

Dividend Policy from the Perspective of Ownership and Governance: An Empirical Study in the Construction Sector

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Abstract

This study investigates the determinants of dividend policy from the perspective of ownership structure and corporate governance in the construction sector listed on the Indonesia Stock Exchange during 2018–2023. The research aims to analyze the effects of public ownership, debt policy, asset growth, and the proportion of independent commissioners on dividend policy. Employing a quantitative explanatory approach, the population consists of 29 construction companies, with purposive sampling resulting in 5 companies consistently distributing dividends over six years, yielding 30 observations. Data were collected through documentation of audited financial statements and analyzed using multiple regression with SPSS, including classical assumption tests. The results reveal that debt policy and asset growth have a significant negative effect, while independent commissioners have a significant positive effect on dividend policy. Public ownership does not significantly influence dividend policy. The study concludes that internal factors, especially capital structure and governance, are crucial in shaping dividend policy, while external factors remain a limitation. Future research should expand the sample and include macroeconomic variables for broader generalization.

INTRODUCTION

In today's era of globalization, investment is growing rapidly thanks to technological advances and the openness of international markets, allowing investors to access diverse opportunities worldwide, particularly in developing countries with high growth prospects. The construction sector is a key investment destination, including in Indonesia, where large infrastructure projects such as toll roads and industrial estates continue to attract domestic and foreign investors, supported by government policies and long-term growth prospects. During the 2015-2023 period, the construction sector in Indonesia emerged as a major beneficiary of the government's infrastructure acceleration program, which aligns with the national development agenda. Digitalization and modern technology have made cross-border investment flows more efficient and competitive, creating a dynamic business environment for construction companies to access global funding sources.

For investors, the construction sector is attractive not only because of its growth prospects but also because of the potential profits offered through capital gains and dividends, which are seen as important indicators in assessing a company's performance and stability. Dividend policy reflects management's commitment to providing returns to shareholders, with characteristics favored by investors including consistent payments, competitive yields, and sustainable growth over time. Dividends are the distribution of profits to shareholders that reflect the company's financial condition and management's profit management policies. A reasonable dividend distribution signifies stability and sound financial prospects. Companies with strong

Environmental, Social, and Governance (ESG) performance tend to exhibit more stable dividend payments and a higher proportion as a form of responsibility to stakeholders.

One important measure of dividend policy is the Dividend Payout Ratio (DPR), which is the proportion of net profit distributed as dividends. A moderate DPR is considered ideal because it reflects the balance between shareholder interests and the company's internal funding needs. Dividend policy is strongly influenced by internal factors such as profitability, liquidity, ownership structure, debt policy, and asset growth. Research shows that companies with low leverage and high profitability tend to implement more aggressive dividend policies. Public ownership has a complex influence on dividend policy, where greater public ownership can increase pressure on management to distribute dividends, but fragmented public investors do not always have enough collective power to influence strategic decisions. The characteristics of the board of commissioners, particularly the proportion of independent commissioners, play an important role in management oversight and can encourage a more transparent dividend policy to protect the interests of minority shareholders.

Companies in the construction sector face unique challenges in generating consistent profits, which impacts dividend distribution policy due to the high risk of project cost overruns and revenue fluctuations due to reliance on seasonal government projects. Data shows that the average dividend payout ratio for IDX companies is generally in the range of 30-50%, while the construction sector often has a lower DPR due to high working capital requirements and cash flow uncertainty. The large and long-term nature of construction projects forces companies to retain profits to finance investments and maintain liquidity, resulting in smaller or even no dividends, especially when there is a high debt-to-equity ratio. Recent research shows that high debt levels can reduce a company's ability to pay dividends because more profits are allocated to loan repayments, while rapid asset growth encourages companies to reduce dividend payments to maintain internal cash availability.

Although various studies have explored the determinants of dividend policy, empirical findings remain inconsistent, particularly regarding the influence of ownership structure, debt policy, and board characteristics on dividend policy in the Indonesian construction sector. Previous research has yielded mixed results, with some finding a positive effect of public ownership on dividends, while others found an insignificant effect, particularly in companies with low public ownership. Similarly, the effect of the debt-to-equity ratio on dividend policy has yielded contradictory results, with some studies finding a negative relationship consistent with the trade-off theory, while others found a positive relationship in certain contexts. The characteristics of independent board commissioners also exhibit varying effects, with independent commissioners moderating the negative effect of family control on dividend policy in the context of family-controlled firms.

