

# The Social Role of Islamic Banks in Indonesia during the Pandemic of COVID-19: Reflection of Market Share

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**Abstract**—The objective of this research is to reveal the social role of Islamic banks in Indonesia in helping the nation survive in the midst of COVID-19 pandemic in the context of market share. This research highlights Islamic commercial banks in Indonesia. The mixed research method under sequential explanatory model is used in this research. The result of this research demonstrates that banks with the largest magnitude have shown a fixed position. There is no change of position on their concentration ratio at pre and along pandemic period. The final result of this research finds that all the banks have implemented their social role in the midst of coronavirus outbreak through the donation. A self-protection assistance tool for health workers is the type of donation provided by all the banks. Further finding in this research reveals that the magnitude of market share owned by the banks tends to reflect types of social involvement.

**Keywords**- COVID-19; CSR; market share; social role

## I. INTRODUCTION

The company has the role to increase the national welfare. The source of its going concern derives from stakeholder consisting of investor, shareholder, internal management, government, and public. The existence of firm provides the contribution affecting the national economy by applying the tax and helping increase the welfare through the employment, the fulfillment of people's need, and social program of donation. The social problems occurred in the midst of society enable the company to take part of helping the nation. The firm performance is not only deriving from economic activities, but it is also from social and environment. Therefore, its social problems also become the responsibility for companies. Nowadays, one of the global problems is coronavirus pandemic. The emerging impacts encourage each country to make policies including social distancing, work from home, the decline of activities outside the home, and the enactment of lockdown. Most strategies use isolation or quarantine, promotion of public health measurement such as hand washing, social distancing or preparation of health system, and postponement of public gatherings[1]. In Indonesia, the policy of lockdown may be not the best way.

The data of April 5<sup>th</sup> 2020 have reported 2.273 infected people during March and the rate of victims may continue to increase every time [2]. A country should consider any support from corporate industry. Society is one of stakeholders in supporting the business growth. The impact of the spread of this pandemic has actually been suffered by the corporate area [3], [4]. Thus, firms should put their concern.

The role of business industry in the midst of coronavirus outbreak has been found by scholars[5]. They can be involved socially in providing the donation, but how about the industry suffering the stagnant growth. In Indonesia, Islamic banking is an industry suffering market share with stagnant growth over the years. As reported by Financial Services Authority [6], the existence of market share of Islamic banks in Indonesia is approximately 6% in the national banking industry. It may be a challenge for enhancing their market power during the pandemic of COVID-19. However, this phenomenon will be interesting when Islamic banks are involved socially in optimizing the social program. Based on the starting data, they seem to have strong immunity on the economic performance during the pandemic of coronavirus. Most Islamic commercial banks in Indonesia gain the income. The average rate of growth gains positive value of 22.31%.

TABLE I. THE INCOME DURING THE PANDEMIC

| No.     | Name of Bank          | March 2020     | April 2020 | Growth |
|---------|-----------------------|----------------|------------|--------|
|         |                       | Million Rupiah |            |        |
| 1       | BRI Syariah           | 291,229        | 284,833    | -2.2%  |
| 2       | BNI Syariah           | 494,399        | 591,948    | 19.7%  |
| 3       | Bank Mandiri Syariah  | 538,341        | 539,625    | 0.2%   |
| 4       | BTPN Syariah          | 89,052         | 128,936    | 44.8%  |
| 5       | Bank Aceh Syariah     | 41,550         | 54,195     | 30.4%  |
| 6       | BPD NTB Syariah       | 776            | 131        | -83.1% |
| 7       | Bank Victoria Syariah | 8,800          | 9,095      | 3.4%   |
| 8       | Jabar Banten Syariah  | 21,554         | 26,985     | 25.2%  |
| 9       | Bank Mega Syariah     | 7,115          | 2,535      | -64.4% |
| 10      | Panin Dubai Syariah   | 662            | 765        | 15.6%  |
| 11      | Bank Bukopin Syariah  | 2,017          | 7,556      | 274.6% |
| 12      | Maybank Syariah       | 18,325         | 23,457     | 28.0%  |
| 13      | BCA Syariah           | 291,229        | 284,833    | -2.2%  |
| Average |                       |                |            | 22.31% |

Financial Services Authority in Indonesia namely OJK relaxes requirements for bank's assets quality assessment concerning borrowers in the forms of the financing and other provision of funds through Regulation No. 11/POJK.03/2020 [7]. It has been enacted to anticipate the disruption enabling to emerge in the Islamic banking industry with the purpose of supporting the stimulus for economic growth and each Islamic bank in Indonesia has applied the credit restructuring policy to customers.

