# INSTITUTIONAL OWNERSHIP, CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE AND GOING CONCERN: CAUSALITY AND DISCRIMINANT ANALYSIS

## (A Study on Jakarta Islamic Index Companies at Indonesian Capital Market)

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## Abstract

Going concern supported by corporate governance mechanism and corporate social responsibility may indicate the sustainability of the company. Therefore, this research was aimed to analyze the influence of institutional ownership and corporate social responsibility (CSR) disclosure to going concern and to analyze discriminant going concern, grey area and going concern problems (bankrupt).

This study is a descriptive study and has causality characteristic. The unit of analysis in this study is public company which are registered to the Jakarta Islamic Index in 2009 and 2010. The data used in this study were samples chosen by purposive sampling technique, and the analytical methods used were regression analysis and discriminant analysis

Based on regression, discriminant analysis and hypothesis testing, this result of this study is described as follows: (1a) Institutional ownership and CSR disclosure influence the going concern is shown by coefficient determinancy ($R^2$) of 0.743 with a significance level of 0,004 and is less than $\alpha=5\%$. It means that the institutional ownership and CSR disclosure influence the going concern by 74,3%.(1b) Institutional Ownership does not influence the going concern by significance level of 0.256 which is more than $\alpha=5\%$ (1.c) CSR disclosure influences the going concern with significance level of 0,002 and is less than $\alpha=5\%$. Meanwhile, (2a) the values of Wilk's A earning to total asset 0.035 and asset turnover 0.014 is less than $\alpha=5\%$, meaning that the two financial ratios can be used to form the discriminant factors. (2b) the amount of square cannonical correlation is $(CR^2) = (0.948)^2$. It can be concluded that 89.87% variation of both company group which are going concern are disrupted and the grey area can be explained by the earning to total asset and asset turnover factors

*Keywords: Institutional Ownership, Corporate Social Responsibility Disclosure, Going Concern, Causality and Discriminant Analysis*

## I. INTRODUCTION
### 1.1 Research Background

Research on the mechanisms of corporate governance, social responsibility disclosure, and going concern are still relevant to do. Although a lot of research on the topic had been done, but there seems to be varying results. However, this study positioned as a going concern dependent variable, because the company going concern has determinant factors which include corporate governance mechanisms as measured by institutional ownership and corporate social responsibility.

Institutional ownership as one of the component in corporate governance mechanism can be used to ensure ownership of capital (i.e. financial suppliers), to obtain return of the activities undertaken manager, in other words it showed how capital owners exercise control over managers (Shleifer and Vishny, 1997). In line with that, OECD (1999) stated that corporate governance is a key element in improving the efficiency of which includes a series of relationships between management, board of

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directors, shareholders and other stakeholders. Meanwhile, corporate governance mechanisms are effective in the long run and can improve company's performance and it's benefit for the shareholders (Dey Report, 1994, in Siallagan and Mahfoedz, 2006). This indicates that the mechanism of corporate governance can affect going concern.

Corporate social responsibility (CSR) on the other hand, is a corporate responsibility for the environmental and social environment where the company is located. Companies are increasingly recognized that their survival also will depend on the company's relationship with society and the environment in which those companies were operated (Sayekti and Wondabio, 2007). This is indicated by a number of companies which are disclosing their social responsibility, has increased, and so did the type of information disclosed (Gray et al, 1993 and Sayekti, 1994 in Sayekti, 2007).

Awareness of companies in running their social responsibilities, showed efforts to harmonize corporate value system with the value system of the society, so, that the company does not lose its legitimacy. Companies which loses their legitimacy according to the Legitimacy Theory (Tilt, 1994), would have serious problem with their survival.

Business continuity can be measured by using Altman Z Score Model. The model is considered to have high accuracy rate in predicting bankruptcy (Altman, 1968). In other words, those companies which are not bankrupt mean to have good performance, so that the business continuity can be maintained. The inability of the company to maintain its business continuity, indicated potential bankruptcy for the company.

