

The Role of Managerial Ownership in Moderating the Effect of Corporate Social Responsibility Disclosure and Profitability on Company Value (Study of Consumer Goods Industry Companies for the 2019-2022 Period)

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ABSTRACT

Objective: This study aims to prove the role of managerial ownership in moderating the influence of CSR and profitability on company value. **Method:** The research approach is quantitative with secondary data in the form of annual reports of manufacturing companies in the consumer goods sector listed on the IDX for the period 2019-2022. Purposive sampling was used to select a total of 14 companies over 4 periods, with a total sample of 56. The analysis technique used multiple linear regression, moderating regression analysis (MRA) assisted by SPSS 26 software. **Result:** The findings prove that the profitability variable has a positive effect on company value, but the corporate social responsibility disclosure variable has no effect on company value. Furthermore, the moderating variable of managerial ownership has no effect. **Novelty:** The novelty of this study lies in its focus on the moderating role of managerial ownership, which has not been shown to have an effect on the relationship between CSR, profitability, and company value, offering new insights into corporate governance.

INTRODUCTION

In today's business world, there has been rapid progress and intense competition. Company value reflects the current state of a company and also illustrates its future prospects. Therefore, every company must continue to improve its performance to achieve its goals optimally. Most companies have similar goals, namely to set long-term goals to increase company value and improve stakeholder welfare, while the short-term goal is to maximize company profits [1]. Companies must create high company value to compete well in the face of competition. If a company has good value, it will attract investors to invest. This is because investor assessments can be seen through the price of company shares listed on the Indonesia Stock Exchange [2]. In this case, companies must maintain stable value.

Company value is the equity value of stakeholders, which aims to maximize the value generated by the company [3],[4]. Company value is a situation where the company has successfully achieved recognition from the public [5]. Company value is also one of the investor perceptions of a company, which is often associated with stock prices. The value of a company can be used to describe the quality of its management in financial management, as well as to measure its financial performance. The value of a company can be determined by its share price; the higher the share price, the more positive the impact on the company's value, making shareholders wealthy. Company performance

affects the share price of the company. When the company's profits improve, the share price will increase. Company performance can be seen from the financial reports used as the basis for assessment [6]. The company's financial situation has proven that it cannot guarantee a sustainable increase in company value. The company's sustainability can be guaranteed if the company pays attention to environmental and social issues. Thus, the company has a responsibility for all activities carried out towards its stakeholders. The form of corporate responsibility is CSR (Corporate Social Responsibility) [7].

Corporate Social Responsibility Disclosure, better known as CSR, is a company's commitment to take responsibility for the impact of its operations on social, economic, and environmental dimensions [8]. A company is always closely related to its surrounding environment, therefore companies must pay attention to their responsibility to the social environment. In conducting its business, a company cannot be separated from the community and the environment, which will create a reciprocal relationship between the company and the community. Thus, the company provides a reciprocal relationship with the community as a business ethic. CSR disclosure is useful for providing insight into financial reports to investors regarding the relationship between the environmental, social, and economic aspects of the company, so that the company can make decisions about its future strategy. In carrying out corporate social responsibility, companies are not only responsible to their owners (stakeholders), but to all parties (stakeholders) related to the company. The more a company grows, the higher and more uncontrollable the level of utilization of natural and social resources becomes. Therefore, companies must be aware of the need to have a positive influence on company value [9].

CSR can have a positive impact on company value, meaning that the more a company communicates its social messages and the higher the quality of its information, the higher the company's value. With good social responsibility, it is hoped that the company's share price will increase so that investors will also consider the company's value [10]. By carrying out CSR activities, a company can improve its image in the eyes of consumers and attract investors to invest in the company. Increasing consumer loyalty in the long term can increase a company's sales and profitability. CSR is a company's commitment to take responsibility for the impact of its operations on social, economic, and environmental dimensions. If CSR is channeled optimally and sustainably for the company, it can trigger an increase in the company's value. This study is consistent with the studies [11],[12] which show that CSR has a significant effect on company value. However, the results of this study contradict the study [13] which shows that Corporate Social Responsibility does not have a significant effect on company value.

