Indonesian Journal of Sustainability Accounting and Management, 2018, 2(1), 15–24
ISSN 2597-6214 | e-ISSN 2597-6222
http://unpas.id/index.php/ijsam

CSR Disclosure and Company Financial Performance: Do High and Low–Profile Industry Moderate the Result?

Rafael Martin[1], Winwin Yadiati[2], Arie Pratama[3]*

[1]Universitas Padjadjaran, Department of Accounting, Bandung, Indonesia
[2]Universitas Padjadjaran, Department of Accounting, Bandung, Indonesia
[3]Universitas Padjadjaran, Department of Accounting, Bandung, Indonesia

*Correspondence to: Arie Pratama, Universitas Padjadjaran, Department of Accounting, Jalan Dipati Ukur No. 35, Bandung 40132, Indonesia.
E-mail: arie.pratama@fe.unpad.ac.id

Abstract: The purpose of this research is to find out whether how much the effect of corporate social responsibility disclosure to company financial performance that was measured by sales growth and return on asset. High and low–profile were added to test whether it can moderate the results. The method that were used in this research is a verification analysis. The sample company consisted of 21 companies where 12 of those companies were belong to high–profile Category and 9 of those were belong to Low–profile Category and also listed in Indonesia Stock Exchange within period of 2013–2015. The statistical testing that is used in this research was multiple linear regression with a significance value of 5%. The result from this research found that the corporate social responsibility disclosure does not have positive and significant effect on sales growth. On the other hand, corporate social responsibility disclosure has a positive and significant effect on return on asset. After industry classification as a moderating variable were taken into account, corporate social responsibility disclosure become non-significant to both sales growth and return on asset. It can be said that high and low–profile industry in Indonesia did not differ significantly in terms of their CSR actions.

Keywords: corporate social responsibility, company financial performance, industry classification.

Article info: Received 14 December 2017; revised 1 April 2018; accepted 15 April 2018

Recommended citation: Martin, R., Yadiati, W., & Pratama, A. (2018). CSR disclosure and Company Financial Performance: Do High and Low–Profile Industry Moderate the Result? *Indonesian Journal of Sustainability Accounting and Management*, 2(1), 15–24.

DOI: 10.28992/ijsam.v2i1.42

Introduction

Many corporations cause environmental damage which society will often suffer due to the unethical actions were taken by the corporations (Hasan & Yun, 2017; Hermawan et al., 2018). The presence of social disharmony between the society and the company forces company to conduct a social responsibility program that requires the firm to do their business to be more responsible for their company operational activity to the environment. Corporate Social Responsibility (CSR) has drawn attention from governments, businesses, academics, stakeholders and the community as a whole (Asmeri et al., 2017). The implementation of social responsibility program also supported by the Indonesian government by the ratification of Law Number 40 year 2007 concerning corporation, in the article 74.

Corporate Social Responsibility program or commonly abbreviated as CSR program according to Palmer (2012) are actions that appear to further some social good, beyond the interest of the firm and that which is required by law. CSR can be well-defined as the progressing organizational commitment to work for the betterment of the workforce of the organization to attain ethical values as well as to improve the overall performance of the organization that can also contribute to the economic development of that country (Mujahid & Abdullah, 2014). Legitimacy theory can be used as a motivation for companies to disclose their social and environmental activities (Jitaree, 2015). The disclosure of CSR information also can be used to signal CSR information to stakeholders. Companies signal certain CSR information to investors to show that they are better than other companies in the market for the purpose of attracting investments and enhancing a favorable reputation (Verrecchia, 1983). The voluntary actions taken by the company by doing CSR disclosure means that there are some reasons that motivate the company to do a CSR disclosure. Henderson et al. (2008) defined 3 main reasons of company to disclose the social performance voluntarily: 1) internal decision making; 2) product differentiation; and 3) enlightened self-interest. There is also concern that the CSR reporting in Indonesia affected by several factors (Gunardi et al. 2016).

