

The Effect of Green Innovation and Integrated Reporting on Company Performance with Company Size as a Moderating Variable

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Abstract

The objective of this study is to evaluate the extent to which the size of a corporation influences the outcomes of integrated reporting and environmentally conscious innovation. Despite the conflicting evidence, this study looks at the annual reports and sustainability reports of non-financial companies with the goal of determining whether or not they will list on the IDX in the years 2020–2021. The information utilized in this investigation was obtained from the website of the Indonesian Stock Exchange (IDX). According to some projections, there might be as many as 131 non-financial companies listed on the stock market in the year 2020, and this number could rise to as many as 238 in the year 2021. According to the findings, both environmentally responsible innovation and integrated reporting are factors that contribute to the expansion of the company. In addition, the findings point to a connection between the size of a company and both a weakening of the association between environmentally friendly innovations and successful business and a strengthening of the association between successful business and integrated reporting. Both of these associations are affected by the size of the company.

Keywords

GI; IR; company size; GHC; GSC; GRC



I. Introduction

Contamination caused by manufacturing processes, such as production waste, is on the rise in the modern world and can lead to dangerous levels of air, water and soil pollution. This increase in pollution occurred simultaneously with the industrial revolution and the emergence of complex industries (Agustia et al., 2018). The environment is one of the most important areas of discussion about the global economy today. Businesses must increase their responsibility to the environment due to high societal expectations. According to IQAir Jakarta, Jakarta's air quality peaked at 193 when the clock struck six in the morning on Monday, June 20, 2022.

The company produces waste that has a bad impact on the environment; Therefore, keep in mind that the company's actions are not only concerned with profit, but also the environment. Legitimacy theory outlines why businesses must pay attention to the lives of their customers to ensure that all actions and activities meet their expectations.

The Indonesian government has tightened environmental regulations in an effort to reduce the severity of the environmental problems the country is currently facing, in accordance with the Environment Law 46 of 2017 which addresses the new Environmental

Economic Instruments. In an effort to realize a financial system based on sustainable principles, the Financial Services Authority (OJK) has also issued OJK Regulation No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions. The creation of a sustainable financial system is the goal of this rule. These regulations were released on March 3, 2017.

The development of new ideas related to the state of the environment is one approach for businesses to grow in a competitive market. The most effective inventions are those that make all operations environmentally friendly, sometimes known as green innovation. Investing in innovation requires a large amount of money and effort, but it may pay off in the long run for a company. It is possible that the company's management, acting in its function as controller, can simultaneously reduce the company's environmental impact as well as increase the company's value for shareholders. If companies take care of the environment, it will be easier for businesses to achieve sustainable development.

The Global Reporting Initiative (GRI), created by the International Integrated Reporting Council (IIRC), and the International Integrated Reporting Council (IIRC), founded by the Global Reporting Initiative (GRI), launched a new corporate reporting methodology in 2011. (IR). The International Investment Regulatory Committee (IIRC) is an international organization that brings together regulators, investors, firms, accounting professionals and members of the general public from around the world. The IIRC's goal is to create a Structure of IRs, increase understanding of the importance of IRs, and provide a governance framework that goes beyond IRs.

When discussing the financial context of a company's operations, "internal relationships" refer to the relationships that exist between corporate strategy, governance, financial performance, and corporate social responsibility. This is due to the fact that this interaction takes place within the business (IR). IR stands for internal connection, sometimes known as IR. When focused on these relationships, the investor relations team is better able to assist the business in decision making and update shareholders on the company's performance. This is because developing relationships is their area of competence. Through IR, one can obtain information that can assist in their understanding of the organization's strategy, governance, performance and future prospects. All of these can be accessed via IR.

According to (Alvina & Hendra, 2021), the realization of integrated reporting standards in Indonesia still requires hard work from the company's internal and external partners.

SeIn relation to the above phenomenon, the researcher feels that Green Innovation and Integrated Reporting can affect every disclosure of company performance. Companies can use company size as a moderating factor when reporting company performance. This is because the results of previous studies on integrated reporting and green innovation are inconsistent, which encourages researchers to want to learn more about the effects of green innovation and integrated systems.

