GOOD CORPORATE GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY DISCLOSURES ON COMPANY VALUE AND RETURN ON ASSET AS MODERATING VARIABLE

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Abstract: This study aims to analyze the effect of Good Corporate Governance and corporate social responsibility disclosure on Firm Value with profitability as a moderating variable. The sampling technique used was purposive sampling. What researched Manufacturing Companies in Indonesia and Malaysia included in the ASEAN CG Scorecard with a 2017-2019 research time span. The purpose of this study is to determine the effect of Good Corporate Governance and disclosure of Corporate Social Responsibility on Company Value with profitability as a moderating variable. This study shows that Good Corporate Governance and disclosure of Corporate Social Responsibility have a significant effect on Company Value, and profitability can moderate the relationship between Good Corporate Governance and corporate social responsibility disclosure on Firm Value.

Keywords: Corporate Social Responsibility, Good Corporate Governance, Profitability, and Company Value

INTRODUCTION

Indonesia and Malaysia are among the ASEAN member countries that have agreed on an ASEAN economic community (AEC) agreement. AEC has a pattern to integrate the ASEAN economy by establishing a free trade system between ASEAN member countries. The agreement on the formation of the ASEAN Economic Community began with a summit held in Kuala Lumpur in 1997. In this summit, ASEAN leaders decided to change ASEAN to become a prosperous, stable, and highly competitive region in economic development that was just and could reduce inequality and poverty social economy (ASEAN Vision 2020).

The ASEAN Economic Community (AEC) launched in 2015, aims to convert ASEAN into an area of trade that is free of goods, investment, skilled labor, services, and even more unrestricted capital flows. AEC is a realization of the ultimate goal of economic integration that has been adopted in the ASEAN Vision 2020, which is based on the convergence of the interests of ASEAN member countries to be able to expand and deepen economic integration through existing and new initiatives with a clear deadline. In establishing the MEA, ASEAN must act by open principles, oriented towards outward, transparent, and directed to an economic market that is firm in its establishment with multilateral regulations and adheres to systems for implementing and complying with active financial commitments based on rules.

In its development, the MEA has provided a lot of progress for its member countries, especially economic development. A competitive economic region, equitable development, and a region that is fully integrated into the global economy. Two main things become the measurement in seeing the impact of economic cooperation, namely trade and investment flows.

In the State of Indonesia, the realization of investment in domestic investment (PMDN) and Foreign Investment (PMA) during 2019 from January to December reached Rp 692.8 trillion or grew 13.1% from the realization in 2016 of Rp 612.8 trillion. This amount exceeds the 2019 PMDN and PMA investment realization target of Rp 678.8 trillion. In the trade sector, Indonesia's trade balance in 2018 recorded an increase in the surplus compared to the previous year. Indonesia's trade balance surplus in 2018 increased to 11.83 billion US dollars, although every month in December 2019, there was a deficit of 0.27 billion US dollars. The increase in the trade balance surplus in 2018 is supported by the rise in the non-oil and gas trade balance surplus, which is higher than the rise in the oil and gas trade balance deficit. The non-oil and gas trade balance surplus increased to 5.24 billion US dollars to 20.40 billion US dollars in 2017. Macro in 2018 Indonesia's economic growth reached 5.07 percent, the highest rate since 2014, Indonesia's economic growth in 2014 amounted to 5.01 percent, in 2015 it was 4.88 percent, and in 2016 it was 5.03 percent. The source of Indonesia's economic growth in 2019 is the manufacturing industry, which is 0.91 percent. Also, followed by the construction sector by 0.67 percent, trade 0.59 percent, and agriculture 0.49 percent.

In line with Indonesia, in 2019, the Malaysian economy continues to look healthy, with growth higher than expected, which is 5.8 percent and projected growth of 5.3 percent for 2019, according to the IMF. This country is heading towards achieving high-income status. The Malaysian economy shows resilience and stable performance. Growth goes above potential, driven by global demand more reliable for electronic goods and better trade requirements for commodities, such as oil and gas. Domestically, Malaysia's substantial employment opportunities increase private consumption, and investment also helps drive growth.

This positive investment trend, supported by positive responses from the capital markets in both countries. This encourages companies in Indonesia and Malaysia to achieve their goals. The company's main objective to improve its performance is to maximize the prosperity of the owner or shareholders by increasing the value of the company. The cost of the company reflects the current state of the company. It can describe the company's prospects in the future so that the value of the company is considered capable of influencing investors' valuations of the company. Company value is the investor's perception of the company's success rate, which is often associated with stock prices and profitability (Yanti and Ni Putu, 2019). The company was founded to create added value, especially in generating profits. Companies that apply economic principles are generally not only oriented towards achieving maximum benefit, but also trying to increase the value of the company and the prosperity of their owners (Safitri, 2016).

