ABSTRACT

The purpose of this research is to examine dividend policy determinants. The independent variables are board characteristics, disclosure transparency, shareholders transparency, firm size, firm profitability and firm growth and the dependent variable is dividend policy

This research uses secondary data from financial reports and annual reports from banking firms that listed in Bursa Efek Indonesia. This research uses purposive sampling method. Samples that choosen is banking firms that published their annual reports and financial reports in 2012-2015 and paid dividends. This research uses regression analysis method to examine the relation between independent variables and dependent variable.

The results shows firm size and firm profitability have positive relation to dividend policy, disclosure transparency has negative relation to dividend policy. This research also shows that board characteristics, shareholder transparency and firms growth do not have any relation to dividend policy.

Keywords: corporate governance, dividend policy, ROA, firm size