



## Pengaruh Likuiditas, Leverage, Dan Arus Kas Terhadap Financial Distress

Jennifen Wijaya<sup>1</sup> dan Rousilita Suhendah<sup>2\*</sup>

<sup>1,2</sup>Fakultas Ekonomi dan Bisnis Universitas Tarumanagara Jakarta Indonesia

### Email Address:

jennifen.125190101@stu.untar.ac.id, rousilitas@fe.untar.ac.id\*

\*Corresponding author

Submitted 08-05-2023

Reviewed 07-06-2023

Revised 08-06-2023

Accepted 09-06-2023

Published 10-07-2023

**Abstract:** The purpose of this study is to obtain empirical evidence regarding the effect of liquidity, leverage, and cash flow on financial distress. This study used consumer cyclicals sector companies listed on the Indonesia Stock Exchange in 2019-2021. Samples were selected by purposive sampling method and the data used were 133 data. The data obtained was processed using the E-Views 12 program. Based on the research conducted, liquidity has a positive significant effect on financial distress, leverage has a negative significant effect on financial distress, and cash flow has a positive significant effect on financial distress. The implication of this research is that liquidity, leverage, and cash flow affect company management, investors, and creditors in making decisions.

**Keywords:** Financial Distress; Likuiditas; Leverage; Cash Flow.

**Abstrak:** Tujuan penelitian ini adalah untuk memperoleh bukti empiris mengenai pengaruh likuiditas, leverage, dan arus kas terhadap financial distress. Penelitian ini menggunakan perusahaan sektor consumer cyclical yang terdaftar di Bursa Efek Indonesia pada tahun 2019-2021. Sampel dipilih dengan metode purposive sampling dan data yang digunakan sebanyak 133 data. Data yang diperoleh diolah menggunakan program E-Views 12. Berdasarkan penelitian yang dilakukan, diperoleh hasil likuiditas memiliki pengaruh positif signifikan terhadap financial distress, leverage memiliki pengaruh negatif signifikan terhadap financial distress, dan arus kas memiliki pengaruh positif signifikan terhadap financial distress. Implikasi dari penelitian ini adalah likuiditas, leverage, dan arus kas mempengaruhi manajemen perusahaan, investor, dan kreditor dalam pengambilan keputusan.

**Kata Kunci:** Financial Distress, Likuiditas, Leverage, Arus Kas.

## PENDAHULUAN

Suatu perusahaan memiliki tujuan masing-masing untuk mendapatkan keuntungan yang maksimal, tidak mengalami kesulitan keuangan, dan menjadi perusahaan yang sukses. Suatu perusahaan harus memiliki strategi untuk dapat bersaing di dunia bisnis. Strategi perusahaan adalah tindakan perusahaan yang dirancang untuk bersaing dengan upaya meningkatkan kepuasan pelanggan untuk mencapai kinerja yang diharapkan dapat memaksimalkan tujuan perusahaan. Saat ini banyak perusahaan kecil maupun besar yang berkembang untuk meningkatkan kinerja perusahaan agar mampu bersaing di dunia bisnis. Kemampuan bersaing dalam suatu industri mensyaratkan agar perusahaan memiliki pendanaan yang besar dan kuat, serta memiliki akses pasar yang lebih luas.

Pandemi Covid-19 yang terjadi di seluruh dunia pada tahun 2020 membuat aktivitas ekonomi di seluruh dunia mengalami perlambatan. Berbagai sektor usaha yang dilakukan di semua negara mengalami stagnasi dan perekonomian mengalami penurunan. Ini membuat banyak perusahaan mengalami kerugian besar dan tidak mampu bersaing karena mengalami *financial distress*. *Financial distress* terjadi ketika keuangan perusahaan tidak dapat menghasilkan keuntungan atau menghasilkan dana yang cukup sehingga perusahaan





tidak dapat membayar utang. Kondisi ini dapat terjadi di semua perusahaan saat kondisi perekonomian di perusahaan tersebut mengalami krisis ekonomi.

*Financial distress* adalah kondisi perusahaan di mana jumlah kas operasi yang dimiliki tidak dapat digunakan untuk membayar utang, sehingga perusahaan harus memperbaiki kondisi tersebut. Berbagai penyebab dari *financial distress* dapat terjadi seperti dampak dari berbagai macam fenomena ekonomi makro dan mikro (Michalkova et al., 2018).

Kategori perusahaan yang mengalami *financial distress* adalah perusahaan yang mengalami laba operasi negatif selama dua tahun berturut-turut. Perusahaan yang mengalami penurunan laba operasi selama lebih dari setahun menunjukkan telah terjadi tahap penurunan kondisi keuangan suatu perusahaan. Apabila manajemen perusahaan tidak melakukan perbaikan pada kegiatan usahanya maka semakin cepat perusahaan mengalami kebangkrutan.

Perusahaan yang mengalami kebangkrutan pada umumnya mengatasi masalah tersebut dengan melakukan peminjaman kepada kreditur dan tidak sedikit juga melakukan likuidasi karena ketidakmampuan melunasi pinjaman kepada pihak lain. Sebelum perusahaan mengalami kebangkrutan dan menanggung risiko yang besar, perusahaan dapat mencegah terjadinya risiko kesulitan keuangan dan kebangkrutan dengan cara melakukan interpretasi dan analisis laporan keuangan serta mengetahui trend dan kecenderungan kondisi keuangan setiap periode. Manajer harus melakukan evaluasi terhadap hasil kinerja usaha perusahaan dan melakukan perbaikan kinerja

Ada tiga faktor yang menyebabkan *financial distress*, yaitu faktor umum, faktor eksternal dan faktor internal. Faktor yang terjadi secara umum terdiri dari sektor ekonomi, sektor sosial, sektor teknologi dan sektor pemerintah. Faktor eksternal berasal dari luar perusahaan yang terdiri dari sektor pelanggan, sektor pemasok dan sektor pesaing. Faktor internal berasal dari dalam perusahaan, yaitu seperti kesalahan manajemen perusahaan yang tidak efisien karena memiliki kemampuan atau pengalaman yang kurang.

*Financial distress* merupakan tahap penurunan kondisi keuangan suatu perusahaan sebelum kebangkrutan terjadi. *Financial distress* dapat terjadi saat perusahaan tidak mampu mengelola anggaran arus kas dan berbagai faktor lain seperti manajemen yang tidak kompeten atau kendala perusahaan yang dapat mengganggu keseimbangan *financial distress* (Saleem et al., 2020). Perusahaan yang mengalami *financial distress* dapat menurunkan profitabilitas dan memberikan dampak terhadap arus kas perusahaan (Jaafar et al., 2018). Hal ini mengurangi likuiditas perusahaan yang dapat mempengaruhi efisiensi operasional, masalah utang, sumber ekuitas, dan *leverage*.

Informasi mengenai *financial distress* diperlukan oleh para investor dan kreditor. Bagi para investor, informasi *financial distress* sangat penting untuk menjamin keamanan modal yang ditanamkan di perusahaan dan bagi para kreditor untuk memastikan bahwa perusahaan dapat memenuhi kewajiban perusahaan. Jika perusahaan mengalami *financial distress*, maka investor tidak akan berinvestasi di perusahaan tersebut dan kreditor tidak akan memberikan pinjaman kepada perusahaan tersebut karena perusahaan tidak mampu dalam melunasi pinjaman. Sangat penting bagi manajemen perusahaan untuk mengelola keuangan saat perusahaan sedang mengalami *financial distress*, karena jika dibiarkan secara terus-menerus perusahaan akan mengalami kebangkrutan. (Irfani, 2020) menjelaskan bahwa awal dari kebangkrutan perusahaan ditandai oleh beberapa faktor, seperti kerugian hasil operasional yang terus-menerus, kesulitan dalam membayar utang, dan pengelolaan modal kerja yang buruk menyebabkan perusahaan tidak dapat bertahan karena kesulitan keuangan.



*Financial distress* pada setiap perusahaan dapat diprediksi dengan satu cara, yaitu melihat laporan keuangan perusahaan. Laporan keuangan dianalisis menggunakan rasio-rasio keuangan yang menggambarkan baik buruknya laporan keuangan suatu perusahaan, termasuk *financial distress*. Laporan keuangan dapat digunakan sebagai dasar dalam pengambilan keputusan dan memprediksi kinerja perusahaan. Manajer perusahaan berperan untuk melakukan antisipasi dan mitigasi semua risiko terjadinya kebangkrutan perusahaan. Manajer perusahaan dapat mencegah risiko tersebut dengan melihat kondisi keuangan perusahaan.

Ada beberapa faktor yang dapat mempengaruhi *financial distress*, yaitu likuiditas, *leverage*, dan arus kas. Faktor pertama, yakni likuiditas. Likuiditas menggambarkan kemampuan perusahaan dalam memenuhi kewajiban jangka pendek. Perusahaan yang memiliki likuiditas yang tinggi berarti kinerja perusahaan tersebut semakin baik. Suatu perusahaan yang menghasilkan likuiditas rendah, maka kemungkinan terjadi *financial distress* tinggi karena perusahaan dianggap tidak dapat memenuhi kewajiban ketika jatuh tempo. Hal ini dapat menurunkan nilai perusahaan, minat para investor dan para kreditor.

Faktor kedua, yakni *leverage*. *Leverage* menggambarkan kemampuan perusahaan dalam membayar kewajiban jangka panjang. Penggunaan *leverage* dalam suatu perusahaan dapat menimbulkan beban atau risiko jika perusahaan sedang mengalami penurunan. Hal ini dapat membuat perusahaan kesulitan dalam membayar utang perusahaan. Semakin tinggi *leverage* yang dihasilkan suatu perusahaan, maka semakin rendah perusahaan untuk membayar utang perusahaan dan dapat menimbulkan *financial distress* (Wesa dan Otinga, 2018).

Faktor terakhir, yakni arus kas. Laporan arus kas menggambarkan jumlah pemasukan dan pengeluaran perusahaan dalam satu periode tertentu. Arus kas yang rendah pada suatu perusahaan berarti perusahaan tidak memiliki sumber daya yang cukup untuk melakukan kegiatan operasional seperti melunasi pinjaman, mempertahankan operasi perusahaan, dan melakukan investasi baru. Hal ini dapat menyebabkan perusahaan terjadi *financial distress*. Jika arus kas suatu perusahaan negatif akibat kegagalan aktivitas operasi, perusahaan harus mencari alternatif sumber kas.

Investor dan kreditur dapat mengetahui kondisi keuangan perusahaan dengan melihat arus kas perusahaan. Arus kas perusahaan dipakai sebagai indikator untuk mengetahui kemungkinan perusahaan membayar dividen. Demikian pula bagi kreditur akan melihat ketersediaan kas perusahaan untuk melihat kemampuan perusahaan membayar kewajibannya. Apabila perusahaan memiliki jumlah kas yang besar, kreditur memiliki kepercayaan perusahaan akan melunasi utangnya. Namun jika jumlah kas perusahaan kecil, maka kreditur tidak akan menaruh kepercayaannya lagi pada perusahaan.

Berdasarkan dari kondisi yang terjadi, penting bagi perusahaan untuk menganalisis *financial distress* dari awal perusahaan telah mengalami penurunan. Hal ini agar perusahaan dapat selalu waspada terhadap kondisi keuangan yang tidak stabil. Dengan perusahaan mengetahui kondisi keuangan, maka perusahaan dapat mengatasi kondisi tersebut.

(Ikpesu, 2019; Wesa dan Otinga, 2018; Saleem et al., 2020) dalam penelitiannya menemukan hasil likuiditas berpengaruh negatif terhadap *financial distress*. Hasil penelitian ini tidak sesuai dengan penelitian (Kazemian et al., 2017; Waqas dan Rus, 2018; Zelie dan Wassie, 2019) yang menemukan likuiditas berpengaruh positif terhadap *financial distress*. Sedangkan penelitian (Wahyuningtiyas dan Retnani, 2020) menemukan likuiditas tidak berpengaruh terhadap *financial distress*.

(Isayas, 2021; Waqas dan Rus, 2018) menemukan bahwa *leverage* berpengaruh positif terhadap *financial distress*. Hasil penelitian ini tidak sama dengan penelitian (Zelie dan Wassie, 2019; Jaafar et al, 2018) yang menemukan *leverage* berpengaruh negatif terhadap *financial distress*. Penelitian (Dirman, 2020) menemukan bahwa *leverage* tidak berpengaruh terhadap *financial distress*.

(Phan et al., 2022; Putri, 2021) menemukan bahwa arus kas berpengaruh negatif terhadap *financial distress*. Namun, hasil penelitian ini tidak sejalan dengan penelitian yang dilakukan oleh (Pandapotan dan Puspitasari, 2022; Finishtya, 2019) yang menyatakan arus kas berpengaruh positif terhadap *financial distress*.

Perbedaan penelitian ini dengan penelitian sebelumnya adalah menggunakan perusahaan sektor barang konsumen non-primer (*Consumer Cyclicals*). Sektor ini merupakan klasifikasi terbaru untuk perusahaan yang terdaftar di Bursa Efek Indoensia (BEI) per tanggal 25 Januari 2021. Sektor barang konsumen non-primer (*Consumer Cyclicals*) adalah sektor industri yang terdiri dari perusahaan yang melakukan produksi dan mendistribusikan produk dan jasa secara umum dijual kepada konsumen yang bersifat siklis atau barang sekunder sehingga permintaan barang dan jasa berbanding lurus dengan pertumbuhan ekonomi. Sektor barang konsumen non-primer (*Consumer Cyclicals*) terdiri dari perusahaan yang memproduksi mobil penumpang dan komponen, barang rumah tangga tahan lama (*Durable*), pakaian, sepatu, barang tekstil, barang olahraga, dan barang hobi. Sektor barang konsumen non-primer (*Consumer Cyclicals*) juga mencakup perusahaan yang menyediakan jasa seperti pariwisata, rekreasi, pendidikan, penunjang konsumen, perusahaan media, periklanan, penyedia hiburan, dan perusahaan ritel barang sekunder

Berdasarkan beberapa hasil penelitian tersebut, dapat dilihat bahwa hasil penelitian terdapat ketidakkonsistenan sehingga penelitian ini dilakukan untuk membuktikan sejauh mana kemampuan likuiditas, *leverage*, dan arus kas terhadap kondisi *financial distress* pada perusahaan sektor *consumer cyclicals*. Penelitian ini bertujuan untuk mengetahui pengaruh likuiditas, *leverage*, dan arus kas terhadap *financial distress* pada perusahaan sektor *consumer cyclicals* dengan periode tahun 2019 sampai 2021.

Berdasarkan pernyataan tersebut, maka rumusan masalah dalam penelitian ini adalah sebagai berikut: 1) Apakah likuiditas berpengaruh terhadap *financial distress*? 2) Apakah *leverage* berpengaruh terhadap *financial distress*? dan 3) Apakah arus kas berpengaruh terhadap *financial distress*?

## KAJIAN TEORI

**Signalling Theory.** Teori sinyal pertama kali diperkenalkan oleh Spence pada tahun 1973. Teori ini menjelaskan bahwa pihak pengirim (pemilik informasi) menyampaikan informasi perusahaan yang relevan kepada pihak penerima melalui sinyal. (Phan et al., 2022) menjelaskan bahwa perusahaan mengirimkan informasi kepada pihak eksternal sebagai sinyal positif karena informasi dapat menjadi faktor penting bagi investor sebagai gambaran kondisi, masa lalu, dan masa depan perusahaan.

Teori sinyal memberikan informasi kepada pihak eksternal tentang suatu kondisi perusahaan. Informasi yang diberikan perusahaan dapat berupa kabar baik (*good news*) atau kabar buruk (*bad news*). Kabar baik yang diberikan perusahaan dapat berupa kondisi perusahaan yang baik, pengumuman laba, dan pembagian dividen. Sedangkan kabar buruk yang diberikan perusahaan dapat berupa kerugian perusahaan sehingga tidak terdapat pembagian dividen atau perusahaan memiliki utang yang banyak sehingga dapat

meningkatkan risiko kebangkrutan. Teori sinyal dalam topik *financial distress* menjelaskan bahwa manajemen akan memberikan sinyal positif saat kondisi keuangan perusahaan baik dan mempunyai prospek perusahaan yang baik.

**Likuiditas.** Likuiditas merupakan rasio untuk mengukur kemampuan perusahaan untuk memenuhi kewajiban jangka pendek. Likuiditas juga mengarah pada neraca perusahaan yang memberikan informasi tentang solvabilitas perusahaan. Likuiditas dapat muncul akibat keputusan di masa lalu perusahaan mengenai pendanaan dari pihak ketiga, baik aset maupun kas. Dari keputusan tersebut, dapat menghasilkan sejumlah pembayaran di masa yang akan datang. Likuiditas adalah rasio yang digunakan untuk menganalisa posisi keuangan jangka pendek, dan untuk membantu manajemen dalam pengecekan efisiensi modal kerja dalam suatu perusahaan. Rasio likuiditas merupakan rasio yang menggambarkan kemampuan perusahaan dalam memenuhi kewajiban jangka pendek. Rasio ini dapat menjadi alat informasi yang membantu perusahaan untuk meningkatkan manajemen perusahaan (Kasmir, 2018). Rasio likuiditas sangat penting bagi perusahaan pada saat perusahaan mengalami kesulitan dalam membayar kewajiban jangka pendek, karena dapat mengakibatkan penurunan nilai perusahaan atau penurunan permintaan investor dalam berinvestasi. Tingkat likuiditas yang tinggi berarti kinerja perusahaan tersebut dinilai baik dan menurunkan kemungkinan terjadi kondisi *financial distress* (Jaafar et al., 2018).

**Leverage.** Leverage merupakan rasio untuk mengukur kemampuan suatu perusahaan dalam membayar seluruh kewajiban jangka panjang dan jangka pendek. (Hery, 2018) menjelaskan rasio *leverage* mengukur sejauh mana aset perusahaan dibiayai oleh utang. Rasio *leverage* adalah suatu rasio yang mengukur seberapa besar beban utang suatu perusahaan ketika memenuhi aset. Rasio *leverage* dapat digunakan untuk menilai tingkat utang perusahaan dan memberikan keuntungan internal. Bagi internal, rasio *leverage* digunakan untuk mengevaluasi performa perusahaan dalam memperoleh laba yang dapat digunakan untuk membayar kewajiban jangka panjang maupun jangka pendek. Selain itu, rasio *leverage* juga bermanfaat bagi pihak eksternal seperti investor dan kreditor. Bagi pihak eksternal sebagai bahan pertimbangan dalam melakukan pendanaan atau memberi pinjaman dana. Rasio *leverage* sangat penting bagi perusahaan karena dapat memberikan informasi tentang sumber modal operasi perusahaan, seperti saham atau utang perusahaan. Perusahaan yang tertekan secara finansial dapat menyebabkan beban utang perusahaan menjadi sangat besar yang ditandai dengan pembayaran bunga yang tinggi (Isayas, 2021).

**Arus Kas.** Arus kas merupakan bagian dari laporan keuangan yang mencakup penerimaan dan pengeluaran kas. (Hery, 2016) menjelaskan bahwa suatu perusahaan yang menghasilkan arus kas positif berarti perusahaan mampu melunasi utang, membayar privé atau dividen, dan mampu mendanai pertumbuhan perusahaan melalui ekspansi bisnis atau aktivitas investasi. Laporan arus kas dapat memberikan informasi berupa kemampuan perusahaan untuk menghasilkan kas dari aktivitas operasi, membayar kewajiban perusahaan ketika jatuh tempo, dan membayar dividen kepada investor (Pandapotan dan Puspitasari, 2022). Laporan arus kas berguna untuk membantu investor dan kreditor dalam mengevaluasi kemampuan perusahaan untuk berinvestasi di masa depan, mengevaluasi kemampuan perusahaan dalam memenuhi kewajiban pembayaran dividen dan keperluan dana, mengevaluasi perbedaan antara laba bersih dengan penerimaan kas dan pengeluaran kas, dan mengevaluasi pengaruh investasi berupa kas dan transaksi lain terhadap kondisi keuangan perusahaan selama satu periode tertentu

**Financial Distress.** (Dirman, 2020) menjelaskan bahwa *financial distress* merupakan suatu kondisi bagi perusahaan yang sedang mengalami kesulitan keuangan.



(Ayuningtiyas dan Suryono, 2019) menjelaskan *financial distress* adalah kondisi perusahaan menghadapi masalah dalam kesulitan keuangan atau kebangkrutan, kegagalan keuangan atau ketidakmampuan untuk membayar utang dan *default*. Default adalah sebuah pelanggaran yang dilakukan oleh suatu perusahaan terhadap perjanjian dengan para kreditor dan akan mengakibatkan suatu tindakan hukum. Ketika suatu perusahaan mengalami *financial distress*, perusahaan tidak berada pada posisi yang sama, melainkan perusahaan bergerak ke tahap selanjutnya. Jika pendapatan perusahaan memburuk, maka perusahaan akan mengalami kebangkrutan. Namun, jika pendapatan perusahaan membaik, maka perusahaan memiliki kesempatan dalam mengatasi *financial distress*.

**Likuiditas dan Financial Distress.** Likuiditas menggambarkan kemampuan perusahaan dalam melunasi kewajiban jangka pendek saat jatuh tempo. Sesuai dengan teori sinyal, likuiditas dapat dijadikan tanda peringatan terjadinya *financial distress* pada suatu perusahaan. Para kreditor akan diberikan sinyal positif oleh perusahaan jika likuiditas perusahaan tinggi. Apabila likuiditas perusahaan rendah, maka perusahaan memberikan sinyal yang negatif kepada kreditor.

Likuiditas menjelaskan kemampuan perusahaan untuk membayar utang jangka pendek. Semakin tinggi likuiditas perusahaan, semakin tinggi kemampuan perusahaan untuk melunasi utang lancar. Perusahaan yang mempunyai utang jangka pendek dalam jumlah besar dibandingkan dengan jumlah assetnya memberi indikasi bahwa perusahaan berada dalam kondisi tidak likuid. Perusahaan tersebut berisiko tinggi dan dapat mengalami *financial distress* karena perusahaan tidak mampu memenuhi pembayaran utang jangka pendek. Semakin tinggi tingkat likuiditas suatu perusahaan, semakin rendah perusahaan mengalami kondisi *financial distress*.

