

Market reactions to corporate unethical behaviours: A Study from Indonesia

Susi Sarumpaet*, Ernie Hendrawaty

**University of Lampung, Indonesia*

Abstract

This research examines market reactions to socially irresponsible corporate behaviours. An event study was conducted to detect the presence of abnormal returns during the releases of media news regarding the social irresponsible practices of Indonesian listed companies in environmental, social and financial aspects. The examples of unfavorable environmental practices are illegal lodging, forest fires, and pollutions, while in social aspects it includes labor strikes and lay-offs, market monopoly, and similar practices. Socially irresponsible practices in financial aspect includes frauds and tax evasions. Prior studies from more developed nations have been widely documented in the literature. However, the use of media reports of three different aspects to measure the event is new to the study. The results of prior studies, which mostly come from developed markets, have also been inconclusive. The use of a sample from a developing market is expected to provide distinct contribution to the existing literature. The results show that Indonesian stock market responded to media news regarding corporate unethical behaviors, particularly in social aspect, as indicated by negative abnormal returns in the third day after the news releases by prominent online newspapers, Kompas. When such information is split into each category, namely: environmental, social, financial information, the result is only consistent for social issues. Negative abnormal returns occurred on the third day after the media reports of unethical social behaviors of the sample firms. However, we did not find significant market responses to media reports of unfavorable financial and environmental practices by the sample companies. Using paired sample t-tests to examine the market response before and after the event, this study only finds significant difference in cumulative abnormal returns for unfavorable social practices. In general this study offers an empirical evidence that media reports on CSR issues have information content, especially for firms reported as having problems in maintaining social responsibility.

Keywords: abnormal returns, corporate social irresponsibility, developing market, Indonesia, market reaction, share price.

1. INTRODUCTION

Social responsibility issues have obtained growing attention in public. Issues like deforestation, environmental pollution, market monopoly, and union issues, such as wages and are among those reported by news media. For companies affected by this publication, such issues are considered bad news. Beside legal consequences, it may potentially damage company reputation, cut down sales volume, as well as decrease share prices (Aveta Business Institute, 2016).

The signalling theory (M Spence, 1973) and The Efficient Market Hypotheses (Fama, 1970) also support the arguments that bad news will be responded negatively by the market in the forms of lower share prices. Previous research about ethical issues have found mixed results. Some scholars find supports to the hypothesis that information about firm unethical behaviours have bring share prices down, whereas others did not find the changes of abnormal returns surrounding the event that engaging unethical behaviour of the sample corporations. The majority of these studies come from the more developed nations such as the USA, the UK and Australia (Davidson & Worrell, 1988; S. Hamilton, Jo, & Statman, 1993; Herremans, Akathaporn, & McInnes, 1993; Karim, Suh, & Tang, 2016;

*Corresponding author. Tel.: +62-82182075300
E-mail: susi.sarumpaet@feb.unila.ac.id

Richardson, Welker, & Hutchinson, 1999), while those of developing markets – with different investor characteristics- (Tay, Puah, & Malek, 2016) are still very limited.

Indonesian stock exchange is relatively low in capitalization and may not be as efficient as its counterparts from the more developed nations (Harahap, 2003; Ratmono & Cahyonowati, 2005; Utama & Hapsari., 2012). Moreover, the economy is still growing while the investors may not consider certain ethical issues as important when competed against financial objectives of the companies. Keeping this in mind, we conduct a study on how stock market responds to environmental and social issues may contribute to the existing literature, particularly on debates of whether investors penalized unethical behaviours through lower share prices. We limit the measures of media reports to negative or unfavourable information and ignore favourable information following the common understanding that “bad news” is “good news” for the media.

This study uses three categories of socially irresponsible corporate behaviour that are reported in mass media: environmental, financial and social aspects. Environmental issues include deforestation, environmental pollutions, and poor environmental ratings. Social issues include union and community strikes, market monopoly and cartel, and other union issues such as lay-offs and unfair wages. After collecting all news releases from a major news media, Kompas, a content analysis was employed in order to categorize the information into three different types: environmental, financial and social issues. Using an event study method this study proposes two hypotheses regarding the occurrence of negative abnormal returns surrounding those unfavourable news releases.

