

## Influence Leverage, Activities, and Policies Dividend on Company Value with Bank Interest Rates as Moderating Variables in Banking Sector Companies

Djuliandhika Rachmaningtyas<sup>1</sup> | Yuniningsih Yuniningsih<sup>2\*</sup>

<sup>1,2\*</sup>Management Study Program, Faculty of Economics and Business, National Development University “Veteran” East Java

\*Corresponding Author

Received 08-10-2024

Revised 09-10-2024

Accepted 20-11-2024

Published 21-11-2024



Copyright: ©2024 The Authors. Published by Publisher. This is an open access article under the CC BY-NC-ND license (<https://creativecommons.org/licenses/by-nc-nd/4.0/>).

### Abstract:

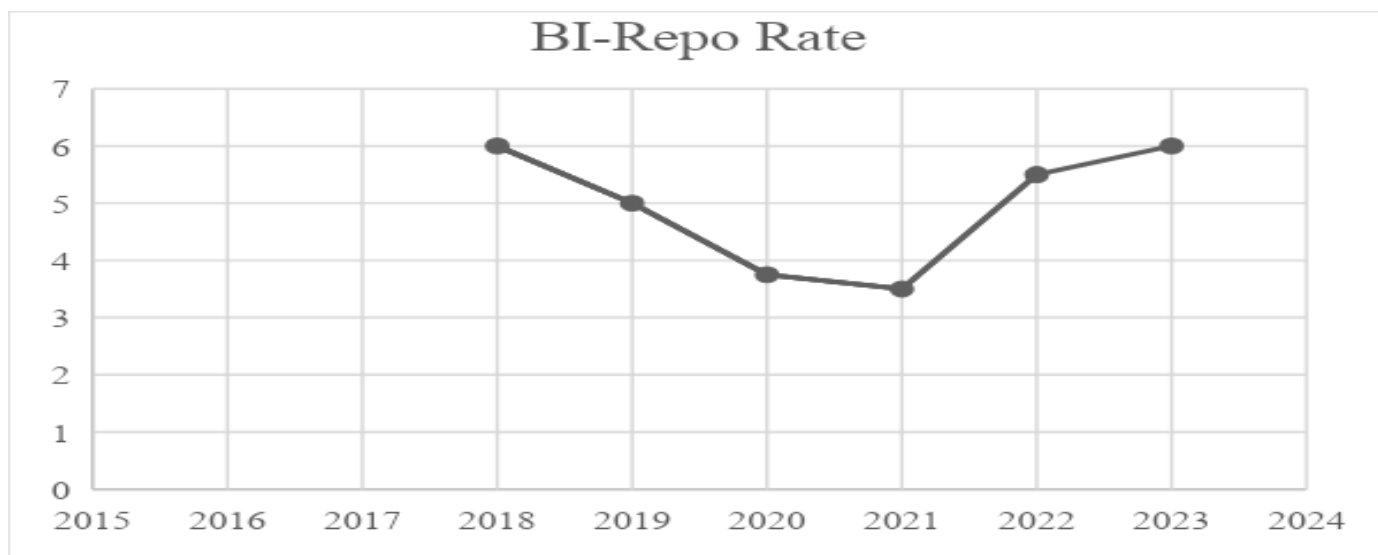
This study aims to examine the influence of Leverage, activity ratio, and dividend policy on firm value, with the bank interest rate as a moderating variable. The population used in this study consists of banking companies listed on the Indonesia Stock Exchange. The sample was selected using purposive sampling, resulting in a sample of 12 companies. The data were then analyzed using multiple linear regression and Moderated Regression Analysis (MRA) with SPSS software. The results show that Leverage, measured by the Debt to Equity Ratio (DER); activity ratio, measured by Total Asset Turnover (TATO); and dividend policy, measured by the Dividend Payout Ratio (DPR), have a positive and significant impact on firm value, measured by the Price Earnings Ratio (PER). The MRA results indicate that the bank interest rate, measured by the BI-Rate as the moderating variable, does not moderate the effects of Leverage, activity ratio, and dividend policy on firm value.

**Keywords:** Firm Value, Leverage, Activity Ratio, Dividend Policy, Bank Interest Rate.

### Introduction:

In 2020 performance banking experience slowdown, thing This is impact from covid-19 pandemic is proven from mold report card red by several banks. According to Cash 2021 in (Sekarsari & Yuniningsih, 2023) since covid-19 industry banking experience difficulty For increase its performance Because policy Restrictions Community Activities (PPKM) which have an impact on activities operational banking. banking sector is bone back economy a functioning country as institution intermediary that connects between parties who have excess funds (surplus units) and parties who lack funds (deficit units). Banks face surge credit traffic jam and decline request credit. For respond impact economy, many central banks lower ethnic group interest, including BI (Bank Indonesia) as the Central Bank of the Republic of Indonesia.