(Ikpesu, 2019) menyatakan bahwa likuiditas berpengaruh negatif terhadap *financial distress*. Hasil penelitian ini sejalan dengan penelitian (Wesa dan Otinga, 2018; Saleem et al., 2020) menyatakan likuiditas berpengaruh negatif terhadap *financial distress*. Namun, hasil penelitian ini tidak sejalan dengan (Kazemian et al., 2017; Waqas dan Rus, 2018) yang menyatakan bahwa likuiditas berpengaruh positif terhadap *financial distress*. Penelitian (Wahyuningtiyas dan Retnani, 2020; Dirman, 2020) menemukan bahwa likuiditas tidak berpengaruh terhadap *financial distress*.

**Leverage dan Financial Distress.** Leverage mengukur kemampuan perusahaan dalam membayar seluruh kewajiban perusahaan baik jangka panjang maupun jangka pendek. Sesuai dengan teori sinyal, pihak berkepentingan akan diberikan sinyal oleh pihak manajemen perusahaan melalui informasi yang berkaitan dengan jumlah aset maupun jumlah utang perusahaan. Informasi tersebut digunakan oleh investor untuk pengambilan keputusan dalam berinvestasi.

Leverage adalah rasio yang menunjukkan penggunaan asset perusahaan yang memiliki beban tetap. Pada saat perusahaan menggunakan leverage berarti perusahaan telah siap untuk dibebani bunga kepada pihak lain. Semakin tinggi tingkat leverage perusahaan, beban bunga yang ditanggung perusahaan juga tinggi. Ini berarti perusahaan berpotensi mengalami kegagalan membayar yang semakin tinggi pula.

(Isayas, 2021) menyatakan bahwa leverage berpengaruh positif terhadap *financial distress*. Hasil penelitian ini sejalan dengan (Waqas dan Rus, 2018) yang menemukan leverage berpengaruh positif terhadap *financial distress*. Penelitian ini tidak sejalan dengan (Zelie dan Wassie, 2019; Jaafar et al., 2018) yang menemukan hasil leverage berpengaruh negatif terhadap *financial distress*. Sedangkan penelitian yang dilakukan oleh (Dirman, 2020) menemukan bahwa leverage tidak berpengaruh terhadap *financial distress*.

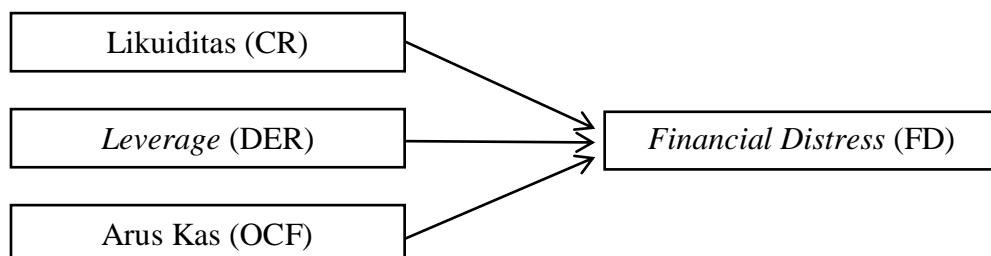


**Arus Kas dan *Financial Distress*.** Arus kas digunakan untuk memberikan informasi mengenai penerimaan dan pengeluaran kas dalam periode tertentu. Berdasarkan teori sinyal, pihak kreditor akan diberikan sinyal oleh pihak manajemen mengenai informasi arus kas untuk menilai kemampuan perusahaan dalam pembayaran utang perusahaan. Suatu perusahaan yang menghasilkan arus kas kecil secara terus-menerus membuat para kreditor tidak percaya kepada perusahaan yang akan diberikan pinjaman.

Informasi arus kas yang diperoleh dari laporan arus kas menunjukkan laba bersih perusahaan yang berkaitan dengan nilai perusahaan. Apabila arus kas di perusahaan menunjukkan peningkatan jumlahnya, berarti laba yang diperoleh perusahaan juga semakin besar. Ini mengakibatkan peningkatan nilai perusahaan dan laba perusahaan. Perusahaan yang mempunyai arus kas operasi besar menunjukkan perusahaan mempunyai dana untuk melakukan kegiatan operasional.

Arus kas operasi dapat menunjukkan kemampuan arus kas untuk membayar kewajiban lancar. Ini menjadi satu indikasi yang dapat digunakan untuk memprediksi kemungkinan perusahaan mengalami *financial distress*. Semakin kecil rasio arus kas perusahaan, semakin tinggi terjadinya *financial distress*. Berdasarkan penelitian (Pandapotan dan Puspitasari, 2022) menemukan hasil arus kas berpengaruh terhadap *financial distress*. Penelitian ini sejalan dengan (Finishtya, 2019); Waqas dan Rus, 2018) yang menemukan arus kas berpengaruh positif terhadap *financial distress*. Penelitian ini tidak sejalan dengan (Phan et al., 2022; Putri, 2021; Saleem et al., 2020) yang menyatakan bahwa arus kas berpengaruh negatif terhadap negatif terhadap *financial distress*.

Variabel independen yang digunakan dalam penelitian ini, yakni likuiditas, *leverage*, dan arus kas. *Financial distress* merupakan variabel dependen pada penelitian ini. Perusahaan sektor *consumer cyclicals* pada tahun 2019 sampai 2021 menjadi subyek penelitian. Berdasarkan variabel yang digunakan pada penelitian ini, maka model penelitian terlihat pada **Gambar 1**.



**Gambar 1.** Model Penelitian

**Hipotesis.** Likuiditas menggambarkan kemampuan suatu perusahaan dalam membayar kewajiban jangka pendek secara tepat waktu dengan menggunakan aktiva lancar. Perusahaan harus memiliki dana lancar yang lebih besar dari utang lancar yang dimiliki perusahaan agar tetap dalam kondisi likuid dan terhindar dari *financial distress*. Jika saat jatuh tempo perusahaan memiliki total kewajiban yang besar, maka perlu dilakukan evaluasi apakah ada kesalahan dalam mengelola dana perusahaan, karena jika tidak segera ditangani perusahaan akan mengalami *financial distress*. Perusahaan yang memiliki nilai likuiditas tinggi, maka semakin kecil perusahaan mengalami *financial distress*. Likuiditas yang diukur dengan *current ratio* (Shanjaya dan Marluis, 2017) yang membandingkan aset lancer dengan kewajiban lancar, memberikan indikasi kemampuan perusahaan menggunakan asset lancar untuk membayar kewajiban jangka pendek. Selisih

lebih antara asset lancar dengan utang lancar merupakan jaminan perusahaan terhadap terjadinya kerugian yang mungkin timbul di masa depan. Selisih lebih ini menjadikan informasi bahwa perusahaan akan merealisasikan asset lancar non kas menjadi kas. Semakin besar perusahaan memiliki jaminan untuk menutupi kerugian yang mungkin terjadi di masa depan berarti perusahaan dapat menghindari kesulitan keuangan di masa depan. Dari penelitian tersebut dapat dibentuk hipotesis sebagai berikut:

**H1:** Likuiditas berpengaruh negatif terhadap *financial distress*.

*Leverage* merupakan rasio yang digunakan untuk mengukur kemampuan perusahaan dalam membayar kewajiban jangka panjang dan jangka pendek. Suatu perusahaan menggunakan utang yang tinggi akan berakibat buruk dan perusahaan berada di kondisi yang tidak baik. Sehingga perusahaan akan terjebak dalam tingkat utang yang tinggi dan sulit untuk membayar utang tersebut. Jika kondisi tersebut dibiarkan secara terus-menerus, maka perusahaan akan mengalami kondisi *financial distress*, karena tidak dapat mencukupi kebutuhan dan membayar kewajiban yang menjadi beban perusahaan. Semakin tinggi tingkat *leverage* yang dimiliki perusahaan, semakin besar pengaruhnya terhadap kemampuan perusahaan mendapatkan laba. Laba yang diperoleh perusahaan akan digunakan untuk membayar bunga utang yang semakin besar. Beban bunga pinjaman yang besar akan mengurangi profit yang diperoleh perusahaan. Ini berarti hak pemegang saham akan berkurang. Pemegang saham tidak memperoleh dividen karena perusahaan menggunakan laba untuk membayar utang dan bunganya. Laba yang diperoleh akan digunakan sebagai cadangan untuk pelunasan utang. Ini membuat perusahaan berada dalam kondisi kesulitan keuangan yang akan menjadi *financial distress*. Dari penelitian tersebut dapat dibentuk hipotesis sebagai berikut:

**H2:** Leverage berpengaruh positif terhadap *financial distress*.

Arus kas menunjukkan laporan penerimaan dan pengeluaran kas suatu perusahaan. Rasio arus kas umumnya diperlukan oleh para investor dan kreditor untuk menilai suatu perusahaan. Jika arus kas yang dihasilkan perusahaan tinggi, maka investor dan kreditor memiliki kepercayaan kepada perusahaan. Hal ini karena arus kas operasi dapat menentukan perusahaan mampu menghasilkan kas untuk melunasi seluruh kewajiban dan menjaga operasi perusahaan. Perusahaan yang menghasilkan arus kas tinggi, maka semakin kecil perusahaan mengalami *financial distress*. Apabila arus kas perusahaan rendah akibat kegagalan aktivitas operasi, maka perusahaan mudah mengalami *financial distress*. Dari penelitian tersebut dapat dibentuk hipotesis sebagai berikut:

**H3:** Arus kas berpengaruh negatif terhadap *financial distress*.

## METODE PENELITIAN

Dalam penelitian ini dilakukan pengujian secara empiris menganai pengaruh likuiditas, *leverage*, dan arus kas terhadap *financial distress*. Subjek dalam penelitian ini menggunakan perusahaan sektor *consumer cyclicals* yang terdaftar di Bursa Efek Indonesia (BEI) dari tahun 2019 sampai 2021. Obyek dalam penelitian ini menggunakan variabel dependen dan variabel independen. Variabel dependen yang digunakan dalam



penelitian ini adalah *financial distress*. Variabel independen yang digunakan adalah likuiditas, *leverage*, dan arus kas.

Populasi dalam penelitian ini diambil dari perusahaan sektor *consumer cyclicals* yang terdaftar di Bursa Efek Indonesia (BEI) dari tahun 2019 sampai 2021. Data yang digunakan dalam penelitian ini adalah data sekunder yang diperoleh dari situs resmi Bursa Efek Indonesia (BEI). Proses pengolahan dan pengujian data pada penelitian ini dilakukan dengan menggunakan aplikasi *E-Views* 12. Teknik pengambilan sampel dalam penelitian ini menggunakan *purposive sampling*. *Purposive sampling* adalah satuan sampel yang dipilih berdasarkan pertimbangan untuk memperoleh kriteria satuan sampel. Kriteria-kriteria yang digunakan dalam penelitian untuk pengambilan sampel, yakni 1) perusahaan *consumer cyclicals* yang terdaftar di Bursa Efek Indonesia (BEI) dari tahun 2019 sampai 2021, 2) Perusahaan *consumer cyclicals* yang tidak melakukan *Initial Public Offering* (IPO) tahun 2019 sampai 2021, 3) Perusahaan *consumer cyclicals* yang mempublikasikan atau menyediakan laporan keuangan tahunan yang berakhir pada 31 Desember selama tahun 2019 sampai 2021, 4) Perusahaan *consumer cyclicals* yang menggunakan mata uang Rupiah, dan 5) Perusahaan *consumer cyclicals* yang mengalami kerugian selama tiga tahun secara berturut-turut tahun 2019 sampai 2021.

Jumlah sampel yang digunakan pada penelitian ini sesuai dengan kriteria pengambilan sampel selama 3 tahun pengamatan diperoleh sebanyak 177 perusahaan. Setelah dilakukan outlier diperoleh data sebanyak 133 data (**Tabel 1**)

**Tabel 1.** Kriteria Pengambilan Sampel

No	Kriteria Sampel	Jumlah
1.	Perusahaan <i>consumer cyclicals</i> yang terdaftar di Bursa Efek Indonesia (BEI) dari tahun 2019 sampai 2021.	128
2.	Perusahaan <i>consumer cyclicals</i> yang melakukan <i>Initial Public Offering</i> (IPO) selama tahun 2019 sampai 2021.	(28)
3.	Perusahaan <i>consumer cyclicals</i> yang tidak mempublikasi atau menyediakan laporan keuangan per 31 Desember selama tahun 2019 sampai 2021.	(11)
4.	Perusahaan <i>consumer cyclicals</i> yang tidak menggunakan mata uang Rupiah.	(12)
5.	Perusahaan <i>consumer cyclicals</i> yang tidak mengalami kerugian selama tiga tahun secara berturut-turut tahun 2019 sampai 2021.	(18)
Jumlah sampel perusahaan yang memenuhi kriteria		59
Jumlah tahun penelitian		3
Total jumlah data		177
Jumlah data outlier		(44)
Jumlah data yang digunakan		133

Sumber: data diolah

Pengukuran dan operasionalisasi variabel yang digunakan pada penelitian ini yang terdiri dari variabel dependen, yaitu *financial distress* dan variabel independen, yaitu likuiditas, *leverage*, dan arus kas ada pada **Tabel 2**. **Tabel 2** menunjukkan operasionalisasi variabel dan pengukuran variabel yang digunakan pada penelitian ini.



**Tabel 2.** Operasionalisasi Variabel

Variabel	Ukuran	Skala	Sumber
Financial Distress	$FD = 0.717(X_1) + 0.847(X_2) + 3.107(X_3) + 0.420(X_4) + 0.998(X_5)$	Rasio	(Ikpesu, 2019)
Likuiditas	$CR = \frac{Current\ Asset}{Current\ Liabilities}$	Rasio	(Ikpesu, 2019)
Leverage	$DER = \frac{Total\ Liabilities}{Total\ Equity}$	Rasio	(Ikpesu, 2019)
Arus Kas	$OCF = \frac{Operating\ Cash\ Flow}{Current\ Liabilities}$	Rasio	(Putri, 2021)

Sumber: data diolah

**Tabel 2** menunjukkan bahwa *financial distress* (FD) menggunakan Model Altman-Z Score sedangkan likuiditas diukur dengan *current ratio* (CR), leverage menggunakan proksi *debt to equity ratio* (DER), dan arus kas diukur dengan *operating cash flow* (OCF).

## HASIL PENELITIAN

Uji statistik deskriptif bertujuan untuk mendeskripsi mengenai data variabel dalam penelitian. Uji statistik deskriptif pada penelitian ini terdiri dari *mean* (nilai rata-rata), *maximum* (nilai tertinggi), *minimum* (nilai terendah), dan *standart deviation* (simpangan baku). Hasil uji statistik deskriptif disajikan dalam **Tabel 3**.

**Tabel 3.** Hasil Uji Statistik Deskriptif

	FD	CR	DER	OCF
Rata-Rata	1,548	2,142	1,544	0,241
Nilai Tertinggi	21,587	38,759	22,321	12,944
Nilai Terendah	-1,230	0,155	0,020	-2,595
Standar Deviasi	2,091	3,611	2,534	1,213

Sumber: data diolah

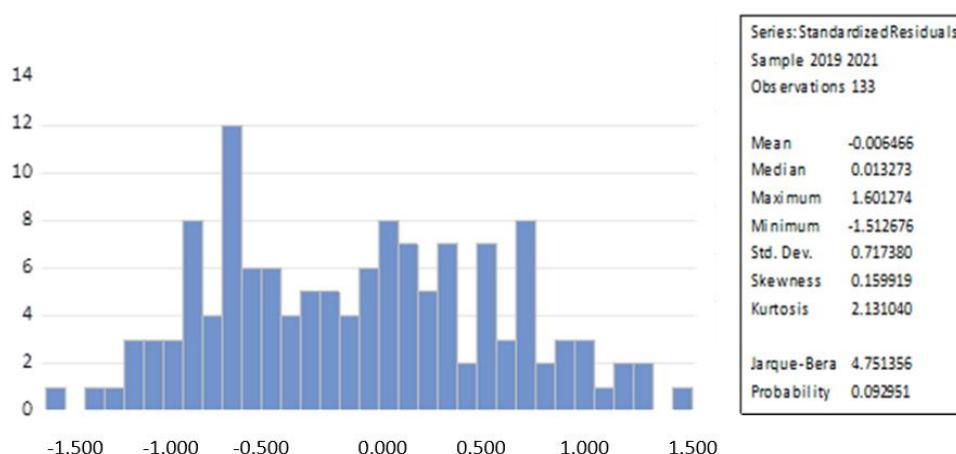
**Tabel 3.** uji statistik deskriptif dilakukan dengan 133 data menunjukkan bahwa *financial distress* (FD) memiliki nilai rata-rata sebesar 1,548 dengan nilai standar deviasi (simpangan baku) sebesar 2,091. Nilai tertinggi sebesar 21,587 dan nilai terendah sebesar -1,230. Nilai rata-rata *financial distress* yang menunjukkan 1,548 berarti rata-rata perusahaan yang menjadi sampel dalam penelitian ini berada dalam kondisi kesulitan keuangan. Ini karena nilai *financial distress* yang lebih besar dari 0 menunjukkan bahwa perusahaan tersebut berada dalam kondisi financial distress.

Likuiditas (CR) memiliki nilai rata-rata sebesar 2,142 dengan nilai standar deviasi sebesar 3,611, nilai tertinggi sebesar 38,759 dan nilai terendah sebesar 0,155. Ini berarti semakin besar nilai likuiditas yang ditunjukkan dengan *current ratio* yang tinggi memiliki arti semakin besar kemampuan perusahaan memenuhi kewajiban jangka pendek. Leverage (DER) memiliki nilai rata-rata sebesar 1,544 dengan nilai standar deviasi sebesar 2,534. Nilai tertinggi sebesar 22,321 dan nilai terendah sebesar 0,020. Semakin besar nilai leverage, maka semakin besar pula sumber pendanaan yang berasal dari utang. *Operating cashflow* (OCF) memiliki nilai rata-rata sebesar 0,241 dengan nilai standar deviasi sebesar 1,213. Nilai tertinggi sebesar 12,944 dan nilai terendah dengan nilai sebesar -2,595.



**Uji Asumsi Klasik.** Pengujian asumsi klasik yang digunakan pada penelitian ini adalah uji normalitas, multikolinearitas, heteroskedastisitas, dan Autokorelasi.

**Uji Normalitas.** Uji normalitas bertujuan untuk mengetahui data yang digunakan dalam penelitian berdistribusi normal atau tidak. Pengujian normalitas pada penelitian ini menggunakan Uji *Jarque-Bera* dengan nilai tingkat signifikansi 0,050. Jika nilai probabilitas lebih kecil dari 0,050, dapat disimpulkan bahwa data tidak berdistribusi normal. Jika nilai probabilitas lebih besar dari 0,050, dapat disimpulkan bahwa data berdistribusi normal (Ananda, 2021). Hasil uji normalitas disajikan dalam **Gambar 2**.



**Gambar 2.** Hasil Uji Normalitas

Sumber: Hasil pengolahan E-Views 12

**Gambar 2.** menunjukkan bahwa nilai probabilitas sebesar 0,093 berarti lebih besar dari nilai signifikansi yang telah ditetapkan yaitu 0,050 (0,093 lebih besar dari 0,050). Maka dapat disimpulkan bahwa data berdistribusi normal.

**Uji Multikolinearitas** Uji multikolinearitas bertujuan untuk mengetahui korelasi antar variabel independen atau bebas dalam model regresi. Dalam penelitian ini, uji multikolinearitas dilakukan dengan menguji koefisien korelasi antara variabel independen (Ananda, 2021). Jika nilai koefisien korelasi antar variabel independen lebih kecil dari 0,900 maka dapat disimpulkan tidak terjadi multikolinearitas. Jika nilai koefisien korelasi antar variabel independen lebih besar dari 0,900 maka disimpulkan terjadi multikolinearitas. Berikut hasil uji multikolinearitas disajikan dalam **Tabel 4**.

**Tabel 4.** Hasil Uji Multikolinearitas

	CR	DER	OCF
CR	1,000	-0,164	0,819
DER	-0,164	1,000	-0,074
OCF	0,819	-0,074	1,000

Sumber: data diolah

Hasil uji multikolinearitas pada **Tabel 4**, korelasi antar variabel likuiditas (CR) dengan variabel leverage (DER) memiliki nilai koefisien sebesar -0,164, likuiditas (CR)



dengan *operating cash flow* (OCF) memperoleh nilai koefisien sebesar 0,819. *leverage* (DER) dengan *operating cash flow* (OCF) sebesar -0,074. Hal ini menunjukkan bahwa nilai koefisien dari masing-masing variabel lebih kecil dari 0,900 yang berarti data tidak terjadi masalah multikolinearitas.

**Uji Heteroskedastisitas** Uji heteroskedastisitas bertujuan untuk menguji ketidaksamaan *variance* antar satu pengamatan dengan pengamatan lain dalam model regresi. Pengujian ini akan menggunakan Uji *Glesjer* yang bertujuan untuk meregresi nilai *absolute residual* terhadap variabel independen (Ghozali, 2018). Jika nilai probabilitas lebih besar dari 0,050 dapat disimpulkan bahwa tidak ada masalah pada heteroskedastisitas. Jika nilai probabilitas lebih kecil dari 0,050 maka dapat disimpulkan bahwa terjadi masalah heteroskedastisitas. Hasil uji heteroskedastisitas disajikan dalam **Tabel 5**.

**Tabel 5.** Hasil Uji Heteroskedastisitas

Variable	Coefficient	Prob.
C	0,669	0,000
CR	-0,028	0,092
DER	-0,013	0,346
OCF	0,085	0,076

Sumber: data diolah

Hasil uji heteroskedastisitas pada **Tabel 5**, bahwa nilai probabilitas variabel likuiditas (CR) 0,092 (ini berarti lebih besar dari 0,050). Variabel *leverage* (DER) memperoleh nilai probabilitas sebesar 0,346 yang berarti lebih besar dari 0,050. Nilai probabilitas pada variabel *operating cash flow* (OCF) sebesar 0,076 yang berarti lebih besar dari 0,050. Sehingga dapat disimpulkan bahwa nilai probabilitas dari masing-masing variabel tidak ada masalah heteroskedastisitas.

