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THE IMPLEMENTATION OF GREEN ACCOUNTING AND CORPORATE SOCIAL RESPONSIBILITY ON PROFITABILITY IN MANUFACTURING COMPANIES

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Abstract

An interesting debate in Indonesia within companies is social and environmental issues. This phenomenon is in accordance with Presidential Decree Number 92 of 2020 Ministry of Environment and Forestry. Complete and accurate environmental information that leads to good environmental protection. Research Objectives To study the effect of implementing Green Accounting and Corporate Social Responsibility (CSR) on the profitability of manufacturing companies listed on the Indonesia Stock Exchange. Research method: Using secondary data, this research originates from the 2019-2021 Annual Report and Accountability Report. The data criteria are manufacturing companies listed on the Indonesia Stock Exchange (IDX) for 2019-2021. Based on the results of this study, Green Accounting and Social Responsibility have no effect on profitability. These results indicate that there are still many manufacturing companies that have not disclosed their environmental costs and also do not use some of their profits for their social activities. However, many companies do not disclose their environmental costs because they do not want to lose money due to the ever-increasing environmental costs. Research limitations: The non-effect of green accounting on profitability is possible because the proxies used cannot represent the true equivalent of green accounting. Other proxies that measure green accounting can be used for further research. Search for originality/newness: The motivation for this research is that there are still many manufacturing companies that have not disclosed their CSR, even though they have been listed on the Indonesia Stock Exchange.
Keywords: Green Accounting, Corporate Social Responsibility, and Profitability.

INTRODUCTION

The modern economy has raised various environmental issues such as global warming, eco-efficiency and other industrial activities that have a direct impact on the surrounding environment (Agustia, 2010). In traditional accounting, companies only pay attention to management and owners of capital (shareholders and bondholders), other parties are often ignored (Burhany, 2014). The demands placed on companies are growing, and companies must see a new side, responsibility towards interest groups, where companies do not only pay attention to the interests of management and owners of capital, but also employees, consumers and society. Accounting plays a very important role in managing the relationship between companies and the environment. From an accounting perspective, social responsibility and environmental responsibility are unique areas of responsibility, especially those related to disclosure and reporting (Riduwan and Andyani, 2011).

Industrial competition in the world is increasing every year and this causes industry players to compete to produce quality products. This is one of the advantages. However, some industry players only care about how to make good and valuable products without caring about the environment. The environment is one of the most important issues in industrial business processes, if not paid attention to, the industry will have a negative impact on the environment. It turns out that the accounting industry can play a role in efforts to protect the environment, by voluntarily reporting environmental costs or corporate environmental costs in its financial statements. The accounting system with accounts related to environmental costs is called Green Accounting or Environmental Accounting.

The application of green accounting has been regulated for limited liability companies in Government Regulation Number 47 of 2012, where limited liability companies have social and environmental responsibilities in carrying out their business related to natural resources (Republic, 2012). Green accounting can support how the assessment of environmental performance works.

Green Accounting is the application of accounting as a form of company commitment to the impact of its activities and environmental costs that are a burden on the company (Indrawati, 2018). Lako (2018) defines Green Accounting as the process of identifying, measuring, recording, summarizing, reporting and publishing information about the consequences of economic, social and ecological activities of an object, transaction, event or company on society, the environment and the environment. company. Self-report accounting information, providing accounting information to users with important information in the decision-making process. Regarding the purpose of implementing green accounting, explained by Sunarmin (2020), namely. reducing the negative impact of operational activities on the environment through disclosure of environmental costs.

Corporate Social Responsibility is the commitment of companies or the business world to contribute to sustainable economic development by taking into account corporate social responsibility which focuses on a balance between attention to economic, social and environmental aspects (Tamba, 2015). According to Anggraini (2007) there are 3 reasons why the implementation of CSR is first, the company itself is part of the community, so the company must also pay attention to the interests of the community. Second, the business world and society benefit from each other if they mutually fulfill their obligations. Third, CSR activities are one way for companies to avoid social problems.

