Conference Paper

The Role of Corporate Governance in Moderating the Influence of Company Growth and Size on Corporate Social Responsibility Disclosure

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Abstract

The purpose of this study is to obtain empirical evidence about the moderating effect of corporate governance on the effects of growth and firm size towards corporate social responsibility disclosure.The population is registered as a participant of Corporate Governance Perception Index (CGPI) award 2013-2014 from 47 companies. The sampling technique used in this research is purposive sampling. Nineteen (19) companies were selected in this research with 38 of units of analysis were observed. Regression analysis absolute value of the difference was used for analyzing the data. The results indicate that corporate governance increases the significant effect of company's growth and size to CSR disclosure. This research is using the corporate governance as the moderating variable which is rare to be employed in this area of research.

Keywords: company growth; corporate governance; environmental disclosure, JEL: G32; M41.

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1. Introduction

Company's attention on social and environmental responsibility is now highly increasing [7, 22]. Company's success is not only related to its internal but also external factors. The legitimacy theory states that society, environment, and government influence each other to the company either directly or indirectly [16, 25, 33]. Based on public's perceptions, a company which has a good environmental program may improve investors' belief in that company [31].

Legitimacy theory states that there is a social contract between the company and the surrounding communities. This legitimacy theory shows that each operational activity made by the company must be based on the existing values and norms in society and must be in accordance with the communities' expectations [10, 28, 36].

This legitimacy theory supports the stakeholder theory stating that a company is not only established to operate for its own interests, but also provide benefits for other stakeholders, such as investors, creditors, consumers, suppliers, governments, and also the surrounding communities [12, 27].

Corporate Social Responsibility (CSR) is a form of corporate social and environmental awareness functioning to serve the public/external interests [14]. CSR is the company's commitment to be responsible for its operational impacts on social, economic, and environmental dimensions [11]. To improve the company's value in the society, environment and stakeholders, the company should disclose its CSR activities made on its annual report. [9] state that CSR disclosure cover the disclosures on interactional relationship between organization as well as physical and social environment interconnected with humans, resources, community involvement, energy, natural environment and product security. CSR disclosure is a process used by the company to reveal information related to corporate activities and impacts on social, environmental, and community conditions.

Some environmental problems experienced by some companies in Indonesia, including Lapindo mud incident taking place in Sidoarjo, East Java, PT. Newmont Minahasa Raya on its polluting activities in Buyat Bay, PT. Freeport Indonesia on its polluting activities which are above the wastewater standards and have polluted marine biota. In addition to environmental, there are also labor problems.

Regulation on corporate social responsibility has been organized by the government of the Republic of Indonesia. Law No. 25 of 2007 on Capital Investment Article 15b states that each investor is obliged to implement corporate social responsibility disclosure or responsibility inherent to investor's company to keep creating a harmonious, balanced and appropriate relationship with the community environment, values, norms and cultures. Law No. 40 of 2007 on Limited Liability Company Article 74 states that the company which perform business activities in the field and/or related to natural resources is obliged to implement Social and Environmental Responsibility. The Statement of Financial Accounting Standards (PSAK), Indonesian Accounting Standard No. 01 Revised on 2014 paragraph 12 suggests the company to present a report on environment, especially for industries mostly dealing with environment and consider employees as one company stakeholder. Bapepam and LK Regulation No. X.K.6 dated August 1, 2012 on the submission of Issuer's or a go public company's Annual Report stating that the company should disclose its corporate social responsibility activities covering the environmental aspects, employment practices, occupational health and safety, social and community development, and Product responsibility.

