Organizational Culture, Governance Structure and Sustainability Disclosure Quality: Evidence from Indonesia, Malaysia, Singapore, and Thailand

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ABSTRACT

Sustainability disclosure has been an interesting topic and issue in this recent decades. This study aims to analyze the mediating effect of organizational culture in the relationship between governance structure and sustainability disclosure quality in four Asian countries: Indonesia, Malaysia, Singapore, and Thailand. The method for collecting data is documentation with secondary data. The data were obtained for the 2015-2019 period from the Indonesian stock exchange, Malaysia stock exchange, Singapore stock exchange, Thailand stock exchange, and other related sources comprising the company's website. The results showed that the governance structure positively affects organizational culture that consists of clan culture, adhocracy culture, hierarchy culture, and market culture. Meanwhile, the significance values of the variables Board Size, Board Independence, Organizational Culture, Institutional Ownership, and Audit Committee, clan, adhocracy, and hierarchy and marker culture affect the sustainability of disclosure quality. This result indicated that implementing organizational culture and governance structure better will increase sustainability disclosure quality in these four Asian countries.

INTRODUCTION

Sustainability reports are becoming increasingly important for businesses to provide all stakeholders with information on economic efficiency, social responsibility, and the environment. As is a sustainability report, companies can minimize the risk or impact in the future (Lawrence, 2018). Sustainability reports can also provide a good reputation and corporate value among the communities because companies performance has a negative/positve impact on the community through many factors which impact sustainability performance. Indeed, this also applies to organizational culture and governance structure as proved by Abdulrahim et al. (2020a).

The phenomenon of corporate stakeholders becomes a topic that is very interesting and is increasingly being discussed in the world and in Asian countries, both in mass media, seminars or conferences. This is related to the existing awareness of a company or institution to not only generate profits as high as possible but also how the profit can provide benefits to society to improve their lives for the better.

The relevant literature shows that in several early initiatives attempting to set out the concept of organizational theory, traces of the concept behind Organizational Culture (OC) can be found. According to Trianaputri et al., (2020), organizational culture is a system of shared meanings held by members that distinguish an organization from other organizations. In an organization, of course, many factors influence a person to achieve his goals, while the course of the organization is influenced by the behaviour of many individuals who have their own interests. Genc (2017) indicates that OC's origins can be traced back to scientific management studies and the founding of human relations schools by Taylor (1911) and Mayo (2004). Taylor aimed to create a culture based on effectiveness and productivity (Kanigel, 2005). Although these studies do not address OC explicitly, the concept can be said to be an underlying factor. Two distinct views appeared in the OC literature after these early initiatives. The first is formed by researchers who believe that holistic approaches to meaning systems, values and actions derived from anthropology in organizational studies should be part of the study of culture (Ashkanasy et al., 2000).

This study will attempt to assess the impact of the Organizational Culture (OS) and Governance Structure (GS) mechanisms on Sustainability Disclosure Quali-

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ty (SDQ) among Indonesia, Singapore, Malaysia and Thailand listed companies. Three variables, namely Governance Structure (GS) as independent variable and Sustainability Disclosure Quality (SDQ) as dependent variables, Organizational Culture (OC) as mediating variable, were investigated in this study with different proxies and measurement scales and measurement types for each variable. This investigation is expected to assist stakeholders, including the managers of the listed companies, to understand the impact of an OC better. Also, this research will demonstrate the important role of GS mechanisms on SDQ, which will lead to enhanced competitive advantages.

Organizational Culture is the beliefs and attitudes that contribute to the particular social and psychological environment of an organisation. The way the organization conducts its business (to the degree that independence in decision-making is permitted) is based on traditional attitudes, principles, customs, and written and unwritten rules that have been formed over time and are considered legitimate (Cameron et al., 2011; Wahid ElKelish et al., 2014).

Governance structure (GS) has been easily identified in recent times as one of the most defining features of modern-day corporations. The term "GS" refers to how a company is regulated (Bury et al., 2007). A GS framework positions the company's goals and this GS structure help to define "the relationship between a company and its stakeholders" (Van der Laan Smith et al., 2005). GS can therefore be seen as outlining the rights and obligations of stakeholders. (Ho et al., 2001).

