International Research Journal of Management, IT & Social Sciences
Available online at https://sloap.org/journals/index.php/irjmis/
Vol. 8 No. 5, September 2021, pages: 506-515
ISSN: 2395-7492
https://doi.org/10.21744/irjmis.v8n5.1937

Corporate Governance Moderate the Effect of CSR on Financial Performance

I Putu Suryana [a]
Ida Bagus Panji Sedana [b]

Article history:

Submitted: 18 July 2021
Revised: 09 August 2021
Accepted: 27 Sept 2021

Keywords:

corporate governance;
CSR;
empirical evidence;
financial performance;
regression analysis;

Abstract

The purpose of this study was to obtain empirical evidence regarding the effect of CSR (CSR) on the financial performance of companies with corporate governance as a moderating variable (study on the consumer goods industry on the Indonesia Stock Exchange in 2017-2019). The research sample was determined using a non-probability sampling method with a purposive sampling technique. The data used in this study is secondary data obtained from the annual report of consumer goods industry companies on the Indonesia Stock Exchange for the period 2017 - 2019. The data analysis technique uses moderated regression analysis. The results of this study indicate that CSR has a positive and significant effect on financial performance and the board size of directors, independent directors and gender diversity of the board of directors strengthens the influence of CSR on financial performance.

International research journal of management, IT and social sciences © 2021.
This is an open access article under the CC BY-NC-ND license
(https://creativecommons.org/licenses/by-nc-nd/4.0/).

Corresponding author:
I Putu Suryana,
Faculty of Economics and Business, Udayana University, Bali, Indonesia.
Email address: *iputu.suryana@gmail.com*

[a] Faculty of Economics and Business, Udayana University, Bali, Indonesia
[b] Faculty of Economics and Business, Udayana University, Bali, Indonesia

1 Introduction

The company ability to create and maintain financial performance depends on its competitive effectiveness which is determined by the company's relationships with stakeholders including shareholders, employees, consumers, suppliers and communities. Stakeholders provide resources (tangible and intangible) that are important to support the long-term success of the company. Shareholders, for example, provide capital; employees and managers provide expertise, leadership, and commitment, consumers generate revenue and provide loyalty by word of mouth, suppliers offer material resources or intangible knowledge and the community decides to let the company operate from a location in an area or not (Ferrell et al., 2015). The consumer goods industry is one of the manufacturing industry sectors. The consumer goods industry produces products that are the basic needs of the community that are consumptive in nature, so that they have the potential for a high level of sales. The potential for a high level of sales is an opportunity to generate high profits, so companies in the consumer goods industry will try to dominate the market as much as possible to generate large profits. Companies in the consumer goods industry are required to carry out a strategy to dominate the market, one of which is by doing CSR (CSR). CSR carried out by the company will improve the company's image, a good corporate image will cause the products produced by the company to be increasingly recognized so that it will improve the company's financial performance (Lu, 2021; Matondang, 2019).

The consumer goods industry is one of the leading industrial sectors that support the Indonesian economy. Consumer goods industry companies are engaged in public services that concern the interests of many people, causing consumer goods industry companies to attract investors to invest in shares. The financial performance of consumer goods industry companies should ideally grow every year because it is one of the considerations for investors in making investment decisions. The phenomenon of the company's financial performance in the consumer goods industry for the period 2017 – 2019 is the background for this research. There are many factors that affect the company's financial performance, this study uses one of the factors that affect the company's financial performance, namely CSR (CSR) as an independent variable. The influence of CSR on financial performance uses stakeholder theory as a theoretical basis. Stakeholder theory states that companies must maintain good relations with all stakeholders in order to develop well and generate profits (Nyeadi et al., 2018). Freeman (1984), in Kabir & Thai (2017), states from the perspective of stakeholder theory, companies that are involved in good relationships with stakeholders will benefit indirectly from CSR activities through their influence on revenues and costs. CSR (CSR) is a concept that companies have various forms of responsibility to all their stakeholders, including shareholders, employees, consumers, suppliers and communities in all aspects of the company's operations which include economic, social, and environmental aspects. Choongo (2017), states that CSR can be used as a way to build a company's image, adapt to opportunities, get protection against external challenges and threats, and maximize profits. Wan et al. (2016), stated that companies that implement CSR have increased financial performance through increasing consumer perceptions and loyalty to products and services. In this study CSR was measured using the CSR Disclosure Index (CSRDI) based on the General Reporting Initiatives (GRI).

