The Effect of Intellectual Capital, Dividend Policy, Tobin's Q, and Inflation on Stock Return with Profitability as Intervening variable on Consumer Goods Companies in Indonesia Stock Exchange

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ABSTRACT

This study examines the effects of Intellectual Capital, Dividend Policy, Tobin's Q, and Inflation on Stock Return through Profitability as Intervening variables. This study's object was 34 consumer goods companies listed on the Indonesia Stock Exchange from 2016-2020. The sample was chosen using the purposive sampling method: seven consumer goods companies. The analytical methods used in this study are multiple linear regression analysis and path analysis with the help of SmartPLS software.

The results of this study show that, partially, intellectual capital, dividend policy, Tobin's Q, and inflation do not affect the stock return. Intellectual capital, dividend policy, and Tobin's Q have a positive and significant effect on profitability, and inflation does not affect profitability. This study also shows that profitability cannot mediate the effect of intellectual capital, dividend policy, Tobin's Q, and inflation on stock return.

Keywords: Intellectual Capital, Dividend Policy, Tobin's Q, Inflation, Profitability (ROA), Stock Return.

INTRODUCTION

Today, increasingly sophisticated technology enables the general public to access information more quickly and analyze the information obtained by themselves. This phenomenon causes an increase in people's desire to try investing in the capital market, as presented in the following table:
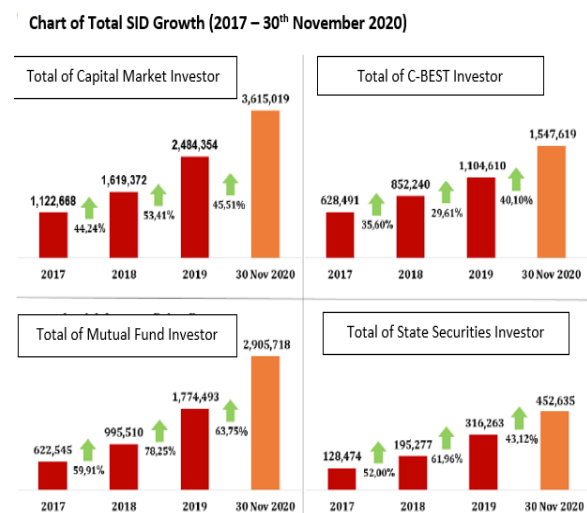
Source: KSEI Press Release 23 December 2020

Figure 1.
Growth in Number of Investors

From Figure 1. it can be seen that the growth in the number of investors in Indonesia continues to grow from 2017 - 2020. Of course, these investors hope to get a return from their investment from rising stock prices or from dividends that will be obtained in the future as a return from that investment. Generally, investors tend to invest in shares of companies with high returns. Therefore, companies must be able to take advantage of their tangible and

intangible assets to create added value and competitive advantage. If the company's performance increases, it is likely to increase stock prices and returns. In addition, if a company's fundamental performance is solid, then when the company wants to get additional funds from the Right Issue, it can sell its shares at a higher price than the previous IPO.

Stock return is a reward from the investment process (Bodie et al., 2010), which consists of two components, namely, (1) return on cash flow from a percentage that measures cash flow in the percentage of related share prices such as purchase price and market price, and (2) Capital Gain, namely transaction profits obtained from the difference between the selling price and the purchase price (Bansal et al., 2021). Stock return is the return that shareholders obtain from the stock investment (Widyakto et al., 2021). Stock return can be measured by using the percentage of the difference in stock prices between a certain year and the previous year, which is described by the following formula:

$$RS = \frac{(P1 - P0)}{P0}$$

Note:
RS = Stock return
P1 = current year's stock price
P0 = previous year's stock price

The company's performance listed in the company's financial statements can be a signal for investors in considering investment actions. If the company's performance is good, investors will consider it a good signal so that stock prices increase. The purpose of investors in investing is to get profits in the form of capital gains, dividends, and company ownership (Suhadak et al., 2019).

Stock return information also illustrates macroeconomic movements, when most companies have a general increase in stock returns, reflecting economic developments. On the management side, knowing what factors influence stock returns will assist management in considering investment

decisions to ensure that the company creates value for investors (Surjandari & Wati, 2020).