A more efficient GS, in turn, is expected to bring about a greater degree of better or higher organizational culture. Dimensions or types of organizational culture in the literature are often studied as separate dimensions as different variables. In this study, the four organizational culture dimensions, namely clan, adhocracy, hierarchy, and market culture, were decreased into one variable by analytical factor procedures. Furthermore, This study argues that high-level organizational culture reflects the organization's flexibility in managing all aspects to accommodate all cultural values owned by individuals and groups. It provides advantages for the company both in terms of financial and non-financial, especially in the era of disruption. Hence, in addition, Ntim et al. (2013) stated that the relationship between GS and organizational culture implementation is supposed to be positive. In light of the above debate, the following theory may be formulated.

H_{1a}: **Board size has a positive effect on Organizational culture**

H_{1b}: **Board Independent has a positive effect on Organizational culture**

H_{1c}: **Ownership Concentration has a positive effect on Organizational culture**

H_{1d}: **Institutional Ownership has a positive effect on Organizational culture**

H_{1e}: **Audit Committe has a positive effect on Organi-**

zational culture

The definition of CSR has grown and is sometimes referred to today as "corporate sustainability" or "responsible business practices" to avoid confusion with conventional CSR's inaccurate meaning as charity events (Shwairef et al., 2019). Sustainability has become a critical issue for industries worldwide today. SDQ is also seen as being positively linked to competitive results. The development of sustainable approaches to businesses has therefore been seen as a critical global concern (Rusinko, 2007).

The performance of a business in all dimensions and for all drivers of corporate sustainability can be defined as SDQ (Schaltegger et al., 2006). It extends beyond the limits of a single business and typically addresses the performance in the value chain of both upstream suppliers and downstream customers (Elkington et al., 1999). According to the definition, the inclusion of all the key environmental, social and economic performance indicators, known as the Triple Bottom Line (TBL) of sustainability, must address sustainable performance.

The following hypothesis could be set based on the above subject (Jermias, 2007). However, the positive financial effects of CSR tend to decrease if an organization is more drawn to a system of adhocracy or hierarchy.

H_{2a}: **Clan culture has a positive effect on sustainability disclosure quality.**

H_{2b}: **Adhocracy culture has a positive effect on sustainability disclosure quality.**

H_{2c}: **Hierarchy culture has a positive effect on sustainability disclosure quality**

H_{2d}: **Market culture has a positive effect on sustainability disclosure quality**

Recent work in the field of sustainability and GS is trying to develop a relationship between cultural types and the integration of sustainability. Sustainability is also seen as one of the activities that externally reinforces the positive image of the business in consumer culture, enhances the self-esteem of its members as a way to differentiate it from other companies (Brammer et al., 2007). The better implementation of GS that indicated with board size, board independent, ownership concentration, institutional ownership and audit committee will impact the better sustainability disclosure quality. Based on the above discussion, the following hypothesis can be set.

H_{3a}: **Board size has a positive effect on sustainability disclosure quality.**

H_{3b}: **Board Independent has a positive effect on sustainability disclosure quality.**

H_{3c}: **Ownership Concentration has a positive effect on sustainability disclosure quality.**

H_{3d}: **Institutional Ownership has a positive effect on sustainability disclosure quality.**

H₃ₑ: Audit Committe has a positive effect on sustainability disclosure quality

RESEARCH METHODS

The population for this study is all companies listed in this research for Indonesia, Singapore, Malaysia, and Thailand Stock Exchange. Samples were selected by purposive sampling method with the criteria that the companies are listed in Indonesia, Singapore, Malaysia, and Thailand Stock Exchange during the 2015-2019 period, and the data are available and can be accessed. From these criteria, there were 204 sample companies.

This research used secondary data, such as the company's annual reports and the company's website. This study provides an objective indicator of the quality of available information. The method for collecting data is documentation. The data were obtained for the 2015-2019 period from the Indonesian stock exchange, Thailand stock exchange, Singapore stock exchange, and Malaysia stock exchange. Since the organization's actual SDQ data is not accessible for the self-reported information quality evaluation, there is no specific database website to access all the necessary information that leads to individual data extraction.