CSR activities in addition to increasing the company's income can also reduce the costs that must be borne by the company. Employee costs can be reduced when CSR helps increase employee motivation, productivity and loyalty, hire good employees, and reduce employee turnover (Backhaus et al., 2002; Kabir & Thai, 2017). Cost of Equity can be reduced by reducing information asymmetry between shareholders and managers on CSR activities (Ghoul et al., 2011; Kabir & Thai, 2017). Goss & Roberts (2011), in Kabir & Thai (2017), state that creditors can reduce the cost of debt when companies are involved in CSR activities. The implementation of CSR is regulated by the government to fulfill its social goals, by increasing the company's reputation through CSR activities it can create good relations with the government and make companies receive more favorable treatment by the government so as to reduce the cost of legal (Aguilera et al., 2007; Kabir & Thai, 2017). Ibrahim (2020), argue that the implementation of CSR activities can cause agency problems or conflicts of interest between management and shareholders. CSR carried out by the company can aim for the personal interests of the management with the aim of enriching themselves so that they cannot achieve the company's main goal of maximizing shareholder wealth. CSR can be used by management to maintain the company's reputation in the eyes of stakeholders even though the company has poor performance. Agency problems can reduce the value of shares owned by shareholders, so that to overcome agency problems, it can be done by implementing corporate governance (Brigham et al., 2004). The phenomenon and inconsistency of the results of previous studies are the basis for this research using corporate governance as a moderating variable on the influence of CSR on financial performance (Park & Lee, 2021; Park, 2017).

Corporate Governance is a system for managing companies with the aim of providing added value to the company on an ongoing basis in the long term so as to improve the company's financial performance and shareholder value (Saragih & Sihombing, 2021). Corporate governance refers to systems, mechanisms, processes and structures to direct and control the company (Aboagye & Otieku, 2010; Puni & Anlesinya, 2020). The company's long-term sustainability and competitiveness are determined by the corporate governance mechanism implemented by a company (Aboagye & Otieku, 2010; Puni & Anlesinya, 2020). Corporate governance is motivated by agency theory, where when the management of a company is separated from its ownership, agency conflicts will arise. The owner as a supplier of company capital gives authority to management to manage the company, so that the authority to use the company's resources is fully in management. The conflict of interest between management and shareholders raises the possibility that management will not act in the best interests of shareholders (Yadnyapawita & Dewi, 1985).

Literature review and hypotheses development

CSR (CSR) according to stakeholder theory is a company step to provide information about the company's performance on its responsibilities to stakeholders. Baumgartner & Rauter (2017), state that the strategic goal of CSR is to achieve harmonious relationships with stakeholders with a focus on environmental, social, financial and economic performance. CSR is related to benefits for the community, the effectiveness of CSR practices results in increased consumer trust thereby increasing the company's reputation (Slack et al., 2015; Ikram et al., 2019). Companies that carry out CSR activities are a sign of companies that are developing sustainably, because CSR is a company strategy to reduce management opportunism behavior and to improve financial performance (Hussain et al., 2018). DiSegni et al. (2015); Ikram et al. (2019), stated that companies carry out CSR activities when they feel the benefits and business value for the company, one of which results in better financial performance in the form of cost reductions (waste recycling, reduced energy and water consumption). The effect of CSR (CSR) on the company's financial performance conducted by Siueia et al. (2019); Ikram et al. (2019); Salehi et al. (2018), found a positive and significant effect. The results of this study indicate that the implementation of CSR activities will improve the company's financial performance (Gillan, 2006; Bhagat & Bolton, 2008).

