The Effect of Sharia Supervisory Board, Company Size, Profitability, and Leverage on Islamic Social Reporting Disclosures

(Studies on Islamic Commercial Banks in Indonesia)

Isnaini Khasanah[1], Rimi Gusliana Mais[2]
Departemen Akuntansi
Sekolah Tinggi Ilmu Ekonomi Indonesia
Jl. Kayu Jati Raya No.11A, Rawamangun – Jakarta 13220, Indonesia
isnainikhasanah14@gmail.com[1] ; rimigusliana@gmail.com[2]

Abstract - *This study aims to examine the effect of the Sharia Supervisory Board, Company Size, Profitability, and Leverage on Islamic Social Reporting (ISR) Disclosure. The population in this study are Islamic commercial banks in Indonesia for the period 2015-2019. Sampling was done by purposive sampling method and resulted in 50 data samples. The type of data used is secondary data derived from annual financial reports, where the data can be obtained on the website of each Islamic commercial bank. The data analysis technique in this study used multiple linear regression analysis which previously carried out classical assumption tests including normality test, multicolonierity test, autocorrelation test and heteroscedasticity test. The results of this study indicate that the Sharia Supervisory Board and Profitability have no effect on Islamic Social Reporting , Company Size has a significant positive effect on Islamic Social Reporting , and Leverage has no significant effect on Islamic Social Reporting .*

Keywords: *Sharia Supervisory Board, Company Size, Profitability, Leverage, Islamic Social Reporting (ISR)*

Abstrak - *Penelitian ini bertujuan untuk menguji pengaruh Dewan Pengawas Syariah, Ukuran Perusahaan, Profitabilitas, dan Leverage terhadap Pengungkapan Islamic Social Reporting (ISR). Populasi dalam penelitian ini adalah bank umum syariah di Indonesia periode 2015-2019. Pengambilan sampel dilakukan dengan metode purposive sampling dan menghasilkan 50 sampel data. Jenis data yang digunakan merupakan data sekunder yang berasal dari laporan keuangan tahunan, dimana data tersebut dapat diperoleh pada situs masing-masing bank umum syariah. Teknik analisis data dalam penelitian ini menggunakan analisis regresi linier berganda yang sebelumnya dilakukan uji asumsi klasik meliputi uji normalitas, uji multikolonieritas, uji autokorelasi dan uji heteroskedastisitas. Hasil penelitian ini menunjukkan bahwa Dewan Pengawas Syariah dan Profitabilitas tidak berpengaruh terhadap Islamic Social Reporting , Ukuran Perusahaan berpengaruh positif signifikan terhadap Islamic Social Reporting , dan Leverage berpengaruh tidak signifikan terhadap Islamic Social Reporting*

Kata kunci: *Dewan Pengawas Syariah, Ukuran Perusahaan, Profitabilitas, Leverage, Islamic Social Reporting*

I. INTRODUCTION

Every company must have a social responsibility towards the environment related to its business operations including economic (profit), social (people) and environmental (planet) aspects which are often referred to as the Triple Bottom Line (3P). Triple Bottom Line can be realized in the form of disclosure of Corporate Social Responsibility (CSR). The combination of these three elements (triple bottom line) is the key to the concept of sustainable development.

In Indonesia, the implementation of the Corporate Social Responsibility program has been formulated several regulations that serve as a reference in the implementation of Corporate Social Responsibility , including the UUD Article 33 of the 1945 Constitution concerning the Definition of the Economy, Utilization of Natural Resources, and National Economic Principles, Law No.23 of 1997 concerning Management Environment, Law No.25 of 2007 concerning Investment, Regulation of the Minister of BUMN No. 5 of 2007 concerning the BUMN Partnership Program with Small Businesses and the Community Development Program, Law no. 21 of 2008 concerning Islamic Banking, Government Regulation No.47 of 2012 concerning disclosure of Corporate Social Responsibility (CSR), and PSAK No. 101 of 2017 concerning Provisions in the Presentation of Sharia Financial Statements.

Mahdalena (2017) explains that the development of CSR practices and disclosures in Indonesia has the support of the government. This can be seen from the issuance of Law No. 40 of 2007 which states that the annual report must contain some information, one of which is the report on the implementation of Social and Environmental Responsibility. The development of CSR in Indonesia has increased both in terms of quality and quantity compared to previous years. This can be seen from the increase in social responsibility disclosure items in the company's financial statements (Murtadlo and Nuraeni, 2019). The development of CSR in the Islamic economy has also contributed to increasing public attention to Islamic institutions or institutions. This is because the community needs to get to know institutions or institutions based on sharia, getting bigger from time to time.

Khasanah and Yulianto (2015) explain that social responsibility through the presentation of accounting information is currently starting to develop, specific CSR disclosure standards for Islamic banking are derived from Islamic values and adjusted to the provisions set by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). This standard is often referred to as Islamic Social Reporting (ISR). ISR was initiated by Haniffa in 2002 in his writing entitled " Social Reporting Disclosure: An Islamic Perspective ". The ISR was further developed more extensively by Othman, Thani and Ghani in 2009 in Malaysia and currently the ISR is still being developed by further researchers.

The emergence of the ISR concept is expected to produce accounting practices that are in accordance with Islamic law so as to make a meaningful contribution to economic progress and more honest and fair business and trade practices. Therefore, by preparing the concept of social accountability related to the principle of disclosure, the public's need for information or disclosure based on sharia principles will be fulfilled. In the Islamic context, the public has the right to know various information regarding organizational activities. This is done to see whether the company continues to carry out its activities according to sharia and achieve the stated goals.