A disclosure index is a form of quantification of disclosure level in corporate annual report. According to Botosan (1997), disclosure index should serve as a good proxy for the level of voluntary disclosure provided by a firm across all disclosure avenues. Among all disclosure media, annual report is generally considered to be one of the most important sources of corporate information (Botosan, 1997). The purpose of disclosure index is to produce a cross-sectional ranking of disclosure levels based on the amount of voluntary disclosure provided by the firms in their annual reports (Botosan, 1997). Wiseman (1982) designed an environmental disclosure index in four categories: economic factors, environmental litigation, pollution abatement activities, and environmental disclosures. The rankings later were used as a proxy for environmental performance. The level of CSR disclosure conducted by Indonesian companies are still fairly low (Merina & Noviardy, 2015). According to Oeyono et al. (2011) shows that very few companies are aware of their social responsibility. Unlike the social responsibility program that has already regulated by the Indonesian government, the disclosure of CSR is still voluntary, unaudited, and unregulated (Nur & Priantinah, 2012). The standard that is currently used by the National Center for Sustainability Reporting (NCSR) to train companies in preparing sustainability report came from a non-profit organization called Global Reporting Initiative (GRI). The GRI standard for sustainability reporting also widely used by companies around the world and able assist stakeholders in making decisions (Honggowati et al., 2017). This research also utilized the GRI G4 Guidelines, the latest GRI Guideline to measure the level of CSR disclosure from the company's CSR Report.

Numbers of previous studies suggests that there are positive relationship between company social performance and company financial performance. Rokhmawati et al. (2017) stated that carbon disclosures in the company positively affected firm financial performances. The way it affects the financial performance as described by Classon & Dahlström (2006) is through the value linking chain. Their research suggest that CSR can influence customer perceptions on a product or services offered by the company from the value linking chain. If company disclose CSR, customers will be loyal to the company and buy the product again which can improve a company performance (Figure 1). Thus, firms that engage in voluntary CSR disclosures may provide higher quality of earnings (Pyo & Lee, 2013).

Financial performance refers to the degree to which financial objectives being or has been accomplished. Financial performance itself is the process of measuring the result of a firm's policies and operations in monetary terms and also reflects a firm's overall financial health over a given period of time and later can be used to compare similar firms across the same industry (Trivedi, 2010). The company financial performance can affect an ability of company in increasing its company values. In general, there are many measurement used to measure a financial performance. Those measurement are revenues, operating income, sales growth, earnings before interest and tax (EBIT), net income, comprehensive income, earning per share (EPS) and also from ratios such as: return on investment (ROI), return on asset (ROA), return on equity (ROE), and return on sales (ROS). According to research done by Aliabadi et al. (2013) return on asset (ROA) is the most relevant accounting measures in measuring company financial performance because it directly compare through a ratio how company able to generate an adequate return from the assets owned by the company. Sales growth is also used in this research to measure company financial performance because sales growth spreads fixed costs over revenue (Sam et al., 2013).

