Analysis of Factors Affecting Voluntary Disclosure and Company Value in Financial Companies

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Abstract: This study aims to examine and analyze the factors that influence voluntary disclosure and firm value in financial companies. The object of research is a financial company listed on the Indonesia Stock Exchange. Determination of the sample using purposive sampling technique is a sampling technique with certain considerations. The total population in this study was 30 companies. Data collection is done by means of documentation in the form of financial report data with data analysis using moderated regression analysis (MRA). The results show that: first, leverage has a positive effect on firm value. Second, working capital has a positive effect on firm value. Third, profitability has a positive effect on firm value. Fourth, voluntary disclosure has a positive effect on firm value. Fifth, leverage has a positive effect on firm value mediated by voluntary disclosure. Sixth, working capital has a positive effect on firm value mediated by voluntary disclosure. Seventh, profitability has a positive effect on firm value mediated by voluntary disclosure. Eighth, leverage, working capital, profitability and voluntary disclosure have a simultaneous effect on firm value.

Keywords:- *Leverage, Working Capital, Profitability, Voluntary Disclosure, Firm Value*

I. INTRODUCTION

The capital market is a very effective medium to be able to channel and invest funds that have a productive and profitable impact for investors. Through capital market activities, companies can obtain funds to finance operational activities and company expansion. This opportunity makes the Indonesian capital market attractive for companies in the financial sector listed on the Indonesia Stock Exchange to invest.

The main objective for companies in the financial sector listed on the Indonesia Stock Exchange to invest is to maximize shareholder wealth through maximizing company value. Firm value is an investor's perception of the company's level of success which is often associated with stock prices. High stock prices make the value of the company also high. A high company value will make the market believe not only in the company's current performance but in the company's prospects in the future (Fahmi, 2015: 28). The value of the company is very important because the high value of the company will be followed by the high prosperity of shareholders (Brigham and Gapensi, 2006:25). The value of the company in the eyes of investors and creditors is important to know because it will give a positive signal in the eyes of investors to invest in a company, while for creditors the value of the company reflects the company's ability to pay its debts so that creditors do not feel worried in providing loans to the company.

To increase the value of the company, one of the efforts made by the company is to make voluntary disclosures, where voluntary disclosure provides information about various strategies and critical elements that have important meaning for the company's operations in the future. Relevant information in the financial statements in accordance with the need to make an economic decision is needed by the interested parties (stakeholders). Celik, et.al. (2016:43) reveals that financial performance is the main factor in determining the broad influence of the company's financial statement disclosures. A good company's financial performance will be more in disclosing financial statements. If the company is in good condition, the company will voluntarily disclose or give a signal to investors (Watson et al. 2002:72). Penman (1980:15), states that good news provides an incentive for management to disclose wider information with a view to increasing the company's stock price (company value).

Leverage has an effect on voluntary disclosure, as stated by Riyanto (2001:331) that leverage is a ratio intended to measure to what extent the company's assets are financed by debt, both long-term and short-term. Agency theory predicts that companies with higher leverage ratios will disclose more information, because the agency costs of companies with such a capital structure are higher (Jensen and Meckling, 1976) in Marwata (2001:7). Then leverage also affects the value of the company, where according to Agnes (2015:79) leverage is a ratio that shows the ability of a company to meet all financial obligations of the company if the company is liquidated.

Then working capital is one of the important items in the financial information disclosure policy. This is because the fulfillment of the source of own capital comes from share capital, retained earnings and other equity items. The level of efficiency of the capital structure will optimize the company's performance due to adequate funding sources. Based on research by Anggraeni (2008) it shows that capital structure has an effect on voluntary disclosure. In addition, working capital has an effect on firm value as stated by Penman (1980) that optimal working capital means minimizing the need for working capital and maximizing the company's income. If there is too much working capital, it will cause inefficiency which in turn will have a negative impact on the value of the company. This is because efficient working capital management means increasing the company's free cash flow which in turn increases the company's growth opportunities and the level of profit for shareholders.

In addition to leverage and working capital, profitability affects voluntary disclosure, as the theory proposed by Sartono (2018:122). In general, companies that have high profitability tend to disclose more information because the company's power to obtain this information is greater than companies that have low profitability. Likewise, profitability has an effect on firm value as stated by Mulyadi (2011:33) that profitability is the net result of a series of management policies and decisions, therefore this ratio describes the asset returns from the company's operational policies and decisions. Profitability has a significant positive effect on firm value. This means that the higher the profit value, the higher the firm value. Because high profits will provide an indication of good company prospects so that it can trigger investors to participate in increasing demand for shares. The increasing demand for shares will cause the value of the company to increase. Novitasari's research (2018) finds that profitability has a positive and significant effect on firm value.

