

DIVIDEND POLICY IN INTERNATIONAL PUBLICATIONS: BIBLIOMETRIC
ANALYSIS ON SCOPUS DATABASE IN 2018-2022

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Abstract

The topic of dividend policy is still of interest to researchers from year to year. This study aims to map and analyze research trends related to dividend policy in the period 2018 to 2022. A collection of articles on dividend policy obtained from the Scopus database were analyzed using bibliometric analysis. The stages of bibliometric analysis of this study were determining keywords, searching data, selecting articles, validating data, and analyzing data using Microsoft Excel and VOSViewer. The results of the analysis show that research trends regarding dividend policy in the 2018-2022 period tend to increase every year. The average number of articles on dividend policy topics is 311 articles per year.

Keywords: dividend policy, Scopus database, bibliometrics, vosviewer

INTRODUCTION

Dividend policy in the company is the process of determining the percentage of profit that will be distributed to shareholders in the form of cash or stock dividends. The policy of determining the dividend payout ratio and dividend yield is one of the things that investors and potential investors pay attention to in considering their decision to invest in a company.

Previous research has related dividend policy to various theories, such as stakeholder theory (Cornell and Shapiro, 1987; Holder et al., 1998), agency theory (Jensen, 1986; Holder, 1998; Moin et al, 2020), dividend catering theory (Baker and Wurgler, 2004a; Baker and Wurgler, 2004b), corporate life cycle theory (Grullon et al, 2002; DeAngelo et al., 2006; Bulan & Subramanian, 2009; Denis and Osobov, 2008), tax client theory (Litzenberger & Ramaswamy, 1979), and signaling theory (Bhattacharya, 1979; Aharony & Swary, 1980; Asquith & Mullins, 1983).

This study aims to conduct a literature review using bibliometric analysis of research published in the 2018-2022 time span on the topic of dividend policy. This bibliometric analysis is useful for systematically identifying research trends on the topic of dividend policy so that it can be identified whether each year the topic of dividend policy still has appeal among researchers or vice versa.

Broadly speaking, this study is divided into five sections. Section 1 is the introduction. Section 2 consists of a literature review on dividend policy. Section 3 contains the data and

research methods used. Section 4 represents tables, visuals, and graphics of various bibliometric data parameters. Section 5 contains conclusions, research limitations, and potential future research.

LITERATURE REVIEW

Cornell & Shapiro (1987) and Holder et al. (1998), link dividend policy decisions with investment decisions using stakeholder theory where claims from stakeholders are an important concern of management in determining the dividend payout ratio apart from debt and equity holders.

Dividend policy is also associated with agency theory. The agency cost-free cash flow model predicts that firms with higher free cash flow will not invest in projects with lower NPV, but pay higher dividends (Jensen, 1986; Holder, 1998). This is to reduce the risk of loss from making the wrong investment. On the other hand, specifically, Moin et al. (2020) showed a negative relationship between the effect of centralized ownership structure (family, foreign, government, institutional) on dividend payout policy, which means it shows a signal of the takeover of company wealth by major shareholders and overrides minority rights.

RESEARCH METHOD

This research uses a quantitative descriptive method with a bibliometric approach. Bibliometric analysis is used to review publications related to the scope of the study to identify research trends, concepts, and necessary keywords (Gupta & Bhattacharya, 2004; van Eck, Waltman, Dekker, & van den Berg, 2010). This bibliometric study explores the scientific literature, analyzing methodology and subject trends in dividend policy. The unit of analysis of this study is scientific articles. Scientific articles on dividend policy from Scopus-indexed journal publications. The reason for the selection of Scopus was deliberately chosen given its internationally recognized quality and reputation both among universities and research institutions.

There are several stages carried out in this study, the research data is taken from the scopus.com website using the keyword dividend policy in international publications with a period time of 5 years (2018-2022). The keyword search was conducted on April 14, 2023, to avoid daily update bias because the database continues to update. The search results are stored in the form of CSV (Comma Separated Value) and RIS (Research Information Systems Citation File) files for further analysis using Microsoft Excel and VOSviewer. CSV files were analyzed using Microsoft Excel for descriptive analysis of the number and graphical development of publications each year. RIS files were analyzed using the Vosviewer application to obtain a visualization of network mapping of relationships between terms based on network visualization and density visualization. Network visualization illustrates the relationship between terms. The more a term has been researched, the larger the circle representing the term and the thicker the line connecting the terms. Density visualization illustrates the density of a term. The more intense yellow color on each term indicates that the term has been widely researched or even has many links with other terms.

