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THE EFFECT OF GOOD CORPORATE GOVERNANCE, PROFITABILITY, AND CORPORATE SOCIAL RESPONSIBILITY ON MARKET REACTION AND COMPANY VALUE IN THE REGISTERED MINING INDUSTRY ON THE INDONESIAN STOCK EXCHANGE

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ABSTRACT

Purpose: The objective of this analysis was to analyze the direct impact of good corporate governance, profitability and corporate social duty on market response and company value.

Theoretical framework: The data analysis process used in this research is a descriptive, namely, analysis that aims to determine the extent to which the variables of moral corporate governance, profitability, and corporate social responsibility influence market reactions and firm value in mining companies listed on the Indonesia Stock Exchange which are based on empirical and theoretical facts.

Design/methodology/approach: This research uses secondary data from 27 mining companies listed on the Indonesian Stock Exchange between 2017 and 2019. The data analysis methods used in this study are quantitative and qualitative descriptive research methods, as well as relational research methods. The analysis used to test the hypothesis using SEM (Structural Equation Model Analysis).

Findings: The consequences of this report show that good corporate governance (1) does not directly affect market reactions with a positive correlation. (2) profitability does not directly affect market response with a negative correlation; (3) corporate social responsibility does not directly influence the market response in a positive direction; (4) good corporate governance does not directly affect company value, with a positive relationship;

Research, Practical & Social implications: Since there are no evaluation standards or standard form for determining the rate of diffusion of corporate social responsibility, the assessment of the spread of corporate social responsibility remains subjective, so there will be differences in each researcher. The announcement of the dissemination of corporate social responsibility is made by the company, together with the announcement of the Annual Report, so there are other aspects made by investors in investment decisions.

Originality/value: corporate social responsibility does not directly disturb the company's values with a positive relationship; market response does not directly affect company value with negative correlation; good corporate governance does not directly affect company value through a negative correlation market response; profitability does not directly affect company value through market feedback with a positive correlation.

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O EFEITO DA BOA GOVERNANÇA CORPORATIVA, LUCRATIVIDADE E RESPONSABILIDADE SOCIAL CORPORATIVA NA REAÇÃO DO MERCADO E NO VALOR DA EMPRESA NA INDÚSTRIA DE MINERAÇÃO REGISTRADA NA BOLSA DE VALORES DA INDONÉSIA

RESUMO

Objetivo: O objetivo desta análise foi analisar o impacto direto da boa governança corporativa, lucratividade e dever social corporativo na resposta do mercado e no valor da empresa;

Referencial teórico: O processo de análise de dados utilizado nesta pesquisa é descritivo, ou seja, uma análise que visa determinar em que medida as variáveis de governança corporativa moral, lucratividade e responsabilidade social corporativa influenciam as reações do mercado e o valor da empresa em empresas de mineração listadas na Bolsa de Valores da Indonésia, que se baseiam em fatos empíricos e teóricos.

Desenho/metodologia/abordagem: Esta pesquisa usa dados secundários de 27 empresas de mineração listadas na Bolsa de Valores da Indonésia entre 2017 e 2019. Os métodos de análise de dados usados neste estudo são métodos de pesquisa descritivos quantitativos e qualitativos, bem como métodos de pesquisa relacional. A análise usada para testar a hipótese usando SEM (Structural Equation Model Analysis).

Resultados: As consequências deste relatório mostram que a boa governança corporativa (1) não afeta diretamente as reações do mercado com uma correlação positiva. (2) a lucratividade não afeta diretamente a resposta do mercado com uma correlação negativa; (3) a responsabilidade social corporativa não influencia diretamente a resposta do mercado em uma direção positiva; (4) a boa governança corporativa não afeta diretamente o valor da empresa, com relação positiva;

Implicações de pesquisa, práticas e sociais: Como não há padrões de avaliação ou formulário padrão para determinar a taxa de difusão da responsabilidade social corporativa, a avaliação da disseminação da responsabilidade social corporativa permanece subjetiva, portanto, haverá diferenças em cada pesquisador. O anúncio da divulgação da responsabilidade social corporativa é feito pela empresa, juntamente com o anúncio do Relatório e Contas, pelo que existem outros aspetos assumidos pelos investidores nas decisões de investimento.

Originalidade/valor: a responsabilidade social corporativa não perturba diretamente os valores da empresa com uma relação positiva; a resposta do mercado não afeta diretamente o valor da empresa com correlação negativa; boa governança corporativa não afeta diretamente o valor da empresa por meio de uma resposta de mercado de correlação negativa; a lucratividade não afeta diretamente o valor da empresa por meio do feedback do mercado com uma correlação positiva.

Palavras-chave: Boa Governança Corporativa, Rentabilidade, Responsabilidade Social Corporativa, Reação do Mercado, Valor da Empresa.

EL EFECTO DEL BUEN GOBIERNO CORPORATIVO, LA RENTABILIDAD Y LA RESPONSABILIDAD SOCIAL CORPORATIVA EN LA REACCIÓN DEL MERCADO Y EL VALOR DE LA EMPRESA EN LA INDUSTRIA MINERA REGISTRADA EN LA BOLSA DE VALORES DE INDONESIA

RESUMEN

Propósito: El objetivo de este análisis fue analizar el impacto directo del buen gobierno corporativo, la rentabilidad y el deber social corporativo en la respuesta del mercado y el valor de la empresa;

Marco teórico: El proceso de análisis de datos utilizado en esta investigación es un análisis descriptivo, es decir, cuyo objetivo es determinar en qué medida las variables de gobierno corporativo moral, rentabilidad y responsabilidad social empresarial influyen en las reacciones del mercado y el valor de la empresa en las empresas mineras que cotizan en bolsa. la Bolsa de Valores de Indonesia, que se basan en hechos empíricos y teóricos.

Diseño/metodología/enfoque: esta investigación utiliza datos secundarios de 27 empresas mineras que cotizan en la Bolsa de Valores de Indonesia entre 2017 y 2019. Los métodos de análisis de datos utilizados en este estudio son métodos de investigación descriptivos cuantitativos y cualitativos, así como métodos de investigación relacional. El análisis utilizado para probar la hipótesis utilizando SEM (Análisis del modelo de ecuación estructural).

Hallazgos: Las consecuencias de este informe muestran que el buen gobierno corporativo (1) no afecta directamente las reacciones del mercado con una correlación positiva. (2) la rentabilidad no afecta directamente la respuesta del mercado con una correlación negativa; (3) la responsabilidad social corporativa no influye directamente en la respuesta del mercado en una dirección positiva; (4) el buen gobierno corporativo no afecta directamente el valor de la empresa, con una relación positiva;

Implicaciones sociales, prácticas y de investigación: dado que no existen estándares de evaluación o un formulario estándar para determinar la tasa de difusión de la responsabilidad social corporativa, la evaluación de la difusión de la responsabilidad social corporativa sigue siendo subjetiva, por lo que habrá diferencias en cada

investigador. El anuncio de la difusión de la responsabilidad social corporativa lo realiza la empresa, junto con el anuncio del Informe Anual, por lo que existen otros aspectos que hacen los inversores en las decisiones de inversión.
Originalidad/valor: la responsabilidad social empresarial no perturba directamente los valores de la empresa con una relación positiva; la respuesta del mercado no afecta directamente el valor de la empresa con correlación negativa; el buen gobierno corporativo no afecta directamente el valor de la empresa a través de una respuesta del mercado de correlación negativa; la rentabilidad no afecta directamente el valor de la empresa a través de la retroalimentación del mercado con una correlación positiva.

