

Good Corporate Governance, Islamic Social Reporting, Growth Opportunity and Firm Value: The Mediating Role of Financial Performance

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Abstract. This study aims to determine the Effect of Good Corporate Governance, Islamic Social Reporting, and Growth Opportunity on Company Value with Financial Performance as Intervening Variables in JII 70 Companies for the 2019-2022 period. This research is a type of quantitative research with secondary data in the form of panel data. Sampling technique using purposive sampling technique. The sample used was 14 companies registered on JII 70 for the 2019-2022 period. The analytical method used is descriptive statistical test, stasionarity test, F test, T test, R2 test, path analysis and Sobel test. The results of the study show that (1) Good Corporate Governance has a positive and significant effect on company value. (2) Islamic Social Reporting has a positive and significant effect on firm value. (3) Growth Opportunity has no effect on firm value. Financial performance has no effect on firm value. (5) Financial performance is able to mediate the effect of Growth Opportunity on firm value. (6) Financial performance cannot mediate the influence of Good Corporate Governance, Islamic Social Reporting on firm value.

Keywords: Good Corporate Governance, Islamic Social Reporting, Growth Opportunity, Company Value, Financial Performance.

1. Introduction

Indonesia is a country that is categorized as a developing country, as evidenced by the largest population in ASEAN. The economy in Indonesia is growing in various fields, especially in the economic development sector, thus causing interest for business actors to invest in various business sectors. Every company strives to always move dynamically following market developments and external conditions (Fiadicha & Hanny Y, 2016).

In early 2020 WHO declared the Covid virus to be a global pandemic. The Covid 19 virus pandemic has created a multidimensional crisis that is very different from previous systematic crises, such as the Asian financial crisis in 1997, the global financial crisis in 2008, and the European debt crisis in 2011 (Kusumaningrum, 2021). The Covid 19 crisis that occurred in early 2020 is of course very different from the financial crisis which had an effect on economic and health spillovers (Ye et al., 2020). In Indonesia, the Covid 19 pandemic has slowed down the national economy, reduced income, increased unemployment, increased

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poverty, and reduced welfare. It is these factors that have complicated and produced a number of challenges that must be faced by the board of directors in making decisions related to the implementation of Corporate Governance, social responsibility and Growth Opportunity during the Covid 19 pandemic (Kusumaningrum, 2021).

The influence of the emergence of the Covid 19 pandemic caused stock trading to decline. This is evidenced by the decline in the sharia stock index. Sourced from the official website of the Financial Services Authority (OJK) in October 2020, there were 3,061 trillion investing in sharia shares, a decrease compared to 2019 with a nominal value of 3,744 trillion. This is the impact of the Covid 19 pandemic that has been felt by investors. The decline in investment can be said to be quite significant compared to the years before the Covid 19 pandemic (Nurokhmawati & Pardi, 2022). The following figure shows the ups and downs of the Jakarta Islamic Index 70 market capitalization growth rate.

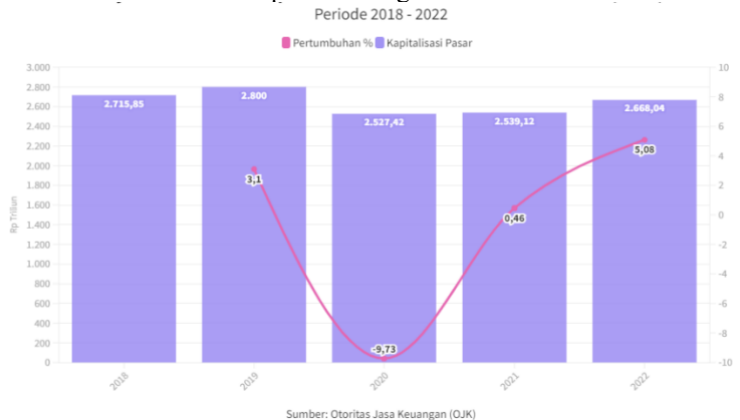


Figure 1. JII Market Capitalization Growth Rate 70 Years 2018-2022

The graph above shows the growth rate of JII 70 market capitalization in 2019 has increased. At the end of 2019, the JII 70 market cap increased by 3.1%, but in 2020 it decreased by 9.73%. However, the market capitalization value of JII 70 in 2021 has increased again by 0.46%, then in 2022 the market capitalization value of JII 70 has also increased by 5.08% (www.ojk.go.id).

