

Understanding How Green Intellectual Capital Influences Earnings Management: Insights from a Qualitative Study

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Abstract *This qualitative study explores the influence of Green Intellectual Capital (GIC) on earnings management practices in Indonesian manufacturing firms. With increasing environmental concerns and corporate sustainability commitments, this research investigates how components of GIC, including green human capital, green structural capital, and green relational capital, contribute to ethical financial reporting. Semi-structured interviews were conducted with senior managers, financial officers, and sustainability officers in five listed manufacturing companies, involving a total of 15 participants. Each interview lasted between 60–90 minutes and was audio-recorded, transcribed, and analyzed using thematic coding to identify recurring patterns and divergent perspectives. The results reveal that strong GIC can act as an internal control mechanism, reducing the tendency toward earnings management by fostering environmental accountability and long-term strategic thinking. However, the study is limited by its relatively small sample size and reliance on self-reported data, which may not fully capture broader industry practices. These findings highlight the significance of embedding green values into intellectual resources to promote financial transparency while offering a foundation for future research with larger and more diverse samples.*

Keywords: *Environmental Ethics, Earnings Management, Sustainability, Qualitative Study, Green Human Capital*

Abstrak Penelitian kualitatif ini mengeksplorasi pengaruh Green Intellectual Capital (GIC) terhadap praktik manajemen laba pada perusahaan manufaktur di Indonesia. Dengan meningkatnya perhatian terhadap isu lingkungan dan komitmen keberlanjutan korporasi, penelitian ini menelaah bagaimana komponen GIC, meliputi green human capital, green structural capital, dan green relational capital, berkontribusi pada pelaporan keuangan yang etis. Wawancara semi-terstruktur dilakukan dengan manajer senior, pejabat keuangan, dan pejabat keberlanjutan pada lima perusahaan manufaktur terbuka, melibatkan total 15 partisipan. Setiap wawancara berlangsung antara 60–90 menit, direkam, ditranskrip, dan dianalisis menggunakan teknik thematic coding untuk mengidentifikasi pola berulang serta perspektif yang berbeda. Hasil penelitian menunjukkan bahwa GIC yang kuat dapat berfungsi sebagai mekanisme pengendalian internal yang menurunkan kecenderungan manajemen laba dengan mendorong akuntabilitas lingkungan dan pemikiran strategis jangka panjang. Namun, penelitian ini memiliki keterbatasan berupa ukuran sampel yang relatif kecil dan ketergantungan pada data yang dilaporkan oleh partisipan, sehingga belum sepenuhnya mencerminkan praktik di industri secara lebih luas. Temuan ini menegaskan pentingnya mengintegrasikan nilai-nilai hijau ke dalam sumber daya intelektual untuk mendorong transparansi keuangan sekaligus memberikan landasan bagi penelitian selanjutnya dengan cakupan sampel yang lebih besar dan beragam.

Kata Kunci: *Environmental Ethics, Manajemen Laba, Keberlanjutan, Studi Kualitatif, Green Human Capital*

INTRODUCTION

In today's fast-evolving and sustainability-conscious world, businesses face more than just the pressure to deliver profits; they are also expected to act responsibly toward the environment and society. Stakeholders, from investors to regulators and the

wider public, are increasingly demanding openness and accountability in how companies approach sustainability (Yusliza et al., 2020). In this context, the concept of Green Intellectual Capital (GIC) has gained growing attention. GIC refers to the environmental knowledge, systems, and relationships

a company builds to manage its impact on the planet (Chen, 2008). As sustainability becomes a core part of business strategy, GIC plays a crucial role in sparking innovation, boosting corporate image, and earning long-term stakeholder trust (Sofyani et al., 2020).

At the same time, earnings management the manipulation of financial results to meet certain targets—remains a persistent issue in corporate governance. Such practices can undermine the credibility of financial reports, mislead investors, and harm overall market integrity (Almahrog et al., 2020). These challenges are even more pronounced in developing economies, where regulatory oversight may be weaker and transparency norms still evolving (Orazalin & Mahmood, 2021). While much of the existing research on earnings management has centered on financial or governance-related factors (Amin et al., 2022; Putri & Puspitasari, 2021), there is growing curiosity around whether intangible, non-financial assets like GIC can help discourage such behavior. Companies that invest in green capabilities tend to build stronger ethics, better systems, and closer relationships with stakeholders all of which could reduce the temptation or opportunity to manipulate earnings (Yusoff et al., 2023).

