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How CSR Moderates the Impact of Basic Industry and Chemicals Companies' Values in Indonesia

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Authors' contributions

This work was carried out in collaboration among all authors. All authors read and approved the final manuscript.

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ABSTRACT

The purpose of this study was to see how the influence of profitability and corporate governance on firm value with or without CSR as a moderating variable. The researchers collected data on companies in the Basic Industry and Chemicals sector listed on the Indonesia Stock Exchange by accessing the website www.idx.co.id. The population in this study consisted of 80 companies and a sample of 27 companies with a five-year research period. The research method used was quantitative, utilizing data analysis techniques based on the Partial Least Squares (PLS) model and Smart PLS software. The results showed that institutional ownership (p-value 0.064) has no effect on firm value, managerial ownership (p-value 0.462) has no effect on firm value, independent commissioners (p-value 0.836) has no effect on firm value, ROE (p-value 0.119) has no effect on firm value and the audit committee (p-value 0.012) has a positive effect on firm value, institutional ownership with CSR as a moderating variable (p-value 0.756) has no effect on firm value, managerial ownership with CSR as a moderating variable (p -value 0.141) has no effect on firm value, the audit committee with CSR as a moderating variable (p-value 0.084) has no effect on firm value, independent commissioners with CSR as a moderating variable (p-value 0.745) has no effect on firm value, ROE with CSR as a moderating variable (p-value 1.906) has no effect on firm value an, institutional ownership (P-value = 894) has no effect on CSR, managerial ownership (P-value = .361) has no effect on the audit committee CSR (P-value = .984) has no effect on CSR, Independent Commissioner (P- value = .000) has a negative effect on CSR, ROE (P-value = .001) has a negative effect on CSR, CSR (P-value = .018) has a positive effect on firm value.

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1. INTRODUCTION

The value of a company is the description of the company's current state. A good company might be seen positively by potential investors, therefore they will compete to invest in the company to obtain the expected return [1]. The company's value is crucial since it is a factor considered by investors when deciding where to invest their capital [2].

The company's value represents an investor's opinion of a company's level of success, which is reflected in the stock price. Company value is the price that investors are willing to pay for a business (Ika & Shiddiq, 2013). The higher a company's stock price, the higher the prosperity of its shareholders (Nurlela and Islahuddin, 2008).

A company must have strong corporate governance to optimize its value. The implementation of good corporate governance has the primary goal of boosting the efficiency and effectiveness of the company's management work, protecting shareholders' rights and interests, and raising the company's value (Sutojo and Aldridge, 2008).

Acceptance of the company's social commitments might help drive up the value of the company. If a company fails to demonstrate good social commitment in an area, this information will quickly spread to various stakeholders, resulting in the formation of a negative image of the company [3-6]. In contrast, if the corporation shows a strong social commitment to humanitarian activities, environmental conservation, public health, education, and natural disaster management, it will project a positive image. Corporate Social Responsibility (CSR) is one of the concepts in realizing corporate social responsibility that must be carried out as a commitment between leaders and subordinates [7].

This research will focus on increasing the value of companies in the basic industry and chemicals sector in Indonesia. In 2020, the world was hit by the Coronavirus pandemic which caused the world economy to cripple and the basic industry and chemicals sector was suppressed during the first quarter of 2020 by -40.68%. A capital market observer from the University of Indonesia, Budi Frensidy (2020), said that delays in the import of raw materials, soaring exchange rates, and export logistics that were not yet normal were the sentiments that suppressed this sector. Source: market.bisnis.com

Based on Table 1, the basic industry and chemicals sector shares recorded the highest decline among other sectors, the agriculture sector index (-39.10%), the miscellaneous industry sector index (-40.10%), the basic industry, and chemicals sector index (-40,68%). In the second quarter of 2020, the manufacturing industry sector still recorded positive performance. The chemical, pharmaceutical, and traditional medicine industries were among the most competitive which grew by 8.65%.