Voluntary disclosure can mediate the effect of leverage on firm value, as stated by Jensen and Meckling (1976) that high leverage contains high supervisory costs as well, so the company will provide broader information to meet the information needs of long-term creditors. This information is to determine the financial condition of the debtor in order to convince the creditor that the debtor will fulfill its obligations when due. Alfiana's research (2018) finds that voluntary disclosure cannot mediate the effect of leverage on firm value. This will cause a decrease in the value of the company in the eyes of investors and make it hesitant to invest their funds in the company. It can be concluded that high leverage will reduce or weaken voluntary disclosure which results in a decrease in firm value.

This research was conducted on companies engaged in finance listed on the Indonesia Stock Exchange for the 2015-2019 observation period, the reason being that insurance and banks are one of the companies engaged in finance that have an important role in the economy so that disclosure of information about the company will become something that is very important not only for investors or stakeholders but also affects the wider economy. By looking at the movement of profit growth of companies engaged in finance, it looks fluctuating so that is the reason for doing this research. Based on the background stated above, a table regarding profit growth in financial companies listed on the Indonesia Stock Exchange during 2017-2019 is presented which can be seen in the table below:

Table 1 Profit Growth in Financial Companies Listed on the Indonesia Stock Exchange during 2017-2019

No	Company Name	Year		
		2017	2018	**2019**
1	Asuransi Bina Dana Arta (ABDA)	87.524.342	69.110.393	160.822.141
2	Asuransi Multi Artha Guna (AMAG)	123.189.910	28.246.915	73.060.310
3	Bank Rakyat Indonesia (Persero) (BBRI)	29.044.334	32.418.486	34.413.825
4	Bank Mandiri (Persero) (BMRI)	1.860.845	2.262.245	1.924.180
5	Bank International Indonesia (BNII)	21.443.042	25.851.937	28.455.592
6	Bank Central Asia (BBCA)	23.321.150	28.569.974	25.851.660
7	Bank Tabungan Negara (Persero) (BBTN)	3.027.466	2.807.923	209.263

Source: https://www.IDX.co.id

Based on profit growth data achieved by companies in the financial sector during 2017 to 2019 it seemed to fluctuate, sometimes increasing and also decreasing, it can be seen that the company that had increased profits during 2019 was Asuransi Bina Dana Arta (ABDA) , Bank Rakyat Indonesia (Persero) (BBRI), and Bank Mandiri (Persero) (BMRI). As for PT. Bank International Indonesia (BNII), PT. Bank Central Asia (BBCA) and the State Savings Bank (Persero) (BBTN) experienced a decline in profits. Several banks in August 2019 experienced a decline in shares such as, BMRI shares fell 5.54% to a level of Rp 7,250, BBRI shares fell 4.04% to a level of Rp 4,270, BBNI shares fell 4.94% to a level of Rp 7,700 and BBCA shares fell 1.05% to the level of IDR 30,500 (www.kontan.co.id). So, from the data above, the researcher chose to carry out this research by choosing the title: “Analysis of Factors Affecting Voluntary Disclosure and Company Value in Financial Sector Companies Listed on the Indonesia Stock Exchange in 2015 - 2019.

II. CONCEPTUAL FRAMEWORK AND HYPOTHESES

To increase the value of the company, the company must implement voluntary disclosure as a sense of corporate responsibility towards the company and the surrounding environment where the company is located. The more voluntary disclosures made, the value of the company will increase. To increase the value of the company, it is necessary to pay attention to leverage. *Leverage* ratio is a ratio that measures how much the company's ability to pay off its obligations from its capital. The high DER owned by the company causes the company's profit to be absorbed a lot to meet obligations which makes funds for investors less and less, a small DER is preferred because the smaller the ratio, the greater the number of assets funded by the company owner. Considering that investors usually avoid risk, if the DER of a company is higher, investors will avoid the company's shares because the risks faced will also be high (Ardwita, 2018).

