

Effects Of Good Corporate Governance And Corporate Social Responsibility Towards Firm Value

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Abstract: This research's purpose is to see if VF is effected by GCG and CSR, this research is made due to the results that the author has read from the previous research, where in some cases resulted GCG has an effect towards VF and in some other case only CSR has an effect towards VF. Thus the author decided to create this research in hope to clear the fluctuation of the previous research, the author hopes that this research can help investors that want to invest their funds and also the people reading this article. The sample of the research is picked using the purposive sampling method thus leaving 4 Government banks. Based on the Multiple linear regression it can be concluded that GCG has a positive impact on Value of the Firm and CSR also has a positive impact on VF.

Keywords: Good Corporate Governance, Corporate Social Responsibility, Value of the Firm.

Abstrak: Penelitian ini bertujuan untuk mencari tahu apakah Nilai Perusahaan dapat terpengaruh oleh *Good Corporate Governance* dan *Corporate Social Responsibility*. Penelitian ini dibuat karena berdasarkan hasil penelitian yang terdahulu hasil penelitian Sampel untuk penelitian ini dipilih menggunakan metode purposive sampling sehingga diperoleh 4 perusahaan perbankan dengan kriteria sebagai berikut. Pertama, perusahaan perbankan yang terdaftar dalam Bursa Efek Indonesia pada periode 2017-2019. Kedua, perusahaan perbankan milik BUMN yang terdapat di Bursa Efek Indonesia (BEI). Ketiga, perusahaan perbankan yang memiliki laporan keuangan yang lengkap dan memiliki data-data yang dibutuhkan untuk penelitian. Berdasarkan hasil analisis regresi linier bergand, maka dapat disimpulkan bahwa: Pertama, *Good Corporate Governance* berpengaruh positif terhadap nilai perusahaan. Kedua, *Corporate Social Responsibility* berpengaruh positif terhadap nilai perusahaan.

Kata Kunci: *Good Corporate Governance*, *Corporate Social Responsibility*, Nilai Perusahaan.

INTRODUCTION

A company basically has two goals which is a short term goal and a long term goal, the purpose of a short term goal of a company is to create as much profit as it can by using the resources it has and is available to them, mean while a long term goal of a company is to increase the value of the firm. For an investor the value of the firm is something that is very critical, because by increasing the value of the firm then the quality and the value of the firm in the eye of the investor will rise greater and greater. According to Mahendra (2012) he claims that “ value of the firm is a price that future buyers agree and is acceptable to pay by the future buyer if the company was to besold”.

Value of the firm according to Novari and Lestari (2016) is a company as an organization that carries out product creation activities in it operations, has a goal in a short time and long time, the short objective of the company is to get maximum profits by managing the available assets, on the other hand, the long time goal is to optimize the value of the enterprise.

Value of the firm can be disrupted by a variety of aspects, such as Good Corporate Governance, Corporate Social Responsibility, Debt to Equity Ratio, Earning Per Share, Capital Structure, Firm Size and many more other aspects. According to Riyanto (2019), Firm Size is a “size of a company that is measured based on the total sales, average sales and total assets”, according to Effendy (2016) “Good corporate Governance is an internal control system that has the main objective of managing significant risks in order to achieve its business objectives through safeguarding company assets and increasing the value of shareholder investment in the long term”. Corporate Governance has four main resource, which is justice, transparency, responsibility and accountability, where these four things are hoped to be able to paved the way to lessen the conflict. The better the governance of a company then the better it is going to be viewed by the investors. In Indonesia in 1998, there was an economic crisis where that incident shouldn't have lasted that long according to some sides the amount of time needed to fix it is caused due to the weakness of Good Corporate Governance that is implemented in Indonesian Companies, from that day the government started to take more deep looks into how important Good Corporate Governance actually is in a company, even after years has gone by with more precaution, Indonesia's Good Corporate Governance is still considered the worst because in the Market Rankings Corporate Governance Watch 2016 and 2018, Indonesia is still in the list for countries with the worst Corporate Governance.

