Jurnal Ekonomi Syariah Teori dan Terapan p-ISSN: 2407-1935, e-ISSN: 2502-1508. Vol. 9 No. 6 November 2022: 923-935; DOI: 10.20473/vol9iss20226pp923-935

Determinants of Financial Inclusion Information Disclosure of Islamic Rural Banks in Indonesia

Faktor Penentu Pengungkapan Informasi Inklusi Keuangan pada Bank Pembiayaan Rakyat Syariah di Indonesia

Fuis Sukma Ayu, Dian Filianti
Departemen Ekonomi Syariah, Fakultas Ekonomi dan Bisnis, Universitas Airlangga, Surabaya, Indonesia
fuis.sukma.ayu-2018@feb.unair.ac.id*, dianfilianti@feb.unair.ac.id

Informasi Artikel
Submitted: 29-04-2022
Reviewed: 03-11-2022
Accepted: 29-11-2022
Published: 30-11-2022

*)*Korespondensi (Correspondence): Fuis Sukma Ayu*

ABSTRAK

Tujuan dari penelitian ini untuk mengetahui pengaruh dari adanya ukuran bank, umur bank, aktivitas sosial, dan probabilitas terhadap pengungkapan informasi inklusi keuangan di sektor perbankan pada bank pembiayaan rakyat syariah di Indonesia baik secara parsial maupun simultan. Model yang digunakan dalam penelitian ini adalah analisis regresi data panel dengan metode kuantitaif, Aplikasi statistik yang digunakan program Eviews 12. Hasil Penelitian ini menggambarkan dalam parsial bahwa umur BPRS dan CRS memiliki pengaruh positif signifikan terhadap pengungkapan informasi inklusi keuangan, sedangkan dalan ukuran BPRS memiliki pengaruh negative signifikan, kemudian ROA berpengaruh negatif tidak signifikan terhadap pengungkapan informasi inklusi keuangan pada bank pembiayaan rakyat syariah di Indonesia. Namun, secara simultan ukuran BPRS, CRS, umur BPRS dan ROA memiliki pengaruh positif signifikan terhadap pengungkapan informasi inklusi keuangan pada bank pembiayaan rakyat syariah di Indonesia dalam periode 2016-2020. Adapun keterbatasan objek dalam penelitain hanya 32 dari 163 BPRS yang terdaftar di OJK. Penelitian ini diharapkan dapat menjadi evaluasi ataupun masukkan bagi regulator dan BPRS, jika pengungkapan informasi inklusi keuangan sebaiknya diterapkan secara transparan oleh seluruh BPRS, maka dapat meningkatkan reputasi dan kepercayaan dalan menggunakan layanan BPRS.

Kata Kunci: ukuran bank, aktivitas sosial, umur bank, profitabilitas, pengungkapan informasi inklusi keuangan.

ABSTRACT

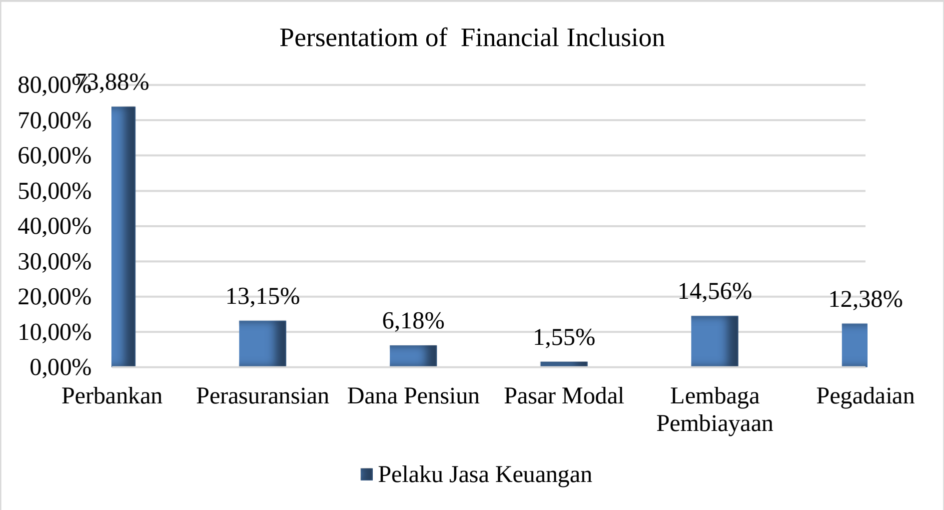
The purpose of this study was to determine the effect of the existence of bank size, bank age, social activity, and probability on the disclosure of financial inclusion information in the banking sector at Islamic Rural banks in Indonesia either partially or simultaneously. The model used in this study was panel data regression analysis with quantitative methods, statistical applications used by the author was the Eviews 12 program. The results of this study illustrate in partial terms that the age of IRB and CRS has a significant positive effect on disclosure of financial inclusion information, while the size of the IRB has a significant positive effect on the disclosure of financial inclusion information. significant negative, then ROA has no significant negative effect on the disclosure of financial inclusion information in Islamic Rural Banks in Indonesia. However, simultaneously the size of the IRB, CRS, the age of the IRB and ROA have a significant positive effect on the disclosure of financial inclusion information in Islamic Rural bank in Indonesia in the 2016-2020 period. As for the limitations of the object in the research, only 32 out of 163 IRB are registered with the Financial Service Authority. This research is expected to be an evaluation or input for regulators and IRB, if disclosure of financial inclusion information should be implemented transparently by all IRB, it can increase reputation and trust in using IRB services.

Keywords: bank size, social activity, bank age, profitability, disclosure of financial inclusion information.

