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Corporate Social Responsibility, Good Corporate Governance, and Corporate Value

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Abstract: ***This study aims to find empirical evidence of the influence of Corporate Social Responsibility, as well as Good Corporate Governance, on Corporate Values in Indonesia. The theory used in this research is Legitimacy Theory. Organizations must continuously demonstrate that they operate in a manner consistent with the social values projected by CSR. The sample used consisted of 34 companies registered in the Corporate Governance Perception Index classification held by the Indonesian Institute for Corporate Governance. Data calculations were performed using the content analysis method and then analyzed using multiple linear regression methods. This study provides empirical evidence of the significant influence of CSR cost allocation on firm value.***

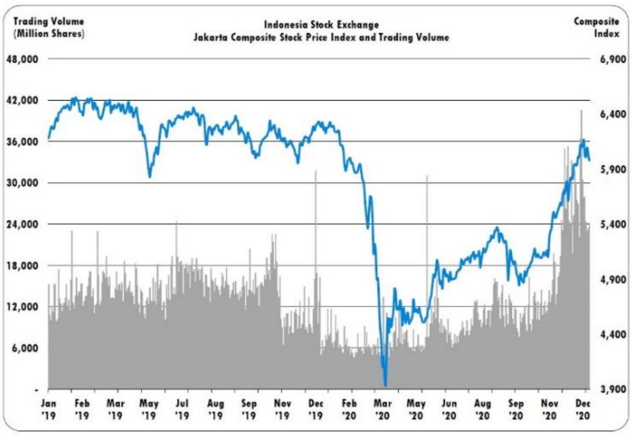
Keywords: Firm Value, Corporate Social Responsibility (CSR), Good Corporate Governance (GCG); multiple regression

1. Introduction

The COVID- 19 lockdown policy implemented by the government in 2020 paralyzed a significant portion of the Indonesian economy. In 2019, the economic growth was 5.02%, but since the pandemic in 2020, it decreased to 2.97%.

Source: databoks 2021

This situation also affected the stock market, which weakened and hit its lowest point in March 2020, as seen in the following graph.



Source: IDX Annual Report, 2020

In the graph, it can be observed that Indonesia's stock market experienced a significant decline from February to March 2020 when Covid - 19 was first detected in the country. To maintain the company's value during the Covid - 19 pandemic, one of the efforts made by companies was to increase Corporate Social Responsibility (CSR) activities. Widhagdha (2022) studied CSR trends and found that post - Covid - 19, CSR disclosure trends shifted towards pandemic - related social activities. Inconsistencies arose from previous studies, such as Purbawangsa (2019), who demonstrated that CSR disclosure influences company value. (Angelia & Suryaningsih, 2015) also found that CSR disclosure significantly influences company value. Both studies proved that the broader the company's CSR actions disclosed, the higher the company value. However, Rohmawan, et. al (2021) found that CSR disclosure has no effect on company value. (Karina & Setiadi, 2020) found that CSR significantly positively influences company value, meaning that the better a company implements CSR, the higher its value. Nurdiono, et. Al (2020) found that Good Corporate Governance affects CSR disclosure. Ardesta and Andayani (2019) found that Good Corporate Governance positively influences company value. However, (Karina & Setiadi, 2020) stated that Good Corporate Governance weakens the relationship between CSR and company value. In the novelty of this research, the researcher not only used CSR disclosure but also the amount of spending or funds used for CSR activities.

The objectives of this research are:
1) To find empirical evidence of the influence of CSR disclosure on company value.
2) To find empirical evidence of the influence of the amount of CSR allocation funds on company value.
3) To find empirical evidence that Good Corporate Governance influences the impact of CSR disclosure on company value.
4) To find empirical evidence of the difference in the influence of CSR on company value before and after the Covid - 19 pandemic.

2. Theoretical Background and Development

2.1 Theories Used

Legitimacy Theory

Ghozali and Chariri (2007) state that the foundation of legitimacy theory is the social contract between the company and the community in which the company operates and utilizes economic resources. This is demonstrated by companies through the disclosure of Corporate Social Responsibility (CSR) or social responsibility in the company's financial reports.

