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The Influence of Corporate Governance, Sharia Supervisory Board on Disclosure of Islamic Social Reporting (ISR) in Sharia Commercial Banks for the 2015-2018 Period

Siti Jubaedah[1,*)], Umay Prianti[2]
Accounting Study Program, Faculty of Economics, Universitas Swadaya Gunung Jati, Cirebon, Indonesia[1,2]
edahcrb@gmail.com[1], umayprianti@gmail.com[2]
[*)]*Corresponding author*

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ABSTRACT
The purpose of this study is to obtain empirical evidence about the influence of institutional ownership, audit committees, and sharia supervisory boards on Islamic social reporting disclosure. The population in this study is Islamic commercial banks in Indonesia for the 2015-2018 period. The research method used is basic research with sample selection using purposive sampling method. The data used is the annual report of Islamic banks registered with the Financial Services Authority, published on www.ojk.co.id. The sample used in this study were 12 Islamic commercial banks so that 48 research data were obtained for the 2015-2018 period. Data were analyzed using multiple linear regression and the classical assumption test supported by SPSS version 23 for windows to test the direct effect of the independent variable on the dependent variable. Before conducting multiple linear regression analysis, the classical assumption test is performed. The classic assumption test is done with a normality test, a multicollinearity test, an autocorrelation test and a heteroscedasticity test. The results showed that Institutional Ownership, Audit Committee, Sharia Supervisory Board had no effect on Islamic Social Reporting Disclosure (ISR).

INTRODUCTION

Social responsibility or disclosure*Corporate Social Responsibility* (CSR) is a company's decision-making that is associated with ethical values, fulfills legal rules and decisions and respects humans, society and the environment (Ernawan, 2007). *Corporate Social Responsibility* (CSR) is regulated in Law no. 40 of 2007 concerning Limited Liability Companies (UUPT) and Government Regulation no. 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies. Theoretically, Corporate Social Responsibility (CSR) is the core of business ethics where a company not only has economic and legal obligations to shareholders, but the company also has obligations to other interested parties (Azheri, 2011).

Lately, there has been a lot of discussion about Islamic social responsibility reporting or commonly called ISR. Social responsibility reporting or ISR is a special framework for reporting social responsibility according to Islamic principles. The purpose of Islamic social reporting is as a form of corporate accountability to Allah SWT and society in increasing the transparency of business activities by presenting relevant information that allows companies to make socio-economic assessments by taking into account the spiritual needs of Muslim investors or sharia compliance (Ramadhani, 2016). In decision making, Islamic Social Reporting consists of ISR standard items set out in the International Sharia Accounting Standards AAOIFI (Accounting and Auditing Organization for Islamic Institutions) and then further developed by researchers regarding ISR items that must be disclosed by Islamic entities. The ISR Index contains 6 (six) themes, including investment and finance, products and services, employees, society, environment, and corporate governance. Each theme has indicators, all 43 indicators (Othman, 2009).

The banking industry is an industry that is required to carry out ISR. Corporate Governance is one of the focuses of attention in Islamic banking because Islamic banks play a role in disclosing social responsibility.

Table 1
ISR Disclosure of Islamic Commercial Banks in Indonesia

Year	**ISR Disclosure (%)**	**Information**
2015	38.83721	-
2016	40.23255	Ride
2017	39,76744	Down
2018	18,13949	Down

Source: Processed secondary data, 2019

Based on table 1.1 above, the disclosure of ISR in Islamic Commercial Banks has increased and decreased every year. In 2016 there was an increase of 3%. Meanwhile, in 2017 it decreased by 1%. In 2017 BUS experienced a significant decline, namely by 54%. The decline was due to the large number of companies carrying out ISR activities in an unsustainable and accountable manner and the lack of transparency (Irawan, 2016).

Effendi (2016:2) states that corporate governance is a collection of laws, regulations, and rules that must be met, which can encourage the performance of company resources to function efficiently in order to produce sustainable long-term economic value for shareholders and the surrounding community. overall. Corporate governance used in this study uses institutional ownership and the audit committee. According to Ningrum, et al (2013) the disclosure of ISR is caused by several factors, namely corporate governance including institutional ownership and audit committees.Institutions have the resources, ability to monitor and discipline managers to focus more on company value. Institutional ownership is company shares owned by other companies both at home and abroad as well as government shares at home and abroad (Lestari, 2019). Investors are responsible for implementing GCG principles to protect the rights and interests of shareholders so that companies will automatically disclose transparently, so that institutional ownership can improve the quality and quantity of voluntary disclosures (Ramadhaningsih and Utama, 2013). Aditya (2013) stated thatthe larger the shares owned by the institution affect the level of ISR disclosure.