Islamic banks use Sharia principles for undertaking their business[8]. They have a fundamental tenet that all financial transactions follow the Sharia doctrine derived from Quran and Sunna as well as secondary sources (Ijma and Qyias) covering all aspects including social practices[9]. Under the ethical principles, Islamic banks actually represent a possible potentiality for financial instrument so as to achieve social welfare[10]. For understanding the CSR under Islamic principle, the paradigm of consciousness of *taqwa* serves as a foundation. Firms instilling good CSR practices in their business should embrace issues such as environmental practices, occupational safety, philanthropic contribution, and socially beneficial activities so that they could be blessed by God and achieve the ultimate happiness in the world and the hereafter[11]. Therefore, social practice of Islamic banks enables to occur during the pandemic.

This research aims at discussing the social practice implemented by Islamic banks called as banking social responsibility. Since market share is related to social performance[12] and its scale boosts social performance investment [13], this research appears to demonstrate the magnitude the market share followed by the types of social involvements. We would like to capture the concern coming from the Islamic corporate sector by highlighting the banking institution. We design this research under the mixed method starting with the statistical analysis then continued by using the interpretive paradigm under content analysis. This research provides two key insights. First, the Islamic banks embracing Islamic corporate value can show their social synergy in the midst of pandemic. Second, this research documents the social responsibility of Islamic banks amplifying the tenet of legitimacy.

This research is structured as follows. Section 2 reviews the literature with regards to market share and corporate social responsibility (CSR). Section 3 describes the data and method used to present the finding discussed into section 4. We end this research with a conclusion containing future directions.

## II. MARKER SHARE AND CSR

The analysis of market power is still the concern for scholars[14]. Under the market power theory, market share can be related to the financial performance. It has been found to be positive relationship[15], [16]. Based on the concept of the Structure-Conduct-Performance (SCP), a more concentrated bank due to the support of a greater market power leads higher profitability. It has the positive nexus empirically as found by scholars [17]–[19]. Market share can be regarded as a key indicator of market competitiveness. Firms concentrated more in the market structure lead the change of market power. They can obtain profitability greater than competitors. When market

share increases, a business may have a greater profit margin[20]. The role of market share and structure is a reflection of profit for the firm[21].

The concentration ratio relates to the competition from the perspective of the number and size distribution of firms in the industry[22]. Market power is important for being utilized by the banking[23]. Islamic banking should identify their power in the market. The increasing market share, due to seize greater power, affects the increase of banking performance[24]. Islamic banks undertaking the differentiation of product can obtain greater power in the market so that market share becomes higher[15]. As a result, market share is a measurement of the level of sales or assets. If market share increases, the leader of firm gains more than the others.

Market share is an indicator for CSR spending. It has been found that low market share shows correlation with low social spending[25]. Socially responsible action will provide some benefit to the company. It actually attracts the pool of customers and its disclosure has greater impact on the market share [26].

Social responsibility embodies the economic category concerning how to be profitable, the legal category concerning how to be a good corporate citizen, the ethical category concerning how to be ethical, and the discretionary category related to a good corporate citizen making philanthropic benefits in which the responsibility is purely voluntary [27], [28]. It has been engaged with shareholder value[29]. A company holds the social performance with the purpose of increasing the reputation, competitive advantage, the capital accessibility, the interest of stakeholder, and social contract with society. CSR is a commitment for increasing the welfare[30]. Corporate area should be aware that the business activities can be useful in social and environment aspects. The response coming from stakeholders particularly government and investor is a feed-back for the business success generating the increase of value on the shareholders[31]. Therefore, CSR can engage the partnership with government, society, and investor. Firms communicate their CSR through a disclosure in the report and own webpage. For the management, CSR is a business tool providing the strategy for the success in the firm. The institutional ownership has stronger effect on the CSR[32].

Furthermore, the existence of a firm is supported by stakeholders. Stakeholders is the group affecting significantly the success and the failure of an organization[33]. In the classical view, CSR undertaken by firms tends to increase the profit. Under the tenet of stakeholder, all have the rights to obtain information related to company activities affecting the decision making[34].

