THE IMPACT OF MERGER & ACQUISITION, SHARE BUYBACK, AND DIVIDEND POLICY ON FIRM VALUE CASE STUDY: ENERGY AND MINERAL SECTOR COMPANIES LISTED ON INDONESIA STOCK EXCHANGE IN 2020-2023

DAMPAK DARI MERGER & AKUISISI, PEMBELIAN KEMBALI SAHAM, DAN KEBIJAKAN DIVIDEN PADA NILAI PERUSAHAAN STUDI KASUS: PERUSAHAAN ENERGI DAN MINERAL LISTING DI BURSA EFEK INDONESIA TAHUN 2020-2023

By:
David G. G. Kaunang[1]
Frederik G. Worang[2]
Ferdinand J. Tumewu[3]

[123]International Business Administration, Management Department
Faculty of Economics and Business
Sam Ratulangi University Manado

E-mail:
[1]davidkaunang062@student.unsrat.ac.id
[2]frederik.worang@unsrat.ac.id
[3]ferdinandtumewu04@gmail.com

Abstract: This study aims to test the impact of merger & acquisition, share buyback, and dividend policy on firm value case study: energy and mineral sector companies listed on Indonesia Stock Exchange in 2020-2023. This study uses panel data regression in data testing using E-views 12 software, with a population consisting of all energy and mineral sector companies on the Indonesia Stock Exchange. Purposive sampling is the sampling technique used in this study with a sample size of 28 companies. This study results finding that mergers & acquisitions directly no significantly and positively impact on firm value, in contrast with share buyback and dividend policy indicated that directly no significantly and negatively impact on firm value.

Keywords: Merger & Acquisition, Share Buyback, Dividend Policy, Firm Value.

Abstrak: Penelitian ini bertujuan untuk menguji dampak merger & akuisisi, pembelian kembali saham, dan kebijakan dividen terhadap nilai perusahaan studi kasus: perusahaan sektor energi dan mineral yang terdaftar di Bursa Efek Indonesia tahun 2020-2023. Penelitian ini menggunakan regresi panel data dalam pengujian data menggunakan software E-views 12, dengan populasi yang terdiri dari seluruh perusahaan sektor energi dan mineral di Bursa Efek Indonesia. Purposive sampling adalah teknik sampling yang digunakan dalam penelitian ini dengan jumlah sampel sebesar 28 perusahaan. Hasil penelitian ini menyatakan bahwa merger & akuisisi berpengaruh positif secara tidak signifikan terhadap nilai perusahaan, berbeda dengan pembelian kembali saham dan kebijakan dividen yang dinyatakan berpengaruh negatif secara tidak signifikan terhadap nilai perusahaan.

Kata Kunci: Merger & Akuisisi, Pembelian Kembali Saham, Kebijakan Dividen, Nilai Perusahaan.

INTRODUCTION

Research Background

The increase of commodity mineral prices is a phenomenon that occurs not routinely every year or in a short period of time, but occurs in a long cycle within a period of several years of changing cycles following global economic conditions. In this cyclical phenomenon, it results in the behavior of investors who take advantage of the cycle of energy sector companies that occur to get more potential profits at certain times when a cycle of rising commodity prices directly affects the profits earned by energy sector companies from the sales of commodity materials produced, then make a significant increase in the company's profit. Growth profits are the main catalyst that triggers to increase the share price of energy companies due to the appreciation of investors that has a related influence on firm value.

Firm value is important for companies because it is an indicator in assessing the company's performance in good condition (Ompusunggu and Wijaya, 2021:687). Companies who have good performance can encourage

investors to invest their funds into the company, which can have an influence on encouraging firm value as a reflection of the quality of the company and investors.

Firm value indicates the worth of all assets and is represented in share price or market value, so the higher the share price, the greater the firm value (Yuliana and Wijaya, 2021), it can be interpreted that the price of a company's shares is a cause-and-effect phenomenon that occurs due to the quality of the company itself. PBV Ratio is used as the indicator for firm valueand also an indicator used in various securities platforms that contain information on the value ratio of public companies

Efficient Capital Allocation means capital flows to its most highly valued use. It's means companies should allocate capital efficiently, investing in projects and initiatives that offer the highest returns and create the most value for shareholders. This may involve returning excess capital to shareholders through dividends or share buybacks, or pursuing strategic acquisitions that enhance shareholder value. So important for companies to be considered allocating their capital in purpose to increased company's value. In this study, corporate actions carried out by entities will focus on the types of corporations, such as merger & acquisition, share buyback, and dividend policy are part of crucial corporate actions of companies because they are corporate actions that use corporate funds allocated with the aim of increasing the company's capacity through business expansion activities and also to improve the quality of shareholders through dividends and share price appreciation.