It was observed in previous research (Ahmad & Sari, 2017; Solo, 2005; Nur & Priantinah, 2012) that firm size has a favorable influence on its Sustainability Report. As a result of these findings, this variable was used as a moderator in this investigation (SR). Previous studies (Reni & Anggraini, nd; Sari et al., 2013; and Azizi, 2014) have come to the conclusion that firm size has an adverse impact on the level of corporate social responsibility (CSR). The new study casts doubt on previous results, which helps distinguish it from the original study. The fact that several processes and types of samples were used in the investigation means that research results may differ.

This study examines integrated reporting and green innovation as independent variables, firm performance as the dependent variable, and firm size and firm performance as moderating variables for the first time. Integrated reporting and green innovation were both

investigated as moderating variables. Independent criteria are considered when assessing integrated reporting and environmentally responsible innovation.

Stakeholder trust in the company can be increased by ensuring that all reports are published, and this is where company size researchers play an important role. The increase in the value of the company's shares, the higher the company value, the higher it will be (Katharina, 2021). In the current economic development, manufacturing companies are required to be able to compete in the industrial world (Afiezan, 2020). The existence of the company can grow and be sustainable and the company gets a positive image from the wider community (Saleh, 2019).

This investigation will concentrate on the following areas: The impact of green innovation on firm performance, the impact of integrated reporting on firm performance, and the moderating effect of firm size are all moderated by firm size. (1) Effect of green innovation on company success, (2) Effect of integrated reporting on company performance, and (3) Effect of moderating company size

According to the researcher, this research will produce various benefits, including the following for various parties: (1) for investors it can help convince investors and creditors to be more confident in approving loans and loan guarantees owned by the company; (2) for companies, especially as a way to improve the quality of financial reporting; and (3) for readers, it will help them understand the latest financial reporting from an integrated reporting approach and green innovation.

Framework

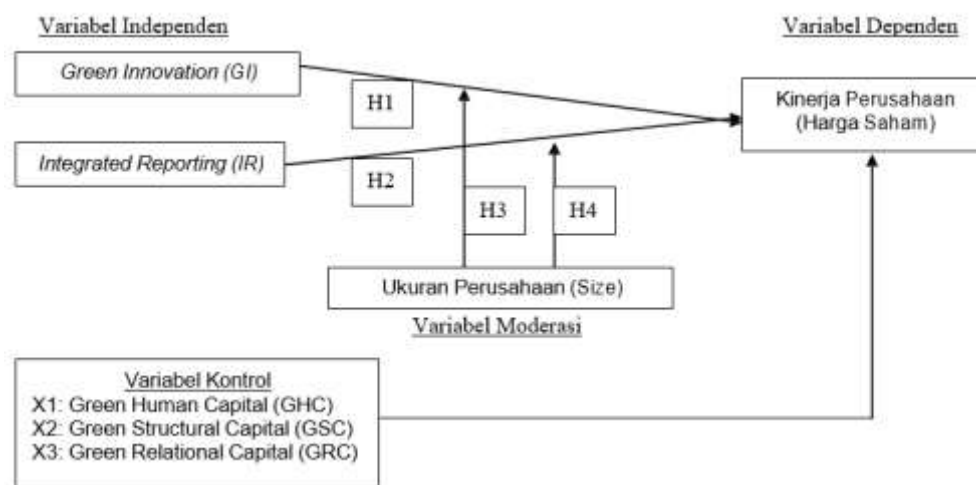


Figure 1. Framework

Research hypothesis

- H1 : There is an effect of green innovation on Company Performance
- H2 : There is an effect of integrated reporting on Company Performance
- H3 : There is an effect of company size moderating green innovation on performance company
- H4 : There is an effect of company size in moderating integrated reporting on company performance

II. Review of Literature

2.1 Legitimacy Theory

For Damas et al., 2021 which states that in order for something to be legal, it must operate according to a set of norms, values, and beliefs shared by all members of society. The notion of legitimacy provides support for actions taken by organizations to disclose or publicly disclose information about the consequences of their operations on the environment and society.

