MANAGERIAL OWNERSHIP, DIVIDEND POLICY, AND INTELLECTUAL CAPITAL ON CORPORATE VALUES WITH PROFITABILITY AS AN INTERVENING VARIABLE: AN EVIDENCE OF REAL ESTATE AND PROPERTY COMPANIES IN INDONESIA STOCK EXCHANGE

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ABSTRACT
This study aims to determine Managerial Ownership, Dividend Policy and Intellectual Capital Policy on Corporate Value with Profitability as an intervening variable in real estate and property companies listed in the Indonesia Stock Exchange in 2012-2018. This type of research is causal associative. The sampling technique uses purposive sampling. Data on research were 6 companies was obtained so that the research data were 42. The analysis technique used was multiple regression and path analysis. The results of this study indicate that Dividend Policy affect Profitability, Managerial Ownership does not affects to Profitability and Intellectual Capital does not affect Profitability. Further, Managerial Ownership, Return on Assets, and Intellectual Capital does not affects the Value of the Company, Dividend Policy effect the Company Value. Profitability is an intervening variable between Dividend Policy on Firm Value, Profitability is not an intervening variable between Managerial Ownership of Company Value and Profitability is not an intervening variable between Intellectual Capital.

Keywords: Managerial Ownership, Dividend Policy, Intellectual Capital, Profitability, and Corporate Value.

INTRODUCTION
The company is currently raising the value of the company to lure investors to invest in the company and prosper shareholders. The management in the company has a responsibility to increase the value of the company. The high value of the company will affect the way of prospective investors which will affect their confidence to invest and will affect trust in the company's prospects in the future (Purwohandoko, 2017). Investors will be more attracted to companies that have high stock price values. The share price is directly proportional to the value of the stock. The high value of the shares will indicate the condition of the company in the future. Therefore, investors will certainly expect a large stock return from their investment returns. Management will also increase the prosperity of its investors by realizing it through an increase in the value of the company. One of the researchers from the Institute for Development of Economics and Finance (INDEF), Bhima Yudistira (katadata.co.id, 2019) said that increasing investment is one way to save from the threat of a global recession that Indonesia will face. Investors not only need to be invited but also provide an atmosphere conducive to investing. Based on World Bank records, Indonesia is considered risky, complicated, and uncompetitive. So it can be concluded that at this time investors are needed in particular to maintain the condition of the company in terms of capital
that has an impact on a country’s economy. Wealth owned by the company can be seen from the level of probability that will affect the choice of capital owners whether to invest in the company or not.

THEORETICAL FRAMEWORK

Dividend Policy

Theory of Signaling Hypothesis implies here is empirical evidence that if there is an increase in dividends, it is often followed by an increase in stock prices. Conversely, a decrease in dividends generally causes stock prices to fall. This phenomenon can be considered as evidence that investors prefer dividends over capital gains (Brigham & Houston, 2011).

Dividend policy is an inseparable part of the decisions company funds. Dividend policy (dividend policy) is a decision whether profits obtained by the company at the end of the year will be distributed to shareholders in the form of dividends or will be retained to increase capital to be used as investment financing in the future. The dividend payout ratio determines the amount of profit is divided into cash dividends and retained earnings as a source funding. This ratio shows the percentage of company profits paid to the company's ordinary shareholders in the form of cash dividends. If the company's profits are retained in large quantities, means the profit to be paid as dividends become smaller. In agency, the theory explains the situation, where the interests of shareholders (actors) differ from managers (agents) (Jensen and Meckling, 1976). This will cause a conflict of differences between shareholders and company management which is often referred to as agency problems. The existence of differences in interests is a serious problem for company management to make dividend distribution decisions. To overcome these problems, the company can reduce the conflict by holding cash and using it to buy additional assets or pay off outstanding debt. Dividend policy can be measured through the amounts of dividends per sheet divided by earnings per sheet.

\[ DPR = \frac{\text{dividends per share}}{\text{earnings per share}} \]

Managerial Ownership

Managerial ownership is the level or percentage of ownership shares by management who actively participate in corporate decision making (Widiari and Putra, 2017). Managerial ownership can describe the large percentage of share ownership by the company management. The role of company management, now no longer just company management, but now can double the role of shareholders in the company they manage. This dual role as management and shareholder of a company is often called managerial ownership. According to Luciana and Meliza (2006), managers in carrying out operations often act not to maximize shareholder wealth but are tempted to improve their welfare. This condition is characterized by an increase in ownership that allows managers to be willing to pursue their profits without regard to their influence on the value of the company and the welfare of other shareholders (Noradiva and Azlina, 2016). Noradiva and Azlina (2016) also argue that managerial ownership has been identified as an effective corporate governance mechanism because it can help align the interests of managers and shareholders. In other words, agency conflict can be minimized by re-aligning...
interests between shareholders and managers. Managerial ownership can be measured through:

\[
\text{MOWN} = \frac{\text{number of shares of management}}{\text{total outstanding share}}
\]