Palabras clave: Buen Gobierno Corporativo, Rentabilidad, Responsabilidad Social Empresarial, Reacción del Mercado, Valor de la Empresa.

INTRODUCTION

The role of the mining sector as a provider of energy resources is essential for the economic growth of a country, since this sector is one of the pillars of the economy of a country. Mining companies are companies that manage human resources and use natural resources directly, with a high risk of environmental damage (Aboukhadeer et. al., 2023). Subject to Government Regulation No. 22 of 2010, a mining area is part or part of activities in terms of mineral or coal research, management and control and includes general research, exploration, feasibility studies, construction and refining, transportation and sale and post-harvest operations. On the other hand, mining companies are characterized by having very high investment costs (intensive in capital), long-term and risky, and present great uncertainties, so financing is the main problem related to the development of companies. Businesses should pay primary attention to the value of the business. Increasing the value of the company is the responsibility of the management, because increasing the value of the company will also increase the prosperity of the shareholders and the company will be easily financed (Bansal et. al 2023). When making financial decisions, companies should consider a less expensive source of funds to meet investment needs and business activities. This is done so that the company is highly competitive and able to survive in the increasingly brutal global competition. Management needs to be able to raise funds to support planned growth. Businesses that achieve high growth will certainly require additional investment. Management is responsible for obtaining optimum sales and adequate sources of funds to finance short- and long-term investments. The replacement rate means that the increase in the dividend payout indicates that corporate management is well managed, as there are centralized institutional owner monitors. As a result of the concentrated institutional ownership, management ownership is reduced. In contrast, the large ownership of business operations can monitor the same behavior of management when defining the policy of the company, which will suffer a part of the losses derived from their actions. (Mursalim, 6.6 of 2018.

The exercise of the company may influence the perceptions that investors receive about the company; This is reflected in the value of the company, so the value of the company plays an important role. The value of the firm is the market value of the debt and equity of the firm (Keown et al., 2010). Enterprise value is the market value of a company's capital, plus the market value of debt. This means that the inclusion of all of the company's equity in the company's debt can reflect the value of the company. The situation of the company is reflected in the value of the company. The share price is used as a proxy for the value of the company, as the stock price is the price they are willing to pay if buyers want to have proof of ownership of a company. The ratio of a stock's market price to its book value indicates investors' opinion of the company. A company is said to have good value if the company's performance is also good. The value of the company can be reflected in its share price. If the value of the shares is high, it can be said that the value of the company is good, since the main objective of the company is to increase the value of the company, increasing the prosperity of the owner or shareholders. The firm value can be measured in terms of the book price (PBV), that is, the relationship between the share price and the book value of each share Brigham and Gapenski, (2006). (Brigham, et. al 2006) The value of the company can give maximum prosperity to shareholders if the price of shares rises. The prosperity of shareholders depends on the higher price of shares. In order to get the value of the company, investors generally turn over their management to professionals. Professionals are positioned as managers or commissioners. (Nurlela, Rika and Islahudin, 2008) Some companies have increased their financial return, but the value of the company has declined, which means that there may be other things that investors value in the evaluation of the company. The expansion of CSR by companies can influence the perceptions that investors get about companies, where companies that disseminate their CSR in a broader way will be better valued by investors. Nurlela, Rika and Islahudin (2008) stated that, with good corporate social responsibility, the company's share price will increase and the value of the company will be evaluated by the investors. According to Citrawati, the theory of economic logic by Hermawan et al. (2012) also highlights the existence of a rational economic basis for the manager of a company to extend his corporate social responsibility. Therefore, the elements that a manager reveals should be the main business of a company, so that these disclosures are useful to readers of the financial situation, which, in turn, should increase the value of the company. This concept, known as Corporate Social

Responsibility (CSR) or, in general, Corporate Social Responsibility (CSR), establishes that companies must play an active role in favor of the well-being of the community at large. The regulation of social responsibility is a moral obligation for any type of company. When a new business intervenes in local communities, you have to adapt and help it, because its existence has had both positive and negative consequences. In addition to focusing on regulatory aspects, CSR is also regulated in various binding regulations, so some companies are obliged to fulfill their social responsibilities (Gendro W and Hadri Kusuma, 2017).

According to Djitaningsih & Martatilova (2012), the broad expansion of corporate social responsibility will increase the value of market-oriented companies, as investors are interested in investing in companies with high levels of social responsibility expansion. Previous studies conducted to understand the impact of CSR disclosure on company value, including Djitaningsih and Martatilova (including 2012), significantly influenced company value among CSR disclosure. Anwar & Mulyadi (2012) state that there is no significant effect between CSR disclosure and firm value. For its part, Sarvaes & Tamayo (2012) has pointed out that the impact on the value of the company only occurs under certain conditions. CSR maintains a close relationship with good corporate governance, as do the two sides of a currency, which have a firm position in the business world, but are closely linked. social responsibility focused on stakeholders; This should be in line with the basic principles of good corporate governance, i.e., accountability, and provided that the dissemination of the application of corporate social responsibility corresponds to the principle of transparency. Murwaningsari and Etty, (2009) Good corporate governance requires transparency and accountability in the company, including the strategic investment of the company, which normally needs large funds and in the long term. Indonesian companies have the same conditions as companies around the world, since Indonesian companies are part of the world of international business, they are in a circle of global competition and must always be more competitive against their competitors, but at the same time they have to face the impact of the internal economic crisis, which is not yet sure when it will end. Shahin, Arash and Zairi M (2007) also stated that corporate governance is an important element in driving excellence in CSR, a source of competitive advantage for the company itself. According to Rustianti in Novrianti and Armas (2012) Many studies suggest that if a company has a good social and environmental activity, it will have the confidence of investors to be willing to give more confidence to companies that offer transparency in their annual reports on the implementation of the GCG. Without the principles of good corporate governance, the impact of lack or lack of implementation is very widespread, not only individually or institutionally, but also of economic stability, as is currently happening in Indonesia. Therefore, it is necessary to apply the principles of good corporate governance. It is believed that the demand to establish good corporate governance in investment institutions, both national and international, will help companies hitting the crisis and the economy move in a better direction, to be able to compete, manage dynamically and professionally, to be great competitors and, finally, restore investor confidence.

(Budiandriani, 2014) Market reaction is the market's response to any information that enters the market; The information received may come from within the Company or from outside the Company, which will affect the decisions that investors or potential investors may make about the price of the Company's shares. Like other ICO companies, mining companies will communicate this to the public and the information provided by the company will be a sign of positive or negative impact on stock prices. If investors receive this information as good information (good news), then there will be investor reactions that are reflected through the rise in stock prices and stock trading volume, and if investors receive such information as bad information (bad news), the stock price and trading volume of stocks will be reduced. Information plays an important role in announcing stock prices in the capital market. Market reactions can be seen in changes in trading volume and share prices. Changes in trading volume reflect the level of investor interest in trading the stocks. In this study, researchers used market reactions to assess the impact of good corporate governance, profitability and corporate social responsibility. The market reaction can be observed in changes in the company's share price; Market reaction indicators are measured based on abnormal returns. Actual return occurs when actual return exceeds the return expected by investors. According to Mustakini (2005), the positive results of abnormal performance mean that the level of return achieved by investors is higher than expected, and the results of negative abnormal returns indicate that the rate of return achieved by investors is lower than expected. In addition, trading volume activity (TVA) is another indicator that researchers use to gauge market reaction. TVA can be used in the capital market to determine the liquidity or inaccuracy of a stock, that is, to clarify the financial situation of the company. According to Mulyono (2000), if the market considers that the company issuing shares is in good condition, the company's share price will increase. Conversely, if corporate markets are sub stunted, the company's stock price will also fall, even below the primary market price. Therefore, the power to trade on the secondary market between one investor and another determines the price of the company's shares.

