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The effect of earnings management and media exposure on corporate social responsibility disclosure with corporate governance as a moderating variable

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ABSTRACT

This study aims to determine and analyze the effect of earnings management and media exposure on corporate social responsibility disclosure moderated by corporate governance. This study uses secondary data on manufacturing companies listed on the Indonesia Stock Exchange for a five-year period from 2016 to 2020. The sample selection used the purposive sampling method so that a total of 67 observations met the specified criteria. This study was tested using multiple linear regression and Moderated Regression Analysis. The results of this study provide empirical evidence that earnings management and media exposure have a positive effect on corporate social responsibility disclosure. Corporate governance with the proxies of the board of commissioners, independent commissioners and audit committees in weakening the influence of earnings management on corporate social responsibility disclosures each shows insignificant results. Meanwhile, corporate governance with the proxies of the board of commissioners and the audit committee was found to be able to strengthen the influence of media exposure on corporate social responsibility disclosure. However, independent commissioners cannot strengthen the influence of media exposure on corporate social responsibility disclosure.

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Introduction

The development of trends in the last two decades has become an important aspect of business that wants to remain relevant in today's global environment. Companies are faced with a new reporting challenge due to increasing public awareness of the importance of the company's role in the social environment, making the public need information about the extent to which the company has carried out its social activities (Budiman, 2015). Corporate social responsibility disclosure is one of the efforts made by the company to be able to meet the interests of stakeholders and ensure the sustainability of the company in the long term.

Companies have shown increasing interest in disclosing CSR information even though data from GRI and IDX show that only 110 sustainability reports have been released as of 23 April 2019. This shows that companies that have reported sustainability reports in Indonesia are still very few when compared to the number. There are 629 companies listed on the Indonesia Stock Exchange (IDX) (Kencana, 2019). Nevertheless, companies reporting sustainability reports in Indonesia have increased every year. This is also supported by Indonesia's participation in supporting the achievement of the Sustainable Development Goals (SDGs) in 2030.

The increase in CSR information disclosure raises the question of why companies communicate CSR information and whether this disclosure is a manifestation of corporate accountability and is carried out for the benefit of stakeholders. Prior et al (2008) research shows that CSR disclosure has a risk for companies to be involved in earnings management. Managers are involved in CSR unlike the initial goal, which is to show the company's concern for the surrounding social environment but is more influenced by their

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personal interests or to cover up the effects of the company's mistakes (Suyono & Farooque, 2018). In addition, public pressure factors such as media exposure also affect managers in making CSR disclosures. Media exposure as an instrument of public scrutiny can provide psychological pressure to companies, which can encourage companies to disclose more about their social activities (Alfariz & Widiastuti, 2021).

Several studies related to earnings management and media exposure to corporate social responsibility disclosures show inconsistent results. For example, research that shows that there is a positive influence between earnings management and corporate social responsibility disclosures conducted by Gavana et al (2017), Rosani & Santosa (2020) and Astari et al (2020) is inversely proportional to the results of research by Laksmi & Kamila (2018), Pertiwi & Violita (2018) and Anggita et al (2019) which show that earnings management has no effect on CSR disclosure. Furthermore, research that shows a positive influence between media exposure and corporate social responsibility disclosure is shown from the results of research by Hammami & Zadeh (2020), namely a high frequency of media exposure will encourage companies to disclose information related to CSR more broadly and transparently. This research is supported by research by Reverte (2009), Septianingsih & Muslih (2019), Mashuri & Ermaya (2020), Alfariz & Widiastuti (2021), Lubis & Dewi (2020) which show that media exposure has a positive effect on CSR disclosure. However, other studies confirm that media exposure does not affect CSR disclosure such as research by Arnes & Toto (2020), Widiastuti et al (2018), Solikhah & Winarsih (2016).

This study adds corporate governance as a moderating variable. The presence of corporate governance provides an increase in company performance through supervision or monitoring of management performance and ensures management accountability to stakeholders. Effective corporate governance mechanisms can weaken the influence of earnings management on CSR disclosure (Moratis & Egmond, 2018). Corporate governance mechanisms can also monitor or supervise companies in communicating and disclosing CSR activities to stakeholders. The existence of corporate governance is expected to strengthen the influence of media exposure on CSR disclosure. Ardhita & Sugiharto (2017) says that the more intense the implementation of GCG by the company, the higher the exposure that the company wants to disclose through the media. The corporate governance mechanism in this study is proxied by the board of commissioners, independent commissioners and the audit committee. The existence of this mechanism was found to weaken earnings management practices in the company thereby reducing its effect on CSR disclosure (Itan & Wijaya, 2021; Mahrani & Soewarno, 2018).

