

Dividend Policy Determinants of Islamic vs Conventional Companies: Is There a Difference?

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Abstract

This study aims to examine the determination of dividend policy in Islamic companies and non-Sharia companies in the manufacturing sector. The dependent variables used are tax, EPS, VOE, institutional ownership, DER, firm size, ROE, MBV, and current ratio with one independent variable namely dividend yield. The population unit used in this study is a manufacturing company listed on the Indonesia Stock Exchange for the 2017-2019 period. Using purposive sampling method to determine the research sample, there are 51 companies consisting of 33 Islamic companies and 18 non-Islamic companies that fall into this category, respectively. Using multiple linear regression as a method of data analysis. The results show that INS, DER, ROE, MBV, CR are significant determinants of dividend policy on Islamic stocks, while INS and CR are significant determinants of dividend policy on non-Islamic stocks in the manufacturing sector. There is a difference in influence between the two.

Determinan Kebijakan Dividen Perusahaan Syariah vs Perusahaan Konvensional: Apakah Ada Perbedaan?

Abstrak

Penelitian ini bertujuan untuk menguji determinasi kebijakan dividen pada perusahaan syariah dan perusahaan non syariah sektor manufaktur. Variabel dependen yang digunakan adalah pajak, EPS, VOE, kepemilikan institusional, DER, ukuran perusahaan, ROE, MBV, dan rasio lancar dengan satu variabel independen yaitu hasil dividen. Unit Populasi yang digunakan dalam penelitian ini adalah perusahaan manufaktur yang terdaftar di BEI periode 2017-2019. Menggunakan metode purposive sampling untuk menentukan sampel penelitian, terdapat 51 perusahaan terdiri dari 33 perusahaan syariah dan 18 perusahaan non syariah yang secara berturut-turut masuk kedalam kategori tersebut. Menggunakan regresi linear berganda sebagai metode analisis data. Hasilnya menunjukkan bahwa INS, DER, ROE, MBV, CR merupakan determinan signifikan kebijakan dividen pada saham syariah, sedangkan INS dan CR merupakan determinan signifikan kebijakan dividen pada saham non syariah. Terdapat perbedaan pengaruh diantara keduanya.

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INTRODUCTION

Investment is a delay or sacrifice of consumption in the present to be used in productive assets for a certain period of time (Jogiyanto, 2003:5). One of the investment options that investors can make is investment in the form of equity participation or stock investment that can be made in the capital market. The capital market is divided into two categories, namely the Islamic capital market and the conventional or non-Islamic capital market (Fadilla, 2018)

Barowi & Ma'rifah (2018) defines the Islamic capital market as a capital market whose activities include the types of securities traded, issuers, as well as mechanisms that are traded in accordance with sharia principles. and limited to prohibited activities such as: usury, speculation, gambling, etc. The existing system in the Islamic capital market is inseparable from the capital market system as a whole.

According to Article 1 of the Regulation of the Financial Services Authority Number 17/POJK.04/2015 concerning the issuance and requirements of sharia securities in the form of shares by sharia issuers or sharia public companies, sharia issuers are issuers whose articles of association state the activities and types of business and how to manage their business based on sharia principles. in the capital market.

Based on the Decree of the Chairman of Bapepam and LK Kep-208/BL/2012 that the securities in the sharia determined by the OJK are in the form of sharia pre-emptive rights shares and sharia warrants issued by the OJK. issued by issuers that do not include the type and business activities, as well as management and services provided based on sharia principles as long as the issuer does not carry out business activities that are contrary to sharia principles such as gambling and games including gambling, usury financial services, producing, distributing, providing, and trade in goods that are contrary to sharia principles.

Securities in sharia companies must meet financial ratios, namely the total debt originating from interest compared to total assets of no more than 45% and total income from interest and

non-halal income compared to total operating income and other income not more than 10%. According to Article 8 Paragraph (1) of the Financial Services Authority Regulation Number 17/POJK.04/2015 what is meant by conventional securities is that it is not stated in the articles of association that activities and types of business as well as business management methods are carried out based on Sharia Principles in the Capital Market for activities company business.

