

THE INFLUENCE OF PROFITABILITY TO THE COMPANY VALUE WITH CORPORATE SOCIAL RESPONSIBILITY AS A VARIABLE MODERATION

Case studies on companies listed in the Sri Kehati Index for the 2012-2016 period

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ABSTRACT

This study aims to determine whether the company value as measured by price book value is influenced by the company's ability to obtain profits measured by Return on Assets and moderated by corporate social responsibility in companies listed on the SRI - KEHATI index for the period 2012 - 2016. Researchers are interested in conducting research This is because Investors in determining stock investment see the ability to obtain corporate profits but also see whether the company has carried out social responsibility for nature and the social environment around the company or called green investment. The company has carried out corporate social responsibility which can be seen from whether the company has carried out CSR in accordance with the GRI index set by the government with 79 indicators. In this study using corporate social responsibility as a moderating variable with a number of samples of annual report research of 18 companies listed on the SRI - KEHATI Index from 2012 - 2016 and found that profitability as an independent variable and corporate social responsibility as a moderating variable has a positive effect on value The company measured by Price book value is 72.40% meaning that profitability and corporate social responsibility have a strong match in assessing the company's performance, while 27.60% is influenced by other variables not examined.

Keywords: Return On Assets (ROA), Corporate Social Responsibility (CSR), Price Book Value (PBV).

Research Background

Investors in making decisions to buy shares as an object of investment are important decisions. Therefore, in the selection process, investors need historical data on stock movements, both individually, in groups, and in combination (Didit, 2013) ^[1]. Buying or selling shares in investor portfolios analyzes in advance the performance of the company whose shares will be purchased. To analyze the company's performance data is obtained from financial statements published by the issuer with the presentation of information that is specific about stock movements, because the stock investment transactions occur with different variations.

Simple information that can represent a particular condition will create a map of problems symbolized by certain numerical signs or terminology. Based on this problem map, investors are expected and predict the situation that will occur in the future.

The mapping system of historical events involves a number of facts and certain quantities that describe changes in stock prices in the past. The form of historical information that is considered very appropriate to describe stock movements in the past is a stock price index (Sunariyah, 2011) ^[2].

Annual reports and financial reports that have been audited. Investors will see how the value of the company is showing a good development from year to year or fluctuating and even decreasing. Then the investor will look at the company's price to book value (PBV) and see how the profit growth rate (Profitability) increases or the opposite occurs.

Furthermore, investors in the current paradigm not only look for high returns (capital gains and dividends) but also pay attention to the social impact on the products produced by the company, whether they have a negative impact on nature or on the social environment, namely through the role of the company in protecting the environment and social by looking at what has been done by company management through corporate social responsibility (CSR).

With the implementation of CSR, the company's value will increase because CSR is the company's concern for the survival of the natural and social environment, the Indonesian Biodiversity Foundation (Kehati) on June 8, 2009 in collaboration with the Indonesia Stock Exchange established the Sustainable and Responsible Investment Index (SRI) so called SRI - KEHATI Index [3] with a total of 25 companies only.

In this study will be seen how the influence of profitability on corporate value with Corporate Social Responsibility as a moderating variable.

The author is interested in researching this because CSR is a burden for companies that must be issued, but at the expense of CSR, company profits will increase so that the value of the company will increase as well.

Theoretical basis

Signaling theory

Drever, Stanton and Mc Gowan (2007) ^[4], suggested that signaling theory emphasizes that reporting companies can increase firm value through reporting, if the company fails to present additional information, then the stakeholders will assess the company as an average company equal to the company do not disclose additional reports.

Brigham, Eugene, and Houston (2013) ^[5] say that investors consider changes in financial information as a signal of management's earnings estimates. Furthermore, it was explained that signal theory emphasizes the importance of information that is published by the company on investment decisions by investors or outside parties.

Information is an important element for investors and business people to see the company's past, present and future forecasts. Therefore, investors will make decisions from the information presented in the company's financial statements that are published, fundamental information is one of the basis for making decisions whether the company's shares are worth buying or not.

Profitability

Profitability ratio is a tool to measure the ability of a company towards the overall funds invested in business activities with the aim of generating profits by utilizing assets owned by the company.

