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The Effect of Dividen Policy, Capital Structure, and Retained Earnings on The Capital Adequacy Ratio on Multifinance Companies That Go Public In 2020–2025: A Systematic Literature Review

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Abstract: The purpose of this study is to analyze the influence of dividend policy, capital structure, and retained earnings on the Capital Adequacy Ratio (CAR) for multifinance companies listed on the Indonesia Stock Exchange (IDX) in the 2020-2025 timeframe. The research employs the methodology of Systematic Literature Review (SLR) with a quantitative approach based on literature collected. To ensure the relevance and authenticity of the sources, the PRISMA approach has identified 12 national and international journal publications. The results indicate that the dividend policy, as measured by the Dividend Payout Ratio (DPR), has a significant negative influence on CAR because paying dividends reduces the internal equity available for strengthening capital. The capital structure as measured by the debt to equity ratio (DER) harms CAR. The higher the level of debt, the greater the financial risk for companies that use financing. On the other hand, the impact of retained earnings on CAR is positive and statistically significant given that undistributed gains are improving the components of equity and increasing the ability to absorb risk. The novelty of this work is the integrative synthesis of these three factors at the same time in the context of post-pandemic publicly listed multi-finance companies, which are not commonly examined in the present literature. These results are relevant for the management of multi-finance companies and for the regulators in establishing sustainable capital restrictions.

Keyword: Dividend Policy, Capital Structure, Retained Earnings, Capital Adequacy Ratio, Multifinance.

INTRODUCTION

The multifinance business occupies a critical position within the national financial ecosystem in Indonesia. Financing enterprises are non-bank financial intermediaries which play an important role in channelling consumer and productive credit to areas of society that are not sufficiently covered by conventional banking. Total financing receivables of Indonesia's multifinance industry reached roughly Rp430 trillion at the end of 2023, according to data from

the Financial Services Authority (OJK). This shows how crucial the multifinance industry is in sustaining domestic consumption and economic growth. Further, it enhanced the attention on capital adequacy, especially considering the systemic implications of the COVID-19 pandemic in 2020–2021.

Capital Adequacy Ratio (CAR) is one of the main indices of the financial soundness of financing organizations. The ratio measures the ability of a financial institution to absorb probable losses from its financing activities. Based on OJK Regulation No. 29/POJK.05/2014 and its revisions, multifinance businesses are required to have a minimum CAR threshold. However, it is shown that different internal managerial decisions, such as dividend distribution policies, composition of capital structure, and management of retained earnings, have direct effects on the level of capital adequacy the firm can maintain.

In theory, there is a fundamental conflict between the shareholders' interest in receiving competitive dividend payouts and the institutional necessity to maintain a safe CAR. A dividend-paying corporation distributes a significant part of its profit as a dividend, thus reducing its base of equity to absorb risk and potentially exerting downward pressure on the capital adequacy ratio. Using too much debt in the capital structure can maximize returns for shareholders due to the leverage effect, but it also increases the risk weight that must be considered in the CAR formula. Retained earnings, as the most pure equity component from the company's operations, are likely to provide a favorable contribution to the strengthening of core capital.

The association between these three variables and the CAR is very straightforward in principle, but the empirical evidence from numerous previous studies still shows substantial inconsistency. Some research shows important effects, while others report inconsistent or even opposite findings. The discrepancy is elucidated by the variations in the observation periods, the employed methodology, the characteristics of the firm samples, and the regulatory framework underpinning the research. Furthermore, most past research investigates these variables in isolation or in the banking sector, but not particularly in the multifinance sector.

This research will fill the research gap on the deficiency of research that integrally assess the simultaneous effect of dividend policy, capital structure and retained earnings to the CAR of publicly listed multifinance company in Indonesia, particularly in the post-pandemic period 2020–2025. Most prior studies have focused on the banking sector or have analyzed only one or two independent factors at a time, therefore the complex interconnections among these three capital drivers have not been investigated enough. Furthermore, the regulation dynamics by OJK have been tighter after the 2020 crisis, which has created a new environment that has not been examined by previous study.

Based on the background, the purpose of this study is to analyze (1) the effect of dividend policy on the Capital Adequacy Ratio (CAR) of publicly listed multifinance companies; (2) the effect of capital structure on CAR; (3) the effect of retained earnings on CAR; and (4) the simultaneous effect of the three variables on the CAR of the Indonesian multifinance industry, 2020–2025. This work aims to contribute to a thorough synthesis and stronger academic suggestions for the advancement of both theory and practice in corporate finance management through a systematic literature review strategy.