**Uji Autokorelasi.** Uji autokorelasi bertujuan untuk mengetahui korelasi antara kesalahan pengganggu (*residual*) pada periode tertentu (t) dengan kesalahan pada periode sebelumnya (t-1) pada model regresi linear. Pengujian ini akan menggunakan Uji *Durbin-Watson* (DW) yang digunakan untuk mengetahui ada terjadi masalah autokorelasi pada model regresi (Field, 2017). Hasil uji autokorelasi menunjukkan bahwa nilai Durbin-Watson (DW) sebesar 2,173. Nilai dL sebesar 1,671. Nilai du sebesar 1,763. Berdasarkan pengambilan keputusan yang telah ditentukan, nilai Durbin-Watson (DW) berada diantara nilai batas atas (du) dan nilai 4 – du, yaitu 1,763 lebih kecil dari 2,173 lebih kecil dari 2,237, maka dapat disimpulkan tidak terjadi autokorelasi dalam model regresi.

**Uji Pemilihan Model.** Selanjutnya, pengujian ini akan dilakukan dengan memilih dari ketiga model yang telah diuji untuk mendapatkan model yang terbaik dalam mengelola data panel. Estimasi model data panel dengan data dapat dilakukan dengan tiga pendekatan, yakni *common effect model* (CEM), *fixed effect model* (FEM), dan *random effect model* (REM). Pengujian yang dilakukan dalam penelitian ini adalah Uji *Chow*, Uji *Hausman*, dan Uji *Lagrange Multiplier*.

**Uji Chow.** Uji *Chow* bertujuan untuk menentukan model yang terbaik antara *common effect model* dengan *fixed effect model* (Basuki dan Prawoto, 2017). Model tersebut dilihat dari nilai probabilitas *cross-section chi-square* lebih besar 0,050 maka model yang terpilih adalah *common effect model*. Jika nilai probabilitas untuk *cross-section random* lebih kecil dari 0,050, maka model yang terpilih adalah *fixed effect model*. Berikut hasil dari Uji *Chow* disajikan dalam **Tabel 6**.



**Tabel 6.** Hasil Uji Chow

Effects Test	Statistic	d.f.	Probabilitas
Cross-section F	2,844	(48,81)	0,000
Cross-section Chi-square	131,389	48	0,000

Sumber: data diolah

**Tabel 6** menunjukkan bahwa nilai probabilitas dari *cross-section chi-square* sebesar 0,000. Ini berarti nilai probabilitas lebih kecil dari 0,050 sehingga model yang terpilih adalah *fixed effect model*.

**Uji Hausman.** Selanjutnya dilakukan Uji *Hausman* yang bertujuan untuk menentukan model yang terbaik antara *fixed effect model* dengan *random effect model* (Basuki dan Prawoto, 2017). Jika nilai probabilitas *cross-section random* lebih besar dari 0,050 maka model yang terpilih adalah *random effect model*. Jika nilai probabilitas untuk *cross-section random* lebih kecil dari 0,050, maka model yang terpilih adalah *fixed effect model*. Hasil dari uji *Hausman* menunjukkan nilai probabilitas *cross-section random* sebesar 0,067. Ini berarti lebih besar dari tingkat signifikan 0,050 sehingga model yang terpilih adalah *random effect model*.

**Uji Lagrange Multiplier.** Uji *Lagrange Multiplier* yang bertujuan untuk menentukan model yang terbaik antara *common effect model* dengan *random effect model* (Basuki dan Prawoto, 2017). Jika nilai probabilitas untuk *both breusch-pagan* lebih besar dari 0,050 maka model yang terpilih adalah *common effect model*. Apabila nilai probabilitas untuk *both breusch-pagan* lebih kecil dari 0,050 maka model yang terpilih adalah *random effect model*. Berikut hasil dari uji *Lagrange Multiplier* disajikan dalam **Tabel 7**.

**Tabel 7** Hasil Uji Lagrange Multiplier

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	16,273 (0,0001)	4,117 (0,043)	20,390 (0,0000)

Sumber: data diolah

Berdasarkan **Tabel 7** menunjukkan hasil Uji *Lagrange Multiplier* bahwa nilai probabilitas untuk *both breusch-pagan* sebesar 0,000 lebih kecil dari tingkat signifikan 0,050. Dapat disimpulkan model yang terpilih adalah *random effect model*.

**Uji Data Panel.** Pengujian data panel dari penjelasan di atas diperoleh menggunakan model penelitian *random effect model* yang akan digunakan pada penelitian ini dengan hasil uji yang ada pada **Tabel 8**.

**Tabel 8.** Hasil Uji Analisis Data Panel

Variable	Coefficient	Std. Error	t-Statistic	Probabilitas
C	0,908	0,110	8,283	0,000
CR	0,308	0,034	9,132	0,000
DER	-0,120	0,025	-4,767	0,000



**OCF** 0,712 0,089 7,956 0,000

Sumber : data diolah

**Tabel 8** menjelaskan bahwa persamaan regresi yang digunakan dalam penelitian ini adalah:

Dari persamaan diatas dapat dijelaskan bahwa jika variabel likuiditas (CR), leverage (DER), dan arus kas (OCF) bernilai 0, maka *financial distress* (FD) memiliki nilai sebesar 0,908.

Dari persamaan linear berganda tersebut, dapat disimpulkan bahwa nilai koefisien regresi dari *current ratio* (CR) sebesar 0,308. Nilai tersebut dapat diartikan jika nilai *current ratio* (CR) mengalami kenaikan satu satuan, maka nilai dari *financial distress* (FD) akan mengalami kenaikan sebesar 0,308, dengan asumsi seluruh variabel independen lainnya bersifat konstan atau memiliki nilai 0. Demikian pula sebaliknya jika nilai dari *current ratio* (CR) mengalami penurunan satu satuan, maka nilai dari *financial distress* (FD) akan mengalami penurunan sebesar 0,308.

Nilai koefisien regresi dari *debt to equity ratio* (DER) sebesar -0,120. Nilai tersebut diartikan jika nilai *debt to equity ratio* (DER) mengalami kenaikan satu satuan, maka nilai dari *financial distress* (FD) akan mengalami penurunan sebesar 0,120 dengan asumsi seluruh variabel independen lainnya bersifat konstan atau memiliki nilai 0. Demikian pula sebaliknya jika nilai *debt to equity ratio* (DER) mengalami penurunan satu satuan, maka nilai dari *financial distress* (FD) akan mengalami kenaikan sebesar 0,120.

Nilai koefisien regresi dari *operating cash flow* (OCF) sebesar 0,712. Nilai tersebut dapat diartikan jika nilai *operating cash flow* (OCF) mengalami kenaikan satu satuan, maka nilai dari *financial distress* (FD) akan mengalami kenaikan sebesar 0,712, dengan asumsi seluruh variabel independen lainnya bersifat konstan atau memiliki nilai 0. Demikian pula sebaliknya jika nilai *operating cash flow* (OCF) mengalami penurunan satu satuan, maka nilai dari *financial distress* (FD) akan mengalami penurunan sebesar 0,712.

**Uji t.** Uji t bertujuan untuk menunjukkan pengaruh dari masing-masing variabel independen terhadap variabel dependen. Jika nilai probabilitas lebih besar dari 0,05, maka variabel independen secara parsial tidak mempengaruhi variabel dependen. Jika nilai probabilitas lebih kecil dari 0,050 dapat disimpulkan bahwa variabel independen secara parsial mempengaruhi variabel dependen. Tabel 8 dapat menjelaskan bahwa likuiditas memiliki nilai koefisien regresi sebesar 0,308 dan nilai probabilitas sebesar 0,000 yang berarti likuiditas berpengaruh positif signifikan karena probabilitas 0,000 lebih kecil dari tingkat signifikan 0,050. Hal ini dapat disimpulkan bahwa likuiditas berpengaruh positif signifikan terhadap *financial distress*. *Leverage* memiliki nilai koefisien regresi sebesar -0,120 dan nilai probabilitas sebesar 0,000 berarti *leverage* berpengaruh negatif signifikan karena nilai probabilitas 0,000 lebih kecil dari tingkat signifikan 0,050. Hal ini dapat disimpulkan bahwa *leverage* berpengaruh negatif signifikan terhadap *financial distress*. *Operating cash flow* memiliki nilai koefisien regresi sebesar 0,712 dan nilai probabilitas sebesar 0,000, yang berarti *operating cash flow* berpengaruh positif signifikan karena nilai probabilitas lebih kecil dari tingkat signifikan 0,050. Hal ini dapat disimpulkan bahwa *operating cash flow* berpengaruh positif signifikan terhadap *financial distress*

**Uji F.** Uji F bertujuan untuk menunjukkan semua variabel independen mempunyai pengaruh secara bersama-sama terhadap variabel dependen. Jika nilai probabilitas lebih



besar dari 0,050 maka variabel independen secara bersama-sama tidak memiliki pengaruh terhadap variabel dependen. Jika nilai probabilitas lebih kecil dari 0,000 maka dapat disimpulkan bahwa variabel independen secara bersama-sama memiliki pengaruh terhadap variabel dependen. **Tabel 9** menunjukkan nilai probabilitas F-statistic sebesar 0,000 yang berarti lebih kecil dari 0,050. Hal ini dapat disimpulkan bahwa variabel independen, yaitu likuiditas, leverage, dan arus kas secara bersama-sama memiliki pengaruh terhadap variabel dependen, yaitu *financial distress*

**Tabel 9.** Hasil Uji F dan Hasil Uji Koefisien Determinasi

Prob(F-Statistic)	0,000
Adjusted R-Squared	0,896

Sumber: data diolah

**Uji Koefisien Determinasi (*Adjusted R<sup>2</sup>*).** Uji koefisien determinasi ( $R^2$ ) adalah uji yang bertujuan untuk menjelaskan potensi variabel independen dalam menerangkan variasi dari variabel dependen. Semakin kecil nilai koefisien determinasi ganda, maka semakin kecil pula kemampuan variabel independen dalam menjelaskan variabel dependen. Jika semakin besar nilai koefisien determinasi ganda, maka semakin besar pula kemampuan variabel independen dalam menjelaskan variabel dependen. **Tabel 9** menjelaskan nilai koefisien determinasi (*adjusted R-Squared*) sebesar 0,896, ini berarti bahwa variabel independen, yaitu likuiditas, leverage, dan arus kas dapat menjelaskan variabel dependen yaitu *financial distress* sebesar 89,600 persen dan sisa sebesar 10,438 persen dapat dijelaskan oleh variabel di luar model penelitian ini.

## DISKUSI

Hasil penelitian ini menemukan bahwa variabel likuiditas yang dihitung dengan menggunakan proksi *current ratio* (CR) menunjukkan bahwa likuiditas berpengaruh positif signifikan terhadap *financial distress*. Ini berarti hipotesis 1 yang menyatakan bahwa likuiditas berpengaruh negatif terhadap *financial distress* ditolak ( $H_1$  ditolak). Penelitian ini menunjukkan bahwa likuiditas berpengaruh positif terhadap *financial distress*. Perusahaan yang memiliki nilai likuiditas tinggi, dapat mengalami kondisi *financial distress*. Nilai likuiditas tinggi yang diukur dengan perbandingan aset lancar dengan utang lancar, di mana asset lancar yang tinggi berasal dari jumlah persediaan yang tinggi menyebabkan perusahaan tidak dapat membayar utang jangka pendek. Persediaan yang memiliki jumlah yang besar tersebut tidak dapat dijual dengan cepat oleh perusahaan, sehingga perusahaan kesulitan untuk membayar utangnya. Ini membuat perusahaan berada dalam kondisi *financial distress*. Piutang yang tinggi yang menunjukkan jumlah asset lancar yang tinggi juga mengalami kesulitan untuk ditagih, sehingga perputaran piutang semakin lambat dan berakibat perusahaan tidak dapat membayar kewajiban jangka pendek. Ini juga menyebabkan *financial distress* semakin tinggi yang dialami perusahaan.

Hasil penelitian ini tidak sama dengan teori yang menjelaskan bahwa semakin tinggi likuiditas berarti semakin rendah perusahaan mengalami *financial distress*. Perusahaan yang mempunyai asset lancar dalam jumlah besar berarti perusahaan memiliki dana yang likuid untuk membayar utang jangka pendek dengan berbagai cara. Salah satu cara yang digunakan perusahaan untuk membayar utang jangka pendek tersebut adalah dengan menggadaikan assetnya untuk memperoleh pinjaman yang baru. Penambahan utang



perusahaan dengan menggadaikan assetnya ini berarti perusahaan memiliki tambahan risiko untuk membayar utang dan bunganya. Perusahaan tidak dapat mengurangi risiko terjadinya *financial distress* karena tambahan utang tersebut. Hasil penelitian ini sejalan dengan penelitian (Kazemian *et al.*, 2017), (Waqas dan Rus, 2018) dan (Zelie dan Wassie, 2019) yang menyatakan bahwa likuiditas berpengaruh positif signifikan terhadap *financial distress*. Hasil penelitian ini tidak sejalan dengan penelitian yang dilakukan oleh (Jaafar *et al.*, 2018), (Ikpesu, 2019), (Wesa dan Otinga, 2018), dan (Saleem *et al.*, 2020) yang menyatakan bahwa likuiditas berpengaruh negatif signifikan terhadap *financial distress*. (Dirman, 2020) dan (Wahyuningtiyas dan Retnani, 2020) menyatakan bahwa likuiditas tidak berpengaruh terhadap *financial distress*.

Selanjutnya, penelitian ini menemukan bahwa variabel *leverage* yang dihitung dengan menggunakan proksi *debt to equity ratio* (DER) berpengaruh negatif signifikan terhadap *financial distress*. Ini berarti hipotesis 2 yang menyatakan bahwa *leverage* berpengaruh positif terhadap *financial distress* ditolak (H2 ditolak). Pada umumnya perusahaan yang memiliki tingkat *leverage* yang tinggi menunjukkan bahwa perusahaan mengalami kesulitan keuangan dan perusahaan mengalami *financial distress*. Namun dari hasil penelitian ini yang menunjukkan bahwa *leverage* berpengaruh negatif terhadap *financial distress* berarti bahwa pengelolaan utang yang dilakukan oleh perusahaan dapat berjalan dengan baik dan efektif. Perusahaan menggunakan *leverage* tersebut untuk melakukan perluasan usaha yang dapat meningkatkan laba perusahaan. Laba perusahaan yang meningkat menunjukkan adanya pertumbuhan yang dialami oleh perusahaan. Ini menunjukkan bahwa kinerja perusahaan semakin baik dan perusahaan dapat menghindari terjadinya kondisi *financial distress*. Hasil penelitian ini sejalan dengan penelitian yang dilakukan oleh (Zelie dan Wassie, 2019; Jaafar *et al.*, 2018; Saleem *et al.*, 2020; Kazemian *et al.*, 2017; Kristanti, *et al.*, 2016; Pandegirot *et al.*, 2019).

(Masdupi *et al.*, 2018) menyatakan bahwa perusahaan yang menggunakan utang untuk meningkatkan profitabilitas berarti perusahaan dapat meningkatkan nilai perusahaan dan perusahaan dapat mengurangi bahkan terhindar dari *financial distress*. *Financial distress* menjadi alat peringatan dini bahwa perusahaan sedang mengalami masalah. Perusahaan yang memiliki tingkat utang yang lebih tinggi menunjukkan bahwa perusahaan lebih awal mengalami kesulitan keuangan dibandingkan perusahaan yang memiliki tingkat utang yang lebih rendah. Perusahaan yang mengalami tingkat utang yang lebih tinggi tersebut membutuhkan waktu yang lebih lama untuk memperbaiki kondisi keuangan dan akan melakukan restrukturisasi keuangan serta reorganisasi. Sebaliknya perusahaan yang memiliki tingkat utang yang rendah, akan mengalami kesulitan keuangan di kemudian hari.

Perusahaan yang menjalankan kegiatan usahanya dengan jumlah utang yang besar dan melakukan diversifikasi usaha, maka perusahaan tersebut masih dapat memperoleh laba dari salah satu segmen usahanya. Peningkatan penggunaan utang yang tinggi namun tidak diikuti dengan penambahan beban perusahaan yang dapat ditutup dengan jumlah laba, membuat perusahaan dapat membayar utangnya sehingga perusahaan terhindar dari risiko *financial distress*. Hasil penelitian ini berbeda dengan penelitian yang dilakukan oleh (Waqas dan Rus, 2018; Wahyuningtiyas dan Retnani, 2020; Ikpesu, 2019; Isayas, 2021; Wesa dan Otinga, 2018) yang menunjukkan bahwa *leverage* berpengaruh positif signifikan terhadap *financial distress*. (Dirman, 2020) menunjukkan bahwa *leverage* tidak memiliki pengaruh terhadap *financial distress*.

Penelitian ini menemukan bahwa variabel arus kas yang dihitung dengan menggunakan proksi *operating cash flow* (OCF) berpengaruh positif signifikan terhadap

*financial distress*. Ini berarti hipotesis 3 yang menyatakan bahwa arus kas berpengaruh negatif terhadap *financial distress* ditolak ( $H_3$  ditolak). *Operating cash flow* (OCF) adalah arus kas operasi perusahaan yang berasal dari aktivitas operasi perusahaan yang berkaitan dengan perolehan laba perusahaan. Ini berarti berkaitan dengan akun-akun yang ada di dalam laporan laba rugi perusahaan dan laporan posisi keuangan seperti piutang, *prepaid expense* (pembayaran dimuka), utang dan beban yang masih harus dibayar. Semakin tinggi arus kas operasi perusahaan, semakin besar pula perusahaan mengalami *financial distress*.

*Operating cash flow* (OCF) yang berasal dari aktivitas operasi perusahaan merupakan salah satu dari tiga aktivitas yang ada dalam laporan arus kas. Informasi yang diperoleh dari laporan arus kas adalah informasi yang kompleks karena mencakup ketiga aktivitas yaitu aktivitas operasi, investasi dan pembiayaan. Apabila arus kas operasi tinggi berarti hasil penjualan perusahaan yang merupakan penerimaan kas lebih besar dari pengeluaran kas untuk membayar beban operasi. Ini tidak menunjukkan kemampuan perusahaan dalam membayar utang-utang lainnya pada pihak lain. Hal ini berarti perusahaan tidak mampu melunasi seluruh utangnya, sehingga perusahaan berada dalam kondisi *financial distress*.

Arus kas operasi perusahaan yang tinggi menunjukkan bahwa terjadi peningkatan kas yang berasal dari penjualan. Namun peningkatan kas ini hanya sanggup untuk menutupi biaya-biaya yang dibebankan, seperti biaya untuk keperluan produksi, biaya gaji, biaya pajak dan membayar utang atau bunga yang dimiliki perusahaan. Perusahaan tidak dapat membeli persediaan yang akan dijualnya kembali atau yang akan digunakan untuk produksi, sehingga penjualan pun akan mengalami penurunan di masa berikutnya. Ini membuat perusahaan mengalami penurunan dalam kinerja keuangan perusahaan yang berakibat terjadi *financial distress*.

Hasil penelitian ini tidak sesuai dengan teori sinyal yang menerangkan bahwa perusahaan yang memiliki arus kas bersih dari aktivitas operasi yang tinggi menunjukkan perusahaan dapat membayar utang tanpa perusahaan meminjam kembali dari pihak lain. Perusahaan akan memberikan sinyal positif kepada publik terkait penyampaian informasi perusahaan. Namun kenyataannya, meskipun perusahaan memiliki arus kas operasi yang tinggi, perusahaan tetap melakukan pinjaman kepada pihak lain untuk melakukan aktivitas kegiatan operasional maupun aktivitas investasi.

Hasil penelitian ini sejalan dengan (Finishtya, 2019), (Pandapotan dan Puspitasari, 2022), dan (Waqas dan Rus, 2018) yang menyatakan arus kas berpengaruh positif signifikan terhadap *financial distress*. Berbeda dengan hasil penelitian yang dilakukan oleh (Phan *et al.*, 2022) dan (Saleem *et al.*, 2020) yang menunjukkan bahwa arus kas berpengaruh negatif signifikan terhadap *financial distress*.

## KESIMPULAN

Penelitian ini bertujuan untuk mengetahui pengaruh likuiditas, *leverage*, dan arus kas terhadap *financial distress*. Populasi pada penelitian ini sebanyak 128 perusahaan sektor *consumer cyclicals* yang terdaftar di Bursa Efek Indonesia (BEI) tahun 2019 sampai 2021. Setelah dilakukan pemilihan berdasarkan kriteria sampel diperoleh sebanyak 133 data. Penelitian ini menemukan bahwa likuiditas berpengaruh positif signifikan terhadap *financial distress*, *leverage* berpengaruh negatif terhadap *financial distress*, dan arus kas berpengaruh positif terhadap *financial distress*.

Penelitian ini memiliki beberapa keterbatasan. Keterbatasan pertama, subyek penelitian yang digunakan hanya berfokus pada perusahaan sektor *consumer cyclicals*

yang terhadap di Bursa Efek Indonesia (BEI). Keterbatasan kedua, sampel yang digunakan dalam penelitian ini hanya mencakup tiga tahun dari tahun 2019 sampai 2021. Dan keterbatasan terakhir, penelitian ini hanya menggunakan tiga variabel independen yang terdiri dari likuiditas, leverage, dan arus kas.

Saran untuk peneliti selanjutnya diharapkan dapat menggunakan sektor yang berbeda, seperti perusahaan *property and real estate*, sektor pertambangan, dan sektor *consumer non-cyclicals*. Peneliti selanjutnya diharapkan dapat menambah variabel independen seperti profitabilitas, ukuran perusahaan, *cash holding*, dan nilai perusahaan. Dan peneliti selanjutnya diharapkan dapat menambah periode observasi agar dapat memberikan hasil penelitian yang lebih baik.