Market rankings: CG Watch 2016 and 2018

Blue = Rising market
Red = Falling market

2016	2018
1. Australia	1. Australia
2. Singapore	2. Hong Kong
3. Hong Kong	3. Singapore
4. Japan	4. Malaysia
5. Taiwan	5. Taiwan
6. Thailand	6. Thailand
7. Malaysia	7. Japan, India
8. India	-
9. Korea	9. Korea
10. China	10. China
11. Philippines	11. Philippines
12. Indonesia	12. Indonesia

Source: Asian Corporate Governance Association

Press Conference
December 5, 2018

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Figure 1. Market Rankings: CG Watch 2016 and 2018
Source from : Asian Corporate Governance Association (2018)

Based on the Figure 1 it can be seen that Indonesia is on the last position and because of that we can conclude that Indonesia still has a lot of room for improvement to be better than what we are now. Other factors that effect value of the firm is Corporate Social Responsibility Based on the results that has been received from the previous research identification of Research Problem. Based on the identification and the limitation of the problem then it can be focused on a few problems such as: (1) Does Good Corporate Governance has any effect towards Value of the firm? (2) Does Corporate Social Responsibility has any effect on Value of the firm?

THEORETICAL REVIEW

Stakeholders Theory. This theory states that “a company isn’t an entity that operates for the importance of one’s self but to give benefits to every stakeholders”. That’s why a company is very dependant on the support and influence of its stakeholders.

Legitimacy Theory. This theory states that “People’s legitimacy is a strategic factor for a company in order to expand its company further”. This can be a movement to construct a company strategy, especially on positioning once self amid the always improving society.

Agency Theory is described as the relationship between two agents and the principal". The agent is the principal's confidant who is chosen to carry out the specified tasks. The owner of the company or investor is the Principal, the problem that arises from the agency

relationship is the difference in interests between management and owner. Investors think about how to increase the value of their shares so that they get more wealth while agents are assumed to get satisfaction in the form of financial compensation and the terms that accompany the relationship.

Good Corporate Governance. According to Hadiwijaya et al (2016) GCG variable is a proxy of ownership structure, board of directors and audit committee. Unlike GCG in banks, Bank of Indonesia sets the main principles in GCG that are related to transparency, accountability, responsibility, independence and fairness. At first Good Corporate Governance was not known by that name but under the name Cadbury Report in 1992 created by the Cadbury Committee this is the beginning of the entry of the notion of Good Corporate Governance throughout the world, if translated it will get the meaning of Good Corporate Governance as corporate management or ranks of good corporate governance. According to the National Committee on Governance Policy or commonly called the KNKG "Good Corporate Governance is one of the many pillars in the market economy system". From there, it can be seen how important Good Corporate Governance is in Indonesian companies in the hope of sustaining the development and stability of the Indonesian economy in a sustainable manner.

According to the Asian Development Bank (ADB) "Good Corporate Governance has four main values, namely: accountability, transparency, predictability and participation. lead and run the business and interests of the company to a higher goal, namely to increase business development and the level of public trust in the company".

Corporate Social Responsibility. Corporate social responsibility is a part of a business strategy for a company's long term goal, According to Behringer and Szegedi (2016) companies must offer the creation of a balance amongs economic interests, environmental needs and social expectations by conducting CSR as a business model to integrate the spirit of sustainable development. Corporate social responsibility (Corporate Social Responsibility) is a company's commitment to build a better life with related parties, especially the surrounding community and the social environment where the company is located.