RESULTS AND DISCUSSION

Searching for research topics related to dividend policy in the Scopus database (scopus.com) resulted in 1554 documents in a span of 5 years (2018-2023). The search results are visualized in the form of diagrams and tables for analysis.

Research topics related to dividend policy are still interesting to researchers. This is explained in Table 1 and Figure 1 which shows that the number of publication documents regarding dividend policy has an upward trend every year from 2018 which only produced 243 (16%) articles to 2022 with 374 (24%) publications articles, although in 2021 it decreased from the previous one in 2020 of 345 (22%) articles down to 302 (19%).

Table 1. Number of dividend policy article publications by year (2018-2022)

Year	Total	Percentage
2018	243	16%
2019	290	19%
2020	345	22%
2021	302	19%
2022	374	24%
Total	1554	
Average	311	

Source: Results of data processing by the author

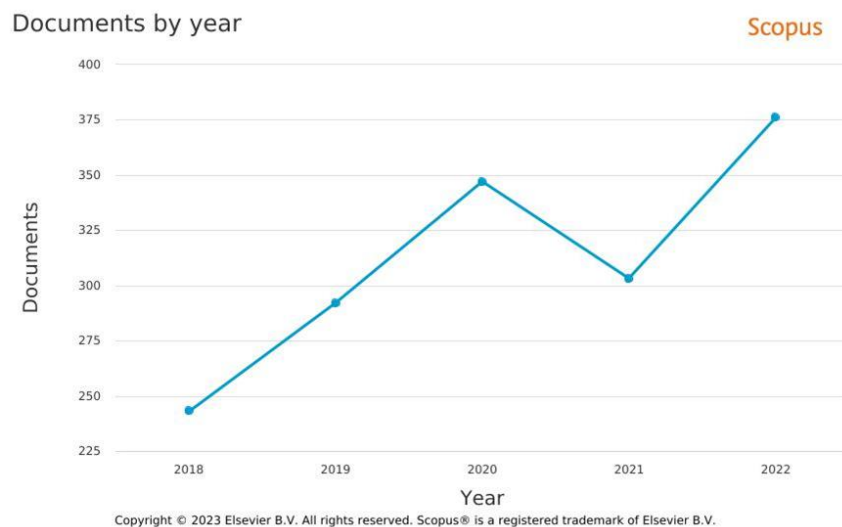


Figure 1. Graph of the development of dividend policy article publications by year (2018-2022)

Source: scopus.com

Furthermore, the bibliometric analysis analyzed the authors who researched the research topic "dividend policy" between 2018-2022. In general, no one dominates, which has an average of 1-8 research articles. Figure 2 lists the authors with the most research articles on dividend policy, Omar Farooq (researcher from ADA University Azerbaijan) and Dung Viet Tran (researcher from Banking Academy of Vietnam). Both of them individually published 8 articles in the span of 2018-2022.

