

Green Accounting and Corporate Social Responsibility Disclosure in Family Company: Future Directions of a Research Field

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Abstract: Social and environmental aspects in corporate performance reporting have become key considerations for investors. A survey by the Millennium Poll on Corporate Social Responsibility and Deka Marketing Research showed that investors consider not only financial aspects but also a company's social and environmental responsibilities. A Price water house Cooper (PwC) survey showed that 77% of respondents believe family-controlled companies (family businesses) have greater social responsibility and concern for the environment and community welfare. This study aims to examine the causal relationship between green accounting and corporate social responsibility toward company value in the family company. The research population is all energy sector companies listed on the Indonesia Stock Exchange for the 2018-2022 period. Hypothesis testing using SmartPLS 4.0 results in: (1) Green Accounting has a positive and significant effect on company value, (2) Corporate social responsibility has a positive and significant effect on company value. Fulfilling social responsibility and implementing green accounting are new strategies for companies to align the social and environmental impacts of their policies and operations with sustainability and increasing company value.

Keywords: Green Accounting, Corporate Social Responsibility, Company Value, Family Business

1. Introduction

The unstable global economy is a major problem faced by companies today. The World Economic Outlook in 2024 [1] indicates that the global economy is in a sticky spot, The world economy is still facing challenges from competitive markets, geopolitical divisions, and the quick development of generative artificial intelligence (AI). The globalized era has created the business world increasingly competitive and no longer recognizes national boundaries. This situation requires companies to adapt and develop new strategies to maintain business and increase firm value. The value of a company provides an overview of its current state and

reflects its future prospects, thus influencing investors' assessments. Now, investors consider not only financial aspects but also a company's social and environmental responsibilities [2]. Social and environmental aspects in corporate performance reporting have become key considerations for investors.

A survey by The Millennium Poll on Corporate Social Responsibility (CSR) [3] involving 25,000 respondents in 23 countries, including Indonesia, showed a shift in investor opinions regarding company assessments. The majority of respondents believed that business ethics, employee treatment, environmental impact, and CSR effect on the image of a business. Another study by Deka Marketing Research involving 1,000 respondents in Indonesia revealed that 61,8% of respondents pay close attention to social and environmental issues of a company [4]. Companies should consider the interests of not only shareholders but also all parties affected by their policies and operations [5]. Stakeholder Theory posits that the future viability of a business is related to fulfilling stakeholder interests. Companies will disclose CSR activities to demonstrate their commitment to both economic and non-economic stakeholder interests [6]. This will be interpreted by stakeholders as a positive signal (good news), indicating long-term business sustainability, thus increasing the company's value [7]. Several studies have shown that CSR positively impacts firm value, as evidenced in research by [6], [2], [8], [9], and [10].

Social and environmental phenomena in business have become inseparable from the business cycle. According to data from the Indonesian Forum for the Environment (Walhi), the mining area in Indonesia in 2021 covered 97,767,729.55 Ha, nearly half of the surface area of Indonesia. This condition leaves significant social and environmental impacts if companies do not professionally manage their operations. For instance, in Kalimantan, Indonesia, Walhi recorded environmental degradation, with 814 holes owned by 157 mining companies. One notable case involved PT Adaro Tbk., whose activities contributed significantly to the 2021 floods, causing 24 deaths and displacing 113,000 people. Environmental activists demanded PT Adaro Tbk. halt its operations, resulting in a 46.75% drop in its stock price. Therefore, appropriate resource management through green accounting is needed to mitigate environmental damage.

Green accounting involves effective and efficient resource management to ensure sustainability benefits and minimize environmental damage [11]. The concept is believed to enhance a company's image among stakeholders. [11] state that green accounting can prevent environmental pollution by including environmental costs related to company operations. Implementing green accounting demonstrates the business's social as well as ecological responsibility for the unintended consequences of its policies and operations. Fulfilling stakeholder interests is crucial for increasing company value, as it helps avoid potential costs from stakeholders. Support from the community for company activities can reduce legal costs from potential complaints and shutdown demands. According to Stakeholder Theory, studies by [11], [10],[12], on the impact of green accounting on company performance show that green accounting positively influences financial performance.

