

# CSR and Financial Performance: A Study and Application in Mining Companies in Indonesia

Husnah<sup>1,\*</sup>

<sup>1</sup>*Department of Management, Economics and Business Faculty, Tadulako University, Indonesia*

*\*Corresponding author. Email: husnahatjo@yahoo.co.id*

## ABSTRACT

The purpose of this study is to uncover the implementation of CSR and the acquisition of financial performance in mining companies in Indonesia. This research was conducted at PT. Donggi Sinora Banggai Regency and PT. Indonesia Morowali Industrial Park (IMIP), Morowali Regency: both companies are located in Central Sulawesi, Indonesia. The data was collected through observations, in-depth interviews, and analysis on related documents. Using descriptive qualitative analysis, this study finds that both mining companies have implemented CSR using Triple Bottom Line approach (People, Profit and Planet), which can improve their financial performance and affects the company and community in a sustainable manner.

**Keywords:** *CSR, financial performance, mining*

## 1. INTRODUCTION

CSR (Corporate Social Responsibility) at application stage is like two sides of a coin. On the one hand, it can increase company's intangible assets (corporate image), and, on the other hand, it can reduce company's financial performance (earnings) [1-5]. Both sides are based on two different views of CSR concept. The first concept is that the company's goal is solely to make profit, so CSR is a part of the business operations. Another view states that company's goal is to seek profit, prosper the people, and guarantee the survival of the planet [6]. The application of CSR must be planned by strategic managers by taking into account the four types of social commitments, namely socioeconomic, legal, ethical and excretion responsibility, Pearce and Robinson [7] emphasizing that economic responsibility is the most basic social responsibility and the most legitimate social responsibility. To meet the company's economic responsibilities, managers must maximize profits (financial performance). Previous research results regarding the financial impact of CSR are inconsistent [1, 2]. Some scholars reported negative relationships [8, 3], and the rest reported no relationship at all [7, 5]. Since the mid-1990s, and along with the demands of globalization, many studies have found that there is a relationship between CSR applications and improvements in financial performance [9-17].

CSR is a concept that still faces pros and cons in its application. Demands for technological advancements and globalization assumed that the concept of CSR applications is very promising to maintain and preserve the limited natural resources that have been exploited by

companies. In Indonesia, the obligation to implement CSR is regulated by laws [18, 19] concerning Social and Environmental Responsibility of Limited Liability Companies. This study attempts to investigate CSR applications in mining companies that exploit natural resources and to investigate how their CSR applications affect their financial performance.

## 2. LITERATURE REVIEW

### 2.1 Corporate Social Responsibility (CSR)

The concept is seen from two approaches. The first is through Philanthropic Way, which states that "business makes profit and donates a share of it to charitable causes". meaning that CSR is a part of business operations and not the goal of the company. Then the second approach is through Business Way, which urge "the operation of core business in a socially responsible way, complemented by investment to communities for solid business case reason". The application of this concept refers to the definition of Global Compact Initiative (GNI) (2002), known as the 3P: People (health, safety and welfare), Profit (effectivity, flexibility and creativity), and Planet (environmental quality and disturbances). This is in accordance with the opinion of [20], who popularized the term of Triple Bottom Line through his book entitled "Cannibals with Forks, the Triple Bottom Line of Twentieth Century Business". Elkington developed the concept of Triple Bottom Line in terms of economic prosperity, environmental quality, and social justice.

The implementation of corporate CSR in Indonesia [6] consists of Social Assistance (social services, provision of health facilities, houses of worship, roads and other public facilities, natural disaster relief, poverty alleviation and community development), Education and Development (procurement of education and training facilities, conducting training and providing scholarship programs), Economy (establishing partnership programs, providing loan funds for business development, and empowering the surrounding community), Environment (environmental management, waste management, reclamation, and preserving nature), and Consumers (continuous product improvement, toll-free service and product availability).

## **2.2 Financial performance**

Financial performance is a measure of an organization's financial condition or financial outcomes resulting from management decisions and implementation of those decisions by members of the organization [21]. The size of the state of financial performance reflects strategic, operational and financing decisions [22]. Financial analogy is the heart of the company, business strategy planning is needed and must be balanced by financial strategy planning, and every decision or business opportunity taken must be adjusted in a calculation whether it really provides benefits for the company [23].

