

The Influence of CEO Narcissism on Corporate Social Responsibility Disclosure

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Abstract: This study examined the influence of CEO narcissism on the corporate social responsibility disclosure. The research sample used in the study is mining companies listed on the Indonesia Stock Exchange for the 2015-2018 periods, with a total of 30 companies. Quantitative methods with multiple linear regression data analysis techniques were used in this study. The results of this study supported the research hypothesis that CEO narcissism has positive effects on the corporate social responsibility disclosure. CEO's tenure at the company, CEO ownership of company shares, debt to asset ratio and company size also affect the corporate social responsibility disclosure. The results of the study are consistent with the upper echelon theory that the organization is a reflection of its top management and the characteristics of top management influence the results of the organization. The results of this study contribute to the upper echelon research and corporate social responsibility disclosure.

Keyword: CEO narcissism, corporate social responsibility disclosure, upper echelon theory.

INTRODUCTION

Corporate social responsibility (CSR) is a form of corporate responsibility in repairing environmental damage and social inequalities caused by company operational activities (Dewi and Suputra, 2019). Law number 40 of 2007, article 74 paragraph 1 which states that companies that carry out their business activities in the fields and / or related to natural resources are required to carry out social and environmental responsibilities. Government Regulation number 47 of 2012 regulates in more detail the disclosure of limited company social and environmental responsibility. Government laws and regulations on corporate social responsibility imply that the company's business operations must be aligned with the interests of stakeholders.

Even though it has been regulated by law, corporate social responsibility disclosure is inseparable from the decision of the company's top management. This is because the company's top management is the main organ in the company's strategic decision making. The upper echelon theory states that organizations are a reflection of top management, and the characteristics of top management influence organizational outcomes (Hambrick & Mason, 1984).

Research conducted by (Zhu and Chen, 2014) and (Wang *et al.*, 2015) shows that the personality of the Chief Executive Officer (CEO) has a significant influence on strategic actions and company performance. Social responsibility disclosure can be shown as a result

of the strategic actions of the top management of the company. Therefore, it is exactly important to examine the social responsibility disclosure which may not only be affected by government laws/regulations, the environment and the financial performance of the company but is influenced by the personal characteristics of the company's top management acting for their interests.

The personal characteristics of the company's top management are specifically diverse, one of which is narcissism. Narcissism refers to a psychological construct involving personality traits such as excessive self-love, self-pride, success, power, demands for excessive admiration, self-image reinforcement that comes from flattery and external praise (Bogart *et al.*, 2010 ; Braun *et al.*, 2018; Brown *et al.*, 2009; Emmons, 1987; Wallace and Baumeister, 2002). A narcissistic person has a desire to grasp a positive self-view from others so that he tries to seek attention (Campbell, 1999; Raskin and Terry, 1988).

Two reasons link the narcissistic behavior of the company's CEO and the corporate social responsibility disclosure. The first reason is the social responsibility disclosure is an initiative that contains high moral values for social good (Bogart *et al.*, 2010). The second reason is that social responsibility disclosure involves several people who are sensitive to values in praise, attention, and pride that reflect narcissistic behavior (Wallace and Baumeister, 2002).

Narcissistic company leaders have a high need to grasp the attention and praise as strengthening positive self-image in the public (Gerstner *et al.*, 2013; Piff, 2014). Narcissistic corporate leaders will be more motivated to distance themselves from socially irresponsible actions that can cause criticism from investors, the media, the public and employees (Kernis and Sun, 1994; Rhodewalt and Morf, 1998). The act of disclosing corporate social responsibility provides an opportunity for the CEO of the company to attract the attention of observers, comprehend the praise from stakeholders to strengthen his good image in the public and improve his social status (Hayward *et al.*, 2004; Petrenko *et al.*, 2016).