In addition, the Covid-19 Pandemic that has occurred in the last 2 years has also become a factor in the company's declining social and environmental awareness. As stated by the Director General of Pollution Control and Environmental Degradation of the Ministry of

Environment and Forestry (KLHK), Sigit Reliantoro, who expressed his disappointment at several companies in Indonesia that put aside ethics in doing business in order to reap more profits amid a pandemic and not a few companies that made the Covid-19 pandemic as an excuse for not carrying out its commitments in carrying out its social responsibilities. This is reflected in the decrease in the realization of corporate social responsibility costs incurred by the company.

Companies are required to publish information about their social activities (social responsibility), for example, company financial information. Disclosure of good environmental information can affect the survival of humans and other organisms (Hadjoh and Sukartha, 2013) and also the future of the company (Kusumaningtyas, 2013).

According to Ghozali and Charir (2007), the existence of a company is strongly influenced by the support given to the company by interest groups. The success of a company's business operations is determined by the success of company management in fostering relationships between the company and its stakeholders. Stakeholders do not only consist of investors and creditors (shareholders), but also suppliers, customers, authorities, local communities, employees, regulators, industry associations, including the environment as part of social life.

Profitability is what every company wants and is one of the company's goals. One of the objectives of these results is to support the company's operational costs in order to maximize profits. Of course, every company seeks not only to make a profit, but also to get the maximum profit. By maximizing company profits, it will definitely affect company profits. Companies try to obtain maximum profits with minimal liabilities in various ways, for example by minimizing existing costs.

The results of a previous study by Masiyah et al (2022) tested the impact of green accounting and CSR implementation on profitability. The result is that green accounting has no effect on profitability, while social responsibility has a positive effect on profitability. Putu et al. (2022) revealed from testing environmental accounting, corporate social responsibility and profitability of manufacturing companies that the application of green accounting and social responsibility reporting simultaneously has a positive and significant effect on profitability.

The choice of industrial companies as research objects is justified because most of the activities of production companies produce waste that can pollute the environment and have an impact on the surrounding community. The results of this study can provide information to companies about the implementation of green accounting and CSR which will send positive signals to stakeholders, namely. community, investors and potential investors.

Based on the background above, this research was conducted to analyze how the application of green accounting affects company profitability. A business has concerns about environmental issues when a company has concerns about environmental issues. The purpose of this study is to analyze the impact of Green Accounting and corporate social responsibility on the profitability (ROA) of manufacturing companies on the IDX.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Legitimacy Theory

In social and environmental accounting, legitimacy theory is one of the most frequently mentioned theories (Tiling, 2004). The theory of legitimacy is a commercial operating system oriented to the community, administration, individuals and community groups. In a system that works for the community, the company's operating system must be in balance with the expectations of society. Legitimacy theory focuses on the interaction between corporations and society. According to legitimacy theory, organizations are constantly trying to ensure that they carry out their activities in accordance with social boundaries and norms (Deegan et al., 2002).

In O'Donovan (2000:3-371), Nor Hadi (2011:87) expressed his opinion that corporate legitimacy is something that society gives to business and is wanted by society. Therefore, the benefits of legitimacy are things that are used by companies to maintain the continuity of their companies.

This theory explains that business and society have a close relationship because both are bound by a "social contract". This legitimacy theory explains that the existence of a business in an area that is guaranteed by political support and government regulations is a positive value for society. Therefore, implicitly there is a social contract between the company and the community, in this case the community generates costs and income that are beneficial to the sustainability of the company (Andreas, 2011: 5).

Chariri (2008) states that there are two things that must be considered in order for a company to receive legal support, namely. the company's operations must be in line with the dominant system in society and the reporting company's operations must reflect social values. Febrina and Suaryana (2011) argue that company standards must follow developments to adapt to society. In this case, the company must attract good attention in society so that it can be accepted in legitimacy theory.

Stakeholder Theory

The concept of corporate social responsibility has been known since the early 1970s and is commonly known as stakeholder theory, which is a set of policies and practices related to stakeholders, values, compliance with laws, respect for society and the environment, and commitments. in the business world contribute to sustainability. This theory assumes that value is explicitly and undeniably a part of business (Freeman et al., 2004).

Stakeholder theory states that a company is not an entity that acts only for its own sake, but must provide benefits to its stakeholders (shareholders, creditors, consumers, suppliers, government, community, analysts and other parties). The support provided by stakeholders to the company greatly influences the existence of the company (Ghozali and Chariri, 2007).