METHODOLOGY

Research Vision

This research uses two perspectives, i.e., descriptive and qualitative research, as well as a research view. In the descriptive view of the research results, using data tables, images and processed graphs. At the same time, the ex° approach is used,

1. Exogenous variables to intervening variables
2. Exogenous variables to endogenous variables
3. Intervening variables to endogenous variables

The exogenous variable of this analysis is good corporate governance that is reflected through independent commissions, board of directors, institutional ownership and audit committees (developed by Emirzon, 2006); the next exogenous variable is profitability which is reflected through gross return margin, operating performance margin, net return margin, return on investment, return on capital, corporate social responsibility, according to ISO 26000. Intermediate variables are reflected in abnormal performances, security performance variability, and trading volume activity. The endogenous variables are the firm value measured by Tobin's Q, the book price, the relationship of prices and yields and the market value of the book value of equity.

Data Types and Sources

The type of data used in this study is secondary data, that is, quantitative data obtained from the official website of IDX www.idx.co.id. At the same time, the data used in this research are company annual reports and financial statements for mining companies listed on IDX for the period 2017 - 2019.

Method of Collecting Data

The data collection technique used in this study is documentation, that is, the collection, recording, and review of secondary data through the annual report and financial report data, which can be found through the official website. www.idx.co.id. idx.

Population and Sample

1. Population

The population is a group of people, events, or everything that has certain characteristics.

(Nur Indriantoro and Bambang S, 2009) In this study, these are mining companies listed on the Indonesian Stock Exchange. At the time of the study, the number of mining companies listed on the Indonesian Stock Exchange was 50 mining companies between 2017 and 2019.

2. Sample

The sampling technique used is a sample sampling and is a type of sample selection in which the information is obtained through various reflections (in general, adapted to the objectives or research problems).) (Nur Indriantoro and Bambang S, 2009.).

Data Analysis Method

The data analysis process used in this research is a descriptive, namely, analysis that aims to determine the extent to which the variables of moral corporate governance, profitability, and corporate social responsibility influence market reactions and firm value in mining companies listed on the Indonesia Stock Exchange which are based on empirical and theoretical facts. Analysts are used to test hypothesis through model testing using SEM analysis (structure equation model analysis). This model is a statistical analysis that is used to build relationships either directly (direct effect) or indirectly (indirect effect). The steps in the analysis using PLS go through 5 steps, as follows Imam Ghozali and Hengky Latan (2015):

1. Model Conceptualization

At this stage, the researcher develops and measures constructs. There are eight stages of the procedure at this phase:(a) Construct domain specification, (b) determine items that represent constructs, (c) collect data to conduct pretest tests, (d) construct purification, (e) collect new data, (f) Reliability Test, (g) Validity Test and (h) Determine construct measurement scores.

2. Determine the Algorithm Analysis Method

At this stage, the researcher determines what algorithm analysis method will be used for model estimation (factorial, centroid, and path or structural weighting).

3. Determine the Resampling method

Used in this study is the bootstrapping method (the SmartPLS 3.0 program only provides one resampling method), namely using the entire original sample for resampling (No Sign Changes, Individual Sign Changes, or Construct Level Changes).

4. Draw a Path Diagram

After conceptualizing the model and determining the algorithm analysis method and resampling method, the next step is to draw a path diagram of the model to be estimated. Falk and Miller (1992) in Imam Ghozali (2015) recommend using the nomogram reticular action modeling (RAM) procedure.

5. Model Evaluation

Later picture the path figure, the model is prepared to be projected, and the outcomes assessed as an entire. Model assessment is approved out by measuring the consequences of the measurement model, i.e., through confirmatory factor analysis (CFA) by testing the validity and reliability of latent constructs. Then proceed with evaluating the structural model and testing the meaning to test the effect among constructs or variables.

RESEARCH RESULTS AND DISCUSSION

From the consequences of the earlier analysis, the value of the regulated adjustment index (FNN), indicator of fit of the model, can be obtained, indicating that the variables of the model are not unconscious. The outcomes of the table display that the value of > nFI is > 0.1, which means that the entire model is much better and more hypothesis tests are performed.

Analysis of Direct and Indirect Hypothesis Testing

Table 1 Direct and Indirect Tests Between Variables

No.	Exogenous	Variable Intervening	Endogenous	P-Value	Direct Effect	Indirect Effect	Total Effect	Info
				Direct Influence				
H-1	Good Corporate Governance (X1)	Market Reaction (Y1)	-	0,7779	0,1236	-	0.1236	Positive Not Important
H-2	Profitability (X2)	Market Reaction (Y1)	-	0,4921	-0,2349	-	-0.2349	Unimportant Negative
H-3	Corporate Social Responsibility(X3)	Market Reaction (Y1)	-	0,6395	0,1817	-	0.1817	Positive Not Important
H-4	Good Corporate Governance (X1)	-	Firm Value (Y2)	0,6578	0,1147	-	0,1147	Positive Not Important
H-5	Profitability (X2)	-	Firm Value (Y2)	0,0151	0,5892	-	0,5892	Important Positive
H-6	Corporate Social Responsibility(X3)	-	Firm Value (Y2)	0,1501	0,4432	-	0,4432	Positive Not Important
H-7	Market Reaction (Y1)	-	Firm Value (Y2)	0,3215	-0,3384	-	-0.3384	Unimportant Negative
				Indirect Influence				
H-8	Good Corporate Governance (X1)	Market Reaction (Y1)	Firm Value (Y2)	0,7646	0,1147	-0,0418	0.0729	Unimportant Negative
H-9	Profitability (X2)	Market Reaction (Y1)	Firm Value (Y2)	0,4857	0,5892	0,0795	0.6687	Positive Not Important

H-10	Corporate Social Responsibility(X3)	Market Reaction (Y1)	Firm Value (Y2)	0,6212	0,4432	-0,0615	0.3817	Unimportant Negative

Source: Prepared by the authors (2023)

Based on the direct and indirect test results in table 30 above, the bootstrapping results on Smart PLS in the Path Coefficients column show that:

1. The connection among Good Corporate Governance and Market Reaction is not important, since the p-value is higher than the importance level of 0.7779. The estimated value of the original sample is positive, of 0.1236, indicating that the direction of the relationship among Good Corporate Governance and market response is positive; Therefore, they reject the H4 hypothesis of this investigation, which states that Good Corporate Governance affects the reactions of the business market.
2. The connection among market profitability and response is not noteworthy, as the p-value is 0.4921, higher than the importance level of 0.05. The estimated value of the original sample is positive, i.e., -0.2349, indicating that the association between profitability and market reaction is negative, so this study rules out the H2 hypothesis, which states that profitability influences market reactions.
3. The connection among Corporate Social Responsibility and Market Reaction is not important, since the p-value is higher than the importance level of 0.6395. The estimated value from the original sample is positive, 0.1817, indicating that the direction of the relationship between Corporate Social Responsibility and Market Reaction is positive; Thus, the H3 hypothesis has been discarded in this study, as it establishes that Corporate Social Responsibility influences market reactions.
4. The connection among Good Corporate Governance and Corporate Value is not important, since the p-value is higher than the importance level of 0.6578. The estimated value of the original sample is positive, of 0.1147, indicating that the direction of the relationship between Good Corporate Governance and Corporate Value is positive; Therefore, the H4 hypothesis of this research is ruled out, since it affects the value of the Good Corporate Governance company.
5. The connection among profitability and enterprise value is important, as the value 0.0151p below the importance level of 0.05, and the estimated value of the original sample is positive, i.e., 0.5892, indicating that the direction of the relationship between profitability and value of the enterprise is positive; Therefore, this study supports the H5 hypothesis, which states that profitability influences the value of the company.