Some previous researches prove that CSR disclosure is influenced by several factors, such as company size, profitability, leverage, board of commissioners, company profile, company age, management ownership, net profit per share, environmental performance and company growth [21]. The company growth shows the company's financial performance which becomes one investor's consideration factor in making its investment decision [6]. An excellent growing company is expected to provide high profitability and persistence that investors may be interested in making investments in that company [21]. A research examining the company growth on CSR disclosure is conducted by [2] who examine the CSR disclosure practices in Jordan. The results show that companies with higher growth rates mostly reveal more information on CSR than those with lower growth rate. The results of this research is in contradiction with the research conducted by [21] stating that there is no significant influence between company growth and CSR disclosure.

The researches examining the company on CSR disclosure have been conducted by [2, 20, 21, 24, 34, 37] concluding that the company size significantly influences CSR disclosure. On the other hand, the research conducted by [30], resulting that the company size has no significant influence on corporate social responsibility disclosure.

The existence of different results (research gaps) of the previous research is based on the assumptions that there are other variables which strengthen or weaken the relationship between the company growth and size to CSR disclosure. This research will examine the existence of Good Corporate Governance (GCG) as a moderating variable predicting the relationship between the influence of company growth and size to CSR disclosure.

GCG is defined as the structure, system, and process used by the company as efforts to provide sustainable company added value for a long-term period, by keep paying attention to the stakeholders' interests, and based on the applicable legislation of laws and norms. GCG implementation in a company may be seen from Corporate Governance Perception Index (CGPI). CGPI is a GCG implementation research program for companies in Indonesia. CGPI may show whether a company is able to well implement GCG principles or not. In addition, CGPI may be used as an indicator or quality standard which the company wants to achieve in the form of public recognition on the implementation of GCG principles. This research aims at analyzing the roles of GCG moderation on the influence of company growth and size on CSR disclosure.

2. Literature Review

There are two theories underlying this research, namely the legitimacy and stakeholder theory. The legitimacy theory emphasizes on public perception and recognition as the primary forces to disclose information in the company's annual report. Deegan, 2002 states organizations sustainably look for ways to ensure their operations within the applicable normal limits in society. The legitimacy theory is a social contract between the company and society. The future of the company may be threatened when the society considers the company has violated the social contract agreed before. When people are dissatisfied with the legitimate organizational operation, they may revoke the social contract with it [9].

Stakeholder theory is a theory describing to which parties the company should be responsible for. Stakeholder theory concerns more on stakeholders' position considered having more powerful forces. The company should maintain its relationship with the stakeholders by accommodating their interests and needs. The most important part is the stakeholders who have the power on the availability of resources used for corporate operational activities and others. These stakeholders are main consideration for companies to disclose and or not disclose information in the company's annual report.

CSR has various definitions. Those differences are due to the different perspectives. CSR is a mechanism for an organization to voluntarily integrate social and environmental concerns into its operations and interactions with stakeholders, elevating the organizational responsibilities on laws. The definition of corporate social responsibility published by the World Bank at (www.worldbank.org) is as follows: "....is the commitment of business to contribute to sustainable economic development, working with the employees and their representatives, their families, the local community and society at large to improve quality of life, in ways that are both good for business and good for development." Indonesian CSR Award defines CSR as a company's commitment and effort whichis legally and ethically operating to minimize the risks of corporate presence, contribution to social, Economic and environmental development as well as sustainable development to improve the stakeholders' quality of life.

Annual report is the main medium in delivering information made by the management to the shareholders, creditors and other stakeholders. Disclosure is generally divided into two types, namely voluntary and mandatory disclosure. Voluntary disclosure is an information disclosure on the voluntarily company activities. Meanwhile, mandatory disclosure is mandatory information of a company based on the applicable regulations of law. The difference between voluntary and mandatory disclosure is on their monitoring and supervision. Mandatory disclosure is supervised and controlled by the authorized institutions. There are particular standards ensuring the relatively similar reporting practices and minimum requirements to be completed as well.

3. Theoretical Framework and Hypothetical Development

The theoretical framework and hypothetical development of this research are based on the legitimacy and stakeholder theory. Both theories are used as the underlying bases in analyzing the influence among variables in this research. Thus, the theoretical framework of this research is presented in Figure 1.