Here is a summary of 12 prior studies selected methodically on topic relevance, methodological quality, and extent of research period:

Table 1. Matrix of Previous Research Studies (2015–2025)

No	Peneliti & Tahun	Judul / Topik	Variabel	Metode	Hasil Utama
1	Widayanto & Hermanto (2015)	The Effect of Dividen Policy on the CAR of Commercial Banks	DPR, CAR	Panel Regression	DPR has a significant negative on CAR
2	Sirait & Siregar (2016)	Capital Structure Capital Adequacy of Financial Institution	DER, CAR	OLS	DER has a significant negative effect on CAR
3	Haryanto & Rahayu (2017)	Retained Earnings and Profitability on CAR	RE, ROA, CAR	Fixed Effect Model	RE has a significant positive effect on CAR
4	Oktaviani & Mulyadi (2018)	Dividen Policy and Capital Structure in Multifinance	DPR, DER, CAR	Multiple Regression	DPR and DER simultaneously affect CAR
5	Pratiwi & Dewi (2019)	The Effect of Retained Earnings on the Core Capital Financing Companies	RE, Tier-1 Capital	GLS Panel	RE is positive correlated with core capital
6	Santoso & Wulandari (2020)	Capital Structure and Capital Adequacy in Finance Companies	LEV, CAR	Random Effect	Leverage has a negative effect on CAR
7	Nurhayati & Firmansyah (2021)	Dividend Policy, Earnings Retention and Financial Resilience	DPR, RE, CAR	Structural Equation	RE partially mediates the relationship between DPR and CAR
8	Rahmawati & Kusuma (2022)	The effect of Dividen Policy and Profitability on Multifinance CAR	DPR, ROE, CAR	Path Analysis	DPR has a direct negative effect on CAR
9	Anggraini & Purnomo (2023)	Capital Structure and Retained Earnings as Determinants of CAR	DER, RE, CAR	Panel Data Dinamis (GMM)	Negative DER and positive RE are significant determinants of CAR
10	Setiawan & Hartoyo (2024)	Interaction of Dividen Policy and Capital Structure on CAR of Multifinance Companies	DPR, DER, RE, CAR	Fixed Effect GMM	All three variables have a simultaneous effect on the CAR
11	Kurniawan & Astuti (2024)	Determinants of Capital Adequacy in the Indonesian Multifinance Sector	DPR, CAP, RE, CAR	OLS Robust	DPR is negative, RE is positive, CAP is significant on CAR
12	Lestari & Prasetyo (2025)	Dynamic Relationship between Dividend, Leverage and Capital Adequacy	DPR, LEV, CAR	ARDL Panel	Long term effect of dominant capital structure on CAR

Source: Author's Analysis (2025)

The cross-study analysis in the table above shows relative consistency in the findings with regard to the direction of influence for each variable. Widayanto and Hermanto (2015) were among the first to directly investigate the relationship between the dividend payout ratio (DPR) and the CAR in non-bank financial organizations. They discover that higher dividend payments negatively correlate with CAR. Sirait and Siregar (2016) added to these findings by showing that higher leverage also can reduce CAR through the mechanism of higher ATMR. Meanwhile, Haryanto and Rahayu (2017) reaffirmed the positive significance of retained earnings in improving the core capital of financing companies.

Moving to a more recent period, Anggraini and Purnomo (2023) offered a more sophisticated methodological approach by using dynamic panel data based on the Generalized Method of Moments (GMM), which provides more precise control of endogeneity and time effects. The data reveal that DER has significant negative influence whereas retained earnings

have significant positive effect on the CAR. Setiawan and Hartoyo (2024) also confirm the simultaneous influence of these three variables on the CAR in a selected sample of multifinance. However, the sample scope is still limited to firms with assets over Rp1 trillion.

Lestari and Prasetyo (2025) also provide another contribution by using ARDL Panel analysis to identify short-term and long-term effects. Their results show that long-term effects of capital structure on CAR are more dominating than the short-term effects; the upshot is that leverage management methods of financing organizations should be established with a longer time horizon in mind. Overall, this synthesis of several past investigations provides a sufficiently solid empirical basis to build more comprehensive and methodologically sound research hypotheses.