I. INTRODUCTION

The advertisement of an inclusive financial system is considered a policy priority in many countries such as countries in East, Central and South Asia, North Africa and the Sub Desert and Europe and others for the FindEx World Bank universal database. Financial inclusion means to improve the living situation of vulnerable groups (Lakshmi and Visalakshmi 2013). Financial inclusion stated in Presidential Regulation number 82 of 82 of 2016 is a condition in which everyone gets a variety of quality, timely, normal and comfortable official financial services with an affordable budget according to their wishes and abilities. On the other hand, according to Chehade et al., (2017), financial inclusion is a condition in which individuals, including those with low incomes and small businesses have access to and use a variety of quality financial services (payments, transfers, funds, installments, and insurance) offered in a responsible manner. responsibility and prolonged by the state. The Financial Services Authority (OJK) on the chart supports financial inclusion programs similar to 31 or SEOJK. 07 or 2017 regulates the implementation of activities in plans to increase financial inclusion in the financial services zone, this regulation contains instructions for filling in this explaining the categorization of activity concept information in the design of increasing financial inclusion in the form of activity concept information and the form of the activity principle's release on activity plan information.

OJK urges financial service businesses which include sharia financing institutions to increase financial inclusion through OJK Regulation No 76/POJK.07/2016. The regulation explains that financial institutions must carry out activities in a plan to increase financial inclusion because financial inclusion correlates with economic development, suppresses the process of economic improvement and functions in the economic stability of the population (OJK 2020). Executors of Financial Service Efforts defined by the OJK to increase financial inclusion are Commercial Banks, Rural Banks, Securities Industry, Pension Funds for Financial Institutions, Insurance Industry, Reinsurance Industry, Financing Institutions, Pawn Industry, Guarantee Industry, and Microfinance Institutions, both those that carry out its business activities in a conventional or sharia way. Sourced from a survey conducted by National Literacy and Financial Inclusion (SNLIK), then the third conducted by the OJK in 2019 explained that the financial inclusion indicator was 76.19% covering 12,733 respondents covering 34 provinces and 67 cities or districts, with special specifications such as gender and area of residence (town or village). The level of financial inclusion is measured using a measure of the use of financial products or services in the past year. The following is data on the percentage of financial inclusion for each financial service actor in Indonesia:



Source: 2019, National Survey of Financial Literacy and Inclusion.OJK

Figure 1.

Percentage of Respondents' Financial Inclusion by Financial Services Sector

From this chart, it can be concluded that the percentage of citizens who use financial products or services according to the financial service sector is dominated by the banking sector (73,88%), both Islamic and conventional banking. Meanwhile, Islamic banking in Indonesia is growing, along with development data sharia banking in Indonesia:

Table 1.
Development of Islamic banking in Indonesia in 2010-2021

Indicator	Year											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sharia Commercial Banks	11	11	11	11	12	12	13	13	14	14	14	12
Sharia Business Unit	23	24	24	23	22	22	21	21	20	20	20	21
Islamic Rural Bank	150	155	158	163	163	163	166	167	167	164	163	163

Source: Sharia Banking Statistics www.OJK.go.id (processed data)

Based on the table it is concluded that the development of Islamic banking has increased, this is the impact of the increasing level of public trust and interest in using Islamic banking services. So that Islamic banks should be able to maintain customer trust by providing easy access to Islamic banking services and supporting programs to increase financial inclusion. Helping MSMEs is a strategic role for IRB and the contribution of RB/IRB in realizing financial inclusion was already realized before the popularization of the concept of financial inclusion because RB/IRB carries the function of being a "community bank", namely a bank that is able to provide services and needs that are in accordance with the culture of the local community (Princess, 2016). Islamic Rural Bank (IRB) in fulfilling the interests of the population for financing transactions that are not based on usury in order to advance the microeconomic sector. The IRB carries out its activities by collecting third-party budgets from the public in the form of current accounts, savings and deposits and pouring the budget back into the community in the form of financing. the growth of IRB in Indonesia until November 2021, the number of IRB in Indonesia to date has reached 163.659 offices, and 6.865 workers. Banking with a financial inclusion level as of 2019 of 73,88% listed in it is Islamic banking (IRB) with its strategic position as a community bank and has realized its exclusive financial inclusion for MSMEs so it is necessary to ensure the level of disclosure of financial inclusion information in IRB in Indonesia is in line with the design and its strategic position as a community bank.

Based on previous studies, such as research conducted by Bose et al., (2017) studying aspects that affect the disclosure of financial inclusion information in Bank Bangladesh reports that bank size and age have a positive effect on disclosing financial inclusion information while profitability does not have a significant effect on information disclosure. inclusive finance. According to Rahmawati (2020), the disclosure of inclusive financial information in BMT also results if bank size has a positive effect on disclosing financial inclusion information in BMT and results if bank size has a positive effect on disclosing financial inclusion information, but ROE does not affect disclosure of financial inclusion information. Vo et al., (2021) size, CSR, ROA have an important and positive impact on financial inclusion. Hossain & Hammami (2009) if industrial age has a significant effect on information disclosure and older companies tend to convey greater information. On the other hand, Nawaiseh et al., (2015) found that industry size has a negative effect on disclosing industry information. Ramzan et al., (2021) studied the effects of CSR on financial inclusion, the results of this research explained that more and more CSR activities had a positive effect on increasing inclusive financial activity. According to Haldar et al (2016) that the linkages in financial inclusion and social banking activities are assessed by CRS at Bank Bangladesh. Based on the results of the research, it was explained that if CRS activities were mostly carried out by commercial banks, it would provide a lot of information on financial inclusion. Based on previous research, there is a comparison in the results of the influence of bank size on disclosure of financial inclusion information, according to research by Bose et al., (2017), Rahmawati (2020), Vo et al., (2021) bank size has a significant positive effect on disclosure of financial inclusion data otherwise according to research by Nawaiseh et al., (2015) bank size has a significant negative effect on disclosure of financial inclusion data and there is a comparison in the results of the influence of bank profitability on disclosure of financial inclusion data, according to research by Bose et al., (2017), Rahmawati (2020) bank profitability does not have an influence on disclosing financial inclusion information, on the other hand, according to Vo et al., (2021) bank profitability has a positive effect on disclosing financial inclusion information.

