

CHAPTER IV

RESEARCH RESULT AND DISCUSSION

4.1 General View of State-owned Enterprises

The current research concentrates on the State-owned Enterprises listed on the Indonesia Stock Exchange (IDX) during the period of 2016-2022. A State-owned Enterprise (BUMN) is a type of business organization where the nation's government holds a significant portion or all the capital through direct participation, acquired from segregated state assets. State-owned Enterprises play a crucial role in the execution of the national financial system with the aim of achieving the well-being of society.

The establishment of State-owned Enterprises aims to advance national economy and state revenues, while also pursuing profitability and organizing public benefits by providing the finest and sufficient goods and/or services that satisfy the needs of a large population. On top of that, State-owned Enterprises serve as pioneers in areas not opened for private companies as well as participating in collaborative efforts with other organizations. (Presiden Republik Indonesia, 2003).

The results of purposive sampling method are as below:

Table 4.1 Determination of Sample

No	Benchmark	Amount
1	State-owned Enterprises listed in Indonesia Stock Exchange in 2016-2022	20
2	Do not consistently publish annual report in 2016-2022	(2)
3	Do not generate profit in 2016-2022	(5)
4	Do not distribute dividend to its shareholders in 2016-2022	(6)
Number of State-Owned Enterprises chosen as research sample		7
Total Samples		49

Source: IDX and IDN, Table prepared by the writer (2023)

Below is the list of 7 companies selected as the samples:

Table 4.2 Research Sample

No	Company Code	Name of the Company	Sample
1	BBNI	PT. Bank Negara Indonesia (Persero) Tbk	S1
2	BBRI	PT. Bank Rakyat Indonesia (Persero) Tbk	S2
3	BMRI	PT. Bank Mandiri (Persero) Tbk	S3
4	PTBA	PT. Bukit Asam Tbk	S4
5	SMGR	PT. Semen Indonesia (Persero) Tbk	S5
6	TLKM	PT. Telekomunikasi Indonesia (Persero) Tbk	S6
7	WIKA	PT. Wijaya Karya (Persero) Tbk	S7

Source: Prepared by the writer (2023)

As identified in the prior chapter, an overall of 49 samples were gathered over the span of seven years spanning from 2016 to 2022 with a total of 32 observations after outlying 19 data outliers. Afterwards are profiles of companies were selected as an appropriate sample:

1. PT. Bank Negara Indonesia (Persero) Tbk (BBNI)

PT. Bank Negara Indonesia (Persero) Tbk (BBNI) is a publicly owned financial institution established on July 5, 1946, with the objective of offering comprehensive banking solutions. PT. Bank Negara Indonesia has been listed as a publicly traded company on the Indonesia Stock Exchange with the code BBNI since November 25, 1996. It is part of the banking industry, more specifically the finance sector (IDN Financials, 2023).

2. PT. Bank Rakyat Indonesia (Persero) Tbk (BBRI)

With its founding on December 16, 1895, PT. Bank Rakyat Indonesia (Persero) Tbk (BBRI) is the country's oldest commercial bank. PT. Bank Rakyat Indonesia's primary duty is to be involved in banking operations, with the Indonesian government serving as its largest shareholder. PT. Bank Rakyat Indonesia has been publicly traded on the Indonesia Stock Exchange

under the code BBRI since November 10, 2003. The company operates in banking industry, specifically in the finance sector (IDN Financials, 2023).

3. PT. Bank Mandiri (Pesero) Tbk (BMRI)

PT. Bank Mandiri (Persero) Tbk (BMRI) is a company that operates in the banking industry. The establishment of the company took place on October 2, 1998, as part of the bank reform initiative of the Indonesian government. In July 1999, Bank Mandiri was established through the consolidation of four government-owned banks, namely Bank Bumi Daya, Bank Dagang Negara, Bank Exim, and Bapindo. Since July 14, 2003, PT. Bank Mandiri has traded on the Indonesia Stock Exchange under the trading code BMRI, and it is categorized as being in the banking and finance industries (IDN Financials, 2023).

4. PT. Bukit Asam Tbk (PTBA)

PT. Bukit Asam Tbk (PTBA) engages in various coal mining operations, ranging from carrying out general surveys, to investigating, exploiting, processing, refining, shipping, and trading coal. Apart from that, the company maintains specialized coal port facilities to meet both internal and external demands, operates steam power plants for internal and external consumption, and offers consulting services pertaining to the coal mining industry and its decision-making processes. In 1993, the Indonesian government established the Company to become a Coal Briquette Operating Unit. PT. Bukit Asam has been publicly traded on the Indonesia Stock Exchange with the code PTBA since December 23, 2002. The company

operates in the coal mining industry, specifically within the mining sector (IDN Financials, 2023).