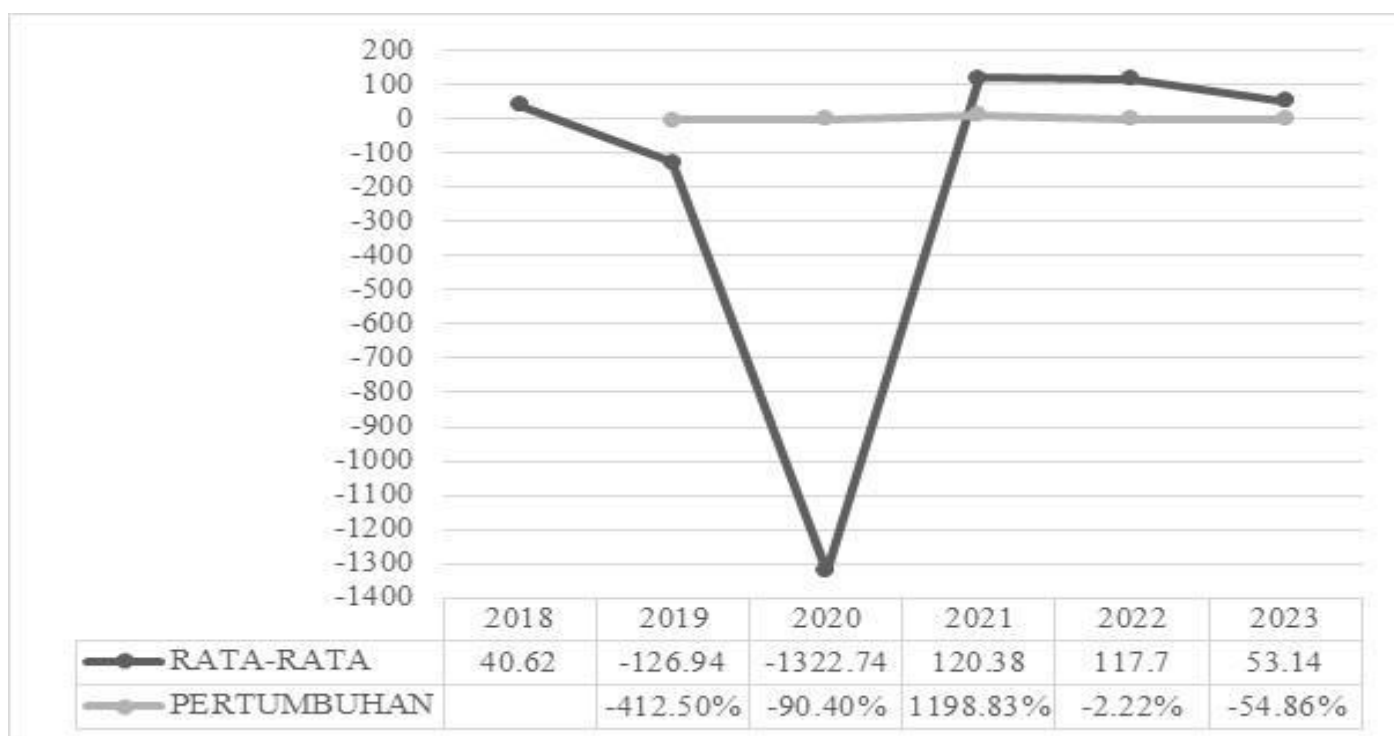
Figure 1 Bi-Rate Value



From figure 1 in 2020 and 2021 where pandemic covid-19 is ongoing BI lowers interest rates the flowers until touch the figure of 3.75% in 2020 and 3.5% in 2021 , from originally 5% in 2019. Decrease ethnic group flower This designed For support recovery economy and stimulate request credit . Decrease ethnic group flower Then can reduce income flower from loan new or which has been there is . With decline ethnic group interest , income flower tend decrease if the bank does not Can adapt ethnic group flower loan in a way proportional . So that impact on reducing income flower can lower profitability , which has the potential reduce mark company .

Increasing mark company in a way significant can give signal that company capable endure in term long time Condition This Then will impact on increasing activity operational and performance finance company , so that company can maximize profit and prosperity holder shares . The following is the Price Earning Ratio data for Banking Sector Companies listed on the Indonesia Stock Exchange from 2019-2023 :

Figure 2 Price Earnings Ratio (PER) Value of Banking Sector Companies on the IDX 2019-2023 in Percentage (Ratio)



Based on Figure 2 above can seen in 2019 value company sector banking experience decline by -412.50% of year previously , in 2020 again decrease by -90.40% of 2019 , in 2021 experienced quite an improvement significant that is by 1198.83% of 2020 , 2022 experienced decline by -2.51%, and in 2023 it will return experience decline by 54.86% of 2022. Phenomenon This show fluctuations in the company's value which occur increase and decrease in 2019-2023 .

banking sector is also facing various challenges , especially in management Leverage , Activities and policies dividends that can be influence mark company . Leverage , as use of debt for to finance assets , have potential For increase profit company , but also adds risk finance . The maximum mark company produced from optimal capital structure of a company . Where is the debt company can used For maximize mark company with objective enrich the holders shares ( Jannata & Pertiwi, 2022)

Activities , which reflect efficiency use assets , become indicator important in evaluate performance bank operations . According to Brigham & Huston in ( Aryawati et al., 2023) According to Trade-Off Theory proposed by Modigliani and Miller companies that use source funding from debt will own greater risk big , When the company can balancing costs and benefits from use debt as source funding so company can increase profit which also has an impact on the increase mark company ( Amalutstsani & Anwar, 2021).

Policy dividend according to Brigham in (Taba & Tato, 2022) is decision about whether will share profit or hold it For invested return into the company. Policy dividend is a decision for determine How many big parts from income the company that will give to holder invested shares return or detained in company. Signaling Theory According to Michael Spence (1973) in ( Takarini , N., & Dewi, ODC 2023) explains How manager own not quite enough answer For give signal related condition company to owner company For provide information Because existence asymmetry information between companies and parties external . When the company emit announcement dividend then investors can use it as a related predictor performance company.

Rate level bank interest is costs that must be paid paid by the borrower on borrowed funds from the bank. level ethnic group interest also affects decision investment, corporate cash flow, and prices shares in the market. According to Sunariyah in (Herawati 2021) there is a number of function level flowers on a economy , among others, is as Power pull for savers Good individual , institution or institutions that have more funds For invested , for control supply and demand for money in circulation in a economy , as tool control for government to direct funds or investment in sectors economy , tools manipulation by the government For increase production , as the result level flower can used For control level inflation .

Jihadi et al., ( 2021) proved that Leverage influential positive to mark company . Meanwhile, Al- Slehat Z, (2020) proved that Leverage has a negative effect on mark company .

The results of research conducted by Noviyanti & Ruslim , ( 2021 ) stated that Activity can influence mark company in a way positive and significant . While results study Nursalim et al., (2021) showed Measured activities with Total Asset Turn Over No influential significant to mark company .

According to Andira & Yusra (2019) stated that policy measured dividends with the DPR can influential positive and significant to mark company . While research conducted by Husna & Rahayu (2019) stated that the DPR does not influential positive significant to mark company .

According to Sunariyah in ( Hermawati 2021) there is a number of function level flowers on a economy , among others, is as Power pull for savers Good individual , institution or institutions that have more funds For invested , for control supply and demand for money in circulation in a economy , as tool control for government to direct funds or investment in sectors economy , tools manipulation by the government For increase production , as the result level flower can used For control level inflation .

