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Analysis Factors Affecting Disclosure of Corporate Social Responsibility

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ABSTRACT

This study aims to examine the effect of the industry type, profitability, firm size, board of commissioner's size, and institutional ownership on CSR disclosure. The sample in this study was 256 companies listed on the Indonesia Stock Exchange (IDX) for three consecutive years, namely 2017-2019, in the companies of the mining sector and the consumer goods industries. This study employed the purposive sampling method. The data used in this study was secondary in the form of company financial statements. The data analysis technique utilized classical assumption test, normality test, autocorrelation test, multicollinearity test, and heteroscedasticity test. Hypothesis testing in this study used multiple regression analysis. The results of this study revealed that the industry type and institutional ownership did not affect CSR disclosure in the mining sector and consumer goods industry companies. Profitability positively affected CSR disclosure in consumer goods industry companies, but it did not affect CSR disclosure in mining sector companies. Company size positively affected CSR disclosure in the companies of the mining sector and the consumer goods industry sector. The size of the board of commissioners had a positive effect on CSR disclosure in mining sector companies, but it did not affect CSR disclosure in the companies of the consumer goods industry sector.

Keywords: *Industry Type, Profitability, Firm Size, Board of Commissioner's Size, Institutional Ownership, CSR Disclosure.*

1. INTRODUCTION

Established companies must have a main goal in the long term. In addition, to get a good corporate image, it certainly takes hard work since the process is quite long. Of course, it cannot be separated from the surrounding community. Large companies with high income will require quite a lot of costs when implementing CSR programs. The owner of the company will definitely assess how it has performed so far by looking at the disclosure of CSR programs that have been implemented, while the costs that have been used will be replaced with awards, and other benefits will be obtained over time. If done properly, CSR disclosure can make the parties involved feel the benefits, such as to the surrounding community, whose rights have been fulfilled so that it is sufficient to help their activities through various CSR programs from the company. Then, to investors, it gives a sense of trust that the company can compete fairly in the future and grow rapidly again, making it attractive for investment.

CSR activities have become an obligation for every company that must be carried out as it has been regulated by law. The CSR implementation in Indonesia is supported by the Law of the Republic of Indonesia No. 25 of 2007 concerning Investment, and the law explains that every investment is obliged to carry out corporate social responsibility (CSR). Another regulation regarding the CSR implementation is also stipulated in Law Number 40 of 2007 Article 74 paragraph 1 regarding Limited Liability Companies, explaining that the business activities carried out in each company are still related to the field of natural resources; those who do not implement it will be subject to sanctions following the provisions of the legislation. Regarding CSR implementation, another law is Law Number 40 of 2007 Article 66 paragraph 2c, which regulates reports on implementing social and environmental responsibility. It elucidates that all companies must have an activity report, and then the company will report how the implementation of social and environmental responsibility in the annual report. Another one regarding CSR implementation is Law Number 32 of 2009 Article 68a, regulating environmental protection and management, and it describes that business activities carried out by everyone have an obligation to provide accurate, correct, timely, and open information.

For example, one of the environmental pollution cases related to CSR by the consumer goods industry sector occurred at PT. Greenfields located in Blitar, East Java, in January 2020. This problem occurred due to the disposal of cow dung waste into the Genjong River, Suruh Village, Doko Sub-district, resulting in contamination. The original clean water has now turned green and emitted an unpleasant odor; even the fish farmers around the place also became victims, and many of the fish kept as pets died. The surrounding community also felt the pollution impact, such as bathing and washing clothes, because the wells were polluted and could not be used. The company

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establishment also has not provided satisfactory results according to the community, and even the CSR implementation has not gone well. It can be seen from the roads and bridges that were always traversed by transport trucks, which have become damaged, and it was left as if there was no process to carry out repairs.

Data showing the development of business activities in the manufacturing and the mining sectors explain that there has been a growth in activity so far in these two sectors despite the decline and increase. The activities of both sectors are always in the public spotlight since they can be the driving force of the economy, which generates large incomes and create jobs. The cases that occurred in PT. Prima Indo Persada and PT. Greenfields are also evidence that the activities carried out by these companies had a direct impact that the community and the surrounding environment could feel. Seeing the growth of the company's activities from time to time that has polluted the surrounding environment is the reason for the lack of awareness of some companies about social responsibility activities, especially in the management of natural resources. Therefore, the CSR implementation and disclosure are in the interest of every company, having a goal to reduce the impact of problems that can arise at any time.

