UDC 331

GOOD CORPORATE GOVERNANCE, PROFITABILITY AND CORPORATE SOCIAL RESPONSIBILITY AS DETERMINANTS OF COMPANY VALUE

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ABSTRACT
The current economic growth has an impact on the lives of the country's residents and affects their welfare. One way to improve the country's economy, especially the Indonesian economy, is to invest. The decision of investors to invest is influenced by various factors, one of which investors need information about the value of the company. The purpose of this study was to examine Determinants of Good Corporate Governance and Profitability on Company Value with Corporate Social Responsibility as a Mediation Variable in Manufacturing Companies on the Indonesia Stock Exchange. The samples used in this study were 71 manufacturing companies using purposive sampling technique. The analytical technique used is Descriptive Statistical Analysis and Path Analysis. The results of this study are Good Corporate Governance and Profitability have a positive and significant effect on firm value. Good Corporate Governance and Profitability have a positive and significant impact on Corporate Social Responsibility. Corporate Social Responsibility has a negative and insignificant effect on firm value. Corporate Social Responsibility is not able to mediate the relationship between profitability and firm value.

KEY WORDS
Good corporate governance, profitability, corporate social responsibility, firm value, indonesia stock exchange.

Economic growth has an impact on the lives of residents of a country and affects the welfare of society. One way to improve the country's economy, especially the Indonesian economy, is to invest. Companies that are of interest to investors have several criteria with the main goal of a company indirectly supporting increased economic growth. The higher the profits obtained by a company, the better the value for a company and attract shareholders to invest (Setiawati and Lim, 2017). These companies are business entities used for production activities and the gathering of all factors of production such as labour, capital, natural resources and entrepreneurship to generate high profits. The existence of high profits, the company can survive and continue to grow and can improve the welfare of its shareholders (stockholders) so that the value of the company will also increase. This is the main goal for a company, where increasing competition in the domestic market as well as in the international market requires companies to be able to continue to increase the value of the company.

The Indonesia Stock Exchange (IDX) is a forum for parties who have excess funds (buyers) and parties who lack funds (sellers) aiming to trade securities. Companies that are incorporated in the Indonesia Stock Exchange are go public companies that offer their shares to the public in the order stipulated in the Capital Market Law and provide complete information related to the company. The information published by the company is used by the owners of capital (investors) in measuring the company's ability and as a benchmark before investing in the company. The Indonesia Stock Exchange groups companies into 9 sectors including the infrastructure sector, agriculture sector, consumer goods industry sector, mining sector, various industrial sectors, financial sector, basic and chemical industry sector, trade, services and investment sectors, as well as property, real estate sector., and building construction.

One sector, namely the manufacturing industry, is an industry that dominates companies listed on the Indonesia Stock Exchange (IDX) (Priatna, 2016). Around 177

companies in the manufacturing industry are grouped into several industrial sub-categories. Among them are basic & chemical industry, various industries, and consumer goods industry. The number of companies in the industry, as well as the current economic conditions has created a tight competition between manufacturing companies. Competition in the manufacturing industry makes every company improve its performance so that its goals can still be achieved.

These goals include maximizing the value of the company (Patricia, Bangun and Tarigan, 2018). Company value can be said as market value that can provide maximum prosperity to shareholders if the company's share price increases (Sriwahyuni and Wihandaru, 2016). The higher the company's stock price, the higher the company's value. So with a high company value, shareholders and company owners will be more prosperous. Based on stock index data listed on the Indonesia Stock Exchange, there are several manufacturing companies in the food and beverage sub-sector that have an average of the ratio of price to book value, return on assets, debt to asset ratio and size, namely large and small, the average ratio of so that its value fluctuates every year.

Table 1 – Comparison of price to book value (PBV) in manufacturing companies listed on BEI for the period 2016 – 2019.