Based on existence difference results from study previous from influence Leverage, Activities and policies dividend to mark company , researcher Then use level ethnic group Bank interest as a moderating variable in this study For know ability level ethnic group Bank interest rates moderate Leverage , activities and policies dividend to mark company to company sector banking on the IDX in 2019-2023 with based on signaling theory and trade off theory.

## **Literature Review:**

### **Signaling Theory**

Michael Spence, (1973) in ( Takarini , N., & Dewi, ODC 2023) stated that party sender ( owner) information ) provides a signal or signal in the form of information that reflects condition a a beneficial company for party recipient (investor). Signal theory describe a actions taken by management company that provides instructions to relevant investors view management to prospects company .

### **Trade-off Theory**

Trade-off Theory was put forward Modigliani and Miller in 1963 in ( Fatmawati , N., & Takarini , N. 2022) where company will balancing benefit tax from debt with cost bankruptcy and problems agency . It is known that the company's value will increase until point certain where  $i < r$  but after point said, the cost rising bankruptcies will exceed benefit tax, so that mark company will decrease .

### **Company Values**

Company values is the state in which the industry to achieve the underlying thing How public evaluate performance industry during a number of year . Concept mark company can viewed from various type angle , value company can made into investor benchmark for see performance company , while from corner internal view or management company depends on the value manager That itself ( Pradani et al., 2021). Measurement mark company can done with use ratio evaluation or market ratio . Ratio evaluation is ratio connection evaluation performance share company companies traded on the capital market. In Rizki , M., & Takarini , N. (2021) the value company can measured use Price earning ratio (PER) shows How many Lots amount of money willing issued by investors to pay every dollar reported profit.

### **Leverage**

According to Kartika in (Susanti, W., & Takarini , N. 2022) Leverage is indicators that show magnitude variable debt used in financing operational entity including payment obligation term length (Kartika et al. , 2020) . Leverage is a level ability company in use assets and or funds that have burden fixed ( debt and or share special ) in frame realize objective company For maximize riches owner company . In Susanti & Pertiwi (2019) Leverage can measured use Debt to Equity Ratio.

### **Activity**

According to Good luck in Setiawan, AF et al., (2019), Activity is the ratio that describes activities carried out company in operate its operation Good in activity sales , purchases and activities others . Activities is utilization asset company For generate profit, especially for shareholders who have spend capital for buy asset a company . If the assets No managed with well , the result will cause costs ( burdens ) and suppress profits that will obtained . Vice versa , the assets used in a way effective will produce optimal profit , so that can control load . In Firdaus & Wartono , (2024) Total Asset Turnover is used as gauge Activity .

### **Policy Dividend**

Policy dividend ( dividend d policy ) is decision whether profit earned company will distributed to holders share as dividend or will detained in form profit detained For financing investment in the future Sutrisno in (

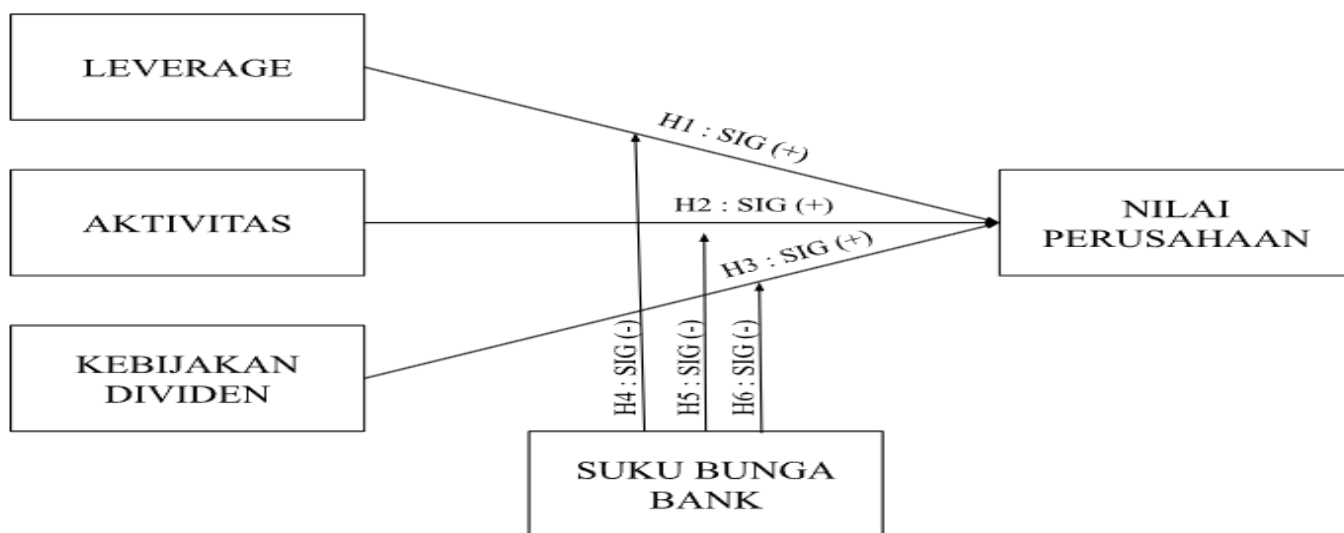
Fakhrudinsyah, V., & Takarini, N. (2022). In the division dividends, parties management can use Dividend Payout Ratio (DPR). Ratio payment dividend or the DPR is percentage profit the company that will given to holder share in a way cash and set magnitude the profit that will be detained in company as Horne & Wachowicz funding sources in (Agustin, L., & Anwar, 2022).

### Bank Interest Rates

Sunariyah in Herawati (2021) defines ethnic group flower is price from loan. Interest rate is percentage of principal per unit, usually stated in percentage from amount main loan per period time certain, generally One year. BI-Rate is ethnic group interbank money market interest which then will followed ethnic group flower deposit and ends at interest rate flower banking (Sugianto, I. 2022). Interest rate level flower become instrument important in policy monetary and financial influences various aspect economy, including consumption, investment, inflation, and value swap currency. Quoted from [www.bi.go.id](http://www.bi.go.id) On August 19, 2016, Bank Indonesia (BI) strengthened framework operation monetary with introduce ethnic group flower reference new, namely BI-7 Day Reverse Repo Rate (BI7DRR). The rate value flowers used is mark at the end year.

