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Research Article

The Influence of Corporate Social Responsibility on Financial Performance with Good Corporate Governance as Moderating Variable

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Abstract
This study aims to determine the effect of Corporate Social Responsibility on financial performance moderated by Good Corporate Governance in construction and building sub-sector companies listed on the Indonesia Stock Exchange for the 2019-2021 period. The quantitative methodology was used in this study. Construction and building companies listed on the Indonesia Stock Exchange for 2019 through 2021 comprise this study's population. Purposive sampling was used for the study's sampling, which produced final sample of 13 businesses. The information used in this study is secondary data. The results of this study indicate that: (1) economic dimension information has a significant positive effect on financial performance, (2) environmental dimension information has significant negative effect on financial performance, (3) social dimension information has insignificant negative effect on financial performance, (4) GCG can moderate the relationship of information on the environmental dimension to financial performance (5) GCG cannot moderate the relationship between information on the economic dimension and information on the social dimension on financial performance. In increasing firm value, research implications for companies should always be consistent in disclosing CSR information and the implementation of GCG to avoid problems that can lower the image company in the eyes of investors and the public.

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

JEL Classification: G3, M1

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1. Introduction

In the era of globalization, business development has become rapid, followed by increasingly fierce competition between companies. The company tries to improve its performance from time to time for business continuity. The company's financial performance demonstrates its capacity for resource management. Financial ratios can be used to assess the company's financial performance. Financial ratios are comparisons of the numbers in the financial statements used to assess the company's financial condition or performance. One of the financial ratios that can be used is Return on Assets (ROA). This ratio examines how much a company uses its resources to generate profits (Kristen, 2020).

Improvements in financial performance are carried out so that the company can continue to grow and compete over time to maintain its business continuity. Based on data from the Indonesia Stock Exchange website, in 2019, the infrastructure sector had the highest growth increase compared to other sectors. In particular, the construction sector led the highest growth increase, with a percentage of 13.04% since the beginning of 2019 (investment.kontan.co.id). The Ministry of Public Works and Public Housing (PUPR) also said it would spend funds on infrastructure development, which could be completed by 2023. This data means that construction companies will continue to experience growth which will stimulate the growth of building companies.

However, the estimated growth of the construction and building sub-sector companies needed to follow reality. As a result of the Covid-19 pandemic that occurred throughout the world, the Central Statistics Agency reported that the construction and building sub-sector companies experienced an economic decline of up to minus 5.67% (www.kompas.com). Based on the prediction of the performance of the construction and building sub-sector in 2022, it is estimated that it will still experience stagnation. However, according to Ihsannul Kamil's statement as the Ministry of PUPR, the construction and building sector in 2022 is expected to grow by 7.25%.

However, infrastructure development can harm those around the company, both the community and the environment. Companies must realize that their presence is part of the local social community where the company operates. This argument causes companies to receive pressure to seek profit and provide environmental and social responsibility. For the impact caused by its business, the company must carry out social and environmental responsibility or what is called Corporate Social Responsibility (CSR).

In the accounting magazine IAI Global, CSR activities are generally recognized and treated as an expense that will affect the decline in company profits and owner's equity. However, with the emphasis on CSR practices, many companies have begun to question whether implementing CSR activities will increase costs or affect company performance. Companies that make CSR part of their business strategy will positively affect their performance. The social costs incurred in this activity will make their business more efficient and create better value (Lin & Amin, 2017).

Concerning efforts to improve the company's performance, the company must support it by implementing Good Corporate Governance (GCG), which is useful for supervising the sustainability of the company in its operations. A good monitoring system can affect the company's performance improvement. Good GCG implementation can have an impact on economic, social, and environmental performance, where this performance will have an impact on financial performance (Santosa et al., 2022). As one of the elements of GCG, the board of directors is the board responsible for the company's operations. The board of directors is expected to make efficient decisions for the company and oversee management activities to improve company performance (Yanto, 2018).

Many studies have examined the influence of CSR on financial performance, with GCG as a moderating variable. Findings by Maryanti & Fithri (2017), Ariesanti (2017), and Kristen & Werastuti (2020) state that there is a positive influence of CSR on financial performance, with GCG as a moderating variable. However, research by Ainy & Barokah (2019), Nurfitriani et al. (2021), and Clarissa & Ketut Rasmini (2018) state the opposite results, namely that there is no positive influence of CSR on financial performance with GCG as the moderating variable.