1) H1: CSR has a positive and significant effect on financial performance
The board of directors is part of the organizational structure that carries out operational activities to achieve predetermined company goals. A more complex structure requires a more composition of directors, thus the directors must fulfill the management function to achieve the company's goals. Agency theory states that the board of directors acts as a representative of various groups of shareholders to monitor performance and control the activities of managers (Albitar et al., 2020). Kabir & Thai (2017), state that a larger board of directors can be more effective, because it focuses more on carrying out the monitoring function, besides that a larger board of directors assists companies in obtaining external funding. A larger board of directors will assist the interests of shareholders in monitoring and controlling the company's behavior so as to lead to improved financial performance (Albitar et al., 2020). In the decision to implement CSR, managers who carry out CSR activities as investments for personal interests will be prevented by the board of directors, so as not to harm the interests of shareholders (Coles et al., 2006; Ba, 2017). Research conducted by Formigoni et al. (2020); Mohammadi et al. (2020); Majumder et al. (2017), found that the board size of directors has a positive and significant effect on CSR. Waheed & Malik (2019); Puni & Anlesinya (2020), found that the board size of directors has a positive and significant effect on financial performance. Kabir & Thai (2017), find that the board size of directors strengthens the influence of CSR on financial performance. The results of this study indicate that the board size of directors is able to strengthen the effect of CSR on the company's financial performance.
2) H2: Size board of directors strengthens the effect of CSR on financial performance
Independent directors refer to the number of non-executive directors or outside directors on the structure of a company's board of directors. Agency theory states that companies that have independent directors have better monitoring quality because independent directors have the ability to monitor management better (Ba, 2017). Conflicts of interest between shareholders and managers can be minimized by the presence of independent directors, this is because independent directors play an important role in monitoring management activities (Al-Sartawi, 2019). Al-Sartawi et al. (2017), stated that independent directors increase the transparency of accounting information, reduce information asymmetry, so as to improve company performance. Liao et al. (2019); Kabir & Thai (2017), stated that independent directors have policies that are more responsive so that it is easier to meet the wishes of stakeholders, this has a positive moderating effect on the relationship between

CSR and financial performance. Research conducted by Formigoni et al. (2020); Mohammadi et al. (2020); Ullah et al. (2019), found that independent directors have a positive and significant influence on CSR. Research conducted by Musallam (2020); Waheed & Malik (2019), Puni & Anlesinya (2020), found that independent directors have a positive and significant influence on financial performance. Research conducted by Chijoke-Mgbame et al. (2019), found that independent directors strengthen the influence of CSR on financial performance. The results of this study indicate that independent directors are able to strengthen the influence of CSR on the company's financial performance.

3) H3: Independent directors strengthen the effect of CSR on financial performance
Eagly (2009), in Bristy et al. (2020), states that women are not selfish, caring and emotionally expressive compared to men. Female directors have a stronger background in non-business and community-based organizations than male directors (Hillman et al., 2002; Bristy et al., 2020). The presence of female directors on the board of directors serves as an effective corporate governance tool and increases board effectiveness. directors (Zalata et al., 2018). Watson et al. (1993), in Orazalin & Baydauletov (2020), stated that the diversity of the board of directors increases knowledge, innovation, creativity, and strategic decision making, which ultimately leads to better company performance. women on the board of directors pay more attention to the interests of shareholders and play an important role in promoting sustainability initiatives and strategies (Naciti, 2019). Research conducted by Arioglu (2020); Aggarwal et al. (2019); Assenga et al. (2018), found that the gender diversity of the board of directors has a positive influence on financial performance. Formigoni et al. (2020); Issa & Fang (2019); Hartmann & Carmenate (2020), found that the gender diversity of the board of directors has a positive influence on CSR. Research conducted by Sejati et al. (2020), found that the gender diversity of the board of directors provides a reinforcement for the influence of CSR on financial performance. The results of this study indicate that the gender diversity of the board of directors is able to strengthen the influence of CSR on the company's financial performance.

4) H4: The gender diversity of the board of directors strengthens the effect of CSR on financial performance.

2 Methods

This research was conducted on consumer goods industry companies on the Indonesia Stock Exchange (IDX) for the period 2017-2019. The decision to choose the location and time of the study was because on average there were fluctuations in financial performance (Tobin's Q proxy) which tended to decline in consumer goods industry companies for the 2017-2019 period. The population in this study are all consumer goods industrial companies on the Indonesia Stock Exchange for the period 2017-2019. The population of this study was 46 consumer goods companies on the Indonesia Stock Exchange during the 2017-2019 period with a sample technique using purposive sampling technique. The analytical technique used in this research is Moderated Regression Analysis (MRA) (Lee et al., 2013; Weber, 2008).