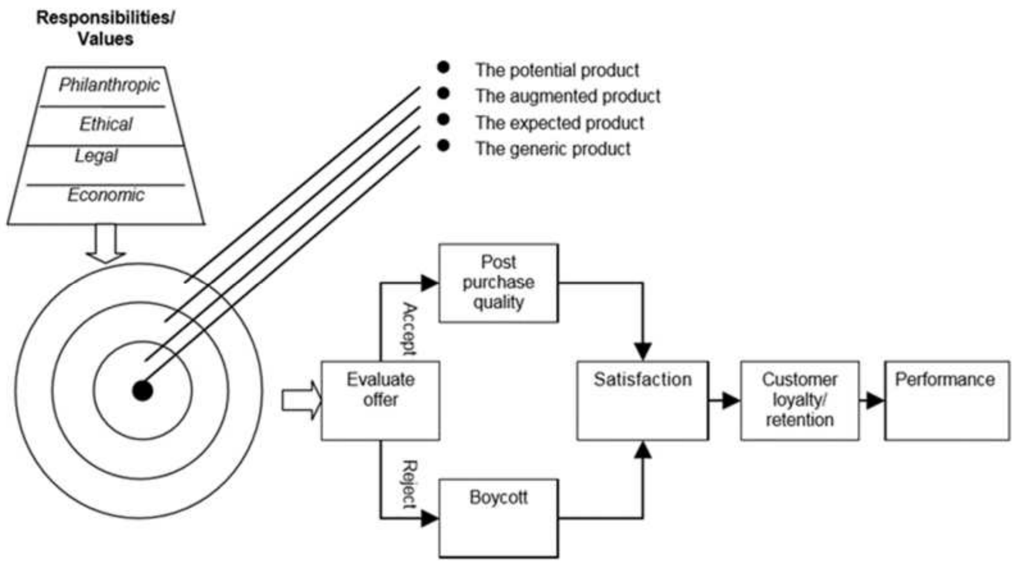

Figure 1 The CSR Value Linking Chain

Source: (Classon & Dahlström, 2006)

There are many studies have been done in examining the relationship between corporate financial performance and corporate social responsibility. Some researcher have argued that being high responsible results in additional costs that put firm into disadvantage compared to less socially responsible firms (McGuire et al., 1988). In the other hand, other scholars investigating corporate social responsibility and company financial performance and found out that CSR does have a positive relationship to company financial performance. The important outcome of being high responsible as cited by several authors are improved employee and customer goodwill (McGuire et al., 1988).

In this research, the author is interested to examine the effect of industry classification as a moderating variable. By its characteristics, industry can be classified into 2 general classification and those are high–profile industry and low–profile industry. According to Roberts (1992) explained that the definition of high–profile as those industries with high consumer visibility, a high level of political risk, or concentrated intense competition, the following industries are identified as high–profile: petroleum, chemical, extractive and mining, forest and paper, automobile, airline, energy and fuel, transport and tourism, agriculture, liquor, tobacco, and media communications. Zuhroh & Sukmawati (2003) defined low–profile industries as an industry that does not get much of a public viewing if a company does any failure or mistake in some aspect in their production process or products. Low–profile industries are: finance and banks, food, health and personal products, hotel, building, electrical, textiles and apparel, retailers, medical supplies, property, and appliance and household products. The voluntary nature of CSR engagement in low–profile industry becomes a consideration why industry classification might affect the relationship between CSR disclosure and company financial performance. The argument is because companies in the low–profile industry does not modify the environment and create pollution as much as companies in high–profile industry. So, the companies in low–profile industry are given more tolerance from the society.

Methods

This research is going to look at 3 main objects. The objects of this research are corporate social responsibility disclosure as an independent variable, financial performance as a dependent variable, and industry classification of high–profile and low–profile industry as a moderating variable. The population of this research are 535 companies that are listed in Indonesia Stock Exchange (IDX) that also published a CSR or sustainability reports for period of 2013–2015. The sampling method used in this research is purposive sampling. The sample is chosen on the basis of the convenience of the researcher. Purposive sampling are chosen because they are commonly used, less expensive, and no need to list all of the population elements (Acharya et al., 2013).

The purposive sampling in this research requires some characteristics for the sample to be included in this research, they are: 1) high–profile companies that are listed in the Indonesian Stock Exchange; 2) low–profile companies that are listed in the Indonesian Stock Exchange; 3) published a complete annual report for the years of 2013–2015; 4) published a CSR or sustainability report for the years of 2012–2014. Due to the Efficient Market Hypothesis theory, information disclosed from CSR report takes time to effect the annual report. This situation makes the author decides to collect the CSR report 1 year prior from the annual report.

