

FOREIGN OWNERSHIP AS MODERATING THE ROLE OF GOOD CORPORATE GOVERNANCE AND DISCLOSURE OF CORPORATE SOCIAL RESPONSIBILITY ON CORPORATE VALUES

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Abstract

The consequences of the Jakarta Composite Index (IHSG) display that an extended-time period decline in inventory charges is a benchmark for growing agency price. This study ambitions to investigate the impact of Good Corporate Governance (GCG) which is proxied via unbiased commissioners, managerial possession, and institutional ownership, as well as disclosure of Corporate Social Responsibility (CSR) on business enterprise cost in manufacturing organizations indexed at the Indonesia Stock Exchange (IDX) in 2017 -2021. Foreign ownership as a moderating variable. This research method is a quantitative studies the usage of secondary statistics obtained from the authentic IDX website. Sample choice with purposive sampling approach. This take a look at uses information evaluation with AMOS software program which includes Normality Test, Multicollinearity Test, Model Feasibility Test and Hypothesis Test. The following consequences have a enormous tremendous impact on corporation price, namely Independent Commissioners, Institutional Ownership, and CSR disclosure, but managerial possession has no fantastic and insignificant effect on organization price. Foreign possession is tested to mild independent commissioners and CSR disclosure extensively to corporation cost. The interplay among foreign possession and impartial commissioners reasons an growth in corporation cost. However, the interaction between overseas ownership and CSR disclosure causes a decrease in organisation fee. Meanwhile, foreign possession does not moderate the impact of managerial possession and institutional possession on company fee.

Keywords: Shares, GCG, CSR, Corporate Values

1. INTRODUCTION

The price of the agency may be very critical for buyers that is proven in the nominal price of stocks traded on the inventory market. Stock fee as an indicator of fulfillment in managing the corporation. The consequences of the Composite Stock Price Index (IHSG) display a protracted-term decline in stock expenses, the JCI closed at 4639.10. Several big cap companies inside the manufacturing sector have skilled a downward trend of their inventory prices over the past five years. This phenomenon is a trend that needs interest, so the want to enforce top company governance could be very important. With the greatest implementation of Good Corporate Governance (GCG), it can reinforce the company's aggressive function on an ongoing basis, manage sources and risks extra efficiently and correctly, increase Corporate Value and investor self belief and increase accountability to the public. In the principles of GCG, specially obligation, may be realized through enforcing CSR as a corporate duty toward the surrounding surroundings.

The have an effect on of suitable company governance (GCG) and disclosure of Corporate Social Responsibility (CSR) on agency value has been accomplished hugely, but outcomes are nevertheless now not regular many of the findings from diverse research. The following is research carried out by (Romadoni & Pradita, 2022) Independent

Commissioners have a giant effect on agency cost. This is likewise supported with the aid of studies (Febriani & Munawaroh, 2022) which indicates that institutional ownership has a effective and full-size impact on corporation fee (Tobin's q). Meanwhile, Yusnita & Zuzana, (2022) show that Independent Commissioners have a terrible and good sized effect on Company Value (Tobin's q). Another look at carried out by Pratama I.G.A.J et al., (2022) located that institutional ownership has a poor and significant impact on corporation price (Tobin's q). Different studies consequences concerning Managerial Ownership on Firm Value had been additionally determined in studies conducted by way of Kusumaningrum et al., (2022) that Managerial Ownership has a high quality and huge impact on Firm Value (Tobin's q). While Minanari & Rohman, (2020) presented the results in their studies that managerial possession has a bad and enormous effect on company fee (Tobin's q). Different studies results are also determined on CSR disclosure on corporation value. Research by using Febriani & Munawaroh, (2022) offers the results of Disclosure of CSR which has a high quality and great impact on Company Value (Tobin's q). Arum & Nurhayati, (2022) gave one of a kind results that CSR disclosure has a negative and good sized effect on organization fee (Tobin's q). The inconsistency of the effects of this observe triggered researchers to use different variables that could moderate the connection between GCG and CSR disclosure and firm price. The variable used as a moderating variable in this observe is overseas ownership.

