IMPACT OF SUSTAINABILITY REPORT DISCLOSURE TO FINANCIAL PERFORMANCE

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Abstract

The analysis in this study aims to gain insight into the effects of sustainable reports on financial performance. The sample uses 42 issuers that floor on the stock exchange on the Indonesia Stock Exchange in the period 2013 to 2017. The sample was taken by purposive sampling, which in this method represents population diversification in determining the sample with predetermined criteria.

The analysis applied in this study is a multiple linear regression method, processed using SPSS version 21 computer applications. Testing uses descriptive statistical tests, outlier tests, followed by F tests, t-tests, and R-square measurements. Sustainable reports are divided into 3 economic indicators, environmental indicators, and social indicators.

Looking at the results of testing the sustainable report variable on financial performance found overall the sustainability report does not have a significant effect on financial performance, while the analysis of the three performance indicators in it carried out separately found economic and social performance has a significant effect on financial performance. Environmental performance was not continued on the t-test analysis, due to abnormal data distribution.

Keywords: sustainability report, financial performance, economic, environmental, social