The Effect of Financial Performance on Company Value with Corporate Social Responsibility Disclosure as a Moderating Variable (Study on LQ45 Banking Companies on the Indonesia Stock Exchange)

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A B S T R A C T

The research seeks to examine the effect of economic results on organizational value, and to consider how Corporate Social Responsibility (CSR) plays a moderating role in banks within the context of the LQ45 index at the Indonesia Stock Exchange from 2021 to 2023. Financial performance was measured using Return on Assets (ROA), Current Ratio (CR), Debt to Asset Ratio (DAR), while firm value was proxied by Tobin's Q and CSR by the disclosure index (CSRI). The analytical technique employed was multiple linear regression and Moderated Regression Analysis (MRA). This analysis revealed that ROA, CR, and DAR significantly boosted firm value. Additionally, CSR has been shown to reinforce the connection between financial performanceand firm value, particularly through the significant interactions of ROA×CSRI and CR×CSRI. Thus, banking firms that consistently disclose CSR tend to have higher firm value.

1. Introduction

In the competitive modern economic era, capital markets play a vital aspect in enhancing corporate advancement and appealing to investors. One crucial indicator that investors focus on is the firm's value. Company value signifies the market's judgment of a firm's future performace also trajectory, as shown in its stock price and published financial performance. This metric is crucial as it indicates the potential returns that investors expect on the funds they invest.

Financial performance is an essential measure in evaluating a firm's status. Key financial metrics like Return on Equity (ROE), Quick Ratio (QR), and Debt to Equity Ratio (DER) provide insights into how well the firm can create value, fulfill immediate needs, and oversee its financial framework. ROA demonstrates how effectively the firm operates resources to create earnings. CR shows the company's liquidity capabilities, while DAR reflects the company's capital structure and financial risk.

However, financial performance is not the only aspect that shapes a firm's value. Corporate Social Responsibility (CSR) serves as a non-monetary aspect that prominently affects a firm's standing and credibility with the public and stakeholders. CSR embodies

a firm's dedication to environmental issues, social concerns, and ethical management, and is an important consideration in investors' long-term assessments. This study focuses on banking sector companies included in the BEI LQ45 index. These companies have special characteristics such as high liquidity, large market capitalization, and good operational performance. Therefore, a review of the effects of CSR practices and fiscal outcomes on the value of firm's in this field is relevant and important to study However, financial performance is not the only aspect that shapes a firm's value. Corporate Social Responsibility (CSR) serves as a non-monetary aspect that prominently affects a firm's standing and credibility with the public and stakeholders. CSR embodies a firm's dedication to environmental issues, social concerns, and ethical management, and is an important consideration in investors' long-term assessments.

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2. Literature Review

Stakeholder Theoryis a set of guidelines and strategies concerning stakeholders, principles, conformity with legal standards, community and environmental concern, and the industry's responsibility to promote sustainable progress (Hadianto, 2013). Companies should not solely focus on profit making, but also deliver advantages to their stakeholders (shareholders, creditors, customers, supplier, government, community, analysts, and other entities)

Legitimacy theoryis a system emphasizes the welfare of the community or demonstrates greater alignment with societal values. The concept of legitimacy is significantly tied to aligning a business's core principles with the prevailing beliefs of society.

Signal theorydescribes the reasons why a company has the urge to explain information about financial reports to external parties. The firm is able to raise the value of the enterprise itself by reducing information asymmetry. Information asymmetry can be reduced through a signal given to external parties, for example, such as convincing financial information, which can minimize doubts about the company's future prospects (Sulisilawati, 2019).
Company valuesis an indicator that indicates the financial health of a business and serves as the main reference for investors in assessing the feasibility of an investment. One commonly used measure is the Tobin's Q ratio, which signifies the ratio between a firm's market valuation and its accounting value. A Tobin's Q exceeding one suggests that the firm has good growth prospects.

Financial performance

1. **Return on Assets (ROA):**Measuring the effectiveness of a firm in managing

assets to generate profits.
2. **Current Ratio (CR):**Assess the firm's ability to meet short-term obligations.
3. **Debt to Asset Ratio (DAR):**Describes the ratio of debt to total assets in a company.

