
THE EFFECT OF SHARIA BANKING LIQUIDITY RISK MANAGEMENT ON SOCIAL RESPONSIBILITY OF SHARIA BANKING TO IMPROVE PEOPLE'S WELFARE (Literature Studies: 33 Years of Bibliometric 1990 - H1'2023)

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Abstract

The purpose of this research is to examine the effect of disclosure on Islamic banking risk management and corporate social responsibility towards improving people's welfare. This study seeks to systematically explore and classify the research literature on Islamic banking liquidity and social responsibility (Islamic social) by mapping and visualizing it so that it can become a basis for further research. Using Scopus data from 1990 to July 2023, a system mapping study (SMS) was conducted along with Bibliometric-biblioshiny analysis and additional results with data processing using Vos viewer at the end of the chapter. This study visualizes patterns of co-occurrence of keywords, co-citation relationships, and document citations. We present influential aspects of literature, including the number of publications per year, countries, institutions, journals, authors, and subjects. The results of the study show that corporate risk management disclosures have a positive social Islamic effect on companies in improving people's welfare.

Keyword: Disclosure of Liquidity Risk Management, Social Responsibility of Islamic Banking.

Introduction

The banking sector is one of the important pillars in a country's economy. The presence of banking does not only function as a channel of funds, but also has a strategic role in mitigating risk and facilitating economic growth. In this context, Islamic banking as an integral part of the global financial system has emerged as an attractive alternative to Islamic law-compliant principles. Liquidity risk is a significant risk faced by financial institutions, including sharia banking. Failure to meet payment obligations on time can result in serious disruption to banking operations and overall financial system stability. Therefore, Liquidity risk management is a very important aspect for Islamic banking to ensure operational continuity and business continuity. On the other hand, corporate social responsibility (CSR) has become a major focus of attention in the last few decades. Not only seeking financial gain, the company is also expected to contribute positively to the surrounding community and environment. Sharia banking, with strong Islamic ethical foundations, is expected to play a role in improving people's welfare through CSR principles that are integrated with religious values. Not only seeking financial gain, the company is also expected to contribute positively to the surrounding community and environment. Sharia banking, with strong Islamic ethical foundations, is expected to play a role in improving people's welfare through CSR principles that are integrated with religious values. Not only seeking financial gain, the company is also expected to contribute positively to the surrounding community and environment. Sharia banking, with strong Islamic ethical foundations, is expected to play a role in improving people's welfare through CSR principles that are integrated with religious values.

Improving the welfare of owners and shareholders is one of the objectives of establishing a company, by maximizing shareholder wealth through increasing social responsibility and corporate value (Bringham and Houston, 2001). One of the long-term goals that should be achieved by the company is to increase social responsibility and corporate value, which is reflected in the market price of its shares, because social responsibility and corporate value are the perceptions of Islamic banking and public appreciation of the company's condition, which often refers to the stock price. companies that are traded on the stock exchange for companies that have gone public. Social responsibility and corporate value are the price for the company that will be paid by the buyer when the company is sold (Husnan, 2004). Social responsibility and corporate value generated by the company is one that is desired by company owners, because with high social responsibility

and corporate value for a company, this shows that prosperity for owners and shareholders is also high (Hermuningsih, 2013). Islamic banking decisions should not only rely on financial information factors in making their investment decisions. Because in assessing a company, financial information alone is not sufficient as a reference, disclosure of non-financial information is also considered important in considering investment decisions (Anisa 2012). Many non-financial factors can affect the increase in social responsibility and corporate value, such as disclosure of corporate risk management, disclosure of intellectual capital, disclosure of corporate social responsibility (CSR), which can be assessed to increase social responsibility and corporate value. One of the non-financial information required by Islamic Banking is information regarding the company's risk profile and the management of these risks. The non-financial information needed by Islamic Banking is information regarding the company's risk profile and the management of that risk.