According to the Minister of Industry, Agus Gumiwang Kartasasmita, what needs to be done to boost the current performance of the industry is by optimizing the market demand side, so that manufactured industrial products can be absorbed in Indonesia. The government will integrate the 35% import substitution roadmap by 2022 with the implementation of priority programs on the Making Indonesia 4.0 roadmap. Therefore, the use of technology can reduce operational costs and increase productivity. The Minister of Industry targets that this proportion will continue to rise around 60% by the end of 2020, with a recovery to pre-pandemic levels around 75% by the end of 2021. Source: kemenperin.go.id

2. MATERIALS AND METHODS

The hypotheses of this research are:

The relationship between managerial ownership and firm value in terms of the contraction theory approach. According to this theory the optimal percentage of managerial ownership to overcome agency problems. What needs to be done by shareholders is to form an optimal composition of managerial ownership that will increase company value (Olweny, 2012). According to research Muryati & Suardikha (2014) found that managerial ownership has a significant positive effect on firm value. Thus, managers will benefit directly from the various decisions taken, as well as bear the consequences of making wrong decisions [8].

H1: Managerial Ownership affects the Firm Value of Basic Industry and Chemicals companies.

The higher the level of institutional ownership, the stronger the level of control carried out by external parties to the company so that the agency costs that occur within the company are decreasing and the value of the company is increasing. According to research by Rustan et al (2014), institutional ownership has a positive effect on firm value. This is supported by Amrizal & Rohman (2017).

H2: Institutional Ownership affects the Firm Value of Basic Industry and Chemicals companies.

The role of independent commissioners is considered to be able to increase the value of the company (Dewi & Nurgrahanti, 2014). According to Muryati & Suardikha (2014), the proportion of independent commissioners has a significant effect on firm value. Likewise, Dewi & Nugrahanti (2017) find that independent commissioners have a significant positive effect on firm value.

H3: Independent Commissioner influences the Firm Value of Basic Industry and Chemicals companies.

Table 1. Shares decline in quarter I & II of 2020

Sector	Quarter I	Quarter II
Consumer Goods Industry	-19,17%	-12,26%
Trade, Services, and Investment	-21,77%	-21,26%
Mining	-23,54%	-20,97%
Finance	-26,94%	-21,78%
Infrastructure, Utility, and Transportation	-29,20%	-22,36%
Manufacture	-29,52%	-19,62%
Property, Real Estate, and Building Construction	-32,84%	-36,09%
Agriculture	-39,10%	-32,60%
Miscellaneous Industry	-40,10%	-29,15%
Basic Industry and Chemicals	-40,68%	-26,22%