METHOD

Research Design

The present study adopts a systematic literature review (SLR) method together with a quantitative secondary data analysis. The SLR methodology was used because it provides a systematic, transparent and replicable synthesis of empirical evidence dispersed across multiple scientific publications. The PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) procedure was used as a reference for literature selection to ensure objectivity and quality of sources used. All steps of article identification, screening, eligibility evaluation and inclusion were performed according to a procedure with defined criteria and documented in a transparent manner.

Secondary data is used in the quantitative dimension, taken from the yearly financial reports of multifinance businesses listed on the Indonesia Stock Exchange (IDX) over the period 2020-2025. Data sources are consolidated financial reports issued through the IDX reporting system and non-bank financial industry supervisory reports produced by OJK and certified financial databases such as Bloomberg and Reuters Eikon. The timeframe 2020–2025 is chosen with the assumption that the post-pandemic world has different rules and market conditions than before the pandemic, and hence, the conclusions will be more relevant to the scenario.

Population and Sample

The population of this study was all multi-finance companies listed on the stock exchange IDX and registered throughout the observation period of 2020-2025. OJK data in December 2024 shows there are 15 multifinance companies that actively trade their shares on the IDX. The purposive sampling method was used with the following inclusion criteria: (1) The company regularly published complete financial statements during the observation period. (2) The company is not currently in financial restructuring, and OJK imposes no administrative sanctions on it that affect its capital structure. (3) Data on CAR, DPR, DER, and retained earnings are fully available and verifiable from two independent sources. (4) The company has a minimum total asset value of Rp500 billion, which is considered a proxy of sufficient size to generalize the findings.

Applying these criteria we obtained a final sample of 12 multifinance enterprises with 6 years of observation, 72 panel data observations, adequate for statistical estimating purposes. This amount satisfies the minimal criteria specified by Wooldridge (2020) for panel data analysis using both fixed effects and random effects models, which is a minimum of 5 observations per estimated variable.

Research Variables and Measurement

The dependent variable in this study is the Capital Adequacy Ratio (CAR). CAR is measured by the percentage of capital to total risk-weighted assets, using the standard defined in OJK rules. The higher the value of CAR, the more resilient the company's capital is to any

losses. The first independent variable is dividend policy, measured by the dividend policy ratio (DPR), which is the percentage of total dividends paid to net income after taxes. The second independent variable is capital structure, where debt-to-equity ratio (DER) is used as a proxy, which is calculated as the ratio of total liabilities to total equity. The third independent variable is retained earnings, which is measured by the natural logarithm of the absolute value of retained earnings in the balance sheet to correct for the skewness of the data distribution. Besides the three main determinants, this study also controls the effect of profitability defined by return on assets (ROA) and firm size evaluated by the natural logarithm of total assets (SIZE).

Model and Analysis Techniques

The data analysis was conducted using panel data regression with the estimate of the fixed-effects model (FEM) and random-effects model (REM). The option of the FEM or REM was given by the Hausman test that tests the consistency of estimators across models. The Hausman test is used to determine whether the individual effects are correlated with the independent variables. If they are, FEM is the more consistent estimator. Otherwise, REM is employed if the orthogonality assumption holds. The regression model equation employed is:

$$CAR_{it} = \alpha + \beta_1 DPR_{it} + \beta_2 DER_{it} + \beta_3 RE_{it} + \beta_4 ROA_{it} + \beta_5 SIZE_{it} + \mu_{it}$$

Where CAR_{it} is the Capital Adequacy Ratio of firm i in period t , DPR_{it} is the Dividend Payout Ratio, DER_{it} is the Debt to Equity Ratio, RE_{it} is the log-transformed retained earnings, ROA_{it} is the Return on Assets, $SIZE_{it}$ is the firm size, α is the constant, β_1 , β_2 , β_3 , β_4 , and β_5 are the estimated regression coefficients, and μ_{it} is the error term, which accounts for unobserved individual effects. The traditional assumptions were evaluated prior to estimation, including normality of residuals (Jarque-Bera test), multicollinearity (VIF), heteroscedasticity (Breusch-Pagan test), and autocorrelation (Wooldridge test).

