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THE EFFECT OF GROWTH OPPORTUNITY, LEVERAGE, AND DIVIDEND ON INVESTMENT DECISIONS IN INDUSTRIAL SECTOR COMPANIES BEI REGISTERED PHARMACY PERIOD 2015-2019

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Abstract

The organization's management is required to make a number of financial decisions, including investment decisions. For making investment decisions, factors from within the company, like growth potential, leverage, and dividends, are taken into account in this study. This study proposes to examine the effects of growth potential, leverage, and dividends on investment decisions. Companies that have become public and are listed in Indonesia for the years of 2015 to 2019 a company called the primary focus of this researcher's research in the pharmaceutical industry area was exchange. The methodology employed is secondary data research with a quantitative approach. Purposive sampling was used, and a sample size of 35 enterprises was used. Multiple-linear-regression is the approach taken to analyze the data. According to the study's conclusions, it is obvious that.

Keywords: Growth Opportunity, Leverage, Dividend, Investment Decision

A. INTRODUCTION

From 2015 to 2019, companies that have gone public and are listed in Indonesia included a firm called This researcher's investigation on the pharmaceutical sector was mostly exchange-focused. Secondary data research using a quantitative approach is the methodology used. 35 businesses made up the sample size, which was determined via purposeful sampling. To examine the data, multiple-linear regression is the method used. The study's findings indicate that it is clear that.

Companies must be able to compete with other firms in their own industries if they are to survive through managing their own enterprises. Maintaining a company's stability through effective and efficient operations and choosing a management strategy is a technique to ensure the company's survival and growth (Endiana, 2017).

Investment decisions are made to take on a specific amount of risk and receive a higher level of gain. The value of a firm is anticipated to rise with more profits at manageable risks, and companies that profit from corporate assets will have an advantage over potential stock buyers. The aim of this approach is to provide benefits for long-term investment assets (Wahyuni, 2015).

The investment growth rate in the pharmaceutical industry sector from 2015 to 2019 is as follows. growth pattern for domestic investments (PMDN) from 2015 to 2019 in the pharmaceutical industry. Every year, investment growth encounters an increase in the number of shares that are trade, causing investors to make the appropriate investment selections that necessitate thought and knowledge of the value of existing shares.

It's pharmaceutical industry sector saw an increase of 5.52% in 2015 compared to the year before, which saw a decrease of -0.83%. This extremely dramatic increase contributed to the expansion of very effective investment companies for the company. A minor reduction of 2.76% occurred in the investment value for the pharmaceutical business sector in 2016. While in 2017, it witnessed a decline of -0.15%, it was a fairly significant decline that forced the pharmaceutical industry sector to tighten up its growth patterns in terms of investment.

There was an increase of 1.54 percent in 2018 with investment realization reaching $5.3 billion. Whereas in 2019, a very dramatic fall of -036% was once again experienced. The average growth rate between 2015 and 2019 is 0.05%. This suggests that the pharmaceutical industry sector is one that will continue to expand quickly. Academics are encouraged to employ these companies as research subjects because of how few pharmaceutical companies registered on the Indonesia Stock Exchange when compared to other companies.

In line with past studies, Loecita Sandiar's research from 2017 asserts that growth forecasts have an advantageous impact on investment decisions. According to a 2017 study by Endiana, leverage has a positive impact on investment decisions. According to study by Rahmiati and Huda from 2015, dividends have a harmful impact on investment decisions.

The researcher is interested in researching what factors impact investment decisions in manufacturing companies listed on the Indonesia Stock Exchange based on this phenomenon and information learned from the outcomes of past research. Growth prospects, leverage, and dividends are a few characteristics that have an impact on investment selections.

The topic of this study, which is based on the information that has been supplied, is the impact of growth opportunity, leverage, and dividends on investment decisions in the pharmaceutical industry sector of companies listed on the Indonesian Stock Exchange for the 2015-2019 period.

B. LITERATURE REVIEW

1. Definition of Growth Opportunities

Growth opportunity is the change in total assets, if it takes the form of a rise or a decline through time. Growth opportunities for issues can influence investment decisions. High growth indicates that issuers have advanced quickly; if funds are invested at the appropriate time, this growth will have positive effects in the future (Sandiar, 2017).

Businesses that nevertheless see growth and investment across a variety of industrial sectors. Investment calls for money, including cash, to be placed in loans, inventory, and real estate, as well as in plant and equipment. Additional capital may be reimbursed in return for services rendered to capital owners (Anjani, 2009).

