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Moderating Effects of Dividend Policy Consistency and Return on Assets (ROA) on Dividend-Paying Firm Relationship on Performance of Short-Term Mergers and Acquisitions.

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Abstract
The occurrence of a positive abnormal return is the dream of every investor in dealing with the decisions taken by the company, because it can provide its own benefits for stakeholders. Therefore, what can create positive abnormality around the announcement of company decision-making, especially M&A decisions? To reveal several factors that can create positive abnormal returns around M&A announcements, this study aims to determine the effect of dividend-paying firms on short-term M&A performance which is moderated by the consistency of dividend policy and Return on Assets (ROA) and controlled by size. company using multiple linear regression model. The data used in this research are companies in Indonesia that conducted M&A in the period 2002-2021. The results of this study indicate that dividend-paying firm has a significant positive effect on short-term M&A performance. The consistency of dividend policy cannot strengthen the positive relationship between dividend-paying firms and short-term M&A performance, but the firm's performance as reflected in ROA, strengthen the positive effect of dividend-paying firms on short-term M&A performance.

Keywords—Dividend-paying firm, consistency of dividend policy, Return on Assets (ROA), short-term M&A performance.

I. INTRODUCTION

Shareholders have the main goal of investing in the company, that is to gain prosperity. A company's task is to realize the main goals of these shareholders, one of which is to improve company performance through mergers and acquisitions (Brigham & Houston, 2013). A merger is the legal action of one or more companies to merge with another company; then, the status of the merging companies will end by law. Acquisition is the takeover of ownership or operational control by a company (Maheka, 2008). Mergers and acquisitions are strategies that companies can apply to expand operations, go international, improve product lines, and create new companies. In addition, according to Brigham & Houston (2013) M&A also have several motives, namely synergy and consideration.

Abnormal returns can arise from announcements of mergers and acquisitions made by the company. Positive abnormal returns around announcements of mergers and acquisitions can be an indicator of the success of a company's M&A performance in the short term. The performance of short-term mergers and acquisitions can be measured by calculating the Cumulative Abnormal Return (CAR) around the announcement of M&A (Zhou et al, 2019). The successful performance of short-term M&A which is illustrated by the high Cumulative Abnormal Return (CAR) surrounding the announcement of M&A is inseparable from the market's role in reacting to the announcement. The market reacts positively if dividend-paying acquirers make the announcement (Glambosky et al, 2020). Dividend-paying acquirers illustrate that the company has a disciplined management mechanism for paying dividends to shareholders and can limit managers from taking excessive profits that can harm shareholders. Dividend-paying acquirers tend to seek targets that can contribute to free cash flow to maintain their ability to pay dividends. This study uses several theories to explain this opinion, namely, life cycle theory, signaling theory, and agency theory.

Lifecycle theory states that large companies with few investment opportunities tend to maintain a higher level of free cash flow, which will then be used to pay dividends rather than for investment (De Angelo et al, 2006; Gizelle et al, 2013; Subba et al. , 2015). Even so, shareholders are encouraged to continue looking for investment opportunities, including mergers and acquisitions. Managers of dividend-paying acquirers tend to avoid issues that can damage the value of mergers and acquisitions which will have a negative impact on dividend payments. Companies that develop life cycle theory will always try to maintain their dividend policy to consistently make dividend payments to shareholders (Glambosky et al, 2020).

The signaling theory of dividends states that managers are not like shareholders, as they have more private information than shareholders. Company transactions such as dividend payments, share repurchases, and takeovers are managers' efforts to communicate their views to shareholders (Dewasiri et al, 2019). Based on signaling theory, M&A carried out by dividend-paying firms provide a good managerial signal in expecting synergies over the combination of companies after mergers and acquisitions (Glambosky, 2020). In addition, the dividend payment decision is a good information signal that can increase the confidence of shareholders about the future of the company after a merger or acquisition.