The center entrepreneurship concept and strategy of management literature is the idea of constructing a multidimensional performance. The dimension of financial performance uses the construct of profitability, growth, efficiency, financial structure, survivability, cash flow and resource accumulation. Hence, based on the Financial Performance Contract [21], the assessment of financial performance in this study was done by looking at growth, which consists of increasing labor, increasing sales, increasing company assets, and increasing employee salaries.

## **3. RESEARCH METHOD**

This research uses descriptive qualitative research method to describe the results of the field research that outlines the application of CSR in the study area. This research was conducted at PT. Dongi Sinora (PT. DS) Banggai Regency and PT. Indonesia Morowali Industrial Park (PT. IMIP), mining companies in Morowali Regency, Central Sulawesi, Indonesia. The study was conducted in 2018. The data was collected through library research, observation, and in-depth interviews. Descriptive analysis was used to draw a comprehensive picture to achieve the research objectives.

## **4. RESULTS AND DISCUSSION**

### **4.1 An Overview on PT. Dongi Sinora Banggai**

#### *Upstream Gas Company in Banggai Regency*

In this area there are five gas wells/gutters, called Sinora I, operated by Medco, a Pertamina company. They are located in Paisubololi village of Batui Selatan District. The village head is 30-year-old Retmon Damaduy. He said that this village is dominated by Banggai tribe. Other tribes are Saluan, Balantak, and Bugis. Most of the population, 700 people in 214 households, is Christian. Only 1 midwife is available. In this area stands a company, the Pertamina-Medco E&P Tomori Sulawesi JOB (Joint Operating Body). They have a CPP (Central Processing Plant) and started constructing in 2011. The company was established in 2014 and started producing gas in 2015.

In 2011, around 7,000 people were employed at the time of CPP construction. Paisobololi was greatly affected in terms of economy. The needs of boarding houses and basic needs increases, which can be provided by the surrounding community. In 2014/2015, the workforce involved in the company declined, resulting in reductions of boarding houses, so the number of unoccupied boarding houses increases, the price of goods rises, and jobs provided by the company decreases.

The empowerment activities did not improve the economy. There was no business assistance, so the activities were only limited to temporary ones. This was also caused by people's mindset that did not change and low work ethic. The subcontractors of JOB are:

1. PT. Gobel (Supply Food and Beverage for the company)
2. PT. Catur Elang Perkasa (Maintenance)
3. PT. Tetra (Employee housing construction)

Local community complained that CPP only brought a short-term impact to their welfare, long-term impact. They felt that the productivity of rice fields and coconut plantations decreased. People's mindsets also changed. They were used to receive weekly salary, but now they have to manage their agricultural land, which results are far from their expectations. JOB currently hired 200 people, and the sub-contractors hired 500 people. Only six local people were hired by JOB, the rest of them came from areas outside Central Sulawesi, since the recruitment was based on skills needed by the company. The condition of the area is very alarming, where houses of local residents are poorly built and people live from low-nutrition food, indicating that they live below the poverty line.

CPP's product is channeled through underground pipelines to Matindo from Uso, a village where downstream production to LNG taking place. The negative impacts of

the construction by the company are reduced mutual cooperation culture, high number of dead coconut trees, noise, areas to CCP are not equipped with lighting, and the rising price of basic necessities. However, the indirect positive impacts are felt by people in Batui and around Banggai District; their income increased, their economic cycle increased, air, sea, and land transportation flows increased, and the GRDP of the areas increased from gas product.

### *Downstream Gas Companies in Banggai Regency*

Uso is a village for the establishment of PT. Donggi Senoro (DS); land acquisition in 2006. In August 2015, President Joko Widodo opened the production of Liquefied Natural Gas (LNG) in this village. From 368 households in Uso village, 56 are poor. Inhabited by 1,245 people, 635 men and 610 women, most of them work as farmers and fishermen. The tribes living in this area are Saluan, Bugis, Buton, Banggai, and Gorontalo. Before the establishment of PT. DS, the village produces fish. Nowadays, its people buy fish from other regions. The area of PT. DS consists of Ring I and Ring II regions.

Ring I consists of Uso of Batui District, Konbola of Batui sub-district, Bamban Buyangge, Kalolos, and Tangkian of Kintom Subdistrict. Ring II consists of villages in Batui sub-district, Kintom district, and Nanbo sub-district.

