



The Influence of Profitability, Liquidity and Leverage on Company Value With Dividend Policy as a Moderation Variable (Case Study on Energy Companies Listed on the BEI In 2017-2021)

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Abstrak

Penelitian ini bertujuan untuk mengetahui pengaruh profitabilitas, likuiditas dan leverage terhadap nilai perusahaan dengan kebijakan dividen sebagai variabel moderasi pada perusahaan energi yang terdaftar di BEI tahun 2017-2021. Populasi dalam penelitian ini adalah seluruh perusahaan energi yang berjumlah 76 perusahaan dan sampel yang digunakan berjumlah 10 perusahaan dengan menggunakan teknik purposive sampling. Metode analisis data yang digunakan ialah analisis regresi linier berganda, Moderated Regression Analysis, uji t dan uji koefisien determinasi. Hasil penelitian menunjukkan $Y = 1,195 + 4,881X_1 - 0,064X_2 + 0,242X_3$. Berdasarkan hasil uji t, profitabilitas, likuiditas dan leverage berpengaruh signifikan terhadap nilai perusahaan. Hasil Moderated Regression Analysis menunjukkan bahwa kebijakan dividen mampu memoderasi pengaruh profitabilitas dan likuiditas terhadap nilai perusahaan, sedangkan kebijakan dividen tidak mampu memoderasi pengaruh leverage terhadap nilai perusahaan. Hasil koefisien determinasi variabel profitabilitas, likuiditas dan leverage memberikan pengaruh sebesar 24,8% terhadap nilai perusahaan, sementara sisanya 75,2% dipengaruhi oleh variabel lain yang tidak diteliti pada penelitian ini.

Kata Kunci: Profitabilitas, Likuiditas, Leverage, Kebijakan Dividen dan Nilai Perusahaan

Abstract

This research aims to determine the effect of profitability, liquidity and leverage on company value with dividend policy as a moderating variable in energy companies listed on the BEI in 2017-2021. The population in this study was all energy companies totaling 76 companies and the sample used was 10 companies using purposive sampling techniques. The data analysis methods used are multiple linear regression analysis, Moderated Regression Analysis, t test and coefficient of determination test. The research results show $Y = 1.195 + 4.881X_1 - 0.064X_2 + 0.242X_3$. Based on the t test results, profitability, liquidity and leverage have a significant effect on company value. The results of Moderated Regression Analysis show that dividend policy is able to moderate the influence of profitability and liquidity on firm value, while dividend policy is unable to moderate the influence of leverage on firm value. The results of the coefficient of determination for the profitability, liquidity and leverage variables have an influence of 24.8% on company value, while the remaining 75.2% is influenced by other variables not examined in this research.

Keywords: Profitability, Liquidity, Leverage, Dividend Policy and Company Value

INTRODUCTION

Energy is an engine of economic growth and supports various social lives in society. Economic growth will depend heavily on energy adequacy, considering that the process of producing goods or services will always require support from energy supplies. For the

Southeast Asia region, Indonesia ranks highest in terms of energy use when compared with other countries in the same region. This is because Indonesia has diverse energy resources, from fossil to non-fossil sources.

According to Kasmir (2017:196), profitability is a ratio used to measure the level of profit from a company's operational activities. This ratio also provides a measure of the level of effectiveness of a company's management. High profitability can affect the value of the company, because it will attract the attention of investors to invest. If investors come to invest, it will increase the company's share price.

Liquidity is the company's ability or ability to fulfill its short-term obligations (debts) or the company's ability to fulfill its obligations to pay debts that are due on time (Sudana, 2015:21). This ratio can be a tool or information to help a company improve its management performance.

leverage is a ratio used to compare the assets owned by a company with the debts that exist in the company. The leverage ratio is often used by analysts and investors to see how much debt a company has compared to the capital owned by the company.