Corporate Social Responsibility (CSR)

CSR embodies a firm's ethical reponsibility to the environment and the surrounding community. CSR that is consistent and relevant to corporate values can increase public trust and investor loyalty. In the context of regulations in Indonesia, Law No. 40 of 2007 has required companies, especially those engaged in the natural resources sector, to implement CSR.

HYPOTHESIS DEVELOPMENT

The Influence of Profitability on Company Value

Profitability reflects the firm's capacity to yield earnings form overall assets. Return on Assets (ROA) is a primary metric, assessing how well management employs assets to produce profits. Elevated ROA is encouraging for shareholders, indicating strong financial prospects and performance. According to previous studies (Hasanah et al., 2023; Nuriwan, 2018; Pradita, 2019), ROA has been shown to have a significant impact on firm value as shown by Tobin's Q.

Hypothesis 1 (H1): Profitability exhibits a beneficial impact on business valuation in the analysis of banks registered on the LQ45 on the Indonesia Stock Exchange.

The Influence of Liquidity on Company Value

Liquidity assesses the company's potential to cover short term debts effectively. Healthy liquidity shows good cash flow management and is a positive signal for investors. However, signaling theory also states that too much liquidity can be a negative signal because it can reduce the impact of inventory control. Reports conclude Iman et al. (2021) indicates that liquidity positively impacts company value.

Hypothesis 2 (H2): Liquidity is beneficial for company value in the investigation of banking institutions listed on the LQ45 in the Indonesia Stock Exchange.

The Influence of Solvency on Company Value

Solvency assesses a firm's capacity for long term debts. A strong solvency ratio shows reliance on debt, potentially lowering the firm's value because it increases financial risk. However, in Silitonga's (2021) research, solvency can also have a positive impact on company value when the capital structure is managed healthily.

Hypothesis 3 (H3): Stability enhances enterprise value in the analysis of banks traded on the LQ45 on the Indonesia Stock Exchange.

CSR Moderation on the Influence of Profitability on Company Value

CSR in alignment with societal and environmental ethics serves to strengthen the interplay of profit and company value. Companies that are highly profitable and active in

CSR activities will improve the reputation and loyalty of stakeholders, which directly affects the rise in company valuation. Ayu and Suarjaya's study (2017) supports that CSR significantly mediates the roleof profit in market valuation.

Hypothesis 4 (H4): Profitability enhances company value, while CSR functions as a moderating element in a study concerning banks on the LQ45 of the Indonesia Stock Exchange.

CSR Moderation on the Effect of Liquidity on Company Value

CSR is vital for success in strengthening the role of liquidity in firm value. With active CSR, companies strengthen investor and public trust, thereby increasing company value, especially when liquidity supports efficient operations. Based on studies by Raningsih & Artni (2018) and Rahma & Munfaqiroh (2021), CSR has been shown to strengthenthis relationship.

Hypothesis 5 (H5): Liquidity positively influences firm value, moderated by CSR in a research study of banks listed on the LQ45 of the Indonesia Stock Exchange.

CSR Moderation on the Effect of Solvency on Company Value

CSR can be a counterweight to the perception of risk due to high solvency. High CSR disclosure is a clear indicator that the firm is responsible for social and environmental sustainability. Itsnaini & Subardjo's (2017) study illustrates that CSR effectively moderates the impact of solvency on company value.

Hypothesis 6 (H6): Solvency positively affects company value, moderated by CSR in a study of banking firms included in the LQ45 on the Indonesia Stock Exchange.

3. Research Methods

Types of research

This research is identified as qualitative study. Qualitative is an approach that focuses on understanding concepts by gathering descriptive data through observations and analyzing themes in the information collected. In its implementation, scientists analyze secondary data forms. Secondary data refers to information collected indirectly after initial processing. The additional data is found within the annual report of the organization, this report aids in analyzing the company's financial health and evaluating the Corporate Social Responsibility measures adopted by banks. The data was obtained from credit unions licensed on the LQ45 BEI in 2021-2023 through the websitehttp://www.idx.co.id/

Population

The group analyzed in this study consists of banking sector service enterprises on the Indonesia Stock Exchange in 2021-2023.