The results of the in-depth interviews in Banggai Regency is as follows.

1. Community's income increased when the company is in the development process, from 2012 to 2013. People spent their money for consumptive things. They did not think whether the economic benefit would continue for a long time. Their income from 2014 to 2016 declined, and they even no longer worked for the company. Based on the observations, only about 20 percent of the population can survive; they allocate their money to survive and open their own businesses.
2. Regarding the CSR programs, they not have any sustainable economic impact. The activities were overlapping and not distributed to the right target.
3. The positive impacts of the company's presence is that it increased the economic and physical development by 0.5 percent. Economic access (banking and non-banking) was increasing from 10 to 20 percent.
4. The workforce required by the company is not only based on education but also based on skills and experience.
5. The negative impacts currently felt by the community are the increasing price of basic necessities, the declining people's incomes, the declining quality of education and health, the decreasing local values, and

the disappearance of Maleo birds, which are the icon of Luwuk.

Another company which is now under construction is PT. Panca Amara Utama, an Ammonia fertilizer producer. It is located in Uso Village of Batui District, at the same area where PT. Donggi Sinoro is located, adjacent to Luwuk container port of Tangkiang.

### **4.2 An Overview on PT. Indonesia Morowali Industrial Park (IMIP) of Morowali Regency**

PT. IMIP is located in Morowali Regency, Central Sulawesi. It is an integrated industrial estate company, the cooperation between Tsinghan Group of China and Bintang Delapan Group of Indonesia. There are ten companies in this area, all managed by IMIP. They are as follows.

1. PT. Bintang Delapan Mineral (BDM,) the "founding father" of Bintang Delapan Group. It is heading towards a global giant nickel-based company with an area of 21,659 hectares of IUP. In 2013, when the regulation restricted the export of raw materials, BDM showed its existence by building a smelter which is now referred to as PT. Sulawesi Mining Investment (SMI).
2. PT Sulawesi Mining Investment (SMI) commenced its construction in late 2013 with an area of 66 hectares with the production of 300,000 MT Nickel Pig Iron (NPI) per year. Starting its operation in January 2015, it is supported by a steam power plant (PLTU) of 65 x 2 MW.
3. PT. Indonesia Guan Ching Nickel and Stainless-Steel Industry (GCNS). With an area of 66.68 hectares, it is one of the Chinese state-owned companies that started development in the industrial area with a production target of 600 thousand MT, supported by a steam power plant (PLTU) of 150 x 2 MW.
4. PT. Decent Stainless Steel. It is a company that concentrates on stainless steel final products with a production target of 1 million tons per year.
5. PT. Indonesia Tsingsang Stainless Steel. It is a company with a final stainless-steel production capacity of 1 million tons per year supported by a 2x150 MW steam power plant. This company works in an area of 58 hectares.
6. PT. Broly Nickel Industry. It is a nickel company with renewable technology.
7. PT. Bintang Sarana Selaras. It is a company engaged in the construction and management of flat renting.
8. PT. Bintang Delapan Terminal. It is responsible for the flow of industrial estate port traffic with the capacity of 600 thousand MT.
9. PT. Saka Dirgantara Energy. This company is responsible for managing regional airports.

10. PT. Morowali Mitra Perkasa. This company works in loading and unloading business in the port area. The benefit from the existence of PT IMIP is that its smelters produce various products in high capacities.

1. The Smelter of PT. Sulawesi Mining Investment, which was opened on 29 May 2015, produces 300 thousand metric tons of nickel pick iron (NPI) per year.
2. The Smelter of PT. GCNS, which was opened on March 22, 2016, produces 600 thousand tons of NPI per year.
3. PT. GCNS produces 1 million metric tons of stainless steel per year.
4. The smelter of PT. ITSS produces 600 thousand metric tons of NPI per year and one million tons of stainless-steel slab per year.
5. IMIP area is also built on a ferro chrome factory with a production capacity of 600 thousand tons per year. This capacity fulfills the needs of stainless-steel industry's raw materials.

