جامعة السلطان الشريف علي الإسلامية
UNIVERSITI ISLAM SULTAN SHARIF ALI
SULTAN SHARIF ALI ISLAMIC UNIVERSITY

5th ASEAN UNIVERSITIES INTERNATIONAL CONFERENCE ON ISLAMIC FINANCE

THEME:

ISSUES, CHALLENGES AND FUTURE PROSPECT OF ISLAMIC BANKING AND FINANCE

24 - 25 Rabiulawal 1439H
13th - 14th December 2017

Parkview Hotel, Jerudong, Brunei Darussalam

STRATEGIC PARTNER:

SUPPORTING PARTNERS:

CIBFM

IRTI

Amanah Institute of Islamic Finance and Economics

SPONSORS:

BIBD

Parkview Hotel

SECRETARIAT:

icife

بسم الله الرحمن الرحيم

5TH ASEAN'S INTERNATIONAL CONFERENCE ON ISLAMIC FINANCE

(AICIF)

VOLUME 2

5TH ASEAN'S
INTERNATIONAL CONFERENCE ON
ISLAMIC FINANCE

(AICIF)

VOLUME 2

EDITED BY

ABDUL GHAFAR ISMAIL
ROSE ABDULLAH

Published by:

UNISSA Press
Centre for Research and Publication
Sultan Sharif Ali Islamic University
Simpang 347, Jalan Pasar Baharu
BE 1310, Gadong
Brunei Darussalam

First Published 2017

Perpustakaan Dewan Bahasa dan Pustaka Brunei
Pengkatalogan Data-dalam-Penerbitan (Cataloguing-in-Publication)

ASEAN International Conference on Islamic Finance (5th : 2017 : Bandar Seri Begawan)
Proceedings 5th ASEAN'S InternationalConference on Islamic Finance (AICIF) (Vol. 2). -- Bandar Seri Begawan : UNISSA Press , 2017.
414 p. 21.59 cm x 27.94 cm.
E-ISBN 978-99917-82-79-9 (Ebook)
1. Finance--Islamic countries--Congresses 2. Bank and banking--Islamic countries--Congresses 3. Finance--Religious aspects--Islam--Congresses 4. Islamic countries--Economic conditions--Congresses 5. Globalization--Economic aspects--Congresses I. Title

332.091767 ASE (DDC 23)

CONTENTS

THE CONTRIBUTION OF ISLAMIC SOCIAL REPORTING TO THE FINANCIAL PERFORMANCE OF SHARIA BANKING IN INDONESIA

Provita Wijayanti
Mutoharoh
Department of Accounting, Faculty of Economics, UNISSULA, Semarang, Indonesia
Email: provita.w@unissula.ac.id ; mutoharoh@unissula.ac.id

ABSTRACT

The increasing awareness of the majority muslim community of Indonesia has major contribution to development of Sharia Banking in Indonesia. Sharia banking that report their performance in accordance with sharia principles into consideration of muslim decision makers. Therefore, it is necessary to have a special framework for financial reporting of sharia banking in accordance with Islamic principles. The framework is useful not only for corporate stakeholders but also useful for society and as a form of fulfilling accountability to God. One of these responsibilities is in the form of disclosure of Islamic social responsibility as a mandate and manifestation of human obiedience to the laws of God that can't be separated from the goal of Islam.This Study was conducted with the aim of obtaining empirical evidence of Islamic social responsibility disclosure contribution to the financial performance of sharia banking in Indonesia. The Data used in this study is the sharia banking in Indonesia with the observation year 2014 -2016. The data is obtained in the financial statement published on the IDX as well as on the Bank syariah website in Indonesia. Sample in this research by 8 Sharia Bank by using purposive simple method. Hypothesis test tool used is linier regression using SPSS Program. The results of this study indicate that Islamic reporting has not significant contribution to the financial performance of sharia banking in Indonesia in terms of CAR, ROE, ROA, NPF Gross, and NPF Nett as dependent variables. However, ISR contribute significantly toward the financial performance based on FDR variable.