This research was conducted in Jakarta Islamic Index issuers in Indonesia Stock Exchange. The motivation of this research is that the authors wanted to examine (1) the influence of institutional ownership and CSR toward going concern and (2) to test the discriminant factors in the condition of going concern, gray areas and bankruptcy.

## 1.2. Research Problem

Referring to the research background, then the problem formulation can be statted as follows:
a) How does the institutional ownership and CSR disclosure affect going-concern simultaneously and partially.
b) What factors discriminant going concern, gray area and bankruptcy.

## 1.3. Objectives and Benefit of the Research

The purpose of this study is to examine whether (1) institutional ownership and CSR disclosure simultaneously and partialy effect on the going concern and (2) to examine what factors lead to going concern, gray areas and bankrupt. Meanwhile, the expected results of this study can contribute to investors, companies, capital market regulators and a reference for further research.

## II. THEORETICAL OF THE STUDY AND RESEARCH HYPOTHESES.
## 2.1 Theoritical of Sthe Study
## 2.1.1 Institutional Ownership, Corporate Social Responsibility and Going Concern.

The mechanism of corporate governance, corporate social responsibility and going concernhas been elaborated by OECD (2004) and FCGI (2001) which defines corporate governance as a set of rules that explain the relationship between shareholders, managers, creditors, governments, employees and internal and external stakeholders with respect to the rights and obligations, or in other words system that directs and controls the company (OECD, 2004; FCGI, 2001).

Corporate governance mechanism is one of an effective way to reduce conflicts of interest to the achievement of corporate objectives (Shleifer and Vishny; 1997). Corporate governance mechanism is a means of control in a company which among other consists of the ownership structure and control conducted by the board of commissioners (World Bank, 1999).

The mechanism of corporate governance in this study concerns with institutional ownership. Shleifer and Vishny (1986) in Teresa (2002) stated that the majority of institutional ownership will reduce the possibility of the company to be acquired. Meanwhile, according Fitri and Mamduh (2003), the higher institutional ownership will increase external oversight of the company. Institutional ownership is

considered as sophisticated investor with a significant amount of ownership which will monitor management (Pratana and Masoud, 2003). Monitoring can improve enterprise efficiency; efficient company indicates relatively good financial performance, so as to maintain their going concern.

CSR is an activity for the achievement of triple bottom line, which consists of 3P, which is oriented on the profit for the benefit of shareholders, the interests of stakeholders in meeting the welfare of society (people), as well as actively participating in the protection of the environment (planet) (Ancok, 2005). The implementation of CSR indicates that the company has three responsibilities, namely the economic responsibility, in which that the company has a responsibility to earn a profit in the fulfillment of their shareholders' welfare, but also, did not ignore the responsibilities of other stakeholders including the responsibility of the universe and its environment.

In order to achieve the triple bottom line, it is empirically shown by the results of research Heal (2004) which suggests that CSR can play an important role in generating social good, also to increase corporate profits and measures to reduce reputational risk. Thus, it can be said that the implementation of CSR can support the achievement of economic and social performance, so as to maintain the company's going concernn. CSR disclosure proxy with CSR Disclosure Index (CSRDI) refered to the research by Sembiring (2005), Hanifa et.al (2005) and Sayekti and Wondabio (2007), which stated the grouping information into categories: (1) environment, (2) Energy , (3) labor, (4) product, (5) community involvement and (6) general. CSRDI total items ranged from 63 to 78, depending on the type of industry.

**2.1.2 Discriminant Factors for Going Concern**

Going concern is a basic assumption in the accounting in which the company will continue its efforts for the future (IAI, 2009). The going concern postulate simply stated that unless there is an evidence to the contrary, it is assumed the firm will continue its operation indefinitely (Wolk et.al, 2008). Thus, it can be said that the going concern concept will be a consideration during the preparation of financial statements or accounting in facing many choices, among others are; in the standard setting process, due to the fact that the going concern companies in the future is uncertain (Suwarjono, 2005). Nevertheless, uncertainty of going concern in the future can be predicted by using the approach of bankruptcy prediction.

