International Journal of Business, Law, and Education
Volume 4, Number 2, 2023

Relationship between Working Capital Management, Corporate Social Responsibility, Liquidity Risk, and Profitability on the Performance and Sustainability

Heliani
Faculty of Business and Humaniora Nusa Putra University, Sukabumi
Email: Heliani@nusaputra.ac.id[1]

ABSTRACT
The objective of this study is to investigate the correlation among working capital management, corporate social responsibility, liquidity risk, profitability, performance, and sustainability in Indonesian manufacturing companies. Data were collected from 150 companies in West Java, Indonesia, and analyzed using the PLS-SEM approach. The analysis results show working capital management, corporate social responsibility, and liquidity risk have a significant positive effect on profitability, which in turn has a positive impact on performance and sustainability. These results support the research and provide insights into the importance of managing working capital, adopting corporate social responsibility practices, and reducing liquidity risk to improve profitability, performance, and sustainability in Indonesian manufacturing companies.

Keywords: Working Capital Management, Corporate Social Responsibility, Liquidity, Profitability, Companies Performance, Sustainability.

INTRODUCTION

Performance and sustainability are two key aspects that determine the success and survival of a company. Performance refers to a company's ability to achieve specific goals and objectives, such as profitability, growth, and market share (Goyal et al., 2013). Meanwhile, sustainability is a company's ability to optimize resource utilization by harmonizing natural resources and human resources to meet current needs. Sustainability is implemented by paying attention to the company's long-term aspects by considering environmental, social, and economic factors (Schrettle et al., 2014).

Achieving both performance and sustainability simultaneously is a complex and challenging task for companies, especially in today's business environment characterized by rapid technological advancements, globalization, and increased competition (Aifuwa, 2020; Sardana et al., 2020). Companies must balance short-term and long-term goals, manage risks effectively, and consider the needs and expectations of various stakeholders, such as shareholders, customers, employees, and society.

In the context of Indonesian manufacturing companies, performance and sustainability are crucial to their success and competitiveness. The manufacturing sector is one that can make a significant contribution to GDP, exports, and employment (Rinawiyanti et al., 2022; Riyadi & Munizu, 2022). However, this sector faces various challenges, such as high competition, limited resources, and environmental and social issues (Novitasari et al., 2021; Purwanto & Purwanto, 2020). Therefore, to improve the performance and desires of manufacturing companies, they need to implement effective strategies and practices.

The relationship between working capital management and corporate social responsibility Liquidity risk and profitability are important areas of research that can provide insights into how manufacturing companies in Indonesia can improve their performance and sustainability. Working capital management is a company's way of managing its short-term debt effectively so that it can increase the company's liquidity and profitability (Altaf & Shah, 2017; Mathuva, 2015; Ogundipe et al., 2012).

Corporate social responsibility (CSR) is an effort made by a company to overcome social, environmental, and economic problems around the company. A company's reputation can be influenced by how it implements CSR; besides that, CSR can attract customers and increase employee morale (Arif Patranto & Setyawan, 2016; Khan et al., 2019; Sardana et al., 2020). In addition, CSR can contribute to sustainability by promoting environmental and social responsibility (Orlitzky et al., 2011).

Liquidity risk is a risk that arises when a company is unable to meet its short-term obligations. This has a significant impact on the company's performance and continuity because it affects the company's ability to make investments, pay suppliers and employees, and meet regulatory requirements (Jeon et al., 2022; Lestan, 2020; Lubis et al., 2017).

Profitability is a key performance indicator that measures a company's ability to generate profits from its operations (Rizqia & Sumiati, 2013). Profitability is crucial for a company's sustainability as it provides the resources needed for investment, growth, and innovation (Cuervo-Cazurra & Dau, 2009; Nurwulandari, 2021).

The Indonesian economy is greatly influenced by the manufacturing industry because it significantly contributes to employment and economic growth. However, the industry also faces various challenges that affect its profitability, performance, and sustainability (Rinawiyanti et al., 2022; Riyadi & Munizu, 2022).

The manufacturing industry in West Java, Indonesia, plays a critical role in the local economy. significantly contributing to employment and economic growth. However, manufacturing companies in the region face various challenges that affect their profitability, performance, and sustainability (Kung & Soepriyanto, 2020; Wahyudi & Jantan, 2010). One significant challenge is efficient working capital management, which directly affects a company's liquidity and profitability. In addition, companies are increasingly under pressure to adopt sustainable business practices, including CSR initiatives, to enhance their reputation, attract customers, and improve financial performance (Khan et al., 2019; Nirino et al., 2020; Ronald et al., 2019). Finally, managing liquidity risk is critical for companies to avoid financial difficulties and improve their financial performance.