The agency theory according to Jensen (1986) indicates that companies with excess free cash flow tend to spend cash on mergers and acquisitions, maximizing management welfare which can then harm shareholders. Based on this understanding, consistent with bird-in-the-hand theory, shareholders prefer if the company distributes its excess free cash flow by distributing it in the form of dividends (Lintner, 1956 & Gordon, 1959). Previous research on dividend payment policies and agency cost theory supports that dividends can create a management discipline mechanism within the company (Claudiu & Marilen, 2014; Baker & Sujata, 2015, Subba & Dollery, 2015). These theories support the statement that when a dividend-paying firm announces a merger or acquisition, the market will respond better than a dividend-non-paying firm, which in turn can create better short-term merger and acquisition bidder performance (Glambosky et al, 2010). 2020).

The positive influence between dividend-paying firms and the performance of short-term mergers and acquisitions can be strengthened if the dividend-paying firm has consistent dividend policy experience (Glambosky et al, 2020). The market will respond better if the dividend-paying firm has a consistent dividend policy experience because the market believes that with that consistency, then after the dividend-paying firm has merged and acquired and created a synergy, which means the company will have a higher profit than before, the company will will not neglect its obligation to continue to pay dividends to shareholders.

The positive influence between dividend-paying firms and the performance of short-term mergers and acquisitions can also be strengthened by the Return on Assets (ROA) at the end of the year prior to the announcement of mergers and acquisitions owned by dividend-paying firms. The higher the Return on Assets (ROA) owned by the dividend-paying firm can create better short-term merger and acquisition performance, because ROA can describe the company's performance in generating returns on assets owned by the company, which means the higher the ROA, the better. company performance so that the market will respond to announcements of mergers and acquisitions better if the dividend-paying firm has a higher ROA.

Studies on the relationship between dividend-paying firms and the performance of short-term mergers and acquisitions are still rarely conducted in Indonesia. Based on this explanation, the researcher is interested in conducting this study with the aim of knowing the effect of dividend-paying firms on the performance of short-term mergers and acquisitions moderated by the experience of dividend policy consistency and Return on Assets (ROA).

II. LITERATURE REWIEW

A. Mergers and Acquisitions

Acquisition comes from the word acquisition or take over which comes from English which means taking capital control over other companies (Aprilita et al., 2013). Meanwhile, a merger is a merger of two or more companies in which only one company remains alive as a legal entity, while the others stop their activities (Moin, 2003). The companies decided to carry out mergers and acquisitions so that the financial performance of the merged companies could improve. Companies carry out mergers and acquisitions to improve their company's financial performance (Brigham & Houston, 2013). In line with this opinion, the company decided to carry out M&A because of several factors including synergy and diversification (Gaughan, 2013).

Synergy is the interaction of businesses that generates greater profits and exceeds what each unit can do if they do it alone. The concept of synergy was adapted by experts such as Deardorff & Williams (2006) synergy as a process in which the interaction of two or more agents or forces will produce a combined effect that is greater than the sum of their individual effects, the combined result can be likened to a mathematical equation as the following 1+1 >2.

According to Kotler (2000) the concept of diversification is one way that companies can improve existing business performance by identifying opportunities to expand their business lines. Companies carry out mergers and acquisitions with the aim of creating company diversification, where diversification has several advantages, namely to reduce business risks that may occur, reduce operational administrative costs such as financial costs can be spread over a number of related businesses to reduce costs incurred by the company. exhibit better performance stability and maximize profits.

B. Dividend Paying Firms and Performance of Short-term M&A.

The performance of short-term M&A is a reflection of how good company's prospects in the future in the eyes of investors are described by the market response to the announcement of M&A. The market response, whether it is good for the M&A activities to be carried out, can be seen from the changes in the company's stock price when announcing M&A.

A good market response to announcements of mergers and acquisitions can lead to positive abnormal returns around announcements of mergers and acquisitions. synergy is formed within the company, where synergy is a result obtained by the company for the combination made by the company whose value is greater than the total value of each company (Ansoff, 1968). increase while supply remains, thus causing the stock price to rise which can then create a positive abnormal return.

