ABSTRACT

This research aims to examine the influence of corporate social responsibility and financial distress on earnings management and the role of family ownership as moderating variables. In this research, corporate social responsibility is proxied by the ESG disclosure score, financial distress by the Altman Z-score, earnings management by discretionary accruals, and family ownership by dummy variables. The population in this study was all non-financial companies listed on the Indonesia Stock Exchange (BEI) for the period 2018 to 2022. The sample selection method used purposive sampling. The total number of companies used was 33 companies or 165 samples. Data analysis was carried out using Partial Least Square (PLS) with the help of the SmartPLS application. The results of this research state that corporate social and environmental responsibility has no effect on earnings management. Family ownership does not moderate the influence of corporate social and environmental responsibility on earnings management. Financial distress has a positive and significant effect on earnings management. Furthermore, family ownership does not moderate the relationship between financial distress and earnings management.

Keywords: Corporate social responsibility, financial distress, earnings management, family ownership