THE INFLUENCE OF DIVIDEND POLICY, LIQUIDITY AND COMPANY SIZE ON COMPANY VALUE IN THE METALS AND MINERALS INDUSTRY LISTED ON THE INDONESIAN STOCK EXCHANGE FOR THE 2019-2023 PERIOD

Kharisma Noviani Putri [1*]), Jaka Waskito [2], Ira Maya Hapsari [3]
[1,2,3] Faculty of Economics and Business, Universitas Pancasakti Tegal

*) Corresponding author: kharismanvni@gmail.com[1] , iramaya@upstegal.ac.id [3]

ABSTRACT *This study aims to examine the influence of dividend policy, liquidity, and firm size on firm value in the metal and mineral industry sector listed on the Indonesia Stock Exchange (IDX) during the period from 2019 to 2023. The research applies a descriptive quantitative method and utilizes secondary data. The sampling technique employed is purposive sampling, resulting in a total sample of 14 companies from the metal and mineral industry over a five-year period, producing 70 data points. After addressing outliers, 34 data entries were excluded from the analysis. The study focuses on three independent variables: dividend policy, liquidity, and firm size, while the dependent variable is firm value. To analyze the data, multiple linear regression analysis was used, with the assistance of SPSS version 22 as the statistical software. The results of the regression analysis indicate that both dividend policy and firm size do not have a significant effect on firm value. However, liquidity is found to have a significant influence on firm value. Furthermore, based on the F-test results, it can be concluded that collectively, the variables dividend policy, liquidity, and firm size have a significant impact on the firm value of companies in the metal and mineral sector listed on the Indonesia Stock Exchange during the 2019–2023 period.*

Keywords: Dividend Policy, Liquidity, Company Size and Company Value

INTRODUCTION

Economic development in Indonesia is strongly intertwined with the evolution of its capital markets, particularly the Indonesia Stock Exchange (IDX). An efficient capital market promotes resource allocation, enhances corporate governance, and catalyzes sustainable economic growth (Mahardikari, 2023; Siregar et al., 2023). Within this context, the metals and minerals sector remains strategically vital, driven by high global demand and Indonesia's rich resource base (Deliana & Santioso, 2024; Jecia & Sufiyati, 2023). However, the market often underappreciates industrial minerals—despite their processing simplicity and significant economic potential—compared to metallic minerals (Putri Siregar et al., 2023; Yuliyanti et al., 2023).

A case in point is PT PAM Mineral Tbk (NICL), a nickel ore producer. During 2023, NICL experienced extreme stock volatility—surging by over 13% in one session and then dropping roughly 2% the next, trading at IDR 288/share (Willyanto & Setyawan, 2022). This behavior is indicative of market sensitivity toward profitability signals, liquidity trends, and firm-specific announcements (Sutiono & Waluyo, 2025; Putri Siregar et al., 2023). Such volatility underscores the importance of robust corporate financial policies, including dividend strategy, liquidity management, and firm size considerations, in shaping investor confidence and firm valuation (Mahardikari, 2023; Deliana & Santioso, 2024).

Previous literature presents mixed findings. Some studies find dividend payout and liquidity have significant positive effects on firm value within Indonesian manufacturing and consumer non-

cyclical firms (Mahardikari, 2023; Putri Siregar et al., 2023; Siregar et al., 2023). Others note negative or non-significant impacts, especially where capital intensity is high (Willyanto & Setyawan, 2022; Jecia & Sufiyati, 2023). Importantly, firm size frequently appears as a determinant—although its direction of influence is not consistent (Sutiono & Waluyo, 2025; Mahardikari, 2023).

These disparities highlight a research gap: the specific interaction of dividend policy, liquidity, and firm size, particularly in the metals and minerals industry listed on the IDX, remains underexplored. Employing a descriptive quantitative design, this study uses purposive sampling to analyze 14 listed firms across 2019–2023 (70 firm-year observations, excluding outliers). Multiple linear regression via SPSS 22 reveals that liquidity significantly influences firm value, while dividend policy and firm size do not exert direct effects, although the joint model is statistically significant. These findings offer important insights into financial governance and valuation strategies for resource-intensive firms in Indonesia.