No	Company Sector	Number of Companies	Share Value (PBV)				
			2016	2017	2018	2019	2020
1	Chemical and basic industrial sector manufacturing companies	77	1.96	1.51	1.87	1.54	2.74
2	Multi-industrial manufacturing company	47	1.23	1.23	1.30	2.80	2.60
3	Consumer goods manufacturing company	53	2.06	5.40	5.65	4.17	3.00
	Average PBV of Manufacturing Companies	177	177	1.74	2.71	2.94	177

Source: www.idx.co.id (2021).

Table 1 shows that the price to book value that has increased is the various industrial sectors; in 2016 and 2017 the price to book value has the same value of 1.23 then from 2017 to 2018 it increased by 0.7 and in 2018 to in 2019 increased by 1.5. Then it decreased again in 2016 to 2017 by -0.43 then in 2017 to 2018 it increased by 0.36 and in 2018 to 2019 it decreased again by -0.33. And the consumer goods sector from 2016 to 2017 experienced a significant increase of 3.34 then in 2017 to 2018 it also increased by 0.25 and in 2018 to 2019 it decreased by -1.48.

It can be concluded that the price to book value can increase or even decrease. This increase or decrease in price to book value can be influenced by external and internal factors within the company itself.

This phenomenon encourages researchers to raise manufacturing companies as research locations and the value of companies as research topics. In Indonesia, consumer goods industry companies are increasing in number because consumer goods are one of the primary human needs besides clothing and housing; therefore consumer goods industry companies are business opportunities that have good prospects. This is also accompanied by the development of the Indonesian economy which is getting better. Consumer goods industry companies generally go public to obtain additional capital Nadia (2014: 96).

Efforts that can be made by shareholders to increase the value of the company is to hand over the management of the company to experts or professionals called managers. However, in an effort to increase the value of the company there will be a conflict of interest between the agent (manager) and the principal (shareholder) which is called an agency conflict. Agency theory shows the importance of separation of ownership between company management and company owners. The purpose of the separation system is to create efficiency and effectiveness by employing professional agents in managing the company (Defy, 2015: 18).

One of the factors that can affect the value of the company is Good Corporate Governance (GCG). According to the Forum for Corporate Governance in Indonesia (FCGI) (2001) states that good corporate governance is a set of regulations governing the relationship between shareholders, management or company managers, the government, creditors, employees and internal and external stakeholders relating to rights and obligations

or in other words good corporate governance can be interpreted as a system that controls the company. good corporate governance aims to create added value for the stakeholders or stakeholders. This is because good corporate governance can encourage the formation of a clean, professional and transparent management work pattern. The application of good corporate governance in a company can attract domestic and foreign investors (Kusmayadi, 2015:11). Therefore, this is very important for a company that wants to expand its business, such as making a new investment.

The profitability ratio shows the company's ability to earn profits by using assets or capital owned by the company. According to Mufidah (2017) profitability is a ratio that shows the company's overall performance. Most investors use profitability ratios for consideration in determining decision making. In this study, the ability of the company in terms of relatives with all the capital owned by the company is measured by Return On Assets (ROA). Return on Assets (ROA) is a ratio that shows the results of the total assets used in the company. In addition, ROA provides a better measure of company profitability because it shows the effectiveness of management in using assets to earn income.

Information is a basic need for investors and potential investors in making decisions. Companies tend to disclose information if the information can maximize the value of the company, which in turn can increase the company's stock price (Moina et al., 2016). One of the additional information disclosed by the company is Corporate Social Responsibility. Corporate Social Responsibility is a company's commitment to improve the welfare of the community through good business practices and contributing part of the company's resources (Moina et al., 2016). The implementation of this corporate social responsibility program is an added value for the company for stakeholders so that it can affect the survival of the company. While Kiran et al. (2015), states that corporate social responsibility is not just an investment but a strong relationship between the company and its stakeholders.

With the implementation and disclosure of Corporate Social Responsibility, the company will gain social legitimacy and can maximize financial strength in the long term (Putra, 2015). Therefore, corporate social responsibility activities and disclosures are one of the things that support the company to get a good image in the eyes of the surrounding community. This can also provide a positive signal for investors because investors will be more interested in companies that have a good image that can reflect that the company is worthy of being chosen as a place to invest. In this case, it can be concluded that the disclosure of corporate social responsibility that is carried out consistently will be able to generate greater profits in the future and will have an impact on increasing the value of the company.

