

ABSTRACT

The purpose of this research is to analyze the influence of prudence and family ownership on firm value with dividend policy as an intervening variable in Indonesian family company listed in Indonesia Stock Exchange on period 2011-2015.

Firm value is measured by Tobin's Q , while dividend policy is used as intervening variable is measured by Dividend Payout Ratio (DPR). This research is used 67 samples of family companies listed in Indonesia Stock Exchange for period 2011-2015. The analysis technique used multiple regression and path analysis with SPSS 20.

The results showed: (1) prudence and family ownership simultaneously affects to dividend policy, (2) prudence partially not affects to dividend policy, (3) family ownership partially affects to dividend policy, (4) prudence and family ownership simultaneously affects to firm value, (5) prudence partially affects to firm value, (6) family ownership partially not affects to firm value, (7) dividend policy affects to firm value, (8) dividend policy is an intervening variable.

Research found that dividend policy is an intervening variable between prudence and family ownership simultaneously to firm value to the value of the indirect effects is same than the direct effect ($0,088 = 0,088$).

Keywords: Prudence, Family Ownership, Firm Value and Dividend Policy.