Company value is the price that prospective buyers are willing to pay if the company is sold (Husnan, 2014: 7). Company value will be used as a measure of the success of a company's management so that it can increase trust for shareholders, and the fulfillment of the welfare of shareholders reflects the high value of the company. The amount of the company will be reflected in the price of shares seen in the capital market. The higher the company's stock price, the better the company's value. This will invite investors to invest in the company. A wealth of shareholders and companies is represented by the market price of shares, which is a reflection of investment decisions, financing (financing), and asset management.

Normatively, one of the objectives of financial management is to maximize the value of the company (Wiagustini, 2010: 9). A company's stock price can describe the cost of a company because stock prices have a positive relationship with company value. Yanti and Ni Putu (2019) stated that a high share price would be directly proportional to a superior company value. High company value will make an investor's trust in the value of the company will increase. Company value can not only be described on the stock price of a company alone, to measure the high cost of the company can be done in various ways, and one measure that can be used is the price to book value. Brigham and Houston (2011: 152) state that the cost to book value (PBV) is a financial ratio that compares stock prices with book values per share, if the PBV value is higher the greater the level of prosperity of shareholders, so the company said to have achieved one of its goals. Likewise, if earnings quality is getting better, it is predicted that PBV value will be higher (Tui, 2017). To achieve high profits in company management and stakeholders are expected to be able to work well together in the management and supervision of the company's operations. One of the key elements in increasing economic efficiency, which includes a series of relationships between the board of directors' company management and shareholders and other stakeholders, is Good Corporate Governance.

Good Corporate Governance is a set of policies that govern the relationships between company management, shareholders, creditors, government, employees, and internal and external stakeholders relating to their rights and obligations, or in other words, Good Corporate Governance. As a system to direct and control the company so that it runs efficiently, transparent and consistent with the law. The implementation of Good Corporate Governance (GCG) is very much needed to fulfill the trust of the community and the international community as an absolute requirement for the industrial world to develop well and healthy with the ultimate goal of realizing stakeholder value. Murwaningsari (2008) mentions five main principles contained in Good Corporate Governance (GCG), namely: openness (transparency), accountability (accountability), responsibility (responsibility), and independence (independence). In terms of evaluating the implementation of Good Corporate Governance

(GCG), ASEAN countries refer to the ASEAN CG Scorecard.

Furthermore, the main idea of Good Corporate Governance (GCG) is to realize corporate social responsibility (CSR). Demands for companies to provide transparent information, accountable organizations, and better corporate governance (Good Corporate Governance) are increasingly forcing companies to provide information about their social activities, one of which is through sustainability reports. The sustainability report (Sustainability Report) is increasingly becoming a need for companies to inform about the economic, social, and environmental performance as well as to all stakeholders of the company (Aryanti, 2016). Sustainability Report contains not only financial performance information but also non-financial information consisting of information on social and environmental activities that emphasize more on principles and disclosure standards that can reflect the level of overall company activity to enable the company to grow sustainably (sustainable performance).

Ongoing reporting is increasingly gaining recognition and appreciation from ASEAN countries. This report forms a core component of corporate social responsibility (CSR) practices by businesses that assess and disclose non-financial information about their operations and business practices. The ongoing reporting trends that emerge from companies reflect their awareness of the benefits and usefulness of such reporting, such as encouraging companies to be transparent about the details of their operations. This will reflect their commitment to being responsible and accountable for their practices. From the perspective of the company, this transparency enhances its reputation not only with its stakeholders and consumers but also with its principal investors and employees. A company becomes more aware of its operational efficiency, and as such, can work to improve its sustainability efforts and financial performance. Also, ongoing disclosure can be a differentiator for potential stakeholders to invest in the company. Although ongoing reporting is not yet a mandatory requirement, the number of companies that deliver on sustainability has grown steadily from 2011, 2013, 2015, and until now, as they realize the value of taking these actions.

Law Number 40 of 2007 concerning Limited Liability Companies (Law on PT), which was ratified on July 20, 2007. Article 74 of the Limited Liability Company Law states (1) Companies that carry out their business activities in the fields and relating to necessary natural resources carry out Social and Environmental Responsibility (TJSL)). (2) TJSL is a Company obligation that is budgeted and calculated as a Company expense whose implementation is carried out with due regard to dignity and fairness. (3) Companies that do not carry out their obligations will be subject to sanctions by the provisions of the legislation (www.hukumonline.com).

