The Effect Of Net Profit Margin, Sales Growth, And Profitability On The Dividend Pay-Out Ratio With Managerial Ownership As A Moderation

Khansa Mara Kartika[1]
Zulfikar[2]
[1,2]Faculty of Economics and Business, Universitas Muhammadiyah Surakarta, Indonesia
**Correspondences* : zulfikar@ums.ac.id

ABSTRACT

This study analyzes the effect of Net Profit Margin, Sales Growth, and Profitability on the Dividend Payout Ratio in manufacturing companies in the primary consumer goods and industrial sectors in Indonesia for the period 2021–2023, with Managerial Ownership as a moderating variable. Secondary data were obtained from company reports, previous research, the IDX, and official websites, using a purposive sampling method. The analysis used multiple linear regression and Moderated Regression Analysis (MRA) using SPSS, and classical assumptions were tested to ensure model validity. The results show that Sales Growth and Profitability have a significant positive effect on the Dividend Payout Ratio, while Net Profit Margin has no significant effect. Managerial Ownership also does not moderate the relationship between the independent variables and the Dividend Payout Ratio. The study's limitations include a limited sector and a three-year period post-pandemic.

Keyword: Dividend Payout Ratio; Managerial Ownership; Net Profit Margin; Profitability; Sales Growth

e-ISSN 2302-8556

Vol. 35 No. 9
Denpasar, 30 September 2025
Hal. 2410-2426

DOI:
10.24843/EJA.2025.v35.i09.p07

PENGUTIPAN:
Kartika, K. M., & Zulfikar. (2025). The Effect Of Net Profit Margin, Sales Growth, And Profitability On The Dividend Pay-Out Ratio With Managerial Ownership As A Moderation. *E-Jurnal Akuntansi*, 35(9), 2410-2426

RIWAYAT ARTIKEL:
Artikel Masuk:
13 Juli 2025
Artikel Diterima:
16 September 2025

Pengaruh Net Profit Margin, Sales Growth, Profitabilitas Terhadap Dividend Pay-Out Ratio Dengan Kepemilikan Manajerial Sebagai Moderasi

ABSTRAK

Penelitian ini menganalisis pengaruh Net Profit Margin, Sales Growth, dan Profitability terhadap Dividend Payout Ratio pada perusahaan manufaktur sektor barang konsumsi primer dan industri di Indonesia periode 2021–2023, dengan Kepemilikan Manajerial sebagai variabel moderasi. Data sekunder diperoleh dari laporan perusahaan, penelitian terdahulu, BEI, dan situs resmi, dengan metode purposive sampling. Analisis menggunakan regresi linier berganda dan Moderated Regression Analysis (MRA) melalui SPSS, serta diuji asumsi klasik untuk memastikan validitas model. Hasil menunjukkan Sales Growth dan Profitability berpengaruh positif signifikan terhadap Dividend Payout Ratio, sedangkan Net Profit Margin tidak berpengaruh signifikan. Kepemilikan Manajerial juga tidak memoderasi hubungan variabel independen dengan Dividend Payout Ratio. Keterbatasan penelitian mencakup sektor terbatas dan periode tiga tahun pasca pandemi.

Kata kunci: *Rasio Pembayaran Dividen; Kepemilikan Manajerial; Margin Laba Bersih; Profitabilitas; Pertumbuhan Penjualan*

Artikel dapat diakses : https://ejournal1.unud.ac.id/index.php/akuntansi/index

INTRODUCTION

The Indonesia Stock Exchange (IDX) plays a central role in the national economy by providing a platform for financial development and capital access for publicly listed companies. Investor attention is often directed toward the performance of these firms, with the Dividend Pay-Out Ratio (DPR) serving as a critical benchmark for dividend policy (Aprilia et al., 2022). Dividend policy itself remains a strategic issue due to potential conflicts between majority and minority shareholders (Gozali, 2016). Suboptimal dividend distribution may trigger shareholder dissatisfaction, leading to the sale of shares for capital gains.

Dividend policy is closely linked to a company's financial performance. The Net Profit Margin (NPM) ratio reflects operational efficiency by measuring the proportion of net profit remaining after operational expenses. Higher NPM values generally strengthen dividend distribution capacity (Yoewono, 2023). Similarly, Sales Growth indicates a firm's ability to expand revenues over time, positively influencing dividend policies when growth prospects are strong (Cahyadi et al., 2018). Profitability, often assessed through Return on Assets (ROA = Net Profit / Total Assets) and Return on Equity (ROE = Net Profit / Shareholders' Equity), demonstrates a company's capacity to generate sustainable returns (Diah et al., 2016). High profitability typically signals financial strength, yet its impact on firm value and dividend policy has produced inconsistent results (Aisah & Mandala, 2016).

Another important factor is Managerial Ownership, defined as the proportion of shares owned by directors, managers, and commissioners. This ownership structure aligns the interests of management with shareholders, encouraging decisions that enhance firm value and support consistent dividend policies (Parera, 2016). Managerial ownership can also strengthen the link between financial performance indicators and dividend distribution, functioning as an internal control mechanism to minimize agency conflicts (Banusu et al., 2022). Ultimately, the Dividend Pay-Out Ratio (DPR) reflects the proportion of net profit distributed to shareholders and serves as the central indicator of dividend policy, which is influenced by these financial performance measures and ownership structures.

Previous research shows mixed results regarding the influence of NPM, sales growth, and profitability on dividend pay-out ratios. While some studies highlight positive and significant effects (Widyastari, 2023; Sholahuddin et al., 2020), others find weak or insignificant relationships (Sari et al., 2023). These inconsistencies indicate that contextual factors, such as managerial ownership, may moderate the relationship.

Based on these considerations, this study aims to examine the effect of Net Profit Margin, Sales Growth, and Profitability on the Dividend Pay-Out Ratio, with Managerial Ownership as a moderating variable. The research focuses on manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2023 period. Accordingly, the study is conducted under the title "The Effect of Net Profit Margin, Sales Growth, and Profitability on Dividend Pay-Out Ratio with Managerial Ownership as a Moderating Variable."