Moreover, the industry type is a characteristic of a company that still has relationships with various potential employees, the type of business to be run, the environment that supports the company's existence or strategy, and the business risks that will be faced in the event of bankruptcy, namely high profile and low profile (Susilowati et al., 2018). In addition, profitability is the profit obtained as a company's ability with its various businesses to use the best strategy to be carried out in the long or short term to maintain its continuity (Indrayenti and Jenny, 2018). On the other hand, company size is a scale to determine whether the company belongs to a large or small group in its operations and can be seen by the total number of assets owned (Purba and Candradewi, 2019). Besides, the board of commissioners is qualified people who have become trusted by the company's owner and then form an organ of the company. They have the task of carrying out good supervision, providing advice, always being responsive to the board of directors, and reporting at the GMS (General Meeting of Shareholders) on any matters that occur on how the contents of the financial statements, including the company's profits or losses (Indrayenti and Jenny, 2018). Meanwhile, institutional ownership is ownership of company shares. Thus, the number of funds that have been collected on behalf of other people will be owned and managed by non-bank financial institutions for investment. Institutional investors have higher power because of the large number of funds they have to buy many shares so that the risk is higher in the hope that long-term goals will get greater profits (Saputra, 2019). From the explanation above, this study aims to examine the effect of the industry type, profitability, firm size, board of commissioner's size, and institutional ownership on CSR disclosure.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1. Stakeholder Theory

Stakeholders are people or all interested parties who can influence the company directly or indirectly related to planning to achieve certain goals (Urmila and Mertha, 2017). The relationship between a company and its stakeholders will go well and help improve its image if it carries out the strategy, namely implementing CSR programs. The stakeholder theory suggests that the company should benefit stakeholders, not just a business unit that works for its own needs (Wulandari and Sudana, 2018). The main purpose of this stakeholder theory is to help management find out how the scope of stakeholders is and carry out more in-depth control to inhibit the occurrence of losses to stakeholders.

2.2. Legitimacy Theory

The legitimacy theory states that the organization will investigate what methods are appropriate to ensure sustainable operations and behave well in a community environment following established norms (Wiyarna and Sudana, 2019). The existence of legitimacy theory focuses on how the interactions between the company and the environment. In this regard, the company's business activities will certainly cause various conflicts with the surroundings. For that, the company must comply with existing regulations to prevent these conditions from occurring so that the community will allow the company's performance activities. Using the annual report as evidence of its responsibility, it is expected that the community will accept the company's existence properly. Together with this acceptance, the company can provide benefits, one of which is increased revenue.

To gain legitimacy, companies must care about the environment, know how to position themselves where they are, try to adjust the operations carried out and their surroundings or not interfere with community activities, and present social responsibility in annual financial reports so that they are always on the right value system (Prakasa and Astika, 2003). After the contract between the company and the community runs, it can automatically increase the value of a rapidly growing company, and its sustainability will last a long time.

2.3. Agency Theory

Agency theory is the existence of a working relationship that occurs from both parties, namely the owner (principal) and management (agent), where the owner has the power to give a job to management with a contract to manage the business, carrying out all activities in accordance with the provisions that have been set on behalf of the party owners; they also have their separate duties not to interfere with each other's affairs (Permadiswara and Sujana, 2018). The agency

relationship between the owner and management with the busyness of each separate business causes a lack of information and communication, resulting in different interests. In addition, because the management gets a variety of complete information, the management is responsible for the activities carried out, including conveying information transparently to the owner, to run smoothly without obstacles at the time of decision making. However, if there is fraud in the information delivery, it provides an opportunity for management to take advantage of various things for themselves; in the end, these actions trigger conflicts.

The most important thing in a relationship is trust, but it is doubtful. For that, the owner supervises the management, which of course, costs money. The amount depends on the system's operation and the company's scale, including large or small. Using company reports, the relationship between the owner and management can be matched. The company's increased performance and good name cannot be separated from the community's views so that management carries out activities considered important by implementing CSR programs.

2.4. Industry Type and CSR Disclosure

The industry type is a characteristic of a company that still has relationships with various potential employees, the type of business to be run, the environment that supports the company's existence or strategy, and the business risks that will be faced in the event of bankruptcy, namely high profile and low profile (Susilowati et al., 2018).