Research conducted by (Petrenko *et al.*, 2016), (Tang *et al.*, 2018) and (Al-Shammari *et al.*, 2019) found a positive and significant relationship between narcissistic CEOs and the corporate social responsibility disclosure. But (Lin *et al.*, 2018) found a negative relationship between CEO narcissism and corporate social responsibility disclosure. Unlike the case with (Myung *et al.*, 2017) who found no relationship between narcissistic CEOs and corporate social responsibility disclosure. Research that tests CEO narcissism on social responsibility disclosure still shows inconsistent results. Therefore, this study wants to further test the narcissism of CEOs on corporate social responsibility disclosure.

The study population is mining companies listed on the Indonesia Stock Exchange. The purpose of this study was to examine the effect of the CEO narcissism variable on the variable on corporate social responsibility disclosure. Therefore, the data analysis technique used is the linear regression test with STATA test equipment. This research will contribute to echelon research on the company and corporate social responsibility disclosure.

LITERATURE REVIEW

Corporate Social Responsibility. Corporate social responsibility (CSR) was first introduced by (Bowen, 1953). (Bowen, 1953) argued that when companies grow and go global they will have an impact on the use of this earth's resources (Blindheim and

Langhelle, 2010). Businesses are regularly made aware of the social responsibilities that companies have because companies are pressured to meet the social and environmental expectations of stakeholders (Salama *et al.*, 2012). CSR is a genuine effort by business entities to minimize negative impacts and maximize the positive impact of its operations on all stakeholders in the economic, social and environmental sphere to achieve national development goals.

Social and environmental responsibility disclosure can be shown as a strategy adopted by companies to satisfy and respond to the environmental expectations of stakeholders who supply the company with resources (Salama *et al.*, 2012). Social responsibility becomes strategic because it is associated with competitive implications in terms of risk management, customer relations, human resource management, and the capacity for innovation that benefits companies (Sanders and Wood, 2014). Conducting social responsibility indicates that the company can gain long-term trust from employees, consumers, and citizens, which is very important for the company's business sustainability.

Social responsibility disclosure in Indonesia has become a legal obligation. The Government Issues Law No. 40 of 2007 concerning Limited Liability Companies. Article 74 paragraph 1 states that a company that carries out business activities in the fields and/ or related to natural resources must carry out social and environmental responsibility. Hence, in paragraph 3 this article states that companies that do not carry out the obligations referred to in paragraph (1) are subject to sanctions following the provisions of the legislation.

Following up on Law No.40 of 2007 concerning Limited Liability Companies, the government issued Government Regulation Number 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies. Article 2 of government regulation stated that every company as a legal subject has social and environmental responsibility. Article 3 (1) states that social and environmental responsibility as referred to in Article 2 becomes an obligation for the Company which carries out its business activities in the field and / or related to natural resources based on the Law.

Upper Echelon Theory. The upper echelon theory explained that organizational results are a reflection of upper echelon managers (Hambrick and Mason, 1984). Furthermore, this theory explained that the characteristics of top managers influence the choices they make and ultimately affect the results of the organization. (Hambrick and Mason, 1984) stated that the characteristics of top managers and their strategic choices help organizational performance. (Hambrick and Mason, 1984) explained that the characteristics and choices of upper echelons can be influenced by organizational characteristics such as the internal and external environment of a company.

(Wang *et al.*, 2015) researched by collecting articles related to upper echelon theory over the past 3 decades. The result of the research indicated that CEO characteristics are significantly related to the company's strategic actions and the company's future performance. (Bromiley and Rau, 2015) conducted a literature review on social, behavioral, and cognitive influences in the upper echelons on the company's strategy process.

(Bromiley and Rau, 2015) used three different approaches to test research questions. The first approach is the characteristic approach that can be observed such as career, age, tenure, origin, and gender. The second approach is the underlying characteristic approach such as core self-evaluation, charisma, humility, narcissism, overconfidence, hubris, transformational leadership. A third approach is an interactive approach with others such as

power, social ties to the board, peers, and others. (Bromiley and Rau, 2015) stated that many studies have found a relationship between the personality of the CEO and the top management team on the company's strategy process.