In addition to information about CSR, profitability can contribute to the creation of company value [14]. Information about profitability is a very basic requirement for investors in making decisions to invest in the capital market. Companies with better profitability can provide opportunities for investors to obtain high returns, which means that company value will increase through capital management if its financial performance is good. One indicator that measures profitability is return on equity. Return on equity (ROE) is a fundamental test that determines a company's excellence in

generating profits on its capital for investors, owners, and shareholders of a company with its capital. If the company's performance is good, then the company's value will also be good, which means that a company with a high return on equity (ROE) will make the company profitable.

Another factor that affects a company's value is management ownership. Management ownership is the percentage of shares owned by management in a company. Managerial ownership is useful for uniting the interests of shareholders and managers [15],[16]. Managers, as company leaders, strive to optimize a company's value as a manifestation of the company's long-term goals. In increasing the value of the company, it is not uncommon for company managers to have goals and interests that conflict with the core objectives of the company and often overlook the interests of stakeholders. These differences in the desires of managers will certainly lead to conflicts known as agency conflicts [17],[18].

One way to reduce agency costs is for managers to own shares in the company. Managerial ownership aligns the interests of managers and shareholders, so managers are more careful in making decisions. Theoretically, as management involvement in a company increases, management tends to improve its performance. Therefore, the greater the managerial ownership in a company, the more managers will engage in and disclose the company's activities. Several researchers have tested the effect of managerial ownership on company value, including [19],[20], which show that managerial ownership has a significant positive effect on company value. However, these findings contradict the research by [21], which proves that managerial ownership has a significant negative effect on company value.

Legitimacy theory explains the relationship between a company and the community in which it operates. Legitimacy theory states that a company must comply with existing social norms and boundaries and be able to convince the community and external parties that its activities are acceptable. In legitimacy theory, a company has close social relations because both are bound by a social contract between the company and its stakeholders [22],[23]. Companies try to overcome this situation with regulations imposed within society so that they can be accepted in the external environment. Therefore, companies must understand that the determinants of a company's survival are the interactions between the company and the community and environment in which the company operates [24]. This explains that in order for a company to survive, it needs to seek recognition or legitimacy from stakeholders, including investors, creditors, consumers, the government, and the surrounding community. To gain legitimacy from the surrounding community, companies need to carry out social responsibility activities through CSR activities.

Agency Theory is an agency relationship as a contract in which one or more principals (shareholders) use other people or agents (managers) who are given the power and responsibility to make decisions in managing resources [25], [26]. Thus, a good working contract between the principal and the agent is a working contract that must be fulfilled by the principal in managing the invested assets, as well as a profit-sharing

mechanism in accordance with the profits, returns, and risks agreed upon by both parties. An agency relationship is a situation where activities are separate from investor ownership and management control [27]. Managers prioritize their personal interests because investors do not prioritize their personal interests and will reduce company profits and impact stock prices, which will cause a decline in company value. Agency conflicts can be minimized with a good corporate governance system, one of which is management ownership. Management ownership encourages managers to work effectively in managing and making company policies, by prioritizing maximum company value [28].

Signaling theory explains that a company's ability to generate high profits will send a positive signal to investors. Signals are a management measure to provide investors with clues about the company's prospects. This shows that signaling can also be used by managers to minimize information asymmetry [29]. Companies that can maintain stable profit growth will send positive signals to investors about the company's performance. If a company's profits increase, it may indicate good company performance. This theory also states that any information related to the condition of a company's shares will always have an effect on the parties receiving the signal.

The differences between the research conducted by [30] and this research are the moderating variables, the proxies used, and the research objects. The previous study did not use moderating variables, company value was measured using the Tobin Q ratio, while the research object was mining sub-sector companies listed on the IDX for the 2015-2017 period. Meanwhile, in this study, managerial ownership is used as a moderating variable, company value is measured using Price to Book Value (PBV), and the object used is consumer goods companies listed on the IDX for the period 2019-2022. Consumer goods companies were selected as research samples because the products produced by these companies are products that are needed by everyone or are consumptive in nature, therefore many investors choose consumer goods companies as their investment options. The variables used in this study are CSR and profitability as independent variables, company value as the dependent variable, and managerial ownership as the moderating variable. This study aims to determine whether CSR affects company value, to determine whether profitability affects company value, to determine whether the role of managerial ownership can moderate the effect of CSR on company value, and to determine whether the role of managerial ownership can moderate the effect of profitability on company value.