Implementation of enterprise risk management within a company can help to control management activities so as to minimize the occurrence of fraud that can be detrimental to the company. This can be used as Islamic Banking as a material consideration in making investment decisions. Risk management in Indonesia itself has been regulated by a regulatory body where it is emphasized that financial companies are required to disclose information regarding risk management in an annual report in accordance with regulations issued by regulatory bodies, while non-financial companies are only limited to general provisions. PSAK No. 60 (Revised 2010) and Decree of the Chairman of Bapepam LK Number: Kep-431/ BL/ 2012 is a rule in which companies are required to present risks that may affect business continuity and the efforts made to manage these risks. The tax provisions on risk disclosure explanation rules for non-financial companies tend to only present risk information in general and lack detail. It is not only disclosure of risks that must be considered by companies, but how the relationship and management of human capital, structural capital, customer capital within a company is also considered important. In connection with the management of human capital, structural capital, customer capital, the current era of globalization has brought changes to various aspects, especially in the development of science, innovation,

This can lead to various positive and negative conditions in the business world, namely the development of the business world will not only increase or open employment opportunities for domestic and inter-country but this also poses a separate threat to companies, namely business competition which is becoming increasingly rapid and tight for company. Companies are required to survive in this increasingly competitive business world by providing and creating the latest and changing brand patterns in running their companies, so that a company needs to develop new strategies and policies according to market conditions. With the existence of some of these obstacles, the company changed its strategy in its business, which was previously a labor-based business to a knowledge-based business (Aida & Rahmawati, 2015). This change in strategy towards knowledge-based business or intellectual capital has caused how companies make efficient use of Intellectual Capital to increase significantly (Ousama and Fatima, 2015). PSAK No. 19 in Indonesia, this led to the emergence of the phenomenon of intellectual capital (2000 revision) regarding intangible assets. According to PSAK 19 (revised 2015), intangible assets are identifiable non-monetary assets without a physical form (IAI, 2015). Based on (Global Reporting Initiative, 2013), Sustainability reports make it easier for companies to set goals, measure performance, and manage change so that they can increase their sustainability in their operations. By carrying out CSR the image of a company can be better in the eyes of the public, where this will increase the trust of Islamic banking to invest in companies. Good corporate image, this can have an impact on consumer loyalty. Community or consumer loyalty increases, so in the long term this will affect the company's sales. Disclosure of CSR by companies is important for report users to analyze the extent to which social responsibility is paid attention to in running a business. It is hoped that this will be able to provide a signal and increase social responsibility and corporate value in the eyes of Islamic banking. UU no. 40 of 2007 concerning Limited Liability Companies also contains regulations that companies whose activities are related to natural resources are required to disclose CSR in their annual reports (Utama, 2007).

Problem Identification

Although liquidity risk management and corporate social responsibility (CSR) have received extensive attention in the economic and financial literature, research that specifically explores the relationship between the two in the context of Islamic banking is still limited. The effect of disclosure on liquidity risk management on corporate social responsibility, as well as its impact on people's welfare, needs to be studied more deeply. It is important to identify whether the disclosure of information regarding liquidity risk management in Islamic banking can make a significant contribution to corporate social responsibility practices and in turn, has the potential to improve social welfare. With a better understanding of this interrelationship.

Research Methods

Based on its purpose, this research is included in a causal study which aims to explain one or more factors that cause a phenomenon or other factors (Sekaran and Bougie, 2017: 112). This study explains the effect of disclosure on corporate risk management, and social responsibility on social responsibility and corporate value. According to (Sugiyono, 2016: 80) population is an area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. In this study, the population used was companies in the Islamic banking sector in Indonesia.

This chapter discusses the research design used to answer the research questions posed in this dissertation. The research method forms the basis for collecting data, analyzing data, and compiling research conclusions and recommendations. This study uses a quantitative approach to analyze the relationship between the variables studied. Using Scopus data from 1990 to July 2023, a systems mapping study (SMS) was conducted in conjunction with a Bibliometric-biblioshiny analysis. This type of research is a Bibliometric testing research that aims to examine relationships and explain phenomena in the form of complete accuracy data.