Previous studies have investigated market reactions to various types of unethical corporate practices or behaviours in political, environmental, and financial aspects (Groening & Kanuri, 2016; Lee, 2001; Oehler, Walker, & Wendt, 2013; Subekti, 2005). The results have been mixed. Karim et al. (2016), for instance, finds that corporate ethical behaviour is positively associated with stock returns, whereas Hamilton et al. (1993) did not find significant results in such association. Prior research also documented different measures of unethical issues in relation to changes of share prices, such as environmental issues (Stevens, 1984), corporate social responsibility (Herremans et al., 1993), white collar crimes (Tay et al., 2016), violations of law (Davidson & Worrell, 1988). This study incorporates environmental, financial and social aspects and test the sensitivity of each aspect in relation to market responses.

Empirically, this study offers a distinct evidence from a developing market on investors’ perception towards socially irresponsible corporations as reflected in its share prices. The findings of this study will contribute to the existing literature on decision usefulness of information by providing evidence on how unethical behaviours as non-financial information is valued by investors in the capital markets. Practically, the results of this study may provide benefits for the decision makers of related public organizations in the field of environment, human resources and finance. Understanding how investors value environmentally and socially irresponsible manners of the corporations may help them consider better policies to improve the current ethical practices of the corporations.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Various events that happen in the world may affect share prices in the capital market. Studies that examine the market reactions to certain events have been abundant. These include financial and non-financial events, such as the release of information of earnings, merger and acquisition, audit committee formation, corporate website launching, presidential elections, and many other kinds of events (Davidson III, Xie, & Xu, 2004; Ferri, 2008; J. T. Hamilton, 1995; Palmrose, Richardson, & Scholz, 2004). Stock markets typically respond to the announcements that is perceived as “contain information”.

Fama (1970) defined an efficient financial market as one in which security prices always fully reflect the available information. Stock market is said to respond to announcements or information that contain economic value or have effects on the future cash flows of the firms. When an event occurred or information is released, new information about the firm value is known to the public and the prior share prices will be revised using the new information. The event or information is perceived as good or bad news and is linked to the contained economic value. Good news will increase the firm value, and vice versa.

Mass media is a source of information commonly used to identify an event or information. Media reports on unethical corporate practices may contain economic value and affect their future cash flows. Business ethics is operational standards and moral judgments implemented by individuals who are involved in business activities (Gittman, et al 2012). Sustainable Development (WBCSD) defines corporate responsibilities as: Continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.”

This means that business society need to have a strong commitment to always perform ethically legally operationalize their business, and contribute to the economic development by improve the quality of employees’ life and their family as well as maintain quality of the local community and public in general. Wineberg and Rudolph (2004) defines corporate social responsibility as:

“The contribution that a company makes in society through its core business activities, its social investment and philanthropy programs, and its engagement in public policy”. (pp 72)

Corporate Social Responsibility (CSR) is a form of corporate awareness as an effort to improve its relationship with society and its environment. Therefore, both corporations and the community are not two entities that must be exploiting each other. In the midst of the situation of Indonesian people who are generally in the growing economic development, the company should not only think of their financial benefits only. The company is required to have sensitivity and concern for public welfare.

There are generally two types of approaches used in previous studies when testing CSR / CSiR relationships and financial performance, i.e., event study (short term) and value approach (long term). An event (news in the media) involves a single event but at different times, i.e., events or news being released by the media at different times (Jogiyanto, 2012). In such a case, the sample companies will have different time events, which will then be made relatively the same time called time zero.