With this existence, companies, especially Limited Liability Companies engaged in and or related to natural resources, must carry out their social responsibilities to the community. The above discussion explains that the public has a concern which is very high on the issue of social awareness by the company. This can affect the profit earned by the company. Because if the company does not pay attention to the interests of the community and its environment, then the city will not provide support for the company. So whether or not the implementation of Corporate Social Responsibility (CSR) by the company can be measured through the profits obtained by the company.

Profitability can be measured by several indicators such as operating profit, net income, the investment return, and owner's equity return. Profitability plays an essential role in all aspects of the business because it can show the efficiency of the company and reflect the company's performance. Profitability illustrates the ability of a business entity to generate profits using all its capital. Increase profits and maximize the value of the company are interrelated in improving the welfare of its shareholders so that this goal is essential in maintaining the survival of the company, improving the health of its workforce, improving the quality and quality of its products, because of the higher level of profitability of an entity then the survival of the business entity will be more guaranteed, the company's ability to generate profits and measure the level of operational efficiency and efficiency in using its assets. Investors who invest shares in a company indeed have a goal to get a return, where the higher the company's ability to generate profits, the greater the performance expected by investors so that the company's value will increase. The profitability ratio used in this study is ROA (Return On Assets). ROA is chosen to find out how much the return on investment that the company has done by using all the Assets owned by the company. Based on the background description above, the authors are interested in researching with the title "The influence of Good Corporate Governance and disclosure of Corporate Social Responsibility on Firm Value with profitability as a moderating variable ".

Formulation of the problem

Based on the background that has been described, the wording of the question in this study is:

1. Does the disclosure of Corporate Social Responsibility (CSR) in the sustainability report affect the value of the company?.
2. Does the implementation of Good Corporate Governance affect the value of the company?.
3. Does profitability affect the value of the company ?.
4. Is profitability able to moderate the relationship between Good Corporate Governance and firm value?
5. Is profitability able to moderate the relationship between Corporate Social Responsibility (CSR) disclosure and firm value?

LITERATURE REVIEW

Stakeholder Theory

The concept of corporate social responsibility has been known since the early 1970s, which is generally known as stakeholder theory, which means a collection of policies and practices relating to stakeholders, values, compliance with legal provisions, community, and environmental respect, and the commitment of the business community to contribute in sustainable development. Stakeholder theory starts with the assumption that values are explicitly and undeniably part of business activities. (Freeman, et al., 2002 in Warranty, 2009).

Stakeholder theory says that companies are not entities that only operate for their interests but must provide benefits to their stakeholders. Thus, the existence of a company is strongly influenced by the support given by stakeholders to the company (Ghozali and Chariri, 2007). Corporate social responsibility should go beyond maximizing profits for the interests of shareholders (stakeholders), but more broadly that the welfare that can be created by the company is not limited to the importance of shareholders, but also for the interests of stakeholders.

Company Value

The theory of the firm provides recognition that the company's goal is to maximize profits or the current value of the company (Haryadi, 2016). The establishment of the company must have a clear purpose. The amount of a company that is reflected through stock prices will undoubtedly be influenced by several factors, such as the stock price index, interest rates, and the company's fundamental conditions. The necessary condition is a condition related to the internal states of the company. Significant factors are closely related to company conditions, such as the financial condition of a company, which is reflected in the company's economic performance. If a company wants to do fundamental analysis, it requires the company's primary data derived from the company's financial statements, such as sales, dividends distributed, company profits, and so on (Jogiyanto, 2016).

According to Putra (2019), the Price To Book Value (PBV) is the ratio used in determining the value of a company. PBV can assess the company in making value to the price of existing capital. If the PBV ratio increases, the company can be considered successful in creating corporate value and prosperity for investors in the company. If PBV has a tremendous amount, then the company will be highly valued by investors compared to the capital provided to the company.

Understanding and Development of CSR Theory

Many experts have developed the definition of CSR. Tsoutsoura (2004) conveys various meanings, one of which is "achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment." While the definition of CSR from McWilliams and Siegel (2001), namely "Action that appears to be further some social good, beyond the interest of the firm and that which is required by law." World Bank in Wibisono (2007) defines CSR: "The commitment of business to contribute to sustainable economic development working with employees and their representatives of the local community and society at large of improving quality of life, in ways that are both good for business and good for development. "

According to Porter and Kramer (2006), the reality is that the current CSR approach is still very fragmented and is not related to corporate strategy. If the company analyzes the prospects of CSR using the same framework as its primary business, it will be understood that CSR is not just a cost, a constraint, or just a donation activity but is a source of opportunity, innovation, and competitive advantage.