Four types of Organizational Cultures consist of clan, adhocracy, hierarchy, and market cultures were measured by financial measurement. The reason to make financial measurement for organizational culture was based on the previous research done by Cameron & Quinn (2011) and Wahid ElKelish & Kamal Hassan (2014). The company that emphasizes the long-term benefit of individual growth, with a high degree of unity and morale, can clan culture (Cameron Kim et al., 1999). It has all used the scale ratio of total employee compensation value divided by total operating expenses as representatives of the clan's culture. The fluctuation in operating profit, which illustrates how management is more likely to consider the risk of adjustments in financial metrics, reflected adhocracy culture, which is calculated by the Operating Profit t with Operating Profit t-1. Related to Hierarchy culture, Dwianika et al. (2019) used the general transaction costs divided by net income. Finally, market share was used to measure market culture that based on a general idea of the size of a company in terms of its competition and competitors is one of the most popular tools for calculating consumer culture(Abu-Jarad et al., 2010) (Entire business revenue/business revenue).

Governance structures, this study focuses on the composition of boards and ownership concentration, precisely board size, independence of boards, concentration of ownership, and institutional ownership. First, the Board of Commissioners is the body responsible for carrying out, by the articles of the Association, general and special supervision and providing recommendations to the members. The board of directors is composed of the total number of board members of a corporation. Second, independence of boards was measured by the proportion of members of Independence on the total

Members. Third, ownership concentration can be differentiated into two situations, considering ownership concentration as an internal governance method: high proprietary dispersion (low ownership concentration) and high ownership concentration (low dispersion of ownership). Such variations in ownership concentration (or dispersion) decide the GS scheme. The ownership concentration is calculated by the percentage of the shares held by the largest shareholders, who own over 55% of the total shares. Institutional ownership was operationalized by institutional control that involves non-company members, such as banks, insurance agencies, and the management of public or other undertakings/agencies/financial members, except the director and commissioners of the company. The previous research using this calculation is by Cheng et al. (2006). Fourth, an audit committee is a committee composed of three or more members, one of whom is an independent company commissioner listed at the same time as the chairman of the committee, while the other is an independent external party and at least one of whom has accounting expertise.

Sustainability Disclosure Quality (SDQ) was assessed using GRI metrics (Montiel et al., 2014). The GRI list can be found in Appendix (GRI G4). As shown later in this paper, the calculation for these indicators will also decrease by the analytical factor to one (Gaur et al., 2015). To explain the data seen from the mean, median, standard deviation, minimum value, and maximum value. This test is done to make it easier to understand the variables used in the study.

Technique data used in this research is regression analysis. Regression analysis is one analysis that aims to determine the effect of a variable against another. In regression analysis, the variables that affect the other variable are called the independent variable, and the affected variable is the dependent variable. Equations 1 and 2 show the formula of regression analysis.

$$OC = \alpha + \beta 1BS + \beta 2BI + \beta 3Own + \beta 4IO + \beta AC + e \quad \text{......(eq 1)}$$

α	= contanta
β1-β9	= coefficient beta
OC	= Organizational culture
BS	= Board Size
BI	= Board Independent
Own	= Ownership Concentration
IO	= Institutional ownership
AC	= Audit Committe
e	= error

$$SDQ = \alpha + \beta 1BS + \beta 2\ BI + \beta 3\ Own + \beta 4IO + \beta 5AC + \beta 6Clan + \beta 7Adhocracy + \beta 8Hierarcy + \beta 9MC + e \quad \text{......(eq2)}$$

SDQ	= Sustainability disclosure quality
α	= contanta
β1-β9	= coefficient beta
BS	= Board Size
BI	= Board Independent
Own	= Ownership Concentration
IO	= Institutional ownership

AC   = Audit Committe
Clan   = Clan Culture
Adhocracy= Adhocracy Culture
Hierarcy   = Hieararcy Culture
MC   = Market Culture
e   = error

In this study, hypothesis testing is a t-test to analyze the effect of independent variables on dependent variables. The requirements are: If sig. (p-value) < 0.05 so the hypothesis accepted. If sig. (p-value) > 0.05 so the hypothesis rejected.