Several previous studies have stated the results that profitability and corporate social responsibility affect firm value. According to Sisca and Yudiaatmaja's research (2016) on the effect of profitability and corporate social responsibility on firm value in consumption sector companies listed on the Indonesia Stock Exchange for the period 2012-2014, the results show that partially the profitability variable has a significant effect on firm value. Research conducted by Saridewi et al. (20) show the results that good corporate governance has a positive effect on firm value.) According to Maulida (2021), if the company's performance seen from its profitability is able to provide good results, it will increase firm value. Different results are shown in research conducted by (Hermawan et al. al., 2015) which shows that profitability has no significant effect on firm value.

Ayu et al., (2017) research on the effect of profitability on firm value with corporate social responsibility as a mediating variable in mining companies listed on the IDX in 2010 – 2014 shows that profitability and corporate social responsibility have a significant positive effect on firm value, and corporate social responsibility can mediate the effect of profitability on firm value. According to Widagdo (2012) in the influence of corporate social responsibility and good corporate governance on company performance, good corporate governance has a significant effect on firm value. On the other hand, the results of research conducted by Cinditya Mariana S, Lilis Ardiani (2016) value the company because of the level of significance of good corporate governance.

According to Hafidzah (2013) in Eliada and Riana, (2015), the company's internal factors are in the form of governance and financial condition. Good governance, or what is often called good corporate governance, is one of the keys to increasing company value. Good corporate governance (GCG) is a rule that directs all elements of the company to work together to achieve company goals.

Previous research conducted by Sari (2018) stated that good corporate governance has a significant positive effect on firm value. The next research conducted by Koch, et al., (2018) states that there are two main conclusions from these two studies. First, corporate governance significantly affects their share price and firm value. while research conducted by Feviana (2021) states that good corporate governance has no effect on firm value. Another study by Prasinta (2012) states that good corporate governance has no effect on firm value.

Corporate social responsibility is getting more attention, both in the field of economic research and practical management. The existence of corporate social responsibility can report existing activities in the company, such as economic, social, and environmental activities to stakeholders which can increase the level of trust and maintain good relations with stakeholders. Good corporate governance and profitability are also related to corporate social responsibility, because they can improve the quality of disclosure of the sustainability report. So this research needs to be reworked and developed to re-examine the role of the internal fundamental variable of firm value in manufacturing companies with different conditions and times. This study examines the determinants of good corporate governance and profitability on firm value with corporate social responsibility as a mediating variable in manufacturing companies listed on the Indonesia Stock Exchange.

Based on previous research, the following hypotheses can be formulated H1: Good Corporate Governance has a positive effect on firm value, H2: Profitability has a positive effect on Firm Value, H3: Good Corporate Governance has a positive effect on Corporate Social Responsibility, H4: Profitability has a positive effect on Corporate Social Responsibility, H5: Good Corporate Governance has a positive effect on firm value through Corporate Social Responsibility, H6: Profitability has a positive effect on firm value through Corporate Social Responsibility.

METHODS OF RESEARCH

This research is in the form of associative using a quantitative approach with the type of explanatory research. The variables used in this study are Good Corporate Governance and Profitability as independent variables, as well as Corporate Social Responsibility as a mediating variable and Company Value as the dependent variable. The sampling technique used in this study is purposive sampling where the data used is in the form of secondary data obtained through the annual financial statements of manufacturing companies for the period 2016 - 2020, by accessing the website www.idx.co.id. The data analysis method used in this research is Path Analysis. Based on the relationship between these variables, an equation model can be formed which is called a structural model as follows:

Structural I:

$$Y_1 = \rho_{y1x1} + \rho_{y1x2} + \rho_{y1\,e1} \qquad (1)$$

Structural II:

$$Y_2 = \rho_{y2x1} + \rho_{y2x2} + \rho_{y2y1} + \rho_{y2\,e2} \qquad (2)$$

Information: ρi (x $_{1,2,3,4,5}$) (y $_{1,2}$)= Path Coef.; e ($_{1,2}$) = *Standard Error of the estimate*.