A chance for growth This is an opportunity for the firm to grow in the future. High growth energizes firms to reduce their debt loads. This is due to the fact that firms want to see greater returns on the investments they make, and those who are growing quickly need to invest in more fixed assets. As stated by Ito Hazlina Safirai (2015) the formula is as follows:
Price Earning Ratio = (Closing price of shares)/(Earnings per share)

Growing firms think they will be able to continue adding value in the future. As the business grows, this could result in larger company profitability. Most expanding businesses have the ability to improve their investment choices (Sandiar, 2017). According to Sandiar (2012), businesses with significant growth may increase investment decisions, and growth prospects generally have a positive impact on investment decisions.

H1: The possibility of growth influences investment choices favorably

2. Definition of Leverage

Use the capacity of your organization to employ capital or fixed-cost assets to increase profitability. Since a higher degree of debt indicates a company's greater responsibility to repay debt, investors may use that level of debt as the foundation for investment decisions. The corporation is driven to increase its operating efficiency by this accountability. The leverage risk to equity ratio is used to quantify debt when comparing the overall assets of the business and the individual owners (Endian, 2017).

When referring to high leverage, lenders refer to the amount of debt they are providing, therefore investors should take caution when making investments in a firm because the riskier an investment is, the higher the leverage ratio. Syamsuddin (2011) claims that a higher level of leverage exposes the company to more risk and leads to a higher rate of return than planned.

In this study, the debt it to asset ratio (DAR), a measure of leverage, was employed. This is because the ratio between the debt and the assets, where the investment decision is a decision to buy an asset, is such that there is an adjustment between the two variables. As stated in Syamsuddin (2011) the debt to asset ratio (DAR) formula is as follows:

Debt-to-asset ratio = (Total liabilities)/(Total assets).

The risks and outcomes that the company will experience if it fails to satisfy its obligations, including interest, must be compared to the likelihood of utilizing leverage. According to Bayu (2011), Nguyen (2013), and Dong (2014), leverage has a favorable and significant impact on investment decisions.

H2: Leverage influences investment decisions in a favorable way

3. Definition of Dividend

Dividends are a sign of a company's decision to use its profits and the rights of its shareholders to retain earnings for upcoming investment-related activities. The amount of cash used for investments may be affected by the dividend payment. A small fraction of dividends indicates the company's ability to manage considerable amounts of investment activity (Husnan, 2013).

Dividends are ongoing payments provided to shareholders for the capital they have invested, according to Syamsudin (2011). The company's dividend policy

stipulates that profits would either be kept by the business to fund future investments or delivered to shareholders as dividends (Sartono, 2010).

The formula or proportion of the dividend policy employed in this study, according to Amrawati (2010), is the dividend payout ratio (DPR):

Dividend-payout-ratio = (Dividends per share)/(Earnings per share)

Companies have numerous investment opportunities that incentivize them to give out tiny dividends so that they can fund these investments on their own (Wahyuningsih, 2006). In their research from 2015, Rahmiati and Huda stated that dividends had a detrimental impact on investment decisions.

H3: Dividends have a negative effect on investment decisions.

4. Definition of Investment Decision

Managers who must allocate funds to investments that generate earnings in the future make investment decisions. Investment decisions are actions for managing assets over the long term, so financial managers will choose to turn over funds with care and attention in the future (Sutrisno, 2013).

Investment choices are influenced by the process of alternative investments and the advantages of a variety of investment alternatives that are available to the organization. Financial managers must help businesses find project agreements and determine how much money to invest in each firm project. Investment decisions identify investment opportunities (Mulyawan, 2015).

To accomplish investment, maximum return, and shareholder prosperity is the investing objective. Setting goals, creating investment rules, choosing portfolio strategies, choosing assets, and assessing firm performance are all steps that must be followed when investing (Fahmi, 2015).

According to Rahmawati and Putri Nurul Huda (2015) systematically asset growth can be formulated as follows:

Total asset growth = (Total assets (t) - total assets (t-1))/(Total-assets (t-1))

C. CONCEPTUAL MODEL

This space is for description of conceptual model developed for the study. Figure is possible to be added.