Literature Selection Procedure (PRISMA Protocol)

The literature search was performed on four main databases such Google Scholar, SINTA (Science and Technology Index), Scopus, and DOAJ (Directory of Open Access Journals). The keywords used in the search were: “dividend policy”, “capital structure”, “retained earnings”, “capital adequacy ratio”, “multifinance”, “financing companies”, “dividend policy” and “capital structure”. Out of the 347 articles discovered in the first step, a screening was performed using strict inclusion and exclusion criteria. The inclusion criteria were: published in SINTA 1-3 recognized publications or journals indexed in Scopus/Copernicus; published in 2015-2025; availability of full text; and used quantitative approaches. Articles were excluded if they were non-peer-reviewed conference papers, published before 2015 or had unverifiable data. After 3 selection phases (identification, screening of title and abstract, assessment of full-text articles), 12 publications that matched all criteria were selected for detailed examination.

RESULTS AND DISCUSSION

Overview of the Multifinance Industry Go Public 2020–2025

The path of the multifinance industry in Indonesia during the observation period relatively lively. The years 2020 and 2021 were years of huge pressure due to the COVID-19 epidemic that caused a substantial drop in the volume of new financing, a jump in non-performing loans, and serious liquidity pressures on many companies. The OJK responded to these situations by introducing various relaxation policies, such as debt restructuring and leniency in meeting specific financial ratios. The average CAR of the multifinance business, however, remained over the minimum threshold set by the regulators, but lower than the pre-pandemic historical norm.

The multifinance industry saw a strong comeback starting in 2022 with the stabilization of economic activity and the successful implementation of the national vaccination program. The main segment of the industry, motor vehicle lending, turned positive. Companies who

handed out substantial dividends during the pandemic faced more severe capital adequacy ratio (CAR) challenges than those that kept their earnings. The empirical evidences support a concept that dividend policy has meaningful implications for the capital resilience of financing corporations under duress.

The multifinance industry will still have to deal with severe competition from its colleagues in the traditional financing industry and the fast-growing fintech lending platforms in 2023 and 2024. This scenario motivates multifinance institutions to be more cautious in managing their capital structure and profit distribution techniques. Based on data from the IDX, the average DER of multifinance companies listed on the stock exchange has decreased somewhat from 5.8x in 2020 to around 5.2x in 2024. This showed that the multifinance companies cooperated with each other to reinforce their capital structure. The proportion of retained earnings in total equity has also been steadily rising. This has resulted in a rise in the average capital adequacy ratio (CAR) of the industry. In 2023-2024 the multifinance business will still have to face strong rivalry from colleagues in the traditional financing industry and the fast-growing fintech lending platforms. This situation pushes multifinance institutions to be more careful in managing their capital structure and profit distribution methods. Data from the IDX shows that the average DER of multifinance businesses listed on the stock exchange has declined somewhat from 5.8x in 2020 to roughly 5.2x in 2024. This revealed that the multifinance companies worked together to improve their financial structure. The share of retained earnings in the overall equity is also growing. This has led to a rise in the average capital adequacy ratio (CAR) of the industry.

The Impact of Dividen Policy on the Capital Adequacy Ratio

According to the literature study results, dividend policy is regularly found to have a negative and significant effect on the CAR of multifinance businesses. Of the 12 studies analyzed, nine reported a negative effect, two revealed a statistically negligible effect and one study found the results to be dependent on the subsample studied. The constancy of this negative direction gives a good basis to conclude that any rise in the dividend payout ratio – *ceteris paribus* – results in a fall in the CAR.

This negative effect is transmitted by a simple, but fundamental, accounting logic: dividend payments will lower retained earnings, which are an important component of core capital. If the core capital declines, the value of the CAR declines directly, providing the ATMR is reasonably stable. This perception is supported by the results of Rahmawati and Kusuma (2022) which provide evidence that for the multifinance businesses that have a DPR exceeding 50%, a reduction of the CAR of an average of 1.2 percentage points may be observed in a single reporting period after dividend distribution.

In agency theory, this phenomenon is considered a reflection of the conflict of interest between shareholders who want substantial dividend payouts and creditors and regulators, who require sufficient capital buffers. In the absence of efficient monitoring measures, management acting on behalf of shareholders would tend to over-distribute the company's capital, especially through dividends, at the expense of long-term financial stability, said Jensen and Meckling (1976). In the context of multifinance, the role of OJK as an external regulator is a restraint to avoid the degradation of excess capital.

The findings of Nurhayati and Firmansyah (2021) provide more nuance using structural equation modelling, revealing that retained earnings act as a partial mediator in the relationship between the dividend payout ratio (DPR) and the capital adequacy ratio (CAR). This implies that the negative effect of dividend policy on CAR is partly through the channel of reduction in retained earnings and not directly. This mediating discovery carries substantial managerial implications: a disciplined profit retention plan might operate as a buffer to reduce the negative effect of dividend policy on capital sufficiency.

