Jurnal Mantik, 5 (1) (2021) 292-302

Published by:Institute of Computer Science (IOCS)

Jurnal Mantik

Journal homepage: www.iocscience.org/ejournal/index.php/mantik/index

Analysis of the Effect of Good Corporate Governance, Company Size and Liquidity on Dividend Policy and Company Value with Profitability as an Intervening Variable in State-Owned Companies Listed on the IDX 2011 – 2019

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ARTICLEINFO

Article history:
Received:2021-02-27
Revised: 2021-04-01
Accepted:2021-04-27

Keywords:
Good corporate governance;
Company Size; Liquidity;
Profitability;
Dividend Policy;The value of the company

ABSTRAK

Research aims to analyze the influence of *good corporate governance* , company size, liquidity and profitability as factors affecting the company's dividend policy and the value of the state-owned enterprises listed on the Indonesia Stock Exchange Period 2011-2019. The type of data used is secondary data and the data analysis technique used is Panel Data Regression Analysis using *STATA software*. The results of the study with an alpha level of five percent showed that GCG had no significant effect on profitability, while company size had no significant positive effect and liquidity had a significant positive effect on profitability. GCG and company size have a negative and insignificant effect on dividend policy, while liquidity and profitability have a significant positive effect on dividend policy. Furthermore, GCG and liquidity have a negative and insignificant effect on firm value, while company size has a significant negative effect on firm value. positive and significant impact on firm value. The results of *path analysis* I show that GCG has an indirect negative effect and company size indirectly has a positive effect on dividend policy through profitability, while liquidity does not have an indirect effect on dividend policy through profitability. Path II analysis, company size and liquidity indirectly have a positive effect and GCG indirectly has a negative effect on firm value through profitability

1. Introduction

Various information is presented in the financial statements submitted by company management, including information about company profits or profits, information about dividend distribution policies for shareholders (the principal) and the value of shares traded on the stock market. Information about company profits or profits is information that has positive value for all parties, because on the basic principle the purpose of establishing a company is to continue to exist (*going concern*) by obtaining profits (*profit*) or profits that are expected to provide prosperity and improve the welfare of company owners. or stakeholders or to maximize stakeholder property by increasing company value (Arora & Bodhanwala, 2018)

Profits or profits earned by the company become the basis for dividend distribution to shareholders (the *principal*) as a result of investing which can increase the company's value for potential new investors to deposit their capital by buying shares of the company as an investment destination. Dividend policy is related to the amount of the *dividend payout ratio* , which is the percentage of net profit after tax that is distributed as dividends to shareholders (Sudana, 2015) **.** The distribution of dividends is largely influenced by the behavior of some investors who prefer high dividends in order to get a profit. Investors think that dividends received are more valuable than *capital gains* obtained later on. Several factors are thought to have direct or indirect influence on dividend policy and Firm values include *good corporate governance* , company size, liquidity and profitability.

The first factor that allegedly could affect dividend policy and corporate value is *G ood Corporate Governance* (GCG) .Manajemen as the party who has given the authority and trust by the principal to manage the business of the company should be able to maximize all the resources owned by the company so

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that the objective can be achieved . Resources owned by the company include total assets or total assets that can be fully utilized in the company's operations. In managing existing resources, management requires a *good corporate governance system* to manage them. *Corporate Governance* (CG) is a system that regulates and controls a company to provide and increase corporate value to stakeholders (Diallo, 2017) .

The second factor that is thought to influence dividend policy and firm value is firm size. According to (Febriana, Djumahir, & Djawahir, 2016) u kuran company is a large scale where small companies can be classified according to a variety of ways, among others: total assets, *log size* , the value of the stock market, and others. Basically, company size is only divided into three categories, namely large companies (*large firms*), medium companies (*medium-size*) and small companies (*small firms*). Company size is thought to be one of the variables considered in determining the value of a company. Because the size of the company reflects how much total assets the company owns. The total assets owned by the company represent the capital, as well as the rights and obligations it has. Where large companies have large total assets so they tend to have a more stable financial condition and find it easier to get funding sources so that it will be more attractive for investors to buy their shares so that it will encourage the increase in company value (ASM Dewi & Wirajaya, 2013) ,

The third factor that is thought to influence dividend policy and firm value is liquidity. Liquidity describes the ability of a company to meet its financial obligations which must be fulfilled immediately. Liquidity also reflects the company's ability to meet its short-term liabilities by using its current assets . According to (Brigham, E. & Houston, J., 2006) the *current ratio* is the best indicator that measures the extent to which short-term debt has been covered by assets that are expected to be converted into cash quickly enough so that this ratio is the most frequently used measure of short-term solvency. Liquidity will affect the size of the dividends paid to shareholders (Siahaan, 2013) .