The power of stakeholders is useful in the company. There are two types of stakeholder, namely primary and secondary stakeholders[35]. Primary stakeholder relates to ownership involved operationally to support the business including employer, customer, investor, and supplier and secondary stakeholder is not part in the business entity, e.g. government and netizen. The theory of legitimacy ideally elaborates the tenet of stakeholder in which the going concern

of a firm is affected by people having the ownership. Government, society, and mass media are part of affecting the business. When the firm is not in line with them, the threat can emerge affecting the business legitimacy [36]. The tenet of legitimacy emphasizes the nexus between company and society. The company may operate social performance to ensure that its behavior is found legitimate [37]. A mass media has the role to build the firm's image. The disclosure of social value is a conduct to communicate the role to public [5], [38]. The positive response is the form of success of social practice leading the expectation on the level of business performance. A company with CSR practice can improve the image and has developed a balance image in society [39]. CSR practice ideally provides a good understanding from customers. There is a significant relationship between effective implementation of CSR and brand perception[40]. It leads into a financial return.

### III. RESEARCH METHODOLOGY

This research started the data analysis with quantitative method. The sample of this research is Islamic commercial banks listed in Financial Services Authority over the period of 2020 [7]. The data consisting of financial statements were collected. The total number of Islamic banks was 14 companies.

TABLE II. TOTAL ISLAMIC COMMERCIAL BANKS

| No. | Name of Bank              |
|-----|---------------------------|
| 1   | BRI Syariah               |
| 2   | BNI Syariah               |
| 3   | Bank Mandiri Syariah      |
| 4   | BTPN Syariah              |
| 5   | Bank Aceh Syariah         |
| 6   | BPD NTB Syariah           |
| 7   | Bank Victoria Syariah     |
| 8   | Bank Jabar Banten Syariah |
| 9   | Bank Mega Syariah         |
| 10  | Bank Panin Dubai Syariah  |
| 11  | Bank Bukopin Syariah      |
| 12  | Maybank Syariah           |
| 13  | BCA Syariah               |
| 14  | Bank Muamalat             |

Based on the use of purposive sampling, we established the judgment to determine final sample in this research. The criteria were availability of data. We employed the data of the end of year of 2018 and 2019 as well as March to April 2019 and 2020. The bank with incomplete and ineligible data was eliminated so that total final sample was 13 banks.

TABEL III. FINAL SAMPLE

| No. | Name of Bank              |
|-----|---------------------------|
| 1   | BRI Syariah               |
| 2   | BNI Syariah               |
| 3   | Bank Mandiri Syariah      |
| 4   | BTPN Syariah              |
| 5   | Bank Aceh Syariah         |
| 6   | BPD NTB Syariah           |
| 7   | Bank Victoria Syariah     |
| 8   | Bank Jabar Banten Syariah |
| 9   | Bank Mega Syariah         |
| 10  | Bank Panin Dubai Syariah  |
| 11  | Bank Bukopin Syariah      |
| 12  | Maybank Syariah           |
| 13  | BCA Syariah               |

This research is designed using a mixed method. It combines quantitative and qualitative research with designing the method using sequential explanatory and exploratory, and concurrent triangulation model[41]. In this research, we used sequential explanatory. We started this research with the analysis of the quantitative data. Statistical analyses were used to find the magnitude of market share. To measure it, we utilized total assets as a proxy. We also utilized total revenues to strengthen the result of this research. Market share was calculated by dividing the bank's total assets by its industry's total assets. Individual market share showed the percentage of power earned by a certain bank in the market. We established March and April 2019 and 2020 because those months were the time of massive spread of coronavirus to almost all regions in Indonesia. As a result, this research could see which banks implement its social performance.

Having found the magnitude of individual market share, we began to discuss the social role of the sample and used the qualitative analysis to connect the level of market share and the number of social involvements. From an interpretive paradigm, we did interpret qualitative data collected by the disclosure of media. Social media capability enables higher social visibility and credibility in the terms of social responsibility [42] and social involvement using the disclosure of online media or own webpage has been utilized by scholars[43], [44]. The type of qualitative used in this research is interpretive using the technique of content analysis. It aims at discussing the social role of Islamic banks. This research collected the data covering the period of coronavirus from March 2<sup>nd</sup> to June 30<sup>th</sup>, 2020. The analyses of data were made into three steps. First, we identified the activities the social involvement exposed by the sample in the media or each own website. Second, we reviewed the actions of the sample in the context of the involvement in aiding the citizen. Third, we further selected the banks having the voices in the media exposure. In the measurement, we give score of 1 for each sample involved socially amidst COVID-19 pandemic and no voice is given 0. We really became careful to understand the content in this research. After all voices were recorded, the types of social involvement of the sample were calculated and then we did interpret the context after finding the meaning of the text.

