Research Paper

An Analysis on the Influence of Profitability, Firm Size, Liquidity, and Leverage on the Expression of Firm's Social Responsibility in Banking Companies Listed in BEI (Indonesian Stock Exchange)

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ABSTRACT

The objective of the research was to examine and analyze the influence of financial factors (the ratio of profitability, firm size, liquidity, and leverage) on the expression of firm's social responsibility in banking companies listed in BEI (Indonesia Stock Exchange). The population was 28 banking companies listed in BEI in the period of 2012-2016, and all of them were used as the samples. The data were analyzed by using multiple linear regression analysis with software e-views 7. The result of the research showed that, simultaneously, financial factors (profitability ratio, firm size, liquidity, and leverage) had significant influence on the expression of firm's social responsibility. Partially, the ratio of firm size and leverage of financial factors had significant influence on the expression of firm's social responsibility, while the variables of profitability and liquidity had significant influence on the expression of firm's social responsibility. Determination value was 75.559% which indicated that the variables of the ratio of profitability, firm size, liquidity, and leverage had the influence on the expression of firm's social responsibility simultaneously at 75.559%, while the remaining 24.441% were influenced by other factors excluded from the research variables.

Keywords: Expression of Firm's Social Responsibility, Profitability, Firm Size, Liquidity, Leverage

INTRODUCTION

According to The Word Business Council for Sustainable Development (WBCSD) or what is now called Business Action for Sustainable Development cited from Solihin (2009: 28) CSR as an ongoing commitment of business people to behave ethically and contribute to economic development, while in at the same time improve the quality of life of workers and their families as well as local communities and society at large. The focus of attention on conventional accounting is stakeholders and bondholders, while others are ignored. Anggraini (2006) explains that conventional accounting also draws a variety of criticisms, because it is considered not able to accommodate the interests of society at large, so that ultimately presents an accounting concept known as social responsibility accounting. The reason for the firm to voluntarily disclose CSR information has been investigated, including to comply with existing regulations. Government through Law No. 40 of 2007 concerning limited liability companies requires companies whose fields of business are in the field of or related to natural resources to carry out social and environmental responsibilities. Another

regulation pertaining to CSR is Law no. 25 of 2007 concerning Investment. World Bank defines CSR as: CSR is a commitment of business to contribute to sustainable economic development working with employees and their representatives, the local community and society at large to improve the quality of live, in ways that are both good for business and good for development. Social responsibility reports are presented in a sustainability report that can be published separately or integrated in the annual report. Sustainability report is the practice of measurement, disclosure and accountability efforts of the organization's performance in achieving sustainable development goals to both internal and external stakeholders. A sustainability report must provide a balanced and reasonable picture of an organization's sustainability performance, including positive and negative contributions. Conceptually, disclosure is an integral part of financial reporting. Provisions concerning CSR activities in Indonesia are regulated in Law No. 25 of 2007 concerning Investment (UUPM) and Law No. 40 of 2007 concerning Limited Liability Companies (UUPT) which states that every firm or investor is obliged to carry out corporate social responsibility. This provision is intended to support the establishment of a harmonious, balanced and appropriate corporate relationship with the environment, values, norms and culture of the local community. Social accountability accounting is often also referred to as socioeconomic accounting or social accounting. According to Belkaoui (in Andreas and Lawer, 2011) socio-economic accounting leads to a structure in an economic system that puts a structure in society that not only determines its economic activity, but also influences its social relations and welfare.

LITERATURE REVIEW
Stakeholder Theory
Ghozali and Chariri (2007) explained that stakeholder theory is a firm that is not an entity that only operates for its own sake, but must provide benefits to its stakeholders. Thus, the existence of a firm is strongly influenced by the support provided by stakeholders to the firm. Wibisono (in Kirana, 2009) defines stakeholders as stakeholders, namely parties or groups that have an interest, directly or indirectly, in the existence or activities of the firm, and therefore the group influences and or is influenced by the firm. Kasali (in Wibisono, 2007) states that what is meant by stakeholders is that every group inside or outside the firm has a role in determining the success of the firm. They are suppliers, customers, governments, local communities, investors, employees, political groups, trade associations and others.

Signal Theory
Signal theory is a theory that discusses the firm's drive to provide information to external parties. The encouragement is caused by the occurrence of asymmetry between management and external parties. To reduce information asymmetry, companies must disclose information that is owned, both financial and non-financial information. One of the information that the firm must disclose is information about corporate social responsibility or Corporate Social Responsibility (CSR). This information can be contained in separate annual reports or corporate social reports. Rustriani (in Puspitasari, 2012) the firm conducts CSR disclosure in hopes of increasing the firm's reputation and value. Information about CSR disclosure is a signal of the firm to communicate the firm's performance in the long run, because CSR is related to acceptability and sustainability, which means that the firm is accepted and sustainable to run somewhere in the long run. Adisusilo (2011) explained that Acceptability and sustainability are also related to risk for investors, because the firm is responsible for social and environmental impacts, including responsibility for labor and product security for consumers who have a lower risk of social and

environmental conflicts than companies that do not do and disclose its CSR activities.