### Framework Conceptual

Figure 3 Framework Conceptual



### Hypothesis

**H1:** Leverage influential significant positive towards Company Value.

**H2:** Activity influential significant positive towards Company Value.

**H3:** Policy Dividend influential significant positive towards Company Value.

**H4:** Interest Rate Level is able to moderate Leverage towards Company Value.

**H5:** Interest Rate Level is able to moderate Activity towards Company Value.

**H6:** Interest Rate Level is Capable to moderate Policy Dividend towards Company Value.

### Research Methods:

Study This use type study quantitative associative For know influence Leverage, Activities and Policies Dividend on Company Value with Bank Interest Rates as variable moderation in Banking Sector Companies listed on the Indonesian Stock Exchange for the period 2019-2023. The population used in study This is a

Banking Sector Company registered on the Indonesian Stock Exchange ( BEI) as many as 49 Companies period 2019-2023. With use technique taking sample purposive sampling, obtained 12 listed companies in the Indonesia Stock Exchange for 5 years consecutively in 2019-2023 and share dividend for 5 years consecutively in 2019-2023 so obtained 60 observation data . The analysis technique used is analysis multiple linear regression with use SPSS 25 application.

**Research Results and Discussion:**

After data obtained from results analysis report finance company sector banking listed on the Indonesia Stock Exchange then assumption test is carried out classic consisting of from the normality test , multicollinearity test , heteroscedasticity test , and autocorrelation test .

**Table 1 Normality Test Results**

One-Sample Kolmogorov-Smirnov Test			Unstandardized Residual
N			60
Normal Parameters <sup>a,b</sup>	Mean		.0000000
	Std. Deviation		.13362661
Most Extreme Differences	Absolute		.083
	Positive		.036
	Negative		-.083
Test Statistics			.083
Asymp . Sig. (2- tailed) <sup>c</sup>			.200 <sup>d</sup>
Monte Carlo Sig. (2- tailed) <sup>e</sup>	Sig.		.377
	99% Confidence Interval	Lower Bound	.365
		Upper Bound	.390

a. Test distribution is Normal.  
 b. Calculated from data.  
 c. Lilliefors Significance Correction.  
 d. This is a lower bound of the true significance.  
 e. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 1310155034.

Source: Data SPSS processing Version 25

Based on results normality test Kolmogorov- Sminorv with a normal assumption if the Asymp.Sig value . (2-tailed) is more than 0.05. Table 1 shows that the Asymp.Sig value is 0.200 > 0.05, so it can be concluded that the residual value distributed normal.

**Table 2 Multicollinearity Test Results**

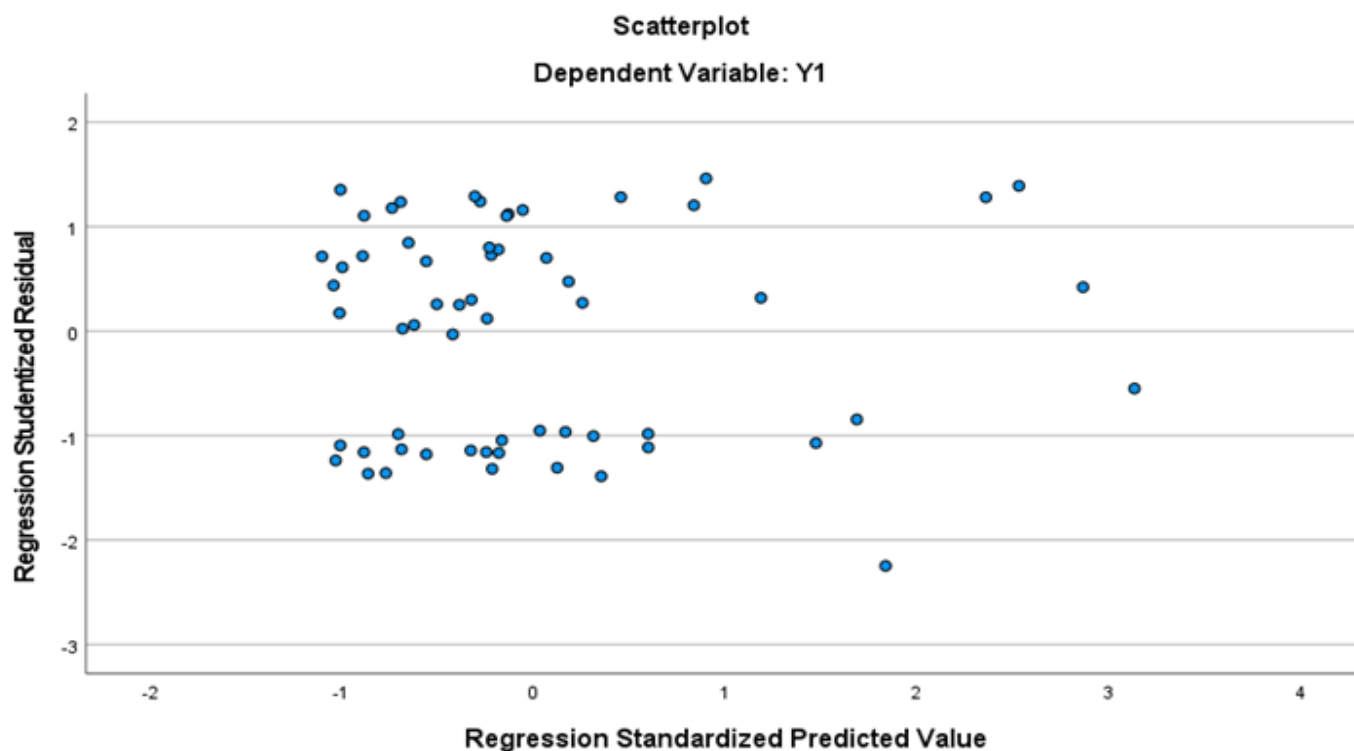
Coefficients <sup>a</sup>							
Model	Unstandardized Coefficients		Standardized Coefficients		Sig .	Collinearity Statistics	
	B	Std . Error	Beta	t		Tolerance	VIF
1 ( Constant )	17,934	.060		300.157	.000		
X1	1.042E-9	.000	.774	18,161	.000	.968	1,033
X2	4.254E-8	.000	.272	6.404	.000	.971	1,029
X3	2.760E-9	.000	.296	6,888	.000	.951	1,051