From 535 companies listed in Indonesian Stock Exchange, the researcher have chosen total of 21 companies as samples to be put in the research. The amount of 21 companies consists of 12 high–profile companies and 9 low–profile companies. Independent variables used in this research are the Corporate Social Responsibility Disclosure by the company. The measurement of CSR disclosure are using CSR index that reflects the level of CSR disclosure of each sample company, where the instrument of measurement are following the checklist instrument made by Global Reporting Initiative (GRI). This research is going to use the latest GRI G4 guideline with 91 indicators of CSR disclosure that divided into 3 categories (economic, environment, and social) and 4 sub-categories within social indicator (labor, human rights, society, and product responsibility).

The approach of measuring the CSR index for the CSR disclosure is using dichotomous approach whereas each CSR items recognized in the GRI G4 guideline are disclosed will be given a score of 1 and 0 if it's not disclosed. For the next step, score of all item will be summed to acquire the overall score of each company. The formula for CSR index are as follows:

$$CSRI_j = \frac{\sum X_{ij}}{n_j}$$

Where,

$CSRI_j$ = Corporate Social Responsibility Disclosure Index of company $_j$

N_j = The number of CSR item disclosed for company $_j$, $n_j < 91$

X_{ij} = Dummy variable (1 if disclosed, 0 if not disclosed)

The highest score for CSR disclosure index is 1. That means all the 91 GRI G4 indicator are disclosed in the CSR Report or Sustainability report. The closer the final score to 1, the CSR disclosure are considerably higher. In this research, company financial performance are measured using 2 approach. Sales growth: the amount of sales or revenue will be examined from the company annual report, sales growth is measured on the three years of annual report (2013–2015) from the growth in sales of revenue.

$$\text{Growth Rate} = \frac{\text{Sales year n - sales (year n-1)}}{\text{Sales (year n-1)}}$$

Return on Asset (ROA): Return on asset are one of the form of probability ratio to measure the ability of a company in generating an adequate return from the assets owned by the company. Return on asset can be calculated from the ratio between net income after tax and total assets. Systematically, ROA can be formulated as follows:

$$\text{Return on Asset} = \frac{\text{Net Income}}{\text{Average Total Asset}}$$

According to NZSE, industry are dichotomously classified into 2 types. The high–profile industry and low–profile industry. High–profile industries defined by Roberts (1992) are those industries with high consumer visibility, high level of political risk, or concentrated intense competition. Meanwhile low–profile industry according to Zuhroh & Sukmawati (2003) can be defined as industry that doesn't get much of a public viewing if a company does any failure or mistake in some aspect in their production process or products.

The moderating variable in this research are to determine how much CSR disclosure will affect the financial performance on low–profile companies compared to the companies in the high–profile industry classification. Both industry classification will be tested using the same indicators from the GRI G4 guidelines. Industry Classification will be using a dichotomous approach to classify between high–profile and low–profile companies by assigning a score 1 for high–profile companies and score 0 for low–profile companies.

To determine the effect of CSRD on company financial performance with industry classification as moderating variable, this research will use a regression formula as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_2 X_1 X_2 + \varepsilon$$

