Abstract

Objectives: The research is aimed at analyzing the effect of pre and post financial crisis and corporate financial performance towards CSR in Indonesian banking industry. Specifically, the research is purposed to analyze the effect of profit growth, return on assets, interest rate, and exchange rate simultaneously toward CSR in Indonesian banking industry before and after the global economic crisis (2007-2008).

Methods: There are 25 banking companies listed in Indonesian Stock Exchange that are qualified in the analysis procedure. The hypothesis is proved using application program of Multivariate Analysis with SPSS comprises a number of subject matters, namely, Multiple Regression, Coefficient of Correlation, Coefficient of Determination, T-test, and Analysis of Variance (ANOVA)

Result and Conclusion: This research found that that Profit Growth, ROA, Interest Rate and Exchange Rate simultaneously affect CSR in Indonesian banking industry both before and after the global economic crisis (2007-2008)

Key words:
Corporate Social Responsibility (CSR), Profit Growth, Return on Assets (ROA), Interest Rate, Exchange Rate, Indonesian Stock Exchange
PREFACE

This thesis, entitled “The Effects of Financial Crisis on Corporate Social Responsibility (CSR), Findings from Banking Industry in Indonesia” is the final project of the author which was prepared to fulfill the requirements needed to complete his undergraduate degree on Accounting major, at BINUS INTERNATIONAL (School of Accounting).

First and foremost, the author would like to express his deepest gratitude to the Lord Almighty, Jesus Christ, for the immeasurable blessings that He has bestowed upon the author. Through His grace and guidance, was the author only able to accomplish this thesis.

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The author believes that if it were not for the support and contribution from the people aforementioned, the author would not have been able to complete the undergraduate program in BINUS INTERNATIONAL. The author realizes that this thesis is not perfect and there are still some areas left to be explored for this topic. However, the author sincerely hopes that this thesis will provide valuable insights and add knowledge towards others who are of interest in the same topic.

Jakarta, 8th June 2010

Williams Cendana
# TABLE OF CONTENTS

- Cover Page................................................................................................. i
- Title Page..................................................................................................... ii
- Certificate of Approval................................................................................ iii
- Abstract....................................................................................................... iv
- Preface......................................................................................................... v
- Table of Contents....................................................................................... vii
- List of Tables............................................................................................... xii
- List of Figures............................................................................................. xiv
- List of Appendices....................................................................................... xv

## Chapter 1 INTRODUCTION ................................................................. 1

1.1 Background........................................................................................... 1

1.2 Scope...................................................................................................... 6

1.3 Aims and Benefits................................................................................ 7

1.4 Hypothesis............................................................................................ 8

1.5 Research Methodology......................................................................... 8

1.6 Thesis Structure................................................................................... 9

## Chapter 2 THEORETICAL FOUNDATION .................................. 11

2.1 Theoretical Foundation.......................................................................... 11

2.1.1 Corporate Social Responsibility...................................................... 11

2.1.1.1 CSR Practices........................................................................... 11

2.1.1.2 CSR Content Analysis............................................................ 12
2.1.2 The Effect of Economic Crisis and Financial Performance towards Corporate Social Responsibility .................. 12

2.1.2.1 The Effect of Profit Growth and Return on
Assets (ROA) towards Corporate Social
Responsibility ............................................. 13