3 Results and Discussions

Coefficient of determination test (R2)

The results of the coefficient of determination in this study are as follows:

Table 1
Results of the coefficient of determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,791	0,625	0,620	5,466

Source: Primary data, 2021

Based on the results of testing the coefficient of determination in Table 1 shows the Adjusted R Square value obtained is 0.620, this means that 62% of the financial performance variables can be explained by CSR, while the remaining 0.38 or 38% is explained by other variables not examined in the study this (Atalay et al., 2013; Bowler et al., 2010).

Model fit test (F Test)

The results of the F test can be seen in the SPSS processed regression by comparing the level of significance between the independent variable and the moderating variable with = 0.05. If the significance level of F = 0.05, the independent variable and the moderating variable significantly affect the dependent variable and the regression model is considered feasible to be tested. The results of the F test in this study are as follows.

Table 2
Model Fit (Test F)

Model		Sum Of Squares	df	Mean Square	F	Sig.
1	Regression	290,280	7	41,469	61,594	0,000
	Residual	3658,692	121	31,237		
	Total	3948,971	128			

Source: Primary data, 2021

Table 2 shows the value of Sig. of 0.000 < 0.05; it can be concluded that simultaneously independent variables and moderating variables affect the dependent variable, namely financial performance.

Partial significant test (t Test)

Partial significant test (t test) was used to determine the effect of independent variables and moderating variables on the dependent variable. The significance level (α) used is 5% or 0.05. The results of the partial significant test (t test) in this study are as follows:

Table 3
Partial significant test (t-test)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5,578	2,871		1,943	0,054
	CSR (X_1)	4,341	1,444	0,122	3,006	0,036
	UDD (X_2)	1,172	0,269	0,551	4,356	0,022
	DI (X_3)	3,120	1,291	0,294	2,417	0,040
	KGDD (X_4)	0,383	0,125	0,080	3,065	0,032
	CSR_UDD	2,046	0,905	0,589	2,260	0,042
	CSR_DI	8,163	3,682	0,325	2,217	0,045
	CSR_KGDD	2,315	0,966	0,194	2,398	0,042

Source: Primary data, 2021

The effect of CSR on financial performance

The results of the regression test showed that the CSR regression coefficient value was 3.006 with a significance level of 0.036 (<0.05). These results show that CSR has a positive and significant effect on financial performance. The results of this study are in accordance with stakeholder theory which states that companies that receive support from stakeholders will have a positive impact on the sustainability and development of the company. CSR (CSR) is a way for companies to build strong relationships with stakeholders. Companies that invest in CSR will get a positive image, good reputation and goodwill so that it will get a lot of convenience from stakeholders in accessing the economy, market and business in the long term. One of the positive impacts is that market share and sales will increase rapidly and be accompanied by more efficient costs because there are not many obstacles that arise along with the increase in the company's image for the better (Davis & Albright, 2004; Horváthová, 2010).

Corporate image is a positive thing given by the company to stakeholders and shareholders. The positive response given by stakeholders and shareholders to the company is in the form of trust and acceptance of the products produced by the company so that the company will get a significant profit on an ongoing basis by doing CSR. The continuous increase in profit will increase the market value of the company. CSR carried out by the company will have a good impact on the sustainability of the company's financial performance in the long term. The results of this study are in accordance with the first hypothesis (H1) which states that CSR has a positive and significant effect on financial performance as well as the results of research from several previous researchers conducted (Siueia et al., 2019; Ikram et al., 2019; Salehi et al., 2018).

Size board of directors as a moderating variable on the effect of CSR and financial performance

The results of the regression test showed that the regression coefficient value of CSR interaction and the board size of directors was 2.260 with a significance value of 0.042 (<0.05). These results show that the size of the board strengthens the influence of CSR on financial performance and belongs to the type of quasi-moderation. The results of the study support agency theory, which states that the board of directors acts as a representative of various groups of shareholders to monitor performance and control the activities of managers. Agency theory conceptualizes managers as self-serving agents who must be closely monitored, thus the board of directors has a function to facilitate and empower managers. Companies that carry out CSR activities will certainly affect the company's relationship with stakeholders. Stakeholders have different goals from one another. Some stakeholders focus on the level of profit, while others focus on the social and environmental activities of the company. A larger board size can be a solution to overcome conflicting stakeholder goals because there will be more references and opinions from each director before making a decision to support the wishes of all stakeholders. CSR by companies with a larger board size is likely to amplify the impact of CSR on financial performance as it is handled better and more resources are devoted to consulting and monitoring roles. The results of this study are in accordance with the second hypothesis (H2) which states that the board size of directors strengthens the positive influence of the relationship between CSR and financial performance as well as the results of research from previous researchers conducted (Kabir & Thai, 2017).

