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Article

Corporate Social Responsibility, Intellectual Capital and Leverage on Firm Value with Profitability as a Moderating Variable

Zulfa Rahma Ayuningtyas[1], Eny Maryanti[2*], Ade Annisa Dewi[3], Dia Damayanti[4]

[1,2,3,4] Muhammadiyah University of Sidoarjo, Indonesia
*Correspondence: enymaryanti@umsida.ac.id

Abstract: The rise in stock prices indicates that a company has promising future prospects, thereby boosting its perceived value among investors. The higher the share price, the higher the firm value. The aim of this research is to determine the role of profitability in moderating the relationship between corporate social responsibility, intellectual capital and leverage on firm value. The population of this research uses mining sector companies listed on the Indonesia Stock Exchange in 2018-2022. Sampling used a purposive sampling technique to obtain 75 data from 15 companies that met the criteria. This research method is quantitative research with data analysis techniques, namely multiple regression analysis and moderated regression analysis (MRA) using SPSS 23 software. The results of this research show that corporate social responsibility has an effect on firm value, intellectual capital and leverage have no effect on firm value. Profitability is not able to moderate corporate social responsibility on firm value. Profitability is able to moderate intellectual capital and leverage on firm value. The implications of this study include the need for companies to carefully consider allocation strategies for corporate social responsibility, taking into account improvements in other financial performances to avoid a decline in firm value. Effective management of intellectual capital should be accompanied by high profitability, and high profitability should be balanced with leverage ratio to maximize firm value. Well-integrated financial strategies considering various factors will help companies enhance their value in the market.

Keywords: Corporate Social Responsibility; Intellectual Capital; Leverage; Firm Value; Profitability

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1. Introduction

Business development that is growing rapidly globally is characterized by the emergence of new companies causing intense competition between companies. Indirectly, companies are required to have effective and efficient strategies to achieve company goals. Generally, a company has short-term and long-term goals. Obtaining maximum profits and prospering shareholders are the short-term goals of the company while the long-term goal of a company is public recognition of the company [1]. Public recognition of a company is shown by the value of the company that holds the stock price as a benchmark to see the company's future prospects [2]. Company value measurement can be done using Price Book Value (PBV). Price Book Value (PBV) is a ratio that compares the value of securities to the company's book value to illustrate the extent to which the company is able to create uncertain value based on the amount of capital invested [3]. The higher this ratio, the higher the share price, so that the increase in share price that occurs indicates the greater the value of the company [4].

An increase in stock price is a signal of good company performance for investors with the idea that the company has a bright future potential based on stock fluctuations that occur [5]. One sector that is expected to have a bright future potential by investors is the mining sector because Indonesia has become a producer and exporter of various mining products including coal, gold, copper, tin, nickel, and petroleum and natural gas to several countries [6]. Not surprisingly, the mining sector is one of the largest contributors to state finances and a key pillar in supporting the country's economy [7]. However, launching from CNBC Indonesia that the price of coal globally is actually moving down trend since the fourth half of 2022 amid the increase in JCI which touched 1.21% so that the share prices of domestic coal mining companies have also fallen. Domestic coal companies that experienced a drastic decline in share prices included PT Bukit Asam Tbk (PTBA) which decreased by 0.29% followed by PT Bumi Resources Tbk (BUMI) shares which were observed at 0.53%. Meanwhile, PT Adaro Minerals Indonesia Tbk (ADMR) and PT Indo Tambangraya Megah Tbk (ITMG) decreased drastically by 5.8% and 6.87%. On the other hand, PT ABM Investama Tbk (ABMM) corrected by 6.42%. From several phenomena of declining share prices in several companies, it raises the potential for the average selling price of coal companies to decline. In addition, there is the potential for a slowdown in revenue and net profit which will decline in the fourth quarter of 2022. Not only that, the government's plan to stop the power plant at the G20 summit in Bali is an additional sentiment that suppresses this sector [8]. The decline in share prices in the phenomenon that occurs can trigger a perception of unfavorable company value, thereby reducing the interest of investors and potential investors to invest.

