

The Effect of Green Accounting and Profitability on Company Value with Environmental Performance as a Moderating Variable

Andan Pramudita¹⁾, Muhamad Agus Sudrajat²⁾, Moh. Ubaidillah³⁾

¹Faculty of Economics and Business, Universitas PGRI Madiun

email: andanprmdt@gmail.com

²Faculty of Economics and Business, Universitas PGRI Madiun

email: agus.sudrajat@unipma.ac.id

³Faculty of Economics and Business, Universitas PGRI Madiun

email: mohubaidillah@unipma.ac.id

Abstrak

Penelitian ini bertujuan untuk menganalisis pengaruh Green Accounting dan Profitabilitas terhadap Nilai Perusahaan, dengan Kinerja Lingkungan sebagai variabel moderasi. Studi dilakukan pada perusahaan sektor Basic Materials yang terdaftar di Bursa Efek Indonesia selama 2021–2023. Penelitian ini menggunakan pendekatan kuantitatif dengan data sekunder berupa laporan tahunan yang diperoleh dari situs resmi BEI dan website perusahaan. Sampel dipilih menggunakan Purposive Sampling, menghasilkan 84 perusahaan. Analisis dilakukan dengan menggunakan SPSS V.24. Hasil penelitian menunjukkan bahwa Green Accounting tidak memiliki pengaruh signifikan terhadap nilai perusahaan, sedangkan Profitabilitas berpengaruh positif dan signifikan. Kinerja Lingkungan terbukti mampu memperkuat pengaruh Green Accounting terhadap nilai perusahaan, namun tidak memoderasi pengaruh Profitabilitas terhadap nilai perusahaan.

Kata Kunci : Green Accounting, Profitabilitas, Nilai Perusahaan, Kinerja Lingkungan, Basic Material

Abstract

This study aims to examine the effect of Green Accounting and Profitability on Company Value, with Environmental Performance as a moderating variable. The research was conducted on Basic Materials sector companies listed on the Indonesia Stock Exchange (IDX) during 2021–2023. This quantitative study used secondary data from annual reports obtained from the official IDX website and company websites. Using Purposive Sampling, 84 companies were selected as samples. Data were analyzed with SPSS V.24. The results indicate that Green Accounting has no significant effect on company value, while Profitability has a significant positive effect. Environmental Performance positively moderates the effect of Green Accounting on company value but does not moderate the effect of Profitability on company value.

Keywords: *Green Accounting, Profitability, Company Value, Environmental Performance, Basic Material*

A. INTRODUCTION

Company value serves as a key indicator of a firm's future prospects and long-term sustainability, reflecting how much investors trust its ability to generate profits (Melawati & Rahmawati, 2022). Besides financial performance, non-financial aspects such as corporate social responsibility and environmental awareness are increasingly considered by investors in their decision-making (Amelia & Anwar, 2022). Strong performance is often linked to stock price movements, making companies with higher value more appealing to stakeholders (Yolanda, 2024). Recognizing these factors is essential for aligning business strategies with sustainable growth objectives.

The Basic Materials sector, which includes mining, chemical, cement, paper, plastics, and construction material industries, plays a vital role in economic development. For instance, PT Wijaya Karya Beton Tbk (WTON), a precast concrete company, reported revenue of IDR 972.59 billion and new contracts totaling IDR 1.11 trillion in Q1 2025, yet its net profit decreased to IDR 1.58 billion, a 74.8% drop compared to the previous year (Binekasri, 2024). This example shows that revenue growth does not automatically translate into operational efficiency or profitability, which in turn affects profit margins and investor perceptions..

To address this, WTON has adopted sustainability initiatives, including environmentally friendly products and energy-efficient technologies. Green Accounting integrates environmental considerations into accounting systems by measuring, reporting, and managing environmental costs, which can enhance reputation, operational efficiency, and investor confidence (Hartoyo & Arsyad, 2021), (Melawati & Rahmawati, 2022). Meanwhile, profitability, reflected in ROA and ROE, indicates a company's capacity to maintain financial stability amid market fluctuations (Alida & Sulastiningsih, 2024).

