internal factors (OJK, 2018). External factors that affect stock prices are factors that come from outside the company and

are difficult for companies to control because they are uncertain. Internal factors that affect stock prices are factors that arise from within the company such as fundamentals, corporate actions, and company performance projections in the future so that companies often use financial reports to convey information to parties outside the company which will lead to an increase in the company's stock price.

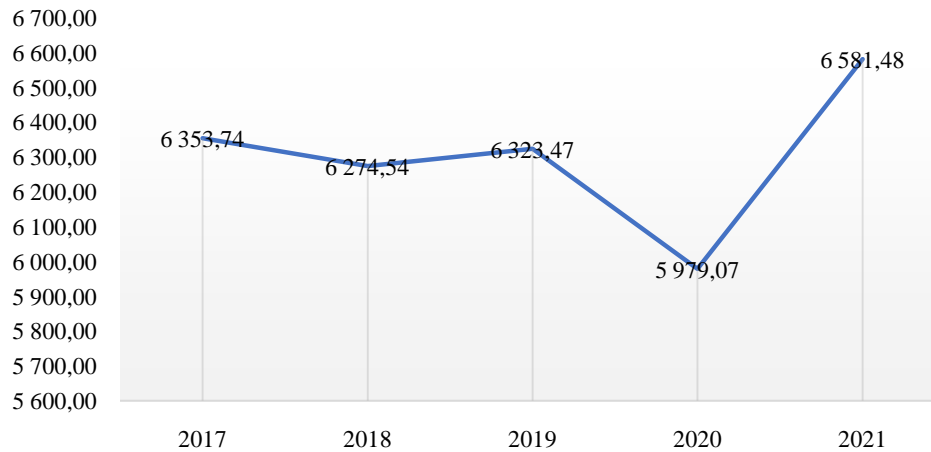


Figure 1 – Data on the Movement of the Composite Stock Price Index on the IDX for 2017-2021
(Source: www.finance.yahoo.com, 2022)

The information conveyed by the company through financial reports is a signal for investors to evaluate a company. Going public companies, on the other hand, also need funds for the continuity and development of their business, which are obtained from investors/shareholders, so that the goal of every company is to maximize shareholder wealth. Maximizing shareholder wealth can be done by maximizing company value. Company Value is a value that reflects what price an investor can pay for the level of success of a company in managing its resources (Putranto & Kurniawan, 2018).

Financial decisions in a company are managed by managers so that maximizing company value is also the goal of managerial decision making (Brigham & Daves, 2019: 2). Managers are agents employed by shareholders (or owners) who are obliged to report their performance through financial reports which can be a signal regarding the company's financial condition as a form of responsibility for managing the company (Wulanningsih & Agustin, 2020).

Signal theory was first put forward by Michael Spence which stated that the sender (owner of the information), in this case the company manager, gives a signal or signal in the form of information about the condition of a company that is beneficial to the recipient (investor). Signal theory explains that companies deliberately give signals to the market and are expected to react and effect Company Value which is reflected in the company's stock price (Brigham & Daves, 2019: 652).

The signals given by the company are responded to with different perceptions by investors as information recipients so that information from the company can be classified into good news and bad news. Good information will provide a positive signal (good news) for investors so that there will be an increase in the trading volume of the company's shares (Hartono, 2017: 180). An increase in the trading volume of a company's shares is caused by high demand so that the company's stock price increases. An increase in the company's stock price causes the Company Value to also increase. Bad information will give a negative signal (bad news) to investors so that the demand for a company's shares decreases. A decrease in the trading volume of a company's shares will cause the share price to decrease and in the end the company value will also decrease.

Management of company information by managers prioritizes financial performance that is generally considered by investors in financial reports such as liquidity,

solvency/leverage, and profitability. The company information presented in the financial statements can be used as a signal to be given to investors as a demonstration of the company's financial performance which will affect the company's survival. Generally, signals that indicate good news when viewed from a liquidity perspective are reflected in the company's ability to manage its short-term funding sources.

Meggison (1997:181) states that managers will choose a long or short period of payment or maturity date of debt as a signal that can provide positive information to investors. Aulia & Siregar (2018) explained that the use of short-term debt is preferred to send signals to the market which can reduce asymmetric information and agency costs between shareholders, creditors and management. Companies that rely on short-term debt mean that companies will be obliged to pay their debts more frequently, so they are required to continue to improve their financial performance in order to mitigate liquidity risk (Chaleeda et al., 2019). Improving the company's financial performance will increase the demand for trading volume of a share and ultimately increase company value.

This study uses a debt maturity proxy which is a measurement of how big the percentage of short-term debt is from a company (Islamy & Laila, 2018). Research conducted by Nisa & Patrisia (2020) found that debt maturity has a positive effect on the volatility of the performance of manufacturing sector companies on the IDX which is proxied by the standard deviation of PBV. Hatem (2017) found results that debt maturity has a positive effect on company performance. Research conducted by Sato & Vithessonthi (2019) found different results, namely debt maturity has a negative effect on the volatility of the company's operating performance.

Debt is part of the financial structure and capital structure which is the focus for managers in managing information as a signal for investors. The existence of asymmetric information between management and investors causes signals from companies to be very important in order to obtain financial resources. Meggison (1997: 315) assumes that managers know the actual distribution of company returns but not investors so that the signals used as information are choosing relatively high leverage in their capital structure because relatively high debt indicates the company is making high investments to develop its business.

Huda (2020) states that the financial structure is the way a company finances its assets which is reflected in all liabilities on the balance sheet. The financial structure is closely related to the leverage / solvency ratio which plays an important role in maximizing company value. The addition of company debt can serve as a tool to control cash freely by management (Zuhroh, 2019). Improved control of funds will increase the productivity and performance of the company so that it will have an impact on strengthening Company Value which is reflected through an increase in share prices. Leverage in this study is proxied by the Debt to Equity Ratio (DER) which describes the magnitude of the use of debt compared to all equity (Brigham & Daves, 2019: 290). The reason for choosing DER as a proxy for leverage is because this ratio uses total equity as a comparison of company debt which may have risks and returns that will affect company profits. The higher the DER value indicates that the composition of the total debt is greater than the total equity, so that the company's burden on outsiders is greater.

Research conducted by Susanti & Restiana (2018) shows that DER has a positive effect on Company Value LQ45 on the IDX. Handriani & Robiyanto (2018) and Maulida & Karak (2021) also found the same results, namely DER has a positive effect on company value. Research conducted by Leman et al., (2020) and Hirdinis (2019) shows that leverage proxied by DER has a positive effect on company value. The results of a different study conducted by Ndubuisi et al., (2019) stated that leverage proxied by DER has a negative effect on company value in non-financial companies in Nigeria. Research conducted by Dang et al., (2020) found that leverage has a negative effect on company value on the Vietnam Stock Exchange. Nugraha & Artini (2022) also found the same result that DER has a negative effect on company value.

