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THE EFFECT OF PROFITABILITY, FIRM SIZE, LEVERAGE, LIQUIDITY, BOARD OF COMMISSIONERS, AND PUBLIC OWNERSHIP ON CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE

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Abstract: **This study aims to examine the effect of profitability, firm size, leverage, liquidity, board of commissioners, and public ownership on CSR disclosure. This research was conducted on state-owned companies listed on the Indonesia Stock Exchange in 2018-2019. The population in this study were 25 state-owned companies. Determination of the number of samples using purposive sampling technique with three criteria and then obtained 21 samples that are able to meet the three criteria. Data were analyzed using multiple linear regression analysis. The results showed that profitability, firm size, leverage, liquidity, and public ownership had no effect on CSR, while the board of commissioners had a positive effect on CSR. This means that the larger the company's board of commissioners, the wider the company's tendency to disclose CSR. The results of this study can theoretically confirm the Stakeholder Theory which plays an important role for the sustainability of the company, the Agency Theory which explains the difference in interests between agents and principals as the cause of CSR disclosure.**

Keywords: **Corporate Social Responsibility, profitability, firm size, leverage, liquidity, board of commissioners, public ownership.**

1. INTRODUCTION

CSR can be said to be the core of business ethics, which means that a corporation has obligations to other interested parties (stakeholders) whose scope exceeds the above obligations (legal and economic). The relationship between stakeholders and the company is described as an exchange relationship, namely a group that supplies a contribution to the company and expects their interests to be fulfilled (Nahda & Harjito, 2011).

Replaceno (2016) explained that to improve the company's image in order to influence the company's performance, it can be done with various strategies, one of which is CSR. The same thing was conveyed by Nahda & Harjito (2011) explaining that to increase company profits and value, it can be done by implementing CSR consistently and in the long term, so that it can foster a sense of community acceptance of the company's presence.

Corporate Social Responsibility Disclosure (CSRD) is a mechanism used by companies to communicate with stakeholders and is used to provide benefits/improve the company's image (Widyastari & Sari, 2018). Disclosure of CSR or corporate social responsibility contained in the annual report illustrates that the company has fulfilled its responsibility for the expectations of the community who want the company to carry out activities that provide benefits to the surrounding elements. Disclosure of CSR or social responsibility is important for public companies or certain parties, where they need information that will be the basis for making investment decisions or in any form.

A company in reporting CSR has the hope that investors can consider CSR reported in the company's annual report. In making decisions, investors are not only based on company profit information, but also pay attention to CSR information reported by the company. This indicates that companies that implement CSR will be responded positively by market participants. Several factors that are thought to influence the extent of CSR disclosure are profitability, firm size, leverage, liquidity, board of commissioners, and public ownership.

Profitability is a factor that makes management free and flexible in disclosing social responsibility to investors or shareholders (Sembiring, 2005). According to Wiagustini (2014:86) profitability shows the ability of a company to obtain a measure of the effectiveness of the company's management or company profits. Based on stakeholder theory, the higher a company earns profit, the greater the disclosure of social responsibility (CSR) that will be carried out because it is evidence of accountability to stakeholders and convinces the public that the company is in accordance with social values and norms in society (Pramesti & Budiasih, 2020). Therefore, if the company's profitability level is higher, the company will implement and disclose its social responsibility (CSR) program. The underlying thing is because the disclosure of social responsibility is an activity that requires financing so that if a company is more profitable, it is possible that the company will implement a larger CSR program. In addition, CSR disclosures made by the company will improve the company's image which has an impact on increasing sales and leading to an increase in profits that will be obtained for the company in the future.

Several studies examining the relationship between profitability on CSR disclosure or corporate social responsibility have been conducted before. In research conducted by Permadiswara & Sujana (2018), Putri & Dwirandra (2018), Ariswari & Damayanthi (2019), Pramesti & Budiasih (2020), and Kardiyanti & Dwirandra (2020) found that profitability had a positive effect on CSR disclosure or responsibility. corporate social responsibility. This means that the greater the level of profitability of a company, the greater the level of disclosure of social responsibility carried out.