PT IMIP operates three units of Steam Power Plant (PLTU) with the total capacity of 1,180 megawatts. In addition, it produces oxygen, nitrogen and argon. All of its factories are connected to the ports built in plant's area and are capable of being docked with vessels of up to 100 thousand DWT. In addition, in IMIP's region, there are currently operating nickel ferro factories of PT Sulawesi Mining Investment and PT Indonesia Guan Ching Nickel and Stainless-Steel Industry (GCNS). One pure nickel factory is owned by PT Broly Nickel Industry, one ferrochrome plant is owned by PT Broly Nickel Industry, two stainless steel factories are owned by PT Decent Stainless Steel and PT Indonesia Tsingsang Stainless Steel, one limestone factory is owned by PT IMIP, and one cocas factory is owned by PT Sulawesi Mining Investments, a Morowali Regency factory, and PT Indonesia Tsingsang stainless steel CRC. There are plans to establish a carbon steel and CRC carbon steel plant. The working hours at IMIP are divided onto three shifts: shift I: 07.00 - 16.00 central Indonesia time; shift II: 16.00 - 23.00 central Indonesia time; and shift III: 23.00 - 06.00 central Indonesia time. This company hires 4000-5000 people.

IMIP has CSR programs; each program varies based on the rings (the regional closeness to IMIP companies) as follows.

1. Ring I, each village receives IDR 500,000,000. It consists of Lalampu, Bahodopi, Fatufia, Keurea, and Bahomakmur.
2. Ring II, each village receives funding of IDR 350,000,000. It consists of Labota, Simbatu, Dampa, and Lele.
3. Ring III, each village receives IDR 200,000,000. It consists of Padabaho, Makarti Jaya, and Bete-bete.
4. Education and Health sector in Bahodopi receives IDR 200,000,000.

The total amount of CSR is IDR 7.5 billion, allocated for electric fuel (2 billion and 5 billion rupiahs) in Ring I, Ring

II, and Ring III and for education and health. Income inequality between employees and company owners is anticipated by involving locals for the fulfillment of daily needs, such as chicken meat (3,000 kg), fresh fish (1,500 kg), and wood, stone, and sand. In addition, the company also needs gloves every year, 2 procurements each, working gears once a year consisting of 2 pairs of working clothes, shoes (twice a year), masks tailored to the needs of employees, and goggles (once a year). In addition, PT. IMIP, provides flats with the capacity of around 5,000 people with varying rents.

### **4.3 The CSR Application and Financial Performance of PT. Dongi Sinora and PT. IMIP**

Based on the observations and in-depth interviews, according to the CSR implementation model in Indonesia [6], the CSR applications and financial performance of the companies are as follows:

**Table 1.** The CSR Application and Financial Performance of PT. Dongi Sinora and PT. IMIP

	PT. Dongi Sinora (DS)	PT. IMIP	Triple Bottom Line (People/Profit/Planet)
<b>Application of CSR</b>			
<b>Social Assistance</b>	<ul style="list-style-type: none"> <li>• Upstream: Donations for mosques and churches</li> <li>• Upstream: Development Activities: People's Port, Asphalt Village road leading to Sinora 1 and Granase companies.</li> <li>• Downstream: Collaboration with companies has the effect of increasing the economy and physical development by 0.5 percent.</li> <li>• Downstream: Toili Subdistrict is more advanced in the construction of facilities and infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Building facilities and infrastructure for roads, flats, airports, ports, reclamation and breakwater in coastal areas.</li> <li>• Providing assistance in building mosques</li> </ul>	<b>People</b>
<b>Education and Health Development</b>	<ul style="list-style-type: none"> <li>• Development Activities: "Sinar Harapan PAUD" Building</li> </ul>	<ul style="list-style-type: none"> <li>• Assistance with the construction of school facilities and infrastructure</li> <li>• Building Polytechnic facilities from the ministry of industry, to meet the labor market demand for nickel mining. Students who qualify for the polytechnic are given a full scholarship. The teaching staff comes from the Ministry of Industry of the Republic of Indonesia, Jakarta.</li> <li>• The Education and Health Section in Bahodopi sub-district is IDR 200,000,000 every year.</li> </ul>	<b>People</b>

