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The Influence of Corporate Social Responsibility Towards Employees on Performance: A Comparison of Companies on The Indonesian Stock Exchange

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Abstract
Ullmann's (1985) Stakeholder theory states that the implementation of Corporate Social Responsibility (CSR) has an influence on the achievement of a company's economic performance. This research examines the influence of CSR on employees (CSR-E) including the salary and welfare, education, work safety and gender equality on sales growth and human capital efficiency. This research compares three types of companies, namely natural resource, manufacture, and service companies listed on the Indonesian Stock Exchange. It is hoped that the results of this research can provide a solution regarding the importance of implementing CSR-E and its influence on companies' business performance, so that companies are much more motivated to implement CSR-E. This research uses descriptive and quantitative data analysis techniques where SPSS application was used to analyze 297 annual and financial reports of companies listed on the Indonesian Stock Exchange from 2015, 2016 and 2017. The research found that CSR-E for work safety had an influence on human capital efficiency in manufacturing companies and CSR-E salary and gender equality had a significant influence on sales growth and natural resource efficiency in service-based companies. Implementing CSR-E is an important requirement for manufacturing and service companies. It is because manufacturing and service companies are companies with a high risk of pollution and work accident rates. The controlled variable for the number of workers has an influence on sales growth and human capital efficiency. Workers are the substantial party for the company because they are directly involved in the daily basis company's operational activities in an effort to achieve the company's financial performance.
Keywords: Corporate Social Responsibility (CSR), Employees, Performance

INTRODUCTION

Corporate Social Responsibility (CSR) is the company's moral social responsibility and ethical behavior towards the social impacts resulting from the company's operational activities which can be used as a communication tool between the company and interested parties (Mohammad et al. 2014). Employees are one of the interested and important parties for the company because employees are involved in the company's daily operations (Cavazotte & Chang, 2016). Based on Ullmann's (1985) stakeholder theory model, the implementation of CSR by companies is linked to efforts to achieve the company's economic performance (Donaldson & Prestton 1995). Long et al. (2015) found that CSR implementation had a significant positive influence on company performance. The findings of this research are supported by Cavazotte & Chang, 2016; Morogo et al. 2016; Maqbool & Zameer, 2018; Prieto et al. 2020; Costa & Fonseca, 2022). On the other hand, Nakamura (2015) found that Corporate Social Responsibility to employees (CSR-E) had an insignificant effect on the company's financial performance. The findings of this research are supported by E. W. Cooper & Uzun (2015), Hirigoyen and Rehm (2015), Nguyen et all. (2022) and Liu (2020). CSR-E is the company's social responsibility towards employees by providing salaries according to standards, education and training for workers, paying attention to work health and safety and not gender discrimination in such a way that employees' welfare is met, employee productivity and company performance increase (Mohammad et al. 2014; Cavazotte & Chang 2016)

Employees expect companies to fulfill CSR towards them through guaranteeing greater welfare, appreciation, developing personal potential and ensuring occupational health and safety (Mory & Mirtz 2015; Cavazotte & Chang, 2016; Hernandez et al. 2016). However, employees in Indonesia still face problems regarding welfare, work safety, low education and gender (International Labor Organization (ILO) 2015; ILO 2017). Employees' salary in Indonesia shows number 6 as a country with low employees' wages before Cambodia and Laos that place the last (ILO 2015). Apart from the problem of low wages, the majority of employees in Indonesia work longer hours, namely more than 48 hours a week, which can reduce the health and productivity of trade employees (ILO 2015; Hendrastomo 2010). The next issue regarding employee problems in Indonesia is the issue of gender issues. Female employees have significantly lower levels of work engagement, salary and career development opportunities compared to male employees (ILO 2015; ILO 2017). In addition, the low level of expertise possessed by employees in Indonesia means that companies' interests in obtaining skilled and skilled employees in accordance with the company's interests are not fulfilled (ILO 2015; ILO 2017). The huge problems experienced by employees in Indonesia are the background to the topic of this research, namely the possibility of a lack of implementation of CSR-E in companies in Indonesia and whether it will have an impact on sales growth and the efficiency of the company's human resources? It is hoped that this research can provide solutions to companies, employees and other parties regarding the influence of CSR-E on company financial performance so that companies are motivated to implement CSR-E better.