Using content analysis, Hendarto & Purwanto (2012) examined different types of new media in Indonesia and found that the activities reported in the media are not only ethical behavior and corporate social responsibility (CSR) activities, but also many unethical behavior (ethics violation in business) and corporate social irresponsibility (CSiR). Examples of violations of standards in finance include accounting creativity, earnings management, distorted financial forecasting, insider trading, fraud / fraud, excessive executive compensation. Violations of standards in protecting the environment include activities not rehabilitating mining areas, unclear compensation to affected communities, companies dumping pollutants into rivers. Other ethical violations such as underage minors, do not provide a safe working environment, and others.

Previous research that correlates firm value with CSR has been extensive. These studies find that the implications of conducting CSR activities is better reputations of organizations in the eyes of shareholders (Mishra & Modi, 2016, Luo and Bhattacharya, 2009). Further research that investigated corporate motivation to perform CSR activities find that good public impression to the community as the main motive (Cormier & Magnan, 2015) which leads to improved legitimacy (Doh et al., 2010). Prior research in Indonesian context that connects firm value with CSR have been documented using samples from different industry sector, such as, infrastructure (Elsa, 2015), property (Seraphine, 2015), miscellaneous (Vannetia, 2015) and the financial sector (Stefany, 2015). They investigated whether or not CSR activities resulted in positive market responses as indicated by cumulative abnormal returns and the results have been inconclusive.

CSiR activities may cause negative market reactions which lead to declined firm value. Media coverage of corporate law violations, employee health and safety fines, low employee morale, consumer boycott, government fines are examples of CSiR activities in which corporations may get involved (Groening & Kanuri, 2016). Reputation theory asserts that company's unfriendly environmental behavior may impact the company's reputation (Lin, et al 2016). Research by Desai & Dharmapala (2009) also found that firms engaged in taxes avoidance activities experienced negative reputations and they are perceived as having poor corporate governance. In a contrary, the company's efforts to uphold ethics by making efforts to prevent white-collar crime are more appreciated by investors (Schnatterly, 2010). Based on the above description, the hypothesis proposed in this study are as follows:

H1a : negative abnormal returns occur surrounding the news releases of information regarding socially irresponsible practices by the sample firms.

H2a : negative changes in cumulative abnormal return (CAR) occurs after the news releases of information regarding unethical practices by the sample firms.

3. RESEARCH METHOD

3.1 Sample and Data

The sample of this study is Indonesian listed firms that are reported by the online news media as having issues in unethical conducts during January 1st 2014 through December 31st 2015. We selected Kompas, a national online newspaper, as the news media from which information about corporate unethical conducts were obtained, because of its wide coverage and popularity. Financial data used in this study comprises of daily stock prices of the sample firms during the period of January 2014 to December 2015. To be included in the sample, the stocks were required to meet the following criteria:

The stock has received bad news in the mass media about the unethical behaviour during the period of 2014 through 2015. The unethical behaviour are grouped into three categories, namely: (1) environmental issues such as forest fires and pollution of waste, (2) financial fraud issues, such as tax evasion and corruption, and (3) social issues such as the monopolization of the market and the unfair employee wage, etc. (4) It has a complete financial statement data and stock trading data that can be accessed through the official website of the Stock Exchange as well as a

reference center of the capital market (PRPM). (4) No transaction acquisition, merger or division of a dividend for the period 2014 through 2015.

After considering those above mentioned criteria, there were 247 media reports on the unethical practices to be included in the sample (Table 1)

Table 1. Media reports included in the sample

Criteria of unethical practices	No. of media reports
Environmental issues	36
Financial fraud issues	123
Social issues	88
Total	247

Other necessary data in this study is the daily share closing price and the composite stock price index (CSPI) during the window period. All of this data is obtained through the Indonesian Stock Exchange sites or other sources, such as yahoofinance.

