

The Effect of Firm Size, Profitability and Leverage on Corporate Social Responsibility

(Case Study on Jakarta Islamic Index, 2016-2020)

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Abstract

This study aims to analyze the effect of firm size, profitability (ROA) and leverage (DER) on corporate social responsibility. The population in this study are companies registered as members of the Jakarta Islamic Index in 2016-2020. Of the 30 listed companies, there are 11 companies that meet the criteria as samples in this study. Sampling was done by purposive sampling method, using panel data. The method of data collection was carried out using documentation techniques and library research techniques with data sources namely secondary data. The data analysis method uses statistical techniques through Eviews 9. This study proves that the size of the company has a negative and insignificant effect on the disclosure of corporate social responsibility. ROA has a significant negative effect on the disclosure of corporate social responsibility.

INTRODUCTION

Corporate social responsibility (CSR) is a very popular term today and is the obligation of every issuer on the stock exchange, even though CSR on a global scale has been used since the 1970s. The implementation of CSR was initially only voluntary, but now CSR has become a strategic activity that is related to the achievement of company goals in the long term. Elkington (1998) with his concept of the Triple Bottom Line, suggests that a good company does not only want to gain economic benefits (profit), but also must have a concern for environmental sustainability (planet) and community welfare (people).

In general, CSR is an action or concept carried out by companies as a form of their responsibility to social and environmental surroundings where the company is located. The forms of responsibility given also vary, ranging from carrying out activities that can improve the welfare of the community through environmental improvements, providing scholarships, providing funds for the maintenance of public facilities, as well as donations to the community that are social and useful, especially for people who are in the company's environment.

The government through Law No.25 of 2007 concerning Investment Article 15(b) states that every investor is obliged to carry out corporate social responsibility. Another regulation related to CSR is Law No. 40 of 2007 concerning Limited Liability Companies, article 66 paragraph 22(c) which states that in addition to submitting financial reports, companies are also required to report on the implementation of social and environmental responsibilities, as well as article 74 paragraph 1, namely companies those who carry out their business activities in the field of and/or related to natural resources are obliged to carry out social and environmental responsibilities.

Public awareness of the company's role in the social environment is also increasing. Concern about the worsening environmental and social conditions due to the business activities of companies has also become a global problem today. Global Trend Graphs data shows that there is a threat due to environmental damage for the survival of future generations. The negative impact of the company's business activities on the environmental and social conditions of the community is something that needs to be considered.

Basically, in maintaining its existence, the company cannot be separated from the community. Companies that carry out CSR activities will pay attention to the impact of company operations on social and environmental conditions and strive for positive impacts. So that with the concept of CSR, it is hoped that environmental damage that occurs in the world, ranging from population increase, resource utilization, deforestation, can be reduced.

The implementation of CSR in companies is believed to improve company performance. CSR activities can also assist in improving financial performance and capital market access, enhancing brand image and sales, maintaining the quality of the workforce, improving decision-making on critical issues, managing risks more efficiently and reducing long-term costs. Many indicators can be used to analyze the effect of the company's financial performance on CSR disclosure, but in this study the researchers chose the factors of firm size, profitability and leverage as indicators that affect CSR disclosure.

The effect of firm size on CSR disclosure is reflected in agency theory which explains that large companies have large agency costs, therefore large companies will disclose more information than small companies.

Profitability is a factor that gives management freedom and flexibility to disclose social responsibility to shareholders.

Leverage provides an overview of the capital structure of the company, so that it can be seen the level of risk of uncollectible debt.

This research is interesting to do because it aims to analyze the effect of firm size, profitability, and leverage on the social responsibility of companies registered as members of the Jakarta Islamic Index in 2016-2020. Jakarta Islamic Index (JII) is an index consisting of 30 stocks accommodating investment requirements based on Islamic law.

