GOLDEN RATIO OF FINANCE MANAGEMENT
VOLUME 5, ISSUE. 2 (2025)
Website: https://goldenratio.id/index.php/grfm

GOLDEN RATIO
ISSN [Online]: 2776-6780

FINANCE | RESEARCH ARTICLE

Analysis of The Influence of Green Accounting, Company Size, and Dividend Payout Ratio on Profitability

Baiq Melati Sepsa Windi Ar[1], Lilik Handajani[2], N. Nurabiah[3]

[1,2,3] Department of Management, Faculty of Economic, Universitas Mataram, West Nusa Tenggara, Indonesia.
Email: baiqmelati16@gmail.com [1] , lilikhandajani@unram.ac.id[2] , nurabiah@unram.ac.id[3]

ARTICLE HISTORY

Received: March 06, 2025
Revised: May 17, 2025
Accepted: May 25, 2025

DOI
https://doi.org/10.52970/grfm.v5i2.1152

ABSTRACT
This research aims to determine the effect of green accounting, company size, and dividend payout ratio on the profitability of manufacturing sector companies listed on the Indonesian Stock Exchange in 2017-2021. This research is associative research with a quantitative approach. This research uses secondary data from annual and sustainability reports on manufacturing sector companies listed on the Indonesia Stock Exchange during the observation period from 2017 to 2021. The population in this study is manufacturing sector companies listed on the Indonesian Stock Exchange. The sample used in this research was 30 sample companies obtained based on the purposive sampling method, so that the total number of observations was 150 company observations during the five years of research. Hypothesis testing uses multiple linear regression analysis. This research shows that green accounting and dividend payout ratio do not affect profitability. Meanwhile, company size influences profitability.

Keywords: Green Accounting, Company Size, Dividend Payout Ratio.
JEL Code: M41, G35, L25, Q56.

I. Introduction

Based on trading economics data from 2015 to 2022, Indonesia's Gross Domestic Product (GDP) from the manufacturing industry is IDR 606,081.60 billion (trading economics, 2022). The government is trying to continue to make changes and adapt the economy to focus more on the development process of manufacturing companies. The Central Statistics Agency (BPS) also noted that the manufacturing industry sector for the period 2015-2021 is still the sector that contributes the most to national GDP. Data from BPS for the past 7 years shows significant changes in the contribution of manufacturing companies to national GDP, where there have been ups and downs every year. A significant decline occurred in 2020, namely -2.93, due to the COVID-19 pandemic (BPS, 2022).

The manufacturing sector's significant contribution to national GDP is due to the number of people buying, which often increases, so the production process will also increase according to demand. This happens because of the presence of efficiency-based technology. However, its impact on the environment is also significant. One of the impacts on the environment is the presence of efficiency-based technology that makes companies more sophisticated to increase production capacity, produce various product variants,

ISSN [Online]: 2776-6780

reduce production costs, and create affordable product offerings to meet human needs. This has started with companies oriented towards reducing production costs (Zhao et al., 2018).

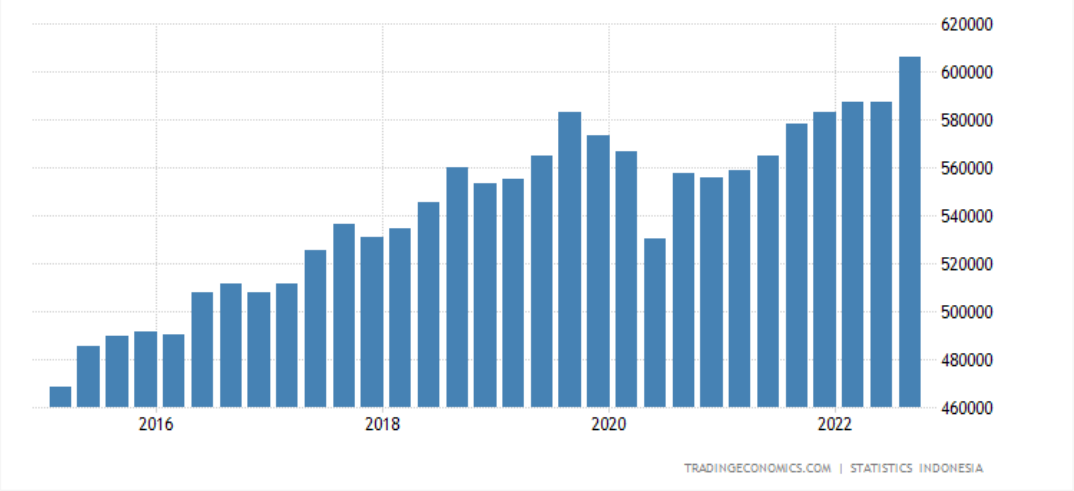

Figure 1. Indonesia Manufacturing Company Graph 2015-2022
(source: tradingeconomics.com)

Based on data from the Central Statistics Agency (BPS) in 2018, the amount of hazardous and toxic waste (B3) management in Indonesia in 2017 tended to decline. The manufacturing sector ranks third in industrial waste management, only 1.2% (bps, 2022). In 2021, the Ministry of Environment and Forestry (KLHK) data showed that 2,897 manufacturing sector industries produced B3 waste 2021 (Dihni, 2022). KLHK noted that the potential to utilize B3 waste produced in 2021 reached 80.93%. However, in the KLHK report, only 13.26 million tons or 22.5% of B3 waste has been utilized, which is still relatively low, so the utilization of B3 waste has not been optimized (Dihni, 2022). These data show that the manufacturing sector has a low awareness of waste management, which affects the environment.