Sample

The method chosen is a purposive sampling, that is, drawing samples from targeted individuals who possess the necessary information because they are the only ones who can provide the information needed or because they meet certain criteria set by the researcher.
The guidelines set the criteria for this analysis are as follows:

1. Sample firms are registered on the LQ45 of the Indonesia Stock Exchange in 2021 – 2023 in group of banking companies that publish annual reports consecutively.
2. The company disclosed CSR in its annual report for the period 2021-2023.
3. The appropriate sample companies from the research sample are as follows,

NO	Code	Company name
1.	ARTO	Bank Jago Tbk
2.	BBCA	Bank Central Asia Tbk
3.	BNI	State Bank of Indonesia (Persero) Tbk
4.	BBRI	People's Bank of Indonesia (Persero) Tbk
5.	BBTN	State Savings Bank (Persero) Tbk
6.	BMRI	Bank Mandiri (Persero) Tbk
7.	BRIS	Bank Syariah Indonesia Tbk

Variables and Operational Definitions of Variables

The scientist evaluated one dependent variable also two independent variables. Company Value is the dependent variable assessed using the Tobin's Q method, while Financial Performance, measured by ROA and CR, serves as the independent variable. Additionally, CSR acts as a moderating variable.

Independent variable (X)

The primary variable is economic viability which is indicated by a range of evaluation indices, including: Return On Equity (ROE), Liquidity Ratio (LR), and Total Liabilities to Assets (TLA). The evaluation period in this research covers three years, specifically 2021-2023. The statistical equation utilized in these financial metrics aims to calculate the effect strength of the independent variable, that is financial performance, on the dependent variable, specifically the company's market valuation.

Dependent Variable (Y)

Company Value is also called market value because the stock if the stock value rises, it can lead to greater returns for investors as the firm aims to optimize its total value. One of the indicators used in measuring company worth is reflected in Tobin's Q. This metric was created by Professor James Tobin (1967). Tobin's Q serves as an evaluation tool for asset assessments.

Moderation Variable (Z)

This study uses one moderating variable, namely Corporate Social Responsibility, which is assessed using the Corporate Social Responsibility Index. Reporting on Corporate Social Responsibility involves sharing information about corporate responsibility in the organization's annual report. Assessment is evaluated by the Corporate Social Responsibility Index (CSRI).

Data Analysis Techniques

The statistical method employed in this research aimed to assess whether financial results influence corporate worth, and to assess if Corporate Social Responsibility (CSR) alters the connection between financial outcomes also corporate worth. The methodology applied in this research is outlined as follows:

1. **Descriptive Statistical Analysis**
   Data analysis employs descriptive statistics, offering insights through metrics like average (mean), variance, minimum, maximum, skewness, and beyond (Ghozali, 2005).
2. **Classical Assumption Test**
   A regression model utilized to test the hypothesis must meet the classical assumptions so that the regression model becomes a more representative model. The essential assumption tests performed are: normality test, multicollinearity test, heteroscedasticity test.

a. Normality Test
   a method conducted as planned investigate the spread of data within a collection of data points or variables, to see if the data adheres to a normal distribution. The Normality Check is significant for confirming if the sampled data is normally distributed or from a normally distributed group.

b. Multicollinearity Test
   An effective regression model avoids multicollinearity issues. The multicollinearity analysis evaluates if a correlation is present among the regression model's independent variables. Multicollinearity signifies that a complete linear relationship exists among some or all variables describing the regression model (Ajija, 2011). The correlation coefficient of independent variables indicates this presence or absence of multicollinearity.

c. Heteroscedasticity Test
   A quality regression model has homoscedasticity, thereby not showing heteroscedasticity. Variance discrepancies are labeled as heteroscedasticity. Conducting a heteroscedasticity test on the regression model helps determine if residuals have unequal variance among various observations (Juliandi et al., 2014). The heteroscedasticity assessment is conducted with the goal of identifying if there is a difference in variances among separate data points. The heteroscedasticity assessment is important to check for inconsistencies in residual

variance across different data points in a regression model. Cross-sectional data often reveals heteroscedasticity as it encompasses observations of varied sizes such as small, medium, and large (Ghozali, 2016).