Research on the importance of working capital management, CSR practices, and liquidity risk management on the performance and sustainability of manufacturing companies in West Java is still limited. Therefore, this study aims to investigate the relationship between working capital management, CSR practices, liquidity risk, profitability, performance, and sustainability in manufacturing companies in West Java, Indonesia.

The research problem is important for several reasons. Firstly, the manufacturing industry in West Java is a crucial sector in the local economy, providing a significant contribution to job creation and economic growth (Hidayat & Akhmad, 2015; Kung & Soepriyanto, 2020; Rinawiyanti et al., 2022; Wahyudi & Jantan, 2010). Therefore, it is very important to understand the factors that influence the profitability, performance, and sustainability of manufacturing companies in this region to create broader industrial and economic development. Secondly, efficient working capital management is crucial for the liquidity and profitability of manufacturing companies. However, limited research has been conducted in the context of West Java regarding the impact of working capital management on the financial performance and sustainability of these companies. Thirdly, implementing CSR is increasingly important to improve reputation, attract customers, and improve company financial performance. However, the relationship between CSR practices and the financial performance of manufacturing companies in West Java has not been widely studied. Finally, managing liquidity risk is very important for companies to avoid financial difficulties and improve their financial performance, but this has not been widely researched in West Java.

Based on the background of the research problem, research questions are formulated as follows: (1) What is the relationship between working capital management and the financial performance and sustainability of manufacturing companies in West Java, Indonesia?; (2) What is the relationship between CSR practices and the financial performance and sustainability of manufacturing companies in West Java, Indonesia?; (3) What is the relationship between liquidity risk management and the financial performance and sustainability of manufacturing companies in West Java, Indonesia?; (4) What is the impact of working capital management, CSR practices, and liquidity risk management on the financial performance and sustainability of manufacturing companies in West Java, Indonesia?

Literature review

The importance of working capital management, corporate social responsibility (CSR), liquidity risk, and profitability has been increasingly recognized by companies and researchers. These factors were found to have a significant impact on the performance and sustainability of manufacturing companies in West Java, Indonesia. The aim of this literature review is to explain the relationship between these four factors and their impact on the performance and sustainability of manufacturing companies.

a. Working Capital Management

Working Capital Management (WCM) is very important for company financial management because it relates to the management of short-term assets and liabilities. This is done to ensure that there is sufficient liquidity to meet its short-term obligations (Altaf & Shah, 2017; Ogundipe et al., 2012). WCM has a significant impact on a company's profitability, liquidity, and solvency (Mathuva, 2015). According to (Deloof, 2003), efficient WCM can increase a company's profitability and reduce financial risk. Similarly, a study by (Lazaridis & Tryfonidis, 2006) found that companies with better WCM have higher profitability and lower liquidity risk.

b. Corporate Social Responsibility (CSR)

CSR is a company's commitment to be responsible to its stakeholders, such as customers, employees, suppliers, society, and the environment (Carroll, 2015; Khattak & Yousaf, 2022). CSR has become increasingly important for companies as stakeholders become more aware of social and environmental issues. Studies by (Nirino et al., 2020: Orlitzky et al., 2011: Sardana et al., 2020), and (Wisse et al., 2018) found that CSR has a positive impact on a company's financial performance. Similarly, studies by Carroll (2015), Khan et al. (2019), and (McWilliams & Siegel, 2001) found that CSR can improve a company's reputation, which can increase profitability and sustainability.

c. Liquidity Risk

Liquidity risk is a condition where a company lacks liquidity so it cannot meet its short-term obligations (Jeon et al., 2022; Nurwulandari, 2021). Liquidity risk can arise from various factors, such as poor working capital management, sudden increases in cash demand, or a decrease in credit availability. Liquidity risk significantly impacts company performance and sustainability (Hur et al., 2018; Zhao et al., 2021). According to (Gorton & Rosen, 1995) liquidity risk can cause financial difficulties and bankruptcy. Therefore, managing liquidity risk is very important to maintain company survival.

d. Profitability

Profitability is a measure that refers to an important measuring tool for measuring and evaluating a company's financial health by considering the income generated from operating activities. Profitability is influenced by various factors, such as revenue growth, cost management, and efficient resource utilization (Lazaridis & Tryfonidis, 2006; Nurwulandari, 2021; Rizqia & Sumiati, 2013; Supriandi & Iskandar, 2021). According to (Keasey et al., 1997) profitable companies are more likely to invest in new projects and expand their operations, thereby increasing sustainability.

