Impact of Return on Assets, Sales Growth, Asset Growth, Cash Flow, and Liquidity (DTA) on The Organization's Dividend Payout Ratio
(Study on Financial Institution Organizations on The Indonesia Stock Exchange 2018 – 2020 Period)

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ABSTRACT

The purpose of this study is to determine the Impact of the variables of Liquidity, Cash Flow, Asset Growth, Sales Growth, and Return on Assets (ROA) simultaneously on the Dividend Payout Ratio variable in Financial Institution Organizations listed on the Indonesia Stock Exchange. For this study, the research population selected were all organizations listed by financial institutions listed on the Indonesia Stock Exchange (IDX). Based on a report issued by the Indonesia Stock Exchange (IDX) it shows that the number of issuers in the 2018-2020 period is 105 issuers, while the research sample is 36 Financial Institution Organizations that have legal entities for the period 2018-2020.

For this study, using a sampling technique for purposive sampling with certain criteria, including (1) organizations with financial statements for December 2018 to 2020; (2) organizations that represent cash flows for the period 2018 to 2020, and (3) organizations that distribute dividends for the period 2018 to 2020. The data of this study are based on publications issued by the Indonesia Stock Exchange. This resulted in a research sample of 36 organizations from 105 organizations listed on the Indonesia Stock Exchange. For this study, the analysis technique is in the form of multiple regression, while for hypothesis testing is to use t-statistics to carry out testing of the partial regression coefficients and f-statistics to carry out tests for the mean of mutual Impact, where the significance level is 5%. The classical assumption test used includes autocorrelation, heteroscedasticity, multicollinearity, and normality tests. Based on the results of this analysis, it shows that the variables of liquidity, asset growth, sales growth and also ROA have a significant Impact on the organization's DPR variable partially on the Indonesia Stock Exchange for the period 2018 to 2020, with a significance level of not more than 5%, meanwhile , this shows that the variable of Cash Flow does not have a significant Impact on the Organization's DPR variable partially

on the Indonesia Stock Exchange for the period 2018 to 2020, with a significance level of not more than 5%, which is 91.3%. Based on the results of this research, it shows that the variables of Liquidity, Cash Flow, Asset Growth, Sales Growth, and Return On Assets (ROA) have no Impact on the Dividend Payout Ratio variable partially.

Keywords :*Liquidity, Cash Flow, Asset Growth, Sales Growth, Return on Assets and Dividend Payout Ratio.*

INTRODUCTION

Organizations in facing the world of today's economy experience sharp competition and the wide scale of competition supported by advances in technology and communication. Organizations to maintain business continuity and increase organization scale, organizations need large funds to be able to win in the competition according to [1]. In developing its business, the organization can expand its business with the aim of surviving in the face of high business competition, as well as maintaining the organization's survival (going concern).

The main purpose of investors in putting money into a organization is in order to get a rate of return on investment or income, namely, income from the difference between the purchase price (capital gain) to the selling price of shares, and also dividend income (dividend yield) itself. With regard to this dividend income, investors usually expect a stable dividend distribution, this is due to the fact that this dividend stability is able to advance the confidence investor in a particular organization, thus this will be able to minimize the uncertainty of investors in putting money into a organization.

On the other hand, the organization distributes this dividend by taking into account certain considerations, including the nature of the shareholders, the organization's liquidity, the organization's funding needs, the need to retain some of the profits that will later be reinvested and various other factors related to the dividend policy [2]. According to [3], in managing its finances, the organization will be faced with three main problems, one of which is related to each other. These three problems include funding decisions, investment decisions and also policies in determining the amount of dividends that must be shared by the shareholders. These various decisions will later affect the value of organization which is described in the market price of the organization itself.

Formulation of The Problem

The problems in this study are shown because of differences in determining dividend policies between organizations. Financial institutions from the Banking, Insurance, Securities, Financing Institutions and Other Financial Institutions sectors where there are a sample of 20 organizations (56%) actively distributing dividends every year and 16 organizations (44%)) which does not actively distribute dividends.