Sobel test is the test to analyze the strength of the indirect effect of the variable independent (X) to the dependent variable (Y2) through the intervening variable (Y1). By means of calculation, multiplying the indirect effect of X to Y2 through Y1 by multiplying the X - Y1 (a) lines by the Y1 - Y2 (b) or ab lines. So the coefficient ab = (c-c') where c is the effect of X on Y2 without connects Y1, while c' is the coefficient of influence of X on Y2 after connecting Y1. This study done the Sobel test developed by Sobel (Ghozali, 2016) to investigate whether the effect of GS on SDQ is mediated by OC (Clan, Adhocracy, Hierarchy, and Market Cultur). Equation 3 shows The Sobel test formula.

$$Sab = \sqrt{b^2 Sa^2 + a^2 Sb^2 + Sa^2 Sb^2} \quad ....(eq\ 3)$$

RESULTS AND DISCUSSION

Statistical Descriptive

Based on the table 1, descriptive statistical analysis of the Indonesian state, it is known that the mean or average value of the clan is 0.302292, adhocracy is 0.224236, hierarchy is 0.987961, MC is 0.132803, BS is 4.247312, BI is 0.409857, Own is 31 , 159204, IO of 39.964655, AC of 3.105376 and SDQ of 0.171362. For the median value of clan 7.495170, adhocracy 8.739960, hierarchy 44.064940, MC 9.160340, BS 16.00, BI 0.63330, OC 100.00, IO 100.00, AC 4.00 and SDQ 0.353660. For the maximum value of clan 2.831200, adhocrarcy -0.999700, hierarchy 34.573070, MC 9.160340, BS 18.00, BI 0.800000, Own 100.00, IO 100.00, AC 6.00 and SDQ 0.378050. For the minimum value of clan -4.663970, adhocracy 7,740260, hierarchy 0,000, MC 2.00, BS 0.166700, BI 0.000, Own 0.000, IO 2.00, AC 6.00 and SDQ 0.024390. It means that Indonesia has a good governance structure value.

Based on the descriptive statistical analysis of the Indonesian state, it is known that the mean or average value of the clan is -0.119929, adhocracy is 1.036949, hierarchy is -0.708652, MC is 2.738609, BS is 6.835294, BI is 0.490035 , Own of 23.166235, IO of 55.601294, AC of 3.435294 and SDQ of 0.158825. For the median value of clan 12.432880, adhocracy is 28.371080, hierarchy is 24.717980, MC is 32.381070, BS is 13.00, BI is 0.857100, Own is 86.58, IO is 91.75 , AC 5.00 and SDQ 0.304880. For maximum value of clan is 4.577130, adhocracy is 27.371200, hierarchy is 4.721640, MC is 32.381100, BS is 15.00, BI is 1.00, OC is 86.58, IO is 92.39 , AC 6.00 and SDQ 0.329270. For the minimum

Table 1. Descriptive Research Results

Country			CLAN	ADH	HIE	MC	BS	BI	Own	IO	AC	SDQ
Indonesia	(n = 465)	Mean	0,30	0,22	0,99	0,13	4,25	0,41	31,16	39,97	3,10	0,17
		Median	7,50	8,74	44,06	9,16	16,00	0,63	100	100,00	4,00	0,35
		Maximum	2,83	-0,99	34,57	9,16	18,00	0,80	100	100,00	6,00	0,38
		Minimum	-4,66	7,74	-9,49	0,00	2,00	0,17	0,00	0,000	2,00	0,02
		Std. Dev.	0,50	0,64	3,08	0,53	1,82	0,10	36,83	31,30	0,47	0,09
Malaysia	(n = 170)	Mean	-0,12	1,04	-0,71	2,79	6,83	0,49	23,17	55,60	3,43	0,16
		Median	12,43	28,37	24,72	32,38	13,00	0,86	86,58	91,75	5,00	0,30
		Maximum	4,58	27,37	4,72	32,38	15,00	1,00	86,58	92,39	6,00	0,33
		Minimum	-7,86	-0,99	-19,99	0,00	2,00	0,14	0,000	0,64	1,00	0,02
		Std. Dev.	0,95	4,43	3,86	4,66	2,23	0,17	15,66	17,50	0,74	0,08
Singapore	(n = 195)	Mean	-0,41	0,748	0,15	4,05	6,85	0,46	8,84	38,89	3,43	0,17
		Median	51,70	14,83	45,98	28,83	8,00	0,61	55,80	86,97	4,00	0,33
		Maximum	26,77	13,62	28,90	23,16	12,00	0,75	55,80	92,39	7,00	0,35
		Minimum	-24,93	-1,21	-17,09	-5,67	4,00	0,14	0,000	5,42	3,00	0,02
		Std. Dev.	6,65	2,74	6,81	4,32	1,95	0,13	15,07	20,66	0,77	0,07
Thailand	(n = 190)	Mean	0,95	0,17	1,10	2,13	9,71	0,38	26,61	50,30	2,95	0,17
		Median	15,72	7,67	29,07	9,04	12,00	0,50	44,85	58,17	2,00	0,33
		Maximum	9,23	6,67	8,80	9,10	18,00	0,67	51,96	74,60	3,00	0,35
		Minimum	-6,49	-0,99	-20,27	0,06	6,00	0,17	7,11	16,43	1,00	0,02
		Std. Dev.	2,22	1,48	2,87	2,59	2,79	0,10	10,40	12,64	0,32	0,08