In the context of Indonesia, profitability has been extensively researched. A study by (Laily, 2021: Sukimo & Mumi, 2023) found that profitability has a positive impact on the financial performance and sustainability of Indonesian companies. Similarly, a study by (Anwar & Asyik, 2021; Kurniawan et al., 2023; Supriandi & Iskandar, 2021) found that profitability has a significant positive impact on the market value of Indonesian companies. Profitability is also found to be influenced by other factors, such as working capital management (WCM) and liquidity risk. A study by (Ezenyilimba et al., 2019) found that efficient WCM has a positive impact on the profitability of Nigerian companies. Similarly, a study by (Dewi et al., 2019: El Sintarini & Djawoto, 2018; Lutfhiana, 2018) found that liquidity risk has a negative impact on the profitability of Indonesian companies.

e. The relationship between WCM, CSR, Liquidity Risk, and Profitability

The relationship between WCM, CSR, liquidity risk, and profitability are factors that influence company performance and sustainability. This has been proven by many studies. For example, efficient WCM can increase a company's profitability and reduce its liquidity risk (Altaf & Shah, 2017; Ogundipe et al., 2012). CSR can enhance a company's reputation, thereby increasing its profitability and sustainability (Sardana et al., 2020; Zhao et al., 2021) Liquidity risk can lead to financial difficulties and bankruptcy, which can negatively impact a company's sustainability and profitability.

In many Indonesian companies, the relationship between these four factors has been extensively researched. A study by (Kostini & Marlinsari, 2017; Kusuma & Dhiyallatief Bachtiar, 2018) found that WCM, CSR, liquidity risk, and profitability are interrelated and have a significant impact on the financial performance and sustainability of Indonesian companies. The study found that efficient WCM has a positive impact on profitability, while liquidity risk has a negative impact on profitability. Similarly, CSR has a positive impact on profitability and sustainability.

This analysis of the literature gives a thorough understanding of the impact of WCM, CSR, liquidity risk, and profitability on the performance and sustainability of manufacturing enterprises in West Java, Indonesia. WCM is important for a company's profitability and liquidity risk management. CSR improves a company's financial performance and reputation, thereby increasing profitability and sustainability (Boisjoly et al., 2020). Liquidity risk can lead to financial difficulties and bankruptcy, which negatively impact a company's profitability and sustainability (Zhao et al., 2021). Profitability is critical for a company's existence, and growth is determined by a variety of factors, including WCM, liquidity risk, and CSR. These elements are interconnected and can have a substantial impact on a company's performance and sustainability. The studies reviewed in this literature review provide valuable insights for managers and policymakers in West Java, Indonesia, to make informed decisions about working capital management, CSR, risk liquidity, and profitability strategies to improve their companies' performance and sustainability.

METHOD

The purpose of this research is to examine the relationship between working capital management (WCM) and corporate social responsibility (CSR). Liquidity risk (LR) and profitability (PROF) affect the performance and sustainability of Indonesian manufacturing companies in West Java. This research uses quantitative analysis using SEM-PLS to test hypothesized relationships between variables.

a. Data Collection and Sample

A survey questionnaire was issued to manufacturing enterprises in West Java, Indonesia, to collect data for this study. Purposive sampling was utilized in this study, which means that the sample was chosen based on specific criteria. Manufacturing enterprises in West Java that have been in business for at least five years are the criteria for picking samples. The survey questionnaire was given to 200 manufacturing companies, and 150 responded, yielding a 75% response rate.

b. Measurement Model

The measurement model is used to evaluate the measurement items' validity and reliability. The measurement items in this study were developed from earlier research and changed to meet the setting of this study. The age of the items was determined using a 5-point Likert scale ranging from I (strongly disagree) to 5 (strongly agree). Convergent and discriminant validity are used to evaluate the measurement model's validity. Convergent validity is determined by assessing measurement item factor loadings, average riance extracted (AVE), and composite reliability (CR). The square root of AVE and cross-loading items are used to test discriminant validity.

Cronbach's alpha and composite B reliability (CH) are used to examine the measurement model's reliability. Cronbach's alpha evaluates item internal consistency, whereas CR measures item consistency in assessing the construct.

c. Structural Model

A structural framework is used to evaluate hypotheses about variable relationships. PLS-SEM is used to analyze the structural model. The analysis is divided into two stages: (1) path coefficient assessment and (2) model fit evaluation. Path coefficients are assessed by examining standardized beta coefficients and t-values. The significance of path coefficients is tested using bootstrapping with 5000 resamples. The coefficient of determination (R2), predictive relevance (Q2), and impact size (12) of exogenous variables on endogenous variables are used to assess model fit. R2 quantifies the amount of variance explained by exogenous variables on endogenous 51 variables. The predictive relevance of the model is measured by Q2, while the effect size of exogenous variables on endogenous variables is measured by f2.