This study aims to test and analyze empirically the effect of earnings management and media exposure on corporate social responsibility disclosure moderated by corporate governance. The sample in this study are manufacturing companies listed on the Indonesia Stock Exchange which publish annual reports and sustainability reports in accordance with GRI Standards in 2016-2020. The researcher uses signal theory and agency theory that underlies the relationship between earnings management and media exposure on corporate social responsibility disclosure and the role of corporate governance as moderating variables.

Literature Review

Theoretical Background

Signaling Theory

Signaling theory was first developed by Spence in 1973. Signal theory is basically concerned with reducing information asymmetry between information owners (companies) and information users (stakeholders). Every individual or organization in a company has different access to information. Managers who are the management of the company will have access to more information about the company than external companies. The purpose of signal theory is to reduce the imbalance of information held by managers and stakeholders. The company will signal the quality of the company (good news) to show its superiority compared to other companies (Connelly et al., 2011). CSR disclosure represents the company's efforts to provide quality signals that are expected to reduce information asymmetry.

Agency Theory

Agency theory was introduced by Jensen & Meckling (1976). Agency theory explains the relationship between agents and principals. This agency relationship causes agency problems where there is a risk of conflict of interest arising between the principal and the agent. Agency problem is caused by information asymmetry between agent and principal. Management has more information about the condition of the company than shareholders causing information asymmetry. Earnings management is a form of deviation due to information asymmetry which then affects the level of CSR disclosure, managers will disclose more information about CSR activities to satisfy stakeholders and divert the attention and supervision of stakeholders. Corporate governance mechanisms are needed to control the behavior of company managers so that they act not only to benefit themselves, but also to benefit the owners of the company.

Empirical Studies and Hypothesis Development

Earnings Management and Corporate Social Responsibility Disclosure

Earnings management is a form of deviation due to information asymmetry between agents and principals. According to Healy & Wahlen (1999) earnings management occurs when managers use certain decisions in financial statements and change transactions to

change financial statements so as to mislead stakeholders. Signaling theory underlies the relationship of earnings management to CSR disclosure. The company will signal the quality of the company (good news) to show its superiority compared to other companies (Connelly et al., 2011). CSR disclosure is a signal to investors and stakeholders that the company is actively taking part in CSR and its market value is in good condition (Sun et al., 2010).

Prior et al (2008) found that managers who carry out earnings management tend to be more active in improving their image and attracting support from the public and stakeholders through CSR policies. Managers believe that by meeting stakeholder satisfaction and creating a good impression on the social and environmental aspects, the suspicion and vigilance of stakeholders can be reduced. Prior et al (2008) research is supported by the results of Gavana et al (2017), Rosani & Santosa (2020) and Astari et al (2020) research which found earnings management has a positive effect on corporate social responsibility disclosure. Based on this explanation, a hypothesis can be proposed:

H1: Earnings management has a positive effect on corporate social responsibility disclosure

Media Exposure and Corporate Social Responsibility Disclosure

Media exposure is a mechanism for public supervision of company activities which then puts pressure on companies to be more concerned about problems environmental and social. Media exposure will be a social control for companies to continue to disclose CSR properly (Alfariz & Widiastuti, 2021). According to Widiastuti et al (2018), media exposure is an event or company activity that has an impact on the social and environment that is covered by the media or published by the media. According to Reverte (2009) media is a potential determinant of CSR disclosure practices.

