

Impact of Firm's Internal Factors on Payout Policy: Evidence from Manufacturing Companies in Pakistan

Dr. Ahsan-ul Haque Shaikh

Assistant Professor, Institute of Business Administration, University of Sindh, Jamshoro, Pakistan.
ahsan.shaikh@usindh.edu.pk

Ali Raza

Ph.D. Scholar, Department of Banking & Finance, Near East University, North Cyprus, Mersin 10, Turkey.
aliraza66688@yahoo.com

Aleem Mustafa Vighio

BBA Candidate, Department of Business Administration, MBBS University of Sindh Campus Dadu, Sindh, Pakistan.
aleem.mustafa@gmail.com

Saddam Ali Balal

Teaching Assistant, Department of Business Administration, MBBS University of Sindh Campus Dadu, Sindh, Pakistan.
saddamalibalal@gmail.com

Hina Shaikh

MBA-Honors Scholar, Institute of Business Administration, University of Sindh, Jamshoro, Pakistan
hinashaikh24111997@gmail.com

Abstract

The main motive of this research is to explore the link between the internal factors of the firms which affect the payout policy. The study conducted on a comparative basis, where it is identified the dependent variable an event or fact and internal factors which affect the payout policy are considered as predictor variables namely, Collateral Level, Firms profitability, Efficiency of the Firms, Net assets growth, Firm Solvency, and Capital mixture. This study utilized secondary data and obtained data from four listed manufacturing companies in Pakistan from 2010 to 2021. There is a negative significant link between Collateral Level, Leverage, and payout policy. Growth in net assets, current ratio, and return on assets negatively linked to the payout policy link are non-significant. Efficiency shows a positive significant link with the Payout Policy. And Inventory turnover ratio has non-significant positive impacts on payout policy.

Keywords: Payout Policy, Collateral Level, Firm Solvency, Firm Efficiency, Growth in Net Assets, Profitability, and Capital Mixture.

Introduction

There are some primary goals of the firms, the first is to maximize shareholder wealth, and the second is to manage current cash flow. The dividend policy is for shareholders who invest to maximize their wealth so the wealth maximization is solely dependent on the firm financial performance. There is a theoretical background of dividend policy that specifies payout measures. The financial performance of the firms can be measured by profitability ratios like Returns on Assets, Return on Owner's Equity, and Return on Debt. As Gordon (1963) mentioned that Honda (2022) states that financial backers are significantly keener to the normal pay of profits than the normal pay from capital increases. Moreover, the part of the profit yield is not exactly the capital increase part in the normal complete income condition. Moreover, in the current year earnings are the fixed element, while additions in the capital is unsure. Lei et al., (2022) added that, the organization looks to build the worth of the organization through the installment of profits and keeps the proprietor's value development by holding the benefit accessible to the investors into held profit. The organization looks for an ideal profit strategy that boosts corporate worth. Najam et al., (2022) stated that the ideal profit strategy of the firm is profit strategy, and they also said that profit strategy can make harmony among current and future profits development that can increase the firm's stock cost. The profit strategy of the firms is the executive's strategy to decide the benefit accessible to investors, which is paid to investors as profits or is held in request to back future ventures. On the off chance that the administration chooses to deliver profits, the measure of benefit being held is diminished, so the wellspring of inner subsidizing will likewise be decreased. Whalen & Whalen (2020) argued that, nonetheless, if the executives choose not to deliver profits, they will build financing from interior subsidizing sources. Practically speaking, firms will more often than not deliver profits with somewhat stable sums or they increment the sum consistently (Rehan & Khan, 2018). Osterwalder et al., (2020) added that, financial backers will generally incline toward stable profits and see profit increments as a decent sign that organizations have great possibilities as well as the other way around. This makes the organization more joyful to take the protected way that doesn't bring down the profit payout. The expanding profit (greater) by the organization will be considered as a positive sign for financial backers to the future improvement of the organization as well as the other way around, though if the profit of the firm declines or even ended, it is considered as a negative sign for credit providers those help in finance for the future improvement of the Firm. "The reality

that market capital punishes dividend cutbacks with significant stock price declines,"(Struckellet al., 2022; Tabb, 2021). Dividend policy means how much percentage of firm earnings is distributed to the shareholders. The distribution of earnings is determined by two main aspects, one is how much-portion of profits is to be distrusted among shareowners and the second is, how much-portion of the profit firms retain or invest for future projects, which can be beneficial for the firm(Rahman, 2019). Pinto et al., (2019) added that, firms are responsible to balance both of the decisions either to pay or reinvest. Managers are responsible for both decisions; they decide based on current and future projects. Companies carry out many activities to earn a profit and are solely responsible for distributing the earnings to shareholders or investing in the growth of the company. The authority of distribution of earnings is in the hands of Board of Directors Board of Directors distribute the funds according to the corporate ability to the shareowners and also consider the firm's future aspirations. There are some laws and regulations for the dividend policy, and they differ from country to country.