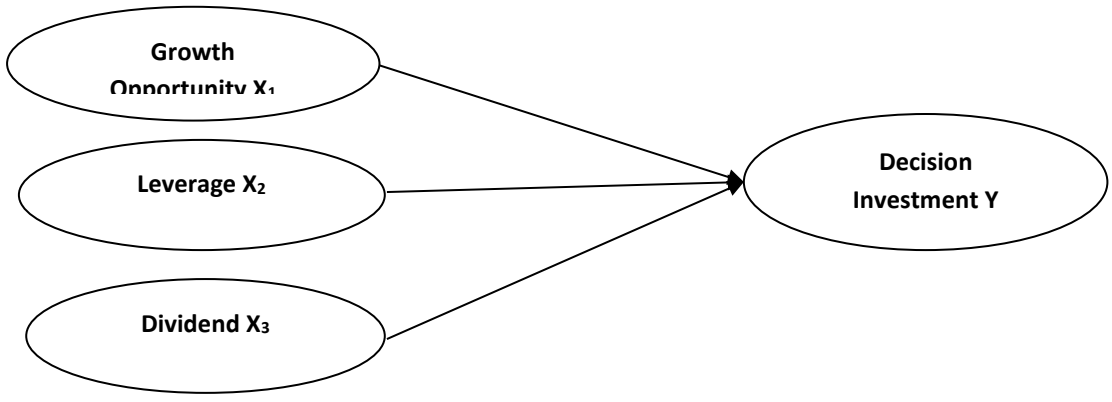


Figure 1: The Conceptual Model

D. RESEARCH METHOD

1. Location and Research Design

The investigation was carried out utilizing the www.idx.co.id website, which is also accessible on the pharmacy's main website, which is located on the Indonesia Stock Exchange. The site was used because it offers a range of information needed for this study, including the financial records of companies that have gone public, according to the IDX.

The research adopts a quantitative methodology because the data used in the study were statistical management figures (Sugiyono, 2009). This study investigates the effects of growth potential, leverage, and dividends on investment decisions.

The Indonesia Stock Exchange was chosen because the data needed on the website is exact and easy to obtain for academic study needs. The data that had been gathered during the research was analyzed and then further examined using the ideas that had been investigated. The research was completed in October 2020.

2. Population or Samples

The population of firms listed on the Indonesia Stock Exchange (IDX) for the 2015–2019 period was used as the basis for this study, which utilised numerous samples of active companies that were included in financial reports.

The observation period was carried out over a five-year period to enable researchers to analyze and track the growth and development of the company during that time. The company's condition at the time was subject to change based on both internal and external variables.

There might be as many as seven companies included in this study with a five-year observation period, depending on the criteria the researchers utilized. A sample of 35 observations from the pharmaceutical industry sector are listed on the IDX for the years 2015 through 2019 as of this writing. The example will be used to meet every condition that has been specified in accordance with the needs of the study and analysis.

The companies in the pharmaceutical industry sector that were listed on the IDX in 2019 and that published annual and financial reports for businesses between 2015 and 2019 provided the samples. Pharmaceutical businesses whose financial reports have been audited were among these companies.

3. Data Collection Method

The type of secondary data used in this study is an annual financial report that has been audited and made public on the IDX. The secondary data collection methods employed in this study are as follows:

1. Data is gathered through documentation procedures, which entail obtaining and reviewing documents including annual reports and financial assessments of enterprises in the pharmaceutical industry sector. The data contains details that describe the process of making financial decisions. The documentation approach aims to collect secondary data from annual financial reports that have undergone audit, gone public on the IDX, and been subjected to audit on the website www.idx.co.id.

2. Library studies, in particular, how to assemble various literary genres in the form of journal articles, books, and online resources that are related to the theme of this research.

4. Method of Data Analysis

Because the study's data are quantitative, data analysis procedures are carried out utilizing statistical methods that are not readily available. The classical assumption test was completed using this method in order to acquire the best results before running multiple linear regression in this investigation. Following are the stages of this process:

1. Classical Assumption Test.

The traditional assumption test is the first step used prior to beginning a linear regression analysis. According to Ghozali (2016), the use of the regression model yields findings that deviate from a variety of traditional assumptions, such as the normality test, multicollinearity test, autocorrelation test, and heteroscedasticity test. For a more specific statement, it can be said as follows:

a. Normality test.

The goal of the normality test is to determine whether or not the residual or foundational variables in a regression model have a normal distribution. The ideal regression model will include a normal data distribution or a statistical data distribution on the diagonal axis of the normal distribution graph points.

