Chapter IV

DATA ANALYSIS AND DISCUSSIONS

This study aims to determine the effect of debt policy, dividend policy and insider ownership on the value of property, real estate and construction companies in the Jokowi era and before the Jokowi era which are listed on the Indonesia Stock Exchange (IDX) within a research period from 2012 to 2017. The analytical methods used in this study is multiple linear regression analysis. It was used to determine the factors that influence the value of property, real estate, and construction companies. The data analysis was carried out partially and simultaneously in order to determine the effect of these variables significantly or not on the value of property, real estate, and construction companies listed on the Indonesia Stock Exchange.

Before entering the multiple linear regression analysis model, the data used in the study must be free from testing classical assumptions, namely multicollinearity test, autocorrelation test and heteroscedasticity test. If the data used are free from the three classic assumption tests, then multiple linear regression analysis methods may be used.

4.1. Descriptive Statistic

Descriptive analysis was used in order to analyze the data that have been collected in the study which can then provide an overview of the research variables. The descriptive analysis explains the data by showing

the results of the calculation of the mean, maximum value, minimum value and standard deviation. The following is a summary of the results of descriptive analysis, namely the variable value of the company, debt policy, dividend policy, and insider ownership. Descriptions of research variables are shown by the following table 4.1.:

Table 4.1.
Descriptive Statistics Result

	N	Minimum	Maximum	Mean	Std. Deviation
PBV	366	.10	107.42	2.9305	7.38980
DER	176	.00	5.36	.7339	.95679
DPR	176	.00	13.27	.2519	1.46980
INSDR	176	.00	1.00	.6656	.24662
DDER	190	.03	624.96	4.3790	45.28266
DDPR	190	.00	1.18	.1134	.21247
DINSDR	190	.04	1.00	.6702	.21200
DUMMY	365	.00	1.00	.5205	.50026
Valid N (listwise)	175				

Table 4.1 above shows the characteristics of the variables used in the study. It is known that the minimum value of PBV is 0.10 and the maximum value is 107.42. The mean value of the PBV is 2.9305. While the standard deviation shows a number of 7.38980; meaning that during the 2012-2017 study period PBV deviations occurred from an average of 7.38980.

Debt Policy variable (DER) has the minimum value of 0.00 and the maximum value of 5.36. The mean value of the debt policy (DER) shows a figure of 0.7339; this value shows the average ability of the company to make debt. The standard deviation value is 0.95679; meaning that during

the 2012-2014 research period there was a deviation in the value of debt policy (DER) from an average of 0.95679.

Dividend Policy (DPR) variable in the company as the object of research shows the minimum value of 0.00 and the maximum value of 13.27. The mean value of 0.25; this value shows the average dividend policy ratio (DPR) owned by property, real estate, and construction companies listed on the Indonesia Stock Exchange for the period of 2012 to 2014. The standard deviation value is 1.46980; meaning that during the 2012-2014 research period, there was a deviation of the dividend policy (DPR) value from an average of 1.46980.

Variable Insider Ownership (INSDR) has the minimum value of 0.00 and the maximum value of 1.00. The mean of the insider ownership variable is 0.6656; this value shows the average size of insider ownership owned by property, real estate, construction companies listed on the Indonesia Stock Exchange for the period of 2012 to 2017. The standard deviation value is 0.24662; meaning that during the 2012-2014 research period there was a deviation in the value of insider ownership (INSDR) from an average of 0.24662.

Dummy Debt Policy (DDER) variable shows the minimum value of 0.03 and the maximum value of 624.96. The mean value of Dummy Debt Policy variable (DDER) is 4.3790; this value shows the average amount of dummy debt policy (DDER) of property, real estate, construction companies listed on the Indonesia Stock Exchange for the period 2015 to

2017. The standard deviation value is 45.28266; meaning that during the 2015-2017 research period there was a deviation in the value of Dummy Debt Policy (DDER) company's from an average of 45.28266.

Dummy Dividend Policy (DDPR) variable of the company has the minimum value of 0.00 and the maximum value of 1.18. The average value of the dummy dividend policy (DDPR) is 0.1134; this value shows the average ability of the company to pay registered dividends for the period 2015 to 2017. The standard deviation value is 0.21247; meaning that during the research period of 2015-2017 there was a deviation in the value of the Dividend Policy from its average of 0.21247.

Dummy Insider Ownership (INSDR) has the minimum value of 0.04 and the maximum value is 1.00. The mean of the Insider Ownership variable is 0.6702; this value shows the average amount of Insider Ownership owned by property, real estate, and construction companies listed on the Indonesia Stock Exchange for the period 2015 to 2017. The standard deviation value is 0.21200; meaning that during the 2015-2017 research period there was a deviation of the value of Insider Ownership (INSDR) from the average of 0.21200.