Environmental Performance functions as a moderating variable, as investors increasingly assess sustainability practices through metrics such as emissions, energy consumption, and waste management (Surya et al., 2023). Firms that combine Green Accounting, solid profitability, and

strong environmental performance are better equipped to boost operational efficiency, enhance reputation, and increase overall company value. The WTON example highlights the importance of this integrated approach..

This study provides empirical evidence on factors influencing company value in Indonesia's manufacturing sector, which faces both operational and environmental challenges. The findings are expected to support managers and regulators in implementing sustainable accounting, improving corporate governance, and fostering transparency and accountability, ultimately enhancing firm value and overall business performance.

THEORETICAL REVIEW AND HYPOTHESIS DEVELOPMENT

Stakeholder Theory

Stakeholder theory emphasizes that companies should consider the interests of all parties affected by their activities, including employees, customers, suppliers, shareholders, local communities, and government institutions (Alida & Sulastiningsih, 2024). The theory highlights the need to balance financial goals with responsibilities toward these stakeholders. By actively engaging with stakeholders, companies can better understand their expectations, reduce potential conflicts, and build loyalty and support (Sapulette & Limba, 2021). This approach also encourages firms to contribute positively to social and environmental issues while enhancing their market reputation and competitive advantage.

Signaling Theory

Signaling theory describes how one party communicates information to help another party make informed decisions. Positive signals, such as strong performance reports, can increase investor confidence (Cindy & Ardini, 2023). The theory advocates for transparency in external communication (Hasan et al., 2021). In labor markets, signals such as educational qualifications reflect a candidate's potential. Clear positive signals can trigger swift market responses and provide insights into a firm's sustainability practices (Herianti et al., 2023). Conversely, inaccurate

or misleading signals can create confusion, underscoring the importance of effective communication strategies.

Company Value

Company value represents the total economic worth of a firm, reflecting both its performance and future growth potential, including how efficiently it allocates resources (Wibowo & Yuliana, 2020). It is influenced by both financial and non-financial factors, such as innovation, human capital, and corporate social responsibility. Increases in company value are often reflected in rising stock prices, signaling public confidence in the firm (Oktavianna & Astuti, 2022). Overall performance serves as a primary indicator of value, while innovation, market competitiveness, and external factors also play a role.

Green Accounting

Green Accounting is an accounting practice that incorporates environmental considerations into financial measurement and reporting. Its goal is to provide detailed information about the environmental impact of business activities, including external costs like pollution and natural resource depletion (Reinamah et al., 2024). This approach covers environmental cost accounting, management, and auditing, while also weighing the costs and benefits of conserving natural resources (Febriani, 2021). Green Accounting not only focuses on financial returns but also on environmental value, aiding management in making decisions about investments, production efficiency, and long-term sustainability.

Profitability

Profitability reflects a company's ability to generate earnings over a given period, indicating the effectiveness of cost management (Herianti et al., 2023). It is commonly measured using ratios such as profit margin and ROE, which provide insights into managerial performance (Nurhasanah & Kahfi, 2023). Factors such as operational efficiency, pricing policies, and technological investments influence profitability. Additionally, management strategies, industry competition, and macroeconomic conditions determine the level of profit a firm can achieve.

Environmental Performance

Environmental performance assesses a company's impact on the environment and the effectiveness of its efforts to minimize negative outcomes (Mardiana & Wuryani, 2019). High environmental performance strengthens reputation, customer loyalty, and firm value by mitigating risks and reducing capital costs (Surya et al., 2023). It also helps lower operational expenses and avoid regulatory penalties, making it a critical component of sustainable business strategies.

Hypothesis Development

Based on the theoretical framework, the following hypothesis is proposed :

Green accounting functions as a mechanism for firms to manage the environmental impacts of their operations by integrating environmental costs into financial reporting. Such practices reflect a company's commitment to sustainability. The effective application of green accounting is expected to strengthen corporate reputation, enhance financial performance, and ultimately contribute to an increase in company value (Sitanggang et al., 2024)).

H1 : Green Accounting has a positive effect on company value.

Profitability reflects a company's ability to generate earnings within a given period and serves as a key indicator for investors in evaluating financial performance. Elevated profitability suggests effective resource utilization and strong managerial capability, thereby enhancing stakeholder confidence and potentially increasing market valuation (Brigham & Ehrhardt, 2013).

