

# The Effect of Green Accounting, Corporate Social Responsibility on Profitability

Marsuking<sup>1</sup>, Abi Suryono<sup>2</sup>, Kusumaningdiah Retno Setiorini<sup>3</sup>

<sup>1</sup> Alma Ata University; [marsuking@almaata.ac.id](mailto:marsuking@almaata.ac.id)

<sup>2</sup> Alma Ata University; [abisuryono@almaata.ac.id](mailto:abisuryono@almaata.ac.id)

<sup>3</sup> Alma Ata University; [k.retno.s@almaata.ac.id](mailto:k.retno.s@almaata.ac.id)

---

## ARTICLE INFO

### Keywords:

Green Accounting;  
Corporate Social Responsibility;  
Profitability;

### Article history:

Received 2025-07-16

Revised 2025-08-06

Accepted 2025-08-09

---

## ABSTRACT

*This study aims to examine the influence of green accounting, corporate social responsibility (CSR), and profitability, with the research object being manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2020 to 2024 period. A total of 28 manufacturing companies were selected as samples, with a five-year observation period. The data used in this study are secondary data obtained from company financial reports accessed through the official IDX website at [www.idx.co.id](http://www.idx.co.id). The sampling technique used was purposive sampling, which involves selecting samples based on specific criteria relevant to the research objectives. Data analysis was carried out using descriptive analysis and multiple linear regression analysis. The results of the analysis show that the green accounting variable has a significance value of 0.381, which exceeds the 0.05 threshold, and a t-value of -0.878, which is lower than the t-table value (1.977). This indicates that green accounting does not have a significant effect on company profitability. Additionally, the negative t-value suggests that the relationship between these two variables is not in the same direction. Meanwhile, the CSR variable shows a significance value of 0.033, which is less than 0.05, and a t-value of 2.158, which is greater than the t-table value. These findings indicate that CSR has a significant and positive effect on profitability. The Adjusted R<sup>2</sup> value of 0.047 or 4.7% indicates that green accounting, CSR collectively explain 4.7% of the variation in profitability as measured by Return on Assets (ROA), while the remaining 95.3% is influenced by other factors not included in this research model.*

*This is an open access article under the [CC BY](https://creativecommons.org/licenses/by/4.0/) license.*



### Corresponding Author:

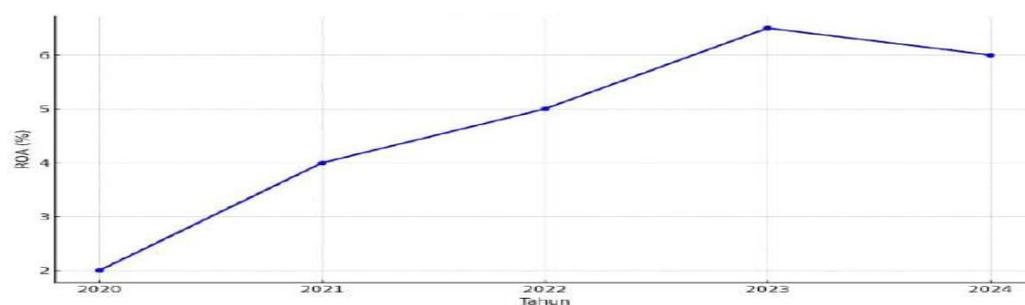
Marsuking

Alma Ata University; [marsuking@almaata.ac.id](mailto:marsuking@almaata.ac.id)

---

## 1. INTRODUCTION

A high-value company is measured by the profit it generates, and profit can be represented by profitability. Profitability is a ratio that illustrates a company's ability to generate profit through all the capabilities and resources it possesses, whether derived from sales activities, asset utilization, or capital utilization. There are several indicators for measuring profitability, one of which is Return on Assets (ROA) (Ariani, 2023).



Source: Data Process BEI (2022-2024)

Based on Figure 1.1, the average Return on Assets (ROA) of manufacturing companies listed on the Indonesia Stock Exchange shows a fluctuating trend in line with economic dynamics. In 2020, the lowest ROA was recorded at around 2.0%, due to the impact of the COVID-19 pandemic, which reduced industrial activity and market demand. In 2021, recovery occurred, particularly in the food, beverage, and pharmaceutical sectors, resulting in an increase in the average ROA to 4.0% (Erlangga et al., 2021). The recovery continued in 2022, with the average ROA reaching 5.0%, despite facing surging raw material and logistics costs. In 2023, ROA reached its peak, with the average rising to 6.5%, driven by digitalization and production efficiency — where the automotive and consumer sectors even surpassed 10% ROA. In 2024, ROA data is projected to remain stable at around 6.0%, supported by sustainable investment and energy efficiency, despite potential global risks (Andrani et al, 2025).