The fourth factor that is thought to influence dividend policy and firm value is profitability. Profitability in this study is used as an intervening variable or a mediating variable between one variable and another. This is because the formation of profitability is thought to be influenced by other variables that can affect dividend payments and stock prices in the market. *Signaling* theory explains how companies should provide signals to report users in the form of information about what managers have done in realizing owner desires (Ross, 1977) . The signal can be in the form of financial performance that is important to several parties. P rofitabilitas is one of several information in measuring the financial performance of the company.

2. Literature Review

2.1 Dividend Policy

Dividend policy is a decision regarding how much current profit will be paid as dividends in lieu of investment invested and how much is retained for reinvestment in the company (Brigham & Houston, 2001) . If the company chooses to distribute profits as dividends, it will reduce the profit that will be retained and further reduce internal sources of funds. Conversely, if the company chooses to hold back the profits it earns, the capacity for internal fund formation will be even greater.

2.2. The value of the company

Firm value is the investor's perception of the company, which is often associated with stock prices. According to (Dewi & Wirajaya, 2013) The value of the company itself is the price a prospective buyer is willing to pay if the company is sold. Companies that have *gone public* , maximizing company value is a normative goal of the company which is reflected by maximizing the stock market price (Sudana, 2015) **.** A high stock price makes the company value increase. The main objective of the company according to the *theory of the firm* is to maximize the wealth or value of the firm (*value of the firm* **)** (Salvatore, 2001) **.** The manager's job in maximizing company value is to maximize the value of the company's shares. The achievement of this goal can be seen and measured from the share price of the company concerned from time to time.

2.3 Good Corporate Governance

Jensen and Meckling (1976) stated the agency relationship is a contract between the manager *(agent)* to the investor (*principal*) .Konflik interest between the owner and the agent occurs because kemung - duction agents do not always act in accordance with the interests of *the principal* , thus triggering the agency costs (*agency cost*) . *Good corporate governance* (GCG) is an effort to improve

systems, processes and a set of regulations in the management of an organization which essentially regulates and clarifies the relationships, powers, rights and obligations of all stakeholders, both the board of commissioners and the board of directors (Rusdiyanto, Susetyorini, & Elan, 2019)

2.4 Company Size

Company size can be interpreted as the size of the company seen from the amount of *equity* value, company value, or the results of the total asset value of a company (Riyanto, 2010) **.** Company size is a scale in which the size of the company can be classified according to various ways, including total assets, *log size* , stock market value, and others. The size of the company will affect the ability to bear risks that may arise from various situations faced by the company (Prasetyorini, 2013) .

2.5 Liquidity

Liquidity is the company's ability to pay its short-term obligations. Companies that have good liquidity will be considered to have good performance by investors. This will attract investors to invest in the company (Adi Putra & Lestari, 2016) . The liquidity ratio is a ratio that describes the company's ability to meet short-term (debt) obligations (Kasmir, 2015) . Another function of the liquidity ratio is to show or measure the company's ability to meet its obligations that are due, both obligations to parties outside the company and within the company. The liquidity ratio or often called the working capital ratio is a ratio that is often used to measure how liquid a company is.

2.6 Profitability

The measure of profitability according to (Kasmir, 2015) is a ratio to assess a company's ability to seek profit. The point is that the use of this ratio shows the efficiency of the company. The profitability ratio describes the company's ability to increase its profit through all available capabilities and resources so that it is known to measure the level of business efficiency and profits achieved by the company .

