

## Social Responsibility Pt. Bank Ntb Syariah East Lombok Branch Viewed from Islamic Business Ethics



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**ABSTRACT:** Distribution has always been a hot topic of discussion in Islamic economics because the discussion of this distribution is related to not only economic aspects but also social and political aspects. Hence, it attracts the attention of Islamic and conventional economic thinkers. This research aims to analyze the form of social responsibility of PT. Bank NTB Syariah East Lombok Branch is in accordance with the concept of Islamic distribution. The approach used in this study is qualitative, namely a research procedure that produces descriptive data in the form of speech or writing and behaviour that can be observed. The informants in this study were employees and the community involved in the Corporate Social Responsibility program. They collected data using interviews and documentation—data analysis through data reduction, data display, conclusion drawing and verification. The research results show the form of PT's social responsibility. Bank NTB Syariah, East Lombok Branch, follows the concept of Islamic distribution, including programs for educating the people and programs for sympathy. Funds for the East Lombok Branch of Bank NTB Syariah's CSR program are sourced from company profits, ZIS (zakat, infaq, Sadako) and benevolent funds (fines and non-halal income). The funds were collected by the East Lombok Branch of Bank NTB Syariah and managed by Laznas.

**KEYWORDS:** Corporate Social Responsibility, Distribution, Islamic Business Ethics

### 1. INTRODUCTION

#### 1.1. Background

Distribution is one of the activities in human economic activities, in addition to production and consumption. The study of distribution has always been a hot topic of discussion in Islamic economics because this discussion in distribution is not only related to economic aspects but also social and political aspects, thus attracting attention to Islamic and conventional economic thinkers (Awuy et al., 2016). The thrust of the Qur'an on the distribution sector has also been explained explicitly. Distribution verses such as (QS. an-Anfal [8]: 1), (QS al-Hasyr [59]: 7), (QS. Al-Hadid [57]: 7), (QS. At-Taubah [ 59]: 60) contains the value of a strict prohibition on the accumulation of property or necessities for only a few people. The distribution of wealth that is unfair and equitable will make the rich richer and the poor poorer.

One form of distribution is Corporate Social Responsibility (CSR). Corporate Social Responsibility or corporate social responsibility is defined as a business commitment to contribute to sustainable economic development through cooperation with employees and their representatives, their families, the local community and the general public to improve the quality of life in a beneficial way for the business itself. As well as for development. This contribution is reflected in the income and wealth distribution framework through economic and social activities (Fauzan and Purwanto, 2017).

Islam also pays attention to the distribution of income and wealth. There are various forms of distribution in Islam, such as obligatory alms and sunnah alms. Among the obligatory alms is zakat, while zakat sunnah includes infaq and waqf. More specifically, this distribution process has also been arranged in such a way, both in terms of the receiving party and the status of the object being distributed. For example, the distribution of zakat funds must follow the rules contained in the Qur'an and the authentic hadiths of the Prophet. Objects that are distributed must also be free from several things, such as usury, theft, alcohol, and pork. (Wibowo, 2007).

Corporate Social Responsibility (CSR), from the Islamic perspective, is an inherent consequence of the teachings of Islam itself. The aim of Islamic law (maqasid al sharia) is maslahah, so business attempts to create maslahah, not just for profit. Business in Islam has a very noble as well as strategic position because it is not only permitted in Islam but rather commanded by Allah in the Qur'an. In Islam's view, the obligation to carry out CSR is about fulfilling legal and moral obligations and strategies so that

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companies and society can survive in the long term. If CSR is not implemented, there will be more costs that the company must bear.

According to Djakfar (2014), the Implementation of Corporate Social Responsibility (CSR) in Islam in detail must fulfil several elements that make it a spirit so that it can distinguish CSR from an Islamic perspective from CSR universally, namely: First, Al-Adl, where Islam has forbidden every business relationship. Alternatively, a business that contains tyranny and requires the fulfilment of justice is applied in business relationships, contracts, and business agreements. Second is Al-Ihsan, where Islam only orders and recommends good deeds for humanity so that human deeds can add value and elevate human dignity individually. Third, Benefits,

Concerning business ethics, people nowadays think ethics is just how someone avoids problems. That is why discussions about ethics in companies and industries always centre on legal, regulatory, regulatory and compliance issues. Islamic business ethics has been taught by the Prophet SAW when running a trade. The characteristic of the Prophet SAW as a trader is that, apart from his dedication and tenacity, he also has the characteristics of shindig, fathanah, Amanah and tabligh; these characteristics are added to the character of Istiqamah. Based on these characteristics, in the context of CSR, business actors or companies must not deliberately contradict what they say and do in their business. They are demanded to be punctual, to admit weaknesses and shortcomings (not to be covered up), always improve the quality of goods or services on an ongoing basis and must not deceive and lie. Business actors or companies must have a mandate by displaying an attitude of openness, honesty, optimal service, and Ihsan (doing their best) in all matters, especially when it comes to community service. With the nature of trust, business actors are responsible for carrying out their obligations. The nature of tabligh can be conveyed by business actors by Business actors have a responsibility to carry out their obligations. The nature of tabligh can be conveyed by business actors by Business actors have a responsibility to carry out their obligations. The nature of tabligh can be conveyed by business actors by wise (wisdom), patient, argumentative and persuasive will foster solid and strong human relations.