## DAFTAR PUSTAKA

- Ananda. (2021). Pengertian Uji Asumsi Dan Jenis-Jenisnya. Gramedia Blog.
- Ayuningtiyas, I. S and Suryono, B. (2019). Pengaruh Likuiditas, Profitabilitas, Leverage, Dan Arus Kas Terhadap Kondisi Financial Distress. *Jurnal Ilmu dan Riset Akuntansi*, 8(1), 1-17. <http://jurnalmahasiswa.stiesia.ac.id/index.php/jira/article/view/242/243>.
- Basuki, T. A., dan Prawoto, N. (2017). Analisis Regresi Dalam Penelitian Ekonomi Dan Bisnis: (Dilengkapi AplikasiSPSS Dan Eviews)(2nd Ed.). Rajawali Press.
- Dirman, A. (2020). Financial Distress: The Impacts Of Profitability, Liquidity, Leverage, Firm Size, And Free Cash Flow. *International Journal of Business, Economics and Law*, 22(1). Retrieved from [https://ijbel.com/wp-content/uploads/2020/08/IJBEL22\\_205.pdf](https://ijbel.com/wp-content/uploads/2020/08/IJBEL22_205.pdf).
- Field, A. (2017). *Discovering Statistics Using IBM SPSS Statistics*(5th Ed.). Sage Publication.
- Finishtya, F. C. (2019). The Role Of Cash Flow Of Operational, Profitability, And Financial Leverage In Predicting Financial Distress On Manufacturing Company In Indonesia. *Journal of Applied Management (JAM)*, 17(1), 110-117. <http://dx.doi.org/10.21776/ub.jam.2019.017.01.12>.
- Ghozali, I. (2018). Aplikasi Analisis Multivariate Dengan Program IBM SPSS 25(9th Ed.). Badan Penerbit Universitas Diponegoro.
- Hery. (2016). *Analisis Laporan Keuangan*. Grasindo.
- Hery. (2018). *Analisis Laporan Keuangan (Integrated)*. PT. Gramedia.
- Ikpesu, F. (2019). Firm Specific Determinants of Financial Distress: Empirical Evidence From Nigeria. *Journal of Accounting and Taxation*, 11(3), 49-56. <https://doi.org/10.5897/jat2019.0333>.
- Irfani, A. (2020). *Manajemen Keuangan Dan Bisnis: Teori Dan Aplikasi* . Jakarta: PT. Gramedia Pustaka Utama.
- Isayas, Y. N. (2021). Financial Distress And Its Determinants: Evidence From Insurance Companies in Ethiopia. *Cogent Business & Management*, 8(1), 1-16. <https://doi.org/10.1080/23311975.2021.1951110>.
- Jaafar, M. N., Muhamat, A. A., Alwi, S. F., Karim, N. A., and Rahman, S. b. (2018). Determinants of Financial Distress Among The Companies Practise Note 17 Listed in Bursa Malaysia. *International Journal Of Academic Research In Business And Social Sciences*, 8(11), 800-811. <https://doi.org/10.6007/ijarbss/v8-i11/4956>.
- Kasmir. (2018). *Analisis Laporan Keuangan*. PT. Raja Grafindo Persada.



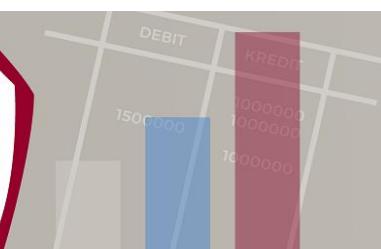
- Kazemian, S., Shauri, N. A., Sanusi, Z. M., Kamaluddin, A., and Shuhidan, S. M. (2017). Monitoring Mechanisms and Financial Distress of Public Listed Companies in Malaysia. *Journal of International Studies*, 10(1), 92-109. <https://doi.org/10.14254/2071-8330.2017/10-1/6>.
- Kristanti, F.T., Rahayu, S., dan Nurul Huda, A., (2016). The Determinant of Financial Distress on Indonesia Family Firm. *Procedia Social Behavioral Sciences*, 219, 440-447. Retrieved from <https://www.sciencedirect.com/science/article/pii/S1877042816300787>.
- Masdipi, Erni, Abel Tasman, dan Atri Davista. (2018). The Influence of Liquidity, Leverage and Profitability on Financial Distress of Listed Manufacturing Companies in Indonesia. *Advances in Economics, Business and Management Research*, 57, 223-228. Retrieved from <https://doi.org/10.2991/piceeba-18.2018.51>.
- Michalkova, L., Adamko, P., & Kovacova, M. (2018). The Analysis of Causes of Business Financial Distress. *Advances in Economics, Business and Management Research*, 56, 49-52. <https://www.atlantis-press.com/proceedings/fbem-18/55907611>.
- Pandapotan, F., and Puspitasari, F. (2022). The Effect of Cash Flow, Board Independence, and Company Size on Financial Distress. *Saudi Journal of Economics and Finance*, 6(9), 311-318. <https://doi.org/10.36348/sjef.2022.v06i09.003>.
- Pandegirot, S.C.G., Van Rate, P., dan Tulung, J.E., (2019). Analisis Pengaruh Current Ratio, Institutional Ownership, Debt to Asset Ratio terhadap Kondisi Financial Distress pada Perusahaan Property dan Real Estate di Bursa Efek Indonesia 2013-2017. *Jurnal EMBA*, 7(8), hal 3339-3348. Retrieved from <https://doi.org/10.35794/emba.v7i3.24242>.
- Phan, T. D., Hoang, T. T., and Tran, N. M. (2022). Cash Flow And Financial Distress Of Private Listed Enterprises on the Vietnam Stock Market: A Quantile Regression Approach. *Cogant Business & Management*, 9(1), 1-13. <https://doi.org/10.1080/23311975.2022.2121237>.
- Putri, P. A. (2021). The Effect of Operating Cash Flows, Sales Growth, and Operating Capacity in Predicting Financial Distress. *International Journal of Innovative and Research Technology*, 6(1), 638-646. <https://ijisrt.com/assets/upload/files/IJISRT21JAN378.pdf>.
- Saleem, R., Hussain, A., and Ibraheem, R. (2020). Banking Industry Specific Determinants of Financial Distress: Empirical Evidence from ASEAN Countries. *iRASD Journal of Economics*, 2(2), 113-123. <https://doi.org/10.52131/joe.2020.0202.0020>.
- Sanjaya, A. R., & Marlius, D. (2017). Peranan Laporan Keuangan Dalam Kebijaksanaan Pemberian Kredit Kepada Calon Nasabah Pada PT. BPR Batang Kapas. <https://doi.org/https://doi.org/10.31227/osf.io/uxmg6>.
- Wahyuningtiyas, A., and Retnani, E. D. (2020). Pengaruh Likuiditas, Profitabilitas, Leverage Dan Arus Kas Terhadap Financial Distress. *Jurnal Ilmu dan Riset Akuntansi*, 9(8), 1-15. Retrieved from <http://jurnalmahasiswa.stiesia.ac.id/index.php/jira/article/view/242/243>.
- Waqas, H., and Md-Rus, R. (2018). Predicting Financial Distress: Importance of Accounting and Firm-Specific Market Variables for Pakistan's Listed Firms. *Cogant Economics & Finance* (2018), 6: 154739, 1-16. <https://doi.org/10.1080/23322039.2018.1545739>.
- Wesa, E., and Otinga, H. (2018). Determinants of Financial Distress Among Listed Firms at The Nairobi Securities Exchange, Kenya. *The Strategic Journal of Business &*



*Change Management Vol. 5, Iss. 4, October 29, 2018, 1057-1073.*  
<http://www.strategicjournals.com/index.php/journal/article/view/933/934>.

Zelie, E. M., and Wassie, F. A. (2019). Examining The Financial Distress Condition and Its Determinant Factors: A Study on Selected Insurance Companies in Ethiopia. *World Journal of Education and Humanities Vol. 1 No. 1, 2019, 64-75.*  
<https://doi.org/10.22158/wjeh.v1n1p64>.





## The Effect Of Profitability, Leverage, And Firm Size On Sustainability Report Disclosure

**Sherly Yohana<sup>1</sup> and Rousilita Suhendah<sup>2\*</sup>**

<sup>1,2</sup> Faculty of Economic and Business, Universitas Tarumanagara, Jakarta, Indonesia

**Email Address:**

sherlyyohana@gmail.com, rousilitas@fe.untar.ac.id\*

\*Corresponding Author

Submitted 12-05-2023

Reviewed 26-06-2023

Revised 29-06-2023

Accepted 05-07-2023

Published 21-09-2023

**Abstract:** This study aims to determine the effect of profitability, leverage, and firm size on sustainability report disclosure in healthcare, energy, and financial sector companies listed on the Indonesia Stock Exchange in the 2019 to 2021 period. Samples were selected using non-probability sampling and purposive sampling techniques, and the data obtained consisted of 12 companies. Data were processed using the EViews (Econometric Views) version 12 program. The results of this study indicate that profitability and leverage have a positive and significant effect on sustainability report disclosure, while firm size does not affect sustainability report disclosure. This research implies that companies with high levels of funds tend to make broader sustainability report disclosures, so to obtain a high level of sustainability report disclosure requires a large amount of funds, which can also be obtained from the company's operating profit or by borrowing funds (debt) to creditors.

**Keywords:** Leverage; Firm Size; Profitability; Sustainability Report Disclosure.

**Abstrak:** Penelitian ini bertujuan untuk mengetahui pengaruh *profitability*, *leverage*, dan *firm size* terhadap pengungkapan *sustainability report* pada perusahaan sektor *healthcare*, *energy*, dan *financials* yang terdaftar di Bursa Efek Indonesia pada periode 2019 sampai 2021. Sampel diseleksi dengan metode *non-probability sampling* dan teknik *purposive sampling*, data yang didapat sejumlah 12 perusahaan. Pada penelitian ini, data diolah menggunakan program *E-Views (Econometric Views)* versi 12. Penelitian ini menunjukkan hasil bahwa *profitability* beserta *leverage* berpengaruh positif signifikan terhadap pengungkapan *sustainability report*, sedangkan *firm size* tidak berpengaruh terhadap pengungkapan *sustainability report*. Penelitian ini memiliki implikasi yaitu perusahaan dengan tingkat dana yang tinggi cenderung akan melakukan pengungkapan *sustainability report* yang lebih luas, sehingga untuk memperoleh tingkat pengungkapan *sustainability report* yang tinggi diperlukan jumlah dana yang besar juga yang dapat diperoleh dari laba operasional perusahaan atau dengan meminjam dana (hutang) kepada kreditur.

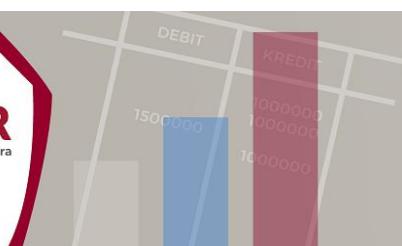
**Kata Kunci:** Leverage; Firm Size; Profitability; Pengungkapan Sustainability Report.

## INTRODUCTION

Environmental problems are still common in the current era and have never found an effective solution. Poor environmental conditions can be caused by industrial economic activities that run daily. Several industrial companies often throw their production waste at random places. This production waste can be in the form of steam or gas, which will pollute the air, or solid or liquid waste, which will contaminate water or the environment where these wastes are disposed of.

Disposing of production waste in any place can pollute the surrounding environment, a residential area. Production activities carried out by companies are often only concerned with company profits without paying attention to environmental factors. Production activities that negatively impact and pollute the environment are carried out by one of the paper production companies, namely PT Pindo Deli Pulp and Paper Mills II. In April 2019,





PT Pindo Deli Pulp and Paper Mills II were involved in a case of water pollution in the Cibeet River in Taman Mekar Village, Pangkalan District.

The local community reported to the Environment and Forestry Service (DLHK) that the Cibeet River water was filled with foamy waste. Satpol PP followed up on this report through letter No.180/981/PPL. After checking, water pollution was caused by a failure to process liquid waste at the Wastewater Treatment Plant (WWTP), overflowing due to a waste storage tank being repaired, so the waste was diverted to the pond. It flowed into the Cibeet River (<https://voi.id/>). As a result of this pollution act, the Karawang Environment and Sanitation Service (DLHK) stopped the production activities of PT Pindo Deli Pulp and Paper Mills II based on letter no. 660.1/927/PPL signed by the local Head of DLHK (<https://www.mind-rakyat.com/>).

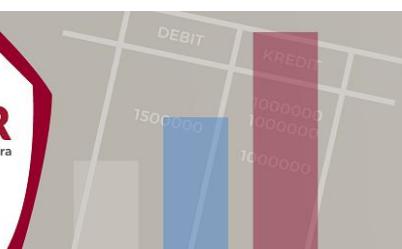
In September 2022, PT Pindo Deli Pulp and Paper Mills II carried out another pollution incident, which resulted in 43 residents of Kutamekar Village, Ciampel District, experiencing chlorine gas poisoning caused by a gas leak originating from the production of a caustic soda plant. The incident of factory gas poisoning experienced by residents was caused by incomplete combustion from the HCL hydrogen pump located at the PT Pindo Deli II caustic soda plant. Similar incidents occurred in December 2017, May 2018, and June 2021. As a result of this air pollution case, the Karawang Regency Government, West Java, again stopped production activities from PT Pindo Deli Pulp and Paper Mills II (<https://megapolitan.antaranews.com/>).

Repeated environmental pollution by PT Pindo Deli Pulp and Paper Mills II has forced the company to stop its production activities. Unilateral termination of production activities will hamper the continuity of business activities and pose several economic risks to the company. The risks that arise can be in the form of a decrease in profits and a decrease in the company's good name in the eyes of the public and investors. Investors are one of the stakeholders who have a significant role in the sustainability of the company's operating activities.

Investors and stakeholders tend to invest in companies with a low environmental pollution risk level when making long-term decisions. The important role of investors and stakeholders allows companies to recognize social and environmental factors in carrying out the company's operating activities. Companies and other business entities must disclose or report corporate social and environmental responsibility activities in a special sustainability report. Sustainability reports are reported by companies or business entities using specific reporting standards.

The most widely adopted sustainability report framework or standard by companies and business entities internationally is the Global Reporting Initiative (GRI) sustainability reporting framework. According to the Global Reporting Initiative (GRI), sustainability reports are intended so companies and business entities can identify and prioritize impacts on the economy, environment, and society to be more transparent about these impacts. These disclosures and reports are generally and structurally intended for the public and benefit stakeholders and other interested parties. The Global Reporting Initiative (GRI) Standards can be used by any organization, large or small, public or private, from any sector or location.

Companies or business entities can use the information disclosed or presented in the sustainability report to assess the policies and strategies the company has implemented. Disclosure of sustainability reports can also guide and assist company management in decision-making, such as setting goals or targets for the future. Stakeholders such as investors can use the information in the sustainability report to assess how companies



integrate sustainable development into strategies to identify financial risks and evaluate long-term success. Other parties, such as analysts and policymakers, can use the information presented for benchmarking purposes (measuring the quality of organizational policies) and forming guidelines for academics in research.

Several factors can affect the disclosure of sustainability reports, such as profitability, leverage, and firm size. (Karaman et al., 2018) He has researched sustainability reporting in the aviation industry around the world. The results of his study stated that firm size and leverage affected sustainability report disclosure, but on the other hand, profitability did not affect sustainability report disclosure. Many other previous researchers have carried out the same research. However, the research results still need to be more consistent between studies, so another study is carried out to determine whether profitability, leverage, and firm size can affect sustainability report disclosure.

## THEORETICAL REVIEW

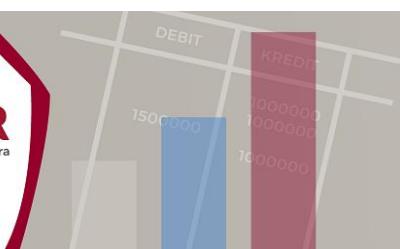
**Agency Theory.** Agency theory explains the agency relationship between two parties who desire to maximize their respective interests, which then causes a conflict of interest or agency (Putri, 2022). Agency relationships arise when one or more people (principals) employ another person (agent) intending to provide a service and delegate decision-making authority to the agent. Principals in agency theory are parties who own or become shareholders who provide funds and facilities planning to meet the needs of the company's operational activities. An agent is a management party with a contractual relationship with the principal to carry out the obligation to manage the company by the provisions stated in the contract.

Differences in goals between principals and agents can lead to information asymmetry. Information asymmetry is the difference in the information held by principals and agents in the operational activities of entities or companies. (Nuraeni, 2020) explains that information asymmetry is divided into moral hazard and adverse selection. A moral hazard is when parties do not have good intentions when providing information or intend to take greater risks to gain profit (Usman, 2020). Adverse selection is an unfavourable choice in general with the condition that the seller has information regarding an agreement or product not owned by the buyer or vice versa.

(Nuraeni, 2020) states the agency theory explains the difficulty in giving complete trust to management (agents) because agent performance is only sometimes based on the interests of shareholders (principals), and this difficulty will lead to conflicts of interest. Conflicts of interest between principals and agents are caused by the assumption that humans tend to prioritize or prioritize themselves (self-interest). (Noviantini, 2019) It is assumed that principals are only interested in increased financial results or their investment in the company, while agents are assumed to receive financial compensation as personal satisfaction. The difference in interests between the two parties causes each to try to increase profits for themselves.

Conflicts of interest between management (agents) and shareholders (principals) cause agency costs to arise. Agency fees are costs that must be incurred to minimize conflicts of interest. Examples of agency costs are monitoring management performance and other expenses for carrying out activities that bring management closer to shareholders. Agency theory views company management as an agent acting with full awareness for their interests (self-interest), not as a fair and wise party towards owners or shareholders/principals (Noviantini, 2019).





**Stakeholder Theory.** Stakeholder theory defines a company as an organ that deals directly with interested parties, both internal and external to the company. According to stakeholder theory, stakeholders play a role as a group or individual that significantly influences the success or failure of a company. Companies must maintain good relations with stakeholders to increase company power in the availability of resources for company operational activities such as company products, labour, and others (Wagiswari and Badera, 2021). The stakeholder theory extends corporate responsibility to investors, company owners, and all stakeholders.

Stakeholders in stakeholder theory include parties other than shareholders, such as employees, customers, creditors, suppliers, and the surrounding community. According to (Afifah et al., 2022), companies do not carry out operational activities for the sole purpose of their interests, but companies are required to provide benefits to stakeholders. Shareholder needs can be met if the needs of other stakeholders have been satisfied beyond maximizing company profits (Krisyadi and E, 2020). To make the right decisions, stakeholders have the right to obtain information related to company activities (Gunawan and Sjarief, 2022).

**Legitimacy Theory.** Legitimacy theory focuses on interactions between companies, organizations, and society (Karlina et al., 2019). Legitimacy is a strategic factor for an organization to develop the organization in the future. It defines legitimacy as something that has an essential influence on the organization because there are boundaries that are emphasized by social norms and values, and reactions to these boundaries can encourage organizations to be able to analyze organizational behaviour concerning the environment.

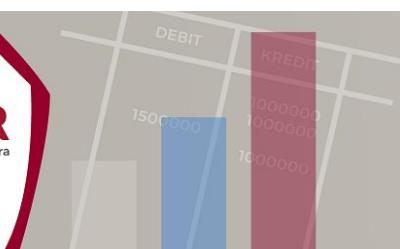
(Karlina et al., 2019) States the legitimacy of a company can be seen as something that is given by society to companies and something that companies want or seek from society. Legitimacy can be used as a way for companies to maintain their business existence. Legitimacy Theory explains how a company must carry out operational activities according to the norms and values that apply in the community where the company operates to gain legitimacy from the district.

Legitimacy aims to equate assumptions and perceptions that all activities carried out by companies are desirable, appropriate, and follow generally accepted norms in social life. Companies can be placed in a different position if there is a discrepancy between the values of the company and the values the community applies (Krisyadi and E, 2020). The dissimilarity between the company's values and the social values of society is generally referred to as the "legitimacy gap". This difference can affect the company's ability to continue the company's operational activities (Septiani et al., 2018).

**Sustainability Report.** A sustainability report is a report issued by an organization or company that contains economic, social and environmental impacts caused by the company's daily operational activities, as well as presents organizational values and organizational governance models and shows the relationship between strategy and organizational commitment towards a sustainable global economy (Global Reporting Initiative, 2016). A sustainability report is a report that contains not only financial performance information but also non-financial information consisting of information about social and environmental activities that allow companies to change continuously.

A company's performance can no longer be measured only by financial indicators but also by non-financial indicators. One non-financial indicator is a sustainability report or a sustainability report. In Indonesia, the company's obligation to provide corporate sustainability information is reflected in the regulations issued by the Financial Services Authority in POJK Number 51/POJK.03//2017 concerning the Implementation of





Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies. According to Article 10 of POJK Number 51/POJK.03//2017, companies are required to prepare sustainability reports.

(Afifah et al., 2022) A sustainability report is a tool that the government and companies can use as a form of accountability to society. By compiling a sustainability report, users of information can find out whether companies are transparent when formulating their policies that are oriented towards the environment, management, employees, society, nature, the impact of the company's production process or operational activities on the environment and how far the company communicates these matters to the public. as well as company honesty towards themselves and the surrounding environment (Septiani et al., 2018)

**Profitability.** (Sari et al., 2017) states profitability is the percentage of profit a company generates from using assets. There is another understanding from (Tobing et al., 2019), which defines profitability as the ability of a company to earn profits or profits related to sales, total assets, and own capital. Every company will try to increase profitability because a high profitability level will guarantee the company's survival rate (Septiani et al., 2018).

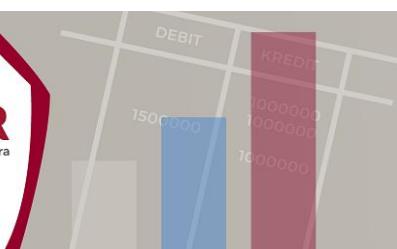
Profitability can provide an overview to investors regarding the company's performance and show whether the company has good opportunities in the future. The higher the level of profitability, the better the productivity of assets in obtaining net profit (Jawasand Sulfitri, 2022). (Karolina et al., 2019) states that profitability is a form of responsibility that the company must fulfil to stakeholders. With profitability analysis, shareholders can see the benefits of dividends (Tobing et al., 2019).

**Leverage.** Leverage illustrates the company's dependence on debt in financing the company's operational activities (Oktaviani and Amanah, 2019). Using too high debt will endanger the company because it can fall into the extreme leverage category, namely companies trapped in high debt levels. (Kasmir, 2017) states that leverage is a ratio that measures how much a company is financed by debt. A company's ability to pay debts depends on the company's ability to generate profits because instalments of principal and interest on the debt will be paid with cash funds, and the amount of cash funds is determined by the profits generated by the company (Karolina et al., 2019).

(Putri and S, 2022) states the higher the level of leverage of a company, the greater the company's responsibility towards creditors, and the company will have a greater risk. The higher leverage generated by the company reflects that the company has a high dependence on debt (Gunawan and Sjarief, 2022). (Septiani et al., 2018) states companies with high leverage levels have a high probability of violating debt contracts so managers will report current earnings higher than future earnings. Companies with high leverage levels should make broader disclosures (Afifah et al., 2022).

**Firm Size.** Firm size or company size is a scale used to assess the size of a company. (Krisyadi, R., 2020) state firm size is a scale that can classify a business entity into two groups: large-scale and small-scale companies. The bigger the company, the higher the level of trust investors or stakeholders give the company in investing (Handayani et al., 2019). (Fadilla et al., 2020) stated that the larger the company, the greater the responsibility that the company has, including the company's commitment to stakeholders.

