



anis chariri <anis_chariri@live.undip.ac.id>

Journal of Asia Business Studies - Manuscript ID JABS-05-2017-0061

Journal of Asia Business Studies

Mon, May 1, 2017 at 12:31

<onbehalfof+HMERCHANT+USFSP.EDU@manuscriptcentral.com>

PM

Reply-To: HMERCHANT@usfsp.edu

To: anis_chariri@live.undip.ac.id

01-May-2017

Dear Dr. Chariri,

Your manuscript entitled "**DETERMINANTS AND CONSEQUENCES OF ENVIRONMENTAL INVESTMENT: AN INSIGHT FROM INDONESIA**" has been successfully submitted online and is presently being given full consideration for publication in the Journal of Asia Business Studies.

Your manuscript ID is JABS-05-2017-0061.

Please mention the above manuscript ID in all future correspondence or when calling the office for questions. If there are any changes in your street address or e-mail address, please log in to ScholarOne Manuscripts at <https://mc.manuscriptcentral.com/jnlabs> and edit your user information as appropriate.

You can also view the status of your manuscript at any time by checking your Author Centre after logging in to <https://mc.manuscriptcentral.com/jnlabs>.

Thank you for submitting your manuscript to the Journal of Asia Business Studies.

Yours sincerely,
Journal of Asia Business Studies Editorial Office



anis chariri <anis_chariri@live.undip.ac.id>

Journal of Asia Business Studies - Author update

Journal of Asia Business Studies

Sat, May 13, 2017 at 7:47

<onbehalfof+irwan.trinugroho@gmail.com@manuscriptcentral.com>

PM

Reply-To: irwan.trinugroho@gmail.com

To: anis_chariri@live.undip.ac.id, m_nasir@yahoo.com, ienjanuarti@gmail.com, daljono_smg@yahoo.com

13-May-2017

Dear Author(s),

It is a pleasure to inform you that your manuscript titled DETERMINANTS AND CONSEQUENCES OF ENVIRONMENTAL INVESTMENT: AN INSIGHT FROM INDONESIA (JABS-05-2017-0061) submitted to "Business in Asian Emerging Markets: A Focus on Inclusive Growth" special issue has passed initial screening and is now awaiting reviewer invitation.

The manuscript was submitted by Dr. Anis Chariri with you listed as a co-author.

As you are listed as a co-author, if you have not already done so please log in to <https://mc.manuscriptcentral.com/jnlabs> and check that your account details are complete and correct, these details will be used should the paper be accepted for publication.

Yours sincerely,

Dr. Irwan Trinugroho

Guest Editor, Journal of Asia Business Studies

irwan.trinugroho@gmail.com



anis chariri <anis_chariri@live.undip.ac.id>

Decision on Manuscript ID JABS-05-2017-0061

Journal of Asia Business Studies <onbehalfof+hmerchant+usfsp.edu@manuscriptcentral.com> Sat, Jul 8, 2017 at 4:57 AM

Reply-To: hmerchant@usfsp.edu

To: anis_chariri@live.undip.ac.id

Cc: irwan.trinugroho@gmail.com

07-Jul-2017

Dear Dr. Chariri,

We have now received reviewer comments on the above manuscript ("DETERMINANTS AND CONSEQUENCES OF ENVIRONMENTAL INVESTMENT: AN INSIGHT FROM INDONESIA"). Based on these comments (see below), and the Guest editor's feedback, I invite you to REVISE & RESUBMIT your work. I should underscore that I consider this to be a major revision.

As you revise your study, clearly highlight how the context of your work enhances our understanding of *Asian* business and/or of doing business in Asia. Specifically, what are the unique (i.e., "Asian") contributions of the theoretical/conceptual framework you have applied—and how do these facilitate greater insights into the "Asian-ness" of the phenomenon you have examined? Additionally, highlight how your study's findings compare with those elsewhere. In other words, how do we know that your findings truly are contextually unique? What do they tell us that other (Asian and/or non-Asian) data cannot?

In anticipation that the resulting version will likely move you closer to a favorable outcome, I would urge you to consider including relevant JABS (and possibly other) studies to better frame/position your work vis-à-vis the JABS readership.

Please provide a detailed, carefully-crafted, point-by-point response to the noted concerns along with your revisions. If you disagree with a concern(s), please articulate your reasons and/or provide "evidence" in support of your position so that the reviewer(s) may consider your point of view.