The company value of a company going public is very important because companies publish financial reports to obtain external funding. Going public companies not only publish

financial reports but also improve the performance of their companies which are managed by managers. Based on the signal theory of the corporate investment model, a company's investment is a signal that can be used by company management to provide information about company profitability to investors in order to increase company value (Megginson, 1997:291). Wulanningsih & Agustin (2020) stated that managers generally have an incentive to attach more information which can be used as a positive signal when a company has better profit prospects or growth opportunities in the future. The company's growth opportunities are measured by the Investment Opportunity Set (IOS). IOS is an investment decision in the form of a combination of owned assets (assets in place) and future investment choices with a positive Net Present Value (NPV) which will affect Company Value (Wahyudi, 2022). Companies with optimal IOS levels are associated with the company's ability to utilize the resources or assets owned by the company to earn profits, which will later be able to increase company value and shareholder wealth (Tabe et al., 2022).

This study uses Capital Expenditure to Book Value of Assets (CAPBVA) as a proxy for IOS because CAPBVA indicates additional company capital for productive assets so that it has the potential for company growth (Mulyani et al., 2020). Research conducted by Wulanningsih & Agustin (2020) shows the result that IOS has a positive effect on Company Value property and real estate on the IDX. Dharmawan & Riza (2019) and Ramadhani et al., (2021) which state that IOS has a positive effect on company value. The results of a different study were found by Nikmah & Amanah (2019) that IOS has a negative effect on Company Value in state-owned companies listed on the IDX. Anggraini & Nyale (2022) also found the same result, namely IOS had a negative effect on the Company Value of the Food and Beverage sub-sector on the IDX.

Public companies listed on the IDX receive funding from banks and funding from going public. Funding from banks is a loan that must be returned at maturity, subject to interest or fees, and generally requires collateral in the form of assets. Funding from going public is long-term funding that is ownership (not loans) without the need for collateral. Investors will have a say in the AGM and expect dividends from the company. Given the importance of dividend distribution, making dividends a valuable source of information regarding current or future Company Value (Lotfi, 2018). Companies that do not pay dividends show that the company estimates poor profits in the future, so dividend distribution becomes a signal for investors regarding the profitability of a company.

Dividend Policy is used as a mediating variable because it refers to the view that Dividend Policy can support company performance well in generating high profits so as to increase Company Value. Dividend Policy when implemented in a company will increase investor interest in investing in a company so that it will increase Company Value and shareholder wealth. Dividend Policy is the percentage of company profits that are distributed in the form of dividends and can be seen from the Dividend Payout Ratio (DPR) (Deitiana et al., 2020). The reason for using the DPR in this study is because the DPR reflects the portion of company profits that will be distributed or paid as dividends to shareholders (Brigham & Daves, 2019:619). Research conducted by Anjani (2021) found results that the DPR had a positive effect on the Company Value of the consumer goods industry sector on the IDX. Seth & Mahenthiran (2022) and Putri & Budyastuti (2021) also found the same result that the DPR has a positive effect on company value on the IDX. Research conducted by Triani & Tarmidi (2019) and Utami (2021) also found results that the DPR has a positive effect on company value.

The amount of dividends given by the company is effected by several factors, one of which is the level of debt in a company. Short-term debt is external financing that requires an increase in the company's financial performance in order to minimize liquidity risk. An increase in the company's financial performance will be reflected in the company's ability to generate profits so that the amount of dividends distributed to shareholders will increase and affect share prices and company value. Short-term debt generally bears high interest because the bond is less than one year so that it can reduce taxes by paying interest. The

tax reduction results in an increase in net profit followed by an increase in the amount of dividends.

Dividend Policy when viewed from the leverage side can be a positive signal for investors because companies with a relatively high level of leverage in their capital structure provide great benefits, namely being able to reduce taxes and other costs compared to the sacrifice to pay interest. The tax reduction causes the company's net profit to increase and the company can still develop its business through debt so that it can show that the company has good business prospects in the future. Increased net profit will affect the increase in dividends distributed to investors and will affect the increase in Company Value. Sarumpaet & Suhardi (2019) and Chan (2020) found several inconsistencies from the research results regarding the effect of leverage on Dividend Policy, which state that leverage proxied by DER has a negative effect on Dividend Policy. Different results were put forward by Septiana & Mulyana (2021) and Sianipar et al., (2020) which stated that DER had a positive effect on Dividend Policy.

Dividends have a strong relationship with retained earnings where dividends are the rights of shareholders for the profits generated by the company while retained earnings are the property of shareholders that are still held by the company for business expansion. IOS is needed for company expansion or growth by looking at investment opportunities in a project with a positive NPV. The company's investment activities require funding from the company's net profit so that net profit is reduced and will affect the amount of dividends distributed to investors. A decrease in the amount of dividend payments will result in a change in the share price and company value. Research conducted by Rahman & Herawati (2019) and Yoda (2019) state that IOS has a negative effect on Dividend Policy. Different results were put forward by Martin & Panggabean (2020) and Saifi (2019) which stated that IOS had a positive effect on Dividend Policy.

The industrial sector, especially in Indonesia, is still the main pillar of the economy, one of which is the manufacturing industry. The manufacturing industry is a processing industry, which is a business that processes or transforms raw materials into finished goods or semi-finished goods that have added value and is carried out mechanically with machines, or without using machines (BPS, 2022). The manufacturing industry is an industry that plays an important role in national economic growth, where the manufacturing industry is one of the contributors to Indonesia's GDP growth from year to year.

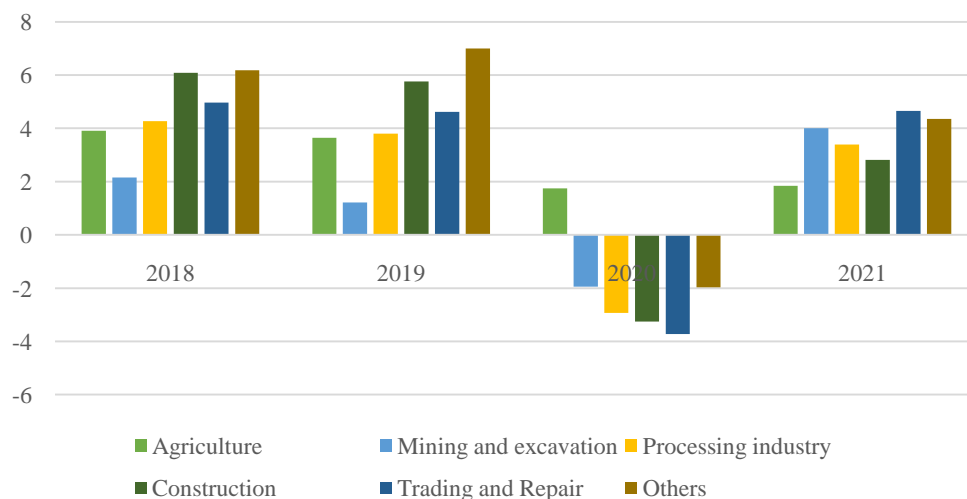


Figure 2 – Graph of Indonesia's GDP Growth for 2018-2021 (Source: www.bps.go.id, 2022)

Based on the graph of Indonesia's GDP growth for the last four years, the processing industry (manufacturing) is included in the driving sector of Indonesia's GDP along with the Agriculture, Mining & Quarrying, Construction, Trade & Repair, and others sectors. Figure 2 shows the processing industry (manufacturing) has experienced a significant decline from

2018 to 2020 and will increase again in 2021. The rapid growth of population and economic development in Indonesia, makes manufacturing companies the most strategic land to get high returns on investment (Ministry of Industry, 2022).

