SIMBA

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THE EFFECT OF DEBT POLICY AND BUSINESS RISK ON FIRM VALUE WITH DIVIDEND POLICY AS A MODERATING VARIABLE

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Abstrak

Penelitian ini bertujuan untuk menganalisis pengaruh kebijakan hutang dan risiko bisnis terhadap nilai perusahaan dengan kebijakan dividen sebagai variabel moderasi. Objek penelitian adalah perusahaan sektor *property dan real estate* yang terdaftar di Bursa Efek Indonesia (BEI) periode 2020-2023. Metode yang digunakan adalah kuantitatif dengan pendekatan deskriptif dan analisis regresi moderasi (MRA). Sampel penelitian sebanyak 52 perusahaan dengan teknik *purposive sampling*. Hasil penelitian menunjukkan bahwa: (1) kebijakan hutang berpengaruh positif terhadap nilai perusahaan, (2) risiko bisnis tidak berpengaruh terhadap nilai perusahaan, (3) kebijakan dividen mampu memoderasi hubungan antara kebijakan hutang dan nilai perusahaan, dan (4) kebijakan dividen mampu memoderasi pengaruh risiko bisnis terhadap nilai perusahaan.
Kata Kunci: Kebijakan Hutang, Risiko Bisnis, Nilai Perusahaan, Kebijakan Dividen

Abstract

This study aims to analyze the effect of debt policy and business risk on firm value with dividend policy as a moderating variable. The research object is property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the 2020–2023 period. The method used is quantitative with a descriptive approach and moderated regression analysis (MRA). The sample consisted of 52 companies selected using purposive sampling. The results show that: (1) debt policy positively affects firm value, (2) business risk does not affect firm value, (3) dividend policy is able to moderate the relationship between debt policy and firm value (4) dividend policy positively moderates the effect of business risk on firm value.
Keywords: Debt Policy, Business Risk, Firm Value, Dividend Policy

A. INTRODUCTION

Firm value reflects investors' perceptions of a company's overall prospects and performance (Gitman, 2006). In the property and real estate industry, firm value is heavily influenced by debt policy and business risk, given the sector's capital-intensive nature and vulnerability to economic turmoil (Brigham & Houston, 2001; Gitman, 2013). Debt policy is a managerial decision in determining the financing structure between debt and equity to maximize firm value (Brigham & Houston, 2001). High business risk tends to reduce profit stability, negatively impacting firm value (Pujakesuma, 2022). The underlying phenomenon of this research is the case of PT Waskita Beton Precast Tbk (WSBP), which faced a suspension of capital expenditure (PKPU) due to debt pressure and high business risk, reflecting the importance of sound financial management in maintaining firm value. In this case, dividend policy is used as a moderating variable because it can provide a positive signal to investors about the company's stability and prospects (Junika Halawa, 2024). Stable dividends can strengthen positive market perceptions, especially when companies face risk pressures and debt burdens (Ahmad Zakiya, 2024).

1. Signal Theory

Signaling Theory, developed by Michel Spence (1973), explains that in conditions of information asymmetry between management (internal parties) and investors (external parties), companies need to convey certain signals to influence market perceptions of the company's performance and prospects. In the context of this research, signaling theory is used to explain how management decisions regarding debt policy, business risk, and dividend policy serve as signals for investors in assessing the company's value. Optimal use of debt can be a positive signal that the company is able to manage its funds efficiently, while excessive debt can send a negative signal by increasing the risk of bankruptcy. High business risk indicates operational uncertainty and profit fluctuations, which the market can perceive as negative signals. On the other hand, dividend policy is considered the most tangible signal—stable

dividend payments give investors confidence that the company has good performance and cash flow, while dividend suspensions can raise concerns.

2. Debt Policy

Debt policy is a managerial decision related to the proportion of a company's funding derived from debt compared to equity. The primary objective of this policy is to achieve an optimal capital structure to maximize firm value (Betaningtyas, 2019). Wise use of debt can provide benefits in the form of tax shields. However, excessive use of debt can increase interest expenses and the risk of bankruptcy, potentially reducing firm value (Dhevanti, 2022). In this study, debt policy is measured using the Debt to Equity Ratio (DER), which indicates the proportion of debt compared to equity. According to Kasmir (2014), a DER that is too high indicates a company's heavy dependence on debt, which can be a negative signal for investors. Conversely, an optimal DER can signal sound and efficient financial performance.

H1: Debt policy affects firm value.