Where,

Y = Dependent Variable

α = Constant

β_1 = Regression Coefficient for x_1

β_2 = Regression Coefficient for x_2

X_1 = Independent Variable

X_2 = Moderating Variable

ε = Residual Value

Results and Discussion

The CSR disclosure in this research measured by the GRI Index. From year 2013 until 2015 indicates a negative growth. The overall average score for GRI Index is 0.51. The mean score for year 2013 is 0.68 with the highest score of 0.92 and the lowest score of 0.20. In year 2014, the mean score is 0.45 with the highest score of 0.86 and the lowest score of 0.15. year 2015, the mean score is the lowest for 0.39 with the highest score of 0.86 and the lowest score of 0.10. Sales Growth was measured by ratio of previous period sales compared to present period sales. From year 2013 to 2015, sales growth indicates a fluctuated growth. Overall average growth is 0.08. In year 2013, the mean sales growth is 0.10 with maximum sales growth is 0.25 and the lowest sales growth of -0.16. In 2014, the mean sales growth is 0.13 with the highest sales growth of 0.28 and the lowest score of -0.16. In 2015, the mean sales growth is 0.01 with the highest sales growth of 0.18 and the lowest sales growth of -0.23. The ROA from 21 companies from year 2013 to 2015 shows a negative growth with the overall average value of 0.06. In 2013, the mean ROA is 0.076 with highest value of 0.42 and the lowest value of -0.16. In 2014, the mean ROA is slightly decreased to 0.072 with the highest value of 0.42 and the lowest value of -0.03. In 2015, the mean ROA decreased again to 0.05 with the highest value of 0.38 and the lowest value of -0.05. In this research, industries were classified dichotomously into 2 class. The high–profile industry and low–profile industry. The high–profile industries were assigned with score 1 and the low–profile industries were assigned with score 0. From 21 sample companies, 12 companies were assigned a score of 1 to indicate as a high–profile industry and 9 companies were assigned a score of 0 to indicate as a low–profile industry.

The first form of regression model will be as follow:

Table 1 First Model Regression Coefficient X ➔ Y1, X ➔ Y2

Regression	Constant	CSR disclosure (X)
X ➔ Y_1	0.075	0.017
X ➔ Y_2	-3.738	1.096

The first regression model from CSR disclosure to sales growth will be as follow:

CSR disclosure to sales growth: $\hat{Y} = 0.075 + 0.017X + \varepsilon$

CSR disclosure to return on asset: $\hat{Y} = -3.738 + 1.096X + \varepsilon$

From first regression model it is concluded that CSR disclosure have a positive correlation to both sales growth and return on asset. The Multiple Regression Model will be formed as follows:

Table 2 MRA Coefficient XZ ➔ Y1, XZ ➔ Y2

Regression	Constant	CSR disclosure (X)	Industry Classification	Moderating Variable
X ➔ Y_1	0.060	0.187	-0.046	-0.138
X ➔ Y_2	-3.991	1.122	0.782	-0.611

From the Table 2, the regression model for CSR disclosure to company financial performance moderated by industry classification will be formed as follows:

CSR disclosure to sales growth: $\hat{Y} = 0.060 + 0.187X1 - 0.046X2 - 0.138X1X2 + \varepsilon$

CSR disclosure to return on asset: $\hat{Y} = -3.991 + 1.122X1 + 0.782X2 - 0.611\, X1X2 + \varepsilon$

From the Moderated Regression Model (Table 2), it is concluded that the moderating variable have a negative correlation to both sales growth and return on asset. From the Table 3, it can be concluded that the relationship between CSR disclosure to sales growth is relatively weak (0.034) and only has 0.1% of contribution. However, on the moderated analysis, the relationship between sales growth and CSR disclosure increases to medium level (0.429) and has a contribution of 17.8%. Meanwhile for the relationship between CSR disclosure with return on asset, both simple regression and moderated regression have a similar result and falls into low category (0.215; 0.284) and has a contribution for 4.6% and 8.1% respectively.

From the T-test Table 4, it can be concluded that only one hypothesis that is accepted. The hypothesis is CSR disclosure does have a positive and significant effect to return on asset. The other 3 tests are not accepted because of the t count being lower than the t table, this means that the t count is inside the H0 acceptance area, so the author hypothesis (Ha) is rejected. From the F test (Table 5), it can be concluded that CSR disclosure does not have any positive and significant effect to return on asset when moderated by industry classification. Meanwhile, CSR disclosure does have a significant effect on sales growth, however since there's no moderating effect between CSR disclosure and sales growth, then the author's hypothesis is still rejected.