Business actors must be aware of ethics and morals because both are needs that must be possessed. Business actors or companies that are careless and do not maintain ethics will not do business properly, which can threaten social relations and harm consumers, even themselves. Companies engaged in the banking sector are not only required to align with business concepts but are also required to carry out social values in society. Various banking companies in Indonesia are implementing social concepts following structural adjustments and business policies stipulated in the Limited Liability Company Law No. 40 of 2007 in Article 74 concerning the obligation to disclose corporate social and environmental responsibility (Nasibah and Kurnia, 2019). Corporate Social Responsibility (CSR) is mainly implemented in companies (Rahayu and Kartika, 2017). Apart from companies, Corporate Social Responsibility (CSR) is also carried out in Islamic banking. The challenge of maintaining the corporate image of society is one of the reasons banks in Indonesia need to carry out social reporting. Islamic banks play an essential role in disclosing social responsibility to the public. According to Meutia (2010), Islamic banks should have a higher spiritual side that prioritizes non-usury business and promotes welfare for the wider community, the most important of which is the community with a weak economy.

Meanwhile, another opinion is that, according to Yusuf (2010), The position of Islamic banking as a financial institution at the national and international levels must be able to set an example in implementing Corporate Social Responsibility (CSR) programs. Implementing the Corporate Social Responsibility (CSR) program of Islamic banks not only fulfils obligations in the law but also implements social responsibility based on strong Islamic philosophy and tasawwur, which has become one of the Islamic financial institutions that can prosper the community. The Corporate Social Responsibility (CSR) program in Islam has also been mentioned in the Al-Quran Al-Baqarah 205, Al-A'raaf 56, Al-Taqaabun 16. It was implementing Corporate Social Responsibility (CSR) in Islamic banking using religious values, Islam or Sharia values (Mansur, 2012).

In this study, researchers chose Bank NTB Syariah as the research object. Bank NTB Syariah is owned by the West Nusa Tenggara Provincial Government and City/Regency Governments throughout West Nusa Tenggara. Bank NTB Syariah is one of the Islamic banks in West Nusa Tenggara. Bank NTB Syariah was initially a conventional bank that changed its principles to become Islamic. This change was made in 2018, which is still relatively young, with approximately two years of operational life as a Sharia Bank. This relatively young change has not hampered the performance of Bank NTB Syariah. Despite the age of Bank NTB as a Sharia bank, Bank NTB Syariah carries out social activities that have carried out many social activities in West Nusa Tenggara, both on Lombok Island and Sumbawa Island. The Corporate Social Responsibility (CSR) program carried out by Bank NTB Syariah helps people with economic limitations. One of the many programs carried out by Bank NTB Syariah is the provision of clean water. It is one of the programs in the environmental aspect. In addition, Bank NTB Syariah also carried out several activities, namely assisting in education, health, religion, the environment and the community. The CSR program carried out by Bank NTB Syariah more or less includes Sharia Enterprise Theory (SET) both in vertical accountability and horizontal accountability. Bank NTB Syariah has carried out responsibilities to Allah SWT, employees, customers, and the surrounding environment.

To finance the implementation of the CSR program, Bank NTB Syariah Mataram has budgeted some funds from the company's operational budget, the implementation of which is aligned with local government programs in NTB. These funds are channelled

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through social activities engaged in natural disasters, education, sports, Religion, Society, Arts & Culture, Nature & Environment Conservation, and Health. The funds disbursed by Bank NTB Syariah for CSR are as follows:

**Table 1.1. Development of Total Corporate Social Responsibility (CSR) Bank NTB Syariah During 2015 – 2019.**

Year	Amount (Rupiah)
2015	9,058,486,294
2016	10,405,463,936
2017	10,727,845,051
2018	439,541,120
2019	7,595,191,749

Source: PT. Bank NTB Syariah

Funds allocated before conducting this research, researchers interviewed several customers who stated that they feel proud to be customers because of the CSR program. In connection with the abovementioned matters, the researcher is interested in conducting a study entitled: "Social Responsibility of PT. Bank NTB Syariah, East Lombok Branch from an Islamic Perspective.

### 1.2. Formulation of the problem

Based on the background above, the formulation of the problem in this study is how is the form of social responsibility of PT. Bank NTB Syariah East Lombok Branch in the concept of Islamic distribution?

### 1.3. Research purposes

Based on the formulation of the problem, this research aims to analyze the form of social responsibility of PT. Bank NTB Syariah East Lombok Branch is following the concept of Islamic distribution.