There are several factors that influence the rise and fall of company value. One of the factors is corporate social responsibility. Corporate Social Responsibility or commonly abbreviated as CSR is responsibility and concern for social aspects of the surrounding environment to build a good corporate reputation [9]. Referring to stakeholder theory which explains that to achieve a positive corporate reputation, a company must be responsible for designing and implementing strategies that show concern for related parties such as employees, customers, and the community and its surroundings [10]. The company's strategy through corporate social responsibility that can be sustainable in a company means that the company is responsible for the welfare of the community if there is a possibility of damage to the surrounding environment due to the company's operational activities [11]. This can increase the attractiveness of a company for investors because it does not only focus on maximum profit but the company also cares about the surrounding environment. Based on previous research on corporate social responsibility on firm value, the results show inconsistencies, such as in research [12] which proves that corporate social responsibility has a positive and significant effect on firm value. However, the results of other research conducted by [13] revealed that corporate social responsibility has a negative influence on firm value. Not only that, contrary to the two previous studies, the results obtained by [14] stated that corporate social responsibility has no influence on firm value. Not much different results were also carried out by [4] which states that corporate social responsibility does not affect firm value.

The next factor that affects firm value is intellectual capital. In general, intellectual capital consists of three components, namely capital employed, human capital, and structural capital [15]. These three components are defined as resources that refer to intangible assets which are one of the determining indicators in increasing the company's competitive advantage [16]. Competitive advantage is an added value in improving company performance through optimal intellectual capital management. Referring to stakeholder theory, the market will give higher value to companies that utilize their assets effectively and efficiently because they improve company performance for the sake of stakeholders [2]. Increased company performance can have a good impact on market response so that the company value increases [17]. So, if the management and publication of intellectual capital is optimized, the company value will increase [18]. Several previous studies have shown inconsistencies regarding intellectual capital on firm value. According to [19] proves that partially intellectual capital has an effect on firm value. This research is supported ([20] by obtaining the same results where intellectual capital has a positive and significant effect on firm value. However, other research by [16] inversely proportional to the previous results by proving that intellectual capital has no effect on firm value. Not only that, research [21] also stated the same thing, namely intellectual capital has no influence on firm value.

The next factor that has an influence on firm value is leverage. Leverage is defined as the ratio between the amount of debt and the amount of capital used to assess the company's ability to finance its total assets through debt [22]. Leverage is intended to estimate the company's willingness to settle all short-term or long-term obligations if the company is liquidated [15]. Referring to signal theory, the increase in stock value that occurs due to an increase in leverage reflects the company's ability to pay its debts using its own capital, thus providing an important signal to the market [1]. So the higher the leverage in a company, the higher the risk of allocating company funds sourced from debt. This can have a negative impact on firm value because high leverage can show the company's tendency to use leverage as a capital structure [23]. Based on previous research that has been conducted, there are inconsistent results regarding leverage on firm value. Research conducted [3] obtained the results that leverage has a significant negative effect on firm value. This research is supported by [1] which obtained the same results, namely leverage has a negative and significant effect on firm value. However, other studies reveal the opposite results such as research conducted by [22] which revealed no effect of leverage on firm value. Meanwhile, [24] also obtained the same result that leverage has no effect on firm value.

Based on previous research on corporate social responsibility, intellectual capital, and leverage on firm value that is inconsistent, researchers add moderating variables that can strengthen or weaken the influence of these factors on firm value. The moderating variable that researchers use in this study is profitability. The reason researchers choose profitability as a moderating variable is because profitability reflects the efficiency and effectiveness of the company in generating optimal profits with existing resources to achieve company goals [25]. Profitability itself is commonly used to estimate the company's financial condition for investors to be interested in investing capital [11]. The higher the profitability value in a company is a good signal for investors who will invest because it can strengthen the value of the company [5]. With profitability as a moderator, it is expected to control corporate social responsibility, intellectual capital, and leverage on firm value.