To revise your manuscript, log into <http://mc.manuscriptcentral.com/jnlabs> and enter your Author Center, where you will find your manuscript title listed under "Manuscripts with Decisions." Under "Actions," click on "Create a Revision." Your manuscript number has been appended to denote a revision.

You will be unable to make your revisions on the originally submitted version of the manuscript. Instead, revise your manuscript using a word processing program and save it on your computer. Please also highlight the changes to your manuscript within the document by using the track changes mode in MS Word or by using bold or colored text.

Once the revised manuscript is prepared, you can upload it and submit it through your Author Center. When submitting your revised manuscript, you will be able to respond to the comments made by the reviewer(s) in the space provided. You can use this space to document any changes you make to the original manuscript. In order to expedite the processing of the revised manuscript, please be as specific as possible in your response to the reviewer(s).

IMPORTANT: Your original files are available to you when you upload your revised manuscript. Please delete any redundant files before completing the submission.

Because we are trying to facilitate timely publication of manuscripts submitted to the Journal, your revised manuscript should be uploaded as soon as possible. If it is not possible for you to submit your revision within the allotted revision window, please write to me for a reasonable extension for the re-submission.

Once again, thank you for submitting your manuscript to the Journal of Asia Business Studies and I look forward to receiving your revision.

Yours sincerely,
Dr. Hemant MERCHANT
Editor-in-Chief
Journal of Asia Business Studies

Dr. Irwan Trinugroho

Guest Editor, Journal of Asia Business Studies

Reviewer(s)' Comments to Author:

Reviewer: 1

Comments:

Determinants and consequences of environmental investment: an insight from Indonesia

This paper investigates the determinants and consequences of environmental investment. A deeper investigation, first, the author(s) examine the effect of company characteristics on environmental investment and later investigate how environmental investment affects firm financial performance. This paper provides a link how firms contribute to the green economy in regards to environmental investment.

I would say this paper has a good direction towards awareness of the environmental issue as the attention on global warming become a major concern in making policies including in business. However, there are several aspects that need to be explained more and deeper. Also, some issues in estimation strategy.

The followings are my comments:

The motivation of this paper needs to be stronger. This paper aims to give insight from Indonesia, but there is no single reason why do contribution of firms on the environment is very important in Indonesia. This paper provides ample of previous studies. However, it seems this paper does not give a clear added value. Start the motivation from Indonesia perspective would be better.

The proxy of environmental investment should be explained in detailed. I am aware of the data limitation that the authors mentioned in the paper. Nevertheless, if the proxy is not in common use, it is wise to provide a clear and complete explanation, for instance, the background, history, criteria, and process, etc. Therefore, the reader could understand clearly whether this alternative proxy could be fitted.

I have a major concern about estimation strategy. The way that the authors treated and interpreted the limited dependent variable is not clear yet not convincing. I suspect the PROPER variable does not seem to be treated as a limited dependent variable. I am not sure, but I think the authors could use another model like ordered logit model. Regarding the second model, I have a doubt about the results of the model since the estimation only estimate a variable without any possible control variables that might affect the financial performance. To be noted, in the model 1, some variables supposed to have an effect on IE, but for model 2, IE is treated as an exogenous variable. It is odd.

Some questions:

1. To what extent the PROPER award can discipline firms' compliance in the environment?
2. The measurement of variable AC is the number of audit meetings. How to calculate the active committee members in monitoring environmental investment? And how to gauge involvement of such member in the meetings?

Minor corrections:

Please provide correlation test to see whether there are correlation problems or not.

Please refer to some journal format to manage and arrange the tables.

Additional Questions:

Importance of the Topic/Issues Addressed to the Field of Asia Business: Important

Conceptual Rigor (Treatment of relevant literature, logical reasoning, etc.): Good

Methodological Rigor (Research design, sample, measures, and analysis) Skip if not applicable: Major problems

Clarity of the Objectives of the Paper: Major problems

Clarity of Presentation/Readability of the Paper: Minor problems

Appropriateness of the Topic/Issues for the Journal of Asia Business Studies: Marginal

Contribution of the Paper in its Current Form to Advancing Knowledge Regarding Asia Business: Modest contribution

Contribution of the Paper to Advancing Knowledge Regarding Asia Business if revised along suggested lines: Important contribution

Reviewer: 2

Comments:

This paper empirically investigates the determinants of firm environmental investment by studying Indonesian publicly traded firms. Moreover, the author(s) attempt to link the extent to which firms doing environmental investment and their financial performance. This is relatively new issue especially in emerging economies, however, there are some major issues I found in this paper.