## 2. LITERATURE REVIEW

### 2.1. Corporate Social Responsibility(CSR)

According to Law Number 40 of 2007, CSR or Social and Environmental Responsibility is the company's commitment to participate in sustainable economic development to improve the quality of life and a beneficial environment for the company itself, the local community, and society in general. Meanwhile, Law Number 25 of 2007 defines CSR as the responsibility inherent in every investment company to continue to create harmonious, balanced relationships in accordance with the environment, values, norms and culture of the local community.(Lindawati and Puspita, 2015).

According to Suryani (2013), CSR disclosure is integral to financial reporting. It is technically the final step in the accounting process, namely, presenting information in financial statements. Aprilia (2013)Declaring Corporate Social Responsibility (CSR) can be interpreted as the industry's commitment to be accountable for the impact of operations in the social, economic and environmental dimensions and to ensure that these impacts contribute benefits to the community and their environment.

Corporate Social Responsibility(CSR) is measured using the Global Reporting Initiative (GRI). Global Reporting Initiative (GRI) G-4 is reporting, standard disclosure with indicators of social responsibility borne by companies to create or provide reporting benefits to company stakeholders. These guidelines are for use by organizations regardless of size, sector, or location. These guidelines also provide an international reference for all parties involved with disclosure through governance approaches and environmental, social, economic, and organizational performance and impacts. This guideline helps prepare various documents requiring such disclosure. The Global Reporting Initiative (GRI) is an extensive independent network of diverse stakeholders and was launched in 1997 as a joint project between an American NGO, namely the Coalition for Environmentally Responsible Economics (CERES) and the UN agency The United Nations Environment Program (UNEP). The G-4 Global Reporting Initiative (GRI) publishes a sustainability reporting framework currently used by more than 1,500 companies in 60 countries and has become a de-facto world standard for reporting. The Global Reporting Initiative (GRI) G-4 Guidelines propose principles and indicators to measure companies' economic, environmental and social performance, as well as standards for the content of sustainability reports. The G-4 Global Reporting Initiative (GRI) publishes a sustainability reporting framework currently used by more than 1,500 companies in 60 countries and has become a de-facto world standard for reporting. The Global Reporting Initiative (GRI) G-4 Guidelines propose principles and indicators to measure companies' economic, environmental and social performance, as well as standards for the content of sustainability reports. The G-4 Global Reporting Initiative (GRI) publishes a sustainability reporting framework currently used by more than 1,500 companies in 60 countries and has become a de-facto world standard for reporting. The Global Reporting Initiative (GRI) G-4 Guidelines propose principles and indicators to measure companies' economic, environmental and social performance, as well as standards for the content of sustainability reports(Sahla and Aliyah, 2016). The

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mission of the G-4 Global Reporting Initiative (GRI) is to develop and disseminate sustainability reporting guidelines throughout the world. Companies can voluntarily use these guidelines to report on the economic, environmental and social dimensions of all their activities, as well as reports on their products and services. The impacts caused by the company's operations, according to the G-4 Global Reporting Initiative (GRI), include, among others (Urip, 2014).

### **2.2. Corporate Social Responsibility (CSR) Principles**

According to Soliman et al. (2012), states that Corporate Social Responsibility is divided into three basic principle components known as the Triple Bottom Lines (3P), namely as follows:

#### **Profit (Profit)**

Profit is the most crucial element and is the primary goal of every business activity, including the company. However, companies must not only have benefits for their organizations but must be able to provide economic progress for their stakeholders and what actions have been taken by companies to strengthen economic resilience in society.

#### **People (Man)**

Companies must be responsible for advancing social welfare and all of their stakeholders, realizing that the community surrounding the company is one of its critical stakeholders. Companies can create activities to build community and human resources.

#### **Planets (Environment)**

Companies must maintain environmental conditions, especially around the company's environment, because the company should care for the environment. Companies must implement clean, safe and responsible production processes. This concept can provide an understanding that a good company does not only seek economic profit (profit) but also has concern for environmental sustainability (planet) and community welfare (people).

### **2.3. Forms, Benefits, and Importance of Corporate Social Responsibility**

In practice, the implementation of CSR is adjusted to each company's capabilities and society's needs. Therefore the forms of CSR activities are very diverse. It depends on the process of social interaction, is voluntary based on moral and ethical encouragement, and usually goes beyond the mere obligation to comply with laws and regulations (Triastuti, 2014).

The forms of CSR are very diverse, including in the form of educational assistance such as: building elementary schools in areas where the infrastructure is no longer proper so that many have collapsed, blood donations, socialization, skills for street or abandoned children, assistance to various kinds of calamities including floods, earthquakes, tsunamis, and other assistance based on the surrounding environmental conditions where the company was established (Urip, 2014).

The concept of corporate social responsibility (CSR) arises because the natural character of every company is to seek maximum profit without regard to the welfare of employees, society and the natural environment. As time goes by, the awareness of company leaders increases, and the concept of social responsibility emerges and becomes an integral part of the company's survival in the future. By paying attention to and implementing social responsibility, it is hoped that the company will have a good image in the eyes of competitors and the public and their role in doing business. The most common forms are direct competitors.