Table 1. Manufacturing industry GDP growth rate data 2015-2021

No	Year	Percentage
1	2015	4,33
2	2016	4,26
3	2017	4,29
4	2018	4,27
5	2019	3,80
6	2020	-2,93
7	2021	3,29

(source: bps.go.id)

This is because many regions have not started playing a role in economic activities, which means that regions have not started producing goods and providing for the needs of their communities. A deeper strategy for sustainable waste management is needed to deal with the trend of increasing industrial waste (Othman et al., 2013). Bare (2011) stated that there are five elements for corporate organizations in developing a sustainable environment: sustainability in the economy, social indicators, environmental analysis, independently selected sustainability indicators, and materials and resources used. A company's sustainability is a development factor that meets current needs without sacrificing the ability to meet future needs. The survival of a company depends on the profits it obtains. This profit is what then becomes the primary purpose of establishing a company. The higher the number of the results of this profitability calculation, the better the company's profit and performance. The better the ranking that the company can achieve, the more it will

ISSN [Online]: 2776-6780

boost the image of the company. It will further attract consumers to use the company's products, and from this, it will affect the increase in sales and profitability of the company (Liu & Jaya, 2022). Companies with high profitability have more adequate resources to carry out disclosures related to social and environmental performance and become a form of accountability for the profits of the company's operational activities (Permatasari et al., 2019). Companies with high profitability levels will attract investors to invest in the company's shares (Adipalguna & Suarjaya, 2017). Profitability is needed when the company distributes its dividends. The company's management will pay dividends to signal shareholders about the company's level of success in obtaining profits (Wirjolukito & Sandy, 2003). The signal created by profitability shows a company's ability to pay dividends to shareholders.

II. Literature Review and Hypothesis Development

2.1. Legitimacy Theory

Legitimacy Theory was first proposed by Dowling and Pfeffer (1975), focusing on the interaction between companies and society. This theory assumes that society is an important factor in the development of a company in the long term. A company will try to legitimize and strengthen the relationships that exist in a social environment where the company operates so that if the community does not accept the legitimacy of a company due to the company not complying with previously determined provisions, this legitimacy can be withdrawn at any time, therefore the company is required to comply with the applicable provisions so that the company's operations can run smoothly (Puspitaningrum & Indriani, 2021). Organizations or companies will continuously ensure that their operations and activities are in line with the norms that apply to the community around the company, so that the existence of the organization or company can be accepted by parties outside the company, especially the community (Sulistiawati & Dirgantari, 2017). One form of legitimacy for companies in the eyes of the public is by disclosing environmental information. Implementing a financial reporting system based on green accounting will help companies disclose information related to the environment and help them calculate environmental costs and benefits that may arise in the future due to current activities. The public will provide legitimacy and assess the company through the products produced and the benefits felt by the environment around the company.

2.2. Profitability

Profitability is the ability of a company to generate profits during a specific period at a certain level of sales, assets, and share capital (Puspitaningtyas et al., 2019). A company's profitability can be assessed in various ways, depending on the profit and assets or capital that will be compared with each other. In practice, management is required to be able to meet the targets that have been set in a company. This is to help accelerate the company in generating profits and efficiency. To assess the company's ability to make a profit, management can use the profitability ratio as a proxy for its calculations (Aghnitama et al., 2021). Profitability is also defined as the company's ability to generate profits from all of the company's operational activities related to sales and investments. Profitability provides an overview of the ability of a company's business unit to return its funding allocation into profit (Puspitaningtyas et al., 2019).

2.3. Green Accounting

Green accounting (environmental accounting) has been in Europe since the 1970s. As a result of pressure from non-governmental institutions and increasing environmental awareness among the public, companies are urged not only to carry out industrial activities for the sake of business, but also to implement environmental management. The goal is to increase the efficiency of environmental management by assessing environmental activities from a cost perspective (environmental costs) and benefits or effects

ISSN [Online]: 2776-6780

(economic benefits), as well as producing environmental protection effects (environmental protection). In addition, green accounting can be defined as a process of recognizing, measuring value, recording, summarizing, reporting, and disclosing information regarding financial, social, and environmental transactions, events, and/or objects in an integrated manner in the accounting process in order to produce integrated, complete, and relevant accounting information that is useful for users in assessing and making economic and non-economic decisions (Lestari et al., 2020)

Environmental accounting is defined as preventing, reducing, and/or avoiding environmental impacts, moving from several opportunities, starting from the remediation of events that cause disasters due to these activities. Environmental impact burdens the environment from business operations or other human activities, potentially hindering good environmental maintenance. Green accounting is an accounting process aimed at integrating financial, social, and environmental transactions to produce useful accounting information for users in decision-making (Lestari et al., 2020).

