

ABSTRACT

The purpose of this study is to analyze the impact of investment decision, financing decision, dividend policy, managerial ownership, and institutional ownership to the firm value. Investment decision was measured by Market to Book Value of Equity Ratio (MVE/BVE). Financing decision was measured by Debt to Equity Ratio (DER). Dividend policy was measured by Dividend Payout Ratio (DPR). Managerial ownership was measured by the proportion of share ownership by the managerial side. Institutional ownership was measured by the proportion of share ownership by the institutional side. Firm value was measured by Price Book Value (PBV).

The population in this study are all of the companies listed on the Indonesia Stock Exchange and is continuously published the annual report in the year 2011-2012. The sample obtained was 132 observations using purposive sampling method. This study used multiple linear regression as a data analysis tool.

The result of this research showed that investment decision and dividend policy have a positive impact to the firm value. Whereas financing decision, managerial ownership, and institutional ownership have a negative impact to the firm value.

Keyword : investment decision, financing decision, dividend policy, managerial ownership, institutional ownership, firm value