### **2.4. Islamic Business Ethics**

In general, ethics can be defined as a systematic effort to use reason to make sense of our individual or social and moral experience, which can determine the role that will govern human action and the values that are beneficial in life. Meanwhile, business ethics are the rules that affirm a business may act and may not act, where these rules can originate from written rules or unwritten rules. Moreover, if a business violates these rules, then sanctions will be accepted. Where these sanctions can be in the form of direct or indirect (Irsadunas et al., 2018).

More specifically, Islamic business ethics can be defined as a series of business activities in various forms which are not limited by the amount of ownership of assets, including profit, but are limited in how to obtain them and the utilization of their assets due to halal and haram rules (Juliyani, 2016). Business ethics in Islam are many ethical business behaviours (akhlaq al Islamiyah) wrapped in sharia values that prioritize halal and haram. So ethical behaviour follows Allah's commands and stays away from His prohibitions. Islamic business ethics must comply with ethical norms based on the Qur'an and Hadith, which must be used as a reference by anyone in business activities (Norvadewi, 2015).

In Islam, Islamic business ethics demands and directs Muslims to take actions by what is permitted and prohibited by Allah SWT, including in carrying out economic activities. Humans are free to carry out economic activities to improve their standard of living—ethics in business functions help people solve problems related to morals in their business practices. Islamic business ethics

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must be understood correctly so that the possibility of business destruction will be slight. With the proper ethics, no one will feel disadvantaged, and the community may benefit from buying and selling activities (Rahmat, 2017).

### 2.5. The Purpose of Islamic Business Ethics

According to Badroen et al. (2007), in general, the objectives of Islamic business ethics are:

1. Opening the human eye to see in order to know what is good and what is wrong in theory
2. Influence and encourage human will in order to form a holy life
3. Produce goodness and perfection
4. Give benefits to fellow human beings
5. Ethics encourages the will to do good, but it does not always succeed if it is not obeyed by human sanctity.

Islamic business ethics aims to save human life to achieve prosperity and socio-economic harmony in the lives of individuals and groups. Based on the description above, it can be understood that the purpose of Islamic business ethics is to direct all human behaviour in doing business in accordance with Islamic law, meaning that Muslim businesspeople must be able to distinguish what is permissible and what is not permissible in Islam to achieve a prosperous life like individuals or groups. other communities (Darmawati, 2014).

### 2.6. Principles of Islamic Business Ethics

According to Hulaimi et al. (2017), five principles make up the Islamic business ethics system, namely:

#### a. Oneness (Tawhid)

As the primary source of Islamic business ethics because it contains beliefs about the oneness or oneness of God. Tawhid is the basis and, simultaneously, the motivation to guarantee the survival, adequacy, power and honour of humans whom Allah has designed to become glorified creatures. In general, monotheism is understood as an expression of a Muslim's belief (shahadat) in God.

As for the manifestation of this belief, it can be shown by carrying out business activities intended to gain Allah's pleasure and seek profit not only for the world's life but also for the hereafter with multiple profits. Tauhid is a theological discourse that underlies all human activities, including business activities. Tauhid awakens humans as divine beings, figures of godly beings. Thus, human business activities cannot be separated from God's supervision and in the context of carrying out God's commands.

#### b. Balance (Justice)

The concept of justice in the economy is that Islam requires everyone to get their rights and not to take the rights of others. In doing good business, it must be balanced and fair so that doing business will be of benefit. Justice does not mean absolute equality, but justice is equating two things that are the same according to the limits of similarity and the similarity of conditions between the two. Balance or fairness in business activities must be related to the sharing of benefits carried out by the company, namely by carrying out the Corporate Social Responsibility program by providing assistance in the amount of money to the community.

#### c. Free Will

Humans can do whatever they want if they do not violate the Shari'a; even in business, humans are free to choose. Freedom that belongs to every individual is recognized within the framework of Islamic business ethics as long as it does not conflict with more extensive social interests or as long as the individual does not overstep the rights of others. It is understood that humans have free will to carry out business activities based on their decisions and desires as long as these business activities do not violate the rights of others, while in business activities, there is no coercion from anyone.

#### d. Responsibility

Responsibility is a principle closely related to human behaviour because all freedom in carrying out all business activities by humans is inseparable from the responsibility given by humans for their business activities. Everyone must be responsible for what he has done and can bear the risks. As in doing business, every company must be responsible for the business it runs and be able to bear the risks that will occur later.