2.4. Company Size

Company size is a measure, scale, or variable that describes the size of a company based on several provisions, such as total assets, log size, market value, shares, total sales, total income, total capital, and others. Grouping companies based on the scale of operations is generally divided into three categories, namely: large companies (large firms), medium-sized companies (medium-sized), and small companies (small firms). Company size is a scale that can be calculated by the total assets and sales level, which can indicate the company's condition, where larger companies will have advantages in the sources of funds obtained to finance their investments in making a profit. Company size can be used to represent the financial characteristics of the company. Extensive, well-established companies will find it easier to obtain capital in the capital market than small companies because the ease of access means that large companies have greater flexibility.

According to Hery (2017), company size is the size or amount of assets owned by a company. Company size describes the company's size, which its total assets or net sales can express. If the assets are larger, the capital invested will be larger, and as the number of sales increases, more money will be circulated in a company. Hery (2017) argues that a company's size can be divided into three categories: large, medium, and small. When a company tries to gain access to funding from investors and creditors, the size of the company becomes something that deserves attention. This is because company size is important in applied microeconomics and industrial organization. Company size also influences various studies, such as economies of scale in production, capital markets, profitability, diversification, regulation, company balance sheets, research and development (R&D), and technological innovation. Company size is defined as a scale that classifies the size of a company through the total value of assets, the number of sales, and market capitalization (Aghnitama et al., 2021). The total value of assets can indicate the size of the invested capital, and the number of sales indicates the size of the money turnover in the company. Meanwhile, market capitalization can signal that the company is known to the public. Dividend Payout Ratio

According to experts, the dividend payout ratio is the percentage of net profit after tax distributed as dividends to shareholders (Sudana, 2011). Dividends that are distributed are usually paid out over a specific period. It can be once a year or twice, depending on company policy. Through this dividend payout ratio, investors can know how high the portion of profit the company gives them. Investors can also know how much profit is used as the company's operational funds. The distribution of the dividend payout ratio is based on the proportion of the total profit portion described in the form of dividend distribution and the total amount of net profit. The dividend payments will affect the proportion of the total dividend received by the shareholder structure. Most investors will choose a high proportion of dividend distribution funds (Dewi, 2020).

ISSN [Online]: 2776-6780

2.5. The Effect of Green Accounting on Profitability

Based on Legitimacy Theory, implementing a financial reporting system based on green accounting will help companies disclose environmental information and help companies calculate environmental costs and benefits that may arise in the future due to current activities. The community will provide legitimacy and assess the company through the products produced and the benefits felt by the environment around the company (Dewi, 2020). The better the allocation of environmental costs to the environment or the affected community, the better the environmental performance of the company, which can be seen from the PROPER rating given by the Ministry of Environment and Forestry of the Republic of Indonesia to companies that have succeeded in managing the environment well. The better the rating the company can achieve, the better the image of the company will be. It will subsequently attract consumers to use the company's products, leading to increased sales and profitability. The implementation of good green accounting will significantly impact investors and consumers of the company; consumer trust in the company will increase. This will increase the image of the company, so that the company's profitability will also increase. From this, a hypothesis can be drawn:

H1: Green accounting affects Profitability

2.6. The Influence of Company Size on Profitability

Based on the legitimacy theory, society has a role in assessing companies. Companies tend to use company size or financial performance to gain recognition from outside parties (legitimized) that all company activities have been carried out by the norms in society or the environment where the company is located (Murniati & Sovita, 2021). Permatasari et al. (2019) stated that the larger a company's assets, the greater the profit that will be obtained. The company uses the assets owned for operational activities to make a profit. Large companies have better control over market conditions so that they can face economic competition. This is because the company's large size is reflected by the significant sales or profits, so that the company can develop well and quickly. Therefore, investors will respond positively, and the company's value and operations will increase. So it should be underlined that company size reflects a company's financial performance, which will impact its profitability and turnover. Large companies also tend to carry out activities that can impact society and the environment, so companies must communicate their corporate social responsibility to be legitimized by society. From this, the following hypothesis can be concluded.

H2: Company size affects profitability

2.7. The Effect of Dividend Payout Ratio on Profitability

Based on Legitimacy Theory, the dividend payout ratio, which is a measure of dividend policy, indirectly has good social information to increase the company's value (Dewi, 2020). Good environmental performance information by the company will be responded to positively by investors and potential investors through fluctuations in the company's stock price. The distribution of the dividend payout ratio is based on the proportion of the total profit portion, described in the form of dividend distribution, and the total amount of net profit. The size of the dividend payment will, of course, affect the proportion of the total dividend received by the shareholder structure. Most investors will choose a high proportion of dividend distribution funds. The number of dividends paid will affect the stock price and shareholders' welfare. The greater the company's business expansion, the less funds can be paid for dividends. In addition, from the results of research conducted by Lamy et al. (2017), Dewi (2020), and Siagian et al. (2022) stated that the dividend payout ratio has a positive effect on company profitability. Based on the description above, the following hypothesis can be formulated.

