

The Effect of Corporate Social Responsibility on The Financial Performance of Mining Companies Listed on The Indonesia Stock Exchange Period 2016-2020

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ABSTRACT

CSR is currently still a debate where CSR is said to be part of marketing or purely as a corporate social responsibility to the environment. This study aims to determine the effect of Corporate Social Responsibility on the Return On Assets (ROA) of mining companies listed on the Indonesia Stock Exchange for the 2016-2020 period. Know the effect of Corporate Social Responsibility on the Return On Equity (ROE) of mining companies listed on the Indonesia Stock Exchange for the 2016-2020 period. Know the effect of Corporate Social Responsibility on Price Book Value (PBV) of mining companies listed on the Indonesia Stock Exchange for the 2016-2020 period. The research method used in this study is a quantitative method, while the data collection technique used is the library and documentation method. The data analysis technique in this research is using simple regression analysis. The results of this study indicate that it is simultaneously stated that the CSR variable (X), has implications for the variables ROA (Y1), ROE (Y2), PBV (Y3). it can be seen from the significant value on the ROA of 0.626 and the calculated F value of 0.239, and the significant value of the ROE of 0.745 and the Fcount of 0.106, it can be concluded that Ho is accepted and H₁ is rejected because the the significance value of F is greater than 0.05. While the significant value of PBV is 0.031 and F count is 4.816, it can be concluded that Ho is rejected and H₁ is accepted because the significant value is less than 0.05. While partially the Corporate Social Responsibility variable has no effect on Return On Assets, Return On Equity, Price Book Value.

Keywords:Corporate Social Responsibility;

1. INTRODUCTION

Increasing company growth in the economic sector is inseparable from capital owners who provide capital in the company. Companies should pay attention to stakeholders in the business activities carried out. Profit information can also be used to predict future profit movements. To maintain equality between companies and stakeholders, it is necessary to carry out Corporate Social Responsibility (CSR).

Corporate social responsibility is well carried out in order to foster a sense of trust in the community and investors in particular (Pramana and Yadnyana, 2016).

Corporate environmental responsibility, Corporate Social Responsibility (CSR) has become very important for every businessman. CSR is currently still being debated where CSR is said to be part of marketing or purely as corporate social responsibility towards the environment. Mining that ignores the environment will have a negative impact on the environment around the company such as water, air and soil contamination, landslides and noise that disturbs the community.

Mining companies are companies that are sensitive to the impact of environmental pollution. This phenomenon is the incessant issue of environmental NGOs which often identify mining with environmental destruction. In more than 50 years, the basic concept of processing has remained relatively unchanged, what has changed is the scale of the activity. The mechanization of mining equipment has caused the scale of mining to grow. The development of processing technology causes the extraction of low grade ore to be more economical, so that the wider and deeper layers of the earth that must be excavated. This causes mining activities to have a very large environmental impact.

The Mining Advocacy Network (Jatam) estimates that around 70% of Indonesia's environmental damage is due to mining operations. Around 3.97 million hectares of protected areas are threatened due to mining activities, including the biodiversity there. Not only that, watersheds (DAS) have been severely damaged in the last 10 years. Around 4,000 watersheds in Indonesia, 108 of them were badly damaged. Therefore, mining companies must implement social responsibility programs (CSR) in the form of programs that can reduce the impact of environmental damage from mining businesses.

CSR in mining is different from CSR in other industries, such as banking, telecommunications, and so on, because mining CSR must comply with the Environmental Problems and Impact Analysis (AMDAL) of each mining company, which has been approved by the government. Companies must be able to minimize the negative impact arising from their business. CSR can be carried out with environmental activities, such as improving the quality of groundwater and other social activities.

The government has issued a policy regarding CSR contained in several laws and regulations, namely Law Number 40 of 2007 concerning Limited Liability Companies, Law Number 25 of 2007 concerning Investment, Law Number 19 of 2003 concerning State Owned Enterprises, Law Number 32 of 2009 concerning Environmental Management, Law Number 4 of 2009 concerning Mineral and Coal Mining. As for the implementation guidelines, companies can refer to the ISO 26000 Guidance Standard on Social Responsibility which provides voluntary guideline standards regarding the social responsibility of an institution that covers all sectors, public bodies or private bodies in both developing and developed countries.

Financial performance can be seen through Return on Assets (ROA), return on Equity (ROE) and Price Book Value (PBV). Return on Assets (ROA) is a profitability ratio to measure the net profit that can be obtained from all the assets owned by the company. Companies that have a high enough ROA ratio, the company works quite effectively so as to attract investors which results in an increase in the value of the company's shares in question and because the value increases, the company's shares will be in demand by many investors which will consequently increase the company's stock price. ROE is a ratio to measure a company's success in generating profits for shareholders. ROE is considered as a representation of shareholder wealth or company value. Price Book Value is a ratio that shows how much a share is purchased by an investor compared to the book value of the stock. The smaller the value of the price to book value, the price of a stock is considered to be cheaper. PBV can provide an overview of potential stock price movements so that from this description, the PBV ratio indirectly influences stock prices. If a company has good CSR, it indicates that its financial performance is good so that it can affect the value of a company. indirectly the PBV ratio also has an influence on stock prices. If a company has good CSR, it indicates that its financial performance is good so that it can affect the value of a company. indirectly the PBV ratio also has an influence on stock prices. If a company has good CSR, it indicates that its financial performance is good so that it can affect the value of a company.

2. LITERATURE REVIEW

2.1 *Theoretical basis*

2.1.1 Signal Theory

Signaling theory or signaling theory suggests how a company should provide signals to users of financial statements. Signal is an action taken by the company's management that provides guidance to investors about how management views the company's prospects. Companies with profitable prospects will try to avoid selling shares and seek new capital in other ways, such as using debt (Ghozali 2013: 110). Meanwhile, according to Suwardjono (2014: 583), signaling theory underlies voluntary disclosure. Voluntary disclosure is disclosure that goes beyond what is required by accounting standards or regulatory agency regulations.