Research Variables, this study will focus on two main variables:

1. Disclosure of Sharia Banking Liquidity Risk Management. This variable will be measured through an analysis of Islamic banking financial statements relating to the disclosure of information regarding liquidity risk management, including the policies, procedures and methods used.
2. Sharia Banking Social Responsibility. This variable will be measured through an analysis of sustainability reports or sharia banking social responsibility, which includes various programs and social initiatives carried out by banks to improve people's welfare.

Data Analysis

The data that has been collected will be analyzed using the Scopus data method from 1990 to July 2023, a system mapping study (SMS) is carried out together with Bibliometric-biblioshiny analysis. This research will adhere to the principles of research ethics, including in terms of the use of secondary data and respect for copyrights such as Scopus and banking policies regarding information disclosure.

Research Limitations

This chapter will also discuss research limitations, such as limited data available, limitations in analytical methods, and other factors that may affect the validity and generalizability of research results.

Results

This chapter discusses the results of the bibliometric analysis conducted to support understanding and verification of the proposed research problem, namely the effect of disclosure on Islamic banking liquidity risk management and social responsibility towards improving people's welfare. This analysis aims to provide a broad view of the trends, patterns, and contributions of the literature relevant to the research topic.

Analysis of Number of Publications

Preliminary analysis is carried out by identifying and counting the number of publications relevant to the research topic during a certain period. The results of this analysis provide an overview of the level of interest and research focus in the field studied.

Keyword Analysis

Keyword analysis was carried out to identify the keywords that appear most often in the literature related to the research topic. This helps in understanding the most relevant and commonly used terms in the context of Islamic banking, liquidity risk management, social responsibility, and people's welfare.

Most Reference Analysis

The most reference analysis was carried out to identify the publications that were most cited by related literature, for example from journals at Scopus. This helps identify the main contributions to knowledge development in this field.

Sharia Banking's trust in the quality and commitment to risk management in a company can encourage positive perceptions of Islamic Banking in that company. This positive perception will affect the increase in social responsibility in society.

Literature related to liquidity risk management on banking social responsibility was first reviewed on Scopus in 1990 to 2023, but we do not limit our analytical framework to get a complete picture of how literature review related to risk management has been carried out in the past. Based on Table 1, there are 326 items from 159 unique sources written by 673 authors. The average number of publications is 5.09 and the average number of citations per document is 9.06. Graph 1 illustrates the quantity of publications for 33 years. From 2004 to 2016 there has been an increase in the development of sharia banking risk management for this social responsibility. From 2013 there was an increase in the frequency of 13 publications and in 2018 there were 32 publications. However,

Table 1. Main Information

Description	Results
MAIN INFORMATION ABOUT DATA	
Timespan	1990:2023
Sources (Journals, Books, etc)	159
Documents	326
Annual Growth Rate %	8.08
Document Average Age	5.09
Average citations per doc	9,064
References	12381
DOCUMENT CONTENTS	
Keywords Plus (ID)	157
Author's Keywords (DE)	726
AUTHORS	
Authors	673
Authors of single-authored docs	72
AUTHORS COLLABORATION	
Single-authored docs	76
Co-Authors per Doc	2.54
International co-authorships %	25.46
DOCUMENT TYPES	
article	280
book	5
book chapter	17
conference paper	18

conference review	1
erratum	1
reviews	4

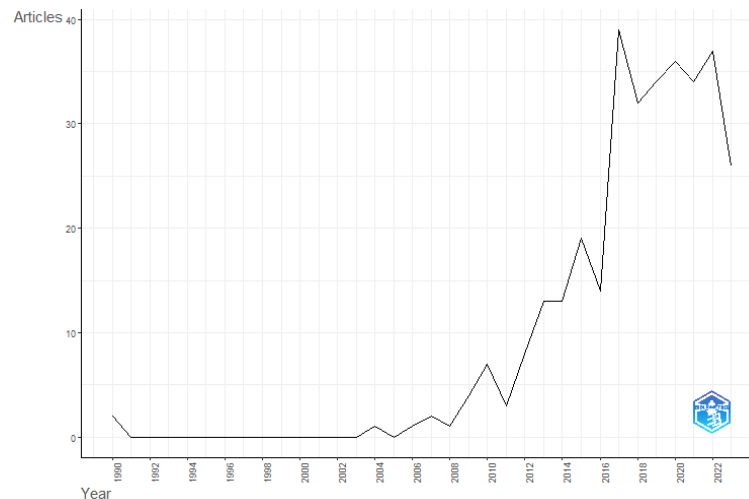


Figure 1. Publication Frequency

In Figure 2, in 2008, publication citations experienced the highest increase in each year and decreased until 2023.