Value of The Firm. According to the research of Jallo et al., (2017); Mulyono et al., (2018); Pandelaki and Farida, (2017) Corporate actions are often carried out such as going public, mergers, acquisition, even when the closure of a business requires an assessment of the company's assets. Firm value measurement generally uses the company's stock

METHODS

Population, Sample Collection Technique and Sample Size. The population in this research consist of every banking company that is listed in the Indonesian Stock Exchange, while the sample collection technique that is used is the purposive sampling method, according to Sugiyono (2016:85) " Purposive sampling is a sample collection technique that is based on a certain characteristic in a population that has a dominant connection so it can be

used to achieve the goal of the research”. In this research the criteria used to obtain samples are: (1) Companies that are listed in Indonesian Stock Exchange since the period of (2017-2019). (2) Banking companies that are government owned that is listed in the Indonesian Stock Exchange. (3) Banking companies that has a full and complete financial data that is needed for the research.

From these criteria only the government owned banks is eligible for the research that’s why the amount of sample used are only four companies.

Value of The Firm. Value of the firm variable in this research is accounted with Price to Book Value (PBV). Price to Book Value can be used as a ratio between closing market value share of the companies that has a concerned at the end of the year by using book value of the stock (Harahap, 2016). Firm value measurement scale that is used in this research is ratio, Price to Book Value can be formulated to.

$$PBV = \frac{\text{Market Price}}{\text{Share Book Value per Share}} \dots \dots \dots (1)$$

Good Corporate Governance. In this research like what has been done by Suranta and Machfoedz (2016) “Good Corporate Governance is measured by looking at the amount of commissioner and care taker of the company that is listed in the company as care take of four parts : director, commissioner, secretary and auditing committee”. Accoring to Dervish (2016) commissioner are the leadders of the company that doesn’t have any bonds directly with the other commissioner, director is the leader with a manager level position and does participate directly in the decision making for the company, while the auditing company is a commissioner that focuses in auditing that consist of minimum three people where one of them is a commissioner”.

Accoring to Dervish (2018) Good Corporate Governance can be accounted by deviding the amount of commissioner with the total amount of care takers in the company and adding the amount of the other employee in the company or it can be formulated as:

$$GCG = \frac{i b}{\Sigma bm} \dots \dots \dots (2)$$

GCG = Good Corporate
 Governancelb = Independent Board
 Σbm = Total Board Member

Corporate Social Responsibility. Corporate Social Responsibility in this research uses a Corporate Social Responsibility Index, where it uses a checklist with indicators for the CSRI that is released by the Global Reporting Initiative. This indicator has a general dimension and a specific sector that is applicable generally in yearly reports of companies. Indicator used in this research is the Globar Reporting Initiative G.3 that is made by GRI that consist of seven dimension of report, such as environment, energy, health and worker safety , other

things about human resource ,responsibility over product and social and general involvement. In every dimension there are several indicator that has a total of 78 indicator, this is the indicator used in this research:

Table 1. GRI G.3 Indicator Index used in the research

Indikator	Jumlah Item
Environment	13
Energy	7
health and worker safety	8
other things about human resource	29
responsibility over product	10
social and general involvement	9
general	2
Total Item	78

Criteria used to account Corporate Social Responsibility is such as :

Table 2. Criteria used to account Corporate Social Responsibility

Percentage	Criteria
0 - 0,25	<i>Corporate Social Responsibility</i> not good
0,26 - 0,50	<i>Corporate Social Responsibility</i> less good
0,51 - 0,75	<i>Corporate Social Responsibility</i> quite good
0,76 - 1	<i>Corporate Social Responsibility</i> excelent

Source : Sugiyono (2017)

Calculation used in this research is done by matching the item on the checklist with the item that the company mention, if the item that is mention match the checklist then the company receive 1 point and if it isn't mention then receive 0 points and so on the formula to calculate the CSRI can be written as:

$$CSRI = \frac{\sum Xi}{n} \dots\dots\dots (3)$$

- $CSRI_i$: CSR index company i
- $\sum Xi$: total item that amount to 1 on I company
- n : total indicator item to account CSR (n=78)

Analisis Data. The analysis used in this research is via the E-views 12 software that consist of descriptive statistic, multiple linier analysis, classic assumption test that consist of normality test and Multicollinearity test.