2. Literature Review and Hypothesis

Legitimacy Theory

It is inevitable that between the community and the company, there is an interdependent relationship, which binds these two parties into a social contract (Choi, Lee & Psaros, 2013; Mathews, 1993). The idea of a social contract holds that every social institution, including businesses operating within communities, is bound by an implicit or explicit social contract stipulating that their continued development will be contingent on outcomes that can benefit the larger community's economic and social benefits. Companies that fail to fulfill the social contract can receive various negative impacts, such as difficulties in obtaining the required resources, rising costs of capital, falling company stock prices, tightening regulations by the government, and even threatening the company's survival (Tuan & Tuan, 2016; Sugiarto & Santosa, 2018). Longenecker, Neubert & Fink (2007) argue that the company tries to gain legitimacy in order to maintain its business continuity and can continue to generate profits. Disclosure of CSR by the company is proof that the company has met the expectations of society to gain positive values and community legitimacy.

Agency Theory

The relationship between the principal and the agent is explained by agency theory. Shareholders, as principals, delegate decision-making authority on their behalf to managers who act as agents (Jensen & Meckling, 1976). Management is an entity that shareholders have hired to represent their interests, and as such, shareholders have granted management the power to decide what is best for shareholders. Therefore, management has a duty to shareholders to account for all of its efforts. The problem arising from this principal-agent relationship is a conflict of interest, where the agent sometimes decides the principal's interests. Shareholders as principals are only interested in financial results or investment returns that increase in the company, while management as agents are only motivated to maximize economic and psychological needs. Principals must refrain from monitoring daily management activities, resulting in information asymmetry and conflicts of interest increasing. Information asymmetry occurs when the agent has more information than the principal and other stakeholders. If the agent discloses the information, this information asymmetry will be reduced (Santosa et al., 2020).

Financial performance

The business's financial performance can be seen as an accomplishment demonstrating its state for a specific time. Company performance appraisal is important because performance reflects the company's ability to manage and produce its resources. Thus, the assessment results can be used as a guide to improve the company's performance further. Return on Assets (ROA) is used in this study as a proxy for financial performance. The ROA ratio indicates a company's ability to profit using its assets. ROA measures net income divided by the company's total assets (Santosa, 2019; Brigham & Houston, 2018).

Corporate Social Responsibility

According to WBCSD (The World Business Council for Sustainable Development), CSR or corporate social responsibility is a sustainable business commitment to behave ethically and contribute to economic development by improving the quality of life of employees and the wider community (Zhang, 2022). Corporate social responsibility is disclosed in a report referred to as sustainability reporting. The sustainability report details the company's daily operations' effects on the environment and society, according to the Global Report Initiative (GRI) G4 in 2013.

Economic Dimension Information

The GRI G4-based economic dimension focuses on data about the organization's effects on stakeholders' financial situations and the local, national, and international economic systems. The company's contribution to the economy is the primary focus of the economic issues covered in the sustainability report. A total of nine indices, including data on economic performance, market presence, indirect economic effects, and procurement practices, are disclosed (Zhang, 2022; Zheng & Ren, 2019).

Environmental Dimension Information

The GRI G4 environmental dimension asks how an organization affects living and non-living natural systems, such as ecosystems, air, water, and land. The disclosure of information on environmental dimensions consists of a total of 34 indices that cover the following topics: materials, energy, water, biodiversity, emissions, effluents and wastes, products and services, compliance, transportation, supplier environmental assessment, and environmental complaints mechanism (Zheng & Ren, 2019; Santosa et al., 2020).

Social Dimension Information

The social dimension based on GRI G4 describes information about the organization's impact on the social system in which the organization operates. Information on the social dimension has more indexes than the economic and environmental dimensions, with 48 indices.