Merger & acquisition, has a correlation with firm value because the merger activity of two or more corporate entities can have a significant impact on firm value. First, through operational and financial synergies, the merger of two companies can result in cost efficiencies, increased scale, and increased capacity, all of which have the potential to increase the value of the company especially in the value of assets that increase the company's equity. Secondly, by expanding market share through acquisitions or mergers, companies can increase revenue and reduce competition, which has a positive impact on firm value. In addition, companies also face several risks as a result of merging companies such as culture and operational systems that must be adjusted so as not to have a negative impact after the merger.

Share buybacks are often perceived by investors as a positive signal that the company's management believes that their shares are undervalued. This can boost investor confidence and attract more investment, which can increase the share price and company value. This is appropriate because share buybacks have a correlation with firm value, where companies can distribute their business profits through share buybacks to shareholders. When a company buys back its shares, the number of outstanding shares decreases. Assuming earnings are fixed, this will increase earnings per share, which is often perceived positively by investors and can increase the stock price, thereby increasing the value of the company.

Dividend policy refers to the company's decision on whether to distribute profits to shareholders in the form of dividends or hold these profits to reinvest in the business with the aim of potential profits in the future. Dividend policy is often a concern for most investors because it can be an indicator of the company's success in being able to distribute company profits to its shareholders which directly impacts them. A consistent dividend policy can increase the potential for investors to align with the company's strategy, which can improve stock liquidity and share price, as well as company value. Companies that consistently pay or increase dividends tend to be viewed as stable and profitable companies, which can increase investor confidence and share prices, thereby increasing the value of the company.

The cyclical phenomenon in energy & mineral sector companies that are currently in a cycle of increasing commodity prices significantly has a direct impact on the company's operating profit and cash funds owned experience a significant increase. Based on this, the firm have several choices in managing company's funds, moreover, in the company's purpose to improve the quality and capacity of the firm by implementing various policies and corporate actions of issuers that use company funds such as business expansion (merger & acquisition), share buyback, and dividend distribution to shareholders which are likely to impact the firm value due to market reactions by stock investors responding to strategic steps taken by related companies.

Research Objectives

Based on background of the problem, the objectives of this research are:
1. To examine the impact of merger and acquisition on firm value of energy and mineral sector companies listed in IDX between 2020 - 2023.
2. To examine the impact of share buyback on firm value of energy and mineral sector companies listed in IDX between 2020 - 2023.
3. To examine the impact of dividend policy on firm value of energy and mineral sector companies listed in IDX between 2020 - 2023.
4. To examine the impact of merger & acquisition, share buyback, and dividend policy on firm value of energy

and mineral sector companies listed in IDX between 2020 - 2023.

THEORETICAL FRAMEWORK

Merger & Acquisition

Merger & acquisition allow companies to expand into new business sectors or prospective markets (Malik et al. 2014). It refers to the process of combining businesses or assets through a variety of financial transactions, such as asset purchases, tender offers, mergers and acquisitions, and consolidations. Merger of two or more companies occurs when both companies decide to cooperate by combining their assets, liabilities, and cultural values available on a more or less equal basis across different industries and businesses. Acquisition occured when one organization purchases and takes over the operations of another organization another organization with a minimum percentage of 50% or more up to 100% ownership stake which usually aims as one of the company's investment instruments.

Share Buyback

A share buyback is an action taken by issuers and publicly traded companies to buyback company's shares that have been made available to the public through the stock exchange. The goal of the buyback is to increase stock liquidity and generate revenue through the sale of the shares after the price has increased or as a means of lowering paid-up capital (Junizar and Septiani, 2013).

Dividend Policy

Dividend policy refers to the practice that management follows in making dividend payout decisions or, in other words, the size and pattern of cash distributions over time to shareholders (Al-Malkawi et al., 2010). Each company has their own dividend policy, which also refers to the company's financial condition which is not constantly in good or bad condition at any given time, affecting the application of the company's dividend policy which is dynamic based on the company's financial condition.

