Characteristics of the Sharia Supervisory Board (SSB) And Investment Account Holders (IAH) To Islamic Social Responsibility Disclosure (ISRD) In Islamic Banks

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Abstract

This study examines the effect of education level on the Sharia Supervisory Board (SSB), SSB doctoral ratio, and Investment Account Holders (IAH) on Islamic Social Responsibility Disclosure (ISRD) using the control variable of profitability and firm size. The object of the research is Islamic banks in the four countries with the highest percentage of poor people in the selected regional division of Asia and Europe: Indonesia (Southeast Asia), Bangladesh (South Asia), Jordan (West Asia), and Turkey (Southeast Europe), which published annual reports in 2013-2019. The results showed that SSB education level and firm size positively affected ISRD, while IAH and profitability did not affect ISRD. Meanwhile, SSB doctoral ratio has a negative effect on ISRD. This research can provide consideration and input for Islamic Bank regulators in evaluating existing regulations. Future research is expected to add proxies for SSB characteristics and other variables in testing the effect of Islamic bank ISRD quality.

Keywords:
Islamic Social Responsibility Disclosure; Sharia Supervisory Board; Investment Account Holders; Islamic Bank.

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1. Introduction

The importance of Islamic Social Responsibility Disclosure or ISRD for stakeholders, namely sharia government institutions, communities, people, and the environment, is that it can help make religious and economic decisions in a sharia company (Zafar & Sulaiman, 2019). It is because ISRD is a manifestation of accountability to God and stakeholders and a form of transparency in business activities that disclose various information to meet the spiritual needs of Muslim decision-makers (Bukhari et al., 2020; Santos et al., 2018). ISRD is mandatory for sharia companies because companies that operate with sharia principles will automatically be socially responsible as a form of obedience to Allah's commands (Hussain et al., 2020; Setiawan et al., 2016).

Islamic banks have grown rapidly, in the global market, with volumes approaching US$1.7 billion as of June 2020, marking a 72.4% share of banking assets globally. To the Islamic Financial Services Industry Stability Report 2020, there are at least 36 Islamic bank jurisdictions in the world, with an increase in the Islamic banking market occurring in 19 countries, including the Gulf-Cooperation Countries (GCC), the Middle East and North Africa (MENA) and the Asian region (Zulfahmi et al., 2021). According to the International Monetary Fund IMF, one of the causes of the success of the Islamic bank market is the existence of ethical principles and socially responsible business (Zulfahmi et al., 2021).

The principles of ethics and socially responsible business in Islamic banks are called ISRD or Islamic Social Responsibility Disclosure. ISRD, according to the Accounting and Auditing Organizations for Islamic Financial Institutions (AAOIFI), is all activities carried out by Islamic financial institutions to fulfill religious, economic, legal, ethical, and discretionary responsibilities (AAOIFI, 2017). ISRD is mandatory for every Islamic bank because if it operates based on sharia principles, it will automatically be socially responsible (Hussain et al., 2020). However, various studies state that the quality of ISRD in Islamic banks is still low (Ahmad & Rahman, 2019; Nugraheni & Wijayanti, 2017; Sawitri et al., 2017). It is due to the absence of overall regulation on ISRD (Rimayanti & Jubaedah, 2017). So that the pressure of business competition and corporate religious awareness causes the quality of ISRD to increase (Ahmad & Rahman, 2019; Bukhari et al., 2020).