Legal Legislation: Country-to-country legal rules and legislations are differed, and affected by economic policies. There are four rules which are based on the distribution of earnings, 1st is the weak capital rule, 2nd is the Net profit rule, 3rd is the insolvency rule, and 4th the tax rule. Firms are bound by these four rules when they set the dividend policy (Nakabayashi, 2019).

Availability of profitable opportunities: Another aspect of the distribution of earnings is the availability of profitable opportunities. If the firm has not any profitable opportunity then it distributes its earnings to its shareholders, but on another hand, if the firm has any profitable investment opportunity then it invests its earned funds to grow the firm (Long & Cui, 2019).

Shareholder's preferences: The main element of the Payout Policy are the shareowners. Firm with a smaller number of shareowners, shareowners enjoy more percentage of the earnings. So, the shareholders want to retain the money to make secure the financial needs of the firm as the firm do not issue new shares. If the firm issue new shares, then new shareowners will be entertained by their investment portion in the form of Cash-dividends (Kanakriyah, 2020).

Capital-market Influences on Shareholders: Dividend policy is also influenced by other firms which are providing more to their share capitals. The capital market is also the main tenant that is considered in the dividend policy if there are more suppliers in the capital market then the firm has the advantage of a lower percentage of the dividend and more money to retain. But if the

capital market has fewer lenders then it has to do efforts and attract shareholders (Winrsih et al., 2021).

Problem Statement

Shaikh et al., (2022) mentioned that, from 2010 to 2021 manufacturing companies in Pakistan showed higher variability in their payout policy. So the author wants to determine the internal factors which contribute to the variability of payout policy. Variables that are considered to study for testing the effect on Payout Policy include Asset-growth, Collateral-Level, Current-Ratio, Return-On-Assets, Debt to Equity, and Firm efficiency.

Literature Review

Assets can be used as loan collateral, organizations which has more assets those assets can be used as collateral shows hand full agency problems among the credit providers and the shareowners of the company(Mac & Lucey, 2010). Assets that are used as collateral help to reduce the conflicts in the organization known as an agency problem, it is expected that the collateral level of the firm impacts the corporation payout policy (Klien et al., 2021). The collateral level of the firm is positively linked to the strategy of distribution of the earnings of the corporation (Li & Singal 2019). Firms that have higher collateral levels, allow paying a higher percentage of the dividend payments. And those firms showed lower agency conflicts among shareowners and debt providers. Higher collateral level results in an as higher level of protection of the money of debt providers, so the debt providers easily accept that case. This lowers the cost of serving as a mediator between shareholders and creditors. That was totally inverse to the research conducted by who identified no statistically significant link between the collateral level of the firm and the Payout policy (Wahjudi, 2020).

HI: Payout policy is influenced negatively by collateralizable assets (firms with more collateralizable assets will pay out fewer dividends).

Business managers utilize earnings to support internal investment opportunities, a larger increase in total assets will result in a reduced dividend payout to shareholders. The ability of a business to enhance or maintain its position through time is referred to as corporate growth (Surasmi et al., 2019). The firm's total assets reflect its growth: the more assets it has, the better its operating performance and earnings would be. Profit has a positive relationship with corporate growth since it may be used to identify whether or not a company is growing rapidly or having a

setback. The firm's growth rate affects the Payout Policy since a company with a high growth rate prefers to invest its earnings, resulting in a lower share of profit utilized for dividend payments. Nugraha et al., (2020) & Hashmi et al., (2020) claimed that the size of a company has no bearing on Payout Policy. Firm expansion has a negative and considerable impact on Payout Policy (Monoarfa, 2018).

H2: The Payout policy is influenced negatively by net asset growth (firms with lower net asset growth pay out greater dividends).