Descriptive Statistic. According to Kuncoro (2016:30)”generally the descriptive statistic is tested by first presenting data in the form of table and graphs, secondly concluding and

explaining the data distribution in form central tendency, variation and form”. The descriptive statistic that is used in this research are the deviation standard, mean, median, maximum,skewness, kurtosis, jarque-bera, probability, sum and sum sq.dev.

Classical Assumption test. Basuki(2016) “ classical assumption test is a precondition analysis regression of panels, that before doing the hypothesis that is submitted in the research need to have a test that consist of normality test and multicollinearity test”.

Normality test. According to Ghozali (2016:75) “Normality test has a purpose to test if the model of the test, the residual variable has a normal distribution. This is done with the assumption that T test and F test have the residual value following the normal distribution, if this is broken then the statistic test is not valid and the research cannot be continued for a small amount of sample. The way to know if the residual is normally distributed or not is by looking at the histogram graph that weigh between observation data with the distribution that comes close to normal distribution”. If it is normally distributed then the line that depicts the data will follow the diagonal line.

Multicollinearity test. Multicollinearity test’s purpose is to test if the regression model founded any correlation between independent variable. According to Ghozali(2016) “a proper regression model should not have a correlation between independent variable”. If an independent variable is correlating then the variable isn’t orthogonal. To detect if there are any multicollinearity in the regression then the way to find out is as such:

- i) If coefisien correlation (R^2) larger than 0,80, then there is a multicollinearity problem on the data
- ii) If coefisien correlation (R^2) less than 0,80, then there is no multicollinearity problem on the data

Multiple Linier Regression Analysis. According to Sugiyono(2016:192) “ multiple linier regression is a regression that consist of one dependent variable and two or more independent variable”. The formula for multiple linier regression analysis is:

$$Y = a + b_1GCG + b_2CSR \dots\dots\dots(4)$$

Explanation :

- Y = Firm Value
- a = Constanta price
- b1 = First Coefficient regression
- b2 = Second Coefficient regression

- GCG = Good Corporate Governance
- CSR = Corporate Social Responsibility

Data Analysis Assumption

T Test According to Ghozali (2016) “T test is used to test the effect if the independent

variable towards the dependent variable partially". T test usually is in the form of hypothesis:

H0 : β_i equal 0, which means there are no significant effect from Good Corporate Governance towards Firm value partially.

H1 : β_i doesn't equal to 0, means there are significant effect from Corporate Social Responsibility towards firm value partially.

If T count less than T table or sig more than 0.05 then H0 is accepted and H1 is rejected. This means there are no significant effect from one independent variable towards dependent variable. If T count more than table or sig less than 0.05 then H0 is rejected and H1 is accepted. This means there are significant effect between independent variable and the dependent variable.

Model Test (F test). According to Ghozali (2016) "F test is basically used to find out if there are any effect if both the variable are tested together at the same time". The effect have a significant standard of five percent alpha. And the significant rate of five percent with the following criteria:

H0 : β_i equal 0, means Good Corporate Governance and Corporate Social Responsibility tested together is appropriate toward firm value.

H1 : β_i does not 0, means Good Corporate Governance and Corporate Social responsibility simultaneously is not appropriate toward firm value.

RESULTS

Research Subject Description. In this research the subject of the research are the banking company that is own by the government that has been listed in the Indonesian Stock Exchange from the period of 2017-2019, below is the table that consist of the four banks.

