

ABSTRACT

The purpose of the study is to examine the association between corporate governance practice and the corporate social responsibility disclosure on firm value for public firms in Indonesia. A set of governance mechanism can be implemented to mitigate the agency problem. To gain attention from the market and also to communicate with stakeholders firm uses disclosure report, one of disclosure that be used by firm is corporate social responsibility.

This study is conducted using secondary data from public firm annual report in Indonesia. The purposive sampling method is chosen to determine the amount of sample. The total sample of this study is 485. The multiple regression analysis is used to examine the hypothesis on this study.

The empirical result shows that corporate governance has positive effect but not significant on firm value. The finding also shows that the corporate social responsibility disclosure has significant positive effect on firm value. This finding indicate that the company with more disclosure on corporate social responsibility has more firm value.

Keyword : corporate governance, corporate social responsibility, firm value