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The influence of leverage, sales growth, and dividend policy on company value

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Abstract

Purpose: This study aimed to determine whether leverage, sales growth, and dividend policies influence the value of the company and determine the development of leverage, sales growth, dividend policy, and company value in real estate, property, and construction companies listed on the Stock Exchange Indonesia period of 2016-2018.

Research methodology: This research was a quantitative research. The samples were real estate, property and building construction sector companies listed on the Indonesia Stock Exchange for the period of 2016-2018, amounting to 20 companies. The sampling technique used was non probability sampling with a purposive sampling method.

Results: Leverage, sales growth, and dividend policy affect the company value. The magnitude of the influence of leverage, sales growth, and dividend policy in contributing influence of company value was 58.0%.

Limitations: The research is limited to only those companies in the real estate, property, and building construction sectors listed on the Indonesia Stock Exchange from 2016 to 2018 and only focuses on the effect of leverage, sales growth, and dividend policy on firm value.

Contribution: Companies in the real estate, property, and building construction sectors listed on the Indonesian Stock Exchange should reduce their leverage, increase sales growth by improving their performance in selling products or services, and improve their dividend policy by increasing dividend distribution to shareholders each year.

Keywords: *Leverage, Sales growth, Dividend policy, Company value*

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1. Introduction

A Company is a business entity that runs its business intending to make a profit (profit-oriented). In addition to making a profit, a company also has long-term objectives, including providing prosperity for the owner or investor and maximizing the value of the company. A high increase in enterprise value is a long-term goal that should be achieved by the company, which will be reflected in the market price of its shares because investors' valuation of the company can be observed through the movement of stock prices of companies that are traded on the stock exchange for companies that have gone public (Retno and Priatinah, 2012).

Maximizing the company's value is referred to as maximizing the prosperity of stakeholders, who can also be interpreted as maximizing the common share price of the company (Martono and Harjito,

2010:13). Basically, the company's value is the present value of the expected revenue stream or cash received in the future (Sudana, 2011:8). Based on the information quoted from the Indonesia Stock Exchange will be presented a chart of the performance of stock indices in real estate, property, and building construction sector companies for the period 2014-2018 as follows:

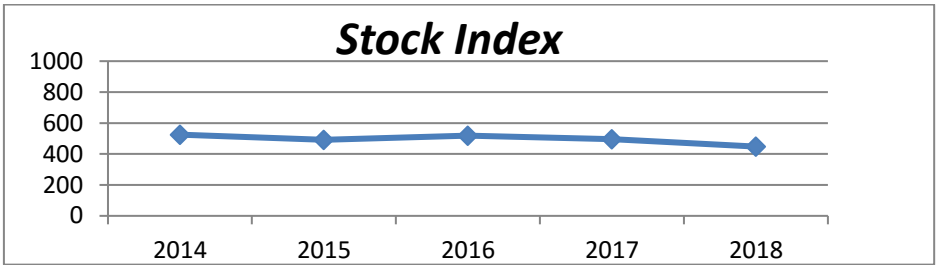

Figure 1. Performance Charts of Company Stock Index in Real Estate, Property and Construction Building Sector period of 2014-2018
Source: Data processed (www.idx.co.id)

Figure 1 shows that the stock index performance in the companies of the real estate, property, and building construction sectors in the 2014-2016 period tends to fluctuate, but in 2016-2018 it tends to decline. Some of the case descriptions above show that the performance index of companies in the real estate, property, and building construction sectors in 2015 and 2017 tends to decline. This can be seen from the performance of several stock indexes in several companies including PT Summarecon Agung Tbk, PT Agung Podomoro Land Tbk, PT Alam Sutera Tbk, PT Pakuwon Jati Tbk, PT Alam Sutera Realty Tbk, PT Lippo Karawaci Tbk, PT Metropolitan Kentjana Tbk, and PT Jaya Real Property Tbk. Some factors that can affect the value of the enterprise include leverage, sales growth, and dividend policy.

