

ABSTRACT

This research aims to examine the effect of corporate social responsibility on the bankruptcy risk using leverage and company size as moderating variables. The research object used in this research is the Indonesian manufacturing companies. The data used in this study are manufacturing companies annual financial report data, companies annual reports, and sustainability reports from 2014 to 2019.

The research method used in this research is ordinary least square method. After testing the hypothesis using the t test, F test and the coefficient of determination (R^2), proved that corporate social responsibility has a significant negative effect towards the risk of bankruptcy, then leverage and company size have a significant effect on moderating the effect of corporate social responsibility towards the risk of bankruptcy. .

Based on the test results of the coefficient of determination (R^2) in the first hypothesis, the results state that the corporate social responsibility variable has an influence towards the risk of corporate bankruptcy by 4.4%. Then the R^2 value of the leverage as a moderator variable has an influence of 34%, which means that the contribution of the corporate social responsibility (CSR) variable is able to explain the bankruptcy risk variable with the leverage variable being moderated by 34%.

Finally, the value of R^2 on the effect of company size as a moderating variable to strengthen the effect of corporate social responsibility on the risk of bankruptcy has a value of 10%. This shows that the contribution of the corporate social responsibility (CSR) variable is able to explain the bankruptcy risk variable with the company size variable being moderated by 10% while the remaining 90% is explained by other variables outside the variables above.

Keywords : *Corporate Social Responsibility, Leverage, Size Firm, Bankruptcy Risk, Manufacture Company*