Signalling Theory

According to Brigham and Houston (2006), signalling theory is a company management behavior in providing guidance to investors regarding management's outlook on the company's future prospects. Signalling theory suggests that signals or signs are actions taken by company management that provide guidance to investors on how management views the company's prospects. One signal provided by companies is CSR activities disclosed in the annual report.

Stakeholder Theory

Stakeholder theory is "a theory stating that all stakeholders have the right to obtain information about the company's activities that can affect their decision - making (Deegan, 2004). " The stakeholder theory explains how investors and managers generate value, with a reciprocal relationship between stakeholders and the company. Stakeholders provide resources that are then used by the company, and the company gives feedback by implementing CSR activities as a form of sustainable business.

Previous Research

Purbawangsa (2019) demonstrated in their study titled "Corporate governance, corporate profitability toward corporate social responsibility disclosure and corporate value (comparative study in Indonesia, China and India stock exchange in 2013 - 2016) " that CSR disclosure affects company value using ROA and ROE as proxies for company value. (Angelia & Suryaningsih, 2015) in their research titled "The Effect of Environmental Performance and Corporate Social Responsibility Disclosure Towards Financial Performance" also found that CSR disclosure significantly affects company value. Rohmawan, et. al (2021) in their study titled "The Influence of Corporate Social Responsibility on Company Value with Profitability as a Moderating Variable" found that CSR disclosure has no effect on company value. Ardesta and Andayani (2019) conducted a study titled "The Influence of Good Corporate Governance on Company Value" and found that Good Corporate Governance positively influences company value. (Karina & Setiadi, 2020) in their research titled "The Influence of CSR on Company Value with GCG as a Moderator" found that CSR significantly positively influences company value. However, Good Corporate Governance weakens the relationship between CSR and company value. (Tiara Rani Santoso, 2022) in the study "Analysis of CSR Before and During the Pandemic" showed that companies continue to engage in CSR activities, which tend to be similar before and during the Covid - 19 pandemic. (Islamic Accounting & Economics and Business Studies, 2021) concluded that there are differences before and after Covid - 19 because during Covid - 19, CSR disclosure tends to decline.

2.2 Hypotheses Development

CSR Disclosure Positively Influences Company Value.

(Karina & Setiadi, 2020) proved that CSR significantly positively influences company value. The better a company implements CSR, the higher its value. According to signalling theory, the feedback given by the company by implementing CSR activities disclosed in the annual report will be information about sustainability to stakeholders, thus increasing the company's value.

H1: CSR disclosure positively influences company value.

The Size of CSR Allocation Funds Positively Influences Company Value.

In Indonesia, the amount of CSR funds typically used as a benchmark is around a minimum of 2% to 3% of the company's total annual profit. In legitimacy theory, the amount of funds used for CSR activities indicates that the CSR activities undertaken by the company are not only a requirement to comply with government regulations but also because the company is responsible for its sustainability. This will improve the company's image with stakeholders, and it is expected that the company's value will also increase.

H2: The size of CSR allocation funds positively influences company value.

Good Corporate Governance, Moderating CSR Disclosure, Positively Influences Company Value.

Good Corporate Governance aims to create a control and balance system to prevent the misuse of corporate resources and promote company growth. CSR activities are one form of implementing Good Corporate Governance, so Good Corporate Governance will increase CSR, which will also impact the increase in company value.

H3: Good Corporate Governance, with CSR disclosure as a moderator, positively influences company value.

Differences in the Influence of CSR Disclosure on Company Value Before and After the Covid - 19 Pandemic.

During the pandemic, companies tend to disclose more social activities to maintain the image and value of the company with the goal of attracting investors. By disclosing CSR activities, companies signal that they do not have financial problems caused by the pandemic. Nuwangsari, and Buhori (2021) stated that there is a significant difference in CSR disclosure in 2020 as a proxy for the pandemic and before the pandemic.

H4: There are differences in the influence of CSR disclosure on company value before and after the Covid - 19 pandemic.

2.3 Research Method

Population and Sample

The population in this study consists of all companies listed in the Corporate Governance Perception Index classification held by the Indonesian Institute for Corporate Governance because these companies are known to implement good Corporate Governance practices. The researcher also selected a time frame for the study before and after the Covid - 19 pandemic, spanning five years from 2018 to 2022. Samples were chosen based on specific criteria, including:

1) Companies listed in the Corporate Governance Perception Index during the period 2018 - 2022.
2) Companies that did not undergo mergers, acquisitions, and/or sector changes during the period 2018 - 2022.