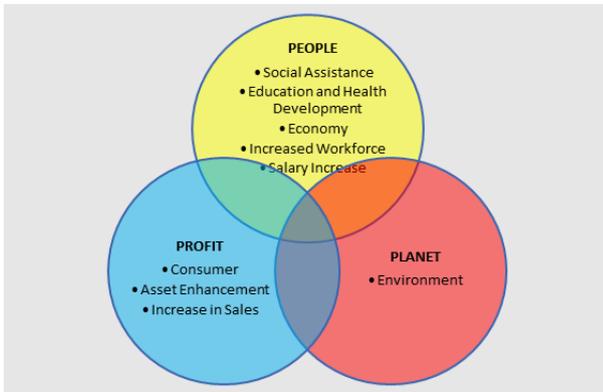
<b>Economy</b>	<ul style="list-style-type: none"> <li>Upstream: Empowerment Activities (Catfish breeding, Herbs, Bio Gas, Soft Crabs, Coconut Shell Crafts)</li> <li>Downstream: Partnership program: related to activities: Agriculture (cocoa seed procurement) and Fishermen (katinting procurement). This area has a Labor organization, the Indonesian Transportation Workers Union (SPTI), with a daily labor wage of IDR 100,000.</li> <li>In the empowerment activities carried out, the economy does not have an impact. There is no business assistance, so the activities carried out are only temporary activities</li> <li>Local community complaints, that with the presence of CPP companies, only have a short-term impact on improving their welfare.</li> </ul>	<p>Community empowerment in the surrounding area will be promoted in the fields of:</p> <ul style="list-style-type: none"> <li>Agriculture, aims to produce plants that can be supplied to companies to meet the catering needs of the company.</li> <li>Sewing / garment training, providing workforce clothing within the company.</li> <li>Provision of SMEs that can provide small foods, in the form of local snacks.</li> <li>Animal husbandry, in Lele village, is provided with 40 hectares of land for cattle, goats and chickens, to meet the company's demand for meat.</li> </ul>	<b>People</b>		on the NPI production target (ferro chrome with a production capacity of 600 thousand tons per year, to meet the needs of stainless-steel industry raw materials)	
<b>Salary Increase</b>		Increased community income, illustrated by the acquisition of income from salary / wages, which is IDR 1,600,000 for factory workers. And for employees if overtime, a salary of IDR 3,000,000 or IDR 4,000,000 every month.			Regional Minimum Wage (UMR), amounting to IDR 1,800,000, - at IMIP companies, the minimum wage earned is on average IDR 3,000,000. Coupled with overtime pay.	<b>People</b>
<b>Environment</b>	Waste Management is managed directly by the company	<ul style="list-style-type: none"> <li>Has a waste management that is managed directly in the area of the company PT. IMIP.</li> <li>Waste from nickel companies, which can be reprocessed, for example slakes, can be made into a mixture of bricks, which are temporarily used within the company's territory.</li> </ul>	<b>Planet</b>			
<b>Consumer</b>	Managing Gas into LNG (Liquified Natural Gas)	Increased production and sales from NPI, Ferro nickel to stainless steel production.	<b>Profit</b>			
<b>Financial Performance</b>						
<b>Increased Workforce</b>	<ul style="list-style-type: none"> <li>In 2011, 7,000 people could be absorbed during the CPP construction. Greatly impacted the economy in the village of Paisobololi. The number of boarding house needs, basic needs of the community, which can be provided by the surrounding community.</li> <li>In 2014/2015, the workforce involved in the company decreased.</li> </ul>	Labor that can be absorbed by PT. IMIP, an estimated 14,000 people. Derived from local workforce, from areas in Central Sulawesi, and other regions in Indonesia.	<b>People</b>			
<b>Asset Enhancement</b>	<ul style="list-style-type: none"> <li>Upstream: Commenced construction in 2011, the company was established in 2014, and conducted gas production, in 2015.</li> <li>Downstream: Another company that is made from gas, can produce Ammonia fertilizer, currently the company is under construction, namely PT. Panca Amara Utama, which is located in Uso Village in Batu District, is in the same area as PT. Dongi Sinoro and adjacent to the Luwuk container port of the Tangkiang working area.</li> </ul>	<ul style="list-style-type: none"> <li>PT. BDM made a smelter together with PT. SMI in 2013</li> <li>PT. IMIP is an integrated industrial estate development company, with ten companies operating in industrial estates managed by IMIP and building 5 smelters.</li> </ul>	<b>Profit</b>			
<b>Increase in Sales</b>	The level of sales increases according to production targets every year	Of the ten companies incorporated in PT. IMIP experiencing sales growth each year based	<b>Profit</b>			

Table 1 describes the CSR implementation and financial performance of PT. Dongi Sinora and PT. IMIP according to the implementation of the 3P concept of John Elkington [20]. The companies apply the Triple Bottom Line, in that they continue to pursue profit, but they must also pay attention to and be involved in fulfilling the welfare of the people and contribute actively in preserving the environment (planet) in the long run.