Narcissism. The term "narcissism" comes from etymology in mythology (Olsen et al., 2014). In the Roman poet Ovid's *Metamorphoses* (Book III), the story of the fairies and Narcissus is told. Fairies make seduction to a young boy named Narcissus. However, this was in vain because Narcissus rejected the fairies' seduction because he was so busy with his desires. Insulted, one of the fairies prayed to the Gods that Narcissus loved arrogance, loved without mercy. The fairy prayer was answered, when Narcissus saw his reflection reflected in clear water (Narcissus did not recognize his image; he was not self-conscious). He was mesmerized by the picture of his own shadow until he fell asleep to try to reach the water and embrace the shadow. Asleep by his unfulfilled wishes, Narcissus languished and died (Bulfinch, 2017). This story is about young people who love themselves too much to suffer disillusionment with them and we call it narcissism.

Narcissism is a characteristic associated with personality traits such as excessive self-love, a sense of grandeur, a sense of self-importance, a sense of unlimited success, power, the desire to get excessive admiration (Emmons, 1987). A person or person who has narcissism is called narcissistic or narcissists (Petrenko *et al.*, 2016). A narcissistic person has a desire to get a positive self-view from others so that he tries to seek attention (Campbell, 1999; Raskin and Terry, 1988).

The upper echelon literature also identifies narcissism as the fundamental personality dimensions of CEOs that influence their strategic decisions (Chatterjee and Hambrick, 2007, 2011; Gerstner *et al.*, 2013). Narcissism is described as self-love that helps someone to achieve success because it is based on self-esteem. (Campbell and Campbell, 2009) stated that narcissism is a quality of self with a desire to achieve success. Narcissistic CEOs tend to dominate in determining the company's strategy (Zhu and Chen, 2014). Narcissism behavior at the top leadership impacts on dynamism in the company's strategic actions (Chatterjee and Hambrick, 2007; 2011).

Research has shown narcissistic leaders who behave aggressively in response to criticism (Rhodewalt and Eddings, 2002; Rhodewalt and Morf, 1998), considered to lack integrity (Blair *et al.*, 2008). Narcissistic company leaders have negative implications on corporate risk-taking (Chatterjee and Hambrick, 2011). Finally, because of the selfish characteristics of corporate leaders who are selfish, narcissism is proven to be negatively related to company performance (Braun *et al.*, 2018; Ham, Seybert *et al.*, 2017; Petrenko *et al.*, 2016), earnings management (Capalbo *et al.*, 2016;2018) and excessive investment (Buchholz *et al.*, 2018; Ham, Seybert *et al.*, 2017).

The researchers also articulated positive aspects of the narcissism of the leader (Galvin *et al.*, 2010; Rhodewalt and Eddings, 2002; Rosenthal and Pittinsky, 2006; Wales *et al.*, 2013). Researchers argued that narcissistic leaders can inspire followers to achieve their goals. (Galvin *et al.*, 2010) found that narcissistic leaders express a vision that is bolder and thus considered more charismatic than non-narcissistic leaders.

(Galvin *et al.*, 2010) argued, "Passion courage, risk-taking, and self-confidence that tend to be associated with narcissists, can inspire others". (Zhu and Chen, 2015) found that narcissistic CEOs accepted a new workforce that had a narcissistic tendency. Recent research has found that narcissistic company leaders have an impact on greater corporate innovation (Gerstner *et al.*, 2013; Kashmiri *et al.*, 2017; Zhang *et al.*, 2017), acquisitions

of other companies (Aktas *et al.*, 2016) and corporate social responsibility disclosure (Petrenko *et al.*, 2016; Tang *et al.*, 2018).

Narcissistic CEOs behave for their success to seek social praise (Chatterjee and Hambrick, 2011). Narcissistic CEOs have a great need for a positive outlook, social attention, and praise, which causes narcissistic CEOs to carry out social responsibility. (Petrenko *et al.*, 2016) indicated that the research found a positive effect of narcissistic CEOs on corporate involvement in carrying out social responsibility.