This take a look at ambitions to analyze the influence of impartial Good Corporate Governance (GCG) variables proxied by way of unbiased commissioners, managerial ownership, and institutional ownership, in addition to disclosure of corporate social obligation at the price of groups with overseas possession as a moderating variable. Damayanthi, (2019) performed studies that explained the phenomena of factors that affect company cost, particularly disclosure of social duty (CSR), appropriate company governance (GCG) and overseas possession of producing businesses indexed at the Indonesia Stock Exchange in 2015-2017. The consequences of the look at display that the have an impact on of CSR disclosure, GCG and foreign possession has a tremendous effect on corporation value in production businesses in Indonesia. Research carried out via Herdani & Kurniawati, (2022) to determine proper corporate governance via the variables of Managerial Ownership, Institutional Ownership, Composition of Independent Commissioners and Audit Quality on Company Value in all issuers at the IDXESGL index indexed on the IDX for the period January 2020 - December 2020, with a total of 30 organizations. The consequences showed that handiest the composition of unbiased commissioners had a high-quality effect on firm cost.

The Effect of Independent Commissioner Variables on Company Value

The accurate corporate governance mechanism which can increase employer price and decrease agency battle is the presence of impartial commissioners. An independent board of commissioners will increase an effective accounting system so that corporate duty can be achieved (Poluan and Wicaksono 2019). Empirical proof Setiyawati, Wahyudi & Mawardi (2017); Herdani and Kurniawati (2022); and Romadoni and Pradita (2022) prove that Independent Commissioners have a tremendous and tremendous effect on Company Value. Based Based in this description, the first speculation proposed on this observe is as follows:

H1: Independent Commissioner has a superb effect on corporation value.

The Effect of Managerial Ownership Variables on Firm Value

Pratiwi and Widyawati (2017) explained that the extra the value of share possession by using management, the tendency of control to optimize the use of resources resulting in an boom in organization price. The extra the proportion of control ownership, the control has

a tendency to paintings tougher for the advantage of shareholders to increase the price of the organisation (Dwi Yana, 2007) in Yuniasih and Wirakusuma (2009). Pratama, Burhanudin and Oktaryani (2022) determined a advantageous and considerable relationship among managerial possession and firm value. Research performed with the aid of Kusumaningrum, Untung and Firdausia (2022) also indicates that managerial possession has a fine and large impact on organisation value. Based on this description, the second one speculation proposed on this take a look at is as follows:

H2: Managerial ownership has a high-quality impact on firm price

Effect of Institutional Ownership Variables on Firm Value

Poluan and Wicaksono (2019); Hendratno and Mawardi (2021); Noviarti and Stefhani (2022); Febriani and Munawaroh (2022), country that Institutional Ownership has a sizeable fine impact on organisation cost. The higher the level of Institutional Ownership, the higher the extent of manipulate exercised via outside events over the business enterprise in order that the employer charges that occur in the organisation will lower and the fee of the corporation will even boom. Based in this description, the third speculation proposed on this study is as follows:

H3: Institutional possession has a wonderful effect on firm fee.

The Effect of Corporate Social Responsibility (CSR) Disclosure Variables on Company Value

Disclosure of Corporate Social Responsibility is a form of corporate duty toward stakeholders who're immediately or circuitously stricken by the lifestyles of the organization (Pradnyana and Putra, 2018). Corporate Social Responsibility is a form of corporate social problem for the environment in which it operates. Disclosure of company social duty is found out via financial, environmental and social overall performance. The better the company's performance in improving its surroundings (monetary, environmental and social performance), the employer's cost will boom. It may even boom the interest of traders to make investments within the enterprise. As the consequences of studies by Dewi and Sanica (2017), Damayanthi (2019); Hendratno and Mawardi (2021); Febriani and Munawaroh (2022) which monitor CSR Disclosures have a positive and significant effect on Company Value. Therefore, the higher the organisation's photograph in the surrounding network, the more the hobby of buyers to invest their shares. Based in this description, the 4th hypothesis proposed on this observe is as follows:

H4: Disclosure of Corporate Social Responsibility (CSR) has a advantageous impact on firm cost.

The Influence of Independent Commissioners on Firm Value with Foreign Ownership as a Moderating Variable

The results of studies which are still distinct concerning Independent commissioners on Company Value include the consequences of research via Setiyawati, Wahyudi & Mawardi (2017), Herdani and Kurniawati (2022), Romadoni and Pradita (2022) which nation that Independent Commissioners have a fantastic and substantial effect on Company Value, with the outcomes research with the aid of Fadillah (2017), Poluan and Wicaksono (2019), Yusnita and Zuzana (2022), which states that Independent Commissioners have a bad and sizable impact on Company Value. So the researchers suspect that the presence of foreign ownership can slight impartial commissioners on firm value. Based in this description, the fifth speculation proposed in this have a look at is as follows:

H5: Foreign Ownership is capable of fortify the impact of Independent Commissioners on company cost.