1. The empirical models are very primitive. This is a panel data set, but I don't think that the author(s) execute the empirical model(s) properly. I guess, they were run in a simple pooled regression.
2. If the author(s) consider that environmental investment is endogenously determined, why did not they perform instrumental variables? By performing instrumental variables which are supposed to be those three determinants of IE, the author(s) could address the endogeneity issue here.
3. How could we rely only on the three variables of interest in building the empirical model of the determinants of EI? There are many other factors that should be controlled in the empirical models. Looking at some previous studies, they have built a comprehensive model.
4. I found some typos, grammatical errors and inappropriate words. It should be fixed before the author(s) resubmit this paper.
5. Some robustness checks should be done to ensure that the results are consistent and robust. Robustness checks are important for empirical research. In other words, empirical study could not only rely on a single and simple regression,
6. I am also wondering about the explanatory variables that the author(s) have employed to explain the EI. The hypotheses are not strongly developed. What they explain is mostly about those variables, little on how those variables link to the EI.
7. The introduction is too short. More relevant information related to the institutional context in which the study is conducted is important to discuss. What the author(s) have explained is only about the proxy to represent environmental investment of firms in Indonesia.
8. Contribution of this study to the existing literature (body of knowledge) should be clearly stated in the last part of introduction. They wrote two practical implications of this research. However, they are too general and normative.

Additional Questions:

Importance of the Topic/Issues Addressed to the Field of Asia Business: Modest

Conceptual Rigor (Treatment of relevant literature, logical reasoning, etc.): Major problems

Methodological Rigor (Research design, sample, measures, and analysis) Skip if not applicable: Major problems

Clarity of the Objectives of the Paper: Major problems

Clarity of Presentation/Readability of the Paper: Major problems

Appropriateness of the Topic/Issues for the Journal of Asia Business Studies: Marginal

Contribution of the Paper in its Current Form to Advancing Knowledge Regarding Asia Business: Modest contribution

Contribution of the Paper to Advancing Knowledge Regarding Asia Business if revised along suggested lines: Modest contribution



anis chariri <anis_chariri@live.undip.ac.id>

Reminder: Journal of Asia Business Studies

Journal of Asia Business Studies

Sat, Oct 14, 2017 at 11:42

<onbehalfof+irwan.trinugroho@gmail.com@manuscriptcentral.com>

AM

Reply-To: irwan.trinugroho@gmail.com

To: anis_chariri@live.undip.ac.id

13-Oct-2017

Dear Dr. Chariri,

Recently, you received a decision on Manuscript ID JABS-05-2017-0061, entitled "DETERMINANTS AND CONSEQUENCES OF ENVIRONMENTAL INVESTMENT: AN INSIGHT FROM INDONESIA." The manuscript and decision letter are located in your Author Centre at <https://mc.manuscriptcentral.com/jnlabs>

This e-mail is simply a reminder that your revision is due by 27-Oct-2017 (please be aware that the deadline expires at the start of the day and not at the end).

Please click the link to create a revision: *** PLEASE NOTE: This is a two-step process. After clicking on the link, you will be directed to a webpage to confirm. ***

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Please note that Emerald requires you to clear permission to re-use any material not created by you. If there are permissions outstanding, please upload these when you submit your revision. Emerald is unable to publish your paper with permissions outstanding.

Yours sincerely,
Dr. Trinugroho
Guest Editor, Journal of Asia Business Studies
irwan.trinugroho@gmail.com



anis chariri <anis_chariri@live.undip.ac.id>

Journal of Asia Business Studies - Manuscript ID JABS-05-2017-0061.R1

Journal of Asia Business Studies

Mon, Nov 27, 2017 at 9:12

<onbehalfof+HMERCHANT+USFSP.EDU@manuscriptcentral.com>

PM

Reply-To: HMERCHANT@usfsp.edu

To: anis_chariri@live.undip.ac.id

27-Nov-2017

Dear Dr. Chariri,

Your manuscript entitled "DETERMINANTS AND CONSEQUENCES OF ENVIRONMENTAL INVESTMENT: AN INSIGHT FROM INDONESIA" has been successfully submitted online and is presently being given full consideration for publication in the Journal of Asia Business Studies.