Based on the previous research gaps, the researchers focused on research using different objects by combining variables in previous research, so this research brings novelty in objects and newer periods and research related to disclosure of inclusive financial information is still limited to BMT and BUS/Islamic commercial banks, so, this research aims to measure inclusive financial information at

IRB in Indonesia as an evaluation of the implementation of OJK's call for increasing financial inclusion, as stated in regulation No.76/POJK.07/2016, by analyzing the influence of bank size, CRS, age variables, the profitability of the disclosure of information on the financial inclusion of IRB for the 2016-2021 period. This research contributes to regulators knowing the behavior of each Islamic finance bank, and can make considerations for making policies related to the importance of disclosing financial inclusion in IRB in Indonesia, as well as evaluation material in increasing the index of inclusion of Islamic finance in Indonesia as well as contributing to investors. It can be a consideration in viewing and assessing Islamic finance banks in carrying out their financial inclusion activities as well as for the public is increasing trust in Islamic finance banks that have disclosed financial inclusion information besides that it can improve the reputation of Islamic finance banks so that customers will increasingly trust financing services to financing banks sharia in Indonesia.

II. LITERATURE REVIEW

Inclusive finance is the availability of access to effective financing, transfers, savings and insurance from financial institutions that cater to low-income/low-income groups, such as unsecured loans, defined as the availability of effective access to these services from financial service institutions in a timely and responsible manner responsibility while providing fair, transparent and regulated services (Bank Indonesia, 2014). Financial inclusion is everyone's right to financial services that are timely, convenient, informative and inexpensive. (Bank Indonesia, 2019). Meanwhile, according to the World Bank, financial inclusion is a condition in which individuals or institutions can access financial institutions which are divided into access, quality, use and welfare. GFDR (2014) explained that financial inclusion is a good proportion of individuals/companies in utilizing financial services so that it becomes a subject of interest to policymakers, researchers, and those who have an interest in it. Shailesh and Chakrabarty (2012) stated that financial inclusion introduces a culture of saving money, increasing access to credit, entrepreneurship and consumption with effective payments to strengthen the resources of financial institutions that can provide economic benefits. So, financial inclusion is an effort to improve the aspect of access in the unbanked community in terms of services, namely formal finance, by minimizing the various kinds of obstacles that exist. According to Suwardono (2008), that disclosure has the objective of providing information in terms of financial reporting and serving the interests it requires. Suwardjono (2008) revealed that the signaling hypothesis would underlie voluntary disclosure. Management often races in presenting personal information, because it is believed to benefit investors and shareholders if the news is positive. Management also shares information that can help it and the company succeeds even when it is not necessary. From an Islamic perspective, financial inclusion is a holistic inclusion that includes financial disclosure, social and spiritual activities (Ascarya dkk., 2016).

The size of the bank is determined based on the size of the company which is reflected by its assets. Understanding the size/size of the company is a measure that can be used to classify small/large businesses (Maulida, 2014). Banks with large categories will generally disclose more information than small banks. According to Vo et al., (2021) bank size has a significant and positive influence on financial inclusion. As Bose et al (2017) found, bank size has a positive relationship with disclosure of inclusive financial information due to public pressure to disclose social activities. As a result of increasing responsibility to stakeholders in disclosing information on social activities, the larger the size of the bank, the greater the responsibility to stakeholders. The following theory is presented in the light of the description above, so the hypothesis to be proposed is:

H1: Bank size has a significant influence on the disclosure of financial inclusion information.

Social activity is an activity to solve necessary social problems and can have a social impact (Ávila & Amorim, 2017). Social activities can be carried out by carrying out CSR activities or what are commonly called social activities. According to Law No. 40 of 2007, social responsibility is a corporate commitment to contribute to sustainable and economic development that is useful for industry, local communities, and citizens as a whole. Research on the relationship between CSR and the disclosure of financial inclusion data is very limited, Haldar et al., (2016) studied the implications between disclosing financial inclusion information and CSR activities in Bangladeshi banking, the results of this research suggest that more financial inclusion information is conveyed by commercial banks involved in CSR activities. According to Vo et al., (2021) CSR activities have a positive impact on financial inclusion in the current year. Ramzan et al., (2020) examined the relationship between disclosure of financial inclusion information and Pakistan's social banking activities, the results of this study found that the higher the CSR activity, the better the company's level of financial inclusion. There is also a significant relationship between CSR and financial inclusion among banks in Pakistan. Based on the description above, the hypothesis that will be proposed:

H2: Social activities have a significant influence on the disclosure of financial inclusion information

The age of the company is when the business was founded and has survived until now. The age of the company shows its ability to overcome internal challenges and maintain business continuity. As a form of corporate responsibility, businesses that are longer established have more information in their annual reports (Nissa, 2017). Bose et al., (2017), found that company age has a significant effect on disclosing financial inclusion information. Hossain & Hammami (2009) found that the age of this company has a significant impact on disclosure and companies that have a longer age have been established, tend to disclose more information. Based on the description above, the hypothesis that will be proposed:

H3: Age has a significant influence on the disclosure of financial inclusion information

Profitability shows the industry's performance to generate profits within a specific time span thereby affecting the overall disclosure. Industries that have a large level of profitability, according to Ginting (2012) are more inclined to publish information contained in annual reports that prove industry performance in generating profits. Ayman et al., (2019) in their research stated that companies that earn large profits tend to provide more detailed information so that they can demonstrate their quality to various stakeholders. Aripin et al., (2011) and Lan et al., (2013) found that performance measures positively influence the level of corporate disclosure. According to Vo et al., (2021) Profitability in this study, namely, ROA has a positive effect on financial inclusion for the current year. Meanwhile, according to Sembiring (2012), profitability has a significant negative effect on the extent of report disclosure. Based on the description above, the hypothesis that will be proposed:

H4: Profitability has a significant influence on the disclosure of financial inclusion information.