Keywords: Islamic Social Responsibility, Financial Performance of Sharia Banking

INTRODUCTION

The tendency towards halal lifestyle that is currently widespread among the Indonesian people gives an indication of the progress of Indonesian Muslim mindset. In this regard, the Muslim community will be more careful in doing all actions including in muamalah. Any transactions conducted must be lawful or in other words must be in accordance with Islamic principles. Increasing awareness of Indonesian society that the majority of Muslims has a major contribution to the development of industrial-industrial patterns in Indonesia, one of the banking industry. Given the increasing public demand for transaction activity in accordance with Islamic principles, conventional banks known to be highly qualified with ribawi system (Syafii, 2001), are competing to develop their new units to provide Sharia transaction services.

Syariah banking industry in Indonesia continues to increase, based on statistical bank Syariah issued OJK per July 2017 number of operational headquarters (KPO) Syariah banks in Indonesia recorded 472 units with 1,188 sub branches for 13 types of banks. This large amount leads to competition among Islamic banks. To constantly improve the performance of each Sharia bank unit, an evaluation is needed to make better planning and implementation of the work. In Shari'ah teachings, performance evaluation is a highly recommended undertaking (Hameed et al., 2004; Desiskawati, 2015). Istiani (2015) and Wulandari (2014) rely on the ratio of profitability, liquidity, leverage, and bank size as indicators of financial performance. In other studies, financial performance is also more specific can be shown with the proportion of Return on Assets, Return on Equity (Capital Adequacy Ratio (CAR), and Capital Growth (Sudaranjan, 2007; Muljawan 2007; Triadmojo, 2009; Wardani 2015).

In annual agency performance reporting, Sharia Commercial Banks reporting their performance in accordance with sharia principles are considered by Muslim decision makers. As a financial industry that promises service in accordance with Islamic values, Sharia Bank should be able to reflect the ethical identity of Islam (Haniffa and Hudaib, 2007) in its operational activities. Shariah principles implemented by the company can be voluntarily disclosed by the company (Wahasusmiah, 2015). This disclosure is one part of corporate social responsibility in terms of reporting performance and activities based on Islamic values so that consumers feel the comfort and confidence to transact. Haniffa (2002) and Otman el al (2009) undertook research to develop a social reporting framework in accordance with Sharia principles that can be adopted as a reference for disclosure by the Shariah compliant industry in Indonesia. Index of corporate social responsibility disclosure based on the Islamic values of the company or called the Islamic Social Responsibility (ISR).

Several studies to examine the relationship between disclosure of Sharia corporate social activities (ISR) to financial performance has been done by previous researchers. Hamidah (2016) revealed that ISR has no positive effect on Financial Performance. In another study Wardani (2015) found that Islamic Corporate Social Responsibility (ICSR) had no effect or had a significant negative effect on ROA. In addition Wahasusniah (2015) argued in his research that profitability, leverage and environmental performance simultaneously have a positive effect on the disclosure of social responsibility with the Islamic reporting index of Shariah companies listed on the Sharia Stock Index of Indonesia (ISSI). This research develops the results of previous research by utilizing the annual performance report of Sharia Commercial Bank in Indonesia period 2014-2016 to test the contribution of Islamic Social Reporting to Indonesia Sharia Banking Financial Performance.

LITERATURE REVIEW

Islamic Social Reporting (ISR)

ISR is a collection of social responsibility reporting index alreadydefined by AAOFII in accordance with the Shariah which was later developed byHaniffa (2002) and Othman et.al. (2009). Haniffa (2002) classifies the syariah reporting index into 6 criteria, namely: Funding and Investment, Products and Services, Employees, Society, Environment, and Corporate Governance. In 2009, by adapting Haniffa's (2002) research, Othman et. al. group them into: Investment and finance, products and services, labor, social, environmental, organizational governance with a total of 50 items of disclosure items. The disclosure of corporate social responsibility reflects a firm's approach to adaptation to a dynamic and multidimensional environment (Wahasusmiah, 2015). Given these disclosures, not only corporate stakeholders benefit, but also society at large and are a form and an institution to fulfill accountability to God.

In this study, the financial performance of Sharia Commercial Banks will be analyzed based on 6 ratios. The ratios are: Capital Adequacy Ratio (CAR), Return on Assets (ROA), Return on Equity (ROE), Non Performing Financing Gross (NPFG), Non Performing Financing Nett (NPFN), and Financing to Deposit Ratio (FDR).