The ISR index is a benchmark for the implementation of Islamic banking social activities which contains a compilation of standard items of Corporate Social Responsibility (CSR) Conduct and Disclosure for Islamic Financial Institutions established by AAOIFI (Accounting and Auditing Organization for Islamic Financial Institutions) on the Governance Standard for Islamic Social Institusions No.7 which was then further developed by researchers regarding CSR items that should be disclosed by an Islamic entity. The ISR index is a way to determine the extent to which Islamic-based social activities are implemented in the company's annual report. In general, the coverage of the ISR Index which refers to the literature and previous studies includes six disclosure themes, namely the finance and investment theme, product and service theme, employees theme, society theme, environment theme, and corporate governance theme . Each theme has indicators, totaling 50 indicators. The themes of this disclosure include economic reporting which must be based on the principles of sharia contracts, namely not containing zhulûm (injustice), ribâ, maysîr (gambling), gharâr (fraud), goods that are haram and dangerous.

Therefore, ISR is used as the basis and direction for the development of social responsibility, especially for sharia-based business entities. This is the foundation aimed at regulating human life in worldly and social affairs. This study of ISR is also an answer to the limitations of conventional social reporting because the concept of ISR is not only based on moral and ethical aspects, but is also imbued with spiritual elements (provisions of Islamic sharia). This study also helps Muslim decision makers to find out how far sharia-based companies are in carrying out activities and reporting in accordance with Islamic provisions. This of course is done in order to fulfill obligations to Allah SWT, the community and its surroundings (Cahya, 2018).

Ideally, Indonesia with the largest Muslim population in the world can make Islamic Social Reporting an important matter for the reputation and performance of Islamic financial institutions, because by disclosing the ISR, Islamic financial institutions that can disclose their ISR very well will be seen as trustworthy institutions. by the Muslim community in channeling their funds.

But in reality, research by Asriati et al. (2016) using a sample of 22 Islamic Commercial Banks in 2012-2014 shows that the level of social responsibility disclosure of Islamic banking in Malaysia is much better than Islamic banking in Indonesia, both in terms of implementation and disclosure in accordance with sharia. Islam. With Malaysia getting a disclosure score of 61.27%, while Indonesia getting a score of 53.73%.

Throughout the research year 2012 to 2015, disclosure of ISR items was at the level of 64-74%. Although these results have not shown optimal results, they are not too disappointing for the ISR disclosures by companies included in the Jakarta Islamic Index . Based on previous research, it can be seen that basically the disclosure of the annual report of the Islamic business entity is quite accountable, but from the elements of disclosure that pay attention to the ISR index, none of them have achieved truly maximum results. Referring to the concept of the Social Report Continuum developed by Dusuki in 2008, it can be concluded that the implementation of ISR is in the strategic category (meaning that it has not yet fully touched the taqwa-centric category). Business entities in this category are already fulfilling their social responsibilities, including philanthropic or altruistic responsibilities such as making voluntary contributions to society, giving time and money for good work that they think will benefit the company in the long run, through publicity and goodwill. positive so that in the future it can improve the company's reputation and ultimately secure its long-term benefits (Cahya and Rohmah, 2017).

Several previous studies examined the factors that influence Islamic Social Reporting (ISR) disclosures , including research conducted by Lestari (2015) which stated that profitability, liquidity, leverage , and company size had no effect on ISR disclosure. According to him, ISR is not just an activity, but ISR is a stakeholder need that makes the company continue to make disclosures even though it has high or low profits. Likewise, the level of liquidity and corporate leverage .

Rosiana et al (2015) stated that company size has a positive effect on ISR disclosure. The results of this study indicate that a company with a high size , of course, is a large company. Where large companies will have more financing, facilities, and human resources to be able to make disclosures that are more in accordance with Islamic principles. Meanwhile, profitability, leverage , and the Islamic Government Score do not affect the ISR disclosure.

Khasanah and Yulianto (2015) state that Investment Account Holders and sharia compliance have a positive and significant effect on the level of disclosure of Islamic Social Reporting . Meanwhile, the implementation of duties and responsibilities of the Sharia Supervisory Board has no effect on the level of disclosure of Islamic Social Reporting at Islamic Commercial Banks in Indonesia.

Jannah and Asrori (2016) state that Size and type of product affect Islamic Social Reporting , while GCG and share ownership have no effect on disclosure of Islamic Social Reporting . This means that companies that produce types of food and beverages have a higher level of ISR disclosure than other companies, and the number of shares held by the public does not have an effect on the increase in ISR disclosure.

Verawaty et al (2016) stated that company size, profitability, environmental performance, leverage have no positive effect on ISR disclosure, while liquidity has a positive effect on ISR. Because with liquidity, the company is considered to have a good level of liquidity and the company is expected to pay more attention to their liquidity levels in providing ISR disclosures for users of company reports.

Hasanah et al (2017) stated that the variable size of the audit committee, liquidity, and profitability had a significant effect on the disclosure of Islamic Social Reporting (ISR). Meanwhile, the size of the board of commissioners and leverage has no effect on the disclosure of Islamic Social Reporting (ISR). Sulistyawati and Yuliani (2017) state that the variable size of the independent board of commissioners has a significant and positive effect on ISR partially. Meanwhile, the variables size, profitability, and leverage do not partially have a positive effect on ISR.

Rostianti and Sukanta (2018) state that the Sharia Supervisory Board has a significant positive effect because the greater the number of members of the sharia supervisory board, the more effective bank performance is in accordance with sharia principles so that the disclosure of Islamic social responsibility also increases. While profitability and leverage have no significant effect on disclosure of Islamic Social Reporting (ISR) because of high or low profitability and leverage , companies will continue to make disclosures as a form of fulfilling information needs for information users.

Prasetyoningrum (2018) states that the size of the company (size), profitability, leverage and cost efficiency proved to be insignificant effect while the age (age) significantly influence the company's disclosure of Islamic Social Reporting (ISR) on Islamic banking in Indonesia. These results indicate that the ISR is not influenced solely by the company's financial factors, but other factors besides financial factors influence the ISR disclosure in Islamic banking, for example the company's maturity factor as measured by the company's age.

