

## V. CONCLUSION AND IMPLICATION

### A. Conclusion

For management of the business, investors, and academics, performance evaluation of the business is essential. To ease the agency problem, managers' evaluations of firm performance are sometimes related to their compensation. Performance is a key indicator of the relative success of an investment to investors. The study's main goal was to identify the factors that have a big impact on business success. The IDX 20 High Dividend Index Companies, which consists of 25 listed firms on the financial market from 2018 to 2020, were selected as the sample for this study. To be able to determine the indirect and direct impacts of free cash flow, profitability, dividend policy, independent commission, and capital expenditure on firm value, with growth potential serving as a moderator variable, ten hypotheses were developed.

Based on the analysis that has been done, the following are the results :

1. Free cash flow didn't have any impact on the firm value of High Dividend 20 Index registered companies on the Indonesian Stock Exchange year of 2018-2020.
2. Profitability has an impact on the firm value of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.
3. Dividend policy has an impact on the firm value of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.

4. Independent commissioner has an impact on the firm value of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.
5. Capital expenditure didn't have any impact on the firm value of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.
6. Growth opportunities didn't moderate the impact of free cash flow on the firm value of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.
7. Growth opportunities didn't moderate the impact of profitability on the business of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.
8. Growth opportunities moderated the impact of dividend policy on the firm value of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.
9. Growth opportunities didn't moderate the impact of independent commissioners on the firm value of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.
10. Growth opportunities moderated the impact of capital expenditure on the firm value of High Dividend 20 Index registered companies on Indonesian Stock Exchange year of 2018-2020.

## **B. Implication**

Every company needs to boost firm value optimally and increase, the firm's value. Financial managers of High Dividend 20 Index listed companies on the Indonesia Stock Exchange have to prioritize their financial policies related to profitability, dividend policy, and independent commissioner, as well as growth opportunities as moderating variables on the impact of capital spending and dividend policy to value.

The ways could be done by constantly evaluating the net income statement and total equity report periodically to know trends or the patterns of increasing or decreasing a company's profitability from equity used so that it will be able to identify trigger factors that increase the company's earning power. Financial managers of High Dividend 20 Index companies listed on the Indonesia Stock Exchange must be able to pay or distribute dividends annually while effectively managing retained earnings, determine the proportional number of independent commissioners, and continuously seek to open and create profitable investment opportunities.

As a result of the study's limitations, additional research is required to investigate the other independent variables of firm value, such as capital structure, as well as the other moderator variables, such as exchange rate, and to broaden the subject of research in order to more generally and impartially produce the better result.