Source: https://www.idx.co.id/

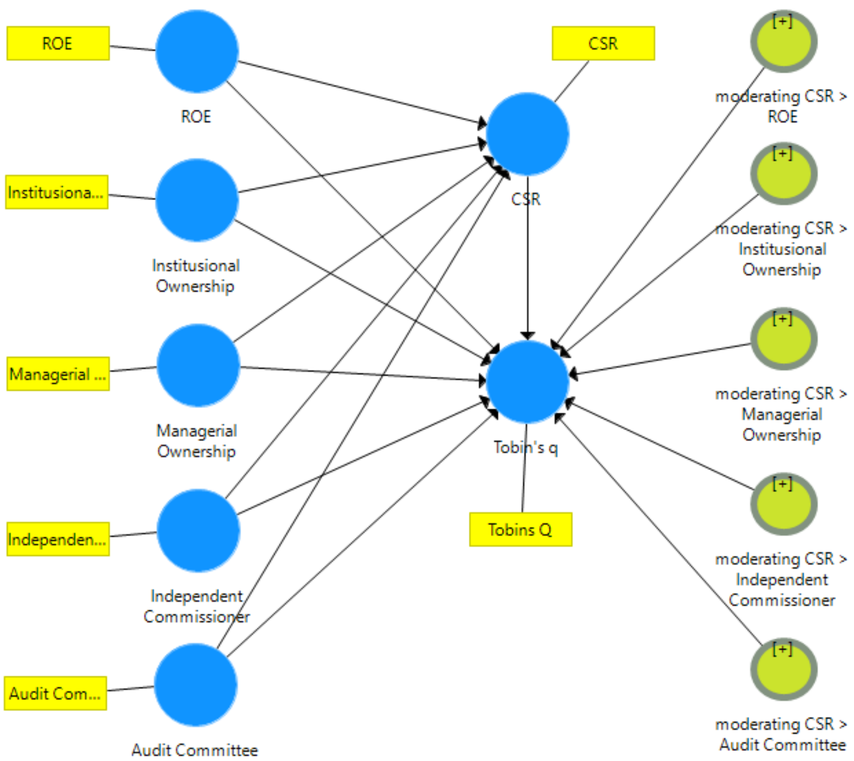

Fig. 1. Path model

Both the independent board of commissioners and the audit committee have a significant influence on the integrity of the financial statements. Research by Widyasari (2015) and Syafitri (2018) proves that the audit committee affects firm value. This research is supported by the results of Dianawati & Fuadati's research (2016).

H4: The Audit Committee affects the Firm Value of Basic Industry and Chemicals companies.

Companies with a good level of profitability have a positive impact on the value of the company, namely gaining more trust from investors to invest their capital in the company. According to Jeni Irnawati [9], ROE has a significant effect on firm value. This is also supported by Nurpiah (2020).

H5: ROE affects the Firm Value of Basic Industry and Chemicals companies.

Research conducted by Laili, et al. [10] states that CSR affects firm value. The results of this study are supported by Joseph (2016).

H6: CSR affects the Firm Value of Basic Industry and Chemicals companies.

The results of Rivandi's research [11], state that institutional ownership has a positive effect on CSR disclosure and conclude that the higher institutional ownership will further encourage the increase in CSR disclosure. This result contradicts the research conducted by Anissa & Machdar [12] which states that institutional ownership has a negative effect on CSR disclosure.

H7: Institutional Ownership affects the CSR of Basic Industry and Chemicals companies.

Research by Anissa & Machdar [12] shows that managerial ownership has an effect on CSR disclosure and it can be concluded that managerial ownership is one part of management that can show management participation in decision making in the form of CSR disclosure.

H8: Managerial Ownership affects the CSR of Basic Industry and Chemicals companies.

The more frequently the audit committee evaluates, the easier it will be to control and monitor the company so that it can carry out environmental performance effectively. Research by Rivandi & Putra [13] states that the audit committee affects CSR disclosure. The audit committee is a part of the company that supervises the company's reports to investors. This is supported by previous research by Restu, et al (2017).

H9: The Audit Committee affects the CSR of Basic Industry and Chemicals companies.

The board of commissioners has the responsibility to oversee the implementation of good corporate governance. Following OJK regulation article 19 (1), companies listed on the Indonesian stock exchange must have independent commissioners with a percentage of at least 30% of the total members of the board of commissioners. From the theory above, it can be concluded that the greater the percentage of independent commissioners, the more transparent the company will be in reporting all company activities because independent commissioners are free from business relationships that can affect their ability to act independently. The results of research by Fatimah, et al [14], show that independent commissioners affect CSR.

H10: Independent Commissioner influences the CSR of Basic Industry and Chemicals companies.

In the research of Anissa & Machdar [12], ROE results have a positive effect on CSR disclosure and it is concluded that the higher the profitability, the higher the CSR disclosure.
H11: ROE affects the CSR of Basic Industry and Chemicals companies.

CSR is a form of corporate responsibility to improve social inequality and environmental damage due to the company's operational activities. In addition, investors will also be interested in investing their capital to improve the performance of shares in the stock market. According to research by Kusumadilaga (2010), the size of CSR practices affects the increase in firm value. Due to the inconsistency in research variables (ownership structure, independent commissioners, audit committees, and ROE) on firm value, in this study, CSR is used as a moderating variable to determine whether the interaction between independent variables (managerial ownership, institutional ownership, independent commissioners, audit committees, and ROE) can strengthen or weaken the value of the company [15-20].

H12: Managerial Ownership has an effect on the Firm Value in Basic Industry and Chemicals companies with CSR as the moderating variable.

