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THE EFFECT OF GOOD CORPORATE GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY ON FINANCIAL PERFORMANCE

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Abstract
This assessment aims to examine the influence of Good Corporate Government (GCG) and Corporate Social Responsibility (CSR) structures on the financial performance of the food and beverage subsector listed on the Indonesia Stock Exchange (IDX) in 2020-2022. Good Corporate Governance (GCG) uses measurements of Managerial Ownership, Institutional Ownership, Independent Commissioners, and Audit Committees. Measurement of Corporate Social Responsibility (CSR) using Corporate Social Responsibility Index (CSRDI). This assessment tested data in a purposive sampling method with IBM SPSS Estimations 23. This evaluation test contains 16 companies that meet the main guidelines for listing on the Indonesia Stock Exchange 2020-2022. The analysis method uses quantitative using classical assumptions, and multiple linear analysis. Showing that the results for legitimate ownership variables, review warnings gather have little effect on the company's financial presentation, while for the Good Corporate Governance (GCG) system, independent commissioners, institutional ownership has a significant impact on the company's financial performance which is reflected in the company's return on assets (ROA). The monetary presentation (ROA) of the company is influenced by the Corporate Social Responsibility section.

Keywords: Corporate Social Responsibility, Good Corporate Governance, Financial Performance

1. Introduction

In Indonesia, food and beverage affiliation is growing rapidly, an industry that helps connect with people in countries that share similar trends, similar to Indonesia (Priadi et al., 2020). This can be seen from the increasing number of affiliates listed on the Indonesia Stock Exchange starting from one period to the next. The food and beverage industry are growing rapidly and the challenges are even greater. This industry can indeed help Indonesian people overcome their problems, but there are also many examples of food and beverages that do not meet quality guidelines. BPOM Food Supervision Delegate Rita Edang said 66,113 groups of goods were broken into several parts. The most completed goods were 55.93 percent, then unlicensed goods 35.9 percent and defective goods 8.1 percent. Business experts, particularly those in the food and beverage industry, may consider the disclosure of this assessment to require the completion of CSR programs and GCG standards to achieve legitimate financial execution.

CSR is a social obligation of a relationship to the impact of its decisions and activities on society and the environment that is demonstrated as a clear and moral method of managing actions (Sindhudiptha & Yasa, 2013). CSR is carried out in an ongoing organizational environment, where it negatively impacts business conduct.(Agustina et al., 2015; Luthan et al., 2018). To avoid conflict between the organization and the environment, CSR is a strategy used in relationships. According to Bookkeeping and

Malang, 2020, CSR has a very close relationship with financial implementation. (Handayati et al., 2022; Ludfi &; Firdaus, 2018; Platonova et al., 2018) A slice of social relationships, new financial developments, and typical considerations affecting the workspace are traits of a company's social commitment. Appropriate (Novitasari &; Agustia, 2022), "Unusual Company Association Implementers" (GCG) have become a necessity for all associations to maintain community trust and consistency. According to (Agustina et al., 2015), business absolutely requires Good Corporate Governance (Yelvita, 2022). According to (Apriani & Khairani, 2023), efforts to further understand GCG are commonplace in order for the affiliate board to be competent and solid, as evidenced by the undeniable fierce disputes between affiliates. Basically, the implementation of GCG thinking and its application embodies CSR. For the long-term progress of the organization, it is important to forge relationships that are more focused on the interests of its partners (Sindhudiptha & Yasa, 2013), according to existing rules for circulating individual cooperation efforts with partners.

Affiliate financial views, obtained from cash-related reports, can be used to measure proficiency in execution. To process the value of an affiliate, there are two decisions: conducting an evaluation from within, which includes looking at financial statements, and using outside strategies, such as a company's financial statements (Indrayenti et al., 2021). A cash-related degree is a total typically used in evaluating an alliance's financial performance. Return On Asset (ROA) is one of the financial introductions monitored by affiliates and financial backers. According to search(Cahya Ningsih &; Retnaningdiah, 2021), Return on Asset is the extent to which it shows the level of progress of an affiliate Dwijayanti and others, 2021) states that Good Corporate Governance (GCG) affects the appearance of money relationships. Meanwhile, the assessment of Cahya Ningsih and Retnaningdiah (Cahya Ningsih &; Retnaningdiah, 2021) disclose that institutional ownership of Good Corporate Governance generally affects the financial features of affiliates. The number of directorates and the number of supervisory leaders were used to assess the Unique Corporate Association variables. Research (Dwijayanti et al., 2021) shows that in 2021), CSR has an effect on the financial performance of an association. While the research that has been done (Fintreswari &; Sutiono, 2017) states that Corporate Social Responsibility (CSR) affects the performance of alliances with money. Measurement of business financial performance is carried out using the level of efficiency.