Source: Secondary Data Processed (2021) with Eviews

Table 2. Hypothesis Testing Results Model 1 (eq 1)

Dependent Variable: Organizational Culture

Method: Panel Least Squares

Date: 22/02/21   Time: 16:21

Sample: 2015 2019

Periods included: 5

Cross-sections included: 204

Total panel (unbalanced) observations: 1020

Variable	Coef-ficient	Std. Error	t-Statistic	Prob.	Hypoth-esis
(Constant)	-1,955	1,314	-1,488	0,137	
BS	0,205	0,068	2,997	0,003	Accepted
BI	5,441	1,621	3,356	0,001	Accepted
Own	0,012	0,007	1,671	0,045	Accepted
IO	0,007	0,008	0,904	0,037	Accepted
AC	0,395	0,325	1,213	0,025	Accepted

Source: Secondary Data processed (2021) with Eviews

Table 3. Hypothesis Testing Results Model 2 (eq 2)

Dependent Variable: Sustainability disclosure quality

Method: Panel Least Squares

Date: 22/02/21   Time: 16:25

Sample: 2015 2019

Periods included: 5

Cross-sections included: 204

Total panel (unbalanced) observations: 1020

Variable	Coef-ficient	Std. Error	t-Statistic	Prob.	Hypoth-esis
(Constant)	0.225	0.041	4.508	0.002	
BS	0,011	0,001	10,222	0,000	Accepted
BI	0,010	0,021	2,791	0,043	Accepted
Own	6,939	0,000	2,469	0,039	Accepted
IO	3,758	0,000	2,765	0,044	Accepted
AC	0,002	0,004	2,378	0,046	Accepted
CLAN	0,001	0,001	2,461	0,045	Accepted
ADH	8,449	0,001	2,173	0,000	Accepted
HIE	0,002	0,001	2,078	0,038	Accepted
MC	0,005	0,001	2,208	0,027	Accepted

Source: Secondary Data processed (2021) with Eviews

value of clan -7.855750, adhocracy of -0.999880, hierarchy of -19.996340, MC of 0.000030, BS of 2.00, BI of 0.1429, Own of 0.000, IO of 0, 64, AC of 1.00 and SDQ of 0.024390. This number is higher rather than Indonesia in average, and indicated that governance structure and organizational culture in Malaysia better rather than Indonesia, meanwhile the SDQ is higher Indonesia rather than Malaysia.

Based on the descriptive statistical analysis of Singapore, it is known that the mean or average value of the clan is -0.410967, adhocracy is 0.748281, hierarchy is 0.150523, MC is 4.045579, BS is 6.846154, BI is 0.461637, Own of 8.836564, IO of 38.886410, AC of 3.425641 and SDQ of 0.171421. For the median value of clan 51.704320, adhocracy 14.825140, hierarchy 45.985480, MC 28.831270, BS 8.00, BI 0.607100, Own 55.80, IO 86.97, AC 4.00 and SDQ 0.329270. For the maximum value of clan 26.772830, adhocracy 13.619310, hierarchy 28.897740, MC 23.165320, BS 12.00, BI 0.75, Own 55.80, IO 92.39, AC 7.00 and SDQ 0.35366. For the minimum value of clan -24.931490, adhocrarcy -1,205830, hierarchy -17.087740, MC -5.665950, BS 4.00, BI 0.142900, Own 0.000, IO 5.42, AC 3.00 and SDQ 0.024390. This number is similar with Indonesia country.