Social Responsibility Disclosure

Disclosure of corporate social responsibility which is often referred to as social disclosure, corporate social reporting, social accounting (Mathews, 1995) or corporate social responsibility (Hackston and Milne, 1996) is a process of communicating the social and environmental impacts of an organization's economic activities on a specific group have an interest and to the community as a whole. This extends the responsibility of the organization (especially the firm), beyond its traditional role to provide financial reports to capital owners, especially shareholders. Gray et. al (1987) explained that companies have broader responsibilities than just seeking profits for shareholders. The definition of Corporate Social Responsibility today is very diverse. The World Bank defines CSR as: CSR is a commitment of business to contribute to sustainable economic development working with employees and their representatives, the local community and society at large to improve quality of live, in ways that are both good for business and good for development.

Social Responsibility Accounting

Social accountability accounting is often also referred to as socioeconomic accounting or social accounting. According to Belkaoui (in Andreas and Lawer, 2011) socio-economic accounting leads to a structure in an economic system that puts a structure in society that not only determines its economic activity, but also influences its social relations and welfare. Ramanathan (in Luhgiatno, 2007) defines socioeconomic accounting as a process of selecting firm-level social performance variables, measurement measures and procedures, which systematically develop useful information to evaluate the firm's social performance and communicate that information to interested social groups, both inside and outside the firm. Social

accountability accounting seeks to identify, record, summarize, report, and analyze the effects of corporate involvement, both benefits and losses experienced by the community. This information is very important for the firm and for outsiders, such as the government and the social in making the right decisions.

Factors Affecting Social Responsibility Disclosures

1. Profitability

Sjahrial (2007) profitability is the ratio used to measure the firm's ability to generate profits which can be measured by the comparison between the total sales minus the cost of goods sold and total sales (gross profit margin ratio), the comparison between pre-tax operating profit and total sales (operating profit margin ratio), comparison between total cost of goods sold, administrative costs and depreciation with total sales (operating cost ratio), comparison between net income after tax with total sales (net profit margin), and comparison between net income after tax and total assets (return on assets). Hackston and Milne (in Sembiring, 2006) explain the relationship between corporate profitability and the disclosure of corporate social responsibility has become a basic assumption to reflect the view that social reaction requires a managerial style. Therefore, the higher the level of profitability of the firm, the greater the disclosure of social information.

2. Firm Size

Firm size is a variable that is widely used to explain the social disclosures made by the firm in the annual report made. In general, large companies will disclose more information than small companies. This is because large companies will face greater political risk than small companies. Theoretically large companies will not be separated from political pressure, namely the pressure to carry out social responsibility. In this study the size of the firm is expressed by the amount of labor owned by the firm. This measurement is carried out to find out that the greater the

amount of labor owned, the greater the social responsibility that must be disclosed. CSR is not just a charity activity, where CSR requires a firm to make its decisions so that it really takes into account the consequences of all the firm's stakeholders, including employees. CSR can also be used to form a comfortable work atmosphere among staff, especially if they can be involved in activities that they believe can bring benefits to the wider community, be it "salary allowance", "fund raising" or volunteerism (volunteering) in working for the community.

3. Liquidity

Liquidity is an indicator of the firm's ability to pay all short-term financial liabilities at maturity using current assets available. Munawir (2004) liquidity is the ability of a firm to fulfill its financial obligations that must be fulfilled, or the ability of a firm to meet financial obligations when billed. Companies that are able to meet their financial obligations on time means that the firm is in a liquid state, and the firm is said to be able to meet financial obligations on time if the firm has a payment or current asset that is greater than the current debt or short-term debt. Conversely, if the firm cannot immediately fulfill its financial obligations when billed, it means that the firm is illiquid. Harahap (2009) liquidity describes the firm's ability to settle its short-term obligations. Liquidity can be calculated through sources of information about working capital, which are current assets and current debt. Liquidity measurement used consists of current ratio, quick ratio, cash ratio (current assets), cash ratio on current debt, ratio of current assets and total assets, and current assets and total debt.