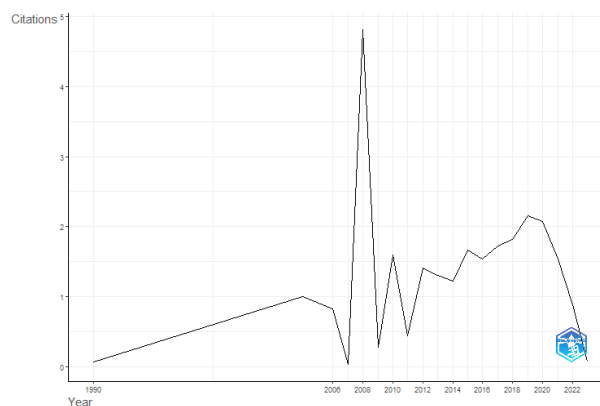


Figure 2. Citation of Publications each year

As shown in Table-2 and Figure 3, the Journal of Islamic Accounting and Business Research from Emerald Publishing has become the leading publication in the study of the theme of liquidity risk management for banking social responsibility in which there are 23 articles. Furthermore, the International Journal of Islamic and Middle Eastern Finance and Management ranked second with 20 articles, followed by Isra International Journal of Islamic Finance with 9 articles. In Table 3 there are 10 of the highest ranking Authors where in the first position, namely Abdul Rahman A and in the second position, Kamarudin F and in the third rank, Sufian F, the Author is more or often raises journal themes related to Liquidity Risk Management on Social Responsibility in Islamic Banking.

Table 2. Top 10 Journals

Sources	Articles
JOURNAL OF ISLAMIC ACCOUNTING AND BUSINESS RESEARCH	23
INTERNATIONAL JOURNAL OF ISLAMIC AND MIDDLE EASTERN FINANCE AND MANAGEMENT	20
ISRA INTERNATIONAL JOURNAL OF ISLAMIC FINANCE	9
PACIFIC BASIN FINANCE JOURNAL	8
INTERNATIONAL JOURNAL OF ECONOMICS AND FINANCIAL ISSUES	7
BANKS AND BANK SYSTEMS	6
MALAYSIA ECONOMIC JOURNAL	6
RESEARCH IN INTERNATIONAL BUSINESS AND FINANCE	6
COGENT ECONOMICS AND FINANCE	5
HUMANOMICS	5