One of the measures that illustrate how well a corporation can meet its current liabilities with its current assets is the liquidity ratio (Husna & Satria, (2019). A high level of liquidity might indicate positive firm performance since a high level of liquidity makes it simpler for the company to meet its dividend payment requirement. The capacity of firms to pay dividends to shareholders is proportional to their level of liquidity (Markonah et al., 2020). The amount of liquidity a company has a favorable influence on dividend payments: A firm which had more liquidity it has, shows a higher company's capacity to pay dividends (Hongli et al., 2019). A company's liquidity is an essential aspect to examine before deciding how much dividends to pay to shareholders (Dirman 2020).

H3: Payout policy is influenced by liquidity in a positive manner (firms with better liquidity will pay out more dividends).

The capacity of a corporation to meet both present and long-term financial obligations is referred to as the leverage of the firm (Shaikh et al., 2022). The greater the financial leverage ratio firm, the greater the firm's responsibility to meet, and the lower the leverage ratio, the better the company's capacity to meet its funding needs with its own resources. Due to the considerable commitments that must be met, the company's earnings will be reduced, reducing the dividend payment. The more debt financing for the firm, the lower the dividend rate for the shareowners. Dang et al., (2021 added that, the company's high level of debt has a negative impact on Payout Policy: dividend payout would be reduced. On the other hand, Lee & Ande (2022) mentioned that debt policy of the firm, they claimed, had no bearing on DPR. The debt-to-equity ratio (DER) is a measure of a company's leverage (debt utilization) in relation to its total shareholders' equity Santa et al., 2022). This percentage reflects the amount of money spent on debt repayment and the greater this ratio, the more responsibility the business has to bear in this regard

(Ningsih& Sari, 2019). The lower this percentage, the more likely the corporation is to meet its obligations (Wahjudi 2020).

H4: Leverage has a negative impact on payout policy (firms with less debt in a mixture pay out greater dividends).

The profitability ratio determines how much money a firm makes or how successful its operations are over a certain time period(Husain & Sunardi, 2020). Taouab&Issor (2019) explored that dividends are paid by a corporation from the total amount of its net earnings; hence, dividends are paid when the company makes a profit. Rajput & Jhunjhunwala (2019) explored their research and observed that the profitability of the company is the main aspect in earnings distribution among the shareowners, and profitability is the key aspect that indicates how much the firm is capable to pay the dividend payments.

H5: Profitability influences payout policy in a positive way (firms with higher profits pay out higher dividends).

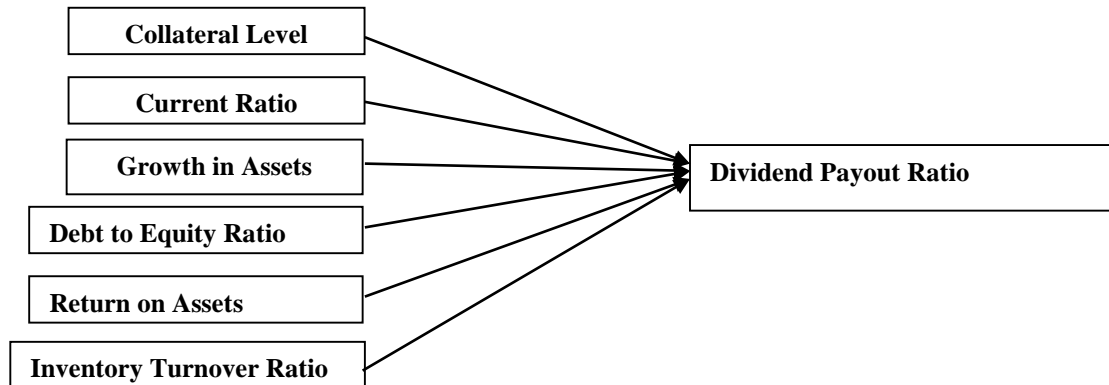
Long et al., (2020) added that, changes in efficiency is reflected in changes in stock prices. Changes in the company's efficiency will be reflected in the stock price, resulting in a positive influence on the stock price (He at al., 2020). As for firm success, if the most valuable predictor aspect for the dividends payment distribution, payout policy, and profitability are intimately intertwined. The dividend distribution is made from the company's earnings after it has paid its obligations, which may include interest payments or taxes payments. Higher firms' net earnings result in higher dividend payment (Giese et al., 2019). Kadim et al., (2020) added that, the Payout Policy is determined by current earnings and dividends from the preceding year. This is consistent with Rahayu & Saifi (2019), which discovered that profitability metrics had a significant positive impact on Payout Policy.