If the data spreads around the diagonal and moves in the same direction as the diagonal line or if the histogram graph displays a normal distribution pattern, the regression model meets the assumption of normality. The data spreads away from the diagonal or moves in the opposite direction from the diagonal line, or if it is the norm, if the histogram graph does not exhibit a normal distribution pattern (Imam, 2014).

One can establish if the data are normally distributed or not by using the non-parametric statistical test known as the Kolmogorov-Smirnov. Additionally, the data is typically dispersed if the results of the Kolmogorov-Smirnov test show a significant value of 0.05. However, if the significant value is less than 0.05, the data are not normally distributed (Imam, 2014).

b. Multicollinearity Test

In order to determine whether there is a relationship between the independent variables and the regression model, the multicollinearity test is used. In a proper regression model, there shouldn't be any associations between the independent variables. If the independent variables are correlated with one another, they are not orthogonal. Orthogonal variables are independent variables with correlation coefficients of zero or less with other independent variables, according to Imam (2014).

It was found that there was a substantial correlation between the independent variables in the test's multiculation and the regression and development model. The relationship between the variance inflation factor and the link is investigated using statistical methods. If the correlation value is less than 0.10 or the VIF is larger than 10, there is multicollinearity. On the other hand, multicollinearity is not present if the correlation value is more than 0.10 or the VIF is lower than 10. As a result, it can be claimed that the study's regression model did not take into account multicollinearity among the independent variables (Imam, 2014).

c. Heteroscedasticity Test.

In the regression model, the heteroscedasticity test quantifies the variation of the residuals from one observation to the next. The heteroscedasticity test allows for the identification of the Glauser test. Heteroscedasticity is absent if the residual variance differs from one observation to the next (Ghozali, 2016).

The heteroscedasticity test is a method used to check if the residuals from one observation to another in a regression model have equal variance, according to Ghozali (2016). The Glejser test was performed in this study to test for heteroscedasticity, and the results are as follows: a) If there is no heteroscedasticity problem, then there is no significant difference between the independent variables.

b) According to Ghozali (2016), there is a heteroscedasticity problem if the value of the dependent variable is statistically different from the independent variable at the 0.05 level of significance.

d. Test for autocorrelation.

The purpose of the autocorrelation test is to determine whether the confounding and perturbing errors in periods t and t-1 are correlated. If they are, it means that the earlier conditions, which frequently occur in time series data, have a significant influence on the current state. A recent model of regression without autocorrelation does not explain regression. According to Ghozali (2016), the DW (Durbin Watson) technique can be used to determine the regression model that contains autocorrelation.

There is a connection between the errors-in-period it and errors-in-period it-1 in the autocorrelation test on the linear regression model. The Durbin-Watson Test was used to carry out the autocorrelation test. According to Ghozali (2016), the two testable hypotheses are H0: There is autocorrelation with r=0 and HA: There is autocorrelation with r=10.

2. Hypothesis Testing.

A. Multiple Linear Regression Analysis

The aim of multivariate linear regression is to analyze the relationship between two variables. The study's independent factors include growth prospects, leverage, and dividends, and its dependent variable is investment decision making. Bhuono Agung (2005) states that the equation for multiple linear regression is as follows:

$$Y = \alpha + b1X1 + b2X2 + b3X3 + e$$

Information:

Y=Investment decision

α=Constant

X1=Growth opportunity

X2=Leverage

X3=Dividend

b=regression coefficient

e=Residual error i(error)

B. Analysis of the Coefficient of Determination (R2)

The objective of the determination efficiency (R2) is to determine the relative contribution of distinct factors to the variance of the dependent variable. The value of the coefficient is between 0 and 1. A small value of (R2) demonstrates the ability of the independent variables to explain the extremely minimal variability of the dependent variable. The range of the value's (R2) ranges from 0 to 1 (0 R2 0). However, according to Ghozali (2013), a value near one means that changes in the dependent variable may be anticipated using the independent variables.

C. Test F for Simultaneous Regression

According to Ghozali (2013), the static F test efficiently demonstrates whether all of the included independent or independent variables are now having an impact on the dependent or dependent variable. The following are some uses for the F test:

a. When deciding whether to reject or accept the entire hypothesis (Ho), one must compare the magnitude of the opportunity to make a decision (significant level) that occurs (probability), which is determined at 0.05 (5%) in the output section.

1) If it is significant > 0.05 then the decision is to accept Ho and reject Ha.

2) If it is significant <0.05 then the decision is to reject Ho and accept Ha.

b. The following rationale can be understood by contrasting the calculated F statistic value with the F measurable F statistic value:

1) If the calculated F statistic value < the F table statistical value, then Ho is accepted.

