Analysis Effect of Investment Decision, Financing and Dividend Policy on Value Company with Variable Business Risk as Mediation

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***Abstract*: The aim of this research is to analyze the impact of investment decisions to business risk, analyze the impact of funding decisions against business risks, analyze the impact of dividend policy on business risk, predict whether the investment decisions affect the value of the company, to predict whether the investment decisions affect the value of the company by the business risk as a variable mediator, predicts whether funding decisions affect the value of the company, to predict whether financing decisions affect the value of the company with the business risk as mediator variables, to predict whether the dividend policy affects the value of the company, to predict whether the dividend policy affects the value of the company with the business risk as a mediator variable, Predict whether the business risks affects the value of the company. The sample in this study as many as 14 companies of food and beverages-year period from 2013 to 2017. The analysis technique using path analysis. The analysis showed that the investment decision does not affect the business risk. The funding decision does not affect the business risk. Funding policy has no effect on the business risk. The investment decision has no effect on the value of the company. The investment decision has no effect on the value of the company with the business risk as a mediator variable. Funding decisions affect the value of the company. The funding decision does not affect the value of the company with the business risk as a mediator variable. Dividend policy affects the value of the company. Dividend policy does not affect the value of the company with the business risk as a mediator variable. The business risks do not affect the value of the company.**

***Keywords*: Investment decision, financing decision, dividend policy, business risk, the value of the company .**

I. INTRODUCTION

The company's value can be measured by the value of the stock price in the market, based on the formation of the share price of companies in the market which is a reflection of votes by the public on the company's performance in real terms, is said to be in real terms for the formation of prices in the market is the convergence points of the stability of the power demand and the points the stability of the power supply in real terms prices occurred buying and selling securities in the capital market between sellers (issuers) and investors, often referred to as the market equilibrium (Harmono, 2017: 50).

The investment decision or may be called capital budgeting decision is a decision to invest in assets, both tangible and intangible assets. According Efni, et al (2012), the investment decision is one of the factors that affect the value of the company, in which the investment decision is a decision concerning the allocation of funds, in terms of sources of funding (from both inside and outside the company) as well as the use of funds for short-term goals and for long-term goals. Use of funds for the purpose of short-term investments can be seen in current assets, whereas for the purpose of long-term investment can be seen from the assets of the company. Total investment determines the amount of funding to be obtained and the investors who contribute to fund the company expects a return on investment in the future. Therefore, the investment made by the company today should yield a return in the future to be paid to the investors (Cahyaningdyah and Ressany, 2012).

The decisions that are in a financial management standpoint outlines that every manager should be able to make effective decisions with the ultimate goal are a long-term increase in the value of the company. Therefore, any decision taken will bring uncertainty factor for the company. Business risk factors when decisions are taken an action that needs to be addressed.

Business risk is defined as the risk arising from the operations of the company, if it is associated with the company's value, the higher the risk of the company, the value of the company's high also means the company can work efficiently (Yuliani, Isnurhadi and Grill, 2013). Risks in financial management is divided into two, namely the systematic risk and unsystematic risk. Systematic risk is generally the systematic nature and unavoidable by the company, whereas the non-systematic risk can generally be controlled by the company (Efni, et al, 2012).

Empirical research on the effect of investment decisions, financing decisions and dividend policy on firm value mediated by the risk has previously been done by several researchers, including Akhtaruddin & Hossain (2009), and Efni (2011) to get the result that investment decisions affect the value of the company, but other studies such as that carried out Rakhimsyah and Gunawan (2011) and Dewi and Wirasedana (2015) found results that investment decisions do not affect the value of the company.

Empirical research on the effect of financing decisions on the value of the company is still not the consistency of the results of research, as did the Goddess and Wirasedana (2015) and Rakhimsyah and Gunawan (2011) found results that funding decisions have significant and positive effect on firm value. But the results of another study conducted Suroto (2015) and Umrie et al (2011) found results that funding decisions no significant effect on the value of the company.

