FACTORS THAT AFFECT THE DISCLOSURE OF CORPORATE SOCIAL RESPONSIBILITY (CSR) IN FOOD AND BEVERAGE SUBSECTOR COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE (IDX).

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Abstract

This research aims to examine and analyze the effect of the company's size (Size), profitability (ROA), Leverage (DER) against the disclosure of corporate social responsibility (CSR) in the company's food and beverage subsector listed the Indonesia Stock Exchange. The research approach used is associative. The population in this study are food and beverage subsector companies listed on the Indonesia stock exchange and samples in this study as many as 13 of the company by using the financial statements of the year 2012-2016. The result of the test of the hypothesis in this study showed partially company size (Size) effect significantly disclosure of corporate social responsibility (CSR) in food and beverage subsector companies listed on the stock exchange Indonesia while profitability (ROA) and Leverage (DER) is not significant effect against the disclosure of corporate social responsibility (CSR) in food and beverage subsector companies listed on the Indonesia stock exchange. Simultaneously the company Size (size), profitability (ROA) and Leverage (DER) effect significantly against the disclosure of corporate social responsibility (CSR) in food and beverage subsector companies listed on the stock exchange Indonesian.

Keywords: Company’s Size, Profitability, Leverage, and Corporate Social Responsibility

INTRODUCTION

Corporate social responsibility (Corporate Social Responsibility) appears as a tangible form of the implementation of the obligations of the company towards the social environment. Corporate social responsibility (Corporate Social Responsibility) is a form of action that departs from the ethical considerations of the company are directed to improve the economy by improvements the quality of life for employees with the following his family, and an increase in the quality of life of local communities and the wider society. Corporate social responsibility (Corporate Social Responsibility) as a concept of the new accounting transparency is disclosure of the top social events or social activities carried out by the company, in which the transparency of information disclose information on the environmental and social impact resulting active company.

In Indonesia itself the cornerstone of the law of social responsibility in the set in the legislation of INDONESIA No. 40 year 2007 regarding limited liability company (PT) Article 74 paragraph 1 stated that the company is running its business activities in the field and/or related to the source natural power is obligated to carry out the responsibility of the social and the environment. In addition there is also legislation of INDONESIA No. 25 Year 2007 about Investing article 15 and 34 mentioned that the company is not carrying out corporate social responsibility (Corporate Social Responsibility) will be subject to administrative sanction in the form of a written warning, the cancellation of the freezing of business activities, business activities, and the last is revocation business activities.
But this time, not all companies in Indonesia runs a corporate social responsibility program (Corporate Social Responsibility) well, but they have the ability to run it. it can be seen from the members who joined in the Corporate Forum For Community Development (CFCD) has as many as 253, but if companies see regulating all companies operating in Indonesia are obliged to carry out such activities.

According to the research of Krisna and Novrys (2016) factors that influence the social responsibility are the company's size, profitability, leverage, institutional ownership, a measure of the size of the Board of Commissioners, Board of Directors and the size of the audit committee. Research Budiman (2015) stated that the factors that affect corporate social responsibility are the size of the company, the age of institutional ownership, company listing, foreign ownership, the size of the Board of Commissioners, the independence of the Committee audit, modern structure and profitability.

Research on the factors that affect the disclosure of corporate social responsibility in Indonesia gave rise to mixed results and interesting to be examined more deeply. The research of Krishna and Novrys (2016) entitled factors affecting social responsibility disclosure indicates that the size of the company, the audit committee has a positive influence on the disclosure of social responsibility. Not found evidence the influence profitability, leverage, institutional ownership, size of Board of Commissioners, and the size of its Board of directors against the disclosure of social responsibility. Research on sha (2014), indicates the size of the company, the size of the Board of Commissioners, profitability, leverage, and the simultaneous effect on disclosure responsibilities social with 95% confidence level. Then from partially test results using the test t aware that only the company's size and profitability which had a significant influence toward social responsibility disclosure, whereas the size of the Board of Commissioners with no leverage have a significant influence towards disclosure of social responsibility. Budiman (2015) examines the factors that influence corporate social responsibility disclosure showed results that age institutional ownership, company listing, foreign ownership, the size of the Board of Commissioners, and the profitability of influential against the disclosure of corporate social responsibility while the size of the company, the independence of the audit committee, and the structure of capital has no effect against the disclosure of corporate social responsibility.

