

ABSTRACT

Financial performance is an analysis conducted to assess the level of success of a company during its operational activities related to profits. The magnitude of the profits achieved by the company is important for management to evaluate the performance attained and to formulate future company plans. Environmental performance can be influenced by several factors, namely Corporate Environmental Responsibility (CER) and organizational slack.

There are two objectives of this research. First, this study aims to determine how the influence of Corporate Environmental Responsibility (CER) and organizational slack affects the financial performance of companies, both simultaneously and partially. Second, this study aims to determine the role of the slack organisasi variable in moderating the influence of Corporate Environmental Responsibility (CER) on financial performance in the property and real estate sector companies listed on the Indonesia Stock Exchange in the years 2019-2021.

The method used in this research is panel data analysis and moderation regression analysis. This research was conducted using Eviews 12. The sample selection in this study used purposive sampling technique. Based on the three predetermined sample criteria, 63 observational data were obtained from 21 companies. However, during the study, eight outlier data were found, so these data had to be excluded from the sample, resulting in a final 55 observational data in this study.

Based on the tests conducted, the research results show that simultaneously, Corporate Environmental Responsibility and slack organisasi have an influence on financial performance. Partially, Corporate Environmental Responsibility has a positive effect on financial performance, as does organizational slack, which also has a positive effect on financial performance. organizational slack is able to moderate the relationship between Corporate Environmental Responsibility and company financial performance.

Based on the research results, it is recommended that this study can provide additional information for future researchers who will study the influence of financial performance, Corporate Environmental Responsibility (CER), and organizational slack. Future researchers can use other indicators to measure company performance, such as using Return on Equity (ROE) as a proxy for company financial performance. As for companies, it is hoped that this study can serve as a consideration for compliance with maintaining company financial performance.

Keywords: *Financial Performance, Corporate Environmental Responsibility, Organizational Slack*