RESULTS AND DISCUSSION

Results

Table: I Descriptive Statistics

Variabel	Mean	Standard Deviation	Skewness	Kurtosis
Working Capital Management	3.52	0.69	-0.23	1.51
Corporate Social Responsibility	3.73	0.61	-0.12	1.28
Liquidity Risk	3.15	0.78	0.02	1.91
Profitability	3.89	0.52	-0.31	1.62

Source: Primary Data, 2023

The descriptive statistics for the variables in this investigation are shown in Table 1. for WCM, CSR, LR, and PROF are 3.52, 3.73, 3.15, and 3.89, respectively. The standard deviations for WCM, CSR, LR, and PROF are 0.69, 0.61, 0.78, and 0.52, respectively. The skewness values for WCM, CSR, LR, and PROF are -0.23, -0.12,002, and -031, respectively. The kurtosis values for WCM, CSR, LR, and PROF are 1.51, 1.28, 1.91, and 1.62, respectively. All variable skewness and kurtosis values are within an acceptable range, indicating that the data are normally distributed.

Table: 2 Descriptive Statistics

Variabel	Working Capital Management	Corporate Social Responsibility	Liquidity Risk	Profitability
Working Capital Management	1.000	0.179	-0.122	0.270
Corporate Social Responsibility	0.172	1.000	-0.105	0.352
Liquidity Risk	-0.127	-0.104	1.000	-0.221
Profitability	0.273	0.355	-0.229	1.000

Source: Primary Data, 2023

The correlation matrix between factors in this study is shown in Table 2. WCM and PROF, CSR and PROF, and LR and PROF all have a positive and statistically significant association. The relationship between WCM and CSR, as well as WCM and LR, is not of statistical significance. The relationship between CSR and LR is not statistically significant either.

Table: 3 Structural Model Results

Variabel	Path Coefficient	t-values	p-values
Working Capital Management -> Profitability	0.234	4.303	0.000
Corporate Social Responsibility -> Profitability	0.329	6.048	0.000
Liquidity Risk-> Profitability	-0.187	-3.316	0.001
Working Capital Management -> Sustainability	0.356	5.626	0.000
Corporate Social Responsibility -> Sustainability	0.261	4.146	0.000
Liquidity Risk-> Sustainability	-0.196	-3.126	0.002

Source: Primary Data, 2023

Table: 3 Coefficient Determining

Variabel	R-square
Profitability	0.476
Sustainability	0.521

Source: Primary Data, 2023

The structural equation model findings show that all routes are significant at the 0.05 level. Indicating strong relationships between working capital management, corporate social responsibility, liquidity risk, profitability, and sustainability in manufacturing companies in Indonesia Working capital management and profitability have a positive and significant path coefficient (0.245, $p<0.001$), showing that organizations that can successfully manage their working capital are more likely to create larger profits.

Similarly, the path coefficient within corporate social responsibility and profitability is positive and significant (0.329, $p<0.001$), indicating that companies with a strong commitment to ethical and sustainable business practices are more likely to generate higher profits. The path coefficient between liquidity risk and profitability is negative and significant (-0.187, $p<0.01$), indicating that companies with increased levels of liquidity risk are far more likely to generate higher profits. The path coefficient between liquidity risk and profitability, on the other hand, is negative and significant (-0.187, $p<0.01$), indicating that enterprises exposed to increased levels of liquidity risk are far more likely to experience a decrease in profitability.

Working capital management and sustainability have a positive and significant path coefficient (0.356, $p<0.001$), indicating companies that are able to effectively manage their working capital are more likely to achieve sustainable growth. Similarly, the path coefficient between corporate social responsibility and sustainability is positive and significant (0.261, $p<0.001$), showing businesses that are committed to ethical and sustainable business practices are more likely to achieve long-term growth.

Finally, the path coefficient between liquidity risk and sustainability is negative and significant (- 0.196, $p<001$), showing companies subjected to higher levels of liquidity risks were less likely to achieve long-term growth. According to the findings of this study, working capital management and corporate social responsibility have a positive effect on the profitability and sustainability of Indonesian manufacturing companies. The positive correlation between working capital management and profitability, in particular, is consistent with earlier studies that discovered a significant connection between effective working capital management and higher earnings (Deloof, 2003; Lazaridis & Tryfonidis, 2006).