PT. DS is still weak in paying attention to the environmental impact (Planet). The upstream area has a negative impact on agricultural areas, but its transportation facilities (airports, and roads) benefit people. In general, the company's financial performance only has short-term impact with the help of CSR. This is consistent with the finding of Mansaray et al. [15] that CSR only has a short-term impact in increasing the income of local communities. Further research of Mansaray et al. [15] confirm long-term benefits are not from mining industry. Findings from PT. DS contradicts the research of Abdelkbir Elouidani Zoubir Faïçal Corporate [24], which found that CSR relationships were not significant to financial performance in the short term, and long-term results would be significant because it maintained the company's reputation on an ongoing basis. In the long run, if managed properly, CSR will not only increase the satisfaction of these stakeholders but also lead to improved financial performance [10]. For example, satisfied employees will be more motivated to work effectively, satisfied customers will be more willing to make repeat purchases and recommend products to others, and satisfied suppliers will provide discounts, etc.

The CSR of PT. IMIP is very optimal in touching the 3P (people, planet and profit). Their activities produce financial performance that affects the company (increased assets, increased sales) and have a direct impact on the surrounding community (increasing the number of workers, increasing employee salaries, and increase the income of surrounding communities). This is consistent with studies of Mansaray et al. [15], Feng et al. [16], Mustafaa et al. [12], Waworuntu et al. [13], Mercedes et al. [14], and Maqbooln & Zameern [17], who found that well-managed short-term CSR can have a long-term impact and lead to sustainable financial performance.

In the overall, the CSR application and financial performance of mining industry (at PT. Dongi Sinora and PT. IMIP) in Indonesia are presented in Figure 1.



**Figure 1.** CSR Application and Financial Performance Model in Indonesian Mining Industry

## 5. CONCLUSIONS

CSR with Triple Bottom Line (People, Profit and Planet) is able to improve financial performance, which affects the company and society in general. Mining companies in Indonesia still needs to increase their attention to the environment (Planet) because the failure to do so will have a long-term negative impact.

## REFERENCES

- [1] Friedman, M. (1970). The Social Responsibility of Business Is to Increase Its Profits. *Times Magazine*, New York (1970), p. 13
- [2] G. Alexander and R. Buchholz, "Research Notes. CORPORATE SOCIAL RESPONSIBILITY AND STOCK MARKET PERFORMANCE.", *Academy of Management Journal*, vol. 21, no. 3, pp. 479-486, 1978. Available: 10.2307/255728.
- [3] "Corporate social responsibility and financial performance relationship: a review of measurement approaches", *Taylor & Francis*, 2020. [Online]. Available: <https://www.tandfonline.com/doi/full/10.1080/1331677X.2017.1313122>. [Accessed: 14- Mar- 2020].
- [4] "EconJournals.com", *Econjournals.com*, 2020. [Online]. Available: <https://www.econjournals.com/>. [Accessed: 15- Mar- 2020].
- [5] A. Galant and S. Cadez, "Corporate social responsibility and financial performance relationship: a review of measurement approaches", *Economic Research-Ekonomska Istraživanja*, vol. 30, no. 1, pp. 676-693, 2017. Available: 10.1080/1331677x.2017.1313122.
- [6] D. Kodrat, "Manajemen Strategis: Membangun Keunggulan Bersaing Era Global di Indonesia Berbasis Kewirausahaan", *Open Library*, 2020. [Online]. Available: <https://openlibrary.telkomuniversity.ac.id/pustaka/10205/manajemen-strategis-membangun-keunggulan-bersaing-era-global-di-indonesia-berbasis-kewirausahaan.html>. [Accessed: 14- Mar- 2020].
- [7] S. Kategori, B. Teks and d. Manajemen Strategis (Formulasi, Implementasi, Dan Pengendalian) Buku 1 Edisi 12", *Bukukita.com*, 2020. [Online]. Available: <https://www.bukukita.com/Buku-Teks/Manajemen/117702-Manajemen-Strategis.html>. [Accessed: 14- Mar- 2020].
- [8] C. Hemingway and P. Maclagan, "Managers' Personal Values as Drivers of Corporate Social Responsibility", *Journal of Business Ethics*, vol. 50, no. 1, pp. 33-44, 2004. Available: 10.1023/b:busi.0000020964.80208.c9.
- [9] M. Orlitzky, F. Schmidt and S. Rynes, "Corporate Social and Financial Performance: A Meta-Analysis", *Organization Studies*, vol. 24, no. 3, pp. 403-441, 2003. Available: 10.1177/0170840603024003910.
- [10] B. Aaver and S. Cadez, "Management accountants' participation in strategic management process: A cross – industry comparision", *Journal of East European Management Studies*, vol. 14, no. 3, pp. 310-322, 2009. Available: 10.5771/0949-6181-2009-3-310.
- [11] H. Fauzi and K. Idris, "The Relationship of CSR and Financial Performance: New Evidence from Indonesian Companies", *Issues In Social And Environmental Accounting*, vol. 3, no. 1, p. 66, 2009. Available: 10.22164/isea.v3i1.38.
- [12] S. Mustafa, A. Othman and S. Perumal, "Corporate Social Responsibility and Company Performance in the Malaysian Context", *Procedia - Social and Behavioral Sciences*, vol. 65, pp. 897-905, 2012. Available: 10.1016/j.sbspro.2012.11.217.