Theoretically, stock returns are influenced by three main factors: fundamental, technical, and market sentiment. Fundamental factors are more directed to the company's internal financial condition, such as financial performance, company size, company profits, and others. Meanwhile, technical factors are more directed to historical data elements from a company and data from external companies to analyze the company's stock returns, examples of external data such as inflation, economic conditions of a country, current trends, and information from the news. The market sentiment reflects the psychological factors of capital market participants, which are often illogical, biased, and subjective. Many studies ignore this psychological factor due to the complexity of how to measure this factor.

Fundamental and technical factors consist of many variables. There are four variables: Intellectual Capital, Dividend Policy, Firm Size, and inflation rate.

At this time, there will be fewer people who work physically, and in the future, there will be more people who work smarter. It is called Intellectual Capital. Intellectual capital is the result of human knowledge. Intellectual capital contributes to implementing strategies to gain a competitive advantage in business competition and improve company performance. Therefore, Intellectual Capital management is one of the main keys to value creation and performance development, which is an important goal of businesses (Campanella et al., 2014); (Gigante, 2013).

Bayburina & Golovko (2009) explained that Intellectual Capital includes Human Capital (human resources), Client Capital (the value of a company's relationship with its customers), Innovation Capital (innovation capital), and Network Capital (difference between Current Assets and Current Liabilities¬). The plurality of these

characteristics describes the competitive advantage within the company. Therefore, the sustainability of a company and the competitive success of a company depend more on its intellectual capital management than on the management of its financial resources.

In the knowledge-based economy, companies must maximize their intangible assets to gain a competitive advantage over their competitors. A company needs to create intellectual capital as a superior resource to produce superior financial performance. Intellectual capital is unique, superior, and challenging to replace the resource. Intangible assets are often referred to as intellectual capital from organizational knowledge-based, a source of competitive advantage (Dzenopoljac et al., 2017); (Osinski et al., 2017).

Intellectual Capital is important to consider in a company's business because companies can find out how many intangible assets they have so that company can assess whether they have utilized their resources efficiently or not. If the company can make maximum use of tangible and intangible assets, the value will increase. If these intangible assets can be managed efficiently and effectively, competitive advantage will be created with the ultimate goal of increasing the company's growth.

The model for measuring intellectual capital uses the VAIC™ model (Pulic, 2004). This model is used because the data is easy to obtain and comprehensively can measure the value of Intellectual Capital well.

$$ \text{VAIC} = \text{HCE} + \text{SCE} + \text{CEE} $$

HCE is the ratio of VA/HC. The total salary and wages represent HC (Human Capital). SCE is the ratio of SC/VA. SC (Structural Capital) is the sum of (VA-HC). CEE is the ratio of VA/CE. CE (Capital Employed) is the book value of total assets. VAIC represents the intellectual capital coefficient of value-added (Soewarno & Tjahjadi, 2020).

Research from Christiana et al. (2021) and Ghasemi et al. (2020) shows that intellectual capital positively influences stock returns. In contrast to the results of research by Aprilia & Isbanah (2019) and Marlinda (2018), it shows that intellectual capital does not positively impact stock returns. Meanwhile, in their research, Muna & Prastiwi (2014) show that intellectual capital has a positive effect on stock returns indirectly through profitability.

Dividend policy plays an essential role in company finances because an optimal Dividend Policy is the goal of financial management to improve company performance (stock returns) (Ngoc & Cuong, 2016). Dividend policy is a decision about how much dividends are set aside to pay dividends to shareholders. If the company decides to pay dividends, it is the policy related to the value of the payments, the frequency of payments, and all related policies related to the dividend decision. A dividend policy is also a signal to stakeholders regarding the performance of a company (Khan et al., 2016).

Dividend policy refers to financial decisions that impact the amount of income the company distributes to shareholders. The company's board of directors, with advice and input from management, regulates and determines a company's dividend policy. In real-world conditions, determining the right portion of the payment policy is problematic because it must consider the balance of interests within the company, so there is no conflict.