Firm Value

According to Siahaan (2013), firm value is selling firm or growing value for shareholders, the firm value will be reflected in the market price of its shares. Firm value can be influenced by various factors either directly or indirectly, including the internal conditions of the company which can be reflected in the specific value of the company's quality through certain calculation ratios whose results can provide information on the level of fairness value of a company.

Previous Research

Wijaya et al. (2021) re-evaluated the effect of profitability and leverage on firm value and to determine the role of Corporate Social Responsibility (CSR) as a moderating variable in manufacturing companies listed on the Indonesia Stock Exchange (BEI) 2016-2018. This study took 50 samples of companies using purposive sampling method. This study was also conducted with the help of E-Views 9.0 software to process data. The results of this study indicate that profitability has a negative and insignificant effect on firm value, Leverage has a negative and insignificant effect on firm value, Corporate Social Responsibility (CSR) has a negative and insignificant effect on firm value, Corporate Social Responsibility (CSR) weak

Anton (2016) investigated the impact of dividend policy on firm value. The sample consists of sixty-three non-financial firms listed on the Bucharest Stock Exchange over the period 2001-2011. Employing a fixed effects model, we found that dividend pay-out ratio positively influences firm value after controlling for other firm-specific variables. Furthermore, leverage and firm size were found to have a positive effect on firm value.

Oduro and Agyei (2013) aimed to seek for the effects Mergers & Aqusition on the performance of firms in the Ghanaian Stock Market from 1999 to 2010. The study was accounting based and used univariate analysis with T-testing as well as panel data methodology for the analysis. The univariate analysis revealed dwindling profitability after the merger for all the firms with the t-test showing significant difference in profitability before and after merger. The evidence from panel methodology indicates that Mergers & Acquisitionhas significant negative effect on the profitability of firms.
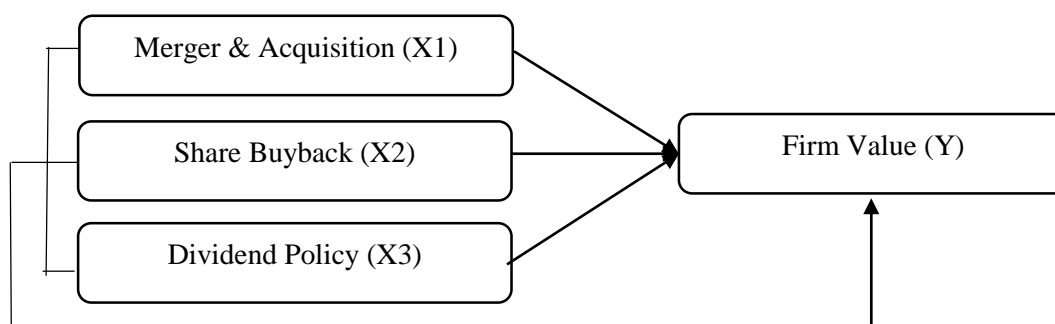
Conceptual Framework

Figure 1. Conceptual Framework
Source: Literature Review

Research Hypothesis

H1: Merger & acquisition has positive impact on firm value partially in energy sector companies and mineral sub-sectors listed on IDX in 2020-2023.

H2: Share buyback has negative impact on firm value partially in energy sector companies and mineral sub-sectors listed on IDX in 2020-2023.

H3: Dividend policy has positive impact on firm value partially on energy sector companies and mineral sub-sectors listed on IDX in 2020-2023.

H4: Merger & acquisition, share buyback, and dividend policy have positive impact on firm value simultaneously in energy sector companies and mineral sub-sectors listed on IDX in 2020-2023.

RESEARCH METHOD

Research Approach

This research is using a quantitative approach. According to Sujarweni (2014), quantitative research is a type of research that can find the results of findings achieved based on the use of statistical procedures or by other means of measurement. Quantitative research is a type of research that applies calculations using numbers in testing data to produce structured and appropriate information.

Population and Sample

According to Siyoto and Sodik (2015), a population is a group of things or persons that have been given certain quantities and attributes by researchers in order to be studied and conclusions drawn from, and sample is part of the number and characteristics of a population, or a small part of its members, which is used based on certain procedural techniques so that the characteristics of the population can be represented. The population in this study consisted of 99 companies listed on IDX Energy and Mineral Sector, based on data in June 2024. In this study used sampling techniques: non-probability sampling, namely purposive sampling, which involves 28 companies that meet the requirements and pass the selection.