5. PT. Semen Indonesia (Persero) Tbk (SMGR)

Semen Indonesia (Persero) Tbk (SMGR) is a cement manufacturing company. The products of the company are marketed and distributed on a national as well as a global basis. The major stakeholder of the company is the government of the Republic of Indonesia. PT. Semen Indonesia has been publicly traded on the Indonesia Stock Exchange with the code SMGR since July 8, 1991. It is classified within the cement industry, specifically the basic industries and chemicals sector (IDN Financials, 2023).

6. PT. Telekomunikasi Indonesia (Persero) Tbk (TLKM)

PT. Telkom Indonesia (Persero) Tbk (TLKM) is a state-owned enterprise in Indonesia that supplies telecommunications and network services. The corporation offers a diverse array of network and communication services, encompassing both domestic and international basic telecommunications services delivered through cable, fixed wireless (CDMA), and Global System for Mobile Communication (GSM), along with interconnection services with other licensed operators (OLO). Despite providing telecommunication services, Telkom manages multimedia enterprises that encompass content and applications, thereby complementing the TIMES business portfolio, which includes Telecommunication, Information, Media, Edutainment, and Services. PT. Telkom Indonesia (Persero) has been publicly traded on the Indonesia Stock Exchange with the code TLKM

since November 14, 1995. The company is classified within the telecommunication industry, specifically the infrastructure, utilities, and transportation sectors (IDN Financials, 2023).

7. **PT. Wijaya Karya (Persero) Tbk (WIKA)**

PT. Wijaya Karya (Persero) Tbk (WIKA) is engaged in a diverse range of industries, including construction, manufacturing, conversion, rental, agency services, investment, agro-industry, renewable energy and conversion energy, trading, engineering, procurement, construction, area (industrial zone) management, construction service capacity upgrades, and information technology for engineering and construction. The company initiated its commercial activities in 1961 and has been publicly traded on the Indonesia Stock Exchange with the code WIKA since October 10, 2007.

PT. Wijaya Karya (Persero) Tbk is classified within the building construction industry, specifically within the property, real estate, and building sectors (IDN Financials, 2023).

4.2 Data Analysis

4.2.1 Descriptive Statistics

Descriptive Statistics pertains to the systematic arrangement and concise representation of data using frequency distributions, as well as the visual depiction of such distributions through the utilization of charts and graphs. This method of analysis encompasses the determination of key statistical measures such as the minimum, maximum, mean, and standard deviation. The table presented below displays the descriptive statistics for each variable.

Table 4.3 Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
ROA	49	.00	.28	.0628	.06886
DAR	49	.29	.87	.6359	.21115
DPR	49	.07	1.70	.5403	.39885
Valid N (listwise)	49				

Source: Data Processing by Writer with SPSS 25 (2023)

Based on the table 4.1 above, N defines the number of samples observed in this study, with data obtained for the independent variables (Profitability and Leverage) and dependent variable (Dividend Policy), which will be discussed in detailed below:

1. Profitability (X_1)

Profitability shows the minimum value of 0.00 that belongs to PT Wijaya Karya (Persero) Tbk in the year 2022. The maximum value is 0.28 belongs to PT Bukit Asam Tbk in the year 2022. The average value for Profitability is 0.0628 with the standard deviation of 0.06886.

2. Leverage (X_2)

Leverage shows the minimum value of 0.29 that belongs to PT Bukit Asam Tbk in the year 2019. The maximum value is 0.87 belongs to PT Bank Negara Indonesia (Persero) Tbk in the year 2021. The average value for Leverage is 0.6359 with the standard deviation of 0.21115.

3. Dividend Policy (Y)

Dividend policy shows the minimum value of 0.07 that belongs to PT Bank Negara Indonesia (Persero) Tbk in the year 2021. The maximum value is 1.70 belongs to PT Wijaya Karya (Persero) Tbk in 2020. The average value for Dividend Policy is 0.5403 with standard deviation of 0.39885.

4.2.2 Result of Data Quality Testing

The classical assumption test determines whether the regression model can generate BLUE (Best Linear Unbiased Estimator) data. It comprises normality, heteroscedasticity, multicollinearity, and autocorrelation tests.