3.2 Operating Variables

For testing the hypothesis, this study needs some of return data for all the stocks included in the sample before and after the issuance of unethical behavior:

Abnormal Return (AR)

Jogiyanto (2003) defines *abnormal return* or not return to normal as the excess of actual return to normal return. Return to normal is the expected return (the return expected by investors). *Abnormal return* is calculated by the following formula:

$$AR_{i,t} = R_{it} - E [R_{mit}]$$

AR_{it} = abnormal return of securities of i on day t-5 to t+5
 R_{it} = Return actual for the securities of i on day t-5 to t+5
 $E [R_{mit}]$ = Expected return of i on day t-5 to t+5

The daily stock returns of each stock in the sample were computed as the difference between two consecutive daily closing prices, after being adjusted for corporate actions for 10 days around the day of unethical issues (5 days before the date of unethical issues, 1 day on the date of unethical issue and 5 days after the date of unethical issues). The formula as follows:

$$R_{it} = \frac{P_{it} - P_{it-1}}{P_{it-1}}$$

R_{it} = Return securities to i on day t
 P_{it} = Price of securities to i on day t
 P_{it-1} = Price of securities to i on day t-1

For estimating the expected return on each stock, the market adjusted model was used. This model assumes that the best estimate for estimating the returns of a security is the market index return at that time. This model does not need estimation period for the return of securities. The formula is as follows:

$$E[R_{i,t}] = R_{m,t}$$

The formula of daily market returns of each period for 11 days around the issuance day as follows:

$$R_{mt} = \frac{IHSG - IHSG_{t-1}}{IHSG_{t-1}}$$

R_{mt} = Return market on day t
 $IHSG_{t,i}$ = Jakarta Composite Index on day t
 $IHSG_{t-1,i}$ = Composite stock Price Index on day t-1

Average Abnormal Return (AAR)

Average abnormal return (AAR) of stocks is calculated by using the formula:

$$AAR_t = \frac{\sum_{i=1}^n AR_{i,t}}{n}$$

AAR_t = average abnormal return for period t
 $AR_{i,t}$ = abnormal return of stock i at period t
n = number of observation

Cumulative average abnormal return (CAAR)

the market reaction is measured by the *cumulative average abnormal return* (CAAR). The formula used to calculate CAAR as follows:

$$CAAR_p = \sum_{t=1}^p AAR_t$$

$CAAR_{pn}$ = Cumulative Average Abnormal Return observed stocks
 AAR_t = Average Abnormal Return stock on day t
P = number of observed period

3.3 Hypothesis Testing

Abnormal Return Test

The steps to test the significance of abnormal return are: (1) Calculate the returns of individual stocks (R_{it}) and the market returns (R_m) during the window period. (2) Calculate the abnormal returns of each stock during the window period. (3) Test the significance of the abnormal returns using one-sample t-tests by comparing the abnormal return with a standard error of estimate (Jogiyanto, 2003).

Test of differences between CAAR before and after the issuance of corporate unethical practices

To test of differences of CAAR before and after the issuance of unethical corporate practices, this study use a paired t-test for each of category of unethical practices. The steps are performed as follows: (1) The sample firms were grouped into three categories as explained above. (2) The CAARs of each group were calculated before and after the event. (3) A paired sample t-test was conducted for each category and then for all combined categories.

4. RESULTS AND DISCUSSION

4.1 Descriptive Statistic

Table 2 presents the average abnormal returns of the sample 247 listed companies that were mentioned in the newspaper as having issues in environmental and social responsibility aspects. The table shows negative abnormal returns on two and three days (d+2 and d+3) after the releases of information of all kinds of information combined. Similar patterns occurred when the news was split into three categories, i.e. environmental, financial and social issues. For environmental issues, it shows that firms with unfavorable information about environmental practices, such as deforestation and poor corporate environmental performance experienced negative abnormal returns from day+2 through day+5 after the release of such information.

Using the sample firms that were reported by the media as having issues in social responsibility decreased average abnormal returns occurred in 2nd, 3rd and 5th days after the news release of such information. Such decreased in abnormal returns were also detected on the 1st, 3rd, and 5th days after the firms were reported as conducting financial fraud or problems.