Edmonds, Olds, McNair, and Tsay (2012) ^[6] said "profitability refers to a company's ability to generate earnings. Both management and external users desire information about the company 's success in generating profits.

Measurement of profitability by using several ratios, namely:

1. Net Margin Ratio (or operating margin ratio, profit margin ratio, return on Sales ratio)

Describes the present remaining of each other's sales after subtracting dollar ass as well as cost of good sold:

1. Net Margin Ratio (or operating margin ratio, profit margin ratio, return on Sales ratio)

Describes the present remaining of each sales dollar after subtracting other expenses ass well as cost of good sold:

$$\text{Net Margin} = \frac{\text{Net Income}}{\text{Net Sales}}$$

2. Assets Turnover Ratio (Return on Assets or Turnover of assets ratio)

Measures how many sales dollar were generated for each dollar of assets invested:

$$\text{Asset Turnover} = \frac{\text{Net Sales}}{\text{Average total assets}}$$

3. Return on Investment (return on assets or earning power)

The ratio of wealth generated (Net Income) to the amount invested (average total assets) to generated the wealth, ROI or ROA can be calculated:

$$\text{ROI (ROA)} = \frac{\text{Net Income}}{\text{Average total assets}}$$

4. Return on Equity (ROE)

Measure the profitabilitas of the stockholders' investment. ROE is usually higher than ROI because of financial leverage. Financial leverage refers to using debt financing to increase the assets available to a business beyond the amount of assets financed by owners.

$$\text{ROE} = \frac{\text{Net Income}}{\text{Average total stockholders' equity}}$$

In this study researchers used one of the profitability ratios, namely Asset turn over (ROA).

1. The value of the company

Firm value is the present value of the cash flow expected by the company, or the value of the future company discounted at the level of capital costs. Some value concepts that explain the value of a company are nominal value, market value, intrinsic value, book value and liquidation value (Manurung, 2004) ^[7].

So it can be said that the value of the company is the perception of investors or potential investors on the company's success in conducting business activities as measured by the company's stock price. High stock prices reflect an increase in market confidence in the company's performance in the present and in the future.

The main objective of the company is to maximize the value of the company, so the owner of the company will become more prosperous. To measure company value according to Brealey, Myers and Marcus ^[8] market to book ratio:

$$\text{Market-to-book ratio (PBV)} = \frac{\text{Market value of equity}}{\text{Book value of equity}}$$

2. Corporate Social Responsibility (CSR)

Companies in conducting business activities interact with the social environment. Then there is a reciprocal relationship between the company and the social environment which implies the social impact of the company's operations on the natural environment and surrounding communities.

As long as the company uses existing human and community resources, the company has the responsibility to generate profits and return some of the profits to the community (Nor Hadi, 2016) ^[9]. A healthy company not only seeks economic profit (profit) but also carries a concern for the environment (planet) and community welfare (Elkington, 1998) ^[10].

The concept of Corporate Social Responsibility (CSR) was proposed by Howard R. Bowen in 1953 which was philanthropic in nature, but currently the concept has changed, CSR is one of the company's strategies to improve the company's image which will also influence the company's financial performance (Gantino, 2016) in Achmad ^[11]. According to the World Business Council in Sustainable Development, giving an understanding of Corporate Social Responsibility is: "is the continuing commitment by business to have ethical and contributing to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large".

International Standard Organization (ISO) 26000 (draft 3, 2007) concerning Guidance on Social Responsibility formulates the definition and guidelines of CSR that are more complete and become guidelines for international standards, are: "Corporate social responsibility is a responsibility of organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior that contributes to sustainable development, including health and welfare of society; takes into account the expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behavior, and is integrated through out the organization and practiced in its relationship".

In Indonesia using the GRI (Global Reporting Initiative) standard focuses on the economic, social and environmental performance of companies with the aim of improving the quality and utilization of sustainability reports. CSR activities in GRI stated in the Corporate Social Responsibility Index (CSRI) include 79 items of disclosure in the form of: economic, environment, labor practices, human rights, society, and product responsibility, CSRI measurements:

$$CSR_t = \frac{\text{Number of items disclosed}}{79} \times 100$$

Sri Kehati Index ^[3]

In this study, the performance of listed companies listed in the Sustainable and Responsible Investment (SRI) stock index - KEHATI (Indonesian Biodiversity Foundation) abbreviated as SRI-KEHATI is one of the indices that are indicators of stock price movements on the Indonesia Stock Exchange (IDX) and can be a benchmark for investors or investment managers in determining which public companies have good performance in running their business in terms of sustainable financial, social, and environmental governance.