4. Leverage

Leverage is a measure of the amount of assets financed by debt where the debt used to finance assets comes from creditors. Leverage can be said to be a loan so that a firm can buy more assets than those provided by firm owners through their investments. in other words, measuring the

comparison between the funds provided by the owner of the firm and the funds from the firm's creditors. Through leverage this also reflects the level of corporate financial risk. Fahmi (in Virgo 2011) leverage measures how much the firm is financed with debt. The use of debt that is too high will endanger the firm because the firm will be included in the category of extreme leverage, i.e. the firm is trapped in a high level of debt and it is difficult to release the debt burden. Therefore the firm must balance how much debt is worth taking and where the sources can be used to pay off the debt. Generally used to measure, among others: debt to total assets, debt to equity ratio, time interest earned ratio, cash flow coverage, long-term debt to total capitalization, adequacy cash flow and fixed payment coverage ratio.

MATERIALS & METHODS

The type of research conducted in this study is causal associative research, which is research that aims to determine the relationship between two variables, or how a variable influences other variables. This study attempts to explain the effect of profitability (X1), firm size (X2), Liquidity (X3) and leverage (X4), as independent variables on the disclosure of corporate social responsibility (Y) as the dependent variable. This research is a study using secondary data where the location / scope of the research used is banking companies listed on the Indonesia Stock Exchange in a row from 2012-2016. Data of companies listed on the Indonesia Stock Exchange are accessed via the www.idx.co.id website. This research activity took place from November 2016 to October 2017. The populations in this study were all banking companies listed on the Indonesia Stock Exchange (IDX) respectively during 2012-2016 totaling 28, sampling techniques in this study is saturated census sampling technique. The data used in this study is external data. External data is data that is searched manually by getting it from outside the firm. In this study, data collection was

carried out in two stages; the first stage was carried out through literature study, which came from books related to the problem under study. In the second stage, secondary data collection is obtained from internet media by downloading via the www.idx.co.id site

Dependent Variables

Disclosure of corporate social responsibility

Dependent variable is also called dependent variable or non-independent variable, output variable, criteria or consequent, and becomes the main concern in an observation. Erlina (2011) the dependent variable or non-independent variable is the variable that is affected or which results, because of the cause or independent variables. The dependent variable for this study is the disclosure of corporate social responsibility. CSR Disclosure by using indicators from Golden Hope Plantation Berhad (GHPB) with a total of 20 disclosures covering dimensions of relationships with employees (health, training, satisfaction, wealth profile, stock options for employees, security), dimensions of engagement with surrounding communities (donations, gifts charity, scholarship program, sponsorship for sports activities, supporting national pride, public projects), product dimensions (product development, product security, product quality, customer service), environmental dimensions (pollution control, repair and prevention programs, recycled materials, achievements In the environment). Then the Golden Hope Plantation Berhad (GHPB) checklist is conducted by looking at the disclosure of corporate social responsibility in the dimensions of relationships with employees, dimensions of engagement with the surrounding community, product dimensions, environmental dimensions and measured using a dichotomy approach using dummy variables, namely: Score 0: if the firm does not disclose GHPB items in the statement list. Score 1: if the firm discloses GHBP items in the statement list. After being measured using a dichotomy

approach, measurement of CSR disclosures of each dimension is then carried out based on each firm's disclosure index which is calculated by dividing the number of items that are actually disclosed by the firm with the total number of items that should be disclosed Sembiring (2005).

CSR dimension

$$= \frac{\text{The number of item disclosure items fulfilled}}{\text{Number of item dimensions of disclosure (20)}}$$

Independent variable

Profitability

Profitability ratios provide an illustration of how effective the firm operates so as to provide benefits for the firm. In this study, the financial ratios of profitability aspects were measured using. Amran and Devi (2008) firm profitability is measured by Return on Assets (ROA).

$$\text{Return on Asset} = \frac{\textbf{Earning After Tax}}{\textbf{Total Asset}}$$

Firm size

Firm size is measured by the total assets owned by the firm obtained from the firm's annual report for 2012 and 2016. The size of the firm measured by total assets will be transformed in logarithms to equate with other variables because the total assets of the firm are relatively large compared to other variables in this research. This measurement method is based on measurements made by Machmud and Djakman (2008)

SIZE = log (book value of total assets)

Liquidity

Demonstrate the Firm's ability to meet obligations for short-term debt. The better the Liquidity ratio, the smaller the risk of failure or inability of a Firm. In this study, the financial ratio of the Liquidity aspect was measured using:

$$Current\ Ratio = \frac{\textit{Current Assets}}{\textit{Current Liabilities}}$$