In Islamic banks, there is a Sharia Supervisory Board (SSB) that supervises sharia compliance in Islamic banks (Elamer et al., 2019; Kamarulzaman & Madun, 2013). However, various studies have shown that the quantity of SSB members does not affect the quality of ISRD (Dewindaru et al., 2019; Meutia et al., 2019; Suryadi & Lestari, 2018; Wardani & Sari, 2019). It is because the individual quality of SSB members affects the quality of ISRD more than the quantity the number of SSB members (Dewindaru et al., 2019). In Hasan Mukhibad (2018), the educational background of Islamic economics, education, and doctoral education ratio member SSB positively affects the quality of ISRD. It means that higher education and relevant members of the SSB will increase the effectiveness of SSB Islamic banks in terms of increased ISRD quality (Mukhibad, 2018). This result is also in line with the research of Farook and colleagues, which showed that the higher the doctoral qualification and the international reputation of SSB, the higher the quality of ISRD (Farook et al., 2011). It is due to the increasing number of SSB members with higher education levels, the higher the level of supervision, independence, and the tendency of SSB, so the pressure on the SSB to encourage Islamic banks to improve the quality of ISRD is increasing. In this study, the researchers used the SSB education level and the SSB doctoral ratio as proxies for the SSB characteristics in their effect on ISRD quality.
Because of this research, the researcher considers the SSB characteristic variables and the IAH ratio can affect the quality of ISRD. It is due to the strategic position of SSB, which is equivalent to the board of commissioners (Meutia et al., 2019), and the IAH ratio is the ratio of savings deposits owned by customers as stakeholders of Islamic banks (Farook et al., 2011; Guermazi, 2020; Putri & Mardian, 2020).

The ISRD measurement uses four themes, namely the theme of zakat, employees, communities, and the environment adopted from previous research, namely Othman & Thani (2010), Sofian & Muhamad (2020), and Brahim & Arab (2020). This study also uses cross-country studies based on the highest percentage of poor people in selected parts of Asia and Europe, namely Indonesia (Southeast Asia), Bangladesh (South Asia), Jordan (West Asia), and Turkey (Southeast Europe). The research year used is the latest, namely 2013-2019.

This study uses control variables in the form of profitability and firm size. Control variables are used because the independent variables are not influenced by external factors not examined in this study (Sugiyono, 2017). This study uses profitability because profitable businesses often aim to expand their social responsibility to persuade stakeholders, notably investors, that the business cares about more than just short-term effects (profit), such as long-term objectives (Chumaidah & Priyadi, 2018). Size is because larger companies tend to pay more attention to the running of their companies, so the tendency of information disclosure also increases (Hussain et al., 2020; Setiawan et al., 2016).

This study used Islamic stakeholder theory. According to Islamic stakeholder theory, every employment and business activity is worship. Hence they must be carried out by Allah and follow His precepts, with Allah serving as the primary stakeholder and possessing all of the world’s resources (Beekun & Badawi, 2005; Mohammed & Muhammed, 2017).

This study contributes to filling the previous research gap where this study uses the variables of SSB education level, SSB doctoral ratio, and IAH ratio. In addition, the ISRD index used is a combination of the ISRD index in the previous research. This study used samples and the latest research year, namely Islamic banks in Indonesia, Bangladesh, Jordan, and Turkey in 2013-2019. This research also contributes, among others, as a reference for regulators in updating related regulations and establishing new regulations regarding ISRD Islamic banks, as a reference on Islamic stakeholder theory in developing hypotheses in further sharia research, as a reference for Islamic banks in evaluating and maximizing ISRD quality in sharia bank annual report, as a reference for investors in making investment decisions, as a reference for creditors in considering decisions to provide credit, and as a reference for the development of science and further research on ISRD.

2. Method
The population in this study are Islamic banks located in Indonesia, Bangladesh, Jordan, and Turkey from 2013 to 2019. The sampling technique in this study uses a non-probability sampling method using particular criteria, which include
a. Islamic banks are located in Indonesia, Bangladesh, Jordan, and Turkey from 2013 to 2019;
b. Islamic banks are located in countries with the highest percentage of poor people in selected parts of Asia and Europe, namely Indonesia for Southeast Asia, Bangladesh for South Asia, Jordan for West Asia, and Turkey for Southeast Europe;
c. Islamic banks have annual report data as of 31 December, which can be accessed online;
d. Islamic banks have complete data regarding the variables used in the study;
Islamic banks did not conduct mergers or acquisitions during the study period.