Gender diversity of the board of directors moderate on the effect of CSR and financial performance

The results of the regression test show that the regression coefficient of CSR interaction and independent director is 2,398 with a significance value obtained is 0.042 (< 0.05). These results show that the gender diversity of the board of directors strengthens the influence of CSR on financial performance and belongs to the type of quasi-moderation. The company's board of directors is responsible for setting strategic goals and objectives, formulating sustainability strategies, implementing strategies to address sensitive environmental issues. Female directors can provide different benefits to a company, as they bring different skills, competencies and knowledge than male directors. Female directors on the board of directors serve as an effective corporate governance tool and increase board effectiveness, as diversity can enhance knowledge, innovation, creativity, and strategic decision making, which in turn results in better company performance. The gender diversity of the board of directors encourages creativity and brings broader perspectives and more innovative solutions to problems. The diversity of backgrounds and experiences brought to the board of directors by women directors can enable more effective problem solving, enrich discussions, and improve decisions made by boards of directors (Uyanık & Güler, 2013; Lehmann et al., 2002).

The presence of female directors can also be a signal to women, both inside and outside the organization, that a company is likely to allow women to develop their careers to the fullest. The company will be able to attract and retain the best female employee talent, because employees know that they will not be discriminated against based on gender. Efforts to address gender discrimination may also have a positive impact on a company's ability to attract customers by enhancing the legitimacy and reputation of the business, companies with a significant brand image, those that sell products or services directly to retail customers or to governments or that have large institutional investors may be more likely to to appoint diverse directors to suit society's expectations. The results of this study are in accordance with the fourth hypothesis (H4) which states that the gender diversity of the board of directors strengthens the influence of CSR on financial performance as well as the results of previous research conducted (Sejati et al., 2020).

4 Conclusion

The results of this study state that CSR (CSR) has a positive and significant influence on financial performance. The results of this study support stakeholder theory which essentially states that business has a responsibility not only to seek profit but also to satisfy the interests of stakeholders or stakeholders on which the business relies for the long-term survival of the company. The results of this study indicate that corporate governance (the size of the board of directors, independent directors and gender diversity of the board of directors) strengthens the influence of CSR on financial performance. The results of this study support agency theory which essentially states that agency conflicts can be overcome by corporate governance. This study provides an overview of the company's management that CSR activities will provide a positive image and good reputation so that stakeholders will get a lot of convenience in accessing the economy, market and business in the long term which will ultimately have a positive influence on financial performance. The implementation of CSR activities can lead to agency conflicts or conflicts of interest between management and shareholders. Management can use CSR with the aim of enriching themselves so that they cannot achieve the company's main goal of maximizing shareholder wealth. The purpose of implementing CSR to get better financial performance will not be achieved if there is an agency conflict, so to overcome this, it is necessary to implement corporate governance (Hidah & Sedana, 2021; Irwanti & Ratnadi, 2021).

Conflict of interest statement
The authors declared that they have no competing interests.

Statement of authorship
The authors have a responsibility for the conception and design of the study. The authors have approved the final article.

Acknowledgments
We are grateful to two anonymous reviewers for their valuable comments on the earlier version of this paper.

References

Aboagye, A. Q., & Otieku, J. (2010). Are Ghanaian MFIs' performance associated with corporate governance?. *Corporate Governance: The international journal of business in society*.

Aggarwal, R., Jindal, V., & Seth, R. (2019). Board diversity and firm performance: The role of business group affiliation. *International Business Review*, *28*(6), 101600.

Aguilera, R. V., Rupp, D. E., Williams, C. A., & Ganapathi, J. (2007). Putting the S back in corporate social responsibility: A multilevel theory of social change in organizations. *Academy of management review*, *32*(3), 836-863.

Albitar, K., Hussainey, K., Kolade, N., & Gerged, A. M. (2020). ESG disclosure and firm performance before and after IR: The moderating role of governance mechanisms. *International Journal of Accounting & Information Management*.