6. The connection among Corporate Social Responsibility and Corporate Value is not important, as the p-value is higher than the importance level of 0.1501. The estimated value of the original sample is positive, 0.4432, indicating that the direction of the relationship between Corporate Social Responsibility and Corporate Value is positive; Therefore, they discard the H6 hypothesis in a study that establishes that Corporate Social Responsibility affects the value of the company.

7. The connection among the market reaction and the value of the firm is not important, since the p-value is 0.3215, higher than the importance level of 0.05. The estimated value of the original sample is negative, i.e., -0.3384, indicating that the direction of the relationship between market reaction and company value is negative. Therefore, the H7 hypothesis of this investigation is ruled out, as market reactions damaged the value of the company in companies.

8. The connection among Good Corporate Governance and Corporate Value by Market Reaction is not momentous, since the p-value is 0.7646, higher than the importance level of 0.05. The estimated value of the original sample is negative, i.e. -0.0418, indicating that the direction of the relationship between Good Corporate Governance and Company Value is negative through Market Reaction; Therefore, this study rules out the H8 hypothesis, which affects the value of the company by good corporate governance, through the reaction of the market.

9. The connection among profitability and the value of the company through the market reaction is not important, since the p-value is 0.4857, higher than the importance level of 0.05. The estimated value of the original sample is positive, of 0.0795, indicating that the relationship between the profitability of the company and the value is positive through the market reaction; Therefore, this study rules out the H9 hypothesis, which states that profitability affects the value of the company through market reactions.

10. The connection among the Corporate Social Responsibility of the Company and the Market Reaction Value is not important, since the p-value is 0.6212, higher than the importance level of 0.05. The estimated value of the original sample is negative, i.e., -0.0615, indicating that the negative direction of the relationship between the company and the value of the company is negative through the market reaction; Therefore, this study rules out the H10 hypothesis, since corporate social responsibility affects the value of the company through market reaction.

DISCUSSION

An explanation for each hypothesis can be given as follows:

1. The Influence of Good Corporate Governance on the Reaction of the Market Signaling theory recognizes that the information that each party gets is different. The signal theory suggests an information asymmetry between the information and management stakeholders. This theory also suggests how companies should communicate to users of financial and nonfinancial reports. In this analysis, the Good Corporate Governance variable is measured using indicators from independent commissioners, the Board of Directors, the Institutional Ownership and the Audit Committee. The results showed that the p-value of 0.7779 was higher than the importance level of 0.05, therefore it did not statistically influence the market reactions among good corporate governance. The role of the independent commissioner is very important in a business; If the independent representative complies with his mission, the quality of the shares will increase and vice versa; Based on the descriptive commission, it is known that in this study the number of independent commissioners of 27 mining companies is 48%, that is to say, 13 companies have an independent commissioner, while the rest have two people and three independent commissioners, the which will have an impact on the oversight of independent members. In addition, the independent representative must exercise the function of supervising the financial information.
2. Based on the indicators of the study, statistics show that 27 mining companies have not been able to fully establish the principles of good governance in corporate governance, such as transparency, accountability, responsibility, independence and fairness. According to the results of the previous study, in the long term, the impact of Good Corporate Governance is not felt directly with the company. However, if the company can show good performance, it can affect stock prices. This can provoke a market reaction so that investors and other market participants can take action (buy or sell), responding to the important issuance decisions presented to the market of Milatina and Syarifudin (2012). The results of this research coincide with the study conducted by Ramdiani and Yadnyana (2013), Christina Widhi A and Yeterina (2015), Sunaini and Nur (2015), Amrizal and Nurdiana (2017), Linzzy and Irma (2017), Nurdina and Martha (2017) which suggests that there is no effect of good corporate governance on market reactions . Based on the above hypothesis, this study does not coincide with the

Wardoyo and Veronica (2013) and Handayani (2017) studies, which demonstrate that good corporate governance influences market reactions.

3. Effect of Profitability on Market Reaction

Measuring profitability in a company can be shown by the size of the profit level obtained in relation to sales and investment. (Irham Fahmi 2011) The theory of profitability, as one of the references to measure the number of profits, is so important to know the degree of efficiency of the company in the management of its business. According to a study conducted on 27 listed mining companies, the p-value of 0.4921 exceeded 0.05, meaning that profitability did not statistically influence market reaction. The estimated value of the original sample is negative, i.e., -0.2349, indicating that the trajectory of the relationship between market profitability and reaction is negative; This indicates that the increase in profitability is not due to increased market reaction or higher profitability, but to a reduction in market reaction. The ability of mining companies to generate profits in this research is measured using financial ratios (gross profit margin/GPM, operating profit margin/OPM, net return margin/NPM, return on investment/ROI, and return on capital/ROE), as a complete ratio. This demonstrates the success of the company or the ability to generate profits or profits, the planning of the company, a. The company's ability to generate net profit cannot explain the return on shares that investors will receive, and furthermore, the company's ability to maximize sales will not affect investors' interest in buying shares of the mining company. This can occur because the firm has less ability to control production costs and the cost of goods sold, which affects the firm's ability to make a profit, thereby reducing the firm's returns. According to the study data, there are 16 companies, or 59% of companies, with less than 6% of the return on investment, while the remaining 11 have an investment greater than 6%, with the highest return on investment value being 34%. Although the return on the equity value of 27 companies is often companies or 37 companies, the return on capital is less than 11%, which shows that there are still companies with less ability to generate profits, which is not profitable for investors, so investors do not want to buy shares of the company.

The results of the study show that profitability does not have a positive and significant impact on market reactions. The results of this test agree with the hypothesis Welan et al. (2019) that profitability does not affect stock prices, so investors tend to take more than a proportion into account when making decisions. Based on available information and the results of scientific research, companies should further increase the use of assets to maximize their revenues; In addition, financial reports should be evaluated monthly to know the financial situation of the company. This study does not correspond to the Yusrianti Hankie study (2020), since the profitability index describes the effectiveness of management, based on the return generated on sales and the investment generated, the relationship with market reactions, that is, that the interest of the profits generated by investors can affect investors, especially if investors see the fundamental difference of the share. According to an additional study, Zaki et al. (2017), profitability has a significant impact on share prices for shareholders. This means that lack of profitability can lead to capital investment losses. The results of this research coincide with studies Sasongko (2006), Hilmi et al. (2016), Jonathan and Nera Marinda (2018) and Miftahol Anwar (2020). However, this research does not coincide with the results of De Reinard and Lana (2013), Arya et al. (2014). Rita et al. (2014), Winarno, Lina, and Arum (2015), Muhammad Zaki and Islahudin (2017), Mende Van Rate (2017) which resulted in research showing the influence of profitability on market reactions.