The Effect of Managerial Ownership on Firm Value with Foreign Ownership as a Moderating Variable

The consequences of Primary, Burhanudin and Oktaryani's studies (2022); Kusumaningrum, Untung and Firdausia (2022); which states that managerial possession has a high-quality and sizeable impact on firm cost, so the researcher suspects that foreign possession is capable of mild managerial ownership on company fee. Then the 6th hypothesis proposed in this look at is as follows:

H6: Foreign Ownership is capable of support the impact of Managerial Ownership on corporation value.

The Effect of Institutional Ownership on Firm Value with Foreign Ownership as a Moderating Variable

Salvatore (2003) in Sissandhy, (2014) states that a portfolio containing domestic and foreign stocks offers lower risk and a higher charge of go back for buyers than a portfolio containing best domestic stocks. Based on this description, the 7th speculation proposed in this observe is as follows:

H7: Foreign Ownership is able to reinforce the effect of Institutional Ownership on organization cost.

Effect of Disclosure of Corporate Social Responsibility (CSR) on company price with Foreign Ownership Variable as Moderating Variable

Tanimoto and Suzuki (2005) tested the volume of social obligation disclosure inside the economic statements of public groups in Japan, proving that overseas possession of public organizations in Japan is a using factor for the large number of disclosures of social responsibility primarily based at the GRI. Damayanthi (2019); Hendratno and Mawardi (2021); Febriani and Munawaroh (2022) which kingdom that CSR disclosure has a fantastic and vast impact on business enterprise price. Based in this description, the 8th hypothesis proposed in this examine is as follows:

H8: Foreign Ownership is able to improve the effect of Disclosure of Corporate Social Responsibility (CSR) on agency price.

2. RESEARCH METHOD

This research technique is a quantitative take a look at the use of secondary facts inside the form of the agency's annual monetary reviews and stock trading interest reviews. Which incorporates Independent Commissioners, Managerial Ownership, Institutional Ownership, CSR Disclosure, Foreign Ownership and Company Value that's calculated by using using Tobin's q ratio. The population of this have a look at are all production corporations listed on the Indonesia Stock Exchange (IDX) for 2017-2021. While the sample selection modified into carried out the use of purposive sampling technique. This take a look at uses statistics evaluation with AMOS software software. The stages embody Normality Test, Multicollinearity Test, Model Feasibility Test and Hypothesis Test

There are six variables wanted in this have a look at inclusive of four independent variables, in particular unbiased commissioners (KomIn), managerial possession (KepMan), institutional ownership (KepIns), and disclosure of company social responsibility (CSR), one moderating variable, in particular overseas ownership. (KepAs), similarly to at least one set up variable, particularly Firm Value (Tobin's Q). Tobin's Q is a manner of evaluating the ratio of the market price of a organization's stock to the ebook rate of the organization's equity. Senada (Pratama I.G.A.J et al., 2022) measures business enterprise charge using the Q Ratio or Tobins'Q, namely through way of evaluating the ratio of the marketplace fee of the agency's stocks to the e-book price of the corporation's equity. While in step with (Setiyawati et al., 2017) company fee is measured with the aid of using the ratio of stock fees to e-book charge consistent with proportion. So Tobin's Q is formulated as follows:

Tobin's Q = (MVE + Debt)/(EBV + Debt)

Information :

Tobin's Q: Firm fee

MVE : Market Value Equity (final fee x sort of terrific shares) EBV : Equity Book Value (fashionable belongings + debt)

Independent commissioners in this take a look at are expressed by using a contrast of the extensive kind of unbiased commissioners to the general board of commissioners that is formulated as follows:

Independent Commissioners (KomIn) = Number of Commissioners Independent/Total board individuals commissary

Managerial possession in this test is expressed with the resource of a assessment some of the stocks owned by means of directors, commissioners as occasions without delay involved in making corporate picks with total first rate stocks.