Leverage

Use the proportion of debt usage to finance investment in capital or assets owned. In

this study, the financial ratio of the leverage ratio aspect is measured by using:

$$Debt\ to\ Equity\ Ratio = \frac{Total\ Liabilities}{Tota\ Equity}$$

Data Analysis Model

Data analysis is carried out using quantitative analysis methods, namely by collecting, processing, and interpreting the data obtained so as to provide correct and complete information for solving the problems faced. The data analysis method used in this study is a multiple regression model using the help of Econometric Views (EViews) software 7. EViews is one of the applications of statistical and econometric data running on a Windows OS. The EViews program is able to analyze econometrics in full which is widely used in education, government and industry. The ability of EViews includes analysis and evaluation of scientific data analysis, financial analysis, macro / microeconomic forecasting, simulation, and analysis of costs and forecasting. EViews also has the ability to do data exploration analysis, simulations, graph construction and simple hypothesis tests, both parametric and nonparametric

Statistical Analysis
Data Description

This study aims to determine and analyze whether profitability, firm size, liquidity and leverage have an effect on the disclosure of corporate social responsibility for the 2012-2016 period listed on the Indonesia Stock Exchange. The type of data used according to the source is secondary data, namely data obtained from the site www.idx.co.id. All banking companies became the population in this study, namely as many as 35 (thirty five) banking companies, but those who met the criteria to be used as samples of this study were 28 (twenty eight). The banking Firm that was sampled in this study (28 companies) was used as a cross section, and the 5 (five) years research observations were made as time series data for the 5 (five) years of research, so that 140 (one hundred forty) observational data were obtained. In this study, the variables used in the calculation of descriptive statistics are corporate social responsibility (CSR), profitability ratios, firm size, liquidity, leverage. Based on descriptive statistical analysis obtained sample description as follows.

Table 1. Descriptive Statistics

Ket	N	Y (CSR)	X1(ROA)	X2 *(SIZE)*	X3 (CR)	X4 (DER)
Mean	140	0.680000	1.000143	7.695825	1.061071	7.565214
Median	140	0.800000	1.100000	7.823225	1.020000	7.285000
Maximum	140	1.000000	3.410000	9.016493	6.370000	13.24000
Minimun	140	0.050000	-11.04000	6.312997	0.260000	2.600000
Std.Dev	140	0.313417	1.759030	0.704697	0.483289	2.376411

Source: The results of the software EViews 7

Based on the results obtained from Table 1. it can be explained that:

1. Variables of Corporate Social Responsibility (Y)

The Corporate Social Responsibility (Y) variable has a total sample of 140, a minimum value of 0.05, a maximum value of 1, an average value of 0.68 and a standard deviation of 0.313417. The lowest values of social responsibility (CSR) were obtained by PT Bank Bukopin Tbk, Bank Mayapada Internasional Tbk, Bank of China Consturction Ind Tbk and Bank Bumi Artha Tbk in 2012, this was due to the low level of compliance and awareness of the Firm in reporting its social responsibility report while Value The highest social responsibility (CSR) was obtained by Bank Rakyat Indonesia Tbk, Bank Mandiri Tbk in 2015 and 2016. This was due to the large banks such as Bank Rakyat Indonesia and Bank Mandiri being more compliant with their social accountability reports and adhering to the elements that should be reported related to social responsibility reports.

2. Profitability Variables (X1)

Profitability with a Return on Asset proxy (Total Earnings After Interest and Tax / Total Asset), has a total sample of 140, a minimum value of -11.04000, a maximum value of 3.410000, an average value of 10.00143, and a standard deviation of 1.759030. The lowest Profitability Value in 2012-2016 was obtained by PT Bank of India Indonesia Tbk in 2016, while the highest profitability value was obtained by Bank Rakyat Indonesia Tbk in 2013.

3. Firm Size Variables (X2)
Firm size with Logarithm Natural Total Assets proxy, has a total sample of 140, the minimum value is 6.312997, the maximum value is 9.016493, the average value is 7.695825, and the standard deviation is 0.704697. The lowest Firm Size Value for 2012-2016 is Bank Artha Internasional Tbk in 2012 while the highest value was experienced by Bank Rakyat Indonesia (Persero) Tbk in 2016.

4. Liquidity Variable (X3)
Liquidity with the proxy Current Assets / Current Liabielities, has a total sample of 140, the minimum value is 0.260000, the maximum value is 6.370000, the average value is 1.061071, and the standard deviation is 0.483289. The lowest liquidity