In addition to leverage, working capital affects the value of the company, if there is too much working capital it will cause inefficiency which in turn will have a negative impact on the value of the company. The higher the working capital management, the company's profitability will also increase the company's earnings per share. An increase in the company's earnings per share will make investors interested in investing by buying company shares. With the number of investors who buy company shares, it will increase the value of the company. Furthermore, profitability has an effect on firm value. This means that the higher the profit value obtained, the higher the firm value. Because high profits will provide an indication of good company prospects so that it can trigger investors to participate in increasing demand for shares. The increasing demand for shares will cause the value of the company to increase.

The company is seen as a set of contracts between company managers and shareholders. Shareholders employ the CEO to act in the interests of the principal. Agency theory assumes that the CEO (agent) has more information than the principal. This is because the principal cannot observe the activities carried out by the agent continuously and periodically. Because the principal does not have sufficient information about the agent's performance, the principal can never be sure how the agent's efforts contribute to the company's actual results. This situation is called information asymmetry. To overcome this information asymmetry problem, the company should report the actual financial performance of the company, so that investors will not hesitate to invest in the company. The importance of this information will have an impact on the value of the next company, where companies that get a good assessment will attract investors to invest in the company.

Signal theory was first introduced by Spence in his research entitled *Job Market Signaling* . In 1973, Spence argued that cues provide a signal, the sender (information owner) tries to provide relevant pieces of information that can be utilized by the recipient. The receiving party will then adjust its behavior according to its understanding of the signal. Signal theory is one of the pillar theories in understanding financial management. In general, the signal is interpreted as a signal made by the company (manager) to outside parties (investors). These signals can take the form of various forms, both those that can be directly observed or which must be studied more deeply to be able to find out. Regardless of the form or type of signals issued, they are all intended to imply something in the hope that the market or external parties will make a change in the valuation of the company. That is, the selected signal must contain the power of information (*information content*) to be able to change the assessment of the company's external parties (Gumanti, 2018)

Legitimacy theory explains that to be accepted by society, companies must disclose the company's social activities so as to ensure the survival of the company. Companies typically seek to legitimize and maintain relationships within the broader social and political environment in which they operate, without such legitimacy, they will not survive, regardless of how well they perform financially (Gray *et al* ., 1995) in Lanis and Richardson (2012). Because this theory also argues that companies must implement and disclose *corporate social responsibility* (CSR) activities as much as possible so that company activities can be accepted by the community. This disclosure is used to legitimize the company's activities in the eyes of the public, because the disclosure of *corporate social responsibility* (CSR) will show the level of compliance of a company. Disclosure *of corporate social responsibility* (CSR) can provide benefits for the company, such as: it can improve the company's image and the attractiveness of the company in the eyes of investors. The more investors who invest in the company, the value of the company will continue to increase. The relationship between the influence of each variable can be visualized in the form of a picture as follows:

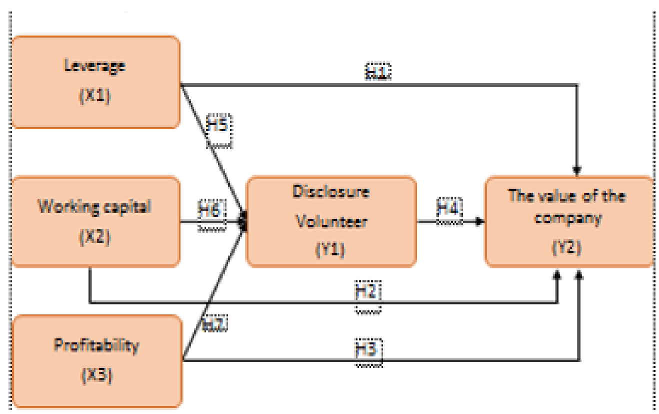

Fig 1:- Framework

This study aims to provide empirical evidence of the effect of *leverage* , working capital and profitability on firm value with voluntary disclosure as an intervening variable. Based on the literature review and the framework of thought that has been put

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forward, it is stated that the influence between the variables and the hypotheses proposed in this study are:
H1 = Leverage has a positive effect on firm value.
H2 = Working capital has a positive effect on firm value.
H3 = Profitability has a positive effect on firm value
H4 = Voluntary disclosure has a positive effect on firm value
H5 = *leverage* has a positive effect on firm value mediated by voluntary disclosure
H6 = Working capital has a positive effect on firm value mediated by voluntary disclosure
H7 = Profitability has a positive effect on firm value mediated by voluntary disclosure
H8 = Leverage, working capital, profitability and voluntary disclosure simultaneously affect firm value

III. RESEARCH METHODS

This research design is a quantitative research design by testing the hypothesis. The type of data used in this study is secondary data, by observing financial companies listed on the IDX (Indonesian Stock Exchange) during the 2015-2019 period contained in the IDX's official website, namely www.IDX.co.id, to determine the relationship between leverage and *leverage* , working capital and profitability on firm value with voluntary disclosure as an intervening variable. One of the reasons the firm value is the dependent variable is that several previous studies that examined the factors that affect firm value (such as profitability, working capital, *leverage*, etc.) still have different results and the researcher adds a variable intervention, namely voluntary disclosure as an update in this study.