4.2.2.1 Normality Test

The residuals in a regression model are considered normal if they pass the normality test. It's acceptable to use a normally distributed regression model. Both graphical and statistical approaches can be used to determine normality tests. The histogram and the normal probability plot are two examples of graphs used in statistical analysis. Meanwhile, the Kolmogorov-Smirnov test (K-S) is used in statistical analysis. Using the Kolmogorov-Smirnov (K-S) test, the data in the following table was analyzed statistically.

Table 4.4 Normality Test Using Kolmogorov-Smirnov Test Result Before Outlier
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		49
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	.38641337
Most Extreme Differences	Absolute	.140
	Positive	.140
	Negative	-.084
Test Statistic		.140
Asymp. Sig. (2-tailed)		.017 ^c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: Data Processing by Writer with SPSS 25 (2023)

Based on table 4.2 above, the conclusion given is the data is not normally distributed. It is because of the significance value (Asymp. Sig. (2-tailed)) is 0.017, which means that lower than 0.05.

There are several approaches available for resolving this issue, one of which involves eliminating outlier data, which are defined as data points that exhibit significant deviation from the other data points within a given dataset, necessitating their exclusion from the dataset. Out of the 49 samples collected, it has been determined that there are 17 occurrences of outlier data that should be excluded from further analysis. Following the exclusion of the outlier data, the total number of samples decreases to 32. The following table presents the outcomes of the Kolmogorov-Smirnov (K-S) test after the elimination of outliers.

Table 4.5 Normality Test Using Kolmogorov-Smirnov Test Result After Outlier One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		32
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	.26206015
Most Extreme Differences	Absolute	.113
	Positive	.113
	Negative	-.102
Test Statistic		.113
Asymp. Sig. (2-tailed)		.200 ^{c,d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: Data Processing by Writer with SPSS 25 (2023)

Based on table 4.3 above, it can be concluded that the data is normally distributed after the outlier data. It can be seen from the significance value (Asymp. Sig. (2-tailed)) is 0.200, which means that the value is higher than 0.05.

On the other hand, the test for normality can be performed graphically using the histogram and normal probability plot (p-plot). The data are uniformly distributed if the histogram has a bell shape. If the histogram has a positive or negative skewness, the data are not normally distributed. If the data follows the direction of the diagonal line, the normal probability (p-plot) is normally

distributed. However, if the data are randomly disseminated and do not follow the diagonal line direction, the data are not normally distributed. The histogram and normal probability plot (p-plot) are shown in the figure below:

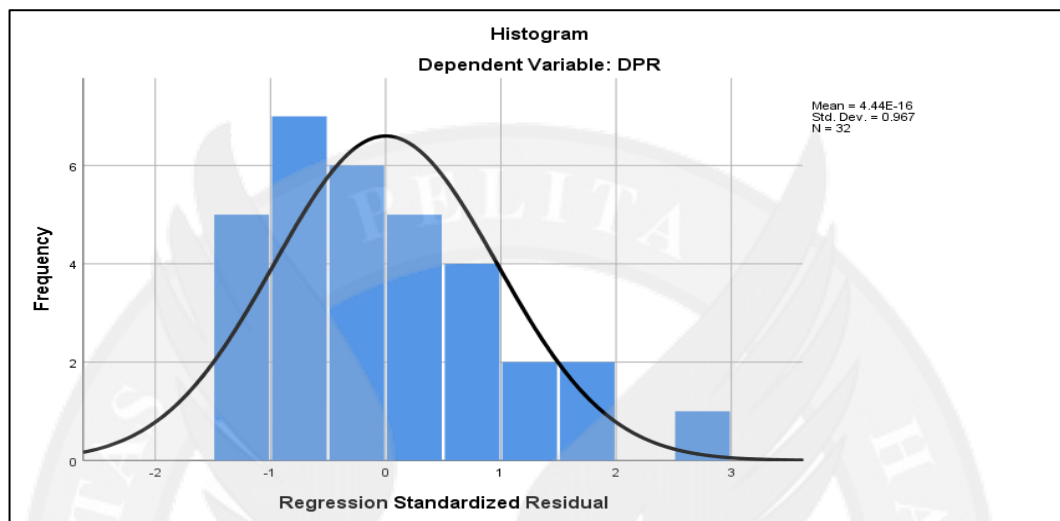


Figure 4.1 Normality Test Using Histogram

Source: Data Processed by Writer with SPSS 25 (2023)

The histogram is bell-shaped and does not incline to the left or right, as demonstrated by figure 4.1. It indicates that the data have a normal distribution, and that the regression model meets the normality criteria.