Type and Source of Data

The data used in this study are secondary data obtained from the annual audit reports of companies for the period 2018 - 2022, sourced from the official websites of the relevant companies, and other media related to the research.

Variables and Operational Definitions

Dependent Variable

The dependent variable in this study is Company Value proxied by Price to Book Value (PBV), which is the comparison between the market price per share and the book value per share.

PBV = (Stock Price per Share) / (Book Value per Share)

Independent Variables

Corporate Social Responsibility Index (CSRi): CSR measurement in this study is based on the Global Reporting Index: G4 (GRI, 2013) indicators, covering 91 disclosure items. Each CSRi item disclosed in the company's annual report is given a score of 1, while those not disclosed are given a score of 0. The total of all disclosure items is then divided by the total GRI 4 index.

CSRi = (Σdisclosures) / 91

Corporate Social Responsibility Spending (CSRs): CSR measurement in this study is based on the logarithm of CSR expenditures in the company.

CSRs = log (CSR Expenditure)

Moderating Variable

The moderating variable in this study is Good Corporate Governance (GCG), proxied by the scores obtained by each company in the Corporate Governance Perception Index.

Analysis Method

Descriptive Statistical Test

Descriptive statistics are used to describe data in terms of mean, median, mode, maximum, and minimum. This testing is conducted to facilitate understanding of the variables used in the study.

Classical Assumption Test

Classical assumption tests are conducted to check whether the data obtained meet classical assumptions and to avoid biased data.

Normality Test: This test is conducted to determine whether in the regression model, the disturbance or residual variable has a normal distribution. Graphic analysis is a way to detect whether the residual is normally distributed or not. The normality test can be done by looking at the histogram of the residuals.

Multicollinearity Test: The multicollinearity test aims to examine whether there is a correlation between independent variables in the regression model.

Heteroskedasticity Test: The heteroskedasticity test aims to examine whether there is a variance inequality of residuals from one observation to another in the regression model.

Simultaneous Influence Test (F - test)

The simultaneous influence test aims to show whether all independent or free variables included in the model have a simultaneous effect on the dependent or tied variable.

Multiple Regression Analysis

Multiple regression analysis is used in this study to determine the influence between Corporate Social Responsibility, Good Corporate Governance, and Company Value.

Difference Test (Paired Sample T - Test)

The difference test is used to evaluate a specific treatment on the same sample in two different observation periods. This study emphasizes the time difference before and after the Covid - 19 pandemic.

3. Analysis and Discussion

1) Data Analysis

Descriptive Statistical Test

The overall description of variables in this study, including the maximum, minimum, mean, and standard deviation of 52 observations, is presented in Table 1. Descriptive statistical analysis of the variable company value proxied by Price to Book Value (PBV) indicates that the smallest PBV in a company is 0.02 for Bank Negara Indonesia (BBNI), and the largest PBV is 2.83 for PT. Bukit Asam (PTBA). The average PBV for companies participating in the Corporate Governance Perception Index (CGPI) is 0.88.

Descriptive statistics for Corporate Social Responsibility disclosure, proxied by CSRi, show that the minimum CSR disclosure index is 0.30 for PT. Mandiri Sekuritas, and the maximum is 1 or 100% disclosure, with full disclosure by companies such as Bank Negara Indonesia, Bank Rakyat Indonesia, Bank Mandiri, PT. Bukit Asam, and PT. Wijaya Karya in 2021. The average CSR disclosure percentage is 71.39%, meaning that, on average, companies disclose about 71.39% of the entire G4 GRI index.

Descriptive statistics for the CSR spending proxy show that the least expenditure on CSR activities is 7.95 for PT. MRT Jakarta in 2018, and the highest is 11.60 for PT. Bukit Asam in 2020. The average CSR spending value is 10.29.

Descriptive statistics for the Good Corporate Governance variable, proxied by the GCG assessment score in the Corporate Governance Perception Index participation, show that the lowest GCG score is 79.80, indicating a trustworthy GCG level for Mandiri Tunas Finance, while the highest is 97.62, signifying a very trustworthy level for PT. Bukit Asam. The average GCG score for sample companies is 86.74, indicating that the level of Good Corporate Governance is generally considered very reliable.

