CHAPTER IV

RESEARCH RESULTS AND DISCUSSION

4.1. Description of Research Results

The data used in this study are 38 companies in the consumer goods industry registered in TADAWUL from 2019 to 2021, totaling 114 financial reports. The variables used are Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) as independent variables while the subordinate variable is Dividend Payout Ratio (Y). The following is a description of each research variable:

Table 5 Description of Research Variables

Descriptive Statistics

	Mean	Std. Deviation	N
DPR	.393254	1.0107005	114
CR	.916623	.5238882	114
DER	1.472991E0	.9575196	114
ROI	.084140	.6651879	114
SG	.051553	.1416338	114

Source: Data processed by researchers

It can be seen in the table above that the DPR variable has an average value of 0.393254 with a typical deviation of 1.0107005. The CR variable has an average value of 0.916623 with a typical deviation of 0.5238882. The DER variable has an average value of 1.472991 with a typical deviation of 0.9575196. The ROI variable has an average value of 0.084140 with a typical deviation of 0.6651879. The SG variable has an average value of 0.051553 with a typical deviation of 0.1416338.

4.2. Analysis and Hypothesis Testing
4.2.1. Classical Assumption Test: Normality Test

The normality test is employed to figure out whether a data follows a standard normal or not (Sumarsono, 2004: 40). In this study, the normality test used the Kolmogorov Smirnov method. The results of the normality test are:

Table 6 Normality Test Results

		Unstandardized Residual
N		114
	Mean	.0000000
	Std. Deviation	.95796512
Kolmogorov-Smirnov Z		1.299
Asymp. Sig. (2-tailed)		.069

Source: Data processed by researchers

According to the table above, it can be concluded that the distribution of data on the variables Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) and Dividend Payout Ratio (Y) follows a normal distribution, because the value The significance of the Kolmogorov-Smirnov method is greater than 0.05.

Apart from the Kolmogorov Smirnov test, one of the easiest ways to see normality is to look at histograms and normal probability plots. The following are the results of the normality test:
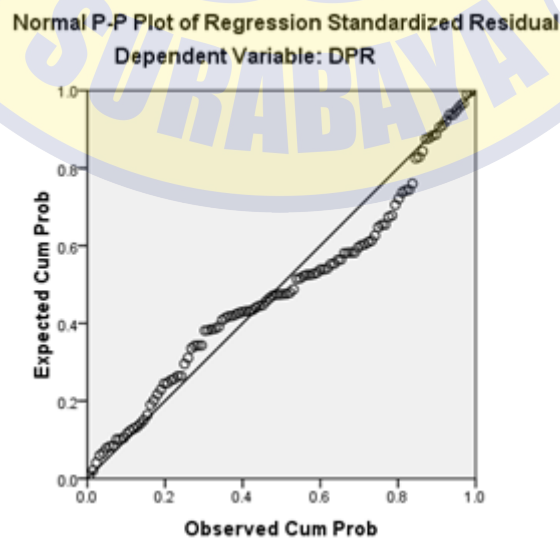
Figure 2 Normality test

By looking at the normal graph display, it can be concluded that the dots spread around the diagonal line, and the distribution follows the direction of the diagonal line. This graph shows that the regression model is feasible because it fulfills the assumption of normality.

4.2.2. Classical Assumption Test: Multicollinearity Test

The cut off value commonly used to indicate the presence of multicollinearity is the Tolerance value < 0.10 or the same as the VIF value > 10. The VIF (Variance Inflation Factor) of each independent variable can be seen in the following table:

Table 7 VIF Results

Free Variables	VIF
CR (X_1)	1.118
DER (X_2)	1.193
ROI (X_3)	1.310
SG (X_4)	1.295

Source: Data processed by researchers

When viewed from the table above, it shows that the VIF value in the Current Ratio (X1),Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) variables is less than 10, so the resulting regression model does not occur multicollinearity.

4.2.3. Classical Assumption Test: Heteroscedasticity Test

Heteroscedasticity can be identified by calculating the Spearman Rank correlation coefficient between the residual value and all independent variables. The results of the Spearman Rank test are as follows:

Table 8 Spearman Rank Correlation

Free Variables	Correlation coefficient Spearman Rank	Significance level

CR (X_1)	0,134	0,156
DER (X_2)	-0,089	0,346
ROI (X_3)	-0,070	0,461
SG (X_4)	0,152	0,106

<div align="center">Source: Appendix 2</div>

When viewed from the table above proves that the level of significance generated by the variables Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) is greater than 5%, the resulting regression model is not heteroscedasticity occurs.