Table 3. Research Subject

Company Name	Stock Code
Bank Negara Indonesia (BNI)	BBNI
Bank Rakyat Indonesia (BRI)	BBRI
Bank Tabungan Negara (BTN)	BBTN
Bank Mandiri	BMRI

Source: IDX.CO.ID

Bank Negara Indonesia, Tbk. As the first bank owned by the Government of Indonesia, BNI, which was established in 1946, started its history by carrying out the functions of a central bank. It wasn't until 1955 that BNI left as the central bank and operated as a

commercial bank. BNI is the first state-owned bank (State- Owned Enterprise) to become a public company after listing its shares on the Jakarta Stock Exchange and Surabaya Stock Exchange in 1996. To strengthen its financial structure and competitiveness in the national banking industry, BNI has taken a number of corporate actions, including: recapitalization process by the Government in 1999, divestment of Government shares in 2007, and public offering of shares in 2010. Currently, 60% of BNI's shares are owned by the Government of the Republic of Indonesia, while the remaining 40% is owned by the public, both individuals and institutions, domestic and foreign. Providing a variety of financial products and services, BNI is now listed as the 4th largest national bank in Indonesia, in terms of total assets, total loans and total third party funds. In providing integrated financial services, BNI is supported by several subsidiaries, such as BNI Syariah Bank, BNI Multi Finance, BNI Securities, BNI Life Insurance, and BNI Remittance.

Bank Rakyat Indonesia, Tbk. PT. Bank Rakyat Indonesia (Persero) Tbk. (BRI) was established on December 16, 1895 in Purwokerto, Central Java. As the oldest commercial bank, BRI consistently provides services to the micro, small and medium enterprise (MSME) segment and until now BRI has been able to maintain this commitment amidst the competition in the Indonesian banking industry. The majority shareholder of BRI is the Government of the Republic of Indonesia with a total shareholding of 56.75%, while the remaining 43.25% is owned by public shareholders. With the support of experience and mature capabilities in providing banking services, especially in the MSME segment, BRI was able to record achievements for 9 consecutive years as the bank with the largest profit and managed to rank second in terms of assets among the Indonesian banking industry. This success is the result of the hard work of all BRI personnel, who continuously add competence, innovate and develop banking products and services for all business segments”.

Bank Tabungan Negara, Tbk. PT Bank Tabungan Negara (Persero) Tbk. or Bank BTN was founded in 1897 under the name Postspaarbank. In 1950, its name changed to Bank Tabungan Pos, and then changed its name again to Bank Tabungan Negara in 1963. Bank BTN listed its initial shares on December 17, 2009 on the Indonesia Stock Exchange, and became the first bank in Indonesia to perform asset securitization through recording contract transactions.

Collective Investment – Asset Backed Securities (KIK-EBA). As a bank that focuses on housing finance, Bank BTN wants to help the people of Indonesia in realizing their dream of owning a dream home. This desire is shown by its consistency for more than six decades, in providing a variety of products as a bank that focuses on housing finance, Bank BTN has also successfully maintained its position as one of the 10 largest banks in Indonesia in terms of assets and lending, especially through Home Ownership Credit (KPR). both subsidized mortgages for the lower middle segment and non subsidized mortgages for the upper middle segment. Aspiring to become the world class company with the aim of providing the best results to stakeholders, Bank BTN is always consistent in emphasizing its focus as a leader in housing finance”.

Bank Mandiri, Tbk. Bank Mandiri was established on October 2, 1998 as part of the banking restructuring program implemented by the Government of Indonesia. In July 1999, four banks owned by the Government of Indonesia, namely Bank Bumi Daya, Bank Dagang Negara, Bank Export Import Indonesia and Bank Pembangunan Indonesia, were merged into Bank Mandiri. These four banks have helped shape the history of banking development in Indonesia, where its history dates back more than 150 years.

The long process of establishing Bank Bumi Daya began with the nationalization of a Dutch company, De Nationale Handelsbank NV, to Bank Umum Negara in 1959. In 1964, Chartered Bank (formerly a British bank) was also nationalized, and Bank Umum Negara was given the right to continue operations. the bank. In 1965, Bank Umum Negara was merged into Bank Negara Indonesia and changed its name to Bank Negara Indonesia Unit

IV. Then in 1968, Bank Negara Indonesia Unit IV changed to Bank Bumi Daya. Bank Dagang Negara is one of the oldest banks in Indonesia, first formed under the name Nederlandsch Indische Escompto Maatschappij in Batavia (Jakarta) in 1857. In 1949 its name changed to Escomptobank NV, which in 1960 was nationalized and changed its name to Bank Dagang Negara, a state bank that finances the industrial and mining sectors”.