H6: Payout Policy is influenced by efficiency in a positive manner (Firms with higher efficiency pay higher dividends).

Conceptual framework

Figure 1

Conceptual Model



Research Methodology

Research is conducted as a comparative study of influenced Variables that are also called dependent as independent variables influence the dependent variable. In this study, the author wants to interpret the behaviors of the firm's internal variables like Collateral level (Collateralizable Assets), Growth in Net Assets, Liquidity (Current Ratio), Financial Leverage of the firm (Debt to Equity), Profitability (Return on Assets), and Firm Efficiency (Inventory Turnover Ratio) those have on influenced variable. The author wants to examine internal factors and their impacts on the dependent variable through quantitative analysis. Secondary Data was used for analysis and data collection from four manufacturer companies in Pakistan including Millat Tractors, Unilever, Packages Ltd, ENGRO Ltd from the year 2010-2019. There are many manufacturing companies in Pakistan authors chose four of them in which, and the author found higher variability in their payout policy. And selected six internal factors which affect the payout policy (Abbasi et al., 2022).

Regression Equation as under:

$$DPR = \beta_0 + \beta_1 CL + \beta_2 Growth + \beta_3 CR + \beta_4 DER + \beta_5 ROA + \beta_6 ITR + \epsilon,$$

Where:

- DPR: Dividend Payout Ratio
CL: Collateral Level (Collateralizable Assets)
CR: Current-Ratio
Growth: Growth in Assets

DER: Debt-to-Equity Ratio
 ITR: Inventory turnover ratio
 ROA: Return-on-Assets

Research Analysis and Discussions

Table 1
 Correlations

		DPR	CL	GROW TH	CR	DER	ROA	ITR
DPR	Pearson Correlation	1	-.538**	-.014	-.063	-.387*	-.145	.549**
	Sig. (2-tailed)		.000	.933	.698	.014	.373	.000
	N	40	40	40	40	40	40	40
CL	Pearson Correlation	-.538**	1	.106	-.205	.254	-.208	-.313*
	Sig. (2-tailed)	.000		.515	.203	.113	.197	.049
	N	40	40	40	40	40	40	40
GROW TH	Pearson Correlation	-.014	.106	1	-.054	.050	.015	-.039
	Sig. (2-tailed)	.933	.515		.740	.759	.928	.809
	N	40	40	40	40	40	40	40
CR	Pearson Correlation	-.063	-.205	-.054	1	-.058	-.449**	.356*
	Sig. (2-tailed)	.698	.203	.740		.724	.004	.024
	N	40	40	40	40	40	40	40
DER	Pearson Correlation	-.387*	.254	.050	-.058	1	-.136	-.458**
	Sig. (2-tailed)	.014	.113	.759	.724		.403	.003
	N	40	40	40	40	40	40	40
ROA	Pearson Correlation	-.145	-.208	.015	-.449**	-.136	1	-.539**
	Sig. (2-tailed)	.373	.197	.928	.004	.403		.000
	N	40	40	40	40	40	40	40
ITR	Pearson Correlation	.549**	-.313*	-.039	.356*	-.458**	-.539**	1
	Sig. (2-tailed)	.000	.049	.809	.024	.003	.000	
	N	40	40	40	40	40	40	40
**. Correlation is significant at the 0.01 level (2-tailed).								
*. Correlation is significant at the 0.05 level (2-tailed).								

- The collateral level shows a correlation= of -0.538 and a P value= of 0.000 which means, the collateral level of the firm impacts negatively on the payout policy, and the p-value shows that is a significant link between the variables Rahayu&Saifi (2019).

- Growth in net assets shows a correlation= of -0.014 which means its impacts negatively but P value =0.933 which is > 0.05, which means there is a non-significant relationship among these variables Rahman (2019).
- The current Ratio shows a correlation with payout policy= -0.063 which means the current ratio impacts the payout policy in an unfavorable manner but the P value = 0.698 which is > 0.05 means, that refers there is a non-significant link between these variables Santa et al., (2022).
- The debt to Equity Ratio shows a correlation = -0.387 which means, the higher leverage of the firms negatively impacts the payout policy and P Value = 0.014 which is < 0.05. This means that the relationship is significant in this case Rehan et al., (2018).
- Return on Assets shows a correlation = -0.145 that means when firms earn more from their assets that impact the firm's payout policy in a negative way, but P Value= 0.373 which is > 0.05 it means that the link between these variables is not statistically significant Shaikh et al., (2022).
- The inventory turnover Ratio shows a correlation = 0.549 which means the higher efficiency of the firms positively impacts the payout policy and the P value=0.000 that is < 0.05 and 0.01 refers that there is a significant link between these variablesAzmal et al., (2019).

