

# THE INFLUNCES OF COMPANY BEHAVIOR TOWARDS DIVIDEND POLICY

## MOHD FARHAN BIN ASLAN 2013917851

BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS (FINANCE) FACULTY OF BUSINESS MANAGEMENT UNIVERSITI TEKNOLOGI MARA KOTA KINABALU, SABAH

JUNE 2016

#### ACKNOWLEDGEMENTS

Assalammualaikum w.b.t,

First and foremost, I would like to express my gratitude towards Allah SWT the Almighty for shower His blessing from the beginning until I had completing my project paper in which need to fulfil the graduation requirement of Bachelor of Business Administration (Hons) Finance.

My deepest appreciation and warmest gratitude to my advisor, Sir Mohd Shamlie Salisi for all the guidance and advice along this journey. Thank you for nurturing me with your patient and kindness. I would never have possessed the capacity to complete my project paper without all the direction, advices and support from my advisor. Not to forget, second examiner Miss Anastasiah Harbi for her kindness is much indeed appreciated.

Last but not least, I would like to thank my parents and family, as well as friends for all the support throughout my study. Thank you for all the consent and love.

Thanks and Best Regards.

## TABLE OF CONTENTS

TITLE PAGEi	
DECLARATION OF ORIGINAL WORKii	
ETTER OF SUBMISSIONiii	
ACKNOWLEDGEMENTiv	ſ
TABLE OF CONTENTS	vi
IST OF TABLESv	ii
IST OF FIGURES	iii
IST OF ABBREVIATIONS	ix
ABSTRACT	. X

### **CHAPTER 1**

1.0 INTRODUCTION
1.1 BACKGROUND OF STUDY1-2
1.2 PROBLEM STATEMENT
1.3 RESEARCH OBJECTIVE
1.4 SIGNIFICANT OF STUDY
1.5 LIMITATION OF STUDY4-5
CHAPTER 2
2.0 INTRODUCTION
2.0 INTRODUCTION
2.1 LITERATURE REVIEW
2.1 LITERATURE REVIEW
2.1 LITERATURE REVIEW6-82.1.1 OWNERSHIP CONCENTRATION6-72.1.2 SALES GROWTH7-8

### **CHAPTER 3**

3.1 DATA	10-11
3.2 EMPIRICAL MODEL	11
3.3 SAMPLING DESIGN	12
3.3.1 POPULATION	12
3.3.2 SAMPLE SIZE	12
3.3.3 SAMPLE TECHNIQUE	12
3.4 ESTIMATION OF PRECEDURE	
3.5 RESEARCH DESIGN	13
3.6 HYPHOTHESIS OF DEVELOPMENT	14
3.7 FLOW OF RESEARCH	15
3.8 SUMMARY OF CHAPTER	16

#### **CHAPTER 4**

4.1 INTRODUCTION
4.2 ANALYSIS MEASURE
4.3 PANEL UNIT ROOT (STATIONARY) TEST19-20
4.4 DIAGNOSE TESTING
4.4.1 SERIAL CORRELATION TEST
4.4.2 HETERODCEDASTICITY TEST
4.4.3 MULTICOLINERY TEST
4.5 BREUSH AND PAGAN LM TEST
4.6 ORDINARY LEAST SQUARE TEST
4.7 RESULT OF HYPOTHESIS TESTING
4.8 CHAPTER SUMMARY
CHAPTER 5
5.1 INTRODUCTION
5.2 CONCLUSION
5.3 RECOMMENDATION
REFERENCES
<b>APPENDIX</b>

#### ABSTRACT

This paper studies on the influence of company behaviour towards the dividend policy by evidence of company listed in Malaysia strictly. This paper consists of 2 type of independent variable which are the ownership concentration and sales growth of the company. In term of dependent variable it focus on the influence of those two to the dividend per share. Data comprises of five years Backward from 2010 until 2014 and consists of 10 companies that will be involved in this company. The more result obtain from the findings it will show how much significant to the dividend. Reluctant of the result showing both of independent variable showed insignificant relationship between sales growth and dividend per share and also ownership concentration with dividend per share. In spite of no significant which it does not influence to the dependent variable the data showing that for sales growth there is negative relationship, while for ownership concentration showing positive relationship based on the coefficient result from the finding