Search research on the effects of dividend policy on firm value remains a fascinating topic to study again because of the lack of consistency of research results. According to Anita and Yulianto (2016) concluded that the relevant dividend policy does not affect the value of the company. In contrast to the results of research Suroto (2015) concluded that there is a significant and positive effect of the dividend payment policy on firm value due to the mechanisms that can communicate management information regarding the performance of the company's current and future.

Research on risk factors on the value of the company has a lot to do. However, research on risk as a result of investment decisions, financing, and dividend are still relatively few. Research conducted Capriani and Dana (2016) found that the use of indicators of market risk, operational risk and credit risk as a reflection of the risk factors found a negative correlation with the value of the company for the long term. Efni (2011) concluded that risk factors can decrease the value of the company. The findings of this study indicate that the higher the risks faced by the company's value will decline.

Based on the findings were not consistent between the investment decision, financing, and dividends to corporate value, then motivate researchers to reexamine the risk operationalize the business as a mediating variable. Placement of business risks as mediation is based on the logic of the investigator that effective financial decisions in view of financial management which includes investment decision, financing and dividend policy by taking into account business risk as a result of the company's operations will increase the value of the company.

The purpose of this research to analyze the impact of investment decisions to business risk, analyze the impact of funding decisions against business risks, analyze the impact of dividend policy on business risk, predict whether the investment decisions affect the value of the company, to predict whether the investment decisions affect the value of the company by the business risk as a variable mediator, predicts whether funding decisions affect the value of the company, to predict whether financing decisions affect the value of the company with the business risk as mediator variables, to predict whether the dividend policy affects the value of the company, to predict whether the dividend policy affects the value of the company with the business risk as a mediator variable, Predict whether the business risks affects the value of the company.

II. LITERATURE REVIEW

Investation decision

According Efni (2012), the investment decision is one of the factors that affect the value of the company, in which the investment decision is a decision concerning the allocation of funds, in terms of sources of funding (from both inside and outside the company) as well as the use of funds for short-term goals and to long-term goals.

The investment decision is an important factor in the company's financial functions. Verawaty et al (2016) stated that the company's value is determined solely by the investment decision. The opinion can be interpreted that the investment decision is important, because to achieve the goal of the company is to maximize shareholder wealth will only be generated through corporate investment activities. In other words, if the investing company is able to generate profits by using enterprise resources efficiently, the company will gain the confidence of potential investors to buy its shares. Thus, the higher the profits the company the higher the value of the company. The maximum value of the company is reflected in its share price (Verawaty et al., 2016)).

Funding Decisions

Sudana (2011: 3) states funding decisions financial decisions regarding the origin of funds to buy assets. The funding decision has a strategic role for the welfare and survival of the company owner. A number of theories have emerged to explain the differences in the funding decision for any company. The funding decision describes the company in making funding decisions whether to use short-term debt, long-term, or equity. Funding includes short-term funds and long term, which is defined as short-term funding of less than one year or less than one business cycle, while the long term more than one business period (Hanafi and Halim, 2014).

Dividend decision

Decisions concerning the company's dividend policy is a decision relating to the determination of the percentage of the company's net profit distributed as dividends to shareholders. According Yuliani (2013) dividend policy is an important policy issue and should be considered mature by the management company, as dividend policy will involve the interests of stocks with dividend income and interest of the company holding. In essence, the dividend policy will determine how much profit earned will be distributed to shareholders as dividends and how much profit will be retained for reinvestment. If the company chooses to distribute the majority of its net income as dividends, the profit to be detained will be small so that the formation of internal funds will also be small, this will inhibit the growth of earnings and stock prices. Conversely, if the company chooses to hold most of its profits, the profit will be distributed as a dividend to be small. Therefore, companies in making financial decisions on dividend distribution should be a balance between the growth of the company and the shareholders.

Business risk

The risk of a deviation results obtained from the plan expected results. Risk due to circumstances the future is full of uncertainties. According to Brigham and Houston (2011) that the risk can be divided into business risk and financial risk. Business risk describes the risk level of the fixed assets if it does not use debt, while the financial risk involves additional risks to ordinary shareholders as a result of additional debt. The company's risk and expected return directly influence stock prices (Gitman and Zutter, 2012). Risk and return are the two keys that determine the value of the company. Therefore, the financial manager is responsible for assessing the risks and returns of all the major decisions are carefully in order to ensure that the expected return in accordance with certain risks.