The problem in this study is that there are still some indicators whose values are still low based on CSR disclosure data based on the Global Reporting Initiative (GRI). The following are the results of CSR disclosure data at JII companies for the 2009-2012 period:

Table 1. JII CSR Disclosures period 2009-2012

Indikator	Jumlah Aspek	Jumlah Indikator Kinerja	Tahun				Rata-rata (d)	% (e : c)
			2009	2010	2011	2012		
(a)	(b)	(c)	(d)				(e)	(f)
<i>Ekonomi (EC)</i>	3	9	6	6	7	6	6	66%
<i>Lingkungan (EN)</i>	9	30	16	19	20	18	18	60%
<i>Tenaga Kerja (LA)</i>	7	14	11	10	10	10	10	71%
<i>Hak Asasi Manusia (HR)</i>	5	9	6	6	7	6	6	66%
<i>Sosial (SO)</i>	5	8	4	3	3	3	3	37%
<i>Produk (PR)</i>	5	9	5	5	5	5	5	55%
Jumlah	34	79	48	49	52	48	48	60%

Source: JII (IDX website), data processed

Based on the table, on average only 48 items were disclosed out of a total of 79 CSR disclosure items during the 2009-2012 period. When presented, the amount is only 60% of the total CSR disclosure items. Of the six aspects of CSR disclosure, the highest value is in the aspect of employee disclosure, while the lowest CSR disclosure item is in the social aspect.

LITERATURE REVIEW

Agency Theory

Agency theory according to Jensen and Meckling (1976) states that agency relationships occur when one or more people (principals) hire other people (agents) to provide a service and then delegate decision-making authority. Agency theory assumes that all individuals act in their own interests. So that there is a conflict of interest between the owner and the agent because the agent may not always act in accordance with the interests of the principal, thus triggering agency costs.

Stakeholders Theory

Stakeholders theory said that the company is not an entity that only operates for its own sake but must also be able to provide benefits to its stakeholders. Thus, the existence of a company is strongly effected by the support provided by the company's stakeholders (Chariri & Ghozali, 2007).

Legitimacy Theory

Legitimacy theory reveals that companies continuously seek to act in accordance with the boundaries and norms in society. For this effort, the company tries to make its activities acceptable according to the perceptions of external parties (Deegan, 2002). The existence of legitimacy theory provides the basis that companies must obey the norms that apply in the community where the company is located so that company operations can also run smoothly without conflict from the surrounding community.

Corporate Social Responsibility

The World Bank (world bank) defines CSR as a business commitment to contribute to sustainable economic development that can work together with employees and their representatives, the surrounding community and the wider community to improve the quality of life, in a way that is good for business and development. .

Firm Size

Firm size is a variable that is widely used to explain social disclosures made by companies in the annual reports made. In general, large companies will disclose more information than small companies.

Profitability

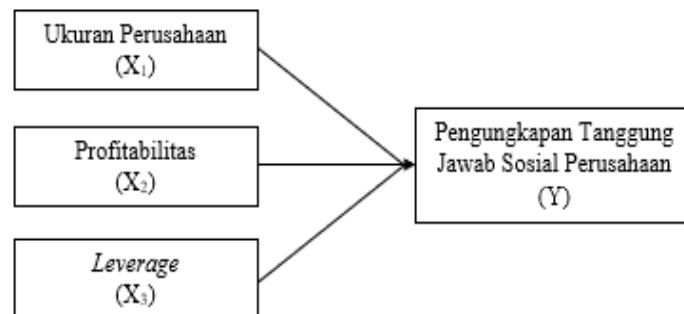
The profitability is a factor that gives management freedom and flexibility to disclose social responsibility to shareholders. This means that the higher the level of company profitability, the greater the disclosure of social information (Putro & Risman, 2021; Heinze, 1976 in Gray et.al., 1995).

Leverage

Leverage is a comparison between the funds used to finance the company or the comparison between funds obtained from external companies (from creditors) with funds provided by the company owner (Risman et al., 2020; Makmun, 2002)

Conceptual Framework

Figure 1. Conceptual Framework



Source: JII (IDX website), data processed

Hypothesis

H₁: Firm size has a positive effect on the disclosure of corporate social responsibility.

H₂: The company's profitability has a positive effect on the disclosure of corporate social responsibility.

H₃: The company's leverage has a positive effect on the disclosure of corporate social responsibility.

METHOD

Time and Place of Research

The research time for data collection was seven months, namely April - December 2021. This study took location on the Jakarta Islamic Index (JII) for the 2016-2020 period. The data is obtained through direct access from the website of the Indonesia Stock Exchange (www.idx.co.id) and the websites of companies in JII.

Research design

With the preparation in a planned and systematic way to get problem solving answers to certain phenomena that have been determined. In this study, the author uses quantitative methods, where information is obtained through processing and analyzing data using statistical techniques, namely Eviews 9. The design of this study uses a causal approach, which aims to test hypotheses about the effect of one or several variables (independent variables) on other variables (dependent variables).). The source of data used by researchers is secondary data, namely primary data that has been further processed and presented by other parties (Umar, 2003:69). This study uses secondary data in the form of disclosure of corporate social responsibility, firm size, profitability, and leverage contained in the Annual Report contained on the Indonesia Stock Exchange website with observational data for the 2016-2020 period.

