CHAPTER V
CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

5.1.1 The Effect Of Green Accounting On The Return On Assets Of The Listed Mining Companies

The first question of this research is as follows "What is the effect of Green Accounting on Return on Assets?". Based on this research question, Hypothesis 1 (H_1) is formed to determine the effect of green accounting on the return on assets of the companies. After conducting the analysis, the research findings show that the first hypothesis is accepted and green accounting has a positive significantly effect the return on assets. There is similar results conducted by Budiono & Dura (2022) show that green accounting has a significant impact on return on assets of the company, meaning that green accounting has a positive impact on increasing company profits. Also supported findings by Putri et.al (2019), there is a significant influence between green accounting and profitability which measured by return on assets.

5.1.2 The Effect Of Green Accounting On The Return On Equity Of The Listed Mining Companies

The second question of this research is as follows "What is the effect of Green Accounting on Return on Equity?". Based on this research question, Hypothesis 2 (H_2) is formed to determine the effect of green accounting on the return on equity of the companies. After conducting the analysis, the research findings show that the first hypothesis is rejected and green accounting has a no significantly effect the return on equity. Researchers suspect this is due to the imposition of environmental costs will also reduce the capital owned by the company, because it is a burden that must be financed by the company in order for companies to prioritize their production processes in order to increase profits, and the company is still voluntary to disclose costs related to green accounting. Also implementing green accounting requires several lengthy processes and also costs a lot of money for the company.

5.2 Recommendations

Companies must establish green industrial concepts and green corporations in order to achieve sustainable development and tackle the ecological and social crises of today. As a result, accounting is prepared to internalize numerous externalities caused by industrial processes. As a result, the notion of green accounting emerges. Furthermore, green accounting will take into account the economic and non-economic worth of items, as well as integrated economic or financial, social, and environmental transactions, and will account for such information holistically.

This study contributes to a guideline for investors to examine the company's business sustainability while investing. In its corporate sustainability report, a good corporation exposes all financial, social, and environmental facts. This demonstrates that the corporation sends messages to specific investors. Furthermore, the practical implication of this research is that the government must establish clear and transparent standards governing the practice of green accounting for businesses. It is especially relevant for natural resource-based businesses such as mining and energy.