Proceeding Accounting, Management, Economics Uniska **Volume 1, Issue 1, 2024**
"Strengthening The Role of Accounting, Management, and Economics Science In Realizing Sustainable Welfare Goals"

The Impact of Financial Performance and Company Size on Corporate Social Values: Responsibility as Moderation

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ABSTRACT

This study aims to analyze the Impact of Financial Performance and Company Size on the value of the company with *corporate social responsibility* as moderation. The sampling technique uses the *purposive sampling* method and the population of mining companies listed on the Indonesia Stock Exchange in 2018-2022. This study uses *Analysis Moderated Regression* with *SPSS for Windows* 26.0. The results show that ROA has an effect on company value, ROE has an effect on company value, company size has no effect on company value, CSR is able to moderate the relationship between ROA and company value, CSR is able to moderate the relationship between ROE and company value and CSR is not able to moderate the relationship between company size and company value.

INTRODUCTION

Nowadays, the era of globalization is experiencing a very rapid development in the global economy, including Indonesia. This causes business actors to compete and compete to add value and performance in maintaining company productivity by increasing profits, maximizing company value from business entities, optimizing company performance in order to survive and be able to attract the attention of investors. (Nadhilah *et al.,* 2022)

Fadhilah *et al.,* (2021) said that one of the sectors that has a fairly important role in economic growth is the mining sector. The high interest in investment in the mining industry is expected to encourage economic growth, improve people's welfare, generate jobs, and reduce the unemployment rate. However, the existence of mining companies is also inseparable from negative impacts that can cause environmental, social, and cultural losses so that companies need solutions to overcome the negative impacts caused by companies. (Anwar *et al.,* 2023) (Akaresti, 2022)

The main impact that arises is the potential for waste pollution that can damage the ecosystem and the quality of the environment as a whole. One of them is water pollution, an increase in mining activities causes a decrease in water quality where the content of mine wastewater contains heavy metals with high acidic properties. Second, there is soil pollution, this occurs because mining activities in the environment are in the form of *tailings* (solid waste). In addition, there is air pollution, dust particles produced from mining activities contain harmful substances that have a bad impact on air quality, especially for the people who live around it. One solution to minimize the negative impact of the company is to encourage the company to actively participate in carrying out (Berutu and Susilawati, 2023; Nurfatimah, 2023) *Corporate Social Responsibility* (CSR) activities in the community. Through *Corporate Social Responsibility* (CSR), mining companies can make a great contribution to the development and progress of a region (ditjenpp.kemenkumham.go.id).

According to the Indonesian Statistics Agency (2023), the mining sector is an economic sector that plays an important role, because Indonesia has considerable mineral and energy potential. The following are the exports of mining products recorded in the Central Statistics Agency for a period of 5 years.

Table 1. Export of Mining Products in 2018-2022

Year	Weight (Million Tons)	Value (Million US$)	% Change in Value
2018	469,9	29.286,0	20,50
2019	519,6	24.897,0	-14,99
2020	438,9	19.729,8	-20,75
2021	469,7	37.908,2	92,14
2022	499,0	64.935,9	71,30

(Source: Central Statistics Agency, 2023)

Based on table 1. above, it is explained that the development of this export has fluctuated up and down but tends to increase, both in terms of weight and value. In 2018, exports of mining products with a weight reached 469.9 million tons and increased in 2019 by 519.6 million tons. Then in 2020 it decreased to 438.9 million tons. This happened because 2020 was the year of the outbreak of the covid-19 pandemic in Indonesia and the world. Subsequently, in 2021 and 2022, it increased again by 469.7 million tons and 499.0 million tons (Central Statistics Agency, 2023). The role of exports in the world of mining that goes back and forth like this can have an impact on Indonesia's economic balance. Meanwhile, it can also have an impact on investors to rethink the shares that will be invested in mining companies. Therefore, the company must maintain the condition of its company, namely by maintaining and being able to increase the value of its company. (Hasanah *et al.,* 2023)

The value of a company is usually related to the stock price and this is the assumption from investors of the company's success rate. Increasing the value of the company is the main goal of the company. Increasing company value is an important thing for a company, because company value is a reflection of the company's good or bad performance which will later have an impact on the views of the company's investors. (Kurnia, 2019; Meha, 2021; Nadhilah *et al.,* 2022) (Kharisma *et al.,* 2023)