This study uses a sample of financial institution organizations listed on the Indonesia Stock Exchange (IDX)for the period of 2018 to 2020, because these organizations have publicly announced their financial statements.

Referring to the background of the research and identification of research problems that have previously been described, the researchers hereby carry out the formulation of the problem, as below:

1. How does ROA affect the Dividend Payout Ratio in Financial Institutions Listed on the Indonesia Stock Exchange?

2. How does Sales Growth affect the Dividend Payout Ratio in Financial Institutions Listed on the Indonesia Stock Exchange?

3.   H
ow does Asset Growth affect the Dividend Payout Ratio in Financial Institution Organizations Listed on the Indonesia Stock Exchange?

4.   H
ow does Cash Flow affect the Dividend Payout Ratio in Financial Institution Organizations Listed on the Indonesia Stock Exchange?

5. How is the Impact of Liquidity (DTA) on the Dividend Payout Ratio in Financial Institution Organizations Listed on the Indonesia Stock Exchange?

LITERATURE REVIEW

Dividend Payout Ratio

The distribution of organization profits to shareholders is called dividend distribution. Because the amount of dividends received by shareholders depends on the number of shares owned. The indicator used to test this dividend policy,it called as dividend payout ratio, namely the dividend payout ratio, it is based on policy dividends with a constant ratio [4].

Policy dividend is a decision payment dividend which considers maximizing current and future stock prices. In determining the size of the dividends to be paid to organizations that already planned by setting a target. DividenPayout Ratio based on the calculation of profits earned after deducting taxes.

According to [5] states that Dividends can be defined by the value of net income that exists in a organization after tax, which is reduced by retained earnings which are kept as reserves for a organization. This dividend is to be distributed to shareholders as profits from the organization's profits. The reserves taken from the EAT are carried out until the reserves reach a minimum of twenty percent of the issued capital. Issued capital is fully paid up capital plus unpaid capital related to the issuance of new shares such as rights and warrants. Decisions regarding the amount of retained earnings and dividends to be distributed are made at the General Meeting of Shareholders (GMS).

According to [6] states that the organization's ability to distribute dividends to shareholders, it limited to the amount of retained earnings, where the dividend irrelevance theory states that the organization's dividend policy is irrelevant in influencing the value of the organization, in other words that a organization's dividend policy is not affect the prosperity of shareholders.

The DPR reflects the dividend policy of management regarding the amount of dividends that must be distributed to shareholders. Mathematically, DPR can be formulated as follows:

$$DPRS = \frac{DPS}{EPS}$$

If the dividend payout ratio decreases, it can describe the organization's declining profits. As a result, a bad signal will appear because it indicates that the organization lacks funds. This condition will cause investors' preference for a stock to decrease because investors have a very strong preference for dividends. So the organization will always try to maintain the dividend payout ratio even though there is a decrease in the amount of profit it earns. Although in reality this is not always the case, a decrease in the DPR ratio does not necessarily mean that the organization's profits will also decrease, but it is not distributed in the form of dividends, but into retained earnings by organization. However, the ratio of DPR remains be a signal for investors who expect profits in the form of dividends.

Return on Assets

According to [7], Profitability can be defined as the ability that exists in the organization to generate or bring in profits for a certain period of time. The profitability of this organization can explain the comparison, which involves profits with assets or capital in generating these profits.Profitability is measured by ROA which measures the ability of the organization's management of financial institutions to gain overall profit [8].

According to [9] explains that ROA can be defined by a ratio that is useful for measuring the organization's ability within financial institutions in its efforts to generate profits on its total assets or a useful measure for carrying out an assessment of the level of return on organization assets.Meanwhile, according to [10], profitability is the Impactiveness of operations and the financial degree of a organization.