By using purposive sampling, this study obtained 17 Islamic banks with 100 observations. The dependent variable of this study is Islamic Social Responsibility Disclosure (ISRD). Corporate social responsibility in an Islamic perspective or Islamic Social Responsibility Disclosure (ISRD) is an alternative philosophical framework based on sharia principles regarding the rules of human relations with nature and with fellow humans in business as a form of worship to Allah SWT (Khurshid et al., 2014). The ISRD proxy uses ISRD scores in the categories of zakat, employees, communities, and the environment that have been developed by previous researchers, namely Othman & Thani (2010), Sofian & Muhamad (2020); and Brahim & Arab (2020). Scoring is done by giving a score of 1 for companies that disclose each disclosure index and a score of 0 for companies that do not disclose any disclosure index in the annual report, then the number of ISR D scores disclosed is divided by the maximum value of the ISRD score (Brahim & Arab, 2020; Dewindaru et al., 2019; Farook et al., 2011; Fauziah & J, 2013; Hassan & Harahap, 2010; Hussain et al., 2020; Jaiyeoba et al., 2018; Jannah & Asrori, 2016; Jati et al., 2020; Khasanah & Yulianto, 2015; Kurniawati & Yaya, 2017; Meutia et al., 2019; Nissa & Asrori, 2017; Novrizal & Fitri, 2016; Nugraheni & Khasanah, 2019; Othman & Thani, 2010; Prasetyoningrum, 2019; Ramadhani, 2016; Rimayanti & Jubaedah, 2017; Rosiana et al., 2016; Santos et al., 2018; Setiawan et al., 2016; Sulistyawati & Indah, 2017).

The independent variable used Sharia Supervisory Board (SSB) education level, SSB doctoral ratio, and Investment Account Holders (IAH) ratio. SSB education level is proxied by giving a score of 3 to members with a doctoral education level, a score of 2 at the master’s education level, and a score of 1 at the undergraduate education level, and then the total score is divided by the number of SSB members (Mukhibad, 2018). The SSB doctoral ratio is proxied by the ratio of SSB members who have a doctoral education background to the total SSB members (Mukhibad, 2018). The IAH ratio is proxied by the ratio of the total amount of third-party funds to the total amount of paid-in capital in shareholder equity (Astuti & Nurkhin, 2019; Charatunnisa & Muthmainah, 2019; Farook et al., 2011; Hikmatullah, 2019; Khasanah & Yulianto, 2015; Mukhibad, 2018; Nissa & Asrori, 2017; Zanjabil & Adityawarman, 2015). The control variable uses Profitability and Size. Profitability is measured using the Return on Equity or ROE ratio, which is the ratio between net income after tax and company capital (Hardian, 2016; Hijriah, 2019; Nugraheni & Wijayanti, 2017). Firm size is measured by the total assets of Islamic bank companies (Farook et al., 2011; Hussain et al., 2020; Meutia et al., 2019). The estimated model used in this study is as follows:
The data were analyzed using a panel data regression analysis with time series and cross-section data. The panel data is then tested with the classical assumption test so that the panel data model becomes valid as an estimator. Then, the panel data model is selected between Common Effect, Fixed Effect, and Random Effects. There are three hypothesis testing carried out, namely the F statistical test, the multiple determination coefficient test ($R^2$), and the $t$ statistic test. The F statistical test is used to test the significant effect of the independent variables simultaneously on the dependent variable. The multiple determination coefficient tests ($R^2$) are used to figure out the percentage variations of the dependent variables to the model explained by the independent variable. The statistical $t$-test is conducted to examine the effect of each independent variable on the dependent variable and assume that the other independent variables are constant.

3. Result and Discussion

Research Samples and Descriptive Statistics
The purposive sampling method used to determine the sample caused several banks to be eliminated, so the final sample used in this study was 17 companies with 100 observations.