Data Collection Method

To collect the research data, the type of data used is secondary data with data collection techniques carried out by utilizing data from the official website of the Indonesia Stock Exchange (www.idx.co.id). The data obtained is in the form of annual reports and corporate actions of companies engaged in the energy and mineral sector which are then processed for analysis.

Operational Definition of Research Variables
Table1. Operational Definition and Indicator of Research Variables

Variable	Definition	Indicator
Merger & Acquisition (X1)	Merger & acquisition is the process of combining businesses or assets through a variety of financial transactions, such as asset purchases, tender offers, and consolidations.	Profitability (Bianconi and Tan, 2019)
Share Buyback (X2)	Share buyback is an action taken by issuers and publicly traded companies to repurchase shares that have been made available to the public through the stock exchange or not.	Market Share (Junizar and Septiani, 2013)
Dividend Policy (X3)	Dividend policy is one way the company distributes the profits earned by the company to shareholders through the distribution of a number of profits generated in the current year.	Dividend Payout Ratio (DPR) (Anton, 2016)
Firm Value (Y)	Firm value is selling firm or growing value for shareholders, the firm value will be reflected in the market price of its shares.	Price to Book Value Ratio (PBV) (Markonah et al., 2020)

RESULT AND DISCUSSION

Result
Selection Method Test
Table 2. Chow Test

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	16.865688	(27,81)	0.0000
Cross-section Chi-square	211.722754	27	0.0000

Source: E-Views 12 Data Processed 2024

Table 2 shows that the probability value obtained is 0.0000, where the value of 0.0000 <0.05. This means that referring to the criteria of the chow test results recommends that this study use the Fixed Effect Model (FEM).

Table 3. Hausman Test

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	0.775255	3	0.8554

Source: E-Views 12 Data Processed 2024

Table 3 shows that the probability value obtained is 0.8554, where the value of 0.8554 > 0.05. This means that referring to the criteria of the Hausman test results recommends that this study use the Random Effect Model.

Table 4. Lagrange Multiplier Test

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided
(all others) alternatives

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	104.9674	1.612973	106.5804
	(0.0000)	(0.2041)	(0.0000)

Source: E-Views 12 Data Processed 2024

Table 4 shows that the probability value obtained is 0.0000, where the value of 0.0000 <0.05. Thus, referring to the criteria for the results of the Hausman test recommends that research use the Random Effect Model, which is final in the final test of determining the test model.

Classical Assumption Test
Multicollinearity Test
Table 5. Multicollinearity Test Result

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.663389	2.585041	NA
MNA	1.199597	1.585990	1.047886
SB	558.5575	1.084095	1.048095
DPR	2.614730	1.974382	1.007986

Source: E-Views 12 Data Processed 2024

In this study, the multicollinearity test was detected using the Variance Inflation Factor (VIF) value, namely the data is said to have no multicollinearity if the VIF value is ≤10. Table 3 shows that the value of VIF in each variable are less than 10, it means that there are no symptoms of multicollinearity.

Heteroscedasticity Test
Table 6. Heteroscedasticity Test Result

Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3.089215	0.929334	3.324118	0.0012
MNA	1.030569	0.573129	1.798144	0.0749
SB	-7.568887	11.18715	-0.676569	0.5001
DPR	-2.471201	1.280637	-1.929666	0.0563

Source: E-Views 12 Data Processed 2024

This study was carried out using the Glejser method. Table 6 shows that the probability value (Prob.) for the Merger & Acquisition variable 0.0749, Share Buyback 0.5001, and Dividend Payout Ratio 0.0563 is greater than 0.05. Then it can be concluded that the results of the heteroscedasticity test on the variables do not occur symptoms of heteroscedasticity.

Autocorrelation Test
In this study, the autocorrelation test is based on the Durbin Watson test. Table 7 shows that the Durbin Watson value between the variables is 1.300590 that are between -2 until +2 (-2 < 1.300590 < 2). So it can be concluded that the results of the autocorrelation test on these variables do not occur autocorrelation.