According to (Baker & Kolb, 2009), dividend payments affect shareholder wealth and the company's ability to retain profits so that it can be used as an opportunity for the company to develop. Because investment, funding and dividend decisions are related, company management cannot assume that dividend policy is unrelated to investment and funding decisions (Pruitt & Gitman, 1991). For example, suppose a company decides to increase the amount of dividends paid. In that case, the more available funds will be reduced for investment purposes, which will

force the company to seek additional funding from the capital market. In practice, many corporate managers are cautious in considering dividend policy decisions because these decisions can affect firm value and shareholder wealth (Baker et al., 1985); (Powell, 1999). In addition, many investors believe that a dividend policy is important because investors invest funds in the company to get a return from the funds invested.

According to Paminto et al. (2016), a Dividend Policy can signal what the company can give to shareholders, and indicates the company's prospects. The decrease in the intensity of the dividends distributed is a negative signal for investors because it indicates that the company's condition is not good, which causes stock prices to decline, and vice versa. The increasing number of dividends received a positive response from investors, so stock prices rose. A large amount of dividends indicates that the company's condition has high profitability (cash flow signal hypothesis). In addition, companies that regularly distribute dividends to shareholders are seen as having low risk.

Suwanna (2012) concludes that dividend announcements have a significant positive impact on stock returns. These results align with studies from Nirayanti & Widhiyani (2014) and Sharif et al. (2015). However, Surjandari & Wati (2020) concluded that dividend policy significantly negatively impacts stock returns. Meanwhile, Istanti (2013) shows that dividend policy results have a positive but insignificant impact. Fitri (2017) states that the dividend policy has no impact on stock returns. Irandoost et al. (2013) show that dividend policy has a significant and positive effect on stock prices, but only in the short term.

Firm value can be influenced by investors' perceptions of a company's success. It can be seen from the effect of these perceptions on the company's stock price. The increase in stock prices indicates investors' perception of the company, so they are willing to buy at a higher price to get a higher return. The value of a company can be seen from the total assets recorded. It consists of the market value of shares and liabilities.

This study uses Tobin's Q measurement model in calculating firm value. This ratio proves in the financial economics literature that corporate governance plays an essential role in efficient financial supervision and shareholder protection, which affects the company's valuation as measured by Tobin's Q. Theoretically, if the Q value is high, it will give a positive signal for investment considerations because the cost relative to increasing capital stock through the issuance of new shares is reduced (Holmes & Maghrebi, 2015).

The main advantage of Tobin's Q is market indicators and accounting-based measures. It neutralizes the potential disadvantages of applying accounting measures or market indicators separately as the primary source for data analysis (Berezinets et al., 2017). Tobin's Q formula used in this study is as follows:

$$Q = \frac{(MVE + DEBT)}{TA}$$

Note:

MVE = (The closing price of shares at the end of the financial year) X (number of ordinary shares outstanding)

DEBT = Total Liabilities

TA = Total Assets

Tobin's low Q value (range 0 - 1) describes the condition of undervalued shares. It means the market value is less than the carrying value of the company's assets due to the low share price. On the other hand, if the value of Tobin's Q > 1 indicates that the stock is overvalued, the stock's market value is greater than its book value. The overvalued condition also explains that the market gives more value to the stock. The higher the value of Tobin's Q will be a positive signal to lure investors into investing in the stock because it is more valuable than the price paid to buy it. This method of stock price valuation is the

benchmark for making investment decisions using Tobin's Q model. Using Tobin's Q aims to assess the company's performance in operating company assets to form a good market value.

Vadiei & Hosseini (2012) stated that Tobin's Q influences stock returns. Harney & Tower (2003) also shows that Tobin's Q results are better when predicting returns on the S&P 500 stock index than earnings ratios. Rahman & Khairunnisa (2016) also showed that Tobin's Q had a positive impact on stock returns. However, the results of a study by Octavera & Rahadi (2017) show that Tobin's q has no significant effect on stock returns.

Another variable used next is the rate of inflation. Inflation is an event that occurs in the economy where there is an increase in the price of products and services within a certain period. If an economy experiences a high inflation rate, the value of its currency will decrease, which means reduced purchasing power, reduced profitability, and reduced returns from investment (Eldomiaty et al., 2020).