H13: Institutional Ownership has an effect on the Firm Value in Basic Industry and Chemicals companies with CSR as the moderating variable.

H14: Independent Commissioner has an effect on the Firm Value in Basic Industry and Chemicals companies with CSR as the moderating variable.

H15: The Audit Committee has an effect on the Firm Value in Basic Industry and Chemicals companies with CSR as the moderating variable.

H16: ROE has an effect on the Firm Value in Basic Industry and Chemicals companies with CSR as the moderating variable.

2.1 Population Dan Sample

The population in this study is the basic industry and chemicals sector companies listed on the Indonesia Stock Exchange from 2016 to 2020, with a sample size of 27 companies from a total of 80 companies. Purposive sampling was utilized in this study. According to Sugiono (2016: 85), purposive sampling is a sampling technique with certain considerations.

2.2 Operational Definition of Research Variables

2.2.1 Corporate governance

Indonesian Institute for Corporate Governance defines Corporate Governance as a process and structure applied in running a company with the main aim of increasing shareholder value in the long term, while taking into account the interests of other stockholders. CG indicators can be identified from managerial ownership, institutional ownership, independent commissioners, and audit committees.

$$\mathit{Managerial\ Ownership} = \frac{\mathit{managerial\ shares}}{\mathit{total\ outstanding\ shares}}\ x\ 100\%$$

$$\mathit{Institutional\ Ownership} = \frac{\mathit{institutional\ shares}}{\mathit{total\ outstanding\ shares}}\ x\ 100\%$$

$$\mathit{Independent\ Commissioners} = \frac{\mathit{independent\ commissioners}}{\mathit{total\ commissioners}}\ x\ 100\%$$

$$\mathit{Audit\ Committee} = \mathit{audit\ committee\ meeting\ frequency\ in\ a\ year}$$

2.2.2 Profitability

According to Sudana (2012: 22), profitability is a ratio to measure the company's ability to earn profits by utilizing the company's resources such as assets, capital, or company sales. In this study, the ratio used is Return on Equity (ROE). The formula to find ROE is:

$$\mathit{Return\ on\ Equity} = \frac{\mathit{Net\ Income}}{\mathit{equity}}\ x\ 100\%$$

2.2.3 Corporate social responsibility

Suharto stated that CSR is a business operation that is committed not only to increase company profits financially but also to the socio-economic development of the region in a holistic, institutionalized, and sustainable manner. The formula for finding CSR is:

$$\mathit{CSDI}\ (\mathit{CSR\ Disclosure\ Index}) = \frac{\Sigma \mathrm{Xi}p}{np}$$

Information:

Xij: 1 = if item I is presented; 0 = if item I is not presented
np: Number of disclosures for company p; ni = 91

2.2.4 Firm value

According to Brigham and Erdhadt, firm value is the present value of free cash flow in the future at a discount rate according to the weighted average cost of capital. The firm value indicator is Tobin's Q, with the formula:

$$Q = \frac{MVS + D}{TA}\ ; D = (AVCL - AVCA) + AVLTD$$

In which:

MVS = outstanding shares x stock price
D = Debt
TA = firm's assets
AVCL = accounting value of the firm's liabilities
AVCA = accounting value of the firm's current assets
AVLTD = accouting value of the firm's long-term debt.

2.3 Research Method

2.3.1 Data analysis techniques

The quantitative analysis technique was employed using the Partial Least Squares (PLS) model with the SmartPLS program. PLS employs the Bootstrapping method, often known as random duplication. Since PLS is a non-parametric type, data don't need to be normally distributed to be used in PLS modeling (Husein, 2015).

2.3.2 Research instrument test

2.3.2.1 Validity test

In this study, the validity test was used to determine whether or not the data used were valid to reveal the effect of the independent variable on the dependent variable.

2.3.2.2 Reliability test

Reliability is a tool to measure data which is an indicator of a variable or construct.