Good corporate governance

IICG (2010) defines the structures, systems, and procedures employed by the company's organs to continuously and permanently add value for the company as good corporate governance (GCG). Thus, the implementation of GCG is likely to increase the company's value, and effective corporate governance in the long term can improve the company's performance and benefit the shareholders. As an element of GCG, the board of directors has full responsibility for the company to manage the company; besides that, the board of directors is also responsible for external parties, including consumers, distributors, and others. The number of members on the board of directors adjusts how complex the company's operational activities are. The existence of the board of directors is very important in building GCG because its existence determines the company's performance (Hanifah & Purwanto, 2013). The board of directors strongly influences the company's performance in terms of managing information for use in company activities (Aprilia & Rahayu, 2023; Mukhtaruddin et al., 2019).

Hypothesis and Framework Conceptual

The hypothesis used in this study relates to the presence or absence of the independent variable and the dependent variable, so the hypothesis is tested as follows:

H1: Information on the economic dimension significantly positively affects financial performance.
H2: Information on environmental dimensions has a significant positive effect on financial performance.
H3: Information on social dimensions has a significant positive effect on financial performance.
H4: Good corporate governance can strengthen the relationship between economic dimension information and financial performance.
H5: Good corporate governance can strengthen the relationship between environmental dimension information and financial performance.
H6: Good corporate governance can strengthen the relationship between social dimension information and financial performance.

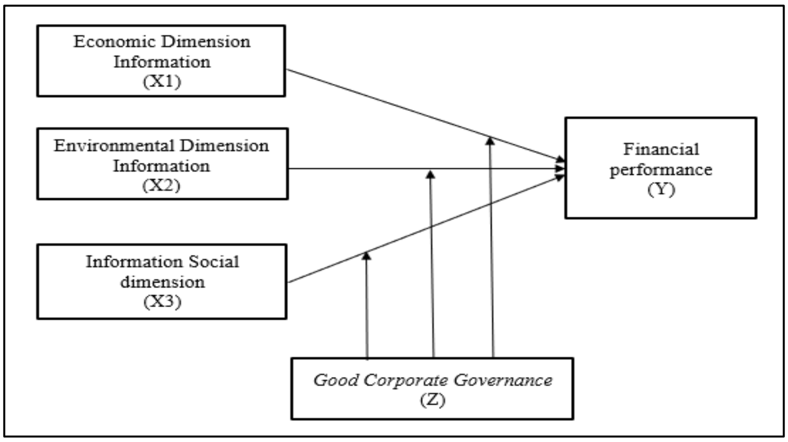

Figure 1. Framework Conceptual

3. Data and Method

Associative research with a causal relationship is used in this study. Corporate social responsibility was the independent variable used in this study. It is measured using economic, environmental, and social data and good corporate governance as a moderating variable represented by the board of directors. Financial performance, however, is the study's dependent variable.

The sampling technique in this study used a purposive sampling method by determining the sample based on certain characteristics and considerations (Santosa & Hidayat, 2014; Sugiyono, 2017). The population in this study totaled 69, consisting of 23 construction and building sub-sector companies listed on the Indonesia Stock Exchange for the 2019-2022 period, so 13 companies met these three criteria with a total sample of 39 studies data.

Methods of Data Analysis and Hypothesis Testing

This study comprises three independent variables, one dependent variable, and one moderating variable. The information on the social, environmental, and economic dimensions of corporate social responsibility is used as proxies for the independent variable in this study, which is CSR. The dependent variable is financial performance, calculated as net profit divided by the company's total assets as a stand-in for ROA. The board of directors' commitment to good corporate governance is a moderating factor in this study. This study used a multiple linear regression model with moderate regression analysis (MRA). The form of the multiple data linear regression model is as follows:

$$\mathbf{Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4Z + \beta 5X1{*}Z + \beta 6X2{*}Z + \beta 7X3{*}Z + \varepsilon}$$

Where:

Y	= PerformanceFinance
α	= Constant
β	= Regression Coefficient
X1	= Economic Dimension Information
X2	= Environmental Dimension Information
X3	= Social Dimension Information
Z	= Good Corporate Governance

4. Results

Analysis Statistics Descriptive

The characteristics of research variables, such as their number of observations, minimum and maximum values, means, and standard deviations, are described using descriptive statistics.