2) If the calculated F statistic value > F table statistical value, then Ho is rejected.

D. Partial Regression Test (t test)

According to Ghozali (2013), the it test is a regression coefficient test for each independent variable on each dependent variable to determine the influence of each independent variable on each dependent variable. The process to complete the task is as follows:

a. Making the decision to reject or accept the underlying hypothesis (Ho) requires comparing the outcomes of the probability of making a mistake (significant level) with the probability level of a preset probability event of 0.05 (5%) in the output.

1) If it is significant > 0.05 then the decision is to accept Ho and reject Ha.

2) If it is significant <0.05 then the decision is to reject Ho and accept Ha.

b) compare the statistical value of it count with the statistical value of it table:

1) If the statistical value of it count < table statistical value, then Ho is accepted.

2) If the statistical value of it count > table statistical value, then Ho is rejected.

E. EMPIRICAL RESULTS

1. Statistics, Descriptive

According to Ghozali (2016), using descriptive analysis, it is possible to construct a description of the data using the maximum value, lowest value, mean, and standard abbreviation.

The goal of descriptive analysis is to determine the typical research and interest variables. comprises of the investment decision related independent variable and the growth potential, leverage, and dividends related independent variables. The following are the findings from the descriptive analysis of the study's research variables:

Table 1: Descriptive Test Results

	N	Minimum	Maximum	Mean	Std. Deviation
growth opportunity	35	3.02	4.64	3.3807	.33123
leverage	35	.07	.64	.2930	.13829
Dividen	35	.16	15.20	1.0408	2.60582
keputusan investasi	35	-.08	.48	.0889	.10792
Valid N (listwise)	35				

The outcomes of the descriptive analysis stated above show that the amount of data observed in this study (N) is 35 data for pharmaceutical enterprises between 2015 - 2019.

The company's growth opportunity variable has values of 3.7807 as its mean, 0.33123 as the standard deviation, 3.02 as its minimum, and 4.64 as its highest. In line with this, the smallest sample company offers 3.02 growth opportunities, while the largest has 4.64. The average growth opportunity held by the company is 3.7807, while the typical abbreviation used to describe the diversity of growth possibilities is 0.33123.

The company's leverage varies between a minimum of 0.07 and a maximum of 0.64; its mean value is 0.29, and its standard abbreviation is 0.13829. The average leverage for the corporation is 0.2930, while its standard abbreviation, which represents the volatility in leverage, is 0.13829.

The company's variable dividend ranges from 0.16 to 15.20, with a mean and standard deviation of 1.0408 and 2.60582, respectively. The smallest company in the sample owns 0.16 in dividends, and the largest owns 15.2. The typical dividend owned by the corporation is 1.0408, while the common abbreviation used to show dividend variance is 1.60582.

The company's investment decision runs from -0.08 to 0.48, with a mean of 0.0889 and a standard deviation of 0.10792. This shows that the smallest company in the sample has an ownership stake in 0.08 worth of investment decisions, whereas the largest has a stake in 0.48 worth of investment decisions. The typical investment decision made by the company is 0.0889, while the typical indicator of the variance in investment decision-making is 0.10792.

2. Classical Assumption Test

a. Normality test

According to Ghizali (2016), the goal of the normalcy or generalization test is to assess if the independent and dependent variables in a regressive model are distributed normally. The Kolmogorov-Smirnov test, with a parameter of 0.05, is the one that was employed in this study the most frequently. The data is distributed normally if the value is greater than 0.05 and not normally if the value is less than 0.05. The results of the normality test are displayed as follows in the table below:

Table 2: Results of the Normality Test

One Sample Kolmogorov Smirnov Test

One Sample Kolmogorov Smirnov Test

		Unstandardized Residual
N		35
Normal Parameters[a]	Mean	.0000000
	Std. Deviation	.06582540
Most Extreme Differences	Absolute	.153
	Positive	.106
	Negative	-.153
Kolmogorov-Smirnov Z		.905
Asymp. Sig. (2-tailed)		.386

a. Test distribution is Normal.

The results of the normality test for the Kolmogorov-Smirnow test and the results of non-parametric statistics both indicate the asymptotic value. The two-tailed signal is 0.386 greater than 0.05. The significant Kolmogorov-Smirnow result reported above suggests that the data is dispersed regularly.

b. Test for Multicollinearity

To determine if the regression model has detected a link between the independent variables, the multicollinearity test is utilized. Independent variables that have no relationship to one another and are not orthogonal to one another are used in regression models.