4.2. Classical Assumption Test

Before using multiple linear regression analysis methods, the data must first meet the testing of classical assumptions. This is intended avoid bias and to gain clear interpretation of research result. Classic assumption test consists of normality test, multicollinearity test, autocorrelation test and

heteroscedasticity test. However, this study did not use the normality test, because the total data have exceeded 100. In order to conduct the multiple linear regression models, the data used in the study must pass all three classic assumption tests.

4.2.1. Multicollinearity Test

Multicollinearity test aims to determine whether there is a relationship / correlation between independent variables. A good regression model is a model in which there is no multicollinearity. The appearance of the multicollinearity test can be recognized through the value of VIF (Variance Inflation Factor) and tolerance value. Where, it says there is no multicollinearity, the tolerance value must be > 0.10 or < 1 and the VIF value must be < 10. The results of the multicollinearity test can be seen through the following table 4.2

Table 4.2

Multicollinearity Test Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.447	2.322		-.192	.848		
	DER	.574	.513	.084	1.118	.265	.992	1.008
	DPR	-.053	.335	-.012	-.159	.874	.985	1.015
	INSDR	5.118	2.021	.194	2.533	.012	.963	1.039
	DDER	6.046E-5	.010	.000	.006	.995	.998	1.002
	DDPR	2.720	2.305	.090	1.180	.240	.976	1.025
	DINSDR	-.767	2.324	-.025	-.330	.742	.956	1.046

Based on table 4.2, it can be seen that the results of multicollinearity test with SPSS program show the tolerance value > 0.10 or <1 and VIF value <10. Thus, there is no multicollinearity in the independent variables so that it is feasible to be used for further analysis.

4.2.2. Heteroscedasticity Test

The heteroscedasticity test is conducted to find out whether there are similarities or not in the variance of the residuals in the regression model. A good regression model is a model in which there is no heteroscedasticity. The tests conducted to find out whether there is heteroscedasticity or not can be seen through Glejser which test that has been processed using the SPSS. Where the results of the Glejser test can be seen in Table 4.3

Table 4.3
Heteroscedasticity Test Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.141	2.090		-.546	.586
	DER	.062	.462	.010	.133	.894
	DPR	-.068	.302	-.017	-.224	.823
	INSDR	5.053	1.819	.213	2.778	.006
	DDER	-.004	.009	-.029	-.388	.698
	DDPR	1.803	2.075	.066	.869	.386
	DINSDR	-.011	2.091	.000	-.005	.996

a. Dependent Variable: RES_2

Based on Table 4.3 above, it can be seen from significance. If the significance is higher than 0.05, it means the research has no heteroscedasticity and the regression model is feasible to be used.

4.2.3. Autocorrelation Test

The autocorrelation test serves to find out whether there is a correlation / relationship between bullies in the period of the year concerned (t) with errors in the previous year period (t-1). A good regression model is a test result that does not occur autocorrelation. This study is to determine the presence or absence of autocorrelation which can be seen through the Durbin-Watson test. Based on the calculation results using SPSS 22, the results of the Durbin-Watson test can be seen in the following table 4.3 :

Table 4.4
Autocorrelation Test Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.224[a]	.050	.016	6.46597	2.035

a. Predictors: (Constant), DINSDR, DER, DDER, DPR, DDPR, INSDR
b. Dependent Variable: PBV

From table 4.3. above it can be seen that the value of Durbin-Watson from this study is 2,033. With a total sample of 366 companies, the values of DU = 1.85527 and 4-DU = 2.14473 were obtained. Based on the criteria of the table, there is no autocorrelation, the DW value is between the DU and 4-DU values or as follows 1.8553 < 2.0330 < 2.1813; so there is no autocorrelation in this study.

4.3. Hypothesis Test Result

4.3.1. Multiple Linear Regression Analysis and t-test

Multiple linear regression analysis is used when involving a relationship between one dependent variable and two or more independent variables. Where in this study there is one dependent variable, namely company value and six independent variables namely dividend policy (DPR), debt policy (DER), insider ownership (INSDR), dummy dividend policy (DDPR), dummy debt policy (DDER), and dummy insider ownership (DINSDR). Based on the process of data processing carried out using the SPSS 22 program, the regression results obtained can be seen in table 4.4 below:

Table 4.5
Multiple Regression Analysis Test and t-test Result

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.447	2.322		-.192	.848
	DER	.574	.513	.084	1.118	.265
	DPR	-.053	.335	-.012	-.159	.874
	INSDR	5.118	2.021	.194	2.533	.012
	DDER	6.046E-5	.010	.000	.006	.995
	DDPR	2.720	2.305	.090	1.180	.240
	DINSDR	-.767	2.324	-.025	-.330	.742

