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The Role of Good Corporate Governance in the Relationship between Investment Decisions, Funding Decisions, and Dividend Policy on Firm Value

(Empirical Study of Consumer Goods Industry Companies Listed on the Indonesia Stock Exchange in 2017-2019)

Eka Risky Widyawati[1], Fatchan Achyani[2]
Faculty of Economics and Business, University of Muhammadiyah Surakarta, Indonesia
Faculty of Economics and Business, University of Muhammadiyah Surakarta, Indonesia

Abstract: *This study aims to examine the effect of investment decisions, funding decisions, and dividend policies on firm value with good corporate governance as a moderating variable in consumer goods companies listed on the Indonesia Stock Exchange in 2017 - 2019. The data used in this study are data secondary with the sampling technique using purposive sampling based on certain criteria so that 43 companies were selected as research samples. Data analysis used multiple linear regression analysis using SPSS 25. The results showed that investment decisions had an effect on firm value, while funding decisions and dividend policies had no effect on firm value. Investment decisions, funding decisions, and dividend policies moderated by Good Corporate Governance have no effect on company value.*

Keywords: Investment Decisions, Funding Decisions, Dividend Policies, Good Corporate Governance, and Firm Value

I. INTRODUCTION

The consumer goods sector is one of the companies that can increase economic growth in Indonesia. As a company that plays a role in the economy, of course there will be a lot of business competition that occurs to achieve short-term goals, namely maximizing profits and long-term, namely increasing company value. This makes managers more active in improving the company's financial performance in order to achieve its goals. The success of optimizing corporate value can be achieved through a well-executed financial manager function because the various decisions they make will affect other financial decisions (Sari & Wahidahwati, 2018). Increased company financial performance will have an impact on the high value of the company (Pertiwi & Pratama, 2012).

Firm value is an important factor because it is the goal to be achieved by financial managers, namely maximizing firm value. The high value of the company is a measure of welfare for owners and shareholders. Therefore, it can be concluded that the higher the value of the company, the higher the welfare of the owners and shareholders of the company (Sari & Wahidahwati, 2018). Firm value is influenced by several factors such as investment decisions, funding decisions, dividend policies, and good corporate governance.

Investment decisions are one of the hopes for companies and investors for better company growth (Effendy & Handayani, 2020). For investors, good business development is very profitable because the funds that have been invested can generate profits for the future. Therefore, the higher the profitability of the company, the higher the value owned by a company and the high level of prosperity received by shareholders (Gustiandika & Hardiprajitno, 2014).

The funding decision is the direction from which the company will choose a source of funds to be used for operational costs. Companies have a tendency to choose sources of financing by prioritizing internal sources, when there

is insufficient internal funding, they will seek external funding sources by taking on debt and when these are not fulfilled, the company will also issue shares (Triani & Tarmidi, 2019). External sources of funds will certainly add to expenses for paying debts and interest, therefore management of sources and availability of funds must be considered properly by managers.

The activity of distributing net profit to shareholders is an understanding of the dividend policy (Ashary & Kasim, 2019). One strategy to make the company have a positive outlook in the eyes of investors is when the company is able to pay high dividends (Dewi & Suryono, 2019). Investors hope that the dividends distributed have high value because they can make the company and shareholders prosperous. High profit sharing can also be used as information that the company is in good condition and a means to attract investors to invest in the company (Putri & Budyastuti, 2021).

GCG is the implementation of good corporate governance to increase company value. Good or bad corporate governance can be seen from the way management manages its assets and capital which is reflected in the company's financial performance (Stiadi & Yusniar, 2017). GCG is also a concept that aims to increase transparency and accountability with the aim of ensuring the achievement of business goals by using resources efficiently.

II. REVIEW LITERATURE

2.1 Agency Theory

Agency theory explains that the company becomes an agreement between the shareholders (principal) and the manager (agent) (Gustiandika & Hardiprajitno, 2014). The agreement made is that shareholders give responsibility to managers to manage the company with the aim of increasing profits for the prosperity of shareholders (Dewi & Suryono, 2019). This can be a trigger for agency problems between shareholders and managers because of the different goals of each party. On the one hand, shareholders want managers to be able to manage the company well to improve the welfare of shareholders, but on the other hand managers also want welfare for themselves. Therefore, agency costs arise.