High-profile companies carry out their activities, making many changes to the environment since they are a type of industry where raw materials utilize natural resources, which the surrounding community can directly feel for the various negative impacts it causes. It is in contrast to the low profile companies, in which their activities are not directly related to the surrounding community. The higher type of company (high profile), the more CSR disclosure, as a form of concern for the environment and the safety of the surrounding community for the various impacts. Thus, the higher the level of the type of food industry, the wider the level of CSR disclosure.

Prior research conducted by Mukti and Kurnia (2015), Purwanto (2011), Susilowati et al. (2018), and Saputra (2019) revealed that the type of industry had a positive effect on CSR disclosure. Contrary to studies conducted by Subiantoro and Mildawati (2015) and Bangun et al. (2016), they found that the type of industry did not affect CSR disclosure.

H_1: Industry type has a positive effect on CSR disclosure.

2.5. Profitability and CSR Disclosure

Profitability is the profit obtained as a company's ability with various efforts, and the best strategy will be carried out in the long or short term to maintain the company's continuity (Indrayenti and Jenny, 2018). In this regard, CSR disclosure will be wider if the company gets high profits with the disclosure, in which the company shows that its performance has been able to compete strongly and has achieved success.

Companies with a high level of profitability will also be able to allocate more funds to carry out activities in the form of CSR programs to become a concern for the broader community, thereby improving the company's image. The large profits obtained encourage companies to disclose information in more detail since the large amounts of funds have been used for various CSR activities. Besides, it is to ensure that they provide understanding to the public and investors that the company is in the best condition and has carried out activities in accordance with applicable norms. The greater the profit moves the company to carry out more CSR activities, the more CSR activities. Thus, more and more funds are being used, and more CSR disclosures must be made. In other words, the higher the profitability obtained by the company, the wider the level of CSR disclosure.

Studies carried out by Badjuri (2011), Mukti and Kurnia (2015), Indraswari and Astika (2015), Pradnyani and Sisdyani (2015), Prakasa and Astika (2017), Permadiswara and Sujana (2018), Indrayenti and Jenny (2018), Wiyarna and Sudana (2019), Purba and Candradewi (2019), and Andriana and Anggara (2019) uncovered that profitability had a positive effect on CSR disclosure. However, it contradicts research conducted by Purwanto (2011), Sriayu and Neem (2013), Subiantoro and Mildawati (2015), Nugroho and Yulianto (2015), and Susilowati et al. (2018), which stated that profitability did not affect CSR disclosure.

H_2: Profitability has a positive effect on CSR disclosure.

2.6. Firm Size and CSR Disclosure

Firm size is a scale to determine whether the company belongs to a large or small group in carrying out its operations and can be seen by the total number of assets owned by the company (Purba and Candradewi, 2019). Companies with large sizes certainly have many quality employees. In carrying out many activities, they must also utilize sophisticated systems to improve the resulting performance and are increasingly known or become a concern for the wider community than small companies.

Large companies certainly have much capital. This capital can be used to meet needs in the competition so that the chances of winning are higher. If linked to the company's size, agency theory can reveal CSR. It happens because of the large agency costs that can be used to find various information. The larger the size of the company, the higher the political risk that the company will face. The high political risk will make the company more widely disclose CSR. Thus, the larger the size of the company, the wider the level of CSR disclosure.

Previous studies conducted by Purwanto (2011), Badjuri (2011), Mukti and Kurnia (2015), Indraswari and Astika (2015), Bangun et al. (2016), Permadiswara and Sujana (2018), Widyastari and Sari (2018), Indrayenti and Jenny (2018), Purba and Candradewi (2019), Dewi and Sedana (2019), and Andriana and Anggara (2019) stated that company

size had a positive effect on CSR disclosure. Nevertheless, this study contradicts research conducted by Badjuri (2011), Oktariani and Neem (2014), Subiantoro and Mildawati (2015), Pradnyani and Sisdyani (2015), Erwanti and Haryono (2017), and Susilowati et al. (2018), which found that firm size did not affect CSR disclosure.

H_3: Firm size has a positive effect on CSR disclosure.

2.7. Board of Commissioner's Size and CSR Disclosure

The board of commissioners is qualified people who have become trusted by the company's owner, and they form an organ of the company and have the task of carrying out good supervision, providing advice, always being responsive to the board of directors, and reporting at the GMS (General Meeting of Shareholders) on any matters occurs on how the contents of the financial statements, including the company's profits or losses (Indrayenti and Jenny, 2018).