Based on the above phenomena research will analyze the influence of the size of these, profitability, leverage against corporate social responsibility (corporate social responsibility) because of the shows different results, even contrary to the results of research among one another. This will be a research gap in this study, so it is very interesting and it needs to do more research on the research gap.
The following is the data SIZE, ROA, DER CSR companies and food and beverage Subsector:

<table>
<thead>
<tr>
<th>COMPANY’S</th>
<th>PERIOD</th>
<th>SIZE</th>
<th>PROFITABILITY (ROA)</th>
<th>LEVERAGE (DER)</th>
<th>CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>PT. NIPPON (ROTI)</td>
<td>2014</td>
<td>12.33</td>
<td>0.09</td>
<td>1.23</td>
<td>0.39</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>12.43</td>
<td>0.1</td>
<td>1.28</td>
<td>0.5</td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>12.47</td>
<td>0.09</td>
<td>1.24</td>
<td>0.43</td>
</tr>
<tr>
<td>PT. MAYORA (MYOR)</td>
<td>2014</td>
<td>13.01</td>
<td>0.07</td>
<td>1.08</td>
<td>0.24</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>13.05</td>
<td>0.09</td>
<td>0.90</td>
<td>0.32</td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>13.11</td>
<td>0.07</td>
<td>0.99</td>
<td>0.43</td>
</tr>
<tr>
<td>PT. DELTA (DLTA)</td>
<td>2014</td>
<td>8.99</td>
<td>0.29</td>
<td>0.29</td>
<td>0.25</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>9.01</td>
<td>0.18</td>
<td>0.22</td>
<td>0.39</td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>9.07</td>
<td>0.21</td>
<td>1.83</td>
<td>0.46</td>
</tr>
<tr>
<td>PT. ULTRAJAYA (ULTJ)</td>
<td>2014</td>
<td>12.46</td>
<td>0.09</td>
<td>0.29</td>
<td>0.44</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>12.54</td>
<td>1.45</td>
<td>0.26</td>
<td>0.39</td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>12.63</td>
<td>0.16</td>
<td>0.21</td>
<td>0.44</td>
</tr>
<tr>
<td>PT. INDOFOOD (INDF)</td>
<td>2014</td>
<td>7.93</td>
<td>0.06</td>
<td>1.08</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>7.96</td>
<td>0.04</td>
<td>1.13</td>
<td>0.67</td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>7.91</td>
<td>0.06</td>
<td>0.87</td>
<td>0.63</td>
</tr>
<tr>
<td>PT. TRI BRAYAN (ALTO)</td>
<td>2014</td>
<td>12.09</td>
<td>-0.008</td>
<td>1.23</td>
<td>0.19</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>12.07</td>
<td>-0.02</td>
<td>1.25</td>
<td>0.21</td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>12.07</td>
<td>-0.023</td>
<td>1.42</td>
<td>0.18</td>
</tr>
<tr>
<td>PT. AKASHA (ADES)</td>
<td>2014</td>
<td>5.70</td>
<td>0.06</td>
<td>0.71</td>
<td>0.26</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>5.81</td>
<td>0.05</td>
<td>0.98</td>
<td>0.24</td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>5.88</td>
<td>0.07</td>
<td>0.99</td>
<td>0.23</td>
</tr>
</tbody>
</table>

From the above data, we can see that there are still companies that rate the size of the company has increased in the year 2016 but CSR decline. This condition is not in accordance with the theory of Sembiring (2005) stating that company size is directly proportional to the cost of the Agency so that the required disclosure information. Therefore, in this case in a high level of company size or increasing then the level of CSRnya must also be high or increasing.

Then, the above data also showed increased levels of profitability but of CSR from data over the decline. Meanwhile, Sembiring (2005) States the profitability is the factor that makes the management of being free and flexible for CSR reveal to shareholders. It indicates that companies with high profit will allocate financing CSR higher anyway. So that such disclosure will be the better. Therefore, the higher the level of profitability of the company then the greater the social information disclosure.

It can be seen that there are companies that leverage value increased but the level of CSR has also increased. The data research inversely proportional to Anggreini (2006) States that the higher the leverage, the greater the likelihood the company will experience a breach of contract debts, then the Manager will seek to report profits now higher than earnings in the future. So that profits both reported higher then the Manager has to reduce costs include the cost of social information to reveal.

