中部財金學術聯盟暨第八屆金融市場發展研討會, 2011 年 3 月 14-15 日

Is Corporate Social Responsibility Rewarded by the Cost of Debt？

－Credit Ratings View

張元; 沈中華; 王宗政

Abstract

The main purpose of this paper is to examine the impacts of corporate social responsibility (CSR) on firm’s cost of debt, which is proxied by credit ratings. Based on the data of TWSE-listed companies during 2005~2009, our regression results show that CSR-firm tends to have superior credit ratings which supports the view that socially responsible firms perform better and with higher creditworthiness and thus lower cost of debts. We follow Baron and Kenny (1986)’s proposition of identify mediator among variables, and obtain that CSR positively affects firm’s profitability, CSR has positive influences on credit ratings, and after controlling for credit ratings, the impacts of CSR on firm’s profitability are reduced, regardless of their estimated coefficients and statistical significance. Thus, credit ratings play as a mediator of the relationship between CSR and firm’s profitability performance. Based on our findings, we make response to the academics recently devote to solving for the model misspecification problem and probe into the black box for relationship between CSR and financial performance. Principal outcomes under Heckman (1979)’s two stage estimation and Rosenbaum and Rubin (1983, 1985a,b)’s propensity score matching for controlling sample selection bias are robust.

Key words: CSR; Cost of Debt;Credit Ratings;Mediator