One of the models used for prediction of bankruptcy is the Altman Z score model. Through the bankruptcy prediction, it can be predicted whether the company in going-concern condition, were in the gray areas or potentially bankrupt. Altman (1968) using the method of Multiple Discriminant Analysis using financial ratios consisting of (a) working capital to total assets, (b) retained earnings to total assets, (c) earnings before interest and taxes to total assets, (d) market value of equity to book value of total debts, and (e) sales to total assets. The study results Altman was able to gain a level of prediction accuracy of 95% for the data one year before bankruptcy and 72% for the data two years prior to bankruptcy.

Altman Z-Score model used in this study is the Altman Z score model for manufacturing companies that went public in the capital market, which is as follows:

$$Z' = 0.717Z_1 + 0.874Z_2 + 3.107Z_3 + 0.420Z_4 + 0.988Z_5$$

**Description:**

$Z_1$ = working capital / total asset

$Z_2$ = retained earnings / total assets

$Z_3$ = earnings before interest and taxes / total asset

$Z_4$ = book value of equity / book value of debt

$Z_5$ = sales / total asset

Altman and McGough (1974) in Fanny and Saputra (2005) foundout that prediction level of bancruptcy by using a single prediction method can achieve 82% of accuracy and suggested the use of bancruptcy prediction model as auditing tools to decide whether a company could sustain its operation in the future. It is because of high accuracy level on Altman Z score model, so that going concern proxy in this study will use that particular model. A company having capability in sustaining its going concern

means that it has the ability to maintain performance, especially in financial performance. The five Altman model component, could become the cause of the company's going concern, grey area or predicted potential bancruptcy.

## 2.2 Research Hypotheses

Based on theoretical of study can be built the research hypotheses, as follows:
a) The institutional ownership and CSR disclosure affect going-concern simultaneously and partially.
b) There are discriminant factors for the company going-concern, gray area and bankrupt.


## III. RESEARCH METHOD

This research used descriptive verificative method, because this research attempt to describe and test its hypotheses. Analysis unit for this research includes in Jakarta Islamic Index (JII) companies which have go public in Indonesian stock exchange. Therefore, the population for this research includes 30 companies which is registered in JII. However, this research used purposive sampling method. The criteria used in purposive sampling are:
a) companies are registered in Jakarta Islamic Index and active in Indonesian stock exchange in the 2009-2010 period.
b) Companies produce and sell its products (i.e. manufacture, property, building materials and mining).
c) Based on those criteria, then there are 7 companies for two years to 14 data. The seven companies are described in the following table:

Tabel.1: Research Sample

| No. | Company | Business Type |
|---|---|---|
| 1. | ASII | Otomotive |
| 2. | BKSL | Property |
| 3. | BSDE | Property |
| 4. | DEWA | Mining |
| 5. | INCO | Mining |
| 6. | ITMG | Mining |
| 7. | SMCB | Building material |

The data used in this study is secondary data, namely (1) audited financial statements to calculate financial ratios used in Altman Z score, and (2) an annual report to give score value of CSR and corporate governance mechanism. The definition of variables in this study are as follows:

1) Institutional ownership is the proportion of institutional ownership to total shares of the company, so the value of its ownership as a percentage. Institutional ownerships is one component of corporate governance mechanism that can function effectively to reduce conflicts of interest to the achievement of corporate objectives (Shleiferand Vishny; 1997).

2) Corporate social responsibility (CSR) disclosure is the disclosure of corporate responsibility. Assessment of corporate social responsibility using the CSR checklist items that refer to the Global Reporting initiative which consists of 78 items(Sayekti and Wodanbio, 2007). Assessment of CSR gives the score 1 if it disclosed in the annual report and score 0 if not disclosed (Haniffa et al, 2005). The total score obtained by each company divided by 78 and multiplied by 100%.