Corporate Social Responsibility, which is currently disclosed in the Sustainability Report, reports the economic, environmental, and social impacts of company activities transparently. Openness about these matters will convince stakeholders that the company has been well managed and that the company has taken into account the interests of investors, thereby building investor confidence (Anggraini, 2018)

Good Corporate Governance (GCG)

Regulates and controls the company to create added value (value-added) for all stakeholders. Corporate governance is governance related to interactions between government and society. According to the Decree of the State Minister / Head of the Investment and Development Board of BUMN No. 23 / M-PM.PBUMN / 2000 concerning the development of GCG practices in the Company's Companies (PERSERO), explains that GCG is a sound corporate principle that needs to be applied in managing a company that is carried out solely to safeguard the interests of the company to achieve the company's goals and objectives. The Malaysian High-Level Finance Committee on Good corporate governance in the economic & business journal (2008), defines Good corporate governance as a process and structure used to direct and manage business and company affairs to improve business prosperity and corporate accountability with the primary objective realizing shareholder value in the long run while still taking into account the interests of other parties.

Prior et al. (2008) defines corporate governance as "... a set of provisions that enable the stockholders by exercising voting power to compel those in operating control of the firm to respect their interests." support that encourages company operational control to be in line and respect the interests of shareholders. Cadbury Committee in Murwaningsari (2008), argues that corporate governance is a set of regulations governing the relationship between shareholders, company managers, creditors, government, employees and other internal and external stakeholders relating to their rights and obligations or in words another is a system that regulates and controls a company.

Return On Assets (ROA)

Return On Assets (ROA) is a ratio that shows the results of the total assets used in the company (Kasmir 2014). ROA is one of the profitability ratios used to measure the effectiveness of the company in generating profits by utilizing the total assets it has. The greater the ROA, the higher the company's ability to provide profits through assets owned by the company and vice versa, low ROA can be caused by the number of idle company assets, too much investment in inventory, excess paper money, fixed assets operating below normal and others. other. Syardiana (2015) states that ROA is a ratio that shows the company's ability to generate net income by using total assets. The greater the ROA results, the better the company's performance.

According to Mamduh and Halim (2012) ROA is measuring the company's ability to generate profits by using the total assets (wealth) owned by the company after adjusting for the costs to fund these assets. In this study, the measurement of profitability is measured by comparing net income with total assets.

Past Research

Lubis, Sinaga, and Sasongko (2017), conducted research with profitability, capital structure, and liquidity variables on firm value. With the results of profitability research having a positive and significant effect on firm value, capital structure is negatively related and not significantly on firm value, and liquidity is positively related and insignificant on firm value.

Hidayah (2015) the effect of Investment Opportunity Set (using CAPBVA price proxy and MVBVE Investment Proxy) and managerial ownership on firm value The results of this study indicate that the independent variable is IOS (CAPBVA and MVBVE) have a significant effect on firm value, while managerial ownership variables have no significant impact on firm value.

Bintara and Tanjung (2019). Analysis of Fundamental Factors on Stock Return, explains that Return On Assets, Current Ratio, Debt to Equity, and Price Earning Ratio affect the value of the company proxied by Stock Return. In contrast, PBV does not affect the value of the company.

Tanjung and Wahyudi (2019). Analysis of the Effect of Disclosure of Sustainability Report, Economic Value Added, and Other Fundamental Factors of Companies on Company Value explains that Debt to Equity and Price Earning Ratio affect the firm's value.

Moeljadi and Supriyati (2014) conducted a study of the factors that influence firm value in manufacturing companies in Indonesia. The research variables used are Corporate Social Responsibility (CSR), Corporate Governance (CG), company size, profitability, and its effect on firm value. The results of his research show that a large size company will have a significant corporate amount, good profitability indicates good company value, and CSR and good corporate CG affect the company's value.