Stakeholder theory states that companies have parties who have an interest in the company. These parties can include both investors and non-investors such as customers, employees, suppliers, local communities and governments (Robbins and Coulter, 2007). According to this theory, companies have contracts with their stakeholders. Therefore, stakeholders play an important role in the success of the company. Its main objective is to help business leaders understand their stakeholder environment and more effectively manage the relationships that exist in their business environment, and to help business leaders increase the value impact of their operations and minimize harm to their stakeholders.

Thus it can be concluded that the stakeholder theory is a theory that takes into account the interests of stakeholders who can influence corporate strategy. This consideration is strong because stakeholders are part of the company that has influence on the use of financial resources used in the company's operations. Stakeholder strategies are not only financial, but also social outcomes, which are implemented by the company.

Profitability

Profits from the company's core business are equally important for the company's continued existence in the ever-lasting environment. The success of the company is reflected in the company's ability to compete with each other in the field. Every company expects maximum profits. Profitability is the most important indicator of business success. Profitability is the bottom line of many policies in business decisions.

According to Brigham and Houston (2006), profitability is net worth in several policies and decisions. Profitability can be determined by calculating various relevant benchmarks. One of these indicators is one of the indicators of failure in addition to the analysis in analyzing the status of the company's profitability, operational performance and level of profitability.

According to Irham Fahmi (2014: 81), the definition of profitability is as follows: "Profitability is used to measure the efficiency of overall management, which is indicated by the level of profit obtained relative to sales and investment." Based on the definitions given, in terms of profitability, namely the ability of a company to earn profits in terms of sales and investment.

Profitability in this research can be measured by profit ratios, which have some disadvantages and failures. This ratio measures the ability of a company to generate profit by using assets, capital, and sales. The profitability calculation parameter uses the performance indicators from the profitability indicators of the company which are illustrated with the profitability indicators which are referred to in the profitability indicators.

Profitability is also important for a company to measure the company's ability to obtain profits from the activities of the entire company in a certain period and function as a measure of management efficiency.

Green Accounting

Accounting is an initial thought that influences and is influenced by the environment. Alkaline grows and develops in society and will continue to develop again and again. Reliability is not a value for the development of an era. The method introduced by Luca Pacioli at that time was considered sufficient and sufficient because it could solve the problem of business and accounting reports needed at that time, but along with the development of business complexity, more sophisticated methods of measurement, detection and reporting were needed. Utomo (2001).

Bell and Lehman (1999) Rohmawati (2013) define environmental accounting as follows: "Green accounting is one of the contemporary concepts in accounting that support the green movement in the company or organization by recognizing, quantifying, measuring and disclosing the contribution of the environment to the business process". According to Rohmawalti (2013), based on the definition of green accounting above, it can be concluded that green accounting is an accounting that identifies, measures, evaluates and discloses financial activities in the business environment.

Arfaman Ikhsan (2008) reflects on the objective of selling green accounting is to increase the efficiency of environmental management by analyzing environmental activities from the perspective of costs (environmental costs) and failures as well as effects (economic failures). Some companies use green computing to produce estimations of quantitative judgments about costs in the environment.

In short, the concept of environmental accounting as well as green accounting in terms of becoming important for realizing the social costs of a company, increasing the image of a company, and carrying out social activities to achieve a sustainable company. Integrating the environment as a source of capital in environmental finance based on the scientific basis of environmental accounting. Environmental integration is also a form of financial integration that can be accepted in economic processes in computerization (Rounaghi, 2019).

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a mechanism through which the company and the organization integrate social concern in the form of society into the actions and activities of stakeholders, which may be through the channels of the law (Anggraini, 2006).

Corporate Social Responsibility of the company is the key to the survival of the company (anis and Richardson 2012). According to Lela Nurlela (2019:11), social responsibility is a commitment to world sustainability, including ethical behavior in economic development as well as improving the quality of life, both internally and externally. local community and social society as a whole. When communicating with interest groups based on the principle of voluntary and partnership work.

According to Euis Rosidah (2018: 224), Corporate Social Responsibility of the company is a concept in the form of an organization, especially (but not in terms of) the company has responsibility for all stakeholders, which includes consumers, employees, stakeholders, the community, and the environment. all aspects of business operations, including social and environmental aspects.