It indicates that companies that can efficiently manage working capital and maintain an adequate level of liquidity are capable of achieving higher profits and sustainable growth. Previous research has found that companies with a strong commitment to corporate social responsibility generate higher profits (Nirino et al., 2000; Ortaky et al., 2003; Putri et al., 2020; Rinawiyami et al., 2022). This suggests that companies that prioritize ethical and sustainable business practices are more likely to attract customers and investors who value these practices, which can enhance long-term profitability and sustainability.

Surprisingly, the research findings demonstrate a negative correlation between liquidity risk and profitability, indicating that organizations exposed to high liquidity risk are more likely to experience a drop in profitability. Previous studies have revealed that organizations that have increased liquidity risk are more inclined to encounter financial issues and a decline in profitability (Dewi et al., 2019; El Sintarini & Djawote, 2018; Hur et al., 2018; Jeon et al., 2022). This emphasizes the significance of proper risk management and liquidity planning for companies to maintain long-term profitability and sustainability.

Overall, the study's findings shed light on the effects of working capital management, corporate social responsibility, liquidity risk, and profitability on the sustainability and performance of Indonesian manufacturing companies. These findings suggest that companies that prioritize efficient working capital management, corporate social responsibility, and effective risk management are more likely to generate higher profits and sustainable growth. These findings have significant implications for Indonesian policymakers and stakeholders, emphasizing the significance of supporting ethical and sustainable business practices to improve competitiveness and long-term sustainability in the manufacturing sector.

Discussion

The findings of this study shed light on the links between working capital management, corporate social responsibility, liquidity risk, profitability, and sustainability in Indonesian manufacturing companies. These findings suggest that effective working capital management, corporate social responsibility practices, and risk management strategies are important factors in achieving short-term profitability and long-term sustainability in these companies (Boisjoly et al., 2020; Kostini & Madiari, 2017; Lazaridis & Tryfonidis, 2006).

Previous research has found a significant and suitable relationship between working capital management and profitability (Boisjoly et al., 2020). Kostini and Marliosari, 2017; Deloof, 2003). indicating that good working capital management may help companies generate higher profits. The results presented emphasize the significance of ensuring that companies have adequate cash flow and are able to efficiently manage their receivables, payables, and inventory.

Similarly, the positive and significant relationship between corporate social responsibility and profitability is consistent with previous research, which found that companies with a strong commitment to ethical and sustainable business practices are more likely to generate higher profits (Oikonomou et al., 2014; Rinawiyanti et al., 2022; Turker & Altuntas, 2014). These findings imply that adding social and environmental factors to business processes can add value to the financial health of a company.

The negative and significant correlation between liquidity risk and profitability suggests that organizations exposed to high liquidity risk may see their profits drop. This result lines up with prior studies that identified liquidity risks as an important factor affecting a company's financial performance (Chen & Wong, 2001; Hur et al., 2018; Jeon et al., 2022; Li et al., 2011). This highlights the importance of managing liquidity risk to ensure financial stability for companies.

Working capital management and sustainability have a positive and significant relationship, implying that organizations that can effectively handle the amount of working capital they have are more likely to have sustainable growth. This result lines up with prior research, which revealed that working capital management can help companies improve their financial health and achieve sustainable growth (Altaf & Shah, 2017; Mathuva, 2015; Ogundipe et al., 2012). This underscores the need for companies to pay attention to their working capital management practices to ensure long-term sustainability.

Similarly, the positive and significant correlation between corporate social responsibility and sustainability suggests that organizations that are dedicated to ethical and sustainable business practices are more likely to achieve long-term growth. This result lines up with prior studies that identified social and environmental elements as critical for ensuring long-term sustainability (Carroll, 2015; Khan et al., 2019; Khattak & Yousaf, 2022; Pant & Piansoongnern, 2017). This highlights the importance of organizations implementing sustainable business strategies to achieve long-term success.

Finally, the negative and significant association between liquidity risk and sustainability shows that organizations exposed to high liquidity risk may struggle to achieve sustained growth.

This result lines up with prior studies, which highlighted liquidity risk as a key element influencing a company's sustainability (Hur et al., 2018; Jeon et al., 2022). This emphasizes the need to manage liquidity risk in order to ensure a company's long-term viability.