**Intellectual Capital**

The development of the world economy today, no longer depends on the business that is only based on its workforce alone but by carrying out business activities based on knowledge. The emergence of knowledge-based business in the current era of globalization which underlies the importance of knowledge management, intellectual capital, and innovation managed within the company. Purit (2016) states that intellectual capital has been called a key component for companies to survive and create profits in competition. That is, if the company has applying intellectual capital in its business, the company can develop and can dominate competition between companies in the market. Vice versa, if the company has not implemented and involved intellectual capital in its business, then the company will not be able to develop and cannot compete with other companies. Intellectual capital has become a key element of the knowledge economy. Besides, intellectual capital management is a factor that influences a company's competitive advantage. As such, knowledge assets or intellectual capital and their maintenance are important sources in a company's growth. According to Fatima (2012) explained that the cause until now, companies in Indonesia tend to use a conventional basis in building their business, so the products they produce are still poor in technology. Knowledge is a very important source for people, companies, and countries. The company's profit and value can increase or decrease depending on how well the company's management manages and utilizes intellectual capital through innovation, research, and development, which in turn can affect the company's performance improvement.

\[
\text{VAIC} = \text{ICE} + \text{CEE}
\]

- **VAIC** = value added intellectual coefficient
- **ICE** = intellectual capital coefficient
- **CEE** = capital employed efficiency coefficient

**Corporate Values**

Company value is an investor's perception of a company that is often associated with stock prices (Syahadatina, 2015). The value of a company is the price of a stock that has been circulating in the stock market that must be paid by investors to be able to own a company. According to Lang et al., (2003), show that more analysts following means more information is available, a better company information environment, and reduced capital costs. In this research, we use proxy Price Earnings Ratio (PER) which is the ratio of price per shares to earnings per share, shows the amount of rupiah that is the investor is paid for every Rp 1 running profit. The higher it is risk, the higher the discount factor and the lower the ratio. PER ratio formula:
Profitability
Profitability is one indicator that is used to measure the company's financial performance. According to Sartono (2014: 122), profitability is the ability of a company to make a profit concerning sales, assets or total assets or own capital. Tui et al., (2017), states that the increase in corporate profits is shown in the form of increased profitability as well, as well as measuring and determining the financial performance of companies that run operations, such as return on assets (ROA), return on equity (ROE), and net interest margin (NIM). In this study, researchers used profitability which is proxy by return on assets (ROA). Return on Assets (ROA) is the ratio for measuring the company's power to generate profits derived from investment activities. In addition, ROA is a measure used by a company to obtain a return on several assets owned by the company. The higher ROA level, the greater the level of profits achieved by the company and the better the company's position in terms of asset use. In other words, the greater the profits obtained, the more likely the company will achieve its goals, namely for the prosperity of shareholders. This also relates to the company's value; where the value of the company can be improved assessing the increase in the company's profitability that is sustainable. In a further explanation, the company's ability to increase profits stably will be seen as a positive thing by investors to the company's performance, so it will be directly proportional to the increase in firm value.

\[ \text{PER} = \frac{\text{share price}}{\text{earnings per share}} \]

\[ \text{ROA} = \frac{\text{net income}}{\text{total asset}} \]

Dividend Policy and Corporate Value
Dividend policy is a related company decision with the distribution of profits derived by the company where the profits will be distributed to shareholders or retained for reinvestment in the company. If the company decides to pay or distribute dividends to shareholders, then this shows prospects the level of profitability that has been achieved by the company. Therefore, companies need to maintain the stability of stock prices by creating a balance between current dividends and retained earnings in order the company can maximize the stock price so that the value the company can be maximized.

Managerial Ownership and Corporate Value
Managerial ownership can minimize conflict interests between company management and shareholders and reflect the effective level of company management that is applied. The more effective corporate governance the better the financial performance to monitor the activities of the company to maximize profits earned by the company.

Intellectual Capital and Corporate Value
Companies that manage and utilize resources good intellectuals can create added value and excellence in the company where shareholders will give more
appreciation to the company by investing higher (Ibrahim, 2015). Under these conditions, the company's value will increase.