3) Going concern is the basic assumption of accounting that states the company will continue its efforts in the future (IAI, 2009). Thus the company going concern is an estimation that need to

be predicted , to predict the company's going concern used Altman's Z score model (Altman, 1968) as follows:

$$Z' = 0.717Z_1 + 0.874Z_2 + 3.107Z_3 + 0.420Z_4 + 0.988Z_5$$

Criteria for the Z value obtained and the interpretation for manufacturing companies that went public as follows:

$Z \geq 3.0$        : Nonbankruptcy
$1.8 < Z < 3.0$    : Gray Area
$Z \leq 1.8$        : Bankruptcy

Statistical analysis is used in this study are multiple regression and dicriminant analysis, as follows:

Multiple regression:

$$Y = \beta 0 + \beta 1\ X1 + B2X2 + \varepsilon$$

Y       = Going Concern
X1      = Institutional Ownership
X2      = CSR Disclosure
β0      = constant
β1, 2   = coefficient of regression

ε        = disturbance error

Discriminant analysis in this study are indicated by the following equation:

The equation estimated unstandardized discriminant function can be seen from the output of the canonical discriminant function coefficients by the following equation:

$$Z1, 2 = w0 + w3 + w1WCTA + w2RETA + W3\ ETA + w4NETTD + w5STTA$$

Standardized discriminant function estimation equation can be seen from the output of standardized cannonical discriminant function coefficients by the following equation:

$$Z1, 2 = w1WCTA + w2RETA + w3 + ETA + + w4NETTD\ w5STTA$$

Discriminant analysis is used to identify the components Z score in financial ratios are all factors that can differentiate between the groups going concern, gray areas and bankrupt.

$Z_{1,2}$    = discriminant function
$W_0$    = constant
$w_i$     = coefficient value
WCTA = working capital to total asset
RETA  = retained earnings to total assets
ETA   = earnings before interest and taxes / total asset
NETTD = book value of equity to book value of debt
STTA  = sales to total asset

Therefore, this study uses parametric statistics, the data must be normally distributed and for multiple regression is also necessary to test the assumptions of classical test covering multicolonearity, heteroscedasity test and autocorrelation test of statistical hypothesis in this study can be explained as follows:

**Statistical hypothesis in the first equation:**

$H0_1$: $\beta_1$: $\beta_2 = 0$ = Institutional ownership and CSR Disclosure simultaneously don't effect on the Going-concern

$H1_1$: $\beta_1$: $\beta_2 \neq 0$ = Institutional ownership and CSR Disclosure simultaneously effect on the Going concern

$H0_2$: $\beta_1 \leq 0$= Institutional ownership doesn't effect on the Going concern

$H1_2$: $\beta_1 > 0$ = Institutional ownership effects on the Going concern

$H0_3$: $\beta_2 \leq 0$=CSR Disclosure doesn't effect on the Going concern

$H1_3$: $\beta_2 > 0$ =CSR Disclosure effects on the Going-concern

**Statistical hypothesis in the second equation are:**

$H0_4$= there are no discriminant in the value of financial ratios in the group going concern, gray areas and bankrupt.

$H1_4$= there are discriminant in the value of financial ratios in the group going-concern, gray areas and bankrupt.


## IV. RESEARCH RESULT AND DISCUSSION
### 4.1 Description of study variables

Based on the results of statistical analysis the description of the study variables in Table.2 can be explained as follow:

**Tabel.2 Descriptive Statistics**

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| KepIns | 14 | .47 | .94 | .6713 | .14421 |
| CSRDis | 14 | 34.62 | 96.15 | 58.2418 | 20.09381 |
| Zscore | 14 | 1.31 | 4.11 | 2.8532 | .97790 |
| Valid N (listwise) | 14 |  |  |  |  |

Table 2. explained that (1) Institutional Ownership minimum of 0.47, institutional owner-ship maximum of 0.94 and the average of it is of 0.6713 with a standard deviation of 0.14421, mean inter-institutional ownership of one company relative to other firms do not vary. (2) CSR disclosure minimum value of 34.62, maximum value of CSR disclosure of 96.15 and the average of it is of 58.2418 with a standard deviation of 20.094, this indicates that the disclosure of corporate social responsibility is very

diverse. (3) The minimum of going concern is of 1.30,the going concern maximum of 4.11 and average of it of 2.8532 with standard deviation of 0.97790, thus the company's going concern relative does not vary, this indicates that the average company in the gray area.