The main task and main concern of the sharia supervisory board is in terms of compliance with sharia principles. One of the duties of the sharia supervisory board, among others, is to oversee the activities of distributing zakat, infaq, alms and can be recognized as a form of corporate Islamic Social Reporting . The better the role of the sharia supervisory board in overseeing all banking activities that must be carried out based on sharia principles, the better the performance and output produced by Islamic banking, such as the results of research by Sutapa and Hanafi (2019) which state that the size of the Sharia Supervisory Board (DPS) has a positive effect on Islamic Social Reporting (ISR). The size of the sharia supervisory board as measured by the number of sharia supervisory boards will provide supervision of all sharia banking operational activities to ensure compliance with sharia principles. These activities include distributing zakat, donations and alms which can be recognized as forms of ISR. The number of sharia supervisory boards in each Islamic banking is between 2 and 5 people (BI regulation No. 6/24 / PBI / 2004). With the existence of the number of Sharia supervisory boards, which an average of 2 people will support the legitimacy of the theory that encourages organizations to behave with regard to social values in the organizational environment. The results of this study are in accordance with the results of research conducted by Purwanti (2016) and Ramadhani (2016) which states that the size of the sharia supervisory board has an effect on ISR disclosure. So it cannot be denied that there are quite a lot of sharia supervisory board members with a variety of experiences, perspectives and competences in terms of Islamic law will make bank performance more effective, especially in terms of ISR disclosure.

The next variable is company size. The bigger the company size, the bigger the social responsibility. Large companies must provide broader disclosure of social responsibility so that more information is available to investors which can help in decision making (Aini et al, 2017). By expressing concern for the environment through financial reporting, companies in the long run can avoid enormous costs resulting from public demands. Rosiana et al (2015), Jannah and Asrori (2016), and Aini et al (2017) have proven that company size has an influence on the level of ISR disclosure.

Banks in a favorable position will tend to disclose more extensive information in their annual reports. Banks with high profitability make management have the freedom and convenience to declare their broad social responsibility programs to stakeholders (Ramadhani, 2016). Profitability is used to assess the company's ability to seek profit and to see the effectiveness of a company's management in expressing its social responsibility. The higher the profitability, the higher the company's ability to generate profits, so the more extensive disclosure the company makes (Aini et al, 2017). Research by Taufik et al (2015), Hasanah et al (2017), and Rostianti and Sukanta (2018) has proven that profitability affects the disclosure of Islamic Social Reporting .

Leverage is a factor that is considered to influence ISR disclosure. The definition of Debt to Equity Ratio according to Darsono and Ashari (2010: 54-55) is a leverage or solvency ratio . The solvency ratio is the ratio to determine the company's ability to pay its obligations if the company is liquidated. This ratio is also called the lever ratio, which assesses the company's limits on borrowing money. The use of debt that is too high will endanger the company, the company will fall into the extreme leverage category , where the company is trapped in a high level of debt and it is difficult to release the debt burden.

Based on the explanation of the factors that influence the disclosure of Islamic Social Reporting (ISR) and the inconsistency of the results of previous studies, the researchers are interested in conducting research on the effect of the Islamic supervisory board, company size, profitability and leverage on the disclosure of Islamic Social Reporting (ISR).

II. THEORETICAL BASIS

2.1 Sharia Supervisory Board

Yaya et al (2014: 26) state that the Sharia Supervisory Board is an affiliated body that is placed by the National Sharia Board in each Sharia Financial Institution, the Sharia Supervisory Board consists of experts in the field of sharia who have knowledge in banking.

Soemitra (2016: 40) states that the Sharia Supervisory Board (DPS) is a representative of the National Sharia Council (DSN) at the relevant Sharia financial institution.

2.2 Company Size

Firmansyah (2013: 64) states that company size is a scale, in which the size of the company can be classified according to various ways, including: total assets, log size , stock market value, and others.

Riyanto (2012: 305) states that company size describes the size of a company aimed at total assets, total sales, and average sales.

Brigham & Houston (2010: 4) states that company size is the size of a company that is shown or valued by total assets, total sales, total profit, tax expense and others.

Ramadhani (2016) states that company size is the level of identification of the size or size of a company. Big companies usually do more activities and have a big impact on stakeholders . Larger companies tend to have a higher public demand for information than smaller companies.

2.3 Profitability

According to Kasmir (2014: 115) the definition of profitability ratio is a ratio to assess a company's ability to seek profit. This ratio also provides a measure of the level of management effectiveness of a company. This is indicated by the profit generated from sales and investment income. The point is that the use of this ratio shows the efficiency of the company.

According to Fahmi (2013: 116) profitability is a ratio to show the success of a company in generating profits. Potential investors will carefully analyze the smooth running of a company and its ability to make a profit. The better the profitability ratio, the better it describes the company's high profitability.

According to Sartono (2010: 122), the definition of profitability ratio is the company's ability to earn profits in relation to sales, total assets, and own capital. Thus, long-term investors will be very interested in this profitability analysis. This profitability is intended to measure how far the company's ability to generate profit from its sales, from the assets it owns, or from the equity it owns.

2.4 Leverage

According to Wiagustini (2010: 77), the leverage ratio is the proportion of total debt to average shareholder equity. The ratio is used to measure how far the company is financed by loan funds .

According to Harahap (2015: 306), Leverage is a ratio that measures how far the company is financed by liabilities or outsiders with the company's ability as described by equity. Any use of debt by the company will affect the ratio and returns. This ratio can be used to see how much the company's financial risk is.

According to Kasmir (2015: 157), Leverage is the ratio used to assess debt to equity. This ratio is sought by way of comparing the entire debt, including current debts with the rest of the equity. This ratio is useful for knowing the amount of funds provided by the borrower (creditors and company owners). In other words , this ratio serves to determine each rupiah of own capital that is used as debt collateral.

2.5 Islamic Social Reporting

Othman et al (2010: 139) state that Islamic Social Reporting is a social performance reporting standard for companies that use sharia principles.

According to Arsyi (2015: 7) Islamic Social Reporting (ISR) is an extension of Social

Reporting which includes public expectations not only regarding the role of companies in the economy, but also the role of companies in a spiritual perspective. In ISR, the emphasis is focused on social justice through going beyond reporting on the environment, minority rights and employees.