According to Mahdalena (2017), the size of the audit committee can affect the amount of ISR disclosure. The audit committee is a corporate organ in charge of providing advice to the board of commissioners so that the company's control becomes better, improves the quality of internal control and the quality of disclosure of company information. Hasanah, et al (2017) stated that with the existence of an audit committee, supervision by the board of commissioners will be more controlled because it is assisted by the audit committee in carrying out this supervision. Thus, the audit committee is responsible for providing information to stakeholders. The information is in the form of ISR disclosure and is expected to be able to carry out better supervision of management in realizing responsibility to the company and the community.

Another factor that can affect the disclosure of ISR is the sharia supervisory board. The sharia supervisory board is in charge of directing, supervising and providing consulting. The existence of a sharia supervisory board has led to wider disclosure of ISR (Lestari, 2018). This is because the sharia supervisory board carries out more effective supervision so that management can carry out company operations in accordance with sharia principles and carry out the functions of sharia banks to contribute to the economic welfare of the community. With effective supervision, management will carry out its duties optimally. In this way, management can report their information more transparently and the disclosure of responsibility will be even greater.

LITERATURE REVIEW

Legitimacy Theory

Suchman (1995) cited by Rawi & Muchlish (2010) states the theory of legitimacy, namely that the company continues to try to ensure that the activities carried out are in accordance with the boundaries and norms of the community where the company operates or is located. Legitimacy can be thought of as equating the perception or assumption that an action taken by an entity is an action that is desirable, appropriate, or in accordance with a socially developed system of norms, values, beliefs, and definitions.

***Islamic Social Reporting*(ISR)**

ISR is a form of accountability to Allah SWT and the community as well as increasing the transparency of business activities by presenting relevant information by taking into account the spiritual needs of Muslim investors or sharia compliance in decision making. The formula for calculating Islamic Social Reporting (ISR) is:

$$ISR = \frac{jumlah\ skor\ disclosure\ yang\ dipenuhi}{jumlah\ skor\ maksimum}$$

Corporate Governance

Corporate governance as a system used to direct and manage company activities. The system has a major influence in determining business goals and in achieving these goals.

Institutional Ownership

Institutional ownership is the ownership of company shares owned by financial institutions such as insurance companies, banks, pension funds and investment banking. The institutional ownership formula is:

$$KI = \frac{jumlah\ saham\ institusi}{jumlah\ saham\ beredar}$$

Audit Committee

The audit committee is a committee that works professionally and independently which is formed by the board of commissioners and thus its task is to assist and strengthen the board of commissioners in carrying out the supervisory function of the financial reporting process, risk management, audit implementation and implementation of GCG in companies. The existence of an audit committee is expected to assist the performance of the board of commissioners in disclosing social responsibility reports by companies to overcome conflicts of interest that arise between management and company owners. the audit committee formula is:

$$KA = \text{Number of Audit Committee}$$

Sharia Supervisory Board

The Sharia Supervisory Board plays a very important role in overseeing the transactions of mutual fund issuing companies, because the halal returns or funds obtained through mutual funds are highly dependent on the investment activities carried out by the investment manager. The formula for the Sharia Supervisory Board is:

DPS = Number of Sharia Supervisory Board

FRAMEWORK OF THOUGHT AND HYPOTHESIS

The Effect of Institutional Ownership on Islamic Social Reporting (ISR) Disclosures

The theory of legitimacy put forward by Suchman (1995) cited by Rawi & Muchlish (2010) states that the company continues to try to ensure that the activities carried out are in accordance with the boundaries and norms of the community in which the company operates or is located.The larger the shares owned by the institutionable to monitor management performance. With the high institutional ownership of BUS, it causes BUS to be compelled to follow Financial Accounting Standards and other DSN rules. These rules are mandatory and voluntary, one of which is ISR disclosure. BUS companies disclose ISR voluntarily which causes companies to put more effort into disclosing their social responsibilities so that they get positive values from the community and the management reports information on their social activities more transparently and institutional shareholders realize that ISR is part of the company's strategy to earn profits in the future. . The greater the number of shares owned by the institution, the wider the ISR disclosure. On the contrary, the smaller the shares owned by the institution. Based on research conducted byAditya (2013) and Ramadhaningsih and Karya Utama (2013) state that institutional ownership has an effect on Islamic social reporting.