Capital Adequacy Ratio (CAR)

One source of life of a company is capital. With sufficient capital and effective management, the company will be able to operate in accordance with predetermined plans and expand its business. Banks as financial institutions also rely heavily on capital to be able to run its services. Riyadi (2014) explained that Capital Adequacy Ratio (CAR) is a measure to assess the Bank capital's healthy capital set by Bank for International Setlement (BIS) by 8% for industry in Indonesia.CAR can be measured with the formula:

$$\boxed{\text{CAR} = \frac{\text{Tier 1 capital + Tier 2}}{\text{Risk Weighted Assets}} \times 100\%}$$

Tier 1 Capital is the core capital and Tier 2 Capital is a complementary capital. The amount of Complementary Capital is calculated maximum 100% of the amount of Core Capital.

Return on Assets (ROA)

The ability of the company to generate profits to return all assets owned by the company (Raharjo, 2012) is called the Return on Asset (ROA) ratio. ROA is one of profitability ratios. Hanafi and Halim (2003) mentioned that Return on Assets (ROA) is a company's financial ratios related to profitability to measure company capability, generate profits, or earnings at certain income, asset and capital stock levels. By knowing ROA, the quality of asset management efficiency of the firm in order to generate profit can be analyzed. ROA can be measured with the formula:

$$\boxed{\text{ROA} = \frac{\text{EBIT}}{\text{Total Assets}} \times 100\%}$$

Return on Equity (ROE)

Return on Equity is the ratio to measure net income after tax with equity. The ratio shows the efficiency of the user's equity. The higher this ratio, the better. This means that the position of the owner of the company is getting stronger, and vice versa (Wahasusmiah, 2015).
The formula for calculating ROE is:

$$ROE = \frac{EAT}{Equity} X\ 100\%$$

Net Performing Financial (NPF)

Non Performing Financing (NPF) is the number of non-performing loans of syariah bank customers classified as substandard, doubtful and loss. NPF is used to assess the collectibility ability of sharia banks in obtaining credit returns issued to full payment (Meydianawathi, 2007).

$$NPF = X\ 100\%\ \frac{\text{Total of unpaid financing}}{\text{Total of Financing}}$$

The difference in NPF Gross and NPF Nett is the total value of the credit used. Gross NPF is calculated from the total loan amount before the allowance for uncollectible accounts (PPAP) and NPF Nett, is calculated from total credit after PPAP.

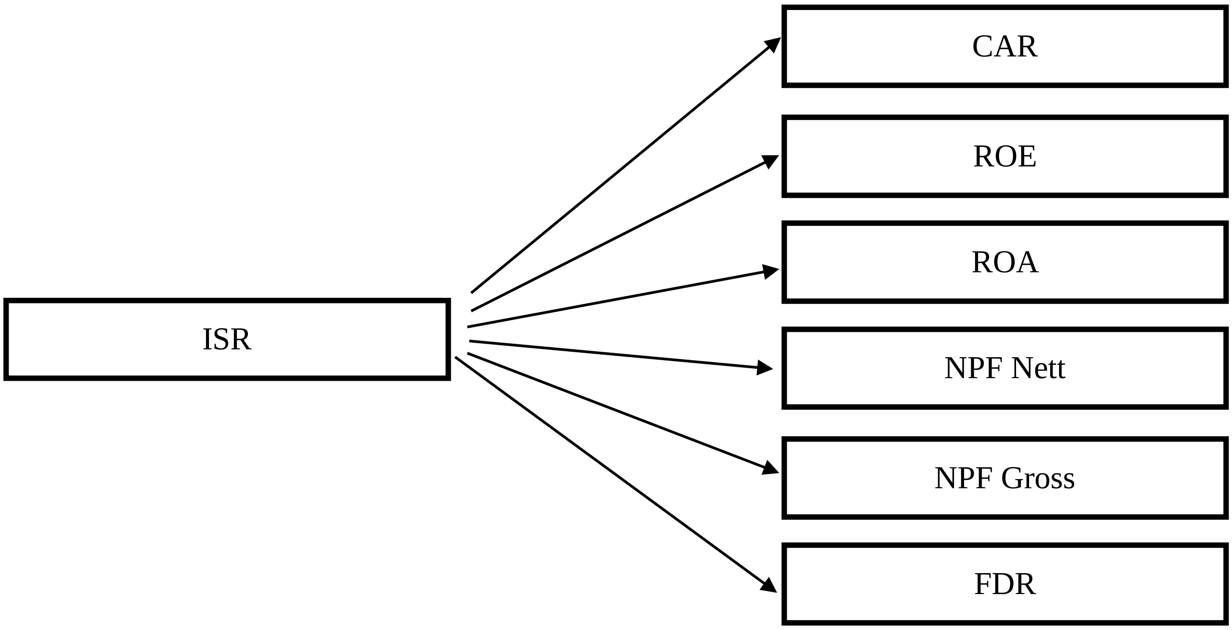
Sharia banking system has fundamental factors that can resist NPF arising so as not widespread Because the lending of money in Islamic banks is voluntary and not flowering. This is in contrast to what happens in conventional banks where conventional banking systems provide greater opportunities for the occurrence of credit problems.