2.7 Hypothesis

1. *Good Corporate Governance* has a positive and significant effect on profitability. The results of previous research (Sianipar & Wiksuana, 2019) state that *Good Corporate Governance* (GCG) has a positive and significant effect on *Return on Assets* (ROA).
2. Company size has a positive and significant effect on profitability. The results of previous research (Gunarwati, Maryam, & Sudarwati, 2020) state that there is a positive and significant effect of company size on profitability.
3. Liquidity has a positive and significant effect on profitability. The results of previous research (Pratama, 2019) state that CR has a significant positive effect on ROA.
4. *Good Corporate Governance* has a positive and significant impact on dividend policy. The results of previous research (Dewasiri et al., 2019) , state that Good *Corporate Governance* (GCG) affects the high *dividend payout* .
5. Company size has a positive and significant effect on dividend policy. Results of previous studies (Budagaga, 2020) , states that the size of the company's significant positive effect on *the Dividend Payout* .
6. Liquidity has a positive and significant effect on dividend policy. The results of previous research (Hwee et al., 2019) state that liquidity, which is proxied by the *current ratio*, has a positive and significant effect on dividend policy.
7. Profitability has a positive and significant effect on dividend policy. Results of previous studies (Sudiartana & Yudantara, 2020) , states that the significant positive effect on the profitability of *the Dividend Payout* .
8. *Good Corporate Governance* has a positive and significant effect on firm value. The results of previous research (Suryaningtyas & Rohman, 2019) , state that *Good Corporate Governance* (GCG) has a positive effect on company value.
9. Firm size has a positive and significant effect on firm value. Results of previous studies (Gunarwati et al., 2020) , states that the size of the company and significant positive effect on firm value.
10. Liquidity has a positive and significant effect on firm value. The results of previous research (SR Aprilia, Puspitaningtyas, & Prakoso, 2018) , that *Current Ratio* has a significant effect on *Price to Book Value* .
11. Profitability has a positive and significant effect on firm value. Results of previous studies (Widnyana, Wiksuana, Artini, & Sedana, 2020) , stated that the profitability of significant positive effect on firm value.

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12. *Good Corporate Governance* indirectly has a positive effect on dividend policy with profitability as an intervening variable. The results of previous research (Pernamasari & Wahyudi, 2019) show that *Good Corporate Governance* (GCG) indirectly has a significant positive effect on dividend policy through profitability.
13. The size of the company indirectly positive effect on the profitability of dividend policy as variab e l intervening. The results of previous research (Kautsar, 2014) show that the ROE variable can mediate the effect of *Firm Size* on the *Dividend Payout Ratio* .
14. Liquidity indirectly positive effect on the profitability of dividend policy as variab e l intervening. The results of previous research (Cahyani & Badjra, 2017) show that liquidity indirectly has a significant effect on dividend policy through profitability.
15. *Good Corporate Governance* indirectly has a positive effect on firm value with profitability as an intervening variable. The results of previous research (Suryaningtyas & Rohman, 2019) show that *Good Corporate Governance* has an indirect effect on company value through financial performance.
16. The size of the company indirectly positive effect on the value of the company to profitability as variab e l intervening. The results of the research (Octaviany, Hidayat, & Miftahudin, 2019) state that profitability is able to mediate the effect of company size on firm value.
17. Liquidity indirectly positive effect on the value of the company to profitability as variab e l intervening. The results of previous research (Pratama, 2019) state that ROA is able to mediate the relationship between the CR variable and PBV.

2.8 Conceptual Framework

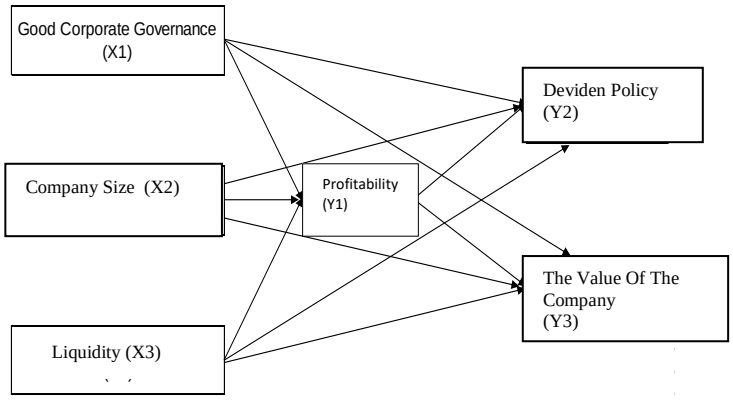

Fig 1. Conceptual Framework

3. Research Methods

This research uses multiple linear regression analysis method (*Multiple Regression Analysis*). The research model used is to use a statistical model that serves to test the hypothesis in this study. Multiple linear regression analysis intends to predict how the state of the dependent variable is connected to two or more variables independent.