Fulfilling social responsibility and implementing green accounting are new strategies for companies to align their policies and operations' social and environmental impacts with sustainability and increasing company value. A Price-water-house Cooper (PwC) [13] survey titled "Family Firm: A Resilient Model for the 21st Century" showed that 77% of respondents believe family-controlled companies (family businesses) have greater social responsibility and concern for the environment and community welfare. Family businesses view corporate reputation as reflecting both company performance and family honor [14]. Family companies' commitment to the future motivates their actions invest in stakeholders through greater

participation in CSR activities [5]. Family businesses disclose CSR activities to demonstrate that they do not engage in business activities that conflict with stakeholder interests [15]. [16] found that companies are more socially responsible than those who don't have familial involvement. [17] discovered that family businesses have better sustainability reporting disclosures than non-family companies.

Family companies are vital to the world market [18]. In the United States, approximately 24 million family businesses are contributing 64% of GDP or US\$ 59 trillion and employing 82 million people [5]. In the Middle East, data shows that 98% major business ventures in the Gulf Cooperation Council, which includes Kuwait and Saudi Arabia, are family-run businesses (Charbel et al. 2013). A KPMG International survey in 2018 indicated that family businesses represent 55-90% of businesses in every European country. More than 95% of Indonesian firms are family-owned or controlled, according to the Indonesian Institute for Corporate and Directorship (IICD). [5] Central Bureau of Statistics (BPS) data indicates that family businesses in Indonesia contribute significantly to GDP, accounting for 82.44%.

The energy and mineral resources sector is vital and directly related to the environment. The European Environment Agency states that as it is practically impossible to generate, transport, or consume energy without having a substantial negative influence on the environment, energy and environmental issues are tightly related. BPS data 2023 indicates that from 2017-2023, the mining sector's export contribution to total oil and gas and non-oil and gas exports averaged 15.97%. The growth in export volume of mining commodities, especially in 2023, reached 70.18 million tons. Given the significant potential and impact of Indonesia's mineral and energy sector, research on green accounting and CSR is highly relevant. Integrating sustainable economic practices and social responsibility is crucial for optimizing firm value. With their long-term business orientation, family businesses can enhance green accounting practices and CSR disclosure. Family owners will focus more on initiatives that enhance the company's reputation [15].

2. Theoretical Framework and Hypothesis Development

2.1 Stakeholder Theory

Stakeholder theory is used to analyze to whom the company should be accountable. Companies are depicted as a series of connections with all stakeholders managed by the company [5]. R. Edward Freeman [19] in his book "Strategic Management: A Stakeholder Approach," defines stakeholders as individuals or groups that has the ability to affect or be affected by the firm's objectives. [19] categorizes stakeholders primary and secondary stakeholders are the two categories. The company's primary stakeholders participate continuously, including customers, suppliers, workers, shareholders, investors, and public interest groups like governments and municipalities providing infrastructure and markets. Secondary stakeholders impact or are impacted by the business but do not participate in transactions, such as society.

Stakeholder theory suggests that fulfilling stakeholder interests is key to increasing company value, as it avoids potential costs from stakeholders. Loyal suppliers cut quality certification expenses, supportive communities lower legal fees, and low employee turnover lowers recruitment and training costs from complaints and shutdown demands, and steady shareholders lessen the volatility of the market [20]. Companies must identify stakeholder needs, design

appropriate policies, and implement organizational practices through green accounting and CSR disclosure to ensure business continuity [21]. By applying green accounting, companies voluntarily comply with government policies in their operating locations, preserving environmental sustainability. Structured environmental accounting, detailing internal and external environmental costs, positively contributes to company performance.

2.2 Signalling Theory

Signaling theory explains how the behavior of individuals and organizations is influenced when they have access to different or asymmetric information [22]. [7] revealed that signaling theory and agency theory can be considered consistent theories. The assumption of agency theory, which indicates that managers (agents) possess internal information not available to the principals, becomes a core concept of signaling theory. Signaling theory generally clarifies the problem of information imbalance and how this issue can be resolved. [23] in his article "Job Market Signaling," provided an initial concept on how signals can reduce information asymmetry in the job market.

Signaling theory offers a perspective on the disclosure of CSR. Managers will disclose information about CSR practices in the company's annual report to gain financial and non-financial benefits [24]. [12] suggested that data imbalance can be lessened by revealing CSR data related to the company's CSR practices. CSR disclosure demonstrates the firm's commitment to social and environmental responsibility, thus leading stakeholders to perceive the company as a good corporate entity [12]. [25] found that profitable companies tend to provide or signal more information as a sign of the company's performance and prospects, which is then responded to by shareholders with an increase in the company's value.