during 2012-2016 was Bank Pan Indonesia Tbk in 2012 while the highest value was experienced by Bank Rakyat Indonesia (Persero) Tbk in 2015.
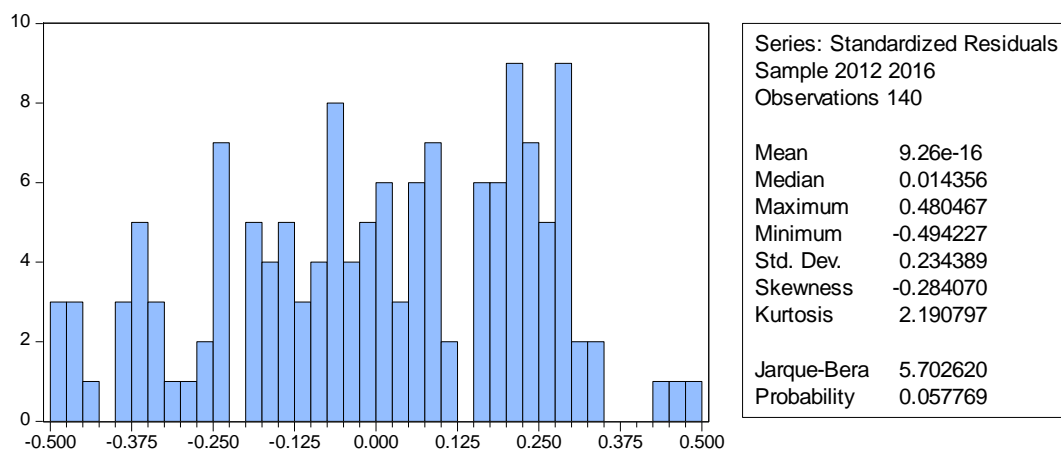
5. Variable leverage (X4)
Leverage with proxy with proxy Total Liabilities / Total equity, has a total sample of 140, a minimum value of 2,600,000, a maximum value of 13.24000, an average value of 7,565214, and a standard deviation of 2.376411. The lowest Leverage Value for 2012-2016 is Bank of India Indonesia Tbk in 2016 while the highest value is experienced by Bank J Trust Indonesia Tbk in 2016.

Classic assumption test
Normality test
In this study, test the normality of the residuals using the Jarque-Bera (J-B) test. In this study, the significance level used was $\alpha = 0.05$. The basis for decision making is to look at the probability numbers of the J-B statistics, with the following conditions.
If the probability value is $p \geq 0.05$, then the assumption of normality is met. If the probability is <0.05, then the assumption of normality is not met.

| Series: Standardized Residuals |
| Sample 2012 2016 |
| Observations 140 |
Mean	9.26e-16
Median	0.014356
Maximum	0.480467
Minimum	-0.494227
Std. Dev.	0.234389
Skewness	-0.284070
Kurtosis	2.190797
Jarque-Bera	5.702620
Probability	0.057769

Source: The results of the software EViews 7
Figure 1. Normality Test with Jarque-Bera Test

Figure 1, it is known that the probability value of the J-B statistic is 0.057769. Because the probability value p, which is 0.057769 is greater than the level of significance, which is 0.05. This means that the assumption of normality is met.

Multicollinearity Test
In this study, the symptoms of multicollinearity can be seen from the correlation values between variables contained in the correlation matrix. If there is a high correlation between independent

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variables, which is above 0.8, this is an indication of multicollinearity. Multicollinearity test results are presented in Table 2.

Table 2. Multicollinearity Test with Correlation Matrix

	X1	X2	X3	X4
X1	1.000000	0.417161	0.026117	-0.109762
X2	0.417161	1.000000	0.027620	-0.091940
X3	0.026117	0.027620	1.000000	-0.062758
X4	-0.109762	-0.091940	-0.062758	1.000000

Source: Software Results EViews 7

From the results of multicollinearity testing in Table 2 it can be concluded that there are no symptoms of multicollinearity among independent variables. This is because the correlation value between independent variables is not more than 0.8.

Heteroscedasticity Test

Detection of the presence or absence of heteroscedasticity can be done by the Glejser test. The following conditions:
• If all Prob values are <0.05, meaning heteroscedasticity occurs.
• If all Prob values are> 0.05, which means there are no symptoms of heteroscedasticity. Following the results of the Glejser test.

Table 3 Heteroscedasticity Test (Glejser Test)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.983596	0.389742	5.089504	0.0000
X1	0.004524	0.005331	0.848612	0.3980
X2	-0.233504	0.049246	-4.741605	0.0660
X3	-0.008113	0.014734	-0.550637	0.5830
X4	-0.009533	0.004371	-2.181283	0.0513

Source: Software Results Eviews 7

Based on the results of the Glejser test in Table 3, it is known that all Prob values> 0.05, which means there are no heteroscedasticity symptoms.

Autocorrelation Test

Assumptions regarding the independence of residuals (non-autocorrelation) can be tested using the Durbin-Watson test. Statistical values of the Durbin-Watson test range between 0 and 4. The statistical value of the Durbin-Watson test smaller than 1 or greater than 3 autocorrelation is indicated.