ISSN [Online]: 2776-6780

H3: Dividend payout ratio affects profitability

III. Research Method

The population in this study was 214 manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2017-2021. The sampling method in this study was the purposive sampling method, namely the selection of samples based on the suitability between the sample and specific selection criteria.

Table 2. Sampling criteria

No	Criteria	Total
1	Manufacturing companies listed on the IDX for the 2017-2021 period	214
2	Manufacturing companies not listed on the IDX for five consecutive years	(70)
3	Manufacturing companies that do not publish audited financial statements	0
4	Manufacturing companies that have not received a gold predicate in PROPER for five consecutive years	(114)
	Number of company samples	30
	Number of observations for the period 2017-2021 = (x5)	150

The type of research used in this study is associative research with a quantitative approach, which is carried out by proving the existence of factors that influence green accounting, company size, and dividend payout ratio on company profitability. This research was conducted in Indonesia using annual report data from manufacturing companies listed on the Indonesian Stock Exchange, which is available on the official website. The research period used was 2017-2021.

3.1. Green Accounting

Green accounting is measured based on the GRI (Global Reporting Initiative). The formula used is as follows:

$$\text{ED Index} = \frac{\Sigma \text{ environmental disclosure items disclosed by the company}}{\Sigma \text{ total of all items}}$$

Description:

ED Index: Environmental Disclosure

3.2. Company Size

Company size is measured using the Ln ratio (total assets). The total asset value can indicate the size of the invested capital, and the amount of sales indicates the size of the cash flow in the company. The formula used is as follows:

Company Size = Ln (total assets)

Description: Ln = Natural Logarithm

3.3. Dividend Payout Ratio

The dividend payout ratio (DPR) is the percentage of income paid to shareholders as cash dividends, measured in percentage units. The calculation of the dividend payout ratio in this study is as follows:

Dividend payout ratio = Total net profit dividends X 100%

GOLDEN RATIO
ISSN [Online]: 2776-6780

IV. Results and Discussion

4.1. Descriptive Statistics

Descriptive analysis is a method where all data related to the research are grouped and then analyzed and interpreted objectively by comparing the minimum value, maximum value, average (mean), and standard deviation of the sample.

Table 3. Descriptive statistical analysis of data

Variable	Mean	Std Dev	Min	Max
Profitability	0,0758907	0,120006	0	1,0498
GA	0,1724711	0,2255767	0	0,8
Company Size	28637,81	2586,544	18653	33537
DPR	0,4404467	1,332454	0	13,623

1. Dependent Variable (Profitability)

The results of the statistical analysis test in Table 3 show that profitability with a sample size (N) of 150 has a minimum value of 0 obtained by PT Indofarma in 2020 and PT Mustika Ratu in 2019. This can be interpreted as the lowest profit-generating ability level of the sample company, which is 0%. The maximum value of 1.0498 was obtained by PT Tirta Mahakam in 2020. This can be interpreted as the highest profit-generating ability level of the sample company, which is 104.98%. The average (mean) profitability value for 2017-2021 is 0.0758907. This can be interpreted that the average level of profit-generating ability of the sample company is 7.58%, this shows that most of the profitability variables that are the objects of this study are companies that have an excellent profitability rating where if the profitability value is greater than 1.5% then it is categorized as very good. The standard deviation is 0.120006, indicating a data deviation that is relatively greater than the average value, which means that the company's profitability is not regular or consistent.

2. Green accounting

The results of the statistical analysis test in Table 3 show that green accounting with a sample size (N) of 150 has a minimum value of 0. The maximum value of 0.8 was obtained by PT Indocement Tunggal Prakarsa Tbk in 2021. The average value (mean) illustrates that the average green accounting in manufacturing companies is 0.1724711. This shows that the average of the 30 companies used as samples revealed green accounting in their companies was 17.24%. The standard deviation of green accounting is 0.2255767 or 22.55%, which shows a data deviation that is relatively greater than the average value, which means that green accounting is not standard or consistent.

3. Company size

The results of the statistical analysis test in Table 3 show that the company size with a sample size (N) of 150 has a minimum value of 18653 obtained by PT Pelat Timah Nusantara Tbk in 2017. It can be interpreted that the company size with the smallest value among the sample companies is 186.53. The maximum value of 33537 was obtained by PT Astra International Tbk in 2021. It can be interpreted that the company size with the highest value among the sample companies is 335.37. The average value (mean) of company size in manufacturing companies is 28637.81. This can be interpreted as the average of the 30 companies used as samples, revealing the company size to profitability, which is 286.38. The standard deviation of 2586.544 shows a data deviation that is relatively smaller than the average value. It can be said that the distribution of company size data is accurate.