METHOD

This study employs a quantitative research methodology, which emphasizes objective measurement and the use of statistical, mathematical, or computational techniques to analyze numerical data and uncover patterns, relationships, and trends among variables. The type of data used in this research is secondary data, which is obtained from sources that have already been published and verified. The population in this study comprises companies operating in the Metal and Mineral Industry that are listed on the Indonesia Stock Exchange (IDX) during the 2019 to 2023 period. A total of 35 companies were identified as part of this population.

To obtain a representative sample from this population, the study utilizes a purposive sampling technique. This non-probability sampling method involves selecting samples based on specific criteria or considerations relevant to the research objectives. The selection criteria include companies that consistently published complete and audited annual financial reports throughout the five-year study period and provided the required data for the research variables.

The secondary data used in this study were sourced primarily from the official website of the Indonesia Stock Exchange (IDX) at www.idx.co.id. In addition, several related academic sources, such as books, journal articles, and previous empirical studies that discuss topics relevant to financial performance, company value, dividend policy, and other financial indicators, were also consulted to support the research framework.

The data analysis techniques used include Descriptive Statistical Analysis to summarize the data characteristics, Classical Assumption Tests (such as normality, multicollinearity, heteroscedasticity, and autocorrelation tests) to validate the use of regression models, Multiple Linear Regression Analysis to examine the influence of the independent variables on the dependent variable, Hypothesis Testing (t-test and F-test) to determine the significance of the relationships, and the Coefficient of Determination (R^2) to assess how well the independent variables explain variations in the dependent variable.

RESULTS AND DISCUSSION

RESULTS
Descriptive Statistics of Variables

Table 1
Descriptive Statistics Results
Metal and Mineral Industry
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Dividend Policy	34	.00	.50	.1201	.14255
Liquidity	34	.46	2.22	1.3592	.45793
Company Size	34	27.70	31.44	29.3745	1.11906
Company Value	34	-2.87	21.16	3.7609	5.77646
Valid N (listwise)	34				

Source: Processed data (2024)

Based on the results of descriptive statistical data processing, 34 observation data were obtained from data from 33 metal and mineral industry companies for 5 years (2019-2023). From the table above, it can be seen that the mean value shows the average value of the data for each variable, namely Dividend Policy of 0.1201 and the standard deviation value of Dividend Policy data of 0.14255, Liquidity of 1.3592 and the standard deviation value of Liquidity data of 0.45793, Company Size of 29.3745 and the standard deviation value of 1.11906 and Company Value of 3.7609 and the standard deviation value of 5.77646. The standard deviation must be compared with the mean to determine the distribution of data or the range of the lowest to the highest values for each variable. Data with a mean less than the standard deviation is considered high or unbalanced, because the distance between the lowest and highest values is quite far.

Classical Assumption Test Results
   1.   Normality Test

Table 2
Normality Test Results
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		34
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	3.52065179
Most Extreme Differences	Absolute	.125
	Positive	.125
	Negative	-.084
Test Statistic		.125
Asymp. Sig. (2-tailed)		.200[c]

Source: Processed data (2024)

The research sample of 70 data was reduced to 34 due to outlier treatment with the transform method due to extreme data. Based on the One Sample Kolmogorov-Smirnov Test above, it shows a significant value with the asymp approach of 0.200, which means that the residual data of this study is normally distributed

2. Multicolinearity Test

Table 3
Multicollinearity Test

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Kebijakan Dividen	.808	1.237
	Likuiditas	.799	1.252
	Ukuran Perusahaan	.985	1.016

Source: Processed data (2024)

Table 3 shows that all independent variables have tolerance values above 0.10 and VIF values below 10, so it can be concluded that the regression model in this study does not experience multicollinearity.