Table 1. Descriptive Statistics

	X1_EC	X2_EN	X3_SO	Z_GCG	Y_ ROA
Mean	0.649573	0.595777	0.726496	5.025641	-0.016557
Maximum	1.0000000	0.941176	0.979167	8.000000	0.107229
Minimum	0.222222	0.058824	0.312500	2000000	-1.277256
Std. Dev.	0.1201583	0.259733	0.161387	1.630098	0.210030
Observations	39	39	39	39	39

Source: Processed Data (2022)

Based on Table 1. descriptive analysis test results:

1. The financial performance variable shows an average value of -0.016557 with a standard deviation of 0.210030. The maximum value is 0.107229, and the minimum value is -1.277256.
2. The economic dimension information variable shows an average value of 0.649573 with a standard deviation of 0.10583. The maximum value is 1, and the minimum value is 0.222222.
3. The environmental dimension information variable shows an average value of 0.595777 with a standard deviation of 0.259733. The maximum value is 0.941176, and the minimum value is 0.058824.
4. The social dimension information variable shows an average value of 0.726496 with a standard deviation of 0.161387. The maximum value is 0.979167, and the minimum value is 0.312500.
5. The GCG variable shows an average value of 29.61159 with a standard deviation of 1.869891. The maximum value is 33.25570, and the minimum value is 24.57000.

Classic Assumption Test

Normality Test

To ascertain whether or not the dependent and independent variables in a regression model have a normal distribution, use the normality test.

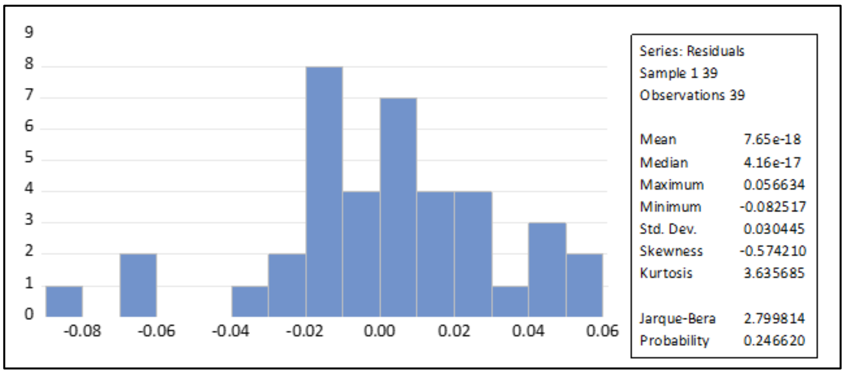

Figure 2. Normality Test Result

Based on Figure 2, the probability value of Jarque-Berra (JB) is 0.246620 > 0.05, so it can be concluded that the data used in this study is normally distributed.

Multicollinearity Test

The multicollinearity test looks at how closely the independent variables are related.

Table 2. Multicollinearity Test Result

	X1_EC	X2_EN	X3_SO	Z_GCG
EC	1.0000000	0.772874	0.672641	0.348402
EN	0.772874	1.0000000	0.780241	0.390742
SO	0.672641	0.780241	1.0000000	0.281604
GCG	0.348402	0.390742	0.281604	1.0000000

Source: Processed Data, 2022

Based on Table 2's results, it can be inferred that there are no multicollinearity issues with the data used in this study's regression model because the correlation coefficient between the independent variables is less than 0.90.

Heteroscedasticity Test

The heteroscedasticity test aims to determine whether the variance of the regression model and the residual observations differ. The Breusch-pagan Godfrey test was employed in this study for the heteroscedasticity test.

Table 3. Heteroscedasticity Test Result

Heteroskedasticity Test: Breusch-Pagan-Godfrey
Null hypothesis: Homoskedasticity

F-statistics	1.259555	Prob. F (5,33)	0.3045
Obs*R-squared	6.250052	Prob. Chi-Square (5)	0.2826
Scaled explained SS	6.561816	Prob. Chi-Square (5)	0.2553

Source: Processed Data, 2022

Breusch-pagan Godfrey test results from Table 3 indicate that the value of Prob. Chi-Square Obs*R-squared is greater than 0.05, which is 0.2826, which means 0.2826 > 0.05. Therefore, it is possible to conclude that there is no heteroscedasticity, indicating that the data used in this study are homoscedasticity-free.

Autocorrelation Test

In a linear regression model, the autocorrelation test is used to determine whether there is a connection between the confounding error in the current period and the error in the prior period. This study's autocorrelation test used the Durbin-Watson (DW) test.