Agency Theory explains the separation between management and ownership functions within a company, occurring when one or more individuals employ others to provide services while granting them decision-making authority (Municasari, 2023). Companies may incur relatively low monitoring and contracting costs because management often reports lower net profits due to expenditures serving managerial interests. As agents, managers strive to meet shareholders' expectations by providing information reflecting corporate social responsibility (Sasmito & Susy Muchtar, 2023). When managerial and shareholder ownership align with agency theory, stakeholders gain access to internal information and insights into the company's future business prospects (Tanjung et al., 2022).

Stakeholder Theory asserts that a firm's responsibility extends beyond shareholders to creating value for all stakeholders (Bagas Febryanto, 2025). While dividend policy primarily targets shareholders, the theory remains relevant because dividend decisions convey important signals about the firm's financial health and managerial credibility to a wider audience, including creditors, market analysts, and business partners. These groups classified as primary stakeholders directly involved in operations and secondary stakeholders who influence the firm without participating in daily activities (Riyanti & Hanifah, 2022) use dividend information to assess risk, trust management, and evaluate long-term sustainability. Thus, adopting Stakeholder Theory justifies examining dividend policy (DPR) not merely as shareholder income distribution but as a form of transparency and accountability to all parties with an interest in the firm's performance (Hutagalung & Setiawati, 2020).

Signalling Theory involves actions taken by shareholders to convey information to investors regarding a company's performance and future value (Pratiwi et al., 2023). This theory is closely related to dividends, as management often uses dividend distribution as a means to send positive signals about the company's profitability, encouraging shareholders to invest further by purchasing more shares (Benu et al., 2023). Dividend payments serve as indicators of corporate profitability, helping explain stock price fluctuations in the capital market, which directly influence investment decisions. Investors respond to both positive and negative signals by evaluating market conditions, monitoring developments, and making informed investment choices (Prastika & Pinem, 2016).

Dividend Pay-Out Ratio (DPR) measures the proportion of net profit distributed as dividends, reflecting corporate decisions on cash payouts to shareholders and funding for future projects, where a higher DPR increases shareholder wealth but reduces retained earnings for investment (Murtiana & Yulianto, 2018; Ulwiyah, 2023). Net Profit Margin (NPM) serves as a key profitability indicator, showing the company's ability to generate net income after tax and evaluate cost control and pricing strategies, with higher NPM indicating stronger performance and positively influencing DPR (Chintya et al., 2018; Edisan & Edison, 2021; Naibaho & Widyastari, 2023). Conversely, Sales Growth negatively affects DPR because companies with higher growth retain more earnings for expansion, reducing dividend distribution (Hardianto et al., 2019). Profitability ratios, including GPM, OR, ROA, ROE, and NPM, reflect a firm's ability to generate returns on assets and equity, with higher profitability leading to higher dividends, and ROA showing a significant positive impact on DPR (Destiana, 2023). Managerial ownership represents the alignment of interests between management and shareholders, enhancing corporate value and investor confidence, measured as the percentage of shares held by management relative to total shares (Azhar Afiary et al., 2024). Together, these factors illustrate the interconnection between profitability, growth, managerial incentives, and dividend policy in shaping corporate financial strategy.

Net Profit Margin (NPM) is a key indicator of a company's profitability, reflecting the proportion of net income generated from sales after all expenses and taxes are accounted for (Rahayu & Waluyo, 2024). It illustrates the effectiveness of pricing strategies, cost control, and overall financial performance, and after-tax net income is often managed to present stable earnings and signal sound performance to external stakeholders (Retnosari & Hendra, 2022). A higher NPM generally indicates greater capacity to generate profits, which can provide flexibility in determining dividend policy. However, companies with strong profitability may also choose to retain a larger portion of earnings to finance growth opportunities or strengthen reserves rather than immediately increase dividend payouts (Munawar & Yuningsih, 2019). Therefore, this study proposes the hypothesis: H1: Net Profit Margin influences the Dividend Payout Ratio.

Sales growth serves as a crucial indicator of market acceptance and revenue generation, reflecting both past investment success and predicting future growth (Yanti, 2019). Increasing sales growth enables a company to expand its operational capacity, whereas declining growth may hinder such development. Higher sales growth typically leads to greater profits and potentially higher dividends for shareholders (Pratama, 2019). From an agency theory perspective, sales growth allows management to measure current performance against previous periods and implement effective business strategies. By optimizing sales growth, companies can enhance net income and strengthen their capacity to distribute dividends (Mardiyati et al., 2014).

Nevertheless, firms experiencing rapid sales growth often choose to reinvest a larger share of earnings to finance expansion such as increasing production capacity, developing new products, or entering new markets rather than distributing them as dividends. This reinvestment priority can result in a lower dividend payout ratio even when profits rise (Maulana et al., 2022). Based on this reasoning, the second hypothesis (H2) proposes that sales growth influences the dividend payout ratio by shaping management's allocation of profits between reinvestment and shareholder distribution.

Profitability ratio measures a company's ability to generate profits from its total capital over a specific period, which can be shaped by operational efficiency, innovation, interest rates, competition, scale of operations, regulatory changes, and market fluctuations (Setyahani et al., 2023). Investors primarily seek returns, and higher company profits provide greater potential gains. Common indicators include Net Profit Margin (NPM), Gross Profit Margin (GPM), Return on Assets (ROA), Return on Equity (ROE), and Return on Investment (ROI). Strong profitability reflects effective resource management and supports both dividend distribution and reinvestment for future growth. From an agency theory perspective, profitability represents the return on shareholders' equity, where greater profits enhance shareholder wealth (Satriani et al., 2024). Empirical evidence also shows that profitability has a significant influence on the dividend payout ratio (Prabowo, 2020). Therefore, the hypothesis is formulated as H3: Profitability affects the dividend payout ratio.