2.3.3 Model feasibility test

The analysis technique in the Partial Least Squares method was carried out in several steps as follows:

2.3.3.1 Outer model

Evaluation of the outer model is carried out to ensure that the measurement used is valid and reliable. The outer model can be seen from several indicators:

a. Convergent validity test

The convergent validity test determines how close a variable is to another variable from the same construct. It has a high correlation if it correlates with the construct you want to measure that is > 0.7.

b. Discriminant validity test

Discriminant validity can be assessed by comparing the value of √AVE (average variance extracted). √AVE > correlation between constructs.

c. Composite reliability

Composite Reliability is an indicator to measure a construct that can be evaluated using internal consistency and Cronbach's alpha. If the composite reliability value reaches > 0.60, it can be said that the construct has high reliability.

d. Cronbach’s alpha

Cronbach's alpha is a measure of how closely related one indicator is with its latent variable. A variable can be declared reliable if it has Cronbach's alpha value > 0.60.

2.3.3.2. Inner model

The inner model can be evaluated using R-square for the dependent construct. R-square value of 0.67 = strong, 0.33 = moderate and 0.19 = weak (Chin, 1998), and the t-test and significance of the coefficients of structural path parameters. The PLS model was also evaluated by looking at the predictive Q-square value of relevance for the constructive model. Q-square value > 0 indicates that the model has predictive relevance.

2.3.3.3 Hypothesis test

In this study, the hypothesis test was seen from the T-statistic and probability value. For hypothesis testing with T-statistic, then for alpha 5%, the T-statistic value used is 1.96. So that the criteria for accepting the hypothesis are when the T-statistic > 1.96. For the acceptance of the probability hypothesis, the hypothesis is accepted if the p-value < 0.05.

3. RESULTS AND DISCUSSION

3.1 Model Feasibility Test

3.1.1 Outer model

3.1.1.1 Convergent validity test

From Table 3 it is known that only managerial ownership indicators on CSR moderation have a relationship with managerial ownership variables with CSR moderation which has a low correlation, namely 0.362 < 0.70.

3.1.1.2 Discriminant validity test

From Table 4, it can be seen that the √AVE value of each variable is 1, and based on the correlation from Table 3, it can be concluded that the √AVE value is > from the correlation value of each variable with its indicators.

Table 2. Outer loadings

	AC	CSR	IC	IO	MO	ROE	Tobin's Q	moderating CSR > AC	moderating CSR > IC	moderating CSR > IO	moderating CSR > MO	moderating CSR > ROE
AC	1.000											
AC * CSR								0.962				
CSR		1.000										
IC			1.000									
IC * CSR									0.916			
IO				1.000								
IO * CSR										0.885		
MO					1.000							
MO* CSR											0.362	
ROE * CSR												0.970
Tobins Q							1.000					
ROE						1.000						

In which: AC = audit committee; IC = independent commissioner; IO = I= institutional ownership; MO = managerial ownership.

Table 3. Measurements with AVE

	Average Variance Extracted (AVE)
Audit Committee	1.000
CSR	1.000
Independent Commissioner	1.000
Institusional Ownership	1.000
Managerial Ownership	1.000
ROE	1.000
Tobin's Q	1.000
moderating CSR > Audit Committee	1.000
moderating CSR > Independent Commissioner	1.000
moderating CSR > Institusional Ownership	1.000
moderating CSR > Managerial Ownership	1.000
moderating CSR > ROE	1.000

3.1.1.3 Composite reliability test

From Table 5, it can be seen that the composite reliability value of each variable is 1 > 0.60 so it can be concluded that each variable has high reliability.

3.1.1.4 Cronbach's alpha

Based on table 6, it can be seen that the Cronbach's alpha value for each construct is 1 > 0.60 which means that each indicator has a close relationship with the latent variable.

3.1.2 Inner model

Table 2 shows the following results:

The R-square of Corporate Social Responsibility is 0.187, meaning that the variability of the CSR construct can be explained by the disclosure constructs of ROE, Institutional Ownership, Managerial Ownership, Independent Commissioner, Audit Committee and their interactions are 18.7%.

The firm value R-square (Tobin's Q) is 0.241, meaning that the variability of Tobin's Q construct can be explained by the CSR moderating disclosure construct with ROE, Institutional Ownership, Managerial Ownership, Independent Commissioner, Audit Committee and their interactions are 24.1%.