Based on previous research that discusses corporate social responsibility which also contributes to the rise and fall of firm value with profitability as a moderating variable conducted by [5] was found that profitability can strengthen the relationship between corporate social responsibility and firm value. Another case of research conducted by [26] proves that profitability is unable to moderate the effect of corporate social responsibility on firm value. Another factor that affects the rise and fall of firm value besides corporate social responsibility in this study is intellectual capital. The effect of intellectual capital on firm value with profitability as a moderating variable is also supported by previous research conducted by [25] which proves that profitability is able to moderate the relationship between intellectual capital and firm value. In addition, other research from [27] obtained results that support previous research that profitability is able to moderate the positive relationship between intellectual capital and firm value. Another factor that affects firm value in this study by using profitability as a moderating variable is leverage. Previous research on the effect of leverage on firm value with profitability as a moderating variable studied by [28] proves that the addition of profitability as a moderator weakens the relationship between leverage and firm value. Conversely, research conducted by [29] proves that profitability is not a medium that can moderate the relationship between leverage and firm value.

This study research develops research from research that has been conducted by [25]. As an update of this study, researchers added two independent variables including corporate social responsibility and leverage. The software used in this study is SPSS 23. In addition, the sampling conducted by researchers is different from previous studies, namely in mining sector companies in 2018-2022. The mining sector companies were taken as samples because the significant capitalization in the mining sector when compared to other sectors has great potential to attract the attention of many investors to invest [30]. However, in recent years the phenomenon of mining stocks has decreased and fluctuated so that researchers are interested in researching this object. It is the hope of researchers that this research can provide benefits for investors and potential investors in analyzing stock prospects before investing by considering the amount of corporate social responsibility, intellectual capital, leverage, and profitability that have an influence on firm value. The purpose of this study is to determine the effect of corporate social responsibility, intellectual capital, and leverage on firm value with profitability as a moderating variable.

2. Materials and Methods

Type and Object of Research

The type of this research is quantitative. This study uses objects from mining sector companies listed on the Indonesia Stock Exchange in 2018-2022. The sampling of this research was taken from the official website of the Indonesia Stock Exchange, namely www.idx.co.id

Data Type and Source

The type of data in this study is quantitative. The data source used is secondary data in the form of financial statements. The data collection technique is carried out secondarily in the form of company documentation based on data from the financial statements of mining sector companies in 2018-2022 taken from the official website of the Indonesia Stock Exchange, namely www.idx.co.id.

Population and Sample

The population used in this study is mining sector companies that have been listed on the official website of the Indonesia Stock Exchange (IDX) in 2018-2022 with a total population of 83 companies. This research sample uses puposive sampling technique, namely the technique of taking samples using certain criteria. The samples obtained according to the criteria in this study amounted to 15 companies as in the following table.

Table 1. Sampling Criteria

No.	Sample Criteria	Total
	Mining sector companies listed on the IDX during 2018-2022	83
1.	Mining sector companies that publish financial reports consecutively on the IDX in 2018-2022	(27)
2.	Mining sector companies that present financial statements using rupiah currency	(38)
3.	Mining sector companies that disclose Corporate Social Responsibility consecutively in 2018-2022	(3)
Number of companies selected as research samples		15
Number of samples selected 15 x 5 years		75

Variable Identification and Indicators

The dependent variable in this study is firm value. There are three independent variables in this study including corporate social responsibility, intellectual capital, and leverage. In addition, this study also uses a moderating variable, namely profitability. The following is a table of variable indicators:

Table 2. Variable Indicator

Variables	Indicator	Scale
Company Value (Y)	$PBV = \frac{Market\ Price\ per\ Share}{Book\ Value\ Per\ Share}$ Source: (Hermawan et al., 2023) and (Sihombing et al., 2020)	Ratio
Corporate Social Responsibility (X1)	$CSRI_j = \frac{\sum X_{ij}}{n}$ Description: $\sum X_{ij}$: Total of the disclosed category items n : Number of items that should have been disclosed Source: (Susila & Prena, 2019) and (Tarmadi Putri & Mardenia, 2019)	Ratio
Intellectual Capital (X2)	$VAIC^{TM} = VACA + VAHU + STVA$ Description: $VACA = \frac{Value\ Added}{Capital\ Employed}$ $VAHU = \frac{Value\ Added}{Human\ Capital}$ $STVA = \frac{(Value\ Added - Human\ Capital)}{Value\ Added}$ Source: (Putri & Miftah, 2021) and (Anggraini et al., 2020)	Ratio
Leverage (X3)	$DER = \frac{Total\ Liabilities}{Total\ Equity}$ Source: (Mahardikari, 2021) and (Santoso & Junaeni, 2022)	Ratio
Profitability (Z)	$ROE = \frac{Net\ Income}{Total\ Equity}$ Source: (Hermawan et al., 2023) and (Firda & Efriadi, 2020)	Ratio