Operational Definition Variables

1. Corporate Social Responsibility Disclosure

In this study, the disclosure of corporate social responsibility is the data disclosed by the company related to its social activities. Corporate social disclosure is measured by

content analysis method by means of a checklist in the form of the CSRDI social disclosure index (Corporate Social Responsibility Disclosure Index).

2. Firm Size.

Firm size is a variable that is widely used to explain social disclosures made by companies in the annual reports made. In this study, firm size is expressed by the total assets of companies listed in JII for the period 2016-2020. The following is the firm size formula used in this study:

$$\text{Firm Size} = \text{Total Assets}$$

3. Profitability

The profitability variable in this study uses Return on Assets (ROA). The formula for measuring the profitability variable (ROA) is as follows:

$$\text{ROA} = \frac{\text{Net Profit}}{\text{Total Assets}} \times 100\%$$

4. Leverage

Leverage companies in this study were measured by the value of the Debt to Equity Ratio (DER). The measurement of leverage (DER) in this study using the formula:

$$\text{DER} = \frac{\text{Total Debt}}{\text{Total Equity}} \times 100\%$$

Population and Research Sample

The population in this study is a pharmaceutical sub-sector company registered in Indonesia Stock Exchange (IDX) in period 2016-2020. The following is a list of sample company names: Sampling was done by "purposive sampling" method. Of the 30 companies registered as members of the Jakarta Islamic Index, there are 11 companies that meet the requirements as a sample. This study uses panel data (pooled data), for a period of 5 years (2016 to 2020), so the total number of observations is 55.

Table 2. Sample List

No.	NAME OF COMPANY	STOCK CODE
1	PT Adaro Energy Tbk	ADRO
2	PT AKR Corporindo Tbk	AKRA
3	PT Indofood CBP Sukses Makmur Tbk	ICBP
4	PT Vale Indonesia Tbk	INCO
5	PT Indofood Sukses Makmur Tbk	INDF
6	PT Kalbe Farma Tbk	KLBF
7	PT Bukit Asam Tbk	PTBA
8	PT Telekomunikasi Indonesia (Persero) Tbk	TLKM
9	PT United Tractors Tbk	UNTR
10	PT Unilever Indonesia Tbk	UNVR
11	PT Wijaya Karya (Persero) Tbk	WIKA

Source: JII (IDX website), data processed

Data Collection Technique

The data collection technique carried out by the author to obtain secondary data in this study was carried out with documentation techniques, namely by taking data that was available

and published by the Jakarta Islamic Index and using library research techniques, by obtaining data through library research by reading, studying books, literature. and the results of research from other parties that have relevance to the object of research being analyzed related to the required secondary data.

Data Analysis Method

For data analysis method using descriptive statistics and panel data regression analysis. In order for the regression analysis model used in this study to theoretically produce valid parametric values, tests will first be carried out which include: panel data regression estimation model (common effects model, fixed effect model, and random effect model), selection of panel data regression estimation model (Chow test, Hausman test, and Lagrange multiplier test), classical assumption test (multicollinearity test and heteroscedasticity test), model feasibility test (f statistic test), hypothesis test (t statistical test).

RESULTS AND DISCUSSION

Results

1. Descriptive Statistical Analysis

Table 3. Descriptive Statistical Analysis

	CSR	SIZE	ROA	DER
Mean	0,42	35.434	0,61	0,91
Median	0,41	20.535	0,57	0,74
Maximum	0,56	163.136	1,95	2,91
Minimum	0,33	179	0,06	0,19
Observations	55	55	55	55

Source: Output results with Eviews 9

Based on table 3. it can be seen that the sample data studied in 2016-2020 were 55 data samples. Descriptive statistical analysis showed the following results:

- 1) The number of observations used in this study was 55 (fifty five) samples consisting of 11 (eleven) companies registered as members of JII for the 2016–2020 period (5 years).
- 2) With the Global Reporting (GRI) G4 indicator with a total of 91 disclosure items, based on the results of the table above, the dependent variable CSR has a minimum value of 0.33 or 33% of the total disclosure index, which is 30 disclosures, while the maximum value is 0.56 or 56. % of the total disclosure, namely 51 disclosures. The average value (mean) is 0.42 or 42% of the total disclosure. This means that the level of CSR disclosure of JII member companies for the 2016–2020 period cannot be said to be good, because on average the company only makes 38 disclosures of the total disclosure.
- 3) The independent variable Size has a minimum value of 179 (Billion Rp). While the maximum value is 163,136 (Billion Rp). The average value (mean) is 35,434 (Billion Rp), meaning that the larger the assets, the more sources of assets owned by the company, so it is possible to increase the sources of disclosure that can be provided by the company. Because the total asset data from the sample company has a large enough variation.
- 4) The independent variable ROA has a minimum value of 0.06, meaning that the company can generate a net profit of 6% of the total assets owned. While the maximum ROA value

of 1.94 means the company can generate a net profit of up to 19% of the total assets owned. The average value (mean) is 0.61, meaning that the company is able to generate a net profit of 61% of the company's total assets. Based on the standard value of ROA, it can be categorized as good, because the value is $> 5.98\%$. The higher the ROA value, the higher the net profit generated.

- 5) The independent variable DER has a minimum value of 0.19, meaning that there is a debt of 19% of the entire company's own capital. While the maximum value of 2.91 means that there is a debt that is greater than the company's own capital. The average value (mean) of 0.91 means that on average the company uses debt of 91% of its own capital owned by the company, so it can still be said to be ideal, because the DER value is still below 1 or below 100%.

2. Panel Data Regression Estimation Model

a. Common Effect Model

Table 4. Common Effect Model Regression

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.421465	0.055618	7.577896	0.0000
SIZE	0.001733	0.006075	0.285244	0.7766
ROA	-0.033459	0.023048	-1.451730	0.1527
DER	-0.002446	0.011635	-0.210226	0.8343
R-squared	0.044970	Mean dependent var		0.415984
Adjusted R-squared	-0.011208	S.D. dependent var		0.051082
S.E. of regression	0.051367	Akaike info criterion		-3.029682
Sum squared resid	0.134569	Schwarz criterion		-2.883694
Log likelihood	87.31626	Hannan-Quinn criter.		-2.973228
F-statistic	0.800497	Durbin-Watson stat		0.795882
Prob(F-statistic)	0.499357			

Source: Output results with Eviews 9

b. Fixed Effect Model

Table 5. Fixed Effect Model Regression

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.717203	0.191090	3.753228	0.0005
SIZE	-0.025011	0.019005	-1.316060	0.1955
ROA	-0.040266	0.016934	-2.377821	0.0222
DER	-0.034902	0.028301	-1.233273	0.2245
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.665393	Mean dependent var		0.415984
Adjusted R-squared	0.559298	S.D. dependent var		0.051082
S.E. of regression	0.033911	Akaike info criterion		-3.714832
Sum squared resid	0.047148	Schwarz criterion		-3.203874
Log likelihood	116.1579	Hannan-Quinn criter.		-3.517240
F-statistic	6.271679	Durbin-Watson stat		2.074590
Prob(F-statistic)	0.000003			

Source: Output results with Eviews 9

c. Random Effect Model

Table 6. Random Effect Model Regression

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.490286	0.101872	4.812767	0.0000
SIZE	-0.004107	0.010354	-0.396620	0.6933
ROA	-0.038042	0.016705	-2.277336	0.0270
DER	-0.012149	0.017983	-0.675569	0.5024
Effects Specification				
			S.D.	Rho
Cross-section random			0.046415	0.6520
Idiosyncratic random			0.033911	0.3480
Weighted Statistics				
R-squared	0.101981	Mean dependent var	0.129195	
Adjusted R-squared	0.049157	S.D. dependent var	0.034556	
S.E. of regression	0.033695	Sum squared resid	0.057905	
F-statistic	1.930564	Durbin-Watson stat	1.799242	
Prob(F-statistic)	0.136345			
Unweighted Statistics				
R-squared	0.002438	Mean dependent var	0.415984	
Sum squared resid	0.140562	Durbin-Watson stat	0.741202	

Source: Output results with Eviews 9

3. Selection of Panel Data Regression Estimation Model

a. Chow Test

Table 7. Chow Test

Effects Test	Statistic	d.f.	Prob.
Cross-section F	7.602151	(10,41)	0.0000
Cross-section Chi-square	57.683215	10	0.0000

Source: Output results with Eviews 9

Based on the results of the Chow test in the table above, it can be seen that the probability of cross-section F is $0.0000 < 0.05$, meaning that the fixed effect model is better than the common effect model.

b. Hausman Test

Table 8. Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	12.882036	5	0.0245

Source: Output results with Eviews 9

Based on the test results above, it can be seen that the chi-square probability is $0.0245 < 0.05$, it can be concluded that the model that should be used is the fixed effect model.