2.3 Hypothesis Development

a. The Effect of Green Accounting on Company Value

Stakeholder theory provides a view that fulfilling stakeholder interests is key to enhancing company value, as it will prevent the company from incurring costs caused by stakeholders [6]. Good relationships with stakeholders have the potential to enhance the company's reputation and performance, compared to strained relations which will negatively impact the company's performance [21]. Green accounting is seen as a preventive measure against environmental pollution practices, as the company will account for environmental costs related to its operational activities. The implementation of green accounting demonstrates the company's social and environmental responsibility for the unintended consequences of its policies and operations. The environmental cost components representing financial aspects become the company's responsibility as a result of its activities impacting the environment.

Environmental accounting disclosure is expected to enhance company value. In line with signaling theory, high levels of environmental accounting disclosure, such as environmental cost components, are expected to be interpreted by stakeholders as a positive signal (good news) indicating that the company has long-term business sustainability prospects, thus increasing the company's value. Research conducted by [26] has shown that green accounting positively affects profitability. When companies implement green accounting and demonstrate good

environmental performance, their value will increase. This is consistent with research findings by [11], [7], [12] which examined how green accounting affected the value of the company and found that it significantly improved financial performance. Therefore, the hypothesis formulation that can be constructed:

H₁: *Green accounting has a positive effect on company value.*

b. The Influence of Corporate Social Responsibility on Company Value

Stakeholder theory provides a view that the long-term survival of a company is related to providing for the economic and non-economic interests of stakeholders through CSR activities [6]. CSR is no longer seen as philanthropy, but is a company strategy to achieve the company's economic and non-economic goals [21]. CSR not only provides benefits in increasing investor loyalty, but also customer loyalty, public acceptance, and increasing intangible assets which will have a positive impact on the company's reputation and long-term financial performance [27]. Stakeholders tend to make transactions with companies that have a good CSR record, because it shows their commitment to the environment and society. Disclosure of CSR activities in sustainability reporting will be interpreted by stakeholders as a positive signal (good news) indicating that the company has long-term business continuity prospects and minimal risk of complaints and demands for company permits, thereby increasing company value [26].

Several empirical research results have supported the positive influence of CSR on company value. [10] found that companies that are active in CSR tend to have better scores. CSR disclosure can improve a company's reputation and image, as well as ensure compliance with regulations. CSR disclosure is attractive to investors, so it can increase the company's net value. [25] found that profitable companies tend to provide or signal information about CSR activities as a positive signal for the company's performance and prospects. [2] research on 500 companies in the UK found that CSR had a positive and significant impact on company performance. Research by [8] shows that environmental, customer, supplier and employee aspects in the CSR dimension have a significant positive influence on the company's financial indicators. The framework of thought and research results have shown that disclosure of CSR has a positive impact on company value, so that the second hypothesis can be formulated:

H₂: *Disclosure of corporate social responsibility has a positive effect on company value*

2.4 Research Model

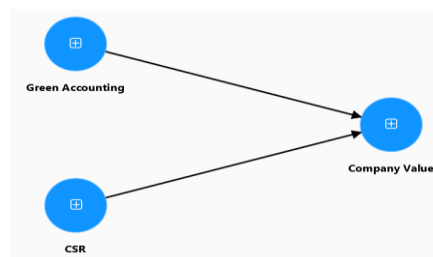


Fig. 1 *Path Model*

3. Research Method

3.1 Type of Research & Data

The purpose of this quantitative study is to investigate how CSR and green accounting affect business value. The documentation method is used with a content analysis approach to obtain data in the yearly report of the business and sustainability report. Data collection uses secondary data sourced from company publications on the website www.idx.co.id.

3.2 Population and Sampling Technique

All energy sector businesses listed on the IDX for the 2018–2022 period make up the study population, which was selected using purposive selection using the following criteria:

- a. The sample is companies listed on the IDX for the 2018-2022 period;
- b. The company operates in the energy sub-sector business: Oil and natural gas drilling, Mining, Power Generation, Biofuel, Oil processing and refining, Oil and gas refining, Oil and gas seller and Provider of transportation and mining equipment;
- c. Energy sub-sector companies publish annual reports and sustainability reports in the period studied;
- d. The company has a family ownership percentage of > 20%;
- e. Companies that disclose provision costs or environmental costs in financial reports or annual reports in the period studied.