3. Business Risk

Business risk is the level of uncertainty a company faces in its operational activities, which can impact operating profits. This risk can arise from various factors, such as fluctuations in market demand, raw material prices, industry competition, and macroeconomic conditions (K. C. Dewi, 2022). In the property and real estate sector, business risk is particularly high due to the influence of government policies, interest rates, and unstable exchange rates (Gitman, 2013). According to Pujakesuma (2022), the higher the business risk, the greater the likelihood of earnings volatility, which negatively impacts company value. Therefore, investors tend to be more cautious with companies with high level of business risk. In this study, Business risk is measured using the ratio of EBIT variability to total assets, which reflects the level of stability of the company's operating profit in the face of changes in business conditions and the external environment.

H2: Business risk affects firm value

4. Dividend Policy

Dividend policy is a company's decision regarding how much profit will be distributed to shareholders as dividends and how much will be retained for investment (Riska Nur Wakhida, 2024). This policy serves as a signal to investors regarding the company's financial prospects and stability (Signaling Theory). In this study, dividend policy is used as a moderating variable, with the aim of examining whether dividends can strengthen or weaken the relationship between debt policy and business risk on firm value. Dividend policy is measured using the Dividend Payout Ratio (DPR), which is the proportion of net profit distributed to shareholders (Kasmir, 2014).

H3: Dividend policy moderates the effect of debt policy on firm value.

H4: Dividend policy moderates the effect of business risk on firm value.

B. METHOD

The data used are secondary data in the form of financial reports of property and real estate companies listed on the Indonesia Stock Exchange (IDX) for the period 2020 to 2023. The sampling technique used was purposive sampling, resulting in a total of 52 companies as samples. The purposive sampling approach was used to determine the sample:

Tabel 1 Daftar Kriteria Pengambilan Sampel

No	Kriteria	Jumlah
1.	Perusahaan *Property and Real Estate* yang terdaftar di Bursa Efek Indonesia selama tahun penelitian 2020 - 2023	82
2.	Perusahaan *Propert and Real Estate* yang tidak menyajikan laporan keuangan secara lengkap selama tahun penelitian 2020 – 2023	(19)
3.	Perusahaan *Property and Real Estate* yang tidak membagikan deviden selama lima tahun penelitian pada tahun 2020 – 2023	(11)
4.	Perusahaan *Property and Real Estate* yang mengalami *delisting* atau suspensi perdagangan saham selama tahu penelitian 2020 - 2023	(7)
	Total Sampel Penelitian	**52**
	Total Pengamatan pada tahun 2020 – 2023 (52x4)	**208**

Sumber : www.idx.co.id, 2024

The criteria established in this study aim to obtain a sample that is relevant and aligns with the research objectives. These criteria were chosen to ensure that all data used is complete, consistent, and reflects the company's overall financial condition and policies, ensuring that the analysis results are valid and accountable.

C. RESULTS AND DISCUSSIONS

Descriptive Statistical Test

Tabel 2. Hasil Uji Statistik Deskriptif

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
KH	86	-1.39	2.33	-.0400	.92032
RB	86	-1.65	1.93	.0199	.90555
KD	86	-.78	2.90	-.1200	.78226
NP	86	-1.31	1.82	-.0948	.78791
Valid N (listwise)	86				

Sumber : Data diolah IBM Statistik 24

The debt policy variable has a minimum value of -1.39, a maximum value of 2.33, a mean value of -0.0400, and a standard deviation of 0.92032. Debt policy, as measured by the Debt to Equity Ratio (DER), shows an average value that is still within reasonable limits. However, some companies have very high debt levels, reflecting a dependence on external financing. This indicates that some companies are still aggressively using debt for expansion despite increasing financial risks.

The business risk variable (X2) has a minimum value of -1.65, a maximum value of 1.93, a mean value of 0.0199, and a standard deviation of 0.90555. For business risk, the EBIT variability results show quite high fluctuations between companies. This reflects unstable operating conditions amid economic challenges, such as rising interest rates, a slowdown in the property sector, and tightening regulations, which increase the potential for profit uncertainty.

Business risks are quite volatile, reflecting operational instability. The average enterprise value (PBV) of 0.7442 indicates that many companies are undervalued by the market.

The dividend policy variable (Z) has a minimum value of -0.78 and a maximum value of 2.90. The mean value is 0.1200 and a standard deviation of 0.78226. The dividend policy indicates that not all companies consistently distribute dividends. The average Dividend Payout Ratio (DPR) tends to be low, indicating that a large portion of profits is retained for internal needs, or that cash pressures limit profit distribution to shareholders.

The firm value variable (Y) has a minimum value of -1.31, a maximum value of 1.82, a mean value of -0.948 and a standard deviation of 0.78791. Meanwhile, firm value, as measured by Price to Book Value (PBV), remains low on average, even below 1 in some companies. This finding reflects the financial challenges and market confidence in this sector.