ISSN [Online]: 2776-6780

4. Dividend payout ratio

The descriptive statistical analysis test results in Table 3 show that the dividend payout ratio with a sample size (N) of 150 has a minimum value of 0%. The maximum value of 13.623 was obtained by PT Mayora Indah Tbk in 2018. The average (mean) dividend payout ratio in manufacturing companies is 0.4404467. It can be said that the 30 companies used as samples revealed a dividend payout ratio to profitability of 44.04%. The standard deviation of 1.332454 or 133.24% shows a data deviation that is relatively larger than the average value, so that it can be said that the distribution of dividend payout ratio data is accurate.

4.2. Model Selection Test

4.2.1. Panel Data Regression Test Model Selection

Panel data estimation models are used to select one of three more appropriate models with more efficient estimates. Several ways can be used to determine which model is most appropriate in estimating panel data parameters. There are three tests for selecting a panel data estimation model, namely the Chow test, which is used to choose between the Pooled Least Squares (PLS) model and the Fixed Effect (FE) model. The second test is the Lagrange Multiplier (LM) test, which is used to choose between the Pooled Least Squares (PLS) model and the Random Effect (RE) model. In addition, a Hausman test is used to choose between the Fixed Effect (FE) model and the Random Effect (RE) model.

1. Chow Test

The Chow test chooses between the pooled least squares (PLS) model and the Fixed Effect (FE) model. The following are the results of the Chow test.

Table 4. Chow Test Results

Prob > F	0.000

The output results in Table 4 show that the probability value of 0.0000 means that the Chow test gives significant results. Because the probability is smaller than the α value (0.05), the pooled least squares (PLS) is rejected and the fixed effect (FE) is accepted, so the conclusion that can be drawn is to use the fixed effect (FE) model.

2. Lagrange Multiplier Test

The Lagrange multiple test is a test of the selection of panel data estimation models used to choose between the pooled least squares (PLS) model and the random effect (RE) model. The following are the results of the Lagrange multiplier test.

Table 5. Lagrange Multiplier Test

Breusch and Pagan Lagrangian multiplier test for random effects		
	Var	**sd = sqrt (Var)**
Profitability	0,0046807	0,0684158
E	0,0000896	0,0094674
U	0,0050954	0,0713819
chibar2		287,16
Prob > chibar2		0,0000

From the results of the Lagrange multiplier test in Table 5, it can be seen that the results have a Prob>chibar2 of 0.0000, smaller than α (0.05), meaning that the pooled least squares (PLS) is rejected and the random effect (RE) is accepted. The conclusion can be drawn using the random effect (RE) model.

ISSN [Online]: 2776-6780

3. Hausman Test

The Hausman test is a test of the selection of panel data estimation models used to choose between the fixed effect (FE) model and the random effect (RE) model. The following are the results of the Hausman test.

Table 6. Hausman Test Results

Variable	Fe	Re	Difference
GA	0,0069715	0,0139355	0,0001248
COMPANY SIZE	-0,0001633	-1,27e-06	-0,0009527
DPR	-0,0000045	-0,0000049	0,0000000081
chi2	0,16		
Prob > chi2	0,9213		

From the results of the Hausman test in Table 6, it can be seen that the Prob>chi2 of 0.9213 is greater than α (0.05), meaning that the random effect (RE) is accepted and the fixed effect (FE) is rejected. The conclusion can be drawn using the random effect (RE) model.

4.2.2. Assumption Test

Based on the model selection test used in this study, the Random Effect Model (REM), the classical assumption tests, such as multicollinearity, heteroscedasticity, and autocorrelation, are not applied. This is due to REM characteristics, which intrinsically considers random variations between cross-section units and temporal relationships through the Generalized Least Squares (GLS) approach (Savitri et al., 2021). Thus, REM can overcome the potential for violating classical assumptions, which are often a concern in ordinary linear regression models.

4.2.3. Hypothesis Testing

In this study, hypothesis testing was carried out using the coefficient of determination test (adjusted R2), the simultaneous significance test (f-statistic test), and the partial significance test (t-statistic test).

1. Results of Simultaneous Significance Test (F Statistic Test)
   The simultaneous significance test (F-statistic test) tests whether all independent variables in the regression equation model jointly influence the dependent variable. The simultaneous significance test is carried out at a significance level of 0.05. If the significance value is <0.05, then the hypothesis is not rejected; conversely, if the significance value is> 0.05, then H0 is rejected. The following are the results of the simultaneous significance test. Based on the result analysis, the Prob > F result is 0.0000; this number is smaller than the α value (0.05). So, the variables green accounting, company size, and dividend payout ratio significantly affect profitability.
2. Results of the Determination Coefficient Test (Adjusted R^2)
   The amount of contribution of the independent variables, namely green accounting, company size, and dividend payout ratio, in explaining the profitability variable. The result analysis shows that the R-squared value is 0.0220 or 2.20%, which means the model has predictive ability.
3. Individual parameter test results (z-statistic test)
   Individual parameter tests (z-statistic tests) are conducted to test the influence of independent variables partially or individually. The method used is through the Z test, with the criteria that the significance value obtained must be less than 0.05 and the calculated Z value must be greater than the Z table value. The results of the z-statistic test can be seen in Table 7.