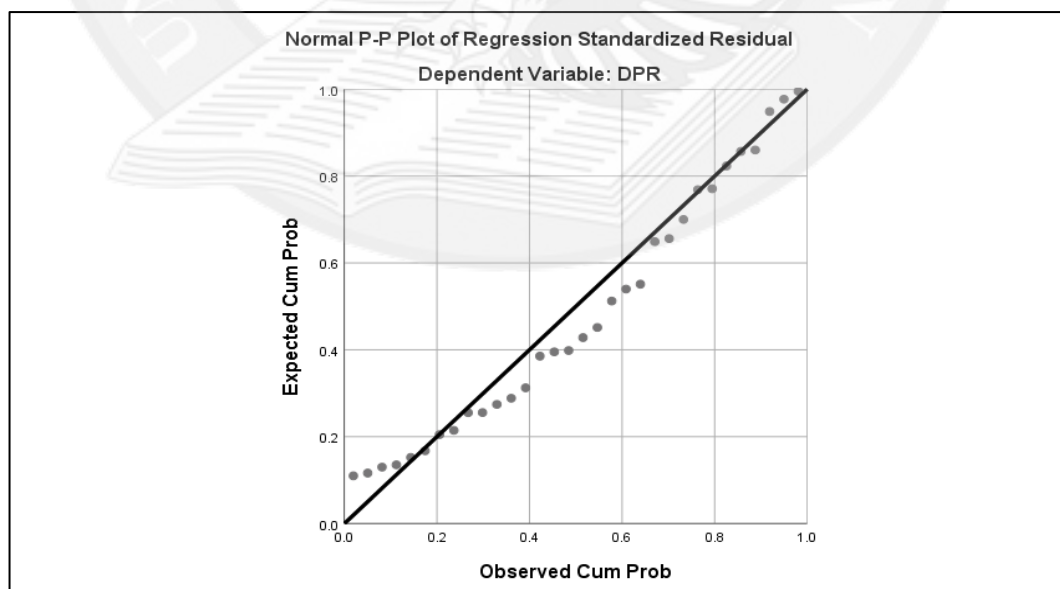


Figure 4.2 Normality Test Using Normal P-Plot

Source: Data Processed by Writer with SPSS 25 (2023)

Moreover, normally distributed data will follow a linear line. According to the following figure 4.2, the data resemble a straight line following the diagonal line. It indicated that the data had a normal distribution and passed normality test.

4.2.2.2 Heteroscedasticity Test

The heteroscedasticity test determines if the residual value variances for all observations in the regression model are comparable. The heteroscedasticity test is one of the variables that contributes to the inaccuracy and inefficiency of linear regression models. An acceptable regression model has no sign of heteroscedastic symptoms. The heteroscedasticity test can be examined using scatterplot graph and the Glejser test. There is no heteroscedasticity if the image of scatterplot lacks a distinct pattern (broadened and narrowed) and points are scattered above and below 0 on the Y axis. Therefore, there is no heteroscedasticity issue if the correlation between independent variables and the absolute residual is greater than 0.05.