Table 3: Multicollinearity Test Results

Coefficients[a]

Model		Collinearity-Statistics	
		Tolerance	VIF
1	growth opportunity	.865	1.156
	leverage	.874	1.144
	Dividen	.950	1.053

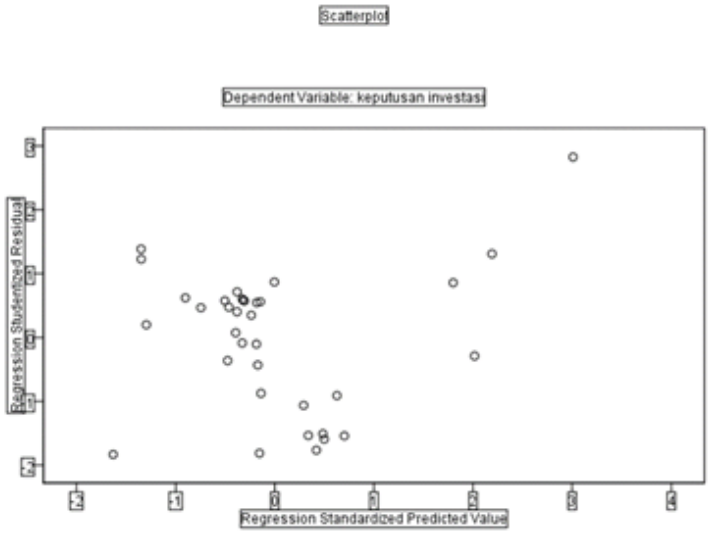
a. Dependent Variable: keputusan investasi

Based on the observations, it is evident that the growth opportunity variable's multicollinearity is not a problem because its tolerance value is 0.865 and greater than 0.1, and that the VIF is 1.156 and ten. The leverage variable's values are 0.874 > 0.1 and 1.144 > 10, respectively, demonstrating that multicollinearity is not a problem. Given that the VIF is 1.053 and the dividend variable is 0.950, there is no concern with multicollinearity with this variable.

c. Heteroscedasticity Test

The goal of heteroscedasticity testing, which is where the term originates, is to evaluate whether a regression model is unstable if the residuals from one observation don't differ from those from another. It can be argued that a good regression model doesn't display heteroscedasticity if the probability value is more than 0.05 and the significance value surpasses 0.05.

Table 4: Heteroscedasticity Test Results



Based on the results of the heteroscedasticity test mentioned above, it can be seen that these points lead to an expanding scatterplot between zero on the Y axis and statistically significant values for the growth opportunity, leverage, and dividend variables (all of which are greater than 0.05), indicating that the regression model in question has a heteroscedasticity issue.

d. Autocorrelation Test

The goal of the linear regression model is to confirm the relationship between disturbance errors in the prior period. Correlated observations throughout time produce self-fulfilling relationships. The Durbin-Watson test (DW test) is used to decide whether or not a relationship is self-fulfilling.

Table 5: Autocorrelation Test Results

Model Summary[b]

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.792[a]	.628	.592	.06894	1.299

a. Predictors: (Constant), dividen, leverage, growth opportunity
b. Dependent Variable: keputusan investasi

The independent variable 3 (k = 3) had a dL value of 1.2833 and a dU value of 1.5288. According to the preceding variable, the Durbin-Watson value was 1.299 with a significant level of 0.05. A DW value of 1.299 yields a result that falls between dU and 4-dU. The regression model in the aforementioned executable can be utilized to further research because the DW value of 1.299 is higher than the dU of 1.6528 and lower than the dU of 2.347. This demonstrates that the model is devoid of autocorrelation issues.

3. Hypothesis Test

The findings of statistical analysis carried out on the multiple regression equation using the SPSS program are as follows: The goal of hypothesis testing is to see if there is any difference between the variables that occur and are supported by the earlier hypotheses.

1. Coefficient of Determination (R2)

The measurement of the determination's coeffi ciency indicates how well the model can account for the variation of the independent variable. The results of the computation from the following determination test are as follows:

Table 6: Coefficient of determination test results (R2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.792[a]	.628	.592	.06894

a. Predictors: (Constant), dividen, leverage, growth opportunity

b. Dependent Variable: keputusan investasi

Growth potential, leverage, and dividends are independent variables that will have an impact on the investment decision variable, with the remaining 40.8% being explained by variables outside of the model, according to the aforementioned variable. The adjusted R-square value is 0.592, or 59.2%; however, the determination's accuracy using R-Square is 0.628, or 62.8%.