Investment activities in Islamic or non-Islamic securities are both faced with uncertainties and risks that are unavoidable and predictable by investors (Laksono, 2006). The company's effort to attract investors to invest their capital is to offer a high rate of return. Dividends are one of the strong reasons that motivate investors to invest (Puspita, 2017). The company's ability to pay dividends can reflect the value of the company. If the dividend paid is high, the stock price is also high which can affect the value of the company (Handriani, 2020), in the dividend there is information related to the company's prospects in the future (Kusumawati, 2018).

according to Manneh & Naser (2015) Dividend policy is very important for investors because it is a signal to the stability of the company's growth. Dividend policy is a decision to determine the amount of dividends to be distributed to investors (Swastyastu et al., 2014). Dividend policy can also overcome agency problems through those arising from imperfect behavior of managers, this agency problem can be reduced through the use of company funds distributed to shareholders. (Yuliato, 2013).

Aguenaou et al. (2019) identify several factors related to dividend policy, namely the company's financial performance and liquidity position, the company's life cycle, as well as taxes and investment opportunities. In determining the amount of dividends distributed and retained earnings, the company determines it with its own consequences in each selected portion. Research on the determinants of dividend policy has been studied for decades, but there are no aspects that discuss the factors that influence the tendency to pay dividends and dividend payments themself-

ves using the dividend variable, payout ratio or the tendency to pay dividends (paid or not) on the determinants. dividend policy, but the results are inconsistent (Dewasiri et al., 2019).

Botoc & Pirtea (2014) identify that profitability and liquidity are positive determinants of DPR in 26 emerging markets, while Al-Kayeed (2017) states that past dividends are a significant factor in determining the dividend policy of companies in Saudi Arabia. Negative effect of profitability, liquidity, leverage, growth, and past dividends on dividend yields

Companies that are included in sharia companies more often distribute dividends than non sharia companies in the same sector, namely the manufacturing sector. Companies in the manufacturing sector have a greater propensity to pay dividend rather than other sector (Martono et al., 2020). In sharia companies the percentage of companies that distribute dividends is higher than companies that do not pay dividends every year. While in Non sharia companies the percentage of companies that distribute dividends is much smaller than companies that do not distribute dividends. The difference in percentage is reflected in the dividend yield distributed, namely the average dividend yield for companies that are included in sharia companies is higher than that of non- sharia companies in the manufacturing sector. In line with research Muthoharoh & Sutapa (2014) and Yuliani (2013) the increasing development of alternative investment and to invest, investors should be better at determining the investment option. It is taken into consideration is the investor return and risk. In principle, investors expect high returns with minimal risk. Establishment LQ 45 is a superior collection of 45 stocks to facilitate investors in choosing. Public interest in increasing sharia-based economy, then formed the Jakarta Islamic Index (JII which states that the rate of return on Islamic stocks is higher than the rate of return on conventional stocks or in other words, Islamic companies are more likely to distribute dividends than non-Islamic companies.

This condition is not in accordance with the statement Khoiruddin & Faizati (2014) that the special criteria for Islamic stocks make the information available is limited so that it affects the value of the company which will affect the unstable dividend policy compared to non-sharia stocks. Furthermore, the limited company information causes sharia shares to have difficulty increasing capital or attracting investors because the dividend yield is lower than non-Islamic or conventional shares (Al-Kayeed, 2017). This shows that there is a discrepancy between the theory and the phenomena that occur related to dividend policy on Islamic and non-Islamic stocks, thus encouraging the authors to find out the policy determinants between the two.

The novelty of the present study is that this study comparing the determinat dividend policy between two categories companies there are sharia and non sharia in manufactured company wich known as the biggest sector company in Indonesia.

Hypothesis Development

The Effect of Tax on Dividend Policy

Lintner (1956) identified that in the overall pattern and internal logic contained in dividend policy and practice, the effect of taxes on the amount of dividends distributed must be clear because they relate to income as reported to shareholders after taxes have been paid. Net income is a determining factor in changing dividend policy. The higher the tax liability, the smaller the reported net income, which means the smaller the dividends distributed.

Dewasiri et al. (2019) found that taxes have a negative effect on corporate dividend policy, a study on the determination of dividend policy in developing markets in Sri Lanka. There are other significant factors that affect dividend policy.

H1: Taxes have a negative effect on dividend policy

The Effect of Earning on Dividend Policy

High income aims to maximize wealth in the form of higher dividend payments, because dividends are a form of return or reward to shareholders for the investments made.

Yusof & Ismail (2016) stated that the significant results of income on dividend policy showed that an increase in corporate profits had a positive effect on higher dividend payments to shareholders, which supported the signaling theory. In accordance with the Dewasiri et al. (2019) that earnings and profitability have an impact on dividend policy in Sri Lankan companies

H2 :Income has a positive effect on the decision to pay dividends.