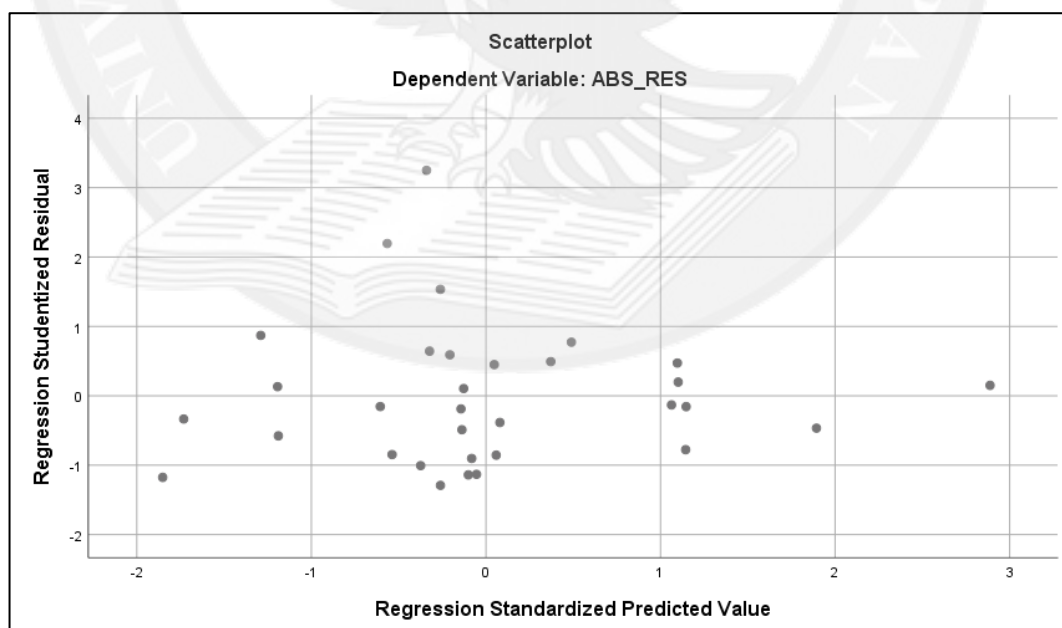


Figure 4.3 Heteroscedasticity Test Using Scatterplot Graph

Source: Data Processed by Writer with SPSS 25 (2023)

As shown in figure 4.3, the data is scattered above and below 0 along the Y axis. Thus, it is possible to conclude that there is no heteroscedasticity.

Meanwhile, it is difficult to determine that there is no pattern in the scatterplot. The scatterplot graph is not reliable enough to detect heteroscedasticity since the quantity of samples may alter the plotting outcome. As a result, a statistical test must be done to improve the outcome's accuracy. In this research, the Glejser test will be applied to determine heteroscedasticity. The Glejser test is carried out by regressing the independent variables on the absolute residual value (ABS_RES). When the significance level is greater than 0.05, there is no heteroscedasticity. When the significance level is less than 0.05, heteroscedasticity is detected.

Table 4.6 Heteroscedasticity Test Using Glejser Test

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.158	.189		.839	.408
	ROA	.314	.831	.112	.379	.708
	DAR	.051	.228	.066	.223	.825

a. Dependent Variable: ABS_RES

Source: Data Processed by Writer with SPSS 25 (2023)

According to table 4.4, all independent variables have a significance level greater than 0.05, with ROA and DAR having significance levels of 0.708 and 0.825, respectively. This concludes that there is no heteroscedasticity, and hence the regression model passed the heteroscedasticity test.

4.2.2.3 Multicollinearity Test

Multicollinearity is the correlation between independent variables. Individual regression coefficients and their implications for the dependent variable are more difficult to determine when independent variables are correlated. The research will use the tolerance value and variance inflation factor (VIF) to

determine which independent variables are explained by which other independent variables. In research with a tolerance value larger than 0.10 (>0.10) and a variance inflation factor (VIF) lower than 10 (<10) indicates that there is no multicollinearity or correlation between the independent variables.

Table 4.7 Multicollinearity Test

Model		Coefficients ^a					Collinearity Statistics	
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	.260	.323		.806	.427		
	ROA	2.938	1.421	.540	2.068	.048	.391	2.556
	DAR	.125	.390	.084	.320	.751	.391	2.556

a. Dependent Variable: DPR

Source: Data Processed by Writer with SPSS 25 (2023)

Based on the table 4.5, profitability has a tolerance value of 0.391 which is higher than 0.10 ($0.391 > 0.10$) and VIF value of 2.556 which is lower than 10 ($2.556 < 10$). This indicates that profitability and the other independent variables have no multicollinearity problem.

Leverage has a tolerance value of 0.391 which is higher than 0.10 ($0.391 > 0.10$) and VIF value of 2.556 which is lower than 10 ($2.556 < 10$). It indicates that leverage and the other independent variables have no multicollinearity problem.

In conclusion, the results of the multicollinearity test show that all the independent variables have a tolerance value higher than 0.10 and a VIF value below 10. The result shows that the regression model doesn't have any problems related to multicollinearity.

4.2.2.4 Autocorrelation Test

The autocorrelation test is used to evaluate the presence of a relationship between the values of one single variable over consecutive time periods inside the regression model. Autocorrelation should not be found in a regression model that

is well-designed. In this study, the Durbin-Watson Test (D-W Test) is used to assess autocorrelation in connection to the decision-making framework outlined in the previous chapter. The Durbin-Watson test result in the follows outcome:

Table 4.8 Autocorrelation Test Using Durbin-Watson Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.477 ^a	.228	.174	.27095	1.585
a. Predictors: (Constant), DAR, ROA					
b. Dependent Variable: DPR					

Source: Data Processed by Writer with SPSS 25 (2023)

As we can see from table 4.6, Durbin-Watson Test (D-W Test) value is 1.585. In this research, the significance level (α) is 5% or 0.05 while the total of independent variables (k) is 2 and total samples (n) are 32. According to the Durbin-Watson table ($\alpha = 5\%$; $k = 2$; $n = 32$), the lower bound (dL) is 1.3093 and the upper bound (dU) is 1.5736.