Table 2. Average abnormal returns of sample firms

Day	Category of Unethical Behaviour			
	All (n = 247)	Environmental (n = 36)	Financial (n = 123)	Social (n = 88)
-5	-.00043	.00074	-.00443	.00468
-4	.00854	-.00379	.00836	.01383
-3	.00552	.00446	.00939	.00053
-2	.00190	.00948	.00221	-.00163
-1	.00668	.00634	.00938	.00304
+0	-.00225	-.01405	.00095	-.00189
+1	.08149	.28780	.08190	-.00350
+2	-.00422	-.02981	-.00184	.00293
+3	-.00667 *	-.0010	-.00839	-.00658 *
+4	.00077	-.00019	.00161	.00001
+5	.00053	-.00648	.00317	-.00030

* : p value < 0.05

We also calculated Cumulative Abnormal Return (CAR) for all combined and grouped samples and the results are presented in Table 3. Consistent with the above results, negative changes in CARs occurred only after the releases of media reports of socially irresponsible firms and all combined reports, while the news releases on two other categories of corporate unethical practices resulted positive changes in CAR.

Table 3. Cumulative Average abnormal returns of sample firms

CAR	Sample Under Unethical Category			
	All (n=247)	Environmental (n= 36)	Financial (n=123)	Social (n= 88)
Before	0.0444	0.0034	0.0050	0.0041
After	0.0144	0.0501	0.0153	-0.0015
increase (decrease)	(0.0001)	0.0466	0.0103	(0.0056)
p value	0.364	0.367	0.520	0.073**

** : p value < 0.1

4.2 Hypotheses Tests

We performed one sample t-tests to examine the market reactions to unethical behaviours of the sample firm using a 5 day window period. As shown in Table 2, we found significant negative average abnormal returns on the third day after the new releases of unethical practices by sample companies. When the news was split into three categories; this result only consistent for firms reported as socially unethical, and not for two other sample groups. This indicates that the market responded negatively to firms that perform in socially irresponsible manner and ignored environmental and financial misconducts.

To test the market reactions before and after the releases of unethical behaviours of the sample firms, we ran a series of paired sample t-tests on the cumulated abnormal returns. Table 3 presents the results of these tests which shows that significant decrease in CAR only occurred for the sample that were reported by the media as socially irresponsible. Such result were not found in two other categorized sample groups nor the combined sample group. Such result appears to be consistent with the result of test of AARs, that the market penalized socially irresponsible firms but disregarded those reported as environmentally and financially unethical.

5. CONCLUSION, LIMITATION AND FUTURE RESEARCH

5.1 Conclusion

This study examines whether or not environmental and social issues affect share prices in the capital market. Specifically this study tests whether negative abnormal returns occur surrounding the information released by the media regarding unfavourable practices and behaviour of corporations in environmental and social aspects. Employing an event study method and a sample of 247 listed firms reported in major online newspaper, Kompas, this study calculate average abnormal returns and cumulative abnormal return to test whether significant market responses occurred during the 5 day window period.

The results using the event study shows that CSR issues do have impact on the share prices as the market experienced significant negative abnormal returns after the firms were reported by the media as being unethical. However, this result might be attributable solely to social issues, instead of environmental and financial issues. This is indicated by significant abnormal returns on the third day following media news on firms being reported as failed to maintain its social responsibilities. Such abnormal returns were not found significant for environmental and social issues. A series of sample t-tests for each category of issues and all combined did not find significant difference in cumulative abnormal returns 5 days before and after the new media releases.

This study provide supports to the existing literature on the frameworks of decision usefulness that non-financial information, i.e., media reports on CSR practices, do have information content. As a distinct evidence from Indonesia, such result also offer contribution to prior studies on how developing capital markets value such information. Based on the above findings various stakeholders, such as investors, government and public in general may improve their understanding about how market may penalize environmentally and socially irresponsible corporations. Such understanding may be useful in the process of policy and decision making.

