

CHAPTER V

CONCLUSION

5.1 Conclusion

The purpose of this study is to examine the effect of the independent variable of corporate social responsibility that is represented by CSR-economic disclosure (X1), CSR-Environmental disclosure (X2), and CSR-Social disclosure (X3), and the independent variable of corporate governance. That is represented by the Board of Commissioner (X4), Board of Directors (X5) and Institutional Ownership (X6) on the Corporate Resilience as the dependent variable represented by Corporate Resilience (Y). This study's sample amounted to 42 companies listed on the IDX80 index of the Indonesian stock exchange for February 2020. Based on the hypothesis testing that has been done, it can be concluded that the research results are as follows:

1. Corporate social responsibility has a significant effect on corporate resilience due to the COVID-19 pandemic so that hypothesis 1 (H1) is accepted.
 - a. Corporate social responsibility-economic disclosure has a significant effect on corporate resilience due to the COVID-19 pandemic, so that hypothesis 1a (H1a) is accepted.
 - b. Corporate social responsibility-environmental disclosure has an insignificant effect on corporate resilience due to the COVID-19 pandemic so that hypothesis 1b (H1b) is rejected.

c. Corporate social responsibility-social disclosure has a significant effect on corporate resilience due to the COVID-19 pandemic, so that hypothesis 1c (H1c) is accepted.

1. Corporate governance has a significant effect on corporate resilience due to the COVID-19 pandemic so that hypothesis 2 (H2) is accepted.

a. The board of commissioner has an insignificant effect on corporate resilience due to the COVID-19 pandemic, so that hypothesis 2a (H2a) is rejected.

b. The Board of director has a significant effect on corporate resilience due to the COVID-19 pandemic so that hypothesis 2b (H2b) is accepted.

c. Institutional ownership has an insignificant effect on corporate resilience due to the COVID-19 pandemic, so that hypothesis 2c (H2c) is rejected.

5.2 Research Implication

1. Theoretical Implication

This study adds empirical evidence that corporate social responsibility and corporate governance significantly affect corporate resilience of companies listed in the IDX80 index for February 2020. So, it expected in the future many parties will realize that corporate social responsibility and corporate governance is important to be a part of enhancing the corporate resilience.

2. Managerial Implication

The company is expected to pay attention to corporate social responsibility and corporate governance to increase investor demand to realise its strategy and

presence in the market. This study's information can complement the CSR disclosure and more transparent corporate governance mechanism in the company's annual and sustainability report because it is proven to attract investors' attention.

3. Investor Implication

This study give the evidence that corporate social responsibility and corporate governance give the signal to the investor regarding how should their react to the information in capital market due to COVID-19 pandemic. Since the crisis impact to all of level society and across continents, the environmental impact and activities become a consideration in making investment decision.

4. Further Researchers Implication

Subsequent research can increase the number of samples, use primary data, and increase the study's observation period so that the results obtained can be more easily generalized.

5.3 Research Limitation

In this study, there are research limitations, and further researchers can improve on this. Research limitations are as follows:

1. The period for March-August 2020 is relatively short, considering that the COVID-19 pandemic has not ended
2. The research sample is limited because there are certain criteria for obtaining secondary data from the Indonesia Stock Exchange (IDX). The scope of the research sample is from the IDX80 index for February 2020. Of the 80 populations, only 42 samples of companies were included in this study.

3. The study's independent variable is only from non-financial data consisting of corporate social responsibility and corporate governance.

4. The reference in assessing the corporate social responsibility is only from the sustainability report must comply with GRI standards 2016. This research data is quantitative data which is taken from written reports from the company. Meanwhile, the essence of implementing the CSR and GCG mechanism is how it is implemented in the field

5.4 Suggestions

Based on the conclusions and limitations of the research that have been described, the authors provide several suggestions which can later be considered as follows:

1. For managerial

Companies are suggested to disclose a more detailed information regarding CSR disclosure by companies to increase transparency so that it will more clearly convey CSR and corporate governance information in their annual and sustainability report.

2. For investor

Investors are suggested to enhance the understanding of corporate social responsibility disclosure and corporate governance quality's effect to corporate resilience. So in the future, CSR and corporate governance become an important consideration in making investment decisions in order to minimize the risks and enhance the awareness of the company to taking more responsible of their operation activities. .



3. For further researcher

- a. The next researcher should increase the range of time of research observations considering the pandemic COVID-19 is not officially over yet.
- b. Increase the number of samples by using another population or used industry such as mining industry that many companies in that industry released its sustainability report so that future researchers will get better results that representing the actual situation.
- c. This study only uses non-financial data, so it will be better to combine the financial and non-financial data to observe their relationship affecting corporate resilience.
- d. Future researchers should add other measurement tools that can represent the measurement of corporate social responsibility and corporate governance that may have the potential to influence corporate resilience. In addition, the next researcher could to apply other measurement tools for corporate resilience despite stock return. It might be revenue growth to be analyzed.

