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DETERMINANTS OF CORPORATE SOCIAL RESPONSIBILITY REPORTING IN THE BANKING SECTOR: A SYSTEMATIC REVIEW

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Abstract

CSRR has been progressively embraced universally for more clarity and to signify advancement towards accomplishing sustainability. Prior reviews of corporate social responsibility reporting (CSRR) literature emphasize on developed and emerging countries through cross industry evaluation. To close this gap our review has focused on the banking sector universally. The purpose of the review is to highlight the determinants of CSRR studies on the overall banking sector, which is more regulated industry than others are. Our systematized appraisal was conducted over the last 16 years from 2000 to 2015. The orderly evaluation has found that profitability, size, Shariah Supervisory Board, ownership structure and age are the most commonly used determinants of CSRR. However few studies have examined the cultural, political and stakeholder's perspective variables as the determinants. Thus, more research could develop the rationality of outcomes by concentrating on these determinants in determining the level and extent of such disclosure in the banking sector.

Keywords: Systematic review; Determinants; Corporate social responsibility reporting (CSRR); Corporate social responsibility (CSR); Conventional banks; Islamic banks; Shariah.

Introduction

The success of a business is determined through the pursuit of diverse environmental, economic and social interests by a varied set of stakeholders such as rating agencies, employees, corporate clients, suppliers, debtors, financial Sponsors, and government (Buchholz and Rosenthal, 2005). Corporate responsibility reporting is a vital station through which companies attempt to meet these claims such as, aim to raise transparency, legitimacy and reputation, allow benchmarking against rivals, improve brand value, signal effectiveness, maintenance business information and control procedures as well as inspire employees by revealing sustainability information, (Hahn and Kühnen, 2013). Moreover, the growing focus on CSR disclosure in professional and academic world is being identified as a significant aspect that ensures sustainability in business (Lozano and Huisingh, 2011).

The idea of CSR disclosure can be traced to the beginning of 1970s (Mathews, 1997). During that time, philosophical discussions were limited, empirical investigations were less sophisticated, generally descriptive, the topic was comparatively underdeveloped and in the progress of developing social accounting models (Khan, Halabi and Samy, 2009). Gray and Kouhy (1996) specified that in the early 1970s, CSR was a more well-known concept in the USA than any other nation. In 1973, to detect key areas of social disclosure, a committee was organized by the U.S. National Association of Accountants that acknowledged community involvement, corporal resources, human resources, environmental influence, and product and service offerings as the major aspects of social disclosure (Keller cited in Raman, 2006). An Ernst and Ernst (1978) study on Fortune 500 corporations demonstrated that approximately 90 percent of businesses made social disclosures and 50 percent of businesses disclosed primarily the energy and environment, followed by human resources and community involvement.

Later, Guthrie and Parker (1990) found that 75 percent of corporations disclose human resource information. Gray and Kouhy's study (as cited in Khan et al., 2009) also found that CSR disclosure differs with the country of origin (Preston, Rey and Dierkes, 1978) and a comparative analysis in the diverse areas show various issues of CSR reporting might be affected by law. Furthermore, Bebbington ,Gray and Larrinaga's (2000, p. 3) study (as cited in Matthias and Fifka, 2013) in Western Europe, businesses began to generate stand-alone 'social reports' or 'social balance sheets' to deliver information in the annual report which is suitably called 'the vanguard of these developments'. Overall, two important developments can be noted. First, the rapid growth of non-financial information reporting in terms of social matters and second, to convey the respective information, businesses introduced various forms of reports as a different media (Matthias et al., 2013).

In proportion to that change, companies realized that environmentally approachable products and production systems could acquire competitive advantage and the focus shifted from social to environmental reporting (Dechant and Altman, 1994), though the social dimension did not disappear either in empirical research or in non-financial reporting (Adams and Frost, 1996; Matthias et al., 2013). After that, social and environmental aspects were amalgamated in non-financial reports, typically issued under names such as Sustainability Report, or Corporate Social Responsibility (CSR) Report (Matthias et al., 2013). Moreover, this change was clearly noticeable from headings of the global reviews directed by KPMG. 'International Survey of Environmental Reporting' was the heading of first three issues, and then the study mentioned 'Sustainability Reporting' with the latest two studies entitled 'Corporate Responsibility Reporting'. Overall, corporate responsibility reporting is derived in numerous forms and titles conducted by companies in all regions (Thome, 1993; KPMG 1997, 1999, 2005, 2008). Hence, we have used this terminology in the following study.