One of the factors used in increasing the value of a company that can affect stock prices is financial performance. According to financial performance, it is one of the factors to get company information whether the company has experienced development or has actually decreased. Financial statements are used by investors to calculate future profits, if a company has good financial performance, it can be of interest to investors which will have an impact on the stock price and affect the value of the company which will increase, and vice versa if the value of the company is bad and the value of the company will decrease. Rafid *et al.,* (2019) (Aminah *et al.,* 2023)

Another factor that affects the value of a company is the size of the company. Size is a scale that can be classified into the size of a company in various ways, including total assets, stock market value, log size, and other company sizes are considered to be able to affect the value of the company. The larger the size or scale of a company, the easier it will be for the company to get funding sources, both internal and external. The size of a company is a reflection of the total assets owned by a company. The company itself is categorized into two types, namely small-scale companies and large-scale companies. (Dewantari *et al.,* 2019; Dewi & Ekadjaja, 2020; Kolamban *et al.,* 2020) (Wijaya & Mujino, 2021)

Investor attachment to a company is not only seen from the financial performance and size of the company but also a form of social concern for the community, namely *Corporate Social Responsibility* (CSR) activities or known as social responsibility which is believed to provide a competitive advantage in carrying out resource activities. The Government of Indonesia has given a good response to the implementation of Corporate Social Responsibility (Anggraeni & Agustiningsih, 2023) (CSR) in Law No. 40 of 2007 concerning Limited Liability Companies (PT) which regulates the company's obligation to carry out *Corporate Social Responsibility* (CSR). Law Number 40 article 74 paragraph (1) of 2007 explains that companies in carrying out business activities related to natural resources are obliged to carry out Social and Environmental Responsibility. The disclosure of information on the implementation of corporate social responsibility (CSR) activities is also recommended in PSAK No.1 of 2009 concerning the Presentation of Financial Statements in the Responsibility for Financial Statements section. (Indonesia, 2007) (IAI, 2009: par 7)

Previous research conducted by stated that financial performance has a positive and significant influence on the value of the company. Meanwhile, according to the show, financial performance has a negative effect on the company's value. Furthermore, the size of the company has a positive effect on the value of the company Hasanah *et al.,* (2023) and Sandi (2019) Anonymous *et al.,* (2023) (Latif *et al.,* 2023) . Meanwhile, according to the size of the company, it has a negative effect on the value of the company. Kharisma & Priyadi (2023) and Tarmadi Putri & Mardenia (2019)

Corporate Social Responsibility (CSR) functions as a moderating variable. This aims to find out whether *Corporate Social Responsibility* (CSR) is able to strengthen or even weaken the relationship between independent variables and dependent variables. However, research shows that (Badjuri *et al.,* 2021) Wardani (2023) *Corporate Social Responsibility* (CSR) is not able to moderate financial performance against the value of the company. Meanwhile, research states that Kusuma & Widiasmara (2023) *Corporate Social Responsibility* (CSR) is not able to moderate the size of the company to the value of the company.

Based on the phenomenon that has been described in the background above and the inconsistency of the results in previous studies, this study is focused on examining the influence of company performance and company size on the value of the company moderated by CSR.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Signal theory

Signal theory was first discovered by Spence in 1973 which states that the owner of information provides a signal or signal in the form of information that reflects a condition of the company that can be useful to investors According to Brigham and Houston (2016) stated that signal theory is a behavior carried out by company management in giving instructions to investors regarding how the company views future opportunities (prospects). (Kharisma *et al.,* 2023).