The company growth may be described as the company's survival strength [21]. Company growth is the impact of company's cash flow from the operational changes caused by the business volume improvement or growth. The company growth may show the company's financial performance. Company growth is one consideration factor to help investors in making investment decisions. Companies with excellent growth are expected to provide high profitability and persistent that investors may be interested in making investments to the company. The relationship between company growth and CSR disclosure may be explained with the legitimacy theory in which the company should be considered legitimate that the company may sustainably live. Higher level company growth may perform more activities due to its larger wealth (asset) level which may greatly impact the society and environment. Thus, the company should pay attention more on the society's and environment's interests.

The research examining the influence of company growth on CSR disclosure has ever been conducted by [2] on CSR disclosure practice in Jordan results that the company with higher growth rate may reveal more information units corporate social responsibility than those with the lower growth rate.

The influence testing of company growth on corporate social responsibility disclosure is still new and has not much been conducted. Companies with excellent growth in the economic concept may guarantee the sustainability of their economic activities. This sustainability may reflect the companies' ability to maximally perform their social responsibilities when compared to those with poor growth rate.

Thus, the company tends to disclose more related to its social responsibility which has been made in order to show its possibly growing benefits. Those are beneficial in facing various competitions in the business world that positive responses may be obtained from the stakeholders. In addition, the company growth shows the company's improving ability to finance its activities and CSR disclosure that the stakeholder needs on information may be well completed.

Thus, hypothesis 1 is stated as follows: **company growth positively influences CSR disclosure**.

Company is a scale determining whether the company is big or small [19]. Large-scale companies generally tend to engage in more social and environmental disclosure activities than the small ones as larger companies may face greater political risks than the small ones [23]. The benchmark showing the company size include total sales, average sales rate, and total assets. Basically, the company size is only divided into three categories: large, medium, and small companies.

Company size may become one determining factor for CSR disclosure in the company's annual report. Large companies are issuers which the public mostly concern on [38]. The company has more activities and greater influence on society [13] and [11]. Meanwhile, the annual report is one instrument used by stakeholders to assess the company performance. Consequently, the company should always include CSR disclosure on the company's annual report.

Thus, hypothesis 2 is stated as follows: **company size influences CSR disclosure**.

Corporate Governance Perception Index (CGPI) is a part of GCG. Corporate Governance Perception Index has an important role in providing company rating assessment before publishing its results on SWA magazine. If the company growth is high, it may influence CGPI value which then Influences CSR disclosure. CGPI may show whether a company has been able to well implement the corporate governance principles. In addition, CGPI may also be utilized as an indicator or quality standard to be achieved by the company in the form of public recognition in implementing good corporate governance principles (IICG, 2009). Thus, a company which has implemented good corporate governance may gain stakeholders' greater trust as the company has already been responsibility for its entire operations, especially in this case on environmental responsibility [5].

Companies with higher growth rate may gain more attention from the stakeholders than those with lower growth rate. Thus, to maintain the stakeholders' trust to the company, GCG in companies with higher growth rate plays a very important role. Companies with higher company growth and are able to implement GCG practices may be considered good and accepted by the stakeholders as they may disclose information on responsibility for their activities, especially on a complete CSR disclosure.

Thus, hypothesis 3 is stated as follows: **GCG moderates the influence of company growth on CSR disclosure**.

Company size is one most widely used variable to explain the company's social disclosure in its annual report. Yanto & Muzzammil, 2016 point out that big companies tend to gain more public attentions that larger companies may have greater public pressures to show their social responsibility. Rouf & Abdur, 2011 argues that the difference between large-scale and small-scale companies' disclosure is that the managers of larger companies may be aware more on the possible benefits obtained from the company disclosure, while those of the smaller ones may feel that full disclosure of information may harm their competitive position.