Analysis Technique

The analysis technique that will be used in processing the data of this study is SPSS 23 Software. SPSS 23 software is commonly used to find the validity and reliability of research instruments, data normality, measure the strength of the relationship between two variables, and determine the average difference, or conduct factor analysis [38]. The model applied in this study is multiple regression analysis and moderated regression analysis (MRA). The application of multiple regression analysis aims to prove the hypothesis of the influence of the independent variable on the dependent variable [39]. Furthermore, MRA will be applied to analyze the potential of moderating variables in strengthening or weakening the relationship between the independent variable and the dependent variable [40]. Moderated Regression Analysis (MRA) or interaction test is a special application where the regression equation involves elements of interaction that may occur between the variables in question that cannot be found through ordinary regression analysis [41]. In this study, MRA is used to determine the role of profitability as a moderating variable in strengthening or weakening the influence of independent variables such as corporate social responsibility, intellectual capital, and leverage on the dependent variable, namely firm value.

3. Results

Descriptive Statistics Test

Descriptive statistical tests are carried out with the aim of providing an overview of the results of data processing in general using data descriptions ranging from the amount of data, minimum, maximum, average and standard deviation values [9]. The results of the descriptive statistical test in this study can be seen from table 3 as follows:

Table 3. Descriptive Statistical Test Results

	N	Minimum	Maximum	Mean	Std. Deviation
Corporate Social Responsibility	75	-3.56	3.41	.0000	1.21257
Intellectual Capital	75	-1007.38	201.89	18.3556	125.38784
Leverage	75	-1.81	2.71	.1361	.81350
Company Value	75	-3.43	3.68	.5605	1.72292
Profitability	75	-3.89	6.14	.0273	1.07453
Valid N (listwise)	75				

Source: SPSS 23 Output (Processed, 2024)

Based on the test results above, it can be analyzed that this study used 75 data samples sourced from the financial statements of mining sector companies that have been listed on the Indonesia Stock Exchange for the period 2018-2022. The corporate social responsibility variable has a minimum value of -3.56 and a maximum value of 3.41, while the average value is 0.0000 with a standard deviation of 1.21257. The intellectual capital variable has a minimum value of -1007.38 and a maximum value of 201.89, while the average value is 18.3556 with a standard deviation of 125.38784. The leverage variable has a minimum value of -1.81 and a maximum value of 2.71, while the average value is 0.1361 with a standard deviation of 0.81350. The firm value variable has a minimum value of -3.43 and a maximum value of 3.68, while the average value is 0.5605 with a standard deviation of 1.72292. The profitability variable has a minimum value of -3.89 and a maximum value of 6.14, while the average value is 0.0273 with a standard deviation of 1.07453.

Classical Assumption Test

The classical assumption test aims to prove the feasibility of using the model in a study has met a series of existing tests [42]. A series of tests on the classical assumption test include normality test, heteroscedasticity test, multicollinearity test, and autocorrelation test which will be carried out in this study.

Normality Test

Table 4. Normality Test Results One Sample Kolmogorov-Smirnov Test

		Unstandardiz ed Residual
N		75
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.54011789
Most Extreme Differences	Absolute	.085
	Positive	.055
	Negative	-.085
Test Statistic		.085
Asymp. Sig. (2-tailed)		.200 [c,d]

Source: SPSS 23 Output (Processed, 2024)

The normality test aims to determine whether the distribution of residual values that have been adjusted in the regression model is normal or not [2]. According to the test results listed in table 4, it can be seen that the Asymp. Sig. value of 0.200, meaning that this value is greater than 0.05. This shows that the regression model has normal data.