<table>
<thead>
<tr>
<th>Dependent</th>
<th>N</th>
<th>mean</th>
<th>Maximum</th>
<th>Minimum</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOGISRD</td>
<td>100</td>
<td>-0.154</td>
<td>0.173</td>
<td>-0.551</td>
<td>0.132</td>
</tr>
<tr>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOGPEND</td>
<td>100</td>
<td>0.316</td>
<td>0.424</td>
<td>0.154</td>
<td>0.079</td>
</tr>
<tr>
<td>DOCR</td>
<td>100</td>
<td>0.546</td>
<td>1</td>
<td>0</td>
<td>0.327</td>
</tr>
<tr>
<td>IAH</td>
<td>100</td>
<td>7.666</td>
<td>16.605</td>
<td>-1.085</td>
<td>3,824</td>
</tr>
<tr>
<td>Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROE</td>
<td>100</td>
<td>0.053</td>
<td>0.161</td>
<td>-0.148</td>
<td>0.059</td>
</tr>
<tr>
<td>LOGSIZE</td>
<td>100</td>
<td>6.599</td>
<td>7.413</td>
<td>5.427</td>
<td>0.518</td>
</tr>
</tbody>
</table>

Source: Authors (2021), processed data

The statistical test results in table 1 show that the sample tested was 100 observations. The average natural logarithm of Islamic Social Responsibility Disclosure or ISRD of Islamic
banks in Indonesia, Bangladesh, Jordan, and Turkey in 2013-2019 is -15.4%. The maximum ISRD value is 17.3%, and the minimum ISRD value is -55.1%.

For the Sharia Supervisory Board (SSB) education level variable, members with Ph.D. degrees receive a score of 3, master's degree holders receive a score of 2, and undergraduate students receive a score of 1. The total score is divided by the number of SSB members (Farook et al., 2011; Mukhibad, 2018). The average value of the natural logarithm of the education level of SSB members is 31.6%. The maximum value for the natural logarithm of the SSB education level is 42.4%, and the minimum value is 15.4%.

The average value of the SSB doctoral ratio variable is 54.6%. This shows that, on average, half of the SSB members have a doctoral education background. This is in accordance with the IFSB's instructions that SSB requires members with doctoral degrees to be able to carry out the duties and functions of SSB properly (Ginena & Hamid, 2015). Even so, the minimum value of this variable is 0%, which indicates that there are SSBs that do not have members with a doctoral education background.

The average value of the Investment Account Holder (IAH) ratio is 7.666, indicating that the average ratio of bank customer deposits to shareholder equity is 7.666. The maximum value of the IAH ratio is 16.605, and the minimum value of the IAH ratio is -1.085. The existence of a negative value is due to losses experienced by one of the Islamic banks every year, which causes the total equity to be negative. In the control variable, profitability is used as proxied by Return on Equity (ROE), and the size of Islamic banks is proxied by the natural logarithm of total assets. The average profitability of Islamic banks is 5.3%. The maximum value of profitability is 16.1%, while the minimum value of profitability is -14.8%. In the size of Islamic banks the average natural logarithm of the size of Islamic banks is 6.599, while the maximum value is 7.413 and the minimum value is 5.427.

**Normality Test**
In the test results, the probability value of the normality test in this study is 0.649253, which is greater than the significance value of 0.05. The research data has been normally distributed.

**Multicollinearity Test**
Table 2 shows that there is no correlation coefficient because all values do not exceed |0.8|, so it can be concluded that the data used does not experience multicollinearity problems.

<table>
<thead>
<tr>
<th></th>
<th>LOGPEND</th>
<th>KEU</th>
<th>IAH</th>
<th>SIZE</th>
<th>LOGSIZE</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOGPEND</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KEU</td>
<td>0.7681</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IAH</td>
<td>-0.223422</td>
<td>-0.158601</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROE</td>
<td>-0.298029</td>
<td>-0.39662</td>
<td>0.347124</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>LOGSIZE</td>
<td>-0.148951</td>
<td>0.012276</td>
<td>0.740331</td>
<td>0.515483</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Authors (2020), processed data

**Autocorrelation Test**
Autocorrelation test conducted by Durbin-Watson test by comparing the value Durbin-Watson statistic with Durbin-Watson on the table 3. The results of the autocorrelation test showed the calculated value of dW was 2.003306. Then the dL value shows a value of 1.571, a dU value of 1.7804, a 4-dU value of 2.2196, and a 4-dL value of 2.429. From the results of
this autocorrelation test, it can be concluded that the value of \( dW \) has a value greater than \( dU \) and less than \( 4-dU \) with the position \( dL<dU<dW<4-dU<4-dL \), which means the study is free from autocorrelation.