Research specifically examining the relationship between CSR-E and economic performance has only been studied by 3 researchers with only a few CSR-E items. Mohammed et al. (2014) examined the CSR-E dimensions with 13 items, Cavazotte & Chang (2016) only used four items and Morogo et al (2016) used 11 CSR-E items. This CSR-E item is considered to be lacking so that understanding of CSR-E is limited. Apart from that, research that focuses on CSR-E and company performance is still very lacking. This is a research gap that can provide novelty in this research. Therefore, this research was carried out to examine the influence of CSR-E on company financial performance by adding more CSR-E items to 41 CSR-E.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

This section will discuss a literature review regarding CSR-E and company economic performance from this research.

CSR-E: Salaries and welfare, education, work safety and gender

CSR is used by companies for various purposes, including supporting human resource management in the company, as a strategy to advance the company and to improve company performance (Chiang, 2010). According to Freeman (1983) and Ullmann (1985) CSR is used by companies to adjust and meet the demands of interested parties to achieve the company's objectives and economic interests (Robert 1992). Several studies have been conducted to examine the relationship between CSR and company economic performance. This research examines several CSR dimensions such as the environment, community, philanthropy, governance, product safety, organizational culture, laws and others, including examining several employee dimensions such as salaries and welfare, education, work safety and gender (Maqbool and Zameer 2018; Fadjrih Ayik, n.d.; Prieto et al. 2020; Costa and Fonseca 2022). Maqbool and Zameer (2018) found that CSR dimensions of society, environment, workplace and diversity integrated with business strategy had a positive impact on financial performance. Furthermore, Fadrul et al. [2021] found that the economic, social and environmental dimensions of business commitment can have a positive influence on financial performance. The results of this study are supported by Prieto et al. (2020) and Costa and Fonseca (2022) found a positive relationship between economic, legal, ethical, social, philanthropic and governance dimensions of CSR and company performance.

In contrast Han et al. (2016) found that responsibility for the natural environment and social dimensions had an insignificant relationship with the company's financial performance. The results of this research are supported by Kusumawati et al., (2022)); Nguyen et al., (2022); Liu (2022) and Sastroredjo et all. (2022). The research results of Kusumawati et al., (2022) show that CSR has an insignificant effect on financial performance. This research does not support the stakeholder theory which states that the higher the absorption of CSR implementation, the greater the support of interested parties for the company. Research that focuses its research on CSR-E dimensions alone in relation to economic performance has only been studied by several researchers (Mohammad et al. (2014); Cavazote & Chang (2016); Morogo et al. (2016)). The interest of CSR-E by companies is not only to comply with moral and legal responsibilities but can also have a significant influence on company performance (Cavazote & Chang 2016).

Company performance: sales growth and human capital efficiency

Previous researchers examined the economic performance of companies. Maydeu and Lado (2003), stated that the company's economic performance is an indicator of company performance using three indicators, namely company performance in the capital market, sales growth and company profits. According to Hirsch (2010) a company's economic performance is the company's performance as expressed by accounting and capital market measurements (Balbanis et al. 1998; Al-Tuwaijri et al. 2004). The company's economic performance is stated based on the capital market, such as market value added and market to book value, etc. Measurements of economic performance based on accounting include return on assets, return on equity, sales growth, return on sales and others (Al Tuwaijri et al., 2004; Balbanis et al. 1998; Al Matari et al. 2014).