Alsartawi, A. M. (2019). Board independence, frequency of meetings and performance. *Journal of Islamic Marketing*.

Al-Sartawi, A. M. M., Alrawahi, F., & Sanad, Z. (2017). Board characteristics and the level of compliance with IAS 1 in Bahrain. *International Journal of Managerial and Financial Accounting*, *9*(4), 303-321.

Arioglu, E. (2020). Female board members: the effect of director affiliation. *Gender in Management: An International Journal*.

Assenga, M. P., Aly, D., & Hussainey, K. (2018). The impact of board characteristics on the financial performance of Tanzanian firms. *Corporate Governance: The international journal of business in society*.

Atalay, M., Anafarta, N., & Sarvan, F. (2013). The relationship between innovation and firm performance: An empirical evidence from Turkish automotive supplier industry. *Procedia-social and behavioral sciences*, *75*, 226-235. https://doi.org/10.1016/j.sbspro.2013.04.026

Ba, M. (2017). *Corporate social responsibility and financial performance: the role of corporate governance: Evidence from the Netherlands* (Master's thesis, University of Twente).

Backhaus, K. B., Stone, B. A., & Heiner, K. (2002). Exploringthe relationship between corporate social performance and employer attractiveness. *Business & Society*, *41*(3), 292-318.

Baumgartner, R. J., & Rauter, R. (2017). Strategic perspectives of corporate sustainability management to develop a sustainable organization. *Journal of Cleaner Production*, *140*, 81-92.

Bhagat, S., & Bolton, B. (2008). Corporate governance and firm performance. *Journal of corporate finance*, *14*(3), 257-273. https://doi.org/10.1016/j.jcorpfin.2008.03.006

Bowler, D. E., Buyung-Ali, L., Knight, T. M., & Pullin, A. S. (2010). Urban greening to cool towns and cities: A systematic review of the empirical evidence. *Landscape and urban planning*, *97*(3), 147-155. https://doi.org/10.1016/j.landurbplan.2010.05.006

Brigham, E. F., Gapenski, L. C., & Daves, P. R. (2004). Intermediate financial management.

Bristy, H. J., How, J., & Verhoeven, P. (2020). Gender diversity: the corporate social responsibility and financial performance nexus. *International Journal of Managerial Finance*.

Chijoke-Mgbame, A. M., Mgbame, C. O., Akintoye, S., & Ohalehi, P. (2019). The role of corporate governance on CSR disclosure and firm performance in a voluntary environment. *Corporate Governance: The International Journal of Business in Society*.

Cho, S., Chung, C., & Young, J. (2019). Study on the Relationship between CSR and Financial Performance. Sustainability. Vol. 11. No 2. pp.343

Choongo, P. (2017). A longitudinal study of the impact of corporate social responsibility on firm performance in SMEs in Zambia. *Sustainability*, *9*(8), 1300.

Coles, J. L., Daniel, N. D., & Naveen, L. (2006). Managerial incentives and risk-taking. *Journal of financial Economics*, *79*(2), 431-468.

Davis, S., & Albright, T. (2004). An investigation of the effect of balanced scorecard implementation on financial performance. *Management accounting research*, *15*(2), 135-153. https://doi.org/10.1016/j.mar.2003.11.001

DiSegni, D. M., Huly, M., & Akron, S. (2015). Corporate social responsibility, environmental leadership and financial performance. *Social Responsibility Journal*.

Eagly, A. H. (2009). The his and hers of prosocial behavior: an examination of the social psychology of gender. *American psychologist*, *64*(8), 644.

El Ghoul, S., Guedhami, O., Kwok, C. C., & Mishra, D. R. (2011). Does corporate social responsibility affect the cost of capital?. *Journal of Banking & Finance*, *35*(9), 2388-2406.

Ferrell, O. C., Fraedrich, J., & Ferrell, L. (2015). Business ethics. *Ethical decision making and cases*.

Formigoni, H., Segura, L., & Gallego-Álvarez, I. (2020). Board of directors characteristics and disclosure practices of corporate social responsibility: a comparative study between Brazilian and Spanish companies. *Social Responsibility Journal*.

Freeman, R. E. (1984). Strategic management: a stakeholder approach. Boston: Pitman Publishing.(1, 4).