4. Panel Data Regression Model Selection Results

Based on the results of several stages of model selection testing, the model used in this study is the fixed effect model:

Table 9. Panel Data Regression Model Selection

Variabel	Prediksi	Koefisien	t-statistik	Signifikan	Ket.
C		0,717203	3,753228	0,0005	
SIZE	Positif	-0,025011	-1,316060	0,1955	Ditolak
ROA	Positif	-0,040266	-2,377821	0,0222	Diterima
DER	Positif	-0,034902	-1,233273	0,2245	Ditolak
R-squared	0,665393				
F-statistik	6,271679				
Prob. (F-statistik)	0,000003				

Source: Output results with Eviews 9

Based on these results, the equation for the regression model between the dependent variable (CSR disclosure) and the independent variable (size, ROA, and DER) is as follows:

$$CSR_{it} = 0,717203 - 0,025011 SIZE_{it} - 0,040266 ROA_{it} - 0,034902 DER_{it}$$

Keterangan:

CSR = Pengungkapan CSR

SIZE = Ukuran perusahaan

ROA = Return on Assets

DER = Debt to Equity Ratio

i = Jumlah perusahaan JII yang dijadikan sampel (11 perusahaan)

t = Periode waktu penelitian dari tahun 2016-2020 (5 tahun)

Based on the regression equation above, it can be explained that:

- 1) The magnitude of the constant is 0.717203. This shows that if the independent variable (size, ROA, and DER) are 0, then the level of CSR disclosure is 0.717203 or 71% of the total disclosure, which is 64 disclosures.
- 2) Coefficient value of size of 0.025011 and has a negative sign. This shows that for every 1% increase in company assets, the level of CSR disclosure will decrease by 0.25%.
- 3) The coefficient value of ROA is -0.040266 and is negative. This shows that for every 1% increase in ROA, the level of CSR disclosure will decrease by 4%.
- 4) The coefficient value of DER is -0.034902 and is negative. This shows that for every 1% increase in DER, the level of CSR disclosure will decrease by 3.5%.

5. Classic assumption test
1. Multicollinearity Test

Table 10. Multicollinearity Test

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.003093	64.47845	NA
SIZE	3.69E-05	75.08147	1.166774
ROA	0.000531	5.415411	1.360808
DER	0.000135	3.619994	1.296395

Source: Output results with Eviews 9

From the results of the table above, it is known that the VIF value in each variable has a VIF value < 10, indicating that there is no multicollinearity problem.

2. Heteroscedasticity Test

Table 11. Heteroscedasticity Test

Heteroskedasticity Test: Harvey

F-statistic	0.369868	Prob. F(3,51)	0.7751
Obs*R-squared	1.171151	Prob. Chi-Square(3)	0.7599
Scaled explained SS	0.898120	Prob. Chi-Square(3)	0.8259

Source: Output results with Eviews 9

From the table above, the heteroscedasticity test using the Harvey test Heteroscedasticity method shows that the chi-square probability value on Obs*R-squared is 1.1711 > 0.05, so there is no heteroscedasticity problem.

6. Godness of fit Model

Table 12. Godness of fit Model

R-squared	0.665393	Mean dependent var	0.415984
Adjusted R-squared	0.559298	S.D. dependent var	0.051082
S.E. of regression	0.033911	Akaike info criterion	-3.714832
Sum squared resid	0.047148	Schwarz criterion	-3.203874
Log likelihood	116.1579	Hannan-Quinn criter.	-3.517240
F-statistic	6.271679	Durbin-Watson stat	2.074590
Prob(F-statistic)	0.000003		

Source: Output results with Eviews 9

Based on the results of the table above, the F-statistic result is 6.271679 with a significance value of 0.000003 which means <0.05, this means that the variables of firm size, ROA, and DER jointly affect the CSR disclosure variable.