2.2 Signal Theory

Signal theory describes how best a company can share information with users of financial statements (Gustiandika & Hardiprajitno, 2014). This is done to provide a signal to investors or shareholders regarding the performance of the company's management in viewing the company's prospects in the future so that they can distinguish good quality companies from companies with poor quality. Good or bad management performance will be reflected in the annual financial report. This report is taken into consideration by investors when investing, so it must be presented in a relevant manner and contain important information for those who need it (Fauzi & Ardini, 2018).

2.3 Firm Value

Every company must have a main goal to achieve, which is to increase firm value in a sustainable manner (Sari & Wahidahwati, 2018). Firm value reflects the condition of the company where these conditions can affect the attractiveness of investors (Romadhani, et al., 2020). This is of great concern because the value of the company becomes the perception of investors regarding the success of operating a company which is usually associated with stock prices. If the company has good prospects in the future, then the share value will be high and if the company is considered to have less prospects, then the stock price will be low.

2.4 Investment Decisions

The activity of sacrificing current assets to obtain more assets in the future is the meaning of investment (Rakhimsyah & Gunawan, 2011). Investment decisions aim to obtain a high level of profit with a certain level of risk. When the level of risk is managed well by the company's management, this can indirectly increase the value of the company and the welfare of the shareholders. Thus, potential investors will have more confidence to invest in the company. Based on the description above, the hypothesis can be formulated as follows:

Hypothesis 1 (H1): Investment decisions affect the firm value.

2.5 Funding Decisions

Funding decision is a decision regarding the form and structure of funding that will be used by the company. Increasing funding sources from external sources such as debt is a way to reduce agency costs. Debt, indirectly also becomes a controller for managers to stay focused on increasing profits so that they can be used to pay off debts and increase the value of the company. Debt policy can be one way to increase firm value (Bringham and Gapenski, 1996) in (Gustiandika & Hardiprajitno, 2014). Based on the description above, the hypothesis can be formulated as follows:

Hypothesis 2 (H2) : Funding decisions affect firm value.

2.6 Dividend Policy

Dividend policy is one of the determining factors for the amount of profit that will be obtained by shareholders because it is this profit that will determine the level of prosperity of shareholders. Therefore, the amount of dividend distribution will be of special interest to potential investors who will invest (Erawati & Ramadhani, 2021). The higher the dividend paid, the higher the investor's trust in the company, which in turn will increase the stock price as an indicator of the company's value. Dividend policy has a positive effect on company value, because a high dividend distribution will indicate that the company can meet company needs and return investor capital (Sari & Wahidahwati, 2018). Based on the description above, the hypothesis can be formulated as follows:

Hypothesis 3 (H3): Dividend policy affects firm value.

2.7 The Influence of GCG on The Relationship Between Investment Decisions and Firm Value

GCG is a system that regulates and controls a company (Ferial, et al., 2016). In accordance with the signal theory that managers must provide signals related to the state of the company to the owner of the company. Whether the signal is good or bad is based on the quality of a company's financial statements. Financial reports are important for external parties because they are in a position of uncertainty (Sari & Wahidahwati, 2018). The existence of asymmetry between managers and company owners gives managers the opportunity to apply GCG to increase company value. GCG implementation plays a role in overseeing the performance of a manager in maximizing shareholder value which will affect the increase in company value. Based on the description above, the hypothesis can be formulated as follows:

Hypothesis 4 (H4): GCG is able to moderate investment decisions on firm value.

2.8 The Influence of GCG on The Relationship Between Funding Decisions and Firm Value

Financial structure regulations expect that companies do not have a lot of debt that can exceed their own capital level (Sari & Wahidahwati, 2018). This should be a manager's consideration in determining the source of funding. If a company uses a high source of external funding (debt), it will have an effect on reducing a company's taxes, but high debt will also pose a risk to the company (Charita, et al., 2021). Therefore, it is necessary to implement GCG within the company because the source of funding is related to GCG. The implementation of GCG will have a more optimal effect on company value even though the level of debt used is high. Based on the description above, the hypothesis can be formulated as follows:

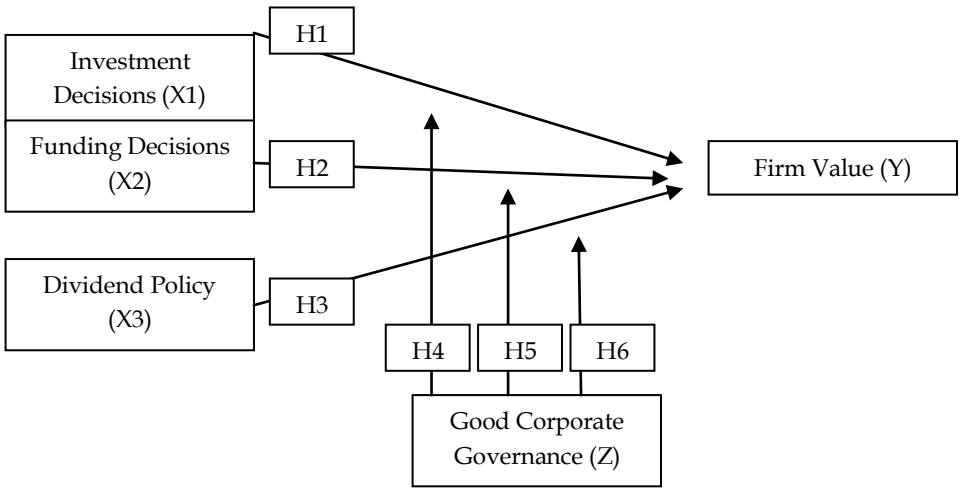
Hypothesis 5 (H5): GCG is able to moderate funding decisions on firm value.

2.9 The Influence of GCG on The Relationship Between Dividend Policy and Firm Value

Investors have a goal of increasing welfare for themselves by hoping to get returns through dividend distribution while companies hope to grow continuously to be able to maintain their survival while providing welfare for shareholders (Dewi & Putri, 2017). Thus the dividend policy is important to meet shareholders' expectations of dividends without hampering the company's growth. GCG has a role in managing and controlling the company's financial performance related to dividend policy so that it can reduce the existence of errors in decision making, in other words, it is only beneficial for oneself. Companies that have implemented GCG will describe management's efforts to manage company assets properly, this can be seen in the company's financial performance through the company's ability to pay dividends. Based on the description above, the hypothesis can be formulated as follows:

Hypothesis 6 (H6): GCG is able to moderate dividend policy on firm value.

2.10 Research Framework



III. METHOD

3.1 Research Design

This research was conducted through a quantitative approach. The quantitative method was chosen in this study because it uses research variables with numbers and performs data analysis using statistical procedures.

3.2 Population and Sample

The population in this study are consumer goods manufacturing companies listed on the Indonesia Stock Exchange in 2017-2019. The sampling technique used in this research is purposive sampling method, which is sampling based on objectives by providing certain criteria.

3.3 Type and Source Data

In this study, the data source used is secondary data. Data from this study were obtained from the annual financial reports of Consumer Goods Industry Companies for 2017-2019 through the company's website and the website of the Indonesia Stock Exchange.

3.4 Multiple Linear Regression Analysis

This analysis explains the relationship between the dependent variable and several independent variables through the form of equations and aims to determine whether the moderating variable will strengthen or weaken the relationship between the dependent variable and the independent variable. The regression equation model to be tested in this study is:

Equation 1 (Without moderating variable):

$$PBV = \alpha + \beta 1PER + \beta 2DER + \beta 3DPR + \varepsilon$$

Equation 2 (With moderating variable):

$$PBV = \alpha + \beta 1PER + \beta 2DER + \beta 3DPR + \beta 4KM + \beta 5PER*KM + \beta 6DER*KM + \beta 7DPR*KM + \varepsilon$$

Description:

PBV	: Firm Value (Price Book Value)
PER	: Investment Decisions (Price Earning Ratio)
DER	: Funding Decisions (Debt to Equity Ratio)
DPR	: Dividend Policy (Dividen Payout Ratio)
KM	: Kepemilikan Manajerial
PER*KM	: Interaction between Investment Decisions and Good Corporate Governance
DER*KM	: Interaction between Funding Decisions and Good Corporate Governance
DPR*KM	: Interaction between Dividend Policy and Good Corporate Governance
α	: Constant
β1-7	: Regression Coefficient
ε	: Error

3.5 Firm Value

Firm value is proxied through the Price Book Value (PBV) formula. PBV becomes a tool to measure the value of the company from the market to management and the organization as the company grows.