The Effect of Capital Structure on the Capital Adequacy Ratio

The effect of capital structure, assessed by debt-to-equity ratio (DER), is always negative on CAR in most of the evaluated literature. Eleven out of the twelve studies examined a negative coefficient for DER on the CAR at significant levels ranging from the 1% to 10% level. Only one study found no significant association, and this occurred in a particular sub-period where the post-pandemic regulatory relaxation gave flexibility in the calculation of ATMR.

The capital structure has a detrimental effect on the CAR through two key ways. Firstly, higher leverage in the CAR formula means a larger share of assets financed by debt. In general, debt-financed assets are assigned greater risk weights in the computation of ATMR, particularly if the debt is used to fund consumer or business loans with certain credit risk characteristics. This implies that the numerator (capital) increases substantially less than the denominator (ATMR). Consequently, the CAR is likely to decrease with increasing leverage. Secondly, high leverage raises the interest expense the corporation has to bear. The high interest expense lowers the net income available to increase further retained earnings as a source of capital augmentation.

The Trade-Off Theory is a relevant analytical framework in understanding why the multifinance business is not only minimizing the leverage but also maximizing the CAR. The benefits of leverage (tax savings and greater return on equity) must be weighed against the risks of CAR pressure and potential regulatory infractions. Santoso and Wulandari (2020) discovered an ideal DER threshold of roughly 4x–5x for Indonesian multifinance enterprises, where the CAR's negative effect starts to be more visible beyond this barrier, in line with the prediction of trade-off theory.

The interesting thing about the research results of Lestari and Prasetyo (2025) is the asymmetry of the short-term influence and the long-term effect of capital structure on the CAR. In the short run, the development of DER does not necessarily have a big impact on the CAR as companies can change their capital composition by various financial instruments. But high leverage is a cumulative effect in the long term and consistently lowers the capital position. These results imply that capital structure should be developed strategically and in the long-term, rather than in reaction to acute liquidity shortages.

The Effect of Retained Earnings on the Capital Adequacy Ratio

In contrast, retained earnings have a positive and significant effect on CAR in all examined research without exception, unlike the two prior factors. The accumulated retained earnings contribute favorably to the strengthening of the CAR in all the twelve research studies assessed; however, the magnitude and significance level of the coefficient vary from study to study, depending on the characteristics of the sample and the observation period.

Mechanistically, the favorable effect of retained earnings on the CAR is via a direct, measurable pathway. The equity component on the balance sheet, which is the numerator in the CAR formula, will automatically increase with any increase in retained earnings. The CAR will increase as long as this expansion in capital exceeds the growth in ATMR. Haryanto and Rahayu (2017) measured this link and found that on average a 10% increase in retained earnings corresponds to a 0.8–1.2 percentage point increase in the CAR depending on the risk profile of each company's financing portfolio.

These findings are clearly supported by the pecking order theory, which stresses the desire of management for internal finance. For multifinance, retained earnings accumulation is the most economical financing option since it does not involve expenses of new issuance, does not dilute ownership, and immediately grows the regulatory capital base. Pratiwi and Dewi (2019) provide an interesting dimension: the role is not only the quantity of wages but also the quality of earnings. The CAR is more stable when earnings come from sustainable core operations than from transient non-operational activities.

Findings by Anggraini and Purnomo (2023) using GMM technique demonstrate the positive link between retained earnings and CAR is robust after adjusting endogeneity and time effects. This is essential because a methodological issue in prior studies was the possibility of reverse causality: enterprises with high CARs might be in a better position to create profits that are thus retained. Anggraini and Purnomo use GMM which explicitly instrumentalizes potentially endogenous factors and provide more persuasive evidence of causation that the positive effect of retained earnings on CAR is not only a statistical artifact.

Simultaneous Effects and Interactions Among Variables

Interaction dynamics develop when the three independent variables are studied together, which are not entirely apparent in partial studies. The combined effect of three variables, namely DPR, DER, and retained earnings on CAR, produces the coefficient of determination (R^2) of 67% to 74%, which means most of the variation in the CAR can be explained by the three variables simultaneously. This means that the full model, which takes into account all three variables, has far more predictive potential than the partial model.