This study uses data processing tools with *STATA software* tools . Advantage *software STATA* compared to other tools is *STATA* use the command (*command*) manifold *syntax of* the command is not limited to the menu. In addition , the resulting *output* is also divided into each *test*, making it easier to interpret the results on *STATA software.*

4. Result and Discussion

4.1. Panel Data Regression Analysis and Hypothesis Testing

a. Results of Data Regression Panel Structure I

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Table 1
Result of Structural Testing I (X_1, X_2, X_3 to Y_1)

```
. *Random Effect Model (REM)

.
. xtreg Y1 X1 X2 X3, re sa

Random-effects GLS regression                   Number of obs      =       108
Group variable: Id                              Number of groups   =        12

R-sq:  within  = 0.0779                         Obs per group: min =         9
       between = 0.0964                                        avg =       9.0
       overall = 0.0840                                        max =         9

                                                Wald chi2(3)       =      8.91
corr(u_i, X)   = 0 (assumed)                    Prob > chi2        =    0.0305
```

Y1	Coef.	Std. Err.	z	P>|z|	[95% Conf.	Interval]
X1	-.0138142	.019269	-0.72	0.473	-.0515807	.0239524
X2	.004118	.0093402	0.44	0.659	-.0141884	.0224244
X3	.0174484	.0058956	2.96	0.003	.0058933	.0290036
_cons	-.0782817	.289072	-0.27	0.787	-.6448525	.4882891

Source: STATA *Software* Results

Based on the test results in table 1, the following linear equation is obtained .

$$Y_1 = 0.078 - 0.0138X_1 + 0.0041X_2 + 0.0174X_3 + e$$

1) t-test (Partial) Structure I

Based on table 1, it is known:

a. Good corporate governance has a negative effect on profitability, with a coefficient value of -0.0138, but not significant, with a probability value (P> | z |) = 0.473> 0.05.

b. Firm size has a positive effect on profitability, with a coefficient value of 0.0041, but not significant, with a probability value (P> | z |) = 0.659> 0.05.

c. Liquidity has a positive effect on profitability, with a coefficient value of 0.0174 and significant, with a probability value (P> | z |) = 0.003 <0.05.

2) F Test (Simultaneous) Structure I

Based on table 1, it is known that the probability value (*Prob> chi2*) = 0.0305 <0.05 , it can be concluded that *good corporate governance* , company size, liquidity simultaneously have a significant effect on the profitability variable.

3) The coefficient of determination (R^2) Structure I

Based on table 1, it is known that the coefficient of determination (*R-sq: overall*) is equal to . This value can be interpreted as *good corporate governance* , company size, liquidity simultaneously or jointly affect the profitability of 8.4%, the remaining 91.6% is influenced by other factors.

b. Results of Data Regression Panel Structure III

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Table 2
Result of Structural Testing II (X_1, X_2, X_3, Y_1 to Y_2)

```
. *Fixed Effect Model (FEM)

.
. xtreg Y2 X1 X2 X3 Y1, fe

Fixed-effects (within) regression               Number of obs      =       108
Group variable: Id                              Number of groups   =        12

R-sq:  within  = 0.2771                         Obs per group: min =         9
       between = 0.0121                                        avg =       9.0
       overall = 0.0637                                        max =         9

                                                F(4,92)            =      8.81
corr(u_i, Xb)  = -0.0815                        Prob > F           =    0.0000
```