The value of the company

Value companies are defined as the market value for the company's value can increase the level of prosperity of the shareholders of the company. The company's value can be measured by the value of the stock price in the market, based on the formation of the share price of companies in the market which is a reflection of votes by the public on the company's performance in real terms, is said to be in real terms for the formation of prices in the market is the convergence points of the stability of the power demand and the points the stability of the power supply in real terms prices occurred buying and selling securities in the capital market between sellers (issuers) and investors, often referred to as the market equilibrium, Harmono (2017: 50). The company's value can also be seen on the company's ability to pay dividends. Dividend is a part of the profits of a company that will be paid to shareholders. If the high dividends paid, then stock prices will also tend to be high so as to make the company's value too high (Surjana, 2016).

Hypothesis

H1 : Investation decision significant impact on business risk

H2 : Funding decision significantly influence business risk

H3 : Dividend policy significant impact on business risk

H4 : Investment Decision significant effect on the value of the company

H5 : Business risk as mediating variables influence an investment decision on the value of the company.

H6 : Funding Decision significant effect on the value of the company

H7 : Business risk as mediating variables influence funding decisions on firm value.

H8 : Dividend Decision significant effect on the Company Value

H9 : Business risk as mediating variables influence the dividend decision on the value of the company

H10: Business Risk significantly influence the value of the Company.

III. RESEARCH METHODS

Research design

The approach used in this study is a quantitative approach. A quantitative approach is research that emphasizes the theory test through the measurement of research variables with numbers and perform statistical data analysis procedures. The research design used in this research is associative design is the design of a study that examined the effect of one variable to another variable or to determine the relationship between variables (Sugiyono, 2016: 11).

Operational Definition of Variables

a. *Investment Decision (X1):*

The investment decision is a decision concerning the allocation of funds, in terms of sources of funds and the funds for the purpose of short-term and long-term goals. The investment decision is proxied by changes in total assets by using the formula:

Changes in total assets =

$$\frac{\text{Total asset}_t - \text{Total asset}_{t\text{-}1}}{\text{Total asset}_{t\text{-}1}} \text{ x } 100\%$$

b. *Funding Decisions (X2):*

A decision concerning the composition of the selected financing companies in the finance company. Funding decision proxied by Total Debt to Total Assets Ratio (DTA) using the formula:

$$\text{DTA} = \frac{Total\ \ Debt}{Total\ \ Assets}$$

c. *Dividend Policy (X3):*

Is the company's decision concerning policies relating to the determination of the percentage of the company's net profit distributed as dividends to share holders. Dividend policy is proxied by the Dividend Payout Ratio (DPR) using the formula:

$$\text{DPR} = \frac{Divedend\ \ Per\ Share}{Earning\ \ Per\ Share}$$

d. *Business Risks (Y1):*

A deviation results obtained from the plan the expected results because of the state of the future is full of uncertainties. Business risk is proxied by Degree Operating Leverage (DOL) using the formula:

$$DOL = \frac{Changes\ Ebit}{Changes\ Sales}$$

Information :

$$\text{Changes Ebit} = \frac{EBIT_t - EBIT_{t-1}}{EBIT_{t-1}}$$

$$\text{Changes Sales} = \frac{Sales_t - Sales_{t-1}}{Sales_{t-1}}$$

e. Company value (Y2)

The enterprise value is market value because the value of a company can improve the welfare of the company's shareholders. The company's value is proxied by PBV (Price Book Value), which is the ratio between the market price per share and book value per share. Value companies are proxied by PBV using the formula:

$$PBV = \frac{Market\ Price\ Per\ Share}{Book\ Value\ Per\ Share}$$

Population and Sample

The population in this study are all companies listed in Indonesia Stock Exchange (BEI) in 2013-2017. Samples were selected using purposive sampling method with the purpose to obtain a representative sample in accordance with the criteria used to select the sample were as follows:

a. Food and beverages company, which is listed on the Stock Exchange during the period 2013-2017
b. The selected companies are food and beverages company which already includes regular financial statements as of December 31 for the period 2013-2017.