The Effect of Business Risk on Dividend Policy

Business risk which is a measure of the probability of loss inherent in the company's operational activities that affect the company's dividend policy (Al-Najjar & Hussainey, 2009). Companies that have high business risk will pay low dividends to avoid dividend cuts in the future (Halim, 2013).

Companies with high business risk will pay low dividends in order to avoid dividend cuts in the future (Epayanti & Yadnya, 2014). (Epayanti & Yadnya, 2014) and (Dewasiri et al., 2019) that business risk has a significant influence on dividend policy. Patra et al. (2012), Booc & Pirtea (2014) and Dewasiri et al. (2019) describes business risk measured by income volatility (VoE) from year to year.

H3 :Business risk has a negative effect on dividend policy

The Effect of Ownership on Dividend Policy

The concentration of company ownership describes the control over the company including the business investment activities in it. Ehsan et al. (2013) and Setiawan et al. (2016) shows that the overall ownership structure has an effect on dividend policy. Other than that, Ullah et al. (2012) states that the company's ownership structure plays an important role in the company's dividend policy which can reduce agency costs in agency theory.

The ownership structure plays a role in overseeing every company decision, including the company's financial decisions, especially those made by management that can affect the

company's dividend policy (Manneh & Naser, 2015), research conducted Yunita & Yulianto, (2020) and Yusof & Ismail (2016) states that institutional ownership of shares has a positive effect on the company's dividend policy.

H4 :Company ownership has a positive effect on dividend policy

The Effect of Leverage on Dividend Policy

Companies use signaling in leverage to give information and reduce asymmetric information between manager and shareholder (Yulianto et al., 2021). Dividends come from profits minus the principal debt, thus if the debt is getting bigger, the debt installments will be bigger and cause the remaining profit to be distributed in the form of dividends is small

Leverage reflects the level of total debt in the company's capital structure (Nisa, 2019). When the level of debt in a company increases, the money needed to pay the debt also increases. Companies with low equity levels result in a high DER so that the interest paid is also high which allows the profit to be distributed by the company to be smaller which results in a smaller dividend policy. (Larasati, 2019).

H5 : Leverage negative effect on dividend policy

The Effect of Firm Size on Dividend Policy

Large companies generally have easy access to capital markets and have a tendency to hold less income for investment financing. (Kuzucu, 2016).

Large companies have the potential to pay higher dividends than small companies. Companies with high business risk will pay low dividends in order to avoid dividend cuts in the future (Epayanti & Yadnya, 2014)

H6 : Firm size has a negative effect on dividend policy

The Effect of Profitability on Dividend Policy

High profitability is good for both companies and investors, and vice versa, low profitability is not good for companies and investors. Profitability is used as a benchmark for

the company's financial performance which is a description of the company's financial condition (Safitri & Yulianto, 2015). Patra et al. (2012) and Taufan & Wahyudi (2013) identify profitability as a determinant that has a positive impact on the company's dividend policy.

Profitability is an important factor in dividend policy because profitability is the main source of dividend distribution. Profitability can be an indicator used to assess the company's prospects in the future (Tandelili, 2010). Botoc & Pirtea (2014), Al-Kayeed (2017), and Dewasiri et al. (2019). ROE shows the company's ability to generate net income on the equity used.
H7: Profitability has a positive effect on dividend policy

The Effect of Investment Opportunity on Dividend Policy

Myers (1977) identify that Every company has investment opportunities, but there are companies that have not been able to maximize these investment opportunities, which results in high company expenses. Investment opportunities can show the value of the company through the company's goals that are reflected in the company's future expenses. The higher the MBV describes the level of market confidence in the company's prospects (Sari, 2013).

Kuzucu (2016) states that companies with high investment opportunities require internal funds to finance company investments, which results in companies having a tendency to pay dividends in small portions. Dewasiri et al. (2019) and Abor & Amidu (2006) that investment opportunities have a negative effect on dividend policy.

H8 : Investment opportunities have a negative effect on dividend policy

The Effect of Liquidity on Dividend Policy

A high level of liquidity indicates the company's ability to pay short-term debt using its current assets. Liquidity is a measure of disposable income or income that is ready to be spent on consumer goods and services, the rest will be in the form of investment (Malik et al., 2013).