Theory of Legitimacy

The theory of legitimacy was first put forward by Dowling & Preffer (1975) who stated that legitimacy is important for companies to maintain the boundaries of social norms and values that apply in society (Harahap *et al.,* 2023) . Legitimacy theory can also be trusted as a potential benefit or source for companies to be able to survive and thrive. Stating that the theory of legitimacy begins with the idea of a social agreement between a corporation and society. That a social contract will occur between a corporation (usually a limited liability company) and individual members of the community. The existence of this social contract is used to explain the high expectations of the community about how an organization must carry out its activities. (Novi *et al.,* 2017) (Deegan, 2002)

The effect of financial performance proxied Return *on assets* (ROA) on company value

The predictor of financial performance that ROA proxies against the company's value is supported by signal theory. Signal theory that encourages companies to present information about financial statements to internal and external parties. This impulse arises because of the information asymmetry between external parties and the company's management. Therefore, to overcome this information asymmetry, management can provide signals to investors (Pradita *et al.,* 2019) . According to the size of a company's ability to get profits or profits from its assets, it can be seen from the Mudjijah *et al.,* (2019) *Return on assets* (ROA), if the *return on assets* (ROA) value is high, it will have a positive impact on investors because investors get high profits from their investments. So that the increase in *Return on assets* (ROA) will be followed by an increase in the company's value. This is supported by previous research by dan which states that the financial performance proxied by ROA has a positive and significant effect on the company's value. Based on the description above, the following hypothesis can be formulated: Wijaya (2019) Harningsih *et al.,* (2019)

H1: financial performance proxied Return *on assets* (ROA) has a positive effect on the company's value

The effect of financial performance proxied *by Return on Equity* (ROE) on the company's value

The predictor of financial performance that ROE is projected against the value of a company is supported by signal theory. stated that in signal theory, if the company's financial performance is increasing, the company's ability to attract investors to invest in the company will be easier. According to Anonymous *et al.,* (2021) Kahfi *et al.,* (2018) *Return on Equity* is one of the financial ratios that plays an important role in assessing the performance of a company. *A high Return on Equity* (ROE) can be a magnet that can attract investors' attention to flow their capital into the company. revealed that a high Sari *et al.,* (2018) *Return on Equity* (ROE) not only reflects its operational efficiency but can also have a positive impact on the stock price which can increase the company's value. A high *Return on Equity* (ROE) not only creates financial attractiveness, but also provides a strong signal about the company's financial performance. This is supported by previous research by dan which states that the financial performance proxied by ROE has a positive and significant effect on the company's value. Based on the description above, the following hypothesis can be formulated: Nursasi (2020) Anonymous *et al.,* (2023)

H2: financial performance proxied Return *on Equity* (ROE) has a positive effect on the company's value

The effect of company size on company value

The influence of company size on company value is supported by signal theory. states that the size of the company in the theory of information signals of good corporate conditions will attract investors to invest in the company. Investors catch a positive signal on the information that companies that have large growth reflect an increase in the value of the company. Declaring a large or small company can be seen from how many companies have total assets. A company that has a large company size can make investors put a lot of attention on the company. This condition occurs because large companies tend to have better company conditions. From the condition of the company, it can also make investors want to own the company's shares so that they can increase the stock price offer in the capital market. The increase in stock offerings in the market will be in line with the increase in the value of the company. This is supported by previous research by dan which states that company size has a positive and significant effect on company value. Based on the description above, the following hypothesis can be formulated: Suryana *et al.,* (2018) Grace *et al.,* (2019) Damayanti *et al.,* (2022) Anggraeni *et al.,* (2023)

H3: the size of the company has a positive effect on the value of the company

CSR moderates the relationship between financial performance proxied by *Return on assets* (ROA) to company value

CSR moderates the relationship between financial performance that is proxied *by Return on assets* (ROA) to company value supported by the theory of legitimacy. In the theory of legitimacy, Anggraeni *et al.,* (2023) *Corporate Social Responsibility* (CSR) can provide additional legitimacy to financial performance. When a company is not only considered profitable but also contributes to the wishes of society. According to investors' interest in investing in a company, it is often influenced by a high Ripany (2022) *rate of Return on assets* (ROA). A high *return on assets* (ROA) is considered a strong indicator of financial performance, and this can result in an increase in stock prices. According to the company, in an effort to attract investor interest and maintain or increase the stock price, companies tend to make greater disclosures of information. One of the forms of disclosure is Oktaviani *et al.,* (2020) *Corporate Social Responsibility* (CSR). When companies achieve high levels of financial performance, the tendency to increase transparency regarding social and environmental contributions also increases Ripany (2022) . This is supported by previous research and which results that CSR has a positive effect and is able to moderate the relationship between the proxied financial performance Oktaviani *et al.,* (2020) Pradita *et al.,* (2019) *of Return on assets* (ROA) and the company's value. Based on the description above, the following hypothesis can be formulated:

H4: *Corporate Social Responsibility* (CSR) is able to moderate the effect of financial performance proxied by *Return on assets* (ROA) on company value

CSR moderates the relationship between financial performance that is proxied *by Return on Equity* (ROE) to the company's value

CSR moderates the relationship between financial performance that is proxied *by Return on Equity* (ROE) to the company's value supported by the theory of legitimacy. According to the statement, the theory of legitimacy is a lens used to examine the disclosure practices applied by companies. The implementation of Anggraeni *et al.,* (2023) *Corporate Social Responsibility* (CSR) disclosure seeks to align with people's expectations regarding ethical behavior and social responsibility expected of them. According to the statement, the higher the level of Fitriyah (2019) *Return on Equity* (ROE) of a company, the greater the tendency of the company to disclose social information. Although the increase in the value of a company does not always depend solely on a high *level of Return on Equity* (ROE). But other factors such as concern for the environment also play an important role.

When a company shows concern for environmental aspects, it is considered a sign of concern for the company's future performance, which can get positive judgments from investors. A positive corporate image is a driver of higher company value and is considered a promising entity in providing a stable rate of return. This is supported by previous research and which results that CSR has a positive effect and is able to moderate the relationship between the proxied financial performance Oktaviani *et al.,* (2020) Goddess *et al.,* (2019) *of Return on Equity* (ROE) and the company's value. Based on the description above, the following hypothesis can be formulated:

H5: *Corporate Social Responsibility* (CSR) is able to moderate the effect of financial performance proxied *by Return on Equity* (ROE) on company value

CSR moderates the relationship between company size and company value

CSR moderates the relationship between company size and company value supported by the theory of legitimacy. According to the theory of legitimacy, the disclosure of corporate social responsibility is carried out to obtain positive values and legitimacy from the community. Therefore, companies with large sizes are expected to be able to implement social programs well and improve their image by paying attention to their social environment. According to Wulandari *et al.,* (2018) Kusuma *et al.,* (2023) *Corporate Social Responsibility* (CSR), it affects the assessment of potential investors, apart from the size of the company, it can promise stable stock returns. Investors can also see the implementation of *Corporate Social Responsibility* (CSR) as an additional value, because investors tend to choose companies that have a good image and care about the environment. The larger the size of the company, the more its existence is realized by *stakeholders* who require the company to try to get legitimacy from its *stakeholders*. This is supported by previous research and which has resulted in CSR having a positive effect and is able to moderate the relationship between company size and company value. Based on the description above, the following hypothesis can be formulated: Goddess *et al.,* (2018) Anggraeni *et al.,* (2023)

H6: *Corporate Social Responsibility* (CSR) is able to moderate the influence of company size on company value.

METHODS

The data used in this study is secondary data. Data obtained from the Indonesia Stock Exchange (IDX) website is in the form of data on the annual report of mining companies which was listed on the IDX in 2018-2022. This study analyzed data using Statistical Package for Social Science *(SPSS)* test equipment.

Example of writing a formula:

1. In this study, ROA is measured based on using: Fitriyah (2019)

$$ROA = \frac{laba\ bersih\ setelah\ pajak}{Total\ aset} \times 100\ \% \ldots\ldots\ldots\ldots\ldots\ldots (1)$$

2. In this study, ROE was measured based on using: Fitriyah (2019)

$$ROE = \frac{laba\ bersih\ setelah\ pajak}{Total\ ekuitas} \times 100\ \% \ldots\ldots\ldots\ldots\ldots\ldots (2)$$

3. In this study, the size of the company is measured based on using: Nuradawiyah *et al.,* (2020)

$$Size = Ln(total\ aset) \quad (3)$$

4. In this study, the value of the company is measured based on using: Mufidah *et al.,* (2018)

$$PBV = \frac{harga\ perlembar\ saham}{nilai\ buku\ perlembar\ saham} \quad (4)$$

5. In this study, CSR measurement is measured based on using: Oktaviani (2021)

$$CSRDI_X = \frac{\sum xi}{ni} \quad (5)$$

Information:

CSRDIx : *Corporate Social Responsibility Disclosure Index* Company x
∑xi : The number of items disclosed by company i which is notated with the number 1 = if the item is disclosed; 0 = if the item is not disclosed by company i
Ni : Total number of disclosure items totaling 136

The population in this study uses mining companies listed on the IDX in the period 2018-2022 with a total of 83 populations. The sampling technique in this study is purposive sampling. This research was not conducted on the entire population, but focused on samples that fit the criteria. The criteria used in sampling in this study are as follows:

1. Mining Companies Listed on the Indonesia Stock Exchange (IDX) 2018-2022
2. Companies that do not publish *annual reports* and *sustainability reports* consecutively during the 2018-2022 period

RESULTS

1. Descriptive Statistics

Descriptive statistics to provide information, present and analyze the data owned. The analysis tools used in this study are mean (mean), maximum (maximum), lowest (minimum) and standard deviation of each variable including ROA (X1), ROE (X2), *size* (X3), CSR (Z) and PBV (Y).

Table 2. Descriptive Statistical Test Results

	N	Minimum	Maximum	Mean	Std. Deviation
ROA	60	-0,099	0,455	0,7277	0,095404
ROE	60	-2,549	0,615	0,9070	0,382092
SIZE	60	21,465	25,468	23,60157	1,189038
CSR	60	0,340	3,040	1,07783	0,56123
PBV	60	0,265	0,941	0,54023	0,181303

(Source: Output SPSS 26, Secondary Data has been processed)

Based on table 2. The descriptive statistical test can describe the distribution of data obtained by the researcher as follows:

a. ROA (X1), in the table above the ROA variable can be described as a minimum value of -0.099, a maximum value of 0.455, an average value of 0.7277, and a standard deviation of 0.095404. The standard deviation value of the ROA variable is lower than the average value, so it can be interpreted that the ROA variable has low data variation, indicating that the data characteristics are also homogeneous or slightly varied in the data.

b. ROE (X2), in the table above the ROE variable can be described as a minimum value of -2.549, a maximum value of 0.615, an average value of 0.9070, and a standard deviation of 0.382092. The standard deviation value of the ROE variable is lower than the average value, so it can be interpreted that the ROE variable has low data variation, indicating that the data characteristics are also homogeneous or slightly varied in the data.

c. *Size* (X3), in the table above the size variable can be described as a minimum value of 21.465, a maximum value of 25.468, an average value of 23.60157, and a standard deviation of 1.189038. The standard value of the *deviation* of the size variable is lower than the average value, so it can be interpreted that the *size* variable has low data variation, indicating that the data characteristics are also homogeneous or slightly varied in the data.

d. CSR (Z), in the table above the CSR variable can be described as a minimum value of 0.340, a maximum value of 3.040, an average value of 1.07783, and a standard deviation of 0.56123. The standard deviation value of the CSR variable is lower than the average value, so it can be interpreted that the CSR variable has low data variation, indicating that the data characteristics are also homogeneous or slightly varied in the data.

e. PBV (Y), in the table above the PBV variable can be described as a minimum value of 0.265, a maximum value of 0.941, an average value of 0.54023, and a standard deviation of 0.181303. The standard deviation value of the PBV variable is lower than the average value, so it can be interpreted that the PBV variable has low data variation, indicating that the data characteristics are also homogeneous or slightly varied in the data.

2. Multiple Linear Regression and MRA Analysis

Multiple linear regression analysis aims to test the influence between dependent variables on independent variables. *Moderated Regression Analysis* (MRA) or interaction test aims to test the direct relationship of independent variables with dependent variables. Where moderation variables are useful for strengthening or weakening the direct relationship between independent variables and dependent variables. The independent variables used in this study are ROA, ROE and *size*, while the dependent variables used are PBV and the moderation variable used is CSR. The following are the results of multiple linear regression and MRA analysis:

Table 3. Multiple Linear Regression and MRA Test Results

Variable	*Unstandardized Coefficient*		*Standardized Coefficient*	t	Sig.
	B	Std. Error	Beta		
Constant	1,262	0,597		2,114	0,039
ROA	1,055	0,313	0,241	3,369	0,001
ROE	1,196	0,188	1,097	6,352	0,000
Size	-0,043	0,025	-0,121	-1,678	0,099
CSR	-0,386	1,276	-0,167	-,302	0,764
ROA*CSR	5,521	0,565	0,692	9,772	0,000