2.1.2 Legitimacy Theory (legitimacy theory)

Ghozali and Chariri (2007) state that what underlies legitimacy theory is a social contract between the company and the community where the company operates and uses economic resources. Thus, legitimacy has the benefit of supporting the survival of a company. Legitimacy theory recommends companies to ensure that their activities and performance are acceptable to society. Companies use their annual reports to portray the impression of environmental responsibility, so that they are accepted by society. To continue to gain legitimacy, corporate organizations must communicate environmental activities by disclosing the social environment (Berthelot and Robert, 2011).

2.1.3 Stakeholder theory

Stakeholder theory says that a company is not an entity that only operates for its own sake but must provide benefits to its stakeholders (Ghazali and Chariri: 2007). The stakeholder concept was first developed by Freeman (1984) to explain corporate behavior and social performance (Ghomi and Leung, 2013). According to Soedaryanto (2008) just as shareholders have rights to actions taken by company management, stakeholders also have rights to the company. Stakeholder theory is a theory that emphasizes the company's efforts to maintain relationships with all internal and external parties of the company. The aim is to maintain the company's reputation and increase the legitimacy (recognition) of society,

2.1.4 Social contract theory (social contract theory)

Deegan (2000) in Nor Hadi (2014: 96) states that social contact exists to explain the relationship between companies and communities because companies have an obligation to provide benefits to the surrounding community and interactions between the two will always try to comply with the rules and norms that apply in society. Chairini Anis (2006) in Nor Hadi (2014: 98) explains that the company as a party that has social ties while maintaining the sustainability of the company and society in the concept of a social contract is based on the final results that can be socially given to society and the distribution of economic, social and economic benefits. politics to community groups in accordance with the power that has. Social contract theory explains that companies are part of society. So that,

2.1.5 Mining company

According to Law no. 4 of 2009 (UUPMB), article 1 number (1), Mining, namely part or all of the stages of activity in the context of research, processing and exploitation of minerals or coal which includes general investigations, exploration, construction feasibility studies, mining, processing and refining, transportation and sales, as well as post-mining activities. In the Big Indonesian Dictionary, what is meant by mining is digging (taking) minerals from the ground (Department of Education and Culture, Op.Cit, 1990, p: 890).

2.1.6 Corporate Social Responsibility

The company is an inseparable part of social life so that its existence will certainly have an impact on society. This requires companies to pay attention to the interests of all parties, viz internal and external of the company. So that all company activities must be guided by the ethics and norms that apply in society. According to Nor Hadi (2014: 35) the existence of a company has the potential to change the community environment in a positive or negative direction. So the company must prevent the negative impacts that may arise.

2.2 Relations Between Variables

2.2.1 The Effect of Corporate Social Responsibility on Return on Assets

Corporate Social Responsibility can have a positive effect on the company, where the company can increase public trust in the company's products through CSR activities, so that the company's reputation can also be seen by the public. (Sindhudiptha & Yasa, 2013) states that management focuses on the profit generated. This means that management has the impression that the profit and loss account reflects the company's financial performance. Thus, it can be said that the company's financial performance is reflected through the ROA proxy, which is a proxy for the financial performance variable which indicates the existence of a management method in measuring how effective and efficient a company is in generating profits with its assets.

H1: CSR has an effect on ROA

2.2.2 The Effect of Corporate Social Responsibility on Return on Equity

(Malik & Nadeem, 2014) states that the impact of corporate social responsibility on the financial performance of banks in Pakistan indicates that corporate social responsibility (CSR) has a positive relationship with return on equity (ROE). This shows that companies that carry out CSR practices to the community make the company's reputation in the eyes of the community good. A good company reputation in the eyes of society will create a company's competitive advantage. Furthermore, the company's competitive advantage has an impact on the market value of the company's future profitability which is getting better, so as to increase the company's ROE. This positive relationship between CSR and ROE will motivate other companies to invest in CSR.

H2: CSR has an effect on ROE

2.2.3 Effect of Corporate Social Responsibility on Price Book Value

The PBV ratio can provide an overview of potential stock price movements, indirectly the PBV ratio has an influence on stock prices. Market value (price/market value) divided by book value (price/book value). If the investor's book value analysis only knows the capacity per share of the share value, the investor can directly compare the book value with the market value. Through the PBV ratio, investors can find out directly how many times the market value of a stock has been valued from the book value. After knowing the PBV ratio, investors can directly compare PBV with stocks in their industry or those operating in the same business sector. Thus investors will get an idea of the stock price, whether the market value of the stock is relatively expensive or still cheap (Tryfino, 2009:

H3: CSR affects PBV

2.1 Framework

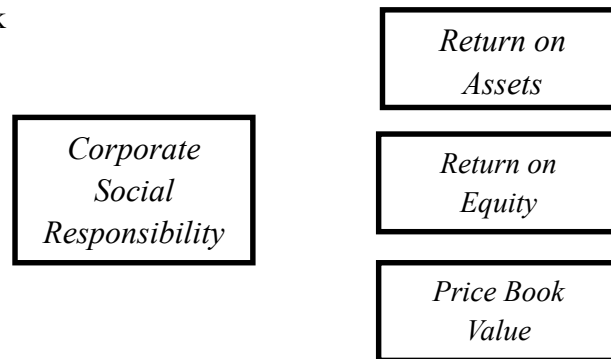


Figure 2.1 Thinking Framework

3. Research methods

3.1 Research Approach

This research uses quantitative, because it requires systematic calculations about the relationship between variables and data contained in this study in the form of numbers. Quantitative research is a research method based on the philosophy of positivism, which is used to examine populations or certain samples of data collection using research instruments, data analysis is quantitative and statistical, with the aim of testing the hypotheses that have been applied (Sugiono, 2014).