The board of commissioners in the company is the highest supervisor, so that it has the power and the number, which greatly influences how the company runs in the future, especially in the CSR disclosure, which has become an obligation. The greater the number of the board of commissioners, the more supervision and advice that has always been given to the board of directors will be more stringent in its performance to manage a company. The high level of supervision and the stronger pressure to be carried out continuously on the board of directors will also affect the amount of information disclosed. Thus, the more and the larger the size of the board of commissioners, the wider the level of CSR disclosure will be.

It is supported by studies conducted by Pradnyani and Sisdyani (2015), Subiantoro and Mildawati (2015), Erwanti and Haryanto (2017), Susilowati et al. (2018), and Indrayenti and Jenny (2018), which stated that the size of the board of commissioners positively affected CSR disclosure. It contradicts research carried out by Badjuri (2011), Oktariani and Mimba (2014), Nugroho and Yulianto (2015), and Bangun et al. (2016), which uncovered that the size of the board of commissioners did not affect CSR disclosure.

H_4: The size of the board of commissioners has a positive effect on CSR disclosure.

2.8. Institutional Ownership and CSR Disclosure

Institutional ownership is ownership of company shares. Then, the number of funds that have been collected on behalf of other people will be owned and managed by non-bank financial institutions to invest. Institutional investors have higher power because of the large number of funds they have to buy many shares. The higher institutional ownership in the company is defined as the number of shares that have also been owned supported by the amount of funding, causing tight supervision, especially on how investment develops so that fraud does not occur, which can cause losses. Institutional investors within the company are so strong when monitoring various activities carried out by management so that the information that has been obtained will smoothly encourage companies to disclose CSR more widely. The higher the institutional ownership, the higher the supervision on management performance. The higher the supervision makes the information easier to obtain. It can also encourage companies to disclose CSR so that the higher the institutional ownership, the wider the level of CSR disclosure.

It is reinforced by research conducted by Nugroho and Yulianto (2015) and Achir and Priantinah (2019), which found that institutional ownership had a positive effect on CSR disclosure, but it contrasts studies conducted by Badjuri (2011) and Saputra (2019), which revealed that institutional ownership did not affect CSR disclosure.

H_5: Institutional ownership has a positive effect on CSR disclosure.

3. METHODOLOGY

This research is quantitative, so that the type of data used was secondary data. The data to be used were sourced from the annual financial statements on the Indonesia Stock Exchange for 2017 to 2019. The sampling technique employed was non-probability sampling, using a purposive sampling approach following predetermined criteria: companies in the mining sector and the consumer goods industry sector, which were listed on the Indonesia Stock Exchange (IDX) during the 2017-2019 period, published a complete annual report for the 2017-2019 period and had a clear CSR disclosure report.

The dependent variable in this study was CSR, measured using CSRDI calculations that could be accessed through the GRI G4 official website. Six performance indicators were used in this study, with a total number of disclosures reaching 91 items. This GRI assessment can be done by giving a value of 1 if the specified information item is disclosed in the company's annual report, while a value of 0 is given if the specified information item is not disclosed in the company's annual report.

In addition, this study has several independent variables. First, the industry type is a characteristic of a company that still has relationships with various potential employees, the type of business to be run, the environment that supports the company's existence or strategy, and the business risks that will be faced in the event of bankruptcy, namely high profile and low profile (Susilowati et al., 2018). The industrial type variable in this study was determined using a dummy variable, namely by giving a value of 1 to the company included in the high-profile industry and 0 to the company included in the low-profile industry.

Second, profitability is the profit obtained as the ability of a company with various efforts, and the best strategy will be carried out in the long or short term to maintain the company's continuity (Indrayenti and Jenny, 2018). The profitability variable in this study was measured employing Return on Assets (ROA) in the company's financial statements, by looking at the income statement section to find out net income data and the balance sheet section to determine total assets and then calculated using a comparison of net income after tax with total assets of a company.

Third, the company's size is a scale to determine whether the company belongs to a large or small group in carrying out its operations and can be seen by the total number of assets the company owns (Purba and Candradewi, 2019). The firm size variable in this study was measured using the natural logarithm because, seeing from the number of company assets, the value was too large, and it would be equated to fit other variables.

Fourth, the size of the board of commissioners in this study was gauged by looking at the annual report and then calculating the number of members of the board of commissioners in a company owned.