ROE*CSR	-3,357	0,304	-1,869	-11,058	0,000
Size*CSR	0,062	0,054	0,655	1,142	0,259

(Source: SPSS 26 output, data processed)

Based on table 3. The regression equation is known as follows:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X1X4 + \beta 5X2X4 + \beta 6X3X4 + e$$

$$Y = 1,262 + 1,055X1 – 1,575X2 – 0,043X3 + 5,521X1X4 – 3,357X2X4 + 0,062X3X4 + e$$

From the regression equation above, it can be concluded that:

a. The constant value is 1.262 which states that if the variables *X1, X2* and *X3* are equal to zero, then the value of the company is 1.262.
b. The regression coefficient value for the ROA variable (X1) is 1.055. This value shows a positive (unidirectional) influence between the ROA variable and the company's value. This means that if the ROA variable increases by 1%, then on the contrary, the company's value will increase by 1,055. Assuming that other variables are considered constant.
c. The regression coefficient value for the ROE variable (X2) is 1.196. This value shows a positive (unidirectional) influence between the ROE variable and the company's value. This means that if the ROE variable increases by 1%, the company value variable will increase by 1,196. Assuming that other variables are considered constant.
d. The regression coefficient value for the size variable (X3) was -0.043. This value shows a negative influence (opposite direction) between the *size variable* and the company's value. This means that if the size variable increases by 1%, then on the contrary, the company's value will decrease by 0.043. Assuming that other variables are considered constant.
e. The regression coefficient value for the interaction variable, namely ROA (X1) with the CSR moderation variable, has a positive value of 5.521. This value shows a positive (unidirectional) influence between the interaction variable, namely ROA and the CSR moderation variable on the company's value. This shows that if the interaction variable, namely ROA (X1) with the CSR moderation variable, increases by 1%, the company value variable will increase by 5,521. Assuming that other variables are considered constant.
f. The regression coefficient value for the interaction variable, namely ROE (X2) with the CSR moderation variable, had a negative value of -3.357. This value shows a negative influence (opposite direction) between the interaction variable, namely ROE and the CSR moderation variable on the company's value. This shows that if the interaction variable, namely ROE (X2) with the CSR moderation variable increases by 1%, the company value variable will decrease by 3,357. Assuming that other variables are considered constant.
g. The regression coefficient value for the interaction variable, namely *size* (X3) with the CSR moderation variable, had a positive value of 0.062. This value shows a positive (unidirectional) influence between the interaction variable, namely *size* and the CSR moderation variable on the company's value. This shows that if the interaction variable, namely *size* (X3) with the CSR moderation variable increases by 1%, the company value variable will increase by 0.062. Assuming that other variables are considered constant.

3. Hypothesis Test
   a. Test F

The F test is used to find out whether all independent variables have a joint influence on the dependent variables. If the value of Sig. < 0.05, then the independent variable (X) has a significant effect together on the dependent variable (Y). The following are the results of the F test:

Table 4. Test Result F

Type	Df	F	Sig	Information
1	5	15,956	0,000	Significant Influence

(Source: SPSS 26 output, data processed)

Significant values in table 4. shows a number of 0.000 or less than 0.05, then the regression equation obtained in this study is feasible. Based on the results of the table above, the F test is accepted. So it can be concluded that the test of the variables of ROA, ROE, *Size* and CSR together affects the company's value. This indicates that the Indonesian capital market is classified as efficient as stated in the *Efficient Market Hypothesis* (EMH) theory.

   b. Test t

The t-test aims to find out whether each independent variable has a partial effect on the dependent variable. If the significant value of the t-test < 0.05, it can be concluded that individually the independent variables have a significant effect on the dependent variables.