**4.2 Testing Classic Assumption.**

In multiple regression analysis, is necessary to make the classic assumption in order to obtain a good regression model. The result of classic assumption test and regression analysis can be seen in the appendix 1,2 and 4. The interpretation of the classic assumptions test as follows:

a) Test for normality performed on all research variable, because according to Ghozali (2006) test statistic would be good if all variables have normal distribution. As Kolmogorof Smirnov test results in Appendix 1. that institutional ownership variable, CSR disclosure and going concern is normally due to sig. obtained greater than $\alpha = 5\%$.

b) Test of multicholonearity value of tolerance shown by the results of 0.999 more than 0.1 and the Variance Inflation Factor 1001 less than 10 on appendix.4. This is demonstrated between the independent variables (institutional ownership and CSR disclosure) there is no colonearity.

c) Test of Autocorrelation; value of the Durbin Watson (DW) DW 2093 compared to the table with the level of sig. 5%, k = 2 and n = 11, then the obtained value of dL Table = 0.519 and du = 1.297. DW over and above dL and du (k-du = 2-1297 = 0.703) in appendix.2. If DW is larger than DU, then there is no autocorrelation.

d) Test of Heteroscedaticity; results plot of standardized residuals (Y axis) with the standardized predicted value (X axis) shows do not form a regular pattern in appendix 5b. That means heteroscedaticity did not happen.

**4.3. The effect of Institutional Ownership and CSR Disclosure on Going Concern simultaneously**

The results of regression analysis conducted to test the causality of institutional ownership (governance mechanism) and CSR disclosure to going concern simultaneously did not show significant results, having traced it turns out there are three outliers in the data. Based on the cook's and students test, the three outliers shows the results of Cook's above 1, thus it is disturbing model, therefore the data removed from the model, so the number of units of analysis of 14 data into 11 data.

Based on the results of the regression in appendix 2 and 3 show that coefficient of determinacy ($R^2$) = 0.743 with a significance level of 0.004 less than $\alpha = 5\%$. This suggests that simultaneous governance mechanism in this case ownership structure and CSR disclosure affect the company's going concern. Thus, it can be said that institutional ownership is regarded as a sophisticated investor with a significant amount of ownership that can monitor management (Pratana and Masoud, 2003). Monitoring the company's efficiency drive, so the going concern can be maintained. Similarly, the CSR disclosure, that disclosure of social responsibility reflects the company's attention in running its business activities, so that economic performance and social performance can be achieved. Achievement of economic performance and social effort to defend the company's going concern.

4.4 The Effect of Institutional Ownership and CSR Disclosure on Going Concern Partially

Based on partial regression result as contained in appendix 4 can be explained as follows:

a) The regression coefficient ($\beta1$) of -1.216 with a significance level of 0.256 greater than $\alpha = 5\%$, means insignificant. Direction of the negative regression coefficient indicates that institutional ownership lead the company going concern disturbed. Monitoring is conducted by institutional investors resulted in management is not motivated to improve company performance. This can lead to inefficiencies and disrupt the going-concern. However, this interpretation is valid only if the results of this study significant.

b) The regression coefficient ($\beta2$) of 0.032 with the significance level of 0.002 less than $\alpha = 5\%$, means significant. the interpretation of it is CSR disclosure provides support to the going-concern. If the results of this study was associated with the Legitimacy theory (Tilt, 1994), namely awareness of corporate social responsibility will have a positive impact on company performance, so the company's going concern can be maintained. Nevertheless, coefficient regression value ($\beta2$) is relatively small, thus the support of CSR disclosure of going concern is still relatively small, because the diversity data relating to CSR disclosure, so that it has high standard deviation. This is caused by the unit of analysis in this study is not on an industrial category.