Table 1 Determining the Research Sample

Criteria	INA
Number of energy sector companies listed on the IDX	80
Energy companies that are not listed on the IDX consecutively from 2018-2022	(22)
Energy sector companies that do not publish complete annual reports for 2018-2022	(5)
Energy sector companies that do not publish a complete sustainability report with the GRI-G4 index in 2018-2022	(44)
Energy sector companies have a family ownership percentage < 20%	(2)
Number of research samples that meet the criteria	7
Total Sample (n x research period) = (7 x 5 years)	35

Source: Data processed, 2024

3.3 Conceptual and Operational Definition of Variables

a. Green Accounting

According to [11], Green accounting is the process of identifying, assessing, documenting, summarizing, reporting, and disclosing in an integrated way to produce comprehensive, integrated, and relevant monetary, cultural and ecological accounting data that supports users in economic and noneconomic management and decision-making, financial, social, and environmental objects, transactions, or events must be included in the accounting process. The measurement of green accounting variables uses an approach developed by [11] using environmental cost components. Environmental costs contained in the statement of financial position are recorded as provisions. According to PSAK 57, provisions in accounting are a nominal amount set aside to cover expenses or costs that are expected to occur in the future. Therefore, provisions can reflect the company's responsibility for the impact of company policies and operations on the environment.

$$\text{Environmental costs} = \frac{\text{Provision}}{\text{Net Profit}}$$

b. Corporate Social Responsibility

[21] define CSR as company policies, processes and practices in identifying the needs and interests of stakeholders to achieve company business sustainability. This research uses the GRI-G4 standard to measure CSR variables. The study regarding material approach is used to calculate the CSRDI (Corporate Social Responsibility Disclosure) index by giving a score of 1 to items that are disclosed and a score of 0 to items that are not disclosed by the company based on 91 GRI-G4 indicators. The scores for each item are added up to obtain the total item score disclosed by a company. CSRDI measurements refer to research by [12]:

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

Explanation:

$CSRDI_j$ = Corporate Social Responsibility Disclosure Index Company j ($0 \leq CSRDI_j \leq 1$)

X_{ij} = Number of items disclosed by the company j

n_j = Total item GRI-G4

c. Company Value

The company value includes the total market value of equity and the total market value of a company's debt. This research uses the Tobin's Q indicator to measure company value. Tobin's Q reflects the company's value to shareholders and has a more precise level of comparability between companies, because it does not use financial accounting information that is susceptible to accounting manipulation, such as depreciation methods [28]. Tobin's Q ratio refers to the method developed in the research of [28]:

$$Tobin's Q = \frac{Total\ Market\ Value + Total\ Book\ Value\ of\ Liabilities}{Total\ Book\ Value\ of\ Assets}$$

$$Total\ Market\ Value = Total\ Outstanding\ Shares \times Current\ Share's\ Price$$

A company is considered a family business if the founder or family members control company ownership of > 20% [29]. In line with this argument, financial accounting standards in Indonesia in PSAK 15 have regulated that ownership is considered to have a quantitatively significant influence if it controls > 20% of voting rights. Family business measurement uses the formula used in [14] and [30]:

$$Family\ Ownership = \frac{Number\ of\ shares\ owned\ by\ the\ family}{Total\ shares\ outstanding} \times 100\%$$

3.4 Data Analysis Techniques

a. Descriptive Statistics

Descriptive statistical testing provides an overview or description of research data. Descriptive statistics relates to the measurement of statistical values as mean, standard deviation, maximum, and lowest, which are meant to give a general picture of how data is distributed and behaves. Descriptive statistics studies how to organize and present data collected in research.

b. Analysis Method

The Partial Least Square (PLS) approach was used to test the data in this study. PLS is a data analysis test method that is not based on many assumptions, the sample size used does not have to be large and the data does not have to have a certain distribution, it can be nominal, categorical, ordinal, interval and ratio [31]. This research uses SmartPLS 4.0 software to carry out the PLS test with the following steps:

1) Measurement model (*Outer Model*)

The outer model is a measurement model to test construct validity and instrument reliability [32]. This model measures how a latent variable is measured by its indicators. This measurement can be reflective or formative [31]. This outer model test consists of:

a) Validity Test

The validity test is used to measure whether a research instrument is valid or not. Validity measurement using SmartPLS software can be done in 2 ways, namely convergent validity and discriminant validity

- **Convergent Validity**

Convergent validity is assessed based on the correlation between the item score/component score and the calculated construct score. If there is a loading factor value smaller than 0.7 ($\alpha < 0.7$), then the indicator is declared invalid and removed from the construct [31].