**Figure 1.** Managerial ownership, dividend policy, and intellectual capital on corporate value with profitability as intervening variable

![Diagram showing the relationship between Managerial Ownership (X1), Dividend Policy (X2), Intellectual Capital (X3), Profitability (Y1), and Corporate Value (Y2) with Hypotheses H1 to H6.]

**RESEARCH METHOD**

In this research, the authors used explanatory method. Explanatory research is a research that has a purpose to explain the relationship between one variable with another and this study will use hypothesis testing. Explanatory research explains the effect of dividend policy on corporate value, the effect of managerial ownership on corporate value, and the effect of intellectual capital on corporate value with profitability as the variable control. Therefore, the variable used in the study are dependent variable which is corporate value with proxy Price Earnings Ratio (PER), and independent variable which is dividend policy with proxy Dividend Payment Ratio (DPR), managerial ownership with proxy Managerial Ownership (MOWN), and intellectual capital with proxy Value Added Intellectual Coefficient (VAIC) and also with intervening variable which is Profitability with proxy Return on Assets (ROA). Sample taken for this research is from the financial statements of real estate and property companies in Indonesia registered in Bursa Efek Indonesia (BEI) that have been examined for the year 2012-2018. The sampling method is done using the Purposive Sampling. Purposive sampling in this research is used because the option of samples is based on the accurate reasoning that will fulfill the standard needed to be examined.
This study views at statistical analysis to obtain answer in this research on the Dividend Policy, Managerial Ownership, and Intellectual Capital on Corporate Values with Profitability as an intervening variable, with using a statistical analysis through descriptive analysis, coefficient analysis, regression analysis, t-test, F-test and path analysis.

The following research models are functions that are given in research:

Where :

\[ PER = \alpha + \beta_1 DPR + \beta_2 MOWN + \beta_3 IC + \beta_4 ROA \]

PER : Corporate Value  
\( \alpha \) : Constant  
\( \beta_1 \beta_1 \beta_1 \beta_1 \) : Regression Coefficient  
DPR : Dividend Policy  
MOWN : Managerial Ownership  
IC : Intellectual Capital  
ROA : Return On Assets

RESULTS

Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAIC</td>
<td>42</td>
<td>1.21</td>
<td>89.69</td>
<td>7.6102</td>
<td>13.66259</td>
</tr>
<tr>
<td>MOWN</td>
<td>42</td>
<td>.00</td>
<td>.03</td>
<td>.0076</td>
<td>.01059</td>
</tr>
<tr>
<td>DPR</td>
<td>42</td>
<td>.02</td>
<td>5.95</td>
<td>.7421</td>
<td>1.20809</td>
</tr>
<tr>
<td>PER</td>
<td>42</td>
<td>.76</td>
<td>142.48</td>
<td>28.2197</td>
<td>34.23908</td>
</tr>
</tbody>
</table>
| ROA   | 42 | .03     | 19.68   | 3.6838 | 4.17030

According to the table above that shows the results of a descriptive statistical study of real estate and property companies in Indonesia registered in Bursa Efek Indonesia (BEI). The Corporate Value (PER) shows that the growth of real estate and property companies in Bursa Efek Indonesia index has mean of 28.2197 with minimum value of 0.76 and standard deviation 34.23908. The mean value is 28.2197 or above 1, which means 28.2197 times investors are willing to pay for every rupiah of profit per share that is issued by the company, so that the Price Earnings Ratio reflects the attractiveness of a stock.

The dividend policy with proxy dividend payout ratio (DPR) is between 0.02 – 5.95 with mean 0.7421 and the standard deviation is 1.20809. The mean value of Dividend Payout Ratio is 0.7421 that interprets real estate and property companies have an average value of dividends per share of 0.7421 times earnings per share.

The managerial ownership value is between 0.00 – 0.03 with the mean value 0.0076 and standard deviation 0.01059. With the mean result 0.0076, it shows that the
average of managerial ownership in the real estate and property companies in Indonesia is 0.76% which means the level of shares owned by the managers in the company is quite low.

The table above shows the value of Intellectual Capital with proxy VAIC is between 1.21 – 89.69 with mean value 7.6102 and standard deviation is 13.66259. The mean value 7.6102 shows that the level of efficiency in the use of intellectual capital in generating value added in the real estate and property companies is 7.6102.