Financing to Dept Ratio (FDR)

Financing to Debt Ratio (FDR) is one of the ratios to measure the level of liquidity of Sharia banking. In the dictionary of Bank Indonesia, FDR is the ratio of financing to third party funds received by banks. In his research, Istiani (2015) mentioned that the FDR safe limit is in the range of 80% -110%. A healthy FDR is when the value is close to 110%. FDR is calculated by formula:

$$FDR = \frac{\text{Total of Financing}}{\text{Total of third parties Fund}}$$

As the description above, the hypothesis in this research is as follows:
H1: ISR has significant effect on CAR
H2: ISR has significant effect on ROE
H3: ISR has significant effect on ROA
H4: ISR has significant effect on Gross NPF
H5: ISR has significant effect on Nett NPF
H6: ISR has significant effect on FDR



RESEARCH METHOD

The data used in this study is the Sharia Commercial Bank in Indonesia with the observation year 2010-2016. The data is obtained in the financial statements published on the Stock Exchange as well as on the Bank Syariah website in Indonesia. Sample in this research is obtained by 8 syariah bank by using purposive sampling method. Hypothesis test tool used is linear regression using SPSS program. Variables used are ISR as independent variables and CAR, ROE, ROA, NPF Gross, NPF Net, and FDR as variable dependent.

RESULTS AND DISCUSSION

The sample in this study uses annual report data from 8 Sharia Commercial Banks based on the following table list:

Num.	Bank
1.	Bank Mega Syariah
2.	Bank Rakyat Indonesia Syariah
3.	Bank Muamalat Indonesia
4.	Bank Negara Indonesia Syariah
5.	Bank Syariah Mandiri
6.	Bank Victoria Syariah
7.	Bank Bukopin Syariah
8.	Bank Central Asia Syariah

Descriptive Statistics Analysis

A descriptive statistic test is required to provide an overview of the distribution of the amount of data found for each variable. The results of statistical descriptive test in this study, found that:

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
ISR	24	.59	83.00	61.8838	23.23450
Capital Adequacy Ratio – KPMM	24	12.00	36.70	18.5721	6.56592
Return on Assets (ROA)	24	-2.36	4.73	.8383	1.73703
Return on Equity (ROE)	24	-17.61	31.19	5.2267	11.99418
Non Performing Financing (NPF) Gross	24	.10	9.80	3.7175	2.38631
Non Performing Financing (NPF) Nett	24	.10	6.84	2.7658	1.95812
Financing to Deposit Ratio (FDR)	24	79.19	100.67	90.0475	5.61175
Valid N (listwise)	24				

Source: SPSS data processed output (2017)

