

ABSTRACT

Previous studies find mixed results in their attempts to explain the relationship between corporate governance practices, corporate financial performance and corporate social performance. This study examine whether board of directors is related to financial performance and corporate social responsibility practices. It also relates the financial performance and the social performance, vice versa, respectively. The author follows recent study by Sahin, Basfirinci, & Ozsalih (2011) which is conducted in Turkey, an emerging country. The population of this study is Indonesian firms listed in Indonesian Stock Exchanges (IDX) in 2012. This study will use regression analysis. Indonesia has a different corporate governance model than Turkey. By providing evidence from another emerging economy, it is hoped that this study will contribute to the literature on the composition of board of director, CSR practices and the influence of both to financial performance measures.

Keywords: Board of Directors, corporate social responsibility, financial performance