Hypothesis. Corporate social responsibility refers to management actions that voluntarily do social good, outside of corporate and legal interests (McWilliams and Siegel, 2001). The CEO has high discretion in running the organization for the benefit of employees, customers, the environment, and stakeholders (Margolis and Walsh, 2003; Waldman and Siegel, 2008). The company's strategic actions can be influenced by the views and priorities of the company's main leaders that come from their values and personalities (Chatterjee and Hambrick, 2007; Gerstner *et al.*, 2013; Hambrick and Mason, 1984). Also, the act of social responsibility disclosure can be influenced by the views and priorities of the characteristics (narcissism) of the leadership of the company.

Research conducted by (Petrenko *et al.*, 2016), (Tang *et al.*, 2018) and (Al-Shammari *et al.*, 2019) found a positive and significant relationship between narcissistic CEOs and the corporate social responsibility disclosure. But (Lin *et al.*, 2018) found a negative relationship between CEO narcissism and corporate social responsibility disclosure. Unlike the case with (Myung *et al.*, 2017) who found no relationship between narcissistic CEOs and corporate social responsibility disclosure.

Research which has tested CEO narcissism on social responsibility disclosure still showed the inconsistent result. Therefore, this study demands to further test the narcissism of CEOs on corporate social responsibility disclosure. By the theory and previous research, the research hypothesis is as follows.

H1: CEO narcissism positively influences the corporate social responsibility disclosure.

METHODOLOGY

The research method used in this study is quantitative. Quantitative research is research in the process of using numbers ranging from data collection, data interpretation, and appearance of the result. The type of data used in this study is the type of quantitative data, which is measured by a numerical scale in the form of nominal, ordinal, interval, and ratio. The data used in this study are secondary.

Measurement of corporate social responsibility disclosure using corporate social responsibility disclosure index (CSRDI) is done through content analysis. This measurement is also used by (Susanti and Budiasih, 2019). Each CSR information disclosure category in the research instrument was given a score of 1 if the information category disclosed was in the company's annual report and a value of 0 if the information category was not disclosed in the company's annual report. Furthermore, the scores from each category of sustainability report information are summed to obtain an overall score for each company and divide it by the total CSR items (91 items). CSRDI measurements use the following formula.

$$\text{CSRDI} = \frac{\text{Number of CSR items disclosed}}{\text{Total CSR items}} \dots \dots \dots (1)$$

The independent variable in this study is CEO narcissism. Narcissism is a characteristic associated with personality traits such as excessive self-love, self-importance that is important, a sense of unlimited success, power, curiosity to grasp the excessive admiration (Emmons, 1987). Narcissism as a personality trait can be measured using Narcissistic Personality Inventory (NPI) (O'Reilly *et al.*, 2014; Petrenko *et al.*, 2016; Raskin and Terry, 1988; Reina *et al.*, 2014; Zhang *et al.*, 2017).

The use of NPI as a narcissism measurement has good validity. However, it is not easy to do a survey using NPI, let alone a survey of the CEO (Capalbo *et al.*, 2018; Ham *et al.*, 2017; Ham *et al.*, 2017; O'Reilly *et al.*, 2014; Olsen and Stekelberg, 2016). Top executives of large companies are strictly reluctant to participate in a survey of the research questions about traits such as narcissism are properly sensitive resulting in very low response rates (Cycyota and Harrison, 2016).

Given the difficult and sensitive nature of measuring narcissism using NPI, researchers have developed other methods that are more effective and efficient at identifying the nature, behavior, and characteristics of narcissism (non-participant observation). (Ham, Lang *et al.*, 2017) and (Ham *et al.*, 2017) developed and validated narcissism measures using the signature size of the CEO.

Previous research has provided empirical evidence that larger signature sizes have high self-esteem (Zweigenhaft, 1977; Zweigenhaft and Marlowe, 1973), power (Jorgenson, 2010) and attention seekers (Karami, 2017). High self-esteem, social status, power and attention seekers are the nature and behavior of narcissistic people (Braun *et al.*, 2018). (Ham *et al.*, 2017) and (Ham *et al.*, 2017) measures the size of a signature by creating a straight line (length and width) that touches the outermost line of the signature. The area consumed by the signature is a measure of narcissism. Researchers refer to (Ham *et al.*, 2017) and (Ham *et al.*, 2017) to reduce the narcissism of the CEO / CEO of the company.