Table 5. Test Results t

Variable	*Unstandardized Coefficient*		*Standardized Coefficient*	t	Sig.
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CSR	-0,386	1,276	-0,167	-,302	0,764
ROA*CSR	5,521	0,565	0,692	9,772	0,000
ROE*CSR	-3,357	0,304	-1,869	-11,058	0,000
Size*CSR	0,062	0,054	0,655	1,142	0,259

(Source: SPSS 26 output, data processed)

From table 5. The above tests can be concluded that:

a. The ROA variable (X1) shows a significant result of 0.001 or less than 0.05 so that ROA (X1) affects the company's value (Y), then H1 is accepted.
b. The ROE variable (X2) shows a significant result of 0.000 or less than 0.05 so that ROE (X2) affects the company's value (Y), then H1 is accepted.
c. The size variable (X3) showed a significant result of 0.099 or more than 0.05 so that *size* (X3) had no effect on the company's value (Y), so H3 was rejected.
d. The interaction variable between ROA (X1) and the CSR moderation variable (Z) showed a significant result of 0.000 or less than 0.05 so that the interaction variable

between ROA (X1) and the CSR moderation variable (Z) had an effect on the company's value, so H4 was accepted.

e. The interaction variable between ROE (X2) and the CSR moderation variable (Z) showed a significant result of 0.000 or less than 0.05 so that the interaction variable between ROE (X2) and the CSR moderation variable (Z) had an effect on the company's value, so H5 was accepted.
f. The interaction variable between *size* (X_3) and the CSR moderation variable (Z) showed a significant result of 0.259 or more than 0.05 so that the interaction variable between *size* (X_3) and the CSR moderation variable (Z) had no effect on the company's value, so H5 was rejected.

DISCUSSION

1. The impact of proxied *return on assets* (ROA) on company value

Based on table 5. It is known that a significant value of 0.001 indicates an error rate smaller than 0.05. This means that the relationship between financial performance measured using ROA has a positive and significant effect on the company's value. Thus H1 is accepted, because it is in line with the hypothesis proposed earlier. This shows that a high ROA will increase the company's value.

The results of this study are in line with research conducted by those who stated that the financial performance proxied by ROA has a positive and significant effect on the company's value because a high ROA reflects the company's ability to generate profits and this has a positive impact on investors. Thus, an increase in financial performance will be followed by an increase in company value. Harningsih *et al.,* (2019), Mudjijah *et al.,* (2019) and Wijaya (2019)

2. The impact of financial performance proxied *by Return on Equity* (ROE) on the company's value

Based on table 5. It is known that a significant value of 0.000 indicates an error rate less than 0.05. This means that the relationship between financial performance that is proxied by ROE has a positive and significant effect on the company's value. Thus H2 is accepted, as it is in line with the hypothesis proposed earlier.

The results of this study are in line with research conducted by which it is stated that financial performance proxied by ROE has a positive and significant effect on the company's value because a high ROE provides a positive signal about the company's financial performance, management efficiency, and investment attractiveness, all of which can increase the company's value. Conversely, a low ROE can provide a negative signal that lowers investor confidence and company value. Anonymous *et al.,* (2023), Nursasi (2020) and Sari & Sanjaya (2018)

3. The impact of company size on company value

Based on table 5, it is known that a significant value of 0.099 indicates an error rate greater than 0.05, which means that the size relationship has no effect and is not significant to the value of the company. Thus H3 was rejected, as it was in the opposite direction to the hypothesis proposed earlier. The results of this study are in line with the research conducted by which it is stated that the size of the company does Fitriyah (2019), Pratiwi & Aligarh (2021) and Sari & Sanjaya (2018) not have a significant effect on the value of the company because the size of the company has increased and the value of the company has decreased, it does not affect the size of the company. This means that even if the value of the company decreases, the size of the company can remain the same or even increase.

4. The influence of CSR as a moderation variable in the relationship between financial performance proxied by *Return on assets* (ROA) on company value

Based on table 5. It is known that a significant value of 0.000 indicates an error rate smaller than 0.05. This means that the relationship between the ROA interaction variable and the CSR moderation variable partially has a positive and significant effect on the company's value. Thus H4 is accepted, as it is in line with the hypothesis proposed earlier. CSR is able to strengthen the relationship between financial performance that ROA proxies to the company's value. So moderation in this hypothesis is called pseudo-moderation.