Framework

Based on the periodization chosen in this study and the previous description, the theoretical framework of this research is described as follows:

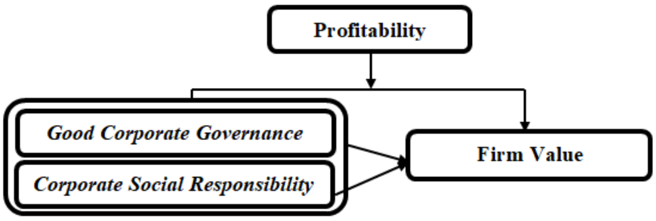

Figure 1.Framework

Research Hypothesis

H_1 : Disclosure of Corporate Social Responsibility affects the Company's Value
H_2 : Good Corporate Governance influences Company Value
H_3 : Profitability influences Company Value
H_4 : Profitability moderates the relationship between Good Corporate Governance and Company Value
H_5 : Profitability moderates the relationship between Corporate Social Responsibility and Company Value

Research and Operational Variables

Corporate Social Responsibility

CSR information disclosure in the annual report and business entity sustainability report is calculated using the CSR disclosure index with GRI standard, then adjusted back to each company. CSRI calculation is done by giving a score of 1 if one item is disclosed, and 0 if not disclosed. After scoring all items, the scores are then summed to obtain an overall score for each company. The CSRI calculation formula is:

$$CSRIj = \frac{\sum \quad Xij}{n_j}$$

CSRIj: Corporate Corporate Responsibility Index j
∑Xij: Number of items disclosed by the company j
NJ: Number of items for companies based on G Standart

Good Corporate Governance

Good Corporate Governance in this research was measured using the 2014 ASEAN CG Scorecard Country Reports and Assessment using the level 1 assessment category (179 items). This is because not all companies registered in the ASEAN CG Scorecard Country Reports and Assessment apply a two-level assessment. Calculation calculations at each level are as follows:

Level 1

The assessment at level 1 contains five main aspects that refer to the OECD principles, and each aspect has 179 items that are used as guidelines. The five aspects are:

Table.1. Structure and Composition Level 1

Level 1	**Number of Questions**	**Weight (% of total level 1 Score)**	**Max. Attainable Score**
Part A : Rights of Shareholders	25	10	10 Points
Part B : Equitable Treatment of Shareholders	17	15	15 Points
Part C : Role of Stakeholders	21	10	10 Points
Part D : Disclosure and Tranparency	41	25	25 Points
Part E : Responsibilities of the Board	75	40	40 Points

(Source: ASEAN CG Scorecard Assessment 2014)

How to calculate level 1 scores are as follows:

$$Score\ = \frac{No.of\ items\ Scored\ by\ PLC}{Total\ no.of\ Questions}\,x\ \text{Max.attainables core of part (points)}$$

(Source: ASEAN CG Scorecard Assessment 2014)

Return on Assets

Return On Assets (ROA) is a ratio that shows how much the company's assets contribute in creating net income. Investors will have more confidence in companies that can manage their assets well which can benefit them. This variable is measured by calculating the results of the comparison between the total net income and the company's total assets which is formulated as follows:

$$ROA = \frac{Net\ Profit}{Total\ Assets}$$

Company Value

The company's value is proxied using Price to Book Value (PBV). This ratio is used to measure the level of stock prices, whether overvalued or undervalued. The lower the PBV value of a stock, the stock is categorized as undervalued, which is very good for long-term investment. PBV is a ratio that shows the results of the comparison between the market price per share with the book value per share. These measurements are formulated as follows:

$$Price\ to\ Book\ Value = \frac{Price\ per\ share}{book\ value\ per\ share}$$

Population and Research Samples

The community in this study is the TOP 50 manufacturing companies included in the ASEAN CG Scorecard Country Reports and Assessment members. Sampling is done by purposive sampling, which is part of the non-probability sampling method. For members of the population who do not qualify, no research sample is chosen. Sampling-based on the following criteria:

1. Manufacturing companies included in the TOP 50 ASEAN CG Scorecard Country Reports and Assessments in each country.
2. The company publishes financial statements in English.
3. The company uses the Global Reporting Initiative (GRI) version 4.0 (G4) standard in disclosing Corporate Social Responsibility
4. The company has complete data following the needs of the research sample.

Data Analysis Results

Data analysis was performed using SPSS 23. The analytical methods used in this study included analysis of descriptive statistics and multiple regression analysis.