The guideline for investors in investing or investing in a company is to look at the financial reports published by each company on the IDX. The financial statements reflect the company's fundamentals which are a reference tool for investors in determining the intrinsic value of a company, one of which is Company Value proxied by Price to Book Value (PBV). PBV is a comparison between the stock price and the book value. The higher the PBV value, the better the company is at creating value or prosperity for shareholders (Alpi, 2020). Conversely, if the PBV is below one, it reflects a bad company value. Investors can see and understand a company's PBV level through the financial data and ratios presented. The following is the PBV value of manufacturing companies on the Indonesia Stock Exchange.

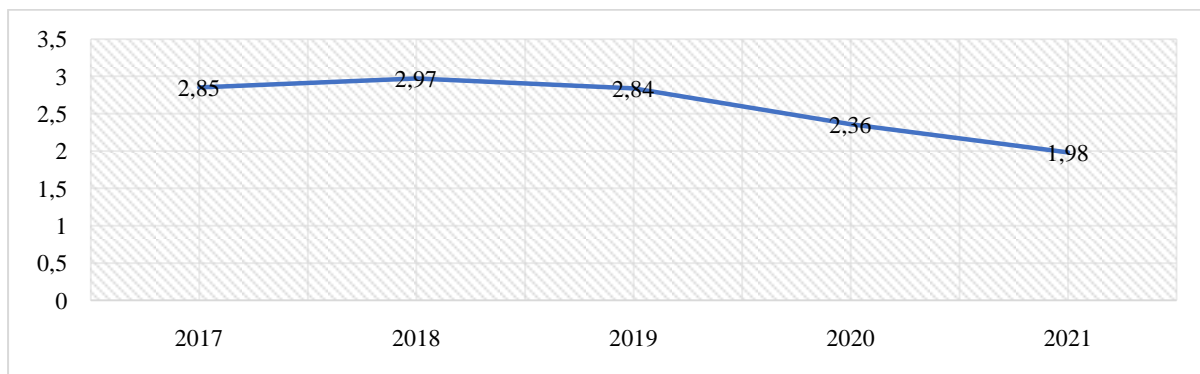


Figure 3 – Movement of PBV Value of Manufacturing Companies on the IDX for 2017-2021
(Source: www.idx.co.id, 2022)

Table 1 explains the Company Value proxied by PBV in the last five years, where the PBV value of manufacturing companies in 2017 has increased to 2018 of 0.12 rupiah. Table 1 also shows a significant decline in the PBV value of manufacturing companies for years from 2018 to 2021. Movements/fluctuations in Company Value in a good or bad direction encourage companies to continue to improve their performance.

Based on previous descriptions regarding theories, concepts, variables, and phenomena that occur as well as to overcome research gaps or inconsistent results of previous empirical research, this study was conducted with the aim of providing a more comprehensive view of "The Effect of Debt Maturity, Leverage, and Investment Opportunity Set on Company Value with Dividend Policy as Mediator (Study on Manufacturing Companies on the Indonesia Stock Exchange). Based on the theory and results of previous research, the hypothesis in this study is as follows:

- H1: Debt maturity has a positive effect on Dividend Policy;
- H2: Leverage has a positive effect on Dividend Policy;
- H3: Investment opportunity set has a negative effect on Dividend Policy;
- H4: Debt maturity has a positive effect on Company Value;
- H5: Leverage has a positive effect on Company Value;
- H6: Investment opportunity set has a positive effect on Company Value;
- H7: Dividend Policy has a positive effect on Company Value;
- H8: Dividend Policy is able to mediate the effect of debt maturity on Company Value;
- H9: Dividend Policy is able to mediate the effect of leverage on Company Value;
- H10: Dividend Policy is able to mediate the effect of investment opportunity set on Company Value.

METHODS OF RESEARCH

The approach used in this study is quantitative in the form of associative (relationship), namely research that aims to determine the relationship between two or more variables. The

location of this research is manufacturing companies on the Indonesia Stock Exchange for the 2017-2021 period by accessing the official website of the Indonesia Stock Exchange, namely www.idx.co.id.

The data used in this study are quantitative data, namely the amount of short-term debt, total debt, total equity, book value of fixed assets, total assets, total cash dividends, net income, stock price, book value, and number of shares distributed by the manufacturing company on the IDX. The source of this research is in the form of secondary data, namely data obtained indirectly through intermediary media such as documents. This secondary data collection method is the non-participant observation method where the researcher is not directly involved and only acts as an independent observer. The data in this study are the company's financial statements obtained through the website www.idx.co.id and several official websites of the companies concerned.

The population that is the object of this study is all manufacturing companies on the Indonesia Stock Exchange for the 2017-2021 period, a total of 204 companies. Based on the existing population, the determination of the sample was carried out by purposive sampling technique with several criteria namely (1) Manufacturing companies listed on the Indonesia Stock Exchange (IDX) publish annual financial reports consecutively (no delisting) during the study period, namely 2017-2021, (2) Manufacturing companies on the IDX that issued dividends consecutively during 2017-2021, and (3) Manufacturing companies on the IDX that have positive profits from 2017-2021.

The data analysis technique in this study uses path analysis with the following structural equations.

$$\text{Sub structural equation I: } Y_1 = b_1X_1 + b_2X_2 + b_3X_3 + e_1 \dots \dots \dots (1)$$

$$\text{Sub structural equation II: } Y_2 = b_4X_1 + b_5X_2 + b_6X_3 + b_7Y_1 + e_2 \dots \dots \dots (2)$$

Where: Y_2 = Company Value; Y_1 = Dividend Policy; X_1 = Debt Maturity; X_2 = Leverage; X_3 = Investment Opportunity Set; $b_1 \dots b_7$ = Regression coefficient for each variable X and Y; e_1, e_2 = Error.

RESULTS AND DISCUSSION

Based on Table 2, it can be seen that the number of observations (N) in this study totaled 150 data obtained from a total sample of 30 companies multiplied by the research period from 2017 to 2021, which is 5 years. The lowest value of the data is indicated by the minimum value, while the highest value of the data is indicated by the maximum value in the table. The mean value is used to measure the average value of the data, and the standard deviation indicates the standard deviation.