Classical Assumption Test

Normality Test

Tabel 3. Hasil Uji Normalitas

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		86
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.54828278
Most Extreme Differences	Absolute	.044
	Positive	.039
	Negative	-.044
Test Statistic		.044
Asymp. Sig. (2-tailed)		.200[c,d]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Sumber : Data diolah IBM Statistik 24

From table 3. Asymp.sig (2-tailed) shows a value of 0.200 > 0.05, which is greater than 0.05. So it can be concluded that the residual value or research data is normally distributed.

Multicollinearity Test

Tabel 4. Hasil Uji Multikolinieritas

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	KEBIJAKAN HUTANG	.889	1.124
	RISIKO BISNIS	.798	1.254
	KEBIJAKAN DIVIDEN	.880	1.136
a. Dependent Variable: NILAI PERUSAHAAN			

Sumber : Data Diolah IBM SPSS Statistic 24

Based on table 4. Shows the results of the multicollinearity test of the three independent variables with a tolerance value of more than 0.100 and a VIF value of less than 10. So it can be concluded that the regression model in this study does not experience multicollinearity. The debt policy variable (X1) has a tolerance value of 0.889 with a VIF of 1.124. The business risk variable (X2) has a tolerance value of 0.798 with a VIF of 1.254. The dividend policy variable (Z) has a tolerance value of 0.880 with a VIF of 1.136.

Heteroscedasticity Test

Tabel 5. Hasil Uji Heterokedastisitas

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.605	.044		13.628	.000
	KEBIJAKAN HUTANG	-.131	.051	-.282	-2.574	.062
	RISIKO BISNIS	.131	.055	.278	2.403	.089
	KEBIJAKAN DIVIDEN	-.039	.060	-.072	-.653	.516
a. Dependent Variable: ABS_RES						

Sumber : Data Diolah IBM SPSS Statistic 24

Based on table 5. Showing the results of the heteroscedasticity test, it can be seen that the significance value of the Glejser test for the debt policy variable (X1) is 0.062. The business risk variable (X2) is 0.89. The dividend policy variable (Z) is 0.516. and it can also be seen from the points that are spread randomly and do not form a pattern. And the points are spread above and below the 0 point of the Y axis. So it can be concluded that there is no heteroscedasticity in the regression model.

Autocorrelation Test

Tabel 6. Hasil Uji Autokorelasi

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.288[a]	.083	.049	.76824	1.468
a. Predictors: (Constant), KEBIJAKAN DIVIDEN, KEBIJAKAN HUTANG, RISIKO BISNIS					
b. Dependent Variable: NILAI PERUSAHAAN					

Sumber : Data Diolah IBM SPSS Statistic 24

Based on table 6. Shows the results of the autocorrelation test can use the Durbin - Waston (DW) test with a D value of 1.468. with a DU value of 1.7221. DL value of 1.5780. with the results of Durbin - Waston (DW), D. and the results of the autocorrelation test indicate there is no correlation between the residuals. Thus, the regression model is suitable for further analysis.

Partial Test (T)

Tabel 7. Hasil Uji Parsial (Uji T)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.248	.061		-4.035	.000
	KEBIJAKAN HUTANG	-.270	.065	-.341	4.171	.000
	RISIKO BISNIS	.106	.071	.121	1.496	.139
a. Dependent Variable: NILAI PERUSAHAAN						

Sumber : Data Diolah IBM SPSS Statistic 24

Based on Table 7, the partial test results (T-Test) yield the following results:

H1 (First Hypothesis): Based on the partial test results in Table 4.11, the significance value for the debt policy variable is 0.00 < 0.05, and the calculated t value is 4.171 > 1.663. Therefore, it can be concluded that there is a significant effect between debt policy and firm value, and H1 is accepted.

H2 (Second Hypothesis): Based on the partial test results in Table 4.11, the significance value for the debt policy and dividend policy variables is 0.139 > 0.05, and the calculated t value is 1.496 > 1.663. Therefore, it can be concluded that there is no significant effect between business risk and firm value, and H2 is rejected.

This test indicates that each independent variable is individually capable of explaining changes in firm value. A well-managed debt policy can provide a positive signal, while high business risk tends to decrease firm value by increasing profit uncertainty.