Some indicators to determine profitability according to [11] are: (1) ROA, is the ratio between profits and the total value of its assets, and (2) Return On Equity (ROE) is the ratio between profits earned by financial institution organizations and total capital. ROA as the dependent variable (Y) is the ratio used to measure the ability of the management of a financial institution organization in obtaining overall profitability and managerial efficiency. In this study ROA on the financial statements of financial institutions listed on the JSE during the quarter of 2004. ROA data is obtained from reports on financial ratio calculations published via the internet. ROA can be obtained by [12].

$$\text{ROA} = \frac{\text{Net income}}{\text{Total assets}} \times 100\%$$

Asset is something that is owned or lent such as money, land, buildings that are borrowed under their own supervision and something that is borrowed from others. In other words:

Assets = shareholders + liabilities

Liabilities of financial institution organizations are grouped into long-term debt and short-term debt in the form of securities issued, loans received and subordinated loans. The level of profit earned on assets owned by financial institution organizations can be measured from the level of return on assets (ROA) where ROA, it can be used in order to measure the management ability of financial institution organizations in terms of profitability and management efficiency.

According to [13] ROA shows the ability of financial institution organizations to generate income from managing their assets. The greater the ROA ratio indicates the greater the organization's ability to carry out its operational activities so that the organization's performance is getting better.

Sales Growth

If the growth of the organization is high, thus, it will be favoured in order to get the amount of return on the investment carried out, of course this provides better future prospects. The free cash flow hypothesis theory was introduced by [14] which explains that organizations that have high growth opportunities will have lower free cash flows, this is due to the fact that the majority of these funds are intended for investment in projects that have a positive Net Present Value (NPV). Managers in business growth-oriented organizations favor to invest after-tax income and expect the performance of dividends to be stronger in the overall growth of the organization [15].

According to [16] explains that sales growth (growth of sales) can be defined by

an increase in the number or volume of sales from one particular year to the next year. Organizations with high levels of sales growth will require more investment in several elements of assets, both current assets and fixed assets. The organization's management will later carry out various considerations for funding sources for spending these assets appropriately.

Organizations with high sales growth, this will later be able to cause the organization to be able to pay off the organization's debt if the organization spends using funds from debt, and vice versa. The measurement that can be done is by comparing sales for year t after deducting sales for the previous time period. According to [2] revealed that organizations that have a high growth rate, then the organization must be able to provide large capital to finance the organization. Organizations that grow rapidly and rapidly will be able to distribute dividends with high amounts as well.

Meanwhile, according to [17] explains that a organization that has a large profit and sales growth rate, then the organization can distribute a consistent and stable amount of dividends when compared to certain organizations with low profit and sales growth rates. This Sales Growth can be mathematically formulated as follows:

$$\text{Sales Growth} = \frac{\text{Sales (t) - Sales (t-1)}}{\text{Sales (t-1)}} \times 100\%$$

Asset Growth

According to [2], organizations with fast growth rates must rely more on external capital. The floating cost of the issue of common stock is higher than that of a bond issue.

Assets are assets used for the organization's operational activities. The larger the assets, the greater the operational results generated by the organization. This increased asset is followed by an increase in operational results that have been carried out, this will lead to increased confidence from outsiders towards the organization. This increased confidence from outsiders (creditors) in the organization will later cause the proportion of debt to be higher compared to the capital itself. This is based on the confidence of the creditors for the funds invested in the organization, which are guaranteed by the amount of assets that exist in the organization itself [18].

Asset growth shows that where is the asset used for the organization's operational assets. Where Managers in corporate business with regard to growth are more likely to invest in after-tax income and expect better performance in the overall growth of the organization.

Therefore, it can be stated that organizations with high growth rates will tend to utilize funds sourced from debt (bonds) when compared to those with slow growth. The free cash flow hypothesis theory was introduced by [19] which explains that organizations that have high growth opportunities will have lower free cash flows, this is due to the fact that the majority of these funds are intended for investment in projects that have a positive Net Present Value (NPV). Managers in business growth-oriented organizations favor to invest after-tax income and expect the performance of dividends to be stronger in the overall growth of the organization [6]. Referring to the residual dividend theory, the organization will pay dividends if it does not have an investment opportunity that promises profits, thus it can be concluded that there is a negative relationship between growth and dividend payments. Mathematically, asset growth can be formulated as follows:

$$\text{Asset Growth} = \frac{\text{Asset (t) - Asset (t-1)}}{\text{Assets (t-1)}} \times 100\%$$

Cash Flow

According to [14]stated that cash flow is a summary of cash flows for a certain period, this report is sometimes called a report on sources and uses of organization investments, operations, and financing cash flows and shows changes in securities and cash during that period of time.