Fifth, institutional ownership is ownership of company shares. Then, the number of funds that have been collected on behalf of other people will be owned and managed by non-bank financial institutions to invest. Institutional investors have higher power because of the large number of funds they have to buy many shares so that the risk is higher with the hope that long-term goals will get greater profits (Saputra, 2019). The institutional ownership variable in this study was determined utilizing a comparison ratio between the number of shares owned by the institution and the total number of shares of the company.

4. RESULTS

4.1. Descriptive Statistic

The objects in this study were all companies in the mining sector and the consumer goods industry sector listed on the Indonesia Stock Exchange (IDX) in 2017-2019. Sampling in this study used the purposive sampling method to obtain 256 samples that met the criteria. CSR disclosure in mining companies had a minimum value of 0.63736, a maximum value of 0.83516, a mean of 0.7622220, and a standard deviation of 0.03482384. Meanwhile, the consumer goods industry companies had a minimum value of 0.60440, a maximum value of 0.86813, a mean of 0.7546639, and a standard deviation of 0.04728873.

Industry type (IT) in mining companies had a minimum value of 0, a maximum value of 1, a mean of 0.98, and a standard deviation of 0.152. Meanwhile, consumer goods industry companies had a minimum value of 0, a maximum value of 1, a mean of 0.80, and a standard deviation of 0.403.

The profitability variable (PRV) in mining companies had a minimum value of -1.53829, a maximum value of 0.45558, a mean of 0.0407872, and a standard deviation of 0.17372789. Meanwhile, consumer goods industry companies had a minimum value of -0.17612, a maximum value of 0.52670, a mean of 0.0827673, and a standard deviation of 0.11604100.

Firm size (UP) in mining companies had a minimum value of 24.20454, a maximum value of 36.64276, a mean of 29.3269283, and a standard deviation of 2.07689813. Meanwhile, consumer goods industry companies had a minimum value of 20.55722, a maximum value of 32.20096, a mean of 28.3769444, and a standard deviation of 1.92783975.

The board of commissioners' size (UDK) in mining companies had a minimum value of 2, a maximum value of 10, a mean of 4.57, and a standard deviation of 1.828. Meanwhile, consumer goods industry companies had a minimum value of 2, a maximum value of 8, a mean of 3.82, and a standard deviation of 1.433.

The institutional ownership (KI) in mining companies had a minimum value of 0.14634, a maximum value of 0.99848, a mean of 0.6782004, and a standard deviation of 0.18946383. Meanwhile, consumer goods industry companies had a minimum value of 0.02030, a maximum value of 0.95238, a mean of 0.6816357, and a standard deviation of 0.21390025.

4.2. Classic Assumption Test

A normality test is used to determine whether the sample in the study is normally distributed. Based on the Kolmogorov-Smirnov test, the value of Asymp. Sig. (2-tailed) for mining companies was 0.197, and the value for consumer goods industrial companies was 0.173. In both values, it can be seen that they were higher than the value of 0.05, indicating that the data in this study were normally distributed.

Multicollinearity test results showed that all independent variables in this study had a tolerance value greater than 0.10, and the VIF value for all independent variables was less than 10. Thus, it can be concluded that for the data in this study, there was no multicollinearity.

Autocorrelation test results can be seen for the value of Durbin Watson in mining companies, namely 1.721. The dU and dL values in the DW table were 1.7928 and 1.6294. Therefore, the value of d lies between (4-dU) and (4-dL). In the consumer goods industry, the value of Durbin Watson was 1.349. The dU and dL values in the DW table were 1.7937 and 1.6329, respectively. Thus, the value of d lies between (4-dU) and (4-dL). The autocorrelation test results had no definite conclusions.

The heteroscedasticity test revealed that in mining companies and the consumer goods industry, all independent variables had a sig value greater than (0.05), so that it can be concluded that the research data did not contain heteroscedasticity.

4.3. Determination Coefficient Test (R^2)

The determination coefficient test (R^2) showed an Adjusted R^2 value of 0.018. It means that the dependent variable, namely CSR, could be explained by 1.8% by independent variables, namely industry type, profitability, company size, board of commissioner's size, and institutional ownership. In comparison, the remaining 98.2% were not examined in this study. Besides, it can be seen for the Adjusted R^2 value of 0.005. It shows that the dependent variable, namely CSR, could be explained by 0.5% by independent variables: industry type, profitability, firm size, board of commissioner's size, and institutional ownership. In

contrast, the remaining 99.5% were not examined in this study.