### IV. RESULT AND DISCUSSION

#### A. The Magnitude of Market Share and Types of the Social Involvement

Each company attempts to gain greater power in the market industry. We measure the level of market share in the Islamic banking using the total assets and total revenues. As shown in Table IV, three banks consisting of Bank Mandiri Syariah, BNI Syariah, and BRI Syariah have the highest value in the total assets and revenues, meanwhile Bank Victoria Syariah and Maybank Syariah were two banks having the lowest value.

TABLE IV. MARKET SHARE

| PANEL A. USING THE MEASUREMENT OF TOTAL ASSETS |        |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|--------|
| Name   | 2018   | 2019   | 2019   |        | 2020   |        |
|  | Dec    | Dec    | March  | April  | March  | April  |
| BRI Syariah                                    | 14.39% | 14.97% | 14.67% | 13.83% | 14.05% | 14.63% |
| BNI Syariah                                    | 16.68% | 16.22% | 16.74% | 16.11% | 17.01% | 16.78% |
| Bank Mandiri Syariah                           | 37.47% | 38.87% | 37.49% | 38.03% | 38.19% | 37.80% |
| BTPN Syariah                                   | 5.13%  | 4.76%  | 4.77%  | 4.97%  | 5.33%  | 5.40%  |
| Bank Aceh Syariah                              | 8.38%  | 9.13%  | 8.62%  | 8.74%  | 7.65%  | 7.38%  |
| BPD NTB Syariah                                | 2.88%  | 2.78%  | 3.18%  | 3.49%  | 3.29%  | 3.35%  |
| Bank Victoria Syariah                          | 0.75%  | 0.84%  | 0.66%  | 0.70%  | 0.69%  | 0.70%  |
| Bank Jabar Banten Syariah                      | 2.58%  | 2.66%  | 2.52%  | 2.65%  | 2.44%  | 2.47%  |
| Bank Mega Syariah                              | 2.68%  | 2.90%  | 2.79%  | 2.84%  | 2.72%  | 2.84%  |
| Bank Panin Dubai Syariah                       | 3.72%  | 3.47%  | 3.18%  | 3.44%  | 3.59%  | 3.66%  |
| Bank Bukopin Syariah                           | 2.25%  | 0.35%  | 2.48%  | 2.46%  | 2.02%  | 1.99%  |
| Maybank Syariah                                | 0.24%  | 0.26%  | 0.25%  | 0.26%  | 0.24%  | 0.24%  |
| BCA Syariah                                    | 2.85%  | 2.79%  | 2.65%  | 2.47%  | 2.78%  | 2.77%  |

| PANEL B. USING THE MEASUREMENT OF TOTAL REVENUES |        |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|--------|
| Name   | 2018   | 2019   | 2019   |        | 2020   |        |
|  | Dec    | Dec    | March  | April  | March  | April  |
| BRI Syariah                                      | 11.58% | 6.53%  | 14.07% | 15.80% | 14.00% | 14.64% |
| BNI Syariah                                      | 13.56% | 14.71% | 16.09% | 12.77% | 16.09% | 16.01% |
| Bank Mandiri Syariah                             | 32.85% | 36.68% | 36.37% | 37.08% | 40.98% | 40.85% |
| BTPN Syariah                                     | 14.29% | 13.66% | 14.54% | 15.39% | 16.04% | 14.71% |
| Bank Aceh Syariah                                | 7.53%  | 9.97%  | 12.53% | 12.59% | 7.44%  | 8.04%  |
| BPD NTB Syariah                                  | 3.09%  | 1.24%  | 4.24%  | 4.38%  | 2.93%  | 3.10%  |
| Bank Victoria Syariah                            | 0.55%  | 0.64%  | 0.68%  | 0.68%  | 0.57%  | 0.60%  |
| Bank Jabar Banten Syariah                        | 2.43%  | 3.07%  | 2.62%  | 2.71%  | 2.43%  | 2.51%  |
| Bank Mega Syariah                                | 4.93%  | 5.64%  | 5.15%  | 5.40%  | 5.92%  | 6.38%  |
| Bank Panin Dubai Syariah                         | 2.36%  | 2.66%  | 2.76%  | 4.28%  | 2.97%  | 3.21%  |
| Bank Bukopin Syariah                             | 1.66%  | 2.70%  | 1.84%  | 1.90%  | 1.80%  | 1.81%  |
| Maybank Syariah                                  | 3.01%  | 0.36%  | 0.38%  | 0.33%  | 0.34%  | 0.09%  |
| BCA Syariah                                      | 2.15%  | 2.14%  | 2.79%  | 2.48%  | 2.47%  | 2.69%  |