Apart from using sales growth measurements, another way to measure company performance is to use efficiency. Human capital efficiency (HCE) is one part of value-added intellectual capital (VAIC). According to Pulic (1998), the added value of intellectual capital (VAIC) is used to measure intellectual capital through the added value produced by the company, specifically the added value of human capital (VAHC), the added value of structural capital (VASC) and the added value of capital used (VACE). One of the ways in which the efficiency of creating added value for a company can be seen is the efficiency of human resources. Human capital efficiency is an indicator of the added value of a number of financing for employees/human resources (Musibah & Wan 2013). Knowledge economy financing can bring changes to company work culture. This company work culture can be used as a parameter of company performance (Norman & Mara 2008). Therefore, it is important to assess the efficiency of human capital to know and assess company performance.

Hypothesis H1 to Hypothesis H8 were formed to see the direct influence of CSR-E on company performance as will be discussed in this section.

1) Wages and welfare (CSR-EA), sales growth and human capital efficiency

Implementing CSR can attract employees who have the skills to work for the company. One of these attractions is the availability of a fair salary system. Creating a fair salary system is one dimension of CSR-E that can have a positive relationship with employee motivation (Skuidene & Auruskeviciene 2012).

Paying fair salaries in accordance with the Regional Minimum Wage [UMR] and providing other welfare benefits to employees such as pensions, guaranteed health care and treatment as well as other policies to improve better welfare for employees and their families is a form of CSR-E implementation by the company. This action is not only a form of corporate social responsibility towards the welfare of employees but has also been found to have an influence on the company's financial performance (Cavazote & Chang 2016; Mohammad et al. 2014). Previous research found that CSR-E towards salaries and other welfare benefits had a significant relationship with company financial performance (Mohammad et al. 2014; Hernandez et al. 2016; Cavazote & Chang 2016), this research proposes the following hypothesis:

H1: CSR-EA has a positive relationship with sales growth

CSR may have an influence on increasing employee loyalty and motivation so that good relations between companies and workers can improve (Mohammad et al. 2014). Implementation of CSR includes paying attention to worker welfare by providing fair salaries and other welfare benefits (Tamm et al. 2010; Mohammad et al. 2014). CSR is suggested to have a relationship with human capital efficiency (Aras et al. 2012). Lin et al., (2015) found that corporate social responsibility, including CSR-E, was found to have an influence on intellectual capital (human resources). This research suggests the following hypothesis:

H2: CSR-EA has a positive relationship with human capital efficiency.

2) Training and Education (CSR-EB), sales growth and human capital efficiency

One of the implementations of CSR-E is providing training and education to employees (Cavazote & Chang 2016). Implementing CSR-E, one of which is by providing training and education to employees, is the company's effort to improve the skills of employees so that they are more committed to the company (Mory & Wirtz 2016; Cavazote & Chang 2016). Providing employee training and education is important. This is to increase the company's competitiveness because employees are one of the interested parties involved and responsible for carrying out the company's operational activities in an effort to achieve company performance (Cavazote & Chang 2016).

Previous research found a significant positive influence between company expenditures for employee training and education and company performance (Cavazote & Chang 2016; Hernandez et al. 2016). Company performance includes employees' productivity and ROA. Therefore, this research proposes a hypothesis:

H3: CSR-EB has a positive relationship with sales growth

In addition, CSR-E on employee training and education is suggested to have an influence on human capital efficiency (Aras et al. 2012). Investing funds in CSR activities can attract quality employees to work for the company so that the company can recruit quality human resources (Lin et al. 2015). Based on this, this research proposes a hypothesis:

H4: CSR-EB has a positive relationship with human capital efficiency.

3. Work safety (CSR-EC) sales growth and human capital efficiency

Occupational health and safety is one aspect of implementing CSR-E (Potluri et al, 2010, Aras et al. 2012). Some forms of CSR regarding occupational health and safety include company financing to maintain employees' health, realizing health and safety in the workplace environment, taking preventive measures, complying with standards of occupational safety and health regulations, establishing occupational health and safety institutions and education programs and guidance for employees (Cavazote & Chang 2016).