3.2 Population and Sample

3.2.1 Population

According to (Sugiono, 2010) population is the area of generalization that occurs on subjects who have certain qualities or characteristics that are applied by researchers to study and draw conclusions. The population used in this study are mining companies listed on the Indonesia Stock Exchange, totaling 49 mining companies.

3.2.2 Sample

The sample is part of the number and characteristics possessed by the population (Sugiyono, 2017). The sampling technique in this study used non-probability sampling. This research uses 49 mining companies listed on the Indonesian stock exchange in 2020.

3.3 Types and sources of data

In this study using documentary data types in the form of annual reports which are published every year in the 2016-2020 period. The data source used in this research uses secondary data because this research uses each company's annual report data. While the data obtained from the annual reports of mining companies listed on the Indonesia Stock Exchange.

3.4 Data Collection Techniques

The data collection method used in this study uses the method of literature and documentation. Where further explanation regarding the method of data collection is as follows:

3.5 Identification of Variables and Operational Definitions of Variables

3.5.1 Variable Identification

According to Sugiyono (2010: 38), the variables used in this study consist of dependent variables and independent variables, namely:

1 Dependent variable (Bound)

According to Sugiyono (2010), the dependent variable is a variable that is affected or becomes a result because of the independent variable, the dependent variable in this study is the financial performance of ROA, ROE and PBV.

2 Independent Variable (Free)

According to Sugiyono (2010), independent variables are often referred to as stimulus, predictor, antecedent variables. This independent variable is also often referred to as the independent variable, the independent variable is the variable that influences or causes the change or the emergence of the dependent (related) variable. The independent variable used is CSRD.

3.5.2 Variable Operational Definition

3.5.2.1 Disclosure of Corporate Social Responsibility (CSR)

The latent variable used in this study is the disclosure of corporate social responsibility (CSR), CSR is classified as an exogenous latent variable because it is the dependent variable.

The analytical method used to measure the influence of CSR is the broad index of CSR disclosure or the Corporate Social Responsibility Disclosure Index (CSRDI) in companies. According to the Global Reporting Index (GRI) states that there are 78 items disclosed in the disclosure of Corporate Social Responsibility, CSR disclosure according to GRI G4, which consists of 91 CSR indicators and is divided into 6 indicators namely economic performance (9), environmental sector (34), practice labor (16), human rights (12), community performance (11), product responsibility and impact (9).

To assess and determine the amount of disclosure of corporate social responsibility will use a checklist, (Sembirin: 2005) states that the broad index of CSR disclosure is formulated as follows:

$$CSRDI_j = \frac{\sum X_{ij}}{n_j}$$

Information :

CSRDI_j : Corporate CSR disclosure index

n_j : the number of all items that may be affected, n_j = 91

X_{ij} : the number of disclosure items that are fulfilled

X=0(if the company does not disclose items on the company list)

X=1(if the company discloses items on the questionnaire) thus, $0 < CSRDI_j < 1$

3.5.2.2 Return On Assets (ROA)

Return On Assets is a ratio that shows the results (return) on the use of company assets in creating net income. (Herry: 2015) . The formula is:

$$ROA = \frac{\text{laba bersih setelah pajak}}{\text{Total asset}}$$

3.5.2.3 Return On Equity (ROE)

Return On Equity is a ratio that shows the results (return) on the use of company equity in creating net income. (Hery: 2015) . The formula is:

$$ROE = \frac{\text{Laba bersih setelah pajak}}{\text{total ekuitas}}$$

3.5.2.4 Price Book Value (PBV)

Price book value is a ratio that shows the results of a comparison between the market price per share and the book value per share. the formula is:

$$PBV = \frac{\text{harga pasar saham}}{\text{nilai perlembar saham}}$$

2.6 Data Analysis Techniques

The data analysis technique in this study is to use simple regression analysis. The simple regression method is a statistical method to examine the relationship between the independent variables and the dependent variable. This analysis aims to examine the relationship between research variables and determine the magnitude of the influence of each independent variable on the dependent variable. The equation model obtained from simple regression is:

$$ROA = \beta_0 + \beta_1 CSR + \varepsilon \dots \dots \dots (\text{equation 1})$$

$$ROE = \beta_0 + \beta_1 CSR + \varepsilon \dots \dots \dots (\text{equation 2})$$

$$PBV = \beta_0 + \beta_1 CSR + \varepsilon \dots \dots \dots (\text{equation 3})$$

Information :

CSR : Corporate Social Responsibility

ROA : Return on Assets

ROE : Return on Equity

PBV : Price To Book Value

$\beta_1 - \beta_1$: The estimated coefficient

E : Error Term, namely the level of error in the estimator in the study.

3.7 Descriptive Statistics

According to Sugiyono (2014: 203) descriptive analysis is: "Analyzing data by describing or describing the data that has been collected as it is without intending to make general conclusions or generalizations." In this study descriptive statistics were used to calculate the ratio of CSR, ROA, ROE and PBV disclosures.

3.8 Classical Assumption Test

The classical assumption test is a statistical requirement that must be met in multiple linear regression analysis based on the ordinary least squares (OLS). Regression analysis

that is not based on OLS does not require classical assumption requirements, such as logistic regression or ordinal regression. Likewise, not all classical assumption tests must be carried out in linear regression analysis, for example multicollinearity tests are not carried out in simple regression analysis and autocorrelation tests do not need to be applied to cross sectional data. In this study using normality test, linearity test, heteroscedasticity test, and autocorrelation test.