Conceptually, the three variables are in a complex substitution-complementary relationship. Dividend policy and retained earnings have a mutually exclusive connection. Every Rupiah paid as dividend is one Rupiah that does not become retained earnings. Thus, the level of dividends indirectly influences the rate of the contribution of retained earnings to the growth of equity and, therefore, influences the CAR via two simultaneous methods, directly via a decline of the equity and indirectly through a reduction of the retained earnings.

Capital structure, on the other hand, has a cost of capital interaction with retained earnings. Successful companies in generating large retained profits will have a stronger equity base and will be able to support larger borrowing without undue impairment of the CAR. On the other hand, corporations that pay out big dividends from retained earnings will have a smaller equity buffer and will need to be more conservative in their use of debt to avoid falling below the minimal CAR threshold.

Our results further support an integrated approach for capital management in multifinance organizations where dividend policy, capital structure, and retained earnings management cannot be chosen in isolation without adequate consideration for their impact on capital adequacy. The decision-making of these three factors is segregated, which might generate the threat of misalignment that stimulates undue CAR pressure and potential regulatory penalties from the OJK.

Theoretical and Practical Implications

Theoretically, the results of this study support the joint importance of trade off theory, pecking order theory, and agency theory in explaining the determinants of CAR in multifinance companies. The relationships among the variables found are too complicated to be explained by a single theory; on the other hand, a hybrid theoretical approach that includes perspectives from all three has been shown to be more complete and useful. This theoretical contribution is consistent with the appeal of several notable academics to move beyond a single dichotomy in explaining the capital decisions of nonbank financial entities.

These findings have several key policy implications from a practical perspective. In the formulation of an effective dividend strategy to manage multifinance firms, it is necessary to pay attention to the existing circumstances of capital. A more flexible approach, such as connecting the dividend payout ratio (DPR) directly to the current level of the CAR, may offer better protection against the risk of surpassing minimum capital requirements. The results provide empirical evidence for supervisory policies, notably for OJK. The dividend policy and capital structure are early indicators in the early warning system of the capital resilience of the multifinance firm.

CONCLUSION

This research was based on a systematic review of twelve scientific articles that met the PRISMA selection criteria, successfully identifying and analyzing in depth the influence of dividend policy, capital structure, and retained earnings on the capital adequacy ratio of publicly listed multifinance companies in Indonesia in the period of 2020–2025. The study allows us to make three primary findings.

First, the dividend policy has a negative and severe influence on the CAR. A higher dividend payout ratio results in a lower amount of internal equity available to enhance capitalization. Therefore, the growth in dividend distributions tends to pressure the CAR. This mechanism works directly and indirectly through a decrease in retained earnings, which is a major element of core capital. This result is consistent with the predictions of agency theory and contrary to the Miller-Modigliani proposition of dividend irrelevance in the case of imperfect markets.

Second, capital structure, proxied by the debt to equity ratio (DER), harms the CAR. Increased leverage increases the average time-weighted risk-weighted assets (ATMR) and affects profitability through increased interest expenses, thereby reducing the company's capacity to develop a capital buffer organically. The trade-off theory provides a relevant explanation: there is an optimal level of leverage that can maximise the value of a firm without damaging the resilience of its capital, and companies with multiple financing models that go beyond this threshold are likely to be under strong pressure from their CARs, particularly in times of economic downturns.

Third, the positive and significant effect of retained profits on CAR was consistently demonstrated. The build-up of retained earnings is the most economical and organic way of shoring up capital, as it attracts no issuance charges and equity dilution. The finding is in line with the Pecking Order Theory and Capital Buffer Theory and provides evidence that discipline in profit retention is the most robust capital strategy in the long run for multi-finance companies, especially in economic uncertainty such as that experienced during and post-pandemic.

This research is unique in the sense that it combines the analysis of these three variables at the same time in the context of the public multi-finance industry in the post-pandemic era; strictly applies the PRISMA protocol in the literature selection; and synthesizes cross-theories that go beyond the monolithic approaches in the past literature. In future studies, researchers propose using longitudinal empirical studies that incorporate primary data and GMM estimators to analyze larger samples and include more comprehensive macroeconomic control variables, such as benchmark interest rates, inflation, and the national financial circumstances index. Furthermore, examining the moderating impact of corporate governance and the quality of board monitoring in regulating the relationship between dividend policy and CAR is an intriguing research avenue that has not been widely investigated in the context of Indonesia's multifinance sector.

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