2.2 Agency Theory

According to Kustiani (2017), stakeholders and management do not have the same goal, and stakeholders do not have a say in how management behaves on a day-to-day basis. Contracts, transparency, strong corporate governance, information intermediaries, and fair competition for business ownership can in some cases eliminate agency problems.

2.3 Stakeholder Theory

According to Kustiani, 2017 states that the company has stakeholders in the form of organizations and individuals who benefit or are harmed from the company's activities and who must be able to recognize the interests of stakeholders that can impact and be affected by the achievement of company goals. Stakeholders can benefit or be harmed from the company's activities. There are two distinct groups of stakeholders: external stakeholders and internal stakeholders. Corporate environmental disclosures are under intense pressure from the company's external stakeholders, and the demand from the company's internal stakeholders is increasing. In addition, the government has put pressure on large companies and companies that have damaged the environment to provide environmental information; Therefore, it is recommended to strengthen public credibility.

2.4 Hypotheses Development

a. Effect of Green Innovation on Company Performance (Stock Price)

Green innovation is one of the various strategies that companies use in pursuing their long-term goals. This requires the development of new industrial techniques, systems, practices and processes, in addition to the modification of some of the company's components, to reduce the effects of environmental degradation or damage. Leveraging product improvements provided by green innovation can lead to increased productivity and cost savings, as well as identification of untapped potential in existing and emerging markets. However, further research and development is needed to provide a breakthrough that is beneficial for the environment. This consumes time and resources, which is a challenge for the corporation given that it is expected to continue business as usual. Although many businesses have begun to do so in their Sustainability Reports, annual financial reports do not include detailed descriptions of how money is spent on environmental issues. Based on the information presented to date, the following research hypotheses are suggested for this investigation:

H1: There is an effect of green innovation on company performance (stock price)

b. Influence Integrated Reporting on Company Performance (Stock Price)

Integrated reporting is a brief analysis of how an organization's strategy, governance, performance and prospects, in the context of its external environment, can help it achieve its short-, medium- and long-term goals, as defined by the IR Framework, published by IIRC in 2013. The findings are used as the basis for this evaluation. 2013 was the year that the first publicly accessible solutions for integrated reporting became available. Readers are given

access to additional important insights about the company, in addition to the financial information typically found in IRs. This section provides information about the external environment of the business, including its resources and relationships, and how the firm interacts with the external capital environment to achieve short-term results. medium, and long. According to the IR Framework, the goal of IR is to create value over an extended period of time. Based on the information that has been provided to date, the following research hypotheses are proposed for this investigation:

H2: There is an effect of integrated reporting on the company's performance (share price)

c. Effect of Firm Size Moderating Green Innovation on Firm Performance (Stock Price)

Company size is a representation of the size of a company. In this study, business size moderates the effect of green innovation on company performance because large companies often have large enough assets to attract investors (stock prices). Based on the description above, the following hypotheses are suggested for this study:

H3: There is a moderating effect of company size on green innovation on company performance (stock price)

d. Influence of Company Size Moderates Integrated reporting on Company Performance (stock price)

Company size refers to the way in which a company is described in terms of its size. According to the findings of this study, the impact of integrated reporting on firm performance can be mitigated by firm size. This is because large companies often have assets large enough to attract potential investors (share prices). Based on the information that has been obtained to date under investigation, the following research hypotheses have been proposed for this study:

H4: There is an effect of company size moderating integrated reporting on company performance (stock price)

III. Research Method

This research was conducted using a quantitative methodology. This study employs non-financial companies listed on the IDX for 2020 and 2021; however, neither their annual reports nor their sustainability reports are complete or balanced. The Indonesia Stock Exchange (IDX) website was the source of the data collected for this investigation. It is estimated that 131 non-financial companies will go public in 2020, followed by 238 in 2021.