Table 3. Autocorrelation Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Durbin-Watson</th>
<th>( dL )</th>
<th>( dU )</th>
<th>( 4-dU )</th>
<th>( 4-dL )</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISRD</td>
<td>2.003306</td>
<td>1.571</td>
<td>1.7804</td>
<td>2.2196</td>
<td>2.429</td>
</tr>
</tbody>
</table>

Source: Authors (2020), processed data

Heteroscedasticity Test
The heteroscedasticity test in this study uses the Glejser test. Table 4 shows that all the variables used have a probability value of more than 0.05, so it can be concluded that the regression model is free from heteroscedasticity problems (see table 4).

Table 4. Heteroscedasticity Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOGPEND</td>
<td>0.022191</td>
<td>0.8766</td>
</tr>
<tr>
<td>DOCR</td>
<td>-0.026717</td>
<td>0.4888</td>
</tr>
<tr>
<td>IAH</td>
<td>-0.003855</td>
<td>0.1734</td>
</tr>
<tr>
<td>ROE</td>
<td>0.129831</td>
<td>0.4214</td>
</tr>
<tr>
<td>LOGSIZE</td>
<td>0.025394</td>
<td>0.3017</td>
</tr>
<tr>
<td>C</td>
<td>-0.039995</td>
<td>0.7884</td>
</tr>
</tbody>
</table>

Source: Authors (2020), processed data

Model Selection Test
The regression model selection begins with conducting the Chow test to choose between the common effect model and the fixed effect model. The results of the chow test in table 5 show the probability value of the F statistic of 0.0002, which is smaller than the 0.05 significance level. It shows that the selected model from the Chow test is the fixed effect model. Next is the Hausman test to choose between the fixed and random effect models. Table 5 shows the results of the probability test with a statistical chi-square probability value of 0.8128, which is greater than the 0.05 level of significance. The results conclude that the selected research regression model is a random effect model.

Table 5. Results of Chow Test and Hausman Test

<table>
<thead>
<tr>
<th>Chow test</th>
<th>Effects Test</th>
<th>Statistics</th>
<th>df</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-section F</td>
<td>3.295002</td>
<td>(16.78)</td>
<td>0.0002</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hausman test</th>
<th>Test Summary</th>
<th>Chi-Sq. Statistics</th>
<th>Chi-Sq. df</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-section random</td>
<td>2.25517</td>
<td>5</td>
<td>0.8128</td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors (2020), processed data

Hypothesis Testing Results
The results of the F statistic test in table 6 show the F statistical probability value of 0.00027. This value is smaller than the significance value of F used, which is 0.05, so it can be concluded that the independent variables simultaneously affect ISRD. Furthermore, the adjusted R-square value shows a value of 0.176708. This value shows that the SSB education
level variable, the SSB doctoral ratio, the IAH ratio, profitability, and company size can explain the Islamic Social Responsibility or ISRD variable by 17.67%, while the other 82.33% is explained by the other variable, other than the independent variables used in this study.

Table 6. Hypothesis Test Results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Coef.</th>
<th>Prob.</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a</td>
<td>LOGPEND</td>
<td>LOGISRD</td>
<td>0.502538</td>
<td>0.0431</td>
<td>Positive influence</td>
</tr>
<tr>
<td>H1b</td>
<td>DOCR</td>
<td>LOGISRD</td>
<td>-0.250638</td>
<td>0.0017</td>
<td>Negative influence</td>
</tr>
<tr>
<td>H2 Control</td>
<td>IAH</td>
<td>LOGISRD</td>
<td>-0.007466</td>
<td>0.2153</td>
<td>No effect</td>
</tr>
<tr>
<td>Control</td>
<td>ROE</td>
<td>LOGISRD</td>
<td>-0.090573</td>
<td>0.7741</td>
<td>No effect</td>
</tr>
<tr>
<td>Control</td>
<td>LOGSIZE</td>
<td>LOGISRD</td>
<td>0.184032</td>
<td>0.0012</td>
<td>Positive influence</td>
</tr>
</tbody>
</table>

R-squared 0.218288
Adjusted R-squared 0.176708
F-statistics 5.249789
Prob(F-statistic) 0.00027

Source: Authors (2020), processed data

1) SSB Education Level to ISRD

According to Islamic stakeholder theory, there is a positive correlation between SSB education levels and ISRD. Al-Mujadilah (22) verse 11 of the Qur’an states that Muslims who are knowledgeable will be elevated in rank. This means that as there are more SSB members with higher education levels, the SSB members will find it easier to improve the quality of ISRD Islamic banks with Allah SWT’s blessing.