Heteroscedasticity Test

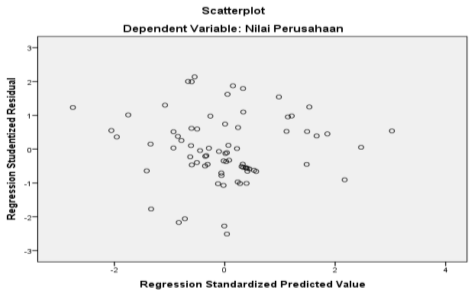

Figure 1. Heteroscedasticity Test Results
Source: SPSS 23 Output (Processed, 2024)

The heteroscedasticity test is carried out by checking whether there is a special pattern in the distribution of residuals on the scatter plot to determine the presence or absence of heteroscedasticity [9]. Based on Figure 2, it can be seen that the scatter plot looks spread out not forming a certain pattern so it can be concluded that there is no heteroscedasticity in this data.

Multicollinearity Test

Table 5. Multicollinearity Test Results

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Corporate Social Responsibility	.997	1.003
	Intellectual Capital	.822	1.217
	Leverage	.961	1.041
	Profitability	.430	2.324

a. Dependent Variable: Company Value

Source: SPSS 23 Output (Processed, 2024)

Multicollinearity test is conducted to determine whether there is a correlation between the independent variables in the regression model. The presence of multicollinearity can be detected by checking the Variance Inflation Factor (VIF) value which is less than 10 and the tolerance value which is more than 0.10 [5]. Based on the test results in table 5, it can be seen that no independent variable has a VIF value of more than 10 and a tolerance value of less than 0.10. From these results it can be concluded that the data is suitable for use because there is no multicollinearity.

Autocorrelation Test

Table 6. Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.890[a]	.793	.764	.77628	1.835

a. Predictors: (Constant), M3, Corporate Social Responsibility, M1, Intellectual Capital, Leverage, M2, Profitability
b. Dependent Variable: Company Value

Source: SPSS 23 Output (Processed, 2024)

The autocorrelation test is performed by checking the Durbin-Watson (D-W) value which is compared to the value in the Durbin-Watson (k,n) table, where k is the number of independent variables and n is the number of data [2]. To prove the absence of positive or negative autocorrelation, the comparison is done by means of dU < d < 4 - dU, namely 1.709 < 1.835 < 2.291. From these results it can be concluded that the model used is free from autocorrelation and is considered suitable for use.

Model Goodness of Fit Test

Test R^2

Table 7. R^2 Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.890[a]	.793	.764	.77628

a. Predictors: (Constant), M3, Corporate Social Responsibility, M1, Intellectual Capital, Leverage, M2, Profitability

Source: SPSS 23 Output (Processed, 2024)

The adjusted coefficient of determination (R^2) is carried out to determine how well the model's ability to apply variations in the dependent variable [2]. From the test results in table 7, the adjusted R square coefficient of determination is 0.764, which means that 76.4% of the firm value variable in mining sector companies in 2018-2022 can be influenced by corporate social responsibility, intellectual capital, and leverage. Meanwhile, the remaining 23.6% is influenced by other factors not included in this study.

Multiple Linear Regression Analysis Test

Table 8. T Test Results

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.297	.231		1.286	.204
	Corporate Social Responsibility	-.965	.075	-.835	-12.948	.000
	Intellectual Capital	.000	.001	-.009	-.127	.900
	Leverage	.188	.150	.082	1.252	.216
	Profitability	.179	.168	.104	1.061	.294
	M1	.142	.118	.089	1.200	.236
	M2	.192	.059	.226	3.230	.002
	M3	.042	.021	.201	2.045	.046

a. Dependent Variable: Company Value

Source: SPSS 23 Output (Processed, 2024)

Based on the test results in table 8, it is known that Corporate Social Responsibility affects Firm Value with a significance value of less than 0.05, namely 0.000 with a beta of -0.965. This means that the Corporate Social Responsibility variable has a negative effect on Firm Value so that H1 is accepted. Furthermore, the Intellectual Capital test results according to the table test results have no effect on Firm Value with a significance value of more than 0.05, namely 0.900 with a beta of 0.000. From these results it can be seen that the Intellectual Capital variable has no effect on Firm Value so that H2 is rejected.

Furthermore, in the table above, Leverage has no effect on Firm Value because the significance value is more than 0.05, namely 0.216 with beta 0.188. This means that the Leverage variable has no effect on Firm Value so that H3 is rejected.