This assessment emphasizes several past assessments that have been conducted in contradictory ways to limit whether Good Corporate Governance and Corporate Social Responsibility influenced the demonstrations related to Food and Beverage affiliation finances listed on the IDX 2020-2022.

2. Theoretical Background

2.1 Legitimacy Theory

Legitimacy theory states that a relationship can be achieved by expecting local communities who feel that the alliance is successful with a value framework similar to the value design espoused by the community (Jao & Holly, 2022). According to this assumption, affiliates must adhere to the principles, rules, and assumptions of the environment in which they work in order to remain aware of social authenticity (Luthan et al., 2018). The implementation of CSR is seen as an effort to keep paying attention to social authenticity, so that it can have a real impact on the public's impression of the company and ultimately have an impact on its financial appearance. According to

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legitimacy speculation, associations consistently strive to work according to the patterns and norms of the society or environment in which they work, thus ensuring that their activities are considered "genuine" by outcasts.(Badjuri et al., 2021; Hadi, 2011; Jao &; Holly, 2022; Lestari &; Asyik, 2015; Permatasari et al., 2019; Sa'adah et al., 2022; Utami &; Yusniar, 2020)

2.2 Corporate Social Responsibility (CSR)

Corporate Social Responsibility is the cycle used by relationships to provide information, communicate with the practice of connection and its impact on inviting conditions in the eyes of the public and the environment. CSR is an obligation undertaken by business visionaries to maintain the position of affiliates; Nevertheless, CSR programs have not been fully perceived by individuals due to the lack of affiliate thinking for individuals. CSR is a coalition perspective for organizing indigenous and social issues into business and relationships with partners, which outperform managerial and credible obligations. Not completely complete considering Global Reporting Initiative (GRI) uses Corporate Social Responsibility Disclosure Index (SCRDI) judges. Guidelines in GRI are financial implementation markers, customary implementation markers, work markers, social instructions, important entrance instructions and goods implementation instructions. (Dharma &; Noviari, 2017; Hendratama &; Huang, 2021; Kang &; Liu, 2014; Lestari &; Asyik, 2015; Luthan et al., 2018; Novitasari &; Agustia, 2022; Platonova et al., 2018; Servaes & Tamayo, 2013; Utami &; Yusniar, 2020; Watson, 2012)

2.3 Good Corporate Governance

Therefore, while ensuring the affiliate cycle can run, new instruments will actually help in completing the extraordinary affiliate, namely Amazing Corporate Obligation (GCG). (Ramadhanti &; Fitriah, 2022) A corporate association is a set of rules, rules, and objectives that must be followed in the task of the affiliate to create long-term monetary value. A construction plan that aims to collaborate with professional organizations and take into account standards of simplicity, dedication, accountability, opportunity, customs, and balance. (Aminah &; Nurdiawansyah, 2016; Billy, 2019; Hamdani & MM, 2016; Laborda, 2010; Lestari &; Asyik, 2015; Nababan et al., 2021; Nurulrahmatiah et al., 2020; Rimardhani et al., 2016; Sa'adah et al., 2022; Yelvita, 2022)

2.4 Financial Performance

Financial Performance is According to (Indrayenti et al., 2021) The adequacy of an association can be measured by looking at its achievements over a period of time.(Annisa & Asyik, 2019; Rudianto & Rudianto, 2013; Tarmizi &; Muhammad, 2018) As shown by (Fahmi, 2012) Execution is the achievement of Winnings performed with a specific purpose measured using the principles set by the affiliate. Financial execution is the result or achievement achieved by the organization of an association to survey the extent to which the association effectively approved the rules over a period of time. Money-related rate markers can be used to evaluate financial execution(Latif et al., 2023). This assessment uses productivity levels, specifically ROA (Return On Assets), because it can show the sensitivity of affiliate performance in engaging resources to generate profits in a period.(Cahya Ningsih &; Retnaningdiah, 2021; Kurlelasari, 2013; Laborda, 2010; Lestari &; Asyik, 2015; Platonova et al., 2018; Ramadhanti &; Fitriah, 2022; Utami &; Yusniar, 2020)

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2.5 Prior Research

Nurcahyani, 2013 in a study entitled The effect of application Good Corporate Governance (GCG) and Institutional Ownership on financial performance (Study on CGPI Participating Companies listed on IDX in 2009-2011) shows that CSR variables have a positive effect on ROA, ROE and negatively affect NPM.