Based on previous research by Rahmawati (2020) that disclosed financial inclusion information on BMT, it was found that both the size of BMT and its profitability had a statistically significant positive effect on disclosing financial inclusion information. Vo et al., (2021) that in conducting an investigation into disclosing financial inclusion information in Vietnamese banks, it was found that CRS, bank size, and ROA had a significant positive effect simultaneously. According to Bose et al (2017) that to investigate the disclosure of financial inclusion information in Bangladeshi banks, the findings found that bank size, CRS, bank age, and profitability all have a statistically significant positive effect on disclosure of financial inclusion information. Based on the description above, the hypothesis that will be proposed:

H5: Bank size, social activity, bank age and profitability together have a significant influence on disclosure of financial inclusion information.

III. RESEARCH METHOD

This research approach was a quantitative approach, a quantitative approach can measure the effect of the independent (free) variable on the dependent (bound) variable in the sample studied and it is easy to test whether the hypothesis proposed according to the theory or not. The aim of the researcher was to find out the effect of bank size, social activity, age, profitability on the dependent variable, namely the disclosure of inclusive financial information. Quantitative research was based on estimates if an indication can be classified, as well as the relationship of indications with a causal character (cause and effect), so that researchers can prioritize research on only a few variables. The pattern of relationships between research variables can then be referred to as a research paradigm (Sugiyono, 2011). This research utilized the IRB population in Indonesia and utilized purposive sampling for the sample collection method. The sample standard in this research was IRB (Islamic Rural Banks) in Indonesia and registered with the OJK and has been functioning in 2016-2020, has financial reports or complete publications published on the IRB legal website or through the OJK website during the 2016-2020 period, the research sample is 32 IRB in Indonesian, that is:

Table 2.
Sample of Islamic Rural Bank

Name of IRB			
HIK Parahyangan	Insan Karimah Cibitung	Amanah Ummah	Bhakti Sumekar
Mitra Cahaya Indonesia	Insan Karimah Surakarta	Muamalat Harkat	Hikmah Wakilah
Al-Masoem	Muamalah Cilegon	At-Taqwa	Amanah Sejahtera
Bangka Belitung	Syarikat Madani	Kota Bumi	Bandar Lampung
Ashad Alif	Berkah Ramadhan	Cilegon Mandiri	Situbondo
Dinar Asri	Fajar Sejahtera	Suriyah	Al-Makmur
Artha Surya Barokah	Insan Cita Artha Jaya	Sukowati Sragen	Artha Madani
Madina Mandiri Sejahtera	Barokah Dana Sejahtera	Lantabur Tebuireng	Al Salaam Amal

Source: Processed Data (2022)

According to Anshori and Iswati (2017), operational variables are variables used to measure these variables and basically variables are broken down into 2, namely independent and dependent variables. The dependent variable (tied) is the variable that is influenced by the independent variable (free). In this research, the dependent variable was the disclosure of financial inclusion information that utilizes a scoring system with indicators/criteria developed and designed by Ascarya (2016) and Bose et al., (2017) and modified using criteria aligned with situations, tasks and activities in financing banks sharia people in Indonesia. A value of 1 is given if it is disclosed in the IRB's publication report, if it is not stated/disclosed the value is 0, the maximum/maximum score for the level of disclosure of financial inclusion information is 20, with the following indicators:

Table 3.
Inclusive Financial Information Disclosure Index

No	Inclusive financial information disclosure index
1	Programs that support MSMEs with social programs that provide training and provide assistance
2	Sharia financial education program
3	Financing programs that support MSMEs
4	Financing program to support agricultural activities
5	Financing program to support construction activities
6	Additional banking facilities to increase financial inclusion (e.g., low-cost or free bank accounts, initial deposit and relatively low monthly administration fees).
7	Financial inclusion program campaign in Islamic banks (in outreach, seminars, exhibitions)
8	Strengthening m-banking facilities and encouraging customers to use m-banking facilities (eg training programs on how to use m-banking)
9	Rural community empowerment program as the implementation of the Sustainable Finance program
10	Strengthening the savings program for students
11	HR development program (skill training)
12	Qardh scheme financing program
13	Program for easy access to banking services
14	Risk mitigation program on financing and monitoring products
15	*Takaful* Program
16	Pension fund program
17	Programs that support small and medium enterprises (SMEs) with social programs that provide Basic Education scholarships
18	Programs to expand outreach (eg number of customers, number of branches, total financing)
19	Social programs as a form of social responsibility (CSR)
20	Provision of service products (financial) program for remote communities

Source: Ascarya (2016) dan Bose et al (2017)

The following is a formula for measuring the level of disclosure of inclusive financial information:

$$FII\,\frac{TOTAL\ SCORE\ OF\ EACH\ \ IRB}{TOTAL\ OF\ ALL\ ITEM\ ON\ THE\ FINANCIAL\ INCLUSION\ INDEX} \quad (1)$$

The independent variable is the variable that influences the variable being studied, also called the dependent variable. Within the scope of this investigation, the independent variables are bank size, social activity, age, profitability.

Gujarati (2004) stated that the natural logarithm (Ln) is a way of transforming data that is not normally distributed.

$$\text{BANK SIZE} = \text{LN (TOTAL ASSET)} \quad (2)$$

In this study, the level of CSR activity was determined by adding up the various CSR activities carried out by the IRB. Seven is the highest possible score obtained in one year by an IRB.

$$\text{CSR} = \text{NUMBER OF CSR ACTIVITIES CONDUCTED BY IBS} \quad (3)$$

Gu et al., (2002) Determining the age of a bank can be done by reducing the observation age from the year of establishment of the Islamic Rural Bank.

$$\text{BANKS' AGE} = \text{OBSERVATION YEAR} - \text{YEAR OF IBS ESTABLISHED} \quad (4)$$

According to Toto Prihadi (2008: 68), Return on assets (ROA) is a measure of a company's ability to convert its assets into after-tax profits.

$$ROA\, \frac{PROFIT\ AFTER\ TAX}{TOTAL\ ASSET} \quad (5)$$

This research combined cross-sectional and time series data using panel data regression analysis techniques. The statistical software was Eviews 12 for this study.