a. Dependent Variable : Y1

Source: Data SPSS processing Version 25

Based on Table 2, the results of the multicollinearity test on show Leverage variable VIF value of 1,033, Activity of 1,029, Policy Dividend of 1,051, and the Bank Interest Rate of 1,000. Tolerance value Leverage of 0.968, Activity of 0.971, Policy Dividend of 0.951 and the Bank Interest Rate of 1.000. Based on results the all variables in study This own tolerance value more big than 0.10 and VIF value is more small from 10. So can concluded that third variable free and one variable moderation that is Leverage , Activities , Policies Dividends and Bank Interest Rates do not happen correlation or No happen symptom multicollinearity .

**Figure 4 Heteroscedasticity Test Results**



Source: Data SPSS processing Version 25

Based on Figure 4, it shows that there is no clear pattern because the points are spread irregularly and spread below and above the number 0 on the Y axis, so there is no heteroscedasticity .

**Table 3 Autocorrelation Test Results**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.760 <sup>a</sup>	.578	.555	951617874.3	1,718

a. Predictors: (Constant), X 1,X 2,X3  
 b. Dependent Variable: Y1

Source : Data SPSS processing Version 25

Autocorrelation test , the Durbin-Watson value obtained is 1.503. Referring to the lower limit ( dL ) of 1.4443 and the upper limit ( dU ) of 1.7274, this DW value lies between dL and dU . These results indicate that there is no indication of significant positive or negative autocorrelation in the residuals of the regression model. In other words, the residuals of the model do not show a strong autocorrelation pattern, which means that the assumption of independence residuals in the regression model are met properly.

**Table 4**Results of Moderate Regression I Test

Coefficients <sup>a</sup>							
Model	Unstandardized Coefficients		Standardized Coefficients		Sig.	Collinearity Statistics	
	B	Std. Error	Beta	t		Tolerance	VIF
( Constant )	17,934	.060		300.157	.000		
X1	1.042E-9	.000	.774	18,161	.000	.968	1,033
X2	4.254E-8	.000	.272	6.404	.000	.971	1,029
X3	2.760E-9	.000	.296	6,888	.000	.951	1,051

a. Dependent Variable : Y1

Source: Data SPSS processing Version 25

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

$$Y = 17.934 + 1.042E-9 + 4.254E-8 + 2.760E-9 + e$$

Based on on model equality regression the in on , can interpreted , that is as following : Constants in this model is 17,934. This shows that If variable independent Leverage (X1), Activity (X2), Policy Dividends (X3), and Bank Interest Rate (Z) have a value of 0, then mark variable dependent Company Value (Y) will of 17,934. The coefficient value regression Leverage (X1) is 1.042E-9. The coefficient value regression Activity (X2) is 4.254E-8. The coefficient value regression Policy Dividend (X3) is 2.760E- 9.Value coefficient regression variables X1, X2, and X3 are positive , so that can known third variable free own connection with direction positive to variable bound .

**Table 5**Results of Moderate Regression II Test

Coefficients <sup>a</sup>							
Model	Unstandardized Coefficients		Standardized Coefficients		Sig.	Collinearity Statistics	
	B	Std. Error	Beta	t		Tolerance	VIF
1(Constant)	-41730905.000	6954743.414		-6,000	.000		
X1	.265	.007	.861	36,535	.000	.818	1.222
X2	5,510	1,006	.155	5,480	.000	.570	1,753
X3	.691	.087	.325	7,929	.000	.270	3.699
X1_Z	-1.903E-10	.000	-.173	-3.045	.004	.140	7.120
X2_Z	1.847E-8	.000	.106	1,493	.141	.091	10,993
X3_Z	-5.101E-10	.000	-.020	-.421	.675	.195	5.116

a. Dependent Variable: Y

Source: Data SPSS processing Version 25

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_1X_1*Z + b_2X_2*Z + b_3X_3*Z + e$$

$$Y = -41730905 + 0.265 + 5.510 + 6.91 + (-1.903E-10) + 1.847E-8 + (-5.101E-10)$$



Based on the equation model regression mentioned above , can interpreted , namely as following : Constants in this model is -41730905.000. The coefficient value regression Leverage (X1) is 0.265 with mark significance 0.000. The coefficient value regression Activity (X2) is 5,510 with mark significance 0.000. The coefficient value regression Policy Dividend (X3) is 0.691 with mark significance 0.000. The coefficient value regression For interaction between Leverage (X1) and Bank Interest Rate (X1\_Z) are -1.903E-10 with mark significance 0.004 indicates connection moderation significant with negative direction . The coefficient value regression For interaction between Activity (X2) and Bank Interest Rate (X2\_Z) are 1.847E-8 with mark significance 0.141 indicates moderation This No significant with direction positive . The coefficient value regression For interaction between Policy Dividend (X3) and Bank Interest Rate (X3\_Z) are -5.101E-10 with mark significance 0.675 indicates moderation This No significant with negative .

**Table 6 Coefficient Test Results Determination (R2)**

<b>Model Summary<sup>b</sup></b>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.760 <sup>a</sup>	.578	.555	951617874.3	1,718

a. Predictors: (Constant), X 1,X 2,X3  
 b. Dependent Variable: Y1

Source : Data SPSS processing Version 25

Based on Table 4.12 Model Summary, coefficient test determination (R<sup>2</sup>) explains the magnitude correlation or relationship (R) namely of 0.760. From the output obtained value (R Square) of 0.578. This is means variables independent (X1, X2, X3) has influence by 57.8% against variable dependent (Y). While the remaining 100% - 57.8% = 42.2% is influenced by other variables that are not tested in study This .