2. Literature review and hypothesis development

Leverage

Leverage ratio is a ratio used to measure the extent to which a enterprise's assets are financed with debt. Leverage in this researcher is measured using a debt to asset ratio (DAR). Debt to asset ratio is a debt ratio that is used to measure the ratio between total debt to total assets. In addition, the debt to asset ratio can provide an overview of how much the enterprise's assets are financed by debt or how much the enterprise's debt affects the management of assets (Kasmir, 2015).

Sales growth

Sales growth is a ratio that illustrates the achievement of sales growth from year to year. Sales growth in this researcher is measured using the ratio of sales growth (Harahap, 2013). Growth ratio is a ratio that illustrates the enterprise's skill to manage economic position amid economic growth and business sectors (Kasmir, 2015).

Dividend policy

Dividend policy is part of the enterprise's spending decisions. Specifically with regard to the enterprise's internal spending. This is because the size of the dividends distributed will affect the size of the retained earnings. Dividend policy in this researcher is measured using a dividend payout ratio (DPR). Dividend payout ratio (DPR) is the percentage of profit paid in the form of dividends, or the ratio between earnings paid in the form of dividends and the total profit available to shareholders (Sudana, 2011).

Company value

The value of the company is the price that the prospective buyer is willing to pay if the company is sold, the higher the value of the company the greater the prosperity that will be received by the owner of the company (Husnan and Pudjiastuti, 2012:7). One of the alternatives used to match the value of

companies in this study was to use Tobin's Q. How to calculate TQ is to make a comparison between the ratio of stock market value and book value account (Smithers and Wright, 2007:37).

The influence of leverage on company value

Leverage emphasizes debt financing for companies by showing the percentage of the company's assets (Puspita and Hartono, 2018). The company will experience the impact of debt used as corporate capital, tax can be deducted through the interest expense of the debt which will be profitable for the company's investors because the profit becomes large. The company will use the debt for asset purchases if the company suffers a loss (Brigham and Houston 2010:141).

In addition, managers will be more obedient if the debt is used as the capital because the company is threatened with bankruptcy if the company experiences delays in paying debts to creditors and will cause managers to lose their jobs.

Based on the above description, the hypothesis formed in this study is as follows:

H1: Leverage affects on Company Value

The influence of sales growth on company value

The high growth of the development shows that the effectiveness of capital use in supporting operational activities is very high. This will cause the company's activities to run well, allowing the company's profits to increase. If the company's profit is high, then the company's value is also high (Martono and Harjitto, 2007:202). Sales growth will positively signal investors that the company has a good corporate outlook and may ultimately increase the company value. Companies with high sales growth are seen as having the readiness to compete and accompanied by an increase in market share that directly increases the value of the company (Limbong and Chabachib, 2016).

If sales growth increases, it is expected that the company's operating results will also increase so that there is also a greater level of outside confidence in a company. When viewed from the investor side, the company's good sales growth is expected to result in a higher rate of return on investments made. Investors who are informed about the company's sales growth will get a good response from the market so that it can increase the share price or reflect the company's rising value (Suwardika and Mustanda, 2017). From description above, the hypothesis formed in this study is as follows:

H2: Sales growth affects the value of the company

The influence of dividend policy on company value

High dividend payments will help reduce uncertainty (Bird in The Hand Theory). This theory states that dividends are better than capital gains because dividends are less risky than capital gains. Dividend income has a more predictable nature than capital gains. This theory suggests that companies pay larger dividends to increase the share price (Sembiring and Pakpahan, 2010).