ISSN [Online]: 2776-6780

Table 7. Individual Parameter Test Results (z-Statistic Test)

Variable	Coefficient	Std. Err	Z	P > |z|
GA	0,0068466	0,0069733	0,98	0,326
Firm Size	0,0007894	0,0031419	0,25	0,802
DPR	-0,0000049	0.000000772	-5,82	0,000
Cons	0,0516755	0,090727	0,57	0,569

Based on Table 7, the following conclusions are obtained:

1. The effect of green accounting on profitability
   Based on Table 7, the results of this study indicate a significance level of green accounting of 0.326 or greater than 0.05. The results of this study indicate a positive direction with a regression coefficient value of 0.0068466. Thus, H1 is rejected, meaning that the green accounting variable does not affect profitability.
2. The effect of company size on profitability
   Based on Table 7, the results of this study indicate a significance level of company size of 0.802 or greater than 0.05. The results of this study indicate a positive direction with a regression coefficient value of 0.0007894. Thus, H2 is rejected, meaning that the company size variable does not affect profitability.
3. The effect of dividend payout ratio on profitability
   Based on Table 7, the results of this study indicate a significance level of the dividend payout ratio of 0.000 or less than 0.05. The results of this study indicate a negative direction with a regression coefficient value of -0.00000449. Thus, H3 is accepted, meaning that the dividend payout ratio variable affects profitability.

After conducting hypothesis testing in this study, it can be concluded that of the three hypotheses, one hypothesis is accepted and two are rejected.

Table 8. Recapitulation of Hypothesis Test Results

Code	Hypothesis	Sig	Description
H1	Green accounting affects profitability	0,326 > 0.05	Hypothesis rejected
H2	Company size affects profitability	0.802 > 0.05	Hypothesis rejected
H3	Dividend payout ratio affects profitability	0.000 < 0.05	Hypothesis accepted

4.3. Discussion

4.3.1. The effect of green accounting on profitability

Based on Table 8, the results of this study show a significance level of green accounting of 0.326 or greater than 0.05. The results of this study show a positive direction with a regression coefficient value of 0.0068466. Thus, H1 is rejected, meaning that the green accounting variable does not affect profitability. Based on the results of the hypothesis testing carried out on the z-statistic test, it can be concluded that green accounting, as measured using the GRI standard, shows that green accounting does not affect profitability (ROA). This is supported by the average value of green accounting of 0.1724711. This shows that although it has many benefits in terms of sustainability and corporate social responsibility, green accounting does not always directly impact the company's profitability. High initial costs can significantly burden the company and may not immediately result in financial benefits. The results of this study support previous research conducted by Melawati & Rahmawati (2022), which stated that green accounting does not affect profitability. This means

ISSN [Online]: 2776-6780

that the high or low green accounting score does not affect profitability; in other words, green accounting cannot influence profitability. In addition, the results of this study also support previous research conducted by Kholmi & Nafiza (2022), which stated that green accounting does not affect profitability.

4.3.2. The effect of company size on profitability

Based on Table 8, the results of this study show a significance level of company size of 0.802 or greater than 0.05. The results of this study indicate a positive direction with a regression coefficient value of 0.0007894. Thus, H2 is rejected, meaning that the company size variable does not affect profitability. Based on the results of hypothesis testing carried out on the z-statistical test, it can be concluded that company size, as measured using the Ln (total assets) ratio, shows that company size does not affect profitability. This is supported by the fact that the average value of company size is 28637.81. This shows that the company size used in the study cannot reflect a relevant size or directly impact profitability. The study's results could show an insignificant relationship if company size is measured only from total assets without considering other factors such as operational efficiency. Larger companies often have advantages in terms of economies of scale. The results of this study support previous research conducted by Wardhana (2021), which stated that company size does not affect profitability. In his research results, Wardhana (2021) also argued that a large company is not automatically more profitable than a small company, depending on how it is managed and how it adapts to internal and external factors that affect its performance.

4.3.3. The effect of dividend payout ratio on profitability

Based on Table 8, the results of this study show a level of significance of the dividend payout ratio of 0.0000 or less than 0.05. The results of this study show a negative direction with a regression coefficient value of -0.0000049. Thus, H3 is accepted, meaning that the dividend payout ratio variable affects profitability. Based on the test results, it can be concluded that the dividend payout ratio in the statistical test has an accurate value. The hypothesis test results, measured using the total dividend/net profit ratio, show that the dividend payout ratio affects profitability. The average value of the dividend payout ratio of 0.4404467 supports this. This shows that the dividend payout ratio is directly related to the distribution of profits to shareholders. The dividend payout ratio is a company management decision and can be influenced by various factors such as investment plans, capital needs, and financial policies.