3.6 Investment Decisions

Investment decisions are calculated using the Price Earning Ratio (PER) formula. PER is the ratio used to assess the price of shares based on the company's ability to generate net income.

$$PER = \frac{\text{Stock Price}}{\text{Earnings per Share}}$$

3.7 Funding Decisions

In this study, funding decisions are proxied through the Debt to Equity Ratio (DER). DER is a comparison between total debt and company equity which is used as a source of business funding.

$$\text{DER} = \frac{\text{Total Debt}}{\text{Total Equity}}$$

3.8 Dividend Policy

Dividend payments are calculated using the Dividend Payout Ratio (DPR) formula. DPR describes the amount of profit from each share allocated in the form of dividends.

$$\text{DER} = \frac{\text{Dividend per Share}}{\text{Earnings per Share}}$$

3.9 Good Corporate Governance

Moderating variables are variables that play a role in strengthening or weakening the relationship between the independent variables and the dependent variable. The moderating variable in this study is Good Corporate Governance (GCG).In short, GCG is a procedure for managing relationships between related parties in order to create added value for the common good.

$$\text{KM} = \frac{\text{The Number of Shares Owned by Managers}}{\text{The Number of Outstanding Shares}}$$

IV. Data Analysis and Discussion

4.1 Descriptive Statistical Analysis

Table1. Results of Descriptive Statistical Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
PBV	43	,70817	6,85742	2,7894521	1,70252055
PER	43	6,13497	45,88715	20,7150367	9,69410267
DER	43	,16354	1,81857	,6495153	,40970600
DPR	43	,13846	,91124	,3716591	,18809445
KM	43	,00001	,38009	,0757623	,11314791
PER*KM	43	,00035	8,58131	1,6061342	2,55874869
DER*KM	43	,00001	,26716	,0471751	,07360391
DPR*KM	43	,00000	,14425	,0235728	,03521898
Valid N (listwise)	43				

Source: Results of SPSS Data Processing, 2023

Based on the data in table 1 it can be interpreted as follows:

1. Firm Value (PBV)
   Firm value variable as measured by Price Book Value has a minimum value of 0,70817; maximum value of 6,85742; the average value (mean) is 2,7894521 with a standard deviation of 1,70252055.
2. Investment Decisions (PER)
   Investment decisions variable as measured by the Price Earning Ratio which has a minimum value of 6,13497; maximum value of 45,88715; the average value (mean) is 20,7150367 with a standard deviation of 9,69410267.
3. Funding Decisions (DER)
   Funding decisions variable as measured by the Debt to Equity Ratio whichhas a minimum value of 0,16354; maximum value of 1,81857; the average value (mean) is 0,6495153 with a standard deviation of 0,40970600.
4. Dividend Policy (DPR)
   Dividend policy variable as measured by the Dividen Payout Ratio whichhas a minimum value of 0,13846; maximum value of 0,91124; the average value (mean) is 0,3716591 with a standard deviation of 0,18809445.
5. Good Corporate Governance (KM)
   Good Corporate Governancevariable as measured by the Managerial Ownership whichhas a minimum value of 0,00001; maximum value of 0,38009; the average value (mean) is 0,0757623 with a standard deviation of 0,11314791.

6. Investment Decision moderated by Good Corporate Governance (PER_KM)
   Table 1 shows that the variable investment decisions and good corporate governance of the 43 companies studied has a minimum value of 0,00035; maximum value of 8,58131; the average value (mean) is 1,6061342 with a standard deviation of 2,55874869.
7. Funding Decision moderated by Good Corporate Governance (DER_KM)
   Table 1 shows that the funding decision variable and good corporate governance of the 43 companies studied have a minimum value of 0,00001; maximum value of 0,26716; the average value (mean) is 0,0471751 with a standard deviation of 0,07360391.
8. Dividend Policy moderated by Good Corporate Governance (DPR_KM)
   Table 1 shows that the variable dividend policy and good corporate governance of the 43 companies studied has a minimum value of 0,00000; maximum value of 0,14425; the average value (mean) is 0,0235728 with a standard deviation of 0,03521898.