Furthermore, when sustainability values are deeply embedded in a company's culture, they often shape decision-making across all levels. A firm with committed and environmentally aware employees (green human capital) is more likely to prioritize long-term value creation rather than short-term financial engineering (Su & Tang, 2022). Similarly, companies with strong external relationships (green relational capital) may experience greater pressure to maintain transparency and avoid practices that could damage their credibility with partners and investors.

Despite these insights, the influence of GIC on earnings management has not been sufficiently explored, particularly in emerging markets like Indonesia, where sustainability awareness is rising and reporting standards are still evolving. The lack of empirical evidence leaves a gap in understanding whether and how GIC can serve as a mechanism to reduce opportunistic financial practices.

This study aims to examine how Green Intellectual Capital through its dimensions of green human capital, green structural capital, and green relational capital shapes earnings management practices in Indonesian manufacturing firms. By adopting a qualitative approach, the research seeks to provide nuanced insights into the ways GIC may act as an internal control mechanism that fosters ethical financial behavior and enhances corporate accountability.

LITERATURE REVIEW

Earnings management refers to the manipulation of financial reports to achieve certain financial outcomes. Such practices can mislead stakeholders and undermine financial integrity (Healy & Wahlen,

1999). Prior research has focused on financial indicators and governance mechanisms to explain earnings management (Puspitasari & Wahyuni, 2022), but few have examined intangible factors like GIC.

The concept of Green Intellectual Capital (GIC) has emerged as a critical extension of intellectual capital theory in the context of sustainable development and environmental management. GIC refers to the integration of environmental knowledge, capabilities, and resources within the organizational intellectual capital framework, encompassing green human capital, green structural capital, and green relational capital (Chen, 2008; Yusliza et al., 2020). As environmental concerns become increasingly central to corporate strategy, GIC has gained prominence in supporting firms to adopt sustainable practices and improve non-financial performance metrics. However, its potential implications for financial reporting behavior, particularly earnings management (EM), remain underexplored. This literature review examines recent developments in GIC and its intersection with EM, emphasizing the necessity of qualitative exploration to understand underlying mechanisms.

The strategic implementation of GIC within organizations is often linked with broader sustainability and environmental, social, and governance (ESG) frameworks. Recent studies have indicated that firms leveraging GIC tend to achieve improved environmental performance, stakeholder engagement, and long-term value creation (Nguyen & Tran, 2021; Malik et al., 2020). Green human capital, which includes the environmental awareness, skills, and competencies of employees, plays a pivotal role in embedding sustainability into organizational culture and decision-making. Concurrently, green structural capital referring to internal processes, databases, and routines that support environmental innovation and green relational capital, which denotes relationships with eco-conscious stakeholders, create a synergistic impact on corporate sustainability performance (Ullah et al., 2021).

Despite the apparent alignment of GIC with ethical and transparent business practices, questions arise regarding its relationship with EM. EM is broadly defined as the manipulation of financial reporting to either mislead stakeholders or influence contractual outcomes (Healy & Wahlen, 1999). Recent literature categorizes EM into accrual-based and real earnings management, both of which can distort the true economic performance of firms (Enomoto et al., 2018). While traditionally associated with opportunistic managerial behavior, EM can also be driven by incentives to signal long-term stability, meet benchmarks, or respond to external pressures. In environmentally sensitive industries, where scrutiny from regulators, investors, and consumers is intensifying, the interplay between sustainability-oriented initiatives and EM deserves closer examination.

Some studies suggest that firms investing heavily in green initiatives might face financial strain in the short term due to the costs associated with environmental innovation and compliance (Laskar & Maji, 2021). As a result, managers may resort to EM to maintain the appearance of profitability and stability. This paradox raises the possibility that firms with high GIC may simultaneously engage in EM practices to balance the competing demands of environmental stewardship and financial performance. However, empirical evidence remains mixed. For instance, research by Huang and Kung (2021) finds that environmentally responsible firms exhibit lower levels of EM, attributing this to enhanced transparency and stakeholder trust. Conversely, other studies argue that sustainability disclosures and green branding can be strategically used to deflect attention from aggressive EM practices (Yu & Zhao, 2020).

Qualitative research has been increasingly advocated to unpack these complex dynamics, as it allows for the exploration of motivations, perceptions, and organizational processes that quantitative metrics may overlook (Vaara & Lamberg, 2016). In the context of GIC and EM, qualitative inquiry can reveal how environmental values are translated into corporate practices and how managerial discretion plays a role in financial reporting decisions. Recent case studies and interviews conducted in sustainability-focused firms show that the integration of green values into intellectual capital development is influenced by leadership style, organizational culture, and stakeholder expectations (Mura et al., 2021; Simnett & Huggins, 2018). These factors, in turn, shape how firms balance environmental commitments with the pressure to deliver favorable financial outcomes.