3.8.1 Normality Test

The Normality Test aims to test whether in the regression model, the confounding or residual variables have a normal distribution. As it is known that the t and f tests assume that the residual values follow a normal distribution. If this assumption is violated, the statistical test becomes invalid for the number of samples **small. There are two ways to detect whether the residuals are normally distributed or not, namely by graphical analysis and statistical tests. (Ghozali, 2018: 161) Testing was carried out with the Kolmogorov-Smirnov test (KS). if $KS < 0.05$ then normality of the data is not met and if vice versa if $KS \geq 0.05$ then normality of the data has been fulfilled.**

3.8.2 Linearity Test

The linearity test aims to see whether the model specifications used are correct or not. Should the function used in an empirical study be linear, quadratic, or cubic? With the linearity test, information will be obtained whether the empirical model should be linear, quadratic, or cubic. (Ghozali, 2018: 167).

3.8.3 Heteroscedasticity Test

According to Ghozali (2013: 139), the heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. If the variance from the residual of one observation to another observation remains, then it is called homoscedasticity and if it is different it is called heteroscedasticity. A more valid test can be carried out by regressing between the independent variables with their residual absolute values or what is called the glacier test. If the significance level is ≥ 0.05 , it can be concluded that the data contains heteroscedasticity.

3.8.4 Autocorrelation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation between confounding errors in period t and errors in period t-1 (previously). If there is a correlation, then it is called an autocorrelation problem. One way to detect the presence or absence of autocorrelation is to use the Durbin-Watson test. The Durbin-Watson test is only used for level one autocorrelation and requires an intercept in the regression model and no lag variables between the independent variables (Imam, 2013:110-111). The Durbin-Watson test is carried out by making a hypothesis:

H0: no autocorrelation ($r = 0$)

HA: there is autocorrelation ($r \neq 0$)

3.9 Hypothesis Testing

According to Sugiyono (2014: 159), what is meant by a hypothesis is a temporary answer to the research problem formulation.

3.9.1 Multiple Linear Regression Test

Multiple linear regression analysis is used to determine the direction of the relationship between the independent variables and the dependent variable whether they have a positive or negative relationship. This study uses multiple linear regression analysis using SPSS 21. The linear regression equation can be formulated as follows:

$$Y = \alpha + \beta_1 X_1 + e$$

Information :

X : CSRs

Y : ROA, ROE, and PBV

3.9.2 F test

Imam Ghozali (2013: 98) states that the F statistical test is used to show whether one or not one of the independent variables included in the model has an influence on the dependent variable. The model that is appropriate to use or commonly called Fit is if the F statistical significance level is less than 0.05. if the F test has been Fit then it can proceed to the next test stage.

3.9.3 Partial Hypothesis Test (t-test)

The t-test statistical test basically shows how far the influence of one explanatory/independent variable individually explains the variation of the dependent variable (Ghozali, 2018). The steps for testing the hypothesis are as follows:

1. Determine the statistical hypothesis
 - i. $H_0 : b_1 = 0$, there is no effect of CSR on ROA, ROE, PBV
 - ii. $H_a : b_1 \neq 0$, there is an effect of CSR on ROA, ROE, PBV
2. Determine the significant level of 5%
3. The criteria for testing the hypothesis: if the p value < 0.05 then H_a accepts. Conversely, if the p value ≥ 0.05 then H_a is rejected.

3.9.4 Determinant Coefficient (R²)

The coefficient of determination test is used to measure how far the model's ability to explain the variation in the dependent variable. Because this study uses many independent variables, the value of Adjusted R² is more appropriate to use to measure how far the model's ability to explain variations in the dependent variable (Ghozali, 2009).

4. RESULTS AND DISCUSSION

4.1 Results of Data Analysis

4.1.1 Descriptive Statistical Test Results

Descriptive statistical test is a statistical test that is intended to provide information about the characteristics of research data. The information provided through this test includes the highest value (max), lowest value (min), average (mean), and standard deviation of the dependent Corporate Social Responsibility and independent variables ROA, ROE, PBV. From the results of the descriptive statistical tests using the SPSS program, the results are as presented in the table below:

Table 4.6
Descriptive Statistics Test Results

	N	Minimum	Maximum	Means	std. Deviation
Roa	245	-1469500.30	166615.50	-7604.8845	100604.65319
Roe	245	-1186247.20	667275.50	-951.1833	100979.73521
Pbv	245	-659875.00	87444804.80	357265.9824	5586942.76015
csr	245	.08	.64	.2223	.08525
Valid N (listwise)	245				

Source: SPSS Output Results

Based on the results of the descriptive statistical tests in the table above, an evaluation will be carried out related to the outlier results where the data has unique characteristics that look very different or appear in the form of extreme values. Outlier evaluation is done by eliminating data or samples. The results of the outlier evaluation of the initial sample of companies were 245 and 144 outliers, so that the sample of companies became 101 samples. The following are the results of descriptive statistics after the outliers were carried out:

Table 4.7
Descriptive Statistics Test Results after Outliers

	N	Minimum	Maximum	Means	std. Deviation
Roa	210	-.15	.21	.0297	.06535
Roe	210	-.45	.56	.0492	.15515
Pbv	210	-2987.46	663138.90	3518.6573	45742.52075
csr	210	.08	.64	.2229	.08723
Valid N (listwise)	210				

Source: SPSS Output Results

Based on the results of descriptive statistical analysis after outlier table 4.7, the following information is obtained:

1. Return On Assets

The variable Return On Assets has a value range of -0.15 to 0.21. For the average value on Return On Assets of 0.0297 with a standard deviation of 0.06535. Return on assets in this study is measured using ROA, namely net income divided by total assets. With an average value that is smaller than the standard deviation, it shows that of the 101 companies that are the research sample.