This is in line with the stakeholder theory stating that the company is not an entity which only operates for its own benefits but also for its stakeholders. Thus, the company existence is greatly influenced by the stakeholders' supports to the company. Larger-scale companies may gain more attention from the stakeholders than the small one. Thus, to maintain the stakeholders' trust to the company, GCG has a very important role in larger companies.

Larger companies have larger funds to perform their entire activities which become the companies' responsibility. Thus, the role of good corporate governance is greatly required that the activities performed by the larger companies should be larger than those by the small companies [17, 29]. Large companies which are able to well implement GCG will be considered good and accepted by the stakeholders as they may completely disclose information on responsibility for their activities, especially on CSR disclosure. It is expected that Public demands and good GCG quality of the large companies may increase their CSR disclosure.

Thus, hypothesis 3 is stated as follows: **GCG moderates the influence of company size on CSR disclosure**.

4. Research Method

This quantitative research type aims at examining the role of corporate governance in moderating the influence of the company growth and size on CSR disclosure. The research population is all companies listed as participants in Corporate Governance Perception Index (CGPI) award organized by Indonesian Institute of Corporate Governance (IICG) in 2013 and 2014. The total population is 47 companies. The samples are collected using a purposive sampling technique to obtain the representative samples based on the predetermined criteria. The criteria used to select the samples in this research are as follows:

1. The Company is listed as a participant in CGPI award from 2013 to 2014.
2. The Company completely publishes its annual report per December 31 from 2013 to 2014.
3. The Company submits corporate social responsibility disclosure data on its annual report during the observation period of 2013-2014.

The dependent variable of this research is CSR disclosure. Many recent studies of environmental disclosure [1, 3] have shown that content analysis is a relatively more objective technique for measuring this object. CSR disclosure is a form of corporate responsibility to social and environmental sustainability and is conducted with legal and ethical procedures as a form of business commitment to improve the stakeholders' quality of life. This variable is measured using CSRDI (Corporate Social Responsibility Disclosure Index) proxy based on GRI (Global Reporting Initiatives) version 4.0 of 2013 obtained from the website of www.globalreporting.org. The research approach used is a dichotomous approach in which each CSR item within the research instruments is given the value 1 when disclosed, and the value 0 when not disclosed. The score of each item is then calculated to get the overall value for each company. The CSRDI calculation formula is as follows:

$$CSRDI_j = \frac{\sum X_{ij}}{n_j} \qquad (1)$$

Description:

CSRDI$_j$ = Corporate Social Responsibility Disclosure Index of company j

Σ**X**$_{ij}$ = Number of disclosures. Dummy variable 1 = when item i is disclosed; 0 = when item i is not disclosed. Thus, $0 \leq \text{CSRDI}_j \leq 1$.

N_j = Number of items for company j, $n_j \leq 91$.

The independent variables of this research are company growth and size. The company growth in this research is measured using company growth 's total assets. The company's total assets are considered capable of describing the company's assets used to finance disclosures made by the company. Company growth is calculated with the following formula:

$$Growth = \frac{TA_t - TA_{t-1}}{TA_{t-1}} \qquad (2)$$

Description: (2)

Growth: Company Growth

TA_t: Company Total assets in year t

TA_{t-1}: Company Total assets in year t_{-1}

Company size is the value showing whether the company is big or small. There are various sizes used to measure the company based on the number of its employees, total assets, total sales and market capitalization, [17] said Company size indicates an increase of assets in each company.The company size in this study is measured with the total asset natural log. The goal is to reduce the significant difference between the size of the large companies and that of the small ones that the total assets data may be distributed normally [32]. The company size is calculated using the following formula:

$$\text{Size} = \text{Ln (Total Aset)} \tag{3}$$

Moderating variable is a type of variable which may strengthen or weaken the relationship between independent and dependent variable. The moderating variable of this research is Good Corporate Governance (GCG). GCG is a structure, system, and process used by the company organs as their efforts to give sustainable company added-value in the long term by keep concerning on the other stakeholders' interests and based on the applicable regulations of law and norms (IICG, 2009). GCG variables are measured using the number of Corporate Governance Perception Index (CGPI) scores resulted by an independent institute called The Indonesian Institute for Corporate Governance (IICG). This index is used to measure in what the extent the company has implemented GCG in its corporate environment. Wahyudin & Solikhah, 2017 said Corporate Governance Perception Index (CGPI) rating does not only consider the quality of CG but also invites companies to increase commitment and quality of governance through dissemination, benchmarking, evaluation and grading and continuous improvements.

Data are collected with documentation techniques which are obtained from the annual reports, financial reports, CGPI Awards score results.

This study employs a multiple regression (a multiple linear regression) technique with moderating variables (absolute difference value testing) to analyze the data. The absolute difference value testing method is conducted as this testing model may overcome the multicollonierity which generally occurs very high when using the interaction method and incorporate the main influence to the regression. Before the regression test is conducted, a classical assumption testing which consists of normality, multicollinearity, heteroscedasticity and autocorrelation test is performed.

The absolute difference testing procedures are illustrated with the following regression equation:

$$CSRD = \alpha + \beta_1 Growth + \beta_2 Size + \beta_3 GCG + \beta_4 |Growth - GCG| + \beta_5 |Size–GCG| + \epsilon \quad (4)$$

Description:

CSRD: Corporate Social Responsibility Disclosure

Growth: Company Growth

Size: Company Size

GCG: Good Corporate Governance

ϵ: Error

α: Double Regression Constant

ß: Regression Coefficient

|Growth - GCG|: The interaction measured with the absolute value difference between Growth and GCG

|Size - GCG|: The interaction measured with the absolute value difference between Size and GCG

An analysis on the absolute difference to prove the Good Corporate Governance variable considered as the moderating variable by looking at the significance of each moderated variable. If the significance value is above 0.05, it can be concluded that |Growth - GCG| and |Size - GCG| are not the moderation variables.

5. Result and Discussion

5.1. Result

The object of this research is companies listed in Corporate Governance Perception Index (CGPI) award of 2013-2014 which have already issued their annual report. During the period of 2013-2014, there are 47 companies listed in CGPI award. Due to the required criteria, there are 21 companies are listed in CGPI award continuously during the period of 2013-2014 and 7 companies do not publish their complete annual report during the period of 2013-2014. Selection of the research samples may be seen in Table 1.

The descriptive statistical calculation results explaining the profile of research variables are presented in table 2.

Based on Kolmogorov-Smirnov (K-S) testing results, it is obtained that the asymp Sig. is 0.356 that it can be concluded that the residual data is normally distributed.

Table 1: Selection of the Reseach Samples.

Criteria	**Number**
The number of companies listed as participants of CGPI in 2013 and 2014	47
The companies continuously not listed as participants of CGPI in 2013-2014.	(21)
	26
The companies which do not publish their complete annual report from 2013 up to 2014	(7)
	19
Number of research year	2
Number of research data	38

Table 2: The Descriptive Statistical Results.

	N	Minimum	Maximum	Mean	Std. Deviation
Company Growth	38	-.17	.78	.1508	.16732
Company Size	38	29.66	34.38	32.0096	1.46810
GCG	38	66.44	92.36	83.9832	5.16946
CSRD	38	.09	.52	.2183	.09346
Valid N (listwise)	38				

The testing result shows that VIF value < 10 that it is concluded that the regression model does not contain multicollinearity. Glejser testing results show that the significance value of company growth variable is by 0.950, company size by 0.392, and good corporate governance by 0.857. The variables' overall significance values are more than 0.05. Based on these results, it can be concluded that the variables under study have no heteroscedasticity symptom. The autocorrelation testing results which are conducted with Durbin-Watson test show that Durbin-Watson value of 1.678 is between the value of 1.656 and less than the value of 2.344 that it can be concluded there is no autocorrelation.