SRI Index - KEHATI is the first green investment index in ASEAN and second in Asia based on the Exchange and Sustainable Investment data (www.world-exchange.or). This index falls into the category of Socially Responsible Investing (SRI) or ethical investing, which is an investment strategy that considers both financial and social benefits that bring about change. Some types of index that fall into the SRI index category are:

Table 1
Indeks Sustainable and Responsible Investment (SRI)

No	Index Name	Number of Members (Constituent)
1	Dow Jones Sustainability World Index	340
2	Ethical Europe Equity Index	30
3	FTSE4 Good Global Index	883
4	MSCI World SRI Index	401
5	SRI – KEHATI Index	25
6	Shanghai Stock Exchange (SSE) Social Responsibility Index	100
7	S & P ESG India Index	50

Source: <https://www.kehati.or.id> accessed September 14, 2017

The performance of SRI-KEHATI has a consistent performance with an average value of 10 percent above the other indexes. Like the LQ45 index and the Composite Stock Price Index (IHSG) and JCI (Jakarta Composite Index). This indicates that there is a positive response from investors who are willing to pay premium prices from the stock price of issuers that are Sustainable and Responsible.

The six indicators used as the basis of the assessment, among others: (1) concern for the environment, (2) community development, (3) good governance, (4) business behavior, (5) labor practices, and (6) human rights human. As of April 2017 there were 25 listed companies as follows:

Table 2
Companies listed on the SRI - KEHATI Index per Year 2017

1	AALI	PT Astra Argo Lestari Tbk	14	KLBF	PT Kalbe Farma Indonesia Tbk
2	ADHI	PT Adhi Karya (Persero) Tbk	15	LISP	PT PP London Sumatera Indonesia Tbk
3	ASII	PT Astra International Tbk	16	PGAS	PT Perusahaan Gas Negara (Persero) Tbk
4	BBCA	PT Bank Central Asia Tbk	17	PJAA	PT Pembangunan Jaya Ancol Tbk
5	BBNI	PT Bank Negara Indonesia (Persero) Tbk	18	SMGR	PT Semen Indonesia (Persero) Tbk
6	BBRI	PT Bank Rakyat Indonesia (Persero) Tbk	19	TINS	PT Timah (Persero) Tbk
7	BDMN	PT Bank Danamon Indonesia	20	TLKM	PT Telekomunikasi Indonesia (Persero) Tbk
8	BMRI	PT Bank Mandiri (Persero) Tbk	21	UNTR	PT United Tractor Tbk
9	BSDE	PT Bumi Serpong Damai Tbk	22	UNVR	PT Unilever Indonesia Tbk
10	GIAA	PT Garuda Indonesia (Persero) Tbk	23	WSKT	PT Waskita karya (Persero) Tbk
11	INDF	PT Indofood Sukses Makmur Tbk	24	WIKA	PT Wijaya Karya (Persero) Tbk
12	JPFA	PT Japfa Comfeed Indonesia Tbk	25	WTON	PT Wijaya Karya Beton Tbk
13	JSMR	PT Jasa Marga (Persero) Tbk			

Source: <https://www.kehati.or.id> accessed September 14, 2017

Research Paradigm

The research paradigm can be described as follows:

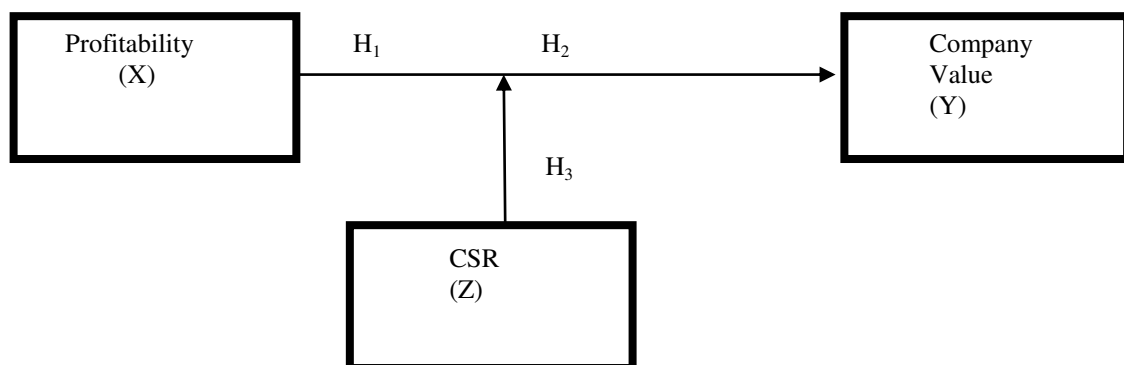


Figure 1 Research Paradigm

H₁: Profitability affects the value of the company

H₂: Corporate Social Responsibility affects the value of the company

H₃: Corporate Social Responsibility is able to moderate the effect of financial performance towards company value

Research methods

Sampling technique

The data in the study are the financial statements of listed companies listed on the SRI - KEHATI Index from 2012 to 2016 which are listed in the Indonesian securities market with the following criteria:

1. Issuers listed in the Indonesian securities market (IDX) from 2012 to 2016 are consistently on the SRI - KEHATI Index
2. Issuers listed on the SRI Index - KEHATI disclose CSR in the annual financial statements from 2012 to 2016

Then obtained the following sample quantities:

Table 3
Number of samples studied

Criteria	Number Issuer
Number of Population (Issuers)	25
Publish complete Financial statements	25

Not consistently disclosing CSR in Financial statements	7
Consistent in disclosing and implementing CSR	18
Number of research sample	18

Source: SRI - KEHATI Annual Report [3] (processed)

Table 4
Company data sample research
Companies listed on the SRI - KEHATI Index until 2017

1	AALI	PT Astra Argo Lestari Tbk	10	JSMR	PT Jasa Marga (Persero) Tbk
2	ADHI	PT Adhi Karya (Persero) Tbk	11	KLBF	PT Kalbe Farma Indonesia Tbk
3	ASII	PT Astra International Tbk	12	LSIP	PT PP London Sumatera Indonesia Tbk
4	BBCA	PT Bank Central Asia Tbk	13	PGAS	PT Perusahaan Gas Negara (Persero) Tbk
5	BBNI	PT Bank Negara Indonesia (Persero) Tbk	14	SMGR	PT Semen Indonesia (Persero) Tbk
6	BBRI	PT Bank Rakyat Indonesia (Persero) Tbk	15	TINS	PT Timah (Persero) Tbk
7	BDMN	PT Bank Danamon Indonesia	16	TLKM	PT Telekomunikasi Indonesia (Persero) Tbk
8	BMRI	PT Bank Mandiri (Persero) Tbk	17	UNTR	PT United Tractor Tbk
9	INDF	PT Indofood Sukses Makmur Tbk	18	UNVR	PT Unilever Indonesia Tbk

Source: <https://www.kehati.or.id> accessed September 14, 2017

Research methodology

This type of research is explanatory research because this study aims to obtain answers about how and why a phenomenon occurs (Nuryaman and Veronica, 2015) [12]. Asep Hermawan (2009) [13] also explained that what is meant by an explanatory method is "Research that explains the causal relationship between variables through testing hypotheses". In this study Dependent variable (Y) is the company's value as measured by price to book value (PBV), Independent variable (X) is profitability as measured by return on assets (ROA), and Moderating Variables (Z) is "Variables that affect (strengthen and weaken) the relationship between independent variables and the dependent variable" (Sugiyono, 2012: 60) [14]. The moderating variable used in this study is the disclosure of corporate social responsibility.

The operationalization of variables in this research are as follows:

Table 3
Variable Operations

Variable	Concept	Indicator	Scale
Profitability (X)	Profitability is the ability of management to make a profit Darsono (2016:54)[15]	$\text{ROA} = \frac{\text{Net Income}}{\text{Average Total Asset}}$	Ratio
The Value of Company (Y)	Company value is the price that the buyer is willing to pay if the company is sold. Suad dan Enny (2010:113) [16]	$\text{PBV} = \frac{\text{Market Value of Equity}}{\text{Book Value of Equity}}$	Ratio
Corporate Social Responsibility	CSR is a way in which the company strives to achieve a balance between economic, environmental and social goals of the community, while still responding to the expectations of shareholders and stakeholders. Edi (2012:5) [17]	$\text{CSRI } t = \frac{\text{Number of items disclosed}}{79}$	Ratio

Analysis Method

IBM SPSS program data analysis techniques (Statistical Product and Service Solutions) Statistics 23^[19] with regression analysis. Before the regression model, the first classical assumption was carried out including normality test, multicollinearity test, autocorrelation test, and heteroscedasticity test. Subsequently performed a regression test for regression analysis (MRA).

