

ABSTRACT

Firm value reflects how investors assess the performance and business prospects of a company. One indicator that can be used to measure firm value is Price to Book Value (PBV), which describes the comparison between the stock market price and its book value. The higher the PBV, the more positive investors' view of the company, which in turn can increase investment attractiveness. Firm value is influenced by various factors, such as managerial ownership, profitability, and dividend policy, which play an important role in building investor confidence and optimizing company performance.

This study aims to examine the effect of managerial ownership, profitability, and dividend policy on firm value in the financial sector listed on the Indonesia Stock Exchange (IDX) during the 2019-2023 period. The independent variables analyzed include managerial ownership, profitability as measured by Return on Assets (ROA), and dividend policy as measured by Dividend Payout Ratio (DPR). Meanwhile, the dependent variable in this study is firm value, as measured by Price to Book Value (PBV).

This study uses all financial sector companies listed on the IDX in the 2019-2023 period as a population, with a total of 105 companies. From this population, the sample was selected using purposive sampling technique, so that 20 companies were obtained that met the research criteria. Research data comes from the company's annual financial statements published on the IDX during the study period. The method used is a quantitative approach with panel data regression analysis, which allows a more in-depth analysis of the relationship between the independent variables and the dependent variable.

The results of this study indicate that managerial ownership, profitability, and dividend policy simultaneously affect firm value. Partially, managerial ownership has no effect on firm value, profitability has no effect on firm value, while dividend policy has a positive effect on firm value.

The results of this study provide insight into the factors that influence firm value, especially in the context of the financial sector. The findings can serve as a basis for companies in designing more effective management strategies to increase attractiveness in the eyes of investors. In addition, this study provides recommendations for companies, investors, and academics. Companies are expected to pay more attention to factors that contribute to increasing firm value in order to remain competitive in the market. Investors can consider aspects of managerial ownership, profitability, and dividend policy in determining investment decisions. For academics, the results of this study can be used as a reference for further research by exploring other variables that have the potential to affect firm value.

Keywords: managerial ownership, profitability, dividend policy, firm value, financial sector.