

CHAPTER V

CONCLUSION AND SUGGESTIONS

5.1 Conclusion

This research based on the previous research about the types of corporate social responsibility disclosures. Based on the result of the discussion in this study, the sensitive industry disclosed more GRI G3.1 indicators than non-sensitive industry and the most used disclosure type is the narrative disclosure. There surely a significant differences between each types of disclosure between the two types of industry.

5.2 Research Contributions

This study gives many contributions. First, the industry behavior in disclose their CSR disclosure is affected directly by the institution where they lies in. The presence of laws, regulations, and independent organization is some of the factors that may influence companies toward their extent of social disclosure. This result can be used as the additional reference by government and other independent organization to encourage more companies to engage the social-environmentally responsible activities. Today, Law Regulation Number 40 of 2007 pushes the sensitive industries to maximize the CSR disclosure.

Second, nowadays, most of Indonesian companies used monetary type to disclose their CSR activity. Although this type is more effective to improve the company's reputation, but it would be better if they also attach some statistical or monetary data to strengthen their CSR activity disclosure. So, this result of the

study could be reference by companies to disclose more items in monetary and quantitative type.

5.3 Research Limitations

Just like the other studies, this study also has several limitations, stated below:

1. The period used in this study only a year of 2014. The reason is because in 2014 many economic issues happened among companies and also in 2014 many companies still used the GRI G3.1 as their social disclosure measurement. And also the data on year 2015 could not be implemented because the data had not been released when the researcher started this research. One of the missing data is, the market capitalization data in year 2015 of each company has not fulfilled the sample criteria of this study. It is better to use some period of time to analyze the trend of social disclosure in Indonesia companies.
2. There is subjectivity from the researcher to assess the annual report using GRI G3.1 index. The subjectivity such as defining the information disclosed whether appropriate with GRI index or not.

5.4 Suggestions

For the future research, it is suggested to add more period year as the time base in order to know the trend of social disclosure activities in Indonesia companies. And it is also important to have some experts in validating the disclosure score in each indicators to maximize the result as well.