The results of the R-square value indicate that the value of CSR formation from the disclosure variables of ROE, Institutional Ownership, Managerial Ownership, Independent Commissioner, and Audit Committee is 18.7%. This is categorized as low because the R-square value should be close to 100% so that the disclosure variable has a greater variability formation.

Table 4. Composite reliability

	Composite Reliability
Audit Committee	1.000
CSR	1.000
Independent Commissioner	1.000
Institusional Ownership	1.000
Managerial Ownership	1.000
ROE	1.000
Tobin's Q	1.000
moderating CSR > Audit Committee	1.000
moderating CSR > Independent Commissioner	1.000
moderating CSR > Institusional Ownership	1.000
moderating CSR > Managerial Ownership	1.000
moderating CSR > ROE	1.000

Table 5. Cronbach's alpha

	Cronbach's Alpha
Audit Committee	1.000
CSR	1.000
Independent Commissioner	1.000
Institusional Ownership	1.000
Managerial Ownership	1.000
ROE	1.000
Tobin's Q	1.000
moderating CSR > Audit Committee	1.000
moderating CSR > Independent Commissioner	1.000
moderating CSR > Institusional Ownership	1.000
moderating CSR > Managerial Ownership	1.000
moderating CSR > ROE	1.000

Tabel 6. R-square

	R-Square	R-Square Adjusted
CSR	0,187	0,155
Tobin's Q	0,241	0,173

The R-square value for Tobin's Q is 24.1% which has variable variability of CSR disclosure with ROE, Institutional Ownership, Managerial Ownership, Independent Commissioner, Audit Committee has been able to explain Tobin's Q, while the remaining 75.9% is explained by other variables.

3.1.3 Hypothesis test

Table 3 and Fig. 2 provide information on the results of the T-statistic path coefficient values and the level of significance of the variables. To find out the influential variables, the T-statistic value > T-table where the T-table used is 1.96 while the significance value is seen from the P-value < .05.

The results obtained from this study:

Based on hypothesis testing, it was found that managerial ownership does not affect firm value. T-statistic = 0.737 and (P-value = .462), then the first hypothesis (H1) in this study is rejected. The results of this study are in line with the research of Sukirni (2012) and Sugiarto [21] that low share ownership by the management causes managers to prioritize their welfare first and then the company's welfare. So that the decline in the value of the company is due to managerial ownership wanting high income compared to investment growth in the company.

Based on hypothesis testing, it was found that institutional ownership has no effect on firm value with T-statistic = 1.854 and (P-value = .064), then the second hypothesis (H2) in this study is rejected. The results of this study are in line with research by Mastuti and Prastiwi [22] that the high level of institutional ownership causes them to abuse their rights to maximize their personal welfare by distributing wealth from other parties or also called expropriation, causing a decrease in firm value.

Based on hypothesis testing, it was found that the independent commissioner has no effect on firm value with T-statistic = 0.207 and (P-value = .836), so the third hypothesis (H3) in this study was rejected. The results of this study are in line with the research of Wahyudi et al [23] that the existence of independent commissioners in the company is not directly involved in the company's operations so that it still allows for inefficiency in the company's implementation.

Based on hypothesis testing, it was found that the audit committee has an effect on firm value with a T-statistic value = 2.525 and (P-value = .012), then the fourth hypothesis (H4) in this study is accepted. The results of this study are in line with Widianingsih (2018) that with the existence of an audit committee, financial statements can be controlled so that it can increase firm value and the audit committee has a positive impact on the effectiveness of the audit committee by the board of commissioners.

Based on hypothesis testing, it was found that ROE has no effect on firm value with T-statistic = 1.561 and (P-value = .119), so the fifth hypothesis (H5) in this study was rejected. The results of this study are in line with Lestari's research (2020) that the high and low ROE does not affect shareholder decisions in increasing company value so that a high ROE value does not guarantee the value of the company.

