

ABSTRACT

THE INFLUENCE OF AGENCY COST TOWARD DIVIDENDS POLICY LISTED IN INDONESIA STOCK EXCHANGE (IDX) OF MANUFACTURING COMPANY

By

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Agency interrelation is a contract of one or more shareholder, is controlled by others, which is meant as manager (agent). Manager has given an authority for shareholder in the suitable choice, Manager also has responsible to maximize shareholder welfare. Although Manager has his/her interest in decision making. The union of the interests always come a problem. that is agency problem. Solving the problem is needed a cost, agency cost. Agency cost is related to dividends policy. The interrelation of them become a new development in company to minimize the agency cost. The research aims to prove the influence of agency cost toward dividends policy empirically. Agency cost which are researched i.e. dispersion of ownership, managerial ownership, collateral assets, and debt policy. Dividens policy is formulated with dividen payout ratio. Sampling technique is applied purposive sampling, the researcher is applied secondary data such as financial report and company annual report. The sample of the research is 27 manufacturing companies which are listed in Indonesia Stock Exchange (IDX) 2010-2012. Analyzing method is applied multiple regression within classic assumption test through SPSS ver.16 instrument.

The outcome of the research is dispersion of ownership, managerial ownership, collateral assets, and debt policy significantly influence in dividens policy partially.

Key words: *Agency Cost; Dispersion of Ownership, Managerial Ownership, Collateral Assets, Debt Policy and Dividens Policy.*