The profitability shows result between 0.03 – 19.68 with the mean values 3.6838 and standard deviation 4.17030. The mean value 3.6838 or 368.38% interprets that in average the real estate and property companies can generate Rp 3.6838 net profit in every Rp 1 of its assets.

### Regression Model

#### Model I

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>8.769</td>
<td>7.210</td>
<td>1.216</td>
<td>.231</td>
</tr>
<tr>
<td>VAIC</td>
<td>.653</td>
<td>.347</td>
<td>.260</td>
<td>1.883</td>
</tr>
<tr>
<td>MOWN</td>
<td>702.005</td>
<td>449.330</td>
<td>.217</td>
<td>1.562</td>
</tr>
<tr>
<td>DPR</td>
<td>12.320</td>
<td>3.943</td>
<td>.435</td>
<td>3.125</td>
</tr>
<tr>
<td>F</td>
<td>4.780</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig.</td>
<td>0.006</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the table above, the F-statistic is 4.780 with p-value 0.006. The value of the profitability means that the profitability < 0.05. It can be concluded that VAIC, MOWN and DPR have simultaneously relationship with Return on Assets (ROA). The t-test shows that VAIC 1.883 < t-table 2.02, then VAIC does not have a significant effect on ROA. For MOWN the t-test shows that 1.562 < t-table 2.02, then MOWN does not have a significant effect on ROA. DPR shows t-test result, that 3.125 > t-table 2.02, then DPR have a significant effect on ROA.

#### Model II
The table above shows that the F test is probability 0.010. The value means that the probability < 0.05. The conclusion can be drawn is that VAIC, MOWN, DPR, ROA have a simultaneously relationship with corporate value (PER). From t-test table above, we can conclude that MOWN, VAIC and ROA does not have a significant relationship with PER but DPR significant relationship with PER because t-test DPR 2.949 > t-table 2.02.

Path Analysis
Path analysis is a technique analysis that is used to determine the causal relationship between independent variables and dependent variables.

### Table 3. Regression Model II

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>(Constant)</td>
<td>3.714</td>
<td>8.578</td>
</tr>
<tr>
<td>VAIC</td>
<td>.593</td>
<td>.350</td>
</tr>
<tr>
<td>MOWN</td>
<td>849.943</td>
<td>468.713</td>
</tr>
<tr>
<td>DPR</td>
<td>11.717</td>
<td>3.973</td>
</tr>
<tr>
<td>ROA</td>
<td>1.312</td>
<td>1.213</td>
</tr>
<tr>
<td>F</td>
<td>3.893</td>
<td></td>
</tr>
<tr>
<td>Sig.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The table above shows that the F test is probability 0.010. The value means that the probability < 0.05. The conclusion can be drawn is that VAIC, MOWN, DPR, ROA have a simultaneously relationship with corporate value (PER). From t-test table above, we can conclude that MOWN, VAIC and ROA does not have a significant relationship with PER but DPR significant relationship with PER because t-test DPR 2.949 > t-table 2.02.

### Analysis of Detection Test for Mediation Influence

In this study there is intervening variable which is profitability (ROA). The Sobel test is done by testing the strength of the indirect effect of dividend policy (DPR), managerial ownership (MOWN), and Intellectual Capital (VAIC) to corporate
value (PER) through Profitability (ROA) as the intervening variable. Calculated by multiplying the paths:

1. DPR → ROA = 0.758  
   ROA → PER = 7.058
2. MOWN → ROA = 0.768  
   ROA → PER = 7.058
3. VAIC → ROA = 0.740  
   ROA → PER = 7.058

**Path 1**

\[
t = \frac{ab}{\sqrt{(b^2S_{ea}^2) + (a^2SEb^2)}} = \frac{0.44 \times 0.347}{0.049352} = 3.093694278
\]

Because t value = 3.093694278 is greater than t table with a significance level of 0.05 which is 1.96, it can be concluded that the intervening variable significant and it means that there is an intervening (mediating) effect of profitability in mediating the relationship of dividend policy (DPR) to corporate value (PER).

**Path 2**

\[
t = \frac{ab}{\sqrt{(b^2S_{ea}^2) + (a^2SEb^2)}} = \frac{0.39 \times 0.347}{20.60793245} = 0.006566888
\]

Because t value = 0.006566888 is lesser than t table with a significance level of 0.05 which is 1.96, it can be concluded that the intervening variable which is profitability doesn’t effect as a mediator in the relationship of managerial ownership (MOWN) to corporate value (PER).