Managerial ownership can moderate the link between a firm's financial performance and its dividend policy because managers who are also shareholders have stronger incentives to safeguard and signal the firm's financial stability. When managers hold equity stakes, their personal wealth is directly tied to shareholders' returns, encouraging them to distribute dividends as a credible sign of good performance and to reduce potential agency conflicts (Hantono et al., 2019). Previous studies show that net profit margin and sales growth are associated with higher dividend distributions when managerial ownership is present, suggesting that this ownership structure influences how profit and growth outcomes are translated into dividend decisions (Diah et al., 2016). Accordingly, the hypotheses are formulated as follows: H4: Managerial ownership moderates the relationship between net profit margin and the dividend payout ratio; H5: Managerial ownership moderates the relationship between sales growth and the dividend payout ratio; and H6: Managerial ownership moderates the relationship between profitability and the dividend payout ratio.

METHODOLOGY

This research employs secondary data derived from company documentation, prior studies, and official sources such as the IDX and corporate websites. The study examines the influence of Net Profit Margin, Sales Growth, and Profitability on Dividend Payout Ratio in consumer goods and energy sector companies listed on the Indonesia Stock Exchange during 2021–2023, with Managerial Ownership serving as a moderating variable.

The population consists of all manufacturing companies in the primary consumer goods and industrial sectors listed on the IDX for the 2021–2023 period, totaling 208 firms. The sampling technique used is purposive sampling, with criteria including consistent financial reporting, availability of year-end statements in Rupiah, and relevance to debt ratio analysis. The dataset is structured as panel data, combining time series and cross-sectional observations. The research procedure involved literature and field review, problem formulation, data collection, processing, and analysis. Data analysis was performed using multiple linear regression and Moderated Regression Analysis (MRA) with SPSS. To ensure model validity, classical assumption tests were conducted, covering normality, multicollinearity, autocorrelation, and heteroscedasticity. Hypothesis testing was carried out to assess both simultaneous and partial effects of independent variables on dividend payout, while the coefficient of determination was used to evaluate the explanatory power of the model.

To clarify the conceptual framework and facilitate measurement, the operational definitions of each variable are presented in Table 1. This table provides detailed indicators and measurement scales to ensure consistency and accuracy in data analysis.

Table 1. Operational Research Variables

Variable	Operational Definition	Variable Measurement
Net Profit Margin (X1)	Net Profit Margin is a ratio comparing net profit after tax to total sales.	$Net\ Profit\ Margin = \frac{Net\ profit\ after\ tax}{Net\ sales} \times 100\%$
Sales Growth (X2)	Sales growth is used to illustrate a company's ability to implement successful sales growth over time in a changing economy (Bagas Febryanto, 2025).	$Profit\ Growth = \frac{Sales_t - sales_{t-1}}{Sales_{t-1}}$
Profitability (X3)	Profitability ratios are used to assess a company's ability to generate profits. Profitability ratios measure a company's ability to generate profits over a specific period (Hardianto et al., 2019).	$ROA = \frac{Net\ Profit}{Total\ Assets}$
Dividend Pay-Out Ratio (Y)	The dividend payout ratio is the percentage of net profit paid out in dividends and retained earnings as a source of funding. A higher dividend payout ratio benefits shareholders or investors, but weakens the company's internal finances due to lower retained earnings.	$Dividend\ Pay-out\ Ratio = \frac{Dividend\ pershare}{Earning\ per\ share} \times 100\%$
Managerial Ownership (Z)	Managerial ownership refers to the proportion of shares held by directors, managers, and commissioners. Such ownership motivates managers to enhance company performance and ensure timely submission of financial reports. In essence, ownership structure reflects the distribution of shares between insiders (management) and outsiders (Destiana, 2023).	$Managerial\ Ownership = \frac{Management\ shareholding}{Outside\ ownership} \times 100\%$

Source: Research Data, 2025

RESULT AND DISCUSSION

This study employs a quantitative research approach, analyzing numerical data using statistical methods. Secondary data were obtained from annual reports accessed via the Indonesia Stock Exchange (www.idx.co.id) and the official websites of the respective companies to examine financial performance indicators, including Net Profit Margin, Sales Growth, and Profitability, in relation to Dividend Payout Ratio, with Managerial Ownership as a moderating variable. The research focuses on manufacturing companies listed on the Indonesia Stock Exchange (IDX) during 2021–2023. Samples were selected using purposive sampling, targeting companies that consistently distribute dividends, provide complete financial data, and are outside the financial sector.

Following the screening process and removal of outliers, a total of 40 companies (representing 120 data points) were initially selected, and 84 final observations were retained for analysis. Thirty-six observations were treated as outliers and removed from the sample because the required variable information was incomplete.

Table 2. Results of Sample Selection with Purposive Sampling

No.	Criteria	Amount
1.	Manufacturing companies in the primary consumer goods and industrial sectors listed on the IDX during the 2021-2023 period	208
2.	Manufacturing companies in the primary consumer goods and industrial sectors that did not submit annual reports during the 2021-2023 period	(43)
3.	Manufacturing companies in the primary consumer goods and industrial sectors that experienced losses during the 2021-2023 period	(51)
4.	Manufacturing companies in the primary consumer goods and industrial sectors that did not submit information related to the research variables during the 2021-2023 period	(74)
	Company Sample	40
	Year of Research	3
	Number of Research Samples	120
	Outliers	(36)
	Final Sample	84

Source: Research Data, 2025

Table 3. Results of Descriptive Statistical Tests

	N	Minimum	Maximum	Mean	Std. Deviation
NPM	84	0.77	44.38	15.571	11.807
SG	84	-0.30	1.77	0.332	0.423
P	84	0.01	0.62	0.153	0.126
DPR	84	1.36	72.12	26.375	14.833
KM	84	0.00	0.77	0.094	0.192
NPM.KM	84	0.00	22.56	1.338	3.511
SG.KM	84	-0.08	0.49	0.026	0.083
P.KM	84	0.00	0.14	0.011	0.025
Valid N (listwise)	84				