Based on the results of calculations that can be seen in table 4.4 above, the multiple regression equation is obtained as follows:

$$\mathbf{FV = -0.447 - 0.053DPR + 0.574DER + 5.118INSDR + 2.720DDPR + 6.046E\text{-}5DDER - 0.767DINSDR}$$

Based on the regression equation above, it can be interpreted as follows:

a) The value of the regression constant is - 0.447; this means that when the six independent variables namely dividend policy (DPR), debt policy (DER), insider ownership (INSDR), dividend policy dummy (DDPR), debt policy dummy (DDER), and insider ownership dummy (INSDR) are considered constant then company value (FV) is - 0.447.

b) Dividend policy (DPR) has a regression coefficient of – 0.053; this means that if the debt policy variable (DER), insider ownership (INSDR), dividend policy dummy (DDPR), debt policy dummy (DDER), and insider ownership dummy (DINSDR) are constant, then

any increasing in the dividend policy variable (DPR) of 1% will result decreasing firm value (FV) of 0.053%.

Based on the results of the t test in the table above, it can be seen that the value of p = 0.874 with a significance level (α) is 0.05. This means that the value of p > 0.05 (0.874> 0.05); then H0 is accepted and $H1_a$ and $H1_b$ is rejected, thus it can be interpreted that the dividend policy variable partially does not affect the value of the company.

c) Debt policy (DER) has a regression coefficient of 0.574; this means that if the dividend policy (DPR), insider ownership (INSDR), dividend policy dummy (DDPR), debt policy dummy (DDER), and insider ownership dummy (DINSDR) are constant, then any increase 1% in the debt policy variable (DER) will result in an increase in company value (FV) of 0.574%.

Based on the results of the t test in the table above, it can be seen that the value of p = 0.265 with a significance level (α) is set at 0.05. This means that the value of p > 0.05 (0.265> 0.05); then H0 is accpeted and $H2_a$ and $H2_b$ is rejected, thus it can be interpreted that the debt policy variable partially does not affect the value of the company.

d) Insider ownership (INSDR) has a cooeficient of 5.118; this means dividend policy (DPR), debt policy (DER), dummy dividend policy (DDPR), dummy debt policy (DDER), dan dummy insider ownership (DINSDR) as a constant, then every increasing of insider ownership of 1% will give impact to increase firm value (FV) of 5.118%.

Based on the results of the t test in the table above, it can be seen that the value of p = 0.012 with a significance level (α) is set at 0.05. This means that the value of p < 0.05 (0.012 <0.05); then H0 is rejected and Ha_3 and Hb_3 is accepted, thus it can be interpreted that the insider ownership variable partially has a significant effect on firm value.

e) Dummy dividend policy (DDPR) has a regression coefficient of 2.720; this means if the dividend policy variable (DPR), debt policy (DER), insider ownership (INSDR), dummy debt policy (DDER), and dummy insider ownership (DINSDR)are constant, then any increase in the dummy variable dividend policy (DDPR) 1% will result in an increase in the value of the company (FV) of 2.720%

Based on the results of the t test in the table above, it can be seen that the value of p = 0.240 with a significance level (α) is set at 0.05. This means that the value of p > 0.05 (0.240> 0.05), then then H0 is accepted and $H1_c$ is rejected, it can be interpreted that the level difference effect dividend policy variable on Jokowi era and before, does not significantly difference.

f) Dummy debt policy (DDER) has a regression coefficient of 6.046E-5; this means that if the dividend policy variable (DPR), debt policy (DER), insider ownership (DINSDR), dummy dividend policy (DDPR), and dummy insider ownership (DINSDR)) are constant, then any increase in the debt policy dummy variable (DDER) 1% will result in an increase in the value of the company (FV) of 6.046E-5%.

Based on the results of the t test in the table above, it can be seen that the value of p = 0.995 with a significance level (α) is set at 0.05. This means that the value of p > 0.05 (0.995> 0.05); then then H0 is accepted $H2_c$ is rejected, it can be interpreted that the level difference effect debt policy variable on Jokowi era and before, does not significantly difference.

g) Dummy insider ownership (DINSDR) has a regression coefficient of -0.767; this means that if the dividend policy variable (DPR), debt policy (DER), insider ownership (DINSDR), dummy dividend policy (DDPR), and dummy debt policy (DDER) are constant, then any increase in the dummy insider ownership (DINSDR) 1% will result in an decreasing in the firm value (FV) of 0.767%.