Firm size is also one of the factors that affect the Corporate Social Responsibility Disclosure. Based on stakeholder theory, large companies will have a large number of stakeholders so that to get support from stakeholders the company will disclose wider information (Andriana & Anggara, 2019). In general, large companies require a wide level of disclosure so that companies need large assets, large sales, good employee skills, sophisticated information systems, many types of products, complete ownership structure, large assets, large sales, good employee skills, information systems state-of-the-art, wide range of products, complete ownership structure. In addition, large companies tend to carry out complex operations, have a greater impact on society, have more stakeholders and shareholders, and have more attention from the public (Antari & Wirawati, 2020). This has an impact on the demands that the public places on companies to disclose all CSR activities or corporate social responsibility in accordance with applicable regulations.

Several studies examining the relationship between firm size on CSR disclosure or corporate social responsibility have been conducted before. In research conducted by Yanti & Budiasih (2016), Putri & Kurnia (2017), Widyastari & Sari (2018), Purba & Candradewi (2019), and Antari & Wirawati (2020) found that firm size had a positive effect on CSR disclosure or corporate social responsibility. This means that the larger the size of the company, the greater the level of disclosure of social responsibility carried out.

Leverage is the ability of a company to meet its financial obligations both in the long and short term or measure the extent to which the company is financed with debt (Wiagustini, 2014: 87). Leverage provides an overview of the company's capital structure. Leverage can be used as a measure used in analyzing financial statements to show the amount of collateral available to creditors. Based on stakeholder theory, a company that has a high level of leverage will disclose more information to stakeholders, especially creditors to eliminate doubts and create confidence in the company's ability because the existence of a company is strongly influenced by the support provided by the company's stakeholders (Respati & Hadiprajitno, 2015). Companies with high debt ratios will disclose more widely to meet the information needs of their creditors. Therefore, companies that have high leverage ratios will make wider disclosures of social responsibility.

Several studies examining the relationship between leverage on corporate social responsibility disclosures have been conducted before. In research conducted by Sumaryono & Asyik (2017), Putri & Kurnia, (2017), Istifaroh & Subardjoa (2017), (Andriany et al. (2017), and Irmayanti & Neem, (2018) found that leverage has a positive effect on disclosure This means that the greater the company's leverage, the greater the level of disclosure of social responsibility carried out.

Liquidity is the company's ability to meet its financial obligations in the short term with available current funds (Wiagustini, 2014:87). Based on stakeholder theory, companies that financially have a strong level of liquidity need to disclose more detailed information to explain their strong performance (Fitri & Andi, 2016). Companies with strong liquidity ratios will also provide social information to provide good news to readers to improve their image and attract investors (Fitri & Andi. 2016). The liquidity ratio can describe the effect of the availability of company funds on the disclosure of social responsibility (Sari & Priyadi, 2020). Companies that have healthy finances will be able to disclose more social responsibility information compared to companies that have low liquidity.

Several studies examining the relationship between liquidity and Corporate Social Responsibility Disclosure have been conducted before. Research conducted by Purba & Candradewi (2019), Nisak & Jaeni (2019), Fauziah & Asyik (2019), Sulistyorini & Suryono (2019), and Sari & Priyadi (2020) found that liquidity had a positive effect on CSR disclosure. This means that the greater the company's liquidity, the greater the level of disclosure of social responsibility carried out.

The board of commissioners is one of the most important elements of the corporate governance mechanism. The board of commissioners is a mechanism to supervise and provide directions to company managers or management (Restu et al., 2017). Based on agency theory, the board of commissioners is tasked with overseeing the implementation of the company's business which is being managed by their agent (management) so that there is no conflict between the agent and the principal (Diono & Prabowo, 2017). The increase in the board of commissioners will be easier to recommend to management to make CSR disclosure as one of the company's obligations. This will have an impact on the wider Corporate Social Responsibility Disclosure due to the pressure exerted by the board of commissioners on the company's management.

Several studies examining the relationship between the board of commissioners on the Corporate Social Responsibility Disclosure have been conducted before. In a study conducted by Pradnyani & Sisdyani (2015), Sari et al. (2017), Muliyani & Hermanto (2018), Anggreni & Arsana (2020), and (Sihombing et al. (2020) find the results that the board of commissioners has a positive effect on CSR disclosure. This means that the more the company's board of commissioners, the wider the level of disclosure of social responsibility.

Public ownership is defined as how many shares are owned by the public who are parties outside of management and do not have a special relationship with the company (Kristi, 2013). In accordance with the stakeholder theory, public ownership has a role to influence the company in disclosing its social activities, while the company will try to meet all the needs of stakeholders including the information needs for the disclosure of its corporate social activities (Pramesti & Budiasih, 2020). The greater the ownership owned by the public, the public wants to know about information related to the company, including the disclosure of its social responsibility. The more companies that hold public trust, the public will definitely pay attention to whether the company where they invest has taken social actions that can prosper the community and the environment around the company.