Based on hypothesis testing, it was found that CSR has a positive effect on firm value with a T-statistic value = 2.363 and (P-value = .018), then the 6th hypothesis (H6) in this study is accepted. The results of this study are in line with research by Erawati & Cahyaningrum [24] that the wider the company's CSR disclosures, the greater the value of the company because investors will be interested in investing in companies with a high level of disclosure of social responsibility. So that CSR becomes a form of corporate responsibility that is carried out to fix problems caused by the company itself. This corporate social responsibility can be maintained to attract investors who will invest their capital [25-29].

Based on the results of hypothesis processing, it was found that institutional ownership has no significant and significant effect on CSR with T-statistic = 0.134 and (P-value = .894), so the 7th hypothesis (H7) of this study is rejected. It can be concluded from the statement of Irjayanti [30] that the greater the institutional ownership, the CSR disclosures made by the company are not always broad and maximal.

Based on the results of hypothesis processing, it was found that managerial ownership has no and significant effect on CSR with T-statistic = 0.915 and (P-value = .361), so the 8th hypothesis (H8) was rejected. In line with the results of research by Sari & Rani [31], the level of managerial ownership in the company is still low and management is more focused on increasing company profits so that the presence or absence of managerial ownership in the company does not affect CSR disclosure.

Table 7. Path coefficient

	Original Sample(O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Audit Committee -> CSR	0.002	0.000	0.081	0.020	0.984
Audit Committee -> Tobin's Q	0.311	0.355	0.123	2.525	0.012
CSR -> Tobin's Q	0.353	0.361	0.149	2.363	0.018
Independent Commissioner -> CSR	-0.282	-0.277	0.065	4.325	0.000
Independent Commissioner -> Tobin's Q	0.041	0.068	0.197	0.207	0.836
Institusional Ownership -> CSR	0.017	0.071	0.126	0.134	0.894
Institusional Ownership -> Tobin's Q	0.228	0.241	0.123	1.854	0.064
Managerial Ownership -> CSR	0.093	0.153	0.102	0.915	0.361
Managerial Ownership -> Tobin's Q	-0.127	-0.080	0.173	0.737	0.462
ROE -> CSR	-0.291	-0.290	0.083	3.497	0.001
ROE -> Tobin's Q	0.122	0.106	0.078	1.561	0.119
moderating CSR > Audit Committee -> Tobin's Q	-0.342	-0.299	0.198	1.734	0.084
moderating CSR > Independent Commissioner -> Tobin's Q	0.061	0.096	0.188	0.326	0.745
moderating CSR > Institusional Ownership -> Tobin's Q	0.052	0.026	0.168	0.311	0.756
moderating CSR > Managerial Ownership -> Tobin's Q	0.805	0.721	0.546	1.473	0.141
moderating CSR > ROE -> Tobin's Q	-0.010	-0.022	0.082	0.119	0.906

