

Firm Maturity and Corporate Social Responsibility: Using Slack Resources and Gender Composition as Moderating Variables

Rita Sugiarti
Department of Accounting
Faculty of Economics and Business
Universitas Indonesia
Depok, Indonesia
ritasugiarti1201@gmail.com

Vera Diyanty
Department of Accounting
Faculty of Economics and Business
Universitas Indonesia
Depok, Indonesia
veranabila1@gmail.com

Nida Nadya Hasan
Department of Accounting
Faculty of Economics and Business
Universitas Indonesia
Depok, Indonesia
nidanadya.hasan@gmail.com

Elvia R. Shauki
Department of Accounting
Faculty of Economics and Business
Universitas Indonesia
Depok, Indonesia
elvia.shauki@icloud.com

Abstract—This study examines the effect of firm maturity on corporate social responsibility (CSR) using slack resources and gender composition as the moderating variables. Based on stakeholder theory and legitimacy theory, this study develops hypotheses. This study uses 53 Indonesian firms and finds that firm maturity has a positive and significant association with CSR disclosure, whereas slack resources and gender composition has not moderated the positive effect of firm maturity on CSR disclosure.

Keywords—corporate social responsibility, firm maturity, slack resources, gender composition

I. INTRODUCTION

The company's recognition of corporate social responsibility (CSR) is growing rapidly in tandem with increasingly sophisticated corporate views. Companies assume that engaging in CSR can provide a balance with economic activities [1]. CSR has become an important issue that can affect the business activities of companies around the world. In developed countries, corporate awareness of the importance of CSR has grown tremendously in recent years, and companies are urged to take responsibility for the impacts of business activities [2], such as pollution, resource depletion (depletion), and labor rights violations [3]. Therefore, many companies engage in CSR activities, as evidenced by the 2014 Sustainable and Responsible Investments (SRI) report published by the US SIF—the Forum for Sustainable and Responsible Investment. SRI's total assets of \$6.57 trillion have increased by 76 percent since the beginning of 2012, reflecting the dramatic increase in CSR investments in recent years.

Companies in developing countries also pay significant attention to the importance of CSR, which is observed from the number of companies that utilize the CSR function as a tool to balance its business activities within a country [4, 5]. Indonesia is one of the developing countries that also pays significant attention to CSR activities. These activities are marked by the issuance of regulations that require companies

engaged in the field of Natural Resources (SDA) to implement CSR disclosures. According to Law No. 40 in 2007 on "Perseroan Terbatas" and Government Regulation (PP) No. 47 in 2012 on "Tanggung Jawab Sosial dan Lingkungan Perseroan Terbatas" in Indonesia, activities related to CSR are mandatory for companies conducting business in the field and/or in connection with natural resources. In addition, in 2016, "Dewan Perwakilan Rakyat" (DPR) planned to expand its CSR obligations, which are not limited to companies whose business activities are related to natural resources but that are charged to all companies—even the amount of CSR that must be issued is also determined to reach 2%, 2.5%, or 3% of profits [6].

However, Fatima et al. [7] stated that the quality of CSR reporting in 2009 tended to be low relative to the overall CSR quality score. Based on the results of the 2016 research from the Center for Governance Institutions and organizations at the National University of Singapore (NUS) Business School, many companies in Indonesia have been paying significant attention to and have been reporting CSR activities, but the quality of disclosure is still low. This low quality is the result of companies' weak understanding of these activities.

CSR disclosure is influenced by many factors. The corporate lifecycle is critical to determining CSR investments [8] because a company's breath different stages of a lifecycle [9].

Companies at different stages of a lifecycle certainly have different resource levels. Slack resource is another factor that can determine the CSR investment decisions made by the company. Habib and Hasan [9] argued that mature companies have abundant resources and better financial performance, thus invest more in CSR. Companies in the mature stage also have 49% more board members than the average of other companies [10]. According to the Center for Governance, Institution and Organization (CGIO), a research center at the NUS indicated in 2012 that gender diversification on a board is an indicator of good corporate

governance worldwide. Indonesia is one of the countries with the highest proportion of women on boards of directors relative to other countries in Asia [11]. The proportion of women on the board of directors has a strong relationship with the tendency and level of CSR disclosure conducted by a company because women have a higher level of social and environmental awareness than men [12].