#### e. Truth (Honesty)

Honesty is a straight heart, not lying, for example, by saying what it is, not cheating, and being sincere. Honesty is a characteristic of being honest, sincere or like the truth. Islam upholds the value of honesty in all aspects of life, including in work, as Islam values honesty and condemns tyranny which will create fraud. Truth in the business context is meant in the attitudes and behaviour that follow the contract process (transaction), seeking or obtaining development commodities and trying to gain or determine profits. In general, ethics can be defined as a systematic effort to use reason to make sense of our individual or social,

### 3. RESEARCH METHODS

The approach used in this study is qualitative, a research procedure that produces descriptive data in the form of speech or writing and behaviour observed from the person (subject) itself (Wahyuningsih, 2013). The location in this study is PT. Bank NTB Syariah East Lombok Branch. In this study, informants have a significant role. According to Yin (2013), informants not only provide information about something to researchers but can also provide suggestions about other sources of supporting evidence or access to the source in question. The informants in this study consisted of key informants, primary informants and additional informants. All of these informants are people who are directly involved in the CSR activities of PT. Bank NTB Syariah East Lombok. They collected data using interviews and documentation. In the interview, the researcher carried out the stages in the form of determining the sources, interview preparation, the interview stage, and the interview termination stage. According to Miles and Huberman in Creswell (2016), techniques in data analysis are applied through data reduction, coding, data display, conclusion drawing and verification. Meanwhile, to check the validity of the data through the process of provisions of observation and triangulation, peer checking through discussions, using reference materials and checking.

### 4. RESULTS AND DISCUSSION

#### 4.1. Forms of Social Responsibility PT. Bank NTB Syariah East Lombok Branch Is under the Islamic Distribution Concept.

The actors of Bank NTB Syariah East Lombok Branch focus on collecting CSR funds for Islamic banks from the best sources so that the social functions of Islamic banks can be achieved optimally. Fundraising in CSR is absolute and most basic. The absence of funds is the same as the absence of CSR activities. The character and quality of the fundraisers greatly influence the success of fundraising. In terms of raising funds, Bank NTB Syariah East Lombok Branch periodically distributes zakat funds (from company profits, customer zakat, employee zakat), infaq funds (voluntary donations from customers, employees and the community) and social fund program funds (from non-halal income Bank NTB Syariah East Lombok Branch, namely conventional bank demand deposits) through Baznas. Bank NTB Syariah East Lombok Branch implements social responsibility programs. The East Lombok Branch of Bank NTB Syariah carries the social responsibility program with funds collected from its business operations. As disclosed by informant A1 as the Branch Manager and Social Responsibility of the East Lombok Branch of Bank NTB Syariah as follows:

"The form of CSR funds for Bank NTB Syariah East Lombok Branch is not only from the profits of Bank NTB Syariah East Lombok Branch but also from no-man's funds or what we usually call Qardhul-hasan or benevolent funds."

Based on the statement of informant A1, it shows that CSR funds are not only sourced from the profits of Bank NTB Syariah East Lombok Branch but also from benevolent funds (Qordhul hasan). Qordhul hasan funds come from fines, non-halal income, and other social funds. Virtue funds (Qordhul Hasan) are benevolent funds that can be channelled for social financing, namely financing that returns the amount of the principal funds without profit sharing and margins originating from 5 bait sources of zakat, infaq, sadaqah, waqf, sufficient funds and interest from conventional banks (Mais, 2018). So it is hoped that this benevolent fund can be distributed effectively and efficiently with various programs, including being channelled into a revolving fund for halal funds and only for Muslims.

A similar statement was expressed by Informant A2 as the technical executor of CSR distribution for Bank NTB Syariah East Lombok Branch as follows:

"Yes, so indeed our source of funds comes from ZIS funds and benevolent funds (Qordul Hasan), namely first fines, non-halal revenue and other social funds. Now this fine is related, for example, if the customer is late in paying. If the customer is late paying, what is the term for it? If the customer is given a consequence if they are late paying, we will find them, but we cannot consume the fine in our income statement; we will apply it to public facilities, like CSR funds, that's one of them. The source of the fine is customers who are late paying. For example, on the 20th, he does not have any funds, or he has some funds, which means some of the funds go into reducing the principal and margin instalments; for example, those who do not pay will be fined, and the amount of the fine is 0.

Likewise, the results with Informant C1 as an expert are as follows:

"Conventional banks and Islamic banks are different in allocating funds for their CSR. For example, in conventional banks, funds obtained from profits or profits are allocated for CSR activities. In contrast, in Islamic banks, funds originating from profits and non-halal funds, usually called social funds, are used to carry out CSR using those funds.

Based on this statement shows that the East Lombok Branch of Bank NTB Syariah CSR funds is sourced from the profits of the East Lombok Branch of Bank NTB Syariah BANK, ZIS and benevolent funds. The benevolent funds referred to here are fines, non-halal and other social funds. In practice, conventional banks and Islamic banks have differences in allocating funds to be used for social responsibility activities. Conventional Banks share profit-sharing percentages for social responsibility activities. Meanwhile, Islamic Bank funds used for CSR activities are profit funds and non-halal funds. Non-halal income (interest from

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conventional banks) and other social funds, the distribution of which should also be differentiated, which activities are financed from acceptable funds,

At Conventional Banks, all fines imposed on customers are recognized as income. The fine is usually a percentage of the paid instalment value multiplied by the number of days of delay. The longer the delay in instalment payments, the greater the fine. Meanwhile, accelerated repayment penalties usually comprise the remaining outstanding principal.