Table 2

Model Summary

Model	R	R Square	Adjusted R Square	Std. The error in the Estimate
1	.777 ^a	.603	.531	.8267109
a. Predictors: (Constant), ITR, GROWTH, CL, CR, DER, ROA				

Table 2 shows that Adjusted R Square = 0.531 means that 53.1 percent of changes in the Payout Policy are accounted for by predictor variables, and 57.3 percent are influenced by other factors that are outside of the model.

Table3

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	34.263	6	5.710	8.355	.000 ^b
	Residual	22.554	33	.683		
	Total	56.816	39			
a. Dependent Variable: DPR						
b. Predictors: (Constant), ITR, GROWTH, CL, CR, DER, ROA						

Table 3 shows that F value = 8.355 which is > 1 which means that predictor variables have an impact on payout policy, and P Value= 0.00 which is < 0.05 and 0.01 which refers to it statistically significant model H_0 is rejected, and impacts are discovered by the model.

Table 4

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.871	.862		4.491	.000
	CL	-2.765	.663	-.586	-4.169	.000
	GROWTH	.231	.514	.050	.449	.656
	CR	-.864	.257	-.441	-3.359	.002
	DER	-.320	.219	-.213	-1.461	.154
	ROA	-2.165	1.102	-.373	-1.965	.058
	ITR	.454	.391	.226	1.160	.255
a. Dependent Variable: DPR						

Table 4 shows P-Value for CL (Collateral Assets) = 0.000 which is < 0.05 which means that H_0 is rejected and H_1 is accepted. Collateral Assets have a negative impact on a firm's payout policy. Whereas the T-Value of CL= -4.169 means Collateral Assets have a negative impact on the

firm's payout policy Kumar & Vergara, (2020); Wahjudi (2020);Nurdani&Rahmawati, (2020). The P-Value for Growth (Growth in net Assets) = 0.656 which is > 0.05 which means that H_0 is accepted. Data collected from 2010 to 2021 of selected four manufacturing firms shows that there is no significant impact of firms' growth in net assets on payout policy. But whereas T-Value of Growth = 0.449 its means that growth in net assets has a very weak positive and non-significant impact on the firm's payout policy Micheli et al., (2019); Salehi et al., (2022); Al-Hroot et al., (2017).P-Value for CR (Current Ratio) = 0.002 is < 0.05 which means that the Current ratio of the selected manufacturing firms has a significant impact on payout policy and H_3 is accepted. Whereas T-Value for CR = -3.359 it means that the firm's Current Ratio has a negative significant impact on Payout Policy Sondakh (2019); Kadim et al., (2020); Sari &Sedana (2020). P-Value for DER (Debt to Equity Ratio)= 0.154 which is > 0.05 which means that firm's Leverage ratio has no significant impact on the Payout Policy and H_0 is accepted. Whereas T-Value for DER= -1.461 it means that the firm's leverage ratio has a negative non-significant impact on payout policy Shaikh et al., (2022); Odum et al., (2019); Wahjudi (2020).P-Value for ROA (Return on Assets) = 0.058 is = 0.05 which means that Firms profitability has a significant impact on the firm's payout policy and H_5 is accepted. Whereas T-Value for ROA = -1.965 it means that firm profitability contributed by their Assets has a negative significant impact on payout policy Aprilyani et al., (2019); Husain &Sunardi, (2020); Endri&Fathony, (2020).P-Value for ITR (Inventory Turnover Ratio) = 0.255 > 0.05 means that the firm's efficiency has not had any impact on payouts of the firms and H_0 is accepted. Whereas T- Value for ITR= 1.160 it means that the firm's efficiency has a positive but no-significant impact on payout policyHusain, T., &Sunardi, (2020); Afifa et al., (2022); Rehman et al., (2021).