This research was conducted at a financial company listed on the Indonesia Stock Exchange at Jalan DR. Ratulangi 124, Makassar. While the time used for conducting research starts from November to December 2020. Population is a generalization area consisting of objects/subjects that have certain quantities and characteristics determined by the researcher to be studied and then draw conclusions. The population in this study are companies in the field of space listed on the Indonesia Stock Exchange. According to data from IDX, the number of financial companies listed on the Indonesia Stock Exchange is 30 financial companies listed on the Indonesia Stock Exchange, which include insurance companies and banking companies

To collect the necessary data in connection with this research, the researcher used a data collection method, by collecting documentation. Researchers collected data obtained from various sources, including data listed on the Indonesia Stock Exchange for the 2015-2019 period, from literature, journals, financial report data sourced from IDX or sources that can be accessed via the internet. The data used in this study are financial statement data listed on the Indonesia Stock Exchange within a period of 5 years from the 2015-2019 observation period.

After the data is collected and processed, the next process is to test hypotheses or temporary answers using the following analytical methods is Multiple linear regression analysis using path analysis or *path analysis* is an extension model of multiple linear regression analysis to measure the relationship between variables that have been determined previously. Path analysis is used to determine the direct and indirect effects between independent and dependent variables The application of the model used in this study according to Ghozali (2018: 245), namely:

$$Y_1 = {}_0 + {}_1 X_1 + {}_2 X_2 + {}_3 X_3 + e$$
$$Y_2 = {}_0 + {}_1 X_1 + {}_2 X_2 + {}_3 X_3 + {}_4 Y_1 + e$$

Where:
Y_1 = Firm value
Y_2 = Voluntary disclosure
X_1 = *Leverage*
X_2 = Working capital
X_3 = Profitability
o = Constant _
${}_1$-β_4 = Regression coefficient
e = Error rate

IV. RESEARCH METHODS

After going through the data analysis process, the effect of each independent variable on the dependent variable in a regression model can be seen from the coefficient values and the level of significance of each in an analysis model. For the analysis tool in this study using AMOS *software* version 23 by generating an estimation model. The analysis of the estimation results aims to determine the effect between variables. Based on the results of data analysis, the direct, indirect and total effects are obtained as shown in table 2 – table 4.

Based on Table 3, it can be seen that the value of R square Y_1 is 0.793 and 0.685 respectively . Y_2 It concludes that 79.3% and 68.5% variation of changes in voluntary disclosure variables and firm value can be explained together by variations in changes in the variables of leverage, working capital, and profitability. The remaining 20.7% and 31.5% are determined by other variables outside the model.

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➢ *Descriptive Statistics*

Table 2 Descriptive statistics of data

	N	Min	Max	Mean	Std. Deviation
DER	50	0	3	1.01	.613
WCT	50	0	3	1.18	.771
ROA	50	2	47	17.15	11.864
CSR	50	0	1	.32	.159
PER	50	5	51	19.75	11.360
Valid N (listwise)	50				

Source: SPSS 23 Output Results, 2022

Table 3 The direct effect of the independent variable on the dependent variable

Variable Relationship	Coefficient	t-count	Probability	coef. Determination
$X_1 \rightarrow Z$	.037	1.058	.029**	0.793
$X_2 \rightarrow Z$	.052	1,852	.064*	
$X_3 \rightarrow Z$	.001	.684	.049**	
$X_1 \rightarrow Y$	1,467	.876	.038**	0.685
$X_2 \rightarrow Y$	3.249	2,387	.017**	
$X_3 \rightarrow Y$	.654	7,620	***	
$Z \rightarrow Y$	10,743	1,601	.009**	