Signaling theory underlies the relationship of media exposure to corporate social responsibility disclosure. Media exposure is captured by investors as a positive signal from the company. The high frequency of media exposure will encourage companies to disclose information related to CSR more broadly and transparently (Hammami & Zadeh, 2020). Several studies have shown that media exposure has a positive effect on CSR disclosure (Reverte, 2009; Septianingsih & Muslih, 2019; Hammami & Zadeh, 2020; Mashuri & Ermaya, 2020; Alfariz & Widiastuti, 2021; Lubis & Dewi, 2020). Based on these explanations, it can be proposed hypothesis:

H2: Media exposure positive effect on on corporate social responsibility disclosure

The Moderation Role of Corporate Governance of the Influence of Earnings Management on Corporate Social Responsibility Disclosure

Corporate governance mechanisms required by each company. The concept of corporate governance is proposed in order to achieve more transparent corporate management for all users of financial statements. The moderating role of corporate governance in this study is based on agency theory. Corporate governance is needed to control the behavior of company managers so that they act not only to benefit themselves, but also to benefit the company owners, or in other words to equalize the interests between company owners and managing the company (Oktafia, 2013). Effective corporate governance mechanisms can weaken the influence of earnings management on CSR disclosure (Moratis & Egmond, 2018). The corporate governance mechanism in this study is proxied by the board of commissioners, independent commissioners and the audit committee.

The board of commissioners is required to maintain integrity and ensure that the supervisory and advisory functions are carried out properly. There is a significant positive relationship between the board of commissioners and CSR disclosure (Liu & Zhang, 2016; Astari et al., 2020; Ratmono et al., 2021). Larger board sizes tend to carry out effective monitoring mechanisms and encourage disclosure, to reduce information asymmetry between management and shareholders (Buerthey et al., 2019).

Independent commissioners are members of the board of commissioners who come from outside the company. The corporate governance mechanism is effective if the company has a majority of independent commissioners who carry out management oversight functions (Ratmono et al., 2021). The monitoring function is carried out to reduce opportunistic actions and information asymmetry by disclosing relevant information in the annual report. This is supported by research by Mahrani & Soewarno (2018) which states that a large number of independent commissioners will provide more supervision to management to manage the company better. The existence of an audit committee also plays an important role in the implementation of good corporate governance. Research by Sun et al (2010) states that the effectiveness of the audit committee as a proxy for the frequency of audit committee meetings reduces the effect of earnings management on corporate social responsibility. The effectiveness of this audit committee will reduce the intensity of the company to carry out earnings management and ultimately reduce the relationship between earnings management and corporate social responsibility. Based on this explanation, the following hypotheses can be proposed:

H3a: Corporate governance (the proportion of the board of commissioners) weakens the influence of earnings management on corporate social responsibility disclosure

H3b: Corporate governance (the proportion of independent commissioners) weakens the influence of earnings management on corporate social responsibility disclosure

H3c: Corporate governance (audit committee meetings) weakens the influence of earnings management on corporate social responsibility disclosure

The Moderation Role of Corporate Governance on the Effect of Media Exposure on Corporate Social Responsibility Disclosures

The implementation of corporate governance is important for a company to show stakeholders that there is a system or principle by which the company is directed and controlled in order to achieve a balance between the strength and authority of the company in providing accountability to shareholders, shares in particular and its stakeholders in general. An effective corporate governance mechanism is expected to monitor or supervise companies in communicating and disclosing CSR activities to stakeholders. With the existence of corporate governance is expected to strengthen the influence of the media on CSR disclosure. Ardhita & Sugiharto's research (2017) says that the more intense the implementation of GCG by the company, the higher the exposure that the company wants to disclose through the media. Based on this explanation, the following hypotheses can be proposed:

H4a: Corporate governance (the proportion of the board of commissioners) strengthens the influence of media exposure on corporate social responsibility disclosure

H4b: Corporate governance (the proportion of independent commissioners) strengthens the influence of media exposure on corporate social responsibility disclosure

H4c: Corporate governance (audit committee meeting) strengthens the influence of media exposure on the disclosure on corporate social responsibility disclosure

Figure 1: Research Model

Research and Methodology

This study examines the effect of earnings management and media exposure on corporate social responsibility disclosure with corporate governance as the moderating variable. This research is classified as quantitative research using secondary data in the form of annual reports and sustainability reports sourced from the official website of the Indonesia Stock Exchange (www.idx.co.id) and the company's website.