Source: Research Data, 2025

**Note: NPM = Net Profit Margin; SG = Sales Growth; P = Profitability; KM = Managerial Ownership; DPR = Dividend Payout Ratio.*

Descriptive statistics for 84 manufacturing firms listed on the Indonesia Stock Exchange from 2021 to 2023, after outlier removal, reveal substantial variability across key variables. Net Profit Margin (NPM) averaged 15.57% (0.77–44.38), Sales Growth (SG) 0.33 (-0.30–1.77), ROA 0.15 (0.01–0.62), Dividend Payout Ratio (DPR) 26.38% (1.36–72.12), and managerial ownership 0.095 (0–0.77), indicating diverse profitability, growth, dividend policies, and ownership levels. Interaction effects showed NPM × managerial ownership (NPM.KM) mean 1.34, SG × managerial ownership (SG.KM) mean 0.026, and ROA × managerial ownership (P.KM) mean 0.011, reflecting that managerial ownership can moderately influence the relationships between performance metrics and DPR, with stronger effects for sales growth and NPM, while its moderating effect on profitability is limited. Overall, the data highlight heterogeneity in financial performance and varying managerial influence on dividend policies.

The normality test was conducted to ensure that the residuals in the regression models are normally distributed, which is a fundamental assumption of linear regression. Using the Kolmogorov-Smirnov test, both Regression Model 1 and Model 2 yielded Asymp. Sig. (2-tailed) values of 0.200 and 0.060, respectively, both exceeding the 0.05 threshold. This indicates that the residuals in both models follow a normal distribution. The multicollinearity test assessed correlations among independent variables to detect potential linear relationships. Correlation coefficients in Model 1 and Model 2 were all below 0.90, confirming the absence of multicollinearity and indicating that the independent variables do not exhibit linear dependency.

Heteroskedasticity was examined using the Spearman-Rho method to determine if residual variance was consistent across observations. All independent variables in both models showed significance values above 0.05, indicating no heteroskedasticity issues. Similarly, the autocorrelation test using the run test revealed an Asymp. Sig. of 0.826, well above the 0.05 threshold, suggesting no correlation between residuals across time periods. Overall, these diagnostic tests confirm that the regression models meet classical assumptions, ensuring reliability and validity for further statistical analysis.

Table 4. Results of Multiple Linear Regression Analysis Test Model 1

Variable	Coefficient	t count	Sig t	Description
Constant	21.030	9,894	0.000	
NPM	-0.194	-1,210	0.230	H1 Rejected
SG	-18.817	-5,345	0.000	H2 Accepted
P	95.480	6,301	0.000	H3 Accepted
F count			19.726	
Significance F			0.000	
R square			0.425	
Adjusted R			0.404	

Source: Research Data, 2025

From the results of the multiple linear regression test in Table 4, the regression equation model that can be created is:

Model equation 1:

$$DPR = 21.030 – 0.194\ NPM – 18.817\ SG + 95.480\ P + \varepsilon$$

Based on the results of the multiple linear regression analysis for Model 1, several interpretations can be drawn. The constant value of 21.030 indicates that when Net Profit Margin (NPM), Sales Growth (SG), and Profitability (ROA) are zero, the Dividend Payout Ratio (DPR) remains at 21.030, suggesting that companies may still distribute dividends even without positive sales growth, profit margins, or profitability. NPM has a regression coefficient of -0.194, t-value of -1.210, and significance of 0.230, indicating an insignificant negative effect on DPR at the 5% level, meaning that although higher NPM tends to reduce DPR, the relationship is not statistically meaningful. In contrast, SG shows a significant negative effect on DPR with a coefficient of -18.817, t-value of -5.345, and significance of 0.000, implying that each unit increase in sales growth reduces DPR by 18.817 points, reflecting that companies prioritizing sales growth tend to retain earnings for reinvestment rather than dividend distribution. Profitability, measured by ROA, has a significant positive effect on DPR with a coefficient of 95.480, t-value of 6.301, and significance of 0.000, indicating that a one-unit increase in profitability raises DPR by 95.480 points, demonstrating that more profitable firms are likely to distribute higher dividends to signal financial health and positive future prospects to investors.

The F-test is employed to assess the overall suitability of the regression model, aiming to determine whether the independent variables Net Profit Margin, Sales Growth, and Profitability simultaneously have a significant effect on the dependent variable, Dividend Payout Ratio. Based on Table 4, the F-test results show an F-value of 19.726 with a significance level of 0.000, which is below the 0.05 threshold. Consequently, it can be concluded that the regression model used in this study is both valid and statistically significant.

Table 4 indicates that the Adjusted R-Square value is 0.404, meaning that the variables Net Profit Margin, Sales Growth, and Profitability explain 40.4% of the variation in the Dividend Payout Ratio. Conversely, approximately 59.6% of the variation is influenced by factors outside the model. This suggests that the model can be further improved by incorporating additional variables to enhance its explanatory power regarding the Dividend Payout Ratio.