Table 1. Partial T-Test of Mining Industry Companies

Model		Unstandardized Coefficients			
		B	Std. Error	t	Sig.
1	(Constant)	.565	.045	12.598	.000
	Type of Industry	.015	.019	.806	.422
	Profitability	-.010	.017	-.616	.539
	Firm Size	.006	.001	3.827	.000
	Board of Commissioner's Size	.005	.002	2.812	.006
	Institutional Ownership	-.006	.015	-.387	.700

Source: Data processed by SPSS, 2020

Table 2. Partial T-Test of Goods Industry Companies

Model		Unstandardized Coefficients			
		B	Std. Error	t	Sig.
1	(Constant)	.536	.058	9.267	.000
	Type of Industry	-.002	.010	-.234	.815
	Profitability	.114	.036	3.131	.002
	Firm Size	.008	.002	3.617	.000
	Board of Commissioner's Size	.002	.003	.674	.502
	Institutional Ownership	-.032	.018	-1.776	.078

Source: Data processed by SPSS, 2020

In Table 1., the test results can be formulated as follows:

CSR = 0.565 + 0.15(TI) - 0.10(PRV) + 0.006(UP) + 0.005(UDK) – 0.006(KI) + e

In Table 2., from the test results, the regression equation can be formulated as follows:

CSR = 0.536 – 0.002(TI) + 0.114(PRV) + 0.008(UP) + 0.002(UDK) – 0.32 (KI) + e

The F-Test results showed that the F- calculated value was 0.557, with a sig value of 0.732, greater than (0.05). Hence, it can be concluded that there was no joint effect of independent variables, namely industry type, profitability, company size, size board of commissioners, and institutional ownership. Besides, the F-test result also revealed that the F-calculated value was 1.121, with a sig value of 0.353, greater than (0.05). Therefore, it can be concluded that there was no joint effect of independent variables, namely industry type, profitability, company size, the board of commissioners' size, and institutional ownership.

5. DISCUSSION

5.1. The Effect of Industry Type on CSR Disclosure

The results of testing the first hypothesis in mining companies showed the value of sig = 0.422 > 0.05, with a positive beta direction so that it can be concluded that the type of industry did not affect CSR disclosure. Besides, the test results on consumer goods industry companies showed a sig value of 0.815 > 0.05, with a negative beta direction so that it can be concluded that the type of industry did not affect CSR disclosure. It might happen since companies included in the high-profile category may not necessarily be able to carry out more CSR disclosures, even though the impact on the environment and surrounding communities is also high.

The results of this study are in line with research conducted by Subiantoro and Mildawati (2015) and Bangun et al. (2016), which stated that the type of industry did not affect CSR disclosure.

5.2. The Effect of Profitability on CSR Disclosure

The results of testing the second hypothesis in mining companies revealed a sig value of 0.539 > 0.05 with a negative beta direction so that it can be concluded that profitability did not affect CSR disclosure. It might occur because, in companies with a high income, the funds are not necessarily used to carry out CSR activities, so that the lack of CSR disclosure could also occur because the amount of income was used for the benefit of the company.

The results of this study align with research conducted by Purwanto (2011), Sriayu and Neem (2013), Subiantoro and Mildawati (2015), Nugroho and Yulianto (2015), and Susilowati et al. (2018), which found that profitability did not affect CSR disclosure.

The test results on consumer goods industry companies showed a sig value of 0.002 < 0.005 with a positive beta direction so that it can be concluded that profitability had a positive effect on CSR disclosure. It happens because companies with high incomes can conclude that their performance is good, driven by the trust of the surrounding community, making the company implement more CSR through various programs. Sales that sell well in the community also generate profits reused for the community.

The results of this study corroborate with studies carried out by Badjuri (2011), Mukti (2015), Indraswari and Astika (2015), Pradnyani and Sisdyani (2015), Prakasa and Astika (2017), Permadiswara and Sujana (2018), Indrayenti and Jenny (2018), Wiyarna and Sudana (2019), Purba and Candradewi (2019), and Andriana and Anggara (2019) that profitability had a positive effect on CSR disclosure.