Table 2 – Descriptive Statistics

Variable	Number of Samples	Min Value	Max Value	Average value	Standard Deviation
Debt Maturity	150	17,226	97,599	67,27523	19,12295
DER	150	8,000	279,000	75,80667	54,13613
CAPBVA	150	-0,050	0,340	0,02045	0,051643
DPR	150	1,623	252,910	50,45975	41,70335
PBV	150	0,350	66,400	4,19960	8,24248

Source: *Processed data, 2022.*

Debt Maturity has the lowest (minimum) value of 17.226 percent, while the highest (maximum) value is 97.599 percent. This shows that the amount of debt maturity in this study ranges from 17.226 percent to 97.599 percent with an average (mean) of 67.27523 percent with a standard deviation of 19.12295. The lowest debt maturity value at PT. Indofood CBP Sukses Makmur Tbk. in 2020, namely 17.226 percent, while the highest debt maturity value is at PT. Wijaya Karya Beton Tbk. in 2017, namely 97.599 percent.

The debt to equity ratio has the lowest (minimum) value of 8 percent, while the highest (maximum) value is 279 percent. This shows that the magnitude of the DER in this study ranged from 8 percent to 279 percent with an average (mean) of 75.80667 percent at a standard deviation of 54.13613. The lowest DER value at PT. Supreme Cable Manufacturing & Commerce Tbk. in 2021, which is 8 percent, while the highest DER value is at PT. Univelever Indonesia Tbk. in 2021 that is 279 percent.

Capital expenditure to book value of assets has the lowest (minimum) value of -0.050 rupiah, while the highest (maximum) value is 0.340 rupiah. This shows that the amount of CAPBVA in this study ranged from -0.050 rupiah to 0.340 rupiah with an average (mean) of 0.02045 rupiah at a standard deviation of 0.051643. The lowest CAPBVA value at PT. Indospring Tbk. in 2017, namely -0.050 rupiah, while the highest CAPBVA value was at PT. Supreme Cable Manufacturing & Commerce Tbk. in 2017, namely 0.340 rupiah.

The dividend payout ratio has the lowest (minimum) value of 1.623 percent, while the highest (maximum) value is 252.910 percent. This shows that the size of the DPR in this study ranges from 1.623 percent to 252.910 percent with an average (mean) of 50.45975 percent at a standard deviation of 41.70335. The lowest DPR value at PT. Happy Perfect Tbk. in 2019, namely 1.623 percent, while the highest DPR score was at PT. Delta Jakarta Tbk. in 2020, namely 252.910 percent.

Price to book value has the lowest (minimum) value of 0.350 rupiah, while the highest (maximum) value is 66,400 rupiah. This shows that the amount of PBV in this study ranged from 0.350 rupiah to 66.400 rupiah with an average (mean) of 4.19960 rupiah at a standard deviation of 8.24248. The lowest PBV value at PT. Budi Starch & Sweetener Tbk. in 2020, namely 0.350 rupiah, while the highest PBV value is at PT. Unilever Indonesia Tbk. in 2017 which is 66,400 rupiah.

Table 3 – Structural Normality Test Results I

	Unstandardized Residual
N	150
Test Statistic Kolmogrov-Smirnov Z	0,738
Asymp. Sig. (2-tailed)	0,648

Source: Processed data, 2022.

Based on table 3 it can be seen that the normality test results show that the Kolmogrov-Smirnov Z Test Statistical value is 0.738 and the Asymp. Sig. (2-tailed) of 0.648. Asymp value. Sig. (2-tailed) 0.648 is greater than the alpha significance value of 0.05 so that it can be stated that the data is normally distributed.

Table 4 Structural Normality Test Results II

	Unstandardized Residual
N	150
Test Statistic Kolmogrov-Smirnov Z	2,412
Asymp. Sig. (2-tailed)	0,180

Source: Processed data, 2022.

Based on table 4 it can be seen that the normality test results show that the Kolmogrov-Smirnov Z Test Statistical value is 2.412 and the Asymp. Sig. (2-tailed) of 0.180. Asymp value. Sig. (2-tailed) 0.180 is greater than the alpha significance value of 0.05 so that it can be stated that the data is normally distributed.

Table 5 – Structural Autocorrelation Test Results I

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0,404 ^a	0,164	0,146	0,85062	1,788

Source: Processed data, 2022.

Based on Table 5, it can be seen that the Durbin-Watson value is 1.788 with a total sample of 150 and a number of exogenous variables 3, with $dU = 1.774$ and $4-dU = 2.226$, this means that the Durbin Watson value is between dU and $4-dU$ which indicates no signs of autocorrelation.

Table 6 – Structural Autocorrelation Test Results II

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0,450 ^a	0,203	0,181	7,461405	2,208

Source: Processed data, 2022.

Based on Table 6, it can be seen that the Durbin-Watson value is 2.208 with a total sample of 150 and a total of 4 exogenous variables, with $dU = 1.788$ and $4-dU = 2.212$, this means that the Durbin Watson value is between dU and $4-dU$ which indicates no signs of autocorrelation.

Table 7 – Multicollinearity Test Results

Structural Equation	Variable	Tolerance	VIF
$Y_1 = b_1X_1 + b_2X_2 + b_3X_3 + e_1$	Debt Maturity (X_1)	0,863	1,158
	DER (X_2)	0,858	1,165
	CAPBVA(X_3)	0,994	1,006
$Y_2 = b_4X_1 + b_5X_2 + b_6X_3 + b_7Y_1 + e_2$	Debt Maturity (X_1)	0,776	1,289
	DER (X_2)	0,842	1,187
	CAPBVA(X_3)	0,993	1,007
	DPR (Y_1)	0,836	1,196

Source: Processed data, 2022.

Table 7 shows that for all the exogenous variables used, the resulting VIF value is less than 10 and the tolerance value is > 0.10 , so it can be stated that there is no multicollinearity between exogenous variables.

Table 8 – Structural Heteroscedasticity Test Results I

Variable	Sig.	Information
Debt Maturity (X_1)	0,108	Free of heteroscedasticity
DER (X_2)	0,267	Free of heteroscedasticity
CAPBVA (X_3)	0,597	Free of heteroscedasticity

Source: Processed data, 2022.

Table 8 shows that the exogenous variables used in this study are debt maturity with a significance of 0.108, DER with a significance of 0.267, and CAPBVA with a significance of 0.597, where all values are greater than 0.05 so it can be stated that heteroscedasticity does not occur.

Table 9 – Structural Heteroscedasticity Test Results II

Variable	Sig.	Information
Debt Maturity (X_1)	0,140	Free of heteroscedasticity
DER (X_2)	0,308	Free of heteroscedasticity
CAPBVA (X_3)	0,689	Free of heteroscedasticity
DPR (Y_1)	0,262	Free of heteroscedasticity

Source: Processed data, 2022.

