

ABSTRACT

The purpose of this study is to analyze the simultaneous relationship between disclosure of corporate social responsibility in annual report with institutional ownership. This research is based on the understanding that between these two variables may have influence with one another. Institutional ownership can affect the disclosure of corporate social responsibility in annual report and disclosure of corporate social responsibility in annual report can affect the institutional ownership. Therefore, it is suspected that there is a simultaneous relationship between disclosure of corporate social responsibility in annual report with institutional ownership.

Collecting data using a purposive sampling method to non-financial companies listed in Indonesia Stock Exchange in 2009. Some 93 companies are used as research samples. Hypothesis testing is done by Hausman test, the test of Two-Stage Least Square, and multiple regression analysis. This study used variable industry type, company size and profitability as a control variable of disclosures of corporate social responsibility and used variable firm size, profitability, and leverage as control variables of institutional ownership.

Result of research by Hausman test shows that there is no simultaneous relationship between disclosure of corporate social responsibility with institutional ownership. Therefore do not escape the Hausman test, the research does not do the test of Two-Stage Least Square. The research is continued by testing the regression model with multiple regression analysis of each regression equation. The results of regression models indicate that variables that affect disclosure of corporate social responsibility are industry type and firm size which are the control variable and variable that affect institutional ownership is profitability which is the control variable. Therefore, can be stated that institutional ownership does not affect disclosure of corporate social responsibility and also can be stated that disclosure of corporate social responsibility does not affect institutional ownership. So, can be stated that it is not formed the relationship between disclosure of corporate social responsibility with institutional ownership and can be stated that there is no simultaneous relationship between disclosure of corporate social responsibility with institutional ownership.

Keywords: *Disclosure of Corporate Social Responsibility, Institutional Ownership*