Table 5. Results of Multiple Linear Regression Analysis Test Model 2

Variable	Coefficient	t-test	Sig t	Information
Constant	21.179	8.765	0.000	
NPM	-0.196	-1.070	0.288	
SG	-19.180	-4.902	0.000	
PROF	99.053	5.684	0.000	
KM	6.623	0.476	0.635	
NPM.KM	0.239	0.174	0.862	H4 Rejected
SG.KM	11.064	0.317	0.752	H5 Rejected
P.KM	-160.134	-0.933	0.354	H6 Rejected
F count			8.523	
Significance F			0.000	
R square			0.440	
Adjusted R			0.388	

Source: Research Data, 2025

From the multiple linear regression test results in Table 5, the following regression equation model can be created:

Model equation 2:

DPR = 21.179 - 0.196 NPM - 19.180 SG + 99.053 P + 6.623 KM + 0.239 NPM KM + 11.064 SG KM -160.134 P KM + ε……………………………………………………(1)

Based on the multiple linear regression results for Model 2, several interpretations can be made. The constant value of 21.179 indicates that if Net Profit Margin (NPM), Sales Growth (SG), Profitability (P), managerial ownership (KM), and their interaction terms remain unchanged, the Dividend Payout Ratio (DPR) would be 21.18%. NPM shows a negative but insignificant effect on DPR (β = -0.196, t = -1.070, p = 0.288), suggesting that higher NPM tends to reduce DPR, though not statistically significant. SG has a significant negative impact on DPR (β = -19.180, t = -4.902, p = 0.000), implying that faster sales growth leads firms to retain earnings for expansion rather than pay dividends. Profitability positively and significantly affects DPR (β = 99.053, t = 5.684, p = 0.000), indicating that more profitable companies distribute higher dividends as positive signals to investors. KM alone does not significantly influence DPR (β = 6.623, t = 0.476, p = 0.635). Moreover, managerial ownership does not significantly moderate the relationships between NPM and DPR (NPM.KM: β = 0.239, t = 0.174, p = 0.862), SG and DPR (SG.KM: β = 11.064, t = 0.317, p = 0.752), or Profitability and DPR (P.KM: β = -160.134, t = -0.933, p = 0.354), indicating that the effect of these financial indicators on dividend policy is not dependent on the level of managerial shareholding.

The F-test is employed to determine the overall suitability of a regression model, assessing the relationship between independent variables and the moderating variable. In this study, the moderating variables include the interactions of net profit margin with Managerial Ownership (NPM.KM), sales growth with Managerial Ownership (SG.KM), and profitability with Managerial Ownership (P.KM). The results indicate that the regression model is fit for use, with an F-value of 8.523 and a significance level of 0.000, as shown in Table 5.

Referring to Table 5, the Adjusted R-Square value of 0.440 indicates that the interaction variables between Net Profit Margin and Managerial Ownership (NPM.KM), Sales Growth and Managerial Ownership (SG.KM), as well as Profitability and Managerial Ownership (P.KM) explain 44% of the variation in the Dividend Payout Ratio. This implies that approximately 56% of the variation in the Dividend Payout Ratio is influenced by factors outside the variables included in this study. The findings suggest that the research model can be further refined by incorporating additional variables to enhance its explanatory power regarding changes in the Dividend Payout Ratio.

The first hypothesis examined the relationship between Net Profit Margin (NPM) and Dividend Payout Ratio (DPR). The results show that NPM does not have a significant influence on DPR, as indicated by a coefficient of –0.196, a t-value of –1.070, and a significance level of 0.288 (>0.05), leading to the rejection of H1. This implies that a higher NPM does not necessarily lead to greater dividend distribution. When net income is unstable, management tends to be cautious in determining dividends and may reduce or even withhold payouts. Although NPM reflects the company's efficiency in generating net profit, dividend decisions are more strongly driven by long-term profit stability and corporate investment needs (Zatira & Fitriana, 2025). These findings are consistent with Aprilia et al., (2022) and Mujiyati et al., (2022), who reported that a relatively low net profit margin is insufficient to support consistent dividend payments. Net income from operations does not automatically represent future company prospects, as profits may be retained to meet internal funding requirements rather than distributed as dividends.

The second hypothesis examines the effect of Sales Growth (SG) on Dividend Payout Ratio (DPR). The analysis indicates a statistically significant negative relationship, with a coefficient of -19.180, t-value of -4.902, and significance level of 0.000 (<0.01), confirming that H2 is accepted. This aligns with Ulwiyah, (2023), who argue that high-growth firms prefer to retain earnings to finance expansion, as rapid sales growth increases the need for investment in market development, production capacity, and new product development.

Consequently, dividend distributions may not rise despite higher sales, as management prioritizes sustainable growth and long-term investments, including capacity expansion, product innovation, and digitalization. These findings support previous studies by Sengaji, (2018) and Hardianto et al., (2019), which also observed a significant negative effect of sales growth on dividend payout ratios, consistent with the pecking order theory that firms with growth prospects tend to retain earnings for internal financing rather than distribute them as dividends.

The third hypothesis examines the effect of profitability, measured by Return on Equity (ROE), on the Dividend Payout Ratio (DPR). The results indicate that profitability has a positive and significant impact on DPR, with a coefficient of 99.053, a t-value of 5.684, and a significance level of 0.000 (<0.01), thereby supporting H3. This implies that higher corporate profitability increases the likelihood of dividend distribution to shareholders, as highly profitable companies are better positioned to manage assets efficiently, generate higher net income, and allocate a portion of earnings for dividends without compromising internal funding needs. Conversely, lower profitability limits dividend payments, as more earnings must be retained to maintain financial stability and meet minimum retained earnings requirements. These findings align with recent studies by Benu et al., (2023) and Prastika & Pinem, (2016), which confirm a significant positive relationship between profitability and DPR, emphasizing that higher profitability enhances internal funding capacity, thereby enabling larger and more consistent dividend distributions to shareholders.

The interaction variable, representing the moderating effect of Capital Policy (KM) on the relationship between Net Profit Margin (NPM) and Dividend Payout Ratio (DPR) (NPM.KM), showed a coefficient of 0.239, t-value of 0.174, and significance of 0.862 (>0.05), leading to the rejection of H5. This indicates that KM neither strengthens nor weakens the influence of NPM on DPR. This outcome may arise because KM, often measured through managerial ownership ratios, does not directly align with dividend policies; managerial incentives may focus more on asset growth or long-term rewards rather than immediate dividend payouts. Supporting studies highlight this context sensitivity: Naibaho, (2023) found managerial ownership can strengthen the NPM-DPR relationship, but only when indicators align with sector-specific metrics, whereas Parera, (2016) reported that Managerial Ownership in Southeast Asian commodity firms did not significantly moderate this relationship. Similarly, Sari et al., (2023) observed that in LQ45 companies (2019–2021), managerial ownership failed to moderate NPM-DPR, suggesting that mere management shareholding does not necessarily increase dividend payout ratios, especially when dividend decisions are influenced more by retained earnings strategies and long-term funding needs than current profitability.