Furthermore, the institutional and regulatory context plays a significant role in shaping both GIC development and EM behavior. In emerging economies, including Indonesia, institutional voids and weak enforcement mechanisms may enable greater managerial discretion in reporting practices (Setiawan et al., 2022). At the same time, increasing awareness of environmental issues and the adoption of green policies may encourage firms to invest in GIC. However, the pressure to comply with sustainability regulations without compromising financial targets may inadvertently incentivize EM. As such, the relationship between GIC and EM is likely to be context-dependent, requiring nuanced understanding that considers cultural, regulatory, and economic factors.

From a theoretical perspective, legitimacy theory and stakeholder theory offer useful lenses to interpret the intersection of GIC and EM. Legitimacy theory posits that organizations seek to align their activities with societal expectations to maintain legitimacy and access to resources (Suchman, 1995). Firms may adopt GIC practices to demonstrate environmental

responsibility, thereby gaining legitimacy in the eyes of stakeholders. However, in the absence of robust monitoring, such symbolic actions may be accompanied by EM to project a favorable image. Stakeholder theory, on the other hand, emphasizes the need to balance the interests of various stakeholder groups, including investors, customers, regulators, and communities (Freeman, 1984). The pursuit of green initiatives may serve as a strategic response to stakeholder demands, but if not matched by authentic performance, it may lead to ethical dilemmas and manipulative practices such as EM.

Overall, the literature reveals a growing interest in understanding how sustainability-related intellectual assets influence corporate behavior beyond environmental performance. The relationship between GIC and EM is particularly complex and multifaceted. While GIC is theoretically aligned with transparency, accountability, and long-term thinking, its implementation may generate tensions with short-term financial imperatives, potentially leading to EM. Moreover, the lack of standardized metrics for measuring GIC adds to the challenge of assessing its impact on financial practices.

Given these complexities, a qualitative approach is well-suited to explore the impact of GIC on EM. By examining real-world experiences, organizational narratives, and managerial perspectives, qualitative research can illuminate the pathways through which green intellectual assets shape, constrain, or justify earnings management behaviors. This line of inquiry is particularly relevant in emerging markets, where institutional dynamics and environmental pressures are in flux. Understanding how GIC influences EM can contribute to both theoretical development and practical insights for policy makers, corporate leaders, and investors seeking to align sustainability goals with financial integrity.

METHOD

This study employs a qualitative approach using semi-structured interviews with professionals from five Indonesian manufacturing firms listed on the Indonesia Stock Exchange (IDX). Participants were selected through purposive sampling to ensure relevance, targeting managers and officers with direct experience in sustainability practices and financial reporting. A total of 15 respondents were interviewed, a number deemed sufficient to capture thematic saturation while maintaining depth of analysis. Data collection took place between 2018 and 2024, with each interview lasting approximately 60–90 minutes. An interview protocol was designed to guide the conversations, covering themes such as green human capital, structural systems, stakeholder relations, and perceptions of earnings management.

All interviews were audio-recorded with participant consent, transcribed verbatim, and coded manually using thematic analysis. The coding process followed Braun and Clarke's (2006) six-step

framework: (1) familiarization with the data, (2) generation of initial codes, (3) searching for themes, (4) reviewing themes, (5) defining and naming themes, and (6) producing the report. To strengthen the rigor of the findings, multiple validation strategies were employed, including triangulation of perspectives across different roles (senior managers, financial officers, and sustainability officers), inter-coder reliability checks between two independent researchers, and member checking by sharing summaries with participants to confirm accuracy. These measures enhance the credibility, dependability, and trustworthiness of the research findings.

Research Location

The research is conducted within the consumer goods manufacturing sector, focusing specifically on healthcare companies listed on the Indonesia Stock Exchange (IDX) from 2018 to 2024. This sector is selected due to its strategic role in supporting national health needs and its significant contribution to Indonesia's economic growth. By concentrating on publicly listed firms, the study ensures data reliability and comparability, while the chosen timeframe captures recent regulatory changes, market dynamics, and post-pandemic recovery trends. This scope allows for a comprehensive examination of financial performance, corporate strategies, and governance practices within a critical industry that directly affects public welfare and investor confidence.