Tabel 2. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
CSR	135	,1635	,8886	,507885	,5392742
GCG	135	,4865	,8451	, 668118	,0821791
ROA	135	,0153	1,4353	,217712	,2808773
PBV	135	,2564	1,1692	,274698	,1502646
Valid N (listwise)	135				

Source: data processed with SPSS 23

Good Corporate Governance variables range in value from 0.486 to 0.845. The average amount of Good Corporate Governance in the Asean CG Scorecard index in 2016-2018 was 0.6681, the standard deviation was 0.082, meaning the distribution of data on GCG values was not too varied, so the data was kind enough to be examined, the data distribution tended to be close to the average cost. When viewed from the ordinary variable, information is obtained that the average number of items revealed by the sample company is approximately 121 items out of 179 questions that must be disclosed. This shows the level of achievement of an effort that meets the requirements, shows the propriety and regularity of the company's operations by the concept of CG. Increasingly the complexity of activities in the business world, which means the potential risks and challenges, also have the potential to increase. Therefore, the application of GCG principles is needed so that no parties are disadvantaged. The implementation of GCG is expected to be useful to add and maximize company value.

The CSR variable has a range of values from 0.163 to 0888. The average CSR value is 0.507, and the standard deviation is 0.539, which means the data distribution is not too varied, the data is good enough to be regressed, the data distribution tends to be close to the average value.

Profitability (ROA) has the lowest (minimum) value of 0.0153. The highest value (maximum) of 1.4353. Profitability, as measured by ROA, has a standard deviation of 0.280 and an average (mean) of 0.217 or 21.7%, which means that the sample company management can generate profits from the funds invested by the shareholders. The standard deviation is 0.2808773, saying the distribution of data on the ROA value is not too varied.

Company Value (PBV) has the lowest (minimum) value of 2564 (25.6%). The highest value (maximum) of 1.1692. According to Sudiani and Darmayanti (2016), Company value is the market value that reflects the performance of the company, which can be seen from the price of its shares, the higher the value of the company, the higher the profits obtained by investors. High company value will make the market believe, not only in the company's performance, but the market will also believe in the company's prospects in the future (Rudangga and Sudiarta, 2016). The average number (mean) value of the company in the company of 135 data studied is 0.274, with a standard deviation of 0.150, which means the standard deviation is smaller than the average value (mean). This shows that the data is well distributed.

Classic Assumption Test

The classic assumption test is carried out so that the regression model in the research is significant and representative. In the multiple regression analysis, it is necessary to avoid any standard assumption deviation so that problems do not arise in its use. The basic assumption is that the data is normally distributed; there is no heteroscedasticity, multicollinearity, and autocorrelation. Based on the normality test in this study, the Asymp value model. Sig. (2tailed) = 0.200, then according to the provisions of 0.200> 0.05, the residual value is normal. Then the data in the model can be said to be normally distributed. Multicollinearity test which shows that the VIF value is below 10, and the tolerance value is above 0.10. From the results of these tests, it can be concluded that the regression model does not have multicollinearity problems. Heterokedatisitas test shows that there was no heteroscedasticity. This can be seen from the probability of its significance (Sig. Value) on each independent variable above the 5% confidence level or 0.05. So it can be concluded that the regression capital does not contain heteroscedasticity. The autocorrelation test in this study used the autocorrelation test using the Durbin-Watson (DW) test. The results of the autocorrelation test data obtained no positive or negative autocorrelation, or it can be concluded that there is no autocorrelation.

Hypothesis Testing Results

Determinant Coefficient Test Results (R^2)

According to Ghozali (2018: 97), the coefficient of determination essentially measures how far the model's ability to explain variations in the dependent variable. The ratio of determination aimed at R2 from the regression model is used to determine the dependent variable that can explain the magnitude of the variability of the dependent variable. The coefficient of determination test results is known that the R Square value of 45%, this shows that the variation in firm value can be explained by changes in CSR,GCG and profitability by 54%. While the remaining 46% (100% -54%) is solved or influenced by other factors not examined in this study.

Model Feasibility Test Results (Test F)

According to Ghozali (2018: 98), F statistical test is basically to show whether all independent variables are included.

Table 3.Simultaneous Significance Test Results (Test F)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	133,165	3	44,388	16,637	,000[b]
	Residual	162,748	61	2,668		
	Total	295,913	64			

a. Dependent Variable: PBV
b. Predictors: (Constant CSR,GCG,ROA, CSR*ROA,GCG *ROA
Source: data processed with SPSS 23

Based on the table above, it is known that the calculated F value of 16.637 with a probability of 0,000 <0.05; this indicates that the model used in this study is feasible. So in this regression model, it can be concluded that the variables of CSR, GCG, and Profitability, affect the value of the company.