Yelvita, 2022 In his research entitled The Effect of Good Corporate Governance and Corporate Social Responsibility on Financial Performance in State-Owned Companies listed on the IDX in 2015-2020, it shows that simultaneously GCG and CSR affect ROE.

Simaremare &; Lumban Gaol, 2019 In his research entitled the effect of Corporate Social Responsibility on Financial Performance in Food and Beverage Companies Listed on the IDX, it shows that Corporate Social responsibility has a positive and significant influence on ROA financial performance.

(Chasanah &; Laily, 2020) In his research entitled The Effect of Good Corporate Governance and Corporate Social Responsibility on Financial Performance in Food and Beverage Companies, it shows that. The results of this study have shown that from the GCG mechanism, namely managerial ownership, independent commissioners, and audit committees, it has a significant effect on financial performance which is reflected in return on assets (ROA), while institutional ownership has an insignificant effect on financial performance. In the CSR mechanism, the influence is not significant on the company's financial performance (ROA).

2.6 Conceptual Framework

Practical design describes the communication of assessments to be completed and addresses the relationships between the variables explored. Such clarifications can be used to structure this examination as follows:

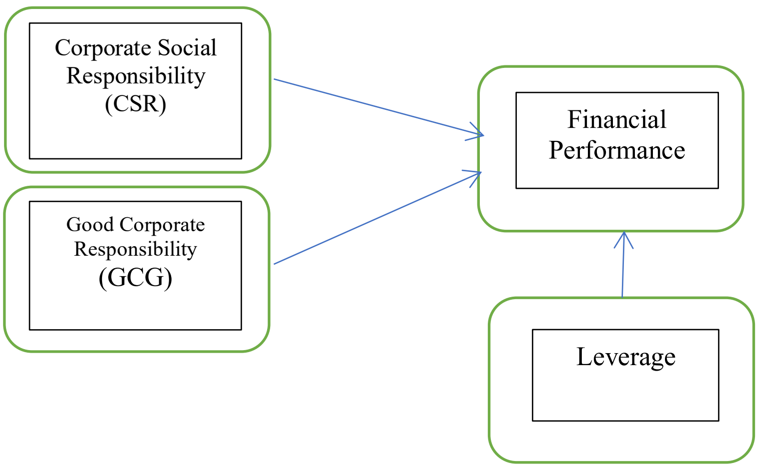

Figure 1. Conceptual Framework

2.7 Hypothesis Development

2.7.1 The Effect of Good Corporate Governance on Financial Performance

GCG is a game plan in managing regulations both inside and outside the affiliate. Because one of the keys to improving financial efficiency is to consolidate relationships with association leaders, directorates, financial supporters, and various parties involved, the impact of GCG on financial implementation is to make basic principles as the goal of advancing financial implementation in the association. The better the GCG in an

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association, the higher the ordinary financial performance in the association. Taking the picture into account, a speculation was put forward

H1: The financial performance of food and beverage companies listed on the Indonesia Stock Exchange is significant.

2.7.2 The Effect of Corporate Social Responsibility on Financial Kienrja

CSR should be possible for few options other than obtaining cash. It must also be possible to save the planet and ensure the flourishing of natural and human resources in a rapidly changing environment. Return On Resources (ROA) can be used to assess monetary execution. CSR is one of the factors that has a significant impact on organizational performance related to cash and boosts execution so that it can generate benefits or profits.

H2: CSR affects the financial performance of food and beverage companies listed on the Indonesia Stock Exchange.

3. Methods

The focus of this examination is on food and beverage companies listed on the Indonesia Stock Exchange (IDX) from 2020 to 2022 by looking at their financial statements in www.idx.co.id. This examination uses quantitative information that is assessed with the help of a numerical or numerical scale. The data used is discretionary data that is chronicized using techniques derived from the source.

This evaluation was carried out using a purposive test procedure with an affiliation model of food and beverage social events listed on the Indonesia Stock Exchange (IDX), taking information on financial statements for 2020-2022, all recording reports related to cash presented in rupiah. . Corporate Social Commitment (CSR) (X1) and Extraordinary Corporate Commitment (GCG) (X2) are the two elements used in this assessment, and financial execution (Y) is the dependent variable in this study. To see the influence of CS, KM, KA, KI, KS components as an independent factor on monetary execution (ROE) as a dependent variable, a quantitative information assessment system is used by utilizing the SPSS application to obtain definite results.