According to Sunarto (2016), ISR is a benchmark for the implementation of Islamic banking performance which contains a compilation of standard items set by AAOIFI (Accounting and Auditing Organization for Islamic Financial Institutions). The ISR index is believed to be a starting point in terms of social responsibility disclosure standards that are in accordance with Islamic principles.

According to Cahya and Rohmah (2019) Islamic Social Reporting (ISR) is a form of reporting on social activities based on spiritual principles and community expectations which are holistically related to the company's role in society and the environment.

III. RESEARCH METHOD

3.1 Research Strategy

The research used in this research is causal associative research . According to Sanusi (2012: 14), a causality research design is a research design designed to examine the possibility of a cause-and-effect relationship between variables.

According to Sugiyono (2016: 37), causal associative research is research that aims to determine whether or not there is an influence or relationship between independent variables on the dependent variable and if there is how close the influence or relationship is and whether or not that influence or relationship is significant.

The purpose of associative research is to find a relationship between one variable and another, where there are independent variables, namely the sharia supervisory board, company size, profitability, and leverage , and the dependent variable is the disclosure of Islamic Social Reporting .

3.2 Population and Sample

The population in this study were Islamic commercial banks in Indonesia, which consisted of 13 Islamic commercial banks in Indonesia.

Sampling from the population was carried out by purposive sampling , namely determining the sample with certain considerations which are considered to be able to provide maximum data. The criteria used are:

a. Sharia banking companies and publish annual reports for 2015-2019 respectively.

b. Islamic banking companies that disclose Islamic Social Reporting in their annual reports .

c. Have complete data related to the independent variables to be studied (Sharia Supervisory Board, Company Size, Profitability, and Leverage).

d. Islamic banking companies have not experienced losses for two consecutive years or more.

3.3 Data and Data Collection Methods

The type of data used is secondary data that comes from annual financial reports, where the data can be obtained on the website of each Islamic commercial bank.

The data collection technique in this research was carried out with the documentation study method, namely data collection through documents, in this case annual report data was obtained through the respective Islamic commercial bank sites and literature studies, namely data collection as a theoretical basis and previous research through books, previous research, as well as other written sources related to the required information.

3.4 Data Analysis Methods

Methods of data analysis in this study using descriptive analysis techniques, classical assumption testing techniques, and hypothesis testing.

IV ANALYSIS OF DATA AND RESEARCH RESULTS

4.1 Descriptive Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
DPS	50	0.00	1.00	0.2800	0.45356
SIZE	50	4349580.00	112291867.00	27194106.4400	27219001.07475
PROFITABILITAS	50	-10.77	4.27	0.9570	1.96910
LEVERAGE	50	0.19	7.83	1.5984	1.23880
ISR	50	47.96	76.92	63.7252	6.63057
Valid N (listwise)	50				

- From the table above shows that there are 3 Islamic commercial banks that have a sharia supervisory board for 5 years, namely PT Bank Muamalat Indonesia and PT Bank Syariah Mandiri, while the remaining 2 people.
- Company size has a minimum value of 4,349,580 (million) at PT Bank Aceh Syariah, a maximum value of 112,291,867 (million) at PT Bank Syariah Mandiri, has an average of 27,194,106 (million) and a standard deviation of Company Size is 27,219. 001,075.
- The profitability variable (ROA) has a minimum value - 10.77 % at PT Bank Panin Syariah , a maximum value of 4.27 % at PT Bank NTB Syariah , has an average of 0.9 6 % with a standard deviation of ROA of 1.97 .
- Leverage variable has a minimum value of 0.19% at PT Bank NTB Syariah, a maximum value of 7.83% at PT Bank Aceh Syariah, has an average of 1.598% with a standard deviation of 1.238.
- The Islamic Social Reporting (ISR) variable has a minimum value of 47.96% at PT Bank NTB Syariah in 2015, a maximum value of 77% at Bank Muamalat Indonesia in 2019, has an average (mean) of 63.73% and a standard deviation of 6 , 63

4.2 Classic Assumption Test

4.2.1 Data Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		50
Normal Parameters[a,b]	Mean	0.0000000
	Std. Deviation	4.24249779
Most Extreme Differences	Absolute	0.065
	Positive	0.065
	Negative	-0.060
Test Statistic		0.065
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Based on the output table above, it is known that the significant value of Asymp.Sig (2-tailed) of 0.200 is greater than 0.05 . So in accordance with the basis of decision making in the Kolmogorov-Smirnov normality test above, it can be concluded that the data is normally distributed. Thus, the assumptions or normality requirements in the regression model have been met.

4.2.2 Multicollinearity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Error	Beta			Tolerance	VIF
1	(Constant)	58.472	1.178		49.650	0.000		
	DPS	-2.897	1.845	-0.198	-1.570	0.123	0.571	1.751
	SIZE	2.064E-07	0.000	0.847	6.303	0.000	0.504	1.986
	PROFITABILITAS	-0.070	0.325	-0.021	-0.215	0.830	0.976	1.025
	LEVERAGE	0.325	0.567	0.061	0.572	0.570	0.809	1.235

a. Dependent Variable: ISR

Based on the output table " Coefficients " in the " Collinearity Statistics " section, it is known that the Tolerance value for the DPS variable (X1) is 0.571, Size (X2) is 0.504, Profitability (X3) is 0.976, and Leverage (X4) is 0.809. Tolerance value of the four variables is greater than 0 , 10 . While the VIF value for the DPS variable (X1) is 1.751, Size (X2) is 1.986, Profitability (X3) is 1.025, and Leverage (X4) is 1.235. The VIF value of the four variables is less than 10.00 . Then referring to the basis of decision making in the multicollinearity test, it can be concluded that there are no multicollinearity symptoms in the regression model.

4.2.3 Autocorrelation Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.769[a]	0.591	0.554	4.42704	1.927

a. Predictors: (Constant), LEVERAGE, DPS, PROFITABILITAS, SIZE

b. Dependent Variable: ISR

Based on the " Model Summary " output table above, it is known that the Durbin-Watson (d) value is 1.927. Furthermore, compared with the Durbin-Watson table value at 5% significance with the formula (k ; N) = (4; 50) it is found that the dL value is 1.3779 and dU is 1.7214.