3. Hypothesis Testing

This hypothesis test is vital to detect irregularities in residual variance across distinct data points in a regression analysis. Cross-sectional collections often illustrate heteroscedasticity as they include a range of observation sizes like small, medium, and large. This hypothesis test includes:

a. Simple Linear Regression Analysis

The statistical method chosen to inspect hypothesis 1 is simple linearregression. This analysisis used to find out if the independent variable (X) relates to the dependent variable (Y). The study selects simple linear regression analysis because it involves only a single independent variable.

b. Interaction Test or Moderated Regression Analysis (MRA)

Moderated regression analysis (MRA) serves to evaluate hypothesis 2. MRA is a statistical method that employs an analytical framework that preserves sample integrity also establishes a foundation for managing the impact of moderator variables. The intent of this research is to evaluate the moderating role of CSR, assessing if it amplifies or reduces the link among the independent variable (X) and the dependent variable (Y). A moderating variable is considered a pure moderator when the interaction with the independent variable significantly influences the dependent variable (Fachrurrozie & Utaminingsih, 2014).

c. R2 Determination Coefficient Test

The coefficient of determination summarizes how closely the regression line aligns with the given data (Ghozali, 2007). R^2 values are shown in numbers ranging from 0- A low R^2 signifies the limited power of the independent variable to clarify the dependent variable's fluctuations. In contrast, if the R^2 value is significantly high (near 1), it implies that the independent variable primarily drives alterations in the dependent variable.

d. Partial Significance Test (t-Test)

The t-test serves to evaluate independent variables singularly with a major influence at a significance level of 5%. Should the determined significance level (sig t) be over 0.05, then Ha is rejected, but if the determined significance level is under 0.05, Ha is accepted.

4. Results And Discussion

Descriptive Statistical Analysis

In statistical analysis, all variables are assessed. This includes minimum, maximum, mean, standard deviation findings. The data processed by SPSS yields the following results:

Table 1
Descriptive Test Results

	N	Minimum	Maximum	Mean		Std. Deviation	Variance
	Statistics	Statistics	Statistics	Statistics	Std. Error	Statistics	Statistics
ROA	21	1.19	9.73	5.1857	.59284	2.71674	7,381
CR	21	1.66	4.88	3.0171	.22186	1.01669	1,034
DAR	21	.22	.78	.5057	.04254	.19492	.038
Tobins_Q	21	1.49	6.31	3.8081	.33086	1.51618	2.299
CSRI	21	.40	.99	.6738	.04213	.19307	.037
Valid N (listwise)	21						

Initial data review (n= 21) shows that all research variables—financial performance (ROA, CR, DAR), company value (Tobin's Q) and social responsibility disclosure (CSRI)— have a fairly wide range and standard deviation, indicating the heterogeneity of the sample companies' conditions. The average ROA of 5.19% (SD = 2.72) and CR of 3.02 times (SD
= 1.02) indicate moderate profitability and liquidity, while the debt to asset ratio (DAR = 0.51; SD = 0.19) indicates a relatively conservative capital structure. The average Tobin's Q value of 3.81 (SD = 1.52) indicates that most issuers are appreciated by the market above the book value of their assets. The skewness and kurtosis of all variables are in the range of ±1.5, confirming a distribution that is close to normal—in line with the Kolmogorov-Smirnov and Shapiro-Wilk tests (p> 0.05). The finding underlines that this sample is worthy of further parametric analysis.