The interaction between SG and KM yielded a coefficient of 11.064, a t-value of 0.317, and a significance level of 0.752 (>0.05), leading to the rejection of H6. This indicates that managerial ownership (KM) does not moderate the effect of sales growth on dividend policy. Although sales growth reflects potential improvements in a company's financial performance, Managerial Ownership does not necessarily amplify or diminish its impact on dividend decisions, which are more influenced by long-term considerations such as reinvestment needs and earnings stability rather than short-term sales fluctuations. Supporting this, Naibaho & Widyastari, (2023) found that while sales growth alone can affect dividend policy, its interaction with managerial ownership does not produce a significant effect, suggesting that managerial ownership, particularly measured by shareholding, does not always strengthen the relationship between financial performance and dividend policy, depending on corporate strategy and earnings management preferences. Similarly, Banusu et al., (2022) observed in LQ45 companies during 2019–2021 that managerial ownership did not moderate the relationship between firm growth and dividend policy (measured by DPR), indicating that despite the effect of asset growth on DPR, managerial ownership does not significantly enhance or weaken this relationship.

The interaction between profitability and capital structure (P.KM) yielded a coefficient of -160.134, a t-value of -0.933, and a significance level of 0.354 (>0.05), indicating that H7 is rejected. This implies that capital structure does not significantly moderate the effect of profitability on dividend payout ratio (DPR). Despite higher profitability generally suggesting a greater capacity to pay dividends, internal managerial policies regarding capital do not necessarily strengthen or weaken this relationship. This can be attributed to management preferences for retaining earnings for reinvestment or debt repayment, particularly in firms with strong internal financing policies, as explained by Pecking Order Theory. Supporting this finding, Bagas Febryanto, (2025) demonstrated that while profitability significantly influences dividend policy, its effect becomes insignificant when moderated by capital structure, highlighting that dividend decisions are driven more by strategic considerations and long-term policy than by direct managerial intervention in the profitability-dividend relationship.

CONCLUSIONS

Based on the analysis, this study concludes that Net Profit Margin does not significantly influence the Dividend Payout Ratio in Indonesian manufacturing firms within the primary consumer goods and industrial sectors during 2021–2023, while Sales Growth and Profitability show a positive and significant effect. Furthermore, managerial ownership does not moderate the relationship between Net Profit Margin, Sales Growth, Profitability, and Dividend Payout Ratio. The study is limited to selected manufacturing sectors listed on the Indonesia Stock Exchange, which restricts generalizability to other industries with different financial characteristics and dividend policies. In addition, the moderating variable managerial ownership was not significant, indicating the importance of testing alternative moderators such as corporate governance, institutional ownership, or investment policies. The short three-year period during post-COVID-19 recovery may also influence dividend decisions, so future studies should include broader sectors, longer time horizons of five to ten years, and alternative moderators or mediators to provide more comprehensive insights.

REFERENCES

Aisah, A. N., & Mandala, K. (2016). Penelitian ini bertujuan untuk mengetahui pengaruh. *Unud, E-Jurnal Manajemen*, *5*(11), 6907–6936.

Aprilia, W. A., Sylviana, F., Vigiyanti, S., Nurpadilah, S., & Yulianto. (2022). PENGARUH POSISI KAS, UKURAN PERUSAHAAN DAN PERTUMBUHAN PENJULAN TERHADAP DIVIDEND PAYOUT RATIO. *Prosiding Pim*, *2*(2), 1–12.

Azhar Afiary, M., Norisanti, nor, & Nurmala, resa. (2024). The Effect Of Profitability, Sales Growth, Company Size, On Firm ValuePengaruh Profitabilitas, Sales Growth, Ukuran Perusahaan, Terhadap NilaiPerusahaan. *Management Studies and Entrepreneurship Journal*, *5*(2), 4235–4246. http://journal.yrpipku.com/index.php/msej

Bagas Febryanto, I. (2025). The effect of debt to equity ratio, net profit margin, sales growth, and profitability on dividend payout ratio. *COSTING: Journal of Economic, Business and Accounting*, *8*(3), 4603–4617.

Banusu, M. R., Niha, S. S., & Manafe, H. A. (2022). Pengaruh return on asset (roa), net profit margin (npm) dan earning per share (eps) terhadap dividen payout ratio (suatu kajian studi literatur manajemen keuangan perusahan). *Jurnal Manajemen Pendidikan Dan Ilmu Sosial*, *4*(1), 196–206. https://creativecommons.org/licenses/by/4.0/

Benu, F., Mujino, M., & Hermuningsih, S. (2023). Pengaruh Return On Asset, Firm Size, Debt To Equity Ratio Dan Growth Terhadap Deviden Payout Ratio (Dpr) Pada Perusahaan Manufaktur Yang Tercatat Di Bursa Efek Indonesia (BEI). *Journal Competency of Business*, *7*(2), 45–59. https://doi.org/10.47200/jcob.v7i02.2217

Cahyadi, R. T., Purwanti, L., & Mardiati, E. (2018). Pengaruh Profitabilitas, Dewan Komisaris, Komisaris Independen Dan Risiko Idiosinkratis Terhadap Dividend Payout Ratio. *Jurnal Economia*, *14*(1), 99. https://doi.org/10.21831/economia.v14i1.19404

Chintya, N. M., Theodora, N., Evelyn, V., & Huda, A. N. (2018). Analisis Pengaruh Tingkat Profitabilitas dan Kesempatan Investasi Perusahaan Terhadap Kebijakan Pembagian Dividen. *Jurnal Riset Akuntansi Dan Keuangan*, *6*(2), 161–172. https://doi.org/10.17509/jrak.v6i2.11635

Destiana, R. (2023). ANALISIS PERAN PROFITABILITAS SEBAGAI VARIABEL MODERATING DALAM HUBUNGAN ANTARA ARUS KAS BEBAS, KEPEMILIKAN MANAJERIAL, KEBIJAKAN DIVIDEN DAN PELUANG INVESTASI. *BIAYA: Jurnal Ekonomi, Bisnis Dan Akuntansi*, *6*(2), 2193–2215.

