

ABSTRACT

This study aims to identify and analyzes the influence between agency cost is proxied from the size of the percentage of ownership by the some groups that are insider ownership, institutional ownership, and the dispersion of ownership toward dividend policy. The population in this study are all public companies listed in Indonesia Stock Exchange financial report in the period 2009 – 2011 amounted to 430 companies, where as the samples are 25 data of public companies those are listed on the Stock Exchange. The data analysis technique use purposive sampling technique. The study was designed as a descriptive study and vericative with the type of data which is used in this study is secondary data. Data was analyzed by using multiple linear regression analysis. This hypothesis was tested by t test. The results of the research and hypothesis test show that partially the insider ownership variables and dispersion of ownership variables have a positive effect but not significant to the dividend policy, where as the institutional ownership variables has positive effect significantly to the dividend policy.

Keywords: agency cost, insider ownership, institutional ownership, dispersion of ownership, and dividend policy.