Hypothesis Development

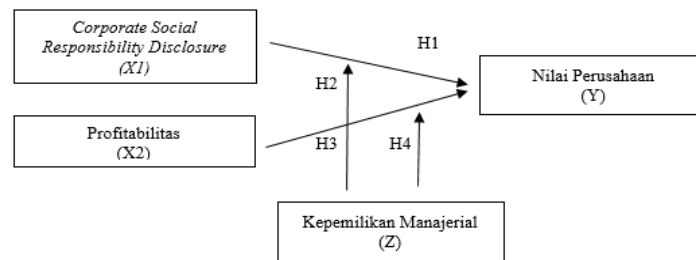


Figure 1. Conceptual framework.

The Effect of Corporate Social Responsibility Disclosure on Firm Value

The theory linking Corporate Social Responsibility to company value in this study is Legitimacy Theory, which explains the relationship between a company and the community in which it operates. In legitimacy theory, a company has close social relations because both are bound by a social contract between the company and its stakeholders [31],[32]. Companies that carry out CSR activities are a form of corporate responsibility to stakeholders, one of which is the community. Companies must implement and disclose their CSR activities as much as possible so that the community can accept the company's activities. The implementation of CSR will benefit the company in that consumers will increasingly like the company's products, which will enhance the company's image [33],[34]. Sustainable growth in company value is guaranteed if the company pays attention to economic, environmental, and social aspects. The implementation of CSR is a form of corporate responsibility and concern for the surrounding environment [35]. Research conducted by [36] found that CSR disclosure has an influence on company value. Based on this explanation, the following hypothesis is concluded:

H1: Corporate Social Responsibility Disclosure on Company Value

The Effect of Profitability on Company Value

Profitability is one of the indicators in assessing a company's performance. Profitability is a company's ability to make a profit so that it can provide information related to the level of effectiveness of company management [37]. The company's future prospects will be considered good if its profitability growth improves because profitability is very important for companies to maintain their business continuity in the long term. Companies with high profitability will attract investors to invest, because profitability is often used as a reference by investors to assess company value. Profitability measurement in this study uses ROE. Research conducted by [38] states that profitability measured by ROE affects company value. This indicates that the higher the profitability measured using ROE, the higher the company's ability to generate profits from equity, thereby improving the company's future prospects, which also influences the growth of company value [39]. Research by [40] states that profitability affects company value. Based on this, the following hypothesis was developed:

H2: Profitability Affects Company Value

The Role of Managerial Ownership in Moderating the Influence of Corporate Social Responsibility Disclosure on Company Value

Agency Theory is an agency relationship as a contract in which one or more principals (shareholders) use other people or agents (managers) who are given the power and responsibility to make decisions in managing resources [41],[42]. Managerial ownership is often seen as the possibility of a conflict of interest between management and shareholders. There is a need for control that can align the interests of management and stakeholders. A manager who is also a shareholder will certainly increase the value of the company. The higher the value of the company, the higher the value of the shareholder's wealth [43]. The existence of managerial ownership in a company encourages management to increase the value of the company. If the value of the company increases, it can attract investors to invest. The higher the managerial ownership, the stricter the supervision of the company, so that company managers are more likely to disclose social information about CSR activities that have been carried out and can become better because managers will behave ethically in making decisions to increase company value [44]. Research conducted by [45] shows that managerial ownership moderates CSR and company value. Therefore, the following hypothesis was developed:

H3: Managerial Ownership in Moderating the Influence of Corporate Social Responsibility Disclosure on Company Value

The Role of Managerial Ownership in Moderating the Influence of Profitability on Company Value

The level of managerial ownership in a company can increase motivation to advance the company. Therefore, managers must be more careful when making decisions because they must bear the full consequences of every decision or action taken. Thus, managerial ownership affects the financial performance ratio (profitability) in improving the company. Profitability is an indicator in assessing a company's performance and is very important for a company because profitability can indicate whether or not the company has good prospects in the future. Companies that can earn high profits or gains will attract investors to invest. Research conducted by Maulana shows that managerial ownership has an effect in moderating the relationship between profitability and company value. Based on this, the following hypothesis was developed:

H4: Managerial Ownership in Moderating the Effect of Profitability on Company Value

RESEARCH METHOD

Approach and Type of Research

This study uses a quantitative research method. Quantitative research is research related to numerical data that is processed using statistical methods. The purpose of this study is to determine the causal relationship or influence of the variables used, namely CSR and profitability as independent variables, company value as a dependent variable, and managerial ownership as a moderating variable.