When stock prices rise, investors will also

experience an increase and cause profits to rise. The increase in profit causes an increase in the liquidity ratio so that the dividends paid also increase. According to Sari & Sudjarni (2015) liquidity has a positive effect on dividend policy
H9 : Liquidity has a positive effect on dividend policy.

METHOD

This type of research is a quantitative research. The research design used is a causal relationship to determine the causal relationship between one variable and another, which can state the classification between the causal variable and the dependent variable. The population used in this study are manufacturing sector companies in 2017 to 2019 which are listed on the Indonesia Stock Exchange.

The sample used in this study are manufacturing companies that are included in the shares belonging to the DES (Sharia Stock List) and stocks that are not classified as DES (Non Sharia Securities List) for the 2017-2019 period, there are 33 manufacturing companies included in the sharia companies and 18 non-sharia companies for the period 2017-2019 using purposive sampling technique. The independent variables used in this study are dividend lag, tax, EPS, VOE, institutional ownership, DER, firm size, ROE, MBV, and CR, while the dependent variable used is dividend policy which is proxied by dividend yield.

RESULT AND DISCUSSION

Based on the results of the descriptive statistical test of Table 1 Dividend Yield (DY) the results show that the average DY on the sharia effect of the manufacturing sector is 2.6448 in 2017-2019. Score a maximum of 45 that is at PT. Merck K Tbk in 2018 with a minimum score of 0 in several companies such as: PT Garuda Metalindo Tbk 2016, PT Gajah Tunggal, PT Indorama Synthetics Tbk, etc.

The results show that the average tax (TAX) is 0.7203 in 2017-2019. The maximum value is 45.2295, namely at PT Sekar Bumi Tbk in 2019 with a minimum value of -0.3784, na-

Table 1. Descriptive Statistics Sharia Companies

Var	Mean	Median	Maximum	Minimum
DY	2.644.800	2.013.072	45000000	.000000
TAX	.720367	.257417	4.522.952	-.378417
EPS	2.534.872	5.430.000	2597	.000000
VOE	.115691	.087654	.606287	.001752
INS	.694902	.731100	.988500	.013000
DER	.791021	.520000	3.130.000	.090000
SIZE	1.488.507	1.456.228	2.217.306	1.198.020
ROE	.168030	.099550	2.244.600	.012700
MBV	3.803.333	1.350.000	8.244.000	.210000
CR	2.457.192	2.208.102	7.812.213	.074151

mely at PT Merck Tbk in 2019.

The results show that the average Earning Per Share (EPS) of Islamic stocks in 2017-2019 is 253.4872. The maximum value of 2597 is at PT Merck Tbk in 2018, then the minimum value is 0. which is at PT Gajah Tunggal Tbk in 2018.

The results show that the average Earning Volatility (VOE) of Islamic stocks in the manufacturing sector in 2017-2019 is 0.1156. The maximum value of 0.6062 is at PT Unilever Indonesia in 2018, then the minimum value is 0.0017 at PT Sat Nusapersada Tbk .

The results show that the average Institutional Ownership (INS) of sharia shares in the manufacturing sector in 2017-2019 is 0.6949. The maximum value of 0.9885 is at PT Unilever Indonesia in 2018 which means that almost

100% of the share ownership in this company is owned by institutional then the minimum value is 0.0130 which is at PT Sat Nusapersada in 2017 and the rest is owned by manager ownership, foreign ownership, etc.

The results show that the average Debt to Equity Ratio (DER) of Islamic stocks in the manufacturing sector in 2017-2019 is 0.7910. The maximum value is 3.1300, namely at PT Indo Spring Tbk in 2019 then the minimum value is 0.0900, namely at PT Sido Muncul Tbk in 2017.

The results show that the average company size (SIZE) of Islamic stocks in the manufacturing sector in 2017-2019 is 14,8850. The maximum value is 22.1730, namely at PT Kordsa Tbk, then the minimum value is 11.9802, namely at PT Pyridan Farma Tbk in 2017.

