

ABSTRACT

This research attempt to investigate the impact of corporate social responsibility (CSR) on employee performance and employee cost. Independent variable used in this study is CSR measured by GRI index. Dependent variable used in this study are employee performance measured by comparing sales with total number of employees and employee cost performance measured by comparing employee benefits expense with total number of employees. This study also uses size, ROA, Leverage, R&D intensity, Advertising intensity, and labour intensity as control variables.

The population of this study is a manufacturing company listed on the Indonesian Stock Exchange (IDX) from 2013 to 2015. Data selection method used in this research is purposive sampling method. Total samples used in this study is 199 companies. The data were analysed with the classical assumption and hypothesis testing regression method using SPSS version 23.

The result of this study indicates a positive and significant relation between CSR and employee performance. There is also a positive and significant relation between CSR and employee cost.

Key words : Corporate Social Responsibility, Employee Performance, Employee Cost, Size, ROA, Leverage, R&D intensity, Advertising intensity, and Labour intensity