

ABSTRACT

This study aims to examine the relation between Corporate Social Responsibility (CSR) disclosure and the percentage of Institutional Ownership (IO) on Natural based-Companies which are listed on IDX during the period 2008-2010. This study uses content analysis for measuring the CSR disclosing score. Institutional Ownership is dependent variable and CSR disclosures, CSR disclosure-Employee Relation dimension, CSR disclosure-Community Involvement dimension, CSR disclosure-Product dimension and CSR disclosure-Environmental dimension are independent variables on this study.

Natural based-Companies are the sample of this research. They are the companies which move on mining, agricultural, wood industries, paper and pulp, energy, animal feed, and cement. All of them are listed on Indonesian Exchange (IDX) during the observation period 2008-2010. Samples are taken by using Purposive sampling method, and 25 companies are chosen to become samples. This study uses linear regression for data analyzing.

The results show that the percentage of Institutional Ownership (IO) on Natural based-Companies is significantly and positively related to CSR disclosure; the percentage of Institutional Ownership (IO) is significantly and positively related to CSR disclosure-Employee relation dimension; the percentage of Institutional Ownership (IO) isn't related to CSR disclosure-Community Involvement; the percentage of Institutional ownership (IO) is positively but not significantly related to CSR disclosure-Product dimension; the percentage of Institutional Ownership (IO) isn't related to CSR disclosure- Environmental disclosure.

Key words: corporate social responsibility, Natural based-companies, institutional ownership, disclosure