H2 : Profitability has a positive effect on company value.

Green accounting also functions as a moderating variable in the relationship between environmental performance and company value. Through the integration of environmental aspects into financial and managerial reporting, firms are better able to monitor environmental costs, utilize resources efficiently, reduce waste, and lower emissions. Transparent disclosure of these initiatives enhances credibility among stakeholders and investors. Accordingly, green accounting is anticipated to strengthen the positive influence of environmental performance on company value (Astuti, 2023).

H3 : Green Accounting strengthens the influence of environmental performance on company value.

Profitability may also enhance the impact of environmental performance on company value. Firms with higher profitability have greater financial resources to invest in eco-friendly technologies, energy-saving initiatives, and other sustainability programs. With sufficient internal capacity, these firms can implement environmental strategies more efficiently, thereby increasing the contribution of environmental performance to company value (Kaburu & Nzulwa, 2020)

H4 : Profitability strengthens the influence of environmental performance on company value.

B. METHOD

Population and Sample

The population of this study includes all Basic Materials companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2023 period, totaling 96 firms. The sample was determined through purposive sampling with specific criteria: firms must have remained consistently listed throughout the observation period, provided complete financial and annual reports, and satisfied other relevant requirements. Applying these criteria resulted in a final sample of 84 firms. Data were obtained from annual and sustainability reports published on the IDX official website and the respective company websites. In total, 252 firm-year observations were initially collected (84 firms × 3 years). Following the removal of outliers, the final dataset consisted of 156 observations.

C. RESULTS AND DISCUSSIONS

1. Descriptive Statistics

Descriptive statistics summarize the research data by presenting the minimum, maximum, mean, and standard deviation of each variable. In this study, four variables are examined: green accounting, profitability, company value, and environmental performance.

Tabel 1. Descriptive Statistics Results

Descriptive Statistics	N	Minimum	Maximum	Mean	Std.
					Deviation
<i>Green Accounting</i>	156	0	1	0,69	0,466
Profitability	156	-0,09	0,18	0,0467	0,05186
Company Value	156	-14,20	28,91	6,7553	8,11690
Kinerja Lingkungan	156	0	5	1,24	1,723
Green Accounting* Environmental Performance	156	-14,20	28,91	4,9608	7,85171
Profitabilitas* Environmental Performance	156	-0,17	0,57	0,0615	0,13125
Valid N (listwise)	156				

Source: Processed Data, 2025

The descriptive statistics show that green accounting ranges from 0 to 1, with a mean value of 0.69 and a standard deviation of 0.466. Profitability spans from -0.09 to 0.18, with an average of 0.0467 and a standard deviation of 0.05186. Company value varies between -14.20 and 28.91, with a mean of 6.7553 and a standard deviation of 8.11690. Environmental performance scores range from 0 to 5, with a mean of 1.24 and a standard deviation of 1.723.

2. Results of Classical Assumption Tests

a. Normality Test Results

Table: Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		156
Normal	Mean	0,0000000
	Std. Deviation	7,97233614
Parameters ^{a,b}		
Most Extreme Differences	Absolute	0,060
	Positive	0,050
	Negative	-0,060
Kolmogorov-Smirnov Z		0,744
Asymp. Sig. (2-tailed)		0,637
a. Test distribution is Normal.		
b. Calculated from data.		

Source: Processed Data, 2025

The normality test results indicate an Asymp. Sig. (2-tailed) value of 0.637. As this value exceeds the 0.05 threshold, it can be concluded that the research data are normally distributed, thereby fulfilling the normality assumption.

3. Results of Multiple Linear Regression Test

Table: Results of Multiple Linear Regression Test

Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	4,574	1,269	
	Green Accounting	1,403	1,385	0,081
	Profitability	26,073	12,439	0,167

a. Dependent Variable: Company Value

Source: Processed Data, 2025

The regression equation is:

$$Y = 4.574 + 1.403X_1 + 26.073X_2$$

The constant represents the predicted company value when all independent variables are equal to zero. The coefficient for green accounting (1.403) indicates that a one-unit increase in green accounting corresponds to a 1.403 increase in company value. Meanwhile, the profitability coefficient (26.073) demonstrates that higher profitability substantially enhances company value.