Gillan, S. L. (2006). Recent developments in corporate governance: An overview. https://doi.org/10.1016/j.jcorpfin.2005.11.002

Goss, A., & Roberts, G. S. (2011). The impact of corporate social responsibility on the cost of bank loans. *Journal of Banking & Finance*, *35*(7), 1794-1810.

Hartmann, C. C., & Carmenate, J. (2020). Does board diversity influence firms' corporate social responsibility reputation?. *Social Responsibility Journal*.

Hidah, M., & Sedana, I. B. P. (2021). The role of corporate social responsibility and earning management in mediation of the effect of corporate governance on corporate performance. *International Research Journal of Management, IT and Social Sciences*, *8*(5), 322-332. https://doi.org/10.21744/irjmis.v8n5.1903

Hillman, A. J., Cannella Jr, A. A., & Harris, I. C. (2002). Women and racial minorities in the boardroom: How do directors differ?. *Journal of management*, *28*(6), 747-763.

Horváthová, E. (2010). Does environmental performance affect financial performance? A meta-analysis. *Ecological economics*, *70*(1), 52-59. https://doi.org/10.1016/j.ecolecon.2010.04.004

Hussain, N., Rigoni, U., & Orij, R. P. (2018). Corporate governance and sustainability performance: Analysis of triple bottom line performance. *Journal of Business Ethics*, *149*(2), 411-432.

Ibrahim, M. (2020). The Moderating Effect of Corporate Governance on The Relationship Between Corporate Social Responsibility and Financial Performance of Listed Non-Financial Services Companies in Nigeria. *International Journal of Accounting & Finance (IJAF)*, *9*(1).

Ikram, M., Sroufe, R., Mohsin, M., Solangi, Y. A., Shah, S. Z. A., & Shahzad, F. (2019). Does CSR influence firm performance? A longitudinal study of SME sectors of Pakistan. *Journal of Global Responsibility*.

Irwanti, N. P. P. W., & Ratnadi, N. M. D. (2021). Good corporate governance moderate the effect of financial performance on firm value. *International Research Journal of Management, IT and Social Sciences*, *8*(1), 91-101. https://doi.org/10.21744/irjmis.v8n1.1117

Issa, A., & Fang, H. X. (2019). The impact of board gender diversity on corporate social responsibility in the Arab Gulf states. *Gender in Management: An International Journal*.

Kabir, R., & Thai, H. M. (2017). Does corporate governance shape the relationship between corporate social responsibility and financial performance?. *Pacific Accounting Review*.

Lee, E. M., Park, S. Y., & Lee, H. J. (2013). Employee perception of CSR activities: Its antecedents and consequences. *Journal of business research*, *66*(10), 1716-1724. https://doi.org/10.1016/j.jbusres.2012.11.008

Lehmann, A., Overton, J. M., & Leathwick, J. R. (2002). GRASP: generalized regression analysis and spatial prediction. *Ecological modelling*, *157*(2-3), 189-207. https://doi.org/10.1016/S0304-3800(02)00195-3

Liao, Z., Zhang, M., & Wang, X. (2019). Do female directors influence firms' environmental innovation? The moderating role of ownership type. *Corporate Social Responsibility and Environmental Management*, *26*(1), 257-263.

Lu, L. W. (2021). The moderating effect of corporate governance on the relationship between corporate sustainability performance and corporate financial performance. *International Journal of Disclosure and Governance*, *18*(3), 193-206.

Majumder, M. T. H., Akter, A., & Li, X. (2017). Corporate governance and corporate social disclosures: a meta-analytical review. *International Journal of Accounting & Information Management*.

Matondang, D. P. (2019). Pengaruh Good Corporate Governance Dan Corporate Social Responsibility Disclosure Terhadap Nilai Perusahaan Pada Perusahaan Pertambangan Yang Terdaftar Di Bursa Efek Indonesia (BEI) Periode 2014-2018".

Mohammadi, S., Saeidi, H., & Naghshbandi, N. (2020). The impact of board and audit committee characteristics on corporate social responsibility: evidence from the Iranian stock exchange. *International Journal of Productivity and Performance Management*.

Musallam, S. R. (2020). Effects of board characteristics, audit committee and risk management on corporate performance: evidence from Palestinian listed companies. *International Journal of Islamic and Middle Eastern Finance and Management*.