Diah Feni Putri Pratiwi, Ida Siswatiningsih, & Mawar Ratih Kusumawardani. (2023). Pengaruh Likuiditas Dan Profitabilitas Terhadap Kebijakan Dividen Perusahaan Sub Sektor Perkebunan Yang Terdaftar Di Bursa Efek Indonesia Tahun 2015-2020. *Akuntansi*, *2*(2), 72–85. https://doi.org/10.55606/akuntansi.v2i2.238

Diah, K., Purnami, A., Gede, L., & Artini, S. (2016). PENGARUH INVESTMENT OPPORTUNITY SET , TOTAL ASSET TURN OVER DAN SALES GROWTH TERHADAP KEBIJAKAN DIVIDEN Fakultas Ekonomi dan Bisnis Universitas Udayana (Unud), Bali , Indonesia Perusahaan yang masuk dalam industri barang konsumsi yang terdapat di Bursa . *E-Jurnal Manajemen Unud*, *5*(2), 1309–1337.

Edisan, T. J. A., & Edison, A. (2021). Pengaruh Debt To Equity Ratio, Sales Growth Terhadap Debt Return on Asset Dampaknya Pada Dividen Pay Out Ratio.

BISMA: Jurnal Bisnis Dan Manajemen, *15*(1), 1. https://doi.org/10.19184/bisma.v15i1.18238

Gozali. (2016). Aplikasi Analisis Multivariate Dengan Program IBM SPSS 23. In *Semarang: Badan Penerbit Universitas Diponegoro* (Vol. 14, Issue July, pp. 1–23).

Hantono, H., Sari, I. R., Felicya, F., & Daeli, M. (2019). Pengaruh Return on Assets, Free Cash Flow, Debt to Equity Ratio, Pertumbuhan Penjualan Terhadap Kebijakan Dividen Pada Perusahaan Property and Real Estate yang Terdaftar di Bursa Efek Indonesia Periode 2014-2016. *Owner*, *3*(2), 143. https://doi.org/10.33395/owner.v3i2.118

Hardianto, F. R., Isynuwardhana, D., Akuntansi, P. S., Ekonomi, F., & Telkom, U. (2019). PENGARUH PROFITABILITAS, KEPEMILIKAN MANAJERIAL, DAN KEBIJAKAN DIVIDEN TERHADAP KEBIJAKAN HUTANG (Studi pada Perusahaan Manufaktur Sub Sektor Makanan dan Minuman yang terdaftar di Bursa Efek Indonesia pada tahun 2013-2017). *E-Proceeding of Management*, *6*(1), 723–730.

Hutagalung, M. B. B., & Setiawati, L. W. (2020). Analisis Pengaruh Laba Bersih, Sales Growth, Kepemilikan Manajerial, Dan Leverage Terhadap Kebijakan Dividen. *BALANCE: Jurnal Akuntansi, Auditing Dan Keuangan*, *16*(2), 190–211. https://doi.org/10.25170/balance.v16i2.1623

Mardiyati, U., Nusrati, D., & Hamidah, H. (2014). Pengaruh Free Cash Flow, Return On Assets, Total Assets Turnover Dan Sales Growth Terhadap Dividend Payout Ratio (Studi Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Periode 2008-2012). *Jurnal Riset Manajemen Sains Indonesia*, *5*(2), 204–221. https://journal.unj.ac.id/unj/index.php/jrmsi/article/view/802

Maulana, I., Norisanti, N., & Danial, r deni muhammad. (2022). Pengaruh Retur On Investment, Net Profit Margin, Debt To Debt TO Equity Ratio Terhadap Hargam Saham. *Management Studies and Entrepreneurship Journal*, *3*(July), 1460–1468.

Mujiyati, M., Aris, M. A., & Zulfikar, Z. (2022). Tax amnesty and company value: Testing tax avoidance as an intervening variable. *Investment Management and Financial Innovations*, *19*(3), 176–188. https://doi.org/10.21511/imfi.19(3).2022.15

Munawar, A. H., & Yuningsih, Y. (2019). ANALISIS NET PROFIT MARGIN TERHADAP DIVIDEND PAYOUT RATIO (Studi kasus pada PT Gudang Garam Tbk). *JIM UPB (Jurnal Ilmiah Manajemen Universitas Putera Batam)*, *7*(2), 220–227. https://doi.org/10.33884/jimupb.v7i2.1243

Municasari. (2023). Pengaruh Ukuran Perusahaan, Struktur Modal, Kebijakan Dividen Dan Profitabilitas Terhadap Nilai Perusahaan (Studi pada perusahaan manufaktur yang terdaftar di Bursa Efek Indonesia tahun 2018-2022) Municasari. *Jurnal Ekonomi Akuntansi, Manajemen*, *2*(2), 91–107.

Murtiana, S., & Yulianto, A. (2018). An Examining the Firm Life-Cycle Theory of Dividends in Indonesia. *Management Analysis Journal*, *7*(3), 1–16.