The multiple linear regression testing results conducted with moderating variables using absolute difference values are presented in Table 3 and Table 4.

Based on the testing results above, the results of regression model in this research are:

CSRD = 0.139 - 0.025 GROWTH - 0.038 SIZE + 0.063 GCG + 0.039 Moderation1 + 0.053 Moderation2

The determination coefficient (R^2) is used to measure how great is the role of independent variables simultaneously influence the changes occurring in the dependent variable. Based on the testing results, it is obtained that the adjusted R-square value in Table 4 is 0.163. It means that CSR disclosure changes may be explained by the changes of company growth, company size and GCG by 16.3%, while the remaining 83.7% is explained by the other variables excluded in this research model.

The hypothetical testing is conducted by looking at the t-test significance value in Table 3. The research hypothesis will be accepted if the significance value is <0.05. Table 3 informs that company growth variable has t significance value by 0.114, company size by 0.016, Moderation 1 (GCG-growth companies) by 0.048, and Moderation 2 (GCG-size companies) by 0.022.

Summary of the testing results of the research hypotheses is presented in Table 5.

Table 3: Summary of Hypothetical Testing.

Hypothesis	**Result**
H1: Company growth positively influences *CSR Disclosure*	Rejected
H2: Company size positively influences *CSR Disclosure*	Accepted
H3: *GCG modulates* the influence of company growth on *CSR Disclosure*	Accepted
H4: *GCGmodulates* the influence of company size on *CSR Disclosure*	Accepted

5.2. Discussion

A company with an excellent growth rate may ensure its sustainable economic activities. It is in accordance with the economic concept. The relationship between company growth and CSR disclosure may be explained with the legitimacy theory in which a company should be considered legitimate that the company may continuously operate. A legitimate company means that it is in accordance with the communities' expectations, both living surrounding the location of the company which perform its operational activities or outside the company location. A company with higher growth rate may perform more activities due to its higher growth rate which may provide a greater influence to the society and environment. Consequently, the communities may have greater demands for larger companies to disclose their corporate social responsibility, including economic, environmental, labor practice, human right, social and product responsibilities.

The testing conducted in this research result that whether the company growth rate is high or low, it does not influence CSR disclosure. Thus, it can be concluded that the first hypothesis is rejected. Based on the research results, it can be said that whether company growth rate is high or low, it does not significantly influence the extent of a company's CSR disclosure. This is because when the company growth rate increases or decreases, it does not indicate that the company is not able to perform its activities and social responsibility disclosure. There are some companies with high growth rates, yet their social responsibility disclosure activities are not too many. There are also companies with low growth rates, yet its social disclosure activities are more than the others.

It is assumed that the absence of company growth influence on CSR corporate disclosure is because CSR is considered as a new issue and its quality is not easily measured. In addition, most investor orientations focus more on the company's short-term performance or profits, while its corporate social responsibility is considered to have an influence on its medium and long-term performance.

The implementation of CSR disclosure basically depends more on the total assets entirely owned by the company to finance its various activities and social responsibility disclosure. Thus, although the company has negative growth rate, the decrease of the company's assets does not reduce its CSR disclosure level as long as the company still has enough assets to finance the implementation of its activities and CSR disclosure. Similarly, if the company experiences a positive growth rate, the company assets may experience a high increase. However, if the assets are not adequate to finance CSR activities, the company may be unable to perform its activities and corporate social responsibility disclosure further.

Company size is a variable explaining the extent of disclosure in the company's annual report. Larger-size companies may have higher demands for information disclosure than the smaller ones [8]. The company size is measured based on its total assets owned by the company used as the research sample. The larger the company, the bigger the funds the company has to perform its activities which become the company's responsibility, including the social and environmental responsibility [29]. The bigger the size of a company, the larger the level of social information disclosure will be. There are many reasons for this, to improve their good image [26], sounding the investment decision [15]; showing the investor about the social and environmental activities [4]. Bigger company size may encourage the company to provide more detailed information, including the corporate social responsibility as the company wants to convince investors to make their investment in that company [8, 37] argues that larger companies have more shareholders who pay more attention to the company's social and environmental responsibilities and its annual report as one efficient instrument to communicate the information.