Classical Assumption Testing

Normality Test

Table 2
Normality Test Results

	Kolmogorov-Smirnova			Shapiro Wilk		
	Statistics	Df	Sig.	Statistics	df	Sig.
ROA	.132	21	.200*	.938	21	.201
CR	.123	21	.200*	.940	21	.219
DAR	.135	21	.200*	.911	21	.058
Tobins_Q	.145	21	.200*	.938	21	.195
CSRI	.156	21	.195	.909	21	.052

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

This outcomes of the normality analysis reveal that all significance valuesare greater than 0.05. Consequently, basedon these findings, the research indicates that the dataset follows a normal distribution, meaning that the normality condition holds true.

Multicollinearity Test

The multicollinearity assessment determines if when independent variables are correlated, results can be skewed. A robust regression model must avoid correlation among its independent variables. Detecting multicollinearity may be accomplished by reviewing the tolerance and variance inflation factor (VIF). A tolerance of ≥ 0.10 and a VIF of ≤ 10 imply no multicollinearity issues exist. The results of the multicollinearity assessment are detailed in table 3 below.

Table 3 Multicollinearity Test Results

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	-.520	.115		-4,529	.000	-.763	-.277		
	ROA	.548	.009	.982	63,072	.000	.529	.566	.916	1,092
	CR	.290	.023	.194	12,364	.000	.240	.339	.900	1.111
	DAR	-.187	.121	-.024	-1,546	.142	-.443	.069	.919	1,088
	CSRI	1,051	.124	.134	8,480	.000	.788	1,313	.891	1.122

a. Dependent Variable: Tobins_Q

According to the data presented, the multicollinearity analysis indicates there are no signs of multicollinearity among the independent variables. The tolerance column verifies this, as every variable maintains a tolerance value exceeding 0.10, namely ROA, CR, DAR, and CSRI. Furthermore, in the Variance Inflation Factor (VIF) column, all variables have VIF values below 10, namely ROA, CR, DAR, and CSRI. This value reveals that multicollinearity is not a concern in the regression model used. Hence, it can be deduced that the regression model for this investigation fulfills the requirement of lacking multicollinearity symptoms, permitting the interpretation of the regression analysis results more accurately without too strong a relationship between independent variables that can interfere with the estimation results.

Heteroscedasticity Test

This assessment is designed to determine if the regression analysis shows unequal variance in residuals across various cases. A reliable regression model is one that is homoscedastic and free from heteroscedasticity (Ghozali, 2011).

Table 4.Heteroscedasticity

Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	CSRI, DAR, ROA, CRb	.	Enter

a. Dependent Variable: RES2
b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.356a	.127	-.091	.06627

a. Predictors: (Constant), CSRI, DAR, ROA, CR

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.010	4	.003	.582	.680b
	Residual	.070	16	.004		
	Total	.080	20			

a. Dependent Variable: RES2
b. Predictors: (Constant), CSRI, DAR, ROA, CR

Coefficientsa

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.031	.075		.411	.686
	ROA	.003	.006	.124	.509	.618
	CR	-.012	.015	-.194	-.789	.442
	DAR	.078	.079	.241	.987	.338
	CSRI		.081		.250	.806

a. Dependent Variable: RES2

In light of the heteroscedasticity test data, the significance value (Sig.) for the variables ROA (0.618), CR (0.442), DAR (0.338), and CSRI (0.806) was obtained, all of which were greater than 0.05. This shows that heteroscedasticity is absent in the regression model evaluation, therefore the model has met one of the classical

assumptions of regression, namely constant residual variance (homoscedastic). Thus, the regression model used is worthy of further analysis.

Hypothesis Testing

This hypothesis test is applied to test if the independent variable, specifically financial performance, the moderating variable, specifically Corporate Social Responsibility, influences the company's value or not. This hypothesis test includes:

Simple Linear Regression Analysis

Table 5.Simple Linear Regression

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	-.591	.110		-5.392	.000
	ROA	.544	.009	.975	62,736	.000
	CR	.291	.024	.195	11,968	.000
	DAR	1,037	.129	.132	8,067	.000

a. Dependent Variable: Tobins_Q

From the output of the multiple linear regression analysis of Tobin's Q, the resulting regression equation is presented below:

Tobin's Q = -0.591 + 0.544(ROA) + 0.291(CR) + 1.037(DAR) + e

From the regression analysis results, it can be assumed that a one-unit rise in the Returnon Assets (ROA)variable will booststhe Tobin's Q value by 0.544, given other variables are unchanged. Furthermore, a one-unit rise in the Current Ratio (CR) will increase the Tobin's Q value by 0.291. Meanwhile, a one-unit rise in the Debt to Asset Ratio (DAR) actually has the greatest impact, namely increasing Tobin's Q by 1.037. The study by t-test suggests that the independent factors, ROA, CR, and DAR, show a significance value (Sig.) of 0.000, falling short of the 0.05 limit. Thus, it can be inferred that ROA, CR, DAR partially have a strong bearing on the market value reflected in Tobin's Q at a 95% confidence level.

Interaction Test or Moderated Regression Analysis (MRA)

The regression equation:

Hypothesis2: $Q = a + b1ROA + b2CSR + b4ROA*CSR + e$
Information:
Q = Firm value measured by Tobin's Q period t.

ROA = Financial performance measured by ROA period t.
CSR = Corporate social responsibility is measured by CSR period t.
e = Error term

Table 6.Interaction Test or Moderated Regression Analysis (MRA)

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
			Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)		.074		-8,400	.000		
	ROA		.006	.963	86,940	.000	.830	1.205
	CR		.018	.188	15,751	.000	.712	1.405
	DAR	1.125	.088	.143	12,801	.000	.812	1.231
	C_ROA_CRSI	.162	.032	.078	4.978	.000	.411	2.432
	C_CR_CRSI	.062	.070	.012	.886	.039	.594	1,685
	C_DAR_CRSI	1,350	.638	.037	2.116	.053	.341	2,930

a. Dependent Variable: Tobins_Q

Utilizing the results from multiple linear regression with interaction terms, we arrive at this equation:

Tobin's Q = -0.625 + 0.537(ROA) + 0.281(CR) + 1.125(DAR) + 0.162(ROA×CSRI) + 0.062(CR×CSRI) + 1.350(DAR×CSRI) + e

The findings of the analysis suggest that each nit Return on Assets (ROA) will enhance the Tobin's Q value by 0.537, given that orther factors stay unchanged. Likewise, a one-unit increment in the Current Ratio (CR) will elevateTobin's Q by 0.281. Meanwhile, the Debt to Asset Ratio (DAR) has the greatest impact on firm value, where a one-unit increase in GDP will raise Tobin's Q by 1.125. Furthermore, the interaction variable between ROA and the corporate social responsibility disclosure index (CSRI), namely ROA×CSRI, has a coefficient of 0.162, indicating that CSRI bolsters the effect of ROA on company value. The CR×CSRI interaction coefficient of 0.062 reflects a positive effect, indicating that CSRI strengthens the influence of CR on Tobin's Q, although its influence is relatively small. The DAR×CSRI interaction coefficient of 1.350 indicates that CSRI has the potential to strengthen the association of DAR with firm valuation.

The significance test reveals that the three critical variables, ROA, CR, and DAR, each have a significance value of 0.000, confirming that all three critically influence Tobin's Q. Both interaction variables ROA×CSRI and CR×CSRI show significance, with p-values of 0.000 and 0.039 respectively, indicating that CSRI notably moderates the influence of ROA and CR on firm value. Similarly, the interaction of ABC×XYZ shows a significance value of 0.054, positioning it at the edge of significance and classifying it as

marginally significant at the 95% confidence interval. In conclusion, the findings of this study demonstrate that CSRI functions as a moderating variable that enhances the influence of ROA and CR on firm value and may also moderate the effect of DAR on Tobin's Q.

R2 Determination Coefficient Test

The measure of explained variance shows how effectively the independent variable forecasts the dependent variable; a near one R Square value suggests that the independent variable nearly fully accounts for the dependent variable's variability.