Managerial Ownership (KepMan) = Number of shares of directors, commissioners, manager/ Number of high-quality stocks

Institutional possession in this observe is expressed as the share of percent ownership by way of exclusive establishments outdoor the employer along with banks, insurance agencies, funding companies, pension budget and other establishments in evaluation to the amount of stocks excellent, in order that the size of institutional ownership is as follows:

Institutional Ownership (KepIns) = Number of shares owned organization/Number of brilliant shares

CSR disclosure is measured the use of the CSR Disclosure Index (CSRDI) it's based at the Global Reporting Initiative (GRI) 4 with the subsequent components:

The CSR calculation components is as follows:

$CSRDI_j = \sum X_{ij}/n_j$

Information:

CSRDI_j = Corporate Social Responsibility Disclosure Index

"X_{ij} = Number of disclosures

Foreign possession is measured through the percentage of shares owned through the use of foreign places investors within the shape of possession with the aid of overseas businesses collectively with ownership of businesses, social foundations, banks, people, and distant places governments which can be indexed inside the economic statements for the three hundred and sixty five days concerned, particularly:

Foreign Ownership (KepAs) = Number of shares owned via activities overseas/Number of remarkable stocks

3. RESULTS AND DISCUSSIONS

Data from the studies consequences were received from the annual financial reports of producing companies indexed on the IDX for the 2017-2021 duration. The records are within the shape of independent commissioner ratios, managerial possession ratios, institutional possession, foreign ownership, CSR disclosure, and agency cost as measured by means of Tobin's Q. Descriptive statistical values are inside the form of minimum, maximum, common (suggest) and general deviation values of each research variables can be visible in desk 1 below:

Table 1
Calculation of Minimum Value, Maximum, Mean, Standard Deviation

Descriptive Statistics						
	N	Minimum	Maximum	Mean	Std. Error	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic
Independent Commissioner	160	.2000	.6667	.405523	.0068748	.0869600
Managerial Ownership	160	.0001	.3865	.097121	.0094527	.1195686
Institutional Ownership	160	.0126	.9995	.723365	.0197031	.2492272
CSRDI	160	.0110	.6923	.229121	.0130059	.1645131
Foreign Ownership	160	.0012	.9188	.232660	.0220183	.2785114
Tobin's Q	160	.3800	4.8609	1.526098	.0796902	1.0080096
Valid N (listwise)	160					

Independent commissioner records, institutional possession, CSR disclosure and Firm cost (Tobin's Q) from the effects of descriptive facts is said to be excellent however facts on managerial possession and foreign possession is said to be now not proper enough. The assumption of regular statistics distribution is a demand in SEM evaluation the usage of AMOS. The consequences of the spherical 1 normality test are not usually dispensed. Abnormal distribution of statistics can be overcome with the aid of eliminating outlier statistics. The outlier facts can be eliminated by means of looking on the p2 fee that's less than 0.05 in the Mahalanobis d-squared effects (observations farthest from the centroid), in order that these information are removed and the facts normality evaluation is accomplished again, but the consequences acquired do not show a distribution regular facts because the multivariate CR value is two.884 (> 2.58). The distribution of multivariate statistics changed into nevertheless now not fulfilled, and outlier data turned into re-excluded primarily based on a p2 fee < 0.05 on the consequences of the Mahalanobis d-squared check and obtained 2 information that had been eliminated (i.e. Information within the sixteenth and forty seventh order), then returned The normality check was carried out and the records were generally distributed with a CR value of one.114 (< 2.58). The assumption of normality of multivariate information has been met and for the next series of analyzes with SEM AMOS, 158 data are used.

This research model located a determinant covariance matrix value of 0.000 indicating that there has been multicollinearity or singularity inside the version (Tabachnick and Fidell, 1998). The trouble of multicollinearity or singularity on this research version is due to the reality that maximum of the impartial variables which might be correlated with each different show vast outcomes ($p < 0.05$). The trouble of multicollinearity or singularity in this studies model is thus nevertheless acceptable because the correlation coefficient shown is still below 0.90 so there is no need for impartial variables to be excluded from the model. The goodness of fit standards that may be determined on this studies model consist of chi rectangular values, df values, GFI and NFI with the following consequences:

Table 2
Goodness of Fit Model Test Results

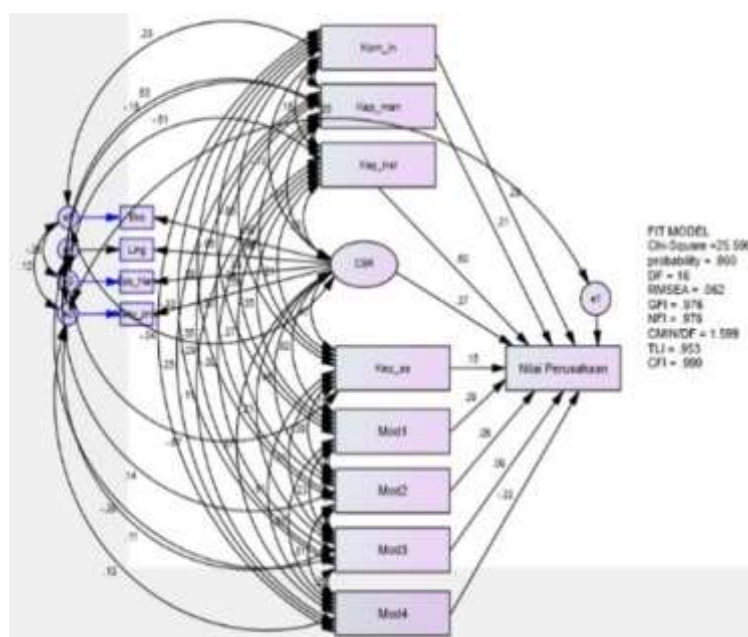
No	Goodness of Fit index	Cut off value	Result	Information
1	Chi-square	Expected small (below table value)	25,59	Good
2	Significant	$\geq 0,05$	0,060	Good
3	RMSEA	$\leq 0,08$	0,062	Good
4	GFI	$\geq 0,90$	0,976	Good
5	NFI	$\geq 0,90$	0,976	Good
6	CMIN/DF	$\leq 2,00$	1,599	Good
7	TLI	$\geq 0,95$	0,953	Good
8	CFI	$\geq 0,95$	0,990	Good

This study proposes 8 hypotheses, and based on the results of the analysis of the moderating test model of foreign ownership on the influence of independent commissioners, managerial ownership, institutional ownership and CSR disclosure on firm value, the following results are obtained:

Table 3
Hypothesis Testing Results

Variable	χ^2	C.R.	P	Information
Independent Commissioner	,279	4,500	***	Significant
Managerial Ownership	,209	1,825	,068	Not Significant
Institutional Ownership	,501	3,868	***	Significant
Corporate social responsibility	,369	3,190	,001	Significant
Foreign Ownership	,154	2,086	,037	Significant
Independent Commissioner *Foreign Ownership	,292	4,174	***	Significant
Managerial Ownership* Foreign Ownership	,063	,474	,635	Not Significant
Institutional Ownership *Foreign Ownership	,086	,855	,392	Not Significant
Corporate social responsibility*Foreign Ownership	-,327	-3,858	***	Significant

Information: *** = $p < 0,001$



Based on the findings from the results of hypothesis testing, it can be seen that the status of the moderating effect of foreign ownership on the effect of independent commissioners, managerial ownership, institutional ownership and CSR disclosure on firm value is as follows:

Table 4
Effect Status of Hypothesis Testing Results

Exogenous variable	Effects of exogenous variables to firm value	Effects of foreign ownership variables on firm values	Effects of interaction of exogenous variables and ownership foreign ownership on corporate value	Moderation status of foreign ownership
Commissioner independent	Significant	Significant	Significant	<i>Quasi moderation</i>
Ownership managerial	Not Significant	Significant	Not Significant	<i>Predictor moderation</i>
Ownership institutional	Significant	Significant	Not Significant	<i>Predictor moderation</i>
CSR	Significant	Significant	Significant	<i>Quasi moderation</i>

The Influence of Independent Commissioners on Company Value

Based on the effects of statistical analysis, the regression coefficient was zero.279 with a CR value of four.500 and $p < 0.001$; because the CR cost is greater than 1.96 and

the p value <0.05 , it is stated that the independent commissioner has a positive and significant effect on firm value. This means that an independent commissioner is able to become a good corporate governance mechanism to increase corporate value. The results of this study also indicate that the independent commissioners have carried out good supervision, so that they can protect the interests of investors and stakeholders and are able to direct the company in implementing Good Corporate Governance practices. The results of this study are in line with Setiyawati et al., (2017) and Herdani & Kurniawati (2022) which state that independent commissioners have a significant effect on firm value. Independent commissioners are considered to have a very important role in being able to provide direction for management and shareholders from outside management to make strategic decisions related to investment, operations and funding. More and more independent commissioners means that there is minimal agency cost and conflict of interest between management and shareholders, so that it is easier to run the company.