The optimal dividend policy is a dividend policy that creates a balance between current and future dividends thus maximise the company's share price (Brigham and Houston, 2011:198). Investors assume that if the company's future performance will be good, then dividend payments will also increase. so that the value of the company will be affected by the dividend policy applied (Nurochman et al, 2016). From description above, the hypothesis formed in this study is as follows::

H3: Dividend policy affects the value of the company

H4: Leverage, sales growth, and dividend policy have an effects on company value

Based on the description above, the researcher intends to describe it in a chart of thought frameworks as a form of researcher's thought flow as follows:

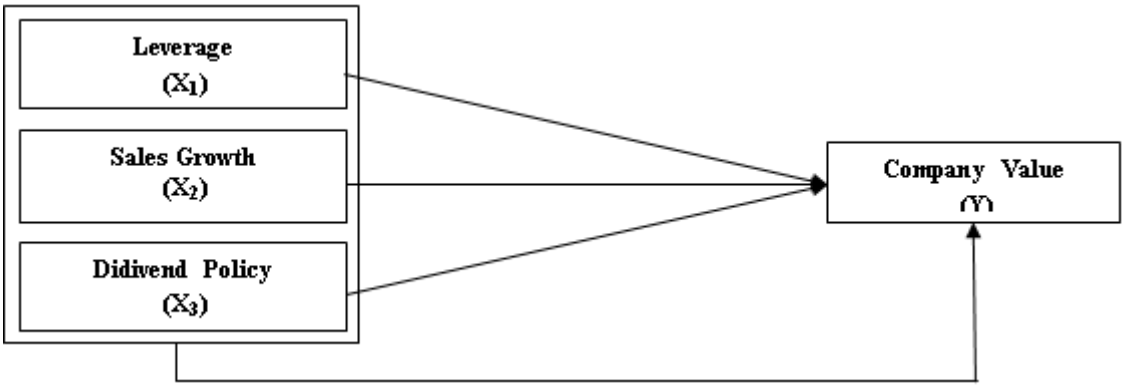

Figure 2. Conceptual framework

Previous research

Table 1. Previous Research

No	Authors	Title	Variable	Results	The Similarity and Difference
1.	Rakasiwi, Ari Pranaditya, Rita Andini (2017)	The influence of EPS, company size, profitability, leverage, sales growth and dividend policy on the value of the company in the food and beverage industry listed on the Indonesia Stock Exchange in 2010-2015	Independent Variable: 1. EPS 2. Company Size 3. Profitability 4. Leverage 5. Sales Growth 6. Dividend Policy Dependent Variable 1. Company Value	The results showed that earnings per share, company size, profitability, leverage, and sales growth had no effect on firm value, while dividend policy affected company value.	This study is using the independent variable leverage, sales growth, and, and using the dependent variable enterprise value. The difference is in previous studies using EPS independent variables, company size, and profitability.
2.	I Nyoman Agus Suwardika I Ketut Mustanda (2017)	The effect of leverage, company size, company growth, and profitability on firm value in property companies	Independent Variable: 1. Leverage 2. Company Size 3. Company Growth 4. Profitability Dependent Variable 1.Company Value	The results showed that leverage, company growth, and profitability affect the value of the company, while the size of the company does not affect the value of the company.	This study and the previous both use the independent variable leverage, and use the dependent variable firm value. The difference in this study is in previous studies using independent variables of company size, company growth, and profitability.
3.	Muhammad Nurochman Muh. Yunus Kasim Vitayanti Fattah (2016)	The effect of dividend policy, profitability, and growth of company assets on company value in the manufacturing industry on the	Independent Variable: 1. Dividend Policy 2. Profitability 3. Growth of Company Assets Dependent	The results showed that profitability affected company value, while dividend policy and growth in company assets did not affect firm value.	This study and the previous both using the independent variable dividend policcy, and using the dependent variable enterpise value. The difference in this