Dividend-paying firms can contribute as a company discipline mechanism in paying dividends, which then with the company's discipline in paying dividends can attract shareholders (Glambosky et al, 2020), thus when a dividend-paying firm announces a M&A, the market can respond better than the dividend-paying firm, with non-paying firms. Previous research has identified debt payments as a reflection of company discipline (Myers, 1997; Hennessy, 2004; Diamod & He, 2014). Other studies state that dividend policy is also a reflection of company discipline (Baker & Sujata, 2015; Claudiu & Marilen, 2014; Subba & Dollery, 2015; Glambosky et al, 2020). Based on the life cycle theory, signaling theory, agency theory, and bird in the hand theory, this study examines a the company's discipline mechanism based on the dividend policy implemented by the company.

Turki & Dereeper (2017) find that dividend-paying firms have no effect on short term M&A performance. This study contradicts research conducted by Glambosky et al (2020) which states that dividend paying firms have a positive effect on the performance of short-term M&A. This difference attracts researchers to further investigate the relationship between dividend-paying firms and the performance of M&A in Indonesia. Based on life cycle theory, signaling theory, agency theory, and bird in the hand theory, this study refers more to research conducted by Glambosky et al (2020) which states that dividend-paying firms have a positive effect on the performance of short-term M&A.

Dividend-paying firms can respond to both by the market when announcing M&A because dividend-paying firms are a reflection of company discipline (Glambosky et al, 2020). However, Turki & Dereeper (2017) find that dividend paying firms have no effect on the short-term M&A performance. This study contradicts research conducted by Glambosky et al (2020) which states that dividend-paying firms have a positive effect on the short-term M&A performance. This difference attracts researchers to further investigate the relationship between dividend-paying firms and performance of M&A in Indonesia.

C. Dividend Policy Consistency and Performance of Short-term M&A.

Investors in dividend-paying firms as a moderating variable are expected to maintain their dividend policies (Glambosky et al, 2020). If investors feel the stability of the acquirer in the dividend policy they apply, the acquirer will receive a better market response to announcements of M&A. Glambosky et al (2020) stated that the consistency of dividend policy as reflected in the distribution of dividends that did not change in the years before the announcement of M&A had a significant positive effect on the performance of short-term mergers and acquisitions. Ambarish et al (1987) stated that the market responded positively to announcements of mergers and acquisitions made by companies that distribute dividends and increase their dividends.

Based on the explanation above, the researcher assumes that the consistency of dividend policy can strengthen the positive effect of dividend-paying firms on the short-term M&A performance. The consistency of dividend policy will be responded to better by the market than an increase in dividends because the market has a bad perception of increasing dividends in the year leading up to the announcement of mergers and acquisitions to attract market attention so that the market responds well to the announcement.

Dividend-paying firms with a consistent dividend policy respond better to the market when they make announcements of M&A. Glambosky et al (2020) stated that the consistency of dividend policy as reflected in the distribution of dividends that did not change in the years before the announcement of M&A had a significant positive effect on the performance of short-term M&A. Ambarish et al (1987) states that the market responds positively to announcements of mergers and acquisitions by companies that distribute dividends and increase their dividends.

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D. Return on Assets (ROA) and Performance of Short-term M&A.

Return on Assets (ROA) can reflect accounting performance and focus on a company's profitability in a certain period. Return on Assets (ROA) can be used to measure a company's ability to earn profits by using the total assets owned, therefore ROA is one of the most efficient internal management ratios. ROA provides relevant information on the company's financial performance using its assets to provide profits. ROA is the ratio of profits earned by the company to the assets or resources used. ROA can be used to measure the efficiency of a company's operations.

Return on Assets (ROA) is one of the most efficient internal management ratios. ROA provides relevant information on a company's financial performance using its assets to provide profits. Return on Assets (ROA) indicates the level of operational efficiency of the company, the greater this ratio, indicating the company's ability to generate better profits. The company’s high profit makes investors interested in investing in the company.