Effect of Managerial Ownership on firm value

Based on the analysis, it was found that the regression coefficient was 0.209 with a CR value of 1.825 and $p=0.068$; because the CR value is less than 1.96 and the value of $p>0.05$, it's far said that managerial possession has no nice and insignificant impact on firm value. This is due to the fact there are nevertheless differences in pastimes between managers and the overall dreams of the enterprise. The outcomes of this have a look at are in keeping with the studies by Poluan & Wicaksono (2019), Dewi & Ria Citra (2017), and Minanari & Rohman (2020) which nation that managerial ownership does no longer have a wonderful effect on firm value.

Effect of Institutional Ownership on firm price

Based on the analysis, it become located that the regression coefficient was 0.501 with a CR price of three.868 and $p<zero.001$; because the CR cost is more than 1.Ninety six and the p value <0.05 , it's miles said that institutional ownership has a high-quality and significant effect on organization price. The effects of this examine are in line with Poluan & Wicaksono (2019) which nation that institutional possession has a nice impact on company fee. The effects of this observe also are consistent with Novianti & Stefhani Y. (2022), which state that institutional possession dominates in supervising control movements and selections and management performance. The results of studies via Febriani & Munawaroh (2022), that institutional possession has a drastically wonderful influence on organisation price. This is due to the fact the existence of share ownership through establishments will limit conflicts of interest that occur between managers and shareholders.

Effect of Disclosure of Corporate Social Responsibility (CSR) on corporation price

Based on the analysis, it was observed that the regression coefficient changed into zero.369 with a CR price of three.A hundred ninety and $p=0.001$; due to the fact the CR cost is more than 1.96 and the p cost $<zero.05$, it is said that the impact of Corporate Social Responsibility (CSR) disclosure has a positive and great effect on corporation cost. Dewi & Ria Citra (2017) and Damayanthi (2019) additionally conducted research with the equal outcomes, specifically the disclosure of company social responsibility has a high-quality impact on organisation price. For Stakeholders, groups that carry out and reveal CSR will improve the image or image of the company which will be smooth to attract buyers and customer loyalty will increase as a way to result in elevated company price.

Influence of Independent Commissioners on organisation value with Foreign Ownership as Moderation

Based at the evaluation of the moderating effect of foreign possession on the impact of impartial commissioners on corporation cost, the regression coefficient become 0.292 with a CR cost of four.174 and $p<0.001$; due to the fact the CR price is greater than 1.Ninety

six and the p value <0.05 , it is stated that foreign ownership is able to strengthen the influence of independent commissioners on firm value. The existence of moderation of foreign ownership on the influence of independent commissioners is included in the category of pure moderation or pure moderation, which means that foreign ownership purely acts as a moderating variable and does not act as an explanatory/ predictor variable (Solimun et al., 2017).

The Effect of Managerial Ownership on Firm Value with Foreign Ownership as Moderation

Based on the analysis of the moderating effect of foreign ownership on the effect of managerial ownership on firm value, the regression coefficient was 0.063 with a CR value of 0.474 and $p=0.635$; because the CR value is smaller than 1.96 and $p>0.05$, it's far stated that overseas possession isn't always capable of strengthen the effect of managerial possession on corporation cost. This can show up due to the space between fundamental and agent, differences in language, way of life, rules, and supervision. Foreign traders also are often no longer inclined to launch all in their corporation's secrets, in particular in technology transfer, causing the quantity of companies' dependence on overseas investors to remain high. The outcomes of this study also are similar to the research conducted with the aid of Liang et al. (2013) in Rahayu & Damayanthi, (2018), as well as Idzni and Purwanto, (2017) which nation that overseas investors have a tendency to most effective care approximately getting larger profits and are also simplest interested in the price of go back from the stocks they invest in. The enterprise. The lifestyles of moderation of foreign possession at the effect of managerial ownership is protected within the homologous moderation class, because of this that foreign ownership does no longer feature either as a moderating variable or as a predictor variable (Solimun et al., 2017), foreign ownership in principle simplest has the capability to be a moderating variable on the impact of managerial possession at the value of the company.