3.1 Variables and definitions of Operational Variables

3.1.1 Performance Dependent Variables

Financial performance is a success of the company in a certain period, it can also reflect something about the company's health level in managing assets effectively during a certain period. In this study, it is calculated using Return On Asset (ROA). As shown by (Andriana &; Panggabean, 2017) to find out the amount of ROA can take advantage of the conditions that occur;

$$ROA = \frac{\text{Laba Bersih}}{\text{Total Asset}}$$

3.1.2 Independent Variables

Good Corporate Governance (GCG) is a collection of laws, regulations, and rules that must be met, to create a company that can encourage performance from the company's resources to function efficiently for long-term economic value. To measure GCG, you can use the following formula:

1) Independent Commissioner

Commissioner independence can be used to see the real practicality. (PDKI)(Martatilova &; Djuitaningsih, 2012), the following is the formula of the independent commissioner:

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$$\text{PDKI} = \frac{\text{jumlah anggota komisaris independent}}{\text{jumlah total anggota komisaris independent}} \text{ x } 100\%$$

2) Institutional Ownership

Institutional leadership is a condition in which associations have shares in an organization(Sani &; Irawan, 2021). The foundation can be a government, private or new institution. Institutions that have a place can definitely take advantage of recipes:

$$\text{INST} = \frac{\text{jumlah saham institusi}}{\text{jumlah saham beredar}} \text{x}100\%$$

3) Managerial Ownership

By managerial ownership we mean the financial supporters of the leadership of the organization who actually participate in the decision-making on the return of money(Pracihara, 2016). These conditions, explicitly, can be exploited to measure regulatory ownership:

$$\text{KM} = \text{X}100\% \frac{\text{jumlah saham yang dimiliki direksi,manajer,dan komisaris}}{\text{jumlah saham beredar akhir tahun}}$$

4) Audit Committee

The Audit Committee is a framed internal monitor, whose job is to screen and review the preparation and implementation of internal control relations (Rahmawati et al., 2017). Size of the board of commissioners = number of members of the board of commissioners

5) Corporate Social Responsibility (CSR)

Information related to the responsibilities of a company in the annual report. Disclosure Corporate Social Responsibility calculated based on Global Reporting Initiative (GRI) by using a proxy Corporate Social Responsibility Disclosure Index (CSRDI). The indicators contained in the GRI are economic performance indicators, environmental performance indicators, labor performance indicators, social performance indicators, human rights indicators, and product indicators, in these indicators there are 78 Items explanation. Corporate Social Responsibility can be measured using a formula guided by GRI(Badjuri et al., 2021) which are as follows:

$$\text{CSRDI} = \frac{\sum \text{Xij}}{\text{Nj}}$$

Information:

CSRDI: Corporate Social Responsibility Disclousuer Index.
Xij : Dummy Variables;
1 : If 1 Item is disclosed,
0 : If 1 item is not disclosed, thus $0 \leq \text{CSRDI} \leq 1$
Nj : Number of items for Company j, $nj \leq 78$

3.2 Determining Multiple Linear Regression Equations

The data analysis technique used is multiple linear regression analysis. Multiple linear analysis is a method used to measure two or more independent variables against the dependent variable with an interval or ratio measurement scale in a linear equation(Anu & Prijati, 2018). The information assessment framework used is different from the direct break-up assessment. Direct assessment is different from the apostate model:

$$\text{KK} = a + b1 \text{ CS} + b2 \text{ KM} + b3 \text{ KS} + b4 \text{ KI} + b5 \text{ KA} + \text{L} + e$$

Information:

KK = Financial Performance
CS = Corporate Social Responsibility
a = constant
b = Regression coefficient for each independent variable

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KI = Independent Commissioner
KS = Institutional Ownership
MILES = Managerial Ownership
KA = Audit Committee
L = Leverage

4. Results and Discussion

4.1 Descriptive Analysis

Table 1. Descriptive Analysis Result

	N	Minimum	Maximum	Mean	Std. Deviation
Corporate Social Responsibilit	48	.11	.49	.2800	.10242
Independent Commissioner	48	.33	.50	.4000	.07565
Institutional Ownership	48	.21	.92	.6573	.18891
Managerial Ownership	48	.00	.49	.0681	.03844
Audit Committee	48	2.00	3.00	2.9583	.20194
Leverage	48	.10	.94	.4410	.19984
ROA	48	-.12	.60	.0904	.06942
Valid N (listwise)	48				

Source: Processed Secondary Data, 2023

Next is the understanding of expressive assessment test results by paying attention to table 1 above, explicitly:

1) Monetary execution has an average value of 0.0904, a standard deviation of 0.06942, a base value of 0.12, and a mostly absurd value of 0.60.
2) The value of corporate social commitment ranges from 0.11 to 0.49 with a mean of 0.2800 and a standard deviation of 0.10242.
3) Free managers have an average value of 0.4000, a standard deviation of 0.07565, a base value of 0.33, and an outstanding average value of 0.50.
4) Institutional ownership has an average value of 0.6573, a standard division of 0.18891, a base value of 0.2, and a ridiculous average value of 0.92.
5) Administrative ownership has an average of 0.0681, a standard division of 0.03844, a base value of 0.00, and a top value of 0.49.
6) The survey body has an average value of 2.958, a standard deviation of 0.20194, a value of 2.00 as the basis, and 3.00 as the most outrageous value.
7) Impact has a base value of 0.10, a standard deviation of 0.19984, an average value of 0.4410, a most outrageous value of 0.94, and a base value of 0.10.

4.2 Multiple Linear Regression Analysis

Often, different setback checks are used to pick out how much managerial ownership (KM), institutional ownership (KS), independent bosses (IP), audit boards (KA), and corporate social commitment (CSR) impact food and beverage associations. Money-related view. listed on the Indonesia Stock Exchange (IDX) which is used for research. Here are various models of the condition for direct recurrence screening:

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Table 2. Multiple Linear Regression Analysis

	Unstandardized	Coefficients	Standardized Coefficients	T	Sig	Collinearity	Statistics
Type	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-.046	.311	.179	-.147	.884	.799	1.252
Corporate Social Responsibility	.191	.147	.509	1.295	.202	.765	1.308
Independent Commissioner	.706	.204	.324	3.461	.001	.544	1.839
Institutional Leadership	.187	.097	.088	1.936	.060	.403	2.479
Managerial Ownership	.069	.153	.086	.452	.654	.472	1.121
Audit Committee	.047	.097	.352	.480	.633	.822	1.216
Leverage	.193	.074		2.588	.013		

a. Dependent Variable: ROA

Source: Processed Secondary Data, 2023

As shown in the SPSS results in table 2 above, various straight relapse examination conditions are obtained according to the involvement of control factors:

ROA = -0.046 + 0.191CSR + 0.706KI + 0.187KS + 0.069KM + 0.047KA + 0.193L + e

The difference in the conditions of deterioration directly above can be interpreted as follows:

1) Constant (a)
   The value of constant a is -0.046 monetary execution if the factors in this study are CSR, KM, KS, KI, KA, and leverage of zero then the value of Constanta a financial performance in the company will be -0.046.
2) Regression coefficient of Corporate Social Responsibility
   The magnitude of the correlation coefficient in the corporate social responsibility variable is 0.191. If companies in the food and beverage industry have a positive value (union) on managerial ownership variables, the Indonesian Stock Trading will increase, but the relationship will weaken if control factors are used.
3) Regression coefficient of Independent Commissioner
   The coefficient of the independent proprietary variable is 0.706. shows the positive value (relationship) between free bosses and financial performance in companies, with the finding that the greater the ratio coefficient at the level of free authority, the greater the financial performance in food and beverage companies and on the Indonesia Stock Exchange (IDX).
4) Regression coefficient of institutional ownership
   The variable coefficient of institutional ownership is 0.187. Shows a positive value (relationship) on the institutional ownership variable with the value of the affiliate's financial performance. Based on the findings, an increase in the value of the coefficient at the institutional ownership level will result in better financial performance for food and beverage companies and the Indonesia Stock Exchange.
5) Regression Coefficient of Managerial Ownership
   The value of the coefficient of the administrative ownership variable is 0.069. Shows a positive value (association) on the administrative ownership variable with the value of the organization's financial presentation. With known results, the higher the value of the coefficient at the administrative ownership level, the financial performance of food and beverage companies will increase and will increase in Indonesia Securities Trading.

6) Audit Committee Coefficient
The value of the audit committee variable coefficient is 0.047. Demonstrate a positive value (relationship) on the variables of the survey's leading law enforcement group with consideration of the association's financial presentation. With known results, the higher the correlation coefficient at the level of ownership of survey institutions, the financial performance in food and beverage associations will increase and will increase on the Indonesia Stock Exchange.
7) Regression Coefficient of Corporate Social Responsibility
The underlying coefficient of the previous leverage variable is 0.193. Shows a positive value (relationship) on the leverage variable with the company's financial performance.