- [13] S. Waworuntu, M. Wantah and T. Rusmanto, "CSR and Financial Performance Analysis: Evidence from Top ASEAN Listed Companies", *Procedia - Social and Behavioral Sciences*, vol. 164, pp. 493-500, 2014. Available: 10.1016/j.sbspro.2014.11.107..
- [14] M. Rodriguez-Fernandez, "Social responsibility and financial performance: The role of good corporate governance", *BRQ Business Research Quarterly*, vol. 19, no. 2, pp. 137-151, 2016. Available: 10.1016/j.brq.2015.08.001.
- [15] "Impact of Corporate Social Responsibility Disclosure on Financial Performance", *UKDiss.com*, 2017. [Online]. Available: <https://www.ukdiss.com/examples/corporate-social-responsibility-disclosure.php>. [Accessed: 15- Mar- 2020].
- [16] M. Feng, X. Wang and J. Kreuze, "Corporate social responsibility and firm financial performance", *American Journal of Business*, vol. 32, no. 34, pp. 106-133, 2017. Available: 10.1108/ajb-05-2016-0015..
- [17] S. Maqbool and M. Zameer, "Corporate social responsibility and financial performance: An empirical analysis of Indian banks", *Future Business Journal*, vol. 4, no. 1, pp. 84-93, 2018. Available: 10.1016/j.fbj.2017.12.002.
- [18] Indonesia. Undang-Undang tentang Perseroan Terbatas, UU No. 40 tahun 2007, LN No. 106 Tahun 2007, TLN No. 4756.
- [19] Peraturan Pemerintah No. 47 Tahun 2012 Tentang Tanggung Jawab Sosial Dan Lingkungan Perseroan Terbatas.
- [20] *Amazon.com*, 2020. [Online]. Available: <https://www.amazon.com/Cannibals-Forks-Triple-Century-Business/dp/1841120847>. [Accessed: 14- Mar- 2020].
- [21] R. Carton and C. Hofer, *Measuring organizational performance*. Cheltenham (Royaume Uni): E. Elgar, 2007.
- [22] J. Weston and E. Brigham, *Manajemen keuangan* =. Jakarta: Erlangga, 2010
- [23] S. Kategori, E. Manajemen and L. Perusahaan, "Lika-liku Strategi Keuangan Perusahaan : Panduan Praktis Meningkatkan Nilai Perusahaan", *Bukukita.com*, 2020. [Online]. Available: <https://www.bukukita.com/Ekonomi-dan-Manajemen/Manajemen/92492-LIKA-LIKU-STRATEGI-KEUANGAN-PERUSAHAAN--:Panduan-Praktis-Meningkatkan-Nilai-Perusahaan.html>. [Accessed: 14- Mar- 2020].
- [24] A. Elouidani and F. Zoubir, "Corporate social responsibility and financial performance", *African J. of Accounting, Auditing and Finance*, vol. 4, no. 1, p. 74, 2015. Available: 10.1504/ajaaf.2015.071749..