RESULTS AND DISCUSSION

Based on Table 2, the good corporate governance variable (X1) with the lowest value (minimum) during the research period is 0.00 and the maximum value for good corporate governance during the research period is 8,570 and has an average count (mean) of 0.126

which means an average – the average implementation of good corporate governance for manufacturing companies on the Indonesia Stock Exchange during the 2016-2020 period is 0.126 or 12.6%. This value indicates that the implementation of good corporate governance accompanied by direct supervision allows to increase the value of the manufacturing company.

Profitability variable (X2) which is proxied by Return on Assets (ROA) has the lowest value (Minimum) during the research period, namely -63.12 which means there is no profit up to -63% of the total company equity value and profitability has a maximum value during the period research is 34.89 where the company can generate a net profit of up to 34.89% of the total equity owned by the company by having an average (mean) of 3.521.

The variable Corporate Social Responsibility (Y1) which was measured using 15 disclosure items was obtained from the index which had the lowest (minimum) value during the research period, namely 60 which means that there is an awareness of the importance of implementing corporate social responsibility in manufacturing companies by 60% and corporate social responsibility having the maximum value during the research period is 100 where manufacturing companies are increasingly intensifying corporate social responsibility programs for the sake of the country's economy and have an average count (mean) of 86,65108 which means the average implementation of corporate social responsibility for manufacturing companies on the Indonesian stock exchange during the period 2016-2020.

The Firm Value variable (Y2) which is proxied by Price to Book Value (PBV) has the lowest value (Minimum) during the research period, namely -2.210 which means that the firm value is -2.21% in manufacturing companies and the firm value has the maximum value during the research period, namely 64.43 where the company got an increase of 64.43% by having an average calculation (mean) of 1,536.

Table 2 – Descriptive Statistics

	N	Minimum		Maximum	Mean	Std. Deviation
X1	355	.000	8.57		0.126	0.4995
X2	355	-63.12	34.89		3.521	8.5949
Y1	355	60.00	100.00		86.65	9.7743
Y2	355	-2.210	64.43		2.849	6.9710
Valid N (listwise)						

Source: SPSS Output, 2022.

Table 3 – First Model Multicollinearity Test Results

Coefficients[a]

Model	Collinearity Statistics	
	Tolerance	VIF
X1	.989	1.011
X2	.989	1.011

a. Dependent Variable: Y1. Source: SPSS Output, 2022.

Table 3 shows the results that the value of tolerance and Variance Inflation Factor (VIF) has a tolerance value of more than 0.10 and a VIF value of less than 10, which means that the first model in this study does not have multicollinearity problems, so the first model deserves to be analysed.

Table 4 – Second Model Multicollinearity Test Results

Coefficients[a]

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
X1	.987	1.014
X2	.965	1.036
Y1	.974	1.027

a. Dependent Variable: Y2. Source: SPSS Output, 2022.

Table 4 shows the results that the value of tolerance and Variance Inflation Factor (VIF) has a tolerance value of more than 0.10 and a VIF value of less than 10, which means that the second model in this study does not have multicollinearity problems, so the second model deserves an analysis test.

Table 5 – First Model Hesteroscedasticity Test Results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	7.931	.332		23.885	.000
X1	.630	.608	.055	1.036	.301
X2	-.068	.035	-.102	-1.923	.055

a. Dependent Variable: ABSRES. Source: SPSS Output, 2022.

Table 6 – Second Model Hesteroscedasticity Test Results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.725	.329		2.203	.028
X1	.087	.074	.063	1.177	.240
X2	.008	.004	.100	1.854	.065
Y1	.004	.004	.055	1.027	.305

a. Dependent Variable: ABRES. Source: SPSS Output, 2022.