4.3 Classical Assumption Test
4.3.1 Normality Test
This test plans to check whether the control variable has a governing deployment. Regularity testing can be performed in two ways, namely the thorough average P-Plot and the following histogram frame:

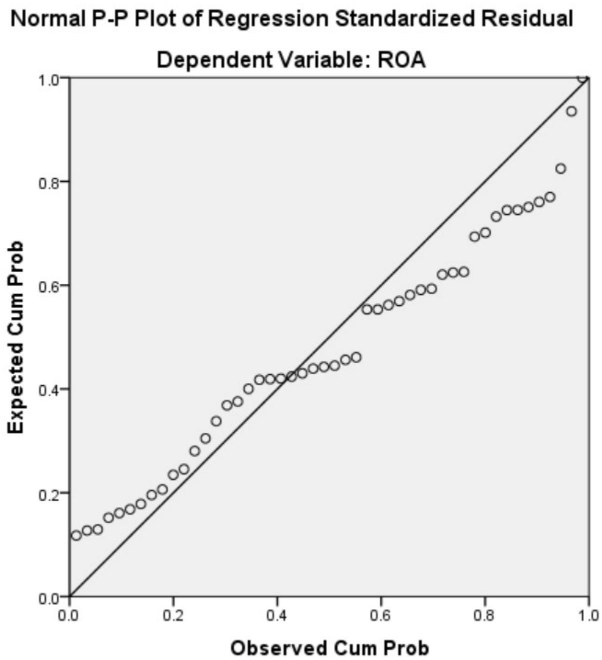

Figure 2. Normality Probability Plot

Results from the normality test using the usual probability plots show that the server farm is spread around the line and does not spread far from the slash. Because the example shows a typical spread, the relapse model satisfies the usual assumptions. The Kolmogorov-Smirnov similarity test is described as follows:

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Table 3. Normality Test Results

One-Sample Kolmogorov-Smirnov

		Unstandardized ed Residual
N		48
Normal Parameters[a.b]	Mean	.0000000
	Std. Deviation	.08637422
Most Exteme Differences	Absolute	.152
	Positive	.152
	Negative	-.102
Test Statistics		.152
asymp. Sig (2-tailed)		.067c

a. Test distribution is Normal
b. Calculates from data
c. Lilliefors Significance Correction

Source: Processed Secondary data, 2023

As per table 3, the Kolmogorov-Smirnov non-parametric native conventionality test shows that the scoring model actually has the rest of the attributes that usually match. These results are indicated by significance values above 0.05, specifically 0.067. 48 data is a number that produces regularly adjusted values.

4.3.2 Multicollinearity Test

The multicollinearity test is used to determine whether there is a correlation between independent variables.

Table 4. Multicoloniesritity Test Results

Cofficients[a]		
	Collinearity Statistics	
Type	Tolerance	VIF
(Constant)		
Corporate Social Responsibility	799	1.252
Independent Commissioner	.765	1.308
Institutional Ownership	.544	1.839
Managerial Ownership	.403	2.479
Audit Committee	.472	1.121
Leverage	.822	1.216

Source: SPSS 23 processed data

The multicollinearity test table shows the results If the TOL (Flexibility) value > 0.10 and VIF (Change Improvement Variable) < 10, multicollinearity does not occur. This suggests that the free factor does not exhibit multicollinearity.

4.3.3 Heteroskedasticity Test

This test aims to determine whether the relapse model shows inconsistent variations across different segments.