The Regression Equation Model is as follows:

FII=β0 + β1SIZE + β2 CSR + β3AGE + β4ROA + e

Description:

FII: Financial Inclusive Disclosure Score; B0: Constant; B1, B2, B3: Regression Coefficient; SIZE: Natural Logarithm (Total Asset of IRB); CSR: Number of CSR activities variation; AGE: Companies Age; ROA: Return on Assets; e: Error.

IV. RESULT AND DISCUSSION

The average results of the 2016-2020 IRB financial inclusion information disclosure index assessment. The following is the average data on the results of the 2016-2020 IRB financial inclusion information disclosure index.

Table 4.
Average assessment of financial inclusion information disclosure index

Name of IRB	Average Rating Index	Name of IRB	Average Rating Index
HIK Parahyangan	0,77	Amanah Ummah	0,81
Mitra Cahaya Indonesia	0,85	Muamalat Harkat	0,8
Al-Masoem	0,81	At-Taqwa	0,7
Bangka Belitung	0,87	Kota Bumi	0,74
Ashad Alif	0,8	Cilegon Mandiri	0,68
Dinar Asri	0,9	Suriyah	0,81
Artha Surya Barokah	0,8	Sukowati Sragen	0,83
Madina Mandiri Sejahtera	0,76	Lantabur Tebuireng	0,78
Insan Karimah Cibitung	0,66	Bhakti Sumekar	0,93
Insan Karimah Surakarta	0,75	Hikmah Wakilah	0,78
Muamalah Cilegon	0,72	Amanah Sejahtera	0,79
Syarikat Madani	0,72	Bandar Lampung	0,81
Berkah Ramadhan	0,64	Situbondo	0,78
Fajar Sejahtera	0,83	Al-Makmur	0,72
Insan Cita Artha Jaya	0,76	Artha Madani	0,69
Barokah Dana Sejahtera	0,83	Al Salaam Amal	0,73

Source: Processed Data (2022)

Descriptive Statistics Test

The FII variable has an average value of 0,77 which explains that the average IRB in Indonesia which is the sample of this research discloses information about 77% of inclusion activity on the index. FII values range from 0,550000 to 0,950000, and the standard deviation value is 0,074167 < 0,776563, smaller than the average. This indicates that the distribution of FII values is good, the FII variables are homogeneous, or the distribution of data variables is small, and there is not a large enough gap between the lowest and highest FII values. The 2018-2020 Bhakti Sumekar IRB sample has a maximum value of 0,95, and the 2016 Berkah Ramadhan IRB sample has the lowest value of 0,55.

Table 5.
Descriptive Statistics

	FII	ZESI	CSR	AGE	ROA
Mean	0.776563	18.51513	4.725000	17.31250	2.504688
Maximum	0.950000	21.06000	7.000000	29.00000	12.10000
Minimum	0.550000	12.29000	3.000000	2.000000	-11.86000
Std. Dev.	0.074167	1.188566	1.021468	6.632479	2.472039

Source: Data Olahan Eviews 12

IRB in Indonesia has an average total asset index of 18,5 which can be explained by the average bank size variable value of 18,5, which is 18,5. There are various possible values for bank size, from 12,29000 to 21,06000. The standard deviation value is smaller than the average, namely 1,188566 < 18,51513, this indicates a good distribution of bank size values, homogeneous bank size variables, or small distribution of data variables and there is not a large enough gap between the lowest bank size and highest. Al-Masoem IRB in 2019 obtained the highest score of 21,06 in the sample from Harta Insan Karimah Parahyang IRB, while HIK Parahyang IRB in 2019 achieved the lowest score of 12,29.

The CSR variable has an average value of 4,7 indicating that Islamic finance banks in Indonesia carry out an average of 5 CSR activities in all samples. The standard deviation value is smaller than the average, which is 1,021468 <4,725000, this indicates a good distribution of CSR values, the CSR variable is homogeneous, or the circular data variable is small, and there is not a large enough gap between the lowest CSR and the highest CSR. The range of CSR values is from 3,000000 to 7,000000. Maximum score of 7 at Harta Insan Karimah Parahyang IRB in 2019 and 2020, bangka IRB in 2018-2020. A minimum score of 3 at Harta Insan Karimah Cibitung IRB in 2016 and 2017, Mitra Cahaya Indonesia IRB in 2016 and 2017, IRB Muamalat Harkat in 2016 and 2017, At-Taqwa IRB in 2016 and 2017, Syarikat Madani IRB in 2016 and 2018, Kota Bumi IRB in 2016, Berkah Ramadhan IRB in 2016-2018, Madani Mandiri Sejahtera IRB in 2016 and 2017, Artha Madani IRB in 2016.

The sample population of Islamic Rural banks in Indonesia has an average age of 17 years as indicated by the average value of the age variable, which is 17.3 years. Age values can range between 2,000000 and 29,00000, and the average value is higher than the standard deviation, namely 6,632479 < 17,31250. This shows a good age distribution, the age variable is homogeneous, or the data variable distribution is small, and there is no significant age gap between the youngest and oldest banks. In the Al-Salaam Amal IRB sample in 2020, the highest possible score is 29, while the lowest score was achieved by Harta Insan Karimah IRB Surakarta in 2016.

The IRB sample in Indonesia has an average ROA ratio of 2,5 which can be explained by the average ROA variable value of 2,5. ROA values range from -11,86000 to 12,10000, and the standard deviation value is smaller than the average, namely 2,472039 < 2,504688. This shows that the distribution of ROA values is good, the ROA variables are homogeneous, or the distribution of data variables is small, and there is no significant gap between the ROA values with the lowest and highest ROA values. The 2017 Syarikat Madani IRB sample has the highest score of 12,1, while the 2020 Berkah Ramadhan IRB sample has the lowest score of -11,8.