Corporate social responsibility disclosure is not only influenced by CEO narcissism. Therefore, this study uses a control variable. The control variable is another independent variable that has been proven to be related / influential on the dependent variable. Control variables are needed to clarify the relationship between independent and dependent variables (Oesterle *et al.*, 2016).

The control variables used in this study are CEO's age, CEO's tenure at the company, CEO's shareholding in the company, Return on Asset Ratio (ROA), Debt to Asset Ratio (DAR), and company size. CEO age is the difference between the year of the CEO's birth and the year of the research period. CEO's tenure at the company, namely, the difference between the year the CEO was appointed as the CEO with the research year. CEO share ownership in a company is measured using a percentage of the company's shares owned by the CEO. ROA is the division between a company's net profit and the company's total assets in the study year. DAR is the division between total corporate debt and total corporate assets in the study period. The size of the company is measured using the natural logarithm of total company income in the study period.

The population used in this study is all mining companies listed on the Indonesia Stock Exchange (IDX). Mining companies are chosen as research populations because mining company operations are related to various parties and directly give a negative impact on the

environment around mining (Susanti and Budiasih, 2019). The method used in the selection of samples in this study is purposive sampling, namely the method of selecting objects with certain criteria (Bernard and Bernard, 2013)

Purposive sampling is used to obtain research samples that can describe the overall study population. Sample selection criteria are mining companies listed on the Indonesia Stock Exchange in the period 2015-2018; mining companies that publish annual reports in the 2015-2018 period. This study uses the 2015-2018 period because GRI4 as a guideline for the company's ongoing reporting began to be implemented effectively in the company in 2015.

Table 1. Determination of Research Samples

Criteria	Total
Mining companies listed on the Indonesia Stock Exchange	47
Mining companies were listed on the Indonesia Stock Exchange in the period 2015-2018	42
Mining companies that publish annual reports in the 2015-2018 period	36
Mining companies that have complete research data	30
Number of observational data (30 companies x 4 years of observation)	120

Source: (Research Data, 2019)

Data collection is done by downloading the company's annual financial statement data on the IDX website (Indonesia Stock Exchange). The data needed in the financial statements are the CEO's signature, CEO's age, and CEO's length of service in the company, CEO's share ownership of the company, ROA, DAR, company revenue and aspects of corporate social responsibility disclosure. Linear regression is a statistical test by looking at the statistical value of the test results with a tool in the form of STATA.

Panel data linear regression analysis is used to predict the relationship between the dependent variable and the independent variable (Hamilton, 2012). Therefore, the linear regression model used in this study is as follows.

$$CSR_{Di} = \alpha + \beta_1 NCEO_{it} + \beta_2 UCEO_{it} + \beta_3 LCEO_{it} + \beta_4 KCEO_{it} + \beta_5 ROA_{it} + \beta_6 DAR_{it} + \beta_7 Uper_{it} + \epsilon_{it} \dots \dots \dots (2)$$

Information:

α : constant

CSR_D: Corporate social responsibility disclosure

NCEO: CEO narcissism

UCEO: CEO's age

LCEO: CEO's tenure at the company

KCEO: CEO's share ownership in the company

ROA: Return on assets ratio

DAR: Debt to asset ratio

Uper: Company size

i: Company

t: Time
 ε : component error

Statistical Test Result. Descriptive statistics are analyzing data to describe the data that has been collected as it is without intending to make conclusions that apply to the public or generalizations. Descriptive statistics provide a description or description of data that is seen from the average value (mean), median, and maximum, minimum. The descriptive statistical result showed the maximum CSR value of 0.93 which is owned by PT. Bukit Asam Tbk in 2015. The average CSR value was 0.25 and the median was 0.16. Variable X1 is NCEO or CEO narcissism has a minimum value of 0.66, a maximum value of 34.56, a mean of 7.80 and a median of 6.40.