Effect of Institutional Ownership on business enterprise value with Foreign Ownership as Moderation

Based at the evaluation of the moderating effect of overseas possession at the effect of institutional ownership on company cost, the regression coefficient turned into 0.086 with a CR value of 0.855 and $p=0.392$; due to the fact the CR fee is much less than 1.96 and the fee of $p>0.05$, it's miles said that overseas ownership isn't capable of toughen the effect of institutional ownership on firm value. According to Rahayu & Damayanthi, (2018) overseas ownership can not be moderated because the function of overseas ownership in companies additionally has a tendency to be passive, due to the fact the type of foreign investment made within the Indonesian capital marketplace is categorized as oblique funding so it cannot have an immediate affect on organization overall performance because Foreign participation is restrained whilst the General Meeting of Shareholders is held. The life of moderation of overseas ownership at the impact of institutional possession is included within the homologous moderation category, this means that that overseas ownership does not function both as a moderating variable or as a predictor variable (Solimun et al., 2017), overseas ownership in principle simplest has the capability to be a moderating variable at the effect of institutional possession at the cost of the enterprise.

The Effect of Disclosure of Corporate Social Responsibility (CSR) at the fee of businesses with Foreign Ownership as Moderation

Based at the analysis of the moderating impact of foreign possession at the impact of Corporate Social Responsibility (CSR) disclosure on corporation fee, the regression coefficient was -zero.267 with a CR price of -3.858 and $p<0.001$; because the CR cost is more than -1.96 and the p fee <0.05 , it is said that foreign possession weakens the

impact of Corporate Social Responsibility (CSR) on firm cost. The lifestyles of moderation of overseas ownership at the effect of CSR disclosure is blanketed inside the class of pure moderation or natural moderation, this means that that overseas possession merely acts as a moderating variable and does no longer act as an explanatory/ predictor variable (Solimun et al., 2017). Indonesia is classified as an oblique investment so it can not give direct have an impact on to groups because foreign participation is limited at the time of the General Meeting of Shareholders. Investors additionally don't have any manipulate over the every day control of the corporation due to the fact investors can not be bodily gift. This indirect funding shows that investors aim to obtain maximum consequences in a not too long term. Social costs as a shape of implementing a employer's CSR will have an effect on the return that the business enterprise will receive. The greater CSR activities and disclosures executed by means of the enterprise, the extra the charges incurred, therefore decreasing the corporation's income.

4. CONCLUSION

Based at the effects of the research and discussion, it can be concluded that impartial commissioners have a huge advantageous impact on company cost. Managerial possession has no fine effect on firm price. Institutional ownership has a substantial positive effect on firm price, because of this an growth in institutional proportion ownership will have an impact on growing organization cost. Disclosure of Corporate Social Responsibility (CSR) has a full-size wonderful impact on agency cost. Foreign possession is validated to noticeably slight unbiased commissioners on business enterprise price. Foreign possession does not moderate the impact of managerial ownership on corporation price, so it's miles not able to bolster the impact of managerial ownership on company cost. Foreign ownership does no longer mild the impact of institutional possession on company value. Foreign ownership weakens the have an effect on of Corporate Social Responsibility (CSR) significantly on corporation fee. Suggested regulations from the effects of this have a look at that allows you to growth enterprise value consist of: Companies want to set up regulations on the composition of impartial commissioners within them, provide packages for funding to institutional parties to increase the proportion, and preserve loyalty, due to the fact the share of ownership is normally pretty massive . Disclosure of CSR in Indonesia which is still small should be accelerated, for companies which can be steady carry out activities and expose in their annual reviews, need to take delivery of appropriate awards with a view to provide stimulation for agencies which have not finished CSR. Foreign ownership does not really need to be extended in proportion, due to the fact foreign traders have a tendency to only care about getting bigger income. Investors and ability investors who will invest for the motive of creating a income must first recall unbiased commissioners, managerial ownership, institutional possession, csr disclosure and foreign ownership and the cost of Tobin's Q. Limitations on this take a look at include: Limited data studied and much less representative of organisation conduct in the zone, Limitations of a single endogenous variable used, namely company value that is most effective measured from the standpoint of marketplace cost (Tobin's Q), so there may be no contrast of the value his ebook and the constraints of exogenous variables used simplest one indicator within the size.

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