The social responsibility of the company is divided into three basic principles which are known as 3P, namely Profit, People, Planet. John Elkington in Ardianto's book in Machfudz (2011: 300) argues that the company's CSR is based on the concept of the triple bottom line, which is balance in maintaining a profitable operating environment (planet) for failure (Person), in the company receiving additional value in maintaining the continuity of operations (profit).

The more often the company has to deal with social problems, the more the company's concern about social problems in the surrounding environment. And the more halal companies disclose CSR activities, the less likely it is for halal companies to carry out aggressive activities when these activities can be detrimental to the company itself and the government (Nugrah, 2015).

Green Accounting and Profitability

Because of the internal social contract on the basis of halal management and the use of internal legal resources in the area is an example of a wrong theory (Ainy and Barokah, 2019). The company uses a social contract in terms of society to obtain permission for the company to use natural resources in the environment. Green accounting is accounting that identifies, measures, evaluates, and discloses the financial activities of the business environment.

Implementation of good environmental accounting will have a big impact on investors and corporate consumers, consumer trust will increase in the company. This will make the image of the company increase, so that the company's profitability will also increase. The better the distribution of environmental costs to the environment or the surrounding community, the better the company's level of environmental protection, which is reflected in the PROPER assessment given by the Ministry of Environment and Forestry of the Republic of Indonesia to companies that have managed to manage the environment well.

This is in accordance with the research of Chasbiandani et al. (2019), Dewi & Edward Narayana (2020), which shows that green accounting disclosures have a significant effect on profitability. Wiwi et al (2020), who conducted research on green accounting and profitability, found that environmental performance has a positive effect on profitability. Catur et al (2021) obtained the same research results, namely green accounting has a positive effect on profitability. Chasbiandani et al. (2019), Dewi & Edward Narayana (2020), which shows that disclosure of environmental accounting or green accounting has a significant effect on profitability. From this, a hypothesis can be concluded as follows.
H1: Green Accounting Has a Positive and Significant Effect on Profitability.

Company's Corporate Social Responsibility and Profitability

Corporate social responsibility or social responsibility is the company's activities as a sense of social responsibility for the influence of company activities on social and the environment around the company's location. The more often companies implement social responsibility, the greater the company's concern for the community and the surrounding environment.

The company's Corporate Social Responsibility is also called the consequence that a company has to pay for the decisions or actions taken by the company. Halal companies in terms of increasing the company's profitability and reputation as well as attracting consumers to buy the halal company's products, which maximizes the company's profitability in the long term social investment is the return on the company's halal business strategy in the longest-term investment.

This understanding is in line with the study of Rizki et al (2016) stating the results of their research that the results of simultaneous hypothesis testing show that CSR has an influence on profitability. Nurfina (2017) has also conducted research with the result that CSR disclosure has an effect on companies. Dewi & Edward Narayana (2020), Gara (2020) and Erlangga et al (2021) also state that CSR has an influence on company profitability. Masiyah et al. (2022) also found research results that CSR has an effect on company profitability. Based on this, the following hypothesis can be concluded.

H2: Corporate Social Responsibility Has a Significant Positive Effect on Profitability

RESEARCH METHOD

Based on the aims and objectives that have been determined, this research is based on a qualitative basis using explanatory research. As mentioned, explanatory research research is used to explain the causal relationships that occur in the initial research variables through hypothesis testing to find out the effect of the altralal variable research. The source of data for this research is data that has been published online through the website of the Indonesian Stock Exchange (www.idx.co.id).

The variables used in this research are the dependent variables (Y) and the independent variables (X). The population used in this research is the 24 manufacturing companies that are consistently listed on the Indonesian Stock Exchange for the 2019-2021 period.

Green accounting is a global initiative to encourage companies to have active participation in environmental protection (Fleisch Mainland & Schuele, 2006). Green accounting is measured by a dummy variable (Rosaline and Wuryani, 2020), that is: The value 0 is used for the company's economics considering the components of environmental costs, wasteful recycling costs, environmental R&D costs in the company's financial yearly report. In the value 1 is used in the annual calculation of the company's budget for environmental cost components, waste recycling costs, and environmental R&D costs.