Company value is the company's performance as reflected in the share price which is formed from supply and demand in the capital market and as a reflection of the public's assessment of the company's performance. Investors will be interested in investing their capital if the company value is high so that the company's share price will rise, whereas if the financial performance is inversely proportional then the share price will also decline (Marfuah and Nindya, 2017:21).

Dividend policy is a decision whether the profits earned by the company will be distributed to shareholders as dividends or will be retained in the form of profits to finance investment in the future (Sartono 2016: 281). Dividend policy in this research is used as a moderating variable for the influence of profitability, liquidity and leverage on company value. This is because dividend policy is the center of attention of shareholders, creditors and other external parties who have an interest in the information released by the company.

From the results of previous research that has been explained previously, it appears that there are still differences between the results of one study and another between the influence of profitability, liquidity and leverage on company value with dividend policy as a moderating variable. Therefore, in this research, researchers are interested in carrying out research with the title "The Influence of Profitability, Liquidity and Leverage on Company Value with Dividend Policy as a Moderating Variable (Case Study of Energy Companies Registered on BEI 2017-2021)".

Understanding Company Value

Company value is the price that prospective buyers are willing to pay if the company is sold. Therefore, every company will always try to maximize company value by having a high company share price. The higher the share price, the higher the company value (Husnan & Pudjiastuti 2017:7).

A high company value is something that an investor wants, this means that investors will become more prosperous because their wealth will increase. It is not easy for managers to maintain the value of the company or increase it because they have to manage the existing funds as best as possible so that they continue to make a profit and can also fulfill both short and long term obligations. If the management is not good and the manager makes the wrong decision, it will reduce the value of the company (Franita, 2018:2).

Understanding Dividend Policy

Dividend policy is the result of business activities carried out by management which aims to seek profits through the effectiveness of the activities carried out as well as financing efficiency efforts (Wiyono and Kusuma, 2017: 11).

Understanding Profitability

The profitability ratio can be said to be an important ratio for a company, because the profitability ratio is a ratio used to measure the efficiency of a company in utilizing assets and managing operational activities.

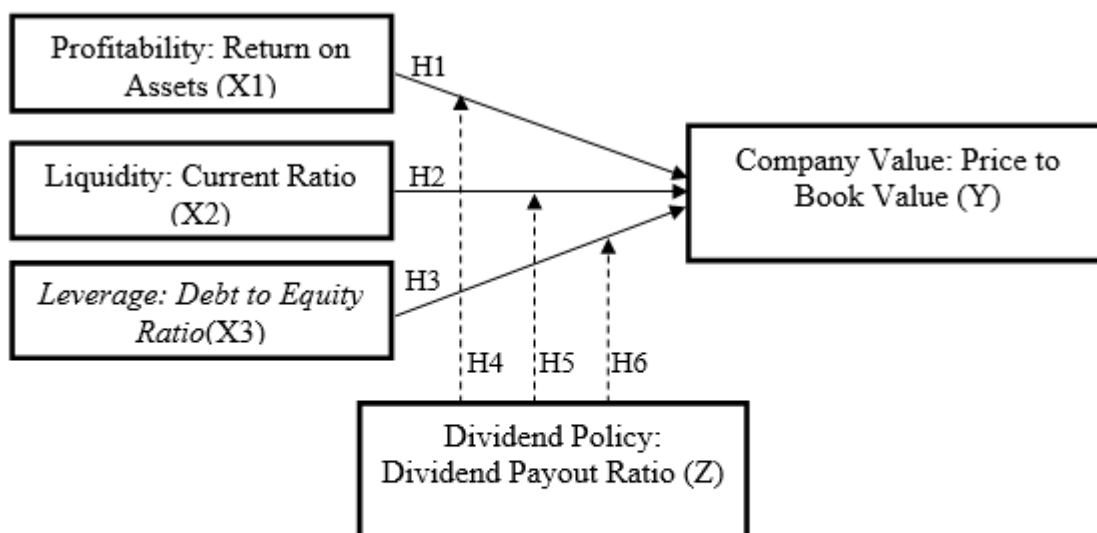
Understanding Liquidity

Liquidity ratio (*Liquidity Ratio*) is a ratio that measures a company's ability to meet all of its short-term obligations when they fall due.