Russo and Fouts [13] and McWilliams and Siegel [8] stated that the industry lifecycle can determine the CSR investment of firms, but they did not empirically test this statement. Thus, this study empirically tests that topic. Xu et al. [14] stated that research on slack resources as related to CSR is still inclusive. Furthermore, the results of research on the role of gender composition also still indicate a difference because some researchers stated that the existence of women on a board actually degrades a company's performance given that they are less experienced and dominated by emotions, a country's culture, and slow decision making [11, 15-20]. Thus, this study aims to test empirically the influence of the corporate lifecycle on CSR disclosure by using slack resources and gender composition as moderating variables.

Our study uses stakeholder theory and legitimacy theory to develop the hypotheses. Based on stakeholder theory, the company's operational activities affect its stakeholders, enabling the company to accept the demands of this group in carrying out its responsibilities, including CSR activities [8]. Based on legitimacy theory, the company is one part of a social system. Therefore, in conducting its business activities, the company must pay attention to the social and environmental conditions in which it operates to maintain sustainability, including CSR activities.

Using a sample of Indonesian firms with available data from the Indonesia Stock Exchange or their websites, we find that mature firms have positive associations with CSR disclosure. However, our results find no evidence that slack resources and gender composition can moderate the positive association of firm maturity and CSR disclosure.

II. LITERATURE REVIEW

A. Stakeholder Theory

Stakeholders represent a group or an individual that can be influenced or affect the company in achieving its corporate goals. The primary stakeholders of a company include employees, consumers, suppliers, financiers, and communities, whereas secondary stakeholders include competitors, the government, the media, consumer advocate groups, and certain interest groups [21]. A company's operational activities will affect its stakeholders, meaning that the company should consider the demands of its stakeholders when carrying out its responsibilities [8]. Stakeholder theory addresses how managers and stakeholders truly behave and how they perceive their actions and roles. Managers must treat stakeholders according to the concept that the company will behave in a manner that ensures long-term success.

In relation to CSR, companies cannot exploit natural resources that exist only for their interests because of the effect of their business actions on other stakeholders or the community. Therefore, companies should be able to establish good relationships with stakeholders, one of which is to

involve themselves in CSR investments. In this case, CSR is a bridge to strengthen a company's good relations with stakeholders and to ensure that their interests are in line.

B. Legitimacy Theory

Legitimacy is a generalized perception or assumption that corporate action is precise or appropriate in socially constructed norms, values, beliefs, and definitions [22]. The theory of legitimacy is one of the theories used as the basis for a company to voluntarily express CSR [23]. Therefore, a company is one part in a social system and, when conducting its business activities, the company must pay attention to the social and environmental conditions in which it operates to keep it sustainable—one such way is to invest in CSR. By investing in CSR, the company intends to participate in and maintain the social and environmental conditions in which it operates.

C. Association between Firm Maturity and Corporate Social Responsibility

Many factors can influence investment decisions regarding CSR, one of which is firm age. Withisuphakorn and Jiraporn [24] stated that firm age is a crucial factor that determines a company's CSR investments. The company will make higher CSR investments in line with its increasing age because its cash flow and profitability are more stable.

A mature firm focuses on product differentiation strategies [25] to assist it in competing. A mature firm can take advantage of this strategy by creating a reputation that is not easily imitated [26], and one such way is to invest in CSR. Specialization in CSR activities through reorganization or reallocation of resources can be achieved by larger companies. Such specialization allows mature companies to actively participate in CSR activities [27].

It can be concluded that firms in the mature stage, with adequate resources, competitive capacity, and advantages, are more likely to make more substantial investments in CSR-related activities. Thus, the first hypothesis in this study is as follows.

H1: Firms in the mature stage have a positive effect on CSR disclosure.