Table 7. R2 Determination Coefficient Test

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	1,000a	.999	.999	.05454

a. Predictors: (Constant), DAR_CSRI, ROA, CR, ROA_CSRI, CR_CSRI, CSRI

The table shown includes the Spearman rank correlation (ρ), goodness of fit (R Square), adjusted goodness of fit (Adjusted R Square), the magnitude of the prediction error (Std. Error of the Estimate). An R value of 1.000 suggests an extremely robust and flawless relationship between each of the independent variables, namely ROA, CR, DAR, CSRI, and the interactions of ROA×CSRI, CR×CSRI, and DAR×CSRI on the dependent variable Tobin's Q. This proves that the regression model used is very good at measuring the relationship between variables. With an R Square of 0.999, 99.9% of the variation in Tobin's Q is elucidated by the model, while only 0.1% is due to outside factors. The Adjusted R Square value also stands at 0.999, reinforcing the model's reliability remains stable even though it involves many variables, so that overfitting does not occur and each additional variable (including CSRI moderation) makes a real contribution to the model.

Moreover, the Standard Error of the Estimate value of 0.05454 reveals that the average prediction error in the model is very small, so that the estimation results of this model are very close to the actual value of Tobin's Q.

Partial Significance Test (t-Test)

The chi-square test is utilized to examine categorical variables individually with a significant effect at a 5% level. If the p-value computed (sig chi) exceeds 0.05 H0 is dismissed, whereas if the p-value computed is less than 0.05 then H0 is accepted.

Table 8. Partial Significance Test (t-Test)

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	-.625	.074		-8,400	.000		
	ROA		.006	.963	86,940	.000	.830	1.205
	CR		.018	.188	15,751	.000	.712	1.405
	DAR		.088	.143	12,801	.000	.812	1.231
	C_ROA_CRSI		.032	.078	4.978	.000	.411	2.432
	C_CR_CRSI		.070	.012	.886	.039	.594	1,685
	C_DAR_CRSI		.638	.037	2.116	.053	.341	2,930

a. Dependent Variable: Tobins_Q

According to the simultaneous significance test results presented in the ANOVA table, the Fvalue is 2573.641with a significance value of 0.000.Because this value is below 0.05, it is evident that the regression model composed of the variables ROA, CR, DAR, CSRI, and the interaction between each financial performance variable and CSRI simultaneously has a considerable effect on the business valuation indicated by Tobin's Q. Therefore, the regression model employed is effective and credible to illustrate the link between these variables.

Furthermore, according to the coefficients table, the findings from the partial significance test indicate that the key variables in the model, specifically ROA, CR, and DAR, exhibit a significance level of 0.000, implying all three significantly impact Tobin's Q partially. The interaction variable ROA × CSRI (C_ROA_CRSI) also has a significance value of 0.000, this means that CSRI significantly moderates the bond of trust ROA also firm value. The interaction CR × CSRI (C_CR_CRSI) has a significance value of 0.039, which is also beneath 0.05, thus it can be established that CSRI also strengthens the influence of CR on Tobin's Q. Meanwhile, the interaction DAR × CSRI (C_DAR_CRSI) has a significance value of 0.053, slightly above the 0.05 limit. This value can still be considered marginally significant and indicates that CSRI has the potential as a mediator in the link between DAR and firm value, especially in the context of exploratory study.

5. CONCLUSION

This study seeks to review the influence of financial performance, including profitability, liquidity, solvency, about brand equity, with corporate social responsibility (CSR) as an influencer. The sample analyzed here includes LQ45 banking firms traded on the Indonesia Stock Exchange (IDX) within the period (2021-2023).

The data from the survey suggest that financial performance proxied by profitability (ROA), liquidity (CR), solvency (DAR) affects the value of the company

(Tobins'Q). Likewise, Corporate Social Responsibility (CSR) has a significant impact in moderating company value (Tobins'Q) with profitability (ROA), liquidity (CR), and solvency (DAR). However, if financial performance proxied by profitability (ROA), liquidity (CR), solvency (DAR) has a strong interaction with corporate social responsibility (CSR); then it has a considerable role in company value (Tobins'Q). to put it differently, corporate social responsibility (CSR) is essential for boosting and shaping a company's value.

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