No	Authors	Title	Variable	Results	The Similarity and Difference
		Indonesia Stock Exchange	Variable 1. Company Value		study is in previous studies using the independent variable profitability and growth of company assets.
4.	Dita Tessa Sampriani Limbong Mochammad Chabachib (2016)	Analysis of the effect of capital structure, sales growth, and firm size on firm value with profitability as an intervening variable	Independent Variable: 1. Capital Structure 2. Sales Growth 3. Company Size Dependent Variable 1. Company Value Intervening Variable 1. Profitability	The results showed that capital structure and sales growth affect the value of the company, while the size of the company does not affect the value of the company.	This study and the previous both using the independent variable sales growth and using the dependent variable firm value. The difference in this study is that in previous studies using independent variables capital structure and company size.
5.	*Hung Ngoc Dang Van Thi Thuy Vu Xuan Thanh Ngo Ha Thi Viet Hoang* (2019)	*Study the impact of growth, firm size, capital structure, and profitability on enterprise value: evidence of enterprises in Vietnam*	Independent Variable: 1. *Growth* 2. *Firm Size* 3. *Capital Structure* 4. *Profitability* Dependent Variable 1. *Enterprise Value*	The results showed that company size and profitability affected the value of the company while growth and capital structure did not affect the value of the company.	This study and the previous are both using the independent growth variable and using the dependent variable enterprise value. The difference is in previous studies using independent variables firm size, capital structure, and profitability.
6.	Sorin Gabriel Anton (2016)	*The impact of dividend policy on firm value. a panel data analysis of Romanian Listed Firms*	Independent Variable: 1. *Dividend Policy* Depedent Variable *1. Firm Value*	The results showed that the dividend policy affects the value of the company.	This study and the previous both using the independent variable dividend policy and using the firm value dependent variable. The difference in this study is that in previous studies did not use the independent variable leverage and sales growth.
7.	Muhammad Azhar Farooq Ahsan Masood (2016)	*Impact of financial leverage on value of firms: evidence from cement sector of Pakistan*	Independent Variable: 1. *Leverage* Dependent Variable 1. *Firm Value*	The results showed that leverage affects the value of the company.	This study andthe previous are both use the independent variable leverage and use the dependent variable firm value. The difference in this study is that in

No	Authors	Title	Variable	Results	The Similarity and Difference
					previous studies did not use the independent variable dividend policy and sales growth
8.	Nuryaman (2015)	*The influence of intellectual capital on the firm's value with the financial performance as intervening variable*	Independent Variable: 1. *Intellectual capital* Dependent Variable: *1. Firm Value* Intervening Variable: *1. Financial performance*	The results showed that intellectual capital influences firm's value	This study and the previous are both using the firm value dependent variable. The difference in this research is that the previous research did not use variable leverage, sales growth, and dividend policy
9.	Winarso and Hadian (2017)	Factors that determine investors in the decision to purchase shares of the pharmaceutical industry sector	Independent Variable: 1. *Current ratio* 2. *Debt to equity ratio* 3. *Return on asset* 4. *Total asset turn over* 5. *Price earning ratio* Dependent Variable: 1. Company Value	The results showed that the current ratio and debt to asset ratio did not affect the firm's value. While return on assets, total asset turn over, and price earning ratio affect the firm's value	This study and the previous are both using the independent variable debt to asset ratio and using the dependent variable enterprise value. The difference in the research, the previous research did not use the independent variable of sales growth and dividend policy

3. Research methodology

This research is quantitative research. The research methodology used in this study is descriptive and verification research methods. The variables independent in this study are leverage, sales growth, and dividend policy. While the dependent variable in this study is company value. The population in this study are real estate, property and building construction companies listed on the Indonesia Stock Exchange for the period of 2016-2018, totaling 64 companies. The sampling technique used in this study is non probability sampling with a purposive sampling method. Based on sample criteria, the samples in this study are real estate, property and building construction sector companies listed on the Indonesia Stock Exchange for the period of 2016-2018, amounting to 20 companies.

Types and sources of data used in this study are secondary data sourced from www.idx.co.id (Indonesia Stock Exchange). Analysis of the data used in this research is mutlivariate analysis. Multivariate analysis is an analysis of several variables in a relationship or set of relationships (Hair et al, 2010: 2). Mutlivariate analysis used in this study is multiple linear regression analysis using panel data model (panel data regression). The statistical software used in this study is Eviews Software Vers 9.