Table 2. Descriptive Statistics Non Sharia Companies

Var	Mean	Median	Maximum	Minimum
DY	1.517.704	.684500	8.690.000	0.000000
TAX	.161647	.244039	1.498.198	-3.480.977
EPS	4.150.304	1.955.500	5655	-6.625.000
VOE	.097202	.042327	.572155	-0.145492
INS	.669491	.722800	.994300	0.051000
DER	3.970.242	1.325.000	9.410.000	-4.940.000
SIZE	1.577.121	1.532.711	1.932.302	1.305.564
ROE	.244319	.052281	2.554.600	-1.058.800
MBV	5.432.593	1.320.000	6.443.000	-.930000
CR	2.038.982	1.506.797	9.909.639	.052584

The results show that the average Return on Equity (ROE) of Islamic stocks in the manufacturing sector in 2017-2019 is 0.16803. The maximum value is 2.2446, namely at PT Merck in 2018 then the minimum value is 0.0127, namely at PT Sat Nusapersada in 2019.

Based on the results of the descriptive statistical test table. 2 on Dividend Yield (DY), the results show that the average DY of non-Islamic stocks in the manufacturing sector in 2017-2019 is 1.5177. The maximum value is 8,6900 at PT Delta Djakarta Tbk then the minimum value is 0 for several companies, namely PT Primarindo Asia Infrastructure in 2018 2109, PT Eratex Djaja in 2019, PT Wismilak Inti Makmur in 2017, etc.

The results show that the average tax (TAX) of non-Islamic stocks in the manufacturing sector in 2017-2019 is 0.1616. The maximum value is 1.4981, namely at PT SLJ Global Tbk then the minimum value is -3.4809, namely at PT Asia Pacific Fiber in 2017.

The results show that the average Earning Per Share (EPS) of non-Islamic stocks in the manufacturing sector in 2017-2019 is 415,034. The maximum value of 5655,0000 is at PT Gudang Garam Tbk then the minimum value is -66,2500, namely at PT Pacific Asia Fiber Tbk in 2018 and 2019.

The results show that the average Earning Volatility (VOE) of non-Islamic stocks in the manufacturing sector in 2017-2019 is 0.0972. The maximum value of 0.5721 is at PT Multi Bintang Indonesia Tbk then the minimum value is -0.1454 which is at PT Central Proteina Prima Tbk in 2017.

The results show that the average Institutional Ownership (INS) of non-sharia shares in the manufacturing sector in 2017-2019 is 0.6694. The maximum value of 0.9943 is at PT Central Proteina Prima Tbk or more than half of the company's ownership is owned by the institution then the minimum value is 0.051 which is at PT Wismilak Inti Makmur Tbk.

The results show that the average Debt to Equity Ratio (DER) of non-sharia stocks in the manufacturing sector in 2017-2019 is 3.9702. The

maximum value is 94.1000, namely at PT SLJ Global Tbk in 2017 then the minimum value is -4.9400 at PT Central Proteina Prima Tbk in 2017.

The results show that the average company size (SIZE) of non-Islamic stocks in the manufacturing sector in 2017-2019 is 15.7712. The maximum value is 19.3230, namely at PT Primarindo Asia Infrastructure Tbk in 2019 then the minimum value is 13.0556 at PT Inti Komoditi Korpora in 2019.

Return on Equity (ROE) of non-sharia shares in the manufacturing sector in 2017-2019 was 0.24431. The maximum value is 2.5546, namely at PT Centra Proteina Prima in 2018 then the minimum value is -1.0588, namely at PT Centra Proteina Prima in 2019. The maximum and minimum values are the same at PT Centra Proteina Prima. The standard deviation value is 0.6193.

The results show that the average Market to Book Value (MBV) of non-Islamic stocks in the manufacturing sector in 2017-2019 is 5.4325. The maximum value is 64.4300, namely at PT SLJ Global Tbk in 2017 then the minimum value is -0.9300, namely at PT Centra Proteina Prima Tbk in 2017.

The results show that the average Current Ratio (CR) of non-Islamic stocks in the manufacturing sector in 2017-2019 is 2.0389. The maximum value is 9.9096, namely at PT Delta Djakarta Tbk in 2017 then the minimum value is 0.0525, namely at PT Kertas Basuki Rahmat Indonesia Tbk in 2018.

The estimation result of table 3 show that the model has Adjusted R-Square at 79,2%, the remaining 29,8% is explained by factors outside the model. The probability of F-statistics for the efficiency model has a significant effect on 0,0000 so the value is smaller than the standard error 5%. These result indicate that all variables TAX, EPS, VOE, INS, DER, SIZE, ROE, MBV, CR have simultaneous effect on DY values.