Panel Data Regression Model Estimation Results

The Chow test and Hausman test were used in this research to develop a panel data regression model as accurately as possible.

Table 6.
Chow Test Result

Effects Test	Statistic	d.f.	Prob.
Cross-section F	24.247823	(31,124)	0.0000
Cross-section Chi-square	312.755522	31	0.0000

Source: Data Processed by Eviews 12

Based on table 6, the cross-section F probability is 0,0000 <0,05, which is 5%, meaning that H0 is unacceptable. It can be concluded that the FEM/Fixed Effect Model is the most effective model used.

Table 7.
Hausman Test Result

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	38.709315	4	0.0000

Source: Data Processed by Eviews 12

Based on table 7, the random cross-section probability is 0,0000 <0,05, which is 5%, which means that H0 cannot be accepted. It can be concluded that the FEM/Fixed Effect Model is the most effective model used.

Determination Coefficient

The R2 test aims to determine whether all the independent (free) research variables are able to adequately explain the dependent (bound) research variables using the regression model. R2 value between 0 -1. The better the result, the closer to 1. The following are the results of the test to determine the coefficient of determination:

Table 8.
Determination Coefficient Results

R-squared	0.946824
Adjusted R-squared	0.931814

Source: Data processed by Eviews 12

Table 8 displays an R2 value of 0,946824 units which indicates that the power or power of the independent variable in explaining the dependent variable is 94.6%, while the remaining 5,4% is explained by variables other than those used in this study.

F statistic Test

The F test determines that the overall independent variables in the regression model have a simultaneous significant effect on the dependent variable by determining whether there is a significant relationship between the two variables. The findings from the F statistical test are presented in the following table:

Table 9.
F statistic Test Results

F-statistic	63.08174
Prob(F-statistic)	0.000000

Source: Data processed by Eviews 12

Table 9 shows that the probability of the F statistic is 0,000000 <0,05, and the F statistic itself is 63,08174. It shows if H0 is not accepted and vice versa H1 is chosen and it can be concluded that the factors of bank size, CSR, AGE, and ROA all have a significant beneficial/positive effect on disclosing information related to financial inclusion at the same time.

Partial T Test

The purpose of the t-test is to determine the extent to which each independent variable influences the variable being tested.

Table 10.
Partial T-Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
UKURAN	-0.006043	0.002421	-2.495622	0.0139
CSR	0.014046	0.005130	2.738079	0.0071
UMUR	0.012632	0.001864	6.776601	0.0000
ROA	-0.001440	0.000960	-1.500169	0.1361
C	0.606985	0.044085	13.76866	0.0000

Source: Data processed by Eviews 12

The size of the Islamic Rural Bank has a significant and detrimental impact on information disclosure regarding financial inclusion implemented by IRB in Indonesia for the 2016-2020 period. The test results show that the statistical data for the hypothesis t-test has a significance value of 0,0139 which is less than 0,05 (5%) and has a regression coefficient of the bank size variable of -0,006043. This is indicated by a significance value that is less than 0,05. Information disclosure regarding financial inclusion will decrease by -0,006043 or 0,6% if the other independent variables remain the same while the bank size variable increases by one unit. The findings show that bank size has a large negative effect on the inclusion of financial statement information, the bigger the bank, the bigger the assets. According to Alderfer (1969) the theory of motivation is growth motivation which results in the need to increase existence and relate to other parties, so that this results in IRB with low assets being motivated to disclose more inclusive information as a form of fostering a good image of accountability to the public and avoid the risk of negative views due to low assets. Alderfer stated that the motivation for growth causes the need to increase the existence and relate to others. This results in IRB having low assets because disclosure of company information is an obligation that does not depend on company size, Nawaiseh et al. (2015) found that company size has a negative effect on disclosure of corporate information such as disclosure of social responsibility. This is because company size does not affect the disclosure of company information.

It was found that participation in social activities had a significant and positive impact on financial inclusion information disclosure at IRB in Indonesia for the 2016-2020 period. The test results show that statistical data from the hypothesis t-test has a significance value of 0.0071 which is less than 0.05 (5%) and has a regression coefficient of the bank size variable of 0.014046 indicating a significance value of less than 0.05. If the CSR variable is increased by one unit while all other independent variables are held constant, the disclosure of information regarding financial inclusion will increase by 0.014046 or equivalent to 1.4%. The findings show that the hypothesis is correct, namely that participation in social activities has a significant beneficial effect on disclosing information about financial inclusion. According to Vila & Amorim (2017), social activities are activities carried out with the aim of finding solutions to social problems that are needed and have the potential to impact society. CSR activities, also known as social responsibility activities, are used to measure various aspects of social activities in this study. The more social activities carried out by IRB, the more inclusive financial information disclosed by IRB, CSR is a type of social activity that helps encourage financial inclusion.

This research is in line with the research of Haldar et al., (2016) the relationship between disclosure of inclusive financial information and CSR activities in Bangladeshi banking shows that more financial inclusion information is disclosed by commercial banks involved in CSR activities. According to Vo et al., (2021) CSR activities have a positive impact on financial inclusion in the current year. Ramzan et al., (2020) examined the relationship between disclosure of financial inclusion and social activity in Pakistani banking, the results explained that the higher the CSR activity, the better the company's level of financial inclusion. Also, there is a significant relationship between CSR and financial inclusion among banks in Pakistan. Ullah (2013) also reports that high levels of social participation by financial institutions result in high levels of financial inclusion in terms of engagement and customer service. CSR is a form of social care in accordance with QS. Al Baqarah 177:

"Not turning your face to the east and west is a virtue, but in fact, the virtue is having faith in Allah, the Next day, angels, books, prophets and sharing the wealth they love with their families, orphans, many poor people, travelers (who need help) and many people begging; as well as (freeing) slaves, establishing prayers, and paying zakat; and many people who keep their promises when they promise, as well as many people who are patient in adversity, suffering and in war. they are the many who are true (their faith); and they are the many pious people" (QS. Al- Baqarah: 177).