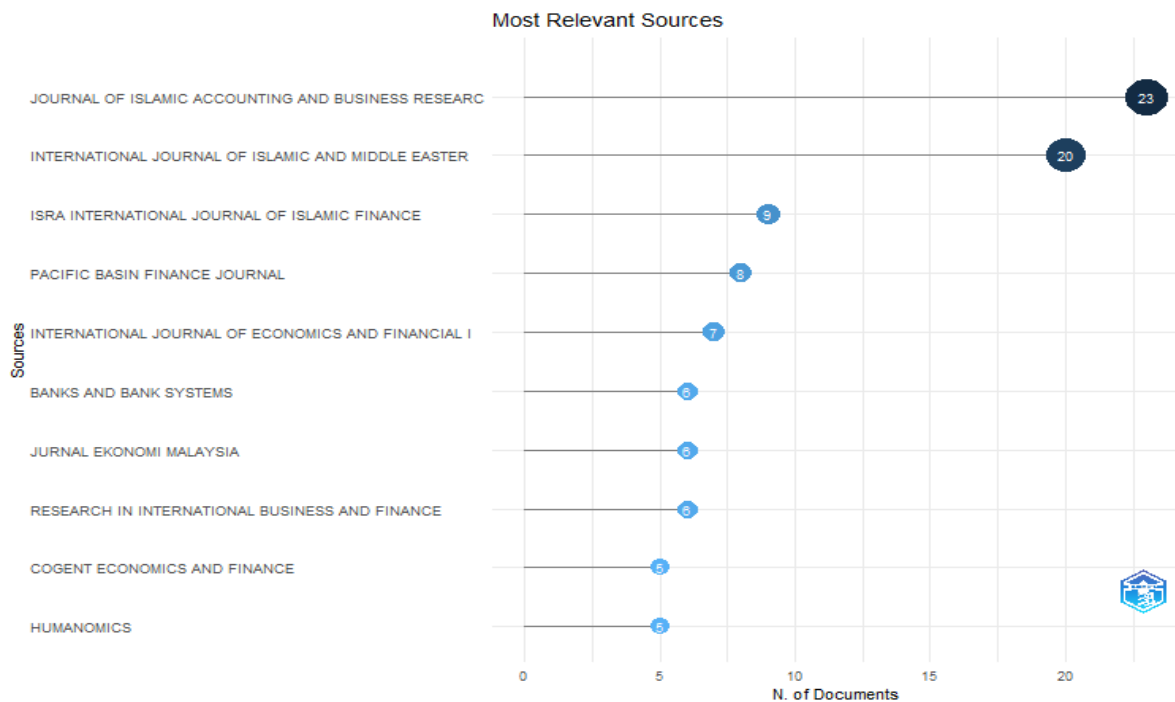


Figure 3. Top 10 Journals

Table 3 Top 10 Authors

Authors	Articles	Fractionalized Articles
ABDUL-RAHMAN A	8	2.75
KAMARUDIN F	8	2,15
SUFIAN F	7	2,7
AMEN SIM	5	1.58333333
HASSAN MK	5	1.75
ASUTAY M	4	1.41666667
HADDAD A	4	2
SHAHARUDDIN A	4	0.93333333
SULAIMAN AA	4	1.33333333
BANSAL A	3	2

In Table 4, University Kebangsaan Malaysia is the most prestigious affiliated organization for study articles that raise Liquidity which can be linked to Social Responsibility in Islamic Banking with 15 articles, besides that there are Universiti of Malaya with 13 articles, and in third place there is International Islamic University Malaysia as many as 10 articles and so on. There are 94 articles from a total of 10 of these affiliated organizations by raising Liquidity Risk in Islamic Banking which can be linked to Social Responsibility for the benefit of the people at large.

Table 4. Affiliate Organizations

Affiliation	Articles
MALAYSIA NATIONAL UNIVERSITY	15
UNIVERSITY OF MALAYA	13
INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA	10
MULTIMEDIA UNIVERSITY	10
UNIVERSITY OF MALAYSIA TERENGGANU	9
MARA UNIVERSITY OF TECHNOLOGY	9
PRIVATE UNIVERSITY OF MALAYSIA	8

INDONESIAN ISLAMIC UNIVERSITY	7
UNIVERSITY OF NEW ORLEANS	7
QATAR UNIVERSITY	6

In Figure 4. There is Malaysia which mentions more regarding the Liquidity Risk of Islamic Banking and in the second position there is Indonesia. The third, fourth and fifth positions were filled by countries such as Tunisia, Saudi Arabia and Pakistan.