4. Results of the Simultaneous Test (F-test)

Table. Results of the Simultaneous Test (F-test)

ANOVA ^b					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	360,509	2	180,255	2,799	0,064 ^a
Residual	9851,512	153	64,389		
Total	10212,021	155			

a. Predictors: (Constant), Profitability, Green Accounting
b. Dependent Variable: Company Value

Source: Processed Data, 2025

The F-test results report an F-value of 2.799 with a significance level of 0.064 (> 0.05), indicating that green accounting and profitability, when examined jointly, do not exert a significant effect on company value.

5. Results of Partial Test (t-test)

Table. Results of Partial Test (t-test)

Coefficients ^a		
Model	T	Sig.
1 (Constant)	3,606	0,000
Green Accounting	1,013	0,313
Profitability	2,096	0,038

a. Dependent Variable: Company Value

Source: Processed Data, 2025

The t-test results indicate that green accounting yields a t-value of 1.013 with a significance level of 0.313 (> 0.05), signifying that it does not have a significant effect on company value. In contrast, profitability records a t-value of 2.096 with a significance level of 0.038 (< 0.05), confirming a significant positive effect on company value.

6. Results of Moderated Regression Analysis (MRA)

Table. Results of Moderated Regression Analysis (MRA)

Coefficients ^a		
Model	t	Sig.
(Constant)	7,618	0,000
<i>Green Accounting</i>	-7,007	0,000
Profitability	2,800	0,006
Environmental Performance	0,910	0,364
<i>Green Accounting</i> * Environmental Performance	22,700	0,000
Profitability* Environmental Performance	-1,752	0,082

a. Dependent Variable: Company Value

Source: Processed Data, 2025

The MRA results demonstrate that environmental performance positively moderates the effect of green accounting on company value ($t = 22.700, p < 0.05$). In contrast, environmental performance does not significantly moderate the relationship between profitability and company value ($t = -1.752, p > 0.05$). Hence, environmental performance functions as a moderator solely in the relationship between green accounting and company value.

D. CONCLUSIONS

The findings reveal that green accounting does not have a significant effect on company value, while profitability exhibits a significant positive impact. Furthermore, environmental performance is shown to moderate the relationship between green accounting and company value, but it does not moderate the relationship between profitability and company value. These results emphasize the pivotal role of environmental performance in shaping the relationship between green accounting and company value.

E. SUGGESTIONS

Future research should broaden its scope to include other industrial sectors to enhance the generalizability of the results. It is also recommended to integrate alternative independent variables beyond green accounting and profitability to obtain a more comprehensive understanding of the determinants of company value. Measurement of variables is expected to adopt more advanced and quantitative indicators to better capture the level of implementation. Subsequent studies are also encouraged to include additional control variables and apply more sophisticated analytical techniques. In addition, considering other moderating variables, such as organizational culture or digital leadership, may provide deeper and more comprehensive insights.

REFERENCES

Alida, A. P., & Sulastiningsih, S. (2024). Pengaruh Profitabilitas Terhadap Nilai Perusahaan Dengan Corporate Social Responsibility Sebagai Variabel Moderating. *Jurnal Riset*