Several studies examining the relationship between public ownership and Corporate Social Responsibility Disclosure have been conducted before. Research conducted by Rahmayanty & Susilatri (2015), Santoso & Utomo (2017), Sanjaya (2017), and Pramesti & Budiasih (2020) found that public ownership has a positive effect on CSR disclosure. This means that the more public ownership of the company, the wider the level of disclosure of social responsibility carried out.

This research is a development of previous research, namely the research of Tikasari et al. (2019). The difference with this study with previous research is that it adds an independent variable, namely public ownership, the sector used in the study is a state-owned company listed on the IDX, and uses the latest research period, namely 2018-2019. This study uses the GRI version 4.0 reference issued by the Global Reporting Initiative (GRI) in 2013 which contains 91 items. The reason for using the GRI standard in this study is because the disclosure items contained in the GRI are international and can be applied to various sectors and firm sizes.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Research conducted by Permadiswara and Sujana (2018), Putri and Dwirandra (2018), Warda (2019), Pratiwi & Ismawati (2019), and Abbas et al., (2019) found that profitability has a positive effect on disclosure of social responsibility. These results are also in line with research by Ariswari and Damayanthi (2019), Pramesti and Budiasih (2020), and Kardiyanti and Dwirandra (2020). The higher the profitability, the wider the level of Corporate Social Responsibility Disclosure.

H1: Profitability has a positive effect on the Corporate Social Responsibility Disclosure (CSR).

Large companies will carry out more operating activities than small companies. This makes large companies get more attention than small companies. This is related to community concerns where they assume that when a company has a large size, the impact left by the company will be large as well. The attention given by the public to the company will encourage the company to disclose the Corporate Social Responsibility report which aims to build and maintain public trust in the company's performance.

Research conducted by Fauziah (2019), Rofiqkoh & Priyadi (2016), Yurika and Viriany (2019), and Indriastuty & Tasman (2019) Yanti and Budiasih (2016), Putri and Kurnia (2017) showed that firm size had a positive effect on Corporate Social Responsibility Disclosure. These results are also in line with the research of Widyastari and Sari (2018), Purba and Candradewi (2019), and Antari and Wirawati (2020). The larger the size of the company, the wider the Corporate Social Responsibility Disclosure.

H2: Firm size has a positive effect on the Corporate Social Responsibility Disclosure (CSR).

Companies with high leverage ratios have an obligation to make wider disclosures than companies with low leverage ratios (Fajrin, 2018). Companies with high leverage ratios will be more motivated to disclose social responsibility to meet creditor's information needs. Companies that disclose extensive social responsibility information will prove that the company is not in a state of bankruptcy so that creditors will be willing to provide loans. This is also to maintain the creditors' confidence in the company that the company is able to repay its debts.

In research conducted by Warda (2019), Felicia and Rasmini (2015), Surmayono and Asyik (2017), and Putri and Kurnia (2017) showed that leverage had a positive effect on the Corporate Social Responsibility Disclosure. These results are also in line with the research of Istifaroh and Subardjo (2017), Andriany et al. (2019), and Irmayanti and Neem (2018). The greater the leverage of the company, the wider the level of disclosure of social responsibility carried out.

H3: Leverage has a positive effect on the Corporate Social Responsibility Disclosure (CSR).

Companies with high liquidity will make companies need to disclose social responsibility widely (Sulistyorini & Suryono, 2019). This can provide benefits for the company because it can show their company is better than other companies. The more social responsibility disclosures made by the company because it has high liquidity will attract investors to invest in the company. This is because the large number of social responsibility disclosures made will show the company is more credible. In addition, companies carry out social responsibility disclosures widely in order to try to reduce the spotlight of creditors so that companies will be required to actively disclose.

Research conducted by Purba and Candradewi (2019), Nisak and Jaeni (2019), Fauziah and Asyik (2019) shows that liquidity has a positive effect on the Corporate Social Responsibility Disclosure. These results are also in line with the research of Sulistyorini and Suryono (2019), as well as Sari and Priyadi (2020). The greater the company's liquidity, the wider the level of disclosure of social responsibility carried out.