The results of the Hesteroscedasticity test in the first model are shown in Table 5 shows the results with a significance value of the Hesteroscedasticity test greater than 0.05 where the Good Corporate Governance (X1) variable has a Sig value. 0.301, while Profitability (X2) has Sig. 0.055, it can be concluded that the first model is free from Hesteroscedasticity symptoms.

The results of the Hesteroscedasticity Test in the second model are shown in Table 6. The results with a significance value of the Hesteroscedasticity test are greater than 0.05 where the Good Corporate Governance (X1) variable has a Sig value. 0.240 while Profitability (X2) has Sig. 0.065 and Corporate Social Responsibility (Y1) has a value of Sig. 0.305, it can be concluded that the second model is free from Hesteroscedasticity symptoms

Table 7 – First Model Autocorrelation Test Results

Model Summary^b

Model	Durbin-Watson
1	1.986

Source: SPSS Output, 2022.

The DW value is 1,986, the dU value for the number of samples is 355 with 3 independent variables (Blank). Then the value of 4 - dU is (empty), so the results of the autocorrelation test are dU < DW < 4 - dU which is 1.72 < 1.986 < 2.28, then the regression model created does not contain symptoms of autocorrelation.

Table 8 – Second Model Autocorrelation Test Results

Model Summary^b

Model	Durbin-Watson
1	1.939

Source: SPSS Output, 2022.

The DW value is 1,939, the dU value for the number of samples is 355 with 3 independent variables (Blank). Then the value of 4 - dU is (empty), so the results of the autocorrelation test are dU < DW < 4 - dU which is 1.72 < 1.939 < 2.28, then the regression model created does not contain symptoms of autocorrelation.

Table 9 – First Model Direct Effect Output Recapitulation

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	86.150	.565		152.372	.000
X1	.049	.035	.054	2.014	.011
X2	.180	.060	.158	2.987	.003
R Square = 0,026	F Hitung = 4.714				
Adj R Square = 0,021	Sig. = 0,000				

a. Dependent Variable: Y1. Source: SPSS Output, 2022.

Table 9 shows the magnitude of the value of the direct influence on the first model that obtains a value on the structural equation, namely:

$$Y_1 = 0{,}054\ X_1 + 0{,}158\ X2$$

Where: Y_1 = Corporate Social Responsibility; X_1 = Good Corporate Governance; X2 = Profitability.

The regression equation gives where and how much influence each independent variable has on the dependent variable as follows = 0.054 this shows that when applying Good Corporate Governance it will increase by 1 percent, then Corporate Social Responsibility will increase by 5.4%. 2 = 0.158 indicates that when the implementation of Corporate Social Responsibility increases by 1 percent, profitability will increase by 15.8%.

Table 10 – Second Model Direct Effect Output Recapitulation

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-2.338	3.284		-.712	.477
X1	.081	.736	.006	2.110	.012
X2	.137	.043	.169	3.168	.002
Y1	.054	.038	.076	1.438	.151
R Square = 0,038	F Hitung = 4.636				
Adj R Square = 0,030	Sig. = 0,003				

a. Dependent Variable: Y2. Source: SPSS Output, 2022.

Table 10 shows the value of the magnitude of the direct effect on the second model and obtains the results of the structural equation, namely:

$$Y2 = 0{,}006\ X_1 + 0{,}169\ X2 + 0{,}076\ Y_1$$

Where: Y2 = Firm value; Y_1 = Corporate Social Responsibility; X_1 = Good Corporate Governance; X2 = Profitability.

The equation shows the direction and magnitude of the influence of each independent variable on the dependent variable as follows: = 0.006 Explains that when the disclosure of Good Corporate Governance will increase by one percent, it will increase the value of the company by 0.6%. 2 = 0.169 explains that when the application of profitability will increase by one percent it will increase the value of the company by 16.9%. 3 = 0.076 explains that when Corporate Social Responsibility increases by one percent, the value of the company will increase by 7.6%.