4. Influence of Corporate Social Responsibility on Market Reaction

Corporate Social Responsibility in this study was measured using the GRI Reporting Standards, namely, 91 indicators based on GRI G4, namely the Economic Category (economic performance, market presence, indirect economic impacts and procurement practices), Environmental Category (materials, energy, water, biodiversity, emissions, effluent and waste, products and services, compliance, transportation, others, supplier environmental assessment and environmental complaint mechanism), Social Category (Labor practices and work convenience, human rights, society and product responsibility). The results show that statistically, Corporate Social Responsibility and Market Reaction are not significant because the p-value of 0.6395 is greater than the importance level of 0.05; this means that there is no influence between Corporate Social Responsibility and Market Reaction. From the research data it is known that the implementation of Corporate Social Responsibility with the lowest disclosure is five disclosures, and the highest is 46 disclosures out of 91 indicators. This shows that companies are not fully focused on corporate social responsibility disclosures even though the government already has regulations that require the implementation of corporate social responsibility, namely Government Regulation No. 47 of the year 2012 concerning Limited Liability Companies. In addition, investors still think that the implementation of corporate social responsibility is just a formality coupled with the many cases of social, environmental, and economic damage that have occurred around mining companies. The relatively high-cost aspect of disclosing corporate social responsibility is also one of the reasons investors do not make transactions because the costs for corporate social responsibility will reduce the amount of profit earned. Meanwhile, the company views the implementation of corporate social responsibility disclosure as just a waste of money. Nining Pratiwi and Ketut Suryanawa (2014) argue that corporate social responsibility has a negative effect on company stock returns; this indicates that increasing corporate social responsibility disclosure will cause a decrease in stock returns because the more corporate social responsibility activities carried out by the company, the more the costs that will be incurred to support these activities so that the company's stock returns also fall. Furthermore, Restuti and Nathaniel (2011) found that corporate social responsibility had no effect on ERC and assumed that investors had not considered disclosure of corporate social responsibility in annual reports as information that could influence investors in making investment decisions. Further, Katutisari and Dewi (2014) state that disclosure of corporate social responsibility has no effect on abnormal returns; this is because companies and investors still have a low perception of corporate social responsibility. In the end, the disclosure of corporate social responsibility by a company does not cause investor reactions, so it does not affect abnormal returns. This study is in accordance with research conducted by Suranta (2010), Bayu Tri P (2010), Cristina W (2015), and Hemat Sitorus et al. (2015); this research is not in accordance with Zuhroh et al. (2003), Bharata (2005), Nurdin and Cahyandito (2006), Almilia and Wijayanto (2007), Budiman and Supatmi (2009), Syamsiar et al. (2009), Astrid Cahya (2009), Diota Prameswari (2010), Megawati Cheng (2010).

5. The Influence of Good Corporate Governance on Corporate Values

The consequences presented that there was no influence among good corporate governance and firm value, with an important p-value of 0.6578 greater than an importance level of 0.05. This means that hypothesis 4, which states that good corporate governance has an effect on firm value, is rejected. This means that the sound corporate governance index in this study, which consists of independent commissioners, board of directors, institutional ownership and audit committee, did not give positive signals to investors in the growth of the company's stock market or in other words the above indices. . Not a signal for investors to decide on their investment. The main sample estimated value is positive, which is equal to 0.1147, indicating that the direction of the relationship between good corporate governance and corporate values is positive. The direction of a positive relationship indicates that the higher the implementation of good corporate governance, the higher the investors' perception of the share price, and this affects the value of the company and guarantees the long-term survival of the company. Independent Commissioners, Board of Directors, Institutional Ownership and Audit Committee are important components for implementing good corporate governance. They play a vital role in effective implementation of good corporate governance. Apart from that, effective implementation of Good Corporate Governance will improve organizational performance and ultimately, good organizational performance will increase the value of the company. According to Bambang Soedaryono and Deri Riduifana (2013), the organs of the company must perform their functions in accordance with the applicable regulations based on the principle that each organ has the freedom to perform duties, functions and responsibilities only for their benefit Institution.

The results of this study are in accordance with Permanasari (2010), which states that management ownership in Indonesia, especially for non-financial companies, is still low, so management still acts to maximize its utility which can be detrimental to other shareholders. Low management ownership also results in suboptimal performance, so management ownership cannot yet become a mechanism to increase firm value. The results of this study are in accordance with the research of Lutfialah Amanti (2012) that good corporate governance has a negative effect on firm value. good corporate governance or it can be said that the practice of good corporate governance is carried out by companies only for formality. Other studies that are consistent with this research are the results of research by Wardoyo and Theodoworkra Martina Veronika (2013), Mutmainah (2015), Alfinur (2015), Hary Wisnu Purbopangestu and Subowo (2016), Amrizal Nurdiana (2017). The results of this study are not in accordance with the research of Wolk et al. (2001), which states that in agency theory, the company is the meeting point of agency relations between the company owner (principal) and management (agent) and each party involved in the agency relationship seeks to maximize their utility. This research is also not in accordance with the results of research by Bambang Soedaryono and Deri Riduifana (2012), Reny Dyah Retono M and Priantinah (2012), Aditya Agri Putra (2016), Mey Cintya S et al. (2017) who say there is a significant influence of Good Corporate Governance on company value, the results of the study show that increased company value also has a positive impact on the welfare of shareholders. The higher the stock price or, the higher the value, the better the value will be. A high company value will attract the attention of potential investors to buy shares or invest in the company.

6. Effect of Profitability on Firm Value

In making company decisions, management must be careful because all decisions to be taken are decisions related to company value so that company value can be maximized; this decision-making will be related to the company's financial management function. Decision-making on this function is interrelated and will ultimately affect the value of the company. The results showed that the p-value of 0.0151 was smaller than the importance level of 0.05, which means that the hypothesis that there is an influence between Profitability on Firm Value is accepted, which means that an increase in company profits affects investors' perceptions of firm value. The original sample estimate value is positive, which is equal to 0.5892, which indicates that the direction of the relationship between Profitability and Firm Value is a significant positive, which means that an increase in company profit by 1 unit will increase the value of the company by 0.5892. Profitability is the company's ability to generate profits during a certain period. This shows that if the profitability growth is good, the company's expectations in the future will also be considered good, meaning that in the eyes of investors, the company's value will also be good. If the company's ability to generate profits increases, the stock price will also increase.

Research results that show the effect of Profitability on Firm Value are the results of research from Santika and Ratnawati (2002), Sujoko and Soebiantoro (2007), Lu et al (2010), Chen and Chen (20111), Analysis (2011), Eli Safrida (2012)), Dewi and Wijaya (2013) profitability affects firm value, Putra and Wiagustini (2014), Putu Yunita Saputri D et al (2014), Kurniasari and Warastuti (2015), Veronoka Hasibuan et al (2016), Isabela Permata Dhani and Aa Gde Satria (2017), Ginanjar Indra Kusuma et al (2017), Maryai Rahayu and Bida Sari (2018), Patricia et al (2018), Inasfati Indrawati et al (2018), Darmawan, Nida and Rejeki (2018), M Fahriyal, Erlina, and Khaira Amalia (2018), Ni Komang Budi Astuti and I Putu Yadnya (2019), I Gusti Ayu D and Ni Putu Ayu D (2019). In contrast to the results of research conducted by Suranto (2003), Herawati (2011), Agusto Saputra, and Raja Adri S (2018), which show that the companies in the study tend to experience losses almost every year, this is due to the impact of the global economic crisis. What happens to mine and agricultural companies so that the results obtained profitability do not affect company value, research by Sumantri and Mangantar (2015), Hardian (2016), Rahayu and Sari (2018), Luh Nila and I Ketut Suryanawa (2018), Ayem and Tia (2019), Ramsa, Karika and Riana (2021) also show different results from this study, namely profitability has no effect on firm value.