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Table 1: Descriptive Statistics

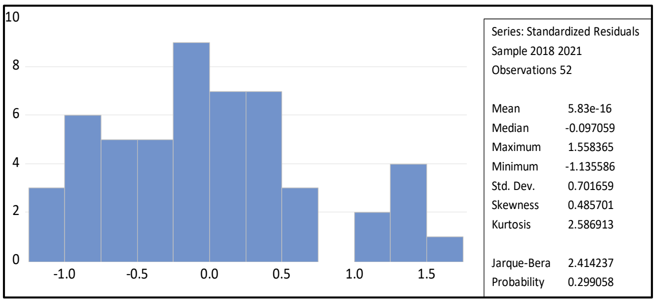
	PBV	CSRI	LOGCSRS	GCG
Mean	0.875577	0.713970	10.29519	86.74192
Median	0.680000	0.720000	10.66000	86.51000
Maximum	2.830000	1.000000	11.60000	97.62000
Minimum	0.020000	0.299363	7.950000	79.80000
Std. Dev.	0.771526	0.221221	1.058387	4.517946
Skewness	0.812660	-0.078897	-0.750500	0.439542
Kurtosis	2.658604	1.854615	2.284561	2.527712
Jarque-Bera	5.976138	2.896414	5.990523	2.157662
Probability	0.050385	0.234991	0.050024	0.339993
Sum	45.53000	37.12643	535.3500	4510.580
Sum Sq. Dev.	30.35788	2.495881	57.12930	1041.004
Observations	52	52	52	52

Sumber Output eviews 12 student version (proceed)

Classical Assumption Test

Normality Test

The normality test is conducted by examining the normality graph with a significance level of 0.05 or 5%. The normality test results in this study show significance greater than 0.05, indicating that the residuals are normally distributed.



Graph 1: Normality Test
Sumber: Output eviews 12 student version (diolah)

Multicollinearity Test

The results of the multicollinearity test are shown in Table 2. Based on the table, it can be concluded that the CSRi, CSRs, and GCG proxies show correlation values of less than 0.9, indicating that the independent variables used in the regression model are free from multicollinearity.

Table 2: Multicollinearity Test

	CSRI	LOGCSRS	GCG
CSRI	1.000000	0.674275	0.451640
LOGC...	0.674275	1.000000	0.634955
GCG	0.451640	0.634955	1.000000

Sumber: Output eviews 12 student version

Heteroskedasticity Test

Heteroskedasticity test is used to examine the inequality of variance from one observation's residual to another in a regression model. Since the number of observation data is more than 30 in this study (52 data), the regression model is considered free from heteroskedasticity.

4.1.3. Simultaneous Influence Test (F - Test)

The simultaneous influence test (F - test) is used to examine whether all independent variables in the regression model have a simultaneous or joint effect on the dependent variable and whether the regression model is suitable for use.

Table 3: Simultaneous Influence Test

LOGCSRS	0.375583	0.129419	2.902074	0.0055
R-squared	0.157720	Mean dependent var	0.875577
Adjusted R-squared	0.123341	S.D. dependent var	0.771526
S.E. of regression	0.722380	Akaike info criterion	2.243431
Sum squared resid	25.56983	Schwarz criterion	2.356003
Log likelihood	-55.32921	Hannan-Quinn criter.	2.286589
F-statistic	4.587721	Durbin-Watson stat	0.570792
Prob(F-statistic)	0.014917		

Sumber: Output eviews 12 student version

From Table 3, it can be seen that the calculated F value is 4.59 with a probability of 0.01. Since the probability is much less than 0.05, it can be said that CSRi, CSRs, and GCG variables collectively influence PBV, and the model is suitable for use.

Multiple Regression Analysis

Multiple regression analysis is used in this study to determine the influence of Corporate Social Responsibility disclosure, Corporate Social Responsibility spending, and Good Corporate Governance on the dependent variable, which is Company Value.