Based on the phenomena and problems described, this study aims to analyze the influence of public ownership, debt policy, asset growth, and the characteristics of independent boards of commissioners on dividend policy in construction sector companies listed on the Indonesia Stock Exchange for the 2018-2023 period. The urgency of this research lies in the need for a more comprehensive understanding of the determinants of dividend policy in the construction sector, which has unique characteristics in capital structure and investment patterns, considering that this sector is the backbone of national infrastructure development and attracts large investments. The

novelty of this research lies in the simultaneous integration of the analysis of four key variables in the Indonesian construction sector using the latest data covering the post-COVID-19 economic recovery period, as well as focusing on companies that consistently distribute dividends to provide a more accurate picture of dividend policy practices. This research is expected to provide theoretical contributions in strengthening agency theory and signaling theory in the context of the Indonesian construction sector, as well as providing practical contributions to company management in designing optimal dividend policies and for investors in making more informed investment decisions.

METHOD

This study uses a quantitative approach with an explanatory research method to examine the effect of public ownership, debt policy, asset growth, and the characteristics of the independent board of commissioners on dividend policy in construction sector companies. The quantitative approach was chosen because it aligns with the research objectives, which aim to test hypotheses based on existing theories using numerical data that can be analyzed statistically to produce objective and generalizable conclusions. According to Sugiyono (2022), a quantitative approach is a research method based on the philosophy of positivism, used to study specific populations or samples, with sampling techniques generally carried out randomly, data collection using research instruments, and quantitative/statistical data analysis with the aim of testing predetermined hypotheses. This research is also associative causal because it aims to analyze the causal relationship between independent and dependent variables, as stated by Creswell and Creswell (2023) that quantitative research aims to test theories by examining the relationships between variables. The explanatory research method was chosen to explain the causal relationship between variables through hypothesis testing based on a strong theoretical foundation, specifically agency theory, dividend theory, and capital structure theory.

The research instrument used was a documentation technique to collect secondary data from audited financial reports, annual reports, and company information disclosure documents available on the official website of the Indonesia Stock Exchange. The data analysis technique used an inferential statistical approach with the latest version of SPSS (Statistical Package for Social Science) software for data processing and analysis. The data analysis process began with descriptive statistical tests to provide an overview of the characteristics of the research data, followed by classical assumption tests including normality tests using the Kolmogorov-Smirnov method, multicollinearity tests using Tolerance and Variance Inflation Factor (VIF) values, heteroscedasticity tests using the Glejser Test, and autocorrelation tests using the Durbin-Watson Test. According to Emzir (2023), classical assumption testing is very important in multiple regression analysis to ensure the validity and reliability of research results. After fulfilling the classical assumptions, the analysis was continued with multiple linear regression to test the influence of independent variables on the dependent variable, the F test (simultaneous) to test the feasibility of the model as a whole, the t test (partial) to test the individual influence of each independent variable, and the coefficient of determination (R^2) test to measure the model's ability to explain variations in the dependent variable.

The population in this study was all construction sector companies listed on the Indonesia Stock Exchange (IDX) for the 2018-2023 period, totaling 29 companies. The selection of the construction sector was based on the unique characteristics of this industry, which has a different dividend policy pattern compared to other sectors due to the capital-intensive nature of the business and dependence on long-term projects. The sampling technique used purposive sampling, a non-probability sampling method where researchers select samples based on certain criteria that are in accordance with the research objectives. Sudaryono (2018) explains that purposive sampling is a sampling technique with certain considerations that are considered to provide maximum data.

According to Creswell and Creswell (2023), purposive sampling is very appropriate to use when researchers require specific respondents and have certain characteristics relevant to the research focus. The sample selection criteria in this study were: (1) companies listed in the construction sector on the IDX during the 2018-2023 period, (2) companies consistently publish audited financial reports, and (3) companies consistently distribute dividends during the observation period. Based on these criteria, 5 companies were obtained that met the requirements as research samples with an observation period of 6 years (2018-2023), so that the total observation was 30 data (5 companies × 6 years).