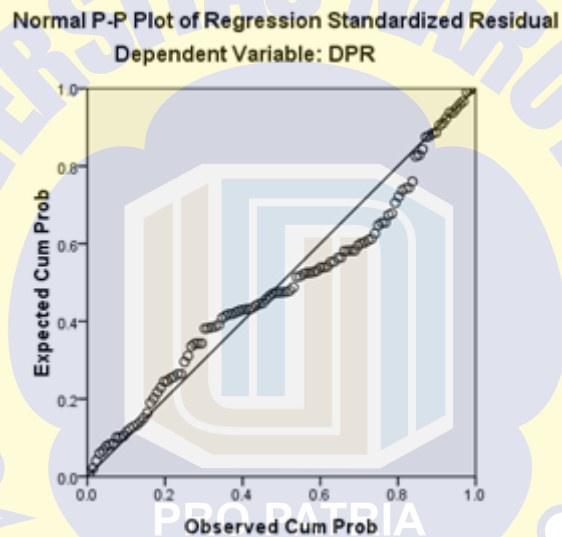Heteroscedasticity test can also be seen through a scatterplot graph as shown below:

Figure 3 Scatterplot

Source: Data processed by researchers

The graph it can be seen that the points spread randomly and are spread both above and below the number 0 on the Y axis. It can be concluded that there is no heteroscedasticity in the regression model.

4.2.4. Classical Assumption Test: Autocorrelation Test

Autocorrelation test is a test carried out to test whether there is an influence between the confounding variables in each independent variable. In this study, the autocorrelation test used the Breusch-Godfrey test (LM Test), the results of which were:

Table 9 Breusch-Godfrey Correlation (LM Test)

	B	t-count	Sig
(Constant)	0.019	0.070	0.944
CR	0.041	0.218	0.828
DER	-0.037	-0.344	0.731
ROI	-0.033	-0.205	0.838
SG	0.148	0.195	0.846
res2	0.135	1.333	0.186

Source: Appendix 2

The output display shows that the parameter coefficient for the residual variable (Res_2) gives a significant probability of 0.186. This shows an indication of the absence of autocorrelation.

4.3. Multiple Linear Regression Analysis

This analysis uses a multiple linear regression analysis model which is useful to determine whether or not there is an influence between the independent variable and the subordinate variable, where in data processing, computer aids are used using the SPSS (Statistical Program For Social Science) program. Based on the results of computer-assisted SPSS program calculations, multiple linear regression equations were obtained as follows:

Table 10 Multiple Linear Regression Equation

Model	Coefficient
(Constant)	0.893
CR	-0.186
DER	-0.276
ROI	-0.347
SG	2.051

Source: Data processed by researchers

Y = 0.893 - 0.186 X1 - 0.276 X2 - 0.347 X3 + 2.051 X4

According to this equation, it can be seen that:

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1. The resulting constant is 0.893, which means that if the variables Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) are zero, the average Dividend Payout Ratio (Y) is equal to 0.893.

2. The regression coefficient for the Current Ratio (X1) is -0.186 which means it can be explained that every one unit change in the value of the Current Ratio (X1) variable will reduce the Dividend Payout Ratio (Y) by 0.186 units assuming other variables are constant.

3. The regression coefficient for the Debt to Equity Ratio (X2) is -0.276, which means that it can be explained that every one unit change in the value of the Debt to Equity Ratio (X2) variable will reduce the Dividend Payout Ratio (Y) by 0.276 units with the assumption that the other variables are constant.

4. The regression coefficient for Return on Investment (X3) is -0.347 which means it can be explained that every one unit change in the value of the Return on Investment (X3) variable will reduce the Dividend Payout Ratio (Y) by 0.276 units assuming other variables are constant.

5. The regression coefficient for Sales Growth (X4) is 2.051, which means it can be explained that every one unit change in the value of the Sales Growth (X4) variable will increase the Dividend Payout Ratio (Y) by 2.051 units assuming other variables are constant.

4.3.1. Simultaneous Test

To see the effect simultaneously on the multiple linear regression model produced, it can be seen from the results of the F test, namely:

Table 11 F .Test Results

Model	F	Sig.
1	3.083	0.019[a]

Source: Data processed by researchers

The multiple linear regression model mentioned above is suitable or appropriate to explain the effect of the variables Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) on Dividend Payout Ratio (Y), p. This can be seen from the resulting Fcount value of 3.083 with a significant level below 5% (sig = 0.019).

To determine the effect of the variables Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) on the Dividend Payout Ratio (Y) can be seen from the magnitude of the coefficient of determination (R^2).