Based on the graph above, it shows that the growth rate of JII 70's market capitalization has fluctuated. So that there are several things that companies can do in this new normal era, such as maximizing profits. Profit maximization can increase the value of the company which is shown through the company's stock price. The higher the stock price of a company, it will be followed by an increase in the value of the company, conversely the lower the stock price, it will be followed by a decrease in the value of the company (Fiadicha & Hanny Y, 2016). Enterprise Value is a very important concept for shareholders, because company value is an indicator used by the market to assess the company as a whole (Nurlela & Islahuddin, 2008).

Corporate value can be influenced by several factors, one of which is through Good Corporate Governance (Susanto & Ardini, 2016). The implementation of Good Corporate Governance can be carried out by means of a monitoring mechanism aimed at saving various interests (Windasari & Riharjo, 2017). Siallagan & Machfoedz (2006) argues that the existence of a corporate governance system can be used to increase the value of the company to investors through the coordination and control of the company. According to Monk and Minow in Suryaningtyas & Rohman, (2019) Corporate Governance is the governance of a company that provides an explanation of the relationship between various parties within the company to determine the direction and performance of the company.

Forum From Corporate Governance in Indonesia (FCGI) formulates the goal of Good Corporate Governance, namely creating additional value for various parties who have an

interest (stakeholders). Important elements contained in Good Corporate Governance include fairness, transparency, responsibility and accountability which are expected to be able to provide solutions in overcoming conflicts (Susianti & Yasa, 2013). The implementation of good corporate governance is expected to provide benefits and be able to add and maximize the value of the company (Retno & Prihatinah, 2012).

Apart from Good Corporate Governance, another factor that can affect company value is Islamic Social Reporting. *Islamic Social Reporting* was first discovered by Haniffa and further developed by Othman in Malaysia (Ibrahim & Muthotar 2019). According to Haniffa (2002) there are limitations in conventional social reports, therefore Haniffa proposes a conceptual framework for Islamic Social Reporting based on the provisions of Islamic law. The purpose of the existence of Islamic-based social responsibility reporting or what is known as Islamic Social Reporting is to be able to make companies have accountability and transparency. To carry out Islamic Social Reporting effectively and thoroughly and in accordance with sharia principles, it must be supported by good financial strength (Sutapa & Laksito, 2018).

As for other factors that affect the value of the company that is *Growth Opportunities*. *Growth Opportunities* can be defined as the growth opportunity of a company in the future (Saraswati, 2016). Companies with fast growth will obtain positive results so that they will need more funds in the future, especially with regard to internal funds used to meet investment needs (Tasik, 2020). The existence of information related to the company's growth will be followed up by investors, thus causing an increase in demand for shares resulting in high share prices and company value (Saraswati, 2016).

Based on research that has been done before, there are differences in research results. Research conducted by Princess & Mardenia (2019) And Susilawati (2019) shows that Good Corporate Governance has a positive and significant effect on firm value. Unlike the research conducted by Susanto & Ardini (2016) And Hapsari (2018) shows that Good Corporate Governance has a negative and insignificant effect on firm value. Previous research on Islamic Social Reporting and Growth Opportunity variables, Swandari (2018) shows that Islamic Social Reporting has a positive and significant effect on firm value. But research Akmala & Indri (2020) shows that Islamic Social Reporting has a positive and insignificant effect on firm value. Then in research Yanti et al., (2018) And Oktavia, R., & Fitria (2019) show that Growth Opportunities positive and significant effect on firm value. While research Bintara (2018) and Harahap (2019) show that Growth Opportunities negative and insignificant effect on firm value.