A company's ROA is can influence the market response to the announcement of M&A. The greater the ROA owned by the company, the better the market response to the announcement of M&A, so it can be said that ROA can strengthen the positive relationship between dividend-paying firms and the performance of short-term M&A.

Based on this explanation, the hypothesis can be formulated as follows:

H1 : Dividen-paying firm have a positive effect on the performance of short-term M&A.

H2 : The consistency of dividend policy strengthens the positive relationship between dividend-paying firms and performance of short-term M&A.

H3 : Return on Assets (ROA) strengthens the positive relationship between dividend-paying firms and the performance of short-term M&A.

Based on the explanation above, it can be concluded that dividend-paying firm have a positive influence on the performance of short-term M&A and are strengthened by the consistency of dividend policy and Return on Assets (ROA). Thus, the relationship between the three variables can be described by the following research model:

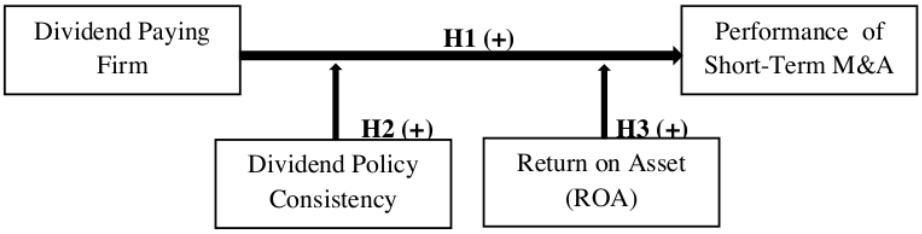

Figure 1. Research Model

III. RESEARCH METHODOLOGY

A. Research Design

The type of research used in this study is a quantitative approach. Measurements are based on financial statements, company annual reports, Thomson Reuters database, and Yahoo Finance. This study examines the effect and significance of the independent variable (dividend-paying firm) on the dependent variable (performance of short-term M&A) and moderating variables (dividend policy consistency and ROA). This research focuses on testing hypotheses using statistical analysis tools and measurable data to produce generalizable conclusions.

B. Population, Sample, and sampling Technique

The data used in this study are secondary data on companies that have conducted M&A obtained through financial and annual reports listed on the Indonesia Stock Exchange (IDX) for the period 2002-2021 on the website www.idx.co.id.

The population in this study are all public companies that carry out mergers and acquisitions and are listed on the IDX in the period 2002-2021. A purposive sampling technique was used for the sampling. The following are the criteria determined in determining the research sample; bidder companies that carry out mergers or acquisitions, companies that have been listed on the Indonesia Stock Exchange and the company's financial reports and annual reports can be easily accessed and read.

C. Dependent Variable

Zhou et al (2019) performance of short-term M&A is measured using a stock market indicator by looking at the abnormal returns that occur around the announcement of M&A, so that the market response to corporate actions such as M&A can be known. Abnormal returns can be used to measure the market response to M&A announcements of mergers and acquisitions through changes in stock prices around the announcement of mergers and acquisitions. The performance of short-term M&A can be measured by accumulating abnormal returns that occur two days before and two days after the announcement of mergers and acquisitions using the market adjusted model method (Zhou et al, 2019). The formula for Cumulative Abnormal Return (CAR) can be shown by formula as follows:

$$\boldsymbol{CAR_{i,t}} = \sum[\boldsymbol{R_{i,t}} - \boldsymbol{E}\,(\boldsymbol{R_{i,t}})] \text{..} \textbf{(2.1)}$$

Description :
CAR : Cumulative Abnormal Return on stock i on event t.
$R_{i.t}$: Actual return on stock i that occurs on day t.
$E\ [R_{i.t}]$: Expected return for stock i on day t.