D. Firm Maturity and Corporate Social Responsibility: Moderating Role of Slack Resources

Dickinson [28] suggested that mature firms have more slack resources, whereas other firms (introduction, growth, decline, and shake-out) have fewer slack resources. Reverte [29] stated that firms with slack resources are more likely to participate in CSR activities.

Mature firms have more slack resources relative to firms in other stages and, thus, will have more CSR disclosures because these mature firms have more stable financial conditions [24]. The presence of slack resources allows firms to disclose more CSR activities. Thus, the second hypothesis in this study is as follows.

H2: Mature firms with more slack resources have a positive effect on CSR disclosure.

E. Firm Maturity and Corporate Social Responsibility: Moderating Role of Gender Composition

Balogh [10] suggested that mature firms have 49% larger boards than the average of other firms. A 2016 report by the Australian Institute of Corporate Directors showed that many of Australia's already publicly listed companies have female directors on their boards [30]. Indonesia is one of the countries with the highest proportion of women on their boards relative to other countries in Asia [11]. The proportion of women on a board of directors has a strong relationship with a company's tendency for and level of CSR disclosure because women have a higher level of social and environmental concern than men [12]. From these data, we develop the third hypothesis in this study as follows.

H3: Mature firms with a larger proportion of women on boards have a positive effect on CSR disclosure.

III. RESEARCH METHODOLOGY

A. Data

The data used in this research are secondary data obtained from annual reports and audited financial statements from the www.idx.co.id website or the official website of the company. Panel data are used in this study. According to Ekananda [31], panel data represent a combination of time-series data and cross-section data and contain various individuals for a certain period of the sample.

B. Sample Selection

The population in this study is natural resource management companies listed on the Indonesia Stock Exchange from 2014–2016. According to the 2012 Government Regulation of the Republic of Indonesia no. 47, because CSR disclosure is required for a company in the natural resource industry, we select this industry as a sample. This study intends to focus on companies that have been required by the government to disclose CSR investments, rather than other industries. The fourth generation GRI was issued in 2013, and this study analyzes its impact in the natural resource industry after its issuance.

Purposive sampling was used in this study. In this case, sampling is limited to certain criteria that can provide the desired information, either because the only one possessed or meets some of the criteria determined by the researcher [32]. The criteria for determining the sample are as follows:

- Natural resource industry companies listed on the Indonesia Stock Exchange from 2014 to 2016.
- Issued an annual report as of December 31 for the 2014, 2015, and 2016 periods and has a complete annual report in accordance with the data required in this study.

C. Measurement of Corporate Social Responsibility

This study uses CSR disclosure as the dependent variable. Data on CSR disclosure are processed using Nvivo software. Nvivo is a computer software package for qualitative processing of data not only in text form but also in audio, video, and image data forms [33].

The CSR disclosure indicator of this research refers to GRI 4 because GRI is one of the pioneers of the sustainability report framework that has been used by organizations around the world. GRI guidelines cover all aspects of CSR and consider economic, environmental, and social perspectives.

Because a company is obliged to disclose financial information, we do not include indicators from an economic perspective and only incorporate environmental and social perspectives within our coding framework, as in Gamerschlag, et al. [34].

TABLE I. KEYWORDS FOR THE CONTENT ANALYSIS DERIVED FROM THE GRI FRAMEWORK^a

Keywords	
Environmental	Social
Recycled	Employment
Energy consumption	Employee turnover
Biodiversity	Collective bargaining
Emissions	Collective agreements
Effluents	Occupational health
Waste	Occupational safety
Spills	Training
Environmental impacts	Diversity
	Equal opportunities
	Human rights
	Discrimination
	Freedom of association
	Child labor
	Forced labor
	Compulsory labor
	Community
	Corruption
	Public policy
	Compliance
	Fines
	Sanctions
	Product responsibility
	Customer health
	Customer safety

^a. Source: Gamerschlag et al. (2011)

The GRI guidelines provide indicators of the three CSR perspectives. This indicator can be divided into major indicators and additional indicators. The key indicators are very attractive to most stakeholders and, therefore, relevant to most companies, whereas additional indicators appeal to only a few stakeholders and companies (GRI 2010). Gamerschlag, et al. [34] obtained keywords for the analysis of the key indicators by defining one or more keywords for each indicator. By obtaining keywords from the GRI guidelines framework, according to Gamerschlag, et al. [35] the guidelines can be assumed to reflect the true meaning of CSR. As shown in Table I, 32 keywords were selected.