The probability value of the TAX variable is 0.5322, which is greater than the 0.05 significance level with a negative t-value of -0.6207. Then the right decision is to accept H1 and H0 is rejected. The results of this test can be concluded that the tax variable (TAX) has an insignifi-

Table 3. Regression Analysis Sharia Company

Variable	Coefficient	Std. Error	t-Statistic	Prob.
TAX	-.001204	.048766	-.627074	0.5322
EPS	-.000430	.000730	1.505.725	0.1357
VOE	-20,5387	3.393.826	-3.348.562	0.0012
INS	.533203	1.228.487	2.026.893	0.0457
DER	1.371.366	.477720	.218664	0.8274
SIZE	-.337144	.131138	-.262516	0.7935
ROE	1.946.273	1.333.477	1.310.916	0.0000
MBV	-.042411	.035927	-7.835.696	0.0000
CR	.759156	.195065	3.484.246	0.0008
C	3.829.085	2.286.128	-.496127	0.6210
Adjusted R-squared	.792072			
Prob(F-statistic)	.000000			

cant negative effect on the dividend yield (DY) of sharia shares in the manufacturing sector which is included in the Sharia Securities List for the 2017-2019 period. Taxes paid can reduce the amount of company income, the impact of reducing the amount of income causes a decrease in the proportion of income that will be distributed as dividends (Demirgune, 2015) in line with research Dewasiri et al., (2019) which shows the same result.

The probability value of the EPS variable is 0.5322, which is greater than the 0.05 significance level with a positive value of 1.5057. Then the right decision is to accept H2 and H0 is rejected. The results of this test can be concluded that the income variable (EPS) has a positive and insignificant effect on the dividend yield (DY) of the manufacturing sector sharia shares which are included in the Sharia Securities List for the 2017-2019 period. In line with research study Skinner & Soltes (2011) examines the relationship between dividends and earnings quality. Dividends contain information about the sustainability of the company's earnings. Companies that pay dividends find a stronger relationship between current earnings and future earnings than companies that do not pay dividends.

The probability value of the VOE variable is 0.0012 which is smaller than the 0.05 significance level with a negative t value of -3.3485. Then the

right decision is to accept H3 and H0 is rejected. The results of this test can be concluded that business risk (EPS) has a significant negative effect on the dividend yield of sharia shares in the manufacturing sector which are included in the Sharia Securities List for the 2017-2019 period. High risk indicates the company's high operational and financial costs, for that the company pays lower dividends to avoid external costs (Halim, 2013). In line with research Halim (2013) and Lusiana & Wijoyo, (2017) which states that business risk has a negative effect on the company's dividend policy. When the company's market risk is high, the dividends paid are low.

The probability value of the INS variable is 0.0457, which is greater than the 0.05 significance level with a positive t-value of 2.0268. Then the right decision is to accept H4 and H0 is rejected. The results of this test can be concluded that the company ownership variable (INS) has a significant positive effect on the dividend yield (DY) of the manufacturing sector sharia shares included in the Sharia Securities List for the 2017-2019 period. In line with research (Ullah et al. (2012), Manneh & Naser (2015) and Yusof & Ismail (2016) states that share ownership affects the company's dividend policy. The greater the proportion of share ownership implies control over the company's management, the greater the control over management to

maximize shareholder wealth distributed in the form of high dividends.

The probability value of the DER variable is 0.8274, which is greater than the 0.05 significance level with a positive t-value of 0.2186. Then the right decision is to accept H5 and H0 is rejected. The results of this test can be concluded that the leverage variable (DER) has no significant positive effect on the dividend yield (DY) of the manufacturing sector sharia shares included in the Sharia Securities List for the 2017-2019 period. In line with Al-Kayeed (2017) and Dewasiri (2019) stated that DER had a significant positive effect on DPR, in contrast to Nisa' (2019) and Anggoro & Yulianto, (2019), DER has no significant effect on DPR.

The probability value of the SIZE variable is 0.7935, which is greater than the 0.05 significance level with a negative t value of -0.2625. Then the right decision is to accept H6 and H0 is rejected. The results of this test can be concluded that the firm size variable (SIZE) has an insignificant negative effect on the dividend yield (DY) of sharia shares in the manufacturing sector which is included in the Sharia Securities List for the 2017-2019 period. On the contrary to study, Kusuma et al., (2018) and Yusof & Ismail (2016) states that firm size has a positive effect on dividend policy.