Based on these criteria, the company obtained 14 samples.

Data analysis technique

Mechanical analysis using descriptive statistical analysis aimed to look at the profile of the study and provide an overview of the object under study through the sample data and make conclusions of general application, and path analysis.

IV. DISCUSSION

Research result

The following descriptive statistics presented each study variable

Table 1 Descriptive Statistics Test Results

	Minimum	maximum	mean	Std. deviation
Investation decision	-17.53	362.85	18.47	44.25
Funding Decisions	0.18	75.18	43.53	17.52
Dividend Policy	0,00	145.92	19.33	30.67
Business risk	-37.98	32.88	1.27	9.31
The value of the company	0,00	48.67	4.66	8.66

Source: Secondary data is processed.

Based on Table 1 can be explained as follows that investment decisions are proxied by the change in total assets has the lowest value of -17.53 and maximum values of 362.85, with an average of 18.47. Funding decisions are proxied by*Total Debt to Total Assets Ratio*has the lowest value of 0.18 and a maximum value of 75.18, with an average of 43.53. This shows that the company's capital the company more than the company than debt. Dividend policy is proxied by*dividend payout ratio* (DPR) has the lowest value of 0 and a maximum value of 145.92, with an average of 19.33. Business risk is proxied by*Degree Operating Leverage*has the lowest value of -37.98 and a maximum value of 32.88, with an average value of 1.27. Value companies are proxied by PBV has the lowest value of 0 and a maximum value of 48.67, with an average value of 4.66, which means that the company is able to create value for shareholders, the higher the PBV ratio shows that the markets believe in the prospects of the company.

Examination Hypothesis

1) Hypothesis 1

The results of the analysis obtained by valuebeta coefficient of 0.128 and investment decisions t amounted to 1,069 and the value of p amounting to 0.289 greater than p = 0.05 (α = 5%), which means that investment decisions does not affect the business risk. Thus the first hypothesis that declare that Investment Decision significant impact on business risk is not statistically proven.

2) Hypothesis 2

The results of the analysis obtained by valuebeta coefficient of -0.222 and funding decisions t by -1.846 and the value of p amounting to 0.069 greater than p = 0.05 (α = 5%), which means that the funding decisiondoes not affect the business risk. Thus the hypothesis 2 declare that Funding Decision significant impact on business risk is not statistically proven.

3) Hypothesis 3

The results of the analysis obtained by valuebeta coefficient of 0.188 and a dividend policy t amounted to 1,608 and the value of p amounted to 0,113 greater than p = 0.05 (α = 5%), which means that the dividend policydoes not affect the business risk. Thus the hypothesis 3 declare that Dividend policy does not significantly influence the business risks is not statistically proven.

4) Test hypothesis 4

The results of the analysis obtained by valuebeta coefficient of 0.027 and investment decisions t amounting to 0.232 and the value of p amounting to 0.817 greater than p = 0.05 (α = 5%), which means that investment decisionsdoes not affect the value of the company. Thus the hypothesis 4 that declare that Investment Decision significant effect on the value of the company is not statistically proven.

5) Hypothesis 5

The analysis showed that the business risk can not mediate variable investment decisions, because the influence of the business risk to the firm value is not significant. With 5 hypothesis stating that there is a significant business risk as a mediating variable influence on the investment decisions of the company value is not statistically proven.

6) Test hypothesis 6

The results of the analysis obtained by valuebeta coefficient of 0.238 and funding decisions t amounted to 2,038 and the value of p amounted to 0,046 smaller p = 0.05 (α = 5%), which means that funding decisions significantly influence the value of the company.Thus hypotheses 6 stating that the Funding Decision significant effect on the company's value is statistically proven.