D. Measurement of Firm Maturity

Withisuphakorn and Jiraporn [24] stated that mature companies are more stable and have predictable performance and cash flows, whereas younger companies have unpredictable cash flows and are in the process of growing with less cash.

Research conducted by Hasan and Habib [9] used lifecycle proxies that were also used by DeAngelo et al. [36] and Dickinson [28] retained earnings to total assets (RE/TA), which measures the extent to which the company self-finances or relies on external funding. High RE/TA implies that the company is more mature or in decline, whereas low RE/TA implies a young or growth company.

Identification of the lifecycle stages based on Dickinson [28] captures different stages of the enterprise lifecycle. Following Dickinson [28], we measured firm maturity variables using the following formula:

$$FM = \frac{RE}{TA}$$

where FM = firm maturity, RE = retained earnings, and TA = total assets.

E. Measurement of Slack Resources

Resource-based theory assumes that resources owned by companies vary (e.g., finance, physical, human resources, technology, reputation, and organizational resources) [9]. The number of available resources also varies, some companies have limited resources, and others have abundant (slack) resources. Bourgeois [37] defined slack resources as additional resources that firms can use to adapt to changes in internal and external pressure conditions.

Arora and Dharwadkar [38] stated that, to examine CSR, the most appropriate proxy is high-discretion slack because, even if CSR activities are mandatory, their magnitude depends on company policy. George [39] also revealed that high-discretion slack shows extra resources that are very easy to exploit for various managerial discretions. Therefore, this study uses high-discretion slack measured by the value of cash and cash equivalents as a proxy of the presence of slack resources. In this study, cash and cash equivalents are transformed into natural logarithms of cash and cash equivalents to avoid outlier data [38, 40].

F. Measurement of Gender Composition

Siciliano [41] considered that racial and gender diversification is important in maximizing corporate resources. According to Kusumastuti, Supatmi, and Literature [42] and Kusumatuti et al. [43], women have a very high caution attitude, tend to avoid risk, and are more thorough than men. These characteristics of women make them not rush to make decisions. Therefore, women on boards of directors are said to help in making more informed decisions, including decisions on CSR investments.

Gender composition is measured by gender diversification within the council members. This indicator refers to Rao et al. [44], Galbreath [16], Bear et al. [45], Adams and Ferreira [46], Carter et al. [47], and Shaukat et al. [48]. Indonesia adheres to a two-tier board system; therefore,

this variable is measured by the number of women on the board (directors and commissioners) divided by the number of board members (directors and commissioners) of a firm. The calculation of these variables is as follows:

$$GC = \frac{W_DEWAN}{SUM_DEWAN}$$

G. where GC = gender composition regarding the board of directors and commissioners of the company; W_DEWAN = number of women on the board (directors and commissioner); and SUM_DEWAN = number of board members (directors and commissioners) of the firm.

Measurement of Firm Size
In this study, company size is used as a control variable and is related to the high disclosure of CSR, where large companies tend to be the center of attention of many parties. To minimize intervention, the company engages in disclosure mechanisms as a container in which to provide its operational information [38, 40, 49-51]. Ferry and Jones in Sujianto [52] argued that an enterprise's size is indicated by total assets, total sales, average total sales, and average total assets. Company size, according to Lanis and Richardson [53], is calculated using the following formula:

$$SIZE = \ln(\text{Total Asset}).$$

H. Measurement of profitability

Profitability is a control variable in this study. High corporate profitability indicates that firms have a superior source of wealth relative to other firms, resulting in the company being the center of attention. Then, additional stakeholder expectations will arise, as does the potential for multi-party interventions. Based on this presentation, to gain stakeholder legitimacy and minimize interventions, the company conducts CSR disclosures to bridge information gaps between companies and stakeholders [14, 38, 40, 49, 50, 54].