Table 1. Research Sample

No	Criteria Description	Amount
1	Companies listed on the Indonesia Stock Exchange in 2020 and 2021	713
2	Financial Companies (Banks, Insurance, Financing Services, Investment Services, Holding & Investment Companies)	(103)
3	Number of Observations of Sample Companies that issue AR and SR in a row	610
4	Companies that do not publish a Sustainability Report (SR)	(241)
5	Number of Companies listed on the Indonesia Stock Exchange in 2020 and 2021 that issue Sustainability Reports	369
6	<i>Outliers</i> (does not meet processing criteria)	(12)
7	Number of companies that can be sampled	357

3.1 Green Innovation

The company's own products that increase productivity and energy efficiency. The following dimensions will be used in the content analysis: (1) Green Process Innovation (PROC); (2) Green Product Innovation (PORD); and (3) Green Marketing. Then it is given the number 1 if it exists and the number 0 if it does not exist. Then, the index is calculated using the following formula:

$$GI = \frac{\text{Total item yang diungkapkan di tiap elemen}}{\text{Jumlah keseluruhan item di tiap elemen}} \times 100\%$$

3.2 Integrated Reporting

All of the following sections of a business report must be viewed as a single unit to meet the requirements of the IR Framework: (1) Overview of the organization and the environment in which it operates; (2) government functions. 3, the company model; 4, opportunities and risks; 5, plan; and 6, 7 out of 10 resource distribution for reactions; 8 for basics of preparation and presentation. In order to perform the analysis on this variable, point values have been assigned to indicate the proportion of research item reports that have been released by the business and feature the IR component. The organization uses a scoring methodology that assigns a score of one (1) for each component of investor relations (IR) that has been implemented and a score of zero (0) for that has not. When determining how much information about an IR should be included in a report, One of the elements to consider is the overall score assigned to each company. It is possible to determine how a company obtains the IR component by using a process known as content analysis, which is applied to the company's annual report.

3.3 Stock Price

The stock price, according to Jogiyanto (2015: 188), appears in the capital market independently of each market participant at a time indicated by the assumption that the stock price is the market price. This is because the statement implies that the stock price is equal to the market price. The price of a stock is also known as the market price, which implies that the capital market mechanism ultimately determines and shapes the price of a stock. The value of a stock, or other instrument, as a proxy for a company's stock price is known as the stock price. Stock prices can be used to determine the value of shares or securities of a company based on historical data. Referring to Fadia's research (2008), calculating the actual return of period t , is the difference between the stock price I in period t and the previous period ($t-1$),

$$R_{it} = \frac{P_{it} - P_{it-1}}{P_{it-1}}$$

Keterangan:

R_{it} = Return saham i pada hari t

P_{it} = Harga saham i pada hari t

P_{it-1} = Harga saham i pada hari $t-1$

3.4 Company Size

The size of a good company is the number of its workforce. Considering the huge financial resources that large companies have, it is normal practice to invest in such an organization. As a result of the increasing political pressure that large companies face from multiple stakeholders, these companies will disclose more information. It has been suggested

that the following equation can be used to ascertain the size of the business. (Darniaty and Murwaningsari, nd):

$$SIZE = \text{Log of Total Assets}$$

3.5 Green Intellectual Capital

Environmental ideas are turned into green intellectual capital to make up for the inadequate treatment of environmental problems in the past. The following is a list of dimensions to be used in content analysis: (1) GHC; (2) GSC; and (3) GRC. Then it is given the number 1 if it exists and 0 if it does not exist. Then, the index is calculated using the following formula:

$$GIC = \frac{\text{Total item yang diungkapkan di tiap elemen}}{\text{Jumlah keseluruhan item di tiap elemen}} \times 100\%$$

This hypothesis was tested using multiple regression analysis. Using multiple regression analysis provides a precise evaluation of the effect of “green innovation” and “integrated reporting” on overall organizational profitability. The significance criterion for this particular investigation was rated at 5%. The multivariate regression equation model used in this study is as follows:

$$Y = + 1.GI + 2.IR + 3.GI*FSIZE + \beta 4.IR*FZISE + 5.GHC + 6.GSC + 7.GRC +$$

Explanation:

Y : Company Performance
A : Constant value
 $\beta 1\text{-}\beta 6$: Variable Coefficient
 ε : Error rate
GI : Green Innovation
IR : Integrated Reporting
FSIZE : Company Size
GSC : Green Structural Capital
GRC : Green Relational Capital
GHC : Green Human Capital