Cash Flow according to [20]"Cash Flow is a report that contains information about the source and use of the organization's cash during a certain period, for example one month or one year." Cash Flow, according to [21]states that cash flow is an increase, or an increase in the amount of cash generated through operating activities for a certain time, consisting of profit after tax plus the amount of depreciation, while debt and asset accounts remain unchanged.

However, for this cash flow, what is measured is the cash flow generated on the ongoing cash flow which is reflected in the cash flow statement which consists of cash flows from financing, operating, and investing activities. Thus mathematically, cash flow (CF) can be formulated as follows:

$$CF = AKO + AKI + AKP$$

Where:

CF   : Cash Flow

AKO   : Net Cash Flow From Operating Activities

BATTERY   : Net Cash Flow From Investing Activities

AKP   : Net Cash Flow From Financing Activities

If cash flow increases, then this shows the organization's ability to pay dividends is also increasing, thereby increasing investor confidence in the organization's performance.

With thus, the increase in cash flow will also increase the expectation of dividends that will be received by investors, o there is plausible income emphatically affects dividend pay.

Liquidity

This ratio measures the organization's ability to meet its short-term obligations or debts. The indicator used to measure liquidity is the cash ratio. according to [22] "cash ratio shows the ability to pay debts that must be met immediately with available cash plus liquid securities". This ratio is also meaningful as a short-term liquidity ratio. The greater it is the cash ratio indicates the organization's cash ability to meet its short-term obligations, [2] Meanwhile, according to [23]: "Liquidityis a balance between the expansions and reductions in the liquidity of the wealth provided with subsequent returns and obligations for returns.

According to [24] explained that this liquidity can be defined with a relationship that has a relationship with the organization's ability to pay debt obligations as soon as possible. Organizations that have the ability to pay, are not necessarily willing to pay all debt obligations. With this, it is concluded that this liquidity can be defined by the organization's ability to pay debt obligations to be repaid as soon as possible for a short period of time.

$$\textit{Current Ratio} = \frac{\textit{Aktia Lancar}}{\textit{Hutang Lancar}} \times 100\%$$

Previous Research

In summary, the results of previous studies linking the factors that affect dividend income are shown in the table of Previous Research below:

Table 1

Previous Research

Researcher Name	Year	Variable	Research result
[25]	1989	- Profitability - Stability - Dividend - Liquidity and Cash Flow - Investment - Financing	The five dependent variables significantly affect the policies taken by the organization in distributing dividends
[17]	2002	Asset growth, insider ownership sales growth, free cash flow and organization size	Only asset growth has a significant Impact on DPR in manufacturing organizations listed on the JSE for the period 1993-1999, while the other three variables, namely sales growth, insider ownership, free cash flow and organization size, have no significant Impact on DPR.
[5]	2002	- Current Ratio - DTA - ROE - ROI	Simultaneously 23.4% have an Impact on dividends partially DTA- and ROE+ are significant, ROI+ and Current Ratio are not significant
[19]	2002	DPS, ROA, Cash ratio, DTA, EPS and cash flow	ROI, DTA and EPS a significant Impact on DPS while the cash ratio and cash flow are not significant
[16]		ROA, Cash Ratio, DTA, Asset Growth, and Organization Size	ROA, DTA, and Asset Growth have a significant Impact on DPR, while the cash ratio and organization size variables do not have a significant Impact on DPR