Profitability in this study is represented by return on assets (ROA), as measured by the proxy used in Lanis and Richardson [53] through the following formula:

$$ROA = \frac{\text{Net Income}}{\text{Total Asset}}$$

I. Measurement of Industry Type

Based on stakeholder theory, companies must engage in various CSR activities to meet the expectations of stakeholders (e.g., customers, suppliers, employees, shareholders, communities, government agencies). The influence of CSR on the financial performance of a company varies with different industry types [55].

The CSR report is used to communicate CSR actions with stakeholder groups related to specific industry types [56]. Other support for these findings can be identified in the research by Rahman and Widyasari [57]. According to this research, industry type influences CSR disclosure [57]. High profile industries are superior in CSR disclosure activities relative to low profile industries [57]. Although the type of industry in this study did not correspond to the type of industry classified as high profile or low profile, Rahman and

Widyasari [57] stated that industry type influences sustainability reports.

TABLE II. OPERATIONALIZATION OF VARIABLES IS DESCRIBED IN TABLE II. OPERATIONALIZATION OF VARIABLES

CSR	CSR disclosure, content analysis through keywords using Nvivo software [34].
FM	Firm maturity is measured using the retained earning ratio divided by total assets (RE/TA) [28].
GC	Gender composition is measured by the number of women on the board (directors and commissioners) divided by the number of board members (directors and commissioners) of the firm [48].
SR	Slack resource is measured as the amount of cash and cash equivalents [38, 40].
SIZE	Firm size is measured by total assets [53].
ROA	Profitability is measured by return on assets (ROA) [53].
IND	Industry type is a dummy variable that takes the value of 1 for the mining industry, and 0 for other industries.

In this study, the samples of companies are in the natural resource industry. Where the companies included in it have different type of industry. Industry type is measured using dummy variables, where 1 represents companies in the mining industry and 0 represents companies in other industries. The GRI guidelines provide indicators of the three CSR perspectives. This indicator can be divided into major indicators and additional indicators. The key indicators are very attractive to most stakeholder and, therefore, are relevant to most companies, whereas additional indicators appeal to only a few stakeholders and companies (GRI 2010). Gamerschlag, et al. (2010) [34] obtained keywords for the analysis of key indicators by defining one or more keywords for each indicator. By obtaining keywords from the GRI guidelines framework, according to Gamerschlag, et al. [35], the guidelines can be assumed to reflect the true meaning of CSR. As shown in Table 2, 32 keywords are obtained.

J. Data Analysis

This empirical study uses the mixed method for measurement because the data for the dependent variable (i.e., CSR) are qualitative as taken from annual reports and then quantified using Nvivo. However, the analyzes in this study are purely quantitative. Data analysis methods in this

study are divided into three major sections: descriptive statistical analysis, Pearson's correlation analysis, and panel data methods. These analyzes tools are used to test the hypotheses. We use STATA MP13 software to process our data.

IV. RESULTS

A. Sample and Descriptive Statistics

The sample used in this study is shown in Table 3.

Table IV provides descriptive statistics for the variables used in this study. The average CSR is 0.0188, with a small standard deviation of 0.0074, indicating that data on CSR disclosure has a relatively balanced distribution. The average FM is 0.1334, with a standard deviation of 0.3659, which indicates that the firm's lifecycle is relatively varied. The average SR is 26.0246, with a large standard deviation of 2.2684, indicating that slack resources owned by the company are very diverse.

B. Model Estimates and Pearson's Correlation

First, our study tests the estimation model to determine the best model. The results show that the random effect model is the best one to use in this study. Then, this study tests the Pearson's correlation. The results indicate that a multicollinearity problem exists with the slack resources (SR) and firm size variables. Thus, to resolve this problem, our study employs the treatment of centering the SR variable. The results are shown in Table V. The correlation value of each variable is no higher than 0.75, indicating that the research model does not have multicollinearity problems.