If the inflation rate increases, the purchasing power of the people will decrease. So that the company's operational costs increase and cause the company's profit to decrease, this will be negative information for the market and potential investors so that stock prices decline and, of course, stock returns also fall. So that's the role of company managers in predicting this risk.

Inflation will affect stock prices by decreasing income, wealth, and production efficiency. High inflation will reduce demand. A decrease in demand will reduce income, so it will affect the return received by the company. The inflation rate is measured using annual inflation data for 2016-2020.

A previous study by Kurniasari et al. (2018) stated that inflation negatively impacted stock returns. These results are in line with the research of Sudarman (2020) and Kusumaningtyas et al. (2021).

Profitability describes how much effectiveness and efficiency the company uses in using company assets to achieve its goals. Effectiveness refers to the ability of management to plan the right plan to achieve its goals. In contrast, efficiency refers to the ratio between inputs and outputs where the output produced is optimal without excessive inputs (Suhadak et al., 2019).

Profitability is essential to achieving company goals because a company must generate profits to attract investors to invest their capital. Therefore, company management always needs to try to improve its profitability performance so that it can continue to support the company's survival and prospects. (Kamaliah, 2020).

ROA measures the profitability ratio. ROA describes the company's performance to print net profit after tax from the total assets used for company operations. Companies with high ROA ratios and strong fundamentals will attract investors to invest in the company (Chandra et al., 2019). It is because a high ROA ratio indicates that the company's performance is good, so it impacts increasing stock prices and returns. Companies with high profitability will also have adequate internal funding sources (Mangesti et al., 2020). The ROA formula in this research is:

$$ROA = \frac{Net\ Income}{TA}$$

Profitability proxied by ROA describes the company's performance in generating net profit after tax from the total assets owned. The higher the ROA indicates, the high efficiency of the company. Of course, to achieve high profits, the company's basic strength must be strong to generate large profits.

Stock returns can also be affected by profitability. High profitability improves the company's performance, ensures prospects, and is a good sign for investors. Potential investors seek stocks for high yields. Company management must know how to maximize its tangible and intangible resources

Dewi et al. (2017) show that profitability positively and significantly impacts stock returns. These results are with Zakiyah (2019) and Kusumaningtyas et al. (2021).

Intellectual Capital which is defined as the company's intangible assets as measured by VAIC, shows that the higher the company's VAIC value, it can be said that the company uses its intangible assets effectively and efficiently, resulting in a competitive advantage over its competitors, which will automatically have an impact on the company's ROA.

Soewarno & Tjahjadi (2020) and Chowdhury et al. (2019) found that intellectual capital positively impacted profitability as measured by ROA.

Announcements of intellectual capital that are increasingly detailed and complete are a positive signal for investors. It is because high intellectual capital adds value to the company's performance. The impact will increase stock prices and returns if the company's performance increases. (Muna & Prastiwi, 2014). Christiana et al. (2021), in their research, show that intellectual capital has a positive effect on stock returns

Companies that pay dividends regularly are considered to have added value by investors who hold these shares to continue to pay dividends. Of course, the company has high profitability so that it can continue to generate profits to pay dividends. The company's high profitability attracts the interest of potential new investors to invest in the company, so the new investment received is reused to improve the company's performance. Research by Tantono & Candradewi (2019) and Paminto et al. (2016) found that dividend policy has a significant positive impact on profitability.

Based on Signaling Theory, a company's high dividend payout ratio illustrates the profitability and prospects of a healthy company. This positive information is a signal to investors to invest in the company. The company uses this capital to improve its performance which causes price increases

and stock returns. (Suwanna, 2012) concludes that dividend announcements have a significant positive impact on stock prices, in line with studies by (Nirayanti & Widhiyani, 2014); and (Sharif et al., 2015).

The tool that can be used to measure Firm Value is Tobin's Q. If Tobin's Q value of a company = 1 or more, it indicates that the market value of the company's shares is high. Companies with a high Q value tend to be in demand by investors because the stock price is worth more than the value paid to get the stock. So, potential investors will invest more in the company so that through the capital invested by new investors, management can use it to expand their business and increase profitability.