Population and Sample

The population of this study is all consumer goods manufacturing companies listed on the Indonesia Stock Exchange in 2019-2022. The sampling technique used purposive sampling (a technique for determining samples based on specific considerations). The sample is a portion of the number and characteristics of the core population selected in this study, namely all consumer goods companies listed on the IDX in 2019-2022 with the following criteria:

Table 1. Sampling criteria.

No.	Criteria	Number
1.	<i>Consumer Goods</i> Companies listed on the Indonesia Stock Exchange in 2019-2022	53
2.	<i>Consumer Goods</i> companies that did not publish an <i>annual report</i> ending on December 31, 2022.	(28)
3.	<i>Consumer Goods</i> companies that did not disclose <i>Corporate Social Responsibility</i> (CSR) during the research period.	(4)
4.	<i>Consumer Goods</i> Companies that incurred losses during the 2019-2022 period.	(7)
Companies that meet the criteria as research samples.		14
Total Research Sample (14 companies x 4 periods during 2019-2022)		56

Data

The data source for this study is secondary data. Secondary data is data that is not obtained directly by the researcher. The secondary data in this study is the financial reports of consumer goods companies listed on the Indonesia Stock Exchange from 2019 to 2022. The data source for this study was obtained from www.idx.co.id.

Operational Definitions

a. Corporate Social Responsibility Disclosure (X1)

Corporate Social Responsibility Disclosure is the basis that companies no longer have responsibilities that are solely focused on corporate value in their financial condition but must also be socially responsible [46]. Companies that disclose CSR optimally and sustainably are able to trigger an increase in corporate value [47]. Therefore, the implementation of CSR in companies is very important.

$$CSR D = \frac{n}{k}$$

Explanation:

CSR D : CSR Disclosure

N : Number of CSR disclosure items fulfilled

k : Total number of all CSR items

b. Profitability (X2)

Profitability is a company's ability to earn profits within a certain period of time and can provide information related to the effectiveness of management's performance in managing a company's assets. The ratio used is ROE (Return on Equity).

$$ROE = \frac{\text{Laba Bersih Setelah Pajak}}{\text{Total Ekuitas}}$$

Source: [50]

c. Company Value (Y)

Company value is an illustration that can show the conditions that have been achieved by the company. In this study, company value is represented by PBV (Price to Book Value). PBV is a ratio used to describe the size of the market in evaluating the book value of a company's shares. A high PBV reflects a lower net operating asset book value. PBV also has the advantage that book value is relatively stable and can be used to calculate negative company earnings. An increase in PBV also indicates profit growth for shareholders. PBV is measured by comparing the share price to the book value of a company.

$$PBV = \frac{\text{Harga Saham}}{\text{Nilai Buku per Lembar Saham}}$$

Source: [50]

d. Managerial Ownership (Z)

Management ownership is part of management share ownership (directors and committees) that plays an active role in corporate decision-making. Managerial share ownership also helps align the interests of managers and shareholders.

$$KM = \frac{\text{Saham yang dimiliki manajer}}{\text{Jumlah saham yang beredar}}$$

Source: [51]

Table 2. Variable indicators.

Research Variables	Symbol	Scale	Measurement Method
Corporate Social Responsibility Disclosure (X1)	CSRD	Ratio	$\frac{n}{k}$
Profitability (X2)	ROE	Ratio	$\frac{\text{Laba Bersih Setelah Pajak}}{\text{Total Ekuitas}}$
Company Value (Y)	PBV	Ratio	$\frac{\text{Harga Saham}}{\text{Nilai Buku per Lembar Saham}}$
Managerial Ownership (Z)	KM	Ratio	$\frac{\text{Saham yang dimiliki manajer}}{\text{Jumlah saham yang beredar}}$

Data Analysis Techniques

Data analysis techniques in quantitative research are used to test formulated hypotheses. The use of numbers and statistical calculations in analyzing a hypothesis is a form of quantitative data analysis and requires a number of analysis tools. Quantitative data is processed and analyzed using statistics and assisted by the Statistical Program for Social Science (SPSS) version 26 application. Classical assumption tests were conducted

before performing simple regression analysis to obtain accurate results. There were four normality tests conducted, namely normality, multicollinearity, autocorrelation, and heteroscedasticity tests. The statistical method used to test the hypothesis was multiple linear regression with Moderated Regression Analysis (MRA).