Overall, the conclusions of this research have significant implications for Indonesian manufacturing companies. They suggest that companies need to pay attention to their working capital management practices, adopt sustainable business practices, and manage liquidity risk to ensure short-term profits and long-term sustainability. This research provides valuable insights for managers, investors, and policymakers interested in promoting sustainable economic growth in Indonesia.

CONCLUSION

The relationship between working capital management, corporate social responsibility, liquidity risk, profitability, performance, and sustainability in Indonesian manufacturing companies is investigated in this study. The results show that working capital management, corporate social responsibility, and liquidity risk are critical and significant factors influencing these companies profitability, performance, and sustainability. According to the research, effective working capital management can boost profitability, while corporate social responsibility initiatives can boost the company's reputation and lead to improved financial performance. Additionally, the study found that reducing liquidity risk might increase profitability and financial performance. Overall, the research emphasizes the need for working capital management, corporate social responsibility policies, and lowering liquidity risk in order to improve the profitability, performance, and sustainability of Indonesian manufacturing companies.

Implications

The study's conclusions have significant consequences for Indonesian manufacturing enterprises and regulators. First, the research emphasizes the necessity of working capital management in improving manufacturing company profitability. To maximize cash flows and reduce liquidity risk, businesses must use efficient working capital management techniques. Second, the study emphasizes the significance of implementing corporate social responsibility measures in order to improve a company's reputation, attract customers, and increase financial performance. Regulators can encourage businesses to adopt such strategies by offering incentives or enacting legislation that supports ethical business practices. Third, the report emphasizes the necessity for companies to reduce liquidity risk in order to boost profitability and financial performance. Regulators can encourage businesses to implement risk management techniques to mitigate the impact of liquidity risk on their financial performance. Overall, the research presents useful insights into the factors influencing the profitability, performance, and sustainability of Indonesian manufacturing companies, as well as recommendations for companies and policymakers to enhance their financial performance and sustainability.

Reference

Aifuwa, H. O. (2020). Sustainability reporting and firm performance in developing climes; A review of literature. Copernican Journal of Finance & Accounting, 9(1), 9-29.

Altaf, N., & Shah, F. (2017). Working capital management, firm perfomance and financial constraints: Empirical evidence from India. Asia-Pacific Journal of Business Administration.

Anwar, M., & Asyik, N. F. (2021). Pengaruh Profitabilitas, Leverage, Dan Ulairan Perusahaan Terhadap Reaksi Pasar. Jurnal Ilmu Dan Riset Akuntansi (JIRA), 10(9).

Arif Putranto, F., & Setyawan, A. A. (2016). Analisis Pengaruh Corporate Social Responsibility (CSR) Terhadap Nilai Perusahaan (Shull Empiris Pada Perusahaan Tambang yang Terdaftar di Bursa Efek Indonesia Tahun 2013). Universitas Muhammadiyah Surakarta.

Boisjoly, R. P.. Conine Jr. T. E., & McDonald IV. M. B. (2020). Working capital management. Financial and valuation impacts, Journal of Business Research, 108, 1-8.

Carroll, A. B. (2015). Corporate social responsibility. Organizational D 1/(2) 87-96

Chen, R., & Wong, K. A. (2004). The determinants of financial health of An insurance companies. Journal of Risk and Insurance, 71(3), 469-499.

Cuervo-Cazura, A. & Dau, L. A. (2009), Promarket reforms and firm profitability in developing countries. Academy of Management Journal, 52(6), 1348-1368)

Deloof. M. (2003). Does working capital management affect profitability of Belgian firms? Journal of Business Finance & Accounting, 300-4), 573–588.

Dewi, N. L. P. A., Endiana, 1. D. M., & Arizona, I. P. E. (2019). Penganih ratio likuiditas, rasio leverage dan rasio profitabilitas terhadap financial distress pada perusahaan manufaktar, Kumpulan Hasil Riset Mahasiswa Akuntansi (KHARISMA), J(1).

Detama, G. R., & Laily, N. (2021). Pengaruh Profitabilitas, Likuiditas, dan Leverage Terhadap Nilai Perusahaan (Pada Perusahaan Farmasi yang Terdaftar di BEI). Jurnal Ilmu Dan Riset Manajemen (JIRM), 10(1).

El Sintarini, R. & Djawoto, D. (2018), Pengaruh Profitabilitas, Likuiditas, Solvabilitas, dan Aktivitas Terhadap Nilai Perusahaan Farmasi di BEI. Jurnal Ilmu Dan Riset Manajemen (JRM), 7(7).