Operationalization of Variables

Table 2. Operationalization of variables

Variable	Indicator	Formula	Scale
Leverage (X_1)	1. Total Debt 2. Total Assets (Kasmir, 2015:156)	$\textbf{Debt to Asset Ratio} = \frac{\textbf{Total Debt}}{\textbf{Total Assets}} \times 100\%$ (Kasmir, 2015:156)	Ratio
Sales Growth (X_2)	1. Sales this year 2. Sales previous year (Harahap, 2013:309)	Sales Growth = $\frac{\text{Sales}_t - \text{Sales}\ t_1}{\text{Sales}\ t_1}$ (Harahap, 2013:309)	Ratio
Dividen Policy (X_3)	*1. Dividen Per Share* *2. Earning Per Share* (Sudana, 2011:167)	DPR = $\frac{\textit{Dividend Per Share}}{\textit{Earning Per Share}}$ (Sudana, 2011:167)	Ratio
Company Value (Y)	1. ME = (Outstanding Share x Closing Price) 2. DEBT = (Total Debt + Inventory - Current Assets) 3. TA = Total Assets (Smithers dan Wright, 2007:37)	Tobin's Q = $\frac{ME+DEBT}{TA}$ (Smithers dan Wright, 2007:37)	Ratio

4. Results and discussions

Hypotesis Test

Based on the results of partial hypothesis testing using panel data regression obtained the following results:

Table 3. Partial hypothesis testing

Dependent Variable: Company_Value		
Method: Panel Least Squares		
Date: 04/17/20 Time: 19:46		
Sample: 2016 2018		
Periods included: 3		
Cross-sections included: 20		
Total panel (balanced) observations: 60		

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1972.864	495.5429	-3.981217	0.0002
LEVERAGE	2662.516	1070.401	2.487399	0.0159
SALES GROWTH	2463.208	853.9774	2.884395	0.0056
DIVIDEND POLICY	1387.165	623.5365	2.224673	0.0302

Source: Output Eviews 9

Based on table above, the results of partial hypothesis testing are as follows:

1. Results from hypothetical testers performed using regression models above obtained a significance value of the variable leverage of 0.0159<0.05. and hypothesis testing can be viewed through t count and t table which shows t count value of 2.487, while ttable is 2.003. From these results it can be seen that t count > t table is 2.487>2.003, The results showed H1 was received with partial leverage affecting the value of the company.
2. Results from hypothetical testers performed using regression models above obtained a significance value of the variable sales growth of 0.0056<0.05. and hypothesis testing can be viewed through t count and t table which shows tcount value of 2.884, while t table of 2.003. From these results it can be seen that t count > t table is 2.884>2.003 The results showed H2 received partial sales growth affecting the company's value.
3. Results from hypothetical testers performed using regression models, the significance value of the dividend policy variable is 0.0302<0.05. and hypothesis testing can be viewed through t count and t table that shows t count of 2,225, while t table is 2,003. From these results it can be seen that t count> t table is 2.225>2.003, The results showed H3 received a partial

Analysis of partial regression data

The regression equation model from the results of the study are follows:

Y = -1972,864 + 2662,516 X1 + 2463,208 X2 + 1387,165 X3 + e

From the regression equation model it can be explained that:

1. If the constant value of -1972,864 means that if the independent variable, namely the leverage variable, sales growth, and dividend policy is considered constant (value 0), then the dependent variable that is the company value variable will be worth -1972.864.
2. If the regression coefficient value of the leverage variable shows 2662,516, it means that if the leverage variable has increased by (one) unit, while the other independent variables, namely sales growth variables, and dividend policy are considered constant (0 values), then the dependent variable is the variable the value of the company will increase by 2662,516.
3. If the regression coefficient value of the sales growth variable shows 2463,208, it means that if the sales growth variable has increased by (one) unit, while the other independent variables namely the leverage variable and dividend policy are considered constant (0 values), then the dependent variable is corporate value variable will experience an increase of 2463,208.
4. If the regression coefficient value of the dividend policy variable shows a total of 1387,165, it means that if the dividend policy variable increases by (one) unit, while the other independent variables namely the variable leverage, and sales growth are considered constant (value 0), then the dependent variable is company value variable will experience an increase of 1387,165.