Population and Sample

The population comprises seven manufacturing companies within the healthcare sector listed on the Indonesia Stock Exchange (IDX). To ensure the selection of relevant and information-rich cases, a purposive sampling technique is employed, targeting companies that provide comprehensive access to financial data and are willing to participate in in-depth interviews. This approach allows the study to capture detailed insights into managerial practices, strategic decision-making, and sector-specific challenges, thereby enhancing the validity and contextual depth of the research findings.

FINDINGS AND ANALYSIS

This study explores the impact of Green Intellectual Capital (GIC) on earnings management behavior through the lens of semi-structured interviews with senior managers, environmental officers, and financial executives across various firms operating in environmentally sensitive sectors. The interviews aimed to uncover how the components of GIC green human capital, green structural capital, and green relational capital influence ethical decision-making and financial reporting practices. The findings are categorized into four thematic areas that consistently emerged during interviews: Environmental Values as Ethical Anchors, Green

Training and Awareness, Stakeholder Pressure and Green Relational Capital, and Systems Integration.

Table 1. Theme of Research

Theme	Sub-Theme	Illustrative Quotes
Green Human Capital	Environmental awareness of employees	"Our staff are trained to consider sustainability in every financial decision we make."
Green Structural Capital	Sustainability-oriented internal policies	"The reporting system integrates both financial and environmental metrics."
Green Relational Capital	Stakeholder pressure for transparency	"Investors consistently ask about our green initiatives before reviewing our reports."
Earnings Management Control	GIC as an internal governance mechanism	"Embedding green values discourages any attempt to manipulate financial statements."

Sources: Data Internal

The coding process began with several initial codes that were subsequently grouped into categories and developed into overarching themes. For instance, codes such as "employee training" and "awareness campaign" were clustered under the category of Staff Sustainability Awareness, which then formed the theme of Green Human Capital. Similarly, codes like "integrated reporting system" and "green SOPs" were categorized as Environmental Governance Practices, leading to the theme of Green Structural Capital. In addition, "stakeholder pressure" and "investor trust" were classified under External Accountability Mechanisms, which evolved into the theme of Green Relational Capital. Finally, codes such as "reduced manipulation" and "ethical decision-making" were combined into the category of Governance Integrity, shaping the theme of Earnings Management Control.

Table 2. Coding Map

Initial Codes	Categories	Themes
“employee training”, “awareness campaign”	Staff Sustainability Awareness	Green Human Capital
integrated reporting system”, “green SOPs”	Environmental Governance Practices	Green Structural Capital
stakeholder pressure”, “investor trust”	External Accountability Mechanisms	Green Relational Capital
“reduced manipulation”, “ethical decision-making”	Governance Integrity	Earnings Management Control

Sources: Data Internal

Environmental Values as Ethical Anchors

Participants noted that a strong environmental culture discouraged manipulative practices. Green values embedded in company philosophy helped align employee behavior with long-term sustainability rather than short-term earnings goals. A prominent theme from the interviews was the role of environmental values in shaping corporate ethics. Participants consistently emphasized that a strong environmental culture served as a moral compass that discouraged earnings manipulation. Firms where environmental consciousness was deeply embedded into their philosophy demonstrated a stronger alignment between employee behavior and long-term sustainability goals, rather than short-term profit motives. Viewed through a holistic intellectual capital lens, these findings suggest that environmental culture is not only a component of human capital but also interwoven with structural systems and relational networks, forming a comprehensive framework that reinforces ethical conduct and strengthens financial integrity across the organization.

One financial controller remarked, “When sustainability is part of who we are not just a reporting requirement it affects everything, including how we handle our books.” This observation aligns with earlier findings by Sassen et al. (2022), who argue that corporate sustainability values foster an ethical climate that acts as a deterrent to opportunistic behavior. Green human capital, defined by employees’ environmental knowledge, values, and ethical disposition, plays a pivotal role in supporting ethical decision-making. As also noted by Ullah et al. (2021), when employees perceive environmental performance as integral to corporate success, they are less likely to engage in behaviors that compromise long-term ecological or reputational objectives for

immediate financial gain. From a holistic intellectual capital perspective, this illustrates that human capital cannot be separated from structural and relational capital; together they create an interconnected system in which sustainability-oriented values permeate organizational routines and stakeholder relationships, thereby reinforcing ethical financial practices and mitigating earnings management.