Table 7. Autocorrelation Test Result

—	Weighted Statistics		
R-squared	0.017072	Mean dependent var	0.611240
Adjusted R-squared	-0.010231	S.D. dependent var	2.368902
S.E. of regression	2.380990	Sum squared resid	612.2640
F-statistic	0.625282	Durbin-Watson stat	1.300590
Prob(F-statistic)	0.600185		

Source: E-Views 12 Data Processed 2024

Panel Data Regression
Table 8. Panel Data Regression Result

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.841229	1.086225	2.615691	0.0102
MNA	0.611321	0.607272	1.006668	0.3163
SB	-1.571865	11.82609	-0.132915	0.8945
DPR	-1.301474	1.379345	-0.943545	0.3475
Effects Specification				
			S.D.	Rho
Cross-section random			5.057359	0.8155
Idiosyncratic random			2.405899	0.1845
Weighted Statistics				
R-squared	0.017072	Mean dependent var		0.611240
Adjusted R-squared	-0.010231	S.D. dependent var		2.368902
S.E. of regression	2.380990	Sum squared resid		612.2640
F-statistic	0.625282	Durbin-Watson stat		1.300590
Prob(F-statistic)	0.600185			

Source: E-Views 12 Data Processed 2024

Estimation Equation:
$$FV = C(1) + C(2)*MNA + C(3)*SB + C(4)*DP + [CX=R]$$

The regression equation above can be explained as follows:
1. The constant value (C) is 2.841229 which states that if the independent variables, namely Merger & Acquisition, Share Buyback, and Dividend Policy are eliminated or worth 0, the value of Firm Value as the dependent variable is 2.841229.
2. The regression coefficient value of X1 which is the Merger & Acquisition variable is 0.611321, which explains that if the other variables are fixed while the Merger & Acquisition variable increases by one unit, the Firm Value will increase by 0.611321.
3. The regression coefficient of X2, which is the Share Buyback variable, is -1.571865, which explains that if the other variables are fixed while the Share Buyback variable increases by one unit, the Firm Value will decrease by 1.571865.
4. The regression coefficient of X3 which is the Dividend Policy variable is -1.301474, which explains that if the other variables are fixed while the Dividend Policy variable increases by one unit, the Firm Value will decrease by 1.301474.

Hypothesis Testing
T-Test
    Based on the Table 8, the hypothesis t-Test result can be explained as follows:
1. Merger & Acquisition (X1) has a t-count value of $1.0067 < 1.983$ and a probability value of $0.3163 > 0.05$. It is concluded that Merger & Acquisition (X1) has positive but insignificant impact on Firm Value (Y), H1 is rejected.
2. Share Buyback (X2) has a t-count value of $-0.1329 < 1.983$ and a probability value of $0.8945 > 0.05$. It is

concluded that Share Buyback (X2) has negative but insignificant impact on Firm Value (Y), H2 is accepted,
3. Dividend Policy (X3) has a t-count value of -0.9435 and a probability value of 0.3475 > 0.05. It is concluded that Dividend Policy (X3) has negative but insignificant impact on Firm Value (Y), H3 is rejected.

Table 9. T-Test

Dependent Variable: PBV
Method: Panel EGLS (Cross-section random effects)
Date: 07/28/24   Time: 15:49
Sample: 2020 2023
Periods included: 4
Cross-sections included: 28
Total panel (balanced) observations: 112
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.841229	1.086225	2.615691	0.0102
MNA	0.611321	0.607272	1.006668	0.3163
SB	-1.571865	11.82609	-0.132915	0.8945
DPR	-1.301474	1.379345	-0.943545	0.3475

Source: E-Views 12 Data Processed 2024

F-Test
Table 10. F-Test

	Weighted Statistics		
R-squared	0.017072	Mean dependent var	0.611240
Adjusted R-squared	-0.010231	S.D. dependent var	2.368902
S.E. of regression	2.380990	Sum squared resid	612.2640
F-statistic	0.625282	Durbin-Watson stat	1.300590
Prob(F-statistic)	0.600185		

Source: E-Views 12 Data Processed 2024

Based on the results of the simultaneous regression test on table 10, the F-statistics value of 0.6253 < 3.08, then it can be concluded that Merger & Acquisition (X1), Share Buyback (X2), and Dividend Policy (X3) simultaneously have positive but insignificantly impact on firm value (Y).

Coefficient of Determination (R^2)
Based on the results of the determination test on table 10, it can be seen that the R-squared value is 0.0170, it can be concluded that the ability of the independent variables consisting of Mergers & Acquisition, Share Buyback, and Dividend Policy in explaining the variance of the independent variable, namely Firm Value, is 1.70%, while the remaining 98.30% is explained by other factors not included in this study.