Table 2. Descriptive Statistics Result

	Mean	Median	Minimum	Maximum
CSR	0.25	0.16	0.03	0.93
NCEO	7.80	6.40	0.66	34.56
UCEO	55.94	54	35	82
LCEO	7.48	4.5	1	38
KCEO	0.02	0.00	0.00	0.52
ROA	0.03	0.03	-0.72	0.39
DER	0.51	0.48	0.01	1.90
Uper	27.68	28.77	0.00	30.76

Source: (Research Data, 2019)

The X2 variable is UCEO or CEO's age has a minimum value of 35, a maximum value of 82, and a mean of 55.94 and a median of 54. X3 is LCEO or the CEO's term of office in the company has a minimum value of 1, a maximum value of 38, and a mean of 7.48 and a median of 4.5. Variable X4 is KCEO or CEO ownership of company shares has a minimum value of 0, a maximum value of 0.52, a mean of 0.02 and a median of 0. Variable X5 is ROA has a minimum value of -0.72, a maximum value of 0.39, a mean of 0.03 and a median of 0.03. The X6 variable, DAR, has a minimum value of 0.01, a maximum value of 1.90, a mean of 0.51 and a median of 0.48. The X7 variable is Uper or company size has a minimum value of 0.00, a maximum value of 30.76, with a mean of 27.48 and a median of 28.77.

Table 3. Pearson correlation result

	CSR	NCEO	UCEO	LCEO	KCEO	ROA	DAR	Uper
CSR	1.000							
NCEO	0.106 (0.248)	1.000						
UCEO	-0.204** (0.026)	-0.125 (0.174)	1.000					
LCEO	-0.299*** (0.001)	-0.034 (0.711)	0.327*** (0.000)	1.000				
KCEO	-0.155* (0.091)	-0.127 (0.166)	0.332*** (0.000)	0.001 (0.993)	1.000			

ROA	0.175*	0.022	-0.122	-0.221**	0.241***	1.000		
	(0.056)	(0.816)	(0.184)	(0.015)	(0.008)			
DAR	-0.193**	-0.121	0.169*	0.144	-0.026	-0.429***	1.000	
	(0.035)	(0.186)	(0.066)	(0.118)	(0.779)	(0.000)		
Uper	0.372***	-0.249***	-0.098	-0.192**	0.048	0.225**	0.085	1.000
	(0.000)	(0.006)	(0.286)	(0.036)	(0.600)	(0.014)	(0.356)	

p-values in parentheses * *p* < 0.1, ** *p* < 0.05, *** *p* < 0.01

Source: (Research Data, 2019)

Pearson correlation is used to see the correlation between variables. Table 3, showed the result of correlations between variables. UCEO variable has a correlation value of -0.204 and a significant value of 0.026. LCEO has a correlation value of -0.299 and a significant value of 0.001. KCEO has a correlation value of -0.155 and a significant value of 0.091. ROA has a correlation value of 0.175 and a significant value of 0.056. DAR has a correlation value of 0.193 and a significant value of 0.035. Uper has a correlation value of 0.372 and a significant value of 0.000. These results indicated that the variables UCEO, LCEO, KCEO, ROA, DAR, and Uper have a strong correlation with CSR.

Table 4. Data Linear Panel Regression Result

Variabel	Corporate Social Responsibility Disclosure								
	PLS			FE			RE		
	Coef.	t	P>t	Coef.	t	P>t	Coef.	z	P> z
NCEO	0.0072143	1.80	0.075*	-0.0021377	-0.90	0.373	-0.0008061	-0.32	0.747
UCEO	-	-0.05	0.960	-0.0027251	-1.41	0.163	-0.001651	-0.87	0.387
	0.0001041								
LCEO	-	-2.21	0.029**	0.0227398	3.38	0.001*	-0.0009113	-0.26	0.791
	0.0047667					**			
KCEO	-0.470882	-1.74	0.085*	0.3706992	1.94	0.056*	-0.0935968	-0.54	0.592
ROA	-	-0.17	0.864	0.0515023	0.76	0.451	0.131137	1.85	0.064
	0.0258426								*
DAR	-	-1.99	0.049**	0.0764618	1.50	0.139	0.0276011	0.52	0.601
	0.1407686								
Uper	0.0203651	4.38	0.000**	-0.0012878	-0.46	0.648	0.0031063	1.07	0.283
			*						
_Cosn	-0.2613605	-1.39	0.167	0.2402973	1.94	0.056*	0.2550841	1.94	0.052
									*
N	120			120			120		
R square	0.22			0.10			0.16		
F	0.000			0.000					
Year Dummies			Include						