The research procedure was carried out systematically in several stages to ensure the quality and validity of the research results. The first stage was the identification of the research problem and a literature review to build a strong theoretical foundation based on agency theory, dividend theory, capital structure theory, and firm growth theory as the basis for developing research hypotheses. The second stage was the determination of the population and sample using purposive sampling techniques with predetermined criteria, followed by the collection of secondary data from the official website of the Indonesia Stock Exchange (IDX). www.idx.co.id and related company websites. According to Sugiyono (2022), data collection through documentation has advantages because the data obtained is objective, verifiable, and has high credibility because it has been audited by an independent public accountant. The third stage is data processing and cleaning to ensure completeness and consistency of the data before statistical analysis is carried out. The fourth stage is the implementation of data analysis starting from descriptive statistics, classical assumption tests, multiple regression analysis, and hypothesis testing using SPSS software. Emzir (2023) emphasizes the importance of systematic procedures in quantitative research to ensure the reliability and validity of research findings. The final stage is the interpretation of research results, discussion of findings by comparing research results with theory and previous research, and drawing conclusions and suggestions for future research. All research procedures are carried out with attention to the principles of objectivity, systematicity, and scientific accountability as emphasized by Creswell and Creswell (2023) in quantitative research.

RESULT

Normality Test Results

Table 1. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual	
N		30	
Normal Parameters ^{a,b}	Mean	.0000000	
	Std. Deviation	25.71466292	
Most Extreme Differences	Absolute	.092	
	Positive	.083	
	Negative	-.092	
Test Statistic		.092	
Asymp. Sig. (2-tailed) ^c		.200 ^d	
Monte Carlo Sig. (2-tailed) ^e	Sig.	.738	
	95% Confidence Interval	Lower Bound	.726
		Upper Bound	.749

a. Test distribution is Normal.
 b. Calculated from data.
 c. Lilliefors Significance Correction
 d. This is a lower bound of the true significance.
 e. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 221623949.

In this study, the normality test was conducted using the Kolmogorov-Smirnov (KS) Test method with the help of SPSS software, with the addition of Monte Carlo Significance Correction to increase the accuracy of the results in small to medium sample sizes.

Based on the analysis results, it is known that the residual has an average value (mean) of 0.000000 with a standard deviation of 25.7147. The Kolmogorov-Smirnov test value is 0.092, with an Asymp. Sig. (2-tailed) value of 0.200, which is higher than the significance level of 0.05. In addition, the Monte Carlo test produces a Monte Carlo Sig. (2-tailed) value of 0.738 with a 99% confidence interval in the range of 0.726–0.749.

Because the significance values for both methods are greater than 0.05, it can be concluded that the residual data is normally distributed. This result aligns with Ghozali (2011), who stated that data is considered normal if the Kolmogorov-Smirnov significance value is greater than 0.05. Thus, the assumption of normality has been met, allowing the regression analysis to proceed without violating basic statistical assumptions.

Multicollinearity Test Results

Table 2. Multicollinearity Test Results

		Coefficients ^a					Collinearity Statistics	
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	214.732	8.572		25.051	<.001		
	Kepemilikan Publik	.000	.005	-.002	-.071	.944	.874	1.144
	Kebijakan Hutang	-1.279	.048	-.837	-26.894	<.001	.915	1.093
	Pertumbuhan Aset	-.022	.005	-.133	-4.086	<.001	.837	1.194
	Dewan Komisaris Independen	.082	.005	.482	15.059	<.001	.867	1.154

a. Dependent Variable: Kebijakan Dividen

To detect multicollinearity, two main measures are used: Tolerance and Variance Inflation Factor (VIF). In general, a regression model is considered free from multicollinearity if the Tolerance value for each variable is greater than 0.10 and the VIF value is less than 10. A low Tolerance value indicates a high correlation between the independent variables, while a large VIF value indicates variance inflation due to the relationship. According to Ghozali (2011), this condition can cause the regression coefficient to be unstable and difficult to interpret, so testing Tolerance and VIF is very important in regression analysis.