This supports the legitimacy theory, where companies with a high dividend distribution policy can be seen as healthy companies and can generate sufficient profits to support the distribution of profits to shareholders. In this case, dividends function as a signal or indicator to the market that the company is stable and profitable, which in turn can increase the company's social legitimacy.

V. Conclusion

The green accounting variable does not affect profitability (ROA). This is reflected in the results of the individual parameter test with a value greater than the significance value and the specified coefficient value. This means that the high and low values of green accounting implemented by the company do not affect the high and low values of profitability (ROA). The company size variable does not affect profitability (ROA). This is reflected in the results of the individual parameter test with a value greater than the significance value and the specified coefficient value. This means that the company's size does not affect the high and low values of profitability (ROA). The dividend payout ratio variable affects profitability (ROA). This is reflected in the results of the individual parameter test with a value smaller than the significance value and the specified coefficient value. Based on this, a high dividend payout ratio value often reflects a company with confidence in generating stable profits and can support dividend payments without sacrificing its financial health. Conversely, companies with low dividend payout ratios may focus more on reinvesting profits to support

ISSN [Online]: 2776-6780

long-term growth, which means that if a company's dividend payout ratio value affects the level of profitability (ROA).

References

Adhipradana, F., & Daljono. (2013). Pengaruh Kinerja Keuangan, Ukuran Perusahaan dan Corporate Governance Terhadap Pengungkapan Sustainabillitty Report. Diponegoro Journal of Accounting, 2(2011), 1–10.

Aghnitama, R. D., Aufa, A. R., & Hersugondo, H. (2021). Market Capitalization dan Profitabilitas Perusahaan dengan FAR, AGE, EPS, dan PBV sebagai Variabel Kontrol. Jurnal Akuntansi dan Manajemen, 18(02), 01–11. https://doi.org/10.36406/jam.v18i02.392

Alim, M., & Puji, W. (2021). Pengaruh Implementasi Green Accounting, Corporate Social Responsibility Disclosure Terhadap Profitabilitas Perusahaan. Jurnal Digital Akuntansi (JUDIKA), 1(1), 1.

Angelina, M., & Nursasi, E. (2021). Pengaruh Penerapan Green Accounting Dan Kinerja. Jurnal Manajemen Dirgantara, 14(2), 211.

Bare, J. C. (2011). Five Key Elements for Environmental Sustainable Progress. International Journal for Sustainable Innovations, 1, 91–98.

Bhatt, V. (2022a). On adopting Green Accounting with the Emerging Economy Perspective: Examine the mediating role of environmental concern and perceived benefit. February. https://doi.org/10.5281/zenodo.6140499

Bhatt, V. (2022b). Periksa peran mediasi kepedulian lingkungan dan manfaat yang dirasakan pada penerapan Akuntansi Hijau dengan Perspektif Ekonomi Berkembang pada penerapan Akuntansi Hijau dengan Ekonomi Berkembang Perspektif Abstrak : https://doi.org/10.5281/zenodo.6140499

Chasbiandani, T., Rizal, N., & Indra Satria, I. (2019). Penerapan Green Accounting Terhadap Profitabitas Perusahaan Di Indonesia. AFRE (Accounting and Financial Review), 2(2), 126–132. https://doi.org/10.26905/afr.v2i2.3722

Dan, P., Perusahaan, N., Petrokimia, I., A, C. M. A., Peña, D., Mahinay, C. B., & Q, E. J. (2019). Filipina telah menjadi pelopor Meskipun undang-undang ini diterapkan , Prosiding International Interdiscilinary Conference on Sustainable Development alam di Filipina . Meskipun itu sendiri tidak signifikan bagi salah satu dari Disewa Global dimoderasi ol. 126–135.

Dewi, M. A. (2020). Pengaruh Green Accounting Dan Dividend Payout Ratio Terhadap Firm Size Melalui Csr Sebagai Variabel Intervening. BISMA: Jurnal Bisnis dan Manajemen, 14(1), 34. https://doi.org/10.19184/bisma.v14i1.16827

Dewi, P. P., & Wardani, W. (2022). Green Accounting, Pengungkapan Corporate Social Responsibility dan Profitabilitas Perusahaan Manufaktur. E-Jurnal Akuntansi, 32(5), 1117. https://doi.org/10.24843/eja.2022.v32.i05.p01

Erlangga, C. M., Fauzi, A., & Sumiati, A. (2021). Penerapan Green Accounting dan Corporate Social Responsibility Disclosure Terhadap Nilai Perusahaan Melalui Profitabilitas. Akuntabilitas, 14(1), 61–78. https://doi.org/10.15408/akt.v14i1.20749

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

Lamy, P., Floyd, O., Quémerais, E., Boclet, B., & Ferron, S. (2017). Coronal mass ejections and solar wind mass fluxes over the heliosphere during solar cycles 23 and 24 (1996–2014). Journal of Geophysical Research: Space Physics, 122(1), 50–62. https://doi.org/10.1002/2016JA022970

Lestari, R., Aisya Nadira, F., Nurleli, N., & Helliana, H. (2020). Pengaruh Penerapan Green Accounting Terhadap Tingkat Profitabilitas Perusahaan. Kajian Akuntansi, 20(2), 124–131. https://doi.org/10.29313/ka.v20i2.5990

ISSN [Online]: 2776-6780

Liu, V., & Jaya, S. (2022). Analisis Pengaruh Ukuran Perusahaan, Dan Profitabilitas Terhadap Harga Saham Pada Perusahaan Telekomunikasi Yang Terdaftar Di Bursa Efek Indonesia. Prosiding Nasional Seminar on Accounting, 1(1), 243–252.