TABLE V. TYPES OF SOCIAL INVOLVEMENT

| Name                      | The type of social role   |
|---------------------------|---|
| BRI Syariah               | Providing the vehicle of Ambulance<br>Providing self-protection assistance tools<br>Providing nutrition product, mask, and sanitizer<br>Giving staple food to the poor                                    |
| BNI Syariah               | Providing disinfect fluids for cleaning the public place<br>Providing self-protection assistance tools for hospital<br>Giving staple food to the poor<br>Providing nutrition product, mask, and sanitizer |
| Bank Mandiri Syariah      | Giving staple food to the poor<br>Providing nutrition product, mask, and sanitizer<br>Providing self-protection assistance tools for hospital<br>Providing disinfect fluids for cleaning the public place |
| BTPN Syariah              | Providing self-protection assistance tools for hospital<br>Providing nutrition product, mask, and sanitizer   |
| Bank Aceh Syariah         | Providing self-protection assistance tools for hospital<br>Providing nutrition product, mask, and sanitizer<br>Giving staple food and cloth to the poor   |
| BPD NTB Syariah           | Providing face mask and sanitizer<br>Donating money of 25 million rupiah to local government for being distributed to society   |
| Bank Victoria Syariah     | Providing self-protection assistance tools for hospital   |
| Bank Jabar Banten Syariah | Providing self-protection assistance tools for hospital<br>Building the evacuating place for the infected victims<br>Giving staple food to the poor<br>Providing mask and sanitizer for society           |
| Bank Mega Syariah         | Providing self-protection assistance tools for hospital Giving staple food to the poor  |
| Bank Panin Dubai Syariah  | Providing self-protection assistance tools for hospital   |
| Bank Bukopin Syariah      | Providing self-protection assistance tools for hospital<br>Giving staple food to the poor   |
| Maybank Syariah           | Providing self-protection assistance tools for hospital   |
| BCA Syariah               | Providing self-protection assistance tools for hospital<br>Providing disinfect fluids for cleaning the public place   |

The concentration ratio is the percentage of the total both assets and revenues represented by some the highest banks in the same industry. Based on Table IV, the four-firm concentration ratio (CR4) showing the market share of the four largest firms are above 70% indicating oligopoly structure. The concentration ratio engages with competition [22]. The level of the competition depends on the number of Islamic banks in an industry. The competition can increase when the market share increases. Based on the Table IV, the market ratio was more concentrated to Bank Mandiri Syariah, BNI Syariah, and BRI Syariah having fixed magnitude each period. It was leading market power into a greater profit. This result indicates that the three banks can maintain their market share at the pre and along pandemic period. We further identify the role of the sample. Based on Table V, all banks have taken part of aiding the nation. They are involved socially in providing the donations. Various donations given by the banks describe the types of social involvement. We summarize six kinds of the donations implemented by Islamic banks during the pandemic of COVID-19 as follows.

- Providing self-protection assistance tools for health workers
- Giving staple food to the poor
- Providing nutrition product, masks, and hand sanitizer
- Providing disinfect fluids for cleaning the place
- Providing the vehicle of Ambulance
- Donating money

All samples of this research have played their role in implementing social performance. A self-protection assistance tool for health workers is a primary donation. All banks put their concerns to hospital. Health workers are people working at the front line. They are the initial goal in the pandemic. In the report of Bank Mandiri Syariah [45], its director said that

*“This is the appreciation and the esteem to doctors, health workers, and all medical teams serving as the front liner battling COVID-19”*

The lack of medical supply and the increasing number of patients are the factors leading them to provide same donation. Beside the hospital, society also becomes the most urgent donee. Most of banks give staple food to the poor. During the outbreak, the social distancing and stay at home are the policies established by the government influencing the increase of unemployment in Indonesia. For instance, land transportation services and small traders, they suffered loss due to the emerging impact of government policy. Such cases encourage the banks to focus on the poor. BNI Syariah as one of banks of the sample in this research concerned with the impact of the policy creating the loss for most to poor people particularly driver and street vender. It is disclosed that

*“Taxi bike drivers and street vendors are chosen because they are regarded as vulnerable profession on the effect of coronavirus. As we know, this pandemic impacts on the income for daily workers”*[46].

Daily workers are an emphasis on the text implying the concern. They live relying on the daily income. The social role of banks is by providing food and nutrition product, mask, and

sanitizer. These ways can make them survive in the midst of coronavirus.