Table 4 Effect of intervening variables before and after mediation

Variable Relationship	Before Mediation	After Mediation	Total Influence
$X_1 \rightarrow Y$	1,467**	0.400**	1,867**
$X_2 \rightarrow Y$	3,249**	0.557**	3,806 **
$X_3 \rightarrow Y$	0.654***	0.013***	0.667 ***

Source: Table 2 – table 4 AMOS 23 Output Results, 2022
Note: * Significance level 0.1, ** Significance level 0.05, *** Significance level 0.001

A detailed explanation of the form and magnitude of the direct effect (*direct effect*), indirect effect (*indirect effect*) and total effect (*total effect*) of leverage, working capital, and profitability on firm value through voluntary disclosure is contained in Table 2 – Table 4. The analysis was carried out in accordance with the sequence of hypotheses that have been stated previously. Based on table 5, it can be seen that working capital has a greater direct effect on firm value. This shows that the increasing working capital will increase the value of the company. Table 4 also explains that after mediation the effect of the intervening variable weakens the relationship between the independent variable and the dependent variable and still has an effect at the significance level of 0.001 and 0.05 .

$$Y = 1.467\,X_1 + 3.249X_2 + 0.654X_3$$

1. *Effect of leverage on firm value*

From table 4 it can be seen that the leverage variable (X1) shows a significant value < (0.05) with a value of $_1$ of 1.467, meaning that the leverage variable has a significant and positive relationship to firm value at a 95% confidence level with these results, the first hypothesis is accepted. .

2. *Effect of working capital on firm value*

From table 4 it can be seen that the working capital variable (X2) shows a significant value < (0.05) with a value of $_2$ of 3.249, meaning that the working capital variable has a significant and positive relationship to firm value at the 95% confidence level with these results, the hypothesis both accepted.

3. *The effect of profitability on firm value*

From table 4 it can be seen that the profitability variable (X3) shows a significant value < (0.001) with a $_{1\ \text{value}}$ of 0.654, meaning that the profitability variable has a significant and positive relationship to firm value at a confidence level of 99% with these results, the third hypothesis is accepted.

4. *The effect of voluntary disclosure on firm value*

From table 3 it can be seen that the voluntary disclosure variable (Z) shows a significant value < (0.05) with a value of $_3$ of 10,743, meaning that the voluntary disclosure variable has a significant and positive relationship to firm value at the 95% confidence level with these results, the hypothesis fourth accepted.

5. *The effect of leverage on firm value mediated by voluntary disclosure*

From table 4 it can be seen that the leverage variable (X1) indirectly shows a significant value < (0.05) with a value of $_5$ of 0.400, meaning that the leverage variable indirectly has a significant and positive relationship to firm value at the 95% confidence level with these results, the fifth hypothesis is accepted.

6. *The effect of working capital on firm value mediated by disclosure*

From table 4 it can be seen that the working capital variable (X2) indirectly shows a significant value < (0.05) with a value of $_6$ of 0.557, meaning that the working capital variable indirectly has a significant and positive relationship to firm value at the 95% confidence level. With these results, the sixth hypothesis is accepted.

7. The effect of profitability on firm value mediated by voluntary disclosure

From table 4 it can be seen that the voluntary disclosure variable (X3) indirectly shows a significant value < (0.001) with a value of $_7$ of 0.013, meaning that the leverage variable indirectly has a significant and positive correlation with firm value at the 99% confidence level. With these results, the seventh hypothesis is accepted.

V. DISCUSSION

A. Effect of leverage on firm value

The regression results show that leverage directly affects firm value. Leverage is a ratio used to measure how far the company uses debt. Leverage can also be a tool that is widely used by companies to increase their capital in order to increase profits (Singapurwoko, 2011) [15]. Increases and decreases in debt levels have an influence on market valuation (Nor, 2012) [16]. Large excess debt will have a negative impact on firm value (Ogolmagai, 2013) [17]. Riyanto (2008)[18], states that the use of debt that is too large in excess of assets will have an impact on decreasing the company's ability to generate profits, but if debt can be managed properly and used for productive investment projects, it can have a positive impact on increasing profitability. . However, if the company makes high-interest loans, the company's interest expense is also high and the company can be said to be less efficient in its operations.

The theory related to liquidity is *signaling theory* , which according to Brigham & Houston (2014: 184) [19] *signaling theory* is when the company's management takes action in looking at the company's prospects with the intention of giving instructions to investors. Signaling theory suggests about how a company should give signals to users of financial statements. This signal is in the form of information about what has been done by the management to realize the owner's wishes. The information released by the company is important, because of its influence on the investment decisions of parties outside the company. The information submitted by the company must describe the actual condition of the company, so that it will not harm outside parties or investors or the company. Table 4 shows that the relationship between leverage and firm value directly has a value of 1.467 with a significance level of 0.05, so it can be concluded that hypothesis 1 is accepted.