2. Test F (Simultaneously)

This test is used to see if each independent variable in the model has an impact on the dependent variable at the same time. The information below displays the results of the following tests:

Table 7: F Test Results (Simultaneous Test)

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.249	3	.083	17.441	.000[a]
	Residual	.147	31	.005		
	Total	.396	34			

a. Predictors: (Constant), dividen, leverage, growth opportunity

b. Dependent Variable: keputusan investasi

a. Predictors: (Constant), dividen, leverage, growth opportunity

b. Dependent Variable: keputusan investasi

When the results of the ANOVA test or the F test are examined, it can be observed that there are 17.441 counts and a significant value of 0.000, and when the results of the predictors are examined, they are significantly lower than 0.05. Furthermore, the computed F value is 17.441 larger than the Fable value of 2.911, therefore it can be assumed that growth opportunity, leverage, and dividends all have an immediate impact on investment decisions.

3. T-test (Partial)

The test assesses the impact of a single independent variable on a certain subset of the dependent variable. The hypothesis for the experiment is that ha = a significant effect and h0 = no significant effect. The foundations of the best decision-making process are as follows: In the event that H0 is accepted, Ha is ignored if the significant value or countable value is larger than 0.05. If H0 is rejected and either the count exceeds the allowable limit or the significance level is 0.05, Ha is accepted.

Table 8: Results of the partial it test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.488	.124		-3.946	.000
	growth opportunity	.136	.038	.418	3.545	.001
	leverage	.439	.091	.562	4.800	.000
	Dividen	-.011	.005	-.272	-2.417	.022

a. Dependent Variable: keputusan investasi

Based on the table above, the estimation model can be analyzed as follows:

Y= -0.488 + 0.136X1 + 0.439X2 + -0.011X3 + e

Information:

Y = Investment Decision

α = Constant

X1 = Growth opportunity

X2 = leverage

X3 = Dividend

b = Regression coefficient

The independent variable has a significant impact on the dependent variable, and vice versa, according to criteria based on a significant value of 0.05. The independent variable has no discernible impact on the dependent variable if the significant value is greater than 0.05. The test is used to identify whether a variable's effect on a dependent variable is individual or cumulative.

According to the preceding equation's results, the following can be stated:

a. The multiple regression equation's results have a constant value of -0.488, which is recognized if the independent variables -- growth opportunities, leverage, and dividends -- are regarded as constant or remain the same, while the dependent variable, which is investment decisions, changes by 0.488.
b. The growth opportunity variable's regression coefficient is 0.136, which suggests a positive direction that can be seen if each growth opportunity variable causes investment decisions to increase by that same amount.
c. The amount of leverage utilized to make investment decisions will grow by 0.439 for every unit increment, according to the regression coefficient of the leverage variable, which is 0.439.
d. The dividend variable regression coefficient is -0.011, meaning that investing decisions will lead to an increase in dividends of -0.011.

Based on the results of the partial significant test in Variable 4.8 with a significant value, it is aimed to determine if each independent variable will have an impact on the dependent variable. The following provides an explanation of decision-making among other topics:

1. Growth Opportunities

In table 4.8, the growth opportunity variable was investigated. The results show that H0 was rejected and Ha was approved, with a count value of 3.545 more than the table value of 1.690 and a significant level of 0.001 0.05. According to the study's conclusions, the individual growth opportunity variable has a positive and significant influence on investment decisions.

2. Leverage

The outcomes of the leverage variable test in table 4.8 suggest that H0 is rejected and Ha is accepted, with a significant result of 0.000 0.05 and an it value of 4.800 greater than it-table 1.690. According to the study's findings, the second hypothesis—that leverage has a good affect on investment decisions—has been confirmed. This shows that leverage has a positive and significant impact on individual investment decisions.

3. Dividends

Table 4.8 exhibits the outcomes of the dividend variable test. The it value of 2.417, which is lower than the it table of 1.684 with a significant result of 0.022 and 0.05, is what caused the rejection of H0 and acceptance of Ha. Dividends individually have a negative and considerable influence on investing decisions, according to the study's conclusions.