Source: SmartPLS 2021 Data Processing

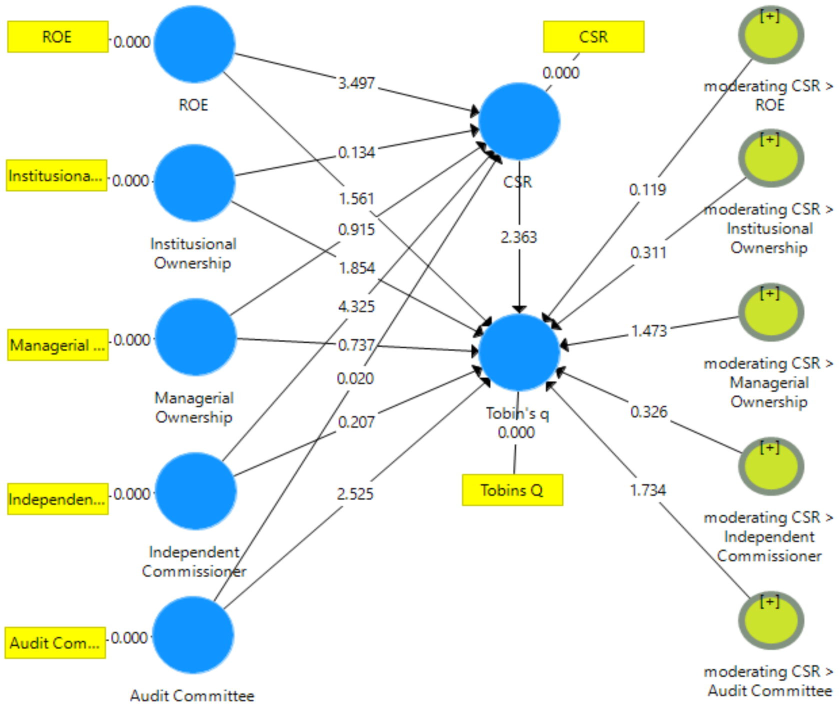

Fig. 2. Bootstrapping

Source: SmartPLS 2021 Data Processing

Based on hypothesis testing, it was found that the audit committee has no and significant effect on CSR with T-statistic = 0.020 and (P-value = .984), so the 9th hypothesis (H9) of this study was rejected. In line with the results of research by Haribowo (2015), it can be concluded that the monitoring carried out by the audit committee is not able to maximize CSR disclosure.

Based on hypothesis testing, it was found that the Independent Commissioner has a negative effect on CSR with a T-statistic value = 4.325 and (P-value = .000), then the 10th hypothesis (H10) in this study is accepted. It can be concluded from the statement by Wahyudi [23] that independent commissioners guarantee transparency in company activities but are not directly involved in the operational activities of a company. So we get the theory that the higher the composition of independent commissioners in a company's board of commissioners, the company's CSR disclosure has not been maximized [32-36].

Based on the results of hypothesis processing, it was found that ROE has a negative effect on CSR with a T-statistic value = 3.497 and (P-value = .001), so the 11th hypothesis (H11) in this study was accepted. In line with research conducted by Anissa & Machdar [12] that ROE affects CSR. However, in this study, the negative effect was obtained, which contradicted the results of the study that the higher the profitability, the lower the CSR disclosure. This may happen if the company's management focuses on profitability for the welfare of the company first so that CSR disclosure is not optimal.

Based on the results of hypotheses processing, it was found that managerial ownership moderated by CSR has no and significant effect on firm value with T-statistic = 1.473 and (P-value = .141). So the 12th hypothesis (H12) is rejected because CSR is not able to moderate the effect of managerial ownership on firm value.

Based on the results of the hypothesis processing, the results of institutional ownership that are moderated by CSR have no and significant effect on firm value with T-statistic = 0.311 and (P-value = 756). So the 13th hypothesis (H13) is rejected because CSR has not been able to moderate the relationship between institutional ownership and firm value.

The results of processing the independent commissioner variable moderated by CSR have no significant and significant effect on firm value with T-statistic = 0.326 and (P-value = .745). So the 14th hypothesis (H14) is rejected because the CSR variable has not been able to moderate the influence of independent commissioners on firm value.

Based on the hypothesis testing of the audit committee moderated by CSR, it does not affect firm value and is significant with T-statistic = 1.734 and (P-value = .084. So the results of the 15th hypothesis (H15) are rejected because the effect of CSR disclosure has not been able to moderate the relationship between the audit committee and firm value. In hypothesis H4 the result is that the audit committee affects firm value. From these results, it can be seen that the existence of moderation by CSR reduces the relationship between the audit committee and firm value.

Based on the results of the hypothesis, it was found that the ROE moderated by CSR had no significant and significant effect on firm value with T-statistic = 0.119 and (P-value = .906), so the 16th hypothesis (H16) was rejected. It is concluded that CSR disclosure has not been able to moderate the relationship between ROE and firm value.

4. CONCLUSION

From the results of hypothetical data processing, it can be concluded that partially managerial ownership, institutional ownership, independent commissioners, and ROE have no effect on firm value with the audit committee partially affecting firm value. In processing CSR data as moderator, the results show that partially CSR moderated managerial ownership, CSR moderated institutional ownership, CSR moderated independent commissioner, CSR moderated audit committee and CSR moderated ROE have no effect on firm value.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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