a. Statistical Test for ISR obtained values ranging from 0.59 to 83% with an average of 61.88% and a standard deviation of 23.23%. Based on that value, the standard deviation that is smaller than the average value appears visible distribution of normal data, but seen from the minimum and maximum data appears abnormal value because the range of minimum and maximum value of width. Based on the boxplot diagram view, From the boxplot it appears there are two ISR data outlier that is the 14th and 15th data which is the ISR data of Bukopin Syariah bank in 2015 and 2014.
b. CAR ranges from 12 - 36.7% with an average of 18.57% and a standard deviation of 6.59%. The standard deviation value that is smaller than the average value shows the normal distribution of data. However, the average value can not be used to represent the overall CAR-KPMM value of the sample as it is closer to the minimum value than the maximum. Boxplot view shows there are 3 (three) outlier data that is 10, 11, and 12 data which is CAR-KPMM BCA syariah data from 2014-2016 value which is 29.6 each; 34.3 and 36.7% which are also the highest CAR data
c. ROA ranges from -2.36 to 4.73% with an average of 0.84% and a standard deviation of 1.74%. The standard deviation value greater than the average value indicates that there is a wide gap between the value of drinking and the maximum. The wide gap is derived from the number of outlier values as shown in the boxplot of figure 3. High outlier data is the value of BRI syariah ROA from 2014-2016 which ranges from 3.84 - 4.73%, while the lowest outlier is the value of Victoria Bank ROA sharia which ranges from -2.36 to -1.87%.
d. ROE ranges from -17.61 to 31.19% with an average of 5.23% and a standard deviation of 11.99%. The standard deviation value of ROE greater than the mean value also indicates that there is a wide gap between drinking and maximum value. The wide gap also comes from the number of outliers.
e. Gross NPF ranges from 0.1 to 9.8% with an average of 3.71% and a standard deviation of 2.39%. The standard value of the gross NPF deviation is smaller than the average value with the minimum and maximum distance of the lesser width indicating the gross NPF below and above the average is similar.
f. NPF Nett ranged from 0.1 to 6.8% with an average of 2.77% and a standard deviation of 1.96%. The NPF standard deviation value of nett is smaller than its average value

with the minimum and maximum width of the minimum value indicating the NPF nett below and above the average is similar.

g. FDR ranged from 79.2% to 100.67% with an average of 90.05% and a standard deviation of 5.61%. The FDR standard deviation score is less than its average value with a minimum distance of minimum and maximum not too wide indicating FDR below and above the average value is also similar or normal distribution.

The Result of Normality Test

The Normality test is useful for determining which data has been collected to be normally distributed or taken from the normal population. From 7 (seven) variables used in this research, there are only 3 (three) variables that have normal data distribution, namely NPF Gross, NPF Nett and FDR indicated by the acquisition of sig value from normality test data with Shapiro Wilk obtained sig value> 0,05.

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
ISR	.182	24	.039	.810	24	.000
Capital Adequacy Ratio – KPMM	.220	24	.004	.790	24	.000
Return on Assets (ROA)	.198	24	.016	.903	24	.025
Return on Equity (ROE)	.215	24	.006	.889	24	.013
Non Performing Financing (NPF) Gross	.197	24	.017	.931	24	.105
Non Performing Financing (NPF) Nett	.146	24	.200*	.941	24	.169
Financing to Deposit Ratio (FDR)	.129	24	.200*	.969	24	.646

*. This is a lower bound of the true significance.
a. Lilliefors Significance Correction

Source: SPSS data processed output (2017)

Distribution of abnormal data occurs on independent variables of ISR and CAR dependent variable, ROA, ROE. This is because there is a wide range value of data between the Bank one with another very far. There is a significant difference in the percentage of financial performance generated by each unit of the bank related to the repayment of problem loans, return on assets and equity. This distribution can also be caused by the amount of data less than 30 (<30) so that the range for variability in values between samples is very high.

The Result of Linear Regression

Based on the results of simple linear regression analysis it can be seen that the ISR is not a significant predictor of CAR, ROA, ROE, and NPF (both gross and nett) as indicated by the significance value of 0.581 each; 0.149; 0.093; 0,504; and 0.984. However, the ISR is a significant predictor of FDR, indicated by a significance value of 0.016 (sig. <0.05) and regression coefficient value of -0.117 which means that the ISR has a negative and significant effect on FDR, each increase of 1% ISR will decrease FDR by 0.117%.

ISR has significant effect on CAR

The result of hypothesis testing by using simple linear analysis shows the significance of 0.581 indicates that H1 is rejected. ISR analyzed has no positive effect on CAR improvement. Reporting of corporate social activities based on Sharia principles is not a consideration in the management of bank capital. According to Dendawijaya (2003), the CAR is a ratio to assess the adequacy of bank capital to support high-risk assets, so that high-risk assets require high capital stocks (MAsrurroh and Mulazid, 2017.) However, Syariah banks are an institution that ensures the convenience of its customers by maximizing risk aversion and speculation, the high level of CAR is not related to social disclosure of Sharia banks.

