

ABSTRACT

This study aims to analyze the effect of CSR, CSR in the environmental dimension, CSR in the social dimension, and CSR in the governance dimension on the risk of financial distress in non-financial companies. The independent variables used in this study are CSR, CSR in the environmental dimension, CSR in the social dimension, and CSR in the governance dimension. While the dependent variable is financial distress. Meanwhile, firm size and cash ratio are used as control variables.

The sample used in this study amounted to 50 non-financial companies in 2018-2022 listed on the Indonesia Stock Exchange, taken by purposive sampling method according to predetermined conditions, with data obtained through Bloomberg Terminal. This research was conducted using multiple linear regression analysis methods with panel data.

The results of this study indicate that CSR and CSR in the governance dimension have a significant negative effect on financial distress. While CSR in the environmental dimension has a negative but insignificant effect and CSR activities in the social dimension have a positive but insignificant effect on financial distress.

Keywords: Corporate Social Responsibility (CSR), CSR in environmental dimension, CSR in social dimension, CSR in governance dimension, financial distress.