Table 4. Autocorrelation Test Result

MSE root	0.076725	R-squared	0.863041
Mean dependent var	-0.016557	Adjusted R-squared	0.739777
SD dependent var	0.210030	SE of regression	0.107141
Akaike info criterion	-1.322816	Sum squared resid	0.229583
Schwarz criterion	-0.512363	Likelihood logs	44.79492
Hannan Quinn Criter.	-1.032033	F-statistics	7.001597
Durbin-Watson stat	2.212694	Prob(F-statistic)	0.000035

Source: Processed Data, 2022

Based on the results of Table 4, the statistical value of DW is 2.212694. With a sample of 39 companies, the number of independent variables is 4 (k = 4). Value du = 1.7215 value dl = 1.2734. From the results above, it can be seen that the DW is between the du and 4 – du values, namely 1.7215 < 2.212694 < 2.28785. So, it can be concluded that there is no autocorrelation.

Analysis Panel Data Selection

Chow test

This test aims to choose between the fixed effect method and the common effect method as the best data model.

Table 5. Chow Test Results

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistics	df	Prob.
Cross-section F	4.361908	(12,22)	0.0014
Cross-section Chi-square	47.488183	12	0.0000

Source: Processed Data (2022)

Chow test results in Table 5 show that the chi-square cross-section's probability value is smaller than the significance value of 0.0000 < 0.05. Thus, H0 is rejected, and H1 is accepted. Based on this, the most appropriate model used in this study is the Fixed Effect Model (FEM).

Hausman test

In order to choose the best data model, this test is used to compare the fixed effect method and the random effect method.

Table 6. Hausman Test Results

Correlated Random Effects - Hausman Test
Test cross-section random effects

Test Summary	Chi-Sq. Statistics	Chi-Sq. df	Prob.
Cross-section random	10.568085	4	0.0319

Source: Processed Data (2022)

It shows that the random cross-section value exceeds the significance value of 0.0319 <0.05. Thus, H0 is rejected, and H1 is accepted. Based on this, the most appropriate model used in this study is the Fixed Effect Model (FEM).

LM (Lagrage Multiplier) Test

In order to choose the best data model, this test is used to compare the random and common effect methods.

Table 7. Lagrange Multiplier Test Results

Lagrange Multiplier Tests for Random Effects Null hypotheses: No effects Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided (all others) alternatives			
		Hypothesis Test	
	Cross-section	Time	Both
Breusch-Pagan	0.075984 (0.7828)	0.734562 (0.3914)	0.810546 (0.3680)

Source: Processed Data (2022)

Hausman test results in Table 7 show that the Breusch-Pagan value is smaller than the significance value of 0.7828 > 0.05. Thus, H1 is accepted. Based on this, the most appropriate model used in this study is the Common Effect Model (CEM).

Selection of Panel Data Regression Model

Based on the previous Chow, Hausman and Lagrange Multplier tests, the following conclusions are drawn from the selection of the panel data regression model to be used in this study:

Table 8. Results of Testing Conclusions

No	Method	Test	Results
1	Chow test	*Common effects models* vs. fixed effects model	*Fixed effects model*
2	Hausman test	*Fixed* effect models vs. random effects model	*Fixed effects model*
3	Lagrange Multiplier Test	*Random effects models* vs. common effects model	*Common Effect Model*

Source: Processed Data (2022)

Analysis Multiple Linear Regression

Table 9. Random Effect Model

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.582994	0.988593	1.601259	0.1258
EC	1.252078	1.001405	1.250321	0.0485
EN	-3.009604	0.650468	-4.626829	0.0002
SO	-1.351069	1.690580	-0.799175	0.4341
GCG	-0.289892	0.200222	-1.447854	0.1640
EC_GCG	-0.223983	0.233259	-0.960235	0.3490
EN_GCG	0.420649	0.159257	2.641329	0.0161
SO_GCG	0.335056	0.319159	1.049809	0.3070

Source: Processed Data (2022)

Based on the results of panel data regression in Table 9, then obtained the equation model as follows:

$$\mathbf{Y = 1.5829+1.2520\,(X1) - 3.0096(X2) -1.3510(X3) -0.2898\,(Z)-0.2239(X1*Z) +0.420649(X2*Z) +0.3350(X3*Z) + e}$$

1. Constant (α) of 1.582994 states that if all independent variables (economic dimension information, environmental dimension information, social dimension information) are

considered equal to 0, then the value of the financial performance variable is equal to 1.5829.