Media exposure uses data sourced from news portals Kompas.com and TribunNews.com. The population in this study were all manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the period 2016 to 2020. The sample selection in this study used a purposive sampling technique based on judgment. The criteria for the companies that are sampled in this study are as follows:

- i. Manufacturing companies listed on the IDX that publish annual reports and sustainability reports in accordance with GRI Standards in 2016-2020
- ii. Manufacturing Companies that are not delisted in the 2016-2020

The population in this study amounted to 196 companies with a sample that met the criteria as many as 67 observations.

Operational Definition and Variable Measurement

The variables in this study include two independent variables, namely earnings management and media exposure, the dependent variable is corporate social responsibility disclosure, and the moderating variable is corporate governance which is proxied by the proportion of the board of commissioners, the proportion of independent commissioners and audit committee meetings.

Dependent Variable

Corporate Social Responsibility Disclosure

The dependent variable in this study is corporate social responsibility disclosure. According to Tan et al (2016) CSR disclosure is the disclosure of all information related to social responsibility activities that have been carried out by the company. Corporate social responsibility disclosure in this study is measured by the quantity of disclosure which refers to the research of Raar (2002) and Gunawan (2010). Furthermore, to get the index of the quantity of corporate social responsibility disclosure, the total score of the quantity of CSR disclosure of each company is compared with the total score of maximum disclosure. CSR disclosure indicators refer to the GRI Standards. Scores ranging from 1 to 5 are assigned manually for each disclosure indicator, based on the criteria in the table below:

Table 1: Quantity Assessment

Score	Number of Disclosure
1	= sentence
2	= paragraph
3	= half A4 page
4	= 1 A4 page
5	= > 1 A4 page

Source: Raar (2002), Gunawan (2010)

Unit of analysis used to determine the quantity of disclosure is a combination of individual sentences which, if accumulated in the report, amounts to one paragraph, half a page, one page, or more than one page (Raar, 2002).

Independent Variable

Real Earnings Management

According to Roychowdhury (2006) real earnings management is an act of deviation by managers from the company's normal operating practices. Real earnings management can occur throughout the accounting period running through daily company activities, without waiting for the end of the period, so that managers will find it easy to achieve the desired profit target (Asni & Mayasari, 2018). The measurement of real earnings management in this study refers to the research of Roychowdhury (2006), namely there are three measurements of real earnings management, including:

Abnormal Cash Flow Operations

$$\frac{CFO_t}{Assets_{i,t-1}} = a_0 + a_1 \frac{1}{Assets_{i,t-1}} + \beta_1 \frac{S_{i,t}}{Assets_{i,t-1}} + \beta_2 \frac{\Delta S_{i,t}}{A_{i,t-1}} + \epsilon_{i,t}$$

Abnormal CFO is the actual CFO minus the normal CFO resulting from the calculation. The interpretation of abnormal operating cash flow is that the lower the abnormal operating cash flow, the higher the real earnings management behavior carried out by the manager.

Abnormal Production Cost (PROD)

Abnormal production cost is real earnings management carried out through manipulation of production costs, so the company will have more production costs higher than the normal level. Production costs are defined as the sum of the Cost of Goods Sold (COGS) and changes in inventory for one year.

$$\frac{COGS_{i,t}}{Assets_{i,t-1}} = a_0 + a_1 \frac{1}{Assets_{i,t-1}} + \beta \frac{S_{i,t}}{Assets_{i,t-1}} + \epsilon_{i,t}$$

$$\frac{\Delta INV_{i,t}}{Assets_{i,t-1}} = a_0 + a_1 \frac{1}{Assets_{i,t-1}} + \beta_1 \frac{\Delta S_{i,t}}{Assets_{i,t-1}} + \beta_2 \frac{\Delta S_{i,t-1}}{Assets_{i,t-1}} + \epsilon_{i,t}$$

Rowchowdhury (2006) formulated $Prod_{i,t} = COGS_{i,t} + INV_{i,t}$, by using the two equations above, calculate the coefficient of normal production cost estimation using the following regression equation:

$$\frac{Prod_{i,t}}{Assets_{i,t-1}} = a_0 + a_1 \frac{1}{Assets_{i,t-1}} + \beta_1 \frac{S_{i,t}}{Assets_{i,t-1}} + \beta_2 \frac{\Delta S_{i,t}}{Assets_{i,t-1}} + \beta_3 \frac{\Delta S_{i,t-1}}{Assets_{i,t-1}} + \epsilon_{i,t}$$

Calculating abnormal production costs (APROD) is by subtracting actual production costs with estimated production costs normal. The interpretation of abnormal production costs is that the higher the abnormal production costs, the higher the real earnings management.