H1: Institutional Ownership has an effect on Disclosure of Islamic Social Reporting (ISR).

The Effect of the Audit Committee on Disclosure of Islamic Social Reporting

The theory of legitimacy is that the company continues to try to ensure that the activities carried out are in accordance with the boundaries and norms of the society in which the company operates or is located. The audit committee is tasked with overseeing the company's control. With the large number of audit committees in BUS, it causes BUS to be compelled to follow Financial Accounting Standards and other DSN rules. These rules are mandatory and voluntary, one of which is ISR disclosure. BUS companies disclose ISR voluntarily which causes companies to put more effort into disclosing their social responsibilities so that they get positive values from the community..The greater the number of audit committees, the disclosure of Islamic social reporting, the greater the items disclosed. On the other hand, if the number of audit committees decreases, the supervision carried out will be ineffective. This resulted in the disclosure of ISR was getting narrower. In research conducted byMahdalena (2017) states that the audit committee has an effect on disclosure*Islamic social reporting.* Based on the description that has been presented and previous research, the second hypothesis in this study is as follows:

H2: The audit committee has an effect on Islamic Social Reporting (ISR) Disclosure

The Influence of the Sharia Supervisory Board on Islamic Social Reporting (ISR) Disclosures

The theory of legitimacy put forward by Suchman (1995) cited by Rawi & Muchlish (2010) states that the company continues to try to ensure that the activities carried out are in accordance with the boundaries and norms of the community in which the company operates or is located. With so many sharia supervisory boards, companies must comply with DSN regulations, so the more sharia supervisory boards that are carried out according to sharia principles, the better. Where with more effective supervision, management can carry out company operations in accordance with sharia principles and carry out the functions of Islamic banks to contribute to the economic welfare of the community. The more the number of sharia supervisory boards, the better the disclosure of information regarding social responsibility in accordance with sharia principles. Otherwise, In a study conducted by Wardatul and Dina (2016) stated thatThe Independent Board of Commissioners partially has a significant effect on Islamic Social Reporting.

H3: The Sharia Supervisory Board has an effect on the Disclosure of Islamic Social Reporting (ISR)

Based on the explanation above, the framework of thought is presented in the following figure:

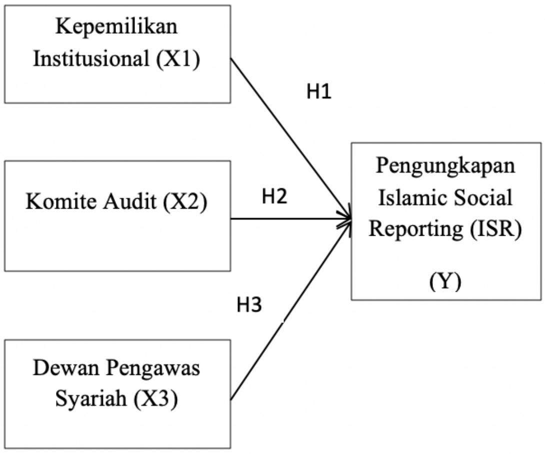

Fig 1. *Framework*

RESEARCH METHODS

Types of research

This type of research uses basic research, because the results of this research are only to develop existing theories. Sugiyono (2016:9) Basic research aims to develop theory and does not pay attention to direct practical uses. The research method used is the associative method. Sujarweni (2015:74) Associative research is research that aims to determine the relationship between two or more variables, with this research a theory can be built that can function to explain, predict, and control a symptom.

Table 2
Variable Operations

Variable	Measurement	Measurement Scale
Disclosure of Islamic Social Reporting (ISR)	$ISR = \frac{\text{Jumlah skor disclosure yang dipenuhi}}{\text{Jumlah skor maksimum}}$	Ratio
Institutional Ownership	$KI = x\ 100\% \frac{\text{Jumlah saham institusi}}{\text{Jumlah saham yang beredar}}$	Ratio
Audit Committee	KA = Number of members of the Audit Committee	Ratio
Sharia Supervisory Board	DPS = Number of members of the Sharia Supervisory Board	Ratio

Source: Mahardika & Rizal (2017), Wardatul and Dina (2016), Othman et al (2009), Ramadhani (2016)

Population

According to Sekaran (2014:121), population (population) refers to the whole group of people, events, or things of interest that the researcher wants to investigate. The population used in this study is Islamic Commercial Banks (BUS) registered with the Financial Services Authority (OJK) for the 2015-2018 period.