Description of Research Object. The object of this research are Good Corporate Governance and Corporate Social Responsibility, the sample taken are from the period of 2017-2019 from the for banks above.

Data Analyst Assumption Test Result. Classic assumption test is done to see if there are any misguided assumption of the multi linier regression that has been used, there are about three classic test that must be done but in this research the author only use two and those are the normality test and the multicollinearity test.

Table 4. Raw Data

Code	Year	Corporate Social Responsibility`	Good Corporate Governance	Number of Director	Board of Commisioner	Independent Commisioner	Firm Value
BBNI	2017	0.659	88.38	12	10	7	7145
BBNI	2018	0.747	88.94	12	10	7	8216
BBNI	2019	0.758	91.58	12	10	7	8418
BBRI	2017	0.671	87.74	12	10	6	2905
BBRI	2018	0.747	88.48	12	10	6	3375
BBRI	2019	0.758	89.06	12	10	6	4185
BBTN	2017	0.659	86.59	9	7	4	2667
BBTN	2018	0.681	86.85	9	7	4	2906
BBTN	2019	0.681	87.97	9	7	4	2300
BMRI	2017	0.692	92.88	12	10	5	6502
BMRI	2018	0.703	93.32	12	10	5	7254
BMRI	2019	0.714	93.86	12	10	5	7444

Source: Raw Data

Normality Test. Normality test are used to see if there are any residual variable that is normally distributed to see if the normally distributed data has the probability rate > 0.05 . with the standard that's why because this test result have a date score of 0.343765 that's why its can be concluded that the data is normally distributed and the research can be continued.

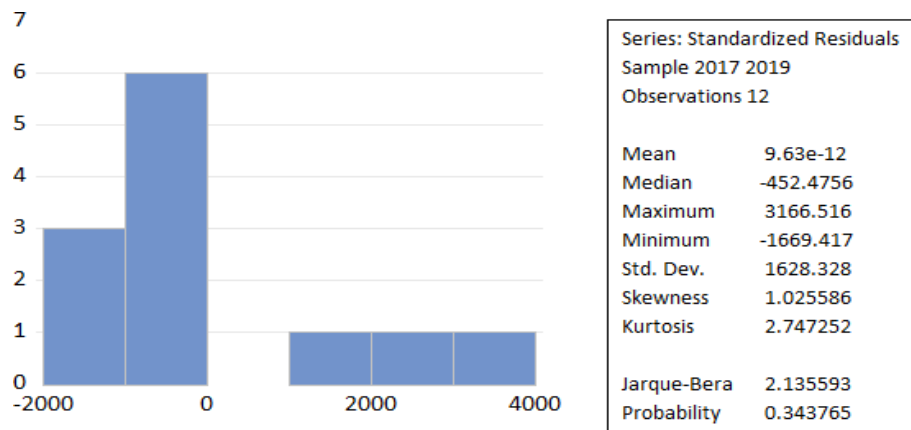


Figure 2. Normality test
Source: E-views 12

Multicollinearity Test. Multicollinearity test is done to see if there are any correlation between the independent and the dependent variable in this research the author used the Pearson correlation to prove the multicollinearity . if the test has a score of coefficient below 0.8 then it can be concluded that the data doesn't have a multicollinearity problem.

Table 5. Multicollinearity Test Result

	GCG	CSR
GCG	1.000000	0.327078
CSR	0.327078	1.000000

Source : E-views12

Based on the test result shown on table 5 it can be seen that the coefficient between variable is lower than 0.8. this is as standard by the criteria that's why it can be concluded that the research data doesn't have any multicollinearity problem based on the test results that is shown on table 5 it can be determined that the coefficient variable is smaller than 0.9. This is in accordance with the criteria of the multicollinearity test that there are no coefficient correlation between variable that is above 0.9. Thus it can be concluded that the data does not have a multicollinearity problem cause 0.327078 doesn't pass 0.9.