H4: Liquidity has a positive effect on the Corporate Social Responsibility Disclosure (CSR).

The board of commissioners is important in monitoring management activities effectively. The number of boards of commissioners has a large influence on the mechanism of good corporate governance. The more the board of commissioners in the company, the more contributions and suggestions to disclose social responsibility as part of the company's obligations. The board of commissioners will supervise and direct management to make the company provide benefits to the community and the surrounding environment as part of influencing the company, in this case the disclosure of social responsibility as a form of corporate concern.

Research conducted by Pradnyani and Sisdyani (2015) and Sari et al. (2017) found that the board of commissioners has a positive effect on the Corporate Social Responsibility Disclosure. These results are in line with research by Muliyani and Hermanto (2018), Anggreni and Arsana (2020), and Sihombing et al. (2020). The more the company's board of commissioners, the wider the level of disclosure of social responsibility carried out.

H5: The Board of Commissioners has a positive effect on the Corporate Social Responsibility Disclosure (CSR).

In accordance with stakeholder theory, public ownership has a role to influence the company in disclosing its social activities while the company will try to meet all the needs of stakeholders including the information needs for disclosure of its corporate social activities (Pramesti and Budiasih, 2020). The company is expected to be able to meet the information needs required through the Corporate Social Responsibility Disclosure in the annual report. Thus, public ownership will encourage companies to be more broad in disclosing their social responsibility activities.

Companies that have high public ownership will pay more attention to the Corporate Social Responsibility Disclosure (Pramesti & Budiasih, 2020). This is because more and more companies hold public trust, the public will certainly pay attention to whether the company where they invest has carried out social actions that prosper the community and the environment around the company. In addition, there is pressure from shareholders to pay attention to the disclosure of social responsibility to the community. The greater the composition of the company's shares owned by the public, it can trigger companies to make extensive disclosures including disclosure of social responsibility.

Research conducted by Rahmawaty and Susilatri (2015) and Santoso and Utomo (2017) found that public ownership has a positive effect on the Corporate Social Responsibility Disclosure. These results are also in line with the research of Sanjaya (2017), and Pramesti and Budiasih (2020). The more public ownership of the company, the wider the level of disclosure of social responsibility carried out. Based on this description, the sixth hypothesis to be tested in this study is:

H6: Public ownership has a positive effect on the Corporate Social Responsibility Disclosure (CSR).

3. RESEARCH METHODS

This research was conducted on state-owned companies listed on the Indonesia Stock Exchange (IDX) by accessing the IDX website, namely www.idx.co.id. BUMN companies were chosen as locations in this study because it refers to the phenomenon in this study where many BUMN companies have won the 2020 ESG Awards so researchers want to know what factors can affect CSR disclosure in BUMN companies. In addition, state-owned companies to date have made a major contribution to supporting the country's economy and in serving the improvement of the welfare of the Indonesian people. This study uses annual report data for the 2018-2019 period to reflect the state of the company in recent years, especially in the aspect of social responsibility and corporate financial performance. The use of the latest year to find out what factors influence the company in obtaining the 2020 EDG Award is also the reason for using the 2018-2019 annual report data.

The population in this study are state-owned companies listed on the Indonesia Stock Exchange (IDX) for the period 2018-2019, totaling 25 companies. The sampling technique used in this research is purposive sampling technique. Data collection is done by observing and recording information related to research as well as accessing the IDX website, namely www.idx.co.id. This study uses multiple linear regression analysis. Regression analysis was used to examine the effect of the independent variable on the dependent variable.

4. RESULTS AND DISCUSSION

The results of the multiple linear regression analysis can be seen in Table 1.

Table 1: Results of Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(*Constant*)	1,241	0,585		2,121	0,041
	ROA	-0,911	0,783	-0,192	-1,164	0,252
	LTA	-0,088	0,043	-0,356	-2,041	0,049
	DAR	0,007	0,077	0,013	0,091	0,928
	CR	0,144	0,076	0,329	1,891	0,067
	DK	0,021	0,018	0,198	1,198	0,239
	KP	0,006	0,002	0,380	2,707	0,010

Secondary Data, 2021

Based on the results of multiple regression analysis in Table 1, the regression equation used in this study can be written as follows.