Test Results for Individual Parameters (t-Test)

The statistical test shows how far the influence of one explanatory variable (independent) individually in explaining the dependent variable (Ghozali, 2018: 98). t-test results are as follows:

Table 4.Significance Test Results for Individual Parameters (t-Test)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.044	.075		.583	.001
	GCG	.097	.125	.027	.124	.000
	CSR	.036	.080	.040	.450	.003
	ROA	.251	.795	.686	.605	.000
	GCG *ROA	-.191	.184	.035	.033	.126
	CSR*ROA,	.829	.111	.025	.749	.000

a. Dependent Variable: Y_PBV

Source: data processed with SPSS 23

DISCUSSION OF RESEARCH RESULTS

The Effect of Good Corporate Governance (GCG) on Company Value

The results of the t-test analysis in the table, the Good Corporate Governance (GCG) variable showed a significance value of 0,000, meaning that the significance was smaller than the significance level α = 0.05 or 5% (0,000 <0.05), so this shows that Ha was accepted and H0 is rejected. This means that the Good Corporate Governance (GCG) variable has a significant positive effect on company value (PBV). The results of this study are in line with the results of research conducted by Sudarma and Darmayanti (2017) and Rivandi (2018), which state that Good Corporate Governance (GCG) has a significant positive effect on firm value.

So it can be concluded that if the implementation of Good Corporate Governance (GCG) increases, it will increase the value of the company. The better the level of Good Corporate Governance owned by a company, it will weaken the actions of agents in doing profit manipulation that is detrimental so that the company's value can increase. The implementation of corporate governance is expected to improve the quality of financial statements, which can ultimately increase the value of the company (Nirmala, Moeljadi, and Andarwati, 2016).

However, this result is contrary to the effects of research conducted by Hidayah (2015), which shows that managerial ownership as a benchmark of Good Corporate Governance (GCG), does not significantly influence the value of the company, indicating that the company will continue to try to provide welfare for shareholders or investors without considering managerial ownership.

Effect of Corporate Social Responsibility (CSR) on the value of the company

Based on the results of the t-test analysis in the table, the Corporate Social Responsibility (CSR) variable shows a significance value of 0.003, meaning that the significance is smaller than the significance level α = 0.05 or 5% (0.003 <0.05), so this shows that Ha is accepted and H0 is rejected. This means that the variable Corporate Social Responsibility (CSR) has a significant positive effect on firm value (PBV). The results of this study are in line with the results of research conducted by Sudarma and Darmayanti (2017), which states that Corporate Social Responsibility (CSR) has a significant positive effect on firm value.

CSR disclosure in the company's annual financial statement, in addition to being able to strengthen the company's image in the eyes of stakeholders, is also one of the information taken into consideration by investors and potential investors in choosing an investment location. This statement is by the understanding of the signaling theory previously stated; namely, information that is published as an announcement will give a signal to investors in making investment decisions. If the statement contains a positive value, then the market is expected to react when the market receives the announcement.

Sudarma and Darmayanti (2017) also argue that the report of accounting information gives a signal that the company has good prospects in the future (good news) so that investors are interested in trading shares, thus the market will react as reflected through changes in stock trading volume. By the understanding of the signaling theory revealed by earlier, this shows an indication that CSR disclosure can be used as one of the determinants of investment decisions by investors.

Effect of Profitability on Company Value

Based on the results of the t-test analysis in the table, the profitability variable (ROA) shows a significance value of 0,000, meaning that the significance is smaller than the significance level $\alpha = 0.05$ or 5% (0,000 <0.05), so this shows Ha is accepted and H0 rejected. This means that the profitability variable (ROA) has a positive and significant effect on firm value (PBV).

The results of this study are in line with the research results of Pertiwi, Tommy, and Tumiwa (2016), Lubis, Sinaga, and Sasongko (2017), Nirmala, Moeljadi, and Andarwati (2016), Sudarma and Darmayanti (2017), which state that profitability has a positive effect significant to the value of the company. So that the better growth of the company's profitability means the company's prospects in the future are considered better in the eyes of investors (Sudiani and Darmayanti, 2016). But these results contradict the results of research conducted by Rivandi (2018), which shows that profitability has a negative and not significant effect on firm value.

Profitability Moderates The Relationship Between Good Corporate Governance And Corporate Value

The t-test analysis on the table between Good Corporate Governance (GCG) on firm value through profitability has no significant effect. This research is conducted by Martini (2020), which states that the variable profitability as a mediating variable does not affect the relationship between GCG and firm value. If viewed in terms of aspects, there is a difference in the number of small managerial ownership and large institutional ownership. Aligning shareholder's and management's interests to achieve the company's goals to achieve high corporate value cannot be achieved. In agency theory, information asymmetry can occur between managers and company owners. This is because managers who interact directly with company activities have complete information about the companies they manage. In contrast, company owners do not interact directly with company activities but only rely on managers' reports. Therefore, company owners have less information than managers.