**4.5 The Discriminant Analysis of Going Concern, Grey Area and Bancruptcy**

The discriminant analysis to determine the financial ratios as a differentiating factor in each category, i.e. going concern, Grey area and bankrupt. Based on the appendix 6a and 6b are known Wilk's A Value of earnings before interest and taxes to total assets (ETA) of 0.035 and sales to total assets (STTA) of 0.014 less than $\alpha = 5\%$, meaning both financial ratios can be used to form the discriminant factor for ETA and STTA, which is an average ETA of 0.035 in a bankrupt condition, in a gray area of 0.1370 and of 0.3091 in going concern condition. Meanwhile, the average value of STTA in a bankrupt condition of 0.3020, gray area of 0.5836 and in going concern condition of 1.3947.

Referring to appendix 6c, standardized discriminant function is shown in the following equation:

Z1= 0.701WCTA-0.036RETA+0.591 ETA+1.760NETTD +1.980STTA

Z2= -0.311WCTA-0.541RETA-0.141ETA+1.090NETTD +0.305STTA

The appendix 6d explain: (a) the value of Wilks' lamda for 0.079 equal to the chi-square significance level of 22.839 with levels of significance of 0.011 less than $\alpha = 5\%$, it can be concluded that the discriminant function analysis of groups 1 and 2 significant, means the average value of discriminant score for the two groups of different companies that are bankrupt and the gray areas, but does not apply to

groups going concern. (b) Appendix 6e shows the cannonical correlation is equal to 0.948 or the square cannonical correlation (CR2) = (0.948)2= 0.8987. It can be concluded that 89.87% of the variation between the bankrupt company and the gray areas can be explained by the ETA and the STTA. It is this factor that distinguishes these two groups of state companies (bankrupt and the gray area). Thus in both cases companies need to look at the ratio of retained earnings to total assets and sales to total assets, because these two factors is the main cause of bancruptcy factor and gray areas. But this does not apply to a going concern maintained because of the results are not significant.

## V. CONCLUSIONS, LIMITATIONS AND RESEARCH RECOMENDATION

### 5.1 Conclusion

Based on the results of research and discussion, we can conclude several things as folow;

1) Institutional ownership and CSR disclosure simultaneous effect on the Going concern enterprises. This suggests that as a sophisticated investor, owners can perform the role of monitoring on the management (Pratana and Masoud, 2003). This can improve the efficiency of the company, thereby, going concern can be maintained. Meanwhile, CSR disclosure which reflects that shows the implementation of corporate responsibility towards environment Legitimacy as in theory, lead to companies going concern can be maintained (Tilt, 1994).

2) In partial, only CSR disclosure affects on the company going concern, although its influence is relatively low. This suggests that in order to maintain the company's going concern, it is necessary to harmonize with the company's value system prevailing value system in society, so the company can be maintained its Legitimacy.

3) Discriminant factor in bankrupt condition, gray areas and going concern is the ETA and the STTA, because both factors are significant, meaning ETA and STTA in three different conditions. It can be said that the average value of discriminant for the bankrupt and the different gray areas, but does not apply to groups going concern. Meanwhile, the square canonical correlation (CR2) = (0,948)2 = 0.8987. It can be concluded that 89.87% of the variation between the bankrupt company and the gray areas can be explained by the ETA and the STTA. It is this factor that distinguishes these two groups of state companies (bankrupt and the gray area).Thus in both conditions need to look at the ratio of the company retained earnings to total assets and sales to total assets, because these two factors is the main cause of bancruptcy factor and gray areas. But this does not apply to a going concern because the results are not significant.

### 5.2 Limitation

Although there are some significant results, but this study has limitations, the companies which are not in an industry scale, so the number of samples are relatively small, this caused no significant results.