7. The Effect of Corporate Social Responsibility on Company Value

The results of this research indicate that the p-value of 0.1501 is greater than the importance level of 0.05, which means that there is no effect of corporate social responsibility on firm value. Research results based on the data that the mining companies in this study have not fully disclosed corporate social responsibility, or the disclosure of corporate social responsibility by mining companies is still low. Maximum redemption value is 91; This indicates that the mining companies listed on the IDX for 2017 to 2019, as a whole, did not fulfill the obligation to follow the standards set out in the GRI report. In addition, the survey results show that mining companies do not care about the social and environmental dimensions, especially towards the surrounding communities, and the company is not consistent in reporting its corporate social responsibility disclosures to communities and stakeholders. Financial statements each year. The quality of corporate social responsibility disclosure is still low, in addition to the lack of support from the capital market sector in Indonesia, in the absence of implementing an index that includes the category of company shares that disclose corporate social responsibility. Wahyuni (2018) argues that companies should not only be responsible for their economic aspects but should also focus on social and environmental aspects. The concept of corporate social responsibility will be easier to understand if we ask who the company manager (manager) is actually responsible for. The results of the research show that the main sample estimation value is positive, which is equal to 0.4432, which indicates that the direction of the relationship between corporate social responsibility and corporate value is positive. It shows that company value increases when corporate social responsibility disclosure increases. This means that according to the research results, increasing corporate social responsibility increases investors' perception of share price, but investors' perception of shares cannot be determined because investors' perception lies in the profits generated by the company, not in disclosure. Corporate social responsibilities. Basically, it is not easy to determine the profitability level of companies that have implemented corporate social responsibility because there is no guarantee that the company will be profitable if it implements corporate social responsibility properly; It shows that the quality level of corporate social responsibility disclosure within the company is one of the reasons for implementing it. Corporate social responsibility has no effect on firm value. The research findings of Sri Fitri Wahuni (2018) show that the size of CSR disclosures conducted by companies cannot affect the value growth of the company. Most companies focus on financial factors only. Organizations pay less attention to environmental and social factors, as evidenced by disclosures made by organizations that are still far from established standards. In addition, the company is not consistent in every period in disclosing its corporate social responsibility to the public and stakeholders. Research which finds that Corporate Social Responsibility has no effect on Company Value; on the contrary, this research is not in accordance with the research of Gunawan and Utami (2008), Nahda Katiya and Agus D (2011), Beliana and Budiyanto (2017), Ayu Made and Aryista Ayu (2021).

8. Effect of Market Reaction on Firm Value

Signaling theory explains that signaling is done by managers to minimize information asymmetries. The results showed that there was no effect of market reaction on firm value, as indicated by the p-value of 0.3215, which was higher than the importance level of 0.05. Based on the results of research on mining companies, it is known that the market does not respond to firm prices; This is because the information provided by the market does not provide the expected returns to the investors whereas the stock returns are higher than the individual company returns so that the investors are not interested in investing so that it does not affect the value of the company later. Institution In addition to managing transactions, investors still consider information and issues outside of the mining company. So that the market reaction has no effect on firm value, the original sample estimate value is negative, which is -0.3384 which indicates that the direction of the relationship between market reaction and firm value is negative, which means that market value increases. Feedback will lower the company's value. Based on the research data, it is known that abnormal return value as an indicator of market reaction has negative value of 44%; This means that the level of profit received by the investors is below normal, so that the value of the company is reduced. According to Caroline A and Cristina (2014), the result of the study, VPS did not have a significant effect on the stock price with a significant level of 0.311. This indicates that investors pay less attention to trading volume when buying shares. Additionally, it indicates that an increase in trading volume does not always affect the stock price. Where prices increase but trading volume does not, technical analysts are generally skeptical of bullish trends. Price movements tend to increase with a certain pattern, followed by a large increase in sales, usually interpreted as a market condition that causes prices to fall. Similarly, the research of Amrizal and Aprilia N (2016) which found that the market reaction did not significantly affect the value of the company. At the same time, the research that is not in line with this study in which there is a firm price effect on the market reaction is the research conducted by Barus (2014), Andri I and Rohmawati E (2015), Satria and Adnan (2018) Agustami S and Sahida P (2019), Suharti Eni and Indah Lin (2021).

9. The Influence of Good Corporate Governance on Market Reaction and Company Value

Based on Jensen and Meckling (1976), agency theory assumes that each individual is solely motivated by his own self-interest, causing a conflict of interest between the principal and the agent. This happened because of the separation of ownership and control of the company. Independent commissioners will be more effective in monitoring management Fama and Jensen, (1983). In this study, the relationship between Good Corporate Governance and Corporate Value through Market Reaction is not significant because the p-value of 0.7646 is greater than the 0.05 importance level. The original sample estimate value is negative, which is -0.0418, which indicates that the direction of the relationship between good corporate governance and corporate value through market reaction is negative. This shows that an increase in good corporate governance is not followed by an increase in firm value, while the market reaction variable is not optimal in mediating the relationship between good corporate governance and firm value. Based on the research data, it is known that the market reaction variable is not able to mediate the relationship between good corporate governance and firm value; this is because there are a few companies that have positive abnormal returns; in other words, there are only a few companies that react to information about the implementation of good corporate governance so that it does not increase company value. Besides that, information about the performance of good corporate governance is not a consideration for investors to make investments that can increase the value of the company, but investors pay more attention to the financial information that can affect the value of the company.

Research on the effect of good corporate governance on market reactions and firm value, according to a study by Nining Pratiwi and I.KT. Suryanawa (2014) states that good corporate governance has no significant effect on stock prices; increases or decreases in good corporate governance scores do not affect stock returns and ultimately do not affect firm value. Apart from that, Alfinur's research (2016) stated that institutional ownership has no effect on firm value. When personal interests resulted in strategic alliances between institutional investors and management, the market responded negatively, so ownership was not yet able to become a mechanism that could increase firm value. Study. Soedaryono B and Riduifana D's research (2012), the Board size, board of directors meetings, and independent board of commissioners have no significant effect on firm value. Other studies are in line with Reny Dyah Retono M and Priantinah (2012), Aditya Agri Putra (2016), and Mey Cintya S et al. (2017), which say there is a significant effect of Good Corporate Governance on market reactions and company value. The results of this study are not in accordance with the results of research by Wardoyo and Theodora Martina Veronika (2013), Mutmainah (2015), Alfinur (2015), Hary Wisnu Purbopangestu and Subowo (2016), Amrizal Nurdiana (2017).

10. Market Reactions and Profit Effects on Firm Value

Profitability is crucial for companies to sustain their business in the long run; Because profitability shows whether a company has good future prospects. According to Kasmir (2010), profitability is one factor that can influence firm value. If the managers can manage the company well then the cost of the company will be less hence the profit will be higher. The size of these profits will affect the value of the company. Mulianti (2010) stated that the value of the company is very important because it reflects the performance of the company which can influence the perception of investors about the company. Firm value is often linked to share prices, where the higher the share price, the more the company is worth and the richer the shareholders. Firm value can be enhanced through profitability (Setiabudi and Dian, 2012 Rizkia et al., 2013). A company's high profitability can affect the company's value and depends on how investors perceive the company's profit growth. Profitability is an indicator often used by investors to see a company's value. This study shows that the effect between profitability and firm value through market response is not significant as the p-value of 0.4857 is higher than the importance level of 0.05. This means that profitability affects firm value through rejected market feedback. The original sample estimate value is positive, which is equal to 0.0795, indicating that the direction of the relationship between profitability and firm value is positive through market reaction. Investors' characteristics in capital markets include different types of reactive behavior; On this day, an investor invests in a country but the next day withdraws the invested funds. These characteristics are based on information about a company's value, where information obtained about the company's value can be positive or negative information. Information about profit levels that are not yet optimal will cause a negative reaction from investors, leading to a market reaction where investors will not invest or withdraw. The findings of this research are supported by the research of Jonathan and Nera Marinda (2018) who found in a study that earnings quality does not affect firm value through market reactions. It also shows that the market reaction variable in this study was not optimal in mediating the relationship between profitability and firm value. This may be due to the low level of disclosure of companies' financial statements in the capital market, which makes investors interested in looking at information in financial statements to make investment decisions. In addition, higher stock returns compared to individual company returns do not attract investors to invest so that it does not affect the company's value later on. Although the research findings can increase the market response and company value in terms of profitability, the research conducted by Setiabudi and Dayan (2012), Rizkia et al. (2013), Abdil, Hadi Rizal (2021), Bayu Irfandi and I.B. Panji Sedana (2015) who researched the high profitability of the company can affect the value of the company and it depends on how the investors perceive the increase in the profitability of the company. Profitability is an indicator often used by investors to see a company's value. Companies that experience an increase in profits reflect that the company is performing well, which generates positive sentiment from investors and can increase the company's stock price.