7. Hypothesis Test

Table 13. Hypothesis Test

Ha	Relationship Between Variables	Coefficient	t - Statistics	Sig.	Results
H.1	Size → CSR	- 0.004107	- 0.396620	0.6933	Not significant
H.2	ROA → CSR	- 0.038042	- 2.277336	0.0270	Significant
H.3	DER → CSR	- 0.012149	- 0.675569	0.5024	Not significant

Source: Output results with Eviews 9

Based on the table above, it shows that the results of the t statistical test are as follows:

- 1) The variable size of the company obtained the results of the t-statistic value of 0.396620 with a negative direction and a significant value of 0.6933 which means > 0.05 . So it can be concluded that the size of the company has a negative and insignificant effect on CSR disclosure.
- 2) The ROA variable resulted in a t-statistic value of 2.277336 with a negative direction and a significant value of 0.0270 which means < 0.05 . So it can be concluded that ROA has a negative but significant effect on CSR disclosure.
- 3) The DER variable resulted in a t-statistic value of 0.675569 with a negative direction and a significant value of 0.5024 which means > 0.05 . So it can be concluded that DER has a negative and insignificant effect on CSR disclosure.

Discussion

1. The Effect of Firm Size on Corporate Social Responsibility

Based on the results of hypothesis testing (t statistical test) that the size of the company has a negative effect on the disclosure of corporate social responsibility (CSR) because the t-statistic value is 1.316060 with a negative direction and a significant value > 0.05 , which is 0.1955 which means not significant. This study found that firm size had a negative and insignificant effect on CSR disclosure.

The results of this study support the agency theory which states that large companies have greater agency costs than small companies. The results of this study are also in line with research conducted by Pradnyani and Sisdyani (2015) which found that firm size had a negative effect on CSR.

2. The Effect of Profitability (ROA) on Corporate Social Responsibility

Based on the results of hypothesis testing (t statistical test) that ROA has a negative effect on the disclosure of corporate social responsibility (CSR) because the t-statistic value is 2.377821 with a negative direction, but the significant value is < 0.05 , which is 0.0222 which means significant. This study finds that ROA has a significant negative effect on CSR disclosure.

Companies that have a high level of profitability tend to disclose more information, because they want to show it to the public and their stakeholders. However, a high profitability value does not necessarily mean more social responsibility activities because the company is more profit-oriented. If viewed from the results of the value of CSR disclosure which is still relatively low, this is not in line with the legitimacy theory. The results of this study are also in line with research conducted by Belkaoui and Karpik (1989), Patten (1991), Heckston and Milne (1996), Sembiring (2005), Anggraini (2006), Reverte

(2009), Rofiqlik and Priyadi (2016) , who found that profitability had a negative effect on CSR.

3. The Effect of Leverage (DER) on Corporate Social Responsibility

Based on the results of hypothesis testing (t statistical test) that DER has a negative effect on the disclosure of corporate social responsibility (CSR) because the t-statistic value is 1.233273 with a negative direction and a significant value > 0.05 , which is 0.2245 which means it is not significant. This study found that leverage (DER) had a negative and insignificant effect on CSR disclosure.

These results prove that the higher the DER of the company, the lower the CSR disclosed. This supports the theory of Scott (2000) who expresses the opinion that companies that have high leverage ratios will disclose less CSR in order to report higher current earnings. The results of this study are also in line with research conducted by Belkaoui and Karpik (1989), Patten (1991), Heckston and Milne (1996), Sembiring (2005), Anggraini (2006), Reverte (2009), Kansal et.al. (2014), Pradnyani and Sisdyani (2015) who found that leverage had no effect on CSR.

CONCLUSION

From the above test results simultaneously show that Firm size have a negative and insignificant effect on CSR disclosure in companies registered as members of the Jakarta Islamic Index for the 2016-2020 period. Profitability (ROA) has a significant negative effect on CSR disclosure in companies registered as members of the Jakarta Islamic Index for the 2016-2020 period. Leverage(DER) has a negative and insignificant effect on CSR disclosure in companies registered as members of the Jakarta Islamic Index for the 2016-2020 period.

The results of descriptive statistical analysis in this study indicate that there are still companies with low CSR disclosures. When viewed from the average value (mean) of the 55 samples studied, only 42% of the total disclosure. This means that the level of CSR disclosure of JII member companies for the 2016–2020 period cannot be said to be good. so that the company is expected to further increase its social responsibility and carry out better CSR disclosures covering all aspects of both economic, environmental and social aspects. Further research is needed to improve this research by increasing the research sample, extending the research period and adding other variables to find out what factors effect CSR disclosure. In addition, in conducting research, it is necessary to pay attention to the method and measurement of the index used to be relevant to the year of observation used in the study, so as to obtain maximum results.

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