

ABSTRACT

This study aims to investigate the extent and the quality of corporate social responsibility disclosure (CSRSD) mediating the relationship between corporate characteristic and corporate governance with corporate value. Corporate characteristic refers to the company size, type of industry, leverage, and profitability. The relationship among variables considered in this study is developed base on the legitimacy theory and signaling theory.

The research population consists of 189 companies listed on the Indonesia Stock Exchange for the period of 2016 that are qualified to be analyzed. The companies consist of six industrial sectors namely agriculture; basic industry; chemical industry; consumer goods industry; mining; and infrastructure, utilities, and transportation, particularly in the energy sub-sector. The three analytical methods used to solve the problems are content analysis using the standard of Global Reporting Initiative (GRI), descriptive statistics, and Partial Least Square (PLS). The data analyzed are taken from the website of www.idx.co.id and the Bloomberg database.

The hypothesis testing result shows the relationship between determinant variables and consequences of extensive and qualified CSRSD. The hypothesis testing results of relationship among variable are diverse. Company size, type of industry, and corporate governance positively and significantly influence the extent and quality of CSRSD. Leverage does not influence the extent of CSRSD but it negatively and significantly influences the quality of CSRSD. Profitability does not influence either the extent and quality of CSRSD. Furthermore, the extent of CSRSD does not influence the corporate value, but the quality of CSRSD positively and significantly influence the corporate value. Therefore, qualified CSRSD mediate the relationship between company size, type of industry, leverage, and corporate governance with corporate value. On the other hand, the extent of CSRSD does not mediate the relationship between company size, type of industry, leverage, profitability, and corporate governance with corporate value.

The implication of this research emphasizes the importance of CSRSD that is not only extensive but also qualified. Extensive and qualified CSRSD can be a strategy that legitimize the company and give positive signal to improve the corporate value. The increase of extensive and qualified CSRSD requires the support of regulators' policies.

Keywords: *The extent of corporate social responsibility disclosure (CSRSD), quality of corporate social responsibility disclosure (CSRSD), company size, type of industry, leverage, profitability, corporate governance, corporate value.*