2. Return On Equity

In the descriptive statistical test results Return On Equity has a value ranging from -0.45 to 0.56. Furthermore, for the average value of Return On Equity on the descriptive statistical test, namely 0.0492. The smaller the size of Return On Equity, the smaller the power of Return On Equity in supervising so that the use of conservative accounting will

also be lower. Of the 101 companies, the average value obtained shows a lower value than the results of the standard deviation, which means that the power under supervision by Return On Equity shows a smaller number.

3. Price Book Value

The Price Book Value variable in this study is measured using the share price divided by the value of the outstanding shares. The results of descriptive statistics show that the Price Book Value variable has a minimum value of -2987.46, the maximum value is 663,138.90, the average is 3,518.65 and the standard deviation is 45,742.52. The smaller the Price Book Value, the worse the quality of financial reporting, because this can reduce oversight of the company.

4. Corporate Social Responsibility

The results of the descriptive statistical tests show that the Corporate Social Responsibility variable has a minimum value of 0.08 and a maximum value of 0.64 and an average of 0.2229 with a standard deviation of 0.08723. The greater the size of Corporate Social Responsibility, the greater the strength of Corporate Social Responsibility in carrying out supervision so that the use of conservative accounting will also be higher. Of the 101 companies, the average value obtained shows a higher value than the standard deviation results, which means that the power in supervision by the board of commissioners shows a higher number.

4.4 Classical Assumption Test

4.4.1 Normality Test

The normality test aims to determine whether the data in the study are normally distributed or not. If there is normality, then the residuals will be normally and independently distributed. To test the normality of the data, a test was carried out using the Kolmogorov-Smirnov test. The normality test is declared normal if the significant value is greater than 0.05. The test results are as follows:

4.4.1.1 ROA Normality Test

Table 4.8 Source: SPSS Normality Test

One-Sample Kolmogorov-Smirnov Test (ROA)		Unstandardized Residuals
N		91
Normal Parameters, b	Means std. Deviation	.0000000 .02240445
Most Extreme Differences	absolute Positive Negative	.104 .098 -.104
Test Statistics		.104
asymp. Sig. (2-tailed)		.016c

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		91
Normal Parameters, b	Means	.0000000
	std. Deviation	78.76446973
Most Extreme Differences	absolute	.107
	Positive	.107
	Negative	-.083
Test Statistics		.107
asympt. Sig. (2-tailed)		.012c

Based on table 4.8 it shows that the Asymp. Sig. (2-tailed) on ROA has a value greater than 0.05, namely $0.016 > 0.05$ so it can be concluded that the data is normally distributed.

4.4.1.2 ROE Normality Test

Table 4.9
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		91
Normal Parameters, b	Means	.0000000
	std. Deviation	.04672930
Most Extreme Differences	absolute	.115
	Positive	.101
	Negative	-.115
Test Statistics		.115
asympt. Sig. (2-tailed)		.005c

Source: SPSS Normality Test

Based on table 4.9 shows that the Asymp. Sig. (2-tailed) ROE has the same value of 0.05, which is $0.05 \geq 0.05$ so it can be concluded that the data is normally distributed.

4.4.1.3 PBV Normality Test

Table 4.10

Based on table 4.10 it shows that the Asymp. Sig. (2-tailed) on PBV has a value greater than 0.05, namely $0.012 > 0.05$ so it can be concluded that the data is normally distributed.

4.4.2 Linearity Test

The linearity test itself is a requirement in simple linear regression analysis, while the function of this linearity test is to find out the relationship between the independent variable and the dependent variable and whether the two variables have a linearity relationship. Meanwhile, the basis for decision making in this test is that if the sig. deviation from linearity is greater than 0.05, then there is a linear relationship between the independent variables and the dependent variable. Meanwhile, if the sig. deviation from linearity is less than 0.05, then there is no linear relationship between the two variables.

Table 4.11

Linearity Test Results			Sum of Squares	df	Mean Square	F	Sig.
roa * csr	Between Groups	(Combined)	.035	19	.002	1928	.020
		Linearity	.000	1	.000	.009	.924
	Deviation from Linearity		.035	18	.002	2035	.014
	Within Groups		.093	97	.001		
Total			.128	116			
roe * csr	Between Groups	(Combined)	.099	19	.005	1.142	.324
		Linearity	.000	1	.000	.034	.853
	Deviation from Linearity		.099	18	.005	1.203	.274
	Within Groups		.443	97	.005		
Total			.542	116			
pbv * csr	Between Groups	(Combined)	581855.983	19	306239.99	2,823	.000
		Linearity	41872.061	1	41872.061	3,860	.052
	Deviation from Linearity		539983.922	18	29999.107	2,766	.001
	Within Groups		1052119.511	97	108465.93		
Total			1633975.495	116			

Source: SPSS Linearity Test

Based on the results of the Linearity Test in the table above, it is known that the significant value of linearity in ROA is (0.014) the ROE value is (0.274) while the PBV value is (0.001). It can be concluded that ROA and ROE have a linear relationship between CSR and the company's financial performance because the value sig. deviation from linearity greater than 0.05, while for the PBV there is no linear relationship between CSR because of value sig. deviation from linearity less than 0.05.

4.4.3 Heteroscedasticity Test

The heteroscedasticity test was carried out to test whether the regression model has an inequality of variance from the residuals of one observation to another. A good regression model is one that does not experience heteroscedasticity or has homoscedasticity. Heteroscedasticity can be seen from the pattern on the plot graph between the predictive value of the dependent variable, ZPRED, and the residual, SRESID. The results of the heteroscedasticity test in this study are shown in the following table:

4.4.3.1 ROA Heteroscedasticity Test

Table 4.12
ROA Heteroscedasticity test results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	.010	.007		1,299	.197
csr	.016	.032	.052	.489	.626

Source: SPSS data

In table 4.12 above it shows that the significant value is greater than 0.05 so it can be concluded that the above variables do not occur heteroscedasticity.