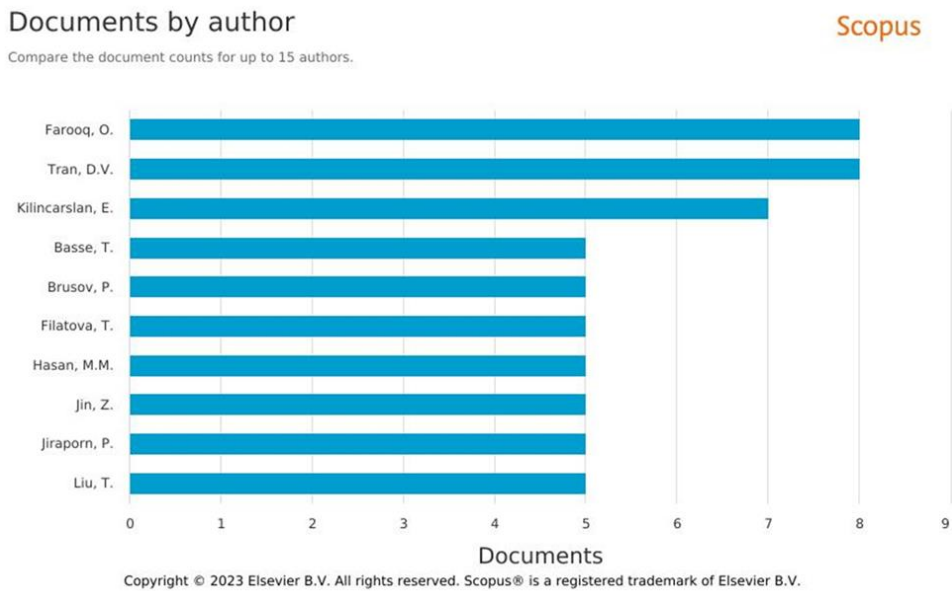


Figure 2. Number of dividend policy articles by author year (2018-2022)

Source: scopus.com

In the 2018-2022 time frame, the number of citations of publication articles with the theme of dividend policy research has been widely cited and used as a reference for research as in Table 2, a publication entitled Dividend Payments as a Response to Peer Influence written by Grennan J in 2019 has been cited as many as 84 citations.

Table 2. Number of citations, titles and authors of dividend policy articles by year (2018-2022)

Source : scopus.com

Author	Title	Journal	Year	Citation
Grennan J	<i>Dividend payments as a response to peer influence</i>	Journal of Financial Economics	2019	84
Benlemlih M	<i>Corporate social responsibility and dividend policy</i>	Research International	2019	45



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Author	Title	Journal	Year	Citation
		Business and Finance		
Balachandran B, Nguyen JH	<i>Does carbon risk matter in firm dividend policy? Evidence from a quasi-natural experiment in an imputation environment</i>	Journal of Banking and Finance	2018	35
Dewasiri NJ, Yatiwelle Koralalage WB, Abdul Azeez A, Jayarathne PG, Kurupparachchi D, Weerasinghe VA	<i>Determinants of dividend policy: evidence from an emerging and developing market</i>	Managerial Finance	2019	34
Jiraporn P, Lee SM	<i>Do Co-Opted Directors Influence Dividend Policy?</i>	Financial Management	2018	30
Kent Baker H, Kilincarslan E, Arsal AH	<i>Dividend policy in Turkey: Survey evidence from Borsa Istanbul firms</i>	Global Finance Journal	2018	27
Zainudin R, Mahdzan NS, Yet CH	<i>Dividend policy and stock price volatility of industrial products firms in Malaysia</i>	International Journal of Emerging Markets	2018	25
Farooq O, Ahmed N	<i>Dividend policy and political uncertainty: Evidence from the US presidential elections</i>	Research in International Business and Finance	2019	24
Pattiruhu JR, Paais M	<i>Effect of Liquidity, Profitability, Leverage, and Firm Size on Dividend Policy</i>	Journal of Asian Finance, Economics and Business	2020	23
Tran QT	<i>Corruption, agency costs, and dividend policy: International evidence</i>	Quarterly Review of Economics and Finance	2020	20

Country and institutional affiliations offer a view of the dividend policy research footprint. As shown in Figure 3, the United States is the largest country contributor with 283 articles, followed by China, India, the United Kingdom, and Indonesia is ranked fifth with 96 articles.