There are differences in the results of previous studies, it is possible that there are still other variables that affect the relationship between Good Corporate Governance, Islamic Social Reporting, and Growth Opportunities to company value. In this study, adding financial performance as an intervening variable. The intervening variable is the variable that which connects the independent variables and the dependent variable, so that the influence of the independent variables on the dependent variable becomes indirect (Sugiyono, 2013). So the purpose of this study aims to determine the Effect of Good Corporate Governance, Islamic Social Reporting, and Growth Opportunity on Company Value with Financial Performance as Intervening Variables in JII 70 Companies for the 2019-2022 period.

2. Literature Review

2.1 Agency Theory

Agency theory is the basis for understanding the concept of Good Corporate Governance. The agency relationship contained in agency theory arises from the relationship between the principal, in this case the investor and the agent, in this case the manager, in the form of a

cooperation contract, in this case the principal entrusts decision making to the agent to manage the wealth owned by the investor (Brigham and Houston, 2004). Agency theory causes an asymmetrical relationship between investors and managers. To avoid the consequences of an asymmetrical relationship, a better concept is needed, namely the concept of Good Corporate Governance with the aim of making the company healthier (Purnamawati et al., 2017).

2.2 Legitimacy Theory

Legitimacy theory is related to social contracts that occur between companies and society (Swandari, 2018). Legitimacy theory is defined as an important thing that exists in a company, so that it understands the existence of boundaries including rules, norms and social values related to organizational reactions to behave in accordance with social values and rules that have been established in the company environment (Yaya et al. , 2017). To maintain the legitimacy of a company, there are several ways that can be used, one of which is by building a corporate image so that it can reflect a good perception in society, where this can be created through past actions that can have a positive influence in the future (Swandari, 2018). According to legitimacy theory, disclosure of social responsibility is carried out so that society is able to provide positive value to the performance of a company (Akmala & Indri, 2020).

2.3 Company Value

Enterprise Value that is the situation that the company has specifically achieved will be an illustration of the trust caused by the community for the company when the company's operational process began after the last few years, namely from the founding of the company until now. An increase in firm value is the result of the performance desired by the owner, with an increase in firm value, so that the welfare of the owner will increase. Firm value can also be defined in terms of the fair value of the company (Fika & Rahmawati, 2016). Increasing the value of the company is a goal that must be achieved by the company through the implementation of a good management function, where in this case the decisions taken can influence other decisions and will ultimately have an impact on the value of the company (Amrizal & Rohmah, 2017).

2.4 Good Corporate Governance

Good Corporate Governance according to the OECD, namely procedures that can be used in carrying out the direction and control of the company's business activities. According to Daniri in Febriani (2006: 83) Corporate Governance classifies the division of tasks, rights and obligations of stakeholders related to the sustainability of the company, in this case investors, board of directors, managers and all members of non-shareholder stakeholders. Good Corporate Governance has several objectives, one of which is to protect the rights and interests of investors, protect the rights and interests of non-shareholder stakeholders, increase the value of the company and shareholders, increase the efficiency and effectiveness of the board of directors and company management, and improve relationships Board Of Directors with the company's senior management (Ibrahim & Muthotar, 2019).

2.5 Islamic Social Reproducing

Islamic Social Reporting is an Islamic-based reporting standard. Islamic-based social responsibility was born and developed based on reporting standards based on AAOIFI (Accounting and auditing organizations for Islamic financial institutions) then developed by subsequent researchers. Islamic Social Reporting namely the elaboration of social performance reporting standards related to the desire of the community not only to relate the role of a company in the economy, but also the duties of the company in a spiritual

perspective. In Index Islamic Social Reporting, consisting of funding and investment themes, product and service themes, employee themes, community themes, and environmental themes (Permatasari et al., 2021). Then developed by Othman et al. (2009) by adding the theme of disclosure, namely corporate governance.

2.6 Growth Opportunities

Growth Opportunities are the company's future growth opportunities (Deli & Kurnia, 2017). The company's growth opportunities are an illustration of the expansion carried out by the company, so that it can be seen from the increase in assets used in the company's operational activities (Asmanto & Andayani, 2020). The size of a company's Growth Opportunity affects the amount of funds needed to invest, so that company management tries to maximize the company's growth. The profits generated by the company can be positive and a breath of fresh air for investors and shareholders (Nur, 2018). Companies that have high growth rates will tend to be followed by increased cash flows in the future. So it is able to provide a good response to shareholders because the company is able to provide good development in the future (Asmanto & Andayani, 2020).