Understanding Leverage

Leverage Ratio (Solvency Ratio) is a ratio that measures a company's ability to fulfill all its obligations (both short and long term) in using and managing the debt it has and how the company pays its debt.

This research examines the influence of profitability, liquidity and leverage on company value, moderated by dividend policy. The independent variables of this research are profitability, liquidity and leverage. The dependent variable is company value. Meanwhile, the moderating variable is dividend policy. So the conceptual framework of this research is described as follows:



Information :

—————→ : Influence Partially

-----> : Influence Moderating Variables

Hypothesis

The hypothesis used in this research is related to whether or not there is an influence of the independent variable on the dependent variable. Based on theory and similar research studies, the author formulates the following hypothesis:

H1: Profitability has a significant effect on company value.

H2: Liquidity has a significant effect on company value.

H3: Leverage has a significant effect on company value.

H4: Dividend policy is able to moderate the relationship between profitability and company value.

H5: Dividend policy is able to moderate the relationship between liquidity and firm value.

H6: Dividend policy is able to moderate the relationship between leverage and firm value

METHOD

The method used in this research is a quantitative analysis of energy sector companies listed on the Indonesian Stock Exchange between 2017 and 2021. This approach focuses on three key independent variables: profitability, liquidity, and leverage, while assessing their impact on the dependent variable, company value. The data, primarily financial reports, were gathered from secondary sources including websites like www.idx.co.id and www.investing.com, as well as relevant books, journals, and theses. The population under scrutiny consists of 76 energy sector companies listed on the Indonesia Stock Exchange as of 2022. To select samples, purposive sampling was employed, ensuring that samples met predefined criteria established by the researcher. Through multiple linear regression analysis, Moderated Regression Analysis (MRA), t-tests, and the coefficient of determination (R²), the study aimed to elucidate the relationship between the identified independent and dependent variables. This comprehensive methodology allows for a nuanced understanding of how profitability, liquidity, and leverage influence the value of energy sector companies within the Indonesian market.

RESULT

The data analysis method used to test the hypothesis in this research uses multiple linear regression analysis because there is more than one independent variable in this research. Data processing results using the SPSS 25.0 program. Presented in the following table:

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,195	,351		3,407	,001
	Profitability	4,881	1,443	,460	3,383	,001
	Liquidity	-0.06	0.128	-0.101	-0.74	,045
	Leverage	,242	,072	,478	3,379	,001

a. Dependent Variable: Company Value

The analysis results from table 4.6 above can be compiled into a multiple linear regression analysis:

$$Y=1.195 + 4.881X_1 - 0.064X_2 + 0.242X_3 + e$$

The above equation can be explained as follows:

1. A constant value of 1.195 means that if all the independent variables, namely Profitability, Liquidity and Leverage, are constant or do not change (equal to zero), then the Company Value value is 1.195.
2. The company value is 4.881 with the assumption that other independent variables are considered constant or have fixed values.
3. The liquidity variable is -0.064 indicates a negative effect, which means that every increase in liquidity will be followed by a decrease in company value of 0.064 and vice versa, assuming the other independent variables are considered constant or have fixed values.
4. The leverage variable is 0.242 shows a positive influence, which means that every increase in leverage will be followed by an increase in company value of 0.242, assuming that the other independent variables are considered constant or have fixed values.