11. The Impact of Corporate Social Responsibility on Market Reactions and Company Value

Stakeholder theory is a theory which states that a company is not an entity that acts only in its own interest but must provide benefits to all its stakeholders Ghaozali and Chariri, (2007). Stakeholder theory explains that companies are accountable not only to owners (shareholders), but also, more broadly, to the social community (stakeholders). So that corporate responsibility is not only measured on economic indicators in financial reporting (economic focus) but also considers social factors (social dimension) towards internal and external stakeholders. The essence of the above-mentioned stakeholder theory, if it is connected to the legitimacy theory, suggests that increasing the legitimacy (recognition) of the community should reduce the gap of expectations with the surrounding (public) community; There appears to be a common thread. For this reason, companies should maintain their reputation, such as changing the orientation pattern (goals) that was originally measured only by economic measures and tended to be shareholder (owner) orientation, towards considering social factors (social factors) as a form. Concern and alignment with societal problems (stakeholder orientation).

(Hadi, 2011) The main sample estimated value is negative, which is -0.0615, which means that the direction of the relationship between corporate social responsibility and company value is negative through market feedback; This means that the increasing disclosure of corporate social responsibility will reduce the value of the company through the market reaction, which is observed with increasing corporate disclosure. Stock returns will decrease due to social responsibility because the more corporate social responsibility disclosure activities, the more the company will bear the costs of these activities, so the company's income will also decrease. Based on the findings of the research, corporate social responsibility disclosure information is not properly managed, so the information of interested parties is not properly captured. Companies, in general, focus on financial reporting, less on non-financial factors like corporate social responsibility. This is evident from the small value of corporate social responsibility disclosures by mining companies; In other words, the information to be conveyed to investors is only a formal requirement. This study is consistent with the study of Junaidi (2005) who found that disclosure of company information through annual reports cannot be used as an important and decisive information in the decision-making process of capital market investment, especially in the form of shares. Moreover, Diota Prameswari V's research (2010) revealed that there was no effect of corporate social responsibility disclosure on stock price through trading volume activity, indicating that corporate social responsibility disclosure as information and trading volume activity is a meeting of investor demand and supply. As the point, his study did not have factors that could influence the stock price movement. Naim (1997) in Anwar et al. (2000) suggest that there are two approaches that can demonstrate how efficient capital markets are. First, it shows the relationship between capital market variables, for example, stock returns, stock prices, and macroeconomic variables, such as price levels and inflation. Second, namely, looking at the extent to which capital market variables can absorb information, both public company (whose shares are traded), industry and macroeconomic information. Suranta (2010) which shows that the disclosure of social and environmental themes does not influence investors' reactions measured using abnormal returns and trading volume activity. Restuti and Nathaniel (2011) found that CSR has no effect on ERC and hypothesized that investors do not consider CSR disclosures in annual reports as information that may influence investors in making investment decisions. Lutfi (2011), Purvathy (2001). This study is not consistent with the study of Samsier et al. (2009), Bharata (2005), and Nurdin and Cahyandito (2006) concluded that the disclosure of social and environmental issues in companies' annual reports has a positive effect on investor reactions. Zuhroh and Sukmawati (2003) found that the effect of social disclosure in company annual reports on stock trading volume for companies falling in the high-profile category.

Research Findings

The findings from results of this study are as follows:

1. The main positive sample hypothesis value, which indicates the direction of the association between good corporate governance and market response, is positive; This means that the implementation of good corporate governance will increase the market response, but good corporate governance does not directly affect the market response. This means that good corporate governance has not been able to make a real contribution to enhancing market response. Mining companies should really implement good corporate governance principles properly as these principles will enhance the effectiveness and role of the organization and it will further influence the market response.

2. The original sample estimate value is negative, which indicates the direction of the connection among profitability and market reaction is negative; this means that the increase in profitability is not followed by an increase in a market reaction as well as Profitability does not directly affect the market reaction, this shows that the profitability ratio in this study is not good news for investors so that it cannot influence investors to buy company shares. Mining companies need to increase their ability to generate profits because if the company has a large ability to increase profits, then the dividends distributed to investors will be high so that it will affect the reaction of investors in buying shares.

3. The positive original sample estimate value, which indicates the direction of the connection among CSR and market reaction, is positive; this means that the higher the CSR disclosure value, the market reaction will increase, but CSR does not directly affect the market reaction. This means that Corporate Social Responsibility has not been able to make a real contribution to increasing market reaction. The corporate social responsibility report has not been fully used by investors/prospective investors as a consideration for making decisions when making transactions. The implementation of Corporate Social Responsibility in mining companies should be taken into consideration during transactions because the practice of implementing Corporate Social Responsibility is a picture of the company's sustainability in addition to profits.

4. The original sample estimate value is positive, which shows the direction of the connection among good corporate governance and company value is positive; this means that the better the implementation of good corporate governance will increase the value of the company, but good corporate governance does not directly affect company value, this shows that good corporate governance has not been able to create added value for increasing corporate value. The application of good corporate governance in this study has not been able to become a control tool that can prevent/reduce agency conflicts that occur within the company, which can create perceptions of investors or potential investors. Companies that can create good corporate governance will generate a positive reaction from investors towards stock prices so that the company's stock price can increase.

5. The original positive sample estimate value, which indicates the direction of the connection between corporate social responsibility and company value is positive; this means that the higher the disclosure of corporate social responsibility, the higher the

company value, but Corporate Social Responsibility does not directly affect company value. This means that corporate social responsibility has not been able to make a real contribution to increasing company value. The quality of corporate social accountability disclosure is still low; In addition to that, there is a lack of support from the Indonesian capital market sector regarding the absence of an index that includes the category of company shares that disclose corporate social responsibility.

6. The main sample estimated value is negative which shows the direction of the relationship between market reaction and company value is negative, it means that the increase in market reaction is not followed by the increase in company value and the market reaction does not directly affect the firm value, it means that the market reaction Could not really contribute to the growth of the company's value. If the market reaction increases, the mining company's company value will decrease; This indicates that the information provided by the company has not become the important information used by the investors in making stock trading decisions. If the market reaction increases, it can create a perception among investors about the good performance of the company so that investors use this information as a basis for investment decisions.

7. The original sample estimate value is negative, which shows the direction of the connection among good corporate governance on market response and company value is negative; this means that an increase in good corporate governance is not followed by an increase in market reaction and firm value as well as good corporate governance does not affect value indirectly. Companies through Market Reaction, This means that the market reaction has not been able to mediate the relationship of good corporate governance variables to firm value; This shows that information about good corporate governance has not become the basis for companies to make stock-buying decisions because investors don't react to information that affects the increase in firm value.