The probability value of the ROE variable is 0.0000 which is smaller than the 0.05 significance level with a positive t value of 13.1091. Then the right decision is to accept H7 and H0 is rejected. The results of this test can be concluded that the profitability variable (ROE) has a significant positive effect on the dividend yield (DY) of the manufacturing sector sharia shares which are included in the Sharia Securities List for the 2017-2019 period. Al-Najjar (2011), Patra et al. (2012) and Taufan & Wahyudi (2013) identify profitability as a determinant that has a positive impact on the company's dividend policy. This means that the higher the profitability ratio, the higher dividends distributed. High profitability indicates a good company performance condition (Rahayuningtyas et al., 2014).

The probability value of the MBV variable is 0.0000 which is greater than the 0.05 significance level with a negative t value of -7.8356. Then the right decision is to accept H8 and H0 is rejected. The results of this test can be concluded that the investment opportunity variable (MBV) has a significant negative effect on the dividend yield (DY) of sharia shares in the manufacturing sector which is included in the Sharia Securities List for the 2017-2019 period. In line with research Kuzucu (2016) states that companies with high investment opportunities require internal funds to finance company investments, which results in companies having a tendency to pay dividends in small portions.

The probability value of the CR variable of 0.0008 is smaller than the 0.05 significance level with a positive t value of 3.4842. Then the right decision is to accept H9 and H0 is rejected. The results of this test can be concluded that the liquidity variable (CR) has a significant positive effect on the dividend yield (DY) of sharia shares in the manufacturing sector which is included in the Sharia Securities List for the 2017-2019 period. Sari & Sudjarni (2015) and Sari & Suryantini (2019) which states that liquidity has a positive influence on the company's dividend policy.

The estimation result of table show that the model has Adjusted R-Square at 43,29% the remaining 56,71% is explained by factors outside the model. The probability of F-statistics for the efficiency model has a significant effect on 0,00047 so the value is smaller than the standard error 5%. These result indicate that all variables TAX, EPS, VOE, INS, DER, SIZE, ROE, MBV, CR have simultaneous effect on DY values.

Based on table 4, it can be seen that the results of the hypothesis test (t test) regarding the determination of the dividend policy of non-Islamic companies for the 2017-2019 period are as follows:

The probability value of the TAX variable is 0.2239, which is greater than the 0.05 significance level with a positive t-value of 1.2336. Then the right decision is to reject H1 and H0 is accepted. The results of this test can be concluded that the tax variable (TAX) has an in-

Table 4. Regression Analysis Sharia Company

Var	Coefficient	Std. Error	t-Statistic	Prob.
C	1.127.242	2.099.564	.417580	.6783
TAX	.086206	.380107	1.233.638	.2239
EPS	-.001162	.000214	.192528	.8482
VOE	-1.944.586	3.138.945	2.542.552	.0146
INS	-1.358.346	.949617	.601546	.5506
DER	.070341	.037888	.537079	.5939
SIZE	-1.168.155	.138850	-.482200	.6321
ROE	.171680	.403959	-.448639	.6559
MBV	-.118380	.054291	-.796720	.4299
CR	-.398792	.129506	2.440.009	.0188
Adjusted R-squared	.432966			
Prob(F-statistic)	.000047			

significant positive effect on the dividend yield (DY) of the manufacturing sector sharia shares included in the Sharia Securities List for the 2017-2019 period. As in research(Ardiyanti, 2015)that EPS has a positive effect on dividend policy.

The probability value of the EPS variable is 0.8482, which is greater than the 0.05 significance level with a negative t value of 0.1925. Then the right decision is to accept H2 and H0 is rejected. The results of this test can be concluded that the income variable (EPS) has an insignificant negative effect on the dividend yield (DY) of non-Islamic stocks in the manufacturing sector that are not included in the List of Sharia Securities for the 2017-2019 period. In line with researchwith research Skinner & Soltes (2011) examine the relationship between dividends and earnings quality has a positive effect.

The probability value of the VOE variable is 0.0146, which is greater than the 0.05 significance level with a positive t-value of 2.5425. Then the right decision is to reject H3 and H0 is accepted. The results of this test can be concluded that business risk (VOE) has a significant positive effect on dividend yields (DY) for non-Islamic stocks in the manufacturing sector that are not included in the Sharia Securities List for the 2017-2019 period. High risk indicates the company's high operational and financial costs,

for that the company pays lower dividends to avoid external costs (Halim, 2013).