p-values in parentheses * *p* < 0.1, ** *p* < 0.05, *** *p* < 0.01

Source: (Research Data, 2019)

Table 4 showed the result of data panel regression using the Pooled Least Square (PLS), Fixed Effects (FE), and Random Effects (RE) models. Of the three models, the one with the highest R square value is the PLS model. Also, the PLS model provides more

maximum results in answering the research objectives, this is evident from the significant F value and the variables that have more significant values in the model. Therefore, researchers used the results of PLS panel data regression to answer the hypotheses and research objectives.

Based on the result of the panel data linear regression analysis with the PLS model, the regression equation for this study is as follows.

$$CSR_{it} = -0,2613605 + 0.0072143NCEO_{it} - 0.0001041UCEO_{it} - 0.0047667LCEO_{it} - 0.470882KCEO_{it} - 0.0258426ROA_{it} - 0.1407686DAR_{it} + 0.0203651Uper_{it} + \varepsilon_{it}$$

Based on the regression model, it can be interpreted that the constant value of 0.107 showed if the CEO narcissism variable (X1), the CEO age variable (X2), the CEO's tenure at the company (X3), the CEO's share ownership in the company (X4), the ROA variable (X5), DAR variable (X6), firm size variable (X7) has a constant meaning, thus, corporate social responsibility disclosure (Y) has a negative value of 0.2613605. NCEO variable regression coefficient of 0.0072143 states if the CEO narcissistic variable increases by one unit assuming the other variables are fixed then the variable of corporate social responsibility disclosure increases by 0.0072143. UCEO variable regression coefficient of 0.0001041 states if the CEO age variable decreases by one unit assuming the other variables are fixed then the variable of corporate social responsibility disclosure increases by 0.0001041.

LCEO variable regression coefficient of 0.0047667 stated if the CEO's age variable in the company decreases by one unit assuming the other variables are fixed then the variable of corporate social responsibility disclosure increases by 0.0047667. KCEO variable regression coefficient of 0.470882 states that if the CEO ownership variable of company shares decreases by one unit assuming the other variables are fixed then the variable of corporate social responsibility disclosure increases by 0.470882.

ROA regression coefficient of 0.0258426 stated that if the variable return on asset ratio decreases by one unit assuming the other variables are fixed then the variable of corporate social responsibility disclosure increases by 0.0258426. DAR variable regression coefficient of 0.1407686 stated that if the debt to asset ratio variable decreases by one unit assuming the other variables are fixed then the variable of corporate social responsibility disclosure increases by 0.1407686. Uper variable regression coefficient of 0.0203651 stated that if the firm size variable increases by one unit assuming the other variables are fixed then the variable of corporate social responsibility disclosure increases by 0.0203651.

The result of this study indicated that the value of R Square of 0.28. This showed that the variable of corporate social responsibility disclosure can be explained by the narcissism variable of the CEO, the variable of the CEO's age, the length of the CEO's position, the variable of CEO ownership of company shares, ROA variable, DAR variable, company size variable by 28% and the rest is explained by other variables outside research. Sig value F equal to 0.000 is less than 0.05, the narcissism variable CEO, variable age CEO, CEO length of office, variable ownership of the CEO on company shares, ROA variable, DAR variable; company size variables together have a significant effect on corporate social responsibility disclosure variables.