ISR has significant effect on ROE

ROE is calculated on the basis of the total equity derived from ownership capital, unshared profit, and other reserves collected by the company (Krisna, 2008). Investors who deposit capital to the bank will be more likely to look at the performance of corporate earnings from operations. So the ISR does not have a significant contribution in encouraging business acquisition of bank capital as in this study found significance of 0.149 which proves that H2 rejected or ISR has no positive effect on ROE.

ISR has significant effect on ROA

The significance value of the relationship of the influence of ISR to ROA shows 0.093, where this value exceeds the expected aspect of significance less than 5%. This result proves that H3 is rejected ie ISR has no significant effect on ROA. These findings support the results obtained by Hamidah (2016) that the ISR (Islamic Social Responsibility) Index does not affect the financial performance of banks. This is due to short-term orientation owned by investors so that the ISR disclosure does not contribute to increasing ROA (Hamidah, 2016; Vivi, 2015)

ISR has significant effect on Gross NPF

The result of significance test of 0.054 on ISR test to Gross NPF proves that ISR has no significant influence on Gross NPF. Previous research reveals the principle of prudence and good supervision in the provision of credit is the primary proxy for sharia banks to maintain credit quality (Maidalena, 2014). The disclosure of ISR by Syariah commercial banks does not provide the convenience of customers in paying off their credit.

ISR significant effect on NPF Nett

In the literature study it has been explained that the differentiating aspect between NPF Gross and NPF Nett is the allowance for earning assets removal (PPAP). Hence, the results found in this study have the effect of ISR on NPF Nett also not much different from the effect of ISR on Gross NPF. Significance shows the value of 0.094 proves that ISR has no significant effect on Net NPF.

ISR has significant effect on FDR

As a Syariah financial institution, Shariah banking must be consistent in maintaining the quality of the transaction in accordance with the principles of Sharia. Conventional bank credit system is very risky to *ribawi* element. Thus, a Sharia bank should be able to convince its clients that transactions made in obtaining third party funds as well as schemes provided in the financing process are in accordance with Islamic principles. Based on the results of the analysis test in this study, it was found that the ISR has a significant effect on FDR with a significance value of 0.016. A significance value of less than 0.05 indicates that H6 is accepted. This proves that ISR is an important document to give customers confidence that the financing transactions conducted do not contain *ribawi* elements.

CONCLUSIONS AND RECOMMENDATIONS

This study aims to examine the relationship between ISR and financial performance in Islamic banking industry in Indonesia. Measures of financial performance used are CAR, ROE, ROA, NPF Gross, NPF Net, and FDR. Based on the discussion of simple regression analysis, it is concluded that only 1 of the 6 dependent variables FDR is significantly influenced by ISR. The inadequacy of the ISR in making a positive contribution to the company's financial performance is shown by evidence that ISR has no significant effect on CAR, ROE, ROA, NPF ross and NPF Net.

The results of this study are in accordance with the consideration of the Indonesian government that does not specify that the ISR is an obligation for Indonesian banks but is voluntary. In addition, Sharia bank stakeholders are more concerned with economic performance with real benefits that can be felt compared with the disclosure of banking activities in accordance Sharia principles in the ISR.

There is a need to socialize the benefits of ISR for the stakeholders of Shariah commercial banks to raise awareness of the importance of social reporting based on Sharia principles. Disclosure of ISR can provide convenience and confidence for stakeholders in deciding to make use of Sharia bank services. In addition, the Shariah banking industry must also be able to prove that every transaction and service presented both related to debtors, investors, and customers in line with Islamic values so that ISR becomes one of the corporate responsibility towards stakeholders and God.

Subsequent research can develop ideas from this study by analyzing the right strategies for ISRs can affect the improvement of company performance. These topics can be used as consideration regarding government policy to require ISR. In addition, research with ISR as an independent variable that affects financial performance is still little to do. Therefore, other research can also be done by extending the dependent variable as a proxy of financial performance that is influenced by ISR or extending the study period to obtain better test results.

REFERENCES

Riyadi, S. 2014. Capital Adequacy Ratio. Available at https://dosen.perbanas.id/car-capital-adequacy-ratio/.(Acessed 1 September 2017)

Syafii, M. A. 2001. Bank Syariah dari Teori ke Praktek. *Jakarta: Gema Insani.Terhadap Kinerja Perusahaan. Skripsi. Universitas Diponegoro: Semarang*

Triatmodjo, Hari Murti. 2009. Pengaruh Economic Value Added dan ProfitabilitasPerusahaan Return Pemegang Saham. *FE Akuntansi UMS.*

R. Haniffa and M. Hudaib. 2007. Exploring the ethical identity of Islamic banks via communication in annual reports. *Journal of Business Ethics , 76,* 97-116.