Table 11 – Result F Count

Model	F-count Value	Significance of F Count
1st Model	4.714	,000
2nd Model	4.636	,003

In Table 11 the first model gives the calculated F value of 4.714, where the significance value of 0.010 is smaller than the value of the significance level (α) = 0.05. Significance value above shows that Good Corporate Governance and Profitability simultaneously have a significant positive effect on Corporate Social Responsibility. It can be seen in the second model that the calculated F value is 4.636 with a significance value of 0.003 which is smaller than the value of the significance level (α) = 0.05. This means that profitability and corporate social responsibility simultaneously have a significant positive effect on firm value.

The significance value of Good Corporate Governance is 0.006 which is smaller than 0.05 with a t-value of 2.110. This value means that Good Corporate Governance has a significant positive effect on Company Value. Profitability Significance Value is 0.013 which is smaller than 0.05 with a t value of 3.168. This value means that profitability has a significant positive effect on firm value. The significance value of Good Corporate Governance is 0.011, which is smaller than 0.05 with a t-value of 2.014. This value means that Good Corporate Governance has a significant positive effect on Corporate Social Responsibility. Profitability Significance Value is 0.003 smaller than 0.05 with a t value of 2.987. This value means that profitability has a significant positive effect on Corporate Social Responsibility. The significance value of Corporate Social Responsibility is 0.151, which is smaller than 0.05 with a t-value of 1.438. This value means that Corporate Social Responsibility has a significant positive effect on Company Value.

From the calculation of the Sobel test, the statistical value (z-value) for the influence of the Corporate Social Responsibility variable as a mediating variable between the Good Corporate Governance and Company Value variables is 0.998490566037736, it can be concluded that because the z count of 0.998 is smaller than 1.96, it means that the indirect effect not significant. Thus, Corporate Social Responsibility indirectly and not significantly mediates Good Corporate Governance on Company Value with a mediation coefficient of 0.998.

From the Sobel test calculation, it was obtained that the statistical value (z-value) for the influence of the Corporate Social Responsibility variable as a mediating variable between the Profitability variable and Company Value was 1.285714285714286. It can be concluded that because the z count of 1.285 is smaller than 1.96, it means that the indirect effect is not significant. . Thus, Corporate Social Responsibility indirectly and not significantly mediates Profitability on Firm Value with a mediating coefficient of 1,285.

This study found that good corporate governance has an effect on firm value. Based on the results of this study, the first hypothesis which states that good corporate governance has a positive and significant effect on firm value is acceptable. This means that the role of good corporate governance can bring changes to companies, investors, governments or the wider community. In addition, good corporate governance is also useful as a plus for the company in advancing the company's performance in overcoming good business competition. implementation of good corporate governance in an effort to increase value added, stakeholders and shareholders (Irlene and Kristanto, 2020). The results of this study are also supported by research conducted by Yushita and Triatmoko (2013) which concludes that good corporate governance has a positive effect on firm value. itself, will be able to increase the value of the company. it is explained that investors will spend more funds on manufacturing companies listed on the Indonesian stock exchange if the companies provide transparency in implementing good corporate governance which they have explained in the annual report.

This study found that profitability has a significant effect on firm value. Based on the results of this study, the second hypothesis which states that profitability has a significant effect on firm value is acceptable. This means that roles can bring about change for companies, investors, governments or the wider community. In addition, it is also useful as a

plus for the company in advancing the company's performance in overcoming good business competition. implementation in an effort to increase value added, stakeholders and shareholders (Irlene and Kristanto, 2020). The results of this study are also supported by research conducted by Sabrina et al., (2016) and Marsha and Murtaqi (2017) who get the results that profitability has a positive and significant effect on firm value. Potential investors believe that high profits will be able to provide higher returns to potential investors, accompanied by an increase in the company's stock market price.