The results of data processing using SPSS show that the Public Ownership variable has a Tolerance value of 0.874 and a VIF of 1.144; the Debt Policy variable has a Tolerance of 0.915 and a VIF of 1.093; the Asset Growth variable has a Tolerance of 0.837 and a VIF of 1.194; and the Independent Board of Commissioners variable has a Tolerance of 0.867 and a VIF of 1.154.

All Tolerance values are well above the minimum limit of 0.10, and all VIF values are well below 10. Thus, it can be concluded that this regression model does not experience multicollinearity. This condition indicates that the relationship between the independent variables is still within reasonable limits and does not interfere with the validity of the regression model interpretation.

Heteroscedasticity Test Results

Table 3. Heteroscedasticity Test Results

		Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	21.995	4.518		4.869	<.001
	Kepemilikan Publik	.000	.002	.021	.108	.915
	Kebijakan Hutang	-.027	.025	-.214	-1.097	.283
	Pertumbuhan Aset	.005	.003	.350	1.720	.098
	Dewan Komisaris Independen	.003	.003	.188	.939	.357

a. Dependent Variable: ABS_RES

In this study, heteroscedasticity testing was conducted using the Glejser Test method, namely by regressing the absolute value of the residual (ABS_RES) against all independent variables in the model, which consist of Public Ownership, Debt Policy, Asset Growth, and Independent Board of Commissioners. The goal is to see whether there is a significant influence of each variable on the residual value. According to Ghozali (2011), the Glejser test can be used to detect the presence or absence of

heteroscedasticity, and the regression model is said to be free from heteroscedasticity if the significance value of the independent variable is greater than 0.05.

Based on the output from SPSS, the significance value of each variable is obtained as follows: Public Ownership of 0.915, Debt Policy of 0.283, Asset Growth of 0.098, and Independent Board of Commissioners of 0.357. All significance values are greater than the significance level of 0.05, so there is no significant relationship between the independent variables and the absolute value of the residual.

Thus, it can be concluded that this regression model does not suffer from heteroscedasticity. This means that the residual variance is homogeneous (constant) and the homoscedasticity assumption has been met, allowing for more valid and reliable interpretation of the model's estimation results.

Autocorrelation Test

Table 4. Autocorrelation Test Results

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.633 ^a	.401	.305	143.961	1.593

a. Predictors: (Constant), Dewan Komisaris Independen, Kebijakan Hutang, Kepemilikan Publik, Pertumbuhan Aset

b. Dependent Variable: Kebijakan Dividen

In this study, autocorrelation testing was conducted using the Durbin-Watson (DW) test to determine whether there is a correlation between residuals in a particular period and residuals in the previous period. According to Ghozali (2011), autocorrelation occurs when the error in period t is influenced by the error in the previous period (t-1), and this can disrupt the validity of the regression model. Therefore, autocorrelation testing is important to ensure that the regression model meets classical assumptions.

Based on the data processing results, the Durbin-Watson statistical value obtained was 1.593. With the number of data (N = 30) and four independent variables, the lower limit (DL) value was obtained at around 1.1426, the upper limit (DU) value was 1.7386, and the 4-DU value was 2.2614. The Durbin-Watson value of 1.593 is below the DU (1.7386) but remains above the DL (1.1426). This indicates that the test results are not completely within the safe zone, but fall into the gray area (inconclusive).

Thus, it can be concluded that the results of the Durbin-Watson test cannot provide definitive confirmation regarding the presence or absence of autocorrelation in the regression model. However, this condition does not yet indicate a strong indication of autocorrelation, so the regression model can still be continued. However, careful interpretation of the research results is necessary to ensure that the conclusions drawn remain valid and scientifically sound.