Companies with a high Tobin's Q value tend to be in demand by investors so that potential investors will invest more in the company. The capital invested by new investors can be reused to expand the business and increase profitability. Increased profitability will increase the value and performance of the company so that stock returns can increase. Research by Rahman & Khairunnisa (2016) and Rahman & Mustafa (2018) shows that Tobin's Q positively impacts stock returns.

Inflation is known as an event where the price of goods increases continuously over a certain period. So the value of the currency becomes weak. High inflation is a wrong signal for investors and rising commodity prices. If the cost of raw materials increases, the company's production costs also increase, and continuous inflation also reduces people's purchasing power and consumption, so company profits decline. The impact will make the stock price fall, thereby reducing the return from shareholders.

On the other hand, if the inflation rate falls, this will be positive news for investors because of the increasing buying power of the public. If sales increase, the effect is the

company's profit will increase. Therefore, the dividends paid to shareholders also increase, which leads to an increase in shareholder profits. Kusumaningtyas et al. (2021) and (Lindayani & Dewi, 2016) stated that inflation has a negative impact on company profitability. Kurniasari et al. (2018), in their research, found that inflation had a negative impact on stock returns through ROA.

From the background attached, many studies have been conducted on the variables of Intellectual Capital, Dividend Policy, Tobin's Q, Inflation, and Profitability, but there are still many inconsistent results. Based on the phenomena described previously, the researchers raised the topic "The Influence of Intellectual Capital, Dividend Policy, Tobin's Q, and Inflation on Stock Returns in Consumer Goods Companies Listed on the Indonesia Stock Exchange with Profitability as an Intervening Variable."

Framework
Following the description of the background of the problem, literature review, and previous research, a conceptual research framework is prepared as follows:
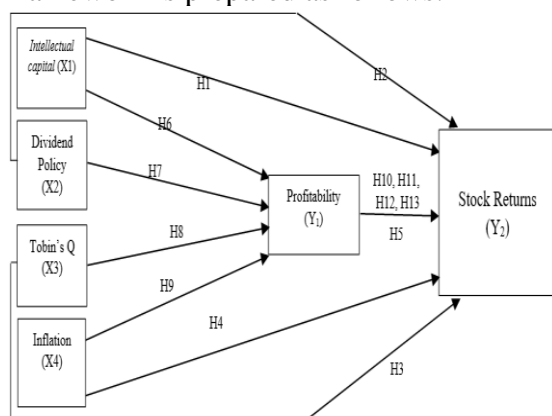

Figure 2.
Conceptual Framework

H1: Intellectual capital has a positive effect on stock returns.
H2: Dividend Policy has a positive effect on stock returns.
H3: Tobin's Q ratio has a positive effect on stock returns.

H4: Inflation has a negative effect on stock returns.
H5: Profitability has a positive effect on stock returns.
H6: Intellectual capital has a positive effect on profitability.
H7: Dividend policy has a positive effect on profitability.
H8: Tobin's Q has a positive effect on profitability.
H9: Inflation has a negative effect on profitability.
H10: Intellectual Capital has a positive effect on Stock Return through Profitability.
H11: Dividend Policy has a positive effect on Stock Return through Profitability.
H12: Tobin's Q ratio positively affects Stock Return through Profitability.
H13: Inflation has a negative effect on Stock Return through Profitability.

RESEARCH METHODS
This research was designed by researchers using causal research. Causal research is research with identified causal relationships between various variables (Sugiyono, 2016). This study uses causal research to see the effect of intellectual capital, dividend policy, Tobin's Q, and the inflation rate as the dependent variable on stock returns as the independent variable, with profitability as the intervening variable.

This study uses secondary data. Secondary data is obtained indirectly through intermediary media from the IDX through the website www.idx.co.id.

The population in this study are consumer goods companies listed on the Indonesia Stock Exchange (IDX) from 2016 - 2020, as many as 47 companies.

The sample is part of the population to be studied or part of the number of characteristics possessed by the population (Erlina, 2011). This study uses a purposive sampling technique which is a sampling technique based on specific considerations. The criteria for sampling are as follows:
1. Consumer Goods companies listed on the IDX during the 2016-2020 period.