Based on the descriptive statistical analysis of Singapore, it is known that the mean or average value of the clan is -0.410967, adhocracy is 0.748281, hierarchy is 0.150523, MC is 4.045579, BS is 6.846154, BI is 0.461637, Own of 8.836564, IO of 38.886410, AC of 3.425641 and SDQ of 0.171421. For the median value of clan 51.704320, adhocracy 14.825140, hierarchy 45.985480, MC 28.831270, BS 8.00, BI 0.607100, Own 55.80, IO 86.97, AC 4.00 and SDQ 0.329270. For the maximum value of clan 26.772830, adhocracy 13.619310,

hierarchy 28.897740, MC 23.165320, BS 12.00, BI 0.75, Own 55.80, IO 92.39, AC 7.00 and SDQ 0.35366. For the minimum value of clan -24.931490, adhocrarcy -1,205830, hierarchy -17.087740, MC -5.665950, BS 4.00, BI 0.142900, Own 0.000, IO 5.42, AC 3.00 and SDQ 0.024390. This number is similar with Indonesia country.

Based on the descriptive statistical analysis of Thailand, it is known that the mean or average value of the clan is 0.948871, adhocracy is 0.172636, hierarchy is 1.098398, MC is 2.127347, BS is 9.710526, BI is 0.379671, Own amounting to 26.605684, IO of 50.301053, AC of 2.947368 and SDQ of 0.169578. For the median value of clan 15.721210, adhocracy 7.666640, hierarchy 29.070210, MC 9.037120, BS 12.00, BI 0.50, Own 44.85, IO 58.17, AC 2.00 and SDQ 0.329270. For the maximum value of clan 9.234800, adhocracy 6.666670, hierarchy 8.803870, MC 9.097740, BS 18.00, BI 0.6667, Own 51.96, IO 74.60, AC 3.00 and SDQ 0.353660. For the minimum value of clan -6.486410, adhocrarcy -0.999970, hierarchy -20.266340, MC 0.060620, BS 6.00, BI 0.166700, Own 7,110000, IO 16.43, AC 1, 00 and SDQ 0.024390. This result indicated that Thailand has similar with Malaysia in governance structure, SDQ and OC.

From the descriptive research results, it can be seen that the highest mean value for the Sustainability Disclosure Quality variable is Singapore with an average value of 0.171421. Meanwhile, the lowest score was Malaysia with an average value of 0.158825.

Hypothesis testing results (t-test)

Table 2 shows hypothesis testing results for equation 1 and table 3 shows hypothesis testing results for equation 2 with the total panel observation (n) of 1020.

Table 4. Summary of Path Analysis Results

Intervening Variable	Direct Effect			Indirect Effect	P values (Sobel Test)	Full/Partial Mediation
	GS → SDQ	GS→ Clan	OC → SDQ			
Clan	0.002	0.006	0.001	0.000006	<0,05	Partial
Adhocracy	0.002	0.002	8.449	0.016898	<0,05	Full
Hierarcy	0.002	0.002	0.002	0.000004	<0,05	Partial
Market	0.002	0.015	0.005	0.000075	<0,05	Partial

Based on the table 2 and 3, organizational culture that consists of clan culture, adhocracy culture, hierarchy culture, and market culture have positive effect on governance structure, so the hypothesis (H1a-H1e are accepted). Furthermore, the significance values of the variables BS, BI, OC, IO, AC, clan, adhocracy, hierarchy and marker culture are less than alpha (0,05). it means that BS, BI, OC, IO, AC, clan, adhocracy, hierarchy and marker culture have an effect on the sustainability of disclosure quality so that H2a-H3e are accepted.

The relationship between governance structure and organizational culture

From result, it is known that the p-value for the board size variable is <0.05 with a coefficient value of positive which means that the hypothesis in this study is accepted. So, board size has a significant positive effect on sustainability disclosure quality and organizational culture.