Multiple Linear Regression Analysis

Table 5. Results of Multiple Linear Regression Analysis

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	214.732	8.572		25.051	<.001
	Kepemilikan Publik	.000	.005	-.002	-.071	.944
	Kebijakan Hutang	-1.279	.048	-.837	-26.894	<.001
	Pertumbuhan Aset	-.022	.005	-.133	-4.086	<.001
	Dewan Komisaris Independen	.082	.005	.482	15.059	<.001

a. Dependent Variable: Kebijakan Dividen

$$Y = 214.732 + 0.000X_1 - 1.279X_2 - 0.022X_3 + 0.082X_4$$

Based on the results of multiple linear regression analysis, the equation obtained is: This result shows that each independent variable has a different direction and magnitude of influence on dividend policy. The constant value of 214,732 means that if all independent variables are considered constant or have a value of zero, then the dividend policy of construction sector companies is at 214,732.

The public ownership variable has a regression coefficient of 0.000. This indicates that public ownership has no significant influence on a company's dividend policy. In other words, even if there is a change in the proportion of public share ownership, it will not significantly impact the company's decision to distribute dividends.

Furthermore, the debt policy variable has a regression coefficient of -1.279. This negative value indicates that the higher a company's debt level, the lower its dividend policy. This reflects that companies with a large debt burden tend to reduce dividend distributions, as a significant portion of profits must be allocated to pay financial obligations.

The asset growth variable shows a regression coefficient of -0.022. This negative relationship indicates that companies with high asset growth rates tend to retain profits to finance business expansion and development, resulting in a smaller portion of dividends distributed to shareholders. Therefore, companies that focus more on expansion typically reduce their dividend distribution policy.

Meanwhile, the independent board of commissioners variable has a positive coefficient of 0.082. This means that the greater the proportion of independent commissioners in the company structure, the higher the dividend policy adopted. An independent board of commissioners plays a role in strengthening the supervisory function.

towards management, thus encouraging the protection of shareholder interests through better dividend policies.

Overall, the results of this multiple linear regression indicate that of the four independent variables studied, debt policy and asset growth negatively influence dividend policy, while the presence of an independent board of commissioners has a positive effect. Meanwhile, public ownership has no significant impact. These findings support the theory that dividend distribution decisions are heavily influenced by a company's funding needs and the effectiveness of governance, particularly the presence of independent commissioners in overseeing management.

t-test

Table 6. t-Test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	214.732	8.572		25.051	<.001
	Kepemilikan Publik	.000	.005	-.002	-.071	.944
	Kebijakan Hutang	-1.279	.048	-.837	-26.894	<.001
	Pertumbuhan Aset	-.022	.005	-.133	-4.086	<.001
	Dewan Komisaris Independent	.082	.005	.482	15.059	<.001

a. Dependent Variable: Kebijakan Dividen

A partial t-test was used to analyze the effect of each independent variable on the dependent variable, namely dividend policy. Based on the results of the multiple linear regression, it can be concluded that of the four independent variables, three significantly influence dividend policy, while one variable shows no significant effect. These results provide insight into the most relevant factors in shaping the dividend policy of construction companies listed on the Indonesia Stock Exchange.

The results of the regression analysis show the influence of several independent variables on a company's dividend policy. Based on the p-value (Sig.) and t-test obtained, these variables have different influences on a company's decision to distribute dividends.

First, Public Ownership does not show a significant influence on the company's dividend policy, with a p-value of 0.944 (Sig. value) and a t-count of -0.071. Since the p-value is greater than 0.05, it can be concluded that public ownership does not affect the dividend policy implemented by the company. On the other hand, Debt Policy has a very significant influence on dividend policy with a p-value of <0.001 (Sig. value) and a t-count of -26.894. Since the p-value is much smaller than 0.05, debt policy is proven to have a strong influence in reducing the company's dividend policy.

Asset growth also shows a significant influence on dividend policy, with a p-value of <0.001 (Sig. value) and a t-count of -4.086. A very small p-value indicates that higher asset growth tends to reduce dividend distribution by the company. Finally, the Independent Board of Commissioners has a significant influence on dividend policy with a p-value of <0.001 (Sig. value) and a t-count of 15.059. A very small p-value indicates that the more independent board members, the more likely the company is to distribute dividends.

Overall, these results indicate that dividend policy in companies is more influenced by internal factors such as Debt Policy, Asset Growth, and the Independent Board of Commissioners. These factors indicate that companies tend to adjust their dividend policy based on the need to maintain financial stability, make investments, and meet shareholder expectations, which are overseen by the independent board of commissioners. On the other hand, Public Ownership did not show a significant influence on company dividend policy.