Guaranteeing security and safety for employees, one of which is by providing a high quality workplace that meets high occupational health and safety standards, creating a comfortable working environment so that employees feel they are getting good service and facilities from the company where they work so that employees will increase their productivity in the workplace. in order to improve company performance (Mohammad et al 2014, Hernandez et al 2016, Cavazote & Chang 2016). Therefore, based on previous research findings, this research proposes the hypothesis:

H5: CSR-EC has a positive relationship with sales growth

Providing attention and guaranteeing employees' health and safety to employees is one of the implementations of CSR-E (Aras et al. 2012). CSR, including CSR-E, was found to have an influence on increasing the company's human capital (Lin et al. 2015). This research suggests a hypothesis:.

H6: CSR-EC has a positive relationship with human capital efficiency

4) Gender (CSR-ED), sales growth and human capital efficiency

Treating each employee fairly in making decisions (Nejati & Ghasemi, 2012) and not discriminating by providing equal opportunities to employees (Hernandez et al 2016; (Hirigoyen & Rehm, 2015) in fulfilling their rights such as the right to earn a salary and welfare, the right to develop education and career, etc. are the implementation of CSR-E by companies. CSR-E is implemented by providing support and facilities to employees without differentiating between male and female employees (ILO 2015).

Paying attention to and giving positions to women in companies has been found to have a positive influence on companies in the capital market (Balbanis et al. 1998). This is because investors will be more interested in companies that pay attention to the problems of female employees. Furthermore, Hernandez et al. (2016) found that the implementation of CSR-E with one of its items, namely that every employee is given the same opportunities, was found to have a significant influence on economic performance. Based on the findings of previous research, this research proposes the following hypothesis:

H7: CSR-ED is expected to have a positive relationship with economic performance

In addition, providing opportunities to minorities by recruiting them as employees and providing equal employment opportunities to women (without differentiating them from men) was found to have a significant influence on human capital efficiency (Lin et al. 2015). Therefore, this study proposes the following hypothesis:

H8: CSR-ED is expected to have a positive relationship with human capital efficiency.

RESEARCH METHODS

In the research methods section, sample selection and data collection, variable measurement and data analysis techniques will be explained.

Sample selection and data collection

The population of this study consists of companies listed on the main board of the Indonesian Stock Exchange for 2015, 2016 and 2017. Companies listed on the main board of the Indonesian Stock Exchange in 2015 were 345 companies, in 2016 there were 348 companies and in 2017 there were 351 companies. Companies of financial companies have been excluded because they have their own reporting requirements. The research sample in this study was taken from three company sectors, namely the natural resources company sector, manufacturing and the service company sector. In addition, companies were selected based on companies that had complete data for a period of three years starting from 2015, 2016 and 2017, each year 99 companies were taken so that the final sample used in this research was 297 annual and financial reports of companies, presented in Table 1.1 below:

Table 1.
Research Sample

Year	Final sample
2015	99
2016	99
2017	99
Total	**297**

1) **Independent variable**

CSR-E in this study consists of 4 variables, namely CSR-EA, CSR-EB, CSR-EC, and CSR-ED. These four variables are issues that are problems for employees in Indonesia, examined simultaneously in this research and translated into 41 CSR-E items. Each of these variables consists of several items, these items are given the value "1" if the item is present and given the value "0" otherwise.

2) **Dependent variable**

The dependent variable in this research is company performance which is expressed by sales growth and human capital efficiency. A total of two control variables were also examined in this research, namely size which is expressed by the number of workers and leverage. These variable measurements are shown in Table 2 below:

Table 2. Measurement of dependent and control variables

Variabels	Measurement	Reviewer
Dependent Variables:		
1. Sales growth	$\frac{\text{Current sales + Prior year sales}}{\text{Prior year sales}}$	Herri, (2011) (Firth et al., 2006)
2. Human capital efficiency*	$\frac{\text{Value Added}}{\text{Human Capital}}$	(Pulic, 1998); (Norman Mohd Saleh & Mara Ridhuan Che Abdul Rahman, 2008).