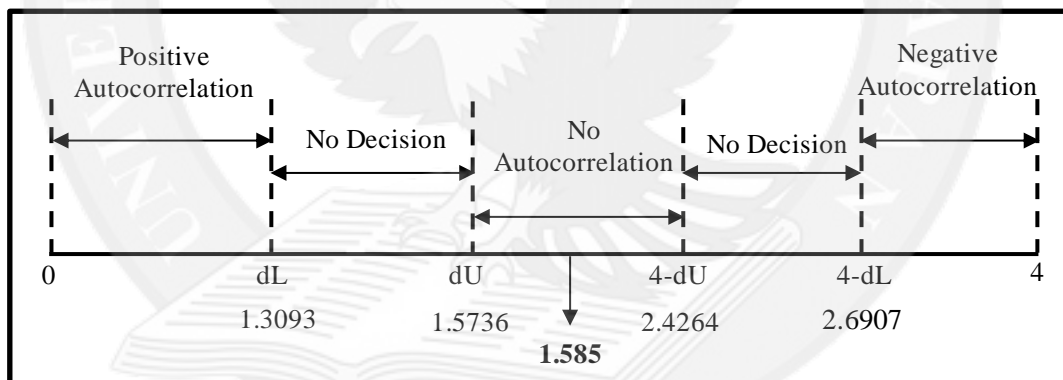


Figure 4.4 Durbin-Watson Test Result

Source: Prepared by Writer (2023)

Based on figure 4.4, the Durbin-Watson test fell inside the $dU < d < 4 - dU$ area in which shows no autocorrelation.

4.2.2.5 Summary of Classical Assumption Test

After completing all the classical assumption test, the result can be concluded as follows:

Table 4.9 Summary of Classical Assumption Tests Results

Classical Assumption Tests	Type of Test Used	Results
Normality Test	Kolmogorov-Smirnov (K-S) Test, Normal P-Plot and Histogram	The regression model is normally distributed
Heteroscedasticity Test	Scatterplot and Glejser Test	There is no heteroscedasticity in the regression model
Multicollinearity Test	Tolerance and Variance Inflation Factor (VIF)	There is no multicollinearity in the regression model
Autocorrelation Test	Durbin-Watson (D-W) Test	There is no autocorrelation in the regression model

Source: Prepared by Writer (2023)

Based on the details shown in the table, it can be concluded that the data has successfully met all of the classical assumption tests.

4.2.3 Multiple Linear Regression Analysis

Multiple linear regression analysis is used to determine the impact of independent variables namely profitability and leverage toward dependent variable namely dividend policy during the period 2016-2022.

Table 4.10 Multiple Regression Analysis

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.260	.323		.806	.427
	ROA	2.938	1.421	.540	2.068	.048
	DAR	.125	.390	.084	.320	.751

a. Dependent Variable: DPR

Source: Data Processed by Writer with SPSS 25 (2023)

Table 4.8 shows the outcome of multiple linear regression analysis. The variable ROA represents profitability, DAR represents leverage and DPR represents dividend policy. Thus, the multiple linear regression equation may be summarized based on the unstandardized coefficients such as follows:

$$Y = 0.260 + 2.938X_1 + 0.125X_2 + \varepsilon$$

According to the equation above, it may be interpreted as follows:

1. The constant value (α) of the regression model is 0.260 which means when the Profitability and Leverage are at constant condition (value of 0), the Dividend Policy is 0.260.
2. The coefficient of regression for Profitability (β_1) is 2.938 which means with an increase of 1 point for Profitability and the assumption that other variables remain constant, the Dividend Policy will increase by 2.938. On the other hand, it also indicates that Profitability has a positive relationship toward Dividend Policy.
3. The coefficient of regression for Leverage (β_2) is 0.125 which means with an increase of 1 point for Leverage and the assumption that other variables remain constant, the Dividend Policy will increase by 0.125. On the other hand, it also indicates that Leverage has a positive relationship toward Dividend Policy.

4.2.4 Results of Hypothesis Testing

The hypothesis is tested using T-test (partially), F-test (simultaneously) and coefficient of determination (adjusted R^2) after conducting classical assumption tests and multiple linear regression analysis.