Hypothesis Testing

This study used a partial test (t-test) to determine the extent of the influence of each independent variable on the dependent variable. If the t-table is greater than the t-count, then the dependent variable has a significant effect on the independent variable, and vice versa.

RESULTS AND DISCUSSION

Results

Overview of Research Object

The research data was taken from the annual reports on the shareholder composition page and financial reports of consumer goods companies published by the Indonesia Stock Exchange (IDX) in the 2019-2022 period. Managerial ownership was used as the moderating variable, company value as the dependent variable, and independent variables including CSR and profitability. A total of 14 companies were observed, resulting in $14 \times 4 \text{ years} = 56$ data points.

Results of Descriptive Statistical Tests

Descriptive statistics provide an overview or description of data based on minimum, maximum, mean, and standard deviation values. The results of the descriptive statistical test using SPSS V.26 are shown in the following table:

Table 3. Descriptive Statistics.

	N	Minimum	Maximum	Mean	Std. Deviation
CSR	56	252.00	303.00	521.16	502.49
ROE	56	2935.00	6227.00	1539.17	12,512.147
Company Value	56	1347.00	74,758.00	2357.32	17,807.573
Managerial Ownership	56	.00	9212.00	970.05	2424.762
Valid N (listwise)	56				

Table 3 explains that the CSR variable (X1) shows that the measurement of variable N of 56 has an average value of 521.16 and a standard deviation of 502.49. Profitability with ROE proxy (X2) shows that variable N measurement of 56 has an average value of 1539.17 and a standard deviation of 12512.147. Company value with the PBV proxy (Y) shows that the measurement of variable N of 56 has an average value of 2357.32 and a standard deviation of 17807.573. Managerial ownership (Z) shows that the measurement of variable N of 56 has an average value of 970.05 and a standard deviation of 2424.762.

Results of Classical Assumption Tests

a. Normality Test

The normality test aims to determine whether the data distribution in a data group is normally distributed or not. It is performed using a Kolmogorov-Smirnov graph with a significance level of 0.05. The following are the results of the normality test using SPSS V.26 in the following figure.

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		56
Normal Parameters ^{a,b}	Mean	-.0000003
	Std. Deviation	16970.8089
Most Extreme Differences	Absolute	.106
	Positive	.106
	Negative	-.086
Test Statistic		.106
Asymp. Sig. (2-tailed)		.180 ^c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Figure 2. Normality Test.

Based on Figure 2, the normality test results show an Asymp. Sig. (2-tailed) coefficient value of 0.180, which is greater than $\alpha = 0.05$. Therefore, all independent variables are normally distributed.

b. Multicollinearity Test

The purpose of the multicollinearity test is to determine whether there is intercorrelation (a strong relationship) between independent variables. This is done using the tolerance and VIF methods. A good regression model is characterized by no intercorrelation between independent variables. Multicollinearity does not occur if the tolerance value is greater than 0.10 and the VIF values are consecutively less than 10.00. The following are the results of the multicollinearity test using SPSS V.26 in the following figure:

Coefficients ^a			
		Collinearity Statistics	
Model		Tolerance	VIF
1	(Constant)		
	CSR	.872	1.146
	ROE	.962	1.040
	Kep. Manajerial	.885	1.130

a. Dependent Variable: Nilai Perusahaan

Figure 3. Multicollinearity Test.

Based on Table 4 of the multicollinearity test results, the tolerance values for X1 = 0.872 and X2 = 0.962 are simultaneously greater than 0.10, and the VIF values for X1 =

1.146 and $X^2 = 1.040$ are less than 10.00. Therefore, there is no multicollinearity among all independent variables.

c. Heteroscedasticity Test

The heteroscedasticity test aims to determine whether there is variance inequality in the regression model between one observation and another. The presence or absence of heteroscedasticity can be determined from the scatterplot pattern. A model does not exhibit heteroscedasticity if:

1. The points are scattered above and below or around the number 0.
2. The points do not cluster only below or only above.
3. The distribution of points does not form a pattern that widens, then narrows, and widens again.