Discussion
The Impact of Merger & Acquisition on Firm Value
This study failed to prove the positive impact of merger & acquisition on firm value. Merger & acquisition has a positive but insignificant impact on firm value. The results relate to the Black Swan Theory (BST) which refers to unexpected and unpredictable phenomena that have a huge impact on global economic condition, which contradicts the theory and results of previous studies that indicate mergers & acquisitions have a positive and significant impact on firm value. This is due to anomalies that occur in the Indonesia stock market specifically in the objects used, namely energy and mineral sector companies in the period this research was conducted, experiencing many unpredicted global economic phenomena that have a direct impact on company operations, namely phenomena that occurred from the beginning of 2020 to 2023 such as the covid-19 pandemic and restrictions on community social activities, as well as the sudden occurrence of wars between countries such as Russia-Ukraine in 2022 and Israel-Palestine which resulted in a significant spike in energy commodity prices which was influenced by the factor of soaring demand for energy commodities and followed by the scarcity of

goods that occurred simultaneously. Merger and acquisition play a role in allocating profits earned by the company in the previous period. This is in accordance with the efficient capital allocation theory which suggests the efficiency and effectiveness of the company's capital allocation obtained through operating profit for the purpose of obtaining maximum profit potential.

The Impact of Share Buyback on Firm Value

The result of this study shows that share buyback has a negative but insignificant impact on firm value. Share buyback have a correlation with signal theory where this corporate action can indicate positive or negative signals for investors who are assessed based on the level of productivity of the allocated funds. Share buybacks may impacted changes in firm value that occur in several ways such as when announcing share buybacks by company management, especially in the implementation procedures which will usually greatly describe the situation of the company's condition and even the prospects that are assessed internally by the company on the potential of the business that is likely to be achieved. Share buyback has a negative but insignificant effect on firm value, one of which is caused by global economic conditions and the energy crisis that occurs has a direct impact on the company, and predominantly the company chooses to focus on business expansion rather than buying back shares which is considered less opportunistic for the company in the long term, so it is perceived less well by investors. The impact of Share buyback on firm value will be inversely proportional, if the company does a share buyback, the firm value will decrease in the opposite direction to the share buyback.

The Impact of Dividend Policy on Firm Value

The result of this study shows that dividend policy proxied through the dividend payout ratio (DPR) has a negative but insignificant impact on firm value. Each company has its own policy in determining the company's dividend distribution to shareholders, which will usually depend on the company's situation and conditions, both financially positive companies, as well as the conditions of the company's expansion prospects. Dividend policy has a correlation with signal theory, which tends to reflect the company's condition in the current year and as a signal of the company's growth prospects in the future to investors. The amount of profit distributed by the company as dividends is an important factor in analyzing the company's performance and prospects in the future. Concluded that the amount and ratio of high dividend payments do not always indicate good potential for increasing firm value, depending on the situation and the company's view of the business prospects that can be obtained in the future in allocating its profits.

The Impact of Merger & Acquisition, Share Buyback, and Dividend Policy on Firm Value

Based on the F-test results using panel data regression show that simultaneously merger & acquisition, share buyback, and dividend policy have positive but insignificant impact on firm value. The growth and decline in firm value in energy and mineral sector companies in the 2020-2023 period occurred due to various factors impacting firm value such as global economic conditions, high commodity supply and demand factors due to the constellation of wars between countries and the energy crisis which had an impact on increasing commodity selling prices so as to increase the income of companies in this sector. In dominance, the increase in firm value of energy and mineral sector companies in 2020-2023 was driven by an increase in company performance due to an increase in the selling price of commodities produced, causing significant revenue growth.

CONCLUSION AND RECOMMENDATION

Conclusion

This research is processed using panel data regression using E-views-12 software, with the test results the following conclusions can be drawn:
1. Merger & acquisition has a positive but insignificant impact on firm value in energy and mineral sector companies listed on Indonesia Stock Exchange in 2020-2023.
2. Share buyback has a negative but insignificant impact on firm value in energy and mineral sector companies listed on Indonesia Stock Exchange in 2020-2023.
3. Dividend policy has a negative but insignificant impact on firm value in energy and mineral sector companies listed on Indonesia Stock Exchange in 2020-2023.
4. Merger & acquisition, share buyback, and dividend policy simultaneously have positive but insignificant impact on firm value in energy and mineral sector companies listed on Indonesia Stock Exchange in 2020-2023.