Based on the background which has been described previously, then the outline of the issues that are to be examined in this study are:

a. If Company Size (SIZE) effect significantly to Corporate social responsibility (Corporate Social Responsibility) in food and beverage Subsector Companies listed on the Indonesia stock exchange?
b. whether the Profitability (ROA) effect significantly to Corporate social responsibility (Corporate Social Responsibility) in food and beverage Subsector Companies listed on the Indonesia stock exchange?

c. Whether the Leverage (DER) effect significantly to Corporate social responsibility (Corporate Social Responsibility) in food and beverage Subsector Companies listed on the Indonesia stock exchange?

d. If the company Size (SIZE), profitability (ROA), and Leverage (DER) effect significantly to Corporate social responsibility (Corporate Social Responsibility e.) on food and beverage Subsector Companies listed on the stock exchange Indonesian?

Based on the explanation above, then the related variables in this study can be formulated in a conceptual framework as follows:

![Conceptual Framework](image)

**RESEARCH METHODS**

**Operational Definitions Of Variables**

1. **Company size (size) (X 1)**

   The size of the company is big or small to measure the scope of the company is big or small to measure the scope of the company activities in the conduct of operations. These measurements are performed to find out the great number of labor more owned then it will be more and greater social responsibility that should be disclosed (Purnasiwi, 2011). How to measure the size of these consistent with Nugraha and Andayani (2013) are:

   \[ \text{Size} = \log (\text{Total assets}) \]

2. **Profitability (X 2)**

   Profitability is the net result of the various wisdom and decisions (Rambe etc, 2015:54). The probability is also defined as the ability of generating profits or profit in an effort to increase shareholder value (Purnasiwi: 2011). There are several sizes to determine the probability of a company, but in the research, it uses a return on assets (ROA) as a proxy for profitability.

   \[ \text{ROA} = \frac{\text{net income after tax}}{\text{Total Assets}} \]
3. Leverage (X 3)

Leverage is a tool to measure how big the company is dependent on the creditor in the finance company assets. The scale of measurement for calculating the leverage ratio is to use the company. Leverage used in this research is the debt to equity Ratio (DER) consistent with the (Kristiana etc: 2016), namely:

\[
\text{Debt to Equity Ratio (DER)} = \frac{\text{Total Liabilities}}{\text{Total capital}}
\]

4. Disclosure Of Corporate Social Responsibility (CSR) (Y)

Social disclosure categories used in this research was adopted on Dermawan and Deitiana (2014). Indicators are used to calculate the disclosure of corporate social responsibility (CSR) using indicators of the Global Reporting Initiative (GRI) with a total of 79 that includes economic disclosure (EC), the environment (EN), human rights (HR), labor practices (LP), product responsibility (PR), society (SO) and general. Then check list is done by looking at the disclosure of corporate social responsibility in economic dimension (EC), the environment (EN), human rights (HR), labor practices (LP), product responsibility (PR), society (SO) and general. This category was chosen because it corresponds to the condition of the company in Indonesia. Each item in the CSR research instrument was given a value of 1 if disclosed, and a value of 0 if it is not disclosed. As for the formula of disclosure of corporate social responsibility (CSR) is as follows

\[
\text{CSRDI}_i = \frac{\sum Xyi}{\text{NI}}
\]

Where:
\text{CSRDI}_i: \text{Corporate Social Responsibility Disclosure Index Company}_i \\
\sum Xyi: \text{number of value are disclosed in the annual report, these}_i \\
\text{NI: Total items (79)}

The population and Sample

The population in this research is the sub sectors of the food and drinks were listed on the Indonesia stock exchange in 2012-2016, which is contained in www.idx.co.id. The population of sub companies of food and beverages as much as 17 companies. In this research, the sample was selected using a purposive sampling. Selection criteria samples in this research are as follows:

<table>
<thead>
<tr>
<th>No.</th>
<th>Criteria</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>sub Companies of food and beverages are listed on the Indonesia stock exchange</td>
<td>17</td>
</tr>
<tr>
<td>2</td>
<td>companies who do not present the annual report of the year 2012-2016</td>
<td>(4)</td>
</tr>
<tr>
<td></td>
<td>Total sample</td>
<td>13</td>
</tr>
</tbody>
</table>

Based on the table above companies listed on the Indonesia stock exchange who have to meet the criteria the research sample is thirteen companies and for 5 years for retrieved data is 65.
Data analysis techniques

1. The Descriptive Statistics Analysis

Descriptive statistics are used to illustrate and describe the data so that it becomes an information more clear and easy to understand (Novrizal and Fitri, 2016). This analysis will be generated with the average (mean), median, standard deviation value, maximum value, and the minimum. The descriptive statistical tests performed with the SPSS program.