### 5.3 Research Recomendation

Referring to research results and limitations of the study, there are some things which could be recommended:

1) The Council of  Ulama Indonesia; corporate social responsibility needs to become one of the criteria for companies included in the Jakarta Islamic Index , does not only meet the requirements of trade patterns and the types of traded goods. This is in line with Islamic principles that business should be fair, so it can provide value to its stakeholders (rakhmatan lil'alamiin).

2) Research results can be simultaneously one of the considerations for both of the company, capital market regulators and investors in decision making, namely CSR disclosure are able to maintain the going concern. Thus, the variable is relatively important enough to be one of the basic consideration in making business decisions.

3) Retained earnings to total Assets and sales to total assets is a discriminant factor that could be considered for companies in the gray areas and bancrupt conditions, so these results can be used as a reference specifically for this study sample, so companies do not suffer bancruptcy.

4) For further research: if advised to do similar research on a single industry, which is expected to minimize the results are less tested.

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APPENDIXES

**Apendix.1 One-Sample Kolmogorov-Smirnov Test**

| | | KepInstitu | CSRDis | AZscore |
|---|---|---|---|---|
| N | | 14 | 14 | 14 |
| Normal Parameters[a] | Mean | .6355 | 54.1209 | 2.6418 |
| | Std. Deviation | .22772 | 25.42403 | 1.23835 |
| Most Extreme Differences | Absolute | .172 | .150 | .174 |
| | Positive | .155 | .119 | .118 |
| | Negative | -.172 | -.150 | -.174 |
| Kolmogorov-Smirnov Z | | .643 | .561 | .650 |
| Asymp. Sig. (2-tailed) | | .803 | .911 | .792 |

a. Test distribution is Normal.

**Variables Entered/Removed[b]**

| Model | Variables Entered | Variables Removed | Method |
|---|---|---|---|
| 1 | CSR.Dis, Kep.Institusi[a] | | . Enter |

a. All requested variables entered.

b. Dependent Variable: AZScore

**Apendix.2. Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .862[a] | .743 | .679 | .48144 | 2.093 |

a. Predictors: (Constant), CSR.Dis, Kep.Institusi

b. Dependent Variable: AZScore

**Apendix.3. ANOVA[b]**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 5.372 | 2 | 2.686 | 11.589 | .004[a] |
| | Residual | 1.854 | | .232 | | |
| | Total | 7.227 | 10 | | | |

a. Predictors: (Constant), CSR.Dis, Kep.Institusi

b. Dependent Variable: AZScore

**Apendix.4 Coefficients[a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | 1.728 | .792 | | 2.182 | .061 | | |
| | Kep.Institusi | -1.216 | .994 | -.219 | -1.223 | .256 | .999 | 1.001 |
| | CSR.Dis | .032 | .007 | .840 | 4.689 | .002 | .999 | 1.001 |

| | | KepInstitu | CSRDis | AZscore |
|---|---|---|---|---|
| N | | 14 | 14 | 14 |
| Normal Parameters[a] | Mean | .6355 | 54.1209 | 2.6418 |
| | Std. Deviation | .22772 | 25.42403 | 1.23835 |
| Most Extreme Differences | Absolute | .172 | .150 | .174 |
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| | Negative | -.172 | -.150 | -.174 |
| Kolmogorov-Smirnov Z | | .643 | .561 | .650 |
| Asymp. Sig. (2-tailed) | | .803 | .911 | .792 |