(Septiani et al., 2018) stated a company with a larger size can survive more than a smaller one because the larger the company, the greater the resources owned by the company. The size of a company can determine the number of members related to choosing how to control operational activities in achieving company goals (Tobing et al.,



2019). (Afsari et al., 2017) large companies generally have better management capabilities and will issue reports with good standards and integrity. Large companies must have broader information disclosures to meet the information needs related to stakeholder interests (Karolina et al., 2019).

**Profitability and Sustainability Report.** Profitability is the ratio used to assess a company's profit-making ability. Profit or profit is what investors expect from the investment activities carried out. Companies with good profit levels will attract investors to invest in the company. Companies with a high level of profitability will have high self-confidence and be able to show stakeholders that the company can meet their expectations, especially investors and creditors (Wagiswari, N. S., and Badera, 2021).

(Wagiswari et al., 2021) Explained companies with high profitability tend to add social and environmental costs to the company's sustainability report. Companies with a high level of profitability indicate that the company has sufficient funds to carry out more economical, social, and environmental activities, which means that there will also be more information that can be disclosed in the sustainability report (Gunawan and Sjarief, 2022). The company's ability to earn high profits shows that the company's operational activities are going well, so transparent disclosure of the information is needed in the sustainability report as a form of entity accountability to stakeholders (Nuraeni and D, 2020).

The above description is in line with the results of research conducted by (Fadilla et al., 2020), which states that profitability positively affects sustainability report disclosure. However, different results were expressed by (Karaman et al., 2018), which indicated that profitability did not affect the exposure of sustainability reports.

**Leverage and Sustainability Report.** Leverage is a ratio used to measure a company's ability to pay all short-term and long-term obligations (Tobing et al., 2019). The higher the leverage, the lower the disclosure of sustainability reports by companies so that the level of stakeholder trust will decrease, and investments made by investors will also be reduced (Afsari et al., 2017). A low level of investor trust in the company will make the company need more funds so that the company cannot increase information disclosure in the sustainability report (Gunawan and Sjarief, 2022).

(Sinaga and Teddyani, 2020) A belief is that the high leverage causes a reduction in the disclosure of the company's sustainability report because it is considered an additional cost by the company. Companies with high leverage tend to regard sustainability reports as a luxury that requires high costs and does not refer to the company's long-term sustainability (Hermawan and S, 2021). (Kumar et al., 2021) explain disclosing a company's sustainability report requires quite a long time. It costs quite a lot, so if the company has a high level of leverage, the disclosure of the company's sustainability report will be even lower.

The description above is in line with the results of research conducted by (Susanti and Alvita, 2019), which states that leverage has a negative and insignificant effect on the disclosure of sustainability reports. However, (Tobing et al., 2019) expressed different results, which state that leverage does not affect the exposure of sustainability reports.

**Firm Size and Sustainability Report.** Firm size is a scale that can classify the size of a company (Jawas and Sulfitri, 2022). (Febriyanti, 2021) explains that large companies tend to maintain positive evaluations from the community, so companies will view that the activities carried out are not only centred on seeking profit but are also responsible to stakeholders by carrying out activities, as stated in sustainability reporting. Meanwhile, small companies tend to be more concerned with profit-oriented activities, so they cannot deal with social and environmental problems (Sari et al., 2017).



Large companies with high profits can incur higher costs for disclosing company reports such as financial or sustainability reports (Febriyanti, 2021). (Karlina et al., 2019) they stated that large companies tend to pay more attention to the general public and special interest groups (stakeholders) who are socially sensitive, which can lead to broader disclosure of sustainability reporting presented by companies. (Karlina et al., 2019) Stated that large companies disclose better than small companies because large companies have large assets that can be used to carry out social and environmental activities.

The description above is in line with the results of research conducted by (Karaman et al., 2018), which states that firm size positively affects the disclosure of sustainability reports. However, different results were expressed by (Septiani, H., and Mukhzarudfa, 2018), who stated that firm size does not affect sustainability report disclosure.

(Afifah et al., 2022) Stated companies with a high level of profitability will make more efforts to meet stakeholder interests to maintain and establish good relations with all stakeholders. In stakeholder theory, stakeholders are a part of a company that has a role that can influence the use of economic resources in the company's operational activities. If stakeholders can use their influence properly related to the use of economic resources in company activities, then the role of stakeholders can increase company profitability.

This study proxes profitability by Return on Assets (ROA). ROA was chosen as a proxy because ROA measures a company's financial performance by looking at how much the company's assets return in carrying out operational activities. Companies with high ROA tend to present additional information to the public and stakeholders because companies can issue sustainability reports, which require high costs. In contrast, companies with low ROA will focus more on increasing profits than issuing sustainability reports, which will further reduce the profits earned. Based on the results of previous studies, profitability has a positive effect on the disclosure of sustainability reports (Susanti and Alvita, 2019); (Thomas et al., 2020). However, the results of other studies state that profitability does not affect sustainability report disclosure (Septiani et al., 2018); (Gunawan and Sjarief, 2022).

#### **H1:** Profitability has a positive effect on sustainability report disclosure.

According to the agency theory, companies with high leverage levels will bear high monitoring costs. Companies with high monitoring costs tend to reduce other expenses incurred by the company, including charges for disclosure of sustainability reports. (Sari et al., 2017) state that companies with high leverage levels have limitations in using the company's financial resources. Hence, companies become more focused on short-term goals compared to long-term goals. (Putri and S, 2022) state a high leverage ratio indicates that a company's ability to carry out obligations to creditors is low, so it can disrupt the fulfilment of other obligations, such as the obligation to disclose sustainability reports. In this study, leverage is proxied by the Debt-to-Equity Ratio (DER). DER measures a company's financial performance in managing debt by comparing all debt to all equity. Companies with a high DER indicate that the company has obligations that must be fulfilled to creditors, causing the company to try to reduce additional costs, such as disclosing a sustainability report. Thus, the higher the leverage, the less funding allocation for corporate social and environmental responsibility, so the disclosure of the sustainability report will be lower.

Research conducted by (Susanti et al., 2019) and Sulistyawati et al., 2018) state that leverage has a negative effect on the disclosure of sustainability reports. However, another



study (Tobing et al., 2019) (Hermawan and S, 2021) found that leverage does not affect the disclosure of sustainability reports.

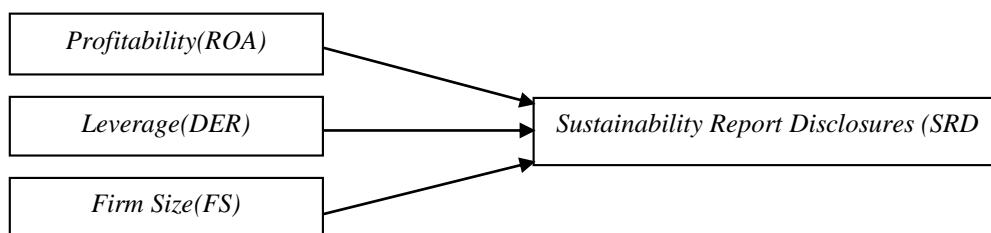
**H2:** Leverage has a negative effect on the disclosure of the sustainability report.

Large companies have a relatively large and broad influence on the public, while small companies have a relatively small and narrow impact. According to legitimacy theory, large companies are more visible to the public, more subject to public scrutiny, and have more significant social pressure; large companies also have an enormous environmental and social impact on their business operations (Usman, 2020). Public and social pressure factors and significant environmental and social effects make companies disclose better information on sustainability reports to legitimize their existence and create a positive image in society (Kumar et al., 2021). The company will disclose how the company is responsible for operational activities that have been carried out to maintain company legitimacy (Sulistyawati et al., 2018).

This study measures firm size using the natural logarithm (Ln) of the company's total asset value. In general, large companies have large assets, and companies can use these assets to make better sustainability report disclosures. Large companies tend to have high self-esteem and will disclose sustainability reports to maintain company pride. Previous research stated that firm size positively affects sustainability reporting (Karlina et al., 2019). However, different results were declared by (Karlina et al., 2019) with the effect that firm size does not affect sustainability report disclosure.

**H3:** Firm size has a positive effect on sustainability report disclosure.

The framework of thought in this study is illustrated as follows in **Figure 1**.



**Figure 1.** Research Model

## METHODS

This research uses a descriptive research design, and the data used is in the form of secondary data obtained from the Indonesia Stock Exchange in the 2019 to 2021 period. The sample in this study was selected using a non-probability sampling method (non-random sample) and a purposive sampling technique. Non-probability sampling is a sampling method that does not provide equal opportunities or opportunities for each member of the population to be selected as a sample (Susanti and Alvita, 2019). Purposive sampling is a sampling technique that is carried out in a non-random manner in which the researcher determines specific characteristics to take the research sample. (Susanti and Alvita, 2019) Argues that purposive sampling is a technique for selecting data samples with particular considerations. The research subjects used were companies in the

healthcare, energy and financial sectors with the criteria of (1) being listed consecutively on the IDX from 2019 to 2021, (2) publishing sustainability reports, and (3) using the GRI Standard. The samples obtained from the selection process were from 12 companies.

**Operationalization Variable.** The sustainability report disclosure variable is the dependent variable whose position will be analyzed due to the influence of the independent variables. The independent variables in this research use three variables, namely profitability, leverage, and firm size. Each variable must be measured to analyze the effect of the profitability, leverage, and firm size on the sustainability report disclosure. Table 1 shows the operational variables and measurements used in this study.

**Dependent Variable.** The dependent variable in this study is the disclosure of the sustainability report (SRD). The standards used to assess sustainability reports are the GRI Standards indicators in the Sustainability Report Disclosure Index (SRDI). The GRI Standards consist of 38 types of GRI with a total of GRI indicators is 148. If the company discloses sustainability report disclosure items, it will be a value of 1 and 0 if it does not. The sustainability report disclosure can be measured as the following:

$$SRD = \frac{\text{The number of indicators disclosed}}{145} \dots \dots \dots \quad (1)$$

**Independent Variables** Profitability is a company's responsibility to stakeholders (Karlina et al., 2019). The profitability ratio using the ROA (Return on Assets) proxy is an analytical technique used to measure a company's financial performance by looking at how much the company's assets are returning when carrying out the company's operating activities (Wagiswari and Badera, 2021). Profitability uses proxy ROA. ROA ratio provides information regarding the ability of company assets to generate profits (Afifah et al., 2022). The profitability variable can be measured using the following formula:

**Leverage.** Leverage is a company's dependence on debt in company financing activities (Oktaviani and Amanah, 2019). The leverage of a company will affect the level of risk and responsibility of the company to creditors (Putri and S, 2022). Leverage is measured using the DER ratio (Debt to Equity Ratio). DER is calculated by dividing the company's total debt by total equity (Afifah et al., 2022). The following formula can measure leverage.

$$DER = \frac{\text{Total debts}}{\text{Total Equity}} \dots \quad (3)$$

**Firm size.** Firm size shows the size of a company as measured by total assets, level of sales, and market value of shares (Karlina et al., 2019). Firm size is measured using the natural logarithm of total assets. Firm size can be calculated using the following formula:

Operational variables and measurements can be summarized in **Table 1**.



**Table 1.** Operationalization Variables

Variable	Measurement	Scale	Source
Sustainability Report Disclosure	$SRD = \frac{\text{The number of indicators disclosed}}{145}$	Ratio	(Afifah et al., 2022)
Profitability	$ROA = \frac{\text{Net income}}{\text{Total assets}}$	Ratio	(Afifah et al., 2022)
Leverage	$DER = \frac{\text{Total debts}}{\text{Total equity}}$	Ratio	(Afifah et al., 2022)
Firm Size	$FS = \ln \text{Total Asset}$	Ratio	(Afifah et al., 2022)

Source: Author

## RESULTS

As the dependent variable proxied by the sustainability report disclosure index (SRDI), the sustainability report has a formula that is the number of indicators disclosed divided by the total indicators on the GRI standard, which is 148. The independent variable in the form of profitability is proxied by return on assets (ROA), which has a net income formula divided by total assets. Leverage is proxied by the debt-to-equity ratio (DER), which has a formula: total liabilities divided by total equity. The last independent variable is firm size proxied by SIZE, which has the formula: the natural logarithm of total assets.

**Descriptive statistics.** Descriptive statistics provide a description or description of the data from a sample of research objects. The descriptive statistical test consists of the average value, namely the mean; the middle value, namely the median; the highest value, namely the maximum; the lowest value, namely the minimum; and how the data distribution in the sample is with the standard deviation. **Table 2** is the result of descriptive statistical data derived from the variables used in this study, namely the disclosure of sustainability reports, which are denoted by the symbol SRD as sustainability report disclosures, profitability (ROA), leverage (DER), and firm size (FS), as independent variables. The results of the descriptive statistical data were analyzed in **Table 2**.

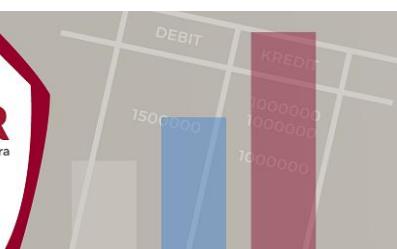
**Table 2.** Descriptive Statistical Test Results

	SRD	ROA	DER	FS
Mean	0.460	0.766	1.478	15.783
Median	0.429	0.037	0.711	15.666
Maximum	0.723	0.310	6.163	21.269
Minimum	0.250	-0.020	0.033	10.619
Std. Dev.	0.130	0.083	1.979	2.942
Skewness	0.589	1.165	1.620	0.096
Kurtosis	2.376	3.375	3.996	2.514

Source: Author

The sustainability report disclosure symbolized by the SRD has a minimum value of 0.250, owned by PT. Clipan Finance Indonesia in 2019 has a maximum value of 0.723, which PT holds. Mitra Keluarga Karyahealth in 2021. The mean value of 0.460 in the sustainability report disclosure shows that companies in the healthcare, energy and financial sectors disclose sustainability reports by 46 per cent. The standard deviation value for the sustainability report disclosure is 0.130. This shows that the distribution of





the sustainability report disclosure is narrow. The sustainability report disclosure variable also has a median value of 0.429.

The profitability represented by the ROA has a minimum value of -0.020, owned by PT. Dian Swastatika Sentosa in 2020 and a maximum value of 0.310, which PT owns. Sido's Jamu and Pharmaceutical Industry in 2021. The mean value of 0.766 in the profitability indicates that companies in the healthcare, energy and financial sectors have an average profitability of 76.600 per cent. The standard deviation value for the profitability is 0.083. The profitability also has a median value of 0.037.

The leverage represented by the DER has a minimum value of 0.033, which PT Bank Danamon Indonesia owns in 2019 and 2021, and a maximum value of 6.163, owned by PT Bank CIMB Niaga in 2021. The standard deviation value for the leverage is 1.979; this value is greater than the mean (average) value of 1.478. This shows that the leverage has a wide distribution. The leverage also has a median value of 0.711.

The firm size represented by the FS has a minimum value of 10.619, owned by PT. Dian Swastatika Sentosa in 2020 has a maximum value of 21.269 owned by PT. Bank Mandiri in 2021. The standard deviation value for the firm size is 2.942; this value is smaller than the mean (average) value of 15.783. This shows that the distribution of the firm size is narrow. The firm size also has a median value of 15.666.

After conducting a descriptive statistical analysis, a test was conducted to select the most appropriate regression model for this study. Testing the panel data model estimation can use three types of tests: the Chow Test, the Hausman Test, and the Lagrange Multiplier Test.

**Chow Test.** The Chow test's result shows a probability value of a chi-square cross-section of 0.000, which indicates that the probability value is smaller than the significance value of 0.050 (**Table 3**). This shows that  $H_0$  is rejected and  $H_a$  is accepted, so the most appropriate model chosen in this study is the fixed effect model (FEM). The fixed effect (FEM) regression model was selected, then continued with the Hausman test.

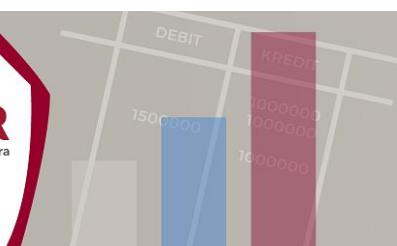
**Table 3.** Chow Test Results

Effect Test	Statistic	d.f.	Prob.
Cross-section F	9.850	(11,21)	0.000
Cross-section Chi-square	65.446	11	0.000

Source: Author

**Hausman Test.** The Hausman test's results show a random cross-section probability value of 0.869, which indicates that the probability value is greater than the significance value of 0.050. This shows that  $H_0$  is accepted, so the most appropriate model chosen in this study is the random effect model (REM). The random effect (REM) regression model was selected and continued with the Lagrange Multiplier test.

**Lagrange Multiplier Test.** The Lagrange Multiplier Test results show a probability value of both Breusch-Pagan of 0.000, indicating that the probability value is smaller than the significance value of 0.050 (**Table 4**). This indicates that  $H_0$  is rejected and  $H_a$  is accepted, so the most appropriate model chosen in this study is the random effect model (REM). Because the Lagrange Multiplier test is the last, the random effect model (REM) is this study's most appropriate regression model.

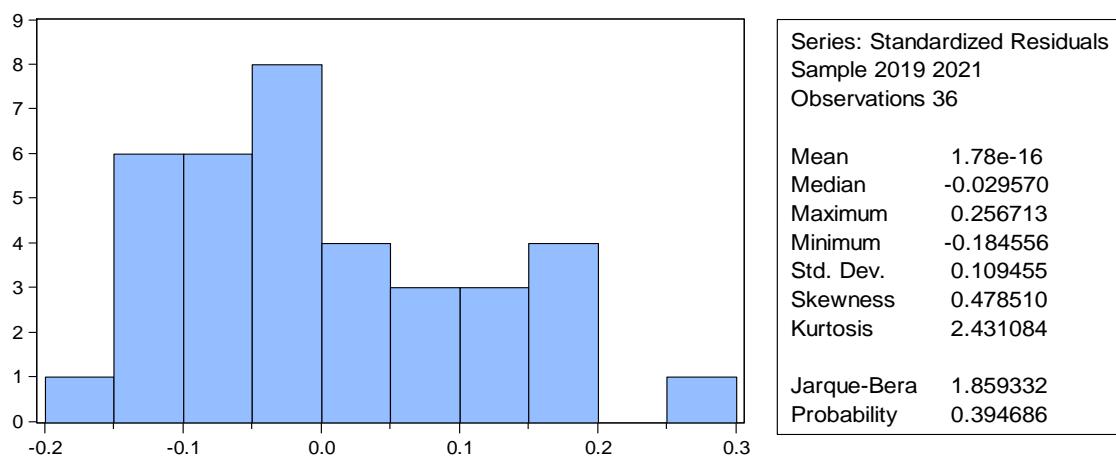

**Table 4.** Lagrange Multiplier Test Results

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	20.040 (0.000)	0.222 (0.638)	20.261 (0.000)
Honda	4.477 (0.000)	-0.471 (0.681)	2.833 (0.002)
King-Wu	4.477 (0.000)	-0.471 (0.681)	1.323 (0.093)
Standardized Honda	5.502 (0.000)	-0.142 (0.557)	0.642 (0.260)
Standardized King-Wu	5.502 (0.000)	-0.142 (0.557)	-0.525 (0.700)
Gourieroux, et al.	--	--	20.040 (0.000)

Source: Author

The classical assumption test consists of four parts: the normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test. The classical assumption test aims to provide certainty that the regression equation model has estimation accuracy, is not biased, and is consistent.

**Normality test.** The normality test was carried out to know whether, in the regression model, the confounding variables (errors) or residuals were normally distributed or not. The criterion used in the normality test is if the Jarque-Bera probability value is greater than 0.050, then  $H_0$  is accepted, so it can be concluded that the data is normally distributed. Conversely, if the Jarque-Bera probability value is smaller than 0.050, then  $H_0$  is rejected, and  $H_a$  is accepted, so it can be concluded that the data is not normally distributed. The normality test results can be seen in **Figure 2**. The normality test (Figure 2) produces a Jarque-Bera probability value of 0.395, which indicates that the probability value is greater than the significance value of 0.050. This shows that  $H_0$  is accepted, so it can be concluded that the data is normally distributed


**Figure 2.** Normality Test Results

Source: Author

**Multicollinearity test.** The multicollinearity test was carried out to test whether there is a correlation between the independent variables in the regression model. A good

regression model is a model that does not correlate with the independent variables. The criterion used in the multicollinearity test is if the correlation coefficient value between the independent variables is greater than 0.850, then there is multicollinearity in the regression model. Conversely, if the value of the correlation coefficient between the independent variables is smaller than 0.850, there is no multicollinearity in the regression model. The results of the multicollinearity test can be seen in **Table 5**.

The multicollinearity test shows the value of the correlation coefficient between independent variables consisting of the profitability, denoted by the ROA, the leverage, represented by the DER, and the firm size, represented by the FS. The first test was carried out on the profitability and leverage. The correlation coefficient value between the profitability and leverage shows a result of -0.414, indicating that the correlation coefficient value is less than 0.850. It can be concluded that there is no multicollinearity between profitability and leverage.

The second test was carried out on the profitability and firm size. The correlation coefficient value between profitability and firm size is -0.215, indicating that the correlation coefficient value is less than 0.850. There is no multicollinearity between profitability and firm size.

The third test is carried out on leverage and firm size. The correlation coefficient value between leverage and firm size is 0.617, indicating that the correlation coefficient value is less than 0.850. Based on these results, there is no multicollinearity between leverage and firm size. Based on the results of the three multicollinearity tests above, it can be concluded that there is no multicollinearity in the regression model.

**Table 5.** Multicollinearity Test Results

	<b>ROA</b>	<b>DER</b>	<b>FS</b>
ROA	1.000	-0.414	-0.215
DER	-0.414	1.000	0.617
FS	-0.215	0.617	1.000

Source: Author

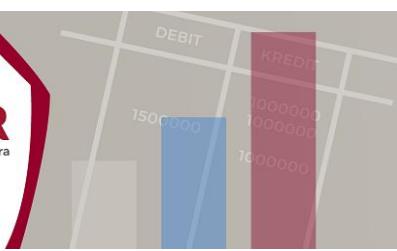
**Heteroscedasticity test.** The heteroscedasticity test was carried out to determine whether there is an inequality of variance in the regression model from the residuals of one observation to another. If the variance from one observation's residual to another remains, it is called homoscedasticity. Conversely, if the variance of the residual from one observation to another is different, it is called heteroscedasticity. A good regression model is a model that does not have heteroscedasticity. The results of the heteroscedasticity test can be seen in **Table 6**. The heteroscedasticity test produces a probability value of chi-square probability in the Obs\*R-Squared line of 0.698, which indicates that the probability value is greater than the significance value of 0.050. This shows that H0 is accepted, so it can be concluded that there is no heteroscedasticity problem in the regression model.