The Durbin-Watson (d) value of 1.927 is greater than the upper limit (dU) of 1.7214 and less than (4-dU) 4-1.7214 = 2.2786. So it can be concluded that there are no problems or symptoms of autocorrelation. Thus, multiple linear regression analysis to test the research hypothesis above can be carried out or continued.

4.2.4 Heteroscedasticity Test

Correlations

			DPS	SIZE	PROFITABILITAS	LEVERAGE	Unstandardized Residual
Spearman's rho	DPS	Correlation Coefficient	1.000	.404**	-0.151	0.157	-0.040
		Sig. (2-tailed)		0.004	0.294	0.275	0.782
		N	50	50	50	50	50
	SIZE	Correlation Coefficient	.404**	1.000	-0.174	.685**	-0.003
		Sig. (2-tailed)	0.004		0.226	0.000	0.984
		N	50	50	50	50	50
	PROFITABILITAS	Correlation Coefficient	-0.151	-0.174	1.000	-.362**	-0.173
		Sig. (2-tailed)	0.294	0.226		0.010	0.230
		N	50	50	50	50	50
	LEVERAGE	Correlation Coefficient	0.157	.685**	-.362**	1.000	0.058
		Sig. (2-tailed)	0.275	0.000	0.010		0.689
		N	50	50	50	50	50
	Unstandardized Residual	Correlation Coefficient	-0.040	-0.003	-0.173	0.058	1.000
		Sig. (2-tailed)	0.782	0.984	0.230	0.689	
		N	50	50	50	50	50

**. Correlation is significant at the 0.01 level (2-tailed).

Based on the output table above, it is known that the significant value (Sig.) For the DPS variable (X1) is 0.782, Size (X2) is 0.984, Profitability (X3) is 0.230, and Leverage (X4) is 0.689. Because the significant value of the four variables above is greater than the value of 0.05, it can be concluded that there are no problems or symptoms of heterocidasticity. This means that the regression model used for this research is feasible to do

4.3 Hypothesis Test

4.3.1 Determination Coefficient Test (R2 Test)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.769a	0.591	0.554	4.42704

a. Predictors: (Constant), LEVERAGE, DPS, PROFITABILITAS, SIZE

The statistical results above show that the coefficient of determination (R2) is 0.591. This means that 59.1% of the variation in the dependent variable can be explained by the independent variable, namely the sharia supervisory board, company size, profitability and leverage and the remaining 40.9% of the dependent variable is influenced by external factors other than the independent variables examined in this study.

4.3.2 F Test

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1272.318	4	318.079	16.230	.000[b]
	Residual	881.941	45	19.599		
	Total	2154.258	49			

a. Dependent Variable: ISR

b. Predictors: (Constant), LEVERAGE, DPS, PROFITABILITAS, SIZE

Based on the output table above, it is known that the Sig. is equal to 0.000. Because the Sig. 0.000 <0.05, it can be concluded that the hypothesis is accepted or in other words the Islamic supervisory board, company size, profitability, and leverage simultaneously affect the disclosure of Islamic Social Reporting (ISR). It is known that the calculated F value is 16,230. Because the value of F count is 16.230> F table 2.57, then as the basis for decision making in the F test it can be concluded that the hypothesis is accepted or in other words the Islamic supervisory board, company size, profitability, and leverage simultaneously affect the disclosure of Islamic Social Reporting (ISR).

4.3.3 t Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	58.472	1.178		49.650	0.000
	DPS	-2.897	1.845	-0.198	-1.570	0.123
	SIZE	2.064E-07	0.000	0.847	6.303	0.000
	PROFITABILITAS	-0.070	0.325	-0.021	-0.215	0.830
	LEVERAGE	0.325	0.567	0.061	0.572	0.570

a. Dependent Variable: ISR

1. Effect of the Sharia Supervisory Board on ISR Disclosure

   Based on the t-test result table above, for the variable of the sharia supervisory board, the t value is -1.570 <2.014. Because t statistic <t table and t statistical significance value is 0.123> 0.05, it means that H1 is rejected, this shows that the Sharia Supervisory Board has no significant effect on the disclosure of Islamic Social Reporting (ISR).

2. The Effect of Company Size on ISR Disclosure

   Based on the t-test result table above, for the firm size variable, the t-value is 6.303> 2.014. Because t statistic> t table and t statistical significance value of 0.000 <0.05 means that H2 is accepted, this indicates that company size has a significant positive effect on the disclosure of Islamic Social Reporting (ISR).

3. Effect of Profitability on ISR Disclosure

   Based on the t-test results table above, for the profitability variable, the t-value is -0.125 <2.014.

Because t statistic <t table and t statistical significance value is 0.830> 0.05, it can be concluded that H3 is rejected, this indicates that profitability has no significant effect on the disclosure of Islamic Social Reporting (ISR).

4. Effect of Leverage on ISR Disclosure

   Based on the t-test results table above, for the leverage variable , the t value is 0.572 <2.014. Because t statistic <t table and t statistical significance value is 0.570> 0.05, it means that H4 is rejected, this indicates that leverage has no significant effect on the disclosure of Islamic Social Reporting (ISR).