Recommendation

Based on the results of the research and discussion above, the authors provide several suggestions that can be used for the benefit of individuals, groups, or companies, as well as related parties. The following suggestions are recommended:

1. Investors in investing is recommended to analyze micro / macroeconomic conditions in advance to see ongoing local and global economic conditions that are likely to impact the direction of stock market movements at that time.
2. Companies in determining the allocation area of profits earned to be considered wisely as a whole both for the development of the company's business, but also with a balanced quality of investor welfare so that there is no gap between them.
3. Future researcher is recommended to add test variables to firm value that have the possibility of having an impact, different research year periods, and other company sectors in order to expand the scope of the research area.

REFERENCES

Al-Malkawi, H.-A. N., Rafferty, M., & Pillai, R. (2010). Dividend Policy: A Review of Theories and Empirical Evidence. *International Bulletin of Business Administration,* 9, 171-200. https://www.researchgate.net/publication/230720120_Dividend_Policy_A_Review_of_Theories_and_Empirical_Evidence.

Anton, S.G. (2016). The Impact Of Dividend Policy On Firm Value. A Panel Data Analysis Of Romanian Listed Firms. *Journal of Public Administration, Finance and Law*, 10, 107- 112. https://www.jopafl.com/uploads/issue10/THE_IMPACT_OF_DIVIDEND_POLICY_ON_FIRM_VALUE_A_PANEL_DATA_ANALYSIS_OF_ROMANIAN_LISTED_FIRMS.pdf.

Bianconi, M., & Tan, C.M. (2019). Evaluating The Instantaneous And Medium-Run Impact Of Mergers And Acquisitions On Firm Values. *International Review of Economics & Finance,* Vol. 59, 71-87. https://www.sciencedirect.com/science/article/abs/pii/S1059056017306615?via%3Dihub.

Markonah, M., Salim, A., & Franciska, J. (2020). Effect Of Profitability, Leverage, And Liquidity To The Firm Value. *Dinasti International Journal of Economics, Finance & Accounting*, 1(1), 83–94. https://dinastipub.org/DIJEFA/article/view/225.

Malik, M.F., Zaman, M., & Buckby, S. (2020). Enterprise Risk Management And Firm Performance: Role Of The Risk Committee. *Journal of Contemporary Accounting and Economics*, 16. https://e-tarjome.com/storage/panel/fileuploads/2020-02-03/1580714192_E14288-e-tarjome.pdf.

Junizar, M.L., & Septiani, A. (2013). Pengaruh Pengumuman Pembelian Kembali Saham (Buy Back) Terhadap Respon Pasar: Studi Pada Perusahaan Yang Terdaftar Di Bursa Efek Indonesia (BEI). *Diponegoro Journal of Accounting*, Vol. 2, No. 3, 539-549. https://ejournal3.undip.ac.id/index.php/accounting/article/view/3445.

Oduro, I., & Agyei, S.K. (2013). Mergers & Acquisition and Firm Performance: Evidence from the Ghana Stock Exchange. *Research Journal of Finance and Accounting*, 4, 99-107. https://core.ac.uk/download/pdf/234629532.pdf.

Ompusunggu, C.K., & Wijaya, H. (2021). Faktor-Faktor Yang Mempengaruhi Nilai Perusahaan Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Paradigma Akuntansi*, Vol. 3, No. 2. https://journal.untar.ac.id/index.php/jpa/article/view/11718.

Siahaan, F. O. (2013). The Influence Of Tax Fairness, Ethical Attitudes And Commitment On Taxpayer Compliance Behavior. *The International Journal of Accounting and Business Society*, 13(1), 33–44. https://www.ijabs.ub.ac.id/index.php/ijabs/article/view/154.

Wijaya, H., Tania, D., & Cahyadi, H. (2021). Faktor-Faktor Yang Mempengaruhi Nilai Perusahaan. *Jurnal Bina Akuntansi*, 8(2), 109–121. https://lintar.untar.ac.id/repository/penelitian/buktipenelitian_10107006_5A110721205547.pdf.

Sujarweni, W. (2014). *Metodologi Penelitian*. Yogyakarta: Pustaka Baru

Siyoto, S., & Sodik, M.A. (2015). *Dasar Metodologi Penelitian*. Yogyakarta: Literasi Media Publishing

Yuliana., & Wijaya, H. (2021). Faktor-Faktor Yang Memengaruhi Firm Value Dengan Firm Performance Sebagai Variabel Mediasi, *Jurnal Paradigma Akuntansi,* Vol. 3, No. 3. https://journal.untar.ac.id/index.php/jpa/article/view/14921.