Simultaneous Test (F)

Tabel 8. Hasil Uji F

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.215	3	9.072	29.112	.000[b]
	Residual	25.552	82	.312		
	Total	52.768	85			
a. Dependent Variable: NILAI PERUSAHAAN						
b. Predictors: (Constant), KEBIJAKAN DIVIDEN, KEBIJAKAN HUTANG, RISIKO BISNIS						

Sumber : Data Diolah IBM SPSS Statistic 24

Based on Table 8, it can be seen that the ANOVA significance value obtained is 0.00 < 0.05, so it can be concluded that the independent variables of debt policy, business risk, and dividend policy have a significant simultaneous effect on the dependent variable. This means that the two independent variables, when combined, are able to jointly explain variations in company value in the property and real estate sector, so that the regression model used is worthy of further analysis.

R^2 Determination Coefficient Test

Tabel 9 Hasil Uji Koefisien Determinasi R^2

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.718[a]	.498	.516	.55822
a. Predictors: (Constant), KD, KH, RB				
b. Dependent Variable: NP				

Sumber : Data Diolah IBM SPSS Statistic 24

Based on Table 9, the coefficient of determination (R2) test results are 0.516, meaning that simultaneously, there is a 51.6% influence. This indicates the significant percentage influence of debt policy, business risk, and dividend policy on company value. The remaining 48.4% is partially influenced by variables other than those in this study. The higher the R^2 value, the greater the influence of these two variables on company value. In explaining the relationship between variables, although there are still other factors outside the model that can also influence company value.

Moderated Interaction Test

Tabel 10. Hasil Uji Interaksi Moderasi

Coefficients[a]					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
KEBIJAKAN HUTANG*KEBIJAKAN DIVIDEN	.188	.068	.211	2.755	.007
RISIKO BISNIS*KEBIJAKAN DIVIDEN	-.237	.081	-.216	2.930	.004
a. Dependent Variable: NILAI PERUSAHAAN					

Sumber : Data Diolah IBM SPSS Statistic 24

H3 (Third Hypothesis): It can be seen that the significance value for the debt policy variable with dividend policy is 0.007 < 0.05 and t count > t table obtained 2.755 > 1.663. Therefore, it can be concluded that there is a significant influence of dividend policy on firm value as a partial moderation (quasi moderation) because the direct effect is also significant, which means that dividend policy plays a dual role as an independent variable and also as a moderator. and H3 is accepted.

H4 (Fourth Hypothesis): It can be seen that the significance value for the business risk variable with dividend policy is 0.004 < 0.05 and t count > t table obtained 2.930 > 1.663. Therefore, it can be concluded that there is a significant influence of dividend policy on firm value as a pure moderation because the influence of dividend policy is only seen in its interaction with business risk, not directly on firm value. and H3 is accepted.

D. CONCLUSIONS

This study aims to obtain empirical evidence regarding the influence of debt policy and business risk on the independent variables, and firm value on the dependent variable. The population used was the property and real estate sector listed on the Indonesia Stock Exchange (IDX) from 2020 to 2023. Fifty-two transportation companies met the sample criteria, resulting in 208 observational data points from 2020 to 2023. This study used multiple linear regression to test the hypothesis using IBM SPSS Statistics 24.

Based on the data analysis, this study concludes that debt policy significantly influences firm value in the property and real estate sector in Indonesia. Companies that optimally manage their debt can send a positive signal to investors, thereby increasing firm value. However, under current conditions, many companies still have high debt ratios, which risk causing financial stress and potentially reducing investor confidence. This highlights the importance of prudent and balanced capital structure management in the face of economic uncertainty.

Business risk has also been shown to significantly impact company value. Companies with high operational risk tend to experience revenue fluctuations and performance instability, which

negatively impact company value. In a property sector still under pressure due to high interest rates, an economic slowdown, and dynamic regulations, business risk is a major challenge. Companies need to improve efficiency and strengthen risk management strategies to maintain profit stability and attract investor interest.

Finally, the research shows that dividend policy can moderate the effect of debt policy and business risk on company value. Stable dividends can send a positive signal to the market, especially when a company is under financial pressure or facing high business risks. However, the reality on the ground shows that many property companies are currently inconsistent in distributing dividends, thus potentially

E. SUGGESTIONS

Based on the research findings, it is recommended that property and real estate companies manage their debt structures more prudently by maintaining a balance between debt and equity financing to avoid excessive financial risk. Companies also need to pay attention to operational efficiency and comprehensively identify and mitigate business risks to maintain profit stability and business continuity. Furthermore, implementing a consistent and transparent dividend policy should be considered as a communication strategy to the market, as stable dividends can be a positive signal about a company's prospects and financial health. With sound financial management and appropriate strategies, companies can increase their value in the eyes of investors and strengthen their competitiveness amidst dynamic economic challenges.

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