IV. Results and Discussion

4.1 Results

a. Descriptive Statistics

Table 2. Descriptive Statistical Test Results

Descriptive Statistics					
	N	Minimum	Maximum	mean	Std. Deviation
SHARE	357	50,000	16110.4	1345,958	2087,427
GI	357	.000	1,000	.690	.244
IR	357	.254	1,000	.750	.144
SIZE	357	12,416	33,537	27,176	4.258
GI_SIZE	357	.000	33,537	18,933	7,614
IR_SIZE	357	6.235	31,098	20.393	5.136

GHC	357	.000	1,000	.757	.263
GSC	357	.000	1,000	.647	.244
GRC	357	.000	1,000	.703	.288
Valid N (listwise)	357				

Source: Processed Data (SPSS 22.00)

Note: GI = Green Innovation, IR = Integrated Reporting, SIZE = Company Size, GHC = Green Human Capital, GSC = Green Structural Capital, GRC = Green Rational Capital

b. Classic Assumption Test

Traditional assumption tests, also referred to as error normality, multicollinearity, heteroscedasticity, and heteroscedasticity, are used in this study to confirm that the problem can be solved using the Ordinary Least Square method. This is the verdict.

c. Normality Error

The results of this test indicate that the distribution of the error variable follows the normal distribution. If this is the case, we can make inferences about the entire population even if the sample size is rather small. If this assumption is violated, the performance of the estimator will be negatively affected, and the t-test and f-test coefficients will not have the expected distribution. While H_0 states that the error variable does not follow a normal distribution, H_a reads that the error variable is normally distributed. The following are the findings of the test:

Table 3. Normality Error Test Results

Mode	Sig	Results
LOGSHARE	0,724	Ho

Source: Processed Data (SPSS 22.00)

d. Autocorrelation

Autocorrelation testing is a type of statistical analysis used to test whether changes in time and the variables that make up the predictive model have a correlation. As a result, if the assumption of autocorrelation is made in the prediction model, the value of the disturbance is no longer in the independent pair but in the autocorrelation pair. When the asymp sig value of 0.724 is greater than 0.05, the assumption of a normal distribution for the error variable can be considered fulfilled for a confidence level known as the 95 percent confidence level (alpha 5 percent). This provides more evidence that the error variable obeys a normal distribution.

e. Multicollinearity and Heteroscedasticity Test

Table 4. Multicollinearity Test Results and Heteroscedasticity Test

Variable	Multicollinearity			Heteroscedasticity	
	VIF	Tolerance	Decision	Sig	Decision
GI	33,964	.029	Ho failed to reject	0.121	Ho failed to reject
IR	53,381	.019	Ho failed to reject	0.532	Ho failed to reject

SIZE	42.090	.024	Ho failed to reject	0.183	Ho failed to reject
GI_SIZ E	45,388	.022	Ho failed to reject	0.106	Ho failed to reject
IR_SIZ E	89.706	.011	Ho failed to reject	0.615	Ho failed to reject
GHC	1,843	.543	Ho rejected	0.622	Ho failed to reject
GSC	1,697	.589	Ho rejected	0.069	Ho failed to reject
GRC	1.525	.656	Ho rejected	0.643	Ho failed to reject

Source: Processed Data (SPSS 22.00)

Note: GI = Green Innovation, IR = Integrated Reporting, SIZE = Company Size, GHC = Green Human Capital, GSC = Green Structural Capital, GRC = Green Rational Capital

f. Multicollinearity

The multicollinearity test tests whether the independent variables have a statistically significant correlation. The predicted correlation in an equation is between the independent variable and the dependent variable, not between the independent variable itself. The hypothesis in this test H_0 reads that there is no multicollinearity and H_a reads that there is multicollinearity.