Sample

According to Sekaran (2014: 123), the sample is part of the population. The number of samples used in this study were 48 samples of Islamic Commercial Banks (BUS) financial statements for 4 years. The method of determining the sample in this study is included in purposive sampling because first the researcher has determined the criteria for the population members to be taken as samples, these criteria are:

1. Sharia Commercial Banks registered with the Financial Services Authority (OJK) during the 2015-2018 period.
2. Sharia Commercial Banks that publish an annual report for the 2015-2018 period.
3. Islamic Commercial Banks that have the availability of the data needed in this study.

Data collection technique

The type of data used in this research is secondary data. This study uses secondary data. In obtaining the secondary data, the researcher uses the documentation method by collecting the main data in the form of the 2015-2018 Islamic commercial bank annual reports obtained from those published through the official website.www.ojk.go.id which is the official website of the Financial Services Authority (OJK). In addition, supporting secondary data in this study were obtained through library research, including by searching for data through books and scientific journals.

Data analysis method

The data analysis method used in this research is Descriptive Statistical Analysis, Classical Assumption Test which consists of normality test, multicollinearity test, autocorrelation test and heteroscedasticity test, Multiple Linear Regression Analysis, Hypothesis Test consisting of partial test (t) and Coefficient of Determination Test with the help of SPSS 23 for windows.

RESULTS AND DISCUSSION

Description of Unit of Analysis

The unit of analysis in this study is Islamic Commercial Banks in Indonesia in 2013-2018. In Law No. 21 of 2008 concerning Islamic banking, the definition of Islamic banking and Islamic banking is stated. Sharia banking is everything that concerns sharia banks and sharia business units, including institutions, including business activities, as well as procedures and processes in carrying out their business activities. Islamic banks are banks that carry out their business activities based on sharia principles. Currently, the number of Islamic commercial banks in Indonesia (BUS) in Indonesia is 14 banks.

Descriptive Statistical Analysis Resul

Table 3
Descriptive Statistics Test Results

	N	Minimum	Maximum	mean	Std. Deviation
ISR	48	.12	.53	.3152	.12155
KI	48	.75	1.00	.9913	.03740
KA	48	2.00	7.00	4.1667	1.43413
DPS	48	2.00	3.00	2.3333	.47639
Valid N (listwise)	48				

Source: SPSS 23 (2019) Output

From table 4.5 it can be seen that the descriptive statistics of each variable with 48 samples of Islamic Commercial Banks. The lowest (minimum) value of the ISR disclosure variable is 0.12 and the highest (maximum) value is 0.53. While the average value (mean) of the ISR disclosure variable is 0.3152 and the standard deviation value of the ISR disclosure variable is 0,12155. From the results of these descriptive statistics, it can be seen that the mean value is more than the standard deviation, namely

0.3152> 0.12155, meaning that the data held is almost the same between each sample of Islamic banks (data is not varied).

The lowest (minimum) value of the KI variable is 0.75 and the highest (maximum) value is 1.00. Meanwhile, the mean (mean) of the KI variable is 0.9913 and the standard deviation of the KI variable is 0.3740. From the results of these descriptive statistics, it can be seen that the mean value is less than the standard deviation, namely 0.9913> 0.3740, meaning that the data held is not the same between each sample of Islamic banks (data not varied).

The lowest (minimum) value of the KA variable is 2.00 and the highest (maximum) value is 7. While the mean (mean) of the KA variable is 4.1667 and the standard deviation (standard deviation) of the KA variable is 1 ,43413. From the results of these descriptive statistics, it can be seen that the mean value is more than the standard deviation, namely 4.1667> 1.43413, meaning that the data held is almost the same between each sample of Islamic banks (data is not varied).

The lowest (minimum) value of the DPS variable is 2.00 and the highest (maximum) value is 3.00. Meanwhile, the mean value of the DPS variable is 2.3333 and the standard deviation of the DPS variable is 0.47639. From the results of these descriptive statistics, it can be seen that the mean value is more than the standard deviation, namely 2.3333> 0.47639, meaning that the data held is almost the same between each sample of Islamic banks (data is not varied).