THEORETICAL FRAMEWORK

Based on the analysis of these factors, the influence of each of these variables on the dividend payout ratio can be described in a theoretical framework as shown in the following figure:
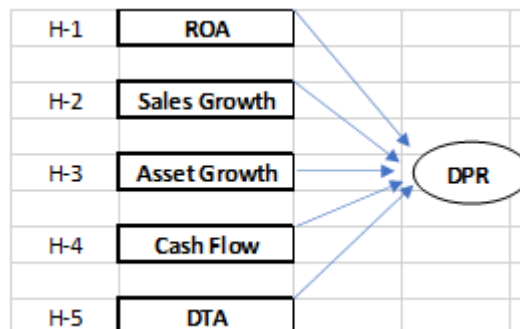
RESEARCH METHODS

Populations and Sample

The research population can be defined by a general area which consists of subjects or research objects that have certain characteristics and qualities that the researcher determines to study, and then produce research conclusions. In this study, the population used all financial institutions organizations that are members of the Indonesia Stock Exchange (IDX). Based on publications issued by the Indonesia Stock Exchange (IDX) it shows that the number of listed organizations for the period 2018 to 2020 is 105 issuers.

Sampling technique can be defined by the technique of taking or determining the required research sample. Basically, this sampling technique can be grouped into two types of techniques, including Nonprobability Sampling and Probability Sampling. In this study, the researcher used the Nonprobability Sampling method, while the sampling method used was purposive sampling.

This sampling technique does not provide equal opportunities for each member or element of the research population to be selected as the research sample. For this research, the sampling technique chosen is in the form of purposive sampling based on various criteria as below:

1. Shares of organizations that are always listed on the IDX in the 2018–2020 period
2. Organizations that always distribute dividends in the 2018–2020 period
3. Organizations that always announce cash flow reports during the 2018–2020 observation period
4. Based on the sampling technique, the criteria that must be met as consideration in the selection of the sample are organizations that are members of Organizations in Financial Institutions in a row during 2018–2020 on the Indonesia Stock Exchange.

In this study, the selected sample is 36 organizations that are members of financial institutions in a row during 2018–2020 on the Indonesia Stock Exchange.

Data Analysis Technique

To test the hypothesis about the strength of the determinant variable (independent variable) on the Dividend Payout Ratio, this study used multiple regression analysis as follows:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$$

Where

Y	: Divident Payout Ratio
X1	: Return on Investment (ROA)
X2	: Sales Growth
X3	: Asset Growth
X4	: Cash Flow
X5	: Liquidity
@	: Constant

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$ = Multiple Linear Regression Coefficient

β_1 = Regression coefficient of Variable *X1*, Return on investment

β_2 = Regression coefficient of Variable *X2*, Sales Growth

β_3 = Regression coefficient of Variable *X3*, Asset Growth

β_4 = Regression coefficient of Variable *X4*, Cash Flow

β_5 = Regression coefficient of Variable *X5*, Liquidity

ε = *Residual variables*

DISCUSSION

Classic assumption test

Heteroscedasticity Test

Results Based on calculations using E-Views Software in the table below, the Chi-square probability is 0.4039. This value is greater than 0.05 so that it can guarantee that the data does not occur heteroscedasticity

Table 2

Heteroskedastisitas Test

Heteroscedasticity Test: Glejser			
Null hypothesis: Homooskedasticty			
F- Statistics	1.010877	Prob. F (5, 102)	0.4523
Obs R square	5.099.30	Prob. Chi Square (5)	0.4039
Scaled Explained ss	.150765	Prob Chi Square (5)	.01032

2. Multicollinearity Test

Based on the results of calculations using E-Views Software in the table below, the correlation number of each variant is smaller than 0.8 so it can be concluded that the data is not multicollinear.