Y = 1.282 - 0.826 ROA - 0.092 LTA – 0.023 DAR + 0.118 CR + 0.041 DK + 0.004 KP

The Effect of Profitability on Corporate Social Responsibility Disclosure

Based on the results of the t-statistical test in Table 1, it is known that the profitability variable shows t-value = - 0.995 with a significance level of 0.326. The significance value is greater than the value of = 0.05 or 0.326 > 0.05 with a negative regression coefficient of 0.826. The results of this test indicate that profitability has no effect on CSR disclosure, so the first hypothesis is rejected.

The results of this study do not support the research conducted by Permadiswara and Sujana (2018), Putri and Dwirandra (2018), Warda (2019), Pratiwi & Ismawati (2019), and Abbas et al., (2019) which stated that profitability had a significant positive effect. on corporate social responsibility, but supports the results of research conducted by Amrina & Fenty (2018), Zahrul (2019) and Rheza & Paulus (2015) which state that profitability has no effect on CSR. The results of this study failed to prove the validity of stakeholder theory as the theory underlying this research. Stakeholder theory states that the company is not an entity that only operates for its own interests but must provide benefits to stakeholders (shareholders, creditors, consumers, suppliers, government, society, analysts, and other parties).

The results of this study indicate that profitability has no effect on CSR, meaning that the high and low levels of profitability for stakeholders have no effect on corporate social responsibility actions. This indicates that companies with high profits will not significantly disclose wider CSR. Companies that have high profitability are not necessarily more social activities because companies are more profit-oriented. Management is more interested in focusing on the disclosure of financial information only and considers it unnecessary to report things that can interfere with information about the company's financial success such as CSR (Sembiring, 2005). Some CSR activities require funding by the company so that profitability is used as a source of CSR funding carried out by the company. In such conditions, management seems to be taking advantage of the company's profitability as a better attraction than CSR disclosure.

The Effect of Firm size on Corporate Social Responsibility Disclosure

Based on the results of the t-statistical test in Table 1, it is known that the firm size variable shows t-value = -1.988 with a significance level of 0.326. The significance value is greater than the value of = 0.05 or 0.055 > 0.05 with a negative regression coefficient of 0.092. The results of this test indicate that firm size has no effect on CSR disclosure, so the second hypothesis is rejected.

The results of this study do not support research conducted by Fauziah (2019), Rofiqkoh & Priyadi (2016), Yurika and Viriany (2019), and Indriastuty & Tasman (2019) which stated that firm size had a significant positive effect on corporate social responsibility, but supported the results of research conducted by Hanifa & Neng (2019), Ivon & Sri (2018) and Yunus & Lasmanita (2018) which state that firm size has no effect on CSR. The results of this study did not succeed in proving the validity of stakeholder theory where the company has fulfilled the rights of stakeholders to know company information and will lead the company to gain legitimacy because the company has tried to create harmony between the social values inherent in its activities and the norms that exist in the social system of society where the company is part of the system.

The results of this study indicate that firm size has no effect on CSR, meaning that the level of firm size for stakeholders has no effect on corporate social responsibility actions. This is due to the existence of regulations that require every company to disclose its CSR activities. All companies, both small and large, are in the spotlight due to the impact of their operational activities on the wider community. Therefore, large or small a company still has the same obligation in disclosing social responsibility (Yunus & Lasmanita, 2018).

Effect of Leverage on Corporate Social Responsibility Disclosure

Based on the results of the t-statistical test in Table 1, it is known that the firm size variable shows t-value = - 0.273 with a significance level of 0.787. The significance value is greater than the value of = 0.05 or 0.787 > 0.05 with a negative regression coefficient of 0.023. The results of this test indicate that leverage has no effect on CSR disclosure, so the third hypothesis is rejected.

The results of this study do not support research conducted by Warda (2019), Felicia and Rasmini (2015), Surmayono and Asyik (2017), and Putri and Kurnia (2017) which state that leverage has a significant positive effect on corporate social responsibility, but supports the results research conducted by Rheza & Paulus (2015), Wursita (2017) and Lidya & Siti (2016) which states that leverage has no effect on CSR. The results of this study failed to prove the validity of stakeholder theory where companies that have a high level of leverage will disclose more information to their stakeholders to eliminate doubts and create confidence in the company's ability because the existence of a company is strongly influenced by the support provided by the company's stakeholders.