D. Independent Variable

Independent variable used in this study is the dividend-paying firm, namely the dividend policy one year before the company makes the M&A announcement. Data on dividend-paying firms can be obtained from the company's annual report. Then research on this variable will use a dummy variable, where companies that make dividend payments will be given a dummy of 1, and 0 for the opposite.

E. Moderating Variable

The following are the moderating variables used in this study as follows:

1. Consistency of dividend policy

Consistency of dividend policy is seen from the company's stability in paying dividends in the three years before the company makes the M&A announcement. In measuring the consistency of dividend policy moderating variable, a dummy variable was used. Companies that consistently pay dividends for 3 consecutive years are assigned a number 1, while the others are assigned a number 0.

2. Return on Asset (ROA)

Return on Assets (ROA) indicates the level of operational efficiency of the company, the greater this ratio, indicating the company's ability to generate better profits. The company's high profit makes investors interested in investing in the company. In this study ROA is calculated using the following formula:

$$\textbf{ROA}_{i,t} = \frac{\textit{Net Income}}{\textit{Total Assets}} \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \textbf{(2.2)}$$

F. Control Variable

Size is a picture of the size of a company. Large companies are considered to have better bargaining power when compared to small companies when it comes to conducting M&A. Firm size can be measured using the natural logarithm of firm i in year t as in the following equation:

$$\textit{Firm Sizei}, = \textit{Ln}\ (\textit{Total Assets}) \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots \textbf{(2.3)}$$

G. Data Analysis

Hypothesis testing was performed using a multiple regression analysis. In conducting data analysis, we took into account two stages; firstly regressing the independent variable with the dependent variable without a moderating variable, and the second stage of multiplying the independent variable with each moderating variable and then regressing with the dependent variable to determine the effect of the moderating variable. The results of the hypothesis refer to a significant value where hypothesis a will be accepted if the p-value < 0.05.

H. Analysis Model

This study aims to determine the effect of dividend paying firms on the Performance of short-term M&A moderated by consistency of dividend policy and Return on Assets (ROA). This study uses the following model:

Model 1:

To determine the effect of dividend-paying firm and short-term merger and acquisition performance with firm size variable, it is necessary to build a regression equation model as follows:

$$M\&Aperformance_{i,t} = \alpha + \beta_1 DivPayingFirm_{it} + \beta_2 Firm\ Size_{it} + \varepsilon$$

Model 2:

To determine the effect of dividend-paying firms and the performance of short-term M&Amoderated by the consistency of dividend policy and the control variable of firm size, it is necessary to build a regression equation model as follows:

$$M\&Aperformance_{i,t} = \alpha + \beta_1 DivPayingFirm_{iit} + \beta_3 Consistency_{it} + \beta_4 DivPayingFirm*Consistency_{it} + \beta_2 Firm\ Size_{it} + \varepsilon$$

Model 3:

To determine the effect of dividend-paying firms and the performance of short-term M&A moderated by the Return on Asset (ROA) and the control variable of firm size, it is necessary to build a regression equation model as follows:

$$M\&Aperformance_{i,t} = \alpha + \beta_1 DivPayingFirm_{iit} + \beta_5 ROA_{it} + \beta_4 DivPayingFirm*ROA_{it} + \beta_2 Firm\ Size_{it} + \varepsilon$$

IV. Result and Discussion

A. *Result*

Descriptive analysis will provide an explanation of statistical research data based on the variables used in the study, namely short-term M&A performance as measured by Cumulative Abnormal Return (CAR), dividend-paying firm, dividend payment consistency, Return on Assets (ROA) and firm size. The description of each research variable is shown in the following table 4.1.

Table 4.1 includes the minimum value, maximum value, average, and standard deviation of the description of the research variables. Based on the table, it can be seen that the average value of M&A performance during the period 2002 to 2021 is 0.0724. The highest value of merger and acquisition performance is 0.4085 and the lowest value is -0.4152. High M&A performance illustrates that with the M&A announcement, the market responds well so that it can create a high Cumulative Abnormal Return (CAR), while the low performance of mergers and acquisitions illustrates that the M&A announcement made by the company is responded poorly by the market, thus creating Cumulative Abnormal Low return (CAR).

