

The Impact of Dividend on Share Price Volatility Before and During Covid -19 Evidence from Listed Non-Financial Companies in Sri Lanka

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ABSTRACT

Purpose: The main objective of the study was to examine impact of dividend on share price volatility of listed non-financial companies in Sri Lanka is the goal of this study before and during COVID 19.

Design/Methodology/Approach: In this study, the researcher used a quantitative approach. The secondary data were collected from 2016 to 2021. 40 listed non-financial companies were selected as the sample of the study using stratified random sampling. The dividend payments are considered as the independent variable whereas share price volatility is used as the dependent variable of the study. Further, COVID 19 is used as the dummy variable of the study.

Findings: Based on the regression analysis result, it can be concluded that there is a significant impact of dividend on the share price volatility during and before COVID 19. This study provides support for the dividend relevant theory in that regard.

Originality: Research on the dividend payment and share price volatility are not rare. However, no published prior study has been conducted to examine the impact of dividend on share price volatility before and during COVID 19 which is a novel contribution to the existing research.

Keywords: *Dividend Pay-Out Ratio, Dividend Yield Ratio, Share Price Volatility*