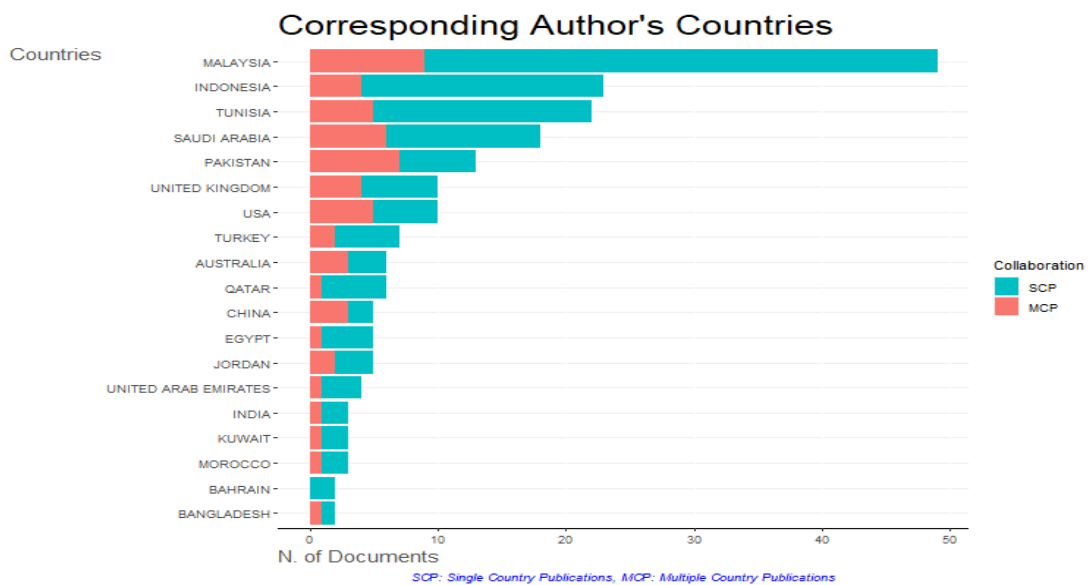


Figure 4. Country Correspondents

Country Scientific Production

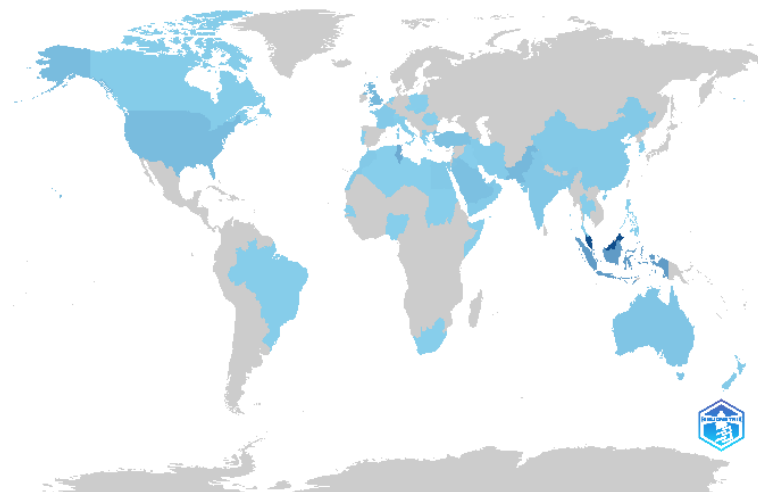


Figure 5. Collaborative World Map

Based on word cloud analysis in graph 6, it can be seen that "Banking" is 11 frequencies that often appear, "Islamic banking" is 6 frequencies, "risk assessment" is 6 frequencies that often appears in raising liquidity risk in Islamic banking.



Figure 6. Word Cloud

Table 5. Frequency of Word Cloud

Terms	frequency
banking	11
islamic banking	6
risk assessment	6
islamism	5
profitability	5
industrial banking	4
efficiency	4
financial market	4
Indonesia	4
banking performance	3

Using the bibliographical merging technique in the VOS viewer software, we performed citation mapping for 326 articles. During the bibliographic analysis, we determined the unit of analysis to be 'documents' and the method of analysis to be 'fractional analysis' accordingly (van Eck & Waltman, 2010). The document counting method is set to fractional calculation instead of whole counting. During the bibliometric review process, fractional calculations allow a degree of control to minimize the influence of documents with multiple authors.

