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The Influence Of The Implementation Of Green Accounting And Corporate Social Responsibility Based On Tri Hitakarana On Financial Performance

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Abstract—This study aims to test and analyze the effect of the implementation of green accounting and corporate social responsibility based on tri hita karana on financial performance in the hotel sector. This study was conducted in the hotel sector throughout Gianyar Regency with a research sample of 90 respondents taken using purposive sampling techniques. All data obtained from the questionnaire distribution were suitable for use, then analyzed using multiple linear regression, and hypothesis testing (t-test and f-test). The results of the study showed that the implementation of green accounting had a positive and significant effect on financial performance in the hotel sector throughout Gianyar Regency. Implementing green accounting in the company, it will be able to improve the company's financial performance, one of which is by including environmental raw material costs in the company's accounting reports. Corporate social responsibility based on tri hita karana has a positive and significant effect on financial performance in the hotel sector throughout Gianyar Regency. By implementing Corporate Social Responsibility based on Tri Hita Karana, the company will be able to gain the trust of the community around the company, so that the surrounding community can accept the existence of the company and prevent external conflicts with the surrounding community, which in the end can help the company to be accepted legally and not incur external costs that can affect the company's financial performance.

Keywords: corporate social responsibility; financial performance; green accounting; tri hita karana.



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Introduction

Good financial performance management is needed to determine the level of success of a company. Financial performance is an analysis carried out to see where a company has been running using the right financial implementation standards. A company's performance is a good picture of the company's financial condition which reflects performance during a certain period, Dewi and Biyantari (2020). Financial performance is described by profit as an indicator of measuring the company's success in financial terms. Financial performance is used by investors as a benchmark for making investment decisions, Ladyve and Mawardi (2020). One of the factors that can affect financial performance is green accounting. Green Accounting is the application of accounting, where companies also include costs for environmental conservation or the welfare of the surrounding environment, Zulhaimi (2015). According to Maryanti and Hariyono (2020), Green Accounting identifies the costs of environmental raw materials and activities and uses information to make environmental management decisions. Green Accounting can improve environmental performance, control costs, invest in environmentally friendly technologies, and promote environmentally friendly product processes, Putri et al. (2019). In addition to green accounting, corporate social responsibility can also affect financial performance. CSR is a concept of actions taken by a company as a form of responsibility towards the social or surrounding environment where the company is located, Larasati and Kustina (2020). Corporate Social Responsibility (CSR) according to The World Business Council for Sustainable Development is a commitment and cooperation between employees, local communities, and the community to contribute to sustainable economic development, Asih et al. (2019). According to Kholis (2020:3), CSR is a form of corporate responsibility towards its environment for social concern and environmental responsibility without ignoring the company's capabilities.

Thus, CSR encompasses corporate responsibility towards the economy, environment, and society as well as cooperation with employees and local communities. Corporate Social Responsibility is also adjusted to the culture and national conditions of a country. Corporate social responsibility (CSR) adopted by countries in Asia, including Indonesia, is more influenced by the tradition of valuing family, social networks, religion, and various cultures, Pertivi et al. (2022). One of the Indonesian cultures that can be used in CSR is the THK culture owned by the Balinese people. Tri Hita Karana is the Balinese Hindu community's idea of balance in life, including harmonious interactions between humans and God (*parhyangan*), between humans and humans (*pawongan*), and between humans and the environment (*abelian*). The implementation of Corporate Social Responsibility based on the cultural values of Tri Hita Karana can provide benefits to the company not only financially, but also socially, environmentally, and religiously, thus ensuring the sustainability of the company in the future, Dewi and Biyantari (2020).

Environmental damage in Gianyar has become a serious problem, due to the large amount of land conversion to build hotels or villas. This damage was also conveyed by Bali DPRD Member I Wayan Tagel Arjana, stating that the construction of hotels and villas directly facing the Ayung River can damage the ecosystem. A study by Ganesha University of Education as quoted by Medcom. Id (2022) shows that hotel waste disposal has polluted the Ayung River environment, making the area unhealthy and uncomfortable due to the impact of contamination from waste that is disposed of carelessly, Dhae (2022). The rapid tourism business on the Island of the Gods has had a significant impact on environmental protection. Many rice fields that contribute to food security in Bali and throughout Indonesia have been converted into hotels, villas, luxury resorts, restaurants, cafes, and entertainment facilities. As a result, issue after issue has begun to lurk on the Island of the Gods, including the eviction of local people from their homes for immigrants (*gentrification*), piles of garbage, and various cultures and customs that have become extinct or are no longer practiced by the community.