The first hypothesis (H1) states that public ownership influences dividend policy. However, the t-test results show a significance value of 0.944 and a regression coefficient of 0.000, which is far above the significance threshold of 0.05. Therefore, this hypothesis is not proven. This means that the proportion of public ownership in a company does not influence the company's decision to distribute dividends. This may occur because public investors tend to be fragmented and lack sufficient collective power to pressure management on strategic policies, including dividend distribution.

This result contradicts the research of Putra, et al. (2018) and Khan, 2012 in SSRN which states that ownership the public can increase pressure on management to be more transparency in dividend distribution. However, research by Suherman (2023) found that ownership structure, including public ownership, does not always have a significant impact on dividend policy, especially in financial sector companies in Indonesia. Therefore, these results align with agency theory, which argues that public investors lack sufficient power to intervene in managerial decisions.

The second hypothesis (H2) states that debt policy influences dividend policy. The test results show a significance value <0.001 with a regression coefficient of -1.279, thus confirming this hypothesis. This means that the higher a company's debt level, the lower its likelihood of distributing dividends. This finding supports the trade-off theory, where companies must choose between using profits for dividend payments or settling financial obligations. The greater the leverage, the greater the company's obligations to creditors, so internal funds are prioritized to maintain liquidity and avoid the risk of default.

These results are consistent with Wahjudi's (2020) research, which found that leverage has a negative and significant impact on dividend policy in manufacturing companies in Indonesia. However, this finding contradicts the research of Pattiruhu & Paais (2020), which showed that leverage actually has a positive effect on dividends, arguing that indebted companies tend to maintain a positive image among investors by continuing to distribute dividends. Thus, while this research supports the trade-off theory, conflicting results in the literature suggest that the impact of leverage on dividend policy can be contextual, depending on industry conditions and a company's financial strategy.

The third hypothesis (H3) states that asset growth influences dividend policy. The t-test results show a significance level of <0.001 and a regression coefficient of -0.022. This hypothesis is supported, but shows a negative trend. This means that companies with high asset growth tend not to distribute dividends, as profits are more focused on business expansion and reinvestment. This aligns with the residual dividend theory, which states that dividends will only be paid after investment needs are met. Companies in the growth phase prioritize using profits to fund new projects rather than distributing them to shareholders. This finding aligns with research by Wahjudi (2020), which found that asset growth has a significant negative impact on dividend policy. However, this finding differs from the study by Alzomaia & Al Khadhiri (2013), which found that company growth does not always significantly influence dividend policy.

Thus, although the results of this study support the residual dividend theory, the different findings in the literature indicate that the relationship between asset growth and dividends can vary depending on management strategy and the phase of the company's life cycle.

The fourth hypothesis (H4) states that an independent board of commissioners influences dividend policy. The t-test results show a significance value of <0.001 and a regression coefficient of 0.082. This hypothesis is supported, meaning that the greater the proportion of independent commissioners, the higher the company's tendency to distribute dividends. This reinforces the principle of good corporate governance, which emphasizes the oversight role of an independent board to ensure that managerial decisions, including profit distribution, are made more accountably and fairly for minority shareholders.

This finding is supported by research by Firmansyah & Ismawati (2022), which showed that independent boards of commissioners have a positive effect on dividend policy because they serve as an effective monitoring mechanism to suppress managerial opportunism. However, research by Suherman (2023) found that although independent commissioners have a positive influence, this influence is not significant on dividend policy in the financial sector. This suggests that the effectiveness of the

independent commissioner's role may depend on industry characteristics and the company's level of compliance with corporate governance principles.