4.2.4.1 Partial t-Test

Partial Hypothesis Testing or T-Test determines how much impact of one independent variable has on the variation in the dependent variable which will be compared between the T_{count} and T_{table} with the stated significance value of 0.05. In this research, the independent variables include good profitability and leverage while the dependent variable is dividend policy. Furthermore, the partial t-test result

will also answer and prove the following hypothesis made in chapter two such as follows:

H₁: Profitability has significant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange partially.

H₂: Leverage has significant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange partially.

In this research, there are two decision criteria for the t-test. Firstly, observe the T_{count} value. By using 95% confidence interval or significance value (α) of 5% and the value of degree of freedom (total samples – total variables) of 29 (32-3). Hence, the obtained T_{table} is 2.04523.

Secondly, observe the significance level. If the significance level of independent variable is less than 0.05 (Sig. < 0.05), it means that the independent variable has a significant partial impact on dependent variable. On the other hand, if the significance level of independent variable is more than 0.05 (Sig. > 0.05), it means that independent variable has no significant impact on dependent variable.

Table 4.11 Partial Hypothesis Testing (T-Test)

		Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.260	.323		.806	.427
	ROA	2.938	1.421	.540	2.068	.048
	DAR	.125	.390	.084	.320	.751

a. Dependent Variable: DPR

Source: Data Processed by Writer with SPSS 25 (2023)

From the table 4.10 above, the result of partial t-test and the interpretations are as follows:

1. Profitability variable (X_1) has a T_{count} of 2.068 which is bigger than 2.04523, significance value of 0.048 that is less than 0.05, and coefficient of 2.938.

There are two hypothesis which are:

H₀: Profitability has insignificant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange partially.

H₁: Profitability has significant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange partially.

Therefore, with the t value of $2.068 > 2.04523$ ($T_{\text{count}} > T_{\text{table}}$), significance level of $0.048 < 0.05$, and a positive coefficient, it shows that Profitability has a positive significant impact toward Dividend Policy. Thus, H_1 is accepted and H_0 is rejected.

2. Leverage variable (X_2) has a T_{count} of 0.320 which is less than 2.04523, significance value of 0.751 that is more than 0.05, and coefficient of 0.125.

There are two hypothesis which are:

H₀: Leverage has insignificant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange partially.

H₂: Leverage has significant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange partially.

Therefore, with the t value of $0.320 < 2.04523$ ($T_{\text{count}} < T_{\text{table}}$), significance level of $0.751 > 0.05$, and a positive coefficient, it shows that Leverage has a positive insignificant impact toward Dividend Policy. Thus, H_2 is rejected and H_0 is accepted.

4.2.4.2 Simultaneous F-Test

Simultaneous hypothesis testing is used to determine if the independent variables namely profitability and leverage have any impact on the dependent variable which is dividend policy simultaneously by comparing the significance value or the F_{count} with the F_{table} . Furthermore, the simultaneous F-test result will also answer and prove the following hypothesis in chapter two as follows:

H₃: Profitability and Leverage have significant impact toward Dividend Policy on State-owned Enterprises listed on the Indonesia Stock Exchange simultaneously.

In this research, there are two decision criteria for the F-test. Firstly, observe the F_{count} value. By using 95% confidence interval or significance value (α) of 5% and the value of degree of freedom in numerator (total independent variables – 1) of 1 (2-1) and the degree of freedom in denominator (total sample – total independent variables) of 30 (32-2). Hence, the obtained F_{table} is 4.17.

Secondly, observe the significance level. If it is less than 0.05 (Sig. < 0.05), it means that all the independent variables have a significant simultaneous impact on dependent variable. On the other hand, if the significance level of independent variable is more than 0.05 (Sig. > 0.05), it means that all the independent variables have no significant simultaneous impact on dependent variable.

Table 4.12 Simultaneous Hypothesis Testing (F-Test)

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.628	2	.314	4.276	.024 ^b
	Residual	2.129	29	.073		
	Total	2.757	31			
a. Dependent Variable: DPR						
b. Predictors: (Constant), DAR, ROA						

Source: Data Processed by Writer with SPSS 25 (2023)

There are two hypothesis which are:

H₀: Profitability and Leverage have insignificant impact toward Dividend Policy on State-owned Enterprises listed on the Indonesia Stock Exchange simultaneously.

H₃: Profitability and Leverage have significant impact toward Dividend Policy on State-owned Enterprises listed on the Indonesia Stock Exchange simultaneously.