Y2	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
X1	-.0171007	.032954	-0.52	0.605	-.0825501	.0483488
X2	-.0328486	.0191984	-1.71	0.090	-.0709784	.0052811
X3	.0221647	.0095702	2.32	0.023	.0031574	.041172
Y1	.5712589	.1581629	3.61	0.000	.2571337	.8853841
_cons	1.220641	.5954657	2.05	0.043	.037995	2.403287

Source: STATA *Software* Results

Based on the test results in table 2, the linear equation is obtained as follows.

$$Y_2 = 1.2206 - 0.0171X_1 - 0.0328X_2 + 0.0221X_3 + 0.5712Y_1 + e$$

1) t-test (Partial) Structure II

Based on table 2, it is known:

a. *Good corporate governance* has a negative effect on dividend policy, with a coefficient value of -0.0171, but not significant, with a probability value (P> | t |) = 0.605> 0.05.

b. Firm size has a negative effect on dividend policy, with a coefficient value of -0.0328, but not significant, with a probability value (P> | t |) = 0.090> 0.05.

c. Liquidity has a positive effect on dividend policy, with a coefficient value of 0.0221 and significant, with a probability value (P> | t |) = 0.023 <0.05.

d. Profitability has a positive effect on dividend policy, with a coefficient value of 0.5712 and significant, with a probability value (P> | t |) = 0.000 <0.05.

2) F Test (Simultaneous) Structure II

Based on table 2, it is known that the probability value (*Prob> F*) = 0.0000 <0.05 , it can be concluded that *good corporate governance* , company size, liquidity, profitability simultaneously have a significant effect on the dividend policy variable.

3) The coefficient of determination (R^2) Structure II

Based on table 2, it is known that the coefficient of determination (*R-sq: overall*) is equal to . This value can be interpreted as *good corporate governance* , company size, liquidity, profitability simultaneously or jointly affecting dividend policy by 6.7%, the remaining 93.3% is influenced by other factors.

c. Results of Data Regression Panel Structure III

Table 3
Result of Structural Testing III (X1, X2, X3, Y1 to Y3)

```
.
. *Random Effect Model (REM)

.
. xtreg Y3 X1 X2 X3 Y1, re sa

Random-effects GLS regression                   Number of obs      =       108
Group variable: Id                              Number of groups   =        12

R-sq:  within  = 0.1793                         Obs per group: min =         9
       between = 0.4897                                        avg =       9.0
       overall = 0.2573                                        max =         9

                                                Wald chi2(4)       =     28.11
corr(u_i, X)   = 0 (assumed)                    Prob > chi2        =    0.0000
```

Y3	Coef.	Std. Err.	z	P>|z|	[95% Conf.	Interval]
X1	-1.465838	1.337091	-1.10	0.273	-4.086489	1.154813
X2	-1.485168	.5670569	-2.62	0.009	-2.59658	-.3737572
X3	-.9805005	.4714059	-2.08	0.038	-1.904439	-.0565619
Y1	35.43599	7.373652	4.81	0.000	20.9839	49.88808
_cons	48.41341	17.45398	2.77	0.006	14.20423	82.62258

Source: STATA *Software* Results

Based on the test results in Table 3, the Linear equation is obtained as follows.

$$Y_3 = 48,413 - 1,465X_1 - 1,485X_2 - 0,9805X_3 + 35,435Y_1 + e$$

1) t-test (Partial) Structure III

Based on table 3, it is known:

a. *Good corporate governance* has a negative effect on firm value, with a coefficient of -1.4658, but not significant, with a probability value (P> | z |) = 0.273> 0.05.

b. Firm size has a negative effect on firm value, with a coefficient of -1.4851, and significant, with a probability value (P> | z |) = 0.009 <0.05.

c. Liquidity has a negative effect on firm value, with a coefficient value of -0.9805 and significant, with a probability value (P> | z |) = 0.038 <0.05.

d. Profitability has a positive effect on firm value, with a coefficient value of 35.4359 and significant, with a probability value (P> | z |) = 0.000 <0.05.

2) F Test (Simultaneous) Structure III

Based on table 3, it is known that the probability value (*Prob> chi2*) = 0.0000 <0.05 , it can be concluded that *good corporate governance* , company size, liquidity, profitability simultaneously have a significant effect on the firm value variable.

