

ABSTRACT

Long-term and capital-intensive funding demands trigger the infrastructure, utilities, and transportation sectors to absorb investors through the capital market. The existence of an offering of shares to the public encourages management policies to share company profits in the form of dividends or to hold them as retained earnings. The dividend policy represents the company's responsibility for the performance and involvement of management in managing the company to shareholders.

This study aims to determine how the influence of corporate governance and liquidity on dividend policy in infrastructure, utility, and transportation sector companies listed on the Indonesia Stock Exchange in 2018-2020. Research aspects of corporate governance include board size as the size of the board of commissioners, board independence, audit committee, and ownership structure as institutional ownership. Corporate governance plays a role in protecting the interests of business people in the company related to dividends.

This study uses secondary data obtained from the company's annual report data published on the official website of the Indonesia Stock Exchange and the company's official website. The population in this study are companies in the infrastructure, utility, and transportation sectors listed on the Indonesia Stock Exchange in 2018-2020. This research uses purposive sampling technique and produces 14 companies with 42 research data. Descriptive analysis methods and panel data regression analysis are used because they are the most appropriate data analysis methods for testing quantitative data in this study.

The results showed that the board size, board independence, audit committee, ownership structure, and liquidity variables simultaneously had a significant effect on dividend policy. The variable ownership structure partially has a significant positive effect on dividend policy. The board size, board independence, audit committee, and liquidity variables partially have no significant effect on dividend policy.

Based on the research that has been done, the company is expected to be able to implement a dividend policy assessment in accordance with the company's objectives. This research can be used as a direction for investors in increasing dividend income through institutional ownership structure. For further research, it is suggested to improve the research by using variables outside this research such as firm risk, agency cost, and cash flow.

Keywords : *audit committee, board independence, board size, dividend policy, liquidity, ownership structure*