Bank NTB Syariah East Lombok Branch's social responsibility funds are sourced from company profits as described in Law No. 40 of 2007 and Law No. 25 of 2007. Meanwhile, those sourced from social funds are taken from ZIS and benevolent funds as determined by Bank NTB Central East Lombok Branch Sharia. The amount of social funds, according to Turmudi (2018), has been determined by Bank NTB Syariah Central East Lombok Branch based on the performance of each branch. The implementation of the social responsibility program at Bank NTB Syariah Central East Lombok Branch has two sources of funds, namely the Zakat Infaq Shadaqoh Fund (ZIS) and the Virtue Fund (Qordhul Hasan). Virtue funds (Qordul Hasan) originate from (1) fines (ta'zir) which are charged to financing customers due to negligence in fulfilling obligations to the East Lombok Branch of Bank NTB Syariah. The amount is adjusted to the internal provisions of Bank NTB Syariah East Lombok Branch. Sharia Banking does not recognize funds originating from these fines as Bank income, so they are allocated as benevolent funds, non-halal receipts, namely interest income derived from investments, or placement of funds in conventional banks that apply an exciting system.

In this case, Islamic banking can show its responsibility and commitment to operating to meet the needs of Muslims and society in general by disclosing relevant and reliable information in annual reports. Through the disclosure of social responsibility, Islamic banks can provide information to what extent they have fulfilled their social functions, namely where CSR funds come from and what their use is intended for (Haniffa & Hudaib, 2004). When viewed from the point of view of Islamic teachings, the CSR program embodies the teachings of virtue that are very noble and honourable, both from the side of humans and God. In addition, the concept of CSR is also an implication of the teachings of ownership in Islam.

God is the absolute owner (haqiqiyah), while humans are only temporary owners who function as recipients of trust (mandates) (Djakfar, 2012; Djalaluddin, 2014). The concept of CSR in Islam is more emphasized as a form of human piety to Allah SWT in the company dimension (Siwar & Hossain, 2009). Moreover, all Islamic banks currently have CSR funds sourced from Zakat Qardhul Hasan (virtue) funds. These, namely sufficient funds, current account interest funds (non-halal funds), and other social funds, are not bank income and are returned to the community, which are used for welfare. public.

The mechanism for implementing the social responsibility program for Bank NTB Syariah East Lombok Branch, Bank NTB Syariah East Lombok Branch in collaboration with Baznas and in implementing CSR must be in accordance with existing programs at Baznas such as the community education program, the community sympathy program. Funds for the East Lombok Branch of Bank NTB Syariah's CSR program are sourced from company profits, ZIS (zakat, infaq, Sadako) and benevolent funds (fines and non-halal income). These funds were collected by the East Lombok Branch of Bank NTB Syariah and managed by Baznas. As stated by informant B1 the Head of the Economics Unit for the Lotim Regional Government, as follows:

"In sharia banks, especially Bank NTB Syariah East Lombok Branch, this social responsibility activity is funded or to channel funds for CSR Bank NTB Syariah East Lombok Branch is managed by Baznas".

The statement shows that the mechanism for channelling funds for the social responsibility program of the East Lombok Branch of Bank NTB Syariah was collected by the East Lombok Branch of Bank NTB Syariah and then distributed to Baznas to be managed by Baznas. Baznas will channel the funds to finance the social responsibility activities of the East Lombok Branch of Bank NTB Syariah. The CSR activities carried out by Bank NTB Syariah East Lombok Branch are a manifestation of the company's unwavering commitment to implementing Sharia principles which contain teachings to foster harmonious relationships with the surrounding community.

"The management, collection and distribution mechanisms are all through Baznas, so from the East Lombok Branch of Bank NTB Syariah, they submitted a request to Baznas regarding the programs in the branch. So, if Baznas has approved it, then it can be distributed through branches, the program must be in accordance with Baznas' program so that it can be approved."

The statement above shows that all social responsibility implementation programs that Bank NTB Syariah East Lombok Branch will carry out must go through Baznas approval. BAZNAS approves programs that are aligned with existing BAZNAS programs, such as the Simpati Umat program, the Educate Umat program, and the Mitra Umat program (Annual Report BAZNAS, 2017). Bank NTB Syariah East Lombok Branch has two programs: Bank NTB Syariah East Lombok Branch flowing blessings and CSR Bank NTB Syariah East Lombok Branch flowing blessings, carried out by distributing social funds through scholarships and renovation of places of worship. As for the East Lombok Branch of Bank NTB Syariah's CSR, it is carried out by distributing social funds through Islamic activities, educational facilities and infrastructure, mosque/musholla facilities and infrastructure, qurbani,

The program of flowing blessings from the East Lombok Branch of Bank NTB Syariah is included in the Baznas program, namely Educating the People and Sympathy of the People. At the same time, the CSR of Bank NTB Syariah East Lombok Branch is