4.2 Multiple Linear Regression Analysis

Table2. Multiple Linear Regression Test Results

Variable	Equation 1			Equation 2		
	Beta	t	Sig.	Beta	t	Sig.
Konstant	0,174	0,241	0,811	0,623	0,746	0,461
PER	0,649	5,057	0,000	0,507	3,801	0,001
DER	0,050	0,402	0,690	-0,035	-0,248	0,805
DPR	0,035	0,286	0,776	0,028	0,196	0,846
KM				-0,559	-1,444	0,158
PER*KM				0,679	1,777	0,084
DER*KM				0,311	1,312	0,198
DPR*KM				-0,091	-0,277	0,783
Adjusted R^2	0,390			0,516		
F	9,940			7,399		
Sig	0,000			0,000		

Source: Processed data, 2023

Based on the results of the regression test in the table above, the regression equation can be written as follows:
Equation 1:

PBV= 0,174 + 0,649 PER + 0,050 DER + 0,035 DPR + □

Equation 2:

PBV= 0,623 + 0,507 PER – 0,035 DER + 0,028 DPR – 0,559 KM + 0,679 PER*KM + 0,311 DER*KM – 0,091 DPR*KM + □

From equation 1 in table 2 it can be interpreted as follows:

1. Constant (α)
   The constant value is 0,174 which means that if the variables of investment decisions, funding decisions, and dividend policies are considered zero then the firms's value is 0,174.
2. Investment Decision Variable Regression Coefficient (PER)
   The regression coefficient value is 0,649 which indicates that if the investment decision variable increases by 1 unit, then the firm value will increase by 0,649.
3. Funding Decision Variable Regression Coefficient (DER)
   The regression coefficient value is 0,050 which indicates that if the financing decision variable increases by 1 unit, then the firm value will increase by 0,050.
4. Dividend Policy Variable Regression Coefficient (DPR)
   The regression coefficient value is 0,035 which indicates that if the dividend policy variable increases by 1 unit, the firm value will increase by 0,035.
5. Term Error Coefficient (□)
   The coefficient □ explains that there are other factors that can affect firm value (PBV) in this study.

From equation 2 in table 2 it can be interpreted as follows:

1. Constant (α)

The constant value is 0,623 which means that if the firm value variable is 0,623 then the independent and moderating variables are considered zero.

2. Investment Decision Variable Regression Coefficient (PER)
   The regression coefficient value is 0,507 which indicates that if the investment decision variable increases by 1 unit, then the firm value will increase by 0,507.
3. Funding Decision Variable Regression Coefficient (DER)
   The regression coefficient value is -0,035 which indicates that if the financing decision variable increases by 1 unit, then the firm value will decrease by -0,035.
4. Dividend Policy Variable Regression Coefficient (DPR)
   The regression coefficient value is 0,028 which indicates that if the dividend policy variable increases by 1 unit, the firm value will increase by 0,028.
5. Good Corporate Governance (KM) Regression Coefficient
   The regression coefficient value is -0,559 which indicates that if the Good Corporate Governance variable increases by 1 unit, then the company value will decrease by -0,559.
6. Investment Decision Variable Regression Coefficient (PER*KM)
   The value of the investment decision regression coefficient (PER) moderated by Good Corporate Governance (KM) is 0,679, meaning that if investment decisions and Good Corporate Governance (PER*KM) increase by 1 unit, the company value (PBV) will increase by 0,679.
7. Funding Decision Variable Regression Coefficient (DER*KM)
   The regression coefficient value of funding decisions (DER) moderated by Good Corporate Governance (KM) is 0,311, meaning that if funding decisions and Good Corporate Governance (DER*KM) increase by 1 unit, then the company value (PBV) will increase by 0,311.
8. Dividend Policy Variable Regression Coefficient (DPR*KM)
   The regression coefficient value of dividend policy (DPR) moderated by Good Corporate Governance (KM) is -0,091, meaning that if the dividend policy and Good Corporate Governance (DPR*KM) increase by 1 unit, the company value (PBV) will decrease by – 0,091.
9. Term Error Coefficient (□)
   The coefficient □ explains that there are other factors that can affect firm value (PBV) in this study.

4.3 Classic Assumption Test

4.3.1 Normality Test

Table3. Normality Test Results

Variable	Equation 1		Equation 2	
	Asymp. Sig. (2 tailed)	Description	Asymp. Sig. (2 tailed)	Description
Unstandardized Residual	0,102	Normal	0,200	Normal

Source: Results of SPSS Data Processing, 2023

Based on the results of the normality test in table 3 it shows that equation 1 produces an Asymp value. Sig. (2-tailed) of 0,102 and equation 2 produces an Asymp value. Sig. (2-tailed) of 0,200 or greater than 0,05. It can be concluded that the data is normally distributed.