F. DISCUSSION

Drawings on the discussion's analysis's findings regarding the influence of variables on the study are included, along with thorough information on the research's findings and how they affect the study's variables. The independent factors in this study include growth prospects, leverage, and dividends, while the dependent variable is investment choices. Here is an overview of the most important findings from this study:

1.The Effect of Growth Opportunity on Investment Decisions

According to the study's findings, growth prospects have a beneficial and considerable influence on investment decisions. This hypothesis is considered important in the study since it can be observed from the findings of the large number of testable variables. This is because growth measurements can be applied to determine a company's potential for expansion.

Although the prospect for continual expansion is not profitable for the organization, it is nevertheless important for the contingent company in this study. This demonstrates that the higher the investment opportunity, the greater the opportunity for growth. Companies that have the potential to grow if the investment they choose can result in rewards down the road.

Investors don't just consider the company's growth possibilities; they also consider other factors. Investors are upset because they believe a company with good growth is growing at a faster rate than the rest of the economy.

Investors feel that most technological advancements are tied to industries that are seen as having a strategic significance, particularly the exploration and manufacturing industries. This is because investors won't hesitate to invest their money. This result is consistent with earlier research by Sandir (2017), which discovered that growth opportunities had a positive impact on investment decisions.

2. Effect of Leverage on Investment Decisions

The analysis's findings demonstrate how leverage has a favorable impact on investing decisions. Since the number of findings is more than what is reasonably expected, this assumption might be thought of as being small. The better the company's ability to make investment decisions, the more additional funding it receives from investors. The ability of managers to better manage a company's debt is based on the idea that investment decisions have a higher perceived worth.

This illustrates how the bigger the amount of financing an organization receives from investors, the greater possibility that organization will decide to invest. The ability of managers to handle funding effectively depends on how highly valued investment decisions are. Therefore, internal debt utilization within the company is preferable to the issue of additional shares. The proposed order is retained earnings from external funding sources, followed by the use of debt and the conclusion of the issue of new shares.

For management of debt companies to be able to invest more carefully and fund projects that are beneficial to the company, they must pay bonds to bondholders in order to take advantage of debt. Leverage decisions must weigh the higher risks and repercussions that firms face if they are unable to satisfy interest payments or existing debts with the high expected returns. The results of this study agree with those of an earlier study by Endiana (2017), which discovered that leverage effects investment decisions favorably.

3. Effect of Dividends on Investment Decisions

The analysis's conclusions show that dividends have a deleterious impact on investors' investment decisions. The findings suggest that the it count is higher than it is possible, hence this hypothesis can be regarded as significant in the study. The data and test findings in this study demonstrate that the dividend variable has a crucial impact on investing decisions.

High dividend payouts cause investors' decisions to become less favorable. In other words, when the DPR rises, retained earnings will fall, and retained earnings will fall, reducing internal fund available. It may therefore be claimed that the dividend policy affects investment decisions because this has an effect on the level of investment in the upcoming period, which will likewise decline.

The quantity of dividends paid out can entice investors to increase the amount of shares they have invested. Shareholders are considered to truly appreciate the dividend, it might be said. This motivates stockholders to invest in company shares because the objective of investing is to make more money than was put into the company.

A descriptive analysis found that the average dividend increased over the period of 2015 to 2019; this led to an average investment decision for the research year. This shows how management is impacted by its ability to choose investments, as well as how the direct payment of dividends will effect the company's investment activities' profitability. This result is consistent with earlier research by Rahmiati and Huda

(2015), which discovered that dividends have an adverse impact on investment decisions.

G. CONCLUSION

This study seeks to determine how growth potential, leverage, and dividends influence investment decisions. Based on the analysis and hypothesis testing conducted in this study, it can be determined, among other things, that:

1. The simultaneous rise in growth prospects, leverage, and dividends will have an impact on investment decisions made by companies in the pharmaceutical industry that are listed on the Indonesian Stock Exchange.

2. Growth potential has a positive and significant impact on the investment decisions made for the companies in the pharmaceutical sector listed on the Indonesian Stock Exchange. The amount of investment decisions rises with the size of the growth potential, to put it another way.

3. Utilizing leverage can have a positive and significant impact on investment decisions for companies in the pharmaceutical industry that are listed on the Indonesia Stock Exchange. To put it another way, companies with lesser debt commitments make a larger investment.

4. When making investment decisions, companies in the pharmaceutical industry that are listed on the Indonesian Stock Exchange are negatively and severely impacted by dividends. The amount of internal capital that is available will decrease as the dividend payout ratio rises because less retained income will be created.

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