

Board of Directors Characteristics and Dividend Policy: The Moderating Role of Corporate Governance

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ABSTRACT

his study aims to determine the effect of the demographic characteristics of the board of directors on the dividend policy of companies listed on the Indonesia Stock Exchange. In addition, this study also aims to examine whether corporate governance, which is proxied by institutional ownership, moderates the effect of demographic characteristics of the board of directors on company dividend policy.

This study uses an associative causality approach. This research was conducted using secondary data collected by documentation methods from various websites. The data analysis technique used is the moderation regression test. The results showed that gender diversity which is proxied by the number of female boards of directors has no effect on dividend policy, but gender diversity which is proxied by the proportion of female board of directors has a positive effect on dividend policy. The age of the board of directors, the education level of the board of directors with a minimum level of bachelor's degree and the length of tenure as the board of directors have a positive effect on the company's dividend policy. Meanwhile, the board of directors' business background has no effect on the company's dividend policy. The results of the moderation test show that corporate governance proxied by institutional ownership moderates the effect of gender diversity which is proxied by the number of female boards of directors on company dividend policy but does not moderate the effect of gender diversity which is proxied by the proportion of the number of female boards of directors on dividend policy. companies and included in the classification of moderation predictors. Corporate governance, which is proxied by institutional ownership, moderates the effect of age and length of service on the board of directors on company dividend policy. Corporate governance, which is proxied by institutional ownership, does not moderate the effect of the education level of the board of directors on company dividend policy, whether seen from the minimum bachelor's level or educational background in business.

Kata Kunci: : dividend policy, demographic characteristics, board of directors, institutional ownership