Table 12 R2 Value (Coefficient of Determination)

Model	R	R Square
1	0.319[a]	0.102

Source: Data processed by researchers

The value of R2 (coefficient of determination) which shows the ability of the subordinate variableis 0.102 which means that the Dividend Payout Ratio (Y) can be explained by the variables Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) of 10.2% while the remaining 89.2% is explained by other variables not included in the model.

The R value (correlation coefficient) of 0.319 means that the relationship between all independent variables simultaneously with the subordinate variable is low at 31.9%.

4.3.2. Hypothesis test

The research hypothesis can be answered by looking at the results of the t test, where the t test is used to determine the effect of the Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) partially on the Dividend Payout Ratio (Y). The results of the t test are as follows:

Table 13 T test results

Independent Variables	T_{count}	Sig
CR (X$_1$)	-1.006	0.317
DER (X$_2$)	-2.633	0.010
ROI (X$_3$)	-2.199	0.030
SG (X$_4$)	2.783	0.006

Source: Data processed by researchers

The t-count value for the Current Ratio (X1) variable is -1.006 with a significant level of more than 5% (sig = 0.317) which means that the Current Ratio (X1) variable partially has no significant effect on the Dividend Payout Ratio (Y), so the 1st hypothesis not accepted. This means that the higher the Current Ratio, the lower the Dividend Payout Ratio.

The t-count value on the Debt to Equity Ratio (X2) variable is -2,633 with a significant level of less than 5% (sig = 0.010) which means that the Debt to Equity Ratio (X2) variable partially has a significant effect on the Dividend Payout Ratio (Y), so the hypothesis 2 has been accepted. This means that the higher the Debt to Equity Ratio, the Dividend Payout Ratio will also increase.

The value of t-count on the Return on Investment (X3) variable is -2.199 with a significant level of less than 5% (sig = 0.030) which means that the Return on Investment (X3) variable partially has a significant effect on the Dividend Payout Ratio (Y), so that the third hypothesis 3 has been proven. This means that the higher the Return on Investment, the Dividend Payout Ratio will also increase.

The t-count value for the Sales Growth (X4) variable is 2.783 with a significant level of less than 5% (sig = 0.006), which means that the Sales Growth (X4) variable partially has a significant effect on the Dividend Payout Ratio (Y), so that the 4th hypothesis is proven true. . This means that the higher Sales Growth, the Dividend Payout Ratio will also increase.

4.4. Discussion

The results of this study are the multiple linear regression model produced is suitable to determine the effect of the variables Current Ratio (X1), Debt to Equity Ratio (X2), Return on Investment (X3) and Sales Growth (X4) on Dividend Payout Ratio (Y), seen from the resulting Fcount value of 3.083 with a significant level below 5%.

The results of this study are the t-value of the Current Ratio (X1) variable of -1.006 with a significant level of more than 5% (sig = 0.317) which means that the Current Ratio (X1) variable partially has no significant effect on the Dividend Payout Ratio (Y), so the first hypothesis is not tested. This means that the higher the Current Ratio, the lower the Dividend Payout Ratio. This agrees with the research conducted by (Samira Anggraeini& Krisnando , 2020) which states that the Current Ratio has an insignificant positive effect on the Dividend Payout Ratio.

The results of this study are the t-count on the Debt to Equity Ratio (X2) variable of -2,633 with a significant level of less than 5% (sig = 0.010) which means that the Debt to Equity Ratio (X2) variable partially has a significant effect on the Dividend Payout Ratio (Y).), so that the second hypothesis is tested. This means that the higher the Debt to Equity Ratio, the Dividend Payout Ratio will also increase. This agrees with research conducted by (Zara Tania Rahmadi , 2020) which states that the Debt to Equity Ratio has a positive effect on the Dividend Payout Ratio.

The results of this study are the value of t-count on the Return on Investment (X3) variable of -2.199 with a significant level of less than 5% (sig = 0.030) which means that the Return on Investment (X3) variable partially has a significant effect on the Dividend Payout Ratio (Y), so that the third hypothesis is tested. This means that the higher the Return on Investment, the Dividend Payout Ratio will also increase. This agrees with research conducted by (Imas Della Fauzi1, Rukmini2, 2019) which states that Return on Investment has an effect on dividend payments.

The results of this study are the t-value of the Sales Growth variable (X4) of 2.783 with a significant level of less than 5% (sig = 0.006) which means that the Sales Growth variable (X4) partially has a significant effect on the Dividend Payout Ratio (Y), so the hypothesis to -4 verified. This means that the higher Sales Growth, the Dividend Payout Ratio will also increase. This agrees with

research conducted by (Novia Utami, 2020) which states that sales growth has an effect on the Dividend Payout Ratio.