ABSTRACT

This study aims to analyze the influence of corporate social responsibility (CSR) on financial performance, with the addition of a moderating variable, namely audit quality, to strengthen the findings of this research. The sample tested in this study consists of non-financial companies listed on the Indonesia Stock Exchange for the years 2018-2021. The selected time frame considers the research objective, which is to compare the impact of CSR before and during the COVID-19 pandemic. Sample selection was carried out using purposive sampling as a sampling method based on specific criteria. The analytical method used was Partial Least Squares (PLS), with WarpPLS version 8.0 software as the analysis tool.

The results of the study for the period from 2018 to 2021 and the period before the pandemic (2018-2019) indicate that corporate social responsibility has a significant positive influence on financial performance, and audit quality moderates the relationship between corporate social responsibility and financial performance. The results for the pandemic period (2018-2019) show that corporate social responsibility has a significant positive influence on financial performance, but audit quality does not affect the relationship between corporate social responsibility and financial performance. The sensitivity analysis results indicate differences in the impact of CSR between the period before and during the COVID-19 pandemic.

Keywords: corporate social responsibility, financial performance, audit quality, COVID-19 pandemic.