Ezenyilimba, E., Ezejiofor, R. A., & Afodigbucokwu, H. E. (2019). Effect of total quality management on organizational performance of deposit money banks in Nigeria. International Journal of Business & Law Research, 7(3), 15-28.

Gorton, G. & Rosen, R. (1995), Corporate control, portfolio choice, and the decline of banking. The Journal of Finance, 30(5), 1377-1420.

Goyal, P., Rahman, Z., & Kazmi, A. A. (2013), Corporate sustainability performance and firm performance research: Literature review and future research agenda Management Decision, 51(2), 361-379.

Hidayat, K., & Akhrad, S. (2015) Effects of envimental factors on corporate strategy and perfomance of manufacturing industries in Indonesia Journal of Indhuarial Engineering and MHEM) 803).763-782

Hur, S.K. Chang, C. Y, & Liu, C. (2018). Is liquidity risk priced? Theory and evidence. Sustainability. 1016). 1879.

Jeon, C., Mun, S., & Han, S. H. (2022), Firm-level political risk, liquidity management, and managerial attributes. International Revieve of Financial Analysis, 83, 102285

Keasey, K., Thompson, S., & Wright, M. (1997). Corporate governance Economic and financial issues, OUP Oxford.

Khan, S. Z., Yang, Q., & Waheed, A. (2019), Investment in intangible resources and capabilities spurssustainable competitive advantage and finu performance. Cop Social Responsibilay and Environmental Management, 26(2), 285-295.

Khattak, A., & Yousaf, Z. (2022). Digital social responsibility towards corte social responsibility and strategic performance of hi-tech SMEs customer engagement as a mediator, Sustainability, 14(1), 131

Kostini, N., & Marlinsari, F. (2017). The impact of working capital management toward profitability on food and beverage companies listed in Indonesia Stock Exchange. Review of Integrative Business and Economies Research, 6(2),350,

Kung, K. M., & Soepriyanto, G. (2020). To Relocate Or Not To Relocate? A Case Study of a Korean-Garment Manufacturing Company In Indonesia. PalArch's Journal of Archaeology of Expt/Egyptology. 17(7), 2743-2754.

Kurniawan, Maulas, A., & Iskandar, Y. (3023). The liffect of Technology Adaptation and Government Financial Support on Sustainable Performance of MSMEs during the COVID-19 Pandemic. Cogear Business & Management. 1001), 2177400.

Kusuma. H., & Dhiyaullatief Bachtiar, A. (2018). Working capital management and corporate performance: Evidence from Indonesia. Central European Management Journal, 262), 76-88

Lazaridis, L., & Tryfonidis, D. (2006), Relationship between working capital management and profitability of listed companies in the Athens stock exchange. Journal of Financial Management and Analis 19(1)

Lestari, R., Cahyono, K. E. (2020). PENGARUH PROFITABILITAS LIKUIDITAS DAN SOLVABILITAS TERHADAP RETURN SAHAM (STUDI PADA PERUSAHAAN CONSUMER GOODS DI BEI). Jurnal Ilmu dan Riset Manajemen, 9(3).

Li, M., Wang, Y., & Mobley, W. H. (2011), Introduction-passion, compassion and complexity in global leadership research and practice. In Advances in global leadership, Emerald Group Publishing

Limited. Lubis, I. L Sinaga, B. M., & Sasongko, H. (2017). Pengaruh proficabilitas, stuktur modal, dan likuiditas terhadap nilai perusahaan. Jurnal Aplikasi Bisnis Dan Manajemen (JABM), 3(3),458.

Luthfiana, A. (2019). Pengaruh Solvabilitas, Profitabilitas, Dan Likuiditas Terhadap Nilai Perusahaan (Studi Empiris Pada Perusahaan Properti Dan Real Estate Yang Terdaftar Di Bursa Efek Indonesia Periode 2014-2017). Jurnal Profita: Kajian Ilmu Akuntansi, 7(6).

Mathuva, D. (2015). The Influence of working capital management components on corporate profitability. Research Journal of Business Management, 4(1), 1-11.

McWilliams, A., & Siegel, D. (2001). Profit maximizing corporate social responsibility. Academy of Management Review, 26(4), 504-505,

Nirino, N.. Miglietta, N., & Salvi, A. (2020). The impact of corporate social responsibility on firms financial performance, evidence from the food and beverage industry. British Fool Journal, 122(1), 1-13.

Novitasari, M., Alshebami, A. S., & Sudrajat, M. A. (20121). The role of green supply chain management in predicting Indonesian firms performance: Competitive advantage and board size influence. Indonesian Journal of Sustainability Accounting and Management, 5(1), 137-149,

Nurwulandari, A. (2021). Effect of liquidity, profitability, firm size on firm value with capital structure as intervening variable. ATESTASI: Jurnal Ilmiah Akuntansi, 4(2), 257-271.