Control variables:		
1. *Size*	Log (Number of employees)	Arsoy et al., (2012); Alikaj, (2016)
2. *Leverage*	$\frac{\text{Total liability}}{\text{Total asset}}$	Aras et al., (2011); (Saphira A.C. Rekker et al., 2014)

* Human capital efficiency (HCE) is calculated by added value (VA) to human capital (HC); HCE = VA/HC; HC= S; VA= P+i+S+D+A+DIV +T, where P=retained earnings, i=interest costs, S=salaries and wages, D=depreciation, A= repayment, DIV=dividends, MI= minority's share of profit, T = tax.

Data analysis techniques

Technical data analysis in this research will use two analysis techniques, namely descriptive and quantitative data analysis. Descriptive analysis was carried out to get an overview of research data such as maximum value, minimum value, median, standard deviation, skewness and kurtosis. Apart from descriptive data analysis, data analysis will also be carried out using quantitative data analysis to see the influence of independent variables on the dependent variable.

RESEARCH RESULTS AND DISCUSSION

This section will describe the data examination of the research data that will be examined, then multiple regression analysis will be used to analyze the data in this research. In order to carry out data analysis using multiple regression, there are several conditions that must be met, namely that the data used in this research is normally distributed, the data does not have outliers and there is no multicollinearity between the independent variables studied. The first requirement is that the research data is normally distributed which can be determined from the skewness and kurtosis values. Table 3 shows the skewness and kurtosis values of the data examined in this research.

Table 3.
Descriptive statistics

Variable	*Skweness*	*Kurtosis*
CSR-EA	-.47	-.39
CSR-EB	-.27	-.38
CSR-EC	-.55	-.64
CSR-ED	. 02	-1.28
Sales growth	. 99	4.40
Human capital efficiency	1. 00	2.35
Size	.36	.18
Leverage	. 99	1.58

Note: CSR-EA=Salary and welfare; CSR-EB=Training and education; CSR-EC=Work safety; CSR-ED=Gender; Size=number of employees; Leverage=leverage.

Based on table 3 above, it can be seen that the skewness value is between -1 and 1, while the kurtosis value is between -2 and 3. According to Hair et al., (2010), normally distributed data should have a skewness value and kurtosis value between -1 and 1.

Meanwhile, if the research uses a large number of samples (> 100 samples), the most important thing to look at is the density value to determine the normality of the data from the sample data used (Tabachnik & Fidell, 2011). This research uses data samples that exceed 100 samples, namely 297 annual and company financial reports with a density value between -1 and 1. Based on Hair et al. (2004) the data in this study is normally distributed because the density value is between -1 and 1. This shows that there are no outliers in the data used in this study. The next condition that must be met to be able to carry out data analysis using multiple regression is that there are no multicollinearity problems between the independent variables studied. The results of the multicollinearity test are presented in the following table:

Table 4.
Correlation test results between independent variables

	CSR-EA	*CSR-EB*	*CSR-EC*	*CSR-ED*	*Size*	*Leverage*
CSR-EA	1.000	.075	.262	-.084	. 021	.020
CSR-EB	.075	1.000	.280	-.240	.038	-.010
CSR-EC	.262	.280	1.000	-.210	-.080	.061
CSR-ED	-.084	-.240	-.210	1.000	.121	-.050
Size	.021	.038	-.080	.121	1.000	.196
Leverage	.020	-.010	.061	.050	.196	1.000

Note: CSR-EA=Salary and welfare; CSR-EB=Training and education; CSR-EC=Work safety; CSR-ED=Gender; Size=number of employees; Leverage=leverage.