Hypothesis testing

a. Moderated Regression Analysis (MRA) Results

Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	,852	,475		1,796	,080
Profitability	2,351	1,528	,572	1,539	0.13
Liquidity	,007	,191	,008	,038	,970
Leverage	,235	0.143	,463	1,638	0.11
Dividend Policy	1,137	,729	2,310	1,560	0.13
Profitability*Dividend Policy	-0.89	,472	-2,432	-1,885	,046
Liquidity*Dividend Policy	-0.06	,053	-0.46	-1,020	0.01
Leverage*Dividend Policy	-0.06	,320	-0.064	-0.18	,855

a. Dependent Variable: Company Value

The analysis results from table 4.7 above can be explained as follows:

1. The interaction variable between profitability and dividend policy has a significance value of 0.046, which means below 0.05 ($t_{sig} > 0.05$), so it can be concluded that dividend policy is able to moderate the effect of profitability on company value in energy companies listed on the Indonesia Stock Exchange (BEI).), so the hypothesis is accepted.
2. The interaction variable between liquidity and dividend policy has a significance value of 0.014, which means below 0.05 ($t_{sig} > 0.05$), so it can be concluded that dividend policy is able to moderate the effect of liquidity on company value in energy companies listed on the Indonesia Stock Exchange (BEI).), so the hypothesis is accepted.
3. The interaction variable between leverage and dividend policy has a significance value of 0.855, which means above 0.05 ($t_{sig} > 0.05$), so it can be concluded that dividend policy is unable to moderate the effect of leverage on company value in energy companies listed on the Indonesia Stock Exchange (BEI), so the hypothesis is rejected.

b. t Test Results (Partial Test)

The t test was carried out to determine whether the independent variables individually had an effect on the dependent variable.

In the partial test contained in table 4.6, the information can be explained as follows:

1. The profitability variable has a significance value of 0.01, which means below 0.05 ($t_{sig} < 0.05$), so it can be concluded that profitability has a significant effect on company value in energy companies listed on the Indonesia Stock Exchange (BEI), so the hypothesis is accepted.
2. The Liquidity variable has a significance value of 0.045, which means below 0.05 ($t_{sig} > 0.05$), so it can be concluded that liquidity has a significant effect on company value in energy companies listed on the Indonesia Stock Exchange (BEI), so the hypothesis is accepted.
3. The leverage variable has a significance value of 0.01, which means below 0.05 ($t_{sig} < 0.05$), so it can be concluded that leverage has a significant effect on company value in energy companies listed on the Indonesia Stock Exchange (BEI), so the hypothesis is accepted

c. Coefficient of Determination Test Results (R²)

The coefficient of determination functions to find out how much the independent variable (X) influences the dependent variable (Y). In other words, the coefficient of determination is a percentage (%).

Data processing results using the SPSS 25.0 program. Presented in the following table:

Table 3. Coefficient of Determination (R²)

Model Summary b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542a	,294	,248	0.96207

a. Predictors: (Constant), Leverage, Profitability, Liquidity

b. Dependent Variable: Company value

based on the Adjusted R Square of 0.248, this means that the independent variables, namely Profitability, Liquidity and Leverage, contribute or influence 24.8% of the Company Value of energy companies listed on the Indonesia Stock Exchange (BEI). Meanwhile, the remaining 75.2% (100%-24.8%) is explained by other variables outside the model.

DISCUSSION

The Effect of Profitability on Company Value

Based on the results of partial hypothesis testing (t test) shows that the significant value is 0.01 (smaller than 0.05), these results show that partially (t test) there is a significant influence of Profitability on Company Value in energy companies that listed on the Indonesian Stock Exchange in 2017-2021. This shows that if profitability increases, the company value also increases. A high profitability ratio is the desire of all companies. If the level of profitability continues to increase, this means that the company has good performance, thereby creating positive thinking from investors which results in share prices rising because demand increases, which reflects the company's high value.

The Effect of Liquidity on Company Value

Based on the results of partial hypothesis testing (t test) shows that the significant value is 0.045 (smaller than 0.05), these results show that partially (t test) there is a significant influence of liquidity on company value in energy companies listed in Indonesian Stock Exchange 2017-2021. This proves that the higher the liquidity, the higher the company value. This can further guarantee that the company will be able to pay off its current obligations at maturity on time. The high liquidity value is due to the large number of current assets owned by the company such as accounts receivable and inventory. Receivables and inventories can be used to pay off short-term liabilities, but exchanging receivables and inventories into cash requires quite a bit of time and varies from company to company.