Moderated Regression Analysis (MRA)

Moderated Regression Analysis (MRA) is "a method of testing moderator variables that use an analytical approach that maintains the integrity of the sample and provides a basis for controlling the influence of moderator variables" (Ghozali, 2016)^[18]. Furthermore Ghozali (2016)^[18] explains that to use MRA with one predictor variable (X), we must compare three regression equations to determine the type of moderator variable. The three equations are:

$$(1) Y_i = \alpha + \beta_1 X_i + \varepsilon \quad (2) Y_i = \alpha + \beta_1 X_i + \beta_2 Z_i + \varepsilon \quad (3) Y_i = \alpha + \beta_1 X_i + \beta_2 Z_i + \beta_3 X_i * Z_i + \varepsilon$$

Information:

Y_i = Company value

α = Constants

β_1 = Regression coefficient for profitability

β_2 = Regression coefficient for CSR disclosure

β_3 = Regression coefficient for profitability * CSR disclosure

X_1 = Profitability

Z_1 = CSR disclosure

ε = residual value

To test whether the Z variable is a pure moderator variable, quasi moderator, or not a moderating variable at all, can be seen from the explanation as follows:

1. Pure moderator, if the effect of Z on Y on the first output and the effect of Z * X_1 interaction on the second output of one is significant.
2. Quasi moderator, if the influence of Z on Y on the first output and the effect of interaction Z * X_1 on the second output, both are significant.
3. Not a moderator, if the effect of Z on Y on the first output and there is no significant effect of Z * X_1 interaction on the second output.

Correlation coefficient

Correlation coefficients are a measure of the size or strength of the relationship between the variables studied (Sugiyono, 2012)^[15]. One of the terms of use of the correlation is the existence of a variable relationship, in this study there is profitability as variable X and the value of the company as variable Y. To provide strong interpretation or weak relationship between independent and dependent variables used measurements by following the table below:

Table 5

Correlation of coefficient interval	Relationship level
0.00-0.199	Very low
0.20-0.399	Low
0.40-0.599	Strong enough
0.60-0.799	Strong
0.80-1.000	Very strong

Source: Sugiono (2010:250)^[15]

Determination Coefficient R^2

Determination Coefficient Analysis is used to see how much the independent variable (X) is the profitability affecting the independent variables in this study is the value of the company (Y). This coefficient is called the determinant coefficient because the variants that occur in the dependent variable can be explained through variants that occur in independent variables. The magnitude of the coefficient of determination can be measured using the formula: $Kd = r^2 \times 100\%$

Hypothesis testing

Testing the hypothesis in this study uses parametric statistics because the data tested is in the form of a ratio (Sugiyono, 2012)^[15]. Testing hypotheses in this study include:

1. Test F (Test Simultaneously)

Is testing the effect of independent variables together (simultaneously) on the change in the value of the dependent variable, can be explained by the change in the value of all independent variables by conducting F test or ANOVA by comparing the level of significance set for research with probability value from the research results (Ghozali, 2012)^[19].

2. T test (Partial Test)

Is testing the truth of the hypothesis that has been submitted to the research is accepted or rejected. The steps are as follows: by looking at the significance value of each variable on the output of the regression results using SPSS with a significance level of 0.05 ($\alpha = 5\%$). If the significance value > α then the hypothesis is

rejected (the regression coefficient is not significant), which means that individually the independent variables do not have a significant effect on the dependent variable. If the significance value < from α then the hypothesis is accepted (significant regression coefficient) means that individually the independent variables have a significant influence on the dependent variable. The implications are as follows:

1. Seeing the extent to which profitability affects company value.
2. Evaluating the profitability that affects the value of the company.
3. Evaluating CSR disclosures that affect the relationship of profitability to company value.