TABLE III. SAMPLE

Criteria	Firms
Listed firms on Indonesia Stock Exchange in the Natural Resources field	
a. 2014	62
b. 2015	63
c. 2016	64
Firms listed successively during 2012–2014	61
Firms with incomplete data	(8)
Total Firm Samples	53
Total Observation (Firm-Year)	159

TABLE IV. DESCRIPTIVE STATISTICS

Variable	Mean	Median	Max	Min	Std. Dev
CSR _t	0.0188	0.0169	0.0504	0.0051	0.0074
FM _t	0.1334	0.1534	1.2217	-1.2324	0.3659
SR _t	26.0246	26.3489	30.3031	18.8051	2.2684
SR _t (Juta)	1.003.048	277.443	14.469.873	147	1.983.782
GC _t	0.0761	0.0000	0.4286	0.0000	0.1105
SIZE _t	29.2221	29.2703	32.1042	25.7840	1.4357
SIZE _t (Juta)	11.362.818	5.151.701	87.633.045	157.703	15.918.113
ROA	0.0247	0.0212	0.9069	-0.4363	0.1186
IND _t	0.6415	1.0000	1.0000	0.0000	0.4811

Notes:

Max is the maximum value of the variable. *Median* is a variable middle value. *Min* is the minimum value of the variable. *Std. Dev* is the standard deviation value of the variable. *CSR* is a dependent variable, the disclosure of CSR is measured by searching for keywords based on previous research on the company's annual report using Nvivo software. *FM* is an independent variable that is firm maturity as measured by retained earnings divided by total assets. *SR* is a moderating variable, ie slack resources measured by using the Ln value of total cash and cash equivalents. *GC* is a moderating variable that is gender composition measured by using proportion of woman in board of directors and commissioner divided by total board of directors and commissioner. *SIZE* is a control variable that is company size measured by using Ln value of total assets. *ROA* is a control variable that is return on assets measured by using net income divided by total assets. *IND* is a control variable that is industrial type measured by dummy, 1 if mining company, 0 others)

TABLE V. PEARSON'S CORRELATION

Variabel	CSR	FM	SR	GC	ROA	SIZE	IND
CSR	1,0000						
FM	0,2228	1,0000					
SR	0,2055	0,4922	1,0000				
GC	-0,0955	-0,2294	-0,3282	1,0000			
ROA	0,1808	0,3851	0,2477	-0,0646	1,0000		
SIZE	0,1215	0,2062	0,7178	-0,2817	0,0696	1,0000	
IND	0,2710	-0,0190	0,1518	-0,0958	-0,0059	-0,0244	1,0000

Notes:
CSR is a CSR disclosure measured by searching for keywords based on previous research on the company's annual report using Nvivo software. FM is firm maturity measured by retained earnings divided by total assets. SR is the slack resources measured by using the Ln value of the total cash and cash equivalents. GC is a gender composition measured using the proportion of women in the board of directors and commissioners divided by total board of directors and commissioners. SIZE is a firm size measured by using the Ln value of total assets. ROA is a return on assets measured by using net income divided by total assets. IND is industry type measured by dummy, 1 if mining company, 0 others).

C. Findings

The regression results of this study are shown in Table 6.

TABLE VI. REGRESSION RESULTS

Dependent Variable: CSR							
Variable	Prediction	Model 1		Model 2		Model 3	
		Coef.	Sig.	Coef.	Sig.	Coef.	Sig.
C		0,0032	0,827	-0,0001	0,995	0,0048	0,759
FM	+	0,0039	0,042**	0,0044	0,050**	0,0027	0,283
SR	+			-0,0001	0,817		
GC	+					0,0008	0,900
FM*SR	+			0,0004	0,669		
FM*GC	+					0,0131	0,462
SIZE	+	0,0004	0,400	0,0005	0,458	0,0004	0,485
ROA	+	0,0024	0,487	0,0022	0,527	0,0027	0,435
IND	+	0,0043	0,004**	0,0043	0,006***	0,0043	0,004***
Prob. F		0,0040		0,0188		0,0148	
Adjusted R ²		0,2248		0,2274		0,2362	
N		159		159		159	

* significant at $\alpha=10\%$, ** significant at $\alpha=5\%$, *** significant at $\alpha=1\%$.