**Path 3**

\[
t = \frac{ab}{\sqrt{(b^2S_{ea}^2) + (a^2SEb^2)}} = \frac{0.52 \times 0.347}{0.103215267} = 1.748190992
\]

Because t value = 1.748190992 is lesser than t table with a significance level of 0.05 which is 1.96, it can be concluded that the intervening variable does not have an intervening (mediating) effect of profitability in mediating the relationship of intellectual capital (VAIC) to corporate value (PER).

**Discussion**

**Relationship Between Managerial Ownership and Profitability**

The results of the study shows that Managerial Ownership does not effect on profitability of real estate and property companies listed on the Indonesia Stock Exchange in 2012-2018. This is indicated by the value of the research where according to the t-test MOWN shows that 1.562 < t-table 2.02, then MOWN does not have a significant effect on ROA. The results of this study support research conducted by Ardy and Widi (2013), which proves that Managerial Ownership has no effect on profitability. The results of the study concluded that the proportion of managerial ownership that still tends to be small or small, so that the application of managerial ownership to help the unification of interests between managerial and owners that can improve performance has not been effective.

**Relationship Between Dividend Policy and Profitability**

The results of the study shows that Dividend Policy have a significant relationship on profitability of real estate and property companies listed on the Indonesia Stock Exchange in 2012-2018. This is indicated by the value of the research where
according to the t-test DPR shows t-test result, that 3.125 > t-table 2.02, then DPR have a significant effect on ROA. The results of this study are not in line with research conducted by Eyup Kadioglu and Nurcan Ocal (2016) stating that dividends or changes in dividends do not convey information about future profitability. The results of this study support the signal theory proposed by Modigliani and Miller which explains that the increase in dividends above the expected amount is a signal for investors that company management predicts good earnings in the future (Brigham and Houston, 2013: 215). This indicates that the increase in dividends can reflect the condition and prospects of the company in good condition.

Relationship Between Intellectual Capital and Profitability
The results of the study shows that Intellectual Capital does not effect on profitability for real estate and property companies listed on the Indonesia Stock Exchange in 2012-2018. This is indicated by the value t-test of 1.883 is lower than the table at 2.20 (1.890 < 2.02). Therefore, it can be concluded that Intellectual Capital has no effect on profitability. The results of this study support research conducted by Murdiana (2016), who prove that Intellectual Capital has no effect on profitability. Intellectual Capital's lack of influence on profitability can be caused by the company's lack of ability to manage intellectual capital efficiently. This inefficiency results in the company not being able to produce a net profit that is greater than the operating costs it incurred.

Relationship Between Managerial Ownership and Corporate Value
The results of the study shows that Managerial Ownership does not effect Company Value in real estate and property companies listed on the Indonesia Stock Exchange in 2012-2018. This is evidenced by the value t-test 1.813 < t-table 2.02. Therefore, it can be concluded that Managerial Ownership does not influence the Company Value. The results of this study are not consistent with research conducted by Trisno (2017) which prove that Managerial Ownership influence the Company Value. The results of this study does not support the agency theory which states that managerial ownership is an effective mechanism for overcoming agency conflicts that occur due to interests between managerial and owner.

Relationship Between Dividend Policy and Corporate Value
The results shows that the Dividend Policy does not effect on Company Value for real estate and property companies listed on the Indonesia Stock Exchange in 2012-2018. This is evidenced by the t-test value 2.949 > t-table 2.02. Therefore, it can be concluded that Dividend Policy effect the Company Value. The results of this study support research conducted by Esana and Darmawan (2017) which show that dividend payout ratio (DPR) has a positive effect on company value. The results of the study reinforce the Bird in the Hand Theory theory

Relationship Between Intellectual Capital and Corporate Value
The results of the study shows that Intellectual Capital does not effect on Company Value on real estate and property companies listed on the Indonesia Stock Exchange in 2012-2018. This is indicated by the value of the research where the t-test value 1.691 < 2.02 t-table. Therefore, it can be concluded that Intellectual Capital has no effect on Company. The results of this study are in accordance with research
conducted by Widarjo (2011) which states that the market does not provide a higher value to the value of companies that have high intellectual capital. The influence of Intellectual Capital on Company Value occurs because the company still has not utilized and managed effectively and efficiently the company's resources, especially intangible assets, as potential strategic assets. This can indicate that companies in Indonesia still run their businesses on a labor-based basis rather than knowledge-based businesses.