Table 4 Autocorrelation Test with Durbin-Watson Test

Log likelihood	-	Hannan-Quinn criter.	-0.168260
F-statistic	10.77026	Durbin-Watson stat	1.615215

Source: Software Results Eviews 7

Based on Table 4, the value of the Durbin-Watson statistic is 1.615215. Note that because the Durbin-Watson statistic value is between 1 and 3, that is 1 <1.615215 <3, then the assumption of non-autocorrelation is fulfilled. In other words, there are no symptoms of high autocorrelation in the residuals.

Determination of Estimation Model between Common Effect Model (CEM) and Fixed Effect Model (FEM) with Chow Test

To determine whether the CEM or FEM estimation models form a regression model, the Chow test is used. The hypothesis tested is as follows.
H_0: The CEM model is better than the FEM model.
H_1: The FEM model is better than the CEM model
Here are the results based on the Chow test using Eviews 7.

Table 5. Results from the Chow Test

Effects Test	Statistic	d.f.	Prob.
Cross-section F	4.866695	(27,108)	0.0000
Cross-section Chi-square	111.441085	27	0.0000

Source: Software Results Eviews 7

Decision making rules regarding the hypothesis as follows.
If the Chi-square cross-section probability value is <0.05, then H_0 is rejected and H_1 is accepted.
If the Chi-square cross-section probability value is 5 0.05, then H_0 is accepted and H_1 is rejected.
Based on the results of the Chow test in Table 5.5, it is known that the probability value is 0.0000. Because the probability value is 0.0000 < 0.05, the estimation model used is the fixed effect model (FEM).

Determination of the Estimation Model between Fixed Effect Model (FEM) and Random Effect Model (REM) with the Hausman Test

To determine whether the FEM or REM estimation models form a regression model, the Hausman test is used. The hypothesis tested is as follows.

H_0: The REM model is better than the FEM model.

H_1: FEM models are better than REM models

Table 6. Results from the Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	14.460100	4	0.0060

Source: Software Results Eviews 7

Decision making rules regarding the hypothesis as follows.

If the probability value of the cross-section is random <0.05, then H_0 is rejected and H_1 is accepted.

If the probability cross-section value is random $\geq$ 0.05, then H_0 is accepted and H_1 is rejected.

Based on the results of the Hausman test in Table 6, it is known that the probability value is 0.0060. Because the probability value is 0.0060 <0.05, the estimation model used is the Fixed effect model (FEM) model.

Hypothesis testing

In testing the hypothesis, the determination coefficient analysis, simultaneous influence test (F test), and partial effect test (t test) will be carried out. Statistical values of the coefficient of determination, F test, and t test are presented in Table 7.

Table 7. Statistical values of the Determination Coefficient, F test, and t test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-3.844475	0.926348	-4.150141	0.0001
X1	0.008770	0.012671	0.692090	0.4904
X2	0.625223	0.117048	5.341574	0.0000
X3	0.010665	0.035020	0.304545	0.7613
X4	-0.040609	0.010388	-3.909245	0.0002
	Effects Specification			
Cross-section fixed (dummy variables)				
R-squared	0.755589	Mean dependent var		0.680000
Adjusted R-squared	0.685434	S.D. dependent var		0.313417
S.E. of regression	0.175784	Akaike info criterion		-0.441493
Sum squared resid	3.337192	Schwarz criterion		0.230883
Log likelihood	62.90450	Hannan-Quinn criter.		-0.168260
F-statistic	10.77026	Durbin-Watson stat		1.615215
Prob(F-statistic)	0.000000			

Source: Software Results Eviews 7

Determination Coefficient Analysis

Based on Table 7, it is known that the coefficient of determination (Adjusted R-squared) is $R^2 = 0.755589$. This value can be interpreted as Profitability Ratio, Firm Size, Liquidity, Leverage able to influence / explain Corporate Social Responsibility simultaneously or together by 75,559%, the remaining 24,441% is influenced by other factors not included in the research variable.

Significance of Simultaneous Effect Test (Test F)

The F test aims to examine the effect of independent variables simultaneously or simultaneously on non-independent variables. Based on Table 7, the Prob value is known. (F-statistics), which is 0.00000 <0.05, it can be concluded that all independent variables, namely Profitability Ratio, Firm Size, Liquidity, Leverage simultaneously have a significant effect on Corporate Social Responsibility (CSR) variables.

Partial Significance Test (Test statistic t)

The t test is used to find out whether individually or partially independent variables have an influence on Corporate Social Responsibility (CSR), assuming other independent variables are constant. The basis for decision making is: Ho is rejected if greater> 5% or Ha is accepted if the significant value of t or p value is <5%.