2. Consumer Goods company that provides financial reports for five consecutive years in the 2016-2020 period.
3. Consumer Goods companies distribute dividends in a row during the 2016-2020 observation year.

Based on these criteria, a research sample of 7 companies was obtained from the total population of consumer goods companies listed on the IDX from 2016-2020. The total five-year observations were 35 (7 companies x 5 years).

The data analysis method used in this study is a multiple regression model using software assistance, namely the Smart PLS (Partial Least Square) program to test the hypothesis in this study.

RESULT AND DISCUSSION

1. Outer Model Evaluation

a) Convergent Validity

The test can be seen from the value of the loading factor or outer loading. If the outer loading value of an indicator is >0.7, then the indicator passes the convergent validity test. The following shows the outer loading values for each indicator in this research variable:
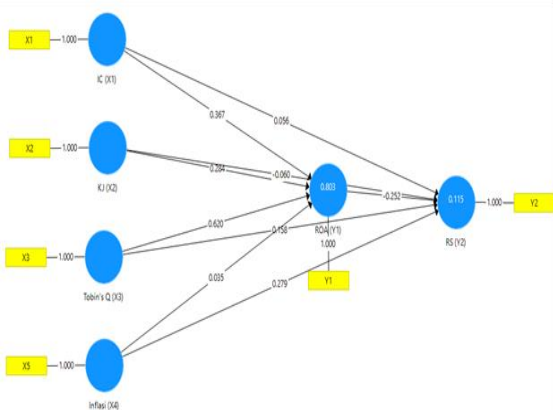
Source: Research Results, 2022 (Data processed)

Figure 3.
Outer Loading Value of Each Variable

The picture above shows that all variables used for research have passed the convergent validity test, with all outer loading values for each variable with a value of 1,000 > 0.7

Table 1.
AVE Value Test Results

	Average Variance Extracted
X1	1.000
X2	1.000
X3	1.000
X4	1.000
Y1	1.000
Y2	1.000

Source: Research Results, 2022 (Data processed)

The table above shows that each AVE value of each variable is 1000 > 0.5. Through these results, it is stated that each variable for this study has passed the AVE test.

b) Discriminant Validity

The discriminant validity test was tested in 2 stages, looking at the FLC (Forner Lacker Criterion) value and the cross-loading value.

Table 2.
FLC Value Test Results

	FLC Value					
	X1	X	X3	X4	Y1	Y2
X1	1.000					
X2	0.325	1.000				
X3	0.029	0.329	1.000			
X4	0.136	-0.153	0.118	1.000		
Y1	0.482	0.602	0.728	0.482	1.000	
Y2	-0.042	-0.184	-0.010	0.285	-0.114	1.000

Source: Research Results, 2022 (Data processed)

The table above shows that the variable correlation values for this research data have passed the FLC test requirements.

Table 3.
Cross Loading Value Test Results

	CROSS LOADING VALUE					
	X1	X2	X3	X4	Y1	Y2
X1	1.000	0.325	0.029	0.136	0.482	-0.042
X2	0.325	1.000	0.329	-0.153	0.602	-0.184
X3	0.029	0.329	1.000	0.118	0.728	-0.010
X4	0.136	-0.153	0.118	1.000	0.114	0.285
Y1	0.482	0.602	0.728	0.114	1.000	-0.114
Y2	-0.042	-0.184	-0.010	0.285	-0.114	1.000

Source: Research Results, 2022 (Data processed)

The table above shows that the correlation value of the indicator with the variable itself

is greater than the value of the indicator with other variables. So it can be said that this research data has passed the cross-loading value test requirements.

c) Composite Reliability

Composite Reliability is a test used to test the indicator's reliability value on variables. If the composite reliability value is > 0.7, it is stated that the variable has met the composite reliability test. In the table below, the composite reliability values for each variable are presented for this study:

Table 4.
Composite Reliability Value Test Results

	Composite Reliability
X1	1.000
X2	1.000
X3	1.000
X4	1.000
Y1	1.000
Y2	1.000

Source: Research Results, 2022 (Data processed)

The table above shows the composite reliability value of each variable with a value of 1,000 > 0.70. It is concluded that all variables have passed the composite reliability test and are declared reliable for use in research.

d) Cronbach's Alpha

Cronbach's alpha is a composite reliability test. If the value of a variable in this test has a Cronbach's alpha value > 0.7, it is concluded that the variable passed the Cronbach's alpha test. The table below shows the value of Cronbach's alpha for each variable:

Table 5.
Cronbach's Alpha Value Test Results

	Cronbach's Alpha
X1	1.000
X2	1.000
X3	1.000
X4	1.000
Y1	1.000
Y2	1.000

Source: Research Results, 2022 (Data processed)

The table above shows that each variable in this study has passed Cronbach's alpha test requirements with a value of 1,000 > 0.70.