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included in the Baznas program, namely Simpati Umat. The Simpati Umat Program carried out by Baznas Bank NTB Syariah East Lombok Branch has the meaning that the Simpati Umat Program is a program for channelling zakat, infaq, shadaqah funds in order to improve and improve the quality of life of the community and humanitarian assistance to the Islamic world (Annual Report Baznas, 2017). The Simpati Umat program has excellent programs, namely:

1. Health Assistance, including its facilities and infrastructure, is a program for those who need it in the health sector.
2. Friday Sharing Blessings is a compensation program for mustahik which is held on Fridays.
3. Disaster and the Environment is an assistance program to anticipate emergency conditions and actively reduce the impact of social disasters.
4. The Ramadhan program is an Islamic activity program that is carried out in the month of Ramadan. Before carrying out all social responsibility programs, Bank NTB Syariah East Lombok Branch conducted a survey to determine whether the location planned to be assisted right on target.

The above statement is reinforced by the results of an interview with Informant C1 as a Commissioner in a BUMD and former head of the BI NTB representative as follows:

"As far as I know, we used to do a survey first. so we first surveyed the location, saw how the location was right on target for us to distribute aid and funds such as the place where sacrificial animals were distributed, we entered the residents' environment and held interviews with residents. same with giving compensation and renovating mosques. we survey everything first after it fits, then we run the program."

Based on the statement above, the East Lombok Branch of the Bank NTB Syariah CSR program is given to beneficiaries by conducting a survey. Bank NTB Syariah East Lombok Branch conducted a survey or went directly to find out how the situation was at the location and interviewed residents who were there to collect data according to the situation. With this data, Bank NTB Syariah East Lombok Branch can assess and distribute it precisely to the target residents' needs. Because Islamic banks are based on the Al-Qur'an and Hadith, each activity correctly implements halal activities. It is not permissible to give funds carelessly for things that are not clear,

The Sympathy of the Ummah Program carried out by the East Lombok Branch of the NTB Syariah Bank also exists as Natural Disaster Assistance. Bank NTB Syariah East Lombok Branch and Baznas have implemented a program for natural disasters. As with the Lombok-Sumbawa earthquake in 2018, Bank NTB Syariah East Lombok Branch and Baznas participated in helping disaster victims. It is as stated by informant B1 the Head of the Economics Unit for the Lotim Regional Government, as follows:

"yes... disaster. Yesterday's earthquake, the East Lombok Branch of Bank NTB Syariah together with Baznas also held a disaster relief program. Where, together with the Regional Government, they provide health services for patients, children's MPASI, water and electricity, groceries, school supplies, school renovations, mosques, tents and sheets as bedding for sleeping, Al-Quran, blankets, mosquito nets, fans, and we send them down also doctors, nurses, volunteers, preachers, and cash"

The explanation above shows that Bank NTB Syariah East Lombok Branch and Baznas held a Lombok-Sumbawa natural disaster relief program. The form of assistance provided is in the form of health service assistance for patients, children's solid food, water and electricity, groceries, school supplies, school renovations, mosques, tents and sheets as bedding for sleeping, Al-Qur'an, blankets, mosquito nets, fans angin, as well as Bank NTB Syariah Branch of East Lombok and Baznas bringing in doctors, nurses, volunteers, preachers and cash.

The 2018 Lombok-Sumbawa natural disaster relief program, The East Lombok Branch Sharia NTB, a Bank assistance program, was distributed to 23 hamlets in 4 districts (West, East Lombok, KLU and Sumbawa) and 13 hamlets in North and East Lombok, namely in the form of health services, MPASI, water reservoirs, water pumps, generators, rice, side dishes, mineral water, sanitary packs, school supplies, Al-Quran, blankets, shared kitchens, mosquito nets, fans, as well as Bank NTB Syariah Branch of East Lombok and Baznas bringing in doctors, nurses, volunteers, preachers, and cash. The existence of natural disaster assistance provided by Bank NTB Syariah East Lombok Branch will improve the company's image of its concern for social problems around its operational area. Social responsibility is considered to improve the reputation of the organization.

Another social program carried out by the East Lombok Branch of Bank NTB Syariah, namely ahead of the Eid al-Adha holiday, the East Lombok Branch of Bank NTB Syariah held a qurban cutting ceremony. This program is an annual program carried out in order to celebrate Eid al-Adha. This program is realized by distributing sacrificial animals to underprivileged communities located at the East Lombok Branch of Bank NTB Syariah. The following is a statement from informant B2, the Head of the Local Government Economic Unit:

"During yesterday's Eid, we also held a qurban cut which took place at the East Lombok Branch of the NTB Syariah Bank, with distribution aimed at the Dhuafa Around the Office, Residents of Pancor Village, East Lombok Regency, and usually every year providing the qurban assistance to the less fortunate people around office or in the villages."



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In addition to the urban cutting program, Bank NTB Syariah East Lombok Branch, together with Baznas, also held a Ramadhan activity program, namely Compensation for Orphans and Dhuafa located at the At-Taqwa Selong Great Mosque, with a series of activities starting with listening to Tarshish and introducing Bank NTB Syariah East Lombok Branch then giving compensation for 55 orphans and then breaking the fast together and praying maghrib.