2. The value of the economic dimension information regression coefficient has a positive relationship of 1.2520 on financial performance. This finding means that for every change in the value of the economic dimension information variable, the financial performance variable will increase by 1.2520.
3. The regression coefficient value of the environmental dimension information has a negative relationship-3.0096 with financial performance. This finding means that for every change in the value of the environmental dimension information variable, the financial performance variable will decrease by -3.0096.
4. The regression coefficient value of social dimension information has a negative relationship of-1.3510on financial performance. This result means that for every change in the value of the social dimension information variable, the financial performance variable will decrease by-1.351069.
5. GCG regression coefficient value has a negative relationship-0.2898 with financial performance. This result means that for every change in the value of the GCG variable, the financial performance variable will decrease by-0.2898.
6. The regression coefficient value of the interaction of economic dimension information with GCG has a negative relationship of-0.2239 on financial performance. This result means that for every change in the value of the economic dimension information interaction variable with GCG, the financial performance variable will decrease by-0.2239.
7. The regression coefficient value of the interaction of environmental dimension information with GCG has a positive relationship of 0.4206 on financial performance. This finding means that for every change in the value of the environmental dimension information interaction variable with GCG, the financial performance variable will increase by0.420649
8. The regression coefficient value of the social dimension information interaction with GCG has a positive relationship of 0.3350 on financial performance. This result means that for every change in the value of the social dimension information interaction variable with GCG, the financial performance variable will increase by 0.3350.

Hypothesis Test

Coefficient Test Determination (R2)

Test this aim to measure how much far model ability to explain the dependent variable.

Table 10. Results of the Coefficient of Determination (R^2)

MSE root	0.076725	R-squared	0.863041
Mean dependent var	-0.016557	Adjusted R-squared	0.753300
SD dependent var	0.210030	SE of regression	0.107141
Akaike info criterion	-1.322816	Sum squared resid	0.229583
Schwarz criterion	-0.512363	Likelihood logs	44.79492
Hannan Quinn Criter.	-1.032033	F-statistics	7.001597
Durbin-Watson stat	2.212694	Prob(F-statistic)	0.000040

Source: Processed Data (2022)

Based on Table 10, it is explained that the Adjusted R-Squared value is 0.7533, which means the magnitude of the coefficient of determination in this study is 0.7533. This finding means that the company's financial performance is influenced by information on economic dimensions, information on environmental dimensions, information on social dimensions, and GCG by 75.33%. In comparison, the remaining 24.67% is influenced by other factors not included in the research model.

Partial Test (T-Test)

Under the premise that the other independent variables are constant, the t-test illustrates how much one independent variable impacts the dependent variable. Based on the test results in Table 9, the following hypotheses are obtained:

1. The economic dimension information variable (X1) has a probability value of 0.0485, where this value is smaller than 0.05 (0.0485 < 0.05), and the regression coefficient value is 1.252078. This result shows that the economic dimension information variable significantly affects financial performance. Thus the result of H1 is that the information on the economic dimension has a significant positive effect on financial performance.
2. The environmental dimension information variable (X2) has a probability value of 0.0002, where this value is smaller than 0.05 (0.0002 < 0.05), and the regression coefficient value is -3.009604. This finding shows that the environmental dimension information variable significantly affects financial performance. Thus, the result of H2 is that the environmental dimension information significantly negatively affects financial performance.
3. The social dimension information variable (X3) has a probability value of 0.4341, where this value is greater than 0.05 (0.4341 > 0.05), and the regression coefficient value is -1.351069. This result shows that the social dimension information variable significantly negatively affects financial performance. Thus, the result of H3 is that information on social dimensions has an insignificant negative effect on financial performance.
4. The GCG interaction variable with the economic dimension information (X1*Z) has a probability value of 0.3490, where this value is greater than 0.05 (0.3490 > 0.05), and the regression coefficient value is -0.223983. This finding shows that the GCG variable cannot moderate the relationship between economic dimension information and financial performance. Thus, the result of H4 is that GCG cannot strengthen the relationship of economic dimension information to financial performance.
5. The GCG interaction variable with environmental dimension information (X2*Z) has a probability value of 0.0161, where this value is smaller than 0.05 (0.0161 < 0.05), and the regression coefficient value is 0.420649. This result shows that the GCG variable can moderate the relationship between environmental dimension information and financial performance. Thus the result of H5 is that GCG can strengthen the relationship between environmental dimension information and financial performance.
6. The GCG interaction variable with social dimension information (X3*Z) has a probability value of 0.3070, where this value is greater than 0.05 (0.3070 > 0.05) and a regression coefficient value of 0.335056. This finding shows that the GCG variable cannot moderate the effect of social dimension information on financial performance. Thus, H6 is that GCG cannot strengthen the relationship of social dimension information to financial performance.