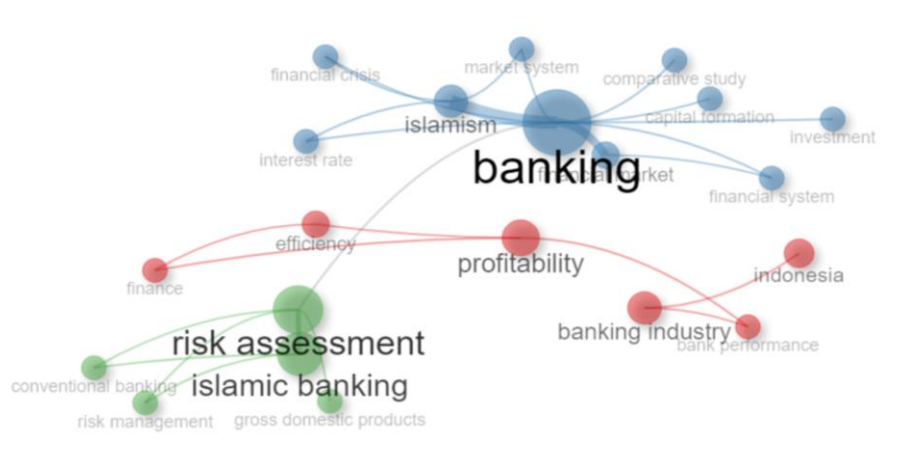


Figure 7. Co-occurrence Bibliometrics

Additional Images Vos Viewer

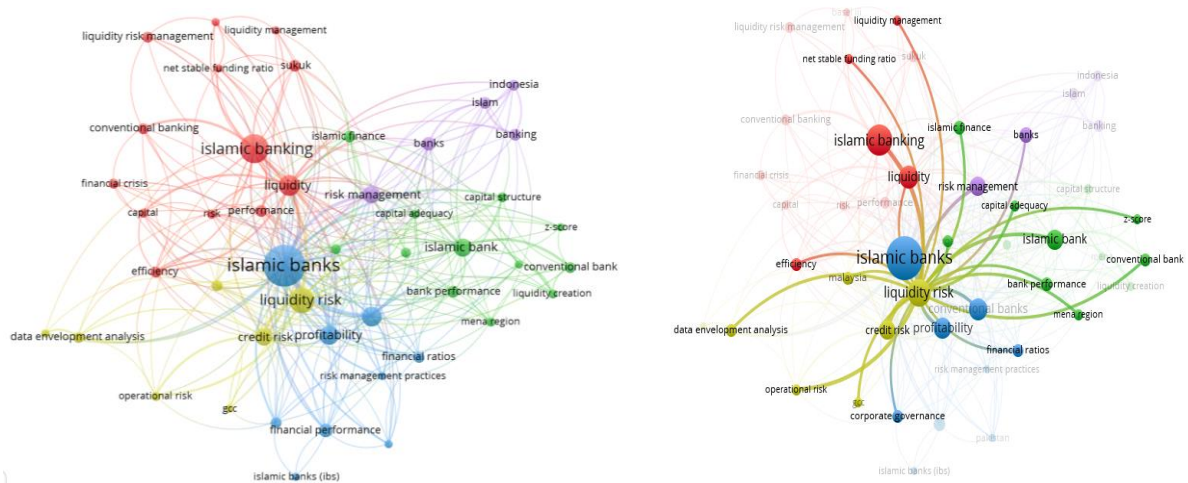


Figure 8. VosViewer Co-occurrence Network

Figure 8 displays the additional results of the relationship analysis generated by the VOS viewer. We also found that Novelty has several opportunities for future research because there is no link between these variables, such as liquidity risk related to Islamic Finance, liquidity risk can also be associated with operational risk, liquidity risk can also be associated with bank performance, liquidity risk can be associated with efficiency and so on. So that it will create another Novelty.

Conclusions

1. Liquidity and financing must be managed by Islamic Banks with sufficient attention to risk mitigation. Healthy liquidity and financing will strengthen the Bank to be able to perform social functions more effectively.
2. Effective risk management estimates future cash flow requirements, both under normal and stressed conditions. This poses a challenge for Islamic banks even though the bank is in an uncertain market condition going forward.

3. The social function of Islamic Banks is not only in the form of providing assistance to the community, but also helping customers who have difficulties in financing payments by restructuring financing loans. So that customers or people who are experiencing difficulties are helped by the social responsibility of Islamic banking.
4. So that Islamic Bank policies can be made to determine a certain amount or percentage of Islamic Bank income, not only depending on the profit that the Bank gets.

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