From these various problems, there is a desire, especially from Balinese tourism actors, to restore "balance" on the Island of the Gods. The steps taken are in line with the philosophy of life

of the Balinese people, namely Tri Hita Karana. For example, in the Nusa Dua area, ITDC, which is a hotel area, is committed to continuing to implement the Balinese Tri Hita Karana philosophy in managing the area. Still based on Anatar Bali (2023), according to the General Manager of The Nusa Dua I Gusti Ngurah Ardita, tourism can also go hand in hand with the lives of the Balinese people who are rooted in the Tri Hita Karana philosophy. In the Nusa Dua area, there is a master plan that applies a building layout by the Balinese Tri Hita Karana concept, namely Palemahan, Pawongan, and Parahyangan. The Tri Hita Karana philosophy in the hotel business can help to preserve nature and foster harmonious relationships between hotels and the community and tourists who come, as well as respect and establish harmonious relationships with God, Yusuf & Tenri (2023). Based on the issues of phenomena and the results of several previous studies regarding the implementation of Green Accounting and Corporate Social Responsibility based on Tri Hita Karana on Financial Performance, the researcher is interested in conducting further research with the title "The Effect of Implementation of Green Accounting and Corporate Social Responsibility Based on Tri Hita Karana on Financial Performance in the Hospitality Sector throughout Gianyar Regency".

Method

This research was conducted in the Hospitality Sector in Gianyar Regency. The object of research in this study is green accounting and corporate social responsibility based on tri hita karana on financial performance in the hospitality sector in Gianyar Regency. The population in this study was 90 respondents, who worked in the hospitality sector throughout Gianyar Regency, BPS (2023). This study used a sampling technique called the Purposive Sampling technique. The independent variables in this study are Green Accounting (X1) and Corporate Social Responsibility based on Tri Hita Karana (X2) while the dependent variable is Financial Performance (Y). The types of data in this study are qualitative and quantitative data types and the data sources in this study are primary data. The data collection method in this study uses a questionnaire distribution method. There are four data analysis techniques used in this study which can be classified as follows: Descriptive Statistical Test, Classical Assumption Test, Multiple Linear Regression Analysis, and Hypothesis Testing.

Result and Discussion

Based on the table above, the multiple linear regression formula for this research variable is presented as follows:

$$Y = 18.480 + 0.273X_1 + 0.265X_2 + e$$

Based on various parameters for the application of green accounting and corporate social responsibility based on Tri Hita Karana, the following interpretation can be given:

The regression coefficient of Green Accounting Implementation (X1)

The regression coefficient value of the application of green accounting (X1) of 0.273 means that there is a positive relationship between the application of green accounting and financial performance in the hotel sector throughout Gianyar Regency. In other words, the application of green accounting is directly proportional to the financial performance of the hotel sector throughout Gianyar Regency. This shows that if the application of green accounting increases or is good, then the financial performance of the hotel sector throughout Gianyar Regency will increase, and vice versa.

Corporate Social Responsibility Regression Coefficient Based on Tri Hita Karana (X2)

The regression coefficient value of corporate social responsibility based on Tri Hita Karana (X2) of 0.265 means that there is a positive relationship between corporate social responsibility

based on Tri Hita Karana and financial performance in the hotel sector throughout Gianyar Regency. In other words, it means that corporate social responsibility based on Tri Hita Karana is directly proportional to financial performance in the hotel sector throughout Gianyar Regency. This shows that if corporate social responsibility based on Tri Hita Karana increases or is good,

Table 1. Multiple Linear Regression Analysis Results

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
(Constant)	18,480	4.403		4.197	0.000
Implementation green accounting	0.227	0.085	0.273	2,676	0.009
Corporate social responsibility	0.176	0.068	0.265	2.603	0.011
R					0.838
R Square					0.792
Adjusted R Square					0.774
F Statistics					10,351
Significance of F Test					0,000

then the financial performance of the hotel sector throughout Gianyar Regency will increase, and vice versa.