Based on table 7, it can be concluded that the partial hypothesis test of each independent variable is as follows:

1. **Profitability (X_1) affects the Corporate Social Responsibility of banking companies listed on the Indonesia Stock Exchange.**

The value of t calculated variable profitability is obtained at 0.692090 and the significance value is 0.4904. The significance value for the t test obtained is 0.4904 greater than the alpha significance level which has been set at 5% (0.05). This shows that profitability does not significantly influence the Corporate Social Responsibility of banking companies listed on the Indonesia Stock Exchange.

2. **Firm Size (X_2) affects the Corporate Social Responsibility of banking companies listed on the Indonesia Stock Exchange..**

The t count value of the Firm Size variable is 5.341574 and the significance value is 0.0000. The significance value for the t test obtained is 0.0000 smaller than the level of significance of alpha which has been set at 5% (0.05). This shows that the Firm Size significantly influences the Corporate Social Responsibility of banking companies listed on the Indonesia Stock Exchange.

3. **Liquidity (X_3) affects the Corporate Social Responsibility of banking companies listed on the Indonesia Stock Exchange.**

The value of t arithmetic variable liquidity is obtained at 0.304545 and the significance value is 0.7613. The significance value for the t test obtained is 0.7613 greater than the alpha significance level which has been set at 5% (0.05). This shows that the liquidity ratio does not significantly influence Corporate Social Responsibility (CSR).

4. **Leverage (X_4) affects the Corporate Social Responsibility of banking companies listed on the Indonesia Stock Exchange.**

The t value of the Leverage variable is obtained at -3.909245 and a significance value of 0.0002. The significance value for the t test obtained is 0.0002 less than the alpha significance level which has been set at 5% (0.05). This shows that leverage ratios have a significant effect on corporate social responsibility in banking companies listed on the Indonesia Stock Exchange.

The regression model that is formed is as follows:

$$Y = -3.844475 + 0.008770X_1 + 0.625223X_2 + 0.010665X_3 - 0.040609X_4$$

Where:

Y   : Corporate Social Responsibility (CSR)
X_1 : Profitability Ratio
X_2 : Firm size
X_3 : Liquidity Ratio
X_4 : Leverage
a   : Constants

RESULT

Based on the results of the multiple regression equation, each variable explains that:

1. Constant of -3,844475 states that if there is no independent variable, the value of the disclosure of corporate social responsibility is -3.844475

2. Profitability has a positive relationship direction of 0.008770. Assuming that any increase in profitability of 1% would lead to an increase in the Corporate Social Responsibility by 0.008770%, and conversely a decrease in profitability by 1% would also cause a decrease in Corporate Social Responsibility by 0.008770%.

3. Firm size has a positive relationship direction of 0.625223. Assuming that every increase in Firm size of 1% will cause an increase in Corporate Social Responsibility by 0.625223%, and conversely a decrease in Firm Size by 1% will also cause a decrease in Corporate Social Responsibility by 0.625223%.

4. Liquidity has a positive relationship direction of 0.010665. Assuming that any increase in liquidity of 1% will lead to an increase in 0.010665% of Corporate Social Responsibility, and conversely a 1% decrease in liquidity will also cause a decrease in Corporate Social Responsibility by 0.010665%.

5. Leverage has a negative relationship direction of 0.040609. Assuming every increase of Leverage by 1% will cause a

decrease in Corporate Social Responsibility by 0.040609%, and conversely a decrease in Leverage by 1% will cause also an increase in Corporate Social Responsibility by 0.040609%.

DISCUSSION
The Influence of Profitability on Corporate Social Responsibility Disclosures

The results of partial hypothesis testing (t test) show that the profitability ratio with the proxy Return on Asset has a positive and insignificant effect on Corporate Social Responsibility Disclosure. The positive influence in this study in accordance with the theory put forward by Hackston and Milne (in Sembiring, 2006) explains the relationship between corporate profitability and the disclosure of corporate social responsibility has become a basic assumption to reflect the view that social reaction requires a managerial style. Therefore, the higher the level of profitability of the Firm, the greater the disclosure of social information. Belkaoui and Karpik (1989) argued that the relationship between a Firm's financial performance and social responsibility disclosure would be best expressed with the view that the requested social response from management is the same as the ability required to make a Firm make a profit. The results of this study are in line with research conducted by Purwanto (20110, Kurnianingsih (2013), and Ihsan (2014), but contrary to research conducted by Indraswari (2015) which states that Profitability significantly influences Corporate Social Responsibility Disclosure.