Based on the results of simultaneous testing, the following results were obtained:

Table 4. Simultaneous hypothesis testing

R-squared	0.580041	Mean dependent var	-211.2140
Adjusted R-squared	0.557543	S.D. dependent var	1941.290
S.E. of regression	1291.297	Akaike info criterion	17.22902
Sum squared resid	93377026	Schwarz criterion	17.36864
Log likelihood	-512.8707	Hannan-Quinn criter.	17.28364
F-statistic	25.78209	Durbin-Watson stat	1.937023
Prob(F-statistic)	0.000000		

Source: Output Eviews 9

Based on table above, the results of simultaneous hypothesis testing show the significance value of the simultaneous regression model of 0.0000, this value is smaller 0.05 (5%), ie 0.0000 <0.05 and the second way is to look at the comparison of F count and F table which shows a Fcount value of 25.782 while F table of 2.77. From these results it appears that F count>F table is 25.782>2.77, it can be concluded that the H_4 is accepted, meaning together or simultaneously leverage, sales growth, and dividend policy affects company value.

Below will be presented the results of testing the coefficient of determination are as follows:
Table 5. Coefficient of determination

R-squared	0.580041	Mean dependent var	-211.2140
Adjusted R-squared	0.557543	S.D. dependent var	1941.290
S.E. of regression	1291.297	Akaike info criterion	17.22902
Sum squared resid	93377026	Schwarz criterion	17.36864
Log likelihood	-512.8707	Hannan-Quinn criter.	17.28364
F-statistic	25.78209	Durbin-Watson stat	1.937023
Prob(F-statistic)	0.000000		

Source: Output Eviews 9

Based on table 5 above, the results of testing coefficient determination show an R - Squared of 0.580 means that the variability of the dependent variable is company value that can be explained by the independent variables namely leverage, sales growth, and dividend policy in this study amounting to 58.0%, while the remaining 42.0% is explained by other variables outside the research model.

Testing the panel data model

There are three approaches in the calculation of panel data regression models, namely the common effect model, FEM, and (REM). Based on the results of three models that have been estimated to be selected which model is most appropriate or in accordance with the research objectives. There are three tests used to select panel data estimation techniques, namely: chow test, Hausman test, and lagrange multiplier test.

Chow Test
The hypotheses in this test are as follows:
Ho: Common Effect Model
H1: Fixed Effect Model

Information:
If the Chi-square Cross-section probability value <0.05; then Ho is rejected
If the Chi-square Cross-section probability value> 0.05; then Ho is accepted

Based on the test results panel data using the chow test shows the following results:

Table 6. Chow Test

Redundant Fixed Effects Tests			
Equation: Untitled			
Test cross-section fixed effects			
Effects Test	Statistic	d.f.	Prob.
Cross-section F	1.633907	(19,37)	0.0988
Cross-section Chi-square	36.554411	19	0.0090

Source: Output Eviews 9

Based on the table it shows chi-square cross-section value of 0.0090 less than the probability value of 0.05 (0.0090 <0.05), the results of the chow test reject Ho. This means that the model rejects the common effect model and follows the fixed effect model.

Hausman Test
The hypotheses in this test are as follows:
Ho: Random Effect Model
H1: Fixed Effect Model

Information:
If the Chi-square Cross-section probability value <0.05; then Ho is rejected
If the Chi-square Cross-section probability value> 0.05; then Ho is accepted

Based on the results of testing panel data using the hausman test shows the following results:
Table 7. Hausman Test

Correlated Random Effects - Hausman Test			
Equation: Untitled			
Test cross-section random effects			
Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	3.052433	3	0.3836

Source: Output Eviews 9

Based on table above it shows that the value of random chi-square cross-section of 0.3836 is greater than the probability value of 0.05 (0.3836> 0.05), the results of the hausman test accept Ho. This means that the model rejects the fixed effect model and follows the random effect model.