As has been pointed out, Islam is a religion that upholds the importance of moral and ethical standards in society. In addition to instilling religious values, namely faith in Allah SWT, His Book, and the Last Day, the Qur'an explains that religiosity is not perfect if it is not accompanied by social practices in the form of caring and devotion, relatives, orphans, the poor, and travelers also guarantee safety. needy people. In other words, the Qur'an teaches that one's religiosity becomes perfect.

The age of IRB has a significant positive effect on disclosure of inclusive financial information at IRB in Indonesia in 2016-2020. The test results show that statistical information on the results of the t-test hypothesis has a significance value of 0,0000, which is less than 0,05 (5%) and has a regression coefficient equal to the bank size variable of 0,012632, indicating a significance value that is less than 0,05. If the bank age variable increases by one unit, but all other independent variables remain the same, it means that the percentage of people disclosing their financial inclusion information increases by 0,012632 or 1,2%. The research results prove that the hypothesis obtained is that the age of the bank has a significant effect on the disclosure of financial inclusion information. Age proves the industry's ability to overcome the obstacles that occur in the company and how long the industry is able to maintain its business existence. This research is in line with the research of Bose et al., (2017) which proved that industrial age has a significant effect on disclosure of financial inclusion information, according to Hossain & Hammami (2009), who found that industrial age has a significant effect on information disclosure, and older companies have a tendency to disclose more information. The longer the age of the bank, the more information is disclosed because the bank is more experienced than banks that are younger and more experienced in dealing with problems. In addition, the age of the bank affects the image or reputation of the bank.

In Indonesia during the 2016-2020 period, the level of profitability did not have a substantial negative effect on information disclosure regarding financial inclusion in Islamic Rural Banks. The test results show that the significance value of the statistical data from the hypothesis t-test is 0.1361 greater than 0.05 (5%) and the regression coefficient of the bank size variable is -0.001440 indicated a significance value greater than 0.05. There is no change in the disclosed information regarding financial inclusion as a result of a one-unit increase in the ROA variable, provided that all other independent variables remain constant. The research findings show that ROA has no effect on disclosure of information related to financial inclusion. This research does not support the research of Ginting (2012), Ayman et al., (2019), Aripin et al., (2011), Lan et al., (2013) and Vo et al., (2021) which stated that companies that earn high profits tend to disclose more detailed information and give effect to the level of corporate disclosure. ROA is not able to strengthen the relationship with the level of disclosure of financial inclusion information, the higher the ROA does not increase the disclosure of financial inclusion information as well as when ROA decreases.

The results of this research support Bose et al., (2017) profitability does not significantly affect the disclosure of financial inclusion information. Ramadhani (2015) stated that there is no relationship between profitability and information disclosure (social industry), both industries that have small profits or large profits are now starting to feel the importance of disclosing social responsibility in carrying out information disclosure without having to clarify information on assets and profits. which is owned. The level of profitability is not a determinant of the high level of disclosure of industry information (Lucianan, 2008). In line with that, according to the research findings of Nur and Priantinah (2012), profit has nothing to do with disclosing a company's commitment to social responsibility or not. The industry's choice to provide a sustainability report or not is not influenced by ROA. The level of profitability achieved by an organization is one of the factors that provide the freedom and flexibility to the management needed to carry out social responsibility and make the program widely known. According to legitimacy theory, when a company has high-profit margins, it will choose not to report information about its environmental performance because the industry believes that it is unnecessary to report causes that could interfere with information about the company's financial success. This is because the industry considers it unnecessary to report reasons that could interfere with information regarding the company's financial success. Conversely, when profitability is low, it is intended that report users read "positive news" on industry performance in the form of environmental initiatives that have been implemented by the industry (Gibson, 2000).

The F test reveals the value after simultaneous testing is carried out. It shows the probability of the F statistic of 0,0000000.05 with a value of 63,08174 for the F statistic, indicating that H0 is unacceptable, while H1 is OK. It can be concluded that the variables of bank size, CSR, AGE, and ROA all have a strong beneficial effect on disclosing information about financial inclusion simultaneously. From the test results of the coefficient of determination (R2), it proves that the adjusted R-squared value is 0,946824 basis which proves the power of the independent variable in explaining the dependent variable is 94,6% and the other part is 5,4% explained by variables other than those used in this study. This research is in line with Rahmawati (2020) related to disclosure of financial inclusion information on BMT and the results prove simultaneously that the size of BMT, profitability has a significant positive effect on disclosing financial inclusion information, also Vo et al., (2021), who investigated disclosure of financial inclusion in banking in Vietnam. The results show that simultaneously CSR, bank size, and ROA have a significant positive effect on disclosure of inclusive financial information. According to the findings of Bose et al. (2017) who conducted research on inclusive financial disclosure in banks in Bangladesh, all factors of age, size, and profitability simultaneously have a positive and significant effect on the disclosure of inclusive financial information.

So, it can be analyzed that the variables of bank size, social activity, age, ROA jointly affect the disclosure of financial inclusion information. The bigger the Islamic Rural Banks, the more it discloses financial inclusion information more broadly. IRB that carries out various/more CSR social activities, then the IRB will disclose financial inclusion information more broadly because CSR is related to financial inclusion activities. IRB with older age will gain more trust from related parties such as investors etc. so it can affect the disclosure of inclusion information. The higher the ROA of an SRB, the wider the disclosure of financial inclusion information.

V. CONCLUSION

From the results of research on disclosure of financial inclusion information in Islamic Rural Banks in Indonesia for the 2016-2020 period, it proves that partially age and CSR have a significant positive effect, the size of the IRB has a significant negative effect on disclosure of inclusive financial information. On the other hand, ROA has no effect on the disclosure of inclusive financial information at IRB in Indonesia. The size of the IRB, CSR, and age of ROA have a significant effect on the disclosure of inclusive financial information at IRB in Indonesia. This research provides input and evaluation for regulators and IRB. If disclosure of financial inclusion information is implemented transparently by all IRB, it will increase the reputation and trust to use IRB services.