Regression analysis showed that the NCEO variable has a sig value. It is shown that 0.075 (p-value <0.10) with t statistics positive. This proved that CEO narcissism has a

positive and significant effect on the corporate social responsibility disclosure. Several research control variables showed a significant result. The LCEO control variable has a sig value. And it is shown that 0.029 (p-value <0.05). The KCEO variable has the value sig. 0.085 (p-value <0.10). The DAR variable has a sig value 0.049 (p-value <0.10). The control variable Uper has a sig. value of 0,000 (p-value <0.05).

DISCUSSION

The research hypothesis of CEO narcissism positively influences the corporate social responsibility disclosure. The result of the statistical analysis showed that the research hypothesis was accepted (H1 accepted). This provided empirical evidence that CEO narcissism has positive effect on the corporate social responsibility disclosure. The results of this study are consistent with the research of (Petrenko *et al.*, 2016), (Tang *et al.*, 2018) and (Al-Shammari *et al.*, 2019) who found a positive and significant relationship between narcissistic CEOs and the corporate social responsibility disclosure. Narcissistic CEOs have a high need for attention and praise and have a strong desire for a positive self-view in the public (Association, 2013; Gerstner *et al.*, 2013; Piff, 2014). Narcissistic CEOs focus on their good self-image and continue to seek attention by disclosing social responsibility.

The narcissistic CEO requires attention and affirmation to strengthen his good image in the public (Chatterjee and Hambrick, 2011). Therefore, narcissistic CEOs tend to exert significant influence over decision making to fulfill their interests through social responsibility disclosure. The involvement of a narcissistic CEO in higher corporate social responsibility will strengthen his positive self-image in the Public (Petrenko *et al.*, 2016; Tang *et al.*, 2018). These results also provide that social responsibility disclosure can be a relevant domain to produce narcissistic behavior from the CEO.

The result of this study also provided empirical evidence that LCEO or CEO's length of office in the company and KCEO or CEO ownership of company shares have a negative and significant effect on corporate social responsibility disclosure. This is consistent with the echelon theory that organizations are a reflection of top management, and the characteristics of top management influence organizational outcomes (Hambrick and Mason, 1984). The characteristics of top management such as narcissism CEO, CEO long in office and CEO ownership of the company's shares affect the corporate social responsibility disclosure.

The company's leverage condition which is reflected through DAR showed a negative and significant influence. This proved that the higher the level of debt the company has, the lower the corporate social responsibility disclosure. Uper / company size has a positive and significant effect on the corporate social responsibility disclosure. This showed that the greater the size of the company (corporate income) the higher the corporate social responsibility disclosure.

CONCLUSION

This study examined the effect of CEO narcissism on corporate social responsibility disclosure. The study population is a mining company listed on the Indonesia Stock Exchange. The research sample consisted of 30 mining companies listed on the Indonesia Stock Exchange in the period 2015-2018 and had complete data related to research needs.

This research method is a quantitative method with STATA test equipment. Data analysis techniques used linear regression analysis.

The result of the statistical analysis test supported the research hypothesis that CEO narcissism positively influences the corporate social responsibility disclosure. The result of this study is the same as those of (Petrenko *et al.*, 2016) and (Tang *et al.*, 2018). The narcissistic CEO requires attention and self-affirmation to strengthen his good image in the public (Chatterjee and Hambrick, 2011). The involvement of a narcissistic CEO in higher corporate social responsibility will strengthen his positive self-image in the Public (Petrenko *et al.*, 2016; Tang *et al.*, 2018).

The result of the study found that the narcissism of the CEO, CEO's tenure at the company and the CEO's ownership of the company's shares influence the corporate social responsibility disclosure. The result of the study is following the upper echelon theory that the organization is a reflection of top management, and the characteristics of top management influence organizational results (Hambrick and Mason, 1984). DAR and company size also affect the corporate social responsibility disclosure.

The result of this study contributed to upper echelon research specifically on the characteristics of CEO narcissism and contribution to the corporate social responsibility disclosure. Further research can carry out further testing related to the characteristics of top management on various strategic decisions of the company or company performance. Future studies can broaden the scope of research such as expanding the use of populations and research samples.

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