From the table above, it shows the F_{count} value is 4.276 which is greater than 4.17 and significance level of 0.024 which is less than 0.05. Therefore, with the F value of $4.276 > 4.17$ ($F_{count} > F_{table}$), significance level of $0.024 < 0.05$, it shows that profitability and leverage have significant simultaneous impact toward dividend policy. Thus, H_3 is accepted and H_0 is rejected.

4.2.4.3 Coefficient of Determination (R^2)

Table 4.13 Coefficient of Determination (R^2)

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.477 ^a	.228	.174	.27095	1.585
a. Predictors: (Constant), DAR, ROA					
b. Dependent Variable: DPR					

Source: Data Processed by Writer with SPSS 25 (2023)

Table 4.11 above shows that the value of R^2 is 0.228 or equals to 22.8% which implies that the multiple linear regression model explains for the 22.8% of the total variance. This indicates that the independent variables which is profitability and leverage impact 22.8% of the dependent variable, dividend policy, while the remaining 77.2% is impacted by additional variables that were not included in this research.

4.3 Discussion

This research analyzes the impact of Profitability and Leverage toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange from 2016 to 2022. In this research, the results show that profitability has a significant impact toward dividend policy. On the other hand, leverage has insignificant impact toward dividend policy.

4.3.1 The Impact of Profitability toward Dividend Policy on State-owned Enterprises Listed on the Indonesia Stock Exchange

The partial test result shows that profitability has positive significant impact toward dividend policy, which is shown through the result of t-test where the value of T_{count} of 2.068 which is bigger than 2.04523, significance value of 0.048 that is less than 0.05, and coefficient of 2.938. Therefore, profitability has a positive significant impact toward dividend policy.

Additionally, the results indicate that the first hypothesis (H_1) is accepted. This demonstrates that the more profitable a company is, the dividend payments to shareholders will also increase. Nonetheless, the company will not pay dividends if it has no remaining funds. The larger the ROA, the greater the company's access to funds, and thus the greater the probability that the company will pay dividends.

This is supported and in accordance with the research conducted by Dang et al. (2018), Soi & Buigut (2020) and Lee et al. (2022) which stated that profitability has significant impact toward dividend policy.

4.3.2 The Impact of Leverage toward Dividend Policy on State-owned Enterprises Listed on the Indonesia Stock Exchange

The partial test result shows that leverage has positive insignificant impact toward dividend policy, which is shown through the result of t-test where the value of T_{count} of 0.320 which is less than 2.04523, significance value of 0.751 that is more than 0.05, and coefficient of 0.125. Therefore, leverage has a positive insignificant impact toward dividend policy.

Additionally, the results indicate that the second hypothesis (H_2) has been rejected. The greater the leverage ratio, the greater the proportion of debt in the company's capital structure, which results in a greater financial risk for the company in consideration. The excessive use of debt will influence the capital structure and the cost of interest (debt cost), which will influence the company's net income. Therefore, the company's ability to pay dividends is not necessarily proportional to its net income because debt obligations take priority over dividend payments.

This is supported and in accordance with the research conducted by E. Ayunku & Markjackson (2019) which stated that leverage has insignificant impact toward dividend policy.

4.3.3 The Impact of Profitability and Leverage toward Dividend Policy on State-owned Enterprises Listed on the Indonesia Stock Exchange

The simultaneous test result shows that profitability and leverage simultaneously impact dividend policy which is shown through the result of F-test where the F_{count} value is 4.276 which is greater than 4.17 and significance level of

0.024 which is less than 0.05. This result indicates that the third hypothesis (H_3) of this research is accepted.

In addition to this, the R^2 value, which represents the coefficient of determination, is 0.228 or 22.8%. The multiple linear regression model explains 22.8% of the total variance, which is a significant finding. The independent variables, profitability, and leverage, have a significant influence of 22.8% on the dependent variable, dividend policy. Nevertheless, it should be noted that the remaining 77.2% of the dependent variable is influenced by other variables that were not considered in this study.

The following table summarizes the outcomes of the hypothesis tests:

Table 4.14 Summary of the Hypothesis Tests Results

No	Hypothesis	F or T count	F or T table	Sig.	α	Result
H ₁	Profitability has significant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange partially.	2.068	2.04523	0.048	0.05	H ₁ accepted
H ₂	Leverage has significant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange partially.	0.320	2.04523	0.751	0.05	H ₂ rejected
H ₃	Profitability and Leverage have significant impact toward Dividend Policy on State-owned enterprises listed on the Indonesia Stock Exchange simultaneously.	4.276	4.17	0.002	0.024	H ₃ accepted

Source: Prepared by Writer (2023)