Results and Discussion

Profile of Respondents

Respondents are listed companies listed on the 18th SRI KEHATI Index with the following criteria: used as a sample of this study:

Table 6

Issuer data that continues to be nominated at the KEHATI SRI 2012 – 2016				
NO	CODE	EMITEN NAME	SECTOR	SUB SECTOR
1	AALI	Astra Agro Lestari Tbk	Agriculture	Plantation
2	ADHI	Adhi Karya (Persero) Tbk	Property, Real Estat and Building Construction	Building Construction
3	ASII	Astra International Tbk	Kinds of various industries	Otomotive and its components
4	BBCA	Bank Central Asia Tbk	Finance	Bank
5	BBNI	Bank Negara Indonesia Tbk	Finance	Bank
6	BBRI	Bank Rakyat Indonesia Tbk	Finance	Bank
7	BDMN	Bank Danamon Indonesia Tbk	Finance	Bank
8	BMRI	Bank Mandiri (Persero) Tbk	Finance	Bank
9	INDF	Indofood Sukses Makmur Tbk	Cunsomer Goods Industries	Food and baverage
10	JSMR	Jasa Marga (Persero) Tbk	Infrastructur, Utilities and Transportation	Toll road, ports, airports etc
11	KLBF	Kalbe Farma Tbk	Consumer Goods Industries	Pharmacy
12	LSIP	PP London Sumatra Indonesia Tbk	Agricuture	Plantation
13	PGAS	Perusahaan Gas Negara (Persero) Tbk	Infrastructur, Utilities andn Transportation	Energy
14	SMGR	Semen Gresik (Persero) Tbk	Basic chemical industries	Cement
15	TINS	Timah (Persero) Tbk	Mining	Mining metal and minerals
16	TLKM	Telekomunikasi Indonesia Tbk	Cunsomer Goods Industries	Telecommunication
17	UNTR	United Tractors Tbk	Trade, Service and Investasment	Trade, service and investment
18	UNVR	Unilever Indonesia Tbk	Cunsomer Goods Industries	Cunsomer goods,cosmetics and household items

Source: SRI – KEHATI Index (2017)

Data Processing Results

Test Model

Table 7
GOODNESS OF FIT
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.856 ^a	.733	.724	541.38559	.733	78.761	3

Source: SPSS

Based on Table 7, the value of Adjusted R Square (R²) is 0.724 or 72.4%, meaning that the Price Book Value phenomenon is explained by the variable Return on Asset, Corporate Social Responsibility and Corporate Social Responsibility as a moderating variable of 72.40%, the remaining 27, 6% is explained by other variables that are not examined, thus the model shows a strong match.

Table 8
SIMULTANEOUS SIGNIFICANCE TEST (SIG F TEST)

Data processing results
ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	69254394.717	3	23084798.239	78.761	.000 ^b
Residual	25206458.838	86	293098.359		
Total	94460853.556	89			

Source: SPSS

Simultaneous test using Anova Test or F test resulted in a calculated F value of 78,761 with a significance level of .000. The significance probability value below the error level is set at 0.05, thus the regression model can be used to predict the influence variable of Return On Asset on Price Books Value which is moderated by the variable Corporate Social Responsibility together.

Table 9
INDIVIDUAL PARAMETER TEST SIGNIFICANCE
(TEST SIG)

Data processing results
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	26.138	102.310		.255	.799
	RETURN ON ASSET	.000	.000	.801	3.622	.000
	CORPORATE SOCIAL RESPONSIBILITY	2.247	.000	.446	2.577	.012
	MODERAT	1.228	.000	.481	3.210	.002

Source: SPSS

Parameter coefficient value Variable Return On Assets is 2,286 with a significance level of 0.000 <0.05. Parameter coefficient value of Corporate Social Responsibility variable is 2.577 with a significance level of 0.012 <0.05. Moderate Variable coefficient value of 3.210 with a significance level of 0.002 <0.05. Moderate variable is the interaction variable between Return On Assets and Corporate Social Responsibility is significant, thus it can be concluded that the Corporate Social Responsibility variable is a moderating variable.