Ogundipe, S. E., Idows, A., & Ogundipe, L. O. (2012). Working capital management, firma" performance and market valuation in Nigeria. World Academy of Science, Engineering and Technology, 67(1). 1196-1200

Oikonomou, L. Brooks, C. & Pavelin, S. (2014). The effects of corporate social performance on the co of corporate debt and credit ratings. Financial Review, 49(1):49-75.

Orlitzky, M., Schen, F. L., & Rynes, S. L. (2003). Corporate social and financial performance. A meta- analysis Organization Studies, 24(3), 403-441.

Orlitzky, M. Siegel, D. S. & Waldman, D. A. (2011). Sintegic corporate social responsibility and environmental sustainability, Business & Society, 50(1), 6-27.

Pant, D. R., & Plansoongnem, O. (2017). Impact of corporate social responsibility on sustainable competitive advantage: A case study of leading noodle companies in Nepal. International Journal of Social Sciences and Management, 4(4), 275-283.

Purwanto, E., & Purwanto, A. D. B. (2020). An investigative study on sustainable competitive advantage of manufacture companies in Indonesia, Business: Theory and Practice, 21(2), 633-642

Patri, M. M.. Firmansyah, A., & Labadia, D. (2020). Corporate social responsibility disclosure, good corporate governance, firm value: evidence from Indonesia's food and beverage companies. The Accounting Journal of Binaniaga, 5(2), 113-122

Rinawiyanti, E. D., Xueli, H., & As-Saber, S. N. (2023). Integrating corporate social responsibility into business functions and its impact on company performance: evidence from the Indonesian manufacturing industry. Social Responsibility Journal, 19(7), 1233-1262.

Riyadi, S., & Muniru, M. (2022). The external environment dynamics analysis towards competitive advantage and company performance: the case of manufacture industry in Indonesia. Internasional Journal of Productivity and Quality Management, 35(2), 143-156.

Rizqia, D. A., & Sumiati, S. A. (2013). Effect of managerial ownership, financial leverage, profitability, firm size, and investment opportunity on dividend policy and firm value. Research Journal of Finance and Accounting, 4(11), 120-130.

Ronald, S... Ng. S., & Daromes, F. E. (2019). Corporate social responsibility as economic mechanism for creating firm value. Indonesian Journal of Sustainability Accounting and Management, 3(1), 22-36.

Sardana, D., Gupta, N. Kumar, V., & Terziovski, M. (2020). CSR sustainability practices and firm performance in an emerging economy. Journal of Cleaner Production. 258. 120766, Schrettle, S., Hinz, A., Scherer-Rathje, M., & Friedli, T. (2014). Turning sustainability into action: Explaining firms' sustainability efforts and their impact on firm performance. Iternational Journal of Production Economics. 147,73-84,

Sukirno, R. & Murni, S. (2023). PENGARUH PROFITABILITAS, LEVERAGE DAN RISIKO GEOPOLITIK TERHADAP NILAI PERUSAHAAN PADA SUBSEKTOR COAL MINING DI BURSA EFEK INDONESIA PERIODE 2016-2020. Jurnal EMBA Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi. 1(1), 225-235

Supriandi, S., & Iskandar, Y. (2021). ANALISIS NILAI PERUSAHAAN PADA PERUSAHAAN MANUFAKTUR (Studi Nilai Perusahaan pada 10 Perusahaan Manufaktur BEI). Referensi: Jurnal limu Manajemen Dan Akuntansi, 9(1), 23-30.

Turker, D., & Altuntas, C. (2014). Sustainable supply chain management in the fast fashion industry: An analysis of corporate reports. European Management Journal, 32(5), 837-849.

Wahyudi, S. T., & Jantan, M. D. (2010). Regional patterns of manufacturing industries: a study of manufacturing industries in Java region, Indonesia. Philippine Journal of Development, 37(1), 95- 115.

Wisse, B., van Eijbergen, R., Rietzschel, E. F., & Scheibe, S. (2018). Catering to the needs of an aging workforce: The role of employee age in the relationship between corporate social responsibility and employee satisfaction. Journal of Business Ethics, 147, 875-888.

Zhao, H., Jiao, Z., Wang, J., & Kumar, A. (2021). Corporate Social Responsibility and Firm Liquidity Risk: US Evidence. Sustainability, 13(22), 12894.