4.3.2 Multicollinearity Test

Table 4. Multicollinearity Test Results

Variable	Equation 1		Equation 2		Description
	Tolerance	VIF	Tolerance	VIF	
PER	0,883	1,133	0,647	1,546	There is No Multicollinearity
DER	0,921	1,085	0,568	1,762	There is No Multicollinearity
DPR	0,954	1,048	0,575	1,740	There is No Multicollinearity
KM			0,077	12,995	There is Multicollinearity

PER*KM			0,079	12,664	There is Multicollinearity
DER*KM			0,205	4,877	There is No Multicollinearity
DPR*KM			0,106	9,430	There is No Multicollinearity

Source: Results of SPSS Data Processing, 2023

Based on the multicollinearity test in table 4 it shows that all independent variables in equation 1 have a tolerance value of more than 0.10 and a VIF value of less than 10, it can be concluded that equation 1 does not occur multicollinearity, whereas in equation 2 it has a PER tolerance value of 0,647 > 0,10; DER of 0,568 > 0,10; DPR of 0,575 > 0,10; KM of 0,077 <010; PER*KM of 0,079 <0,10; DER*KM of 0,205 > 0,10; and the DPR*KM is 0,106 > 0,10 and the VIF value is PER 1,546 < 10; DER of 1,762 <10; DPR of 1,740 <10; KM of 12,995 > 10; PER*KM of 12,664 > 10; DER*KM of 4,877 < 10; and DPR*KM of 9,430 < 10, it can be concluded that for the variables KM and PER*KM there is multicollinearity while for the variables PER, DER, DPR, DER*KM, and DPR*KM there is no multicollinearity.

4.3.3 Autocorrelation Test

Tabel 5. Autocorrelation Test Result

Durbin-Watson	Durbin-Watson
Equation 1	Equation 2
1,733	1,600

Source: Results of SPSS Data Processing, 2023

Based on the results of the autocorrelation test in table 5 it shows that equation 1 produces a Durbin-Watson value of 1.733 and equation 2 produces a Durbin-Watson value of 1.600. Therefore, it can be concluded that the regression model used fulfills the assumption of a DW value between (-2) to 2, so it can be said that there is no autocorrelation.

4.3.4 Heteroscedasticity Test

Tabel 6. Heteroscedasticity Test Result

Variable	Equation 1		Equation 2		Description
	Koefisien	Sig	Koefisien	Sig	
PER	0,082	0,602	0,101	0,518	There is No Heteroscedasticity
DER	-0,050	0,750	-0,030	0,847	There is No Heteroscedasticity
DPR	0,038	0,807	0,009	0,956	There is No Heteroscedasticity
KM			-0,032	0,837	There is No Heteroscedasticity
PER*KM			-0,050	0,749	There is No Heteroscedasticity
DER*KM			-0,078	0,621	There is No Heteroscedasticity
DPR*KM			-0,17	0,913	There is No Heteroscedasticity

Source: Results of SPSS Data Processing, 2023

Based on the results of the Heteroscedasticity Test above, it shows that all independent variableshave a significance value of > 0,05 so that it can be concluded that the regression model does not haveheteroscedasticity.

4.3.5 Determination Coefficient Test

Tabel 7. Determination Coefficient Test

Equation 1				Equation 2			
R	R Square	Adjusted R Square	Std. Error of the Estimate	R	R Square	Adjusted R Square	Std. Error of the Estimate
0,658	0,433	0,390	1,33002436	0,772	0,597	0,516`	1,18433800

Source: Results of SPSS Data Processing, 2023

Based on the results of the adjusted R^2 test in table 7, it shows that the adjusted R^2 value in equation 1 is 0,390, which means that the dependent variable that can be explained by the independent variable is 39%. This shows that 39% of firm value (PBV) is explained by investment decisions (PER), financing decisions (DER), and dividend policy (DPR) while the remaining 61% is influenced by other variables not examined in this study.Whereas in equation 2 after adding the moderating variable in table 7 it shows the adjusted R^2 value of 0,516, which means the dependent variable that can be explained by the independent variable is 51,6%. This shows that 51,6% of the firm's value (PBV) is explained by investment decisions (PER), funding decisions (DER), dividend policy (DPR); Good Corporate Governance (KM); PER*KM, DER*KM; and DPR*KM while the remaining 48,4% is influenced by other variables not examined in this study.