Moderate Regression Analysis (MRA) Test

Based on the MRA test results presented in table 8, it proves that Corporate Social Responsibility on Firm Value with Profitability as a moderating variable shows a significance value of more than 0.05, namely 0.236 with a beta of 0.142. From this value, it can be seen that Profitability is not able to moderate the relationship between Corporate Social Responsibility and Firm Value so that H4 is rejected. Furthermore, the test of Intellectual Capital on Firm Value with Profitability as a moderating variable shows a significance value of 0.002 which is less than 0.05 with a beta of 0.192. From this value it can be seen that Profitability is able to strengthen the relationship between Intellectual Capital and Firm Value so that H5 is accepted. In addition, the test of Leverage on Firm Value with Profitability as a moderating variable shows a significance value of less than 0.05, namely 0.046 with a beta of 0.042. From this value, it can be seen that Profitability is able to strengthen the relationship between Leverage and Firm Value so that H6 is accepted.

4. Discussion

The Effect of Corporate Social Responsibility on Company Value

Based on the test results in table 8, the corporate social responsibility variable affects firm value with a significance value of 0.000 <0.05 so that H1 is accepted. In accordance with stakeholder theory which states that in building a good reputation, companies must be responsible for caring for all parties involved in order to create company value that does not only focus on profit [10]. However, the existence of corporate social responsibility activities as a strategy in increasing company value in the eyes of investors can also be considered a waste of company resources because it can cause additional costs [34]. This happens when the allocation of funds for corporate social responsibility activities is still considered a burden on the company that has the potential to harm financial performance due to high costs, so that the high and low costs incurred for corporate social responsibility activities affect the company's value, especially if it is not accompanied by an increase in other financial ratios to be balanced [31]. This is in line with research conducted by [13] and [31] which states that corporate social responsibility affects firm value. However, this result contradicts the research conducted by [14] which states that corporate social responsibility has no effect on firm value.

The Effect of Intellectual Capital on Firm Value

Based on the test results in table 8, the intellectual capital variable has no effect on firm value with a significance value of 0.900> 0.05 so that H2 is rejected. The reason is that companies have not implemented modern management concepts and tend to allocate a lot of funds to other resources rather than their human resources [21]. In accordance with stakeholder theory which explains that the increase in company value is influenced by value added, but even though the company has high intellectual capital if it is not supported by the allocation of funds for facilities in implementing human resource innovation, the value added will not be created so that the company value will not be affected by its intellectual capital [2]. The results of this study are in line with research conducted by [16] and [21] which states that intellectual capital has no effect on firm value. However, this result contradicts the research conducted by [19] which states that intellectual capital affects firm value.

The Effect of Leverage on Firm Value

Based on the test results in table 8, the Leverage variable has no effect on firm value with a significance value of 0.216> 0.05 so that H3 is rejected. A high debt-to-equity ratio does not always cause a decrease in firm value, as well as if the ratio is low, it does not always result in an increase in firm value because investors consider various aspects of the financial statements [24]. This is because companies tend to control the use of excessive debt by using funding sources from internal capital or retained earnings without having a major impact on company performance or value [9]. This is inversely proportional to the exposure of signal theory which states that the market will provide a signal when there is an increase and decrease in leverage because it reflects how the company pays its debt. The results of this study are in line with research conducted by [22] and [24] which obtained the results that leverage has no effect on firm value. However, this result contradicts the research conducted by [3] which states that leverage affects firm value.

Profitability Moderates the Relationship between Corporate Social Responsibility and Firm Value

Based on the test results in table 8, profitability is not able to moderate the relationship between corporate social responsibility on firm value with a significance value of 0.236> 0.05 so that H4 is rejected. This is because many mining companies are still classified as economic companies that have high profitability but low budgets for corporate social responsibility activities [43]. If the budget turnover is increased but not followed by an increase in profits, it will result in decreasing company profits so that short-term goals are not realized, company activities are disrupted and long-term goals are not achieved [44]. This means that corporate social responsibility will not increase the company's value when the company's profitability is high, and vice versa corporate social responsibility will not decrease the company's value when the company's profitability is low [45]. The results of this study are in line with research conducted by [26] and [46] which proves that profitability is not able to moderate the relationship between corporate social responsibility and firm value. However, this result contradicts the research conducted by [5] which states that profitability is able to moderate the relationship between corporate social responsibility and firm value.