Naibaho, E. A. B., & Widyastari, N. (2023). Effect of Net Profit Margin, Sales Growth, Profitability on Dividens Pay-Out Ratio with Managerial Ownership as Moderation. *Jurnal Keuangan Dan Perbankan*, *27*(1), 96–111. https://doi.org/10.26905/jkdp.v27i1.9053

Parera, D. (2016). Pengaruh Net Profit Margin, Return On Asset, dan Debt to Equity Ratio Terhadap Dividend Payout Ratio Pada Perusahaan Yang Tercatat Dalam Indeks LQ45 di BEI Periode 2009 - 2013. *Jurnal EMBA*, *4*(2), 538–548.

Prabowo, S. (2020). The Effect of Dividend Payout Ratio, Net Profit Margin, and Return on Assets on The Growth of Income (Case Study On Coal Mining Sector Companies Registered in Indonesia Stock Exchange Period 2017-2019). *Quantitative Economics and Management Studies*, *1*(5), 319–325. https://doi.org/10.35877/454ri.qems210

Prastika, T., & Pinem, D. B. (2016). Pengaruh Return on Equity, Leverage Dan Sales Growth Terhadap Kebijakan Dividen Pada Bei. *Ekonomi Dan Bisnis*, *3*(2), 133–144. https://doi.org/10.35590/jeb.v3i2.731

Pratama, R. D. (2019). Pengaruh Akivitas, Solvabilitas, Sales Growth dan Ukuran Perusahaan Terhadap Kebijakan Dividen Pada Industri Manufaktur tahun 2013-2017. *Jurnal Ilmu Dan Riset Manajemen*, *8*(2), 1–16.

Rahayu, A. M. A., & Waluyo, D. E. (2024). Pengaruh Return on Equity , Current Ratio , Sales Growth dan Kebijakan Dividen. *Jurnal Ilmiah Global Education*, *5*(2), 1274–1287.

Retnosari, H. D., & Hendra, H. (2022). Faktor-Faktor Yang Mempengaruhi Kebijakan Dividen Pada Perusahaan Sub Sektor Plastic and Packaging. *E-Jurnal Manajemen Trisakti School of Management (TSM)*, *2*(1), 107–116. https://doi.org/10.34208/ejmtsm.v2i1.1297

Riyanti, & Hanifah, A. (2022). Pengaruh Solvabilitas, Pertumbuhan Perusahaan dan Profitabilitas terhadap Kebijakan Dividen dan Nilai Perusahaan pada Perusahaan LQ 45 di Bursa Efek Indonesia. *Skripsi, Sekolah Tinggi Ilmu Ekonomi Indonesia*, *1*(6), 287–309.

Sari, V. Y., Setiono, H., & Nugroho, T. R. (2023). Analisis Faktor-Faktor yang Mempengaruhi Perataan Laba (Income Smoothing) pada Perusahaan Manufaktur yang Terdaftar di BEI Tahun 2019-2022. *Jurnal Ekonomi, Manajemen, Dan Akuntansi*, *2*(4), 691–702. http://jurnal.anfa.co.id/index.php/mufakat

Sasmito Walaa Rico Prakoso, & Susy Muchtar. (2023). Faktor-Faktor Yang Mempengaruhi Dividend Payout Ratio Pada Perusahaan Perbankan Di BEI. *Jurnal Ekonomi*, *28*(3), 469–487. https://doi.org/10.24912/je.v28i3.1890

Satriani, Mahfudnurnajamuddin, & Chalid, L. (2024). Pengaruh Profitabilitas Dan Leverage Terhadap Nilai Perusahaan Melalui Kebijakan Deviden Pada Perusahaan Sektor Makanan dan Minuman Yang Terdaftar Di Bursa Efek Indonesia. *Online Manajemen ELPEI (JOMEL)*, *4*(2), 931.

Sengaji, C. L. D., & Zulfikar. (2018). Analisis Opini Audit Going Concern pada Perusahaan yang Terdaftar di Jakarta Islamic Index Periode 2013-2016. *Universitas Muhammadiyah Surakarta*, *1*(1), 1–16.

Setyahani, A., Opu, N. V., & Khairiyah, N. M. (2023). Pengaruh Net Profit Margin (NPM), Cash Ratio, dan Debt To Equity Ratio (DER) Terhadap Dividend Payout Ratio (DPR) Pada Persuasahaan Perbankan yang Terdaftar Dalam KBMI Periode 2012-2021. *Jurnal Mahasiswa Akuntansi Poltekba (JMAP)*, *5*(1), 1–11.

Sholahuddin, M., Pradana, A. N., & Awangrif, H. A. (2020). Pengaruh Profitabilitas

, Leverage Dan Kebijakan Deviden Terhadap Nilai Perusahaan (Systemic Literature Review). *University Research Colloqium*, 1–10.

Tanjung, M. S., Novietta, L., & Ika, D. (2022). Pengaruh Net Profit Margin, Debt to Equity Ratio dan Current Ratio terhadap Dividen Payout Ratio Melalui Return on Asset. *Inovatif : Jurnal Ekonomi, Manajemen, Akuntansi, Bisnis Digital Dan Kewirausahaan |*, *1*(4), 316–334.

Ulwiyah, M. S. (2023). Jurnal Kajian Ilmu Manajemen. *Jurnal Kajian Ilmu Manajemen*, *3*(3), 473–479. https://journal.trunojoyo.ac.id/jkim%0APengaruh

Yanti, Y. (2019). Analisis Faktor Yang Berpengaruh Terhadap Kebijakan Dividen Payout Ratio Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia. *TEKUN: Jurnal Telaah Akuntansi Dan Bisnis*, *8*(2), 982–1003. https://doi.org/10.22441/tekun.v8i2.5532

Yoewono, H. (2023). International Journal of The Newest Social and Management Research (INSOMA) The Effect of Profitability, Dividend Payout Ratio, Leverage, Company Size, and Company Value on Earnings Smoothing. *INSOMA (International Jaournal of The Newwst Social and Mnagement Research)*, *1176*, 30–41.

Zatira, D., & Fitriana, A. I. (2025). the Moderating Effect of Profitability on Dividend. *Jurnal Riset Akuntansi Kontemporer*, *17*(1).