2. Inner Model Evaluation
a) Model Goodness Test (Goodness of Fit)

This data processing uses the SmartPLS 3.3.7 application. The results of processing the R-Square values that appear are as follows:

Table 6.
Coefficient of Determination Test Results

	R Square
ROA (Y1)	0.803
SR (Y2)	0.115

Source: Research Results, 2022 (Data processed)

The table above shows the R-square value of profitability is 0.803. It means that all independent variables, namely intellectual capital, dividend policy, Tobin's Q, and inflation, simultaneously affect profitability by 80.3%. At the same time, the remaining 19.7% is influenced by other variables such as company growth, leverage, liquidity, company size, and total asset turnover.

The value of R-Square stock return is 0.115. The independent variables, namely intellectual capital, dividend policy, Tobin's Q, and inflation, simultaneously affect the stock return variable by 11.5%. At the same time, the remaining 88.5% is influenced by variables such as Economic Value Added (EVA), stock beta, BI interest rate, Net Profit Margin (NPM), Debt to Equity Ratio (DER), Current Ratio (CR), Earnings Per Share (EPS).

3. Hypothesis Testing

Hypothesis testing in this study was conducted by looking at the value of T-Statistics and the value of P-Values. The research hypothesis can be declared accepted if the T-statistics value is > 1.96 and the P-Values value is < 0.05.

a) Hypothesis Test Results
Table 7.
Hypothesis Test Results

	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
X1 -> Y2	0.056	0.177	0.860
X2 -> Y2	-0.060	0.225	0.822
X3 -> Y2	0.158	0.500	0.617
X4 -> Y2	0.279	1.714	0.087
Y1 -> Y2	-0.252	0.566	0.572
X1 -> Y1	0.367	4.157	0.000
X2 -> Y1	0.284	3.437	0.001
X3 -> Y1	0.620	5.837	0.000
X4 -> Y1	0.035	0.430	0.667

Source: Research Results, 2022 (Data processed)

From Table 7 then the value of the structural equation is:

Y1 = 0.367X1 + 0.284X2 + 0.620X3 + 0.035X4 + e1

Y2 = 0.056X1 + -0.060X2 + 0.158X3 + 0.279X4 + -0.252Y1 + e2

Based on the table of hypothesis test results, it can be concluded:

a) The results of hypothesis testing indicate that the Intellectual Capital variable does not affect stock returns. The T statistic value was $0.177 < 1.96$ and the P-Values value was $0.860 > 0.05$.

b) The results of hypothesis testing indicate that dividend policy does not affect stock returns. T statistic value $0.225 < 1.96$ and P-Values value $0.822 > 0.05$.

c) The results of hypothesis testing indicate that Tobin's Q variable has no significant effect on stock returns. The T statistic value is $0.500 < 1.96$ and the P-Values value is $0.617 > 0.05$. The original sample value of 0.218 shows a positive and significant effect between variables of 21.8%.

d) The results of hypothesis testing indicate that the inflation variable has no significant effect on stock returns. The statistical T value was $1.714 < 1.96$ and the P-Values value was $0.087 >$ 0.05. The original sample value of -0.341 indicates a negative and significant effect between variables of -34.1%.

e) The results of hypothesis testing indicate that the profitability variable has no significant effect on stock returns. The statistical T value was $0.566 < 1.96$ and the P-Values value was $0.572 > 0.05$.

f) The results of hypothesis testing indicate that the Intellectual Capital variable affects profitability. The statistical T value was $4.157 > 1.96$ and the P-Values value was $0.000 < 0.05$. The original sample value of 0.367 indicates a positive and significant effect between variables of 36.7%.