Table 3

Multikolinieritas Test

	X1	X2	X3	X4	X5
X1	1.00000	-0.426610	-.485826	-.020173	.895087
X2	-.426610	0.65.361	.650361	.007373	-.578861
X3	-.485826	0.650361	1.00000	.108102	-.606901
X4	-.020173	.007373	.108102	1.000000	.026789
X5	.895087	-.578861	-.606901	.026789	1.00000

Hypothesis testing

In view of the aftereffects of board information relapse testing utilizing Eviews, the following data were obtained:

Table 4

The result of processing Panel Data Regression

Variable	Coefficients	Std. Error	T statistics	Prob.
C	0.291320	.148931	1.956076	.0532
X1	.000594	.001486	0.399680	.6902
X2	.237721	0.361213	.65120	.5119
X3	.297908	.0416416	715410	.4760
X4	.297908	3.13E-09	.7407228	.4606
X5	2.32E-09	.191090	-.184367	.8541

Table 4

Effect Specification

Effect Specification				
			S.D	Rho
Cross Sectional random			.248739	.2237
Idiosyncratic random			.4634420	.07763
Weighted Statistics				
Root MSE	.446821	R Squared		.032173
Mean Dependent Var	.215494	Adjusted R Square		-.0105270
S.D dependent Var	.4563.5	S E Of regression		.459775
Sum Squared Resid	21.56213	F Statistics		.678137
Durbin Watson Resid	1.508102	Prob (F Statistics)		.640979
Unweighted Statistics				
R Squared	0.038282	Mean Dependent var	.294233	
Sum Square Resid	27.49056	Durbin Watson Stat	1.182875	

The Impact of Return on Assets on the Organization's Dividend Payout Ratio

The Impact of Return On Assets on the Dividend Payout Ratio of Financial Institution organizations listed on the Indonesia Stock Exchange from 2018 to 2020 can be concluded as follows:

Return on Assets (X1): Coefficient = 0.000594; t count = 0.399680 < t table (1.98350); Prob = 0.6902 or 0.6902 > 0.05; then Ho is rejected and Ha is accepted.

Based on the test results above, the coefficient of ROA = 0.000549 which means that if the organization's ROA value increases by one rupiah and other independent variables = 0, then, at that point, the worth of the Dividend Payout Ratio will increment by 0.000594. This shows that the increase in the value of the organization's profitability can increase the organization's ability to pay dividends.

The calculated t value is 0.399680 < t table (1.98350) and the probability value is 0.6902 > from 0.05, indicating that the Return on Assets (ROA) variable has no Impact on the Dividend Payout Ratio in financial institution organizations listed on the Indonesia Stock Exchange. This shows that the acquisition and increase in profit will not always be accompanied by the distribution of dividends, because the management needs to consider risk mitigation that may occur in the future.

These results are in line with research conducted by [8, 18, 22]which stated that the profitability reflected by ROA has no Impact on management decisions to distribute dividends. However, this result contradicts the research conducted by [26, 27] which stated that ROA has an Impact on the Dividend Payout Ratio.

The Impact of Sales Growth on the Organization's Dividend Payout Ratio

The influence of Sales Growth on the Dividend Payout Ratio of Financial Institution organizations listed on the Indonesia Stock Exchange from 2018 to 2020 can be concluded as follows:

Sales Growth (X2) : Coefficient = 0.237721; t count = 0.658120 < t table (1.98350); Prob = 0.5119 or 0.5119 > 0.05; then Ho is rejected and Ha is accepted.

Based on the test results above, the coefficient of sales growth = 0.237721 which means that if the value of the organization's sales growth increases by one rupiah and other independent variables = 0, then, at that point, the worth of the Dividend Payout Ratio will increment by 0.237721 or 23.78%. This shows that the increase in the value of the organization's sales can increase the organization's profit so that it can affect the organization's ability to pay dividends.

The calculated t value is 0.658120 < t table (1.98350) and the probability value is 0.5119 > from 0.05, indicating that the sales growth variable has no Impact on the Dividend Payout Ratio in financial institution organizations listed on the Indonesia Stock Exchange. This shows that the higher the organization's sales achievement indicates an indication of the need for large funds in the future, so that the management will tend to withhold the profits earned.