Based on the results of the t test in the table above, it can be seen that the value of p = 0.742 with a significance level (α) is set at 0.05. This means that the value of p > 0.05 (0.742> 0.05); then then H0 is rejected and $H3_c$ is rejected, it can be interpreted that the level difference effect insider ownership variable on Jokowi era and before, does not significantly difference.

4.3.2. F-Test

The F test or simultaneous test aims to find out the independent variables together have a significant influence or not on the dependent variable. In this study the independent variables are dividend policy, debt policy, insider ownership, dividend policy dummy, debt policy dummy, insider ownership dummy. While the dependent variable is the value of the company. The level of significance (α) set is 0.05 or 5%. The testing criteria used as the basis for decision making are as follows:

- H0: There is no influence between dividend policy, debt policy, insider ownership, dummy dividend policy, dummy debt policy, dummy insider ownership of firm value.
- Ha: There is an influence between dividend policy, debt policy, insider ownership, dummy dividend dolicy, dummy debt policy, dummy insider ownership of firm value.
- If the probability is> 0.05 then H0 is accepted.
- If the probability is ≤ 0.05 then H0 is rejected.

The F-test results are shown in table 4.6 as follows:

Table 4.6
F-test Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	369.795	6	61.633	1.474	.190[b]
	Residual	7023.873	168	41.809		
	Total	7393.668	174			

a. Dependent Variable: PBV

Table 4.6 shows the calculated F value of 1.175 and the p value of 0.120 with a significance level (α) set at 0.05. Thus, it can be concluded that the value of p 5 0.05 (0.120> 0.05); then H0 is accepted which means there is no influence between the variables of dividend policy, debt policy, insider ownership, dummy dividend policy, dummy debt policy, dummy insider ownership of firm values simultaneously.

4.4. Discussions

4.4.1. The Effect of Dividend Policy on Firm Value

The results of this study indicate that dividend policy does not significantly influence the value of the company in the Jokowi era and before the Jokowi era. This means that the high or low dividend policy of the company does not give an influence on the value of the company in the Jokowi era and before. Then, Hypothesis Ha_1, Hb_1, Hc_1, is rejected. Based on the data collected, most of the company does not pay their dividend in period from 2012 to 2017. Therefore, the data are not reliable and does not significantly affect the firm value on the Jokowi era and before the Jokowi era. Based on the Signaling theory hypothesis, companies respond slowly to a dividend increase giving a slow change in company value. It is also stated by Bringham and Houston (2011) who said that, the company is only determine by its basic ability to generate profits and business risk. The condition of global market or

we may say that the condition of our currency is getting lower in Jokowi era, it also makes that the company is hard to increase their profit in according to distribute their dividend to shareholders. The results of this study support the research of Paminto et all (2016) and Dzulkirom (2018), but it contracy with research conduct by Gunawan (2018) and Amidu (2007).

4.4.2. The Effect of Debt Policy on Firm Value

The results of this study indicate that debt policy does not significantly influence the value of the company in the Jokowi era and before Jokowi era. This means that the high or low debt policy of the company does not have an influence on the value of the company in the Jokowi era and before. Then, Hypothesis Ha_2, Hb_2, Hc_2, is rejected. Based on MM theory, capital structure does not affect the firm value. The arbitrage process arises because investors always prefer investments that provide the same net income at the same risk. It means that the firm value will increase, if the company can maximize the profitability while there is no using debt. It may also happens because the governmet can not pay off in full because the project is funding by the debt to world bank and will be change by their income from the project in several years later. This result is same with Chen's result (2002), but it contrast with Arijit (2008), Paminto (2016) and Uzilawati et all (2018).

4.4.3. The Effect of Insider Ownership on Firm Value

The results of this study indicate that insider ownership has positive significant effect on firm value on Jokowi era and before Jokowi era. However, hypothesis Ha_3 is rejected, it means the difference effect level of Jokowi era and before Jokowi era not significanty difference or just same level. It is happened because the condition of economic was stable and managements can give good performance so they can maximize their profit. However, unstable economic conditions had an impact on companies' performance in Jokowi era. The management cannot give their best performance so there is no difference effect between Jokowi era and before Jokowi era. It also influenced by the political condition that happens in Jokowi era is more unstable than before Jokowi era. It makes that the management cannot maximize their profit because the political condition of this country is more unstable than before. The results of this study support the theory of Jensen and Meckling (1976) state that insider ownership will reduce the risk of working at a higher level of company. Jensen and Meckling also said that there is a positive relationship between insider ownership and firm value. This result have same argument with Morck et all (1988), but contracy with Rasyid (2015) and Suastini (2016).