The social involvement of Islamic banking area tends to reflect the magnitude of market share. Based on the result of this research, Bank Victoria Syariah and Maybank Syariah as two Islamic banks with the magnitude of the lowest market share play the role with the type of the fewest social involvement. On the other hand, three banks consisting of Bank Mandiri, BNI Syariah, and BRI Syariah can play their social role aligning with the magnitude of their market share. This research underlines that all Islamic banks have put their concern in the midst of pandemic. However, this result may be a tendency and cannot indicate the greater the level of market share, the higher the types of social involvement.

#### B. Social Responsibility and Tenet of Legitimacy

As reported in tribunews.com [47], Bank Aceh Syariah has recognized that its donation is a realization of CSR program. It is shown as follows.

*“Rema Yusnita as the branch manager of Bank Aceh Syariah says that CSR is a concept or action implemented by the bank as the form of corporate responsibility on the social and environment in which the bank operates, such as performing the activities that can increase the welfare of society and maintain the environment”.*

The practice of CSR is a way to support social welfare and becomes a tool to lead going concern. Some banks distribute their donation through local government. As reported in Ayopurwakarta.com that

*“Bank Jabar Banten Syariah gives its donation to local government of West Java through the officer unit of TGPP Covid-19. This donation is given by President Director of Bank BJB, Indra Falatehan, to Secretary of West Java, Setiawan Wangsaatmaja, serving as the chief of TGPP, in the state building of Pakuan”*[47].

The process of such donation is a strategy to enhance business legitimacy. The response of government as a stakeholder implies that CSR provides the recognition expected by the bank. The meaning of the context was disclosed by Amran serving as a regent of Aceh Selatan as follows,

*“.....I say thank you and appreciate Bank Aceh Syariah Tapaktuan for the assistance of CSR”*[47].

Appreciation is a recognition addressed to someone meritorious. This aims at legitimizing the action. The company understands that the role of stakeholder impacts on the business. The going concern relies on the support of stakeholders. When banks obtain feed-back deriving from local government, their business is regarded to be more legitimate. The implementation of CSR can be considered as a meeting of the need between society and banks. This result connects the previous finding revealing that CSR boosts better brand perception and improve competitive advantage[40]. The appreciation given by government creates good perception to

banks and it finally posits that firm performance engages with stakeholders and social responsibility [48].

Social donation has been recognized as part of CSR. It aims at legitimizing the business. The tenet of legitimacy relates to the stakeholders. It demonstrates the interaction between the company and people. Amidst COVID-19 pandemic, health workers and the poor are primary donee. Banks put most of CSR programs for them. Organizations under the tenet of legitimacy seek to ensure that they operate with the bound and norms of their respective society. The attention deriving from the society through a feed-back is required to meet the value of firm. This pandemic encourages the banks to play their social roles recognized as CSR. The disclosure of such program in online media is the output of the social practice containing the legitimacy. Islamic banks provide information to stakeholders relevant to the latest social problem. By disclosing it, the bank can take an increasing position on the level of market share. The implementation of CSR and the decision of banks to disclose the donation are the signal on the social performance. This is a part of accountability. The disclosure is a business communication given to stakeholders. It can yield the positive response for them such as investor making the decision on the purchase of company stock.

All the time, social problem may arise. It makes the banks should be ready with the social performance. They must act responsively to the environment in which they operate. This pandemic is an instance that they should act suitable for the problem occurred in the field.

## V. CONCLUSION

All Islamic banks have played their role by implementing CSR program in the midst of pandemic. They have instilled social involvement by putting various donations so as to mitigate the emerging impact. The finding of this research discloses that the donations aiming at helping people survive amidst coronavirus outbreak indicates the practice of banking social responsibility. It becomes the means of communication to stakeholders leading the business legitimacy. The banks yielding a greater market share tend to provide various social donations.

We posit that CSR is a value creator for society providing the legitimacy for the business. All banks with varying market share have shown various types of their social involvement during the coronavirus outbreak. A self-protection assistance tool is the type of donation provided by all banks as well as the health workers and the poor are most recipients. Thus, they have taken part of helping the nation quickly.

Finally, Islamic financial institution has provided the integrated synergy with government in overcoming national problem. The result of this research recording the banking social practice provides implication for the body of knowledge. We mark the beginning period of the coronavirus over three months and this pandemic is not over. We expect future study with regards to the banking social responsibility. It will be more interesting if the comparison between Islamic and conventional banking can be analyzed.

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