Naciti, V. (2019). Corporate governance and board of directors: The effect of a board composition on firm sustainability performance. *Journal of Cleaner Production*, *237*, 117727.

Nyeadi, J. D., Ibrahim, M., & Sare, Y. A. (2018). Corporate social responsibility and financial performance nexus: Empirical evidence from South African listed firms. *Journal of Global Responsibility*.

Orazalin, N., & Baydauletov, M. (2020). Corporate social responsibility strategy and corporate environmental and social performance: The moderating role of board gender diversity. *Corporate Social Responsibility and Environmental Management*, *27*(4), 1664-1676.

Park, B. J., & Lee, K. H. (2021). The sensitivity of corporate social performance to corporate financial performance: A "time-based" agency theory perspective. *Australian Journal of Management*, *46*(2), 224-247.

Park, S. (2017). Corporate social responsibility, visibility, reputation and financial performance: empirical analysis on the moderating and mediating variables from Korea. *Social Responsibility Journal*.

Puni, A., & Anlesinya, A. (2020). Corporate governance mechanisms and firm performance in a developing country. *International Journal of Law and Management*.

Salehi, M., DashtBayaz, M. L., & Khorashadizadeh, S. (2018). Corporate social responsibility and future financial performance: evidence from Tehran Stock Exchange. *EuroMed Journal of Business*.

Saragih, A. E., & Sihombing, U. T. (2021). Pengaruh Intellectual Capital, Good Corporate Governance, Dan Ukuran Perusahaan Terhadap Kinerja Keuangan Perusahaan Perbankan Yang Terdaftar Di Bursa Efek Indonesia. *Jurnal Riset Akuntansi & Keuangan*, *7*(1), 1-17.

Sejati, F. R., Zakaria, Z., & Aidha, N. (2020). Hubungan Kinerja Lingkungan dan Pengungkapan Tanggung Jawab Sosial terhadap Kinerja Keuangan dengan Feminisme Dewan Direksi sebagai Variabel Moderasi. *JIA (Jurnal Ilmiah Akuntansi)*, *5*(2), 235-263.

Siueia, T. T., Wang, J., & Deladem, T. G. (2019). Corporate Social Responsibility and financial performance: A comparative study in the Sub-Saharan Africa banking sector. *Journal of Cleaner Production*, *226*, 658-668.

Slack, R. E., Corlett, S., & Morris, R. (2015). Exploring employee engagement with (corporate) social responsibility: A social exchange perspective on organisational participation. *Journal of business ethics*, *127*(3), 537-548.

Ullah, M. S., Muttakin, M. B., & Khan, A. (2019). Corporate governance and corporate social responsibility disclosures in insurance companies. *International Journal of Accounting & Information Management*.

Uyanık, G. K., & Güler, N. (2013). A study on multiple linear regression analysis. *Procedia-Social and Behavioral Sciences*, *106*, 234-240. https://doi.org/10.1016/j.sbspro.2013.12.027

Waheed, A., & Malik, Q. A. (2019). Board characteristics, ownership concentration and firms' performance: A contingent theoretical based approach. *South Asian Journal of Business Studies*.

Wan, L. C., Poon, P. S., & Yu, C. (2016). Consumer reactions to corporate social responsibility brands: the role of face concern. *Journal of Consumer Marketing*.

Watson, W. E., Kumar, K., & Michaelsen, L. K. (1993). Cultural diversity's impact on interaction process and performance: Comparing homogeneous and diverse task groups. *Academy of management journal*, *36*(3), 590-602.

Weber, M. (2008). The business case for corporate social responsibility: A company-level measurement approach for CSR. *European Management Journal*, *26*(4), 247-261. https://doi.org/10.1016/j.emj.2008.01.006

Yadnyapawita, I. M. D., & Dewi, A. A. (1985). Pengaruh Dewan Direksi, Komisaris Non Independen, dan Kepemilikan Manajerial pada Kinerja Perusahaan Manufaktur di BEI. *E-Jurnal Akuntansi Universitas Udayana*, *1996*.

Zalata, A. M., Tauringana, V., & Tingbani, I. (2018). Audit committee financial expertise, gender, and earnings management: Does gender of the financial expert matter?. *International review of financial analysis*, *55*, 170-183.