Normality Test Results
In this study, the data normality test used the One Sample Kolmogorov Smirnov Test statistical test by looking at the Asymp.Sig (2-tailed) value. And by doing SQRT (kx) in order to have a normal distribution.

Table 4
Normality Test Results After SQRT (kx)
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		48
Normal Parameters, b	mean	.0000000
	Std. Deviation	.15291452
Most Extreme Differences	Absolute	.110
	Positive	.086
	negative	-.110
Test Statistics		.110
asymp. Sig. (2-tailed)		.192c

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
Source: SPSS 23 (2019) Output

The KS value of the Kolmogorov-Smirnov test is 0.192. This value is greater than the significance value of 0.05, this indicates that the data in this study is normally distributed so that it is good and feasible to use.

Multicollinearity Test Results
Multicollinearity test aims to test whether the regression model found a correlation between the independent variables (independent).

Table 5
Multicollinearity Test Results
Coefficientsa

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
SQRT_KI	.881	1,136
SQRT_KA	.978	1.023
SQRT_DPS	.873	1.145

a. Dependent Variable: Abs_RES

Source: SPSS 23 (2019) Output

Based on table 4.8 above, it can be seen that the tolerance value of the Institutional Ownership variable is 0.881, which is greater than 0.10. Meanwhile, the VIF value of the Institutional Ownership variable is 1.136, which is smaller than 10.00. The tolerance value of the Audit Committee variable is 0.978, which is greater than 0.10. Meanwhile, the VIF value of the Audit Committee variable is 1.023, which is smaller than 10.00. The tolerance value of the Sharia Supervisory Board variable is 0.873, which is greater than 0.10. Meanwhile, the variable VIF value of the Sharia Supervisory Board is 1.145, which is smaller than 10.00. So it can be concluded that there is no multicollinearity. Based on the results of the tolerance value and VIF value, it can be concluded that the regression model in this study does not have multicollinearity between independent variables.

Autocorrelation Test Results

The autocorrelation test aims to test whether in the linear regression model there is a correlation between the confounding error in period t and the confounding error in period t-1 (previous). In this study to detect autocorrelation using the Durbin-Watson test (DW Test).

Table 6
Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.500a	.250	.199	.15804	1.750

a. Predictors: (Constant), SQRT_DPS, SQRT_KA, SQRT_KI
b. Dependent Variable: SQRT_ISR

Source: SPSS 23 (2019) Output

The DW value of 1.750 is greater than the upper limit (DU) which is 1.6708 and less than 4-Du (4-1.6708 = 2.3292), this indicates that H0 is accepted because there is no positive or negative correlation. In accordance with the decision table Du<Dw<4-Du (1.6708 < 1.750 <2.3292), it can be concluded that the linear regression model in this study is free of autocorrelation.

Heteroscedasticity Test Results

This study uses the white test which is used to test the presence or absence of heteroscedasticity.

Table 7
Heteroscedasticity Test Results – White Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.675a	.456	.377	.02672	.993

a. Predictors: (Constant), Multiplication_between variables, Square_KI, Square_KA, Square_DPS, SQRT_KI, SQRT_KA
b. Dependent Variable: ResidualSquare

Source: SPSS 23 (2019) Output

Table 8
Heteroscedasticity Test Results – Degree of Freedom

Model	Sum of Squares	df
Regression	.025	6
Residual	.029	41
Total	.054	47

a. Dependent Variable: ResidualSquare
b. Predictors: (Constant), Multiplication_between variables, Square_KI, Square_KA, Square_DPS, SQRT_KI, SQRT_KA
Source: SPSS 23 (2019) Output

Based on table 4.11, the value of R Square is 0.456 and then multiplied by the number of samples (n) = 48, so the calculated c2 is 21.888 (0.456x48). This value will be compared with the value in the Chi-Square table using a significance level of 5% and based on table 4.13 the df value is 47, then the table c2 value is 64.00111. The calculated c2 value and table c2 value meet the criteria for c2 count < c2 table, which is 21.888 < 64.00111, so it can be concluded that there is no heteroscedasticity in the research model.

Multiple Linear Regression Analysis Results
Multiple linear regression analysis is an analysis to determine the effect of more than one independent variable on the dependent variable. Multiple regression analysis is used to predict how the condition (up and down) of the dependent variable, if two or more independent variables are factors that can be increased or decreased in value.