3. Heteroscedasticity Test
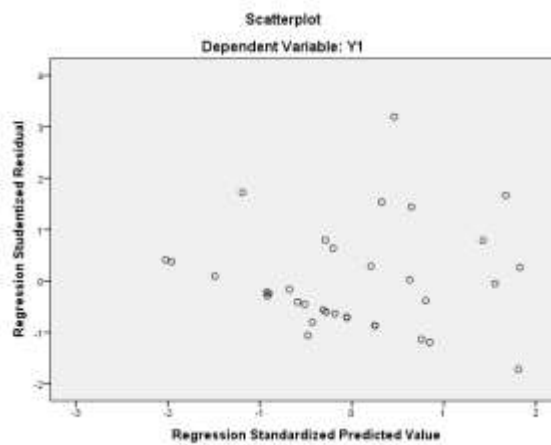
Source: Processed data (2024)

Based on the graph above, it can be seen that the points are spread randomly or do not form a clear or regular pattern, and are spread both above and below the number 0 on the Y axis. This indicates that there are no symptoms of heteroscedasticity.

4. 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	.628[a]	.394	.334	3.69249	2.272

Source: Processed data (2024)

The DW value is 2,272 which will then be compared with the table value using a significance value of 5%, the number of samples used in this research is 34 (n) and the number of independent variables is 3 (k=3), then in the Durbin Watson table the value will be obtained as follows dL is 1,270 and dU is 1,651. The Durbin-Watson value is between the interval 1.651 < 2.272 < 2.349. It can be concluded that this regression model does not have autocorrelation.

5. Multiple Linear Regression Analysis

Table 5

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	23.181	17.361		1.335	.192		
	Kebijakan Dividen	7.221	5.015	.228	1.440	.160	.808	1.237
	Likuiditas	4.202	1.571	.425	2.675	.012	.799	1.252
	Ukuran Perusahaan	-.885	.579	-.219	-1.529	.137	.985	1.016

Source: SPSS Output 22, 2024

Results of Multiple Linear Regression Analysis

Based on the results of the multiple linear regression analysis above, it shows that:
$$\text{Company Value} = 23{,}181 + 7{,}221\ X_1 + 4{,}202\ X_2 - 0{,}885\ X_3$$
Based on the results of the multiple linear regression analysis above, it shows that:
1. The constant value is 23,181, which means that the dividend policy, liquidity and company size variables have a constant value of zero, so the company value is 23,181%.
2. The Dividend Policy regression coefficient is 7.221, which means that if the value of the other independent variables remains constant and the growth of the Dividend Policy increases by 1%, then the company value will increase by 7.221%.
3. The Liquidity regression coefficient is 4,202, which means that if the value of the other independent variables remains constant and liquidity growth increases by 1%, the company value will increase by 4,202%.
4. The Company Size regression coefficient is -0.885, which means that if the value of the other independent variables remains constant and the growth in company size increases by 1%, then the company value will increase by -0.885%.

Hypothesis Testing
1. Partial Test (t-test)

Table 6
t Test Results (Partial Test)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	23.181	17.361		1.335	.192
	Kebijakan Dividen	7.221	5.015	.228	1.440	.160
	Likuiditas	4.202	1.571	.425	2.675	.012
	Ukuran Perusahaan	-.885	.579	-.219	-1.529	.137

Source: SPSS Output 22, 2024

Based on the results of the partial test (t test) above, it shows that the Dividend Policy variable has a significance value of 0.160 > 0.05. It can be concluded that dividend policy has no

effect on company value. The liquidity variable has a significance value of 0.012 <0.05, it can be concluded that liquidity has an effect on company value. The company size variable has a significance value of 0.137 > 0.05. It can be concluded that company size has no effect on company value.

2. **F Test (Simultaneous Test)**

Table 7
F Test Results (Simultaneous Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	266.364	3	88.788	6.512	.002[b]
	Residual	409.035	30	13.634		
	Total	675.398	33			

Source: SPSS Output 22, 2024

The results of testing the hypothesis of the influence of Dividend Policy, Liquidity and Company Size on Company Value in the Metals and Minerals Industry listed on the Indonesia Stock Exchange for the period 2019 - 2023 are significant, this is proven in the table where the significant value is 0.002 < 0.05. Therefore, the hypothesis decision is accepted because the significant value is 0.002. So that Dividend Policy, Liquidity and Company Size jointly influence the Value of Companies in the Metals and Minerals Industry Listed on the IDX for the 2019 - 2023 period.