5.2 Limitation and Future Research

We acknowledge a number of limitations of this research. First, in this study we generalize all information as having the same level of market response. Different kinds of media reports might have different level of impact on the share prices and differentiating these levels might result in better findings of similar research in the future. Second, the use of single source of information, media online Kompas, might limit the data being explored in this study. Other sources of information, internally and externally, such as corporate annual reports and other types of media may provide more comprehensive sources of data and improve the results. Finally, in this study we only use negative information as bad news, i.e. unethical corporate behaviours, to test the market response. This might limit our understanding on how market respond differently to the opposite information being reported to the public. Further research might consider positive information of corporate actions and reputations in environmental, financial and social aspects.

REFERENCES

- Aveta Business Institute. (2016). *Six Sigma Online*. Retrieved from <http://www.sixsigmaonline.org/six-sigma-training-certification-information/the-consequence-of-unethical-business-behavior/>
- Cormier, D., & Magnan, M. (2015). The economic relevance of environmental disclosure and its impact on corporate legitimacy: An empirical investigation. *Business Strategy and the Environment*, 24(6), 431-450.
- Davidson, W. N., & Worrell, D. L. (1988). The Impact of Announcements of Corporate Illegalities on Shareholder Returns. *Academy of Management Journal*, 31(1), 195-200. <http://doi.org/10.2307/256506>
- Desai, M. A., & Dharmapala, D. (2009). Corporate tax avoidance and firm value. *The Review of Economics and Statistics*, 91(3), 537-546.
- Doh, J. P., Howton, S. D., Howton, S. W., & Siegel, D. S. (2010). Does the market respond to an endorsement of social responsibility? The role of institutions, information, and legitimacy. *Journal of Management*, 36(6), 1461-1485.
- Elsa, O. (2015). Pengaruh Corporate Social Responsibility Terhadap Respon Investor Dalam Sektor Infrastruktur, Utilitas, Dan Transportasi Di Indonesia. *Business Accounting Review*, 3(1), 233-244.
- Fama, E. F. (1970). Efficient Capital Markets: A Review of Theory and Empirical Work. *The Journal of Finance*, 25(2), 383-417. *Journal Article*.
- Gitman, L. J., & Zutter, C. J. (2012). *Principles of managerial finance*. Prentice Hall.
- Groening, C., & Kanuri, V. K. (2016). Investor Reactions to Concurrent Positive and Negative Stakeholder News. *Journal of Business Ethics*, 1-24.
- Gunthorpe, D. L. (1997). Business ethics: A quantitative analysis of the impact of unethical behavior by publicly traded corporations. *Journal of Business Ethics*, 16(5), 537-543.
- Hamilton, S., Jo, H., & Statman, M. (1993). Doing Well While Doing Good? The Investment Performance of Socially Responsible Mutual Funds. *Financial Analysts Journal*, 49(6; December), 62-67. <http://doi.org/10.2469/faj.v49.n6.62>
- Harahap, S. S. (2003). The disclosure of Islamic values--annual report the analysis of bank Muamalat Indonesia's annual report. *Managerial Finance*, 29(7), 70 (20 pages).
- Hartono, J. (2010). Studi Peristiwa Menguji Reaksi Pasar Modal Akibat Suatu Peristiwa. Edisi Pertama. BPFE UGM.
- Hendarto, K. A., & Purwanto, B. M. (2012). Market reactions of mandatory implementation of corporate social responsibility: Indonesia context. *Asia Pacific Management Review*, 17(4).