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Yours sincerely,
Journal of Asia Business Studies Editorial Office



anis chariri <anis_chariri@live.undip.ac.id>

Decision on Manuscript ID JABS-05-2017-0061.R1

Journal of Asia Business Studies <onbehalf@manuscriptcentral.com>

Fri, Jan 19, 2018 at 11:59 AM

Reply-To: hmerchant@usfsp.edu

To: anis_chariri@live.undip.ac.id

Cc: irwan.trinugroho@gmail.com

18-Jan-2018

Dear Dr. Chariri,

We have now received reviewer comments on the above manuscript ("DETERMINANTS AND CONSEQUENCES OF ENVIRONMENTAL INVESTMENT: AN INSIGHT FROM INDONESIA"). Based on these comments (see below), and the Associate editor's feedback, I invite you to REVISE & RESUBMIT your work. I should underscore that I consider this to be a major revision.

As you revise your study, clearly highlight how the context of your work enhances our understanding of *Asian* business and/or of doing business in Asia. Specifically, what are the unique (i.e., "Asian") contributions of the theoretical/conceptual framework you have applied—and how do these facilitate greater insights into the "Asian-ness" of the phenomenon you have examined? Additionally, highlight how your study's findings compare with those elsewhere. In other words, how do we know that your findings truly are contextually unique? What do they tell us that other (Asian and/or non-Asian) data cannot?

In anticipation that the resulting version will likely move you closer to a favorable outcome, I would urge you to consider including relevant JABS (and possibly other) studies to better frame/position your work vis-à-vis the JABS readership.

Please provide a detailed, carefully-crafted, point-by-point response to the noted concerns along with your revisions. If you disagree with a concern(s), please articulate your reasons and/or provide "evidence" in support of your position so that the reviewer(s) may consider your point of view.

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Once the revised manuscript is prepared, you can upload it and submit it through your Author Center. When submitting your revised manuscript, you will be able to respond to the comments made by the reviewer(s) in the space provided. You can use this space to document any changes you make to the original manuscript. In order to expedite the processing of the revised manuscript, please be as specific as possible in your response to the reviewer(s).

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Once again, thank you for submitting your manuscript to the Journal of Asia Business Studies and I look forward to receiving your revision.

Yours sincerely,
Dr. Hemant MERCHANT
Editor-in-Chief
Journal of Asia Business Studies

Dr. Irwan Trinugroho
Guest Editor
Journal of Asia Business Studies

Reviewer(s)' Comments to Author:

Reviewer: 1

Comments:

This version is much better than the earlier version. The motivation seems to be clear now. The explanations of every aspect are richer than before. The followings are my minor comments:

Please check the writing. I found some typos.

It would be better to have some captions below the tables.

Additional Questions:

Importance of the Topic/Issues Addressed to the Field of Asia Business: Important

Conceptual Rigor (Treatment of relevant literature, logical reasoning, etc.): Good

Methodological Rigor (Research design, sample, measures, and analysis) Skip if not applicable: Good

Clarity of the Objectives of the Paper: Good

Clarity of Presentation/Readability of the Paper: Good

Appropriateness of the Topic/Issues for the Journal of Asia Business Studies: Appropriate

Contribution of the Paper in its Current Form to Advancing Knowledge Regarding Asia Business: Important contribution

Contribution of the Paper to Advancing Knowledge Regarding Asia Business if revised along suggested lines: Important contribution

Reviewer: 2

Comments:

I appreciate that the author(s) have tried to revise this manuscript according to my comments. However, there are still some issues to deal as follows:

1. I still insist that some control variables should be included in the model 1 and model 2. For example, in the model 2 (consequences of environmental investment), how could we run a regression with financial performance as the dependent variable without putting financial leverage in the explanatory side. There are omitted variable bias in the model 1 and model 2.
2. Why did the author(s) perform random effect for robustness checks? It should first be tested using Hausman test.
3. Although the author(s) have hypothesized the difference between high tech firms and low tech firms, they should also include industry-fixed effect as one may argue that the level of environmental investment is determined by industry characteristics. Let's say, mining firms should invest more on environmental issues. Use the SIC or local (Indonesia) classification of industries.
4. Endogeneity issue is not tackled in this paper. Some could argue here that environmental investment would lead to better performance, however, on the other side profitable firms would have more resources to conduct environmental investment.
5. I do not think that firms size should be hypothesized. It should only be a control variable. Of course, larger firms could invest more than that of smaller firms.