Based on the results of data analysis that has been carried out on the independent variables, namely the application of green accounting and corporate social responsibility based on Tri Hita Karana on financial performance in the hotel sector throughout Gianyar Regency, the following research results were obtained:

Green Accounting Implementation on Financial Performance in the Hospitality Sector in Gianyar Regency.

Based on the test results, it is known that the significance value of the t-test is 0.009, which is less than the alpha value of 0.05 with a regression coefficient of 0.273. This indicates that the independent variable, namely the implementation of green accounting, has a positive and significant effect on financial performance. Financial performance in the hotel sector throughout Gianyar Regency. The first hypothesis (H1) which states that the implementation of green accounting has a positive and significant effect on financial performance in the hotel sector throughout Gianyar Regency can be accepted. This explains that if the implementation of green accounting increases or is good, it can improve financial performance in the hotel sector throughout Gianyar Regency. Conversely, if there is a decrease in the implementation of green accounting, it will have an impact on decreasing financial performance in the hotel sector throughout Gianyar Regency. This is supported by previous research conducted by Widiatmoko (2022), and Yulianingsih & Wahyuni (2023) which states that the implementation of green accounting has a positive effect on financial performance. However, the results of this study are not in line with the research conducted by Eka & Razak (2023) which stated that green accounting does not affect financial performance.

The Influence of Corporate Social Responsibility Based on Tri Hita Karana on Financial Performance in the Hospitality Sector in Gianyar Regency.

Based on the test results, it is known that the significance value of the t-test is 0.011, which is less than the alpha value of 0.05 with a regression coefficient of 0.265. This indicates that the independent variable, namely corporate social responsibility based on Tri Hita Karana has a positive and significant effect on financial performance in the hotel sector throughout Gianyar Regency. The second hypothesis (H2) which states that corporate social responsibility based on Tri Hita Karana has a positive and significant effect on financial performance in the hotel sector throughout Gianyar Regency is accepted. This explains that if corporate social responsibility based on Tri Hita Karana has been implemented properly, then the financial performance of the hotel sector throughout Gianyar Regency will also increase for the better, and vice versa. These results

are supported by previous studies conducted by Kustina & Arisanti (2022) and Nadiawati & Budiasih (2021) which state that corporate social responsibility based on Tri Hita Karana has a positive effect on financial performance. The company implements Corporate Social Responsibility based on Tri Hita Karana, showing that the company is trying to be accepted by its environment by the limitations, values, and norms of Balinese society. By implementing Corporate Social Responsibility based on Tri Hita Karana, it is expected to be able to attract the trust of the community around the company, so that the surrounding community can accept the existence of the company and prevent external conflicts with the surrounding community.

Conclusion

The data obtained based on the results of the questionnaire filled out by the respondents and analyzed using a multiple linear regression analysis models, the following conclusions can be drawn: The implementation of green accounting has a positive and significant impact on financial performance in the hotel sector throughout Gianyar Regency. The implementation of corporate social responsibility based on Tri Hita Karana has a positive and significant impact on financial performance in the hotel sector throughout Gianyar Regency.

Based on the description of the conclusions above, the suggestions that can be conveyed regarding understanding financial performance in the hotel sector throughout Gianyar Regency are as follows: Based on the questionnaire distributed related to green accounting, namely "In my workplace, there is a special area for processing toxic waste produced by the hotel" which showed a result of 4.20, this is the basis for researchers to provide suggestions related to efforts to improve the implementation of green accounting. Hotel management can pay attention to the creation of a special area for processing toxic waste and cooperate with third parties to help manage B3 waste so that it is not disposed of carelessly into the environment. Based on the questionnaire distributed regarding corporate social responsibility based on tri hita karana, namely "In my workplace, there is an environmental rescue and preservation program" which showed a result of 3.40, this is the basis for researchers to provide suggestions related to efforts in environmental rescue and preservation programs by planting plants that can be useful for hotels such as medicinal plants that can be introduced to tourists and also become environmental preservation around the hotel. Based on the results of the determination coefficient of 0.774 or 77.4%, further researchers should add other variables such as environmental performance, good corporate governance, company size, and environmental costs to see their effects on financial performance. In addition, further researchers need to expand the research area.

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