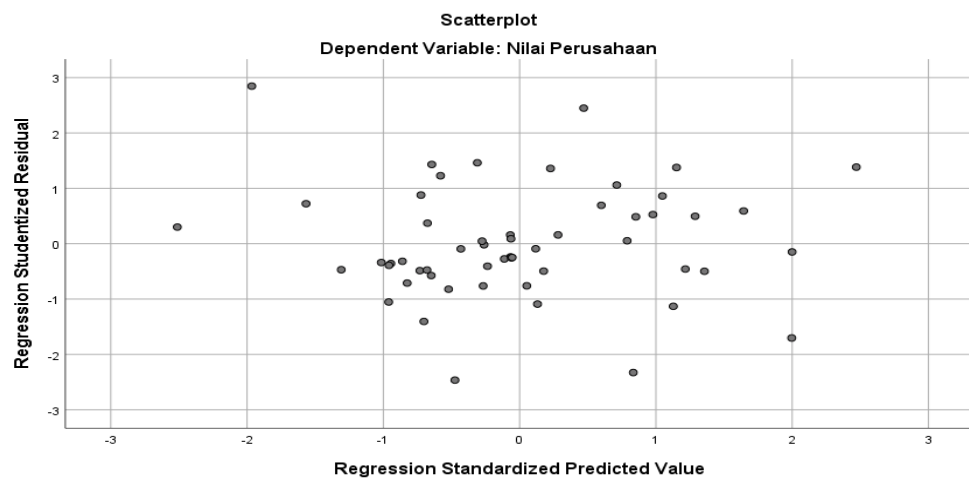


Figure 4. Heteroscedasticity Test.

Based on Table 5, the results of the heteroscedasticity test in the scatterplot above show that the points are not clustered around the 0 axis, do not form a pattern, and are spread out overall. Therefore, it can be concluded that none of the variables exhibit heteroscedasticity.

d. Autocorrelation Test

The autocorrelation test aims to determine whether there is a correlation between residuals in an observation. Using Durbin Watson:

1. If $d < dL$ or $d > 4 - dL$, the hypothesis is rejected, meaning that there is autocorrelation.
2. If $dU < d < 4 - dU$, then the hypothesis is accepted, meaning there is no autocorrelation.

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.156 ^a	.024	-.033	16461.4781	1.842

a. Predictors: (Constant), Kepemilikan Manajerial, ROE, CSR
b. Dependent Variable: Nilai Perusahaan

Figure 5. Autocorrelation Test.

With the following results:

$$\begin{aligned}d &= 1.842 \\dL &= 1.4581 \\dU &= 1.6830 \\4 - dL &= 2.5419 \\4 - dU &= 2.317\end{aligned}$$

Based on Table 5, the results of the autocorrelation test $1.6830 < 1.842 < 2.317$, the hypothesis is accepted, which means that there is no autocorrelation.

Hypothesis Test

a. Multiple Linear Regression Test

The Multiple Linear Regression Test aims to determine whether there is an effect of independent variables on dependent variables. The following are the results of Multiple Linear Regression using SPSS V.26.

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	
		B	Std. Error	Beta	t
1	(Constant)	1723.671	440.679		3.910
	CSR	-434.260	464.474	-.012	-.094
	ROE	4.269	1.865	.300	2.289

a. Dependent Variable: Nilai Perusahaan

Figure 6. Multiple Linear Regression Test.

The results of the above equation can be interpreted as follows:

1. The constant (a) has a value of 1723.671, which indicates the extent of the influence of the independent variable on the dependent variable. The Company value is 1723.671 if the independent variable is 0.
2. If the other independent variables remain constant and the regression coefficient on variable (X1) is 434.260, then (Y) will increase by 434.260 if (X1) increases by one unit.
3. The regression coefficient on (X2) is equal to 4.269, which indicates that if (X3) increases by one unit while the other independent variables remain stable, then (Y) will also increase by 4.269.

b. Partial Test (T)

The Partial Test (T) aims to determine the partial (individual) effect of the independent variable on the dependent variable. With a table T value = 2.005. Acceptance or rejection of the hypothesis is carried out using the following criteria:

1. If the sig value is 0.05 or the calculated T is greater than the table T, then there is a difference between variable X and variable Y.
2. If the sig value is > 0.05 or T count is T table, then there is no relationship between variable X and variable Y.

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	1723.671	440.679		.000
	CSR	-434.260	464.474	-.012	.926
	ROE	4.269	1.865	.300	.028

a. Dependent Variable: Nilai Perusahaan

Figure 7. Partial Test (T).