Simultaneous Test (F Test)

Based on the simultaneous results (Test F) in Table 10, the Prob value (F-statistic) is 0.00040 <0.05. Based on these results, there is an influence between all independent variables, namely information on economic dimensions, information on environmental dimensions, and information on social dimensions on the dependent variable of financial performance, with GCG as the moderating variable.

5. Discussion

The Effect of Information on Economic Dimensions on Financial Performance

The data regression results show that the regression coefficient value of economic performance is 1.2520 with a probability value of 0.0485 with a significance of 0.05 (0.0485 < 0.05). The first hypothesis is accepted based on the research results above, which means this study's results align with the legitimacy theory. Information on the economic dimensions of CSR can ensure the potential of competitive capital resources owned by the company. By disclosing information on the economic dimension, the economic impact given by the company can be seen clearly. The results of this study are not in line with the research conducted by Clarissa & Ketut (2018). This study's results align with the results of Bukhari & Sopian (2017) study, which states that information on the economic dimension has a positive effect on financial performance.

The Effect of Environmental Dimension Information on Financial Performance

The data regression results show that the regression coefficient value of environmental performance is-3.009604with a probability value of 0.0002 with a significance of 0.05 (0.002 < 0.05). Based on the research results above, the second hypothesis is rejected, which means that the results of this study need to follow the theory of legitimacy. Information on environmental dimensions in CSR cannot meet the community's expectations; even this information is considered detrimental to the company. According to the legitimacy theory, this information should be the company's effort to gain public legitimacy. This finding indicates the low market awareness of environmental information by the company. The results of this study in-line with Ainy & Barokah (2019) that state information on environmental dimensions carried out by the company does not provide benefits because it is considered not to provide information about the company's perspective on environmental performance.

The Effect of Social Dimension Information on Financial Performance

The data regression results show that the regression coefficient value of the social dimension information is-1.351069with a probability value of0.4341with a significance of 0.05 (0.4341> 0.05). Based on the research results above, the third hypothesis is rejected, which means that corporate social information needs to be considered information that can improve company performance. Based on the GRI standards, the disclosure of social information covers the sub categories of employment, human rights, society, and product responsibility with a total index of 48. The disclosure index of the social dimension has a higher number than the disclosure of the economic and environmental dimensions. This condition can reduce the company's income because more disclosures result in greater costs. This study's results are in-line with the research conducted by Pham & Tran (2020).

Good Corporate Governance Moderating the Relationship between Economic Dimension Information and Financial Performance

The data regression results show the regression coefficient value of the economic performance of -0.2239 with a probability value of 0.3490 with a significance of 0.05 (0.3490> 0.05). Based on the results of the research above, it can be stated that the fourth hypothesis is rejected, which means that the results of this study are not by agency theory which states that the implementation of GCG with the presence of a board of directors is considered to reduce information asymmetry by disclosing information through CSR. This is because opportunistic managers are to blame for disclosing economic performance on financial performance. In the case of managerial opportunism, managers advocate cutting back on social performance spending to boost immediate profitability and management compensation. Nevertheless, management pays closer attention to sustainability reports when financial performance is weak. In order to divert shareholders and stakeholders from subpar financial performance, businesses that perform poorly financially—in this case, have low profitability—tend to disclose more data about their economic performance. According to Aspan (2017), which found that GCG cannot moderate the relationship between economic dimension information and financial performance, the findings of this study are consistent with that finding.