This study finds that good corporate governance on corporate social responsibility is obtained. The third hypothesis states that good corporate governance has a significant effect on profitability and is acceptable. This shows that investors are responsible for implementing the principles of good corporate governance to protect the rights and interests of all shareholders so that the parties automatically demand that companies make transparent disclosures, so that managerial ownership can improve the quality and quantity of voluntary disclosures. It is assumed that managerial ownership can require companies to increase corporate social responsibility. The results of this study are also supported by research conducted by Sukasih and Sugiyono (2014: 335) which states that good corporate governance with managerial ownership has an effect on corporate social responsibility.

This study found that profitability on corporate social responsibility has a significant effect. Based on the results obtained. Based on the results of this study, the fourth hypothesis which states that profitability has a significant effect on corporate social responsibility can be accepted. This shows that the company's ability to earn a profit is an attraction for investors to invest funds, if the manufacturing company can offer a high return. Therefore, investors will be interested in investing in which corporate social responsibility programs are an alternative to gain profits. These findings support the results of research conducted by Wulandari and Zulhaimi (2017) revealing that profitability has an effect on corporate social responsibility in manufacturing and service companies listed on the IDX.

This study found that good corporate governance on the value of the company through corporate social responsibility has a significant effect. Based on these results the fifth hypothesis which states that corporate social responsibility is not able to mediate the relationship of good corporate governance to firm value. The findings are in line with research conducted by Shafina and Anwar (2021) this can be proven because the disclosure of corporate social responsibility of each company has not met the target. Even though the company discloses corporate social responsibility very high, investors still view the company's financial condition compared to the disclosure of corporate social responsibility in their company (Suhartini & Megasyara, 2017).

This study found that good corporate governance on the value of the company through corporate social responsibility has a significant effect. Based on the results of this study, the sixth hypothesis states that corporate social responsibility can be said to be unable to mediate the relationship between profitability and firm value. This shows that the reasons people buy shares, get capital gains or increase share prices, receive dividend payments and get "voting" rights and influence the running of the company (Ermayanti, 2019). These findings support the results of research conducted by Mustofa and Mujiati (2020) proving that corporate social responsibility does not have an impact on firm value. This is caused by several phenomena, namely the tendency of investors to buy shares, low disclosure of corporate social responsibility.

CONCLUSION

The results of the research and discussion in this study can be concluded as follows: Good Corporate Governance has an effect on firm value. Companies with a very good composite predicate will get a reputation and be an attraction for investors in making investments with good composite points so that it will be a measure in increasing the value of their company. Profitability has an effect on firm value. Prospective investors believe that high profits can provide high returns so that potential investors' perceptions of the company are higher which is accompanied by an increase in the company's stock market price. Good

Corporate Governance has an effect on Corporate Social Responsibility. It Shows that good corporate governance affects the Corporate Social Responsibility program that will be carried out by the company. Profitability has an effect on Corporate Social Responsibility. High profits in a company affect the Corporate Social Responsibility program. Good Corporate Governance has an effect on Corporate Social Responsibility and Corporate Social Responsibility on firm value shows no effect. Based on these results, it can be said that Corporate Social Responsibility is not able to mediate the relationship of Good Corporate Governance to firm value. Profitability has an effect on Corporate Social Responsibility and Corporate Social Responsibility on firm value shows no effect. Based on these results, it can be said that Corporate Social Responsibility is unable to mediate the relationship between profitability and firm value.

Based on the existing conclusions, researchers can provide suggestions for Good Corporate Governance companies that have a composite value with a low score indicating that the company has a good reputation and low risk in investing in the company. with a good composite value, the company's ability to earn profits is also high which will have an impact on increasing the value of the company, accompanied by good CSR implementation will provide a good reputation for the company and product image among the community and the implementation of CSR successively every year will experience increase in company value. For further researchers, considering that there is a 26.4% variation in firm value explained by other factors outside the model formed, further research can examine other independent variables such as sales growth and capital structure. Expanding the research population to include all types of companies listed on the Indonesia Stock Exchange. Further research can also use other measurement indicators such as Tobin's Q's, CSRDI, and Return on Equity or use other variables such as liquidity, leverage and others.

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