

ABSTRACT

ANALYSIS OF FACTORS AFFECTING FINANCIAL PERFORMANCE AND MANAGERIAL OWNERSHIP ON DIVIDEND POLICY IN MANUFACTURING COMPANIES LISTED ON THE IDX 2018-2022

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Financial performance and dividend policy are important aspects in company operations, especially in the manufacturing industry. This research discusses financial performance, managerial ownership of dividend policy. The COVID-19 pandemic has caused a decrease in purchasing power and operational disruptions, which have an impact on the company's financial performance. This influences the company's dividend policy, with consideration of retaining profits as additional working capital. Strong financial performance supports consistent dividend payments, while managerial ownership can influence dividend decisions and build shareholder confidence. In this complex situation, companies must find a balance between meeting shareholder expectations and maintaining the financial flexibility necessary for long-term growth. Financial performance using indicators of profitability ratios, liquidity ratios, solvency ratios and efficiency ratios. Profitability indicators can be measured by Return On Equity (ROE), Return On Assets (ROA), and Net Profit Margin. Liquidity indicators can be measured using Current Ratio and Quick Ratio. Meanwhile, solvency indicators can be measured by the Debt-to-Equity Ratio and Debt Service Coverage Ratio. This overall ratio analysis is used with the aim of producing fairly efficient numbers.

Keywords: Profitability, Liquidity, Solvency, Dividend Policy