Abnormal Discretionary Expenses (DISC)

$$\frac{DiscExp_{i,t}}{Assets_{i,t-1}} = k_1 \frac{1}{Assets_{i,t-1}} + k_2 \frac{S_{i,t-1}}{Assets_{i,t-1}} + \varepsilon_{i,t}$$

Interpretation of abnormal discretionary costs is that the lower the abnormal discretionary costs, the higher the real earnings management behavior.

Real Earnings Management Combination

$$REM = (\text{Abnormal CFO} \times -1) + \text{Abnormal PROD} + (\text{Abnormal DISC} \times -1)$$

As an overall measure of real earnings management, abnormal operating cash flows (Abnormal CFO), abnormal production costs (Abnormal PROD), costs the discretionary abnormality (Abnormal DISC) is summed. Abnormal CFO and Abnormal DISC are multiplied by -1 to equalize the direction towards real earnings management.

Media Exposure

Media exposure is a mechanism for public (community) monitoring of company activities which then puts pressure on companies to be more concerned about environmental and social issues. According to Widiastuti et al (2018), media exposure is an event or company activity that has an impact on the social and environment that is covered by the media or published by the media. Media exposure in this study was measured using the number of news reports or articles published about each company. This media exposure measurement refers to research by Reverte (2009), Deswanto & Siregar (2018), Hammami & Zadeh (2020).

MDX = Total amount of media exposure on news portal

This study uses two top online media in Indonesia, namely Kompas.com and TribunNews.com within one year (from January 1 to December 31) in each period.

Moderation Variables

The moderating variable in this study is corporate governance. Corporate governance is a concept proposed to improve company performance through supervision or monitoring of management performance and ensuring management accountability to stakeholders based on the regulatory framework. Corporate governance is measured using three proxies, namely the board of commissioners, independent commissioners and the audit committee.

Board of Commissioners

The board of commissioners is an organ of issuers or public companies that is tasked with conducting general/or specific supervision in accordance with the articles of association and providing advice to the board of directors. The measurement of the board of commissioners in this study refers to the research of Astari et al (2020) and Ratmono et al (2021) that is adding up all the board of commissioners in a company.

Independent Commissioners

Independent commissioners are members of the board of commissioners who come from outside the company who are not affiliated with members of the board of commissioners, members of the board of directors, or major shareholders and do not have shares and business relationships either directly or indirectly that can affect their ability to act independently or act solely -eyes in the interests of the company. Referring to the research of Suyono & Farooque (2018), the measurement of independent commissioners is:

$$\text{Independent Commissioner} = \frac{\text{Number of Commissioners from outside the Company}}{\text{All members of the board of commissioners in the company}} \times 100\%$$

Audit Committee

According to Soliman & Ragab (2014) committee meeting audits are held regularly every year to ensure that the process of financial reporting and social responsibility disclosure is functioning properly. Referring to the research of Astari et al (2020), the audit committee meetings in this study were measured by the number of meetings held by the audit committee in the current year.

Data Analysis Model

This research uses multiple linear regression analysis and moderation (Moderated Regression Analysis-MRA), so four regression models are built in this study as follows:

Model 1

$$CSR_D = \alpha_0 + \beta_1 REM + \beta_2 MDX + \varepsilon_t$$

Model 2

$$CSR_D = \alpha_0 + \beta_1 REM + \beta_2 MDX + \beta_3 DK + \beta_4 DK * REM + \beta_5 DK * MDX + \varepsilon_t$$

Model 3

$$CSR_D = \alpha_0 + \beta_1 REM + \beta_2 MDX + \beta_3 KI + \beta_4 KI * REM + \beta_5 KI * MDX + \varepsilon_t$$

Model 4

$$CSR D = \alpha_0 + \beta_1 REM + \beta_2 MDX + \beta_3 KA + \beta_4 KA * REM + \beta_5 KA * MDX + \varepsilon_t$$

Note: CSR D = Corporate social responsibility disclosure, REM = Real Earnings Management Combination, MDX = Media Exposure, DK = Board of Commissioners, KI = Independent Commissioner, KA = Audit Committee.