The Effect of Leverage on Company Value

Based on the results of partial hypothesis testing (t test) shows that the significant value is 0.01 (smaller than 0.05), these results show that partially (t test) there is a significant influence of Leverage on Company Value in energy companies that listed on the Indonesian Stock Exchange in 2017-2021. These results show that the higher the leverage, the higher the company value. This is due to an increase in leverage when seen from the amount of company debt and the debt management is well managed which is used to develop the value of the company, this has an impact on investors' increasing interest in investing in the company which causes share prices to increase and has an impact on increasing the value of the company..

Dividend Policy Moderates the Effect of Profitability on Company Value

Based on table 4.7, it shows that the significance value of profitability with dividend policy is 0.046 (smaller than 0.05), meaning that dividend policy is able to moderate the influence of company profitability on energy companies listed on the Indonesia Stock

Exchange in 2017-2021. This shows that the existence of a dividend policy can strengthen the influence of profitability on company value. The level of profitability is able to provide a positive signal to investors regarding the company's value. The more profits the company obtains, the more positive impact it will have, namely attracting investors to buy shares. High profitability and an optimal dividend policy can reflect the company's good prospects so that it can increase share prices and increase the company's value in terms of value.

Dividend Policy Moderates the Effect of Liquidity on Firm Value

Based on table 4.7, it shows that the significance value of liquidity with dividend policy is 0.014 (smaller than 0.05), meaning that dividend policy is able to moderate the influence of liquidity on company value in energy companies listed on the Indonesia Stock Exchange in 2017-2021. These results show that companies with good liquidity tend to pay larger dividends to shareholders. The greater the level of liquidity, the greater the company's potential for distributing dividends. This makes investors interested in buying shares in the company.

Dividend Policy Moderates the Effect of Leverage on Company Value

Based on table 4.7, it shows that the significance value of leverage with dividend policy is 0.855 (greater than 0.05), meaning that dividend policy is unable to moderate the influence of leverage on company value in energy companies listed on the Indonesia Stock Exchange in 2017-2021. This is because no matter how good the company's dividend policy is, it will not affect investors if the company's leverage is high, so investors do not want to take risks. Companies with high leverage tend to prioritize paying off their long-term debt rather than paying large dividends, but still pay small dividends. Compared to companies with low leverage, these companies will definitely pay large dividends because the company's debt obligations are lower, allowing profits to be used to improve shareholder welfare.

CONCLUSION

Based on the results and discussions presented, several conclusions can be drawn regarding energy companies listed on the Indonesia Stock Exchange from 2017 to 2021. Profitability, liquidity, and leverage significantly affect company value in energy companies listed on the Indonesia Stock Exchange during the specified period. Through moderated regression analysis (MRA), it was found that dividend policy moderates the influence of profitability and liquidity on company value within these energy companies. However, dividend policy was unable to moderate the influence of leverage on company value in the same context. Based on the coefficient of determination (R^2), which considers Adjusted R Square, the independent variables (profitability, liquidity, and leverage) collectively contribute to or influence 24.8% of the company value of energy companies listed on the Indonesia Stock Exchange during the period studied.

Suggestions stemming from these findings are as follows. Companies should prioritize dividend distribution as it can bolster other factors in enhancing company value. Emphasizing profitability is crucial, as high profitability tends to correlate with increased sales levels, thereby positively impacting company value. Additionally, careful management of liquidity and leverage is essential, as effective handling of these variables can also elevate company value, signaling to investors and fostering further growth. Future researchers are encouraged to expand the scope of analysis by incorporating additional independent variables that influence company value. Extending the research period could provide a more comprehensive understanding of the company's dynamics. Furthermore, broadening the sample size beyond energy sector companies to include various industries

listed on the IDX would yield more robust research outcomes, enhancing the overall quality of the findings.

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