7) Hypothesis 7

The analysis shows that the business risks are not status as an intervening variable that can mediate variable funding decisions, because the business risk does not affect the value of the company. With 7 stating that the hypothesis that there is a significant business risk as a mediating variable influencing funding decisions on firm value is not statistically proven.

8) Test hypothesis 8

The results of the analysis obtained by valuebeta coefficient of 0.355 and a dividend policy t amounted to 3,140 and the value of p 0,003 smaller p = 0.05 (α = 5%), which means that the dividend policy significant effect on the value of the company. Thus the hypothesis 8 declare that dividend policy significantly influence the Company Value statistically proven.

9) Hypothesis 9

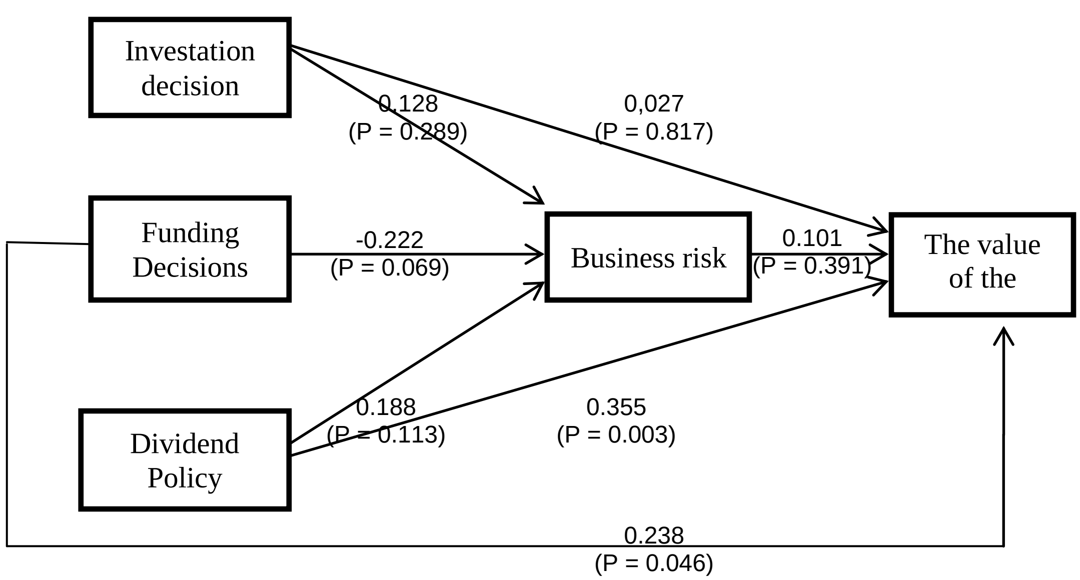
The analysis shows that the business risks are not status as an intervening variable that can mediate variable dividend policy on firm value, because the business risks do not affect the value of the company. With 9 stating hypotheses there is a significant business risk as a mediating variable effect of dividend policy on firm value is not statistically proven.

10) Test hypothesis 10

The results of the analysis obtained by valuebeta coefficient of 0.101 and business risk t amounting to 0.864 and the value of p amounting to 0.391 greater than p = 0.05 (α = 5%), which means that the business riskdoes not affect the value of the company. Thus the hypothesis 10 declare that Business Risks affect the Company Value is not statistically proven.

Based on the description of hypothesis testing, then the model of the track in the path analysis is presented in Figure 6 below.

Figure1
Path Analysis Results



Source : The data is processed.

Influence on Business Risk Investment Decision

The investment decision has no effect on the business risk with a positive direction, indicating that investment decisions have no impact on the level of business risk. This is caused by investment decisions have long-term time dimension, so the decision to be taken should be carefully considered, because it has long-term consequences as well. Expected investment policy is the most profitable investment, the return obtained the highest, the most inexpensive cost. However, the most rapid payback time and risk to a minimum. The results of this study do not support the theory of the theory of risk and return that stated Horne and Wachowicz (2012), that companies / investors willing to invest if generate revenue or a certain return with the smallest risk of extreme approaches zero. If the investment has little risk will increase the interest of investors to invest, the more so if the risk can be controlled then the investment decision did not affect the risk. The results of this study are inconsistent with Alza and Main (2018) which states that investment decisions affect the business risk, but supports Siregar et al. (2014) which states that the decision has no effect on the risk of investment. The results of this study are inconsistent with Alza and Main (2018) which states that investment decisions affect the business risk, but supports Siregar et al. (2014) which states that the decision has no effect on the risk of investment. The results of this study are inconsistent with Alza and Main (2018) which states that investment decisions affect the business risk, but supports Siregar et al. (2014) which states that the decision has no effect on the risk of investment.