8. The original sample estimate value is positive, which indicates the direction of the connection among profitability and market reaction and firm value is negative; this means that increased profitability is not followed by increased market reaction and firm value, while Profitability does not directly affect firm value through market reaction, this means that the market reaction has not been able to mediate profitability on firm value, this indicates that the profit information shown in the financial statements has not fully become the basis for making investment decisions because investors do not react to information that affects an increase in firm value.

9. The original sample estimate value is negative, which shows the direction of the connection among corporate social responsibility and market response, and company value is negative Market reaction. This means that the market response has not been able to mediate the relationship between the Corporate Social Responsibility variable and company value in mining companies. This indicates that the information on corporate social responsibility disclosure reports carried out by mining companies is not the basis for making investment decisions, and investors do not respond to information that affects the value of the company.

Research Limitations

This research still has limitations; some of the limitations in the study are as follows:

1. This study is based solely on mining companies that are only taken from the three-year observation bag, that is, between 2017 and 2019, so the number of samples used is limited to 81 notes.
2. Based on the sample criteria, only 27 mining companies from 54 companies were selected to be shown in this study.
3. The research data used is limited to the mining industry and the data used is the company's annual report to obtain information on research indicators.
4. Since there are no evaluation standards or standard form for determining the rate of diffusion of corporate social responsibility, the assessment of the spread of corporate social responsibility remains subjective, so there will be differences in each researcher.
5. The announcement of the dissemination of corporate social responsibility is made by the company, together with the announcement of the Annual Report, so there are other aspects made by investors in investment decisions.

CONCLUSIONS AND SUGGESTIONS AND FUTURE WORK

This study aims to determine the direct effect of good corporate governance, profitability and corporate social responsibility on market reactions and firm value and to determine the indirect effect of good corporate governance, profitability and corporate social responsibility on market reactions and firm value. Based on the analysis of the research results and discussion, it is concluded that (1) Good corporate governance (X1) does not influence market reaction (Y1); In the indicators of the Board of Directors, Institutional Property and Audit Committees, which have not been properly implemented, they cannot increase the market reaction with the P-value: 0.7779 > as standard level 0.05, but the original estimated value is positive, that is, 0.1236, which means that the increase in good corporate governance will increase the market reaction.(2) Profitability (X2) does not affect the market reaction (Y1) at all. This can be seen in the gross profit margin indicators in the operating profit margin; the net profit margin, return on investment and return on capital, which have not been able to maximize the market reaction, with the P-value: 0.4921 > 0.05, and the estimated original value is negative - 0.2349, which means that the increase in profitability is not due to the rebound of the market reaction. (3) Corporate social responsibility (X3) does not affect the market reaction at all (Y1). This can be seen in the Corporate Social Responsibility Index Indicator (GRI G4), which is not fully implemented, with the P-value: 0.6395 > as a significant level 0.05, but the original estimated value is positive, i.e. 0.1817, which means a further expansion of corporate social responsibility with greater market reactions. (4) Good corporate governance (X1) does not affect in any way the value of the company (Y2), which can be seen in the indicators of independent commissioners, board of directors, institutional ownership and audit commissions, so that they cannot increase the value of the company, with the value P:0.6578 > 0.05, as low-level, but the original estimated value is positive, i.e. 0.1147, which means that good corporate governance will increase the value of the company. (5) Profitability (X2) has a positive and significant impact on the value of the company (Y2) which can be observed in the indicators of gross profit margin, operating profit margin, net profit margin, return on investment and return on capital which has allowed to increase the value of the company with the value P: 0.0151 > 0.05, as a significant level t, as well as the positive original value of 0.5892, which means it can increase the value of the company with the value P : 0.0151 > 0.05, t, as well as a positive original value of 0.5892, which means that will increase profitability Solid worth. (6) Corporate social responsibility (X3) does not affect the value of the company at all (Y2). This can be seen in the Corporate Social Responsibility Index Indicator (GRI G4), with P-value: 0.1501 > 0.05, and the Original Estimated Value is positive, i.e. 0.4432, which means that the increase in corporate social responsibility will increase corporate value. (7) The market reaction (Y1) does not affect the value of the company at all (Y2). For the purposes of normality, the effort of consumers is due to terrorism, which has not received much data, and the situation has increased at the hands of children>, children, the left, children, children who have some duel fine. (8) Good corporate governance (X1) does not affect in any way the value of the company (Y2), through the market reaction (Y1), which can be observed in the indicators of independent commissioners, board of directors, institutional ownership and audit committees to increase the value of the company, as well as abnormal returns, returns on securities and trading volume activity, as an indicator of market reaction (Y1) have not been able to be a good intermediation to increase the value of the company (Y2), with the value P: 0.7646 > as low levels of 0.05 and we know that the value of the original sample is -0.0418, which means that the growth of good corporate governance (X1) is not a consequence of the increase in the value of the company (Y2), although the market reaction variables (Y1) have been mediated. (9) Profitability (X2) has no effect on firm value (Y2) through market reaction (Y1); this can be seen from the gross profit margin, operating profit margin, net profit margin, return on investment and return on equity that has not been implemented optimally, to increase firm value while abnormal returns, security returns, and trading volume activity as indicators of market reaction (Y1) have not been able to become a good mediation for increasing firm value (Y2) with a P-Value of: 0.4857 > 0.05 as an insignificant level while it is known that the original sample estimate value is positive, namely 0.0795, which means an increase in profitability (X2) followed by an increase in firm value (Y2) but the market reaction variable (Y1) has not been able to mediate the relationship between profitability and firm value. (10) Corporate Social Responsibility (X3) has no effect on Firm Value (Y2) through Market Reaction (Y1), it can be seen from the Corporate Social Responsibility Index (GRI G4) indicator that it has not been able to increase firm value while abnormal returns, security returns and trading volume activity as an indicator of market reaction (Y1) has not been able to become a good mediation for increasing firm value (Y2) with a P-Value: 0.6212 > 0.05 as an insignificant level and it is also known that the original sample estimate is negative, namely -0, 0615 which means an increase in corporate social responsibility (X3) is not followed by an increase in firm value (Y2) even though it is mediated by the market reaction variable (Y1). Suggestion and Future work

Based on the results of the research above, the suggestions and future work in this study are as follows: Mining companies must balance the number of independent members, boards of directors and audit committees to help establish good corporate governance in the exercise of their functions. Mining companies can improve the implementation of good corporate governance that affects the development of the company's share price and, ultimately, the increase in the value of the company. Mining companies must increase their profits by optimizing mine planning, improving sales strategies and more efficiently maximizing profit management to improve the profitability of the company. Regarding the extension of corporate social responsibility, companies should develop a line of information based on the GRI G4 index of indicator 91. This means that the application of corporate social responsibility diffusion can improve social welfare and care for the environment, thus attracting investors to invest for the long term to increase their value. Company. Ministry companies can rise the value of the company by increasing the company's capital, reducing production costs while maintaining quality, maximizing the company's growth capacity, improving environmental, social and governance implementation (environmental, social and governance corporate accounts) and maintaining transparency and communication with stakeholders. Future work for Shareholders For a more thorough analysis, it is recommended to use other variables, such as moderating company size and variable dividends, since market reaction variables have not been able to moderate the impact of good corporate governance, profitability and corporate social responsibility on the value of the company. In the context of decision-making and policy-making, it is necessary to strengthen the role of the government to take into account the needs of enterprises, so that the decisions and policies taken can improve the investment environment. Due to the 3 (three) year limitation of this study, it is suggested that more researchers make research observations and attack companies as research samples to generalize those research results.

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