Abstract

Objectives: This research is intended to show whether different companies local and multinational with various CSR disclosures and show association in financial performance, risk, productivity, and size in multinational companies and local companies in Indonesia.

Method: The method used in this study is the content analysis, based on Global Reporting Initiative (GRI) framework. The variable were measured against word as unit of analyze is over four years –of 2007 to 2010– from annual reports of 113 listed companies in the Indonesia Stock Exchange; and uses also cluster sampling to grouping data of 29 multinational companies and 84 local companies. This research is conducted to answer the research question which have been develop in this thesis. Content analysis, descriptive statistics, correlation analysis are performed to analyze the research finding.

Result and Conclusion: The result show that both local and multinational companies constantly being increasing in CSR disclosures. The correlation shows has positive relationship with CSR disclosures result both in local by .224 and multinational companies by .501. Indicated by financial performance by 0.000 has significantly related and positive relationship with CSR disclosures. In Pearson Correlation risk of companies show positive relationship in multinational by .406 and significant by 0.000. In local companies shows rate at .037 showing positive correlation, but not high and not significant. In productivity show positive but low correlation in local companies by .007 and not significant; but negative relationship in multinational companies by -.045. Spearman Correlation shows rate at .171 showing a positive correlation but not high, and significant between CSR disclosure and size in local companies, but not significant in multinational based on Pearson Correlation shows rate at .124 showing positive correlation, and not significant.

Keywords:

Corporate Social Responsibility Disclosures, GRI 3, Multinational Companies, Financial Performance.