Conclusions and Recommendations

The main motive to conduct the study is to identify the impacts of Profitability, leverage, Collateral level, Growth, and Firms Efficiency on the Payout Policy of four listed manufacturing companies in Pakistan during the period of 2010 to 2021. The results show that there is a negative significant link between Collateral Level and payout policy (Wahjudi, 2020). The Second variable, Growth in net assets negatively linked to the payout policy link is a non-significant impact (Micheli et al., 2019). Further firms' Current ratio shows negative and non-significant with payout policy. Firms' leverage shows a negative and significant link with the

Payout Policy (Sondakh, 2019). Another predictor variable Return on assets shows a negative but non-significant link with the payout Policy. Firms' efficiency shows a positive significant link with Payout Policy. And by the view of T- Value Collateral Level of the firms negatively impacts the payout policy (Aprilyani et al., 2019). Growth in net assets has a positive and non-significant impact on payout policy. The current ratio impacts the payout policy in a negative way. Debt to equity ratio impacts negatively payout policy but the impact is non-significant. Return on assets impacts the payout policy in a negative manner and non-significantly (Shaikh et al., (2022). Inventory turnover ratio has non-significant positive impacts on payout policy (Afifa et al., 2022). The theory written in this study can be used as material for advanced research. And further research can be done by adding extra internal and external variables for further research.

References:

- Abbasi, A. R., Raza, A., & Shaikh, H. (2022). A Nexus Between Political Instability & International Tourism Demand. *International Journal of Social Science & Entrepreneurship*, 2(2), 297-312.
- Afifa, M. A., Saleh, I., Al-shoura, A., & Van, H. V. (2022). Nexus among board characteristics, earnings management and dividend payout: evidence from an emerging market. *International Journal of Emerging Markets*, (ahead-of-print).
- Al-Hroot, Y. A., Al-Qudah, L. A. M., & Alkharabsha, F. I. A. (2017). The effect of the global financial crisis on the level of accounting conservatism in commercial banks: Evidence from Jordan. *International Journal of Business and Management*, 12(2), 151-159.
- Aprilyani, I., Widyarti, M. T. H., & Hamida, N. (2021). The effect of erm, firm size, leverage, profitability and dividend policy on firm value (evidence from food & beverage sub sector companies listed in IDX 2015-2019). *Jurnal Aktual Akuntansi Keuangan Bisnis Terapan (AKUNBISNIS)*, 4(1), 65-75.
- Azmal, R., Negoro, D. A., & Syah, T. Y. R. (2019). The influence cash position analysis over debt to equity ratio, return on assets, and inventory turnover on dividend payout ratio: Consumer goods companies in Indonesia stock exchange 2012-2017 case study. *Journal of Multidisciplinary Academic*, 3(4), 76-81.
- Dang, H. N., Vu, V. T. T., Ngo, X. T., & Hoang, H. T. V. (2021). Impact of dividend policy on corporate value: Experiment in Vietnam. *International Journal of Finance & Economics*, 26(4), 5815-5825.
- Dirman, A. (2020). Financial distress: the impacts of profitability, liquidity, leverage, firm size, and free cash flow. *International Journal of Business, Economics and Law*, 22(1), 17-25.

- Endri, E., &Fathony, M. (2020). Determinants of firm's value: Evidence from financial industry. *Management Science Letters*, 10(1), 111-120.
- Giese, G., Lee, L. E., Melas, D., Nagy, Z., & Nishikawa, L. (2019). Foundations of ESG investing: How ESG affects equity valuation, risk, and performance. *The Journal of Portfolio Management*, 45(5), 69-83.
- Gordon, M. J. (1963). Optimal investment and financing policy. *The Journal of finance*, 18(2), 264-272.
- Hashmi, S. D., Gulzar, S., Ghafoor, Z., &Naz, I. (2020). Sensitivity of firm size measures to practices of corporate finance: evidence from BRICS. *Future Business Journal*, 6(1), 1-19.
- He, P., Sun, Y., Zhang, Y., & Li, T. (2020). COVID-19's impact on stock prices across different sectors—An event study based on the Chinese stock market. *Emerging Markets Finance and Trade*, 56(10), 2198-2212.
- Honda, T., Hosono, K., Miyakawa, D., Ono, A., &Uesugi, I. (2022). Determinants and Effects of the Use of COVID-19 Business Support Programs in Japan. *Journal of the Japanese and International Economies*, 101239.
- Hongli, J., Ajorsu, E. S., &Bakpa, E. K. (2019). The Effect of Liquidity and Financial Leverage on Firm Performance: Evidence from Listed Manufacturing Firms on The Ghana Stock Exchange. *Research Journal of Finance and Accounting*, 10(8), 91-100.
- Husain, T., &Sunardi, N. (2020). Firm's Value Prediction Based on Profitability Ratios and Dividend Policy. *Finance & Economics Review*, 2(2), 13-26.
- Husna, A., &Satria, I. (2019). Effects of return on asset, debt to asset ratio, current ratio, firm size, and dividend payout ratio on firm value. *International Journal of Economics and Financial Issues*, 9(5), 50.
- Kadim, A., Sunardi, N., & Husain, T. (2020). The modeling firm's value based on financial ratios, intellectual capital and dividend policy. *Accounting*, 6(5), 859-870.
- KANAKRIYAH, R. (2020). Dividend policy and companies' financial performance. *The Journal of Asian Finance, Economics and Business*, 7(10), 531-541.
- Klein, P., Mössinger, C., &Pfungsten, A. (2021). Transparency as a remedy for agency problems in securitization? The case of ECB's loan-level reporting initiative. *Journal of Financial Intermediation*, 46, 100853.
- Kumar, A., & Vergara-Alert, C. (2020). The effect of financial flexibility on payout policy. *Journal of Financial and Quantitative Analysis*, 55(1), 263-289.