2.7 Financial performance

Financial performance can be defined as a formal effort carried out by a company with the aim of evaluating the business activities carried out by the company whether it has been effective and efficient at a certain time (Fatimah et al., 2017). Financial performance needs to be measured with the aim of observing the company's financial statements. Financial ratio analysis is the basis used in assessing and analyzing the company's achievements in carrying out its operations (Nursasi, 2020). The financial ratio used is the profitability ratio. Included in the profitability ratios are Net Profit Margins (NPM), Return on Assets (ROA), Return on Equity (ROE). A decrease in profits that takes place on an ongoing basis can cause the company to suffer losses. So the size used to measure financial performance is *Return on Assets* (ROA) (Santoso, 2017).

3. Research Method

This type of research is quantitative research, where the data collection uses research instruments, the data analysis is statistical or quantitative. The data used is secondary data, namely data that has been provided by the company in the form of an annual report and can be retrieved through the website of each company or the official website of the Jakarta Islamic Index (www.idx.co.id) (Sugiyono, 2015). The sampling technique used purposive sampling technique. The population in this study are companies listed on the Jakarta Islamic Index (JII) 70 for the 2019-2022 period. Meanwhile, the samples taken in this study were 14 companies registered on the Jakarta Islamic Index (JII) 70 for the 2019-2022 period. The analytical method used is descriptive statistical test, stationarity test, R2 test, F test, T test, path analysis, and Sobel test.

4. Results and Discussion

4.1 Descriptive Statistics

Table 1 shows that Good Corporate Governance has a mean of 101.8100, with a median value of 34.90378, a maximum value of 914.6744 and a minimum value of 13.12921 and a standard deviation of 193.3174. Islamic Social Reporting has a mean of 0.603214, with a median value of 34.90378, has a maximum value of 0.750000 also has a minimum value of 0.350000 and a standard deviation of 0.092089. Growth Opportunity has a mean of 48.27613, with a

median value of 48.89522, has a maximum value of 87.93717 also has a minimum value of 13.13977 and a standard deviation of 15.69447.

Table 1. Descriptive Statistics

	NP	GCG	ISR	GO	ROA
Means	72.68491	101.8100	0.603214	48.27613	0.084733
Median	17.28395	34.90378	0.600000	48.89522	0.063263
Maximum	896.5953	914.6744	0.750000	87.93717	0.334010
Minimum	0.464784	13.12921	0.350000	13.13977	0.000168
std. Dev	173.3832	193.3174	0.092089	15.69447	0.064695

Source: processed secondary data, 2023

While financial performance as an intervening variable shows an average of 0.084733, with a median value of 0.063263, the maximum and minimum values are 0.334010 and 0.000168, and also the standard deviation shows 0.064695. The firm value variable as the dependent variable has an average value of 72.68491, a median value of 17.28395, with a maximum and minimum value of 896.5953. and 0.464784, also the standard deviation is 173.3832.

4.2 Stastionarity Test

Table 2. Level Stationarity Test

No.	Variable	Pro.*	Information
1	GCG	0.0002	Stationary data
2	ISR	0.0000	Stationary data
3	GO	0.0000	Stationary data
4	ROA	0.0001	Stationary data
5	NP	0.0017	Stationary data

Source: Processed secondary data, 2023

Based on the Table 2, it is found that the independent, dependent, and also intervening variables have a probability number of < 0.05 in accordance with the provisions of stationarity.

4.3 Regression Model Test

Chow test

Table 3. Chow test

Effect Test	Statistics	df	Prob.
Cross-section F	2.774441	(13,38)	0.0072
Chi-square cross-sections	37.374053	13	0.0004

Source: Processed secondary data, 2023

Based on the Table 3, the test results are the profitability value in the cross-section of $0.0072 < 0.05$, so that it can be stated as a fixed effect.