4.4 Research Discussion

Model Summary

Moc	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.705[a]	0.496	0.464	19934621.36317
a. Predictors: (Constant), LEVERAGE, DPS, PROFITABILITAS				

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5731084.958	5235200.038		1.095	0.279
	DPS	36785163.860	6294930.963	0.613	5.844	0.000
	PROFITABILITAS	-430861.318	1462711.195	-0.031	-0.295	0.770
	LEVERAGE	7241935.612	2321323.977	0.330	3.120	0.003
a. Dependent Variable: SIZE						

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.769[a]	0.591	0.554	4.42704
a. Predictors: (Constant), SIZE, PROFITABILITAS, LEVERAGE, DPS				

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	58.472	1.178		49.650	0.000
	DPS	-2.897	1.845	-0.198	-1.570	0.123
	PROFITABILITAS	-0.070	0.325	-0.021	-0.215	0.830
	LEVERAGE	0.325	0.567	0.061	0.572	0.570
	SIZE	2.064E-07	0.000	0.847	6.303	0.000
a. Dependent Variable: ISR						

4.4.1 The Effect of the Sharia Supervisory Board on ISR disclosure

From the research results, the t value is -1.570 <2.014. Because t statistic <t table and t statistical significance value is 0.123> 0.05, this indicates that the Sharia Supervisory Board has no significant effect on the disclosure of Islamic Social Reporting (ISR).

The results of the Standardized Beta DPS analysis show the Unstandardized Coefficient value of -2.897 with the resulting significance of 0.123> 0.05. The regression coefficient for company size is -2,897. This negative value means that for each increase in DPS by one point, the ISR disclosure will decrease by 2.897 points. So it can be said that the Sharia Supervisory Board has no significant effect on the disclosure of Islamic Social Reporting (ISR). This means that the size of the Islamic supervisory board in each Islamic Commercial Bank does not affect the quality of Islamic Social Reporting disclosures . This is because not all Sharia Supervisory Boards play a role in disclosing Islamic Social Reporting . The work mechanism of the Sharia Supervisory Board is limited to conformity of products or contracts based on sharia principles, not directly involved with management decisions in disclosing Islamic Social Reporting .

4.4.2 The Effect of Company Size on ISR Disclosure

From the research results, the t value is 6.303> 2.014. Because t statistic> t table and t statistical significance value of 0.000 <0 , 05 means that company size has a significant positive effect on the disclosure of Islamic Social Reporting (ISR).

The results of the Unstandardized Beta analysis of Company Size show a value of 2.064E-07. Meanwhile, the significance of company size to the ISR is 0.000 <0 , 05 indicating that company size has a significant effect on the ISR. The regression coefficient of Company Size of 2.064E-07 means that for each increase in Company Size by one point, the ISR disclosure will increase by 2.064E-07 points. A positive sign on the regression coefficient and a significance value of 0.000 less than the predetermined significance level of 0.05 indicates that company size has a positive and significant effect on ISR disclosure in Islamic banking in Indonesia. This means that the larger the company size, the ISR disclosure made by the company will increase. The larger the size of Islamic banking company, the stakeholders also increases the Muslims that influence or are influenced by the company's business activities. So, larger Islamic banks will tend to disclose social responsibility in a wider Islamic manner than smaller Islamic banks. The results of this study are in line with the results of previous studies conducted by Rosiana et al (2015), Jannah and Asrori (2016), and Aini et al (2017).

4.4.3 Effect of Profitability on ISR Disclosure

From the research results, the t value is -0.125 <2.014. Because t statistic <t table and t statistical significance value is 0.830> 0.05, it can be concluded that profitability has no significant effect on the disclosure of Islamic Social Reporting (ISR).

The results of the Standardized Beta Profitability analysis show a value of -0.070 with the resulting significance of 0.830> 0.05. Un s tandardised Beta profitability showed a negative value which means that any increase in profitability would decrease the ISR of -0.070. While the significance of 0.830> 0.005, it can be said that profitability is proven not to have a significant effect on ISR. Thus it can be concluded that the Profitability variable has a negative and insignificant effect on the ISR disclosure.

In other words, companies that have the intention to make ISR disclosures will not consider whether the company gains or loses. Disclosures will still be made regardless of the high or low profitability held. The company views the disclosure of Islamic Social Reporting as a necessity. The company realizes that the disclosure of Islamic Social Reporting is very important as a form of transparency in order to increase the trust and value of the company in the eyes of report users, especially Muslim stakeholders. The company assumes that when the financial condition experiences a gain or loss, the company will continue to do and disclose Islamic Social Reporting . This is a form of accountability to Allah SWT and society and fulfills the needs of report users in making decisions.

The results of this study are in line with the results of previous studies conducted by Verawaty et al (2016), Sulistyawati and Yuliani (2017), and Hasanah et al (2017).

4.4.4 Effect of Leverage on ISR Disclosure

The results of the Standardized Beta Leverage analysis show the Unstandardized Coefficient value of 0.325 with the resulting significance of 0.570> 0.005. So it can be said that Leverage has no significant effect on ISR. The Leverage regression coefficient is 0.325. This value means that for each increase in the company's Leverage by one point, the ISR disclosure will increase by 0.325 points. The positive sign in the regression coefficient and a significance value of 0.570 is greater than the predetermined significance level of 0.05, indicating that Leverage has no significant effect on ISR in Islamic Banking in Indonesia. In other words , the size of the debt does not necessarily have an impact on the size of the disclosure of the social performance of Islamic banking.

Leverage as measured by the ratio of liabilities to equity in Islamic banks will be different from other entities. Liability to Islamic banks is the main source of profit income with a profit sharing system. Whereas in non-sharia entities, liabilities are an injection of capital to maximize profits. This indicates that the disclosure of Islamic social responsibility in Islamic banking has become an obligation both in conditions of low and high leverage .

V. Conclusions, Suggestions, and Research Limitations

5.1 Conclusions

1. Based on the results of research that has been conducted on the influence of the sharia supervisory board, company size, profitability and leverage on the disclosure of Islamic Social Reporting (ISR) at Islamic Commercial Banks in Indonesia for the period 2015 to 2019, the following conclusions can be drawn:
2. From the research results, the sharia supervisory board has no significant effect on the disclosure of Islamic Social Reporting (ISR). This can occur because the Sharia Supervisory Board is not directly involved with management decisions in disclosing Islamic Social Reporting (ISR).
3. From the research results, company size has a significant positive effect on the disclosure of Islamic Social Reporting (ISR). This is because the larger the size of the company, the higher the demand for information disclosure compared to smaller companies. The more information that is disclosed, the more it will indicate that the company has implemented sharia principles well.
4. From the research results, profitability has no significant effect on the disclosure of Islamic Social Reporting (ISR). Because companies that have the intention to make full disclosures will not consider whether the company is a gain or loss.
5. From the research results, leverage has no significant effect on the disclosure of Islamic Social Reporting (ISR). Sharia Commercial Banks with high or low leverage levels will continue to make disclosures as a form of fulfilling information needs for information users.

