

**DETERMINANT OF CORPORATE DIVIDEND POLICY IN
INDONESIA (A Case Study of LQ45)**

UNDERGRADUATE THESIS

Submitted to Bachelor Program

Proposed to Fulfill the Requirements to Obtain a Bachelor's Degree

In Management Department Faculty of Economics and Business

Universitas Muhammadiyah Yogyakarta



Proposed By:

Audina Fajri Azmi

20170410442

**INTERNATIONAL PROGRAM OF MANAGEMENT AND
BUSINESS**

FACULTY OF ECONOMICS AND BUSINESS

UNIVERSITAS MUHAMMADIYAH YOGYAKARTA

DECLARATION PAGE

Herewith I declare:

Name : AUDINA FAJRI AZMI
Student ID : 20170410442
Department : International Program of Management and Business (IMaBS)
Research Title : Determinants of Corporate Dividend Policy in Indonesia (A Case Study of LQ45)

That I wrote this thesis is the original of my work. I also have never submitted this thesis before to obtain other universities, and as long as I know, there are no works or opinions that have been written or published by anyone except those written in reference to this writing and included in the references. Moreover, if it turns out in this thesis there are works or opinions that have been written or published by someone else, then I am willing to accept all the consequences that have been determined by the Universitas Muhammadiyah Yogyakarta.



Audina Fajri Azmi

MOTTO

Don't depend too much on anyone in this world, because even your
shadow will leave you in the dark

- Ibn Taimiyyah -

ط
رَبُّكُمْ أَعْلَمُ بِمَا فِي نُفُوسِكُمْ

Your God knows better what is in your heart

- QS. Al-Isra' Ayat 25

Do Whatever You Want To Do, Your Dreams Are Your Own, Don't

Care What People Think Of You

- Huang renjun -

FOREWORD

Praise be to Allah SWT who has provided convenience, grace and mercy in writing a thesis entitled "Determinants of Corporate Dividend Policy in Indonesia (A Case Study of LQ45)". This thesis is prepared to fulfill one of the requirements in obtaining a Bachelor's degree at the Faculty of Economics and Business, University of Muhammadiyah Yogyakarta. The completion of this thesis could not be separated from the guidance and support of various parties, therefore on this occasion the author would like to thank as much as possible to:

1. Mr. Prof. Rizal Yaya, S.E., M.Sc., Ph.D., Ak., CA., CRP as the Dean of the Faculty of Economics and Business, University of Muhammadiyah Yogyakarta who has provided guidance, guidance and convenience during the author's completion of the study.
2. Head of Management Study Program, Dr. Rr. Sri Handari W, SE., M.Si_who has provided guidance, guidance and convenience during the author's completion of the study
3. Mr. Dr. Firman Pribadi, M.Si who has patiently provided input and guidance during the process of writing this thesis.
4. Mom and Dad who always give encouragement and encouragement to the author so that he can complete his study.

5. All 2017 class friends, especially IMaBS friends for being together during college.
6. All parties who cannot be written one by one who have prayed for the completion of this thesis.

I would say warm thanks to all those who have contributed, and I am sorry that I cannot mention you one by one. Hopefully, the good deeds will be rewarded by Allah SWT, and I hope this article will be useful for readers and be a reference for further research

TABLE OF CONTENTS

VALIDATION PAGE	ii
DECLARATION PAGE	iv
MOTTO	v
FOREWORD	vi
ABSTRACT	vii
LIST OF FIGURE	xi
LIST OF TABLE	xii
CHAPTER 1	
INTRODUCTION	1
1.1 RESEARCH BACKGROUND	1
1.2 PROBLEM STATEMENT	7
1.3 RESEARCH OBJECTIVE	7
1.4 RESEARCH BENEFIT	8
CHAPTER 2	
LITERATURE RIVIEW	10
2..1 THEORETICAL BACKGROUND	10
2..2 PREVIOUS RESEARCH	12
2..3 RESEARCH MODEL	14
2..4 HYPOTHESIS DEVELOPMENT	16

CHAPTER 3

METHODOLOGY	21
3..1 RESEARCH OBJECT	21
3..2 DATA TYPE	21
3..3 SAMPLE	21
3..4 DATA COLLECTION TECHNIQUE	22
3..5 OPERATIONAL VARIABLES	22
3..6 INSTRUMENT AND DATA TESTING	24

CHAPTER 4

RESEARCH RESULTS AND DISCUSSION	31
4..1 OVERVIEW OF RESEARCH OBJECTS	31
4..2 RESEARCH RESULT	32
4..3 DISCUSSION	44

CHAPTER 5

CONCLUSION AND SUGGESTIONS	50
5..1 CONCLUSION	50
5..2 SUGGESTIONS	53
REFERENCES	54
APPENDIX	59

LIST OF FIGURE

Figure 1. 1 Dividend Payout Ratio Charts

2

LIST OF TABLE

Table 4. 1 Sampling Process	30
Table 4. 2 Descriptive Statistical Analysis Results	31
Table 4. 3 Normality Test Results	34
Table 4. 4 Multicollinearity Test Results	35
Table 4. 5 Heteroscedasticity Test Results	36
Table 4. 6 Autocorrelation Test Results	37
Table 4. 7 Multiple Linear Regression Analysis Results	37
Table 4. 8 F Test Results	39
Table 4. 9 T Test Result	40