Table 9 shows that the exogenous variables used in this study are debt maturity with a significance of 0.140, DER with a significance of 0.308, CAPBVA with a significance of 0.689, and DPR with a significance of 0.262, where all of these values are greater than 0.05 so that it can be stated that there is no heteroscedasticity.

Table 10 – Structural Path Analysis Test Results I

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0,388	1,119		0,347	0,729
	Debt Maturity	0,910	0,224	0,331	4,066	0,000
	DER	-0,150	0,089	-0,137	-1,677	0,096
	CAPBVA	0,523	1,354	0,029	0,386	0,700

Source: Processed data, 2022.

The results of the analysis in Table 10 can be made a regression equation as follows:

$$Y_1 = b_1X_1 + b_2X_2 + b_3X_3 + e1$$

$$Y_1 = 0,331 X_1 - 0,137 X_2 + 0,029 X_3 + e1$$

Where: Y_1 = Dividend Policy; b_1 , b_2 , b_3 = Regression Coefficient; X_1 = Debt Maturity; X_2 = Debt to Equity Ratio (DER); X_3 = Capital Expenditure to Book Value of Assets (CAPBVA); $e1$ = Standard Error Value of Structure I.

Table 11 – Structural Path Analysis Test Results II

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-41,408	9,819		-4,217	0,000
	Debt Maturity	5,139	2,070	0,209	2,482	0,014
	DER	3,740	0,792	0,381	4,721	0,000
	CAPBVA	-2,643	11,879	-0,017	-0,222	0,824
	DPR	2,577	0,726	0,288	3,549	0,001

Source: Processed data, 2022.

The results of the analysis in Table 11 can be made a regression equation as follows:

$$Y_2 = b_1X_1 + b_2X_2 + b_3X_3 + b_4Y_1 + e2$$

$$Y_2 = 0,209 X_1 + 0,381 X_2 - 0,017 X_3 + 0,288 Y_1 + e2$$

Where: Y = Price to Book Value (PBV); b_1 , b_2 , b_3 , b_4 = Regression Coefficient; X_1 = Debt Maturity; X_2 = Debt to Equity Ratio (DER); X_3 = Capital Expenditure to Book Value of Assets (CAPBVA); Y_1 = Dividend Payout Ratio (DPR); $e2$ = Standard Error Value of Structure II.

Knowing the value of $e1$ (error) which indicates the total variance of the Dividend Policy variable that is not explained by Debt Maturity, DER and CAPBVA is calculated using the following formula:

$$e1 = \sqrt{(1 - R_i^2)} = 0,914$$

Knowing the value of $e2$ (error) which indicates the total variance of the Company Value variable that is not explained by the Debt Maturity, DER, CAPBVA, and DPR variables is calculated using the following formula:

$$e2 = \sqrt{(1 - R_i^2)} = 0,892$$

The indicator to check the validity of the model in the path analysis is the total determination coefficient, the results of which are as follows:

$$R_m^2 = 1 - e_1^2 e_2^2 = 0,335$$

Where: R_m^2 : The total coefficient of determination; e_1 , e_2 : Standard estimated error value.

Based on the results of calculating the total coefficient of determination, it is obtained that the diversity of data that can be explained by the model is 33.5 percent or in other words the information contained in the data is 33.5 percent can be explained by the model, while the remaining 66.5 percent is explained by other variables not included in the model.

The results of the path coefficient of this study are depicted in Figure 4.

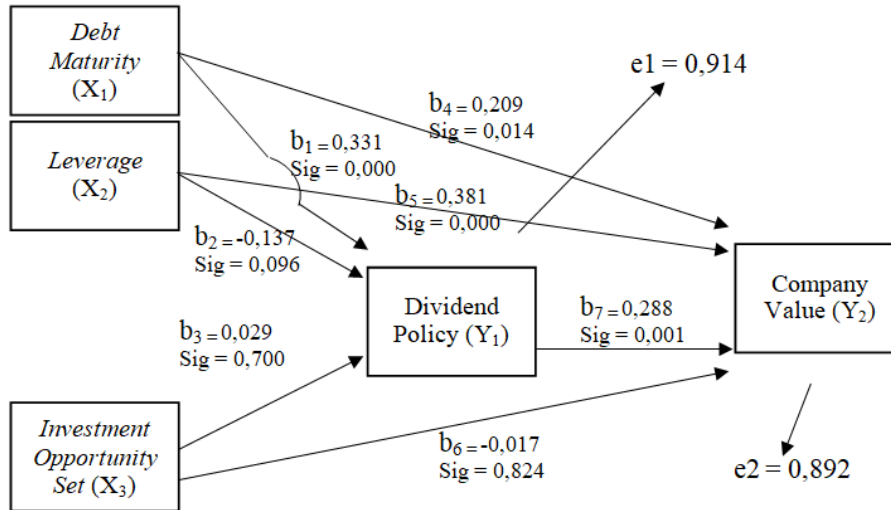


Figure 4 – Path Coefficient Diagram

Based on the path diagram in Figure 4, it can be calculated the amount of direct effect, indirect effect and total effect between variables. The calculation of the effect between variables is summarized in Table 12 as follows.

Table 12 – Tests for Direct, Indirect, and Total Effect

Variable Effect	Direct Effect	Indirect Effect Through Dividend Policy (Y ₁)	Total Effect
$X_1 \rightarrow Y_1$	0,331	-	0,331
$X_2 \rightarrow Y_1$	-0,137	-	-0,137
$X_3 \rightarrow Y_1$	0,029	-	0,029
$X_1 \rightarrow Y_2$	0,209	$0,331 \times 0,288 = 0,095$	0,304
$X_2 \rightarrow Y_2$	0,381	$-0,137 \times 0,288 = -0,039$	0,342
$X_3 \rightarrow Y_2$	-0,017	$0,029 \times 0,288 = 0,008$	-0,009
$Y_1 \rightarrow Y_2$	0,288	-	0,288

Source: Processed data, 2022.

Table 13 – Results of Structural Simultaneous Significance Test I

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	20,653	3	6,884	9,515	0,000 ^b
1 Residual	105,639	146	0,724		
Total	126,293	149			

Source: Processed data, 2022.

Table 14 – Results of Simultaneous Structural Significance Test II

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2050,331	4	512,583	9,207	0,000 ^b
1 Residual	8072,523	145	55,673		
Total	10122,854	149			

Source: Processed data, 2022

Based on the regression results in Table 13, it shows a significance level (Sig. F) of 0.000 which is smaller than the value $\alpha = 0.05$. These results indicate that all exogenous variables (Debt Maturity, DER, and CAPBVA) can predict or explain the Dividend Policy phenomenon in Manufacturing companies on the IDX for the 2017-2021 period.

Based on the regression results in Table 14, it shows a significance level (Sig. F) of 0.000 which is smaller than the value $\alpha = 0.05$. These results indicate that all exogenous variables (Debt Maturity, DER, CAPBVA, and DPR) can predict or explain the Company Value phenomenon in Manufacturing companies on the IDX for the 2017-2021 period.