Influence on Business Risk Funding Decisions

The funding decision does not affect the business risk with negative direction, which means that the level of funding decision has no impact on the business risk. Insufficient funding policy role in the company as the funding decision is one part of the funding policy of the company. The funding decision is a policy taken by the management in order to obtain financing for the company so that it can be used to finance the operating activities of the company. Besides the funding decision the company also serves as a monitoring mechanism to the manager's actions taken in the management of the company, for financing decisions can affect the company's business risk. At the time the company decided to use the debt will display the cost of debt. Cost of debt is classified as a financial risk, because even though companies in financial difficulties, the company is still obligated to pay the fee. If the company decides not to use the debt is done internally, the company has no obligation to pay the fee. Although not all companies use their own capital but did not rule out the company's borrowing from outside.

Through debt funding decisions have a limit to how much money can be extracted on the basis of the benefits that can be obtained from the debt. Companies that use the more it will increase the burden of debt interest and principal to be paid. Their funding decisions, the financial managers are required to consider and analyze the combination of sources of funds are economical for companies to finance investment requirements and the needs of their business. The business risks affecting the company's business continuity venture company and the company's ability to pay its debts the company's business risk level also affects the interest of investors to invest funds in the company and affect the company's ability to obtain funds in conducting its operational activities. Companies and high business risks tend to avoid using debt financing compared with companies that have lower business risk. High-risk enterprise in general preference is to use internal funds rather than the use of debt and the issuance of shares. The higher business risk, the lower the capital structure. Companies with a high degree of business risk will tend to use small amounts of debt because the debt may cause the company's financial situation increases. Companies that more use of debt compared to equity capital will result in increased debt ratios of companies with such companies need to establish the optimum level of debt as a consequence the risk of being reflected in the company has fixed operating costs or cost of fixed capital. The results are consistent with Ayuni et al. (2014) which states that the funding decision did not affect the risk, but does not support the Alza and Main (2018) which states that the funding decisions affect the business risk.

Effect of Dividend Policy on Business Risk

Dividend policy does not affect the business risk. Dividend policy is a financial management decisions in determining the proportion of funds that will be recorded in the company as retained earnings growth for the company. Insignificant divden policy against business risk, because the dividend payment does not increase the burden of the company but instead a deliberate decision was taken to maintain or even increase the wealth of shareholders. The results of this study do not strengthen Signaling theory which says dividend payments is a signal to investors about the prospects for corporate earnings in the future. Any increase or decrease in dividend payments will have an impact on risk. Risks will increase if the company can not pay dividends or decreased when the dividend payment and reverse the company's risk will decrease when companies paying high dividends. The results of this research was supported by the results of research Siregar et al (2014) who found that the dividend policy does not influence on the risk. These results indicate that how good or bad the dividend policy will not increase or decrease the risk. High-risk companies generally will pay a lower dividend for the low dividend used to avoid cutting dividends in the future. The results of this study are inconsistent with Alza and Main (2018) which states that the dividend policy affects the business risk. The results of this research was supported by the results of research Siregar et al (2014) who found that the dividend policy does not influence on the risk. These results indicate that how good or bad the dividend policy will not increase or decrease the risk. High-risk companies generally will pay a lower dividend for the low dividend used to avoid cutting dividends in the future. The results of this study are inconsistent with Alza and Main (2018) which states that the dividend policy affects the business risk. The results of this research was supported by the results of research Siregar et al (2014) who found that the dividend policy does not influence on the risk. These results indicate that how good or bad the dividend policy will not increase or decrease the risk. High-risk companies generally will pay a lower dividend for the low dividend used to avoid cutting dividends in the future. The results of this study are inconsistent with Alza and Main (2018) which states that the dividend policy affects the business risk. High-risk companies generally will pay a lower dividend for the low dividend used to avoid cutting dividends in the future. The results of this study are inconsistent with Alza and Main (2018) which states that the dividend policy affects the business risk. High-risk companies generally will pay a lower dividend for the low dividend used to avoid cutting dividends in the future. The results of this study are inconsistent with Alza and Main (2018) which states that the dividend policy affects the business risk.

