ABSTRACT

The purpose of this research was to analyze the influence of corporate governance characteristic and dividend policy on debt policy at non financial firm listed on Indonesia Stock Exchange in 2013-2016. This research used purposive sampling method for sampling. The data was obtained based on the publication of the Indonesian Capital Market Directory (ICMD), the number of samples was 45 non-financial companies.

The analysis technique used was multiple regression analysis. Based on statistic F test it was revealed that regression model fulfilled fit criteria because it's significance less than alpha 1%. While based on statistic T test indicated that the board of directors has a positive effect on debt policy because it has a significance value less than alpha 1%, independent commissioner has a positive effect on debt policy because it has significance value less than alpha 1%, the quality of external auditor has a positive effect on debt policy has a significance value of less than alpha 1%, institutional ownership has a positive effect on debt policy because it has a significance value less than alpha 1%, dividend policy has a positive effect on debt policy because it has significance value less than alpha 1%, company size positively affect debt policy because it has a significance value of less than alpha 1%. Similarly, profitability variables have a negative effect on debt policy because they have a significance value of less than alpha 1%, liquidity has a negative impact on debt policy because it has a significance value of less than alpha 1%, while government ownership did not have a positive effect on debt policy because it has more significance value from alpha 10%.

The results of the analysis showed that the predicting capability of independent variables (board of directors, independent commissioners, external auditors quality, institutional ownership, government ownership, dividend policy, company size, profitability, and liquidity) toward debt policy were 44,8% adjusted R ^ 2, and the rest was 55.2% influenced by other variables outside the model.

Keywords: Corporate Governance (CG), Board of Directors (DRKS), Independent Commissioner(INDP), External Auditor Quality, Institutional Ownership (INST), Government Ownership (GOV), Dividend Policy SIZE), Profitability (ROA), Liquidity (CURRENT) and Debt Policy (DER)