High profitability also has a positive impact, as it indicates that the company is able to meet various needs. Companies with low profitability will struggle to compete and fulfill their internal requirements. Therefore, proper resource management by the management is essential to improve profitability. Good company performance is reflected in the high level of profitability achieved (Ariani, 2023).

The phenomenon of profit fulfillment (profitability) in companies calls for action on environmental issues, which has led to the role of the accounting field through the implementation of green accounting. Through green accounting, companies can record various expenses related to environmental preservation and community welfare, as well as develop alternative strategies to enhance the company's image among consumers and investors. One form of corporate responsibility towards the environment can be realized through the disclosure of Corporate Social Responsibility (CSR). CSR serves as both an initial step and a framework for companies in addressing environmental issues and establishing behavioral guidelines to be applied in business operations. Companies that actively report their social responsibilities in financial statements tend to receive positive responses from the public. The higher the level of public trust, the more it will contribute to increased sales figures (Erlangga et al., 2021).

This research has the potential to drive positive business growth, such as increased sales, profits, business sustainability, and investment attractiveness (Utami & Nuraini, 2020). This is also

regulated by Law No. 23 of 1997, which states that every individual or business entity engaged in economic activities is obliged to protect and manage the environment and provide accurate information regarding its condition (Hasnida, 2023). A good corporate image has the potential to encourage positive business growth, such as increased sales, profits, business sustainability, and investment attractiveness (Utami & Nuraini, 2020). Green accounting serves as a tool to provide information on the extent to which an organization or company contributes—either positively or negatively—to human quality of life and environmental sustainability (Sulistiawati & Dirgantari, 2016). The purposes of this research are: (1) To empirically examine and analyze the effect of green accounting implementation on company profitability. (2) To empirically examine and analyze the effect of corporate social responsibility (CSR) on company profitability.

## 2. METHODS

The type of research used in this study is a quantitative approach. In this research, quantitative data are analyzed and conclusions are drawn regarding the effect of green accounting and corporate social responsibility (CSR) on the profitability of manufacturing companies listed on the Indonesia Stock Exchange (IDX). The subjects of this study are manufacturing companies listed on the Indonesia Stock Exchange (IDX), covering all manufacturing companies listed during the 2020–2024 period. The total number of manufacturing companies recorded on the IDX during this period is 140.

The sampling technique applied in this study is purposive sampling, which is a method of selecting samples based on specific criteria and considerations. The sample selection criteria are as follows:

1. Manufacturing companies listed on the IDX that received a PROPER rating from the Ministry of Environment and Forestry (KLHK) in 2020–2024.
2. Manufacturing companies that consistently published financial statements and annual reports and reported profits during 2020–2024.
3. Manufacturing companies that prepared financial statements in Indonesian rupiah currency.

## 3. FINDINGS AND DISCUSSION

### Descriptive Statistical Analysis

**Table 1. Descriptive statistics**

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
<i>Green Accounting</i>	140	3	5	3,30	,608
CSR	140	,14	,86	,5100	,16329
LN_Profitabilitas	140	,00	3,55	2,1136	,76812
Valid N (listwise)	140				

Based on the table above, the results of the descriptive statistical test after removing outliers for each variable in this study show that the sample size (N) is 140. The profitability variable has a minimum value of 0.00, a maximum value of 3.55, a mean of 2.9931, and a standard deviation of

2.27757. The CSR variable has a minimum value of 0.14, a maximum value of 0.86, a mean of 0.5100, and a standard deviation of 0.16329. The Green Accounting variable has a minimum value of 3, a maximum value of 5, a mean of 3.30, and a standard deviation of 0.608.

**Classical Assumption Tes**

**Normality Test**

**Table 2. Kolmogorov Smirnov Results**

One-Sample Kolmogorov-Smirnov Test			
			Unstandardiz ed Residual
N			140
Normal Parameters <sup>a,b</sup>	Mean		,0000000
	Std. Deviation		,74160166
Most Extreme Differences	Absolute		,064
	Positive		,044
	Negative		-,064
Test Statistic			,064
Asymp. Sig. (2-tailed) <sup>c</sup>			,200 <sup>d</sup>
Monte Carlo Sig. (2- tailed) <sup>e</sup>	Sig.		,168
	99% Confidence Interval	Lower Bound	,159
		Upper Bound	,178
a. Test distribution is Normal.			
b. Calculated from data.			
c. Lilliefors Significance Correction.			
d. This is a lower bound of the true significance.			
e. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 299883525.			