Table 4: Multiple Regression Analysis

Dependent Variable: PBV
Method: Panel Least Squares
Date: 06/10/23 Time: 00:30
Sample: 2018 2021
Periods included: 4
Cross-sections included: 13
Total panel (balanced) observations: 52

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-2.409441	1.089227	-2.212065	0.0317
CSRI	-0.814715	0.619177	-1.315803	0.1944
LOGCSRS	0.375583	0.129419	2.902074	0.0055

Sumber: Output eviews 12 student version

Based on the multiple regression analysis results in Table 4, the CSRi proxy has a probability of 0.19, which is greater than 0.05, indicating that CSRi is empirically proven not to have a significant influence on the PBV proxy. This contradicts the initial hypothesis that states Corporate Social Responsibility disclosure has a positive impact on company value. This result is consistent with the research by Rohmawan, et. al (2021), proving no influence between CSR and company value, indicating that an increase in CSR has not yet guaranteed an increase in company value.

For the CSRs proxy, the probability is 0.005, which is smaller than 0.05. This means that the Corporate Social Responsibility spending variable significantly influences Company Value, supporting the initial hypothesis that Corporate Social Responsibility spending significantly affects the PBV proxy.

In accordance with the initial hypothesis, this study also includes a moderating variable, Good Corporate Governance. The results of the multiple regression analysis with Good Corporate Governance as a moderating variable are presented in Table 5.

Table 5: Results of Multiple Regression Analysis

Cross-section fixed effects test equation:
Dependent Variable: PBV
Method: Panel Least Squares
Date: 06/10/23 Time: 00:06
Sample: 2018 2021
Periods included: 4
Cross-sections included: 13
Total panel (balanced) observations: 52

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-4.031578	2.042943	-1.973416	0.0542
CSRI	-0.838720	0.620453	-1.351786	0.1828
LOGCSRS	0.305055	0.149771	2.036811	0.0472
GCG	0.027269	0.029041	0.938996	0.3524

Sumber: output eviews12 student version

From the data, it can be observed that the GCG proxy has a probability of 0.35, greater than 0.05, indicating that GCG directly does not significantly influence the PBV proxy. For the CSRs proxy, the significance value is 0.05, which is smaller than the significance before being moderated by GCG (0.006). This implies that the Good Corporate Governance variable weakens the significance of CSR spending in its influence on company value. This means that the third hypothesis, Good Corporate Governance moderating CSR, has a positive impact on Company Value, is not supported.

Difference Test (Paired Sample T - Test)

The difference test is used to evaluate a specific treatment on the same sample in two different observation periods. The paired sample T - test is performed by comparing the average values of the two samples with the standard error of the average difference between the two samples. This study emphasizes the time difference before and after the Covid - 19 pandemic.

1) Difference in CSR Disclosure (CSRi)

The paired sample T - Test results for the CSRi variable after and before the Covid - 19 pandemic are shown in Table 6.

Table 6: Paired Sample T - Test for CSRi

Test for Equality of Means of CSRI
Categorized by values of COVID
Date: 06/10/23 Time: 08:22
Sample: 2018 2021
Included observations: 52

Method	df	Value	Probability
t-test	50	-1.098344	0.2773
Satterthwaite-Welch t-test*	49.76149	-1.098344	0.2773
Anova F-test	(1, 50)	1.206360	0.2773
Welch F-test*	(1, 49.7615)	1.206360	0.2773

*Test allows for unequal cell variances

Analysis of Variance

Source of Variation	df	Sum of Sq.	Mean Sq.
Between	1	0.058800	0.058800
Within	50	2.437081	0.048742
Total	51	2.495881	0.048939

Category Statistics

COVID	Count	Mean	Std. Dev.	Std. Err. of Mean
0	26	0.680343	0.212996	0.041772
1	26	0.747597	0.228290	0.044771
All	52	0.713970	0.221221	0.030678

Sumber: Output eviews 12 student version

The p - value is greater than 0.05. This means there is no difference in CSR disclosure before and after the Covid - 19 pandemic.

2) Difference in CSR Spending (CSRs)

The paired sample T - Test results for the CSRs variable after and before the Covid - 19 pandemic are shown in Table 7. The paired sample T - Test results for the CSRs variable have a probability level of 0.35, which is greater than 0.05. This means there is no difference in the expenditure used for CSR activities before and after the Covid - 19 pandemic.