Correlation tests are carried out to see whether or not there is a correlation between one independent variable and other independent variables. If the correlation between independent variables is more than 0.80 (> 0.80) (D. R. Cooper & Schindler, 2001) or more than 0.90 (Ghozali, 2017) it means that there is a multicollinearity problem between the independent variables studied. From Table 1.2, the correlation value for all independent variables is below 0.80, this shows that there is no multicollinearity problem among the independent variables studied. If all the requirements for conducting data analysis using multiple regression have been met, then multiple regression analysis can be carried out to test the hypothesis in this research.

Table 5.
Multiple regression test results based on company sector

Variable	**Sales growth**	**Human Capital Efficiency**
1. Natural resources sector:		
CSR-EA	0.045	0.163
CSR-EB	-0.007	0.056
CSR-EC	0.137	-0.037
CSR-ED	0.166	-0.242**
Size	0.016*	- 0.092
Leverage	- 0.075*	0.047
2. Manufacturing sector:		
CSR-EA	-0.148	0.099
CSR-EB	0.012	-0.061
CSR-EC	-0.126	0.219*
CSR-ED	0.077	-0.069
Size	0.077**	0.632
Leverage	0.543*	0.342
3. Service sector:		
CSR-EA	0.173*	-0.080

CSR-EB	0.083	-0.102
CSR-EC	0.048	0.132
CSR-ED	0.139	0.157*
Size	0.254*	0.145*
Leverage	0.662	0.451

Note: ***significant at 0.001, **significant at 0.05, *significant at 0.1

Model 1:

Sales growth = β0 + β1 CSR-EA+ β2 CSR-EB+ β3 CSR-EC+ β4 CSR-ED+ β5 *Size* + β6 *Leverage + εi*

Human capital efficiency = β0 + β1 CSR-EA + β2 CSR-EB + β3 CSR-EC + β4 CSR-ED + β5 *Size* + β6 *Leverage + εi*

Model 2:

Sales growth = β0 + β1 CSR-EA+ β2 CSR-EB+ β3 CSR-EC+ β4 CSR-ED+ β5 *Size* + β6 *Leverage + εi*

Human capital efficiency = β0 + β1 CSR-EA+ β2 CSR-EB+ β3 CSR-EC+ β4 CSR-ED+ β5 *Size* + β6 *Leverage + εi*

Model 3 :

Sales growth = β0 + β1 CSR-EA+ β2 CSR-EB+ β3 CSR-EC+ β4 CSR-ED+ β5 *Size* + β6 *Leverage + εi*

Human capital efficiency = β0 + β1 CSR-EA+ β2 CSR-EB+ β3 CSR-EC+ β4 CSR-ED+ β5 *Size* + β6 *Leverage + εi*

Note: CSR-EA=Salary and welfare; CSR-EB=Training and education; CSR-EC=Work safety; CSR-ED=Gender; Size=number of employees; Leverage=leverage.

Table 5 shows the results of multiple regression tests based on company sector, namely Models 1, 2 and 3. Model 1 uses company data from natural resource companies, Model 2 from manufacturing companies and Model 3 from service companies. From Model 1 which uses company data based on company data from the natural resources company sector, it is found that the variables of salary and welfare, training and education and work safety do not have a significant influence on sales growth and human capital efficiency except that the gender variable has a significant but negative influence on capital efficiency. man. This shows that the implementation of CSR-E in the natural resources company sector has no influence in improving the company's financial performance. For Model 2 with a research sample of manufacturing industrial companies, the work safety variable was found to have a significant positive influence at the $p<0.1$ stage on human capital efficiency, while the other variables were found to have no significant influence on either sales growth or human capital resource efficiency. Paying attention to the occupational health and safety of employees is important, such as workplace safety, employee health insurance and occupational health and safety training. This is to increase employee satisfaction by the company so that employees can be more productive at work which can then improve the company's financial performance (Aras et al. 2012; Cavazote & Chang 2016).