- Lee, C. W., &Ade, T. (2022). Foreign Ownership in Companies and Its Impact on Corporate Dividend Policy in Indonesia. *Journal of Economic Issues*, 1(1), 52-60.
- Lei, X. T., Xu, Q. Y., &Jin, C. Z. (2022). Nature of property right and the motives for holding cash: Empirical evidence from Chinese listed companies. *Managerial and Decision Economics*, 43(5), 1482-1500.
- Li, Y., &Singal, M. (2019). Capital structure in the hospitality industry: The role of the asset-light and fee-oriented strategy. *Tourism Management*, 70, 124-133.
- Long, J., Chen, Z., He, W., Wu, T., & Ren, J. (2020). An integrated framework of deep learning and knowledge graph for prediction of stock price trend: An application in Chinese stock exchange market. *Applied Soft Computing*, 91, 106205.
- Long, W., Lu, Z., & Cui, L. (2019). Deep learning-based feature engineering for stock price movement prediction. *Knowledge-Based Systems*, 164, 163-173.
- Mac an Bhaird, C., & Lucey, B. (2010). Determinants of capital structure in Irish SMEs. *Small business economics*, 35(3), 357-375.
- Markonah, M., Salim, A., &Franciska, J. (2020). Effect of profitability, leverage, and liquidity to the firm value. *Dinasti International Journal of Economics, Finance & Accounting*, 1(1), 83-94.
- Micheli, A. P., Intrinsicano, C., &Calce, A. M. (2021). Italian university spinoffs vs Italian innovative companies: a comparative analysis of profitability, liquidity and efficiency profile.
- Monoarfa, R. (2018). The Role of Profitability in Mediating the Effect of Dividend Policy and Company Size on Company Value. *Business and Management Studies*, 4(2), 35.
- Nakabayashi, M. (2019). From family security to the welfare state: Path dependency of social security on the difference in legal origins. *Economic Modelling*, 82, 280-293.
- Najam, H., Abbas, J., Álvarez-Otero, S., Dogan, E., &Sial, M. S. (2022). Towards green recovery: Can banks achieve financial sustainability through income diversification in ASEAN countries?. *Economic Analysis and Policy*, 76, 522-533.
- Ningsih, S., & Sari, S. P. (2019). Analysis Of The Effect Of Liquidity Ratios, Solvability Ratios And Profitability Ratios On Firm Value In Go Public Companies In The Automotive And Component Sectors. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 3(04).
- Nurdani, R., &Rahmawati, I. Y. (2020). The Effect of Firm Sizes, Profitability, Dividend Policy, Asset Structure, Sales Growth and Free Cash Flow on Debt Policy. *AMAR (Andalas Management Review)*, 4(1), 100-119.