4.4.3.2 ROE Heteroscedasticity Test

Table 4.13
ROE Heteroscedasticity Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	.022	.016		1,398	.166
csr	.022	.067	.034	.326	.745

Source: SPSS heteroscedasticity test

In table 4.13 above it shows that the significant value is greater than 0.05 so it can be concluded that the variables above do not occur heteroscedasticity.

4.4.3.3 PBV Heteroscedasticity Test

Table 4.14

Heteroscedasticity Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	157,234	26,215		5,998	.000
csr	-247,469	112,764	-.227	-2,195	.031

Source: SPSS Heteroscedasticity Test

In table 4.13 above it shows that the significant value is less than 0.05 so it can be concluded that the variables above occur heteroscedasticity.

4.4.4 Autocorrelation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation between confounding errors in period t and errors in period t-1 (previously). If there is a correlation, then it is called an autocorrelation problem. One way to detect the presence or absence of autocorrelation is to use the Durbin-Watson Test (Imam, 2013: 110-111). If Durbin-Watson is in the range of $dU < dW < 4-dU$, then the research data is free from symptoms of autocorrelation. A good regression equation is one that does not have autocorrelation problems. If there is autocorrelation then the equation becomes unfit for prediction. The results of the autocorrelation test using the Durbin Watson Test are as follows:

4.4.4.1 ROA Autocorrelation Test

Table 4.15

Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	.052a	.003	-.009	.02253	1.977

Source: SPSS data

Based on table 4.15 regarding the results of the autocorrelation test using the Durbin-Watson test, it was found that the Durbin Watson test value was equal to 1.977. then the value of dU with $(k) = 3$, and $(n) = 101$ is also obtained which is 1.7374. The Durbin Watson test values obtained are located between the values dU and $4-dU$ or $1.7374 < 1.977 < 2.2626$ So it can be interpreted that the regression model formed does not detect any autocorrelation.

4.4.4.2 ROE Autocorrelation Test

Table 4.17

ROE Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	.034a	.001	-.010	.04699	1.820

Source: SPSS data

Based on Table 4.16 regarding the results of the autocorrelation test using the Durbin-Watson test, it was found that the Durbin Watson test value was 1,820. then the value of d_u with $(k) = 3$, and $(n) = 101$ is also obtained which is 1.7374. The Durbin Watson test values obtained are located between the values d_U and $4-d_U$ or $1.7374 < 1.820 < 2.2626$ So it can be interpreted that the regression model formed does not detect any autocorrelation.

4.4.4.3 PBV Autocorrelation Test

Table 4.17

PBV Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	.227a	.051	.041	79.20573	1.953

Source: SPSS data

Based on Table 4.17 regarding the results of the autocorrelation test using the Durbin-Watson test, it was found that the value of the Durbin Watson test was equal to 1.953. then the value of d_u with $(k) = 3$, and $(n) = 101$ is also obtained which is 1.7374. The Durbin Watson test values obtained are located between the values d_U and $4-d_U$ or $1.7374 < 1.953 < 2.2626$ So it can be interpreted that the regression model formed does not detect any autocorrelation.

4.5 Hypothesis Testing

4.5.1 Multiple Linear Regression Analysis

Multiple linear regression analysis was carried out to determine whether there is a significant influence between the independent variables and the dependent variable. A good multiple linear regression test is limited to the symptoms of normality, linearity, heteroscedasticity and autocorrelation. The regression model used to test the hypothesis is as follows:

$$Y = \alpha + \beta_1 X_1 + e$$

The results of the calculation of the multiple linear regression model using the SPSS for windows program are as follows:

Table 4.18

ROA Multiple Linear Regression Analysis Results

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
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	B	std. Error	Betas		
(Constant)	.010	.007		1,299	.197
csr	.016	.032	.052	.489	.626

Source: SPSS data

$$ROA = 0.010 + 0.016 CSR + e$$

The constant value in the equation above is 1.422, and the coefficient value of the ROA variable (Y1) is 0.026, which means that the ROA variable is positive. With this positive value, it will increase the company's financial performance.

Table 4.19

ROE Multiple Linear Regression Analysis Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
(Constant)	.022	.016		1,398	.166
csr	.022	.067	.034	.326	.745

Source: SPSS data

$$ROE = 0.022 + 0.022 CSR + e$$

The constant value in the equation above is 0.022, and the coefficient value of the ROE variable (Y2) is 0.022, which means that the ROE variable is positive. With this positive value, it will increase the company's financial performance.

Table 4.20

Multiple Linear Regression Analysis Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
(Constant)	157,234	26,215		5,998	.000
csr	-247,469	112,764	-.227	-2,195	.031

Source: SPSS data

$$PBV = 157,234 + (-247,469) CSR + e$$

The constant value in the equation above is 157.235, and the coefficient value of the PBV variable (Y3) is -249.469 which means that the PBV variable is negative. With a negative value, it will reduce the company's financial performance.

4.5.2 Simultaneous Test F

This test is conducted to determine whether the independent variables together have a significant influence on the dependent variable. The decision is made based on a comparison of the value of F_{count} with F_{table} . If $F_{count} > F_{table}$, then H_0 is rejected H_1 is accepted. In this study, the value of F_{count} will be compared with F_{table} at a significant level (α) = 5%.

- a. Accept H_0 if $F_{count} \leq F_{table}$
- b. Reject H_0 (accept H_1) if $F_{count} > F_{table}$.

The results of simultaneous test calculations using the SPSS for windows program are as follows:

Table 4.21
 ROA Simultaneous Test Results (F).