2.1.2.2 The Effect of Interest Rate and Exchange Rate
towards Corporate Social Responsibility ........... 13

2.1.3 Profit Growth .......................................................... 14

2.1.3.1 Characteristics of Profit Growth ................. 14

2.1.3.2 Relationship between Profit Growth and CSR... 15

2.1.4 Return on Assets (ROA) ............................... 15

2.1.4.1 ROA Calculation ........................................ 15

2.1.4.2 Relationship between Return on Assets and CSR.. 16

2.1.5 Interest Rate .......................................................... 16

2.1.5.1 Various Uses for the Term "Interest Rate" ....... 16

2.1.5.2 Consumer Use of the Current Interest Rate ...... 17

2.1.5.3 Relationship between Interest Rate and CSR... 17

2.1.6 Exchange Rate .......................................................... 17

2.1.6.1 Quotation ...................................................... 18

2.1.6.2 Free of Pegged ............................................. 18

2.1.6.3 Nominal and Real Exchange Rates .............. 19

2.1.6.4 Relationship between Exchange Rate and CSR.. 19

2.2 Theoretical Frameworks ........................................ 19
Chapter 3  RESEARCH METHODOLOGY

3.1 Research Aim

3.2 Research Hypothesis

3.3 Description of Variables

3.4 The Time and Place of Study

3.5 Research Design

3.5.1 The Purpose of the Study

3.5.2 Extent of Researcher Interference

3.5.3 Type of Data Used in Research

3.5.4 Method of Gathering Data

3.5.5 Sampling Design

3.6 Data Analysis and Interpretation

Chapter 4  FINDINGS AND DISCUSSION

4.1 Research Data/Descriptive Statistics

4.1.1 Banks Researched

4.1.2 Corporate Social Responsibility

4.1.3 Financial Performance (Profit Growth and Return on Assets)

4.1.4 Interest Rate and Exchange Rate

4.2 Analysis of Results

4.2.1 Corporate Social Responsibility before the Crisis

4.2.1.1 Normality Test

4.2.1.2 Classic Assumption Test
4.2.1.2.1 Multicollinearity.............................. 40
4.2.1.2.2 Autocorrelation.............................. 42
4.2.1.2.3 Heteroskedasticity.......................... 43
4.2.1.3 Descriptive Statistic............................ 44
4.2.1.4 Entered Variables............................... 44
4.2.1.5 The Effect of Profit Growth, ROA, Interest Rate and Exchange Rate simultaneously toward CSR in Indonesian Banking Industry before the Crisis (2007)................................. 45
4.2.1.6 Correlation...................................... 46
4.2.1.7 Model Summary (Coefficient of Determination)................. 47
4.2.1.8 Coefficient of Regression......................... 48
4.2.2 Corporate Social Responsibility After the Crisis........... 50
4.2.2.1 Normality Test................................... 50
4.2.2.2 Classic Assumption Test.......................... 50
4.2.2.2.1 Multicollinearity.............................. 51
4.2.2.2.2 Autocorrelation.............................. 53
4.2.2.2.3 Heteroskedasticity.......................... 54
4.2.2.3 Descriptive Statistic............................ 55
4.2.2.4 Entered Variables............................... 56
4.2.2.5 The Effect of Profit Growth, ROA, Interest Rate and Exchange Rate simultaneously toward CSR in Indonesian Banking Industry after the Crisis
Chapter 5  CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

5.1 Conclusions

5.2 Limitations

5.3 Recommendations

References

Curriculum Vitae

Appendices
| Table 4.1 | Banks Selected as Sample of the Research | 31 |
| Table 4.2 | Major Issue Areas of CSR before the Crisis (2007) | 33 |
| Table 4.3 | Major Issue Areas of CSR after the Crisis (2008) | 34 |
| Table 4.4 | Banking Profit Growth and ROA before the Crisis (2007) | 35 |
| Table 4.5 | Banking Profit Growth and ROA after the Crisis (2008) | 36 |
| Table 4.6 | Interest Rate and Exchange Rate before the Crisis (2007) | 37 |
| Table 4.7 | Interest Rate and Exchange Rate after the Crisis (2008) | 38 |
| Table 4.8 | Normality Test before the Crisis | 39 |
| Table 4.9 | Multicollinearity Test before the Crisis | 40 |
| Table 4.10 | Decision on Multicollinearity Test before the Crisis | 41 |
| Table 4.11 | Autocorrelation Test before the Crisis | 42 |
| Table 4.12 | Descriptive Statistics before the Crisis | 44 |
| Table 4.13 | Variables Entered/Removed before the Crisis | 44 |
| Table 4.14 | ANOVA Test before the Crisis | 45 |
| Table 4.15 | Pearson Correlation before the Crisis | 46 |
| Table 4.16 | Coefficient of Determination before the Crisis | 46 |
| Table 4.17 | Coefficients of Regression before the Crisis | 48 |
| Table 4.18 | Normality Test after the Crisis | 50 |
| Table 4.19 | Multicollinearity Test after the Crisis | 51 |
| Table 4.20 | Decision on Multicollinearity Test after the Crisis | 52 |
| Table 4.21 | Autocorrelation Test after the Crisis | 53 |
| Table 4.22 | Descriptive Statistics after the Crisis | 55 |
| Table 4.23 | Variables Entered/Removed after the Crisis | 56 |
| Table 4.24 | ANOVA Test after the Crisis | 56 |
| Table 4.25 | Pearson Correlation after the Crisis | 57 |
| Table 4.26 | Coefficient of Determination after the Crisis | 59 |
| Table 4.27 | Coefficients of Regression after the Crisis | 60 |
LIST OF FIGURES

Figure 2.1 Investigation Model................................................................. 21
Figure 4.1 Heteroskedasticity before the Crisis........................................ 43
Figure 4.2 Heteroskedasticity after the Crisis.......................................... 54
LIST OF APPENDICES

Appendix A  Template of CSR Scoring (based on KLD Ratings Criteria)………………………………………  76