He continued:

"Bank NTB Syariah East Lombok Branch is actually also to establish friendship between the community and Bank NTB Syariah East Lombok Branch. What's more, we as a Muslim community are supposed to establish friendship, one of which is by holding bukber (breaking together during fasting), praying in congregation, and listening to Taushiah together, because the month of Ramadan is a very holy month, right. Conventional banks rarely do this, we as Islamic banks must carry out activities in accordance with Islamic principles."

The above statement regarding the distribution of sacrificial animals given to the poor people around the East Lombok Branch of the Bank NTB Syariah office, namely the residents of the Pancor Village, aims to be able to help the less affluent local community to buy Qurbani meat for the Eid al-Adha holiday.

Based on the explanation above, holiday activities are not only carried out on Eid al-Adha but also to welcome Ramadan. As in the NTB Syariah East Lombok Branch program, which was implemented at the Attaqwa Mosque, Bank NTB Syariah East Lombok Branch and Baznas provided compensation to orphans and poor people. The activity began with listening to Taushiah, an introduction to the East Lombok Branch of NTB Syariah, giving compensation to 55 orphans and the poor, then continued breaking the fast together and praying the evening prayer in congregation.

As part of its concern for the world of education, the East Lombok Branch of Bank NTB Syariah held social funds that referred to the interests of education. To improve the quality of education, Bank NTB Syariah East Lombok Branch has also assisted in the world of education. So far, many forms of activity have been used for renovating or repairing educational facilities, as expressed by the B3 informant as East Lombok Regional Secretary as follows:

"We also provide assistance for the development of an English village in South Tete Batu Village and maintenance of educational facilities at the Tohir Yasin Lendang Nangka Islamic Boarding School."

The assistance from Bank NTB was also disclosed by informants B4 and B5 as the Head of Tete Batu Selatan Village and Management of the Tohir Yasin Islamic Boarding School as well as recipients of Bank NTB Syariah CSR program assistance for the East Lombok Branch as follows:

"The grant from NTB Syariah East Lombok Branch provided is very useful for the development of the English village because it will be used to renovate learning places/courses so that students are more comfortable studying" (B4)

"I am very grateful for the East Lombok Branch of the NTB Syariah program. The residents here are greatly helped because the East Lombok Branch of NTB Syariah provides air conditioning, carpets, the Koran, and many other things for this Islamic boarding school. Bank NTB Syariah East Lombok Branch also launched a student savings account here" (B5)

The informant above explained that the provision of CSR for English Village in Tete Batu Selatan Village and Tohir Yasin Islamic Boarding School in the form of building educational facilities and infrastructure is expected to be able to provide benefits to the community. Assistance in the form of educational activities has improved the quality of community education around the operations of the East Lombok Branch of Bank NTB Syariah. Several examples of this form of assistance for education show the company's concern for improving the quality of education for the community around the East Lombok Branch of NTB Syariah. The good intentions of Bank NTB Syariah East Lombok Branch were welcomed by the community as expressed by informants B4 and B5 as recipients of Bank NTB Syariah CSR program assistance from the East Lombok Branch.

Informants B4 and B5 stated that the assistance from the East Lombok Branch of NTB Syariah was very useful for the community to improve community education in the East Lombok region. The NTB Syariah East Lombok Branch assistance funds provided will be used to improve the quality of education. With the East Lombok Branch of the NTB Syariah CSR program, the surrounding community feels very helpful because the East Lombok Branch of NTB Syariah Bank provides air conditioning, carpets, Al-Qur'an, and other forms of assistance to others to pay attention to educational facilities around the East Lombok Branch of the NTB Syariah Bank, even the East Lombok Branch of the NTB Syariah Bank also launched a student card at the Tohir Yasin Islamic Boarding School.

Based on the research results, it can be concluded that the form of social responsibility of PT. Bank NTB Syariah, East Lombok Branch, is under the concept of Islamic distribution, including programs for educating the people and programs for sympathy for the people. Funds for the East Lombok Branch of Bank NTB Syariah's CSR program are sourced from company profits, ZIS (zakat, infaq, Sadako) and benevolent funds (fines and non-halal income). These funds were collected by the East Lombok Branch of Bank NTB Syariah and managed by Baznas.

### 5. CONCLUSION

Based on the analysis and results, it can be concluded that form social responsibility PT. Bank NTB Syariah, East Lombok Branch, is in accordance with the concept of Islamic distribution, including programs for educating the people and programs for sympathy for the people. Funds for the East Lombok Branch of Bank NTB Syariah's CSR program are sourced from company profits, ZIS (zakat, infaq, Sadako) and benevolent funds (fines and non-halal income). These funds were collected by the East Lombok Branch of Bank NTB Syariah and managed by Laznas. Based on the results of the research and matters related to the limitations of this research, it can be suggested that PT. Bank NTB Syariah East Lombok Branch is good enough in the form of social responsibility,

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