3) The coefficient of determination (R^2) Structure III

Based on table 3, it is known that the coefficient of determination (*R-sq: overall*) is equal to . This value can be interpreted as *good corporate governance* , company size, liquidity, profitability simultaneously or jointly affecting the firm value by 25.73%, the remaining 74.27% is influenced by other factors.

d. Testing Intervening Variable Path Analysis

The next test carried out is the *path analysis* test of intervening variables to test the indirect effect, namely testing whether *good corporate governance* , company size, liquidity indirectly affect dividend policy through profitability for path I and testing whether *good corporate governance* , size company, liquidity indirectly affects firm value through profitability for channel II. The following are the results of the path analysis test in the path diagram:

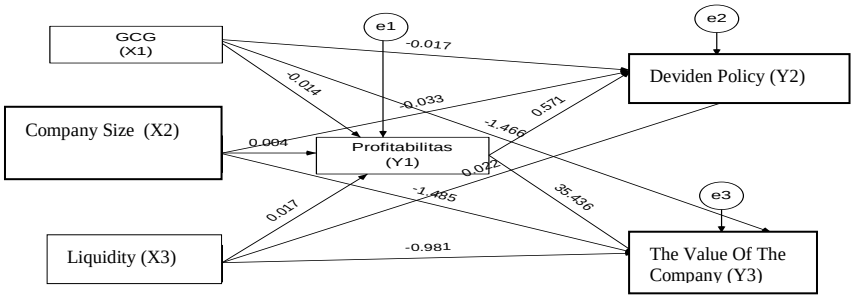

Fig 2. Path Coefficient Framework

1. Path Analysis Testing I

Table 4
Results of Testing the Intervening Variable I Path Analysis

Independent Variable	Direct Influence	Indirect Influence	Total Effect	Information
X1	-0.017	-0.014 x 0.571 = -0.008	-0.025	Variabel Mediator (Y1) adalah variabel Intervening
X2	-0.033	0.004 x 0.571 = 0.002	-0.031	Variabel Mediator (Y1) adalah variabel Intervening
X3	0.022	0.017 x 0.571 = 0.010	0.032	Variabel Mediator (Y1) adalah bukan variabel Intervening

From table 4, it can be concluded:

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a. *Good corporate governance* has an indirect negative effect on dividend policy through profitability
b. firm size indirectly has a positive effect on dividend policy through profitability
c. liquidity indirectly has no effect on dividend policy through profitability

2. Path Analysis Testing II

Table 5.
Results of Testing Analysis of Pathway II Intervening Variables

Independent Variable	Direct Influence	Indirect Influence	Total Effect	Information
X1	-1.466	-0.014 x 35.436 = -0.496	-1.962	Variabel Mediator (Y1) adalah variabel Intervening
X2	-1.485	0.004 x 35.436 = 0.142	-1.343	Variabel Mediator (Y1) adalah variabel Intervening
X3	-0.981	0.017 x 35.436 = 0.602	-0.379	Variabel Mediator (Y1) adalah variabel Intervening

From table 5, it can be concluded:
a. *Good corporate governance* has an indirect negative effect on firm value through profitability
b. Company size indirectly has a positive effect on firm value through profitability.
c. liquidity indirectly has a positive effect on firm value through profitability

e. Classic assumption test

1) Normality Test

The results of the normality test using the Shapiro-Wilk show the probability value is 0.92518. The probability value , which is 0.92518, is greater than the significance level, which is 0.05. This means that the assumption of normality is fulfilled .

2) Multicollinearity Test

The results of multicollinearity testing, it can be concluded that there are no symptoms of multicollinearity between the independent variables. This is because the VIF value <10.

3) Autocorrelation Test

The results of the autocorrelation test using the *Runs* test showed the probability value was 0.44> 0.05, so it was concluded that there was no autocorrelation.