3. **Coefficient of Determination**

Table 8
Coefficient of Determination Test Result

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.628[a]	.394	.334	3.69249	2.272

Source: SPSS Output 22, 2024

Based on the calculation results of the determination coefficient test in the table above, it can be seen that the Adjusted R Square value is 0.334. So it can be concluded that the independent variable (X) in explaining the change in the dependent variable (Y) is 33.4% and the rest is 66.6% (100% - 33.4%). The rest is influenced by other factors outside the model.

DISCUSSION

1. **The Effect of Dividend Policy on Company Value**
   Based on the results of the analysis, it can be concluded that there is an influence of Dividend Policy on Company Value in the Metal and Mineral Industry listed on the Indonesia Stock Exchange during the 2019-2023 period. This means that the high and low dividends distributed to shareholders are not related to the high and low value of the company. With the distribution of high

dividends to shareholders, it is expected that the company's value will also increase (Widanaputra, 2010:379)

2. The Effect of Liquidity on Company Value

Based on the results of the analysis, it can be concluded that there is an influence of Liquidity on Company Value in the Metal and Mineral Industry listed on the Indonesia Stock Exchange during the 2019-2023 period. This means that a company that has high liquidity indicates that the company has the ability to pay its current debts on time with its current assets without disrupting operational activities in the company (Uli et al., 2020)

3. The Influence of Company Size on Company Value

Based on the results of the analysis, it can be concluded that there is no effect of Company Size on Company Value in the Metal and Mineral Industry listed on the Indonesia Stock Exchange During the 2019-2023 Period. This means that this may indicate that the efficiency of the use of company assets does not directly affect market perceptions of stock values in the sector. indicates that the size of the company, the larger the size or scale of the company, the easier it will be for the company to obtain funding sources, both internal and external. The larger the size of the company, the more investors tend to focus on the company, so that it will increase the value of the company in the eyes of investors, this is because large companies tend to have stable conditions (Dewantari et al., 2019).

4. The Influence of Dividend Policy, Liquidity and Company Size on Company Value

Based on the results of the analysis, it can be concluded that there is a simultaneous influence of Dividend Policy, Liquidity, and Company Size on Company Value in the Metal and Mineral Industry listed on the Indonesia Stock Exchange during the 202-2023 period. This means that changes in the combination of these financial variables jointly affect the movement of stock prices of companies in the sector during that period.

CONCLUSION

Based on the results of the research conducted, several conclusions can be drawn regarding the influence of dividend policy, liquidity, and company size on firm value in the Metals and Minerals Industry listed on the Indonesia Stock Exchange for the 2019–2023 period. First, dividend policy does not have a significant effect on firm value, as evidenced by the t-test result where the calculated t-value (tcount) is 1.440, which is less than the critical t-table value of 1.697, with a significance value of 0.160, greater than the threshold of 0.05. Second, liquidity has a significant positive influence on firm value, indicated by a tcount of 2.675, which exceeds the ttable value of 1.697, and a significance value of 0.012, which is below 0.05. Third, company size does not significantly affect firm value, as shown by a tcount of 1.529, which is lower than the ttable of 1.697, and a significance value of 0.137, which is higher than 0.05. Finally, when tested simultaneously, dividend policy, liquidity, and company size collectively have a significant influence on firm value. This is supported by the F-test result, where the Fcount of 6.512 is greater than the Ftable value of 3.316, with a significance level of 0.002, which is below 0.05.

The findings of this study carry several practical implications. For company management, especially in the Metals and Minerals Industry, maintaining strong liquidity positions should be prioritized, as it directly enhances firm value and can improve investor confidence. Meanwhile, dividend policy and firm size should be managed strategically in conjunction with other financial indicators, as their direct influence on firm value appears limited when considered independently. For investors, liquidity ratios may serve as a more reliable signal of a company's valuation potential compared to dividend payouts or size.

Policymakers and capital market authorities may also consider focusing on regulations that improve financial transparency and liquidity reporting standards to further strengthen capital market efficiency. In conclusion, liquidity emerges as a key determinant of firm value in the Indonesian Metals and Minerals sector, while dividend policy and firm size, though important, show no significant individual impact. However, their combined presence still contributes meaningfully to firm value. Future studies are encouraged to incorporate additional variables such as profitability, leverage, or macroeconomic indicators to provide a more comprehensive understanding of firm valuation dynamics within the industry.

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