The results of the normality test after transformation showed 0.200 (meeting the normality assumption)

**Table 3. Multicollinearity Test Results**

Coefficients <sup>a</sup>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Green Accounting	0,769	1,300
	CSR	0,714	1,400
	Likuiditas	0,916	1,092

This shows that there is no multicollinearity in the regression model (tolerance value > 0.10 or VIF value < 10).

**Table 4. Glejser Heterokedastisitas test results**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,391	,211		1,851	,066
	<i>Green Accounting</i>	,122	,066	,175	1,837	,068
	CSR	-,181	,256	-,070	-,706	,481
	Likuiditas	-,031	,016	-,169	-1,932	,055

a. Dependent Variable: Abs\_RES

The data used in this study did not show heteroscedasticity (sig value > 0.05).

**Table 5. Autocorrelation Test Results**

Model Summary <sup>b</sup>					
Mode	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin - Watson
1	,125 <sup>a</sup>	,016	-,006	,59859	2,128

a. Predictors: (Constant), Likuiditas, *Green Accounting*, CSR  
 b. Dependent Variable: LAG\_LN\_Profitabilitas

The Durbin-Watson value obtained was 2.128. Based on the Durbin-Watson test criteria, it can be said that there is no autocorrelation if the DW value is between the lower limit (Du) and 4 minus Du. In this case, the Durbin-Watson value of 2.128 is in the range of 1.767 to 2.243, so it can be concluded that the regression model does not indicate any symptoms of autocorrelation.

**Table 6. Multiple Linear Regression Test Results**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,709	0,379		4,508	0,000
	<i>Green Accounting</i>	-0,105	0,119	-0,083	-0,878	0,381
	CSR	0,994	0,461	0,211	2,158	0,033

a. Dependent Variable: LN\_Profitabilitas

The multiple linear regression model is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \epsilon$$

$$\text{Profitability} = 1,709 - 0,105\text{GA} + 0,994\text{CSR} + \epsilon$$

**Hypothesis Testing**

**Partial Test (t-Test)**

**Table 7. T-Test Results**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,709	0,379		4,508	0,000
	Green Accounting	-0,105	0,119	-0,083	-0,878	0,381
	CSR	0,994	0,461	0,211	2,158	0,033
	Likuiditas	0,081	0,029	0,241	2,782	0,006

a. Dependent Variable: LN\_Profitabilitas

The t-test results show that the CSR variable has a sig value <0.05 (influencing profitability); while the green accounting variable has no effect on profitability (sig value >0.05). A negative t-value indicates that the variable has no directional relationship with profitability; while a positive t-value indicates a directional relationship with profitability.

**Simultaneous Test (F-Test)**

**Table 8. F Test Results**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5,564	3	1,855	3,299	,022 <sup>b</sup>
	Residual	76,446	136	,562		
	Total	82,010	139			

a. Dependent Variable: LN\_Profitabilitas  
 b. Predictors: (Constant), Likuiditas, Green Accounting, CSR

The significance value (0.022) < 0.05, there is a significant simultaneous influence between the independent variables, namely green accounting, CSR on profitability.

## Test of Coefficient of Determination (R<sup>2</sup>)

**Table 9. R<sup>2</sup> Test Results**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,260 <sup>a</sup>	,068	,047	,74974
a. Predictors: (Constant), Likuiditas, Green Accounting, CSR				

The adjusted R<sup>2</sup> value is 0.047, or 4.7%. Corporate profitability, as measured by Return on Assets (ROA), is influenced by green accounting, CSR, and liquidity by 4.7%. Other variables influence the remaining 95.3%.

### The Influence of Green Accounting on Profitability

Implementing green accounting can involve significant costs for companies, such as employee training, new system development, and environmental audits. These costs can burden a company's financial performance in the short term and may not necessarily yield commensurate financial returns in the long term. Furthermore, green accounting is measured using the Company Performance Rating Program (PROPER) indicators conducted annually by the Ministry of Environment and Forestry, while the impact of green accounting on profitability may take a long time to be realized.

This research aligns with Faizah's (2020) findings that green accounting has no impact on profitability. This is because profit-oriented companies consider every expense, including those related to environmentally friendly practices. Furthermore, the PROPER rating, a system for assessing corporate environmental performance, remains relatively unknown among the public and investors. Investors seeking information about a company's commitment to environmental sustainability typically seek out the company's website or news media, while PROPER information is only available on the website of the Ministry of Environment and Forestry (Faizah, 2020).