Table 3 R and R^2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
X ➔ Y_1	0.034	0.001	-0.015	0.126784
XZ ➔ Y_1	0.429	0.184	0.143	0.116495
X ➔ Y_2	0.215	0.046	0.030	1.256281
XZ ➔ Y_2	0.284	0.081	0.034	1.253902

Table 4 Hypothesis Test (T-test)

Model	t count	t table	Sig.	Explanation	Conclusion
X ➔ Y_1	0.262	1.670	0.794	H0 is accepted	Non-Significant
XZ ➔ Y_1	-1.042	-1.960	0.302	H0 is accepted	Non-Significant
X ➔ Y_2	1.716	1.670	0.046	Ha is accepted	Significant
XZ ➔ Y_2	-0.428	-1.960	0.670	H0 is accepted	Non-Significant

Table 5 Moderated Regression Analysis (F-Test)

Model	F-count	Df	F-Table	Sig.	Explanation	Conclusion
XZ→Y_1	4.444	Df 1 = 3 Df 2 = 59	2.761	0.007	Ha is accepted	Significant
XZ→Y_2	1.729	Df 1 = 3 Df 2 = 59	2.761	0.171	H0 is accepted	Non-Significant

CSR disclosure (X) does not have positive and significant effect on sales growth (Y1) without moderation from industry classification (Z). On the second test, the industry classification (Z) was added and the result showed that there is a significant effect from CSR disclosure (X) to sales growth (Y1). However, from statistical result test, the result is negative for -0,215. The hypothesis result from the statistical test above from the effect of CSR disclosure to sales growth is suitable to prior research done by Palmer (2012) that CSR disclosure might result in a decrease in sales. Because of the customer behavior. Palmer (2012) indicates that some customers are willing to pay a higher price for the products/services of socially responsible firms, but that fewer customers are willing to buy the products. Either some consumers don't accept the premium or do not support the CSR programs. However, since replication of prior research conveyed that improved corporate social performance led to improved ROA and considering ROA can be broken down into sales and gross margins, it can be concluded that firms still reap a financial benefit from CSR implementation.

The non-significant impact from CSR disclosure to sales growth when moderated by industry classification is also supported by a research done by Servaes & Tamayo (2013) that suggests firms engaging and publicizing CSR activities can add value if these activities and firm reputation are aligned. Hence, firms with poor reputations are unlikely to reap any immediate benefits (in terms of shareholder value creation) from engaging in CSR. In fact, such activities may appear disingenuous and may well have the opposite effect. In the long run, the engagement in and dissemination of such activities could create value if they change the customers' perceptions of the firm. These changes would take time to actually affect the sales growth because consumers need time to change their consumption patterns.

CSR disclosure (X) does have a positive and significant effect on return on asset (Y2) without moderation from industry classification (Z). On the other hand, the second test showed that when industry classification (Z) was added, the effect of CSR disclosure (X) is not positive and significant on return on asset (Y2). It is concluded that industry classification moderates the relationship but the result is not positive and significant. The hypothesis result from CSR disclosure to return on assets is consistent to research conducted by Karlsson et al. (2015) that inferred the relationship between CSR and financial performance is positive, albeit not very strongly. Karlsson et al. (2015) also used return on asset to measure financial performance.

The effect from CSR disclosure to return on asset when moderated by industry classification is not significant, this shows that companies in high–profile industry does not necessarily to be more profitable compared to the lower industry classification, and vice versa. The non-significant effect of CSR disclosure to ROA when moderated by industry classification might be caused by the variance of degree of CSR disclosure in both low–profile and high–profile companies. The variance itself makes the one industry classification does not appear more profitable compared to another. This result is supported by Griffin & Mahon (1997) who argued that there is dissimilarity between industries regarding environmental and social concerns and the amount of time and resources that are allocated to such activities.

Conclusion

From the analysis above, the author conclude that CSR disclosure only affects positively on return on asset. industry classification as a moderating variable does not strengthen the effect of corporate social responsibility, instead it weakens the effect of return on asset. Sales growth does not get affected from CSR disclosure, and after the industry classification were taken into the regression model, sales growth still remain unaffected from the moderating variable. In this research only, ROA is consistent with the assumption, meanwhile sales growth and industry classification is on the other side of the assumption.

