ABSTRACT

This study examined the disclosure effect of managerial ownership and the proportion of independent directors as a proxy of Good Corporate Governance; and the disclosure of Corporate Social Responsibility relationship between ROA as a proxy of the financial performance and corporate value. The purpose of the study was to find empirical evidence of (a) the effect of financial performance (ROA) and the value of the company, (b) the effect of CSR on the relationship between ROA and the value of the company, (c) the effect of managerial ownership on the relationship between ROA and company value, (d) the effect of the proportion of independent directors on the relationship between ROA and firm value

The samples using 48 companies on consumer goods sector. Type of data is secondary data from each consumer goods companies listed on the Indonesia Stock Exchange for four years in 2008, 2009, 2010, 2011. The samples are taken by purposive sampling. The data is analyzed by using multiple regression analysis and interaction test is commonly called Moderated Regression Analysis (MRA), method which initial by classical test for normality, multicollinearity test, heteroscedasticity test and autocorrelation test. Hypothesist test is using the F test and t test.

The results shows two conclusions. The first analysis explain that the proportion of independent directors is able to moderate the relationship between ROA on company value , the second analysis explains that disclosure of CSR and managerial ownership are not able to moderate the relationship between ROA on company value. The conclusion in this study from variables which used to examine the relationship between ROA with the value of the company, the proportion of independent directors is the factor who strengthen the relationship between the other variables .

Keywords: Disclosures of Social Corporate Responsibility (CSR), Proportion of independent directors, Return on Assets (ROA), Tobin 's Q.