### The Influence of Corporate Social Responsibility (CSR) on Profitability

Statistical test results indicate a significant effect of corporate social responsibility (CSR) on a company's financial performance, as indicated by a significance value less than 0.05. This finding aligns with research by Kholmi & Nafiza (2022), which concluded that CSR has a positive effect on financial performance. They argued that increased profitability can motivate companies to be more active in implementing CSR programs. These findings are also supported by research conducted by Dewi & Narayana (2020), which confirms that CSR is a form of strategic corporate commitment to increasing corporate value and financial performance, as well as supporting sustainable economic development.

## 4. CONCLUSION

The results of the three variables studied (green accounting, corporate social responsibility) showed that the green accounting variable had no effect on profitability. The green accounting variable had a significance of 0.381, which was greater than 0.05, and a t-value of -0.878, which was smaller than the t-table of 1.977. Therefore, the first hypothesis (H1) was rejected, meaning there was no significant effect between green accounting and profitability. A negative t-value indicated that the relationship between green accounting and profitability was not unidirectional. For the second variable, namely Corporate Social Responsibility (CSR), a significance value of 0.033 was obtained which was smaller than 0.05, and a t-value of 2.158 which exceeded the t-table of 1.977. Therefore, the

second hypothesis (H2) was accepted, indicating a significant effect between CSR and profitability. A positive t-value indicated that the relationship between CSR and profitability was unidirectional. A positive t-value indicated that the relationship between the two was also unidirectional.

## REFERENCES

- Andriany, vivi, & Sari, bida. (2025). Analisis Pengaruh Penerapan Green Accounting, CSR dan Pengungkapan Sustainability Report Terhadap Profitabilitas. *IKRAITH-EKONOMIKA*, 8(2).
- Ariani, R. (2023). *Pengaruh Corporate Social Responsibility Dan Struktur Modal Terhadap Profitabilitas Pada Perusahaan Food And Beverage Yang Terdaftar Di Bursa Efek Indonesia Skripsi Rara Ariani 1992141016 Fakultas Ekonomi Universitas Negeri Makassar 2023*
- Dewi, P. P., & Narayana, I. P. (2020). Implementasi *Green Accounting*, Profitabilitas, dan Corporate Social Responsibility pada Nilai Perusahaan. *Jurnal Akuntansi*, 30(12), 3252-3260. doi:10.24843/EJA.2020.v30.i12.p20
- Erlangga, C. M., Fauzi, A., & Sumiati, A. (2021). Penerapan Green Accounting dan Corporate Social Responsibility Disclosure Terhadap Nilai Perusahaan Melalui Profitabilitas. *Akuntabilitas*, 14(1), 61–7 <https://doi.org/10.15408/akt.v14i1.20749>
- Faizah, B. S. (2020, Oktober). Penerapan *Green Accounting* Terhadap Kinerja Keuangan. *Jurnal Riset Akuntansi Kontemporer*, 12(2), 94–99.
- Ghozali, I. (2018). Aplikasi *Analisis Multivariate Dengan Program IBM SPSS 25* (9th ed.). Badan Penerbit Universitas Diponegoro.
- Hasnida. (2023). *Pengaruh Green Accounting Terhadap Profitabilitas Perusahaan: Studi Empiris Pada Perusahaan Sektor Industri Yang Terdaftar Di Bursa Efek Indonesia*.
- Kementerian Keuangan. (2025, February 5). *Perekonomian Indonesia Tumbuh Kuat dan Stabil Sepanjang 2024*. Kemenkeu.Go.Id.
- Kholmi, M., & Nafiza, S. A. (2022). Pengaruh Penerapan *Green Accounting* dan *Corporate Social Responsibility* Terhadap Profitabilitas (Studi Pada Perusahaan Manufaktur Yang Terdaftar di BEI Tahun 2018-2019 ). *Reviu Akuntansi Dan Bisnis Indonesia*, 6(1), 143–155. <https://doi.org/10.18196/rabin.v6i1.12998>
- Utami, retno, & Nuraini, airin. (2020). Pengaruh Penerapan *Green Accounting* Dan Perputaran Total Aset Terhadap Profitabilitas Studi Empiris Pada Perusahaan Tambang Asing di Indonesia Tahun 2011-2016. *Jurnal Ilmiah Akuntansi Kesatuan*, 197–206.