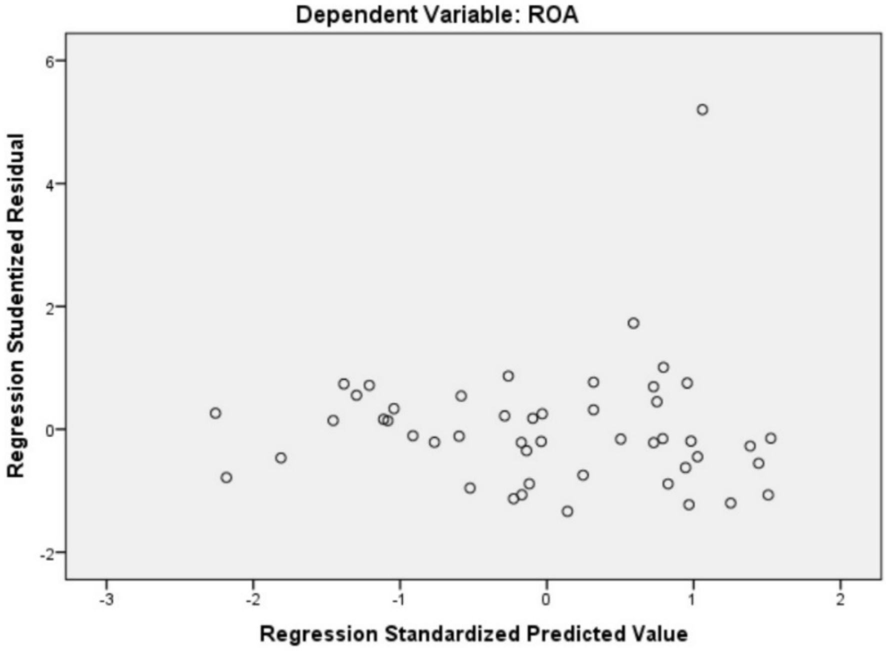

Figure 3. Heteroscedasticity Test
Source: Processed Secondary Data, 2023

Using control variables, the heteroscedasticity test shows that the centers are scattered indiscriminately and do not approach an undeniable model, with certain models above and below 0 at the center point Y. The information is not heteroscedastic, as this shows.

4.4 Statistical Test F

By using the model, showing that the dependent variable (independent component) has a real effect on the dependent variable (subordinate variable) is a support for the quantitative F test. The measured F test has a significance level of 0.05 or a value of 5%. Next are the results obtained from the results of SPSS 23:

Table 5. Goodness Of Fit Test Results After Control Variables

ANOVA

Type	Sum of Squares	Df	Mean Square	F	Sig
1 Regression	.212	6	.035	4.132	.002b
1 Residuals	.351	41	.009		
1 Total	.563	47			

a, Dependent Variable: ROA

b, Predictors: (Constant), Leverage, Corporate Social Responsibility, Independent Commissioner, Audit Committee, Institutional Ownership, Managerial Ownership

By considering the consequences of testing carried out using the Anova table, the results of the information that has been managed are obtained, it is expected that the overall degree of importance is 0.016 < 0.05. 0.002 < 0.05 meanwhile decisively impact monetary execution (ROA). Legitimate ownership, institutions that have a place, independent leadership, reviews that encourage the gathering of legitimate executives, corporate social responsibility.

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4.5 Test Coefficient of Determination (R2)

The Confirmation Coefficient test is used to test the significance of the independent element's responsibility to the dependent variable.

Table 6. Test Results of Coefficient of Determination After Control Variable (R2)

Model Summary[b]

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin – Watson
1	.614a	.377	.286	.09248	1.671

a. Predictors: (Constant), Leverage, Corporate Social Responsibility, Independent Commissioner, Audit Committee, Institutional Ownership, Managerial Ownership

b. Dependent Variable: ROA

Source: Processed Secondary Data, 2023

By considering the results of the affirmation coefficient test above, it shows that the R square value has a value of 0.377 or 37.7%. Demonstrate that free factor obligations include legitimate ownership, institutions that have place, free leadership, supervisory boards, corporate social responsibility, influence.

4.6 Hypothesis Test (T Test)

The t test is used to select assuming there is an influence between independent factors, namely the fundamental degree 0.05 or (a = 5%). The following are the final SPSS 23 results of this test:

Table 7. Test Results t After Control Variables

Coefficients[a]

Type	t	Sig	Information
(Constant)	-.147	.884	
Corporate Social Responsibility	1.295	.202	Insignificant
Independent Commissioner	3.461	.001	Significant
Institutional Ownership	1.936	.060	Significant
Managerial Ownership	.452	.654	Insignificant
Audit Committee	.480	.633	Insignificant
Leverage	2.588	.013	Significant

Based on the table above can be explained as follows:

1) Speculation testing on the variable corporate social responsibility amounted to 0.202. Since the value of the variable is greater than 0.05, it can be said that the variable basically affects the financial presentation of the business. In the same way, H0 is forgiven and H1 is recognized.
2) The independent commissioner's speculation test was 0.001. This is expected to have a major impact on the affiliate's financial performance given that the variable value is below 0.05, so H0 is accepted and H2 is forgiven.
3) Institutional ownership test of 0.060. It can be considered a major impact on the affiliate's financial performance given that the variable value is below 0.05, so H0 is accepted and H2 is forgiven.
4) Managerial ownership testing amounted to 0.654. It can be assumed that it greatly affects the financial performance of the company given that the variable value is more than 0.05, so H0 is forgiven and H2 is accepted.
5) The audit committee's test was 0.633. It can be considered to greatly affect the financial performance of the affiliate given that the variable value is below 0.05, so H0 is forgiven and H2 is accepted.