The results of this study indicate that leverage has no effect on CSR, meaning that the level of leverage for stakeholders has no effect on corporate social responsibility actions. This is because companies that have large leverage will try to suppress and improve the company's financial condition, compared to concentrating on the company's CSR disclosures. Leverage does not have an influence on the disclosure of social responsibility, it can also be caused by the management of companies with high or low levels of leverage will reduce the disclosure of social responsibility that they make so as not to be in the spotlight of debtholders (Usada, 2017).

Effect of Liquidity on Corporate Social Responsibility Disclosure

Based on the results of the t-statistical test in Table 1, it is known that the liquidity variable shows t-value = 1.420 with a significance level of 0.165. The significance value is greater than the value of = 0.05 or 0.165 > 0.05 with a positive regression coefficient of 0.118. The results of this test indicate that liquidity has no effect on CSR disclosure, so the fourth hypothesis is rejected.

The results of this study do not support the research conducted by Purba and Candradewi (2019), Nisak and Jaeni (2019), Fauziah and Asyik (2019) which states that liquidity has a significant positive effect on corporate social responsibility, but supports the results of research conducted by (Sari , 2018), (Rivaldo, 2020), and (Soraya, 2016) which state that liquidity has no effect on CSR. The results of this study failed to prove the validity of the signal theory as the theory underlying this research. Signal theory as a rationale for explaining the relationship between liquidity and CSR. Based on signal theory, companies with high liquidity will tend to disclose more activities related to social responsibility so that it will give a signal to investors that the company has a good performance.

The results of this study indicate that liquidity has no effect on CSR, meaning that the level of liquidity between companies has no effect on corporate social responsibility actions. This is because the company does not see how much liquidity is when disclosing social responsibility. High liquidity makes companies think more about paying off debt than doing CSR. The results of this study are not able to support stakeholders, with the reason that the level of liquidity is high, the company is more concerned with paying off its debts than carrying out corporate social activities to the community (Soraya, 2016).

The Effect of the Board of Commissioners on Corporate Social Responsibility Disclosure

Based on the results of the t-statistical test in Table 1, it is known that the board of commissioner variable shows t-value = 2.070 with a significance level of 0.046. The significance value is smaller than the value of = 0.05 or 0.046 <0.05 with a positive regression coefficient of 0.041. Based on this, it shows that the board of commissioner variable has a positive effect on CSRDI as a proxy for corporate social responsibility. The more the number of commissioners in the company, the greater the CSR disclosure made by the company, and vice versa. The results of this test indicate that the board of commissioners has a positive effect on CSR disclosure, so the fifth hypothesis is accepted.

The results of this study are in line with research conducted by Muliyani and Hermanto (2018), Anggreni and Arsana (2020), and Sihombing et al. (2020) which states that the board of commissioners has a significant positive effect on corporate social responsibility. The results of this study succeeded in proving the application of agency theory as the theory underlying this research. Agency theory as a rationale for explaining the relationship between liquidity and CSR. Agency theory describes the separation of corporate control which has an impact on the emergence of a relationship between the agent and the principal. What is meant by an agent is the management, while the principal is the owner of the company. The agent and the principal have conflicting interests.

The results of this study indicate that the board of commissioners has an effect on CSR, meaning that the level of the board of commissioners between the management and the owner of the company has an effect on the social responsibility actions taken by the company. This indicates that the more the company's board of commissioners, the higher the disclosure of social responsibility carried out by the company. The results of this study are consistent with research conducted by Mizdareta (2015) proving that there is a significant positive effect between the size of the independent board of commissioners on the Corporate Social Responsibility Disclosure.

The Effect of Public Ownership on Corporate Social Responsibility Disclosure

Based on the results of the t-statistical test in Table 1, it is known that the public ownership variable shows t-value = 1.606 with a significance level of 0.117. The significance value is greater than the value of = 0.05 or 0.117 > 0.05 with a positive regression coefficient of 0.004. The results of this test indicate that public ownership has no effect on CSR disclosure, so the sixth hypothesis is rejected.

The results of this study do not support the research conducted by Rahmawaty and Susilatri (2015), Santoso and Utomo (2017), and Sanjaya (2017), and Pramesti and Budiasih (2020) which state that public ownership has a significant positive effect on corporate social responsibility, but supports the results of research conducted by (Rita & Sartika, 2015) and (Sembiring & Tambunan, 2021) which state that public ownership has no effect on CSR. The results of this study failed to prove the validity of stakeholder theory as the theory underlying this research. Stakeholder theory states that the company is not an entity that only operates for its own interests but must provide benefits to stakeholders (shareholders, creditors, consumers, suppliers, government, society, analysts, and other parties).