Table 15 – Results of Structural Direct Effect Test I

Coefficients ^a		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Test results
Model		B	Std. Error	Beta			
1	(Constant)	0,388	1,119		0,347	0,729	
	Debt Maturity	0,910	0,224	0,331	4,066	0,000	Accepted
	DER	-0,150	0,089	-0,137	-1,677	0,096	Rejected
	CAPBVA	0,523	1,354	0,029	0,386	0,700	Rejected

Source: Processed data, 2022.

Based on Table 15, it is obtained that the t significance value of the debt maturity variable is 0.000 which is smaller than the value $\alpha = 0.05$, meaning that debt maturity has a positive effect on the Dividend Policy of manufacturing companies on the IDX in 2017-2021. The t significance value of the DER variable is 0.096 which is greater than the value $\alpha = 0.05$, meaning that leverage has no effect on the Dividend Policy of manufacturing companies on the IDX in 2017-2021. The t significance value of the CAPBVA variable is 0.700 which is greater than the value $\alpha = 0.05$, meaning that IOS has no effect on the Dividend Policy of manufacturing companies on the IDX in 2017-2021.

Table 16 – Results of Structural Direct Effect Test II

Coefficients ^a		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Hasil Uji
Model		B	Std. Error	Beta			
1	(Constant)	-41,408	9,819		-4,217	0,000	
	Debt Maturity	5,139	2,070	0,209	2,482	0,014	Accepted
	DER	3,740	0,792	0,381	4,721	0,000	Accepted
	CAPBVA	-2,643	11,879	-0,017	-0,222	0,824	Rejected
	DPR	2,577	0,726	0,288	3,549	0,001	Accepted

Source: Processed data, 2022.

The t significance value of the debt maturity variable is 0.014 which is smaller than the value $\alpha = 0.05$, meaning that debt maturity has a positive effect on manufacturing Company Value on the IDX in 2017-2021. The t significance value of the DER variable is 0.000 which is smaller than the value $\alpha = 0.05$, meaning that leverage has a positive effect on manufacturing Company Value on the IDX in 2017-2021. The t significance value of the CAPBVA variable is 0.824 which is greater than the value $\alpha = 0.05$, meaning that IOS has no effect on manufacturing Company Value on the IDX in 2017-2021. The t significance value of the DPR variable is 0.001 which is smaller than the value $\alpha = 0.05$, meaning that the Dividend Policy has a positive effect on manufacturing Company Value on the IDX in 2017-2021.

Indirect Effect Testing

The Sobel test for the relationship of debt maturity (X_1) to Company Value (Y_2) through the Dividend Policy variable (Y_1) is as follows:

$$S_{ab} = 2,672$$

The calculated Z value = 2.672 which is greater than the absolute standard z value of 1.96, so H_0 is rejected and H_1 is accepted, meaning that the Dividend Policy variable (Y1) is able to mediate the effect of debt maturity (X1) on Company Value (Y2) in manufacturing companies on the IDX.

The Sobel test for the relationship of leverage (X2) to Company Value (Y2) through the Dividend Policy variable (Y1) is as follows:

$$S_{ab} = -1,522$$

The calculated Z value = -1.522 which is smaller than the standard absolute z value, namely 1.96, so H_0 is accepted and H_1 is rejected, meaning that the Dividend Policy variable (Y1) is unable to mediate the effect of leverage (X1) on Company Value (Y2) in manufacturing companies in IDX.

The Sobel test for the relationship between investment opportunity set (X3) and company value (Y2) through the dividend policy variable (Y1) is as follows:

$$S_{ab} = 0,383$$

The calculated Z value = 0.383 which is smaller than the standard absolute z value of 1.96 then H_0 is accepted and H_1 is rejected, This means that the Dividend Policy variable (Y1) is unable to mediate the effect of the investment opportunity set (X1) on Company Value (Y2) in manufacturing companies on the IDX.

The VAF calculation for the effect of Dividend Policy in mediating the effect of debt maturity on Company Value is as follows:

$$VAF = \frac{0,095}{0,304} \times 100\% = 31,25\%$$

The VAF value shows the number 31.25% which is between 20% and 80% which means that Dividend Policy is a partial mediation of the effect of debt maturity on Company Value.

Debt Maturity Effect on Dividend Policy

The regression coefficient value indicates that debt maturity affects Dividend Policy by 0.331 in a positive direction at a significance level of 0.000 where the number 0.000 is smaller than the α value of 0.05. Based on the test results, debt maturity has a positive effect on the Dividend Policy of manufacturing companies on the IDX for 2017-2021.

Debt maturity in this study measures how much a company's total short-term debt is compared to the company's overall debt. Short-term debt is external financing used to finance the company's operations, where short-term debt is subject to a higher interest rate so that the large proportion of short-term debt indicates that the company's net profit will increase because interest payments are expenses that can be deducted from operating profit to obtain a company's taxable income (Brigham & Daves, 2019: 262). The increase in net profit results in the amount of dividends distributed by the company will also increase. Short-term debt also carries less risk because the bond is shorter, which is less than one year. Chaleeda et al., (2019) stated that short-term debt requires an increase in financial performance by increasing sales. Increased company sales will increase company profits and the amount of dividends distributed to investors will also increase. The results of this study prove The Bird in The Hand Theory which states that shareholders prefer dividends over capital gains because of the uncertainty inherent in capital gains.

Leverage Effect on Dividend Policy

The regression coefficient value of the leverage variable on Dividend Policy is 0.137 with a negative direction at a significance level of 0.096, where the number 0.096 is greater

than the α value of 0.05. Based on the test results, leverage has no effect on the Dividend Policy of manufacturing companies on the IDX for the 2017-2021 period.

The results of this study contradict the theory of capital structure which states that companies with relatively high levels of debt in their capital structure provide great benefits, namely they can reduce taxes and other costs compared to sacrifices to pay interest (Brigham & Daves, 2019: 263). The insignificant effect of leverage on Dividend Policy means that the size of the DER value does not affect the amount of dividends distributed because the company must maintain stability in paying dividends to shareholders. The company maintains a stable dividend payout because shareholders prefer dividends to capital gains according to Gordon's theory, namely The Bird in The Hand Theory. Practically speaking, company dividend payments follow a dividend payment policy that increases steadily which can provide investors with stable income (Brigham & Daves, 2019:645).

The results of this study support research conducted by Sanjaya & Rahayu (2020) which states that leverage has no effect on the LQ45 company Dividend Policy on the IDX. The same research results were found by Mauris & Rizal (2021) and Tamara & Mulyana (2022) which stated that leverage had no significant effect on a company's Dividend Policy. Junianto et al., (2022) found the same results in his research on IDX 30 index companies on the IDX for the 2018-2020 period, namely that leverage has no effect on Dividend Policy. Feizal et al., (2021) in their research on construction companies found that leverage proxied by DER has no effect on the company's dividend policy.