Effect of Firm size on disclosure of corporate social responsibility

The results of partial hypothesis testing (t test) show that the size of the Firm measured by the natural logarithm of total assets has a positive and significant influence on Corporate Social Responsibility Disclosure. The results of this study are in accordance with the theory which states that larger companies with operating activities and greater influence on society will have shareholders who may pay attention to social programs made by the Firm and annual reports will be used to disseminate information about these social responsibilities (Cowen et al, 1987). Larger companies tend to have higher public demand for information than smaller companies. Another reason is that large companies and larger agency costs will certainly reveal wider information; this is done to reduce agency costs incurred. The results of this study are in line with research conducted by Dewi and Priyadi (2013), Kamil and Herusetya (2012), Purwanto (2011), Indraswari (2011) and Ihsan (2014), but contrary to research conducted by Kurnianingsih (2013) states that the size of the Firm does not significantly influence the disclosure of corporate social responsibility.

Liquidity Influence on Corporate Social Responsibility Disclosures

The results of partial hypothesis testing (t test) show that the liquidity ratio measured using the current ratio has a positive and insignificant effect on the disclosure of corporate social responsibility. The positive influence on this study is in accordance with the theory put forward by Mamduh and Halim (in Almalia, 2011) which states that the liquidity ratio is a ratio that measures a company's ability in the short term by looking at the company's current assets against its current debt (debt in this case is a liability of the company) This means that the higher the liquidity ratio, the stronger the financial condition. Companies that have strong financial conditions will reveal more information than companies with weak financial conditions. The level of liquidity can be viewed from two sides; the health of a company as reflected by the high liquidity ratio (measured by the current ratio) is expected to be related to the extent of the level of corporate social information disclosure. This is based on the expectation that financially a strong company will reveal

more social information than a weak company. But on the contrary, if liquidity is seen as a performance measure, companies that have low liquidity ratios need to provide more detailed information to explain weak performance compared to companies that have a high liquidity ratio. the results of this study are in line with the results of research conducted by Badjuri (2011) which states that liquidity has a positive and insignificant effect on corporate social responsibility disclosure, but contrary to Ihsan (2014) which states that liquidity has a positive and significant effect on social responsibility disclosure company.

The Influence of Leverage on Corporate Social Responsibility Disclosure.

The results of partial hypothesis testing (t test) show that the leverage ratio measured using the Debt Equity Ratio (DER) proxy has a negative and significant effect on the disclosure of corporate social responsibility. The negative influence of the results of this study contradicts the theory that the greater leverage in the capital structure, the wider the information will be. Suta and Laksito (2012) stated that leverage is measured by comparing total liabilities with total assets. The leverage ratio is used to provide an overview of the capital structure of the company, so it can be seen the level of risk of uncollectible debt. Therefore, companies with a high leverage ratio have more obligations to express their social responsibility, but the negative influence of the results of this study is in line with the theory put forward by Triyanto (2010) which states that the capital structure owned by a company can be described through this leverage ratio. Companies that have high leverage ratios will lead to supervision of high corporate activities carried out by debtholder. Associated with agency theory, management that has a high level of leverage will minimize CSR disclosures made by the company to distract debtholder. The results of this study are in line with the research of Pradnyani and

Sisdyani (2015) which states that the leverage ratio has a negative and significant influence on the disclosure of corporate social responsibility but contrary to the research of Ihsan (2014) which states that leverage has a positive and significant effect on the disclosure of corporate social responsibility.

Effect of Profitability Ratios, Firm Size, Liquidity and Leverage on Disclosure of Corporate Social Responsibility Disclosure Reports

Hypothesis testing results using the Simultaneous Influence Significance Test (Test F), can be concluded that all independent variables namely Profitability Ratio, company size, liquidity and leverage simultaneously have a significant effect on Corporate Social Responsibility Disclosure. The results of this study indicate that the Profitability ratio, company size, liquidity and leverage can be an important factor in measuring the extent of disclosure of corporate social responsibility, especially in banking companies in Indonesia.

CONCLUSION

This study was conducted to examine whether profitability ratios, company size, liquidity and leverage affect the disclosure of Corporate Social Responsibility in banking companies listed on the Indonesia Stock Exchange both partially and simultaneously. The research sample consisted of 28 companies listed on the Stock Exchange during the 2012-2016 periods, where the sample was chosen by the saturated sampling census method.

Based on the results of this study, there are several things that can be concluded, among others:

1. Profitability, company size, liquidity and leverage ratios affect simultaneously the disclosure of Corporate Social Responsibility in banking companies listed on the Indonesia Stock Exchange.
2. Profitability Ratio with a Return on Asset proxy has a positive and

insignificant effect on Corporate Social Responsibility (CSR).

3. Company size measured by Logarithm Natural Total Assets has a positive and significant effect on the disclosure of Corporate Social Responsibility (CSR)

4. The Liquidity Ratio with the proxy of Current Ratio has a positive and insignificant effect on Corporate Social Responsibility (CSR).

5. Leverage ratio with the Debt Equity Ratio proxy has a negative and significant effect on Corporate Social Responsibility (CSR).

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