Hausman test

Table 4. Hausman test

Test Summary	Chi-Sq. Statistics	Chi-Sq. df	Prob.
Random cross-sections	30.255531	4	0.0000

Source: Processed secondary data, 2023

Based on the test results, it was found that the probability value in the cross-section was 0.0000, so the fixed effect model can be taken.

4.4 Statistics Test

Regression of Equation I

The regression formula for equation I is formulated below:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 Z + e$$

Table 5. Regression Equation I

Variabel	coefficient	std. Error	t-Statistics	prob.
C	-318.2192	132.8332	-2.395631	0.0216
GCG	0.702194	0.090517	7.757631	0.0000
ISR	530.4126	183.6357	2.888395	0.0064
GO	0.071465	0.084368	0.088846	0.9297
ROA	-47.07357	256.2117	-0.183729	0.8552
R-square	0.890774			
Adjusted R-square	0.841909			
F-statistics	18.22948			
Prob (F-statistic)	0.000000			

Source: Processed secondary data, 2023

The following are the results of testing the regression model:

$$Y (NP) = -318.2192 + 0.702194 (X_1) + 530.4126 (X_2) + 0.071465 (X_3) - 47.07357 (Z)$$

Below is an explanation of the regression model equation:

- 1) Constant -318.2192. Shows that if the X variable is constant or equal to 0, it means that the value of the company's value is -318.2192.
- 2) The regression coefficient of Good Corporate Governance (X1) is 0.702194 which has a positive direction. This means that if the Good Corporate Governance variable gets an increase of 1 unit, it means that the company value gets an increase of 0.702194 assuming the other variables are constant. But the increase is not significant.
- 3) The regression coefficient of Islamic Social Reporting (X2) is 530.4126 which has a positive direction. This means that if the Islamic Social Reporting variable gets an increase of 1 unit, it means that the company value gets an increase of 530.4126 assuming the other variables are constant. But the increase is not significant.
- 4) The Growth Opportunity regression coefficient (X3) is 0.071465 which has a positive direction. This means that if the Growth Opportunity variable gets an increase of 1 unit, it means that the company value gets an increase of 0.071465 assuming the other variables are constant. But the increase is not significant.
- 5) The ROA regression coefficient (X4) is -47.07357 which has a negative direction. This means that if the ROA variable gets an increase of 1 unit, it means that the company's value gets a decrease -47.07357 assuming the other variables are constant. But the decrease is not significant.

Below is the regression test from the addition above, the test results in this study are as follows:

Coefficient of Determination (R²)

Based on Table 5, the Adjusted R-Square value is 0.841909 when used as a percent, it becomes 84% which indicates that the Y variable can be explained by the X variable. Meanwhile, 16% is translated by other variables outside the research.

Simultaneous Significance Test (F Test)

Based on Table 5 the results of the simultaneous significance test on the Prob(F-statistic) number of $0.000000 < 0.05$, it can be concluded that the variables Good Corporate Governance, Islamic Social Reporting and Growth Opportunity jointly affect company value.

Individual Parameter Significance Test (Statistical Test t)

- a. Good Corporate Governance, based on the results of the t statistical test, GCG obtains a positive regression coefficient of 0.702194 and a probability of 0.0000, where the probability value is < 0.05 which indicates that GCG has a positive and significant effect on firm value, so H1 is accepted.
- b. Islamic Social Reporting, based on the results of the t statistical test, ISR obtains a positive regression coefficient of 530.4126 and a probability of 0.0064, where the probability value is < 0.05 which indicates that ISR has a positive and significant effect on firm value, so H2 is accepted.
- c. Growth Opportunities, based on the results of the t statistical test, GO obtained a positive regression coefficient of 0.071465 and a probability of 0.9297, where the probability value is > 0.05 which indicates GO does not affect firm value, so H3 is rejected.
- d. ROA, based on the results of the t statistical test, ROA obtains a negative regression coefficient of -47.07357 and a probability of 0.8552, where the probability value is > 0.05 which indicates ROA does not affect firm value, so H4 is rejected.