Dividend-paying firm as an independent variable has an average of 0.52. The highest and lowest values of dividend-paying firms are 1 and 0, because these dividend-paying firms use a dummy variable, namely dummy 1 for companies that pay dividends before making M&A announcements, and dummy 0 for others. Furthermore, the moderating variable, namely the consistency of dividend policy, also uses a dummy variable, namely 1 for companies that consistently pay dividends for 3 consecutive years before the company announces M&A, and vice versa for a dummy 0, and based on table 4.1 it can be seen that the average dividend consistency is equal to 0.26, which means that companies that are inconsistent in paying dividends are still more dominating than companies that are consistent. Then the second moderating variable, Return on Assets (ROA) has an average value of 0.1330. Based on these results, it is known that the average sample shows an ROA value of 13.30%, where the greater the ROA value is indicated to be able to strengthen the positive influence between dividend-paying firms and short-term M&A performance.

Table 4.1 Statistic Descriptive

	N	Minimum	Maximum	Mean	Std. Deviation
M&A performance	150	-0,4152	0,4085	0,0724	0,0496
Dividen-paying	150	0	1	0,5200	0,5013
Consistency	150	0	1	0,2600	0,4401
ROA	150	-0,0860	3,475	0,1330	0,4081
Div-paying*Consistency	150	0	1	0,2533	0,4364
Div-paying*ROA	150	-0,0860	0,425	0,0464	0,0707
Size	150	0,3760	4,953	3,4800	0,8301
Valid N (listwise)	150				

Multiple linear regression testing to test the hypothesis with the dependent variable the performance of short-term mergers and acquisitions as measured using Cumulative Abnormal Return (CAR) and the independent variable dividend-paying firm, the moderating variables used in this study are dividend policy consistency and Return on Assets (ROA), and the control variable used is size, using models 1, 2, and 3, the results of which are shown in table 4.2.

Model 1 with the dependent variable the performance of short-term mergers and acquisitions, it states that dividend-paying firms have a positive effect on the performance of short-term mergers and acquisitions. The regression coefficient value of the dividend-paying firm variable is 1.639 and the significance value of the dividend-paying firm variable is <0.05, so H_0 is rejected and H_1 is accepted. Based on these results, it can be interpreted that dividend-paying firms produce better short-term mergers and acquisitions performance than non-paying firms. The control variable, namely size, has a significant positive impact, which is 0.001 and a significance value of <0.05. These results indicate that the larger the size of the company, the performance of company mergers and acquisitions will also increase. In addition, the Rsquare value in model 1 with the dependent variable performance of short-term mergers and acquisitions is 0.259. These results indicate that the independent variable is able to explain the dependent variable by 25.9%, while the rest is explained by variables that are not in this research model.

These results are consistent with research conducted by Glambosky et al (2020) which states that dividend-paying firms have a positive effect on M&A performance. In addition, these results are also consistent with the bird in the hand theory, signaling theory and agency theory that dividends give a good signal so that the market will respond to M&A announcements made by companies that pay dividends better than companies that do not pay dividends, so companies that pay dividends making dividend payments will result in better short-term M&A performance.

Model 2 includes a moderating variable for the consistency of dividend payments. The result of the interaction between the dividend-paying firm variable and dividend policy consistency (dividend-paying*consistency) is positive, the regression coefficient value is 0.138 with a significance value > 0.05, so H_0 is accepted and H_2 is rejected. These results indicate that the consistency of dividend policy is not able to strengthen the positive effect of dividend-paying firms on the firm's short-term M&A performance. The Rsquare value of model 2 is 0.267 or 26.7%, so that 26.7% of the independents in the model are able to explain the dependent variable and the rest is explained by other variables not included in the model.