Lagrange Multiplier Test
The hypotheses in this test are as follows:
Ho: Common Effect Model
H1: Random Effect Model

Information:
If the breusch-pagan probability value <0.05; then Ho is rejected
If the breusch-pagan probability value> 0.05; then Ho is accepted

Based on the results of testing panel data using the multiplier lagrange test shows the following results:

Table 8. Langrange multiplier test

Lagrange Multiplier Tests for Random Effects			
Null hypotheses: No effects			
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided			
(all others) alternatives			
	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	1.376202	0.074808	1.451010
	(0.2407)	(0.7845)	(0.2284)
Honda	1.173116	0.273510	1.022920
	(0.1204)	(0.3922)	(0.1532)
King-Wu	1.173116	0.273510	0.622192
	(0.1204)	(0.3922)	(0.2669)
Standardized Honda	1.369994	0.739070	-2.593619
	(0.0853)	(0.2299)	
Standardized King-Wu	1.369994	0.739070	-1.641746
	(0.0853)	(0.2299)	--
Gourierioux, et al.*	--	--	1.451010
			(>= 0.10)

Source: Output Eviews 9

Based on table above it shows that the value of random chi-square cross-section of 0.2407 is greater than the probability value of 0.05 (0.2407> 0.05), the results of the lagrange multiplier test accept Ho. This means that the model rejects the random effect model and follows the common effect model. From the three tests for panel data model selection shows that the right model to use is the common effect model.

The influence of leverage on company value

Based on table 2 above, the hypothetical test results partially show that the value of the leverage variable significance is 0.0159<0.05. and hypothetical testing can be seen through tcount and ttabel which shows a tcount value of 2,487, while ttabel of 2,003>>.

Leverage emphasizes debt financing for companies by showing the percentage of the company's assets (Puspita and Hartono, 2018). The company will experience the impact of debt used as corporate capital, tax can be deducted through the interest expense of the debt which will be profitable for the company's investors because the profit becomes large. The company will use the debt for asset purchases if the company suffers a loss (Brigham and Houston 2010:141).

In addition, managers will be more obedient if the debt is used as the capital because the company is threatened with bankruptcy if the company experiences delays in paying debts to creditors and will cause managers to lose their jobs.

The results of this research company are in line with the results of previous studies conducted by Suwardika and Mustanda (2017) and Masood and Farooq (2016). The results showed that leverage affects the value of the company. And these results are in contrast to previous research conducted by Rakasiwi et al (2017) and Winarso and Hadian (2017). The results showed that the value of the company was not affected by the level of leverage.

The influence of sales growth on company value

Based on table 2 above, the results of partial hypothesis testing indicate that the value of the variable sales growth is 0.0056 < 0.05 (significant level). and hypothetical testing can be seen through tcount and ttable which shows tcount value of 2.884, while ttable of 2.003. based on these results, it can be seen that the t count > t table is 2.884 > 2.003, it can be concluded that H2 is accepted, meaning that partially sales growth affects on company value. High sales growth shows that the level of effectiveness in using capital to support operational activities is very high. This will cause the company's activities to run well so as to enable increased company profits. High corporate profits, the value of the company is also high (Martono and Harjitto, 2007: 202). Sales growth will give a positive signal to investors that the company has good company prospects and ultimately can increase the value of the company. Companies that have high sales growth are seen as having readiness to compete and accompanied by an increase in market share that directly increases the value of the company (Limbong and Chabachib, 2016).