From the result, it is known that the p-value for the ownership concentration variable is < 0.05 with a coefficient value of beta positive, which means that the hypothesis in this study is accepted. So, ownership concentration has a significant positive effect on organizational culture and sustainability disclosure quality.

The result also showed that the p-value for the Institutional Ownership variable is < 0.05 with coefficient value positive which means that the hypothesis in this study is accepted. So, institutional ownership has a significant positive effect on organizational culture and sustainability disclosure quality.

From the result showed that the p-value for the audit committe variable is < 0.05 with a coefficient value of beta positive which means that the hypothesis in this study is accepted. So audit committe has a significant positive effect on organizational culture and sustainability disclosure quality.

The relationship between organizational culture and sustainability disclosure quality

Meanwhile, the result p-value for the Clan culture variable is lower than 0.05 with a coefficient value positive, which means that the hypothesis in this study is accepted. So, Clan culture has a significant positive effect on organizational culture and sustainability disclosure quality.

From the result also found that the p-value for the Adhocracy Culture variable is < 0.05 with a coefficient value of beta positive which means that the hypothesis in this study is accepted. So, Adhocracy culture has a significant positive effect on organizational culture and sustainability disclosure quality.

From table result also known that the p-value for the Market Culture variable is < 0.05 with a coefficient value of beta positive, which means that the hypothesis in this study is accepted. So, Market Culture has a significant positive effect on organizational culture and sustainability disclosure quality.

Mediation effect of organizational culture in the relationship between governance structure and sustainability disclosure Quality

The direct effect of GS to SDQ variable is 0.002, meanwhile the indirect that mediated by Clan culture is (0.006 x 0.001 = 0.000006) this indicated the indirect effect lower rather than direct effect, with p-value is < 0.05 so this can be said that Clan culture only partial mediation, not full mediation, but still can be mediation variabel the relationship between organizational culture and SDQ.

The direct effect of GS to SDQ variable is 0.002, meanwhile the indirect that mediated by adhocracy culture is (0.002 x 8.449 = 0.016898) this indicated the indirect effect higher rather than direct effect, with p-value is < 0.05 so this can be said that adhocracy culture is full mediation the relationship between organizational culture and SDQ.

The direct effect of GS to SDQ variable is 0.002, meanwhile the indirect that mediated by Hierarcy culture is (0.002 x 0.002=0.000004) this indicated the indirect effect lower rather than direct effect, with p-value is < 0.05 so this can be said that hierarcy culture is partial mediation the relationship between organizational culture and SDQ.

The direct effect of GS to SDQ variable is 0.002, meanwhile the indirect that mediated by market culture is (0.015 x 0.005=0.000075) this indicated the indirect effect lower rather than direct effect, with p-value is < 0.05 so this can be said that market culture is partial mediation the relationship between organizational culture and SDQ.

CONCLUSIONS

In conclusion, this paper explored the direct influence of the corporate governance and organizational culture system on the consistency of sustainability disclosure. Furthermore, the study's main objective is the indirect effect on sustainable performance of the cor-

porate governance structure and organizational culture.

However, to the best of the researcher's knowledge, this study is one of the first to assess the value of corporate governance features on the level of sustainability success in Asian countries. This study also explained some of the contradictions that were found in previous studies. In order to demand sustainable practices, however, future research is needed to understand the moderating impact of organizational culture on the understanding of managers. Although managers have effectively mediated the relationship between corporate governance and sustainability effectiveness, researchers indicate that the impact of corporate governance characteristics on the performance levels of corporate sustainability could be better explained by some other possible mediators, such as executive compensation disclosure.

Sensuse et al. (2015) stated that organizational culture is important to affect organizatonal mechanism (Abdulrahim et al., 2020b). The sobel test showed that organizational culture can mediate the relationship between Governance Structure and sustainability dislosure quality. This result is also supported by previous research (Amran et al., 2014; Kordab et al., 2020).

Finally, there are some limitations of this study, the companies only listed in four Asian countries, some of which are sustainability papers, are mandatory only for the companies listed in, for example, Indonesian stock exchange and Thailand stock exchange, so the result cannot generate for other countries.

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