Additional Questions:

Importance of the Topic/Issues Addressed to the Field of Asia Business: Modest

Conceptual Rigor (Treatment of relevant literature, logical reasoning, etc.): Minor problems

Methodological Rigor (Research design, sample, measures, and analysis) Skip if not applicable: Major problems

Clarity of the Objectives of the Paper: Minor problems

Clarity of Presentation/Readability of the Paper: Minor problems

Appropriateness of the Topic/Issues for the Journal of Asia Business Studies: Appropriate

Contribution of the Paper in its Current Form to Advancing Knowledge Regarding Asia Business: Modest contribution



anis chariri <anis_chariri@live.undip.ac.id>

Journal of Asia Business Studies - Manuscript ID JABS-05-2017-0061.R2

Journal of Asia Business Studies <onbehalf@manuscriptcentral.com>

Mon, Apr 2, 2018 at 2:54 PM

Reply-To: jabseic@gmail.com

To: anis_chariri@live.undip.ac.id

02-Apr-2018

Dear Dr. Chariri,

Your manuscript entitled "DETERMINANTS AND CONSEQUENCES OF ENVIRONMENTAL INVESTMENT: AN EMPIRICAL STUDY OF INDONESIAN FIRMS" has been successfully submitted online and is presently being given full consideration for publication in the Journal of Asia Business Studies.

Your manuscript ID is JABS-05-2017-0061.R2.

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You can also view the status of your manuscript at any time by checking your Author Centre after logging in to <https://mc.manuscriptcentral.com/jnlabs>.

Thank you for submitting your manuscript to the Journal of Asia Business Studies.

Yours sincerely,
Journal of Asia Business Studies Editorial Office



anis chariri <anis_chariri@live.undip.ac.id>

Journal of Asia Business Studies - Decision on Manuscript ID JABS-05-2017-0061.R2

Journal of Asia Business Studies <onbehalf@manuscriptcentral.com>

Tue, Apr 24, 2018 at 10:15 AM

Reply-To: jabseic@gmail.com

To: anis_chariri@live.undip.ac.id, m_nasir@yahoo.com, ienjanuarti@gmail.com, daljono_smg@yahoo.com

Cc: irwan.trinugroho@gmail.com

23-Apr-2018

Dear Dr. Chariri,

As the JABS Editor-in-Chief, I am pleased to accept your manuscript ("DETERMINANTS AND CONSEQUENCES OF ENVIRONMENTAL INVESTMENT: AN EMPIRICAL STUDY OF INDONESIAN FIRMS") in its current form for publication. Congratulations!

By publishing in JABS, your work will benefit from Emerald's EarlyCite feature. This is a pre-publication service which allows your paper to be published online before it appears in print. We anticipate this service will allow the scholarly community to access and cite your work sooner! Please note, EarlyCite is not a proofing service. Emerald operates a 'right first time' policy, which means that the final version of the "accepted" article will be the published version. We cannot allow changes to the article after it has been formally accepted.

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If you would like more information about Emerald's copyright policy please visit the Information & Forms section in the Resources section of your Author Center.

Thank you for your contributions. On behalf of JABS, I look forward to your continued involvement with the Journal.

Sincerely,
Dr. Hemant MERCHANT
Editor-in-Chief
Journal of Asia Business Studies

Dr. Irwan Trinugroho
Guest Editor
Journal of Asia Business Studies

Reviewer(s)' Comments to Author:

Reviewer: 1

Comments:

None

Additional Questions:

Importance of the Topic/Issues Addressed to the Field of Asia Business: Important

Conceptual Rigor (Treatment of relevant literature, logical reasoning, etc.): Good

Methodological Rigor (Research design, sample, measures, and analysis) Skip if not applicable: Good

Clarity of the Objectives of the Paper: Good

Clarity of Presentation/Readability of the Paper: Good

Appropriateness of the Topic/Issues for the Journal of Asia Business Studies: Appropriate

Contribution of the Paper in its Current Form to Advancing Knowledge Regarding Asia Business: Modest contribution

Contribution of the Paper to Advancing Knowledge Regarding Asia Business if revised along suggested lines: Important contribution

Reviewer: 2

Comments:

The author(s) have addressed my concerns...

Additional Questions:

Importance of the Topic/Issues Addressed to the Field of Asia Business: Important

Conceptual Rigor (Treatment of relevant literature, logical reasoning, etc.): Good

Methodological Rigor (Research design, sample, measures, and analysis) Skip if not applicable: Minor problems

Clarity of the Objectives of the Paper: Good

Clarity of Presentation/Readability of the Paper: Good

Appropriateness of the Topic/Issues for the Journal of Asia Business Studies: Appropriate

Contribution of the Paper in its Current Form to Advancing Knowledge Regarding Asia Business: Modest contribution

Contribution of the Paper to Advancing Knowledge Regarding Asia Business if revised along suggested lines: Modest contribution