FAMILY-RUN BUSINESSES AND ESG DISCLOSURE: EVIDENCE FROM PRE AND DURING COVID PERIOD

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Hopefully, this thesis research will be beneficial to readers and those that need it. The author recognizes that the research is far from flawless, thus he or she welcomes criticism and ideas. Thank you very much.

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Sadhu… Sadhu… Saddhu…

Surabaya, June 11th 2022

Carina Jesslyn Tjandraatmadja

ABSTRACT

This paper aims to explain the relationship between family-run business and ESG disclosure. This research is conducted using 638 samples of sustainability reports from listed ASEAN firms that publish them, within the study period of 2019-2020. The ESG disclosure is measured using the GRI guidelines on the sustainability reports, while family-run business is defined with businesses that have families within the boards. This paper uses the method of Ordinary Least Square (OLS) Regression. The findings of this research show that family-run businesses have better ESG disclosure than the ones without families within boards. Additionally, this study also finds that the COVID-19 pandemic did not significantly affect the relationship between family-run businesses and their ESG disclosure.

Keywords: family-run business, ESG disclosure, COVID

ABSTRAK

Penelitian ini bertujuan untuk menjelaskan hubungan antara bisnis yang dijalankan keluarga dan pengungkapan ESG. Penelitian ini dilakukan dengan menggunakan 638 sampel *sustainability report* dari perusahaan-perusahaan ASEAN terbuka yang menerbitkannya, dalam periode studi 2019-2020. Pengungkapan ESG diukur menggunakan pedoman GRI pada *sustainability report*, sementara bisnis yang dijalankan keluarga didefinisikan dengan bisnis yang memiliki keluarga di dalam jajaran dewan. Penelitian ini menggunakan metode regresi *Ordinary Least Square (OLS)*. Temuan penelitian ini menunjukkan bahwa bisnis yang dijalankan keluarga memiliki pengungkapan ESG yang lebih baik daripada bisnis tanpa keluarga di dalam dewan. Selain itu, penelitian ini juga menemukan bahwa pandemi COVID-19 tidak secara signifikan memengaruhi hubungan antara bisnis yang dijalankan keluarga dan pengungkapan ESG mereka.

Keywords: bisnis dikelola keluarga, pengungkapan ESG, COVID

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