**Table 7 Coefficient Test Results Determination (R2)**

<b>Model Summary<sup>b</sup></b>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.970 <sup>a</sup>	.941	.935	33150407.35	1,638

a. Predictors: (Constant), X1, X 2,X 3, X1\_Z, X2\_Z, X3\_Z  
 b. Dependent Variable: Y1

Source: Data SPSS processing Version 25

Based on the Model Summary table , the determination coefficient test (R<sup>2</sup>) explains the magnitude of the correlation or relationship (R) which is 0.970. From the output , the value (R Square ) is 0.941. This means that the variables (X1, X2, X3, X1\_Z, X2\_Z, and X3\_Z) have an influence of 94.1% on the dependent variable (Y). While the remaining 100% - 94.1% = 5.9% is influenced by other variables that were not tested in this study.

**Table 8 Conformity Test Results Model ( F Test)**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig .
1	Regression	548520767020687740.000	3	182840255673562592.000	23,074	.000 <sup>b</sup>
	Residual	443745438601070590.000	56	7924025689304832.000		
	Total	992266205621758340.000	59			

a. Dependent Variable : Y  
 b. Predictors : ( Constant ), X3, X2, X1

Source: Data SPSS processing Version 25

Based on ANOVA table , testing variable independent in a way together to variable dependent with the F test showing results  $F_{count} = 357.877 > F_{table} = 2.77$  ( with  $N=60, \alpha = 0.05$ ), and mark Significance  $0.000 < 0.05$ . This is means that hypothesis zero (Ho) is rejected , and the hypothesis alternative (Ha) is accepted .

**Table 9 Suitability Test (F)**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	553437973095729540.000	6	92239662182621584.000	357,877	.000 <sup>b</sup>
	Residual	13660292991328570.000	53	25774137194878.700		
	Total	567098266087058110.000	59			

a. Dependent Variable: Y1  
 b. Predictors: (Constant), X3\_Z, X1, X 2,X 1\_Z,X3,X2\_Z

Source : Data SPSS processing Version 25

Based on ANOVA table , testing variable independent in a way together to variable dependent with the F test showing results  $F_{count} = 357.877 > F_{table} = 2.77$  ( with  $N=60, \alpha = 0.05$ ), and mark Significance  $0.000 < 0.05$ . This is means that hypothesis zero (Ho) is rejected , and the hypothesis alternative (Ha) is accepted .

**Table 10 Partial Test Results (T-Test)**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-41730905.000	6954743.414		-6,000	.000
	X1	.265	.007	.861	36,535	.000
	X2	5,510	1,006	.155	5,480	.000
	X3	.691	.087	.325	7,929	.000
	X1_Z	-1.903E-10	.000	-.173	-3.045	.004
	X2_Z	1.847E-8	.000	.106	1,493	.141
	X3_Z	-5.101E-10	.000	-.020	-.421	.675

a. Dependent Variable: Y

Source: Data SPSS processing Version 25

Based on the T test ( Partial ), it was obtained information following :

Hypothesis 1: Testing influence variable Leverage (X1) on Company Value (Y) shows t - value amounting to 34,074 with mark significance 0.000 ( $< 0.05$ ). Positive t - value This show that Leverage (X1) has influence positive significant to Company Value (Y), meaning **H1 is accepted and H0 is rejected** . The more tall Leverage , the more the Company Value is also high .

Hypothesis 2: Testing influence variable Activity (X2) towards Company Value (Y) shows t - value amounting to 7,287 with mark significance 0.000 ( $< 0.05$ ). Positive t - value This show that Activity (X2) has an effect positive significant on Company Value (Y), **meaning that H2 is accepted and H0 is rejected**

The more tall activity company , increasingly the Company Value is also large .

Hypothesis 3: Testing influence variable Policy Dividends (X3) to Company Value (Y) shows t - value amounting to 12,763 with mark significance 0.000 ( $< 0.05$ ). Positive t - value This show that Policy Dividends (X3) have an effect positive significant on Company Value (Y1), **meaning that H3 is accepted and H0 is rejected** . The more tall policy the dividend applied , the more high Company Value.

Hypothesis 4: Testing influence moderation Leverage (X1) and Bank Interest Rate (X1\_Z) show t - value of -3,045 and the value significance 0.004 ( $< 0.05$ ). This is means that interaction between Leverage (X1) and Bank Interest Rate (Z) have an effect significant to the Company Value (Y1) but own direction negative influence , meaning **H4 is rejected and H0 is accepted** .

Hypothesis 5: Testing influence moderation Activity (X2) and Bank Interest Rate (X2\_Z) show t - value of 1,493 and the value significance 0.141 ( $> 0.05$ ). This is means that interaction between Activity (X2) and Bank Interest Rate (Y) do not influential significant against Y, **meaning H5 is rejected and H0 is accepted**

Hypothesis 6: Testing influence moderation Policy Dividends (X3) and Bank Interest Rates (X3\_Z) show t - value of -0.421 and the value significance 0.675 ( $> 0.05$ ). This is show that interaction between Policy Dividends (X3) and Bank Interest Rates (X3\_Z) do not influential significant to Company Value (Y), meaning **H6 is rejected and H0 is accepted** .

### **Influence Leverage on Company Value**

Based on results testing conducted in study this , shows that variable Leverage matters positive significant to mark company . Can interpreted that company banking capable guard mark income interest earned from giving loan term length on customers more big than obligation giving flower deposits to customers . From the ability company banking the can push company For increase mark company Because can interesting interest Investors.. Research results This in line with Trade-Off Theory as put forward by Modigliani-Miller 1963 in ( Apriani et al., 2020) where the company will look for balance between benefit tax from use of debt and costs bankruptcy as well as problem the agency that accompanies it . Research Results this is also in line with that carried out by Merinda & Pertiwi (2019) and Margono & Gantino (2021) who stated that Leverage matters positive and significant to mark company .

### **Influence Activity on Company Value**

Test results in study This show that variable Activity influential positive and significant to mark company . From the results study This can interpreted that company banking capable manage loans , assets and liabilities For produce income and gain optimal profit and investor assessment of the company increased . Research This in line with The Signaling Theory put forward by Brigham & Huston in Merinda & Pertiwi (2019) explains that information conveyed company through report finance and ratios finance functioning as signal to the market regarding quality and prospects business company . Research results This also in line with research conducted Noviyanti & Ruslim (2021) and Jihadi et al., (2021) who stated that High activity will increase mark company .