In Model 3 with a research sample of service companies, it was found that salary and welfare variables had a significant positive influence on sales growth at the $p<0.1$ stage. The findings of this study support previous research by Mohammad et al. (2013) and Cavazote & Chang (2016). Mohammed et al. (2013) found that providing high wages to workers has a significant effect on increasing ROA. Cavazote & Chang (2016) also found that company spending on providing pensions to employees had an influence on increasing company financial performance. Employees are more interested in working for companies that provide a pension for financial security for their retirement period. In addition, the gender variable in model 3 was found to have a significant positive effect at p<0.1 on human capital efficiency. The findings of this study are in line with Balbanis et al. (1998) who found that paying attention to the position of women in companies has an influence on the company's economic performance. This is because investors have a positive assessment of companies that pay attention to gender equality issues in assessing the performance and career development of workers

Based on table 1.5, it was found that two variables, namely salary and welfare variables and gender variables, have a significant positive influence on sales growth and human capital efficiency in service companies. Apart from that, it was also found that the work safety variable had a significant and positive influence on human capital efficiency in manufacturing companies. This significant influence shows that service and manufacturing companies have implemented CSR-E well. This is because manufacturing and service companies (such as transportation and property/construction companies) are company sectors with workplace environments that are at high risk of air and noise pollution, factory and building waste materials and recycled materials can cause health problems for their employees. Apart from that, working in manufacturing and service companies also carries a high risk of accidents, so great attention is needed by the company to implement CSR-E by paying attention to the occupational health and safety of employees (Mohammad et al. 2014; Cavazote & Chang 2016). Apart from that, service companies are also companies that provide services to parties so that the good or bad assessment of other parties will influence the company's performance. Therefore, companies will try to implement CSR-E to form a positive image of other parties towards the company. Meanwhile, in natural resource companies, the implementation of CSR-E has no influence on sales growth and human capital efficiency. This shows that performance achievements in natural resource companies are influenced by other factors.

Meanwhile, the control variable for the number of employees in Model 1 was found to have a significant positive effect on human capital efficiency at the p<0.1 stage. In Model 2, the control variable company size has a significant positive influence at the p < 0.5 stage on sales growth and the leverage variable has a positive significant influence at the p < 0.1 stage on sales growth. For Model 3, the control variable company size was found to have a significant positive influence at the p<0.1 stage on sales growth and human capital resource efficiency. This means that the higher the company size and leverage, the higher the influence on sales growth and human capital efficiency. From models 1, 2 and 3, it is found that company size consistently has an influence on sales growth, this shows that the number of employees in a company has a significant influence on increasing company performance. This is because employees are an important party for the company and have direct involvement in the company's daily operational activities.

CONCLUSIONS

This research examines the influence of CSR-E on company performance. CSR-E in this research includes 4 variables, namely salary and welfare, education, work safety and gender. The problematic issues studied are low salaries, lack of education and skills of employees, lack of health and safety of employees and gender issues. The research results found that work safety has an influence on the efficiency of human resources in manufacturing companies.

Furthermore, this research also finds that salary and gender have a significant influence on sales growth and human capital efficiency in service companies

The results of this research show that implementing CSR-E can improve company performance, namely sales growth and human capital efficiency. The research results also show that service companies and manufacturing companies are companies that significantly implement CSR-E. This is because they are companies that have high levels of pollution and work accidents so implementing CSR-E by the company is an important requirement. If this is not implemented, it will have an impact on reducing the welfare, health and safety of employees so that the company's performance will decline. Meanwhile, in natural resource companies, company performance achievements are influenced by other factors. This is shown by the results of this research which did not find a significant effect of CSR-E on sales growth and human capital efficiency in natural resource companies.

Furthermore, the company size variable expressed by the number of employees was found to consistently have an influence on sales growth and some of them also had an influence on human capital efficiency. This shows that the number of workers has a significant influence on increasing company performance. These findings mean that further research needs to be carried out to examine the influence of CSR-E on company performance by comparing companies based on the number of employees.

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