CSR disclosure is based on the Global Reporting Initial (GRI) and the fourth generalization (G4), which has 91 CSR indices. GRI-based corporate social responsibility information consists of three real aspects of reporting focus, namely social, economic and environmental. With the formula:

$$\mathbf{CSRJ} = \frac{\sum \mathbf{Xij}}{\mathbf{Nij}} \quad \text{.......} (1)$$

Explanation:

CSRj = Corporate Social Responsibility company
$\sum Xij$ = Number of CSR disclosures
Nij = The number of items for the company is 91 indicators

Rawati (2006: 89) states that a company's business can be said to be successful if it can collect sufficient profits from time to time, with sufficient amounts and levels of profits, company management can increase the trust of owners and investors who plan to buy new shares. In addition, the company can also build creditor trust to provide the necessary loan arrangements. In this study the level of company profitability is measured by ROA (Return on Assets). The ROA formula is:

$$\mathbf{ROA} = \frac{\mathbf{Net\ Profit}}{\mathbf{Asset}} \quad \text{.......(2)}$$

The sampling technique for this study used a purposive sampling technique. According to Sugiyono (2017: 85), a purposive sampling technique is a sampling technique based on certain criteria. Researchers use the following criteria in this study:

Table 1. Sample Criteria

No	Criteria	Amount
1	Manufacturing companies listed on the Indonesia Stock Exchange during the 2019-2021 period.	30
2	Companies that do not publish annual reports for 2019-2021.	(2)
3	Manufacturing companies that do not disclose CSR for 2019-2021 in their annual reports or sustainability reports.	(4)
Amount of sample firms		24

RESULT AND DISCUSSION

Based on data collected on the official IDX website, namely (www.idx.co.id), there were 30 manufacturing companies registered on the IDX in 2019-2021 which were used as the population. This data is classified into several predetermined sampling criteria and as many as 24 manufacturing companies listed on the IDX for the 2019-2021 period were used as the total research sample because they met the following criteria:

RESULT

Descriptive Statistical Analysis Test Results

Table 2. Descriptive Statistical Analysis Test Result

Date: 04/02/23 Time: 19:49
Sample: 2019 2021

	X1	X2	Y
Mean	0.361111	0.278694	-0.332469
Median	0.000000	0.274725	6.468966
Maximum	1.000000	0.428571	51.99323
Minimum	0.000000	0.186813	-421.6443
Std. Dev.	0.483693	0.048563	54.39243
Skewness	0.578315	0.385936	-6.780963
Kurtosis	1.334448	2.820760	52.01191
Jarque-Bera	12.33557	1.883738	7758.278
Probability	0.002096	0.389898	0.000000
Sum	26.00000	20.06593	-23.93779
Sum Sq. Dev.	16.61111	0.167445	210056.1
Observations	72	72	72

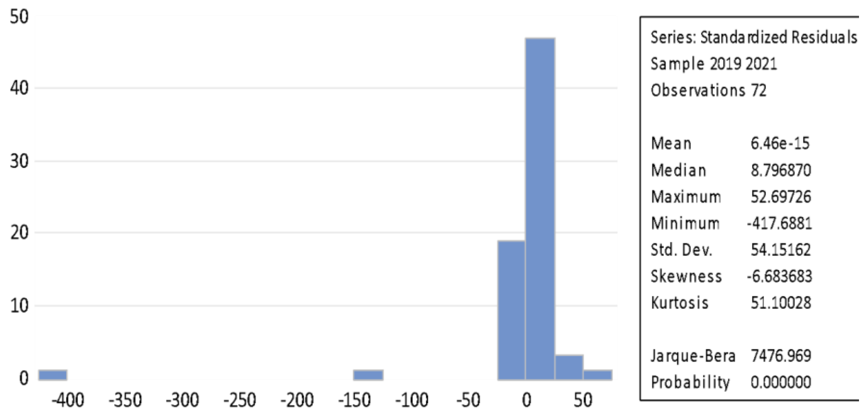
Source: Data processed with Eviews version 12

Based on the results of the descriptive statistical test in Table 1 it can be explained for each variable, namely the application of green accounting has a minimum value of 0.000000; maximum value 1.000000; the mean value is 0.361111 with a standard deviation of 0.483693. Meanwhile, the disclosure of corporate social responsibility has a minimum value of 0.186813; maximum value 0.428571; the mean value is 0.278694 and the standard deviation is 0.048563. As well as profitability which has a minimum value (421.6443); maximum value 51.99323; mean value (0.332469) and standard deviation 54.39243.