- Discriminant validity

The measurement's crossloading output with the construct is used to evaluate discriminant validity. It can be said that if the construct's correlation with the measurement items is higher than the size of other constructs [31].

- b) Reliability Test

Reliability reflects the internal consistency and stability of the values of the results of a particular measurement scale. Data reliability measurements were assessed based on the composite reliability and Cronbach's alpha values for each construct. If the composite reliability output value is greater than 0.7 ($\alpha > 0.7$), and the Cronbach's alpha output is greater than 0.6 ($\alpha > 0.6$), then the construct is declared reliable [31].

- 2) Structural Model (*Inner Model*)

Based on substantive theory, the inner model, also known as the inner relation or structural model, explains how latent variables relate to one another. The significance of the structural path parameter coefficients, the t test, and R-square for the dependent construct were used to assess the structural model. It is possible to determine whether certain independent latent variables have a significant impact on the dependent latent variable by examining changes in the R-square value. The more accurately the model predicts the causal relationship between the independent and dependent variables, the higher the R-square value [31].

Hypothesis testing on the structural model is carried out by looking at the statistical t value and significance testing on the output path coefficient after bootstrapping testing. Like the t-test, this hypothesis testing compares the t-statistic and t-table values. If t-statistics $>$ t-table then it can be concluded that there is a significant influence between the two constructs, but if the t-statistic value $<$ t-table then it can be concluded that there is no significant influence between the two constructs. The significance test is carried out by comparing the significance value of the output path coefficient with a significance level of 5%. If the significance value is $>$ alpha, it can be concluded that there is no significant influence between the two constructs, but if the significance value is $<$ alpha, then it can be inferred that the two constructs have a substantial impact on one another.

4. Research Result

4.1. Descriptive Analysis

An summary of the data distribution is provided by descriptive analysis, which displays the study data's minimum, maximum, mean, and standard deviation values. Data was obtained through content analysis and certain measurements from the publication of annual reports and sustainability reports of companies in the energy sub-sector: Petroleum and natural gas drilling, Mining, Power Generation, Biofuel, Oil processing and refining, Oil and gas refining, Oil and gas sellers and providers of transportation and mining equipment during the 2018-2022 period.

Table 2 Descriptive Statistic

Variabel	N	Minimum	Maximum	Mean	Standar Deviasi
<i>Green Accounting</i>	35	0,23265	0,75882	0,38330	12,042
CSR	35	0,30000	0,70000	0,47333	11,747
Cpmpny Value	35	0,92000	2,06000	1,25583	22,410

Source: Data processed, 2024

The data in Table 2 shows that the green accounting variable has a theoretical range between 0.23265-0.75882, with an average value of 0.38330 and a standard deviation of 12.042. Overall, the implementation of Green Accounting in energy sector companies listed on the IDX shows quite good results. This reflects the company's awareness and commitment to environmental responsibility quite well. However, the flood disaster in 2021 in South Kalimantan which caused 24 people to die and 113,000 people to be displaced is a bad record of the impact of environmental destruction on the Company's operations. Companies are expected to continue to increase the implementation of sustainable business practices through green accounting to create long-term value.