g) The results of hypothesis testing indicate that the dividend policy variable has a significant effect on profitability. The statistical T value was $3,437 > 1.96$ and the P-Values value was $0.001 < 0.05$. The original sample value of 0.284 indicates a positive and significant effect between variables of 28.4%.

h) The results of hypothesis testing indicate that Tobin's Q variable has a significant effect on profitability. The statistical T value was $5.837 > 1.96$ and the P-Values value was $0.000 < 0.05$. The original sample value of 0.620 indicates a positive and significant effect between variables of 62%.

i) The results of hypothesis testing indicate that the inflation variable has no significant effect on profitability. The T statistic value is $0.430 > 1.96$ and the P-Values value is $0.667 < 0.05$.

4. Intervening Hypothesis Test Results

Based on data processing that has been carried out using the Smart PLS 3.0 program, the results of testing the intervening variables are as follows:

Table 8.
Intervening Hypothesis Test Results

	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
X1 -> Y1 -> Y2	-0.092	0.557	0.578
X2 -> Y1 -> Y2	-0.072	0.525	0.600
X3 -> Y1 -> Y2	-0.156	0.553	0.580
X4 -> Y1 -> Y2	-0.009	0.245	0.807

Source: Research Results, 2022 (Data processed)

Based on the table of intervening variable test results, it can be concluded that the variables of intellectual capital, dividend policy, Tobin's Q, and inflation have no impact on stock returns through profitability.

CONCLUSION

Based on the results of research and discussion, the following conclusions can be drawn:

1. Intellectual Capital does not affect stock returns in Consumer Goods companies listed on the IDX in 2016-2020.
2. The dividend policy does not affect stock returns in Consumer Goods companies listed on the IDX from 2016-2020.
3. Tobin's Q does not affect stock returns in Consumer Goods companies listed on the IDX in 2016-2020.
4. Inflation does not affect stock returns in Consumer Goods companies listed on the IDX in 2016-2020.
5. Profitability does not affect stock returns in Consumer Goods companies listed on the IDX in 2016-2020.
6. Intellectual Capital has a positive and significant effect on the profitability of Consumer Goods companies listed on the IDX in 2016-2020.
7. Dividend policy positively and significantly affects profitability in Consumer Goods companies listed on the IDX in 2016-2020.
8. Tobin's Q has a positive and significant effect on the profitability of Consumer Goods companies listed on the IDX in 2016-2020.
9. Inflation does not affect the profitability of Consumer Goods companies listed on the IDX in 2016-2020.
10. Intellectual Capital does not affect stock returns through profitability in Consumer Goods companies listed on the IDX in 2016-2020.
11. The dividend policy does not affect stock returns through profitability in Consumer Goods companies listed on the IDX in 2016-2020.
12. Tobin's Q does not affect stock returns through profitability in Consumer Goods companies listed on the IDX in 2016-2020.
13. Inflation does not affect stock returns through profitability in Consumer Goods companies listed on the IDX in 2016-2020.

RESEARCH LIMITATIONS

Weaknesses or deficiencies that were found after analyzing and interpreting the data were as follows:

1. The low R Square value in this study indicates many other variables that impact stock returns that are not used in this study.
2. There are few references to previous research with dividend policy variables on stock returns through profitability and Tobin's Q variable on stock returns through profitability.
3. This research was conducted only on companies engaged in 1 type of industry, namely Consumer Goods listed on the IDX, with a total sample of 35 observations, so this result cannot be generalized to other subsector companies listed on the IDX.

SUGGESTION

Based on the results of the research, discussion and conclusions obtained, the following suggestions can be given:

1. For further research, it is expected to choose other more appropriate variables for measuring stock returns, such as Current Ratio, stock beta, Earnings Per Share, Debt To Equity Ratio, BI interest rate, Net Profit Margin, Economic Value Added (EVA).

2. For the next researcher who wants to conduct similar research, it is recommended to use other sub-sectors in determining the research object so that the research results are more diverse.

3. It is also recommended that the research period be more than five years and consider using a more significant number of samples so that the research results are more accurate to the problems studied.

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