Model	Sum of Squares	Df	MeanSquare	F	Sig.
1 Regression	.000	1	.000	.239	.626b
residual	.045	89	.001		
Total	.045	90			

Source: Financial Report Data managed by SPSS

Based on the table above, it is known that the calculated F value is 0.239 and the significance value is 0.626. F_{table} used in this study $n=101$ and $df_1 = k-1$ or $4-1 = 3$ and $df_2 = nk$ or $101-4 = 97$ (k is the number of variables and n is the number of samples), and obtained F_{table} is 2.70 . Then ROA has no significant effect on CSR.

Table 4.22

ROE Simultaneous Test Results (F).

Model	Sum of Squares	Df	MeanSquare	F	Sig.
1 Regression	.000	1	.000	.106	.745b
residual	.197	89	.002		
Total	.197	90			

Source: Financial Report Data managed by SPSS

Based on the table above, it is known that the calculated F value is 0.106 and the significance value is 0.745. F_{table} used in this study $n=101$ and $df_1 = k-1$ or $4-1 = 3$ and $df_2 = nk$ or $101-4 = 97$ (k is the number of variables and n is the number of samples), and obtained F_{table} is 2.70 . So ROE has no significant effect on CSR.

Table 4.23

PBV Simultaneous Exam Results (F).

Model	Sum of Squares	df	MeanSquare	F	Sig.
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1 Regression	30214.563	1	30214.563	4,816	.031
residual	558345.752	89	6273548		b
Total	588560.316	90			

Source: Financial Report Data processed by SPSS

Based on the table above, it is known that the calculated F value is 4.816 and a significance value of 0.031. Ftable used in this study $n=101$ and $df1= k-1$ or $4-1 =3$ and $df2 = nk$ or $101-4 = 97$ (k is the number of variables and n is the number of samples), and obtained Ftable is 2.70 . Then PBV has a significant effect on CSR.

4.5.3 Partial Test (T)

This test is conducted to test whether each independent variable has a significant influence on the dependent variable. In this study the value of tcount will be compared with ttable at a significant level (α) of 10%.

a. H_0 is rejected if: $tcount \leq ttable$ or significance value $\geq \alpha$ (0.05)

b. H_1 is accepted if: $tcount \geq ttable$ or significance value $\leq \alpha$ (0.05)

The results of the calculation of the partial test using the SPSS for windows program are as follows:

Table 4.24

ROA Partial Test Results (T).

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	.010	.007		1,299	.197
csr	.016	.032	.052	.489	.626

Source: SPSS Data Processing

Based on the results of the calculation of the ROA variable, it shows a tcount value of 0.489 < from ttable 1.98472, with a significant value of 0.626 > 0.05. Then H_0 is rejected and H_1 is accepted. It can be concluded that the ROA variable has no significant effect on the CSR variable.

Table 4.25

ROE Partial Test Results (T).

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	.022	.016		1,398	.166
csr	.022	.067	.034	.326	.745

Source: Data processed by SPSS

Based on the results of the calculation of the ROE variable, it shows a tcount value of 0.326 < from ttable 1.98472, with a significant value of 0.6745 > 0.05. Then H_0 is rejected and H_1 is accepted. It can be concluded that the ROE variable has no significant effect on the CSR variable.

Table 4.26

PBV Partial Test Results (T).

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	157,234	26,215		5,998	.000
csr	-247,469	112,764	-.227	-2,195	.031

Source: Data processed by SPSS

Based on the results of the calculation of the PBV variable, it shows a tcount of -2.195 < from ttable 1.98472, with a significant value of 0.031 > 0.05. Then H0 is rejected and H1 is accepted. It can be concluded that the PBV variable has no significant effect on the CSR variable.

4.5.4 The Coefficient of Determination (R²)

The coefficient of determination can be seen from the adjusted R square value which shows how much the independent variable can explain the dependent variable. The magnitude of the coefficient of determination is 0 to one. The higher the adjusted r square value, the better the regression model used because it indicates that the ability of the independent variable to explain the dependent variable is also getting bigger, and vice versa. The following is the summary model results from the determination analysis.

Qabel 4.27

Results of the Analysis of the Coefficient of Determination (R²)

ROA

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.052 a	.003	-.009	.02253

Source: SPSS data processing

1. From the results of Adjusted R Square = -0.009 or -9%, the dependent variable ROA is explained by the independent variable CSR (X). While the remaining 99.1% is caused by other factors that are not in this model.
2. R Square = 0.003, meaning that the variation in the independent variable CSR (X) is able to explain the dependent variable ROA (Y1) of 3%, the remaining 99.7% is due to other factors not present in this model.
3. R = 0.052 means that the strength of the relationship between variable (Y1) and variable (X) is 5.2%.

Table 4.28

Results of Analysis of the Coefficient of Determination (R²) ROE

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
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1	.034 a	.001	-.010	.04699
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Source: SPSS data processing

1. From the results of Adjusted R Square = -0.010 or -10%, the dependent variable ROE is explained by the independent variable CSR (X). While the remaining 99% is caused by other factors that are not in this model.
2. R Square = 0.001, meaning that the variation in the independent variable CSR (X) is able to explain the dependent variable ROE (Y1) of 1%, the remaining 99% is due to other factors not present in this model.
3. R = 0.034 means that the strong relationship between variable (Y2) and variable (X) is 3.4%.

Table 4.29

Results of PBV Determination Coefficient Analysis (R2).

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.227a	.051	.041	79.20573

Source: SPSS data processing

1. From the results of Adjusted R Square = 0.041 or 4.1%, the dependent variable PBV is explained by the independent variable CSR variable (X). While the remaining 97.9% is caused by other factors that are not in this model.
2. R Square = 0.051, meaning that the variation in the independent variable CSR (X) is able to explain the dependent variable PBV (Y1) of 5.1%, the remaining 94.9% is due to other factors not present in this model.
3. R = 0.227 means that the strong relationship between variable (Y3) and variable (X) is 27.7%.