Profitability Moderates the Relationship between Intellectual Capital and Firm Value

Based on the test results in table 7, profitability is able to moderate the relationship between intellectual capital and firm value with a significance value of 0.002 <0.05 so that H5 is accepted. In general, profitability reflects the prospect of good company performance with a focus on optimal and efficient use so as to increase investor confidence [35]. Good company performance prospects indicate that high profitability can support companies in managing their intellectual capital optimally and efficiently so that companies have resource advantages that are commonly considered by investors such as knowledge, skills, mastery of technology and the ability to build corporate human resource networks [25]. So, the higher the profitability, the more intellectual capital is managed, so that the value of the company also increases due to the competitive advantage owned by the company [35]. The results in this study are in line with research conducted by [25] and [27] which proves that profitability is able to moderate the relationship between intellectual capital and firm value.

Profitability Moderates the Relationship between Leverage and Firm Value

Based on the test results in table 8, profitability is able to moderate the relationship between leverage and firm value with a significance value of 0.046 <0.05 so that H6 is accepted. A high level of profitability makes the company's internal funds sufficient to meet investment needs [47]. This indicates that increased profitability can cover the company's debts to external parties, and the company's operational funding needs are fulfilled so that a reduced leverage ratio can later increase the company's value in the eyes of investors [48]. So the higher the profitability, the lower the leverage ratio, so that the low value of debt can increase the value of the company [47]. The results of this study are reinforced by [49] and [48] which proves that profitability is able to moderate the relationship between leverage and firm value. These results contradict research conducted by [29] which states that profitability is unable to moderate the relationship between leverage and firm value.

5. Conclusion

Based on the results of the research that has been carried out, it can be concluded that corporate social responsibility has an effect on firm value because the high and low allocation of funds for corporate social responsibility activities that are not accompanied by an increase in other financial ratios can reduce the company's value in the eyes of investors. Intellectual capital has no effect on firm value because intellectual capital management that is not supported by means of applying its human resources will not create added value so that the company's value will not be affected. Leverage has no effect on firm value because companies tend to control debt using funding sources from their own capital without having an impact on firm value. Profitability is not able to moderate the relationship between corporate social responsibility and firm value because the allocation of funds for corporate social responsibility activities that are not followed by a significant increase in profits will result in decreased profitability so that the company's long-term goals, namely firm value, are not achieved. Profitability is able to moderate the relationship between intellectual capital and firm value because high profitability can encourage companies to manage their intellectual capital more optimally and efficiently so that companies have a competitive advantage to increase company value in the eyes of investors. Profitability is able to moderate the relationship between leverage and firm value because increased profitability can cover the company's debts to external parties and the company's operational funding needs are met so that the leverage ratio can be reduced and the company's value increases. The hope for further research development is to expand the research sample by using other sector companies listed on the Indonesia Stock Exchange, adding research periods and using the latest references to make the research more accurate. In addition, further research development is expected to add other independent variables that can affect firm value such as growth opportunity, good corporate governance, and others.

Based on the results of the research that has been carried out, it can be concluded that corporate social responsibility has an effect on firm value because the high and low allocation of funds for corporate social responsibility activities that are not accompanied by an increase in other financial ratios can reduce the company's value in the eyes of investors. Intellectual capital has no effect on firm value because intellectual capital management that is not supported by means of applying its human resources will not create added value so that the company's value will not be affected. Leverage has no effect on firm value because companies tend to control debt using funding sources from their own capital without having an impact on firm value. Profitability is not able to moderate the relationship between corporate social responsibility and firm value because the allocation of funds for corporate social responsibility activities that are not followed by a significant increase in profits will result in decreased profitability so that the company's long-term goals, namely firm value, are not achieved. Profitability is able to moderate the relationship between intellectual capital and firm value because high profitability can encourage companies to manage their intellectual capital more optimally and efficiently so that companies have a competitive advantage to increase company value in the eyes of investors. Profitability is able to moderate the relationship between leverage and firm value because increased profitability can cover the company's debts to external parties and

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