The results of the above equation can be interpreted as follows:

1. The partial test value for X1 is $0.926 > 0.05$ and $0.094 < 2.00575$, so X1 has no effect on variable Y.
2. The partial test value of X2 is $0.028 < 0.05$ and $2.2289 > 2.00575$, so X2 has a significant positive effect on variable Y.

Thus, it can be said that profitability, as measured by ROE, has a large positive impact on company value, even though CSR has a partially negative impact.

c. Coefficient of Determination (R)

The Coefficient of Determination (Adjusted R Square) aims to determine the percentage of influence of variables on dependent variables. If the adjusted R Square is zero, then the independent variables cannot explain the dependent variables. Conversely, if the adjusted R² value is close to 1, then the independent variables are able to explain the dependent variables. The following are the results of the coefficient of determination using SPSS V.26.

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.156 ^a	.024	.033	16461.4781	1.842

a. Predictors: (Constant), Kepemilikan Manajerial, ROE, CSR

b. Dependent Variable: Nilai Perusahaan

Figure 8. Coefficient of Determination Test.

The findings in Figure 8 show that the independent variable has an influence of 2.4% and other factors not used in this study contribute the remaining 97.6% of the explanation, with a coefficient of determination value of 0.156 and an R square of 0.024 or 2.4%. This means that changes in company value can be explained by independent variables by 2.4% and 97.6% is influenced by other variables outside the model.

Moderated Regression Analysis

Moderated regression can be performed using Moderated Regression Analysis (MRA) or interaction tests, which are special applications of regression.

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1665.586	4697.748		3.545	.001
	CSR	-636.360	473.083	-.018	-.134	.894
	ROE	4.825	2.154	.339	2.240	.028
	Kep. Manajerial	2.383	3.715	.324	.641	.524
	CSR*Kep. Manajerial	2.184.5	.000	.166	.533	.596
	ROE*Kep. Manajerial	-1.091.8	.000	-.164	-.527	.601

a. Dependent Variable: Nilai Perusahaan

Figure 9. Moderated Regression Results.

Based on Table 9, the following moderated regression analysis equation is formed:

$$Y = 1665.586 + 636.360(X_1) - 4.825(X_2) + 2.383(M) + 2.184.5(X_1 * M) - 1.091.8(X_2 * M) + e$$

Based on these results, the resulting regression equation is as follows:

1. The constant value (a) is 1665.586, which shows how much influence the independent variable has on the moderating variable. The Company value is 1665.586 if the independent variable is 0.
2. Variable (X₁) has a regression coefficient of 636.360, meaning that if (X₁) increases by one unit while other independent variables remain stable, then (Y) will also increase by 636.360.
3. The regression coefficient for (X₂) is 4.825, which indicates that if (X₂) increases by one unit while other independent variables remain stable, then (Y) will also increase by 4.825.
4. The moderate regression coefficient (M) of 2.383 indicates that each one-unit increase in the moderating variable results in a 2.383-unit increase in (Y), assuming that the other variables are constant and the regression coefficient of variable M.
5. The moderate regression coefficient (X₁*M) of 2.184.5 indicates that CSR with managerial ownership results in an increase in company value of 2.184.5 units, assuming other variables are constant and the regression coefficient of the variable (X₁*M).
6. The moderate regression coefficient (X₂*M) of 1.091.8 shows that if ROE with managerial ownership increases by one unit while other independent variables remain stable, then (Y) will also increase by 1.091.8.

a. Partial Test (T)

1. The partial test value of X₁ is 0.894 > 0.05 and 0.134 < 2.00575, so X₁ has no effect on variable Y.
2. The partial test value of X₂ is 0.028 < 0.05 and 2.240 > 2.00575, so X₂ has a significant positive effect on variable Y.
3. The partial test value of X₁*M is 0.596 > 0.05 and 0.533 < 2.00575, so managerial ownership cannot moderate the effect of CSR on company value.
4. The partial test value of X₂*M is 0.601 > 0.05 and 0.527 < 2.00575, so managerial ownership cannot moderate the effect of profitability on company value.