5.3. The Effect of Firm Size on CSR Disclosure

The results of testing the third hypothesis on mining companies unveiled a sig value of 0.000 <0.05 with a positive beta direction so that it can be concluded that company size had a positive effect on CSR disclosure. Meanwhile, the test results on consumer goods industry companies showed a sig value of 0.000 <0.05 with a positive beta direction so that it can be concluded that company size had a positive effect on

CSR disclosure. It happens because the size of the company, especially large companies, is always in the spotlight in every activity, so the political risk makes companies disclose more CSR and cost reduction.

The results of this study agree with research conducted by Purwanto (2011), Badjuri (2011), Mukti (2015), Indraswari and Astika (2015), Bangun et al. (2016), Permadiswara and Sujana (2018), Widyastari and Sari (2018), Indrayenti and Jenny (2018), Purba and Candradewi (2019), Dewi and Sedana (2019), and Andriana and Anggara (2019), which uncovered that company size had a positive effect on CSR disclosure.

5.4. The Effect of Board of Commissioner's Size on CSR Disclosure

The results of testing the fourth hypothesis in mining companies showed a sig value of 0.006 <0.05 with a positive beta direction so that it can be concluded that the size of the board of commissioners did not affect CSR disclosure. It happens because the supervision carried out by the board of commissioners to management and the expertise possessed is easier to obtain information, thus making CSR disclosure wider.

This research is reinforced by research conducted by Pradnyani and Sisdyani (2015), Subiantoro and Mildawati (2015), Erwanti and Haryanto (2017), Susilowati et al. (2018), Indrayenti and Jenny (2018), which revealed that the size of the board of commissioners positively influenced CSR disclosure.

Moreover, the test results on consumer goods industrial companies uncovered a sig value of 0.502 > 0.05 in a positive direction so that it can be concluded that the size of the board of commissioners did not affect CSR disclosure. It happens because although the supervision carried out by the board of commissioners to management does not necessarily make CSR disclosure wider, the board of commissioners also has the task of monitoring how the company management understands more about its profits, so it is more concerned with the company's activities rather than being used to implement CSR programs. The results of this study are in line with research conducted by Badjuri (2011), Oktariani and Neem (2014), Nugroho and Yulianto (2015), and Bangun et al. (2016), stating that the size of the board of commissioners did not affect CSR disclosure.

5.5. The Effect of Institutional Ownership on CSR Disclosure

The results of testing the fifth hypothesis in consumer goods industrial companies displayed a sig value of 0.700 > 0.05 with a negative beta direction so that it can be concluded that institutional ownership did not affect CSR disclosure. In addition, the test results on consumer goods industrial sector companies showed a sig value of 0.078 > 0.05 with a negative beta direction so that it can be concluded that institutional ownership did not affect CSR disclosure. It happens because when investors supervise the insiders, the supervision has not been carried out properly, nor is this supervision done. It happens because when investors supervise the insiders, it has not been carried out properly. Besides, the supervision is not carried out continuously, so that the lack of important information makes CSR disclosures not done well. The study results align with Badjuri's (2011) and Saputra's (2019) research, which asserted that institutional ownership did not affect CSR disclosure.

6. CONCLUSION

This study was conducted to obtain empirical evidence regarding the effect of the industry type, profitability, firm size, board of commissioners' size, and institutional ownership on CSR disclosure. The objects in this study were all mining sector companies and consumer goods industrial sector companies listed on the Indonesia Stock Exchange (IDX) from 2017-2019. Sampling in this study utilized the purposive sampling method and obtained 256 samples that met the criteria.

The analysis uncovered that the industry type and institutional ownership did not affect CSR disclosure in mining and consumer goods industry companies. Profitability positively affected CSR disclosure in consumer goods industry companies, but it did not affect CSR disclosure in mining sector companies. Besides, company size positively affected CSR disclosure in the mining and consumer goods industry companies. The size of the board of commissioners had a positive effect on CSR disclosure in mining sector companies, but it did not affect CSR disclosure in the companies of the consumer goods industry sector.

7. LIMITATION AND FUTURE RESEARCH

Based on the analysis results carried out, there are several limitations, as follows:

1. This study only used two sectors, namely the mining and consumer goods industry.
2. The sample of companies in this study was for three years, namely 2017-2019.
3. The autocorrelation test results of mining companies and consumer goods industry companies did not produce definite conclusions.

Based on the analysis results, the researchers provide the following suggestions:

1. The number of research samples can be increased to get clearer and influential or related results.
2. The variables that might influence future research and the research period can be expanded.
3. Further researchers should take data officially through the Indonesia Stock Exchange website to be more complete.

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