The influence of organizational culture on financial integrity is further supported by research from Chen and Liu (2021), who found that firms with a strong environmental mission embedded in their organizational identity exhibit lower tendencies toward financial misreporting. Thus, these findings validate the proposition that green values act as ethical anchors and influence the extent to which employees engage in earnings management practices. Viewed from a holistic perspective of intellectual capital, this suggests that organizational culture, when enriched by environmental values, interacts with human, structural, and relational dimensions to form an integrated system that not only drives sustainability but also strengthens financial integrity.

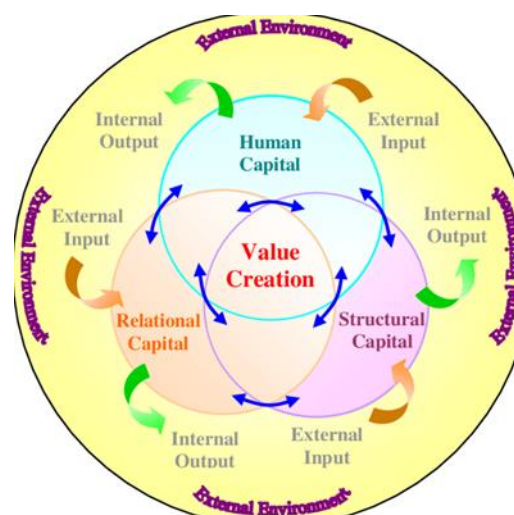


Figure 3. A holistic view of intellectual capital (IC) conceptual framework

Green Training and Awareness

Firms that invested in environmental training reported greater ethical awareness among staff, reducing the likelihood of aggressive earnings management. Another recurring theme was the impact of environmental training programs on ethical awareness and financial conduct. Interviewees from firms with structured green training initiatives highlighted that such efforts elevated staff consciousness about both environmental stewardship and corporate accountability. These training programs often include modules on sustainability, green accounting practices, and the ethical implications of reporting decisions.

A sustainability manager shared: “Our training doesn’t just teach environmental compliance. It builds

a mindset people begin to see how their daily actions, including financial decisions, connect to larger environmental outcomes.”

These insights mirror those of Yusliza et al. (2020), who emphasized the role of green human resource management in cultivating environmentally responsible behavior. Green HR practices including environmental training and employee engagement in sustainability can reinforce an ethical climate, which reduces the risk of aggressive financial practices.

Importantly, several respondents noted that environmental training fostered internal dialogues about ethics and performance, creating peer accountability. These narratives are supported by Nguyen and Phan (2022), who found that employee education on sustainability not only improves environmental outcomes but also contributes to ethical governance. By increasing awareness of the societal consequences of misleading financial practices, green training diminishes the perceived acceptability of earnings management, especially accrual-based manipulation.

These findings demonstrate that green human capital, when strategically developed through training and education, serves as a buffer against unethical reporting behavior.

Stakeholder Pressure and Green Relational Capital

Firms with strong ties to environmentally conscious stakeholders (e.g., investors, regulators) experienced external pressure to maintain transparent reporting. The role of stakeholders particularly environmentally conscious investors, regulators, and NGOs was identified as a critical factor influencing firms' financial behavior. Participants from firms with robust stakeholder engagement noted that their organizations faced heightened scrutiny, which discouraged earnings manipulation and promoted transparent reporting.

One CFO stated: “Our investors care deeply about ESG metrics. We know that any inconsistencies in financial or environmental reports will damage our credibility.”

This perspective is consistent with stakeholder theory, which posits that firms align their strategies and disclosures with stakeholder expectations to gain legitimacy and maintain trust (Freeman, 1984; Hussain et al., 2018). Green relational capital defined by the quality of a firm's relationships with environmental stakeholders was seen as a protective mechanism against opportunistic financial practices.

Supporting this, a recent study by Laskar and Maji (2021) indicates that firms with higher stakeholder engagement levels tend to produce more reliable ESG and financial reports. Furthermore, Malik et al. (2020) argue that firms in closer communication with green stakeholders often undergo reputational audits that indirectly regulate their financial conduct.

Several interviewees also reported that stakeholder expectations were not limited to public-facing disclosures but extended to internal reporting processes. For instance, regulatory agencies occasionally demanded verification of both environmental and financial data, thus creating a dual layer of accountability. This pressure disincentivized the use of accrual-based earnings manipulation and encouraged integration of ESG concerns into strategic decision-making.

These findings confirm that green relational capital serves as both a motivator and a monitor, reinforcing legitimacy and aligning corporate behavior with ethical and sustainable standards.