The influence of company size on CSR disclosure may be explained with the legitimacy theory. Legitimate companies are in accordance with the communities' expectations. One communities' expectation is the company should focus on its social responsibility. The results show that company size significantly and positively influence CSR disclosure. It may happen as large companies have greater social and environmental responsibility to maintain their existence. To make these responsibilities known by the public, large companies disclose broader their CSR. This research in line with [2, 20, 21, 34].

The research result shows that GCG positively influences the relationship between company growth and CSR disclosure. Thus, GCG may strengthen the relationship between company growth and CSR disclosure. This is in line with the stakeholder theory stating that a company is not an entity which only operates for its own interests but also should provide benefits to its stakeholders. Thus, the existence of a company is strongly influenced by the stakeholders' supports to the company.

Companies with higher growth rates may gain more attention from the stakeholders than those with low growth rates. Thus, in maintaining the stakeholders' trust to the company, the role of good corporate governance in companies with high growth rate is very important. This is because companies with high growth rates have large assets to perform their activities which become their responsibility that the role of good corporate governance is highly required to enable those companies manage their assets for various purposes including social disclosure and Environment in their annual report. Thus, companies with higher growth rates which well implement GCG may be considered better and accepted by the stakeholders. Good GCG practices may reveal more information on responsibility disclosure of company's activities, especially concerning on CSR complete disclosure in the company's annual report.

GCG also positively influences the relationship between company size and corporate social responsibility disclosure. GCG strengthens the relationship between company age and CSR disclosure. Larger-size companies may gain more attention from the stakeholders than the small ones. Thus, in maintaining the stakeholders' trust to the company, the role of GCG in larger companies is very important. This is because larger companies have larger funds to perform their activities which become the companies' responsibility that the role of good corporate governance is required to enable those companies manage their funds for various purposes including the social and environmental disclosures in their annual report. Large and small companies which are able to implement GCG as the companies' part may be considered better and accepted by the stakeholders.

6. Conclusion and Recommendation

6.1. Conclusion

Based on the research result, it can be concluded that:

1. Company growth does not significantly influence CSR disclosure. Whether company growth is high or low, it does not influence the extent of CSR disclosure.

2. Company size does not significantly and negatively influence corporate social responsibility disclosure. These findings show that large companies tend to ignore CSR disclosure that their CSR disclosure tends to be low.

3. GCG moderates the influence of company growth on CSR disclosure. Thus, the existence of GCG may strengthen or weaken the influence of company growth on CSR disclosure.

4. GCG moderates the influence of company size on corporate social responsibility disclosure. Thus, the existence of GCG may strengthen or weaken the influence of company size on CSR disclosure.

6.2. Recommendation

This research is only limited to companies listed in Corporate Governance Perception Index (CGPI). Further researches may focus on companies which have serious impacts on social and environmental responsibility such as mining, manufacturing, and others in order to get more accurate results. The results show that the CSR disclosure levels of the listed companies listed in CGPI are still relatively low. Thus, it is expected that the company to make its environment disclosure better and cover the entire aspects that stakeholders' needs regarding to the company information may be well completed.

In addition, the results show that GCG has successfully moderated the influence of company growth and size on CSR disclosure. Thus, GCG has become one important factor that the company should consider. Companies are expected to well improve their GCG practices.

This research provides an implication for the government and the Indonesian Institute of Accountants (IAI) in order to formulate one clear policy regarding to CSR disclosure as this CSR disclosure is highly essential for the investors' and other stakeholders' consideration in making their economic decisions.

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