4.6 Discussion

This research was conducted to examine the effect of the independent variables on the dependent variable where the independent variables consisted of Corporate Social Responsibility (CSR) in mining companies listed on the Indonesia Stock Exchange (IDX). While Return On Assets, Return On Equity, and Price Book Value as the dependent variable (tied). The following is an explanation of each variable contained in this study.

4.6.1 The Effect of Corporate Social Responsibility on Return On Assets

The results of the first hypothesis testing show that the variable Return On Assets (ROA) has been tested on the hypothesis. This can be seen from the results of a significant calculated value of $0.626 > 0.05$, then H_0 is rejected and H_1 is accepted. This means that ROA has no effect on Corporate Social Responsibility (CSR). This means that the ROA hypothesis has an effect on CSR is rejected. Not accepting this hypothesis indicates that the more ratios owned by assets do not guarantee a positive impact for companies that implement CSR systems.

This is also supported by research conducted by (Marissa Yaparto, 2013), which has a significant value so that it can be said that CSR has no effect on ROA. This means that CSR is only a control from outsiders that has no impact on ROA. However, the results of this study are not in line with research conducted by research (Rosiliana, Yuniarta, & Darmawan, 2014), Corporate Social Responsibility can have a positive effect on companies, where companies can increase public trust in company products through CSR activities, so that the company's reputation also publicly visible. (Sindhudiptha & Yasa, 2013) states that management focuses on the profits generated. This means that management has the impression that the profit and loss account reflects the company's financial performance. Thus,

4.6.2 The Effect of Corporate Social Responsibility on Return On Assets

The results of the second hypothesis testing show that the board of commissioners variable has been tested on the hypothesis. This can be seen from the results of a significant calculated value of $0.745 < 0.05$, then H_0 is rejected and H_1 is accepted. This means that Corporate Social Responsibility (CSR) has no effect on Return On Assets (ROE). This means that the CSR hypothesis has no effect on acceptable ROE. These results conclude that CSR carried out by the company is not proven to have a significant impact on the company's financial performance.

This research is not in line with Wardhani's research (2007) in "Kurnianto (2011), corporate social responsibility has a positive impact on company ROE. Companies that implement CSR are able to provide a good image to society, so that many benefits are obtained by companies, such as customer loyalty and trust from creditors and investors. This will improve the company's finances, so that the company's profit will increase and will be followed by an increase in the company's ROE in the following year.

4.6.3 Effect of Corporate Social Responsibility on Price Book Value

The results of testing the third hypothesis indicate that the audit committee variable has been tested on the hypothesis. This can be seen from the results of the calculated significant value of $0.031 > 0.05$, then H_0 is rejected and H_1 is accepted. This means that Corporate Social Responsibility (CSR) has no significant effect on Price Book Value (PBV). This means that the CSR hypothesis has no effect on PBV is rejected.

Several previous studies have conducted research related to current research. One of them is research conducted by (Leon F, 2011) who examined the Indonesia Stock Exchange in the period 2007 to 2009 in the consumption industry where the variables ROA, NPM partially did not have a significant effect on stock returns. While the variables EPS, DER, and PBV have a significant effect on stock returns simultaneously. The difference from the current research on the variables ROA, ROE partially does not have a significant effect on CSR, while the PBV variable has a significant effect on CSR simultaneously.

5. CONCLUSION

This study aims to see how far the influence of Corporate Social Responsibility has on Return On Assets, Return On Equity, and Price Book Value. Return On Assets, Return On Equity, and Price Book Value in mining companies listed on the Indonesia Stock Exchange from 2016 to by 2020. Based on the results of the analysis that has been carried out, several conclusions that can be drawn from this research are:

1. Simultaneously stated that the variable CSR (X), has implications for the variables ROA (Y1), ROE (Y2), PBV (Y3). it can be seen from the significance value of the

ROA of 0.626 and the calculated F value of 0.239, and the significant ROE value of 0.745 and the Fcount value of 0.106 it can be concluded that H0 is accepted and H1 is rejected because the significance value of F is greater than 0.05. While the PBV significant value is 0.031 and F count is 4.816 it can be concluded that H0 is rejected and H1 is accepted because the significant value is less than 0.05.

2. Partially the Corporate Social Responsibility variable has no effect on Return On Assets, Return On Equity, Price Book Value.

6. RECOMMENDATION

Based on the results of this study, the authors would like to submit suggestions including the following:

1. For future researchers, adding other variables outside of this research variable related to company financial performance and Corporate Social Responsibility (CSR) such as the components of liquidity risk, solvency ratios, activity ratios to find out more and clearly about what factors are has an influence on Corporate Social Responsibility and the company's financial performance. In addition, it is necessary to do research again with research objects other than mining companies and a longer research period.
2. For companies, as a provider of complete and clear financial information in order to reduce information asymmetry and as a source of information regarding the company's financial condition by external parties who use the company's financial statements or investors, it is necessary for the company. In addition, companies should consider the three variables that do not affect the company's financial performance to be used as a reference in improving the company's own performance. This is because investors are very concerned and consider how the performance of a company itself is good or not. For companies, CSR disclosure must be applied consistently and more completely to improve company performance.
3. For Investors, Every investor who wants to invest in their shares should first consider company information. Investors are more interested in good company performance and good CSR disclosure, because companies that have implemented corporate social responsibility (CSR) are seen as having a good long term as well. In addition, it also looks back at the company's financial reports that have been published on the Indonesia Stock Exchange (IDX) from year to year to serve as a basis for consideration in investing. In this case, what potential investors must pay attention to is the company's financial performance which can be seen through the financial statements.

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