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The Impact of Independent Commissioner Proportion and Profitability to Corporate Social Responsibility Disclosure (Case Study: Coal-Mining Companies in Indonesia Stock Exchange)

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Abstract

This study is built on the belief that the implementation of GCG with the role of independent commissioner on a company then the company has good management, a form of good governance is the implementation of CSR practices. Profitability also have an important role in providing assurance companies to disclose social responsibility in order to gain legitimacy and positive values of the community (stakeholders) . The purpose of this study was to determine the proportion of empirical evidence about the influence of independent directors and the profitability of the company's corporate social responsibility disclosure . Samples were taken by purposive sampling, with the following criteria: (1) the coal mining company listed on the Indonesia Stock Exchange in 2008 until 2012, (2) the Company's Annual Report disclose the complete from 2008-2012, and (3) the company revealed CSR and corporate governance report in the Annual Report of 2008-2012. This research was done by using multiple linear regression analysis and hypothesis testing. Calculation assisted analysis using a computer program (SPSS version 20.0). Variables used the independent variable in this study is the proportion of Independent Commissioners (INDEPCOM) and profitability (ROE) while the dependent variable in this study is the Corporate Social Responsibility Disclosure (CSRD). CSRD is measured using indicators of CSR according to the GRI (Global Reporting Initiative). The results of this study showed that no significant effect INDEPCOM partially to the CSRD. While Independent Commissioners (INDEPCOM) and profitability (ROE) simultaneously affect the CSRD with adjusted R square value of 20.8 % .

Keywords: Proportion of Independent Commissioners, Profitability (ROE), Corporate Social Responsibility Disclosure.