- Nugraha, N. M., Hakim, A. A., Fitria, B. T., &Hardiyanto, N. (2020). The Influence of Company Size, Asset Structure, Company Growth And Profitability on Debt Policy. *ECONOMICA: Jurnal Program Studi Pendidikan Ekonomi STKIP PGRI Sumatera Barat*, 9(1), 34-41.
- Odum, A. N., Odum, C. G., Omeziri, R. I., &Egbunike, C. F. (2019). Impact of dividend payout ratio on the value of firm: A study of companies listed on the Nigerian Stock Exchange. *Indonesian Journal of Contemporary Management Research*, 1(1), 25-34.
- Osterwalder, A., Pigneur, Y., Smith, A., &Etiemble, F. (2020). *The invincible company: how to constantly reinvent your organization with inspiration from the world's best business models* (Vol. 4). John Wiley & Sons.
- Pinto, G., Rastogi, S., Kadam, S., & Sharma, A. (2019). Bibliometric study on dividend policy. *Qualitative research in financial markets*.
- Rahman, M. S. (2019). *At the Hands of Fate: The Political Economy of Islamic Insurance in Indonesia, Malaysia, and Pakistan, C. 1980 to the Present* (Doctoral dissertation, Old Dominion University).
- Rahayu, S. M., &Saifi, M. (2019). The reciprocal relationship between profitability and capital structure and its impacts on the corporate values of manufacturing companies in Indonesia. *International Journal of Productivity and Performance Management*.
- Rajput, M., &Jhunjhunwala, S. (2019). Corporate governance and payout policy: evidence from India. *Corporate Governance: The International Journal of Business in Society*.
- Rehan, M. U. H. A. M. M. A. D., Khan, M. I., & Khan, M. K. (2018). Effect of corporate social responsibility on profitability of banks. *European Academic Research*, 6(7), 3763-3782.
- Rehman, K. U., Shaikh, A. U. H., &Yasir, A. S. (2021). Macroeconomics Indicators & Financial Performance of Firms: A Study of the Sugar Industry in Pakistan. *International Transaction Journal of Engineering, Management, & Applied Sciences & Technologies*, 12(5), 1-11.
- Salehi, M., Ibrahim Jebur, M., Orfizadeh, S., & Abbas Aljahnabi, A. M. (2022). The Relationship between Audit Adjustments and Audit Quality in Iraq. *Journal of Risk and Financial Management*, 15(8), 330.
- Santa-Maria, T., Vermeulen, W. J., & Baumgartner, R. J. (2022). How do incumbent firms innovate their business models for the circular economy? Identifying micro-foundations of dynamic capabilities. *Business Strategy and the Environment*, 31(4), 1308-1333.
- Sari, I. A. G. D. M., &Sedana, I. B. P. (2020). Profitability and liquidity on firm value and capital structure as intervening variable. *International research journal of management, IT and Social Sciences*, 7(1), 116-127.

- Shaikh, A. U. H., Raza, A., Balal, S. A., Abbasi, A. R., Delioglu, N., & Shaikh, H. (2022). Analyzing Significance Of Financial Leverage On Financial Performance In Manufacturing Sector Of Pakistan. *Webology*, 19(3).
- Sondakh, R. (2019). The effect of dividend policy, liquidity, profitability and firm size on firm value in financial service sector industries listed in Indonesia stock exchange 2015-2018 period. *Accountability*, 8(2), 91-101.
- Surasmi, I. A., Widari, D. A. P. N., Warmana, G. O., & Widnyana, I. W. (2019). The Impact of Business Risk on Dividend Policy in Manufacturing Companies Listed on Indonesia Stock Exchange. *Academy of Social Science Journal*, 4(11), 1488-1493.
- Struckell, E., Ojha, D., Patel, P. C., & Dhir, A. (2022). Strategic choice in times of stagnant growth and uncertainty: An institutional theory and organizational change perspective. *Technological Forecasting and Social Change*, 182, 121839.
- Tabb, W. K. (2021). Financialization, a key contradiction of the neoliberal social structure of accumulation. In *Handbook on Social Structure of Accumulation Theory*. Edward Elgar Publishing.
- Taouab, O., & Issor, Z. (2019). Firm performance: Definition and measurement models. *European Scientific Journal*, 15(1), 93-106.
- Wahjudi, E. (2020). Factors affecting dividend policy in manufacturing companies in Indonesia Stock Exchange. *Journal of Management Development*.
- Whalen, C. J., & Whalen, K. A. (2020). Circular economy business models: A critical examination. *Journal of Economic Issues*, 54(3), 628-643.
- Winarsih, W., Efni, Y., & Rokhmawati, A. (2021). Influence Company Size, Capital Structure, Dividend Policy On Financial Performance With Biodiesel Production As Moderating Variables In Palm Oil Processing Companies On The Indonesia Stock Exchange (IDX). *Jurnal Manajemen dan Bisnis*, 10(2), 91-106.