Investment Opportunity Set Effect on Dividend Policy

The regression coefficient value of the IOS variable on Dividend Policy is 0.029 with a positive direction at a significance level of 0.700 where the number 0.700 is greater than the α value of 0.05. Based on the test results, IOS has no effect on the Dividend Policy of manufacturing companies on the IDX for the 2017-2021 period.

The results of this study contradict the residual Dividend Policy which states that companies use profits to pay capital expenditures first and dividends are then paid with the remaining income generated. The insignificant effect of IOS on Dividend Policy means that the size of the value of CAPBVA (Capital Expenditures to Book Value of Assets) does not affect the amount of dividends distributed. The results of this study prove that companies do not pay attention to IOS for decision making in paying dividends. The company focuses more on generating profits so that it can maintain the stability of dividend payments to shareholders because generally shareholders value dividends that are stable compared to those that fluctuate (Brigham & Daves, 2019: 645). This research also proves The Bird in The Hand Theory which states that investors prefer dividends over capital gains because of the uncertainty in capital gains.

The results of this study support research conducted by Fauziah et al., (2022) which states that IOS has no effect on the Dividend Policy of infrastructure companies on the IDX for the 2017-2021 period. The same research results were found by Natariasari et al., (2021) and Sugiyanto et al., (2021) which stated that IOS did not have a significant effect on a company's Dividend Policy. Nasipah et al., (2022) and Utami (2021) found the same results in their research on companies on the IDX, namely that IOS had no effect on Dividend Policy.

Debt Maturity Effect on Company Value

The regression coefficient value indicates that debt maturity affects the Company Value by 0.209 in a positive direction at a significance level of 0.014 where the number 0.014 is smaller than the α value of 0.05. Based on the test results, debt maturity has a positive and significant effect on manufacturing Company Value on the IDX for the 2017-2021 period.

The results of this study are in accordance with the debt maturity choice signal model which explains that company managers who have non-public information about the company's future prospects will try to convey this information to investors who are relatively uninformed through the choice of debt maturity structure (Megginson, 1997: 181). Mar'ah et

al., (2022) stated that companies must decide on the maturity of debt when choosing debt as a source of funding because choosing a debt maturity will affect company value. The high short-term debt of the company is captured as a positive signal for investors because short-term debt is external financing that requires an increase in the company's financial performance in order to minimize the company's inability to pay its obligations. The increase in the company's financial performance resulted in an increase in the trading volume of manufacturing company shares, which was reflected in the increase in share prices. An increase in stock prices is of course followed by an increase in Company Value.

The results of this study support research conducted by Damarjati & Fuad (2018) who found that debt maturity has an effect on financial performance which will increase company value. Hatem (2017) found results that debt maturity has a positive effect on company performance. Nisa & Patrisia (2020) found results that debt maturity has a positive effect on the volatility of the performance of manufacturing sector companies on the IDX which is proxied by the standard deviation of PBV.

Leverage Effect on Company Value

The regression coefficient value indicates that leverage affects company value by 0.381 in a positive direction at a significance level of 0.000 where the number 0.000 is smaller than the α value of 0.05. Based on the test results, leverage has a positive and significant effect on manufacturing Company Value on the IDX for the 2017-2021 period.

The results of this study are in line with the signaling model of the financial structure of Megginson (1997:315) which explains that companies will choose to use relatively high leverage in their capital structure to provide information in the form of signals to parties outside the company in order to increase company value. The relatively high use of debt is captured as a positive signal by investors because it is considered that the use of debt provides great benefits, namely it can reduce taxes and other costs compared to the sacrifice of paying interest so that net income increases. The increase in net income attracted investors to invest in manufacturing companies and resulted in an increase in stock trading volume as indicated by an increase in share prices. An increase in the company's share price is then followed by an increase in company value. Leman et al., (2020) also explained that based on investor perceptions, companies that use high debt in their capital structure are trusted by banks and have easy access to loans, which allows the company to carry out long-term projects that can show the company has good business prospects in the future.

The results of this study support research conducted by Susanti & Restiana (2018) showing that DER has a positive effect on LQ45 Company Value on the IDX. The same research results were found by Leman et al., (2020) and Bahraini et al., (2021) who found that DER had a positive effect on the Company Value of food and beverages on the IDX. Maulida & Karak (2021) found research results that leverage proxied by DER had a positive effect on manufacturing company value on the IDX for the 2014-2018 period. Natsir & Yusbardini (2020) and Hirdinis (2019) also found results that DER had a positive effect on company value.

Investment Opportunity Set Effect on Company Value

The regression coefficient value of the IOS variable on Company Value is 0.017 with a negative direction at a significance level of 0.824 where the number 0.824 is greater than the α value of 0.05. Based on the test results, IOS has no effect on manufacturing Company Value on the IDX in 2017-2021.

The results of this study contradict the corporate investment signal model which states that capital investment can be used as a signal for company management to show the company's profitability to investors (Megginson, 1997: 291). Companies with optimal IOS tend to be positively assessed by investors because they have prospects for future profits. The insignificant results of IOS on Company Value stated that the size of IOS which in this study was proxied by CAPBVA (Capital Expenditures to Book Value of Assets) did not affect Company Value because investors did not capture the company's IOS level as a valuable

signal or information for investors. Investors pay less attention to company investment opportunities that can increase company value because investors are more focused on the signals given by the company regarding the company's profit level. There is no effect on IOS which is proxied by asset growth with Company Value caused by asset growth which is the result of investment decisions, only comparing the current year's assets with the previous year's assets. A company's assets that have decreased in the current year do not guarantee that the following year's assets will also decrease or vice versa, so that asset growth is not too much of a concern for investors in making investments. Investors assess a company as having good prospects, so investors will continue to invest even though assets have decreased or increased.

The results of this study support research conducted by Mulyani et al., (2020) showing the results that IOS has no effect on automotive company value on the IDX. Kolibu et al., (2020) and Ilmiyono et al., (2021) found the same result that IOS had no effect on company value.

Dividend Policy Effect on Company Value

The regression coefficient value indicates that dividend policy affects company value by 0.288 in a positive direction at a significance level of 0.001 where the number 0.001 is smaller than the α value of 0.05. Based on the test results, the Dividend Policy has a positive and significant effect on manufacturing Company Value on the IDX for the 2017-2021 period.

The results of this study are in line with the dividend signal model which states that companies need to distribute dividends to provide a signal about the existence of positive information (good prospects) of the company from the internal company (Megginson, 1997:378). The results of this study are also in accordance with The Bird in The Hand theory which states that investors prefer dividends over capital gains because of the uncertainty inherent in capital gains so that the amount of dividends distributed by companies will affect investors' decisions in investing in manufacturing companies. The results of this study found that a high dividend increase is a positive signal for investors because investors assess company management predicting good profits in the future so that investors are interested in investing in manufacturing companies and led to an increase in share trading volume as reflected in the share price of manufacturing companies on the IDX. The increase in share price was then followed by an increase in company value.

