

ABSTRACT

Dividend payment is often a complex issue within the company. This is due two differences in between shareholders and company management. Therefore it is necessary for management to align the interest of investors with the interest of management. In relation thereto, it is necessary to distribute dividend in the form of cash dividend specified in the dividend policy in order to consider what factors affect the dividend policy. It is necessary to payment of dividend in form of cash dividend who specified in the dividend policy in order to consider what factors affect the that cash dividend

In this research the independent variables are, earning per share, quick ratio, operation cash flow, debt to equity ratio and firm size. The dependent variable in this research is cash dividend. This research goal is knowing the effect of net income, quick ratio, operation cash flow, debt to equity ratio and firm size on the payment of cash dividend in the manufacturing companies listed on Indonesia Stock Exchange.

The population in this research are all the manufacturing companies that listed on Indonesia Stock Exchange period 2013-2016. While the sample of this research is set by the method of purposive sampling so that obtain 23 companies as a sampel. The method of analysis that we use is multiple regression analysis

Based on the results of this study showed that the simultaneous earning per share, quick ratio, operation cash flow, debt to equity ratio and firm size have a significant effect on cash dividend. while partially, earning per share has positif effect on cash dividend, quick ratio and operation cash flow have no effect on cash dividend, debt to equity ratio has negative effect on cash dividend and firm size has positive effect on cash dividend.

Based on the results of this study, a company that wants to distribute cash dividends should pay attention to the earning per share, debt to equity ratio and firm size of company, because with the earning per share and firm size high and companies produce low debt to equity ratio tends to allocate funds for the expansion of the company compared with dividend payment.

Keywords: *Earning per Share; Quick Ratio; Operation Cash Flow; Debt to Equity Ratio; Firm Size; Cash Dividend.*