B. Effect of working capital on firm value

Agency theory assumes that the CEO (agent) has more information than the principal. This is because the principal cannot observe the activities carried out by the agent continuously and periodically. Because the principal does not have sufficient information about the agent's performance, the principal can never be sure how the agent's efforts contribute to the company's actual results. To overcome this information asymmetry problem, the company should report the actual financial performance of the company, so that investors will not hesitate to invest in the company. The importance of this information will have an impact on the value of the next company, where companies that get a good assessment will attract investors to invest in the company. Table 4 shows that the relationship between working capital and firm value directly has a value of 3.249 with a significance level of 0.05, so it can be concluded that hypothesis 2 is accepted.

C. The effect of profitability on firm value

The regression results show that profitability directly affects firm value. Profitability is the company's ability to earn profits in relation to the sale of total assets and own capital (Hamzah, 2020) [20]. Profitability is an advantage that the company has from its operational activities that cannot be separated from the policies owned by the manager. The company's profit or profit has always been the main concern of potential investors in assessing the performance of a company. That profit or profit is used to determine whether an investment in a company will provide the expected profit or rate of return or not. For companies, the issue of profitability is very important. For company leaders, profitability is used to see how much progress or success is not the company they lead. Meanwhile, for company employees, the higher the profit earned by the company where they work, then there is an opportunity for them to get a salary increase. The high profitability of the company stimulates investors to invest their capital by making requests to purchase company shares. Thus, the stock price will also increase due to the high demand for shares. Increasing the company's profitability will increase the value of the company, so that profitability has a positive effect on company value.

Table 4 shows that the relationship between profitability and firm value directly has a value of 0.654 with a significance level of 0.001, so it can be concluded that hypothesis 3 is accepted.

D. The effect of voluntary disclosure on firm value

Legitimacy theory asserts that companies continue to strive to ensure that they operate within the framework and norms that exist in the society or environment where the company is located, where they try to ensure that their activities (companies) are accepted by outsiders. The theory of legitimacy related to social performance and financial performance is that if there is a misalignment between the company's value system and the community's value system (often called the legitimacy gap), the company can lose its legitimacy, which in turn will threaten the survival of the company. Table 3 shows that the relationship between voluntary disclosure and firm value directly has a value of 10,743 with a significance level of 0.05, so it can be concluded that hypothesis 4 is accepted.

E. The effect of leverage on firm value is mediated by voluntary disclosure

According to Brigham & Houston (2014: 184) *signaling theory* is when the company's management takes action in looking at the company's prospects with the intention of providing instructions for investors. This signal is in the form of information about what has been done by the management to realize the owner's wishes. The information released by the company is important, because of its influence on the investment decisions of parties outside the company. The information submitted by the company must describe the actual condition of the company, so that it will not harm outside parties or investors or the company. Table 4 shows that the relationship between leverage and firm value mediated by indirect voluntary disclosure has a value of 0.400 with a significance level of 0.05, so it can be concluded that hypothesis 5 is accepted.

F. The effect of working capital on firm value is mediated by voluntary disclosure

Voluntary disclosure in this case is expected to give a positive signal to its stakeholders. Positive signals are expected to help the company build a positive corporate image, so that it has an impact on the company's market performance which is reflected in the stock market price of the company, which means it also increases the value of the company (Kusumadilaga, 2010) [21]. The management of working capital from the company's internal parties in generating profits and good voluntary disclosure will also increase the value of the company to attract investors, so that working capital has a positive effect on company value mediated by voluntary disclosure. Table 4 shows that the relationship between working capital and firm value mediated by indirect voluntary disclosure has a value of 0.557 with a significance level of 0.05, so it can be concluded that hypothesis 6 is accepted.

G. The effect of profitability on firm value is mediated by voluntary disclosure

According to Bowman and Haire, in line with agency theory which aims to reduce the information asymmetry between the principal and the agent, the manager must be able to maximize profits and be able to disclose the social responsibility of the company so that investors will continue to invest in the company and the company will be viewed favorably by the parties. internal and external (Anggraini, 2006). The relationship between corporate profitability and CSR has become a postulate (basic assumption) to reflect the view that social reactions require a managerial style . The higher the level of company profitability, the greater the level of CSR disclosure made by the company. The increasing profitability of the company, the greater the disclosure of social information by the company. So it can be concluded that , *Corporate Social Responsibility* will increase the value of the company when the company's profitability increases. Therefore, profitability has a positive effect on firm value mediated by voluntary disclosure.