**Table 6.** Heteroscedasticity Test Results

F-statistic	0.6264	Prob. F(9,26)	0.764
Obs*R-squared	6.414	Prob. Chi-square(9)	0.698
Scaled explained SS	3.380	Prob. Chi-square(9)	0.947

Source: Author





**Autocorrelation test.** The autocorrelation test was carried out to know whether, in the regression model, there is a correlation between the confounding errors in the t period and the confounding errors in the t-1 period. A good regression model is a model that has no autocorrelation problems. Autocorrelation testing in this study was carried out using the Durbin-Watson test (DW). If the Durbin-Watson stat value is between the dU and 4 – dU values, there is no autocorrelation problem. Conversely, if the Durbin-Watson stat value is not between the dU and 4 – dU values, there is an autocorrelation problem. The value of dU can be seen in the Durbin-Watson table. The results of the autocorrelation test can be seen in **Table 7**.

**Table 7.** Autocorrelation Test Results

R-Squared	0.256	Mean dependent var	0.126
Adjusted R-Squared	0.187	SD dependent var	0.060
SE of regression	0.054	Sum squared resid.	0.095
F-Statistic	3.679	Durbin-Watson stat	1.778
Prob(F-statistic)	0.022		

Source: Author

The number of samples and independent variables in this study, the dU value is 1.654. The dU value can be seen in the Durbin-Watson table with n equal to 36, which comes from the total number of samples studied, and k equal to 3, which comes from the total number of independent variables studied. The autocorrelation test produces a Durbin-Watson stat value of 1.778 (**Table 7**), indicating that the Durbin-Watson stat value is between dU and 4 – dU values). It can be concluded that there is no autocorrelation problem in the regression model.

The classic assumption test has fulfilled the requirements, so it is continued by carrying out an influence test or test whose results can be seen in **Table 8**.

**Table 8.** Multiple Regression Analysis Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.604	0.218	2.774	0.009
ROA	0.614	0.258	2.375	0.024
DER	0.054	0.021	2.619	0.013
FS	-0.017	0.015	-1.167	0.252

Source: Author

**Tables 8.** It shows the results of the multiple linear regression analysis table. The multiple linear regression equation model in this study can be formulated as follows:

$$SRD = 0.604 + 0.614\text{ROA} + 0.054\text{DER} - 0.017\text{FS} \dots \dots \dots (5)$$

The constant value of the results of the multiple linear regression equation in **Table 8** is 0.604. This value indicates that if all the values of the independent variables, namely profitability, leverage, and firm size, are equal to zero, then the value of the sustainability report disclosure is 0.604.

The  $\beta_1$  value or the regression coefficient value of the first independent variable, profitability (ROA), is 0.614. This value indicates that if profitability (ROA) increases by



one unit, then the value of the sustainability report disclosure will increase by 0.614 with the assumption that the variables leverage (DER) and firm size (FS) are constant. Conversely, suppose profitability (ROA) decreases by one unit. In that case, the value of the sustainability report disclosure will decrease by 0.614, assuming that the variables leverage (DER) and firm size (FS) are constant. The  $\beta_2$  value or the regression coefficient value of the second independent variable, leverage (DER), is 0.054. This value indicates that if leverage (DER) increases by one unit, then the value of the sustainability report disclosure will increase by 0.054, assuming that the variables profitability (ROA) and firm size (FS) are constant.

Conversely, if leverage (DER) decreases by one unit, the value of the sustainability report disclosure will decrease by 0.054, assuming that the variables profitability (ROA) and firm size (FS) are constant. The  $\beta_2$  value or the regression coefficient value of the third independent variable, firm size (FS) is -0.017. This value indicates that if the firm size (FS) increases by one unit, then the value of the sustainability report disclosure will decrease by 0.017, assuming that the variables of profitability (ROA) and leverage (DER) are constant. Conversely, if the firm size (FS) decreases by one unit, the value of the sustainability report disclosure will increase by 0.017 with the assumption that the profitability (ROA) and leverage (DER) variables are constant.

**T-Test.** The t-test was carried out to determine each independent variable's effect on the dependent variable. The t-test can be done by looking at the t-statistic probability value. The criteria used in the t-test is if the t-statistical probability value is smaller than 0.05, it can be concluded that the independent variables partially (individually) affect the dependent variable. Conversely, if the t-statistical probability is greater than 0.05, it can be supposed that the independent variables partially (separately) do not affect the dependent variable. From the research results of **Table 8**, it can be seen that the coefficient value of the profitability variable is 0.614, which indicates that the profitability variable has a positive direction of influence. This positive direction indicates that if profitability increases, the disclosure of sustainability reports will also increase. The t-test results in **Table 8** also show that the probability value of the t-statistic on the profitability variable denoted by ROA is 0.024, which indicates that the probability value is smaller than the significance value of 0.050. This shows that profitability affects the disclosure of sustainability reports. This research indicates that profitability positively affects the sustainability report disclosure. The conclusions obtained from the t-test results indicate that hypothesis 1 in this study is accepted (**H1** is accepted).

In **Table 8**, the coefficient value of the leverage is 0.054, which indicates that the leverage variable has a positive direction of influence. This positive direction indicates that if leverage increases, the disclosure of the sustainability report will also increase. The results of the t-test in **Table 8**. also show that the probability value of the t-statistic on the leverage denoted by DER is 0.013, which indicates that the probability value is smaller than the significance value of 0.050. This shows that leverage affects the disclosure of sustainability reports. It can be concluded that the leverage positively affects the sustainability report disclosure. The conclusions obtained from the t-test results indicate that hypothesis 2 in this study is rejected (**H2** is rejected).

The research result is in **Table 8**; it can be seen that the coefficient value of the firm size variable is -0.017, which indicates that the firm size has a negative direction of influence. This negative direction suggests that if the firm size increases, the disclosure of the sustainability report will decrease. The results of the t-test in **Table 8**. also show the probability value of the t-statistic on the firm size denoted by the FS, which is 0.252, which

indicates that the probability value is greater than the significance value of 0.050. This shows that firm size does not affect sustainability report disclosure. It can be concluded that the firm size variable does not affect the sustainability report disclosure. The conclusions obtained from the t-test results indicate that hypothesis 3 in this study is rejected (**H3** is rejected).

**F Test.** The F test was conducted to test whether there is a significant effect between the independent (independent) variables together (simultaneously) on the dependent variable with the feasibility of the resulting model. The criteria used in the F test is if the regression model's probability value (F-statistic) is smaller than 0.050, it can be concluded that the research model is feasible. Conversely, if the regression model's probability value (F-statistic) is greater than 0.050, it can be concluded that the research model is impossible to use. The results of the F test can be seen in **Table 9**. The F-test results show a probability value (F-statistic) of 0.022, which indicates that the probability value is smaller than the significance value of 0.050. This shows that the research model is feasible to use, and it can be concluded that profitability, leverage, and firm size together influence the disclosure of sustainability reports.

**Table 9.** F Test Results

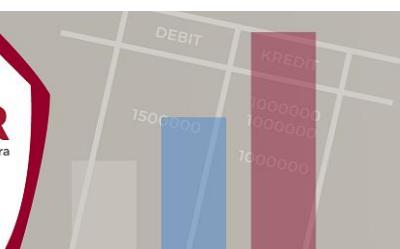
R-Squared	0.256	Mean dependent var	0.126
Adjusted R-Squared	0.187	SD dependent var	0.060
SE of regression	0.054	Sum squared resid.	0.095
F-Statistic	3.679	Durbin-Watson stat	1.778
Prob(F-statistic)	0.022		

Source: Author

**Coefficient of determination test.** The coefficient of determination test was carried out to measure the model's ability to explain the variation of the dependent variable. Test the coefficient of determination by looking at the Adjusted R-squared value. The criterion used in the coefficient of determination test is that if the Adjusted R-squared value is greater or closer to one, it can be concluded that the greater the ability of the independent variables to explain the variation in the dependent variable. Conversely, if the Adjusted R-squared value is smaller, the ability of the independent variables to explain variations in the dependent variable is quite limited. **Table 9** shows the coefficient of determination test produces an Adjusted R-squared value of 0.187 or, if converted into a percentage, 18.700 per cent. This shows that the dependent variable, namely the disclosure of the sustainability report, can be explained by the independent variables, namely profitability, leverage, and firm size of 18.700 per cent. Meanwhile, 81.300 per cent of the dependent variable, namely the disclosure of the sustainability report, can be explained by other variables not examined in this study.

## DISCUSSION

The results of this study, profitability as measured using return on assets (ROA), has a positive and significant influence on the disclosure of sustainability reports. These results prove that companies with a high-profit level tend to disclose more information on the sustainability report. High profitability indicates that the company has enough funds to carry out more social and environmental activities so that more and more information is disclosed in the sustainability report. In addition, companies with a high level of

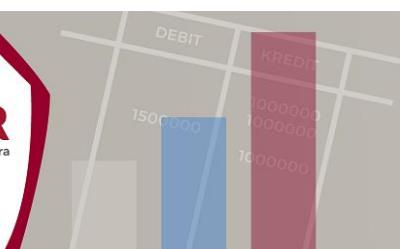


profitability also indicate that the company has operational activities that are running well. Hence, companies must disclose transparent information on sustainability reports as a form of accountability to stakeholders (Nuraeni and D, 2020). The study results align with the research conducted by (Thomas et al., 2020). They state that profitability has a positive effect on sustainability report disclosure. However, this study's results differ from the research conducted by (Karaman et al., 2018). They state that profitability does not affect sustainability report disclosure.

High profitability allows managers to carry out and disclose corporate social responsibility widely. The legitimacy theory states that if the company wants to operate successfully in the future, it must consider social factors through CSR disclosure. Companies that have high profits should commit to disclosing and making CSR disclosures. The company must have confidence that the profit earned can overcome the costs of CSR disclosure. Extensive CSR disclosure can reduce the possibility of conflict between companies and the community as a negative impact may arise due to the company's presence in the environment. The stakeholder theory also supports the results of this study. It defines that stakeholders play a role that significantly influences the success or failure of a company. Therefore, companies must maintain good relations with stakeholders to increase the company's strength in carrying out operational activities. This theory also expands corporate responsibility not only to investors or company owners but to all stakeholders so that as a form of corporate responsibility to stakeholders, companies with a high profitability level will tend to disclose more sustainability reports because the company has sufficient funds to carry out activities related to the economy, social and environment.

The results of this study indicate that leverage, as measured using the debt-to-equity ratio (DER), has a positive and significant effect on the disclosure of sustainability reports. These results prove that companies with high debt levels tend to disclose more extensive information on the sustainability report. A high level of leverage does not indicate that the company will reduce costs for environmental and social activities to be disclosed in the sustainability report. High leverage means the company has sufficient funds to carry out more activities to be disclosed in the sustainability report. The study's results align with the results of research conducted by (Thomas et al., 2020). They state that leverage has a positive effect on sustainability report disclosure. However, this study's results differ from those of research conducted by (Hermawan and S, 2021). They state that leverage does not affect sustainability report disclosure.

The company will use the funds obtained from the loan to support its operational activities. The company conducts operational activities to increase company value and product quality so that the company can develop in the future. CSR activities and disclosures are a form of company compliance with government regulations and company sensitivity to the environment. CSR activities and disclosures are the company's obligations. The company's disclosure of CSR can increase the company's positive image. Companies that show concern for the environment will try their best to carry out CSR activities and disclose them regardless of how much debt they have. The results of this study do not support the agency theory. It states that companies with high levels of leverage will bear high monitoring costs, so companies will tend to reduce other costs incurred by companies, including costs for disclosure of sustainability reports. A high level of disclosure of sustainability reports can indicate that companies have high social responsibility. Companies with a high degree of leverage will try to gain support and trust from the principal by disclosing more sustainability reports.



The results of this study also show that firm size, as measured using the natural logarithm of total assets, does not affect sustainability report disclosure. The results of this study do not support the legitimacy theory. It defines legitimacy as something that has an important influence on the company because there are boundaries that are emphasized by social norms and values, and reactions to these boundaries can encourage companies to analyze corporate behaviour by paying attention to the environment so that companies will disclose more sustainability reports as a way to gain legitimacy from the public and special interest groups (stakeholders). Companies carry out and disclose CSR only if the company has concern and sensitivity to environmental and social factors around the company. Firm size does not guarantee that the company will make extensive disclosures. The size will affect the company in disclosing corporate social responsibility. It will be asked to provide information on corporate social responsibility. The study results align with the results of the study conducted by (Septiani et al., 2018). They state that firm size does not affect sustainability report disclosure. However, this study's results differ from those of the study conducted by (Karaman et al., 2018). They state that firm size has a positive effect on sustainability report disclosure.

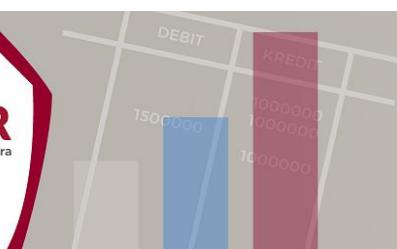
Large companies tend to be the most highlighted by the public. Large companies are the centre of attention for investors and the public. Large companies will attract public attention, so companies' performance is required to be good. Good performance companies should pay more attention to social and environmental conditions by disclosing corporate social responsibility. The bigger the size of the company, the more pressure and scrutiny the company gets from society and government. Companies will increasingly show concern for the environment. Companies will carry out and disclose CSR to gain legitimacy from the public and reduce agency costs. These results prove that a company of a large size will only sometimes disclose a lot of information on the sustainability report. Therefore, a company's big or small size cannot determine how much or how little the company discloses the level of information in the sustainability report.

## CONCLUSION

This research is inseparable from limitations that need attention and improvement. The first limitation of this study is that the data population from the sample is limited to companies in the healthcare, energy, and financial sectors. The second limitation is that the independent variables tested in this study only use the profitability, leverage, and firm size of the many independent variables that can affect the disclosure of the sustainability report. The third limitation is that this study only examines the 2019-2021 period, so the results of this study only reflect that period.

The description of the limitations contained in this study, the following are some suggestions that researchers can give: For subsequent research, other variables that have not been studied in this study can be used, which can affect the disclosure of sustainability reports, such as liquidity, company activities, audit committees, independent commissioners, industry type, free cash flow, growth, and ownership structure. This is related so that investors can consider other factors in conducting investment analysis in companies related to the company's sustainability for the environment and the future.

We can use other company sectors not used as samples, such as basic materials, consumer cyclical, consumer non-cyclical, industrials, infrastructures, property, real estate, technology, transportation, and logistics. This is intended so that investors and

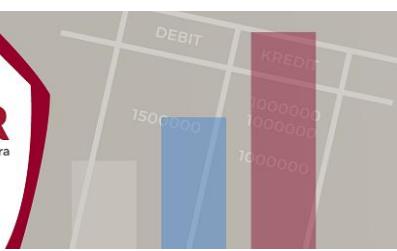


creditors can choose a corporate sector responsible for the economy, the environment, and society.

In the future, research can use more than three years of research. This is intended so that company managers can see the company's performance in the long term related to social, economic, and environmental performance.

## REFERENCES

- Afifah, N., Fujianti, L., dan Mandagie, Y. R. O. (2022). Pengaruh Profitabilitas, Leverage, Dan Ukuran Perusahaan Terhadap Pengungkapan Sustainable Reporting. *Jurnal Universitas Pancasila*, 2(1), 19–34. <https://doi.org/10.35814/jiap.v2i1.3032>.
- Afsari, R., Purnamawati, I. A., and Prayudi, M. A. (2017). Pengaruh Leverage, Ukuran Perusahaan, Komite Audit Dan Kepemilikan Institusional Terhadap Luas Pengungkapan Sustainability Report. *Jurnal Ilmiah Mahasiswa Akuntansi Undiksha (JIMAT)*, 8(2), 1–12. <https://ejournal.undiksha.ac.id/index.php/S1ak/article/view/14299>.
- Fadilla, B., Eltivia, N., and Winarto, E. (2020). Analysis On The Effect Of Company Size, Company Type, And Profitability On Sustainability Report Based On the GRI Index. *Advances in Economics, Business and Management Research*, 183, 96–100. <https://doi.org/DOI: 10.2991/aebmr.k.210717.020>.
- Febriyanti, G. A. (2021). Factors Affecting Sustainability Reporting Disclosure. *E-Jurnal Akuntansi*, 31(12), 3195–3206. <https://doi.org/10.24843/EJA.2021.v31.i12.p12>.
- Gunawan, V., dan Sjarief, J. (2022). Analisis Pengaruh Profitabilitas, Leverage, Dan Ukuran Perusahaan Terhadap Pengungkapan Sustainability Report. *BALANCE: Jurnal Akuntansi, Auditing Dan Keuangan*, 19(1), 22–41. <https://doi.org/10.25170/balance.v19i1.3223>.
- Handayani, M., Farlian, T., and A. (2019). Firm Size, Market Risk, And Stock Return: Evidence From Indonesian Blue Chip Companies. *Jurnal Dinamika Akuntansi Dan Bisnis*, 6(2), 171–182. <https://doi.org/10.24815/jdab.v6i2.13082>.
- Hermawan, T., and S. (2021). Pengaruh Likuiditas, Leverage, Dan Profitabilitas Terhadap Pengungkapan Sustainability Report. *Jurnal Ilmiah Akuntansi Kesatuan*, 9(3), 597–604. <https://doi.org/10.37641/jiakes.v9i3.1209>.
- Jawas, M. P., and Sulfitri, V. (2022). Pengaruh Sustainability Reporting, Good Coorporate Governance Dan Profitabilitas Terhadap Nilai Perusahaan. *Ekonomi Digital*, 1(1), 57–76. <https://doi.org/10.55837/ed.v1i1.31>.
- Karaman, A. S., Kilic, M., and Uyar, A. (2018). Sustainability Reporting In The Aviation Industry: Worldwide Evidence. *Sustainability Accounting, Management and Policy Journal*, 9(4), 362–391. <https://doi.org/DOI:10.1108/SAMPJ-12-2017-0150>.
- Karlina, W., Mulyati, S., and Putri, T. E. (2019). No Titlethe Effect Of Company Size, Industrial Type, Profitability, And Leverage To Sustainability Report Disclosure (Case Study On Companies Registered In Sustainability Reporting Award (SRA) Period 2014-2016). *Journal of Accounting for Sustainability Society (JASS)*, 1(1), 32–52. <https://doi.org/10.35310/jass.v1i01.68>
- Kasmir. (2017). *Analisis Laporan Keuangan* (Ed.1-10). Rajawali Pers.
- Krisyadi, R., and E. (2020). Analisis Pengaruh Karakteristik Perusahaan Dan Tata Kelola Perusahaan Terhadap Pengungkapan Sustainability Report. *Global Financial Accounting Journal*, 4(1). <http://dx.doi.org/10.37253/gfa.v4i1.753>.
- Kumar, K., Kumari, R., Poonia, A., and Kumar, R. (2021). Factors Influencing Corporate



Sustainability Disclosure Practices: Empirical Evidence From Indian National Stock Exchange. *Journal of Financial Reporting and Accounting*, 21(2), 300–321. <https://doi.org/DOI: 10.1108/JFRA-01-2021-0023>.

Noviantini, R. (2019). Pengaruh Sustainability Report Dan Foreign Investment Terhadap Financial Performance (Studi Pada Perusahaan LQ 45 Yang Terdaftar Di Bursa Efek Indonesia Periode 2013-2015). *Jurnal Sketsa Bisnis*, 6(1), 43–58. <https://doi.org/10.35891/jsb.v6i1.1581>.

Nuraeni, N., and D. (2020). Pengaruh Kinerja Perusahaan, Komisaris Independen dan Kepemilikan Manajerial Terhadap Pengungkapan Sustainability Reporting. *Diponegoro Journal Of Accounting*, 9(2), 1–13. <https://ejournal3.undip.ac.id/index.php/accounting/article/view/27552>.

Oktaviani, D. R., and Amanah, L. (2019). Pengaruh Kinerja Keuangan, Ukuran Perusahaan, Struktur Modal, Dan Corporate Governance Terhadap Publikasi Sustainability Report. *Jurnal Ilmu Dan Riset Akuntansi*, 8(9), 1–20. <http://jurnalmahasiswa.stiesia.ac.id/index.php/jira/article/view/2543>.

Putri, A. D., and S. (2022). Pengaruh Leverage Dan Good Corporate Governance Terhadap Pengungkapan Sustainability Report (Studi Empiris Pada BUMN Periode 2016-2020). *Jurnal Magisma*, 10(1), 22–33. <https://doi.org/10.35829/magisma.v11i1.274>.

Sari, N. A., Artinah, B., and S. (2017). Sustainability Report Dan Nilai Perusahaan Di Bursa Efek Indonesia. *Jurnal Spread*, 7(1), 21–29. <http://journal.stiei-kayutangi-bjm.ac.id/index.php/jibk/article/view/326>.

Septiani, H., Mukhzarudfa, and Y. (2018). Pengaruh Karakteristik Perusahaan Dan Kepemilikan Manajerial Terhadap Kualitas Pengungkapan Sustainability Report Pada Perusahaan Yang Terdaftar Di BEI Periode 2014-2017. *Jurnal Akuntansi & Keuangan UNJA*, 3(6), 57–67. <https://doi.org/10.22437/jaku.v3i6.7415>.

Sinaga, I., and Teddyani, S. (2020). Faktor-Faktor Pengungkapan Sustainability Report. *ECo-Fin*, 2(2), 38–49. <https://doi.org/10.32877/ef.v2i2.313>.

Sulistyawati, A. I., and Qadriatin, A. (2018). Pengungkapan Sustainability Report Dan Faktor-Faktor Yang Memengaruhinya. *Majalah Ilmiah Solusi*, 16(4), 1–22. <http://dx.doi.org/10.26623/slsi.v16i4.1665>.