This result is in line with the research conducted by [7]) which states that the increase in the organization's sales value (turnover) has no Impact on management's decision to distribute dividends. However, this result contradicts the research conducted by [24, 26] which showed that sales growth had an Impact on the dividend payout ratio.

The Impact of Asset Growth on the Organization's Dividend Payout Ratio

The Impact of Asset Growth on the Dividend Payout Ratio of Financial Institution organizations listed on the Indonesia Stock Exchange from 2018 to 2020 can be concluded as follows:

Asset Growth (X3): Coefficient = 0.297908; t count = 0.715410 < t table (1.98350); Prob = 0.4760 or 0.4760 > 0.05; then Ho is rejected and Ha is accepted.

Based on the test results above, the value of the coefficient of asset growth = 0.297908 which means that if the value of the organization's growth assets increases by one rupiah and other independent variables = 0, then, at that point, the worth of the Dividend Payout Ratio will increment by 0.297908 or 29.79%. This shows that the increase in organization assets does not always reflect that the organization will distribute dividends because it is possible that the organization will view the improvement and restoration of growth and development conditions as a more important factor, thus requiring the organization not to distribute dividends to shareholders.

The calculated t value of 0.715410 < t table (1.98350) and the probability value of 0.4760 > of 0.05 indicates that the asset growth variable has no Impact on the Dividend Payout Ratio in financial institution organizations listed on the Indonesia Stock Exchange. This shows that the higher the increase in the organization's assets can be followed by an increase in the consumption of financial resources so that it will affect the allocation of the organization's profit. So organizations that have highest growth rates tend to have low dividend payout ratios, and vice versa.

These results are in line with research directed by [16, 27] which expresses that asset growth has no impact on the dividend payout ratio. However, this result

contradicts the research conducted by [7, 17]which showed that asset growth had an Impact on the dividend payout ratio.

The Impact of Cash Flow on the Organization's Dividend Payout Ratio

The Impact of Cash Flow on the Dividend Payout Ratio of financial institution organizations recorded in IDX from 2018 to 2020 can be concluded as follows:

Cash Flow (X4) : Coefficient = 0.0002323; t count = 0.740728 < t table (1.98350); Prob = 0.4606 or 0.4606 > 0.05; then Ho is rejected and Ha is accepted.

Based on the test results above, the cash flow coefficient = 0.0002323 which means that if the organization's cash flow value increases by one rupiah and other independent variables = 0, then the Dividend Payout Ratio value will increase by 0.0002323 or 0.023%. This shows that free cash flow is not the main concern of investors in Indonesia, so that reports on free cash flow explicitly have not been an influential factor in dividend distribution policy.

The calculated t value is 0.740728 < t table (1.98350) and the probability value is 0.4606 > from 0.05, it shows that the cash flow variable has no Impact on Dividend Payout Ratio in financial institution organizations listed on IDX. The size of the value of free cash flow is not a determining factor in the distribution of dividends. If the organization's goal is to maximize the value of wealth and the welfare of shareholders through the distribution of dividends but cash flow is not possible, the organization can use external funding. This is in line with the pecking order theory which states that in the distribution of dividends, external funds can be used in addition if the organization's internal funds are not possible.

This is as per research directed by [6, 11, 23] which expresses that income has no impact on the dividend payout ratio. However, this result contradicts the research conducted by [3] which states that cash flow affects the dividend payout ratio.

The Impact of Liquidity on the Organization's Dividend Payout Ratio

The impact of Liquidity on the Dividend Payout Ratio of Financial Institution the organizations listed on IDXfrom 2018 to 2020 can be concluded as follows:

Liquidity (X5): Coefficient = -0.035231; t count = -0.184367 < t table (1.98350); Prob = 0.8541 or 0.8541 > 0.05; then Ho is rejected and Ha is accepted.

Based on the test results above, the value of the liquidity coefficient = -0.035231 which means that if the organization's liquidity value increases by one rupiah and other independent variables = 0, then the Dividend Payout Ratio value will decrease by 0.035231 or 3.52%. This can happen because the liquidity ratio is a ratio that shows the organization's ability to fund operational activities and pay short-term obligations of the organization, so that high or low liquidity values do not always affect decisions in dividend distribution.