Companies should disclose more of their CSR activities not only from annual reports or sustainability reports, but instead to disclose more on company's website, products, and other publication media to increase the customer awareness for CSR activities conducted by the company. More CSR publications toward customers might increase the company's sales as CSR publications might improve the company's reputation and customer's perception towards the company.

Indonesian government should encourage companies to conduct a CSR program, the author found that there are still many companies especially in low–profile industries that doesn't disclose or conduct a CSR program. In addition to that, Indonesian government also need to regulate and standardized a guideline for CSR disclosure. The standard and regulation of CSR disclosure from the government will make an easier measure for how far companies have engaged in a CSR activities and the disclosure of CSR report or sustainability report will be more uniform and more comparable between different companies.

Future researcher should consider a longer time frame in order to prove that CSR disclosure will actually give a long run profitability for the companies. In addition to that, future researcher must also combine the measures for financial performance with market measures such as stock price and firm value. Such measures might be more adequate to measure effect of CSR because it measures directly from the effect of CSR to the society (customers and stakeholders) and not only from financial report users.

References

Acharya, A. S., Prakash, A., Saxena, P., & Nigam, A. (2013). Sampling: Why and How of it? *Indian Journal of Medical Specialities*, *4*(2), 330–333. http://doi.org/10.7713/ijms.2013.0032

Aliabadi, S., Dorestani, A., & Balsara, N. (2013). The Most Value Relevant Accounting Performance Measure by Industry. *Journal of Accounting and Finance*, *13*(1), 22–34.

Asmeri, R., Alvionita, T., & Gunardi, A. (2017). CSR Disclosures in the Mining Industry: Empirical Evidence from Listed Mining Firms in Indonesia. *Indonesian Journal of Sustainability Accounting and Management*, *1*(1), 16–22. http://doi.org/10.28992/ijsam.v1i1.23

Botosan, C. A. (1997). Disclosure Level and the Cost of Equity Capital. *The Accounting Review*, *72*(3), 323–349.

Classon, J., & Dahlström, J. (2006). *How Can CSR Affect Company Performance? A Qualitative Study of CSR and Its Effects*. Karlstad University.

Griffin, J. J., & Mahon, J. F. (1997). The Corporate Social Performance and Corporate Financial Performance Debate. *Business & Society*, *36*(1), 5–31. http://doi.org/10.1177/000765039703600102

Gunardi, A., Febrian, E., & Herwany, A. (2016). The implication of firm-specific characteristics on disclosure: the case of Indonesia. *International Journal of Monetary Economics and Finance*, *9*(4), 379–387. http://doi.org/10.1504/IJMEF.2016.080080

Hasan, R., & Yun, T. M. (2017). Theoretical Linkage between Corporate Social Responsibility and Corporate Reputation. *Indonesian Journal of Sustainability Accounting and Management*, *1*(2), 80–89. http://doi.org/10.28992/ijsam.v1i2.32

Henderson, S., Peirson, G., & Herbohn, K. (2008). *Issues in Financial Accounting*. French's Forest, N.S.W.: Pearson Education Australia.

Hermawan, A., Aisyah, I. S., Gunardi, A., & Putri, W. Y. (2018). Going Green: Determinants of Carbon Emission Disclosure in Manufacturing Companies in Indonesia. *International Journal of Energy Economics and Policy*, *8*(1), 55–61.

Honggowati, S., Rahmawati, R., Aryani, Y. A., & Probohudono, A. N. (2017). Corporate Governance and Strategic Management Accounting Disclosure. *Indonesian Journal of Sustainability Accounting and Management*, *1*(1), 23–30. http://doi.org/10.28992/ijsam.v1i1.24

Jitaree, W. (2015). *Corporate Social Responsibility Disclosure and Financial Performance: Evidence from Thailand*. University of Wollongong. Retrieved from http://ro.uow.edu.au/theses/4413/

Karlsson, A., Hagberg, C., & Johansson, S. (2015). *The Relationship Between CSR and Financial Performance – A Quantitative Study Examining Swedish Publicly Traded Companies*. Linnaeus University.