Hameed, Shahul, Ade Wirman, Bakhtiar Alrazi, Nazli and Sigit Pramono. 2004. Alternative Disclusure and Performance Measures for Islamic Bank's. International Islamic University Malaysia.

Desiskawati, Y. 2015. Pengaruh Kinerja Keuangan berdasarkan Islamicity Performance Index terhadap Pengungkapan Islamic Social Reporting Perbankan Syariah di Indonesia. Fakultas Eknomi UIN Maliki Malang.

Istiani, F. 2015. Pengaruh Ukuran Bank, Profitabilitas, Likuiditas, dan Leverage terhadap pengungkpan Islamic Social Reporting. UIN Syarif Hidayatullah Jakarta.

Wulandari, F. 2015. Pengaruh Profitabilitas, Ukuran Perusahaan,Kinerja Lingkungan, dan *Leverage* terhadapPengungkapan *Islamic Social Reporting.* Universitas Muhammadiyah Surakarta.

V. Sudaranjan. 2007. Risk Measurement and Disclosure in Islamic Finance and the Implication of Profit Sharing Investment Accounts. *Advances in Islamic Economics and Finnce Vol.*

1. Proceedings of 6th International Conference on Islamic Economic and Finance. Islamic Research and Training Institute.

Mulyawan D. 2007. A Design for Islamic Bangking Rating System: An Integrated Approach. *Advances in Islamic Economics and Finnce Vol. 1*. Proceedings of 6th International Conference on Islamic Economic and Finance. Islamic Research and Training Institute.

Wardani, E.A. 2015. Pengaruh *Islamic Corporate Social Responsibility Disclosure* Terhadap Reputasi Perusahaan dan Kinerja Keuangan Perusahaan. Universitas Islam Indonesia.

Wahasusmiah, R. 2015. Pengungkapan Tanggung Jawab Sosial Secara Syariah terhadap Kinerja Keuangan dan Kinerja Lingkungan. Proceeding Sriwijaya Economic and Business Conference.

Haniffa, R. 2002. Sosial Reporting Disclosure-An Islamic Perspective. *Indonesian Management and Accounting Research* 1 (2).

Othman et al. 2009. Determinants of Islamic Social Reporting Among Top Shariah-Approved Companies in Bursa Malaysia. *Research Journal of International Studies.*

Hamidah, N. 2016. Pengaruh Pengungkapan*Intellectual Capital* (IC), *Islamic Social Responsibility* (ISR) Dan *Good Corporate Governance* (GCG)Terhadap Kinerja Keuangan. Universitas Islam Sultan Agung Semarang.

Raharjo. 2012.Non-Performing Finance dalam Bank Syariah. Available athttps://justinaelvharahap.wordpress.com/2015/10/08/npf-dalam-bank-syariah/. (Accessed 28 August 2017)

Halim, A. (2003). *Analisis Investasi.* Edisi Pertama, Penerbit Salemba Empat: Jakarta

Anggraini, Vivi. 2015. Skripsi. "Pengaruh Pengungkapan *Islamic Social Reporting* (ISR), Profitabilitas, *Leverage* Terhadap *Earning Response Cofficient* (ERC)". Skripsi. Fakultas Syariah dan Hukum, Universitas Islam Negeri Syarif HidayatuAllah.

Masrurroh D.A and Mulazid A.S. 2017.Analisa Pengaruh *Size* Perusahaan, *Capital Adequacy Ratio* (Car),*Non Perfoming Financing* (Npf), *Return On Asset* (Roa), *FinancingDeposit Ratio* (Fdr) Terhadap Pengungkapan *Corporate Social Responsibility* (Csr) Bank Umum Syariah Di Indonesia Periode2012-2015.*HUMAN FALAH*: Volume 4(1)

Maidalena. 2014. Analisis Faktor *Non Performing Financing* (NPF) pada Industri Perbankan Syariah.Maidalena. *HUMAN FALAH*: Volume 1(1)