Influence Investment Decisions Against Corporate Values

The investment decision has no effect on the value of the company, which means that the level of investment decision has no impact on the value of the company. If companies make investments that provide greater present value of the investment, the value of the company will increase. The increase in the enterprise value of these investments will be reflected in rising stock prices. As opinions Efni (2012) which states that the investment decision is one of the factors that affect the value of the company, in which the investment decision is a decision concerning the allocation of funds, in terms of sources of funding (from both inside and outside the company) as well as the use of funds for the purpose of term short and long term goals. Investment decisions should be assessed in conjunction with the ability to generate returns equal to or greater than that required by the owners of capital. The results are consistent with the Goddess and Wirasedana (2015) which states that the investment decision does not affect the value of the company. But not in line with Akhtaruddin and Hossain (2009) which states that investment decisions affect the value of the company

Influence Investment Decisions Against Corporate Value with Business Risk as Variable Mediator

Business risk does not mediate the effect of investment decisions on the value of the company. This suggests that investment decisions can increase the value of the company, although the company knows the business risk. If the investing company is able to generate profits by using enterprise resources efficiently, the company will gain the confidence of potential investors to buy its shares. Thus, the higher the profits the company the higher the value of the company. Influence their investment decisions on the value of the company shows that the company's ability to maximize the investment in an attempt to generate profits in accordance with the amount of funds involved. Investments made companies more likely to use capital as a funding source so that companies can avoid the risk can not pay debt and can not pay the interest. It is also expected because the company considered good enough to manage the impact of the business risks faced by the company. The results are consistent with Efni (2011) which states that the funding decisions affect the value of the company.

Effect of Funding Decision Against Corporate Values

Funding decisions affect the value of the company, which means that the value of a company is determined by the funding decision. If funding is funded through debt, the increase in the value of the company is due to the effect of tax deductible, ie companies that have debts will pay interest on loans that can reduce taxable income, which can provide benefits to shareholders. Net income approach assumes that investors capitalize or assess profit company with a capitalization rate constant and the company can increase the amount owed by a constant level of debt costs as well. Because the cost of equity and debt interest rate is constant, the greater the amount of debt used by the company, the cost of capital weighted average will be smaller, because the cost of debt is lower than the cost of equity capital. Therefore, if the cost of capital weighted average smaller as a result of greater use of debt, the enterprise value will increase. The results are consistent with Rakhimsyah and Gunawan (2011) which states that the funding decisions affect the value of the company. The results of this study are inconsistent with Yuliani and Cahyadi (2011) which states that the funding decision does not significantly influence the value of the company.

Influence Against Funding Decisions with Business Risk Corporate Values as Variables Mediator

The business risks are not able to mediate the effect of financing decisions on firm value. Funding decisions and business risks have different tendencies. This is presumably because the company is more likely to use more capital as a source of funding so as not to run the risk of the business. While the current use debt as a source of funding, the company is considered able to manage your debts properly and pay off their obligations properly, so that the impact of experienced business risks can be managed by the company. The large proportion of financing using debt capital and use will not affect the business risk.

Effect of Dividend Policy Against Corporate Values

Dividend policy affects the value of the company, which means that the amount of dividend given by the company to the investor may affect the value of the company. Investors need dividends to convert shares into cash investor, the investor will pay a higher price for a company with a higher dividend payments. Investors prefer a higher dividend than the dividend that will be distributed in the future and capital gains. In accordance with the signaling theory, dividend payments or signal contains information about the company's prospects in the future. The announcement increased the dividend has increased stock returns and can be used to counteract the issue is not expected in the foreseeable future.

