

ABSTRACT

Name : Realita Wilson
Study Program : Master of Management
Title : The Effect of Capital Structure, Investment Opportunity Set (IOS), and Profitability to Dividend Policy with The Bankruptcy Risk as Intervening Variable (Study on Manufacturing Company Sub Sector of Food and Beverage Listed in Indonesia Stock Exchange Period 2011 -2015)

The enterprise management and investor must know the capital structure, investment opportunities and the level profitability of a company. It can illustrate the level of corporate bankruptcy risk which ensue in the determination of the amount of the dividend payout. This study aims to find out how capital structure, IOS, and profitability influence the dividend policy which is mediated by Bankruptcy Risk. The types and data sources of this research were used quantitative data sourced from secondary data of financial statements. This research sample uses a food and beverage sub-sector manufacturing company that has been going public in Indonesian Stock Exchange which publishes annual financial statements and pays dividends in 2011-2015. The data collection uses purposive sampling method. The data analyze technique uses classical assumption test, the partial regression analysis test, and path analysis test which is doped with statistic software. With the regression analysis, this study obtaining the results that increase in capital structure which is dominated by debt lead to an increase in bankruptcy risk significantly, increase in IOS lead to a decrease in bankruptcy risk significantly, increase in profitability does not lead to a decrease in bankruptcy risk insignificantly, increase in capital structure which is dominated by debt lead to a decrease in dividend payout insignificantly, increase in IOS does not lead to a decrease in dividend payout significantly, increase in profitability does not lead to an increase in dividend payout insignificantly, and increase in bankruptcy risk does not lead to a decrease in dividend payout insignificantly. By the path analysis, this study having the result that the capital structure through bankruptcy risk indirectly affect dividend policy significantly. The actual IOS directly affect dividend policy significantly, so the bankruptcy risk does not mediate. And the profitability through bankruptcy risk indirectly affect dividend policy insignificantly.

Keywords: Capital Structure, Debt to Equity Ratio, Investment Opportunity Set, Profitability, Return on Assets, Bankruptcy Risk, Dividend Policy.