### **Influence Policy Dividend on Company Value**

The research results obtained show that variable policy dividend in a way positive and significant to mark company. In the company banking payment high dividend can satisfy investors and attract investor interest that will stimulate repair price bank shares and increase mark company. This is in line with theory the signal used as runway theory in research this. When the company decide For increase dividend per share Can considered by investors as signal positive, because more dividends tall indicates trust company that future cash flow will sufficient For support level dividend and presenting perception Good from top investors mark company. Research results This in line with research conducted by Yuniningsih et al., (2018) and Jihadi et al., (2021) which stated that policy dividend influential positive to mark company.

### **The Influence of Interest Rates in Moderating Influence Leverage on Company Value**

From the tests carried out, it was obtained results that the interest rate flower No to moderate influence Leverage to mark company. Because although mark significant  $<0.05$  but own negative direction. When the tribe interest rates rise, costs rise loan company follow increased. For companies banking which is usually own leverage height, thing This means burden flower savings that must be given to customers will more big. However distribution loan will done with more selective For minimize risk fail pay as possible will happened. So that will reduce income operational company banking which is partly big originate from income flower LoanResults study This in line with research conducted by Susanti (2023) and Setiawan & Rahmawati (2020), which stated that the interest rate flower No capable to moderate influence Leverage to mark company.

### **The Influence of Interest Rates in Moderating Influence Activity on Company Value**

Test results in study This show that the interest rate bank interest no capable to moderate influence Activity to mark company. When the level ethnic group bank interest rates rise, companies banking Possible will experience increase income from income flower loans, but will also experience increase obligation For to pay flower savings Customer so that Total Asset Turnover is not will affected. Research results This in line with research conducted by Susanti (2022) which states that the Bank Interest Rate is not strengthen connection Activity on stock returns, where according to study Concerned (2021) stock returns influential positive and significant to mark company.

### **The Influence of Interest Rates in Moderating Influence Policy Dividend on Company Value**

From the tests carried out, it was obtained results that the interest rate flower No capable to moderate influence policy dividend to mark company. Interest rate level high bank interest will give negative signal on value company. Because opportunity investment because the bank must to pay flower more savings big, but on the other hand it will also get improvement income from interest on the loan. This is Possible will impact on income. However No will too significant. So that interest rate fluctuation bank interest no influence taking policy dividends in the company banking in a way directly. Research results This in line with that carried out by Khasana (2019) who stated that interaction policy dividends that moderate the interest rate level bank interest no influential to mark company.

### **Conclusion and Suggestions**

Based on the results testing, then concluded the more Good mark Leverage, Activities and policies dividend will capable increase mark company. While variable Moderation Rate of interest bank interest no capable to moderate connection Leverage, Activities and policies dividend to mark company. As for the suggestions that can be writer give for company expected more optimal in utilise asset and also debt for company capital so that can produce profit for investors and generate perception good that can increase mark company. For researchers others, it is expected can do testing return For know factors that influence mark company with add other independent variables outside the research model use enrich knowledge study.

## Bibliography:

1. Agustín, L., & Anwar, M. (2022). The Influence of Investment Decisions, Policy Dividends and Liquidity On Company Value In Property And Real Estate Sub-Sector Companies Listed On The IDX. *Journal Scientific Management , Economics, & Accounting (MEA)* , 6 (2), 1251-1267.
2. Al- Slehat , ZAF (2019). Impact of Financial Leverage , Size and Assets Structure on Firm Value: Evidence from Industrial Sector, Jordan. *International Business Research* , 13 (1), 109. <https://doi.org/10.5539/ibr.v13n1p109>
3. Amalutstsani , WY, & Anwar, M. (2021). Corporate Governance, Risk , and Company Value in Banking Sector Companies In Indonesia. *Journal Knowledge Management* , 11 (1), 1. <https://doi.org/10.32502/jimn.v11i1.3514>
4. Andriza , R., & Yusra, I. (2019). The Influence ownership managerial and policy dividend to Investor prosperity and value companies listed on the LQ45 index .
5. Aryawati , NPA, Harahap , TK, Yanti, NNSA, Mahardika, IMNO, Widiniarsih , DM, Ahmad, MIS, ... & Amali, LM (2023). *Management finance* . Tahta Media Publisher .
6. Astawinetu , ED, Handini , S., & Istiono , I. (2020). Analysis Of The Effect Of Funding Decissions , Macroeconomic, And Profitability On The Value Of Food And Beverages Companies In The Indonesia Stock Exchange Period 2015-2018. *Expectations : Journal Business and Management* , 4(1), 35–44. <https://doi.org/10.25139/ekt.v4i1.2659>
7. Fakhrudinsyah , V., & Takarini , N. (2022). DIVIDEND POLICY ANALYSIS IN MANUFACTURING COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE (IDX). *ECOBISMA (JOURNAL OF ECONOMICS, BUSINESS AND MANAGEMENT)* , 9 (1), 1-11.
8. Fatmawati , N., & Takarini , N. (2022). Analysis of Factors Affecting Policy Debt of Coal Subsector Companies Listed on the Indonesia Stock Exchange . *Ekonomis : Journal of Economics and Business* , 6 (2), 518-525. Herawati, M. (2021). Analysis Changes in the Rupiah Exchange Rate Due to Improvement Inflation , SBI Interest Rate and Economic Growth (Study on Bank Indonesia Period 2008 – 2017). *ECONOMIC JOURNAL*, 23(1), 20. <https://doi.org/10.37721/je.v23i1.759>
9. Jannata , SN, & Pertiwi, TK (2022). Analysis of Company Value in the Consumer Goods Industry Sector, Food and Beverage Sub-Sector on the Indonesia Stock Exchange . *El -Mal: Journal of Islamic Economics & Business Studies* , 3 (4), 739–754. <https://doi.org/10.47467/elmal.v3i4.1074>
10. Jihadi, M., Vilantika , E., Hashemi, SM, Arifin, Z., Bachtiar, Y., & Sholichah , F. (2021). The Effect of Liquidity, Leverage , and Profitability on Firm Value: Empirical Evidence from Indonesia. *The Journal of Asian Finance, Economics and Business* , 8 (3), 423–431. <https://doi.org/10.13106/JAFEB.2021.VOL8.NO3.0423>
11. Husna, R., & Rahayu, Y. (2020). Influence growth company , policy dividends , and profitability to mark company . *Journal Accounting Science and Research (JIRA)* , 9 (1).
12. Khasana , U. (2015). The Influence of Investment Decisions , Decisions funding , and policies dividend Against Company Value with Interest Rate flower as Moderating Variable , *Accounting* , Faculty of Economics, Muhammadiyah University of Gresik.
13. Margono, F.P., & Gantino , R. (2021). Influence of firm size, Leverage , profitability, and dividend policy on firm value of companies in Indonesia Stock Exchange. *Copernican Journal of Finance & Accounting*, 10(2), 45–61. <https://doi.org/10.12775/cjfa.2021.007>
14. Merinda, P., & Pertiwi, TK (2019). Analysis of Company Value in Transportation Companies on the Indonesia Stock Exchange. *Potential Development of Digital Economy in Indonesia* , 55-63
15. Nursalim , AB, Rate, PV, & Baramuli , DN (2021). The Influence Inflation , Profitability , Solvency and Activity Ratio On the Value of Manufacturing Sector Companies Period 2015-2018 .