a. Dependent Variable: AZScore



Apendix.5a Histogram
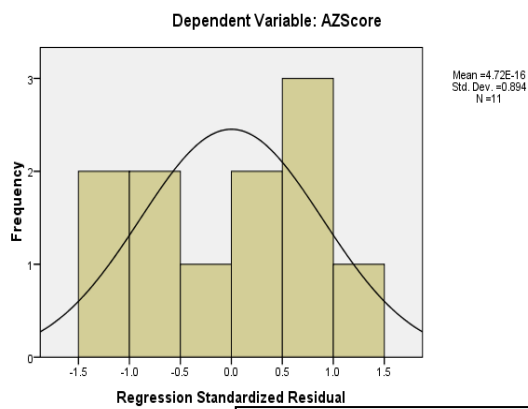


Apendix.5b Scatterplot
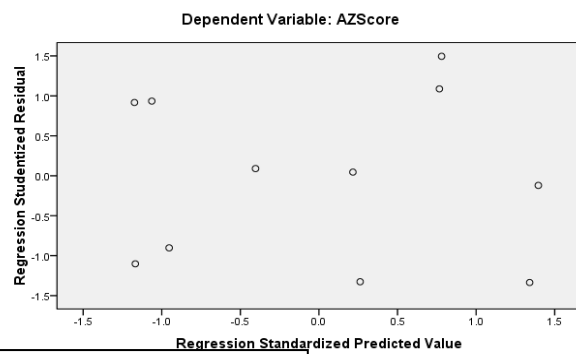
Apendix.6a Group Statistics

| Status | | Mean | Std. Deviation | Valid N (listwise) Unweighted | Weighted |
|---|---|---|---|---|---|
| B | WCTA | .1526 | .17345 | 3 | 3.000 |
| | RETA | -.0022 | .00516 | 3 | 3.000 |
| | ETA | .0580 | .04205 | 3 | 3.000 |
| | NETTD | .5710 | .06373 | 3 | 3.000 |
| | STTA | .3020 | .11827 | 3 | 3.000 |
| GA | WCTA | .2407 | .22852 | 9 | 9.000 |
| | RETA | .0166 | .03252 | 9 | 9.000 |
| | ETA | .1370 | .10167 | 9 | 9.000 |
| | NETTD | 1.1903 | .71270 | 9 | 9.000 |
| | STTA | .5836 | .39070 | 9 | 9.000 |
| GC | WCTA | .2657 | .01680 | 2 | 2.000 |
| | RETA | .0922 | .13448 | 2 | 2.000 |
| | ETA | .3091 | .07714 | 2 | 2.000 |
| | NETTD | .8130 | .01189 | 2 | 2.000 |
| | STTA | 1.3947 | .19262 | 2 | 2.000 |
| Total | WCTA | .2254 | .19602 | 14 | 14.000 |
| | RETA | .0234 | .05438 | 14 | 14.000 |
| | ETA | .1447 | .11411 | 14 | 14.000 |
| | NETTD | 1.0037 | .62137 | 14 | 14.000 |
| | STTA | .6391 | .46382 | 14 | 14.000 |

## Apendix.6b Tests of Equality of Group Means

| | Wilks' Lambda | F | df1 | df2 | Sig. |
|---|---|---|---|---|---|
| WCTA | .957 | .245 | 2 | 11 | .787 |
| RETA | .692 | 2.451 | 2 | 11 | .132 |
| ETA | .545 | 4.600 | 2 | 11 | .035 |
| NETTD | .811 | 1.280 | 2 | 11 | .316 |
| STTA | .460 | 6.459 | 2 | 11 | .014 |

Apendix.6c Standardized Canonical Discriminant Function  Coefficients **ents**

| | Function | |
|---|---|---|
| | 1 | 2 |
| WCTA | .701 | -.311 |
| RETA | -.036 | -.541 |
| ETA | .591 | -.141 |
| NETTD | 1.760 | 1.090 |
| STTA | 1.980 | .305 |

### Apendix.6d Wilks'Lamda

| Test of Function(s) | Wilks' Lambda | Chi-square | df | Sig. |
|---|---|---|---|---|
| 1 through 2 | .079 | 22.839 | 10 | .011 |
| 2 | .780 | 2.232 | 4 | .693 |

### Apendix.6eEugenvalues

| Function | Eigenvalue | % of Variance | Cumulative % | Canonical Correlation |
|---|---|---|---|---|
| 1 | 8.872[a] | 96.9 | 96.9 | .948 |
| 2 | .281[a] | 3.1 | 100.0 | .469 |

a. First 2 canonical discriminant functions were used in the analysis.