

**THE FACTORS THAT INFLUENCE DEBT POLICY IN MANUFACTURE
COMPANIES THAT ARE LISTED IN THE INDONESIAN STOCK
EXCHANGE**

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ABSTRACT

The objective of this study is to analysis the influence between insider ownership, institutional investor, dividend payments, firm growth, profitability, fixed asset ratio and debt policy. The independent variables are insider ownership, institutional investor, dividend payments, firm growth, profitability, fixed asset ratio. The dependent variable is debt policy.

The data are taken by pooling with sample from manufacture companies listed in Indonesia Stock Exchange 2007 to 2009; 105 data exist. The statistical method used in this research is multiple regression.

Result indicated that all variables influence the debt policy simultaneously in the amount 18.3 %. Individually, insider ownership, institutional investor, dividend payments, firm growth, and fixed asset ratio variable does not have significant influence towards debt policy, then profitability variable have significant influence toward debt policy.

Keywords : Insider ownership, institutional investor, dividend payments, firm growth, profitability, fixed asset ratio and debt policy.