Table 4 shows that the relationship between profitability and firm value mediated by indirect voluntary disclosure has a value of 0.013 with a significance level of 0.001, so it can be concluded that hypothesis 7 is accepted.

H. The effect of leverage, working capital, profitability, and voluntary disclosure on firm value

Leverage is the use of debt by the company to carry out the company's operational activities. Leverage which is a debt ratio or often also known as the solvency ratio is a ratio that can show the ability of a company to meet all financial obligations of the company if the company is liquidated (Agnes, 2004). Leverage can also be a tool that is widely used by companies to increase their capital in order to increase profits (Singapurwoko, 2011) [15]. Good leverage management for productive investment in generating profits will increase the value of the company.

Working capital is one of the important components in carrying out the Company's business activities. The working capital used is expected to be able to return to the company in a short time through sales. Every company that carries out its activities always needs funds. These funds are used to finance investment needs as well as to meet daily operational needs. Financial managers in making financial decisions, managers need to understand the company's financial condition. The company's progress will be in line with the capital needed to finance its business activities. The bigger the company, the bigger the capital it will need. With an increase in sales, it is certain that there will be an increase in profitability.

Profitability is an advantage that the company has from its operational activities that cannot be separated from the policies owned by the manager. The company's profit or profit has always been the main concern of potential investors in assessing the performance of a company. That profit or profit is used to determine whether an investment in a company will provide the expected profit or rate of return or not. The greater the profit obtained, the greater the company's ability to pay dividends, so that more investors will invest in the company.

Companies that want to have survival must pay attention to the "3Ps", namely planet, people, and profit. Such as the triple bottom line concept where in addition to pursuing profit (profit), a company also pays attention to the welfare of the community (people) and actively contributes in preserving the environment (planet). The main goal of the company is to increase the value of the company. The value of the company will be guaranteed to grow sustainably if the company pays attention to the economic, social and environmental dimensions because sustainability is a balance between economic, environmental and community interests. This dimension in the implementation of Corporate Social Responsibility by the company is a form of responsibility and concern for the environment around the company. With the disclosure of CSR, each company is expected to attract investors to invest and will also increase the value of the company.

Table 3 shows that the relationship between leverage, working capital, profitability, and voluntary disclosure on firm value together has a coefficient value. determination of 0.685 or 68.5%, meaning that the firm value variable can be explained by the variables of leverage, working capital, profitability, and voluntary disclosure, while the remaining 31.5% is explained by variables outside this study.

VI. CLOSING

Based on the results of research that has been conducted regarding the effect of leverage, working capital, and profitability on firm value with voluntary disclosure as a mediating variable, the following conclusions can be drawn:

1. The increasing value of the leverage variable makes the value of the company also increase at financial companies listed on the Indonesia Stock Exchange in 2015-2019 , and vice versa.
2. The increase in the value of the working capital variable makes the value of the company also increase in financial companies listed on the Indonesia Stock Exchange in 2015-2019 , and vice versa.
3. The increasing value of the profitability variable makes the value of the company also increase at financial companies listed on the Indonesia Stock Exchange in 2015-2019 , and vice versa.
4. The increasing value of the voluntary disclosure variable makes the firm value also increase in financial companies listed on the Indonesia Stock Exchange in 2015-2019 , and vice versa.
5. The increase in the value of the leverage variable makes the firm value also increase mediated by voluntary disclosure of financial companies listed on the Indonesia Stock Exchange in 2015-2019 , and vice versa.
6. The increase in the value of the working capital variable makes the firm value also increase mediated by voluntary disclosure of financial companies listed on the Indonesia Stock Exchange in 2015-2019 , and vice versa.
7. The increase in the value of the profitability variable makes the firm value also increase mediated by voluntary disclosure of financial companies listed on the Indonesia Stock Exchange in 2015-2019 , and vice versa.

The relationship between leverage, working capital, profitability, and voluntary disclosure variables on firm value can be explained by the independent variables in financial companies listed on the Indonesia Stock Exchange in 2015-2019 , and vice versa.

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