Table 9
Multiple Linear Regression Analysis Test Results

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	.284	.069		4.140	.000
	SQRT_KI	-.545	.275	-.276	-1.986	.053
	SQRT_KA	.061	.037	.217	1,644	.107
	SQRT_DPS	.099	.052	.268	1,921	.061

a. Dependent Variable: SQRT_ISR
Source: SPSS 2

The regression equation above can be explained as follows:
1. The constant value of 0.284 explains that if the Institutional Ownership (X1), Audit Committee (X2) and Sharia Supervisory Board (X3) the value is 0, then the value of Islamic Social Reporting is 0.284.
2. The value of the institutional ownership variable regression coefficient (X1) is -0.545. That is, if other independent variables remain and Institutional Ownership increases by 1 unit, then the value of Islamic Social Reporting will decrease by 0.545 units.
3. The regression coefficient value of the Audit Committee variable (X2) is 0.061. That is, if other independent variables remain and the Audit Committee increases by 1 unit, then the value of Islamic Social Reporting will increase by 0.061 units.
4. The regression coefficient value of the Sharia Supervisory Board variable (X3) is 0.099. That is, if other independent variables remain and the Sharia Supervisory Board has increased by 1 unit, then the value of Islamic Social Reporting will increase by 0.099.

Hypothesis Test Results (t test)
Score a significance of 0.053> 0.05 indicates that Institutional Ownership has no effect on Disclosure of Islamic Social Reporting (ISR).

Score The significance of 0.107>0.05 indicates that the audit committee has no effect on Islamic Social Reporting (ISR) Disclosures.
Score a significance of 0.061>0.05 indicates that Institutional Ownership has no effect on Disclosure of Islamic Social Reporting (ISR).

Coefficient of Determination Test Results
Table 10

Model Summaryb

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.500a	.250	.199	.15804

a. Predictors: (Constant), SQRT_DPS, SQRT_KA, SQRT_KI
b. Dependent Variable: SQRT_ISR
Source: SPSS 23 . output

Based on table 4.15 shows that the adjusted R2 value is 0.199 or 19.9%. This means that the ability of the independent variables in this study, namely institutional ownership, the audit committee and the sharia supervisory board in explaining the variation of Islamic social reporting disclosure variables by 19.9% and the rest and the remaining 80.1% (100%-19,9%) explained by another variable.

Discussion
The Effect of Institutional Ownership on Islamic Social Reporting (ISR) Disclosures
Based on the results of the hypothesis test in Table 4.14, it can be seen that the Institutional Ownership variable has a significance level of 0.053> 0.05, so it can be concluded that Ha1 is rejected. It can be concluded that there is no influence of Institutional Ownership on Islamic Social Reporting (ISR) Disclosures.

Legitimacy theory states that the company continues to try to ensure that the activities carried out are in accordance with the boundaries and norms of the society in which the company operates or is located.The larger the shares owned by the institutionable to monitor management performance. With the high institutional ownership of BUS, it causes BUS to be compelled to follow Financial Accounting Standards and other DSN rules. These rules are mandatory and voluntary, one of which is ISR disclosure. BUS companies disclose ISR voluntarily which causes companies to put more effort into disclosing their social responsibilities so that they get positive values from the community and the management reports information on their social activities more transparently and institutional shareholders realize that ISR is part of the company's strategy to earn profits in the future. . The greater the number of shares owned by the institution, the wider the ISR disclosure will be. On the other hand, the smaller the shares owned by the institution,

The results of the study show that institutional ownership has no effect on the disclosure of ISR. Based on research data on institutional ownership, it shows that the companies that are sampled have an average institutional ownership during the year of observation with a constant amount, but if you look at the ISR disclosure data, the average tends to decrease, this is not in accordance with the framework that was built. in this research. So that the size of institutional ownership does not have an impact on the breadth or narrowness of the ISR disclosure. The indication of the decline in the value of the ISR is possible because of the weak supervisory function carried out by institutional ownership, not on the large or small number of institutional ownership owned by the company.

The results of this study are in line with research conducted by Karima (2014) which states that institutional ownership has no significant effect on ISR disclosure in Islamic bank companies. However, it is different from the results of research conducted by Ramadhaningsih and Utama (2013) and Aditya

(2013) which states that Institutional Ownership has an effect on Islamic Social Reporting (ISR) Disclosures.