4) Heteroscedasticity Test

Detection of the presence or absence of heteroscedasticity can be done by looking at the presence or absence of a certain pattern on the *scatter plot* graph between the residuals on the Y axis, and the *fitted values* on the X axis (Ghozali, 2013) . Ghozali (2013) states that if there is a certain pattern, such as the dots forming a certain regular pattern, it indicates that heteroscedasticity has occurred. The results show that there is no clear pattern, and the dots spread over and above. below the number 0 on the Y axis, there is no heteroscedasticity.

f. Estimation Model Determination

1. Determination of the Estimation Model between the *Common Effect Model* (CEM) and *Fixed Effect Model* (FEM) with the Chow Test

To determine whether the CEM or FEM estimation model is used in forming a regression model, the Chow test is used. The following hypotheses are tested.

H_0 : The CEM model is better than the FEM model.
H_1 : The FEM model is better than the CEM model

The decision making criteria for the hypothesis are as follows:
If the probability value <0.05, it is H_0 rejected and H_1 accepted.
If the probability value is 0.05, it is H_0 accepted and H_1 rejected.

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Table 6.
Results Of The Chow Test

Structure	Probability
StructureI X1, X2, X3 terhadap Y1	p = 0.0000
Structure II X1, X2, X3, Y1 terhadap Y2	p = 0.0000
Structure III X1, X2, X3, Y1 terhadap Y3	p = 0.0291

Source: STATA Software Results

Based on the results of the Chow test in Table 5, it is known that all probability values are <0.05, so the estimation model used is the fixed effect model (FEM) model.

2. Determination of the Estimation Model between the Fixed Effect Model (FEM) and the Random Effect Model (REM) with the Hausman Test

To determine whether the FEM or REM estimation model is used in forming a regression model, the Hausman test is used. The hypothesis tested is as follows:

H_0 : The REM model is better than the FEM model.

$H_{1:}$ The FEM model is better than the REM model

The decision making criteria for the hypothesis are as follows:

If the probability value <0.05, it is H_0 rejected and H_1 accepted.

If the probability value is 0.05, it is H_0 accepted and H_0 rejected.

Table 7.
Results from the Hausman Test

Structure	Probability
Structure I X1, X2, X3 against Y1	p = 0.0667
II structure X1, X2, X3, Y1 against Y2	p = 0.0000
III structure X1, X2, X3, Y1 against Y3	p = 0.4391

Source: STATA *Software* Results

Based on table 6, it is known that in structure I and structure III the applied model is a *random effect model* (REM) with a probability value of 0.0667> 0.05 and 0.4391> 0.05, while in structure II the applied model is a *fixed effect model* (FEM) with probability value 0.0000 <0.05.

4. Conclusions

Based on the results of research and discussion, the conclusion that can be drawn is that *good corporate governance* has a negative and insignificant effect on profitability in BUMN companies listed on the IDX . Company size has a positive and insignificant effect on profitability in BUMN companies listed on the IDX . Liquidity has a positive and significant effect on profitability in BUMN companies listed on the IDX . *Good corporate governance* has a negative and insignificant effect on dividend policy in BUMN companies listed on the IDX . Company size has a negative and insignificant effect on dividend policy in BUMN companies listed on the IDX . Liquidity has a positive and significant effect on dividend policy in state-owned companies listed on the IDX . Profitability has a positive and significant effect on dividend policy in BUMN companies listed on the IDX . *Good corporate governance* has a negative and insignificant effect on firm value in BUMN companies listed on the IDX .

Company size has a negative and significant effect on firm value at BUMN companies listed on the IDX . Liquidity has a negative and significant effect on firm value in state-owned companies listed on the IDX . Profitability has a positive and significant effect on firm value at BUMN companies listed on the IDX . *Good corporate governance* has an indirect negative effect on dividend policy with profitability as an intervening variable in BUMN companies listed on the IDX . Company size indirectly has a positive effect on dividend policy with profitability as an intervening variable in BUMN companies listed on the IDX . Liquidity does not indirectly affect dividend policy with profitability as an intervening variable in

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state-owned companies listed on the IDX . *Good corporate governance* has an indirect negative effect on firm value with profitability as an intervening variable in BUMN companies listed on the IDX . Company size indirectly has a positive effect on firm value with profitability as an intervening variable in BUMN companies listed on the IDX . Liquidity indirectly has a positive effect on firm value with profitability as an intervening variable in BUMN companies listed on the IDX.

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