Data Analysis Result

Table 6. Multiple linier Regression Result

Dependent Variable : Firm Value				
Method: Panel Least Squares				
Date: 10/27/21 Time: 23:34				
Sample: 2017 2019				
Periods included: 3				
Cross-sections included: 4				
Total panel (balanced) observations: 12				
Variable	Coefficient	Std.Error	t-statistic	Prob.
C	-57992.07	19353.22	-2.996508	0.015
CSR	11111.32	15092.31	0.736224	0.0186
GCG	618.3321	223.1776	2.770583	0.0217
Root MSE	1559.005	R-squared	0.543074	
Mean Dependent var	5276.417	adjusted R-squared	0.0441535	
S.D. Dependent var	2408.9	S.E. of Regression	1800.184	
akaike info criterion	18.04148	SUM squared resid	29165964	
schwarz criterion	18.16271	log likelihood	-105.2489	
hannan-quinn criter	17.9966	F-statistic	3.513146	
durbin-watson stat	0.237165	Prob(F-statistic)	0	

F Test. F test is used to explain if all the dependent variable or the independent variable that is used in this research have an effect if they are tested together at the same time the result of the test shows that:

Based on the picture above it can be seen that the F count is 3.513146 with a probability of 0.000000 which is < than alpha 0.05. this means that the regression model can be used to see if the dependent and independent variable have an effect when tested together.

T Test. T Test is used to see if there are any connection between the independent variable partially with the dependent variable. If the significance is smaller than the significance rate of 0.05 then the independent variable that is tested is deemed to have a significant effect toward the dependent variable or the other way around.

Based on the table above: (1) Good Corporate Governance on the table shows the coefficient regression score of 618.3321 that is pointed on a positive way with a T score of 2.770583 with a significant score of 0.0217 which is lower than the alpha of 0.05. (2) Corporate Social Responsibility as shown on the table has a coefficient regression of 11111.32 that pointed to a positive way with a t score of 0.736224 with a significance score of 0.0186 which is lower than the alpha of 0.05.

DISCUSSION

Answering the hypothesis of this research of 1. Good Corporate Governance has an effect towards Firm Value and 2. Corporate Social Responsibility has an effect towards Firm Value. And due to the results of the test that has been proven above it can be said that both of the hypothesis above was correct and can be proven with the results of the test, according to Cinditya Marina Susanto (2016) her research shows a result of unmatched results which one variable shows negative effect and the other shows positive effect, in this case her Corporate Social Responsibility test shows a negative result while her Good Corporate Governance shows a positive result and this also shows that the author have successfully overcome the inconsistency of the research by giving a result that shows both variable have a positive reaction to the dependant variable.

CONCLUSION

Based on the analysis result that has been done by the researcher with the score of Good Corporate Governance towards Firm Value showing a significance score of $0.0217 < 0.05$ and the significance score of Corporate Social Responsibility of $0.0186 < 0.05$ it can be concluded as the following:

Hypothesis one (H1) that states Good Corporate Governance has a significant effect towards Value of the Firm is deemed to be correct. (2) Hypothesis two (H2) that states Corporate Social Responsibility has a significant effect toward Value of the Firm is deemed to be correct. Because there are Good Corporate Governance the investors that want to invest their funds have a safety net where they feel safer with a leader of a company that is thought to be capable of running the company well so they can keep their investment save and grow in the future. Secondly because there are Corporate Social Responsibility the company gains increase publicity in the eye of the people around the company which in turn increase the trust and the will of investors to join and buy the company stocks that has a great name and can grow bigger with time.

Suggestion. The advice that the author can give to the company that is running a great Corporate Governance and Corporate Social Responsibility is to keep increasing the level of service and also tighten the watch so the people around the company can feel more of the benefits.

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