The results of this study support research conducted by Alenazi & Barbour (2019) who found the same result that the DPR has a positive effect on banking company value on the Qatar Stock Exchange. Margono & Ganno (2021) and JooMan et al., (2021) also researched Dividend Policy proxied by the DPR and found results that the DPR has a positive effect on Company Value. Research conducted by Kadim et al., (2020) and Fadhilah et al., (2022) also found the same results, namely the DPR has a positive effect on company value.

The Role of Dividend Policy in Mediating the Effect of Debt Maturity on Company Value

The z value for calculating the indirect effect of debt maturity on Company Value mediated by Dividend Policy is 2.672. The value of 2.672 is greater than the standard absolute z value, which is 1.96, which means that there is a mediating effect. Dividend Policy has a VAF value of 31.25% which is between 20% and 80% meaning that Dividend Policy is a partial mediation of the effect of debt maturity on Company Value. The results of the Sobel test mean that Dividend Policy is able to partially mediate the effect of debt maturity on manufacturing Company Value on the IDX for the 2017-2021 period.

Short-term debt is an external financing that has a smaller risk because the commitment is shorter, which is less than one year and bears higher interest. Companies with high short-term debt will increase net income because interest payments result in tax deductions. Increased company net profit will have an impact on increasing the amount of dividends distributed to shareholders. An increase in the amount of dividends gives a positive signal to investors because investors consider that the company expects good profits in the future so that the demand for the company's shares also increases, which is

reflected in the increase in share prices. An increase in stock prices resulted in an increase in manufacturing company value on the IDX.

The Role of Dividend Policy in Mediating the Effect of Leverage on Company Value

The z value for calculating the indirect effect of leverage on Company Value mediated by Dividend Policy is -1.522. The value of -1.522 is smaller than the standard absolute z value, which is 1.96, which means that there is no mediation effect. The results of the Sobel test mean that Dividend Policy is unable to mediate the effect of leverage on manufacturing Company Value on the IDX for the 2017-2021 period.

The results of leverage research that have no effect on Dividend Policy, as well as positive results from the effect of each leverage and Dividend Policy on Company Value mean that companies with high or low leverage do not affect dividend payments to shareholders because companies pay more attention to the stability of dividend payments that are continue to increase. Leverage has a positive effect on company value stating that investors perceive high corporate debt as a positive signal because companies develop their businesses using high levels of leverage. Dividend Policy has a positive effect on Company Value which indicates that investors perceive dividend distribution information as a positive signal so that shareholders are satisfied with their investment returns, attracting investors to invest in company shares and being able to increase Company Value. In short, the results of this study state that companies pay attention to the level of dividend payments to maintain Company Value so that the high or low DER value as a proxy for leverage will affect Company Value directly and not through the Dividend Policy variable.

The Role of Dividend Policy in Mediating the Effect of Investment Opportunity Set on Company Value

The calculated z value of the indirect effect of investment opportunity set on Company Value mediated by Dividend Policy is 0.383. The value of 0.383 is smaller than the standard absolute z value, which is 1.96, which means that there is no mediation effect. The results of the Sobel test mean that dividend policy is not able to mediate the effect of investment opportunity sets on manufacturing company value on the IDX for the 2017-2021 period.

Results that are not significant from the effect of IOS on Dividend Policy and Company Value as well as significant positive results from the effect of Dividend Policy on Company Value state that a company pays attention to dividend distribution to maintain Company Value so that a positive or negative IOS value does not change Company Value. IOS which in this study is proxied by CAPBVA (Capital Expenditures to Book Value of Assets) which measures the growth of a company's assets where the company pays little attention to the level of asset growth in deciding the amount of dividends to be distributed to investors. Likewise with investors, investors also do not pay attention to the growth of a company's assets in investing, because a company's assets that experience an increase or decrease will not affect investors' investment decisions as long as the company's financial performance remains in good condition so that IOS is less captured as a valuable signal or information from the company to investors.

Implications of Research Results

Based on the discussion that has been described previously, the implications of the results of this study consist of two implications, namely theoretical implications and practical implications which can be explained as follows.

This study confirms the concepts of signaling models of debt maturity choice, signaling models of financial structure, and dividend signaling models that exist in signal theory. Information in the company's financial statements can be a positive signal (good news) for investors so that the information provided by the company can increase company value because it is able to provide investors with an appropriate return on their investment. The results of this study also confirm the bird in the hand theory, namely investors pay more attention to definite dividend payments than capital gains because of the uncertainty inherent in capital gains. Investors who pay more attention to dividend payments are also

followed by a stability policy of dividend payments by companies where companies prioritize dividend payments that continue to increase and are stable which of course can also provide investors with stable income.

Based on the research results obtained, this research can make a positive contribution to manufacturing companies on the IDX in increasing company value and the results of this study are also expected to provide consideration for investors or potential investors who will invest in manufacturing companies on the IDX.

CONCLUSION

Based on the research results that have been obtained and the discussion that has been described in the previous chapter, the following conclusions can be drawn: Debt maturity has a positive effect on Dividend Policy, indicates that Dividend Policy is effected by the amount of a company's short-term debt because short-term debt is external financing with relatively high interest so that the company's net profit increases and the amount of dividends distributed also increases. Leverage has no effect on Dividend Policy, indicating that the size of the DER value does not affect the amount of dividends distributed because the company must maintain stability in dividend payments. Investment opportunity set has no effect on Dividend Policy, indicating that the company does not pay attention to IOS for making decisions in paying dividends because the company focuses more on efforts to generate profits so that it can maintain the stability of dividend payments to shareholders. Debt maturity has a positive effect on Company Value, indicating that debt maturity gives a positive signal to investors. Leverage has a positive effect on Company Value, indicating that high leverage gives a positive signal to investors. Investment opportunity set has no effect on Company Value, indicating that investors do not perceive IOS as a positive signal or information from the company because investors are more focused on information about company profitability so that high or low levels of IOS do not affect manufacturing Company Value on the IDX. Dividend Policy has a positive effect on Company Value, indicating that an increase in dividends distributed by the company gives a positive signal to investors because investors judge that the company predicts good profits in the future resulting in an increase in trading volume as reflected in an increase in share prices and Company Value. Dividend Policy is able to partially mediate the effect of debt maturity on Company Value. Dividend Policy is not able to mediate the effect of leverage on Company Value. Dividend Policy is unable to mediate the effect of investment opportunity set on Company Value.

Further research is suggested to be able to examine the same thing but in other sectors or all sectors on the IDX. Further research is also suggested to be able to consider other measurements that may affect Dividend Policy and Company Value. Based on the research results, it is known that debt maturity, leverage, and dividend policy have a positive effect on company value, so it is expected that manufacturing companies can properly analyze the factors that affect company value because debt maturity, leverage, and Dividend Policy are positive signals from the company to investors that can be used as a basis for making decisions related to increasing Company Value, which is the goal of companies going public.

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