The Effect of the Audit Committee on Islamic Social Reporting (ISR) Disclosures
Based on the results of hypothesis testing in table 4.14, it can be seen that the Audit Committee variable has a significance level of 0.107>0.05, it can be concluded that Ha2 is rejected. It can be concluded that there is no influence of the Audit Committee on Islamic Social Reporting (ISR) Disclosures.

The theory of legitimacy is that the company continues to try to ensure that the activities carried out are in accordance with the boundaries and norms of the society in which the company operates or is located. The audit committee is tasked with overseeing the company's control. With the large number of audit committees in BUS, it causes BUS to be compelled to follow Financial Accounting Standards and other DSN rules. These rules are mandatory and voluntary, one of which is ISR disclosure. BUS companies disclose ISR voluntarily which causes companies to put more effort into disclosing their social responsibilities so that they get positive values from the community.The greater the number of audit committees, the disclosure of Islamic Social Reporting, the greater the items disclosed. Conversely, if the number of audit committees decreases, the supervision carried out is also less effective. This resulted in the disclosure of ISR was getting narrower.

The results showed that the audit committee had no effect on the disclosure of ISR.Based on the audit committee data research, it shows that the sample companies have an average audit committee during the year of observation with a constant number, but if you look at the ISR disclosure data, the average tends to decrease, this is not in accordance with the framework that was built. in this research. So that the large or small number of audit committees does not have an impact on the breadth or narrowness of the ISR disclosure. The indication of the declining value of the ISR is possible due to the lack of effective supervision carried out by the audit committee, not on the number of audit committees owned by the company.

The results of this study are in line with research conducted by Ma'rifatul (2016) which states that the Audit Committee has no effect on Islamic Social Reporting (ISR) Disclosures. However, it is different from the results of research conducted by Mahdalena (2017) and Hasanah, et al. (2017) which stated that the Audit Committee has an effect on Islamic Social Reporting (ISR) Disclosures.

The Influence of the Sharia Supervisory Board on Islamic Social Reporting (ISR) Disclosures
Based on the results of hypothesis testing in table 4.14, it can be seen that the sharia supervisory board variable has a significance level of 0.061> 0.05, it can be concluded that Ha3 is rejected. It can be concluded that there is no influence of the Sharia Supervisory Board on Islamic Social Reporting (ISR) Disclosures.

Legitimacy theory states that the company continues to try to ensure that the activities carried out are in accordance with the boundaries and norms of the society in which the company operates or is located. With so many sharia supervisory boards, companies must comply with DSN regulations, so the more sharia supervisory boards that are carried out according to sharia principles, the better. Where with more effective supervision, management can carry out company operations in accordance with sharia principles and carry out the functions of Islamic banks to contribute to the economic welfare of the community. The more the number of sharia supervisory boards, the better the disclosure of information regarding social responsibility in accordance with sharia principles. Otherwise,

The results showed that the sharia supervisory board had no effect on the disclosure of ISR. Based on research on sharia supervisory board data, it shows that the sample companies have an average sharia supervisory board during the year of observation with a constant number, but if viewed from the ISR disclosure data, the average tends to decrease, this is not in accordance with the framework of thinking that built in this research. So that many or at least sharia supervisory boards do not have an impact on the breadth or narrowness of the disclosure of ISR. The indication of the decline in the value of the ISR is possible because of the weak supervisory function carried out by management, not on the number of sharia supervisory boards owned by the company.

The results of this study are in line with research conducted by Sudrajat (2016) which states that the Sharia Supervisory Board has no effect on ISR Disclosure in Islamic Banking in Indonesia. However, it is different from the results of research conducted by Wardatul and Dina (2016) and Ramadhani (2016) which state that the sharia supervisory board influences the disclosure of ISR.

CONCLUSIONS

Based on the results of the research and discussion in CHAPTER IV regarding the Influence of Corporate Governance and the Sharia Supervisory Board on Islamic Social Reporting (ISR) Disclosures, it can be concluded that:

1. This study shows that institutional ownership has no effect on Islamic Social Reporting (ISR) Disclosures. This means that the size of the Institutional Ownership does not have an impact on the breadth or narrowness of the ISR disclosure.
2. This study shows that the Audit Committee has no effect on Islamic Social Reporting (ISR) Disclosures. This means that the number of audit committees has no impact on the extent or narrowness of the ISR disclosure.
3. This study shows that the Sharia Supervisory Board has no effect on Islamic Social Reporting (ISR) Disclosures. This means that the number of sharia supervisory boards has no impact on the extent or narrowness of the ISR disclosure.

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