REFERENCES

Afrin, S., Haider, M.Z. & Islam, M.S. (2017). Impact of financial inclusion on technical efficiency of paddy farmers in Bangladesh. *Agricultural Finance Review, 77*(4), 484-505. https://doi.org/10.1108/AFR-06-2016-0058

Ali, M.M., Devi, A., Furqani, H. & Hamzah, H. (2020). Islamic financial inclusion determinants in Indonesia: an ANP approach. *International Journal of Islamic and Middle Eastern Finance and Management, 13*(4), 727-747. https://doi.org/10.1108/IMEFM-01-2019-0007

Alm El-Din, M.M., El-Awam, A.M., Ibrahim, F.M. & Hassanein, A. (2022). Voluntary disclosure and complexity of reporting in Egypt: The roles of profitability and earnings management. *Journal of Applied Accounting Research, 23*(2), 480-508. https://doi.org/10.1108/JAAR-09-2020-0186.

Amari, M. & Anis, J. (2021). Exploring the impact of socio-demographic characteristics on financial inclusion: empirical evidence from Tunisia. *International Journal of Social Economics, 48*(9), 1331-1346. https://doi.org/10.1108/IJSE-08-2020-0527.

Ascarya., Rahmawati, S., & Tanjung, H. (2016). Design and determine holistic financial inclusion index for baitul maal wat tamwil design and determine holistic financial inclusion index for baitul maal wat tamwil. *Conference: 2nd International Conference on IPAFEM*. Yogyakarta

Babajide, A. A., Adegboye, F. B., & Omankhanlen, A. E. (2015). Financial Inclusion and Economic Growth in Nigeria. *International Journal of Economics and Financial Issues, 5*(3), 629–637.

Bose, S., Saha, A., Khan, H. Z., & Islam, S. (2017). Non-financial disclosure and market-based firm performance: The initiation of financial inclusion. *Journal of Contemporary Accounting & Economics, 13*(3), 263–281. https://doi.org/10.1016/j.jcae.2017.09.006

Das, S. (2021). Pengungkapan informasi inklusi keuangan: Bukti empiris dari industri perbankan Bangladesh. *Jurnal Global Bisnis, Ekonomi dan Manajemen, 11*(1), 27-41.

Fitriana, N. L., & Prastiwi, A. (2014). Faktor-faktor yang mempengaruhi luas pengungkapan sukarela dalam annual report. *Diponegoro Journal of Accounting,* 642-651.

Griselda, I. A., Murhadi, WR., & Utami, M. (2020). Pengaruh tanggung jawab sosial perusahaan terhadap kinerja perusahaan sektor pertambangan yang tercatat di Bursa Efek Indonesia & Malaysia 2014-2018. *Jurnal Kewirausahaan & Bisnis, 1*(1), 21-30.

Haldar, P. K., Rahman, S. M. M., Mia, S., Ahmed, F., & Bashawir, A. (2016). Assessing the role of corporate social responsibility practices of commercial banks in enhancing financial inclusion: A study on banking sector in Bangladesh. *International Journal of Economics and Financial Issues, 6*(4), 1778–1783.

Hossain, M., & Hammami, H. (2009). Advances in accounting, incorporating advances in international accounting voluntary disclosure in the annual reports of an emerging country: The case of Qatar. *International Journal of Cardiology, 25*(2), 255–265. https://doi.org/10.1016/j.adiac.2009.08.002

Jaya, I. G. N. M., & Sunengsih, N. (2009). Kajian analisis regresi dengan data panel. *Prosiding Seminar Nasional Penelitian*. Universitas Negeri Yogyakarta.

Nur, M., & Priantinah, D. (2012). Analisis faktor-faktor yang mempengaruhi pengungkapan corporate social responsibility di Indonesia (Studi empiris pada perusahaan berkategori high profile yang listing di Bursa Efek Indonesia). *Nominal: Barometer Riset Akuntansi dan Manajemen, 1*(2), 22-34. https://doi.org/10.21831/nominal.v1i2.996

Otoritas Jasa Keuangan. (2016). POJK Nomor 76/POJK.07/2016 tentang Peningkatan Literasi dan Inklusi Keuangan di Sektor Jasa Keuangan Bagi Konsumen dan/atau masyarakat.

Rahmawati. (2020). Financial inclusion disclosure in Islamic microfinance: The case of baitul mal wa tamwil. In *Enhancing Financial Inclusion through Islamic Finance*, Volume 2 (pp. 137-160). Palgrave Macmillan.

Ramzan, M., Amin, M., & Abbas, M. (2021). How does corporate social responsibility affect financial performance, financial stability, and financial inclusion in the banking sector? Evidence from Pakistan. *Research in International Business and Finance, 55*(August 2020). https://doi.org/10.1016/j.ribaf.2020.101314

Scaltrito, D. (2016). Voluntary disclosure in Italy: Firm-specific determinants an empirical analysis of Italian listed companies. *EuroMed Journal of Business, 11*(2), 272–303. https://doi.org/10.1108/EMJB-07-2015-0032

Sembiring, E. R. (2012). Pengaruh profitabilitas, leverage, struktur kepemilikan dan status perusahaan terhadap pengungkapan laporan keuangan pada perusahaan manufaktur di Indonesia. *Diponegoro Journal of Accounting, 1*(1), 238–247.

Ullah, M.H. and Rahman, M.A. (2015), Corporate social responsibility reporting practices in banking companies in Bangladesh: Impact of regulatory change. *Journal of Financial Reporting and Accounting, 13*(2), 200-225. https://doi.org/10.1108/JFRA-05-2013-0038

Vo, D.H., Tran, N.P., Hoang, H.T.-T. and Van, L.T.-H. (2022), Do corporate social responsibility and bank performance matter for financial inclusion in Vietnam?, *Journal of Asia Business Studies, 16*(4), 639-651. https://doi.org/10.1108/JABS-11-2020-0462