Based on the results of research conducted with the help of the inflation factor variance analysis tool, the VIF values of several variables studied for the purpose of this study are greater than 10. As a direct result of this, the null hypothesis of homoscedasticity, often known as H_0 , cannot be rejected. As a result, one can reach the conclusion that the independent variables in the model are correlated with each other, or that the criterion of no multicollinearity is violated. In other words, the null hypothesis of homoscedasticity cannot be rejected. On the other hand, it is possible to ignore the possibility of multicollinearity in models using moderating variables because there is a high probability that the model does not include multicollinearity.

g. Heteroscedasticity

Heteroscedasticity test determines whether a set of observations in a linear regression model contains unequal variances. The name of this test is heteroscedasticity test. When dealing with linear regression, this test, which belongs to the canonical assumption test series, should be performed. The predictive power of the regression model becomes useless in the absence of heteroscedasticity, which is a prerequisite for its application. In this particular test, the hypothesis H_0 states that heteroscedasticity does not exist, but the hypothesis

H_a states that heteroscedasticity does exist.

The research findings of the validity of the assumption of homoscedasticity within the scope of this study are shown in Table 4, with special emphasis placed on the model. H_0 cannot be ignored because the results of the glacier test analysis tool show that the sig value for each variable in this study has a value of more than 0.05 (five percent). Based on the conclusion that the requirements for homoscedasticity have been met.

h. Autocorrelation

Since autocorrelated pairs carry more information than independent pairs, this is the case. Ho reads that there is no autocorrelation in this particular test, but Ha reads that there is autocorrelation. The hypothesis is tested here: Here are the findings of the test:

Table 5. Autocorrelation Test Results

Model	DWstat	Results
LOG SHARE	1,974	Ho can't be

Source: Processed Data (SPSS 22.00)

Table 5 shows the results of the validity of the research autocorrelation assumption. The DWstat value of the model of 1.974 Ho cannot be rejected, as shown by the Durbin Watson test, then the autocorrelation assumption is correct.

i. Model (Goodness of Fit)

In order to ascertain whether the model is reliable or not, two tests were carried out, namely: the coefficient of determination test (R²), and the global test (F test).

j. Coefficient of Determination Test

The dependent variable in this test is the third variable, and the aim is to test how well one variable can explain the behavior of another variable using the third variable. When the value of the independent variable is very close to 1 or one hundred percent, it provides more information about the value of the variable being studied, known as the dependent variable. The following is an explanation of the results of the examination:

Table 6. Coefficient of Determination Test Results

Model	R²	Adj R²
STOCK LOG	0.065	0.043

Source: Processed Data (SPSS 22.00)

The adj R² value model is known to have a value of 0.043, which corresponds to 4.3% based on the test results listed in Table 6. There are extra independent factors not taken into account by the model that explain the dependent variable greater than that which can be explained by the independent variable.

k. Global Test (F Test)

This test looks at the correlation between two variables to see whether the proposed model can be applied or not. The Ha hypothesis, in contrast to the Ho hypothesis, asserts that there is at least one independent variable that has a significant effect on the variables studied (the dependent variable). It has been verified that the model is accurate. The test results, assuming Ha is accepted as follows:

Table 7. Global Test Results (F Test)

Model	Fstat	Sig
LOG SHARE	30.02	0,003

Source: Processed Data (SPSS 22.00)

By using the results of the F test, the significance level of F_{table} is less than 0.05. There is at least one independent variable in each model that is critical to the independent variable.

I. Individual Hypothesis Test (T Test)

Table 8. Individual Test Results (T Test)

Variable	Theory	Beta	Std. Error	Tstat	Sig (2 Tails)
(Constant)		1.466	2,901	0.505	0.614
Independent					
GI	+	- 2,337	1.660	- 1.408	0.160
IR	+	9.412	3.506	2,684	0.008*
Moderation					
SIZE		0.130	0.106	1,224	0.222
GI_SIZE	+	0.112	0.062	1,824	0.069*
IR_SIZE	+	- 0.281	0.128	- 2.192	0.029
Control					
GHC		- 0.467	0.358	- 1.303	0.193
GSC		- 0.025	0.371	- 0.067	0.946
GRC		- 0.164	0.297	- 0.551	0.582

Source: Processed Data (SPSS 22.00)

*Tsignificant level = 0.05

GI = Green Innovation, IR = Integrated Reporting, SIZE = Company Size, GHC = Green Human Capital,