Regression Analysis

$$\text{REGRESS EQUATION: } Y = a + b_1X_1 + b_2x_2 + b_1x_1.b_2x_2 + e$$

Test result

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-26.138	102.310		-.255	.799
	RETURN ON ASSET	.000	.000	.801	3.622	.000
	CORPORATE SOCIAL RESPONSIBILITY	-2.247E-008	.000	-.446	-2.577	.012
	MODERAT	1.228E-015	.000	.481	3.210	.002

Source: SPSS

$$Y (\text{PBV}) = - 26.138 + .801(\text{ROA}) -0.446 (\text{CSR}) + 0.481 (\text{MODERAT}) + 102.310$$

Analysis:

1. If ROA, CSR, MODERAT = 0, then the Price Book Value is as follows:

$$Y (PBV) = -26.138 + 0.801 (0) - 0.446 (0) + 0.481 (0) + 102.310$$

$Y (PBV) = 76,172$ This means that if the profit value of total assets has not been calculated and there is a Corporate Social Responsibility, moderation value, then the Price Book Value is predicted to be 76,172

2. If $ROA = 1$ and $CSR = 0$, $(MODERAT) = 0$, then the Price Book Value is as follows:

$$Y (PBV) = -26.138 + 0.801 (0) - 0.446 (0) + 0.481 (0) + 102.310$$

$Y (PBV) = 76.973$ This means that if the calculated value of profit to total assets is 0.801 and the value of Corporate Social Responsibility has not been calculated, then the value of Price Book Value is predicted to be worth 76,973

3. If $ROA = 0$, $CSR = 1$, $MODERAT = 0$, then the Price Book Value is as follows:

$$Y (PBV) = -26.138 + 0.801 (0) - 0.446 (0) + 0.481 (0) + 102.310$$

$Y (PBV) = 75.726$ this means that if the value of earnings on total assets = 0 and the value of Corporate Social Responsibility is - 0.446, then the value of Price Book Value is predicted to be worth 75,726

4. If $ROA = 0$, $CSR = 0$, $MODERAT = 1$, then the Price Book Value is as follows:

$$Y (PBV) = -26.138 + 0.801 (0) - 0.446 (0) + 0.481 (0) + 102.310$$

$Y (PBV) = 76.663$ this means that if the value of earnings on total assets = 0 and the value of Corporate Social Responsibility = 0 then the value of Price Book Value as a result of moderation is predicted to be worth 76.663

Overall predictive value:

5. If $ROA = 1$, $CSR = 1$, $MODERAT = 1$, then the Price Book Value is as follows:

$$Y (PBV) = -26.138 + 0.801 (1) - 0.446 (1) + 0.481 (1) + 102.310$$

$Y (PBV) = 77.008$, meaning that if the value of earnings on total assets = 0 and the value of Corporate Social Responsibility = 0 then the value of Price Book Value as a result of moderation is predicted to be worth 77,008, thus with ROA and CSR as moderating PBV predictive value will there was an increase from 76,172 to 77,008

Conclusions and Suggestion

Conclusions

Based on data processing with SPSS tools, it can be concluded as follows:

1. Partially the profitability measured by using ROA affects the value of the company as measured by PBV in the group of companies listed on the SRI - KEHATI Index.
2. Partially Corporate Social Responsibility affects the value of the company in the group of companies included in the SRI - KEHATI index.
3. Simultaneously Profitability and Corporate Social Responsibility as moderation affect the Company Value registered in the SRI - KEHATI index.

Suggestion

For the company

1. The company must continue to strive to improve profitability, thus impacting the increase in the value of the company. Increased profitability can be done by conducting cost efficiency, increasing sales margins, increasing sales levels, and implementing service excellence.
2. Companies must be able to optimize the Corporate Social Responsibility program, because based on the results of CSR research as a moderator proved to be able to strengthen the influence of profitability on the value of the company. Optimizing CSR programs is expected to increase investor confidence in the company, thereby increasing the value of the company. Optimizing CSR programs can be done by increasing understanding of the basic concepts of CSR, understanding the flow of the double diamond method, implementing the double diamond method, forming collaborative institutions, and providing assistance, monitoring and evaluation of CSR programs.

For Further Research

1. It is recommended to use other financial ratio variables as dependent variables, or use moderating variables other than CSR, and also can use other indices such as JII, LQ45, Kompas100 Index, Business-27 Index, and sectoral indexes to be used as population and research sample.
2. It is recommended to use other CSR assessment indicators besides indicators from the Global Reporting Initiative.

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