Regression of Equation II

The regression formula for equation II is formulated below:

$$Z = a + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e$$

Table 6. Regression Equation II

Variabel	coefficient	std. Error	t-Statistics	prob
C	-0.101315	0.081418	-1.244380	0.2208
GCG	7.76E-05	5.52E-05	1.405124	0.1679
ISR	0.228852	0.108762	2.104163	0.0419
GO	0.000831	0.000485	1.713590	0.0945
R-square				0.890774
Adjusted R-square				0.841909
F-statistics				18.22948
Prob(F-statistic)				0.000000

Source: Processed secondary data, 2023

The following are the results of testing the regression model:

$$Y (\text{ROA}) = -0.101315 + 7.76E-05 (X_1) + 0.228852 (X_2) + 0.000831(X_3) + e$$

Below is an explanation of the regression model equation:

- 1) The constant -0.101315 shows that if the variable x is constant or equal to 0, it means the ROA value is -0.101315.
- 2) The regression coefficient for Good Corporate Governance is 7.76E-05 with a positive direction. This means that if X1 gets an increase of 1 unit, it means that ROA gets an increase of 7.76E-05 assuming the other variables are constant. But the increase is not significant.
- 3) The Islamic Social Reporting regression coefficient is 0.228852 which has a positive direction. This means that if X2 gets an increase of 1 unit, it means that ROA gets an increase of 0.228852 assuming the other variables are constant. But the increase is not significant.

- 4) The Growth Opportunity regression coefficient is 0.000831 which has a positive direction. This means that if you get an increase of 1 unit, it means that ROA gets an increase of 0.000831 assuming the other variables are constant. But the improvement is significant.

Below is the regression test from the discussion above, the test results obtained include:

Coefficient of Determination (R2)

Based on Table 6, the Adjusted R-Square value is 0.556476 when used as a percent, it becomes 55% which indicates that the Y variable can be explained by the X variable. Meanwhile, the remaining 45% is explained by variables outside this study.

Simultaneous Significance Test (F Test)

Based on Table 6 the results of the simultaneous significance test on the Prob(F-statistic) number of 0.000010 < 0.05, it can be concluded that the variables Good Corporate Governance, Islamic Social Reporting and Growth Opportunity jointly affect ROA.

Test of Significance of Individual Parameters (Test Statistical T)

- Good Corporate Governance, based on the results of the t statistical test, GCG obtained a positive regression coefficient of 7.76E-05 and a probability of 0.2208 which indicated that GCG did not affect ROA, so H5 was rejected.
- Islamic Social Reporting, based on the results of the t statistic, ISR obtains a positive regression coefficient of 0.228852 and a probability of 0.0419 which indicates that ISR has a positive and significant effect on ROA so that H6 is accepted.
- Growth Opportunities, based on the results of the t statistic, GO obtained a positive regression coefficient of 0.000831 and a probability of 0.0945 which indicated that GO did not affect ROA so that H7 was rejected.

4.6 Path Analysis

According to Sarwono (2011), Path analysis is used to see the relationship between variables based on a priori models, explain why the dependent variable (bound) using a temporary continuous model, use basic equations to describe and test mathematical models, identify the causes of certain variables for others, calculate the influence of other variables, and calculating the effect of one or more exogenous X variables on other endogenous Y variables. Here is a picture of path analysis