2) SSB Doctoral Ratio to ISRD

The probability value of t for the Sharia Supervisory Board (SSB) education level variable is 0.043. A value smaller than the 0.05 significance level indicates that the number of SSB members with higher education levels will affect the quality of ISRD Islamic banks later. The coefficient value of 0.5025 indicates a positive direction, which means that the greater the SSB members with higher education levels by 1%, the ISRD of Islamic banks will increase by 0.5025%. These results indicate that the higher the education level of SSB members, the higher the ISRD quality of Islamic banks. Hypothesis H1a, which states that SSB education level has a positive effect on ISRD, is supported. These results are consistent with the study of Farook et al. (2011) and Mukhid (2018), which state that the education level of SSB members positively affects the quality of ISRD. It is because the more SSB members with higher education levels, the more variations of ideas that arise regarding social responsibility, so there will be more social product innovations and their implementation. This large number of variations means that the quality of ISRD is increasing. In addition, SSB members with higher education levels can be more skilled in deciphering Islamic law so that it can be applied to modern Islamic banks (Farook et al., 2011; Ginena & Hamid, 2015). According to Islamic stakeholder theory, there is a positive correlation between SSB education levels and ISRD. Al-Mujadilah (22), verse 11 of the Qur’an, states that knowledgeable Muslims will be elevated in rank. It means that with more SSB members with higher education levels, the SSB members will find it easier to improve the quality of ISRD Islamic banks with Allah SWT’s blessing.

3) Ratio of IAH to ISRD

The probability value of the t-statistic test for the Investment Account Holders or IAH variable is 0.2153 with a significance of 0.05. It shows that the size of the IAH ratio does not affect the ISRD quality of Islamic banks. The coefficient value on this variable is -0.0075,
which indicates a negative direction; if the IAH ratio increases by 1%, the ISRD of Islamic banks will decrease by 0.0075%. These results indicate that the higher or lower the IAH ratio, the lower the ISRD quality. Hypothesis H2, which states that the ratio of Investment Account Holders or IAH has a significant positive effect on Islamic Social Responsibility Disclosure or ISRD, is not supported. This study is consistent with Nazabiya's (2018) research which states that the IAH ratio does not affect the quality of ISRD because Islamic banks are not responsible for IAH through ISRD. This study is inconsistent with the research of Farook et al. (2011), Charatunnisa and Muthmainah (2019), and Astuti and Nurkhin (2019), which state that the IAH ratio has a positive effect on ISRD. According to the Statement of Financial Accounting Standards or PSAK 105 concerning Mudharabah Accounting, IAH profits are divided between the customer and the Islamic bank according to the agreement. In contrast, the customer only bears the financial loss as the owner of the funds. Because Islamic banks have the potential to benefit consumers, they tend to seek out and preserve IAH funds with them.

Because Islamic banks have the potential to benefit consumers, they tend to seek out and preserve IAH funds with them. When the IAH rises, Islamic banks allocate IAH funds to profitable investments (profit-sharing investment account/PSIA). So, shoppers can benefit from the IAH profit sharing and maintain their IAH in affiliated Islamic banks (AlShattarat & Atmeh, 2016; Amer et al., 2012; Guermazi, 2020; Magalhaes & Al-Saad, 2013). This activity does not affect the allocation of funds for ISRD, so the quality of ISRD is not affected. By Islamic stakeholder theory, in QS. Al-Anfal (8) verse 27 explains that Muslims are prohibited from betraying the mandate given, so Islamic banks are prohibited from betraying customers' trust in IAH because IAH aims to gain profit sharing between customers and Islamic banks. Then this study found that the minimum ratio of IAH is 1.085. The minimum ratio of IAH causes low profit-sharing financing, which causes low profits, thereby reducing the number of social funds that can be used for activities related to social responsibility. The consequence of this is that there is less information in ISRD. Therefore, the Islamic banks that are the sample in this study do not use IAH’s profits in carrying out corporate social responsibility.