Table 7: Paired Sample T - Test for CSRs

Test for Equality of Means of LOGCSRS
Categorized by values of COVID
Date: 06/10/23 Time: 08:24
Sample: 2018 2021
Included observations: 52

Method	df	Value	Probability
t-test	50	-0.949005	0.3472
Satterthwaite-Welch t-test*	48.40369	-0.949005	0.3473
Anova F-test	(1, 50)	0.900610	0.3472
Welch F-test*	(1, 48.4037)	0.900610	0.3473

*Test allows for unequal cell variances

Analysis of Variance

Source of Variation	df	Sum of Sq.	Mean Sq.
Between	1	1.010817	1.010817
Within	50	56.11848	1.122370
Total	51	57.12930	1.120182

Category Statistics

COVID	Count	Mean	Std. Dev.	Std. Err. of Mean
0	26	10.15577	1.151605	0.225848
1	26	10.43462	0.958408	0.187959
All	52	10.29519	1.058387	0.146772

Sumber: Output eviews 12 student version

3) Difference in Good Corporate Governance (GCG)

The paired sample T - Test results for the GCG variable after and before the Covid - 19 pandemic are shown in Table 8. The paired sample T - Test results for the GCG variable have a probability level of 0.03, which is less than 0.05. This means there is a difference in Good Corporate Governance for sample companies before and after the Covid - 19 pandemic.

Table 8: Paired Sample T - Test for GCGs

Test for Equality of Means of GCG
Categorized by values of COVID
Date: 06/10/23 Time: 08:25
Sample: 2018 2021
Included observations: 52

Method	df	Value	Probability
t-test	50	-2.110423	0.0398
Satterthwaite-Welch t-test*	49.82290	-2.110423	0.0399
Anova F-test	(1, 50)	4.453884	0.0398
Welch F-test*	(1, 49.8229)	4.453884	0.0399

*Test allows for unequal cell variances

Analysis of Variance

Source of Variation	df	Sum of Sq.	Mean Sq.
Between	1	85.14561	85.14561
Within	50	955.8580	19.11716
Total	51	1041.004	20.41184

Category Statistics

COVID	Count	Mean	Std. Dev.	Std. Err. of Mean
0	26	85.46231	4.239975	0.831527
1	26	88.02154	4.500770	0.882674
All	52	86.74192	4.517946	0.626526

Sumber: Output eviews 12 student version

4) Differences in the Influence of CSRi, CSRs, and GCG on PBV

The results of multiple regression analysis of the variables CSRi, CSRs, and GCG on the variable PBV before and after the Covid - 19 pandemic did not show significant differences. Both before and after the Covid - 19 pandemic, CSRi and GCG proxies remained insignificantly influential on the PBV proxy.

4. Discussion

1) The Influence of Corporate Social Responsibility Disclosure on Company Value

Based on the variable test results, it can be concluded that Corporate Social Responsibility Disclosure has empirically proven not to have a significant influence on Company Value. Thus, the first hypothesis (H1), "Corporate Social Responsibility Disclosure has a positive impact on Company Value, " is not supported. This result aligns with the research by Rohmawan, et. al (2021) titled "The Influence of Corporate Social Responsibility on Company Value with Profitability as a Moderating Variable, " which states that there is no influence between CSR and company value, indicating that an increase in CSR has not guaranteed an increase in company value. This result also contradicts stakeholder theory, explaining that companies must meet stakeholder expectations by implementing CSR programs disclosed in the Annual Report (Rohmawan, et. al, 2021).

The findings differ from the study by Angelia and Suryaningsih (2015) titled "The Effect of Environmental Performance and Corporate Social Responsibility Disclosure Towards Financial Performance, " which states that CSR has a positive effect on company value. However, the sample in that study focused on manufacturing and infrastructure companies, where the disclosure of CSR activities in the annual report is more accountable.

Referring to Signal Theory, companies prefer to provide information such as company profits as a signal indicating the company's sustainability, rather than providing information about Corporate Social Responsibility activities because CSR information disclosure is a legal requirement. Regulations such as the Limited Liability Company Law No.40 of 2007 that mandate CSR implementation make investors believe that companies disclose their CSR activities to avoid legal sanctions. Therefore, investors overlook this information signal and focus more on other financial information. CSR implementation is a long - term strategy, so enjoying the results of CSR implementation reflected in company performance takes time. Thus, in the short term, CSR implementation may not affect company value (Mustofa and Suaidah, 2020).

