

POS-F26

PD en Dirección Empresarial, Conocimiento e Innovación

CSR DISCLOSURE MAPPING BY LISTED COMPANIES IN INDONESIAN STOCK EXCHANGE (IDX)

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The majority of CSR research has been focused on developed countries (Bayoud, Kavanagh, and Slaughter, 2012; Belal and Cooper, 2011; Muthuri and Gilbert, 2011; Akinpelu, Olaniran and Ogunseye (2013) and, consequently, some scholars emphasize the great necessity of exploring, understanding and improving the CSR practices in developing countries (Frynas, 2006; Jamali and Mirshak, 2007; Reed, 2002; Visser, 2008; Cheng, Ioannou and Serafeim 2014). According to Hackston and Milne (1996), although the phenomena of disclosure of corporate social responsibility has been in progress for more than two decades, studies about the corporate social responsibility disclosure practice have been concentrated in USA, United Kingdom, and Australia. Only few studies were conducted in such countries as Malaysia, Singapore, Vietnam, Thailand and Indonesia. In Indonesia, the study about CSR were carried out by Kemp (2000), Chambers et. Al, (2003), Mirfazli (2008a, 2008b), Gunawan, (2010), Veronica and Bachtiar, (2010), Oeyono et al (2011) and Karyadi and Marseille (2012). Some studies of corporate social responsibility disclosure show different results. Such are the studies showing significant correlation between company size and corporate social responsibility disclosure carried out by Hackston and Milne (1996), Adams et. al., (1998), and Gray et. al., (2001). In addition Gray et. al., (2001) did not find any correlation between the two variables, while Cowen et. al., (1987) found that the correlation was found only in some categories of corporate social responsibility. Different results were partially caused by the use of simple model and inconsistent measurement. Mirfazli (2008a and 2008b), Gunawan, (2010), Veronica and Bachtiar, (2010) and Oeyono et al (2011) found companies in Indonesia Stock Exchange (IDX) have published corporate social disclosure at annual report but relative still be low. Chambers et. al. (2003) find the proportion of corporate social disclosure (CSD) companies in India (72%) is three times that in Indonesia (24%). According Kemp (2000), in reality, the inherent conflicts between CSD and, in particular, political culture may ensure that in Indonesia implementation of CSD is merely 'cosmetic'. Objectives this research explain the purpose of the research in measurable terms and define standards of what the research should accomplish. In addressing the research problems and answering the research questions, this research project has the three objectives: to collect descriptive evidence on practices, CSR disclosure practice, financial accounting characteristics and PCs performance in Indonesia, to develop a model of the effects of financial accounting characteristic and CSR disclosure practice on PCs performance and to contribute to knowledge of the relationships of CSR disclosure practice, financial accounting characteristics and PCs performance. Research questions involve the research translation of "problem" into the need for inquiry. The research issues described previously leads to the following four research questions: 1. How has it been proposed to measure and mapping CSR disclosure practice by PCs in Indonesia? 2. How the relationships between CSR disclosure practice, corporate financial performance and PCs performance? 3. What the CSR disclosure practice and corporate financial performance give affects to PCs performance? 4.. What the action can improve CSR disclosure practice of PCs in Indonesia. Content Analysis will be used in PCs annual reports to collect data related to social accounting disclosure practices with Global Reporting Initiative (GRI) social performance index. This research uses empirical archival data taken from PCs reports and accounts to investigate and describe CSR disclosure practices of PCs in Indonesia.