GSC = Green Structural Capital, GRC = Green Rational Capital

4.2 Discussion

a. Green Innovation Positive Influence on STOCK LOG

It is known that the coefficient of green innovation is -2.337 due to the findings of statistical tests. This shows that the disclosure of LOG SHARE will decrease by 2,337 units if there is an increase of one unit in green innovation. Because the beta sign does not match the hypothesis that green innovation has a negative effect on the STOCK LOG, the significance test is discontinued and H_0 cannot be rejected, so it can be concluded that statistically there is a significant negative effect of Green Innovation on LOG SHARE.

b. Integrated Reporting have a Positive Relationship on the STOCK LOG

It has been determined through the use of statistical analysis that the integrated reporting coefficient is 9.412, which indicates that an increase of one unit in integrated reporting will result in an increase of 9.412 units in the LOG SHARE. STOCK LOG is positively affected by Integrated Reporting, according to statistical test findings, which is consistent with the presented hypothesis. Therefore, the significance test can go according to plan. H_0 weakens the theory while H_a strengthens the theory because the processing results show a significance of $0.008/2=0.00040.05$ ($\alpha = 5\%$). According to the results of statistical analysis, Integrated Reporting has a considerable impact on the STOCK LOG.

c. Company Size weakens Green Innovation's Relationship to SHARE LOG

Green Innovation regulated by SIZE has a coefficient of 0.112 which means for every increase in Green Innovation units, SHARE LOG will increase by 0.112 units, as determined by statistical testing. Data analysis shows that the beta sign is in line with our hypothesis value of 1, indicating that our hypothesis is correct. A significant relationship between Green innovation and the STOCK LOG measure has been found, and the significance test will be continued. $0.069/2 = 0.0345$ 0.05 ($\alpha = 5$ percent) is a significant value found in data processing, then H_0 is ruled out and H_a strengthens the theory. Statistical analysis shows that the beneficial impact of green innovation on SHARE LOG may be strengthened by SIZE according to theory.

d. Company Size strengthens the influence of Integrated Reporting on the STOCK LOG

The Integrated Reporting coefficient controlled by SIZE is known to have a value of -0.281. The value of green innovation increases by one unit, while the value of SHARE LOG decreases by 0.281 units, if moderated by SIZE. This conclusion is based on the results of statistical testing. The positive impact of Integrated Reporting on the STOCK LOG is attenuated by the negative beta sign, as shown statistically. As a result, the significance test cannot be continued and H_0 is not rejected because the beta sign does not match the hypothesis. Statistics show that SIZE fails to increase the beneficial impact of Integrated Reporting on STOCK LOG.

V. Conclusion

5.1 Conclusion

1. Green innovation there is a negative influencesignificanton company performance.
2. Integrated reporting there is a positive influencesignificanton company performance.
3. Company sizeable to strengthen the positive influenceSignificant GItoSTOCK LOGS.
4. Company sizeunable to amplify the positive influenceSignificant IRtoSTOCK LOG.

5.2 Limitations

1. In PThis research uses content analysis, so there is a possibility that the data used is the subjectivity of the researcher.
2. The limitation of this research is the use of outlier data, the research time is short (two years).

5.3 Suggestion

Suggestions for further research to increase the number of samples to reduce data outliers and add other variables that can reduce the level of subjectivity of researchers, aThere is a possibility that the researcher's subjectivity affects the data used, so considering

the current constraints, recommendations include an extension of the study period and the addition of independent factors that are predicted to affect the dependent variable.

The significance of these findings lies in the fact that they imply that businesses will be better equipped to implement green innovation for environmentally friendly processes and products if they concentrate on environmental performance rather than just complying with environmental regulations. This is an important finding because it shows that businesses will be better prepared to implement green innovation. This is why this finding is important: it suggests that businesses will be better prepared to adopt green innovation. As a consequence of the current consumer trend towards goods that are less harmful to the environment, it is possible that this trend will have an impact on the environment in the form of increased carbon emissions. We sincerely hope that individuals who are struggling can take advantage of the information provided in this article.

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