

ABSTRACT

The main goal of the company is to maximize shareholder wealth. This goal can be achieved by maximizing corporate value. Tobin's Q is used to measure firm value. The purpose of this research is to know the influence of institutional ownership, Debt to Equity Ratio (DER), Return on Asset (ROA), current ratio to firm value with dividend policy as intervening variable at manufacturing company period 2011-2015.

The population in research is the data of manufacturing companies listed on BEI period 2011-2015. The sample in this research were 310 companies by using purposive sampling. The variables in this research include institutional ownership, Debt to Equity Ratio (DER), Return on Asset (ROA), current ratio, firm value and dividend policy as intervening variable. Multiple regression analysis with path analysis is used to analyze this research.

The test results show that institutional ownership has positive and significant effect on DPR but it has positive and insignificant effect on tobin's q. ROA have a positive and significant influence on DPR and tobin's q. DER has positive but insignificant effect on DPR and tobin's q. Current ratio has a negative but insignificant effect on DPR, but it has significant and negative effect on tobin's q. DPR as intervening variable has positive and significant effect on tobin's q. DPR can mediate the effect of institutional ownership and ROA on tobin's q.

Keywords: Institutional ownership, Debt to Equity Ratio (DER), Return on Assets (ROA), Current Ratio, Corporate Value, Dividend Policy.