F test

Table 7. F Test Results

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	845750.594	4	211437.648	275.653	<.001 ^b
	Residual	19176.073	25	767.043		
	Total	864926.667	29			

a. Dependent Variable: Kebijakan Dividen
b. Predictors: (Constant), Dewan Komisaris Independen, Kebijakan Hutang, Kepemilikan Publik, Pertumbuhan Aset

Based on the results of data processing with SPSS, the calculated F value was obtained at 275.653 with a significance value <0.001. This significance value is much smaller than the error tolerance limit of 0.05, so it can be confirmed that the regression model used in this study is worthy of further analysis. These results indicate that the independent variables consisting of public ownership, debt policy, asset growth, and independent board of commissioners simultaneously have a significant effect on dividend policy in construction sector companies. In other words, although the partial influence of each variable may be different (positive, negative, or even insignificant), the overall model shows a strong and significant relationship.

In addition, the high calculated F value compared to the very small significance value (<0.001) also provides an illustration that the regression model formed has good predictive power in explaining variations in dividend policy based on the independent variables used.

These results are in line with Wahjudi's (2020) research which found that financial variables simultaneously have a significant influence on dividend policy in manufacturing companies in Indonesia, so that the regression model is suitable for use in analyzing factors that influence dividend policy.

Coefficient of Determination Test

Table 8. Results of the Determination Coefficient Test

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.989 ^a	.978	.974	27.69554

a. Predictors: (Constant), Dewan Komisaris Independen, Kebijakan Hutang, Kepemilikan Publik, Pertumbuhan Aset

Based on the SPSS output results in the Model Summary table, an R value of 0.989 was obtained, indicating a very strong relationship between the independent variables (public ownership, debt policy, asset growth, and independent board of commissioners) and the dependent variable, namely dividend policy. Furthermore, the R Square value of 0.978 means that 97.8% of the variation in dividend policy can be explained by the independent variables in this study. Thus, only 2.2% of the variation in dividend policy is explained by other factors outside the model, for example macroeconomic conditions, other company policies, or external factors not examined in this study such as Profitability, Liquidity, Company Size, Managerial Ownership.

Furthermore, the Adjusted R Square value of 0.974 indicates that, after adjusting for the number of independent variables used, the regression model's ability to explain dividend policy remains very high. The Adjusted R Square, which differs only slightly from the R Square, indicates that the independent variables selected in this study are appropriate and relevant. In other words, the addition of independent variables to the model does not decrease the model's explanatory power; instead, it strengthens the validity of the research results.

These results align with Ghozali's (2011) statement, which states that the higher the coefficient of determination, the better the regression model is in explaining the relationship between the independent

and dependent variables. The very high R^2 value in this study proves that the dividend policy of construction companies on the Indonesia Stock Exchange is strongly influenced by a combination of internal factors such as ownership structure, debt policy, asset growth, and the role of the independent board of commissioners.

Based on the analysis, it can be concluded that this research model has very strong explanatory power. Nearly all variations in dividend policy can be predicted through the independent variables used, namely public ownership, debt policy, asset growth, and independent board of commissioners. This indicates that these factors play a significant role in determining the dividend policy of construction companies. Therefore, the multiple regression model used is considered highly suitable for answering the research questions and providing an empirical overview of the factors influencing dividend policy.

CONCLUSION

Based on the research results, it was found that dividend policy in construction sector companies listed on the Indonesia Stock Exchange is significantly influenced by debt policy, asset growth, and the proportion of independent commissioners, while public ownership does not show a significant influence on dividend policy. The results of multiple linear regression analysis indicate that the higher the level of debt and asset growth, the lower the tendency of the company to distribute dividends, because profits are more focused on paying off liabilities and business expansion. Conversely, the greater the proportion of independent commissioners, the higher the tendency of the company to distribute dividends, which emphasizes the importance of good corporate governance in protecting shareholder interests. This research model has very strong explanatory power, with a coefficient of determination of 97.8%, so that almost all variations in dividend policy can be explained by the variables used in this study.

However, this study has several limitations, including the limited sample size of construction sector companies that consistently distributed dividends during the observation period, and the omission of external variables such as macroeconomic conditions, profitability, and liquidity, which can also influence dividend policy. Therefore, further research is recommended to expand the sample scope, incorporate external variables, and conduct comparative analyses across sectors to obtain a more comprehensive picture. The practical implications of this study are the importance of companies paying attention to capital structure and independent board governance in designing optimal dividend policies, and the need for investors to consider internal company factors when making investment decisions related to dividends.

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