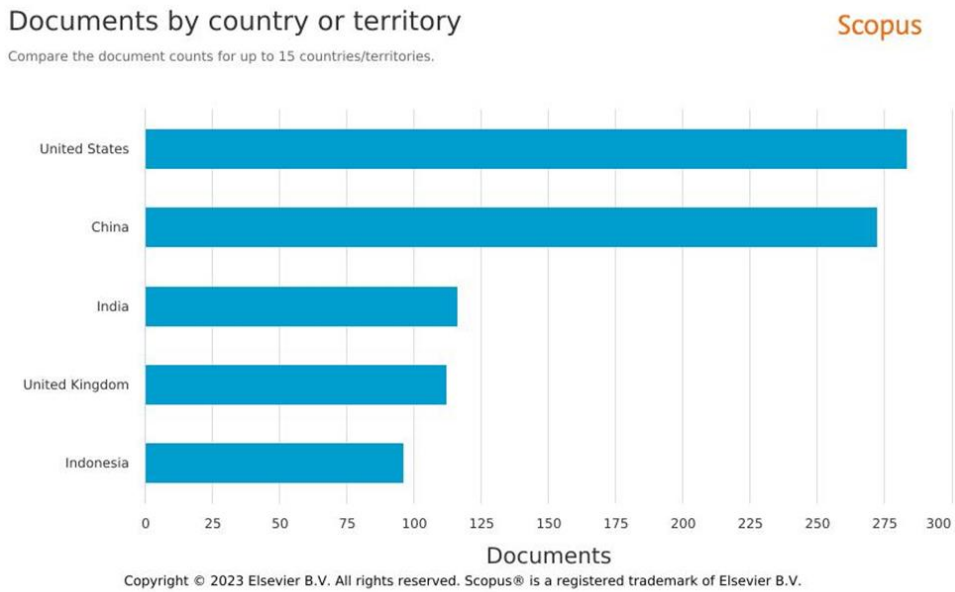


Figure 3. Number of dividend policy articles by country year (2018-2022)

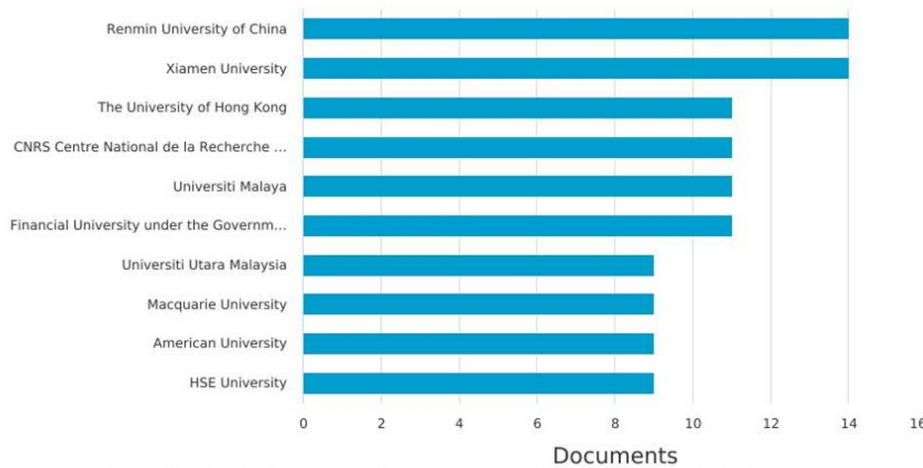
Source: scopus.com

As for institutional affiliation based on Figure 4 Renmin University of China (14) and Xiamen University (14) both dominate the top rankings. Then in the next place The University of Hong Kong (11), CNRS Center National de la Recherche Scientifique (11), Universiti Malaya (11), and University under the Government of the Russian Federation (11).

Documents by affiliation

Scopus

Compare the document counts for up to 15 affiliations.



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Figure 4. Number of dividend policy articles based on institutional affiliation year (2018-2022)

Source: scopus.com

The results of the next data analysis using the Vosviewer application, analysis using the Vosviewer application produce a network visualization based on keywords based on Figure 5 and grouped into 6 clusters.