Susanti, L., and Alvita, A. (2019). Pengaruh Karakteristik Perusahaan Terhadap Pengungkapan Sustainability Report. *JSMA (Jurnal Sains Manajemen & Akuntansi)*, 11(2), 54–74. <https://doi.org/10.37151/jsma.v11i2.38>.

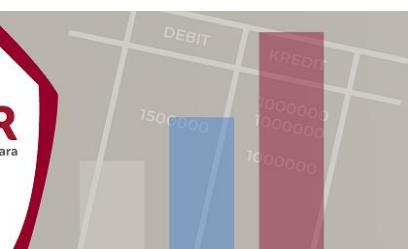
Thomas, G. N., Aryusmar, and Indriaty, L. (2020). The Effect Of Company Size, Profitability and Leverage On Sustainability Report Disclosure. *Journal of Talent Development & Excellence*, 12(1), 4700–4706. [https://www.researchgate.net/publication/346525404\\_The\\_Effect\\_Of\\_Company\\_Size\\_Profitability\\_and\\_Leverage\\_On\\_Sustainability\\_Report\\_Disclosure](https://www.researchgate.net/publication/346525404_The_Effect_Of_Company_Size_Profitability_and_Leverage_On_Sustainability_Report_Disclosure).

Tobing, R. A., Zuhrotun, and R. (2019). Pengaruh Kinerja Keuangan, Ukuran Perusahaan, Dan Good Corporate Governance Terhadap Pengungkapan Sustainability Report Pada Perusahaan Manufaktur Yang Terdaftar Dalam Bursa Efek Indonesia. *Reviu Akuntansi Dan Bisnis Indonesia*, 3(1), 102–123. <https://doi.org/10.18196/rab.030139>.

Usman, B. (2020). CSR Performance, Firm's Attributes, And Sustainability Reporting. *International Journal of Business and Society*, 21(2), 521–539. <https://doi.org/DOI:10.33736/ijbs.3269.2020>.

Wagiswari, N. S., and Badera, I. N. (2021). Profitabilitas, Aktivitas Perusahaan, Tipe





Industri Dan Pengungkapan Sustainability Report. *E-Jurnal Akuntansi*, 2312–2325.  
<https://doi.org/10.24843/EJA.2021.v31.i09.p13>.



## Determinants of Corporate Social Responsibility (CSR) Company Disclosure in the Non-Cyclical Consumer Sector 2019-2021

Jesslyn Amanda<sup>1</sup>✉, Rousilita Suhendah<sup>2</sup>

<sup>1,2</sup>Department of Business Accounting, Universitas Tarumanagara  
Correspondence Email: jesslyn.125204024@stu.untar.ac.id✉

### Article history

Received : 2023-06-13

Accepted : 2023-08-22

Published : 2023-10-26

### Keywords:

Board Composition, Ownership Structure, Board Size, Independent (non-executive) Directors, Managerial Ownership, Institutional Ownership, Corporate Social Responsibility (CSR) disclosure



Available online at

[http://jurnal.unsyiah.ac.id/  
riwayat/](http://jurnal.unsyiah.ac.id/riwayat/)

### INTRODUCTION

*Corporate Social Responsibility* has done by many company as form not quite enough answer in a way social to society and its environment. This thing because company the has give impact as consequence

from activity operational the business he runs. Therefore \_ That company the must responsible answer in a way social , that is good to society the as well as in the environment . Society and environment has provide company various source power , like

source Power people and resources Power natural others , so company still Can persist and continue walk from time to time . Therefore \_ That is , CSR activities are carried out by the company For overcome various social and environmental problems . ---

Disclosure from *corporate social responsibility* (CSR) Then done For give description to the community , especially to investors and consumers company , will what the company does \_ as form not quite enough answer in respond issue social and environmental events that occur . No only For show concern company , CSR itself is also for give balance in aspects economy and development social , as well support its realization *sustainability* . CSR expressed by the company show response company in respond change and build connection trust .

Although Already Lots companies that have know the importance of CSR and pay great attention to it various related matters \_ with CSR. However , still there are also several less company \_ notice or negligent in do CSR activities . One \_ negligent company and then \_ caught case recently \_ This is a Danone company in the sector *consumer non-cyclicals* who have known by everyone as \_ drinking water producer in packaging (AMDK) with the product brand Aqua, which has known and sold globally . *Non-cyclical consumer* sector Alone is sector goods existing consumption \_ nature mandatory and not can is lost so just although economy No currently in good condition .

Based on news delivered by the Neraca Economic Daily on Friday , January 13 2023, Danone has sued to court by three group environment that is *Surfrider*, *ClientEarth* , and *Zero Waste France* . Third group environment the evaluate that Danone during many years No Serious in reduce amount rubbish resulting plastic . \_ Danone's lack of seriousness is visible from No exists effort company in overcome problem pollution rubbish plastic , as is seen that from report Danone's own finances that report about amount plastic used by Danone from year to year instead experience decrease , will but precisely Keep going experience increase . According to brand audit results latest from *the Break Free from Plastic* Institute 2018-2022, Danone as global companies that have succeed reaching

120 countries is also designated as one \_ from 10 companies top that has been result pollution rubbish plastic largest in the world, as well become trash plastic largest in Indonesia for so long three year in a row .

Danone was sued and asked to do so immediately repair report obligations and more responsible answer Again to its height use resulting plastic . \_ Danone then sued For quick make plan new , which contains phases to be Danone did it in frame For reduce rubbish plastic , with period 6 months time counted from after Danone was executed in court . If it fails Danone will do it too will return demanded by three group environment the For do change make a loss amounting to 100,000 euros per day delay .

Danone then also did this defense with claim that company has do do subtraction rubbish plastic by 12 percent during 2018 to 2021. The company also stated has planned For use plastic cycle repeat and use repeat For its products in 2025 as form commitment to subtraction rubbish plastic . However , the *Ellen MacArthur Foundation* did it Work The same with United Nations (UN) in building a participation program ( *voluntary program* ), which is within the program containing companies large number of people joined For overcome problem rubbish plastic , then refute Danone's defense . Through news daily *New York Times* , *Ellen MacArthur Institute* state that that has Danone did not in accordance in matter For realize company plans and targets That yourself .

From the Danone case , it can be seen that *board of directors* company in charge For supervise the way business as well as ensure that company managed with either by agents / managers , less or negligent in notice regarding The company's *Corporate Social Responsibility* (CSR) , up to Danone , was sued by three group environment the For make disclosure related *Corporate Social Responsibility* (CSR) of the company in frame reduce rubbish plastic . Study about impact from *board composition* and *ownership structure* to disclosure on *Corporate Social Responsibility* (CSR) was later Qa'dan and Suwaidan ( 2019) said that matter the seldom found , where most studies related second matter the carried out in developing countries and their impact can It is also

different in each developing country that . Based on background behind problem and identification problems that have served before , then formulation possible problems \_ concluded that is Does board size have influence on corporate social responsibility (CSR) disclosure of companies in the non-cyclical consumer sector ? Study This aim For know influence board size has influence on corporate social responsibility (CSR) disclosure of companies in the non-cyclical consumer sector . Study This expected can give description or become material internal investor considerations take decision investment in companies in the non-cyclical consumer sector , so that the results are obtained from activity investment made by investors in the company , then also can in accordance with what \_ expected by investors, especially in related matters \_with the company's Corporate Social Responsibility (CSR).

## METHOD

Population used \_ in study This that is all over company sector *Consumer Non-Cyclicals* listed on the Indonesia Stock Exchange (BEI) with period 2019 ,2020, and

2021. Sample study determined in a way *purposive sampling* with Criteria : The criteria used \_ in taking sample , ie as following : 1) Sector companies *Consumer Non-Cyclicals* listed on the Indonesia Stock Exchange ( BEI) in 2019-2021 ; 2) Sector companies *Consumer Non-Cyclicals* published report ending year \_ December 31st \_ during 2019-2021 ; 3) Sector companies *Consumer Non-Cyclicals* which has data about *Corporate Social Responsibility* company during 2019-2021 ; 4) Sector companies *Consumer Non-Cyclicals* which has data about *Board Size, Independent (non-executive) Directors, Managerial Ownership, and Institutional Ownership* during consecutive from 2019-2021 . Based on these criteria, the number of selected samples was determined to be 18 companies from the company population sector *Consumer Non-Cyclicals* as many as 75 companies over a 3 year period (2019 to 2021) , resulting in 54 research data observations .

## RESULTS AND DISCUSSION

Table 1 . Statistical Test Results Descriptive

	<i>Observations</i>	<i>Mean</i>	<i>Median</i>	<i>Max</i>	<i>Min</i>	<i>Std Dev</i>
CSRD	4 5	0.579798	0.575758	0.878788	0.303030	0.131550
BSIZE	4 5	9.177778	9,000000	16,00000	5,000000	2.682340
NED	4 5	0.257337	0.200000	0.750000	0.111111	0.143339
MOWN	4 5	0.100039	0.022300	0.484600	0.003000	0.149396
IOWN	4 5	0.630633	0.788270	0.984340	0.00002	0.341166

Source : Results of data processing with Eviews 12

The corporate social responsibility disclosure (CSRD) variable is based on amount observation is as many as 45 data and has an average of 0.579798, as well mark middle of 0.575758, value maximum is 0.878788, and the minimum value is 0.303030. Standard deviation for CSRD is amounting to 0.131550. Variable board Size

(BSIZE) based on amount observation is as many as 45 data and has an average of 9.177778, as well mark middle amounting to 9,000000, value maximum amounting to 16,00000, and a minimum value of 5,000000. Standard deviation for BSIZE is amounting to 2.682340.

The independent (non-executive) directors (NED) variable is based on amount observation is as many as 45 data and has an average of 0.257337, as well mark middle of 0.200000, value maximum of 0.750000, and the minimum value is 0.111111. Standard deviation for NED is of 0.143339. Managerial Ownership (MOWN) variables based on amount observation is as many as 45 data and has an average of 0.100039, as well mark middle of 0.022300, value maximum of 0.484600, and the minimum value is 0.003000. Standard deviation for MOWN is amounting to 0.149396.

Institutional Ownership (IOWN) variable is based on amount observation is

as many as 45 data and has an average of 0.630633, as well mark middle amounting to 0.788270. Maximum value is 0.984340 and the minimum value is 0.00002. Standard deviation for IOWN is amounting to 0.341166. Before Hypothesis testing is carried out, especially formerly done testing assumption classic . Test results show that the regression model in the research This has fulfil all assumption tests consisting of classics from tests of normality , multicollinearity , autocorrelation , and heteroscedasticity . Panel Data Model Selection Test . Table 2 is Chow test results for model selection for panel data estimation .

Table 2 . Chow test results

Effect Test	Prob.
Cross-section F	0.0289

Source : Eviews 12 Data Processing Results

Based on Chow test results , value the resulting probability is equal to  $0.0289 < 0.05$  ( significance level ). This thing makes  $H_0$  accepted and  $H_1$  rejected , so that the model is more Good used in give estimation

is the Fixed Effect Model (FEM). Panel Data Model Selection Test . Table 3 is Hausman test results for model selection for panel data estimation .

Table 3 . Hausman Test Results

Test Summary	Prob.
Random cross-section	0.0674

Source : Eviews 12 Data Processing Results

Based on Hausman test results , value the resulting probability is equal to  $0.0674 > 0.05$  ( significance level ). This thing makes  $H_0$  accepted and  $H_1$  rejected , so that the model is more appropriate used in give

estimation is the Random Effect Model (REM). Panel Data Model Selection Test . Table 4 is Lagrange test results for model selection for panel data estimation .

Table 4 . Lagrange Test Results

	Cross-section	Test Hypothesis Time	Both
Breusch-Pagan	0.562273 (0.4533)	41.42540 (0.0000)	41.98767 (0.0000)
Honda	0.749849 (0.2267)	6.436256 (0.0000)	5.081344 (0.0000)
King-Wu	0.749849 (0.2267)	6.436256 (0.0000)	6.285678 (0.0000)
Standardized Honda	1.653137	7.506976	3.038979

Standardized King-Wu	(0.0492) 1.653137	(0.0000) 7.506976	(0.0012) 5.210243
Gourieroux , et al.	(0.0492) -	(0.0000) -	(0.0000) 41.98767 (0.0000)

Source : Eviews 12 Data Processing Results

Based on Breusch-Pagan Both value , value the resulting probability is equal to  $0.000 < 0.05$  ( significance level ). This thing makes  $H_0$  rejected and  $H_1$  accepted , so that the model is more appropriate used in give

estimation is the Random Effect Model (REM). Analysis Panel Data Regression . Table 5 is results analysis panel data regression with using the Random Effect Model (REM).

Table 5 . Analysis Results Panel Data Regression with Random Effect Model (REM).

Variables	Coefficient
C	0.557709
X1	0.017936
X2	-0.327970
X3	0.070755
X4	-0.103387

Source : Eviews 12 Data Processing Results

Based on Table 5 , then form equality regression is as following :

$$\text{CSR} = 0.557709 + 0.017936\text{BSIZE} - 0.327970\text{NED} + 0.070755\text{MOWN} - 0.103387\text{IOWN} + \text{eit}$$

Constant value from the regression model on is equal to 0.557709 , so can concluded that If all variable independent own mark zero , then Corporate Social Responsibility (CSR) Disclosure will be own mark amounting to 0.557709.

Regression model coefficient values multiple from variable The first independent , namely Board Size (BSIZE), is amounting to 0.017936. This thing means every increase One BSIZE units will be raise CSR value is 0.017936 with assumption variable other independent worth constant . So that can is known that the more tall board size , then the more the company's CSR disclosure is also high , because own connection positive . In other words, CSR disclosure will experience enhancement when currently happen enhancement board size .

Regression model coefficient values multiple from variable the second dependent , namely Independent (non-executive) Directors (NED), is of -0.327970.

This thing means every increase One NED units will lower CSR value is 0.327970, with assumption variable other independent worth constant . So that can is known that the more tall amount director independent , then the more The company's CSR disclosure is also low , because own connection negative . In other words, CSR disclosure will experience decline when currently happen enhancement amount director independent .

Regression model coefficient values multiple from variable The third dependent , namely managerial ownership (MOWN), is equal to 0.070755. This thing means every increase One MOWN units will raise CSR value is 0.070755, with assumption variable other independent worth constant . So that can is known that the more tall portion ownership share company by the board, then the more the company's CSR disclosure is also high , because own connection positive . In other words, CSR disclosure will experience increase when currently happen enhancement portion ownership holder share company by the board.

Regression model coefficient values multiple from variable The fourth dependent , namely Institutional Ownership (IOWN), is of -0.103387. This thing means every

increase One IOWN units will lower CSR value is 0.103387, with assumption variable other independent worth constant . So that can is known that the more tall portion ownership shares by institutions , then the more The company's CSR disclosure is also

low , because own connection negative . In other words, CSR disclosure will experience decline when currently happen enhancement portion ownership shares by institutions .

### **Coefficient Test Determination Multiple**

Table 6 is coefficient test results determination (R2).

Table 6 . Coefficient Test Results Determination (R2).

Adjusted R-Squared	0.152308
--------------------	----------

Source : Eviews 12 Data Processing Results

Based on Table 6 , the results of the panel data regression test show that the Adjusted R-squared is 0.152308. This means that 15.23% of the variation in Corporate Social Responsibility (CSR) disclosure can be obtained explained by variation from fourth

variable independently researched , whereas \_ the rest amounting to 84.77% percent explained by factors other existing variables outside study or No researched in study this .

### **F Statistical Test . Table 7 is F test results**

Table 7 . F Test Results

Prob(F-statistic)	0.030487
-------------------	----------

Source : Data Processing Results with Eviews 12

Based on F test results show that the F value is equal to 0.030487 with . Probability value not enough of 0.050, so the model can used For predicting Corporate Social

Responsibility (CSR) disclosure and providing indication that one \_ variable or all variable significant influencing Corporate Social Responsibility (CSR) disclosure

### **Statistical Test t. Table 8 is t test results**

Table 8 . t Test Results

Variable	Coefficient	Prob.
CSRD	0.557709	0.0000
BSIZE	0.017936	0.0328
NED	-0.327970	0.1816
MOWN	0.070755	0.7557
IOWN	-0.103387	0.1232

Source : Eviews 12 Data Processing Results

Table 8 show based \_ t test results for equality regression presented in the table 5 above , the Board Size (BSIZE) variable has mark probability (p-value) of 0.0328, value the more small from mark significance (0.05). This means that H1 is accepted , ie the Board Size (BSIZE) variable has influence positive and significant towards Corporate Social Responsibility (CSR) Disclosure.

Independent (non-executive) Directors (NED) variables have mark probability (p-value) is 0.1816, value the more big from mark significance (0.05). This means that H2 is rejected , ie Independent (non-executive) Directors (NED) variable no influential towards Corporate Social Responsibility (CSR) Disclosure.

The Managerial Ownership (MOWN) variable has mark probability (p-value) of 0.7557, value the more small from mark significance (0.05). This means that H3 is rejected , i.e the Managerial Ownership (MOWN) variable does not influential towards Corporate Social Responsibility (CSR) Disclosure.

Institutional Ownership (IOWN) variable has mark probability (p-value) of 0.1232, value the more big from mark significance (0.05). This means that H4 is rejected , i.e the Institutional Ownership (IOWN) variable does not influential towards Corporate Social Responsibility (CSR) Disclosure.

## DISCUSSION

### **The Influence of Board Size on Corporate Social Responsibility (CSR) Disclosure**

The result of study This show that The Board Size variable has an effect positive and significant on Corporate Social Responsibility (CSR) Disclosure of companies in the Non-Cyclical Consumer Sector. Company that owns large board size , where company the has a board (board of directors and board of commissioners ) in a large number , have there is also a big possibility for own range holder broad interests . As company that owns large board size in general is company bigger need many people inside manage his company . Where is the area ? range holder interest company the will result the more big hope holder interest will attention company will things of that nature social .

There is hopes and demands from the stakeholders importance , important For paid attention to by the company for its existence and sustainability in the future Then can fulfilled with more either by the company that owns it large board size . This thing because the more big the size of the company's board , then the more There are also many ways to do it company do in matter For fulfil need as well as guard relationship with the stakeholders interest that . Board sized big , will containing various the kind of council that comes from from background different rear , as well with knowledge , expertise , experience and networks more external \_varied too. With So , company the will can produce various kinds

of ideas, suggestions and advice from various corner look at the board For do activity social .

Explanation This supported by the results research by Isa and Muhammad (2015), Majeed, Aziz, and Saleem (2015), Coffie , Otchere , and Musah (2017), Aslam, Makki , Mahmood, and Amin (2018), Qa'dan and Suwaidan (2018), Adel , Hussain, Mohamed, and Basuony (2019), Zhaid , Wang, and Abuhijleh (2019), Zhou (2019), and Endrikat , Villiers, and Guenther (2020) stated that Board Size has positive and significant influence \_ towards Corporate Social Responsibility (CSR) Disclosure. However , it's different with results research conducted by Uwuigbe , Egbide , and Ayokunle (2011), who stated that Board Size delivers influence negative and significant towards Corporate Social Responsibility (CSR) Disclosure.

### **The Influence of Independent (non-executive) Directors on Corporate Social Responsibility (CSR) Disclosure**

The result of study This show that variable Independent (non-executive) Directors no influential on Corporate Social Responsibility (CSR) Disclosure of companies in the Non-Cyclical Consumer Sector. Independent (non-executive) directors or ordinary ones called director independent is a board of directors that does not own position executives inside \_ company . The more big percentage director independent , then disclosure related CSR activities carried out by the company will the more small . This thing because exists risk-avoidance behavior of director independent . Director independent own preferences and interests you can do it yourself give influence in the retrieval process decision . For director independence , reputation and network relation is benefit the main thing will be he obtained from position director that . Therefore \_ that , behavior from director independent will also influenced by his considerations will impact what will \_ happened to his career and reputation . Where is the director independent will avoid action possible risks \_ damage his reputation .

Risk reputation the can arise from decision For disclosure company CSR

information . This thing because director obtain CSR information \_ from the managers , where there is risk will exists manipulation or misunderstanding will director ' s information independent accept from party management . As director independent No working inside \_ company , then No own deep knowledge \_ about reject measuring or possible actions \_ taken For ensure CSR performance carried out that . Lack of knowledge and expertise This make director independent can misled or lost with CSR information provided by managers . Director independent as well in general is someone who has expertise in the field financial , as well with background background and good reputation . \_ Where with knowledge related financially owned , director \_ independent can understand with more Good information financial company compared to with other information such as about CSR issues . Lack of director independent will in -depth knowledge and training to CSR issues then also become one \_ consideration will risk for director independent . Director independent No influential to CSR disclosure . This thing because director independent tend focus on conditions company in a way financial , where independent directors do not or not enough own attention to CSR reporting .

Disclosure CSR information becomes worries director independent For its reputation and prospects his career forward . This thing make director independent more choose For No take risk with reduce or minimize reporting regarding CSR, especially what is lacking own credibility or its reliability . This result is also supported by the results research by Majeed, Aziz, and Saleem (2015) states that independent (non-executive) directors have influence negative and not significant towards Corporate Social Responsibility (CSR) disclosure. This result No in line with research conducted by Isa and Muhammad (2015), Habbash (2016), Garas and ElMassah (2018), Qa'da and Suwaidan (2018), Adel, Hussain, Mohamed, and Basuony (2019), Ullah, Muttakin , and Khan (2019), Zaid, Wang, and Abuhijleh (2019), Zhou (2019), Endrikat , Villiers , and Guenther (2020) who stated that the Independent (non-executive) Directors have positive and significant influence \_ towards

Corporate Social Responsibility (CSR) Disclosure.

### **Managerial Influence on Corporate Social Responsibility (CSR) Disclosure**

The result of study This show that the Managerial Ownership variable does not influential on Corporate Social Responsibility (CSR) Disclosure of companies in the Non-Cyclical Consumer Sector. Managerial Ownership is ownership share company owned by the party management company , namely the board of commissioners and the board of directors . The more tall portion ownership shares owned by the party management or council, then will the more The company's CSR disclosure is also high . This thing because the board also becomes holder share company , will more pay attention and feel responsible answer on growth and sustainability from company . The council will motivated For take policies that can push growth and sustainability company , where matter This including with do more CSR disclosure wide .

The council will more notice CSR activities and disclosures , as matter the in line with his wish as one \_ holder interests ( holders shares ), ie For increase mark company . So that No only because exists pressure For obtain support from the stakeholders interests , for the sake of existence and continuity life company , as appropriate with stakeholder theory . However , the council did CSR disclosure is due to matter that is also its interests as holder shares .