Good Corporate Governance Moderating the Relationship between Environmental Dimension Information and Financial Performance

The data regression results show that the regression coefficient value of the environmental dimension information variable is0.4206 with a probability value of 0.0161 with a significance of 0.05 (0.0161 < 0.05). Based on the research results outlined above, the fifth hypothesis, which claims that the existence of the board of directors as a proxy for GCG strengthens the relationship between environmental dimension information and financial performance, is true. According to the legitimacy theory, which holds that businesses must be able to build relationships in order to create a good environment under the norms prevailing in society, disclosure of information on environmental dimensions is appropriate. Disclosure of information on environmental dimensions is a form of company transparency to stakeholders (Haryati, 2013). However, sustainability reporting, a form of firm transparency, can result in companies incurring additional costs that will reduce company profits. The business employs good corporate governance, with the board of directors as one of the elements in charge of managing the business to increase performance. With a board of directors that can supervise and control environmental aspects, the decisions taken by the company can be made effectively and efficiently. The relationship between data on environmental dimensions and financial performance is thereby strengthened by good corporate governance. This study's results agree with those of the previous one. Thus, sound corporate governance strengthens the connection between environmental data and financial performance. This study's results agree with those of the previous one. The relationship between data on environmental dimensions and financial performance is thereby strengthened by good corporate governance. This research is in line with Kristen & Werastuti (2020) research, which states that GCG can moderate the relationship between environmental dimension information and financial performance.

Good Corporate GovernanceModerating the Relationship of Social Dimension Information to Financial Performance

The data regression results show that the regression coefficient value of the social dimension information is 0.335056 with a probability value of0.3070with a significance of 0.05 (0.3070> 0.05). Based on the research results above, the sixth hypothesis is rejected. Social information with more disclosures increases costs and reduces company profits. However, with the existence of a board of directors, disclosure of this information is not considered a disadvantage but rather an opportunity for the company to improve its performance. GCG, which cannot moderate the relationship between social dimension information and financial performance, may be due to this information being unable to affect financial performance directly. This study's results align with Clarissa & Ketut Rezaee's research (2018), with results stating that GCG cannot moderate the relationship between social dimension information and financial performance.

6. Conclusion

According to the data analysis and discussion described in the previous chapter, the following can be inferred from the study's findings, information on the economic dimension has a significant positive effect on the financial performance of the construction and building sub-sector companies in 2019-2021. With this, the higher the disclosure of economic dimension information in CSR, the higher the financial performance. This finding shows that information on the economic dimension can ensure the potential of capital resources owned by the company. Information on environmental dimensions significantly negatively affects the financial performance of companies. The higher the disclosure of environmental dimension information in CSR, the lower the financial performance. This finding shows a discrepancy with the legitimacy theory and indicates the market's low awareness of environmental dimension information. Information on social dimensions has an insignificant negative effect on financial performance. With this, it can be interpreted that the higher the disclosure of social dimension information in CSR, the lower the financial performance. This finding is because the number of social disclosure indices that are widely considered can reduce the company's income.

Good corporate governance cannot strengthen the relationship between the economic dimension information and the financial performance of companies. This means that the implementation of GCG cannot improve the relationship of information on the economic dimension to financial performance. This is not under agency theory which states that GCG can reduce information asymmetry. Good corporate governance can strengthen the relationship between the environmental dimension information and the financial performance of companies. With this, implementing GCG can improve the relationship of environmental dimension information to financial performance. The implementation of GCG will likely improve the company's performance in environmental aspects. Good corporate governance cannot strengthen the relationship between social dimension information and the financial performance of construction and building sub-sector companies in 2019-2021. With this, it can be interpreted that the implementation of GCG cannot improve the relationship of social dimension information to financial performance. This finding is due to the nature of social dimension information that affects financial performance gradually and in the long term.

Recommendation

Based on the conclusions above, some suggestions can be considered, namely as follows: Companies can make CSR the right business strategy and improve good corporate governance to maximize the company's operating profit. Investors are expected not only to pay attention to the company's performance from the profits generated but to pay attention to CSR information as part of the company's performance so that it can be used as consideration for investment. Future researchers are expected to be able to expand their research by using other research objects listed on the IDX and adding a research period. And not only using dependent and independent variables but can add intervening variables.

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