After conducting a descriptive statistical test, it is necessary to test the classical assumptions so that the regression coefficients are not biased so that the research results become more accurate. The classic assumption test includes the normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test (Ghozali, 2018). The output results from the normalitals test are as follows.

Normality Test

Table 3. Normality Test Results



Source: Data processed with Eviews version 12

Based on the results of the normality test above, the Normality Test uses Eviews Version 12 software by looking at the results of the Jarque-Bera (JB) Probability. In theory, it is stated that the probability is 0.00 <0.05 (5%), so the data is not normal, which means it needs to be cured. Recovery of normality data can use 1) data transformation, 2) addition of variable data or year period, whose value is greater than α = 0.05 so that it can be said that the regression model has a normal distribution.

The second stage in the classic assumption test is the multicollinearity test, which is to see whether there is a correlation in each independent variable (Ghozali, 2018). The multicollinearity test results are presented in the following table.

Multicollinearity Test

Table 4. Multicollinearity Test Results

	X1	X2
X1	1.000000	-0.068453
X2	-0.068453	1.000000

Source: Data processed with Eviews version 12

Based on the table tests, the value of the internal correlation X1 and X2 is -0.06 <0.80, so there is no multicollinearity problem.

Heteroscedasticity Test

Table 5. Heteroscedasticity Test Results

Heteroskedasticity Test: Glejser
Null hypothesis: Homoskedasticity

F-statistic	0.753607	Prob. F(2,69)	0.4745
Obs*R-squared	1.539125	Prob. Chi-Square(2)	0.4632
Scaled explained SS	3.539044	Prob. Chi-Square(2)	0.1704

Source: Data processed with Eviews version 12

Based on the table above, the Prob. Chi-Square (which is Obs*R-squared) is 0.17 > 0.05, so there is no heteroscedasticity problem.

Autocorrelation Test

Table 6. Autocorrelation Test Results

Breusch-Godfrey Serial Correlation LM Test:
Null hypothesis: No serial correlation at up to 2 lags

F-statistic	2.482364	Prob. F(2,67)	0.0912
Obs*R-squared	4.967162	Prob. Chi-Square(2)	0.0834

Source: Data processed with Eviews version 12

Based on the table above, the Prob. Chi-Square (which is Obs*R-squared) is 0.08 > 0.05, so there is no autocorrelation problem.

Multiple Linear Regression Analysis Test

Table 7. Multiple Linear Regression Analysis Test Results

Dependent Variable: Y
Method: Panel Least Squares
Date: 04/02/23 Time: 19:52
Sample: 2019 2021
Periods included: 3
Cross-sections included: 24
Total panel (balanced) observations: 72

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-10.46060	38.69075	-0.270364	0.7877
X1	10.47762	13.50942	0.775579	0.4406
X2	22.76531	134.5551	0.169190	0.8661

R-squared	0.008835	Mean dependent var	-0.332469
Adjusted R-squared	-0.019894	S.D. dependent var	54.39243
S.E. of regression	54.93082	Akaike info criterion	10.89080
Sum squared resid	208200.2	Schwarz criterion	10.98566
Log likelihood	-389.0688	Hannan-Quinn criter.	10.92856
F-statistic	0.307533	Durbin-Watson stat	1.246350
Prob(F-statistic)	0.736261		

Source: Data processed with Eviews version 12

Y= -10.46060 + 10.47762 Green Accounting + 22.76531 CSR

Based on the results of the multiple linear regression analysis test in the table, it can be seen that a constant value of -10.46060 means that if all independent variables (implementation of green accounting and CSR disclosure) increase by one unit, the value of profitability decreases by 10.46060.

The value of the regression coefficient for applying green accounting is 10.47762, which means that if there is an increase of 1% in the application of green accounting, then profitability increases by 10.47762 units, assuming other factors are constant. The regression variable for disclosure of corporate social responsibility has a coefficient value of 22.76531, which means that if there is an increase of 1% in the disclosure of corporate social responsibility, there will be an increase in profitability of 22.76531 units, assuming other factors are constant.