The calculated t value of -0.184367 < t table (1.98350) and the probability value of 0.8541 > of 0.05 indicates that the liquidity variable has no impact on the Dividend Payout Ratio in financial institution organizations listed on the Indonesia Stock Exchange. This shows that the large liquidity value reflects that the organization has a lot of assets that can be converted into cash in order to fund the organization's operational activities, so that the organization's profit achievement will be more optimal. So that the achievement of large liquidity is not always accompanied by the distribution of organization dividends.

This is as per research led by [14, 28, 29]which states that liquidity has no Impact on the dividend payout ratio. However, this result contradicts the research conducted by [24] which states that liquidity impacts the dividend payout ratio.

Impact of Return on Assets, Sales Growth, Asset Growth, Cash Flow and Liquidity on the Organization's Dividend Payout Ratio.

From the afterImpacts of the importance trial of the board information relapse model, the irregular impact model was chosen as the most fitting model in this review and the different straight relapse condition was gotten as follows:

$$DPR = 0.291320 + 0.000594X_1 + 0.237721X_2 + 0.297908X_3 + 0.0002323X_4 - 0.035231X_5 +$$

Information :

DPR	: Dividend Payout Ratio
X1	: Return on Assets
X2	: Sales Growth
X3	: Asset Growth
X4	: Cash Flow
X5	: Liquidity
ε	: Epsilon, another factor not mentioned in the model.

The Impact of Return On Assets, Sales Growth, Asset Growth, Cash Flow and Liquidity on the Dividend Payout Ratio of Monetary Institution organizations recorded on the Indonesia Stock Exchange in 2018 to 2020 can be concluded as follows:

DPR (Y): R-Squared = 0.032173; F count = 0.678137 < F table (2,300); Prob = 0.640979 or 0.640979 > 0.05; then Ho is rejected and Ha is accepted.

Based on the test results above, the value of R-Squared = 0.032173 which means that simultaneously the Return on Assets, Sales Growth, Asset Growth, Cash Flow and Liquidity variables only affect the Dividend Payout Ratio variable by 3.2173% while 96.7827% is influenced by other variables not examined in this study such as leverage, profitability, firm size and management decisions.

The calculated F value is 0.678137 < F table (2.300) and the probability value is 0.640979 > from 0.05, it shows that the Return on Assets, Sales Growth, Asset Growth, Cash Flow and Liquidity variables have no Impact on the Dividend Payout Ratio in financial institution organizations listed in Indonesia stock exchange. This is in line with research conducted by [29] and supported by the theory of dividend policy from [2], namely the Information Content or Signaling Hypothesis which expresses that an increment in dividends over the typical worth is an indication for financial backers of the chance of accomplishing turnover. organization in the future, and vice versa. However, the expansion or abatement in costs after the increment or diminishing in dividends is exclusively because of the impact of signs that might be a pattern towards choices in dividend conveyance.

CLOSING

Conclusion

The results showed that *Return on Asset, Sales Growth, Asset Growth, Cash Flow* and likuidityon Dividend Payout Ratio in Financial Institution organizations listed on the Indonesia Stock Exchange in 2018 to 2020, it can be concluded that the variables Return on Assets, Sales Growth, Asset Growth, Cash Flow and Liquidity have no impact on the Organization's Dividend Payout Ratio

Suggestion

1. It should be on organizations in Financial Institutions listed on the IDX. pay more attention to the conditions of other ratios which include the ratio of profitability, solvency and liquidity in his research. The ratios used should be more varied and more numerous so that the level of accuracy of the research is better so that it can be used as a guide in increasing the value of the organization for financial institution organizations.

2. More attention should be paid to the research period by adding more research periods so that the influence value obtained will be more accurate.

3. In future research, researchers should add research criteria so that there are more organizations studied which will reflect the ability of financial institution organizations to add value to the organization.

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