16. Noviyanti , D., & Ruslim , H. (2021). The Influence Capital Structure , Profitability , Activities On Company Value. *Journal Management and Entrepreneurship* , 3 (1), 34-41.
17. Pradani , AP, Nur, DI, & Wikartika , I. (2021). Financial Performance Analysis On Wholesale Company Value. *Revitalization*, 10(1), 10. <https://doi.org/10.32503/revitalisasi.v10i1.1612> .
18. Prihatin , H. (2021). THE EFFECT OF STOCK RETURN, LEVERAGE AND LIQUIDITY ON COMPANY VALUE WITH DIVIDEND POLICY AS AN INTERVENING VARIABLE IN MANUFACTURING COMPANIES LISTED ON THE IDX IN THE 2015-2019 PERIOD (Doctoral dissertation, Universitas Putra Indonesia YPTK).
19. Rizki , M., & Takarini , N. (2021). Analysis of Company Value in the Property and Real Estate Subsector Listed on the Indonesia Stock Exchange ( IDX). *Journal of Social Economics and Politics (JSEP)* , 2 (2).
20. Sari, DM, Arfiani , M., & Amanda, P. (2020). Analysis Liquidity , Profitability and Solvency On Banking Company Stock Prices Indexed LQ45. *Journal Accounting Economics Research (JENSI)*, 4(2), 180-190.
21. Sekarsari , I., & Yuniningsih , Y. (2023). Performance Analysis of Conventional Commercial Banks Listed on the Indonesia Stock Exchange . *Oikos: Journal of Economics and Economic Education*, 7(1), 85–95. <https://doi.org/10.23969/oikos.v7i1.6099>
22. Setiawan, AF, Suwaidi, RA, No, JRM, Anyar , G., Anyar , KG, & SBY, K. (2022). The Influence ratio liquidity , activity , and leverage against profitability with firm size as variable moderation . *BRILIANT: Research and Conceptual Journal* , 7 (1), 750-761.
23. Setiawan, DE, & Rahmawati, IY (2020). The Effect of Liquidity, Profitability, Leverage on Corporate Value with Dividend Policy and BI Rate as Moderated Variables. *Economics and Business Solutions Journal*, 4(1), 1.
24. Setiawanta , Y., & Hakim, MA (2019). Is signal performance finance Still confirmed ? : Empirical study institution finance at PT. BEI. *Journal of Economics and Business* , 22(2), 289–312.
25. SUGIANTO, I. (2022). ANALYSIS OF THE EFFECT OF BI RATE, EXCHANGE RATE, GDP GROWTH, INFLATION, AND JIBOR ON NON PERFORMING LOANS OF CONVENTIONAL COMMERCIAL BANKS IN INDONESIA (Doctoral dissertation, UPN "VETERAN"JAWA TIMUR).
26. Susanti, R. (2023). THE EFFECT OF FINANCIAL RATIOS ON STOCK RETURNS WITH BANK INTEREST RATES AS A MODERATING VARIABLE IN PROPERTY AND REAL ESTATE COMPANIES ON THE INDONESIA STOCK EXCHANGE ( Period 2017-2021 ). *Cahaya Mandalika Journal ISSN 2721-4796 (online)* , 4 (3), 1311-1331.
27. Susanti, W., & Takarini , N. (2022). The Influence Liquidity , Profitability , Leverage, and Activity in Predicting Financial Distress in Retail Trade Subsector Companies Listed on the IDX. *Ekonomis : Journal of Economics and Business* , 6 (2), 488-497.
28. Susanti, R., & Pertiwi, IFP (2019). The role of ISR disclosure as moderator of the relationship between profitability and Leverage towards corporate value. *Indonesian Journal of Islamic Economics Research*, 1(2), 58–66. <https://doi.org/10.18326/ijier.v1i2.3044>
29. Taba, U., & Tato, M. S. (2022). Influence Ownership Managerial and Policy Dividend On Company Value (Study on the Food and Beverage Sub-Sector Industry Listed on the IDX). 1 (2).
30. Takarini , N., & Dewi, ODC (2023). Analysis Ratio Finance on Stock Prices of Pharmaceutical Companies Listed on the Indonesia Stock Exchange . *Ekonomis : Journal of Economics and Business* , 7 (1), 234-239.
31. Yuniningsih , Y., Hasna, NA, Wajdi, MBN, & Widodo, S. (2018). Financial performance measurement of with signaling theory review on automotive companies listed in Indonesia stock exchange. *IJEBD (International Journal Of Entrepreneurship And Business Development)* , 1 (2), 167-177.
32. Yuniningsih , Y., Pertiwi, TK, & Purwanto, E. (2019). Fundamental factors of financial management in determining company values. *Management Science Letters* , 205–216. <https://doi.org/10.5267/j.msl.2018.12.00>