2) The Influence of Large CSR Spending on Company Value

Based on the variable test results, it is evident that the amount spent on Corporate Social Responsibility activities has empirically proven to significantly influence Company Value. Therefore, the second hypothesis (H2), "Large CSR spending has a positive impact on Company Value, " is supported. A significant allocation of CSR expenses signifies that the company is serious about its sustainability, reflected in its Corporate Social Responsibility activities. The larger the expenditure, the broader the scope of the company's social responsibility activities. In legitimacy theory, companies implement social responsibility to gain legitimacy from the communities in which they operate. This legitimacy helps companies avoid undesirable circumstances and can enhance the company's value.

3) The Influence of Good Corporate Governance Moderating CSR on Company Value

Based on the variable test results, the moderation of Good Corporate Governance has empirically proven not to have a significant positive influence on Company Value. Good Corporate Governance weakens the impact of large CSR spending on Company Value. Therefore, the third hypothesis (H3), "Good Corporate Governance moderating CSR has a positive impact on Company Value, " is not supported. This result is consistent with the research by Karina and Setiadi (2020) in the title "CSR Influence on Corporate Value with GCG as Moderators, " stating that Good Corporate Governance weakens the relationship between Corporate Social Responsibility and company value. The Good Corporate Governance scores held by companies in the Corporate Governance Perception Index participation are not considered crucial information signals for investors and stakeholders. High rankings in the CGPI do not guarantee that investors will respond positively to such events. Moreover, CGPI rankings in Indonesia are still voluntary and not mandatory, so companies participating in CGPI ranking each year are not the same and represent only a small fraction of all companies (Karina and Setiadi, 2020).

4) **Differences in CSR Disclosure, Large CSR Spending, and GCG on Company Value**

Based on the variable test results, it is evident that there is no empirical difference in Corporate Social Responsibility disclosure before and after the Covid - 19 pandemic. Additionally, the significant allocation of Corporate Social Responsibility expenses also empirically shows no difference before and after the Covid - 19 pandemic. The difference lies in Good Corporate Governance, which empirically shows a difference before and after the Covid - 19 pandemic; however, this difference does not have a significant effect on the influence of Corporate Social Responsibility disclosure, large CSR spending, and Good Corporate Governance on company value, both before and after the Covid - 19 pandemic.

These research findings differ from a study by Nawangsari, et al. (2021) titled "Corporate Social Responsibility Disclosure during the Covid - 19 Pandemic in Indonesia, " which proves that there is a significant difference in CSR practices before and after the Covid - 19 pandemic.

5. Conclusion and Recommendations

5.1 Conclusion

This study provides empirical evidence on the influence of Corporate Social Responsibility (CSR) disclosure, the magnitude of CSR spending, and Good Corporate Governance (GCG) as a moderation on the company's value. The empirical evidence shows that the magnitude of the allocation of funds used for CSR activities significantly affects the company's value. In contrast, the extent of CSR disclosure empirically does not influence the company's value. Good corporate governance, as a moderation variable, weakens the influence of the magnitude of CSR spending on the company's value. This is because a company's participation in the Corporate Governance Perception Index is voluntary.

The Covid - 19 pandemic, detected in Indonesia in February 2020, is also a contextual issue investigated. The paired sample T - Test analysis results empirically explain that there is no difference in CSR disclosure, the magnitude of CSR spending, and Good Corporate Governance, as well as their influence on the company's value, both before and after the Covid - 19 pandemic.

5.2 Limitations

The limitations of this study include the inconsistency in the influence of CSR disclosure and the magnitude of CSR spending on the company's value. CSR disclosure does not influence the company's value, but the magnitude of CSR spending significantly affects the company's value. The observation period consists of only four years, and the sample, comprising only companies participating in the Corporate Governance Perception Index, is too limited. This results in a relatively narrow range of observation data, which may not accurately depict the actual conditions.

5.3 Recommendations

Based on the conclusions and limitations of the study, the following recommendations can be made for future research:

1) Expand Sample Size and Observation Period: Future research can benefit from a larger sample size and an extended observation period to obtain more accurate and comprehensive results.
2) Include Additional Variables: Researchers may consider adding other variables beyond those included in this study to identify factors that significantly influence the company's value.

These recommendations aim to enhance the robustness and generalizability of research findings, providing a more thorough understanding of the complex relationships between CSR, CSR spending, Good Corporate Governance, and company value.

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