In the research results of Farook et al. (2011), Charatunnisa and Muthmainah (2019), and Astuti and Nurkhin (2019), the IAH ratio has a positive effect on ISRD. It is because the sample related to IAH determines the level of compliance with Islamic banking principles and its consequences for ISRD disclosure. The amount of IAH, more significant than shareholder equity, shows that Muslims are more interested in Islamic bank products and services than in buying shares. Customers do not have formal voting rights to influence the level of monitoring of Islamic banks due to IAH. As a result, Islamic banks must disclose information about their corporate social responsibility, or ISRD, with greater transparency and accountability to meet customer demands as IAH rises and falls. The higher the IAH, the wider the disclosure of ISR in Islamic banking (Astuti & Nurkhin, 2019; Charatunnisa & Muthmainah, 2019; Farook et al., 2011). In Zanjabil and Adityawarman’s (2015) study, IAH has a negative effect on ISRD. It is because the ISRD-related sample is used to attract customers and consolidate cooperative relationships with customers. Therefore, if the IAH declines, Islamic banks will make more expansive disclosures to attract customers. Vice versa, if the IAH follows the targets set by Islamic banks, Islamic banking will tend to reduce the quality of ISRD (Zanjabil & Adityawarman, 2015).

The probability value of the t-statistical test results for the profitability control variable is 0.7741, with a significance of 0.05. It shows that the size of the company’s profitability in
the Return on Equity or ROE proxy does not affect the ISRD of Islamic banks. The coefficient value of -0.906 in the study shows an unfavorable direction so that if the size of Islamic banks increases by 1%, the quality of ISRD Islamic banks can decrease by 0.906%. The results show that the size of the profitability of Islamic banks in the ROE proxy does not affect the ISRD of Islamic banks. The result is in line with Nugraheni & Wijayanti’s (2017) research, which states that Islamic companies do not consider company profitability in the ISRD area of Islamic companies. It is because, for Islamic companies, especially Islamic banks, ISRD is an obligation that must be implemented (Nugraheni & Wijayanti, 2017).

The probability value of the t-statistical test results for the firm size control variable is 0.0012, with a significance of 0.05. It shows that the size of Islamic banks can affect the ISRD of Islamic banks. The coefficient value of 0.184 in the study shows a positive direction, so if the size of Islamic banks increases by 1%, the ISRD quality of Islamic banks can increase by 0.184%. It shows that the larger the size of the Islamic bank, the higher the ISRD quality of the Islamic bank. These results are in line with research by Hussain et al. (2020), Meutia et al. (2019), and Setiawan et al. (2016), which state that company size has a positive effect on ISRD because companies that have significant assets will be more comprehensive in paying attention to their social responsibilities (Hussain et al., 2020; Meutia et al., 2019; Setiawan et al., 2016).

4. Conclusion
The results of this study indicate that simultaneously the DPS education level variable and the firm size control variable have a positive effect on ISRD. The IAH ratio and profitability have no effect on ISRD. At the same time, the doctoral ratio of SSB has a negative effect on ISRD. Various limitations in this study include variables and proxies on SSB characteristics are still limited, where the characteristics used are only two variables, namely education level and SSB doctoral ratio. It is hoped that further research will add variables related to SSB characteristics, especially those that can represent the influence on ISRD. In addition, the number of Islamic banks that became the sample was minimal, namely 100 samples, because of the large number of outlier sample data, so it is hoped that future research will choose countries with a few outlier Islamic bank samples. Finally, the scope of the research is limited to countries with the highest percentage of poor people in selected parts of Asia and Europe, namely Indonesia for Southeast Asia, Bangladesh for South Asia, Jordan for West Asia, and Turkey for Southeast Europe. Therefore, for the following research, it is hoped that more selected regions of the continent will be selected so that more sample countries can be selected.

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