The results of this study are in line with research conducted by those who stated that CSR strengthens the relationship between ROA and company value because the greater the CSR disclosure from the company, it can improve financial performance which also has an impact on the company's stock price so that it can increase the company's value. Good CSR disclosure is also able to improve the company's image in the eyes of the public and investors. This phenomenon confirms the validity of the theory of legitimacy. Oktaviani *et al.,* (2020), Pradita & Suryono (2019) and Ripany (2022)

5. The influence of CSR as a moderation variable in the relationship between financial performance proxied *by Return on Equity* (ROE) to company value

Based on table 5. It is known that a significant value of 0.000 indicates an error rate smaller than 0.05. This means that the relationship between the ROE interaction variable and the CSR moderation variable partially has a positive and significant effect on the company's value. Thus H5 is accepted, because it is in line with the hypothesis proposed earlier. This shows that CSR is able to moderate the relationship between ROE and company value, so it can be referred to as pseudo-moderation.

The results of this study are in line with research conducted by which states that CSR strengthens the relationship between ROE and company value because if there is an increase in CSR disclosure, the higher the financial performance, thus the company's value will increase. Socially responsible business activities can increase a company's legitimacy and trust in stakeholders, which contributes to a sustainable increase in the company's value. Dewi & Suputra (2019), Hasanah *et al.,* (2023) and Oktaviani *et al.,* (2020)

6. The influence of CSR as a moderation variable in the relationship between company size and company value

Based on table 5. It is known that a significant value of 0.259 indicates an error rate greater than 0.05. This means that the relationship between the interaction size variable and the CSR moderation variable is partially indifferent and insignificant to the company's value. Thus H6 was rejected, as it was in the opposite direction to the hypothesis put forward earlier. The results of this hypothesis are called potential moderation because the CSR variable as moderation weakens the relationship between size and company value.

The results of this study are in line with research conducted by which states that CSR weakens Anggraeni & Agustiningsih (2023), Kusuma & Widiasmara (2023) and Wulandari & Wiksuana (2018) *the relationship between size* and company value because the company has not communicated its social responsibility disclosure effectively and appropriately, so it has not been considered important by stakeholders.

CONCLUSION

This study aims to test and explain the Impact of Financial Performance and Company Size on Company Value by *Corporate Social Responsibility* as a moderation variable in mining companies listed on the IDX in 2018-2022. The type of data used in this study is secondary data taken through annual reports and sustainability reports published in *website* Indonesia Stock Exchange, Indo Premier Sekuritas website and *website* companies that are sampled in this study. The data processing in this study using SPSS 26 was concluded as follows:

1. The financial performance variable that is proxied Return *on assets* (ROA) has an effect on the company's value. The higher the *Return on assets* , the more the company's value will also increase and the stronger the positive signal received by investors from the company about the potential for profitable investment. Thus, the company can increase investor confidence to invest its capital in the company and can strengthen the company's prospects.
2. The financial performance variable proxied by *Return on Equity* (ROE) has an effect on the company's value. A high ROE can give a positive signal that the company is able to generate good returns on the equity that has been invested, this can increase confidence and interest for investors to invest in the company. With investor confidence increasing, this can push stock prices up so that it can increase the company's value as well.
3. The variable size of the company has no effect on the value of the company. Because this situation indicates the existence of *asymmetric information*, which is a situation where investors may pay more attention to other variables that affect the value of the company. Another possibility is the high variability of data at a low company size, so that it does not have a significant impact on the company's value data.
4. The Corporate *Social Responsibility variable* moderates the financial performance proxied by *Return on assets* (ROA) has an effect on the company's value. Higher *returns on assets* reflect better company value, which can increase company value. And if the company carries out CSR activities well, the company can also increase its legitimacy in the eyes of the public and stakeholders. So that this can improve the image of the company and investors' interest in investing in the company and increase the company's value.
5. The Corporate *Social Responsibility variable* moderates financial performance which is proxied Return *on Equity* (ROE) has an effect on the company's value. Because *a high Return on Equity usually reflects effective management and strong financial performance so that it can increase the value of the company in the eyes of investors and the market. And when companies are active in disclosing CSR well, CSR can increase the legitimacy of the public and investors, reduce reputation risk and strengthen the positive relationship between ROE and company value.*
6. The variable *Corporate Social Responsibility* is not able to moderate the size of the company against the value of the company. Because all mining companies, both large and small, are required to spend funds for CSR. Which means that investors view CSR in relation to the size of the company and the value of the company as a form of formality that must be met. Another possibility is because the variability of company size data is also relatively low.

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