McGuire, J. B., Sundgren, A., & Schneeweis, T. (1988). Corporate Social Responsibility and Firm Financial Performance. *Academy of Management Journal*, *31*(4), 854–872. http://doi.org/10.5465/256342

Merina, C. I., & Noviardy, A. (2015). *Analisis Determinan Pengungkapan Corporate Social Responsibility (CSR) Perusahaan Go Public di Indonesia*. Retrieved from http://eprints.binadarma.ac.id/2185/

Mujahid, M., & Abdullah, A. (2014). Impact of Corporate Social Responsibility on Firms Financial Performance and Shareholders Wealth. *European Journal of Business and Management*, 6(31), 181–187.

Nur, M., & Priantinah, D. (2012). Analisis Faktor-faktor yang Mempengaruhi Pengungkapan Corporate Social Responsibility di Indonesia (Studi Empiris pada Perusahaan Berkategori High Profile yang Listing di Bursa Efek Indonesia). *Nominal: Barometer Riset Akuntansi Dan Manjemen*, *1*(2), 22–34.

Oeyono, J., Samy, M., & Bampton, R. (2011). An Examination of Corporate Social Responsibility and Financial Performance: A Study of The Top 50 Indonesian Listed Corporations. *Journal of Global Responsibility*, 2(1), 100–112. http://doi.org/10.1108/20412561111128555

Palmer, H. J. (2012). Corporate Social Responsibility and Financial Performance: Does it Pay to Be Good? *CMC Senior Theses*, (529).

Pyo, G., & Lee, H.-Y. (2013). The Association Between Corporate Social Responsibility Activities and Earnings Quality: Evidence from Donations and Voluntary Issuance of CSR Reports. *Journal of Applied Business Research*, 29(3), 945–962.

Roberts, R. W. (1992). Determinants of Corporate Social Responsibility Disclosure: An Application of Stakeholder Theory. *Accounting, Organizations and Society*, 17(6), 595–612. http://doi.org/10.1016/0361-3682(92)90015-K

Rokhmawati, A., Gunardi, A., & Rossi, M. (2017). How Powerful is Your Customers' Reaction to Carbon Performance? Linking Carbon and Firm Financial Performance. *International Journal of Energy Economics and Policy*, 7(6), 85–95.

Sam, M., Fazli, M., & Hoshino, Y. (2013). Sales Growth, Profitability and Performance: Empirical Study of Japanese ICT Industries with Three ASEAN Countries. In *ASBBS Annual Conference*. Las Vegas.

Servaes, H., & Tamayo, A. (2013). The Impact of Corporate Social Responsibility on Firm Value: The Role of Customer Awareness. *Management Science*, 59(5), 1045–1061. http://doi.org/10.1287/mnsc.1120.1630

Trivedi, S. M. (2010). *An Analysis of Financial Performance of State Road Transport Corporation in Gujarat*. Saurashtra University.

Verrecchia, R. E. (1983). Discretionary Disclosure. *Journal of Accounting and Economics*, 5, 179–194. http://doi.org/10.1016/0165-4101(83)90011-3

Wiseman, J. (1982). An Evaluation of Environmental Disclosures Made in Corporate Annual Reports. *Accounting, Organizations and Society*, 7(1), 53–63. http://doi.org/10.1016/0361-3682(82)90025-3

Zuhroh, D., & Sukmawati, I. P. P. H. (2003). Analisis Pengaruh Luas Pengungkapan Sosial dalam Laporan Tahunan Perusahaan terhadap Reaksi Investor (Studi Kasus pada Perusahaan-Perusahaan High Profile di BEJ). In *Simposium Nasional Akuntansi VI*. Surabaya.