5.2 Suggestions

Based on the conclusions and limitations that have been stated above, the researcher provides several suggestions that might be useful as follows:

1. For Islamic banks, in order to disclose Islamic Social Reporting (ISR) more broadly and better.
2. For regulators, in order to create a system and standard regulations in determining Islamic Social Reporting (ISR) disclosures for sharia-based companies.

3. For the public, so that they can participate and participate in monitoring the ISR disclosure in sharia-based companies.
4. For further researchers, it can add other variables that affect the disclosure of Islamic Social Reporting (ISR) and increase the time span of observations to increase the amount of data in order to get better results so that they can see the tendency of companies to disclose ISR, multiplying samples by using all types of Sharia Banks in Indonesia such as Sharia Business Units (UUS) and Sharia Rural Banks (BPRS) in Indonesia.

5.3 Research Limitations

Some of the limitations in this study are:

1. This study uses secondary data, so that data analysis is highly dependent on the results of data publications (company financial reports) on the website of each company.
2. Several companies sampled published their 2019 financial reports and annual reports at the time close to the deadline for writing the author's thesis.
3. Some companies do not explain or report in detail the social responsibility activities they have carried out because there is no standard in determining ISR disclosures.

DAFTAR REFERENSI

Haniffa, R. 2002. *Social Reporting Disclosure: An Islamic Perspective*. Indonesian Management Research, 128-146.

Fitria *et al*. 2010. *Islam dan Tanggung Jawab Sosial: Studi Perbandingan Pengungkapan Berdasarkan Global Reporting Initiative Indeks dan Islamic Social Reporting Indeks*. Simposium Nasional Akuntansi 13.

Othman, R., & Thani, A.M. 2010. *Islamic Social Reporting of Listed Companies in Malaysia*. International Business & Economics Research Journal, 12, 135-144.

Suhardjanto, D. & Wardhani M. 2010. *Praktik Intellectual Capital Disclousure Perusahaan yang Terdaftar di Bursa Efek Indonesia*, *14* (1), 81.

Wiagustini, Ni Luh Putu. 2010. *Dasar-Dasar Manajemen Keuangan*. Denpasar: Udayana University Press.

Ghozali, Imam. 2011. *Aplikasi Analisis Multivariate dengan Progam SPSS*. Semarang: Badan Penerbit Universitas Diponegoro.

Purwanto, Agus. 2011. P*engaruh Tipe Industri, Ukuran Perusahaan, Profitabilitas, Terhadap Corporate Social Responsibility*, *8* (1), 12-29.

Wan Abdullah, W. A. *et al*. 2011. *Corporate Social Responsibility in Islamic Banks: A Study of Shari'ah Supervisory Board Disclosures and Zakat Disclosures in Malaysian and Indonesian Islamic Banks.* In AFAANZ Conference, 3-5.

Chariri, Charles. 2012. *Analisis Pengaruh Islamic Corporate Governance Terhadap Pengungkapan Corporate Social Responsibilty (Studi Kasus pada Bank Syariah di Asia)*, 1-15.

Munawir, S. 2012. *Analisis Laporan Keuangan*. Yogyakarta: Liberty.

Sanusi, Anwar. (2012). *Metodologi Penelitian Bisnis*. Jakarta: Salemba Empat.

Widiawati, Septi dan Surya Raharja. 2012. *Analisis Faktor-faktor yang yang Mempengaruhi Islamic Social Reporting Perusahaan-perusahaan yang Terdapat pada Daftar Efek Syariah Tahun 2009-2011*.

Firmansyah, Irman. 2013. *Tanggungjawab Sosial Perbankan Syariah Suatu Kajian dalam Pengungkapan Laporan Tahunan menurut Pandangan Islam (Studi di Indonesia dan Malaysia)*. Bandung: Mujahid Pres.

Horne, Van dan Wachowicz. 2013. *Prinsip-prinsip Manajemen Keuangan*. Jakarta: Salemba Empat.

Rahman, Azhar Abdul & Abdullah Awadh Bukair. 2013. *The Influence of the Shariah Supervision Board on Corporate Social Responsibility Disclosure by Islamic Banks of Gulf Co-Operation Council Countries, 6* (2), 67.

Astuti, Tri Puji. 2014. *Faktor-Faktor Yang Mempengaruhi Pengungkapan Islamic Social Reporting (ISR) Pada Bank Syariah Di Indonesia*.

Maulida, Adelhita Purnasanti, Agung Yulianto dan Asrori. 2014. *Analisis Faktor-faktor yang*

Mempengaruhi Pengungkapan Islamic Social Reportimg (ISR). Mataram: Simposium Nasional Akuntansi XVII.

Sujarweni, V, W. 2014. *SPSS untuk Penelitian*. Yogyakarta: Pustaka Baru Press.

Yaya, R., Martawireja, A.E., dan Abudurahim, R. 2014. *Akuntansi Perbankan Syariah, Teori dan Praktik Kontemporer Edisi 2*. Jakarta: Salemba Empat.

Kasmir. 2015. *Analisis Laporan Keuangan*. Jakarta: PT. Rajagrafindo Persada.

Khasanah, Zayyinatul, dan Agung Yulianto. 2015. *Islamic Corporate Governance dan Pengungkapan Islamic Social Reporting Pada Bank Umum Syariah*. *Accounting Analysis Journal. AAJ*, *4* (4), 1-10.

Lestari, Santi. 2015. *Pengaruh Tingkat Profitabilitas, Likuiditas, Leverage, Ukuran Perusahaan, dan Umur Perusahaan Terhadap Pengungkapan Islamic Social Reporting Pada Perbankan Syariah Indonesia tahun 2010-2014*, 17-22.