The probability value of the INS variable is 0.5506, which is greater than the 0.05 significance level with a positive t-value of 0.6015. Then the right decision is to accept H4 and H0 is rejected. The results of this test can be concluded that the variable of company ownership (INS) has a positive and insignificant effect on the dividend yield (DY) of non-Islamic stocks in the manufacturing sector that are not included in the List of Sharia Securities for the 2017-2019 period. This research is in line with research Ullah et al. (2012), Manneh & Naser (2015) and Yusof & Ismail (2016) states that share ownership has a positive effect on the company's dividend policy.

The probability value of the DER variable is 0.5939, which is greater than the 0.05 significance level with a positive t-value of 0.5370. Then the right decision is to accept H5 and H0 is rejected. The results of this test can be concluded that the leverage variable (DER) has an insignificant positive effect on the dividend yield (DY) of non-Islamic stocks in the manufacturing sector that are not included in the List of Sharia Securities for the 2017-2019 period. In line with Al-Kayeed (2017) and Dewasiri (2019) stated that DER has no significant positive effect on dividend policy.

The probability value of the SIZE variable is 0.6321, which is greater than the 0.05 significance level with a positive t-value of -0.4822. Then the right decision is to reject H6 and H0 is accepted. The results of this test can be concluded that the firm size variable (SIZE) has an insignificant negative effect on the dividend yield (DY) of non-Islamic stocks in the manufacturing sector that are not included in the Sharia Securities List for the 2017-2019 period. On the contrary to study Kuzucu (2016) and Yusuf & Ismail (2016) states that firm size has a significant positive effect on dividend policy.

The probability value of the ROE variable is 0.6307, which is greater than the 0.05 significance level with a positive t-value of 0.4865. Then the right decision is to reject H7 and H0 is accepted. The results of this test can be concluded that the profitability variable (ROE) has an insignificant positive effect on the dividend yield (DY) of non-Islamic stocks in the manufacturing sector that are not included in the List of Sharia Securities (Non Sharia) for the 2017-2019 period. Al-Najjar (2011), Patra et al. (2012) and Taufan & Wahyudi (2013) identify profitability as a determinant that has a positive impact on the company's dividend policy. This means that the higher the profitability ratio, the higher dividends distributed. High profitability indicates a good company performance condition (Rahayuningtyas et al., 2014).

The probability value of the MBV variable is 0.4299, which is greater than the 0.05 significance level with a negative t-value of -0.7967. So the right decision is to accept H8 and H0 is rejected. The results of this test can be concluded that the investment opportunity variable (MBV) has an insignificant negative effect on the dividend yield (DY) of non-Islamic stocks in the manufacturing sector that are not included in the List of Sharia Securities (Non Sharia) for the 2017-2019 period. In line with research Kuzucu (2016) states that companies with high investment opportunities require internal funds to finance company investments, which results in companies having a tendency to pay dividends in small portions.

The probability value of the CR variable is 0.0188, which is greater than the 0.05 significance level with a positive t-value of 2.4400. Then the right decision is to reject H9 and H0 is accepted. The results of this test can be concluded that the liquidity variable (CR) has a significant positive effect on the non-Sharia dividend yield (DY) of the manufacturing sector which is not included in the Sharia Securities List (Non Sharia) for the 2017-2019 period. In line with research According to Sari & Sudjarni (2015) that liquidity has a positive effect on dividend policy.

CONCLUSION AND RECOMMENDATION

Based on the test of the determinants of the dividend policy of Islamic companies and non-Islamic manufacturing companies, it is concluded that there are differences in the results of testing the two categories of data. Institutional ownership, leverage, profitability, and liquidity are positive determinants of dividend policy, while investment opportunities are negative determinants of dividend policy on Islamic stocks. In non-sharia stocks, only company ownership and liquidity are positive determinants of dividend policy. Specific criteria for Islamic stocks make the limited information available does not affect the value of the company which will affect the unstable dividend policy compared to non-Islamic stocks. Furthermore, the limited information due to the company's specific criteria does not cause sharia shares to have difficulty increasing capital or attracting investors, the dividend yield of sharia companies is higher than non-Islamic companies that do not have special criteria. However, the limitation in this study is the test results where a high Adjusted R square value is obtained, however, many variables are not significant. For further researchers, it is hoped that they will examine other sectors to find possible differences in sectors other than manufacturing. In the selection of variables, especially if you want to use the lag variable, you must reconsider so that the research results are more significant.

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