The negative relationship between Good Corporate Governance (GCG) and firm value through profitability in this study is that in maximizing company value with aspects of companies that implement a good corporate governance system, there will usually be conflicts of interest between managers and shareholders (company owners). What is often referred to as the Agency Problem, it is not uncommon for management, namely company managers, to have other goals and interests contrary to the company's main objectives and often ignore the interests of shareholders. This difference in interests between managers and shareholders results in the emergence of a conflict which is commonly called agency conflict; this occurs because managers prioritize personal interests, on the other hand, shareholders do not like the personal interests of managers because what the manager does will increase costs for the company, causing decreased profits or company profits and affect the stock price, thereby reducing firm value. This requires a control mechanism that can align the differences in interests between the two parties.

Previously, Good Corporate Governance (GCG) directly affected firm value, but with a mediating variable, profitability, Good Corporate Governance (GCG) did not affect firm value. This means that even though the Return on the Equity value of a company is high, it will not affect Good Corporate Governance (GCG) on company value if corporate governance is less effective and efficient. Besides, companies must pay attention to the maximum management of return on assets so that they do not harm the company itself. In this study, profitability cannot bridge and influence the relationship of Good Corporate Governance (GCG) and company value. The results of this study are in line with research conducted by Fatimah and Ronny (2018), Azis (2016), and Punjana (2016).

Profitability Moderates the Relationship Between Disclosure of Corporate Social Responsibility (CSR) and Company Value

This study indicates that profitability can moderate by strengthening the effect of CSR disclosure on firm value. Therefore, the hypothesis proposed in this study is that profitability strengthens the relationship between CSR disclosure and accepted firm value.

This hypothesis is accepted because companies that disclose Corporate Social Responsibility and are supported by a high level of profit are believed to increase the value of the company. After all, the company is considered setting aside its funds to carry out a wider disclosure of its social responsibility. Likewise, companies that disclose Corporate Social Responsibility with a low level of profit will slightly reduce the company's value because the funds will be used for other needs compared to disclosing social responsibility.

This study's results are by the signal theory giving a signal that the increase in profitability stated in the financial statements provides positive signals to investors regarding company performance and the growth of business prospects in the future (Rizqia, et al., 2013). According to Anggraini (2006) in Hesty (2015), the higher the company profitability, the greater the disclosure of corporate social responsibility, which will increase the company's value because the company is considered to be setting aside its funds to disclose its social responsibility more broadly. So what can conclude that Disclosure of Corporate Social Responsibility will increase firm value when company profitability increases. This study's results are in line with the research of Susanti et al. (2012), which indicates that companies that have a social responsibility towards their surrounding environment have a positive impact, which in the long run will be reflected in company profits (profit) and increased financial performance.

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the analysis carried out in this study, it can be concluded that:

1. The implementation of Good Corporate Governance has a significant effect on company value
2. Disclosure of Corporate Social Responsibility (CSR) in the sustainability report has a significant effect on firm value
3. Profitability has a significant effect on firm value
4. Profitability does not moderate the relationship between Good Corporate Governance and firm value
5. Profitability can moderate the relationship between Corporate Social Responsibility (CSR) disclosure and firm value

Suggestions and Limitations

1. The score of the Corporate Social Responsibility disclosure index and also the index of the implementation of annual Good Corporate Governance which is assessed by researchers based on the interpretation of the sample company annual report information, thus allowing differences in assessment between companies due to the subjective interpretation of researchers .. Management should be required to make a separate report to report on CSR activities and GCG implementation, which has been supplemented with an index score that is used as a reference by each company. So there is no difference in interpretation in making an assessment.
2. The data used in this study is only taken based on secondary data. Further research is expected to researchers using primary and secondary data. The suggested primary data can be in the form of interviews or questionnaires. This is intended so that research is able to obtain more valid results.
3. From the research results obtained, it is expected that the management can increase profits, because the size of the profitability produced by a company can affect the value of the company with profitability as the size and performance of the company which is shown from the profits generated by the company. It also reduces debt or can manage it well, because the balance between debt and equity can affect the value of the company. In addition, company management is expected to improve corporate governance because of good and professional corporate governance that is able to increase company profits and increase company value

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