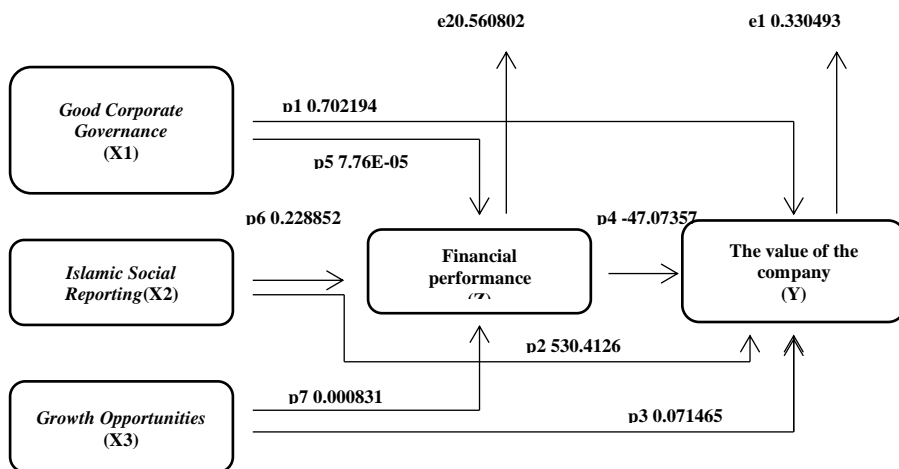


Figure 2. Path Analysis Model

The Influence of Good Corporate Governance on Corporate Value through ROA

$$\begin{aligned}
 Sp2p3 &= \sqrt{p3^2sp2^2 + p2^2sp3^2 + sp2^2sp3^2} \\
 &= \sqrt{-47.07357^2 \cdot 0.090517^2 + 7.76E - 05^2 \cdot 5.52E - 05^2 + 0.090517^2 \cdot 5.52E - 05^2} \\
 &= 2.126667
 \end{aligned}$$

Calculating the t statistical value of the effect of mediation can be done based on the results of Sp2p3 using the formula below:

$$t = \frac{p2p3}{sp2p3} = \frac{-0.003652}{2.126667} = -0.001717$$

Based on the results of the Sobel test, namely the variable good corporate governance on firm value which is mediated by the ROA variable with a coefficient value of -0.003652, while the t count is -0.001717 which is < 2.00758. so that it can be concluded that the good corporate governance variable on firm value mediated by ROA has no significant effect and ROA does not mediate the effect of good corporate governance on firm value.

The Effect of Islamic Social Reporting on Company Value through ROA

$$\begin{aligned}
 Sp2p3 &= \sqrt{p3^2sp2^2 + p2^2sp3^2 + sp2^2sp3^2} \\
 &= \sqrt{-47.07357^2 \cdot 183.6357^2 + 0.228852^2 \cdot 0.108762^2 + 183.6357^2 \cdot 0.108762^2} \\
 &= 104.188219
 \end{aligned}$$

Calculating the t statistical value of the effect of mediation can be done based on the results of Sp2p3 using the formula below:

$$t = \frac{p2p3}{sp2p3} = \frac{-10.772880}{104.188219} = -0.103398$$

Based on the results of the Sobel test, namely the Islamic social reporting variable on company value mediated by the ROA variable with a coefficient value of -10.772880, while the t count is -0.103398 which is < t table of 2.00758. so that it can be concluded that the Islamic social reporting variable on firm value mediated by ROA has no significant effect and ROA does not mediate the effect of Islamic social reporting on firm value.

The Effect of Growth Opportunity on Firm Value through ROA

$$\begin{aligned}
 Sp2p3 &= \sqrt{p3^2sp2^2 + p2^2sp3^2 + sp2^2sp3^2} \\
 &= \sqrt{-47.07357^2 \cdot 0.804368^2 + 0.000831^2 \cdot 0.000485^2 + 0.804368^2 \cdot 0.000485^2} \\
 &= 0.000390
 \end{aligned}$$

Calculating the t statistical value of the effect of mediation can be done based on the results of Sp2p3 using the formula below:

$$t = \frac{p2p3}{sp2p3} = \frac{0.039118}{0.000390} = 100.302564$$

Based on the results of the Sobel test, namely the growth opportunity variable for ROA which mediates the ROA variable with a coefficient value of 0.039118, while the t count is 100.302564 which > t table is 2.00758. so that it can be concluded that the growth opportunity variable has a significant effect on firm value and ROA can mediate the effect of growth opportunity on firm value.

5. Conclusion

The results of this study indicate that Good Corporate Governance and Islamic Social Reporting have a positive and significant effect on firm value, while the Growth Opportunity variable shows positive and insignificant results on firm value, so Growth Opportunity has no effect on firm value. Financial performance is able to mediate the effect of Growth Opportunity on firm value, but financial performance is unable to mediate the effect of Good Corporate Governance and Islamic Social Reporting on firm value. Based on the conclusions, the researcher provides several suggestions, to future research can add intellectual capital and capital structure variables or expand research samples with the different object.

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