Research Results and Discussion

The results of descriptive statistical analysis are shown in table 2.

Table 2: Descriptive Statistics

Variable	N	Minimum	Maximum	Mean	Std. Deviation
CSR D	67	0.20	0.52	0.3431	0.0750
REM	67	-1.07	1.21	0.0074	0.3818
MDX	67	0.00	460.00	20.5970	70.0182
DK	67	2.00	13.00	5.5373	2.1201
KI	67	0.25	0.80	0.4441	0.1324
KA	67	4.00	34.00	7.4925	5.4478

Based on the test results of the descriptive statistics presented in Table 2 that corporate social responsibility disclosure (CSR D) which is measured using the quantity of disclosure shows an average value of 0.3431 with a standard deviation of 0.0750. From the results of the mean value shows that the average company discloses CSR 30% of what should be disclosed. While the maximum score of 0.52 indicates the maximum disclosure rate is 52% of what should be disclosed. Earnings management as measured by real earnings management proxy (REM) shows an average value of 0.0074 with a standard deviation indicating the variability of earnings management variables is 0.3818. Judging from the standard deviation value that exceeds the mean value, it shows that the earnings management data varies. Media exposure (MDX) as measured by the number of news reports or articles published about each company shows an average value of 20.5970 with a standard deviation indicating the variability of the media exposure variable of 70.0182. A high standard deviation value indicates that the variation in media exposure data between companies has a high variation, namely from a value of 0 to 460. Corporate governance as proxied by the board of commissioners shows a standard deviation of 2.1201. The average number of commissioners is 5,5373. corporate governance with an independent commissioner proxy shows a minimum value of 0.25, meaning that at least 25% of the company's commissioners are independent commissioners. While the maximum value of 0.8 means that 80% of the commissioners in the company are independent commissioners. The standard deviation or variability of the independent commissioner variable is 0.1324. The average proportion of independent commissioners is 0.4441. Corporate governance with audit committee proxy has an average value of 7.4925 with a standard deviation which shows the variability of the audit committee variable of 5.4478. The results of the regression analysis that have passed the classical assumption test are shown in the table below.

Table 3: Test Model 1 with Multiple Regression Analysis

Independent Variable	Coefficient	t	Sig	Conclusion
Konstanta	0.337	39.789	0.000	
REM	0.078	3.615	0.001**	H ₁ accepted
MDX	0.000	2.376	0.020**	H ₂ accepted
R square	0,239			
F statistic	10,069			
F Sig	0,000			

Hypothesis 1 model 1 test The positive relationship between earnings management and CSR disclosure shows a regression coefficient of 0.078, this means that if real earnings management increases by one unit, CSR disclosure will increase by 0.078 with the assumption that other variables are constant. Hypothesis testing with t test, shows the real earnings management variable is 3.615 with a significance level of 0.001. This significance value is smaller than 0.05 so it can be concluded that real earnings management has a significant positive effect on CSR disclosure, so H₁ is accepted.

Hypothesis 2 model 1 tests a positive relationship between media exposure and CSR disclosure showing a regression coefficient of 0.000, this means that if media exposure increases by one unit, the CSR disclosure variable increases by 0.000 assuming other variables are constant. The t-test value of the media exposure variable is 2,376 with a significance level of 0.020. This significance value is smaller than 0.05 so it can be concluded that media exposure has a significant positive effect on CSR disclosure, H₂ is accepted.

Table 4: Test Model 2,3,4 with Moderated Regression Analysis

Independent Variable	Model 2		Model 3		Model 4	
	β	Sig	β	Sig	β	Sig
Konstanta	-0.017	0.876	-0.060	0.573	0.146	0.227
REM	0.345	0.003**	0.286	0.014**	0.318	0.007**
MDX	0.327	0.005**	0.226	0.037**	0.834	0.001**
DK	-0.032	0.785				
KI			-0.105	0.346		
KA					0.323	0.079*
REM*DK	-0.057	0.616				
MDX*DK	0.252	0.012**				
REM*KI			0.043	0.614		
MDX*KI			-0.510	0.002**		
REM*KA					0.067	0.607
MDX*KA					1.217	0.010**
R square	0.315		0.352		0.323	
F statistic	5.607		6.614		5.819	
F Sig	0.000		0.000		0.000	