2. Multiple Linear regression analysis

Hypothesis test conducted in this study using multiple linear regression analysis was used to give a clear picture of the influence of the independent variables (more than one) being used against the independent variable. This study uses multiple linear regression model with the following equation:

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + a \]

Description:
Y: disclosure of corporate social responsibility (CSR)
a: the constant regression coefficient b:
X1: Company Size (size)
X2: Profitability (ROA)
X3: Leverage (DER)
e: error coefficients

3. Test the hypothesis
a. Individual significance Test (test statistic t)

This test aims to show how far the influence of one independent variable identifiers or individually in explaining the variations of the dependent variable. With a 5% significance level, then the testing criteria are as follows:

If the value the significance of \( t < 0.05 \), then there are significant effects between one dependent variable and independent variable toward. If the value significance of \( t > 0.05 \), then no significant effects between one variable independent of the dependent variable.

b. Significant simultaneous Test (test statistic F)

Statistical tests showed basically F are all the free variables are placed in the model of influence simultaneously against variables bound (Ghozali, 2013:98). With a level of significance of 5%, then the testing criteria are as follows:

When the value significance \( f < 0.05 \), then there is a significant influence among all the variables are independent of the dependent variable, if the value of significance \( f > 0.05 \), then the independent variable has no effect significant against the dependent variable.

4. The coefficient of Determination (R2)
RESULTS AND DISCUSSION

Research results

1. Test of Hypothesis

a. statistical tests T

Table 3. Hypothesis statistical test T

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>t</td>
<td>Sig.</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.544</td>
<td>.075</td>
<td>7.266</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>SIZE</td>
<td>-.018</td>
<td>.006</td>
<td>-.358</td>
<td>-2.955</td>
<td>.004</td>
</tr>
<tr>
<td>ROA</td>
<td>.086</td>
<td>.075</td>
<td>.137</td>
<td>1.144</td>
<td>.257</td>
</tr>
<tr>
<td>DER</td>
<td>-.026</td>
<td>.025</td>
<td>-.122</td>
<td>-1.019</td>
<td>.312</td>
</tr>
</tbody>
</table>

Based on the above table can be known to value the significance of company Size (SIZE) 0.004 < 0.05. So it shows that company size variable (Size) effect significantly to disclosure of corporate social responsibility (CSR) in food and beverage subsector companies listed on the Indonesia stock exchange, so the hypothesis the first submitted was received.

Based on the table above it can be noted that the value of significance 0.257 > 0.05. So that shows that the variable profitability (ROA) has no effect significant against the disclosure of corporate social responsibility (CSR) in the food and beverage subsector company are listed on the Indonesia stock exchange.

Based on the table above it can be noted that the value of significance is 0,312 > 0.05. So that indicates that the variable Leverage (DER) is not significant effect against the disclosure of corporate social responsibility (CSR) in food and beverage subsector companies listed on the Indoneisa stock exchange.

b. Test statistic F

The F-test Statistics testing basically to test whether all the variables entered independent variable affects the co-dependent in acidic-same (simultaneous). The F-test to the test results can be seen in the following table:

Table 4. Hypothesis Statistical Test F

<table>
<thead>
<tr>
<th>ANOVA*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

1493
a. Dependent Variable: CSR
b. Predictors: (Constant), DER, ROA, SIZE

From the table above it can be seen the test ANOVA produces a number F of 3.810 value 0.014 significance 0.05, then < can be concluded that the company's Size (SIZE), profitability (ROA), and Leverage (DER) simultaneously significant effect against the disclosure of corporate social responsibility (CSR) in food and beverage Subsector companies listed on the Indonesia stock exchange.

c. The coefficient of Determination

Following is the result of determination of coefficients in this research:

Table 5. Result Of determination of coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.397⁺</td>
<td>.158</td>
<td>.116</td>
<td>.12318</td>
<td>2.195</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), DER, ROA, SIZE
b. Dependent Variable: CSR

Seen from the testing results can be known the value of the Adjusted R2 of 0.116 which means the dependent variable is the variability can be explained by the variability of the independent variable of 11.6%. And the rest is 88.4% explained by other variables that are not included in the regression variables in this study.