4.3.6 Statistical Test F

Tabel 8. Statistical Test F

Equation 1						Equation 2				
Variables	Sum of Squares	df	Mean Square	F	Sig.	Sum of Squares	df	Mean Square	F	Sig.
Regression	52,751	3	17,584	9,940	0,000	72,647	7	10,378	7,399	0,000
Residual	68,990	39	1,769			49,093	35	1,403		
Total	121,740	42				121,740	42			

Source: Results of SPSS Data Processing, 2023

Based on the results of the F statistical test in table 8, it shows that the F value in equation 1 is 9,940 with a significance value of 0,000. This shows that simultaneously firm value (PBV) can be explained by investment decisions (PER), funding decisions (DER), and dividend policy (DPR). Likewise in equation 2 it produces an F value of 7,399 with a significance value of 0,000. This shows that simultaneously firm value (PBV) can be explained by investment decisions (PER), funding decisions (DER), and dividend policy (DPR), moderation between investment decisions and Good Corporate Governance (PER*KM), moderation between funding decisions with Good Corporate Governance (DER*KM), and moderation between dividend policy and Good Corporate Governance (DPR*KM).

4.3.7 Statistical Test T

Tabel 9. Statistical Test T

Model	t	Sig.	Description
PER	5,057	0,000	Hypothesis received
DER	,402	0,690	The hypothesis is rejected
DPR	,286	0,776	The hypothesis is rejected
PER*KM	1,777	0,084	The hypothesis is rejected
DER*KM	1,312	0,198	The hypothesis is rejected
DPR*KM	-,277	0,783	The hypothesis is rejected

Source: Results of SPSS Data Processing, 2023

Based on table 9 it can be seen that:

1. The investment decision variable (PER) produces a significant value of 0,000, which means a significant value of less than 0.05. This shows that the investment decision (PER) has a significant effect on firm value (PBV).
2. The funding decision variable (DER) produces a significant value of 0,690, which means a significant value of more than 0,05. This shows that the funding decision (DER) has no significant effect on firm value (PBV).
3. The dividend policy variable (DPR) has a significant value of 0,776, which means a significant value of less than 0,05. This shows that dividend policy (DPR) has no significant effect on firm value (PBV).

4. The investment decision variable moderated by Good Corporate Governance (PER*KM) produces a significant value of 0,084, which means a significant value of more than 0,05. This shows that investment decisions moderated by Good Corporate Governance (PER*KM) have no significant effect on firm value (PBV).
5. The funding decision variable moderated by Good Corporate Governance (PER*KM) produces a significant value of 0,198, which means a significant value of more than 0,05. This shows that funding decisions moderated by Good Corporate Governance (PER*KM) have no significant effect on firm value (PBV).
6. The dividend policy variable moderated by Good Corporate Governance (PER*KM) produces a significant value of 0,783, which means a significant value of more than 0,05. This shows that investment policies moderated by Good Corporate Governance (PER*KM) have no significant effect on firm value (PBV).

V. CONCLUSION

Conclusion

Based on the results of the analysis and discussion in the previous chapter, the following conclusions can be drawn:

1. Investment decisions affect the value of the company. This shows that the investment decision is a factor that affects the value of the company.
2. Funding decisions have no effect on firm value. This shows that funding decisions are not a factor that affects the value of the company.
3. Dividend policy has no effect on firm value. This shows that the dividend policy is not a factor that affects the value of the company.
4. Investment decisions moderated by Good Corporate Governance have no effect on company value (PBV). This shows that GCG cannot strengthen or weaken the investment decision variable on firm value.
5. Funding decisions moderated by Good Corporate Governance have no effect on company value (PBV). This shows that GCG cannot strengthen or weaken the funding decision variable on firm value.
6. Dividend policy moderated by Good Corporate Governance has no effect on firm value (PBV). This shows that GCG cannot strengthen or weaken the dividend policy variable on firm value.

Limitations

This research has limitations that need to be considered bythe next researcher, namely:

1. This study only uses a population of consumer goods companies, so it cannot be generalized to other sector companies.
2. The research period is relatively short, namely 2017-2019, so the samples obtained are not representative of the actual conditions.
3. The number of criteria determined so that many companies are eliminated and the sample obtained is limited.

Suggestions

Based on the conclusions and limitations faced by researchers, there are several suggestions for further researchers:

1. For future researchers, it is expected to expand the population by adding sectors and research periods so that the results obtained are more accurate and can be generalized.
2. For future researchers, it is expected to add or replaceindependent variables that have not been examined in this study, as well asusing a more influential moderating variable.
3. For future researchers, it is better to use variables that do not raise many criteria so that the sample obtained can be maximized.

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