The results of testing the third and fourth hypotheses in models 2, 3, and 4 examine the role of corporate governance with the proxies of the board of commissioners, independent commissioners and audit committees in weakening the effect of earnings management on CSR disclosure, and strengthening the effect of media exposure on CSR disclosure. The results showed that the significance value of the interaction variable between REM and the board of commissioners was 0.616. This significance value is greater than 0.05 so it can be concluded that the interaction of REM with the board of commissioners has an insignificant negative effect on CRSD, or in other words the board of commissioners weakens the effect of real earnings management on CSR disclosure insignificantly, then H_{3a} is rejected. The significance value of the REM interaction variable with the independent commissioner is 0.614. This significance value is greater than 0.05 so it can be concluded that the interaction of REM with independent commissioners has a positive and insignificant effect on CRSD, or in other words the independent commissioner does not weaken the effect of real earnings management on CSR disclosure, then H_{3b} is rejected. The significance value of the REM interaction variable with the audit committee is 0.607. This significance value is greater than 0.05 so it can be concluded that the interaction of REM with the audit committee has no significant positive effect on CRSD. Thus the hypothesis in the study is not proven, or in other words the audit committee does not weaken the effect of real earnings management on CSR disclosure, so H_{3c} is rejected.

The interaction of MDX with the board of commissioners has a regression coefficient of 0.252, this means that if the interaction of MDX with the board of commissioners increases by one unit, the CRSD variable increases by 0.252 assuming other variables are constant. The significance value of the MDX interaction variable with the board of commissioners is 0.012. This significance value is smaller than 0.05 so it can be concluded that the MDX interaction with the board of commissioners has a significant positive effect on CRSD, or in other words the board of commissioners strengthens the influence of media exposure on CSR disclosure. so H_{4a} is accepted. The significance value of the MDX interaction variable with the independent commissioner is 0.002. This significance value is less than 0.05, so it can be concluded that the MDX interaction with the independent commissioner has a significant negative effect on CRSD, or in other words, the independent commissioner weakens the influence of media exposure on CSR disclosure. This result contradicts the hypothesis that independent commissioners strengthen the influence of media exposure on CSR disclosure, so H_{4b} is rejected. The significance value of the MDX interaction variable with the audit committee is 0.010. This significance value is smaller than 0.05 so it can be concluded that the MDX interaction with the audit committee has a significant positive effect on CRSD, or in other words the audit committee strengthens the influence of media exposure on CSR disclosure, so H_{4c} is accepted.

Conclusion

This study aims to determine and analyze empirically the effect of earnings management and media exposure on corporate social responsibility disclosure with corporate governance as a moderating variable. The results of the study found that earnings management has a positive effect on corporate social responsibility disclosure. Managers who carry out earnings management will disclose more information about CSR activities to satisfy stakeholders and divert the attention and supervision of stakeholders. The results also found that media exposure has a positive effect on corporate social responsibility disclosure. The higher the media exposure, the higher the disclosure of corporate social responsibility. Media exposure can influence the public's view of the company's commitment to the surrounding environment so as to encourage companies to make more CSR disclosures. The results of the study found that corporate governance as proxied by the board of commissioners, independent commissioners and audit committees could not weaken the influence of earnings management on corporate social responsibility disclosure. This means that the role of the board of commissioners is still not optimal in conducting supervision because the relatively large number of the board of commissioners often creates internal conflicts within the board. In addition, there are concurrent positions by independent commissioners so that the supervision of the commissioners on the board of directors and the company becomes less effective. Furthermore, the existence of

audit committee meetings conducted by the company is still a literal measurement, namely the number of meetings. While the conditions during the audit committee meeting cannot be known with certainty, namely how effectively the meeting was carried out. The results of the study found that corporate governance with the proxies of the board of commissioners and the audit committee was found to be able to strengthen the influence of media exposure on corporate social responsibility disclosure. This means that the more intense the implementation of corporate governance, the higher the exposure that the company wants to disclose through the media. Meanwhile, corporate governance with independent commissioner proxies cannot strengthen the influence of media exposure on corporate social responsibility disclosure. The existence of independent commissioners is sometimes not in line with the wishes of minority investors and the company's internal parties.

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