The results of this study indicate that public ownership has no effect on CSR, meaning that the more public ownership of the company, the narrower the level of disclosure of social responsibility is carried out. It is suspected that there are differences in interests among public shareholders where there are parties who prefer the implementation of CSR and there are other parties who do not really like CSR, considering that there are many costs incurred by the company regarding CSR. This second party sees it would be better if these costs were used for investment or expansion or distributed in the form of dividends to shareholders rather than being used for CSR implementation. As a result of the company trying to accommodate the wishes of these two parties, it is suspected that public share ownership has no significant effect on CSR disclosure (Sembiring & Tambunan, 2021).

On that basis, in relation to public share ownership, it is not only companies with large public shares that carry out and widely disclose their social responsibilities, but companies with small public shares must also do the same.

Model Feasibility Test (F Test)

The F test is used to test the feasibility or validity of a regression model. Based on Table 2 shows the results of the F calculation which shows a number of 3.250 with a significance level of 0.012 which is less than = 0.05, so it can be concluded that this model is suitable for use in research.

Table 2: F Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	*Regression*	0,539	6	0,090	3,250	0,012[b]
	Residual	0,967	35	0,028		
	Total	1,505	41			

Secondary Data, 2021

Coefficient of Determination (R^2)

The coefficient of determination in this study is seen from the adjusted R square. The results of the coefficient of determination in this study are presented in table 3 below.

Table 3: Results of the Coefficient of Determination (R^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0,598[a]	0,358	0,248	0,166191	0,598[a]

Secondary Data, 2021

Based on Table 3, it can be concluded that the adjusted R square value of 0.248 means that 24.8 percent of the variation (up and down) of the corporate social responsibility (CSRDI) variable is jointly influenced by variations of the six independent variables, namely profitability (ROA), firm size (LTA), leverage (DAR), liquidity (CR), board of commissioners (DK), and public ownership (KP), while the remaining 75.2 percent is influenced by other factors not included in the regression model.

5. CONCLUSION

Companies with high or low levels of profitability have no effect on the company's corporate social responsibility practices. profitability has no effect on corporate social responsibility because some CSR activities require funding by the company so that profitability is used as a source of CSR funding carried out by the company. In such conditions, management seems to be taking advantage of the company's profitability as a better attraction than CSR disclosure.

Companies with a high or low level of company size have no effect on the company's corporate social responsibility practices. The size of the company has no effect on corporate social responsibility because both small and large companies will be in the public spotlight due to the impact of the company's operating activities on the wider community, so that big or small a company still has the same obligation in disclosing social responsibility.

Companies with high or low levels of leverage have no effect on the company's corporate social responsibility practices. Leverage has no effect on corporate social responsibility because to carry out CSR activities and its disclosure does not depend on the level of leverage but depends on the level of sensitivity of the company to social concerns and its responsibility to the environment.

Companies with high or low liquidity levels have no effect on the company's corporate social responsibility practices. Liquidity has no effect on corporate social responsibility because high liquidity makes companies think more about paying off debt than doing CSR.

The level of the company's board of commissioners has a positive influence on corporate social responsibility. The more independent commissioners in the company's board of commissioners, the higher the disclosure of social responsibility carried out by the company.

Companies with high or low levels of public ownership have no effect on the company's corporate social responsibility practices. Public ownership has no effect on corporate social responsibility due to differences in interests among public shareholders where there are parties who prefer the implementation of CSR and there are other parties who do not really like CSR, considering that there are many costs incurred by the company regarding CSR.

Companies need to increase the disclosure of corporate social responsibility again. Increased disclosure of social responsibility shows the company's concern for stakeholders, longer survival of the company and the surrounding environment and society. Companies should view CSR disclosure as an investment, not as a cost for the welfare of all parties, because the consistent implementation of CSR disclosure by the company will have several positive impacts, namely the company's image will be better so that consumer loyalty is higher. With increasing consumer loyalty from time to time, the company's sales will increase, so that the level of company profitability will also increase as expected by the company with the implementation of CSR.

The implications of this research can also be used for investors in making decisions. If investors want to invest in a company, they should pay more attention to the information in the annual report, especially information on the disclosure of corporate social responsibility. A large company, but does not carry out social responsibility well, then the survival of the company will not last long.

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