Table 4.2 Performance of Short-Term M&A Regression Analysis Results

Variable	**Performance of Short-term M&A**		
Dividend-paying firm	1,639**	1,288	1,736**
	(0,043)	(0,173)	(0,038)
Consistency		0,545	
		(0,695)	
Dividend-paying*Consistency		0,138	
		(0,828)	
ROA			0,219*
			(0,066)
Dividend-paying*ROA			1,771**
			(0,048)
Size	0,001**	0,001*	0,004*
	(0,038)	(0,054)	(0,068)
R-square	0,259	0,267	0,291
N	150	150	150

* significant at the level 10%
** significant at the level 5%
*** significant at the level 1%

Next, model 3 uses the measurement of the dependent variable of short-term M&A performance with the Return on Assets (ROA) moderating variable. The result of the interaction between dividend-paying firm and ROA has a positive effect on short-term M&A performance with a regression coefficient value of 1.771 and a significance value <0.05, so H_0 is rejected and H_3 is accepted. Based on these results, it can be shown that Return on Assets

(ROA) is able to strengthen the positive relationship between dividend-paying firms and the performance of short-term mergers and acquisitions. Companies that make dividend payments and are accompanied by good company performance reflected in ROA will be responded better by the market when they make M&A announcements compared to companies that pay dividends but are not accompanied by good company performance, so that the positive effect of dividend-paying firms on the performance of short-term mergers and acquisitions will be stronger if the company has better performance (ROA). The Rsquare value in model 3 is 0.291, meaning that 29.1% of the independent variables in model 3 are able to explain the dependent variable and the remaining 70.9% are explained by other variables outside the model.

V. CONCLUSION AND RECOMMENDATION

Based on the results of research using data on non-financial companies that conduct M&A and are listed on the Indonesia Stock Exchange (IDX) during the period 2002 to 2021, the conclusion obtained is that dividend-paying firms have a positive effect on the company's short-term M&A performance. Companies that pay dividends will be responded to by the market better when announcing M&A compared to companies that do not pay dividends in the previous year.

The consistency of dividend policy is not able to strengthen the positive effect of dividend-paying firms on the performance of short-term mergers and acquisitions of the company. It can be indicated that many sample companies did not implement a stable dividend policy in the 3 years prior to the M&A announcement, so that the results were not sufficient to strengthen the positive influence between dividend-paying firms and short-term M&A performance. This can be a correction for future research on dividend policy on M&A performance by increasing the number of samples not only in Indonesia but using cross-country samples in order to be able to obtain better research.

The company's performance as reflected in the Return on Assets is able to strengthen the positive effect of dividend-paying firms on the company's short-term M&A performance. When a company announces that it will conduct mergers and acquisitions, the company will get a good response from the market when the company paid dividends in the previous year and has good company performance (ROA), so that it is able to create a better short-term merger and acquisition performance compared to the previous year. with companies that do not pay dividends and have poor company performance.

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P/V You have used the passive voice in this sentence. Depending upon what you wish to emphasize in the sentence, you may want to revise it using the active voice.

Article Error You may need to use an article before this word.

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PAGE 2

Proofread This part of the sentence contains a grammatical error or misspelled word that makes your meaning unclear.

Prep. You may be using the wrong preposition.

Article Error You may need to remove this article.

Dup. You have typed two **identical words** in a row. You may need to delete one of them.

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Article Error You may need to use an article before this word.

PAGE 4

Article Error You may need to use an article before this word.

Article Error You may need to remove this article.

Dup. You have typed two **articles** in a row. You may need to delete one of them.

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PAGE 5

Prep. You may be using the wrong preposition.

Possessive This word may be a plural noun and may not need an apostrophe.

Verb This verb may be incorrect. Proofread the sentence to make sure you have used the correct form of the verb.

Article Error You may need to use an article before this word.

Sp. This word is misspelled. Use a dictionary or spellchecker when you proofread your work.

S/V This subject and verb may not agree. Proofread the sentence to make sure the subject agrees with the verb.

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