- Herremans, I. M., Akathaporn, P., & McInnes, M. (1993). An investigation of corporate social responsibility reputation and economic performance. *Accounting, Organizations and Society*, 18(7-8), 587-604.
- Kang, C., Germann, F., & Grewal, R. (2016). Washing Away Your Sins? Corporate Social Responsibility, Corporate Social Irresponsibility, and Firm Performance. *Journal of Marketing*, 80(2), 59-79.
- Karim, K., Suh, S. H., & Tang, J. (2016). Do ethical firms create value? *Social Responsibility Journal* *Social Responsibility Journal*, 12(1). <http://doi.org/10.1108/SRJ-02-2015-0033>
- Lee, P. M. (2001). What's in a Name.com?: The Effects of ".com" Name Changes on Stock Prices and Trading Activity. *Strategic Management Journal*, 22(8), 793-804. *Journal Article*.
- Lin, H., Zeng, S., Wang, L., Zou, H., & Ma, H. (2016). How Does Environmental Irresponsibility Impair Corporate Reputation? A Multi-Method Investigation. *Corporate Social Responsibility and Environmental Management*.
- Luo, X., & Bhattacharya, C. B. (2006). Corporate social responsibility, customer satisfaction, and market value. *Journal of marketing*, 70(4), 1-18.
- MacKinlay, A. C. (1997). Event studies in economics and finance. *Journal of economic literature*, 35(1), 13-39.
- Malone, C. B., Finnerty, J. D., & Hegde, S. D. (2016). *Fraud and Firm Performance: Keeping the Good Times (Apparently) Rolling*.
- Mishra, S., & Modi, S. B. (2016). Corporate Social Responsibility and Shareholder Wealth: The Role of Marketing Capability. *Journal of Marketing*, 80(1), 26-46.
- Oehler, A., Walker, T. J., & Wendt, S. (2013). Effects of election results on stock price performance: evidence from 1980 to 2008. *Managerial Finance*, 39(8), 714-736. *Journal Article*.
- Ratmono, D., & Cahyonowati, N. (2005). Anomali Pasar Berbasis Earnings Dan Persistensi Abnormal Aktual. In *Simposium Nasional Akuntansi (National Accounting Symposium) VIII. Conference Proceedings, Solo Indonesia*.
- Richardson, A. J., Welker, M., & Hutchinson, I. R. (1999). Managing Capital Market Reactions to Corporate Social Responsibility. *International Journal of Management Reviews*, 1(1), 17-43. <http://doi.org/10.1111/1468-2370.00003>
- Stevens, W. (1984). Market reaction to corporate environmental performance. *Advances in Accounting*, 1, 41-61. *Journal Article*.
- Subekti, I. (2005). Asosiasi Antara Praktik Perataan Laba Dan Reaksi Pasar Modal Di Indonesia. In *Simposium Nasional Akuntansi (National Accounting Symposium) VIII. Conference Proceedings, Solo Indonesia*.
- Schnatterly, K. (2010). Increasing firm value through detection and prevention of white-collar crime. In *Handbook of Top Management Teams* (pp. 674-681). Palgrave Macmillan UK
- Seraphine, A. (2015). Pengaruh Corporate Social Responsibility Terhadap Respon Investor Pada Sektor Properti, Real Estate, Dan Konstruksi Bangunan Di Indonesia. *Business Accounting Review*, 3(1), 190-199.
- Spence. (1973). Job Market Signaling. *Quarterly Journal of Economics*, 87(3), 355-374.
- Stefany, D. (2015). Pengaruh Corporate Social Responsibility Terhadap Respon Investor Dalam Sektor Keuangan. *Business Accounting Review*, 3(1), 245-256.
- Tay, L.-M., Puah, C.-H., & Malek, R. K. B. N. I. A. (2016). The Effect of White Collar Crime Announcement on Stock Price Performance : Evidence from Malaysian Stock Market. *Journal of Financial Crime*, 23(4).
- Utama, C. A., & Hapsari, L. (2012). Jenis Industri, Kepemilikan Saham Asing dan Reaksi Pasar Modal Akibat Serangan Bom Teroris. *Jurnal Akuntansi Dan Keuangan Indonesia*, 9(2), 100-116. *Journal Article*.

Vannetia, M. (2015). PENGARUH PENGUNGKAPAN CORPORATE SOCIAL RESPONSIBILITY TERHADAP RESPON INVESTOR DALAM SEKTOR ANEKA INDUSTRI. Business Accounting Review, 3(1), 67-77.