Discussion

The influence of Company Size (SIZE) against the disclosure of social responsibility (CSR) the size of the companies is one important measure that is widely used to describe the variation of the disclosure in the annual report of the company. Companies that have a larger agency fee will disclose more extensive information to reduce the cost of the Agency. In addition, the company is highlighted most issuers, the disclosure of which bigger is the reduction of political expenses as a form of social responsibility.

The theory also States that the magnitude of the legitimacy of an organization or company size is a social contact which States that among the companies with the public, where the company operates directly affect a measure of the magnitude of the community so the company will have an impact both on the community large company because it will have a great social responsibility anyway.

Based on table 3 can be known to value the significance of the company's Size (SIZE) 0.004 < 0.05. So it shows that company size variable (Size) effect significantly to disclosure of corporate social responsibility (CSR) in food and beverage subsector companies listed on the Indonesia stock exchange, so the hypothesis forward first received.
The results of this research support research conducted by Kristiana (2016), Dermawan (2014), and Krisna (2016) to obtain the results that the size of the company's significant effect against the disclosure of corporate social responsibility (CSR). However, the results of this research are not supported research that has been done by Anggraini (2006), which states that the size of the company is not significant effect against the disclosure of corporate social responsibility (CSR).

Companies that have high profitability is not necessarily doing more disclosure of CSR information. This is due to the company's management will still reveal the necessary report although the profitability of the company goes up or down because companies need to disclose the information required by investors. This is in accordance with the stakeholder theory, since it is this group that is becoming a major consideration for companies in disclosing or not to disclose any information in the financial statements.

Based on table 3 can be aware that the value of significance 0.257 > 0.05. So that shows that the variable profitability (ROA) has no effect significant against the disclosure of corporate social responsibility (CSR) in the company food and beverage subsector are listed on the Indonesia stock exchange.

These results are consistent with research Novrizal (2016), Sembiring (2005), and Dermawan (2014) showed that Profitability is not significant effect against the disclosure of corporate social responsibility (CSR). And this research generates different findings with research conducted by Sha (2014) and Oktariani (2014) stating that the profitability of significant effect against the disclosure of corporate social responsibility (CSR).

The leverage ratio is the proportion of total debt against the average shareholders’ equity. The ratio is used to give you an idea of the structure of the capital owned company, so it can be seen the level of risk is uncollected a debt. Based on table 3 can be aware that the value of significance is 0.312 > 0.05. So that indicates that the variable Leverage (DER) is not significant effect against the disclosure of corporate social responsibility (CSR) in the company food and beverage subsector are listed on the Indonesia stock exchange.

These results indicate that his little big leverage that is owned by the company do not affect the level of disclosure of corporate social responsibility. Coefficient of Debt to Equity Ratio (DER) negative indicates that the greater portion of creditors than shareholders in company management, managers tend to reveal more corporate social responsibility a little bit to avoid pressure from creditors.

These results are supported by the research of Kristiana (2016), Sha (2014), and Trisnawati (2014) that indicates that no effect significant Leverage against the disclosure of corporate social responsibility (CSR). However, the results of this research are not supported research that has been done by Majidah and Sihite (2014), which stated that Leverage significant effect against the disclosure of corporate social responsibility (CSR).

From table 4 can be seen the value significance of 0.05, then 0.014 < can be concluded that the company's Size (SIZE), profitability (ROA), and Leverage (DER) significant effect against the simultaneous disclosure of corporate social responsibility (CSR ) on food and beverage Subsector companies listed on the Indonesia stock exchange.

The results of this research supported by Rofiqkoh and Maswar (2016), and Imani (2013) stating that the company's size, profitability, leverage, and the simultaneous effect on corporate
social responsibility. Simultaneous independent variables in this study under the dependent variable amount 11.6% and the rest are affected by other variables outside of this research.

CONCLUSION

1. Company Size (SIZE) Effect significantly to Disclosure Tanggug Corporate social responsibility (CSR) in food and beverage Subsector Companies listed on the Indonesia stock exchange.

2. Profitability (ROA) has no effect on Significant Disclosure Tanggug Corporate social responsibility (CSR) in food and beverage Subsector Companies listed on the Indonesia stock exchange.

3. Leverage (DER) is not significant Effect against the disclosure of Corporate Social Tanggug (CSR) on food and beverage Subsector Companies listed on the Indonesia stock exchange.

4. Company Size (SIZE), profitability (ROA), and Leverage (DER) significant Effect against the simultaneous disclosure of Corporate Social Tanggug (CSR) on food and beverage Subsector Companies listed on the Indonesia stock exchange.

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