If sales growth increases, it is estimated that the company's operating results will also increase so that the greater the level of external confidence in a company. When viewed from the investor's side, good company sales growth is expected to produce a higher rate of return on investments made. Investors who obtain information about the company's sales growth will get a good response from the market, so that it can increase share prices or reflect the company's increasing value (Suwardika and Mustanda, 2017). The results of this study are in line with the results of previous studies conducted by Suwardika and Mustanda (2017), Limbong and Chabachib (2016). The results of his research show that sales growth affects on company value. While the results of this study are not in line with the results of previous studies conducted by Rakasiwi et al (2017) and Dang et al (2019). The results of his research show that sales growth has no effect on company value.

The influence of dividend policy on company value

Based on table 2 above, the results of partial hypothesis testing show that the significance dividend policy variable is 0.0302 < 0.05 (significant level of research significance). and hypothetical testing can be seen through tcount and table that shows tcount of 2,225, while table is 2,003. From these results it can be seen that t count > t table is 2.225 > 2.003, The results showed H3 received a partial dividend policy affecting the value of the company.

High dividend payments will help reduce uncertainty (Bird in the Hand Theory). This theory states that dividends are better than capital gains because dividends distributed are less risky than capital gains. Optimal dividend policy is a dividend policy that creates a balance between current dividends and future growth so as to maximize the company's stock price (Brigham and Houston, 2011: 198). If the company increases dividend payments, it might be interpreted by investors as a signal of management's expectations about the company's improved performance in the future. So that dividend payments have an influence on firm value (Nurochman et al, 2016).

The results of this study are supported by previous research by Rakasiwi et al (2017) and Anton (2016). The results of his research show that dividend policy affects on company value. While the results of this study are not in line with the results of previous studies conducted by Nurochman et al (2016), the results of his research show that dividend policy has no effect on company value.

5. Conclusion

From the results of the research that has been done using regression analysis data panel obtained the following conclusions:

1. From the results of the study can be concluded that leverage affects the value of the company in the real estate, property, and building construction sectors listed on the Indonesia Stock Exchange for the period 2016-2018.
2. From the results of the study can be concluded that sales growth affects the value of the company in the real estate, property, and building construction sectors listed on the Indonesia Stock Exchange for the period 2016-2018.
3. From the results of the study can be concluded that the dividend policy affects the value of the company in the real estate, property, and building construction sectors listed on the Indonesia Stock Exchange for the period 2016-2018.
4. From the results of the study can be concluded that leverage conditions, sales growth, dividend policy, and company value showed the volatile value in real estate, property, and building construction sectors listed on the Indonesia Stock Exchange for the period 2016-2018.

Based on the results of the study, the author intends to submit some suggestions to be usful input for teh relevant parties. The advice that researchers can say based on the results of the research that has been done is as follows:

1. For real estate, property, and building construction sector companies listed on the Indonesia Stock Exchange

a) Reduce the value of leverage by minimizing the use of debt as a source of capital in financing the company's assets or operational activities. The use of debt-sourced capital is also limited so that the leverage ratio is not too high, so as not to negatively impact the company's financial distress.
b) Increasing sales growth is by improving the company's performance in selling products or services by reaching all target consumers with a variety of interesting marketing techniques.
c) Improving the dividend policy is in the company's policy related to increasing dividend distribution to shareholders every year.
d) Focus on improving activities value of the company by improving the financial performance to attract investors to invest, thus increasing the value of the share price and impacting the increasing value of the company in the capital market.

2. For the next researchers

a) It is recommended for subsequent investigators not to be fixated only on the variables in this study, but to add other variables outside of this study that if they have an influence on the value of the company, such as profitability, corporate size, corporate social responsibility, and others.
b) It is recommended that investigators can then use research subjects such as companies in other sectors listed on the Indonesia Stock Exchange. It is also recommended that researchers

be advised to always use the research period with the latest year. These are intended to provide a broad and up-to-date picture of the company's value.

Limitations and study forward

This research was limited to real estate, property, and building construction sector companies listed on IDX for the period 2016 - 2018 due to a decrease in stock index performance. Also, this research focuses only on the influence of leverage, sales growth, and dividend policies on the value of companies in the real estate, property, and building construction sectors listed in IDX for the period 2016 – 2018.

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