Ownership shares by the board will also minimize the only actions of the board For interest personal . Where the council will be more be careful in take decision and shape not quite enough answer in a way social with do and express CSR information . With responsible answer in a way perceived social \_ as practice good management, then \_ will can increase mark company in period long . This thing Then become incentive for the council that owns it share company For involved with CSR activities and disclosure information that . Besides that , disclosure company CSR information will also become tools that help boards to communicate with the stakeholders interest others , so

asymmetric information can minus , as well increase connection between management and stakeholders interests . This thing make the board also understand position as holder interests ( holders shares ) will more notice related matter this too.

Explanation This supported by the results study Listyaningsih , Dewi , and Baiti (2018), Zhou (2019), Budiharta and Kacaribu (2020), and Nugraheni , Indrasari , and Hamzah (2022), who stated that Managerial Ownership provides influence positive towards Corporate Social Responsibility (CSR) Disclosure. This result is also supported by Herawati (2015), who stated that Managerial Ownership does not own influence significant towards Corporate Social Responsibility (CSR) Disclosure. However , it's different with results research conducted by Hapsoro and Fadhilla (2017), Garas and ElMassah (2018), Qa'dan and suwaidan ( 2018), and Dakhli (2021), who states that Managerial Ownership provides influence significant , however negative towards Corporate Social Responsibility (CSR) Disclosure.

### **The Influence of Institutional Ownership on Corporate Social Responsibility (CSR) Disclosure**

Based on results from study This show that the Institutional Ownership variable does not influential on Corporate Social Responsibility (CSR) Disclosure of companies in the Non-Cyclical Consumer Sector. Institutional ownership itself is ownership shares owned by institutions , both within \_\_\_\_ nor abroad . The more tall percentage ownership share something company owned by the company or other institutions , then the more low level too CSR disclosure carried out by the company . This thing because exists type of institutional investor namely short-term institutional investors. Different with long-term institutional investors who want the company can obtain benefit in period long with do and express CSR activities , short-term institutional investors are more notice profit period short that can be he obtained .

Short-term institutional investors will more focus on profit possible benefits \_ produced by the company , and vice versa No or not enough notice performance social

activities carried out by the company . As there are also traits skeptical will possibility obtained return benefit from did it CSR activities . Short-term institutional investors will more looking performance financial company as the important thing , compared with perceived CSR activities as something thing that will emit cost big just.Attitude skepticism to this CSR activity more high in developing countries like Indonesia, where companies in developing countries tend Not yet or not enough own attention about CSR reporting arrives like companies located in developed countries . Companies in developing countries Not yet own big encouragement \_ For Act in accordance with norms that apply in society , which can maximizing mark holder share through CSR activities .

Focus from short-term institutional investors are profit from company , which is then affect the return that will be obtained return from hasi investment by institutional investors . The more big ownership shares by institutional investors , then the more big demands company from these investors For produce big profits . \_ This thing Then make company need do efficiency costs , which is one of them is with No or not enough emit cost For do and express CSR activities . The influence of institutional ownership on Corporate Social Responsibility (CSR) disclosure is not significant as short-term institutional ownership is just one from the types of institutional investors that exist , so The influence exerted is of a nature limited .

Influence ownership institution to company CSR disclosures that do not significant also occurs because By general , society business Not yet see did it CSR activities as something benefit to company . This thing make lack of encouragement For enter CSR activities and disclosures as a strategy or run by the company . CSR activities \_ Still considered as something action cheap heart just what the company does to society , which is carried out by companies that have established and established produce Lots profit . There is also no CSR information yet responded with well , where investors in Indonesia tend to be Not yet interested with possible activities \_ give mark add (value-added) to company like CSR activities . This thing make

disclosure CSR information in Indonesian companies tends to be only For fulfil regulations just . Investors are watching prospect company forward with only based on information profit just , where matter This Then make company No try For increase CSR reporting.

This result supported by Herawati (2015) and Ginting (2016), who stated that Institutional Ownership does not own

**CONCLUSION**

Research results show that *board size* matters positive towards *Corporate Social Responsibility (CSR) disclosure*. However, *independent (non-executive) director s, managerial ownership, and institutionalism* have no influence on *Corporate Social Responsibility (CSR) disclosure* . Study This naturally own a number of limitations , start from The independent variables used are *Board Size , Independent (non-executive) Directors, Managerial Ownership, and Institutional Ownership* whose data based on reports annual and corporate CSR reports . As well as, variables dependent form *Corporate Social Responsibility ( CSR) Disclosure* assessed based on criteria evaluation from Alnaimi , Hossain, and Omin (2011). Study this is also just research One sector economy in a way specific , ie sector *Consumer Non-Cyclicals*. Where of course every sector economy can show different results . \_ Study this is also just retrieve data from 2019 until \_ with 2021 from \_ report annual and corporate CSR reports , where study This No research year furthermore because limitations in obtain data. Suggestions for researcher furthermore is For do study with add variable decider other like related with the board, directors independent , ownership share company , as well matter others related \_ with company . Where is the variable decider the can like age director , gender director , age company , size company , profitability company , *financial leverage* company , ownership by parties foreign , up to size office accountant public company . Study you can do it next too add observation be 5 years for the company's trend in report *Corporate Social Responsibility (CSR) disclosure* can depicted with more clear , precise , and accurate . With that's the trend can become material description or consideration for investors,

influence significant towards Corporate Social Responsibility (CSR) Disclosure. This result No in line with research by Hapsoro and Fadhilla (2017), Qa'dan and Suwaidan (2018), Ullah, Mutakkin , and Khan (2019), Zhou (2019), Dakhli (2021), which states that the Independent (non-executive) Directors have positive influence \_ as well as significant towards Corporate Social Responsibility (CSR) Disclosure.

management , government , as well public with their respective goals . Study you can do it next too do observation to sector different economies \_ For see is influence exerted \_ from variables studied \_ The same or on the contrary there is significant difference.

## REFERENCES

- Adel, C. Hussain, M. M., Mohamed, E. K. A., & Basuony, M. A. K. (2019). Is Corporate Relevant to The Quality of Corporate Social Responsibility Disclosure in Large European Companies. *International Journal of Accounting & Information Management*. <https://doi.org/10.1108/IJAIM-10-2017-0118>
- AlNaimi, H. A., Hossain, M., & Momin, M. A., (2012). Corporate Social Responsibility Reporting in Qatar: A Descriptive Analysis. *Social Responsibility Journal*, 8(4), 511-526. <https://doi.org/10.1108/17471111211272093>
- Angela, V. F. (2023). Strategi Pengembangan Ekowisata dalam Mendukung Konservasi Alam Danau Tahai. *JIM: Jurnal Ilmiah Mahasiswa Pendidikan Sejarah*, 8(3), 984–993.
- Arilyn, E. J. Pengaruh Managerial Ownership, Institutional Ownership dan Rasio Keuangan terhadap Struktur Modal pada Sektor Perdagangan Jasa dan Investasi. *Jurnal Bisnis dan Akuntansi*, 18(1), 43-52. <https://doi.org/10.34208/jba.v18i1.36>
- Asemah, E. S., Okpanachi, R. A., & Edegoh L. O. N. (2013). Business Advantage of Corporate Social Responsibility Practice: A Critical Review. *New Media and Mass Communication Journal*, 18, 45-54.

- <https://www.iiste.org/Journals/index.php/NMMC/article/view/8414>
- Aslam, S., Makki, M. A. M., Mahmood, S. & Amin, S. (2018). Gender Diversity and Managerial Ownership Response to Corporate Social Responsibility Initiatives: Empirica; Evidence from Australia. *Journal of Managerial Sciences*, 1(2), 132-151. <https://www.semanticscholar.org/paper/Gender-Diversity-and-Managerial-Ownership-Response-Aslam-Makki/d6db97b6809e4b79bf022d255878a1451d086f38>
- Azis, A., Nurasiah, N., Zulfan, Z., Kusnaifalz, T., Fahmi, R., & Abdar, Y. (2023). Analysis of Aceh's Economic Recovery After the Tsunami Disaster and Prolonged Conflict Year, 2005. *Riwayat: Educational Journal of History and Humanities*, 6(1), 249-261. <https://doi.org/10.24815/jr.v6i1.31455>
- Bansal, S., Perez, M. V. L., & Ariza, L. R. (2018). Board Independence and Corporate Social Responsibility Disclosure: The Mediatng Role of the Presence of Family Ownership. *Administrative Sciences Journal*, 8(33), 1-21. <https://doi.org/10.3390/admsci8030033>
- Basuki, A. T. & Prawoto, N. (2016). *Analisis Regresi Dalam Penelitian Ekonomi & Bisnis (Dilengkapi Aplikasi SPSS & EVIEWS)*. Jakarta: PT Rajagrafindo Persada. <https://opac.perpusnas.go.id/DetailOpac.aspx?id=969379>
- Budiharta, P., & Kacaribu, H. E. P. B. (2020). The Influence of Board of Directors, Managerial Ownership, and Audit Committee on Carbon Emission Disclosure: A Study of Non-Financial Companies Listed on BEI. *Review of Integrative Business and Economics Research*, 9(3), 75-87. [http://buscompress.com/uploads/3/4/9/8/34980536/riben\\_9-s3\\_06\\_h19-121\\_7587.pdf](http://buscompress.com/uploads/3/4/9/8/34980536/riben_9-s3_06_h19-121_7587.pdf)
- Coffie, W., Otchere, F. A., & Musah, A. (2017). Corporate Social Responsibility Disclosure (CSRD), Corporate Governance and The Degree of Multinational Activities: Evidence from a Developing Economy. *Journal of Accounting in Emerging Economies*. <https://doi.org/10.1108/JAEE-01-2017-0004>
- Dakhli, A. (2021). The Impact of Ownership Structure on Corporate Social Responsibility : The Moderating Role of Financial Performance. *Society and Business Review*, 16(4), 563-591. <https://doi.org/10.1108/SBR-01-2021-0013>
- Endrikat, J., Villiers, C., Guenther, T. W., & Guenther, E. M. (2020). Board Characteristics and Corporate Social Responsibility: A Meta-Analytic Investigation. *Business & Society Journal*, 1-37. <https://doi.org/10.1177/0007650320930638>
- Firmansyah, D. & Dede. (2022). Teknik Pengambilan Sampel Umum dalam Metodologi Penelitian: Literature Review. *Jurnal Ilmiah Pendidikan Holistik (JIPH)*, 1(2), 8-114. <https://doi.org/10.55927>
- Garas, S., & ElMassah, S. (2018). Corporate Governance and Corporate Social Responsibility Disclosures: The Case of GCC Countries. *Critical Perspectives on International Business Journal*. <https://doi.org/10.1108/cpoib-10-2016-0042>
- Ghozali, I. (2021). Aplikasi Analisis Multivariate dengan Program IBM SPSS 26. Semarang: Badan Penerbit Universitas Diponegoro. [https://libstie.latansamashiro.ac.id/index.php?p=show\\_detail&id=3057&keywords](https://libstie.latansamashiro.ac.id/index.php?p=show_detail&id=3057&keywords)
- Ginting. (2016). Mekanisme Tata Kelola dan Pengungkapan Tanggung Jawab Sosial Perusahaan. *Jurnal Ekonomi dan Manajemen*, 13(1), 73-81. <http://journal.febunmul.net>
- Habbash, M. (2016). Corporate Governance and Corporate Social Responsibility Disclosure : Evidence from Saudi Arabia. *Social Responsibility Journal*, 12(4), 1-17. <https://doi.org/10.1108/SRJ-07-2015-0088>
- Hapsoro, D., & Fadhillah, A. F. (2017). Relationship Analysis of Corporate Governance, Corporate Social Responsibility Disclosure and Economic

- Consequences : Empirical Study of Indonesia Capital Market. *The South East Asian Journal of Management*, 11(2), 164-182. <https://doi.org/10.21002/seam.v11i2.8526>
- Hartoyo, R., & Sulistyowati, S. (2023). The Role Of The Legal Aid Post Is In Providing Legal Assistance To Disadvantaged People In Order To Obtain Justice In The Courts Of The Holy Land. *JIM: Jurnal Ilmiah Mahasiswa Pendidikan Sejarah*, 8(3), 1599–1611. <https://doi.org/10.24815/jimps.v8i3.25236>
- Herawati. (2015). Corporate Governance, Karakteristik Perusahaan dan Pengungkapan Corporate Social Responsibility. *Jurnal Riset Akuntansi dan Perpajakan JRAP*, 2(2), 203-217. <https://doi.org/10.35838/jrap.2015.02.02.18>
- Hu, Y. Y., Zhu, Y., Tucker, J., & Hu, Y. (2018). Ownerhip Influence and CSR Disclosure in China. *Accounting Research Journal*, 31(1), 8-21. <https://doi.org/10.1108/ARJ-01-2017-0011>
- Isa, M. A., & Muhammad, S. (2015). The Impact of Board Characeristics on Corporate Social Responsibility Disclosure: Evidence from Nigerian Food Product Firms. *International Journal of Management Science and Business Administration*, 1(12), 34-45. <https://www.researchgate.net/publication/313021656>
- Ismail, I., Putri, R. S., Zulfadhl, Z., Mustofa, A., Musfiana, M., & Hadiyani, R. (2022). Student Motivation to Follow the Student Creativity Program. *Riwayat: Educational Journal of History and Humanities*, 5(2), 351–360. <https://doi.org/10.24815/jr.v5i2.27641>
- Kilic, M., Kuzey, C., & Uyar, A. (2015) The Impact of Ownership and Board Structure on Corporate Socil Responsibility (CSR) Reporting ini The Turkish Banking Industry. *International Journal of Business*, 15, 1-22. <https://doi.org/10.1108/CG-02-2014-0022>
- Lindawati, A. S. L., & Puspita, M. E. (2015). Corporate Social Responsibility: Implikasi stakeholder dan Legitimacy GAP dalam Peningkatan Kinerja Perusahaan. *Jurnal Akuntansi Multiparadigma*, 6(1), 1-174. <http://dx.doi.org/10.18202/jamal.2015.04.6013>
- Listyaningsih, E., Dewi, R., & Baiti, Nur. (2018). The Effect of Good Corporate Governance on Corporate Social Responsibility Disclosure on Jakarta Islamic Index. *Indonesian Journal of Business and Entrepreneurship*, 4(3), 273-281. <https://doi.org/10.17358/ijbe.4.3.273>
- Majeed, S., Aziz, T., & Saleem, S. (2015). The Effect of Corporate Governance Elements on Corporate Social Responsiblity (CSR) Disclosure: An Empirical Evidence from Listed Companies at KSE Pakistan. *International Journal of Financial Studies*, 3, 530-556. <https://doi.org/10.3390/ijfs3040530>
- Marnelly, T. R. (2012). Corporate Social Responsibility (CSR) : Tinjauan Teori dan Praktek di Indonesia. *Jurnal Aplikasi Bisnis*, 2(2), 49-59. <http://dx.doi.org/10.31258/jab.3.1.%25p>
- Martinez, M. C. P., & Alvarez, I. G. (2018). An International Approach of The Relationship between Board Attributes and The Disclosure of Corporate social Responsibility Issues. *Corporate Social Responsibility and Environmental Management*, 26(3), 612-627. <https://doi.org/10.1002/csr.1707>
- Monikasari, M., & Fitriyanti, F. (2023). The Existence of The Malay House 'Limas Potong'In the Midst of Modernization Currents in the City of Batam 1970-2022. *Riwayat: Educational Journal of History and Humanities*, 6(2). <https://doi.org/10.24815/jr.v6i2.31445>
- Nugraheni, P., Indrasari, A., & Hamzah, N. (2022). The Impact of Ownership Structure on CSR Disclosure: Evidence from Indonesia. *Journal of Accounting and Investment*, 23(2), 230-243. <https://doi.org/10.18196/jai.v23i2.14633>

- Nurlailah, N., & Ardiansyah, H. (2022). The Influence of the School Environment on Character Form Students in PKN Lessons. *Riwayat: Educational Journal of History and Humanities*, 5(2), 281-289. <https://doi.org/10.24815/jr.v5i2.2734> 7
- Panda, B., & Leepsa, N. M. (2017). Agency Theory : Review of Theory and Evidence on Problems and Perspectives. *Indian Journal of Corporate Governance*, 10(1), 74-95. <https://doi.org/10.18196/jai.v23i2.14633>
- Putri, E. L., & Darmayanti, Y. (2021). Pengaruh usia, Pendidikan, Etnis, Tenure, dan Board Ownership, terhadap Manajemen Laba Pada Perusahaan Manufaktur di Bursa Efek Indonesia 2014-2018. *Jurnal Kajian Akuntansi dan Auditing*. 16 (2), 107-121. <https://doi.org/10.37301/jkaa.v16i2.47>
- Putri, N. K. N. Y., Endiana, I. D. M., & Pramesti, I. G. A. A. (2021). Pengaruh Struktur Kepemilikan, Ukuran Perusahaan, Corporate Social Responsibility, dan Investment Opportunity Set terhadap Kinerja Perusahaan. *Jurnal Inovasi Akuntansi (JIA)*, 16(1), 2-13. <https://doi.org/10.36733/jia.v1i1.6886>
- Qa'dan, M. B., & Suwaidan, M. S. (2019). Board Composition, Ownership Structure and Corporate Social Responsibility Disclosure: The Case of Jordan. *Social Responsibility Journal*, 1(1), 28-46. <https://doi.org/10.1108/SRJ-11-2017-0225>
- Rashid, A. (2020). Institutional Shareholding and Corporate Social Responsibility Reporting: Evidence from Bangladesh. *Journal of Asia Business Studies*. <https://doi.org/10.1108/JABS-09-2019-0285>
- Restu, M., Yuliandari, W. S., & Nurabiti, A. (2017). Pengaruh Ukuran Dewan Komisaris, Proporsi Dewan Komisaris Independen dan Ukuran Komite Audit terhadap Pengungkapan Corporate Social Responsibility. *E-Proceeding of Management Journal*, 4(3). <https://openlibrarypublications.telko>
- muniversity.ac.id/index.php/management/article/view/5235
- Sari, W. N., & Rani, P. (2015). Pengaruh Kepemilikan Institutional, Kepemilikan Manajerial, Return On Assets (ROA) dan Ukuran Perusahaan Terhadap Pengungkapan Corporate Social Responsibility (CSR) pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode 2011-2013. *Jurnal Akuntansi dan Keuangan*, 4(1), 1-20. <https://journal.budiluhur.ac.id/index.php/akeu/article/view/392>
- Sarjono, H., & Julianita, W. (2013). *SPSS VS LISREL: Sebuah Pengantar, Aplikasi untuk Riset*. Jakarta: Penerbit Salemba Empat. <https://penerbitsalemba.com/buku/02-0205-spss-vs-lisrel-sebuah-pengantar-aplikasi-untuk-riset>
- Sudaryanti, D., & Riana, Y. (2017). Pengaruh Pengungkapan CSR terhadap Kinerja Keuangan Perusahaan. *Jurnal PETA*, 2(1), 19-31. <https://doi.org/10.51289/peta.v2i1.273>
- Syukron, M., & Fahri, H. M. (2018). Pendekatan Regresi Data Panel untuk Pemodelan Jumlah Angkatan Kerja dan Penanaman Modal Luar Negeri terhadap PDRB Provinsi di Indonesia. *Indonesian Journal of Applied Statistics*, 1(2), 100-116. <https://doi.org/10.13057/ijas.v1i2.26172>
- 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*. <https://doi.org/10.1108/IJAIM-10-2017-0120>
- Uwuigbe, U. N., Egbide, B. C., & Ayokunle, A. M. (2011). The Effect of Board Size and Board Composition pn Firms Corporate Environmental Disclosure: A Study of Selected Firms in Nigeria. *ACTA UNIVERSITATIS DANUBIUS*, 7(5), 164-176. <https://www.researchgate.net/publication/254406847>

- Villegas, J. G., Calero, L. P., Gonzalez, J. M. H., & Puig, P. G. (2018). Board Attributes and Corporate Social Responsibility Disclosure : A Meta-Analysis. *Sustainability Journal*, 10, 1-22. <https://doi.org/10.3390/su10124808>
- Yanti, N. L. E. K., Endiana, I. D. M., & Pramesti, I. G. A. A. (2021). Pengaruh Ukuran Perusahaan, Ukuran, Dewan Komisaris, Kepemilikan Institutional, Leverage, dan Profitabilitas terhadap Pengungkapan Corporate Social Responsibility. *Jurnal Kharisma*, 3(1), 42-51. <https://ejournal.unmas.ac.id/index.php/kharisma/article/view/1676>
- Yushita, A. N. (2010). Earning Management dalam Hubungan Keagenan. *Jurnal Pendidikan Akuntansi Indonesia*, 8(1), 53-62. <https://staffnew.uny.ac.id/upload/132318570/penelitian/JPAI-Amanita+Novi+Yushita.pdf>
- Zaid, M. A. A., Wang, M., & Abuhijleh, S. T. F. (2019). The Effect of Corporate Governance Practices on Corporate Social Responsibility Disclosure L Evidence from Palestine. *Journal of Global Responsibility*. <https://doi.org/10.1108/JGR-10-2018-0053>
- Zain, R. N. W. (2021). Implementation of CSR Activities from Stakeholder Theory Perspective in Wika Mengajar. *Jurnal Abiwara: Jurnal Avokasi Administrasi Bisnis*, 3(1), 102-107. <https://ojs.stiami.ac.id/index.php/ABWARA/article/view/1846>
- Zellatifanny, C. M., & Mudjiyanto, B. (2018). Tipe Penelitian Deskripsi dalam Ilmu Komunikasi. *Diakom: Jurnal Media dan Komunikasi*, 1(2), 83-90. <https://doi.org/10.17933/diakom.v1i2.20>
- Zhou. (2019). Effects of Corporate Governance on The Decision to Voluntary Disclose Corporate Social Responsibility Reports: Evidence from China. *Applied Economics*, 51(55), 5900–5910. [https://doi.org/10.1080/00036846.2019.1631440.](https://doi.org/10.1080/00036846.2019.1631440)
- <https://snips.stockbit.com/investasi/sektor-saham-idx-bursa-efek-indonesia>
- <https://www.esgi.ai/mengenal-csr-disclosure/>
- <https://www.hestanto.web.id/teori-keagenan-agency-theory/>
- <https://www.neraca.co.id/article/174392/gagal-tangani-sampah-plastik-danone-digugat>.