Discussion

The Effect of Corporate Social Responsibility Disclosure on Company Value

The results of testing the CSR variable do not support the first hypothesis (H1), which states that CSR has an effect on company value. From the test results, a regression coefficient value of $0.134 < 2.00575$ was obtained, which means that if there is a 1-unit increase in CSR, company value will decrease by 0.134. Based on the t-test results, the significance value is $0.894 > 0.05$, so H1 is rejected, meaning that CSR does not affect company value. This is because many companies still do not care about the surrounding environment. The findings of this study do not reinforce the research by [52], which found no relationship between CSR and company value. However, it is in line with the research conducted by [53], which states that CSR does not affect company value. SR disclosure has not been entirely successful as a medium for investors to assess where to invest their capital. These results also fail to support the legitimacy theory, which states that a company's commitment to its social environment in its management will be well received by the market and ensure the company's sustainability.

The Effect of Profitability on Company Value

The results of testing the Profitability variable support the second hypothesis (H2), which states that the Profitability variable has an effect on company value. This is indicated by a regression coefficient of $2.240 > 2.00575$, which means that every 1 unit increase in profitability will be followed by a 2.240 increase in company value. Profitability, using ROE as a proxy variable, based on the t-test results, obtained a significance value of $0.028 < 0.05$, which means that H2 is accepted, meaning that profitability affects company value. This is because the higher a company's profitability, the higher its ability to earn profits or return on capital. The results of this study are not in line with the research conducted by [54], which states that profitability does not affect company value. However, it is in line with the research by [55], which states that profitability using ROE as a proxy affects company value. Companies that have a high ability to generate profits through the use of assets can have greater cash flow. Essentially, this demonstrates a company's ability to generate net profit from sales and measures the company's management's ability to carry out operational activities by minimizing company expenses and maximizing company profits. This can increase company value, thereby making investors more interested in investing in the company.

The Role of Managerial Ownership in Moderating the Effect of Corporate Social Responsibility Disclosure on Company Value

The third research hypothesis (H3) states that managerial ownership can moderate the influence of CSR on company value. From the results obtained, the regression coefficient value is $0.533 < 2.00575$. Based on the t-test results, a significance value of $0.596 > 0.05$ was obtained, so H3 was rejected, meaning that managerial ownership cannot moderate the relationship between CSR and company value. This means that managerial ownership cannot strengthen or weaken the influence of CSR on company value. The results of this study are not in line with other studies that state that managerial ownership moderates CSR on company value. However, it is in line with the study conducted by [56]

, which concluded that managerial ownership cannot moderate the relationship between CSR and company value. When management has low shares in the company, agency problems arise. The emergence of agency problems forces management to act according to their own desires rather than maximizing company value. Thus, managerial ownership cannot moderate the influence of CSR on company value.

The Role of Managerial Ownership in Moderating the Influence of Profitability on Company Value

The results of the test state that

The fourth research hypothesis (H4) states that managerial ownership can moderate the influence of profitability on company value. From the test results, a regression coefficient value of $0.527 < 2.00575$ was obtained. Based on the t-test results, a significance value of $0.601 > 0.05$ was obtained, so H4 was rejected, meaning that managerial ownership is unable to moderate the relationship between profitability and company value. This is because the percentage of managerial ownership has an impact on the limited authority of management, so that decisions in the management of the company will mostly be taken over by shareholders. This creates an agency conflict where management is forced to act for the personal benefit of shareholders. The results of this study are in line with the research conducted by [57], which concluded that managerial ownership cannot moderate the relationship between profitability and company value. Policies to maximize profits will benefit both managers and investors. Investors will be more interested if maximum profits are achieved, and because managerial ownership is minimal in this study, its role appears to be insignificant.

CONCLUSION

Fundamental Finding : This study investigates the impact of managerial ownership in moderating the influence of CSR and profitability on company value in consumer goods companies listed on the IDX from 2019 to 2022. The findings show that CSR does not affect company value during this period, as many companies still do not prioritize environmental concerns. Profitability, however, does affect company value, with high profitability leading to increased corporate value. Additionally, managerial ownership cannot moderate or weaken the relationship between CSR and company value, nor can it moderate the relationship between profitability and company value. **Implication :** The findings suggest that CSR initiatives alone may not significantly impact company value in consumer goods companies, while profitability remains a key driver. Moreover, managerial ownership does not appear to enhance the relationship between CSR or profitability and company value, indicating that other factors might be at play. **Limitation :** This study is limited to consumer goods companies listed on the IDX from 2019 to 2022, which may not reflect broader industry trends or timeframes. **Future Research :** Future research could explore other potential moderating factors, such as corporate governance practices or external market conditions, and expand the scope to include different industries or a longer period to enhance the generalizability of the findings.

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