Suad Husnan dan Enny pudjiastuti. 2015. *Dasar-Dasar Manajemen Keuangan*. Edisi ketujuh. Cetakan Pertama. Yogyakarta: UPP STIMYKPN.

Taufik, dkk. 2015. *Pengaruh Islamic Governance Score, Leverage dan Profitabilitas terhadap Islamic Social Reporting Index pada Bank Umum Syariah di Indonesia*, *13* (2), 192-194.

Cahya, Bayu Tri dan Umi Hanifah. 2016. *Meretas Aktualitas Islamic Social Report: Sebagai Corporate Social Responsibilities Framing Berbasis Syariah (Dalam Pendekatan Filosofis), 4* (1), 13-16.

Hanafi, M. Mamduh dan Abdul Halim. 2016. *Analisis Laporan Keuangan*. Edisi ke 5. Yogyakarta: UPP STIM YKPN.

Jannah, Awalya Ma'rifatul dan Asrori. 2016. *Pengaruh GCG, Size, Jenis Produk dan Kepemilikan Saham Publik Terhadap Pengungkapan ISR*. Accounting Analysis Journal. AAJ, *5* (1), 7-8.

Peni Nugraheni dan Ristina Wijayanti. 2017. *Analysis of factors affecting the disclosure of Islamic social reporting (An empirical study on the Sharia Securities List), 20* (1).

Purwanti, Ari. 2016. *Dewan Pengawas Syariah dan Pengungkapan Aspek Lingkungan, Produk dan Jasa Pada Bank Syariah. Jurnal Akuntansi dan Keuangan Islam*, *4* (2).

Soemitra, A. 2016. *Bank dan Lembaga Keuangan Syariah*. Kencana, Jakarta, 40.

Sugiyono. 2016. *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Bandung: PT Alfabet.

Sunarto, Citra Novi. 2016. *Shariah Governance Dalam Pengungkapan Islamic Social Reporting Index dan Global Reporting Index, 2* (1), 31.

Verawaty, Jaka Darmawa, dan Ayu Kariza. 2016. *Determinan Pengungkapan Islamic Social Reporting pada Perusahaan yang Terdaftar di Jakarta Islamic Index*, *4* (1), 53-55.

Aini, Nur et al. 2017. *Pengaruh Umur Perusahaan, Ukuran Perusahaan, Leverage, Likuiditas, Profitabilitas dan Kinerja Lingkungan Hidup Terhadap Pengungkapan Islamic Social Reporting, 6* (1), 74-77.

Hasanah, Nindya Tyas et al. 2017. *Analisis Pengaruh GCG dan Kinerja Keuangan Terhadap*

Pengungkapan Islamic Social Reporting (ISR), *5* (2).

Mahdalena. 2017. *Pengaruh Komposisi Dewan Komisaris Independen, Ukuran Dewan Pengawas Syariah, Ukuran Komite Audit dan Kepemilikan Institusional Terhadap Pengungkapan Corporate Social Responsibility Berdasarkan Indeks Islamic Social Reporting (ISR) Pada Bank Umum Syariah yang Terdaftar di Bank Indonesia*.

Salman, K.R. 2017. *Akuntansi Perbankan Syariah Berbasis PSAK Syariah*. Indeks, Jakarta, 20.

Sulistyawati, A. I., & Yuliani, I. 2017. *Pengungkapan Islamic Social Reporting Pada Indeks Saham Syariah Indonesia*, *13* (2), 24-25.

Uun Sunarsih dan Ferdiyansyah. 2017. *Determinants of The Islamic Social Reporting Disclosure, 9* (1).

Yusuf, Muhammad Yasir. 2017. *Islamic Corporate Social Responsibility (I-CSR)*. Depok: Kencana.

Cahya, Bayu Tri. 2018. I*slamic Social Reporting: Representasi Tanggung Jawab dan Akuntabilitas Perusahaan Berbasis Syariah*. Bogor: UIKA Press.

Prasetyoningrum, Ari Kristin. 2018. *Pengaruh Ukuran Perusahaan, Profitabilitas, Leverage, Efisiensi Biaya, Dan Umur Perusahaan Terhadap Islamic Social Reporting (ISR) Pada Perbankan Syariah Di Indonesia, 2* (2), 159-160.

Rizfani, Khaerun Nissa dan Deni Lubis. 2018. *Pengungkapan Islamic Social Reporting pada Perusahaan di Jakarta Islamic Index*, *6* (2), 113-114.

Rostianti, Siti Sara dan Tuntun A. Sukanta. 2018. *Pengaruh Dewan Pengawas Syaraiah, Profitabilitas dan LeverageTerhadap Pengungkapan Islamic Social Reporting (ISR), 4* (2), 1241-1243.

Cahya, Bayu Tri dan Farida Rohmah. 2019. *Evolution of Islamic Social Reporting: Viewed From Islamic Position In The Continuum Social Responsibility, 5* (2).

Murtadlo, Kholid dan Nuraeni. 2019. *Islamic Social Reporting pada Perbankan Syariah di Indonesia, 10* (2), 333.

Sutapa dan Rustam Hanafi. 2019. *Dampak Islamic Corporate Governance , Islamic Social Reporting Pada Kinerja Keuangan Bank Syariah di Indonesia, 8* (2), 160-161.

Putri, Aning Kesuma dkk. 2019. *The effect of Islamic Social Reporting Index on Islamic Banking Financial Performance in Indonesia, 7* (4).

Brigham & Houston. 2010. *Dasar-Dasar Manajemen Keuangan*. Jakarta: Salemba Empat.

Riyanto, B. 2010. *Dasar-Dasar Pembelanjaan Perusahaan*. Yogyakarta: BPFE.

Sartono, A. 2010. *Manajemen Keuangan Teori dan Aplikasi*. Yogyakarta: BPFE Yogyakarta.

Fahmi, Irham. 2013. *Analisis Laporan Keuangan*. Bandung: Alfabeta.