- Akuntansi Dan Bisnis Indonesia*, 4(1). <https://doi.org/10.32477/jrabi.v4i1.945>
- Cindy, M. T., & Ardini, L. (2023). Pengaruh Kebijakan Dividen, Kebijakan Hutang Dan Profitabilitas Terhadap Nilai Perusahaan Lilis Ardini Sekolah Tinggi Ilmu Ekonomi Indonesia (Stiesia) Surabaya. *Jurnal Ilmu Dan Riset Akuntansi*, 12(2), 1–20.
- Febriani, E. (2021). Pengaruh Penerapan Green Accounting & Kepemilikan Saham Thdp Kinerja Keuangan Serta Dampaknya Pada Nilai Perusahaan (Studi Kasus 138 Perusahaan Penerima Penghargaan Green Industry 2019) Eneng Fi 022117177.Pdf.
- Hartoyo, & Arsyad. (2021). Jurnal Penkomi: Kajian Pendidikan & Ekonomi. *Jurnal Penkomi:Kajian Pendidikan & Ekonomi*, 4(1), 1–17.
- Herianti, H., Natsir, U. D., Nurman, N., Sahabuddin, R., & Anwar, A. (2023). Pengaruh Likuiditas Dan Profitabilitas Terhadap Nilai Perusahaan Manufaktur Sub Sektor Makanan Dan Minuman Yang Terdaftar Di Bursa Efek Indonesia Pada Periode 2017 – 2021. *Jurnal Manajemen*, 3(1), 1. <https://doi.org/10.26858/jm.v3i1.44748>
- Kaburu, G., & Nzulwa, J. (2020). 杨光 1,* , 时凯歌 2 1 2. *International Research Journal Of Business And Strategic Management*, 1(1), 37–47. <https://irjp.org/index.php/irjbsm/article/view/6>
- Mardiana, I. A., & Wuryani, E. (2019). Pengaruh Kinerja Lingkungan Terhadap Nilai Perusahaan Dengan Profitabilitas Sebagai Variabel Pemoderasi. *Jurnal Akuntansi Unesa*, 8(1), 1–8. <http://jurnalmahasiswa.unesa.ac.id/index.php/jurnal-akuntansi/>
- Melawati, H. G., & Rahmawati, M. I. (2022). Pengaruh Green Accounting Dan Pengungkapan Csr Terhadap Nilai Perusahaan: Profitabilitas Sebagai Variabel Mediasi. *Jurnal Ilmu Dan Riset Akuntansi*, 11(6), 1–25.
- Nurhasanah, A., & Kahfi, Z. (2023). Pengaruh Profitabilitas Terhadap Nilai Perusahaan Dengan Pengungkapan Corporate Social Responsibility Sebagai Variabel Moderasi. *Bata Ilyas Educational Management Review*, 3(2), 1–13.
- Oktavianna, R., & Astuti, P. O. (2022). Pengaruh Good Corporate Governance, Corporate Social Responsibility, Dan Green Accounting Terhadap Nilai Perusahaan (Studi Empiris Pada Subsektor Makanan Dan Minuman Di Bursa Efek Indonesia Tahun 2017-2021). *Universitas Pamulang Digital Repository*. https://www.academia.edu/105152831/Pengaruh_Good_Corporate_Governance_Corporate_Social_Responsibility_Dan_Green_Accounting_Terhadap_Nilai_Perusahaan_Studi_Empiris_Pada_Sub_Sektor_Makanan_Dan_Minuman_Di_Bursa_Efek_Indonesia_Tahun_2017_2021?UcSbS=126778
- Sapulette, S. G., & Limba, F. B. (2021). Pengaruh Penerapan Green Accounting Dan Kinerja Lingkungan Terhadap Nilai Perusahaan Manufaktur Yang Terdaftar Di Bei Tahun 2018-2020. *Kupna Akuntansi: Kumpulan Artikel Akuntansi*, 2(1), 31–43. <https://doi.org/10.30598/kupna.v2.i1.p31-43>
- Surya, S. A., Yuniarti, R., & Pedi, R. (2023). Kinerja Lingkungan Terhadap Nilai Perusahaan Dimediasi Kinerja Keuangan. *Jurnal Riset Akuntansi Dan Auditing*, 10(2), 35–46.

<https://doi.org/10.55963/jraa.v10i2.536>

Wibowo, M. A., & Yuliana, I. (2020). Pengaruh Profitabilitas Terhadap Nilai Perusahaan Dengan Intellectual Capital Sebagai Vari-Abel Moderasi. *Inovator*, 9(2), 75.
<https://doi.org/10.32832/inovator.v9i2.3424>

Yolanda, F. (2024). *Jambi Accounting Review (Jar)* The Effect Of Green Accounting And Csr Disclosure On The Value Of Energy Sector Companies Listed On The Indonesia Stock Exchange (Idx) In The Year Pengaruh Green Accounting Dan Csr Disclosure Terhadap Nilai Perusahaan Sek. 5, 87–100.