Notes:
CSR is a CSR disclosure measured by searching for keywords based on previous research on the company's annual report using Nvivo software. FM is firm maturity measured by retained earnings divided by total assets. SR is the slack resources measured by using the Ln value of the total cash and cash equivalents. GC is a gender composition measured using the proportion of women in the board of directors and commissioners divided by total board of directors and commissioners. SIZE is a firm size measured by using the Ln value of total assets. ROA is a return on assets measured by using net income divided by total assets. IND is industry type measured by dummy, 1 if mining company, 0 others).

Model 1 in Table 6 reveals that the coefficient for firm maturity (FM) is positive and significant (coefficient = 0.0039, $p < 0.05$), implying that firm maturity is positively associated with CSR disclosure, thus supporting Hypothesis 1. Model 2 in Table 6 reveals that the coefficient for slack resources as the moderating variable is not significant, implying that mature firms with more slack resources do not have a positive effect on CSR disclosure, thus rejecting Hypothesis 2. Model 3 in Table 6 reveals that the coefficient for gender composition as the moderating variable is not significant, implying that mature firms with a larger proportion of women on their boards do not have a positive effect on CSR disclosure, thus rejecting Hypothesis 3.

V. DISCUSSIONS

A. Firm Maturity and CSR Disclosure

Based on Model 1 in Table 6, the significance value of firm maturity variable is 0.042, $p < 0.05$, indicating that the firm maturity variable has a positive and significant association with CSR disclosure. The results of this study support Hypothesis 1, that firm maturity has a positive effect on CSR disclosure. Withisuphakorn and Jiraporn [24] stated that mature companies are in a more stable condition and have predictable performance and cash flows relative to firms in other stages. For example, firms in younger stages have unpredictable cash flows and are growing, making them less able to invest in CSR activities. Habib and Hasan [9] argued that mature companies would increase their investments in CSR to improve their reputation and competitiveness, and to generate long-term profitability to maintain their positions during their mature stages.

B. Firm Maturity and CSR Disclosure: Moderating Role of Slack Resources

The significant of FM*SR indicated in Model 2, Table 6 is $0.669 > \alpha$, or rejecting Hypothesis 2—slack resources do not moderate the positive effect of firm maturity on CSR disclosure. Xu et al. [14] stated that absorbed slack (including cash and cash equivalents) is typically used only for business activities and could not be used for certain other activities. Sayekti [58] also stated that the use of slack resource is more rigid, and they have not been used for various activities, including CSR activities. Thus, although mature companies have considerable slack resources, they are not more likely to disclose CSR because such resources cannot be used for other than business activities, including CSR disclosures.

C. Firm Maturity and CSR Disclosure: Moderating Role of Gender Composition

The significant value of FM*GC in Model 3, Table 6 is $0.462 > \alpha$, thus rejecting Hypothesis 3. In other words, GC does not moderate the positive effect of FM on CSR disclosure. This result may be because the number of females on company boards in the sample is much less than that of males. Although some companies have women on their

boards of directors and as commissioners, this phenomenon may be the result of the aspect of Indonesian culture that easily gives respect to men and the perception that decision making is determined by men as the head of a family, as supported by the research of Sudana and Arlindania [17]. Their research also stated that the low number of women in top management occurs to weaken the role of women in determining policies. This result may also be from differences in educational background and work experience between men and women, resulting in the emergence of women's resistance in supporting decision making, a reason supported by Galbreath [16] and Khan [20].

VI. CONCLUSION

This study aims to examine the effect of firm maturity on CSR disclosure and uses slack resources and gender composition as moderating variables. The results of this study indicate that firm maturity has a positive effect on CSR disclosure, but that slack resources and gender composition do not moderate the relationship. The results of this study are expected to provide insights for academics, practitioners, and users of financial statements.

This research uses only one proxy for each variable and does not engage in a robustness test. Therefore, the findings are not very strong. Further research is recommended that uses other proxies and perform robustness tests.

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