Lusiana, M., Haat, M. H. C., Saputra, J., Yusliza, M. Y., Muhammad, Z., & Bon, A. T. (2021). A review of green accounting, corporate social responsibility disclosure, financial performance, and firm value literature. Proceedings of the International Conference on Industrial Engineering and Operations Management, 5622–5640.

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).

Murniati & Sovita. (2021). 1. Murniati. Ekonomi dan bisnis dharma andalas, 23(1), 109–122.

Muse, O., Popoola, J., Olarinoye, A., Aidi, S., Olukayode, A., Onasoga, A., & Online, A. (2021). The Institute of Chartered Accountants of Nigeria, Malaysia District Society (Nomor March).

Nkwoji, N. (2021). Environmental Accounting and Profitability of Selected Quoted Oil and Gas Companies in Nigeria (2012-2017). Journal of Accounting and Financial Management E, 7(3), 22–39.

Othman, F., Sadeghian, M. S., Ebrahimi, F., & Heydari, M. (2013). A Study on Sedimentation in Sefidroud Dam by Using Depth Evaluation and Comparing the Results with USBR and FAO Methods. International Proceedings of Chemical, Biological and Environmental Engineering, 51(9), 6. https://doi.org/10.7763/IPCBEE/IPCBEE

Permatasari, M. P., Luh, N., & Setyastrini, P. (2019). Pengungkapan tanggung jawab sosial perusahaan ditinjau dari teori legitimasi dan teori stakeholder. Jurnal Akuntansi dan Perpajakan, 5(1), 29–43.

Puspitaningrum, H. Y., & Indriani, A. (2021). Good Corporate Governance Terhadap Profitabilitas. 10, 1–15.

Puspitaningtyas, Z., Prakoso, A., & Masruroh, A. (2019). Pengaruh Profitabilitas Terhadap Kebijakan Dividen Dengan Likuiditas Sebagai Pemoderasi. Jurnal Administrasi Bisnis, 9(3), 1. https://doi.org/10.35797/jab.9.3.2019.25120.1-17

Qodratilah, N. H. I. (2021). Pengaruh Penerapan Green Accounting Terhadap Tingkat Pencapaian Laba Dan Pertumbuhan Harga Saham Pada Perusahaan Peraih Penghargaan Industri Hijau Yang Terdaftar Di Bursa Efek Indonesia (Bei) Tahun 2015-2019. Review of Accounting and Business, 2(2), 200–2015. https://doi.org/10.52250/reas.v2i2.479

Siagian, A. O., Asrini, & Wijoyo, H. (2022). Pengaruh Ukuran Perusahaan, Akuntansi Lingkungan, Profitabilitas, Leverage, Kebijakan Dividen, Dan Likuiditas Terhadap Nilai Perusahaan. Ikra-Ith Ekonomika, 5(2), 67–76.

Sugiyono. (2018). Metode Penelitian: Kuantitatif, Kualitatif, Dan R&D (Alfabeta).

Sulistiawati, E., & Dirgantari, N. (2017). Analisis Pengaruh Penerapan Green Accounting Terhadap Profitabilitas Pada Perusahaan Pertambangan Yang Terdaftar Di Bursa Efek Indonesia. Jurnal Reviu Akuntansi dan Keuangan, 6(1), 865–872. https://doi.org/10.22219/jrak.v6i1.5082

Syafrina, B. Q. F. (2020). Penerapan Green Accounting Terhadap Kinerja Keuangan. Jurnal Riset Akuntansi Kontemporer, 12(2), 94–99.

Wardhana, P. K. (2021). Pengaruh Ukuran Perusahaan, Biaya Lingkungan dan Kinerja Lingkungan Terhadap Profitabilitas pada Perusahaan Pertambangan di BEI periode tahun 2015-2019.

Zhao, T., Song, Z., & Li, T. (2018). Effect of innovation capacity, production capacity, and vertical specialization on innovation performance in China's electronic manufacturing: Analysis from the supply and demand sides. PLoS ONE, 13(7), 1–23. https://doi.org/10.1371/journal.pone.0200642

Zulhaimi, H. (2015). Pengaruh Penerapan Green Accounting Terhadap Kinerja Perusahaan. Jurnal Riset Akuntansi dan Keuangan, 3(1), 603. https://doi.org/10.17509/jrak.v3i1.6607