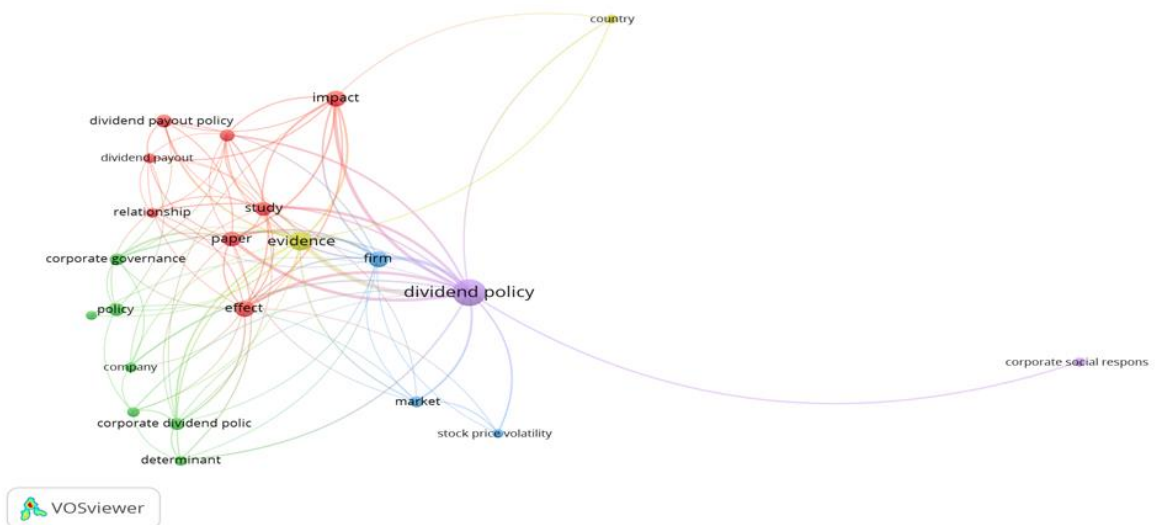


Figure 5. Visualization of the network map of the development of dividend policy article publications in 2018-2022.

Source: Vosviewer

Cluster	Color	Key Words
1 (8 Item)	Red	<i>Dividend payout, dividend payout policy, effect, impact, ownership structure, paper, relationship, study</i>
2 (7 Item)	Green	<i>china, company, corporate dividend policy, corporate governance, determinant, Indonesia, policy</i>
3 (3 Item)	Blue	<i>firm, market, stock price volatility</i>
4 (2 Item)	Yellow	<i>country, evidence</i>
5 (2 Item)	Purple	<i>corporate social responsibility, dividend policy</i>

Figure 6 shows a visualization of the density of dividend policy research developments in the Scopus database during 2018-2022 generated by VOSviewer software. With this visualization, keywords often used in a publication can be known. The more intense yellow color on each item indicates that the item has been widely researched or has many links with other items.

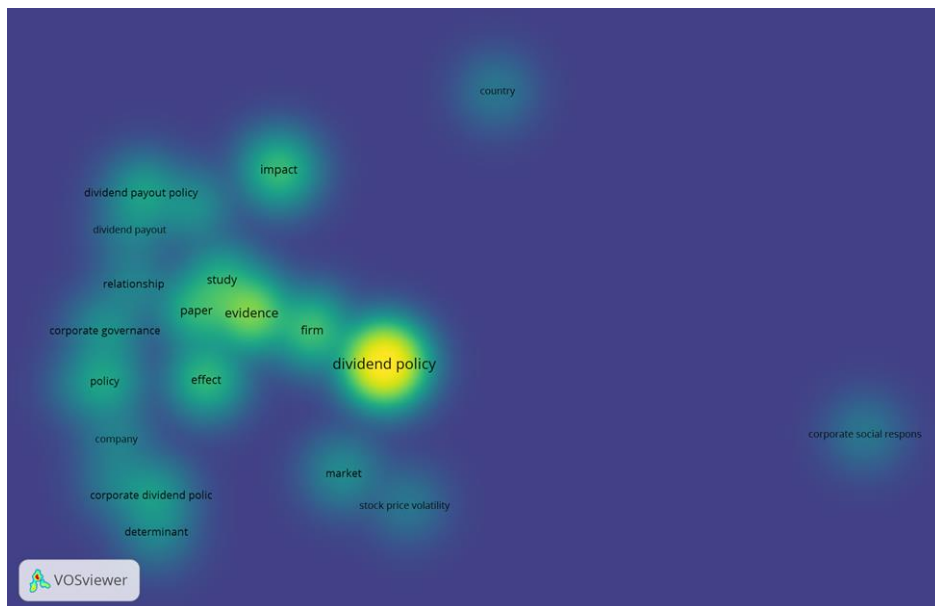


Figure 6 Visualization of the density map of the development of dividend policy article publications in 2018-2022.

Source: Vosviewer

CONCLUSION

This study presents the findings of a mapping of published articles on dividend policy, as reflected in published research. The findings show that dividend policy continues to be a topic of interest to researchers from year to year. In the period time of 2018 to 2022, the average number of articles published on the theme of dividend policy was 311 per year. However, future research can use databases other than Scopus such as Google Scholar for comparison.

With this analysis of dividend policy research trends, it can be identified that the dividend policy phenomenon has always been an important issue because two interests must be met, namely the interests of investors and companies. Research related to the topic of dividend policy still needs to be done considering the increasingly diverse types of businesses and company characteristics that develop from year to year. Differences in dividend policies in developed and developing countries also need to be further researched due to different economic conditions.

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