Hypothesis Test

Partial Test (t)

Table 8. Partial Test Results (T)

Dependent Variable: Y
Method: Panel Least Squares
Date: 04/02/23 Time: 19:52
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Variable	Coefficient	Std. Error	t-Statistic	Prob.
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Log likelihood	-389.0688	Hannan-Quinn criter.	10.92856
F-statistic	0.307533	Durbin-Watson stat	1.246350
Prob(F-statistic)	0.736261		

Source: Data processed with Eviews version 12

In Table 9, the Prob value is stated. for the application of green accounting which is equal to 0.04406 with a positive coefficient of 10.47762 which indicates that the application of green accounting partially has no positive and significant effect on the profitability of manufacturing companies listed on the Indonesia Stock Exchange because it has a Prob value. >0.05. Meanwhile, the value of Prob. For the CSR disclosure variable it shows the number 0.4406 with a positive coefficient of 22.76531 and shows that CSR disclosure partially does not have a positive and significant effect on profitability because it has a Prob value. >0.05.

DISCUSSION

The Effect of Green Accounting on Profitability

The results of testing the partial hypothesis test can be seen that green accounting has no effect on profitability proxied by ROA. So it can be concluded that the first hypothesis is rejected. The results of this test are not in accordance with the research of Putri et al (2019) and Chasbiandani et al (2019), which show a positive effect of green accounting on profitability. These results can be caused by the analysis carried out on descriptive statistics, it is shown that 46 manufacturing companies do not disclose environmental costs in the company's financial statements. Thus, green accounting is assessed if the company has implemented environmental accounting and disclosed environmental costs in the company's financial statements. This is a problem in manufacturing companies. By adding environmental costs, companies will have additional taxes to pay.

The results of research that are in line with this research are research conducted by Retno Dwi Utami and Airin Nuraini (2020). Research conducted by Retno Dwi Utami and Airin Nuraini (2020) shows that the results of implementing Green Accounting partially have no effect on Profitability.

The Effect of Corporate Social Responsibility (CSR) on Profitability

The second hypothesis states that Corporate Social Responsibility (CSR) also has no significant effect on ROA. The results of testing the hypothesis that has been carried out in the Hypothesis test (t) show that CSR has no positive and significant effect on profitability proxied by the company's Return on Assets (ROA).

This hypothesis is in accordance with the results of research conducted by Fadila and Utiyati (2016) which showed that CSR has an effect on profitability. The results of this study found that the average value of CSR is 26%, which means that the company has carried out CSR activities by 26% of the manufacturing companies as a whole. Manufacturing companies listed on the Indonesia Stock Exchange (IDX) have the largest number of listed companies and contribute to environmental pollution and social costs. The results of this study are also in line with research conducted by (Hartono, 2018; Setiyawati & Basar, 2017) which shows that Corporate Social Responsibility has no effect on profitability. And this is not in line with An Nafiza's research (2022) which states that (CSR) has a positive effect on profitability.

The results of this hypothesis are not in accordance with stakeholder theory which states that companies are responsible to shareholders and are also responsible to other interested parties so that the company will experience an increase which will be used to increase company equity.

CONCLUSION

The purpose of this study is to examine the effect of Green Accounting and Corporate Social Responsibility (CSR) on profitability. Based on the results of the analysis and discussion, it can be concluded that the results of the research testing the first hypothesis show that green accounting has no effect on profitability. This means that the declaration or non-declaration of environmental costs in the company's income statement does not affect the company's profitability.

The results of the second hypothesis testing research show that CSR also has no positive effect on profitability. This means that the disclosure of CSR confuses consumers about product quality so that it allows them to increase sales volume while the company's sales and profits increase. This study contributes to the development of the literature on the relationship between Green Accounting and CSR for profitability and to increase the adoption of Green Accounting and CSR, particularly in Indonesian manufacturing companies.

Proposals for companies listed on the IDX must be able to increase CSR information, because companies must be responsible for operational activities that affect the company's environment. The next research proposal is to examine green accounting, corporate social responsibility and profitability through other medications.

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