Effect of Dividend Policy Against Corporate Value with Business Risk as Variable Mediator

The business risks are not able to mediate between the value of the company's dividend policy. Payment of dividends is used as a signal to describe the outlook for the company's current and future. If the rate of return and the amount of the dividend is high, it will give a positive signal to investors, so investors will be interested in buying the company's stock and shares of the company will increase demand and raise the stock price, though there is business risk. This indicates that the company is good enough to manage the impact of the business risks faced by the company. Companies are judged good enough to manage the impact of the business risks faced by the company. As the view of RJ (2011:

Business risk faced by the company in the dividend decision will affect the value of the company as investors will trust and feel safe to invest in a company.

Influence Business Risk Against Corporate Values

The business risks do not affect the value of the company, which means that the level of business risk has no impact on the increase in value of the company. Business risk is the risk level of the company's assets if the company is not a debt receipts. Business risk (business risk) may be a deciding factor most important capital structure. Business risk refers dispersion (variability) relative EBIT company expected, which could increase the value of the company. As the opinion of the Brigham and Houston (2011) that the risk can be divided into business risk and financial risk. Business risk describes the risk level of the fixed assets if it does not use debt, while the financial risk involves additional risks to ordinary shareholders as a result of additional debt.

V. CONCLUSIONS AND RECOMMENDATIONS

Conclusion

1. The investment decision has no effect on the business risk, which means that the level of investment decisions are not bedampak on business risk. Investment policy aimed at increasing the company's profits, and of course in order to increase the profit potential failures or risks to be managed by the manager. Potential risks harusdi managed properly so that appropriate policy goals corporate goals and do not bring negative impact to the company.
2. The funding decision does not affect the business risk, which means that additional capital through the issuance of shares do not give the signal for the company compared to additional debt, so that additional debt is not considered to give a better signal for shareholders because it can reduce the total equity financing.
3. Dividend policy does not affect the business risk, which means that investors or shareholders do not make high dividend as a priority assessment of the company but rather to other factors.
4. The investment decision has no effect on the value of the company, which means that the level of investment decision has no impact on the value of the company. This shows that the investment decision is not a proper strategy to enhance shareholder value in the middle of the influence of the global financial crisis.
5. The investment decision has no effect on the value of the company with the business risk as a mediator variable. This shows that the business risks are not amplified the effect of the investment policy on corporate value, corporate managers need to prepare appropriate investment plans in order to produce optimal benefits so as to give a positive signal to investors and the implications for the meningkatkanya value of the company.
6. Funding decisions affect the value of the company, which means the more the proportion of debt in its capital mix can affect the value of the company.
7. The funding decision does not affect the value of the company with the business risk as a mediator variable.
8. Dividend policy affects the value of the company, which means that the dividend payments were continuously observed as a good sign that investors can positively add to the prosperity of shareholders or the company's value.
9. Dividend policy does not affect the value of the company with the business risk as a mediator variable.
10. The business risks do not affect the value of the company, which means that the level of business risk has no impact on the increase or decrease in the value of the company.

Suggestion

Based on the benefits of research and discussion, the advice given from this research are:

1. Manufacturing companies should optimize the value of the company taking into account the dividend policy. Better dividend payout policy of continuous run to determine the good and right way. Finally, companies are better at keeping the debt level is relatively low by making the debt as a financing alternative ifinternal sources of the company mainly retained earnings are utilized still not sufficient to minimize the financial distress, the threat of bankruptcy and the high capital cost.
2. Manufacturing companies should optimize the value of the company taking into account the funding

decisions and dividend policy. The funding decision is achieved with the advantages of operating as an attempt by managers to manage capital or assets of the company. Better dividend payout policy of continuous run to determine the good and right way.

3. Research result this can be used as reference for future researchers, and future researchers can fix this study by researching companies from sectors other than manufacturing, as well as add other variables that may affect the business risk and the value of the company such as company size, liquidity, profitability and earnings quality.

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