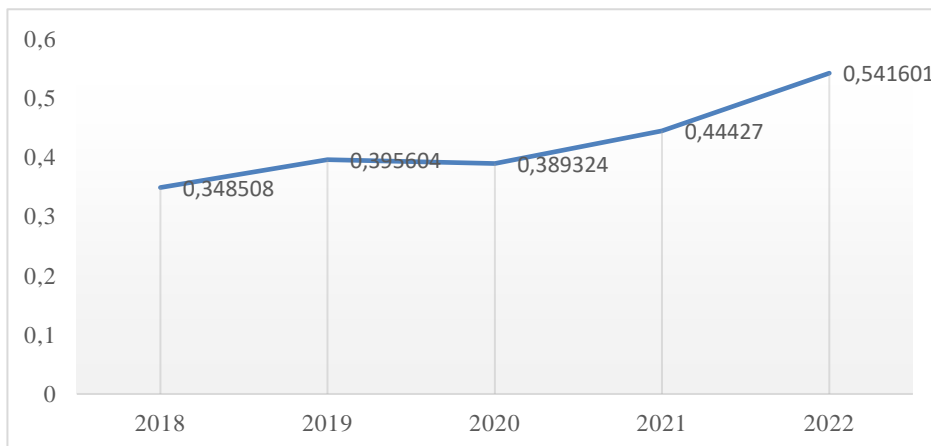


Fig. 2 Average of CSRDI for 2018-2022 year

The CSR variable has a theoretical range of 0.3-0.7, an average value of 0.47333, and a standard deviation of 11.747. This data shows that energy sector companies listed on the IDX are still quite volatile in implementing social responsibility. Although there are some fluctuations, the overall trend shows a significant increase, especially in recent years as shown in Figure 2. This reflects a growing awareness of the importance of CSR in achieving business sustainability and meeting stakeholder expectations.

The company value variable has a theoretical range between 0.92-2.06 with an average value of 1.25583 and a standard deviation of 22.410. The Tobins'Q ratio shows the company's market capitalization value to asset value. The average Tobins'Q > 1, indicates that energy sector companies are valued by investors as greater than the value of the company's assets. It is hoped

that the implementation of green accounting and good corporate social responsibility (CSR) can increase investors' assessment of the company's sustainability aspects.

4.2. Outer Model Test

The outer model describes how a latent variable is measured with its indicators. This model measures the level of validity and reliability of the data that has been collected. The structural model, as can be seen in Figure 2, will be tested through:

a. Convergent Validity

Table 3. Outer Loadings

	CSR	Green Accounting	Company Value
CSRDI	1,00	1,00	1,00
Green Accounting	1,00	1,00	1,00
Tobins'Q	1,00	1,00	1,00

Source: Data processed, 2024

The SmartPLS 4.0 output results in Table 3 show that all indicators have loading factor values above 0.70. The loading factor value of each green accounting, CSR, and company value variable is 1.00 ($1.00 > 0.70$). Therefore, it may be said that every signal of every building is deemed legitimate.

b. Discriminant Validity

The results of the discriminant validity test in Table 4 show that the cross-loading value is higher than the cross-loading value for other construct measures for each variable's indicator. This indicates that the discriminant validity of each indicator is good.

Table 4 Discriminant Validity

	CSR	Green Accounting	Company Value
CSRDI	1,000	0,741	0,643
Green Accounting	0,741	1,000	0,623
Tobins'Q	0,643	0,623	1,000

Sumber: Data processed, 2024

c. *Composite Reability dan Cronbachs Alpha*

Table 5. Composite Reability Cronbachs Alpha

	<i>Composite Reliability</i>	<i>Cronbachs Alpha</i>
CSR	1,00	1,00
<i>Green Accounting</i>	1,00	1,00
Nilai Perusahaan	1,00	1,00

Sumber: Data processed, 2024

Every variable satisfies the reliability requirements, according to the Cronbach's alpha and composite reliability tables. The Cronbach's alpha value is greater than 0.7, and the composite reliability value is *above 0.6 for each of the green accounting, CSR and company value variables.*

4.3. Inner Model Test

The relationship between latent variables is described by the inner model, also known as the substantive theory, inner relations, or structural model. The R-squared value is used to assess the inner model.

Table 6. R-square

	<i>R Square</i>	<i>R Square adjusted</i>
Company Value	0,940	0,939

Source: Processed Data, 2024

The test results show that the R-square value for the company value variable is 0.940 and 0.550. These results explain that the company value variable is influenced by the green accounting variable, CSR by 94%. The family business is a business owned and controlled by the family, so family elements will directly or indirectly influence company policies and operations. The family perspective on long-term business continuity has encouraged companies to be oriented towards long-term business strategies through the implementation of green accounting and CSR [17].