**Relationship Between Profitability and Corporate Value**

The results of the study shows that profitability does not effect on company value in manufacturing companies listed on the Indonesia Stock Exchange in 2014-2016. This is indicated by the value of t-test 1.082 < 2.02 t-table. Therefore, it can be concluded that profitability has no effect on firm value. The results of this study are not in line with research conducted by Winda (2015) who prove that Profitability (Return On Assets) has a positive effect on Company Value. However, the results of this study are consistent with research conducted by Yoana (2013) which prove that profitability (Return On Assets) has no effect on firm value. This happens due to the lack of the company's management ability to manage assets to increase revenue and reduce costs. Even though the manufacturing company is in a positive profit condition, the amount of profit earned by the company is not necessarily accompanied by efficient asset management.

**Relationship Between Managerial Ownership and Corporate Value with Profitability as the Intervening Variable**

Therefore, it can be concluded that the profitability variable is not an intervening variable between Managerial Ownership of Firm Value so that the ninth hypothesis in this study is rejected. The results of this study are consistent with research conducted by Muhammad (2016) which states that profitability is not an intervening variable in the relationship between Managerial Ownership and Firm Value. This happened caused by a mismatch of information received by the company, this will cause information asymmetry caused by agency problems that occur between the owner and manager.

**Relationship Between Dividend Policy and Corporate Value with Profitability as the Intervening Variable**

According to the path analysis and sobel test result, it shows that the probability is greater than 0.005 ( p-value > 0.005) and t-test value is greater than 1.96 (3.093694278 > 1.96) where there is significance. Therefore, it can be concluded that the profitability variable is an intervening variable between Dividend Policy and Firm Value so that the eighth hypothesis in this study is rejected. The results of this study is not in line with the results of research conducted previously by Jufri (2016) which states that profitability is not an intervening variable between Dividend Policy on Firm Value. The results of this study conclude that Dividend Policy has effect on profitability. The Dividend Policy has a direct effect on Company Value, does the profitability prove its existence as an intervening variable between Dividend Policy and Firm Value. These results indicate that an increase or decrease in dividend policy followed by an increase or decrease in profitability will affect the value of the company.
Relationship Between Intellectual Capital and Corporate Value with Profitability as the Intervening Variable

Therefore, it can be concluded that the profitability variable is not an intervening variable between Intellectual Capital to Company Value so the tenth hypothesis in this study is rejected. The results of this study are consistent with research conducted by Sofia and Aprilyani (2016) which proves that profitability cannot mediate on the relationship between Intellectual Capital and Company Value. Although, in resource based theory emphasizes the company's resources as a determining factor for competitive advantage and company performance, one of which is intellectual capital. Profitability cannot mediate on the relationship between Intellectual Capital and Company Value due to the fact that the market has not been able to provide a better assessment of companies that have implemented and managed intellectual capital efficiently to drive financial performance in generating profits. Therefore, the contribution of financial performance as an impact of the application of intellectual capital is not able to provide a positive signal in the market so that the company's value does not experience significant changes.

Conclusion and Recommendation

Based on the results of research on the effect of Managerial Ownership, Dividend Policy, and Intellectual Capital on Company Value with Profitability as an intervening variable on manufacturing companies listed on the Indonesia Stock Exchange in the period 2014-2016, it can be concluded that simultaneously Managerial Ownership, Dividend Policy, and Intellectual Capital effects Profitability but partially, Managerial Ownership, Intellectual Capital, does not affect Profitability but Dividend Policy does effect profitability. Simultaneously, Managerial Ownership, Intellectual Capital and Return on Assets affect Corporate Value. Managerial Ownership, Intellectual Capital and Return on Assets partially does not affect Corporate Value but Dividend Policy affects Corporate Value. Profitability is an intervening variable between Dividend Policy and Corporate Value but Profitability is not an intervening variable between Managerial Ownership and Intellectual Capital to Corporate Value. Therefore, it is recommended for the academician and practitioners for the future studies, that on this study only uses three independent variables while there are still many other factors that have an influence on Company Value that can be added and the use of samples is not only limited to the manufacturing sector, but can be extended to several other industrial sectors such as property, mining, telecommunication, and others and also could add external factors such as microeconomic sectors. For the managements, the company management should continue to strive to increase the value of the company for example try to implement Dividend Policy, Managerial Ownership, and Intellectual Capital more effectively and efficiently so that the Company's Value can increase with increasing Profitability. Thus, companies need to make efforts to improve profitability, namely by increasing financial performance in generating good profits through efficient asset management which is reflected in return on assets and needs to reduce costs. For the investors, in an effort to maximize stock returns, investors need to look up to the company prospects by looking and analyzing at the company's value.
REFERENCES