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6) Tested the leverage hypothesis of 0.013. It is acceptable that it fundamentally impacts the company's financial performance given that its variable value is below 0.05, so H0 is accepted and H2 is forgiven.

4.7 Discussion

1) The Effect of Good Corporate Governance (GCG) on Financial Performance
   Corporate Social Responsibility (CSR) is the affiliation or decision making of the business world to contribute and obligations towards a reasonable increase in cash by focusing on the arrangement between paying attention to the financial, social and general focus around affiliates. Taking into account the consequences of Corporate Social Responsibility (CSR) testing of cash-related execution in affiliation with a value more tangible than 0.05 (a = 5%) recommends that Corporate Social Responsibility makes no difference. indispensable for cash-related execution.
2) The Effect of Good Corporate Governance (GCG) on Financial Performance
   By considering the results of the evaluation, Good Corporate Governance (GCG) has 4 markers on the financial performance of affiliates, namely clear administrative ownership, institutional ownership, independent supervisors, and also reviews that move legitimate leadership groups. This can be solved as follows:
   a) Influence of Independent Commissioner on Financial Performance
      Independent commissioners can be assessed by addressing the level of autonomous managers (Martatilova &; Djuitaningsih, 2012; Monica & Goddess, 2019). Taking into account the consequences of the free equity test on the affiliate's monetary execution showing that it matters with a result of 0.001 with a value smoother than 0.05 (a=5%) surmise that the Free Supervisor fundamentally impacts the affiliate's cash-related performances.
   b) The Effect of Institutional Ownership on Financial Performance
      Institutional ownership is a condition in which shares in an institutional organization can be owned by government, private, or unknown foundations (Martatilova &; Djuitaningsih, 2012; Sembiring, 2020). Taking into account control variables with values more honest than 0.05 (a=5%), concluding that Institutional Ownership greatly impacts the affiliate's financial performance.
   c) The Effect of Managerial Ownership on Financial Performance
      The one who has an administrative position is the financial sponsor of the board who actually directs and influences the implementation of cash in the affiliate(Sani &; Irawan, 2021; Sembiring, 2020). The results of the regulator's test of financial execution in the association showed insignificant, with a result of 0.654 with a value greater than 0.05 (a = 5 percent), indicating that managerial ownership had no significant effect on financial execution.
   d) The Effect of the Audit Committee on Financial Performance
      According to (Rahmawati et al., 2017; Sulistyowati &; Fidiana, 2017) The audit committee is who is responsible for directing external audits and managing financial statements Considering the consequences of the Review Board's difficulty over financial execution within affiliates, it appears that it is not bad with a result of 0.633 with a value more tangible than 0.05 (a= 5%), proposing that the Review Meeting actually has an impact on cash-related execution.
3) The Effect of Leverage on Financial Performance
   Leverage is a ratio used to measure how much an affiliate uses funding ranging from responsibility (Setiawan &; Christiawan, 2017). Taking into account the

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consequences of the Effect test on monetary execution in affiliates, it looks significant with a result of 0.013 with a value more important than 0.05 (a-5%), thus concluding that the Effect has a significant impact on money-related execution.

5. Conclusion

Taking into account the possible results of the assessment of information research and discussion that have been introduced in the previous section of the exam, the point is to choose Corporate Social Responsibility (CSR) and Good Corporate Governance (GCG) on the implementation of finance in affiliates. Therefore, it can be summarized as follows: (1) Corporate Social Commitment affects the financial performance of the organization as a result of the response of financial investors to CSR exposure. 2) Free Trustees impact the affiliate's financial performance, taking into account how much the Free Judge can work on the affiliate's financial performance exceptionally. (3) Institutional ownership basically affects the cash appearance of an affiliate considering that to cover the profits of an affiliate used suggestion value, so institutional ownership will bring a difference. (4) Managerial affiliation has a negligible impact on the financial appearance of the organization, and 5) the Survey Agency has no effect on financial implementation. This is because the Audit Room is tasked with assisting the main leadership group in screening financial statements to develop creative thinking on financial statements. 6) Monetary execution is to some degree influenced by Influence variables, and monetary execution is more or less influenced by influence.

The designer will offer the following ideas based on the currently available end results: 1) For additional valuations, it is important to add or replace factors that may affect money-related execution, for example, the size of the affiliate, to see if the affiliate has an outstanding execution. (2) Researchers are further advised to use a wider sample, as well as being able to take companies listed on the IDX. (3) The next researcher who will conduct research on the company's financial performance is advised to use other ratios, not only ROA

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