Systems Integration

The integration of environmental management systems with financial reporting procedures provided additional checkpoints that hindered earnings manipulation. Integration of environmental management systems (EMS) with financial reporting procedures was another important factor identified in discouraging earnings management. Several participants discussed how ERP systems, sustainability dashboards, and environmental KPIs were increasingly embedded into broader financial reporting systems.

A financial systems officer noted: “Our EMS is linked to our accounting software. If a department claims savings from eco-efficiency, it must be verified and logged into both systems. That alone prevents a lot of creative accounting.”

These insights are echoed in the findings of Simnett and Huggins (2018), who suggest that integrated systems reduce information asymmetry and manipulation by providing real-time cross-checks across environmental and financial domains. The cross-functional nature of these systems also facilitates internal auditing and compliance, which acts as a deterrent to financial misreporting.

Uyar et al. (2020) found that organizations with integrated reporting platforms showed significantly lower levels of both accrual-based and real earnings management. This is attributed to the increased transparency and interdepartmental visibility that such systems offer.

The firms interviewed in this study reported that EMS integration fostered a more holistic view of performance, where financial success was inseparable from environmental and social outcomes. As one sustainability auditor explained, “It’s no longer possible to tweak numbers in one area without it showing up in another. The system keeps us honest.”

These findings support the argument that green structural capital particularly in the form of integrated reporting systems provides structural deterrents to unethical financial practices and enhances overall corporate accountability.

Synthesis and Theoretical Implications

Collectively, the themes emerging from this study affirm that Green Intellectual Capital specifically green human and relational capital plays a critical role in reducing the likelihood of earnings management. The findings align with both stakeholder theory and legitimacy theory, which suggest that firms act in accordance with societal and stakeholder expectations to preserve legitimacy (Suchman, 1995; Freeman, 1984).

The integration of green values into corporate culture and training (green human capital), coupled with accountability enforced by environmentally conscious stakeholders (green relational capital), creates an ethical ecosystem that deters earnings manipulation. Meanwhile, green structural capital particularly through the integration of environmental and financial reporting systems provides procedural safeguards that limit opportunities for manipulation.

This multi-faceted effect of GIC on earnings management also extends the understanding of how non-financial resources influence corporate governance outcomes. While much of the existing literature has focused on how GIC improves sustainability or environmental performance (Nguyen & Tran, 2021), this study illustrates that it also contributes to ethical financial behavior by shaping internal attitudes and external accountability structures.

These findings support the proposition that GIC, particularly green human and relational capital, can reduce the propensity for earnings management. This aligns with legitimacy and stakeholder theory, which posit that organizations align their actions with stakeholder expectations to maintain legitimacy (Suchman, 1995).

Practical and Policy Implications

For practitioners, these findings underscore the strategic importance of investing in GIC not just as a sustainability initiative, but as a risk mitigation tool for financial integrity. Boards and executive teams should recognize the financial governance benefits of green training programs, stakeholder engagement strategies, and integrated reporting systems.

From a policy perspective, regulators and standard-setting bodies may consider incentivizing the integration of EMS and financial reporting systems, or even mandating ESG disclosures to enhance corporate transparency and ethical conduct. Regulatory frameworks that support or require environmental training, stakeholder reporting, and internal controls could indirectly reduce the prevalence of earnings management.

CONCLUSION

This study demonstrates that Green Intellectual Capital plays a significant role in shaping ethical financial practices. By cultivating environmental values and integrating them into corporate systems

and relationships, firms can reduce the tendency toward earnings management. Future research could explore this relationship in different sectors or through mixed-methods approaches. This study contributes originality by qualitatively examining the relationship between Green Intellectual Capital (GIC) and earnings management in the Indonesian context, a topic that remains underexplored in both domestic and international scholarship. Unlike prior research that predominantly adopts quantitative methods or focuses narrowly on governance and financial determinants, this study provides in-depth, contextualized insights into how green human, structural, and relational capital shape managerial behavior and influence the integrity of financial reporting.

The findings underscore that GIC is not merely an intangible sustainability asset, but also a governance mechanism that can discourage opportunistic earnings management practices. This perspective advances theoretical discourse by integrating sustainability-oriented intellectual resources into the literature on corporate governance and earnings management. At the same time, it offers practical implications for firms in emerging markets, where regulatory enforcement is still developing, by demonstrating that strengthening GIC can enhance transparency, build stakeholder trust, and foster long-term value creation. By situating the analysis within Indonesia's growing sustainability movement, this research highlights its novelty and provides a foundation for future comparative and cross-country studies.

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