4.4. Hypothesis Test

The basis for hypothesis testing is the value contained in the output path coefficients as presented in Table 5 below:

Table 7 Path Coefficients

	<i>Original Sample (O)</i>	<i>Sample Mean (M)</i>	<i>Standard Deviation (STDEV)</i>	<i>T Statistics (O/STERR)</i>	<i>P Values</i>
CSR -> Company Value	0,326	0,357	0,113	2,878	0,004
<i>Green Accounting -> Company Value</i>	0,681	0,654	0,106	6,423	0,000

Source: Data Processed, 2024

a. Hypothesis Testing 1 (Green Accounting Positively Influences Company Value)

The data in the path coefficients table shows that the green accounting variable and firm value have a positive relationship, with a path coefficient value of 0.681. The t-statistic value of 6.423, which is greater than 2.03452 (two-tailed hypothesis), indicates that the green accounting variable has a significant effect on firm value. This result is supported by a significance test with a p-value of 0.000, which is less than 0.05 ($0.000 < 0.05$). Therefore, it can be concluded that **hypothesis 1 is accepted**.

This study's results support the findings of previous research, such as [11], [28], and [33] which found that green accounting positively influences firm value. The family perspective that prioritizes the company as a family asset has driven companies to adopt a long-term business orientation. They possess a strong sense of belonging and high commitment to maintaining and growing their family businesses. Stakeholder theory has provided the view that fulfilling stakeholder interests is key to increasing company value. The allocation of environmental costs within the company's operations demonstrates the family business's commitment to environmental responsibility, which is viewed by investors as a positive signal (good news) indicating that the company has long-term business prospects.

The research data also reveals that family businesses are enterprises that have been operated across multiple generations for an extended period. This longevity provides family businesses with the knowledge and resources to enhance productivity, customer relationships, stakeholder relationships, and innovation, leading to better company value. The Indika Group, founded by the Sudwikatmono family 28 years ago, has dominated the energy sector through PT Indika Energy. The Medco Group, initiated by the Arifin Panigoro family since the Initial Public Offering (IPO) in 1980, has demonstrated its existence in the oil sector, now managed by the second generation, Hilmi Panigoro. AKR Corporindo Tbk, established in 1977 in the oil trading sector, is currently managed by Haryanto Adikoesoemo, the son of Soegiarto Adikoesoemo.

b. Hypothesis Testing 2 (Corporate Social Responsibility Positively Influences Firm Value)

According to the findings of testing Hypothesis 2, there is a t-statistic value of 2.878 and a path coefficient value of 0.326 between the CSR variable and company value. This result indicates that the CSR variable has a positive and significant effect on the firm value variable. The p-value of $0.004 < 0.05$ supports the conclusion that **hypothesis 2 is accepted**.

The company's reputation not only reflects its performance but also the family name. As the company owners, families will pay more attention to activities that positively influence the company's reputation. A poor company reputation will damage the family name and the company's performance itself. Therefore, family businesses will invest more in CSR activities to enhance the company's reputation, which will positively impact the family's name. This result supports research conducted by [10], [25], [2], [16], and [17], which revealed that CSR significantly influences firm value.

Stakeholder theory provides the view that the long-term survival of a company is related to fulfilling the economic and non-economic interests of stakeholders through CSR activities. CSR disclosure data measured based on the GRI-G4 standards shows a mean value of 0.4733. Energy sector companies listed on the IDX understand the importance of CSR as a corporate plan to enhance the business's standing with stakeholders. CSR not only benefits increased investor loyalty but also customer loyalty, community acceptance, and increased intangible assets, which will favorably affect the business's long-term financial results.

The future orientation of family firms will drive them to make substantial investments with interested parties to ensure the company's business continuity from one generation to the next. Companies invest in CSR activities to enhance their reputation from the perspective of those involved. The reputation perspective, which considers that the company's reputation reflects not only its performance but also the family's name, will drive the company to engage in activities that do not conflict with stakeholder interests. The increase in CSR activities within the company can meet the relative expectations of stakeholders, which will be responded to with an increase in firm value.

5. Conclusion and Implications

5.1. Conclusion

- a. Green Accounting has a favorable and noteworthy influence on the company's worth.
- b. CSR significantly and favorably impacts company value.

5.2. Implications

- a. Family businesses offer a different ownership structure to help businesses deal with the difficulties and difficult conditions of the global economy. The family's perspective on the company's reputation and long-term business orientation will encourage companies to invest in social and environmental activities.
- b. The research results provide recommendations for companies in analyzing components that can influence firm value. The CSR and green accounting variables have been scientifically demonstrated to significantly and favorably impact business value.

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