On the other hand, many scholars have given normative recommendations on the contents of and requirement for responsibility reporting along with its determinants that affect responsibility reporting, such as size, governance and profitability as internal factors and public pressure, industry affiliation and political regulation as external variables that vary between advanced and emerging countries (Cormier and Magnan, 2003; Matthias et al., 2013). Further, CSR differs by nature and form between industry sectors (Gray, Javad, DM and Sinclair, 2001). Thus, the purpose of the following article is twofold. First, we consider thirty-five empirical studies that have been thoroughly measured based on the determinants of responsibility reporting in the banking sector from both Islamic and conventional perspective. Second, to suggest the potential determinants such as cultural, political and stakeholder's perception variables of which there are only a few empirical findings on CSR disclosures in this most regulated sector.

The rest of this study is structured as follows. First, we discuss the procedural approach of systematic review followed by an analysis and synthesis of the consequences. Finally, we deliver a discussion and implications for future research.

Definition of CSR

A drastic change has been observed in the affiliation between industry and society in the last two decades. The increased internationalization of trade, the growth in strategic significance of stakeholder relationships, and the rise of corporate reputation management are the key drivers of this alteration (Azim, Ahmed and Islam, 2009). Furthermore, CSR is defined as " the obligation of an organization to utilize its resources in ways to value society, through dedicated participation as a member of civilisation, considering the society at large and improving wellbeing of society as a whole and independent of direct gains of the corporation" (Wiele, Kok, McKenna, and Brown, 2001, p. 287). Therefore, CSR is defined in terms of the awareness toward stakeholders', legal, social, ethical and environmental expectations of companies (Azim, et al., 2009).

In addition, Corporate social and environmental disclosure has been defined as ". . . the process of interacting the social and environmental outcomes of a company's monetary movements to specific concern groups within society and toward society as a whole" (Gray, Owen and Maunders, 1987). Consistent with Frederick (1994), the theme of CSED has advanced along with the development of the idea of CSR. Moreover, a typical voluntary exercise whereby businesses accomplish social and environmental duties is called CSR (Secchi, 2006). An uphill trend in CSED is seen all over the world in the line of CSR (Sobhani, Amran and Zainuddin, 2012). This progression of CSED started with employee reporting approximately four decades earlier, and then shifted to social disclosure, environmental disclosure, triple bottom line (TBL) reporting and is today acknowledged as sustainability reporting (Sobhani et al., 2012).

CSR reporting and banks

The participation of banks with CSR reporting has been noticed in previous research. Banks play an essential role as the receiver along with the sources of socially responsible investments (Khan et al., 2009). Demands have arisen from outside stakeholders to assess managerial performance not simply from monetary viewpoint, but also from societal and environmental presentation standpoint that intensify firms' activities on CSR disclosures (Khan, Mohobbot and Fatima, 2014). Heal (2004) specified that banks could benefit through spreading CSR in terms of individual community involvement and human resource policies; however, the participation of banks to CSR reporting is inconsistent across countries. Gray, Kouhy and Lavers (1995) noticed that the trends of CSR disclosures demonstrated an acceleration in developed countries such as USA and UK. In addition, Douglas, John, and Johnson (2004) specified that the leading European banks regarding the quantity and quality of social disclosures are well ahead of the banks of Ireland. A research by Halabi, Kazi, Dang and Samy (2006) stated that Australia's four banking corporations have given priority to the environment, human rights and labour practices.

Actually, for building a business reputation, reducing employee turnover through enhancing satisfaction, especially confirming durable social and environmental improvement, it is necessary to accept sustainable corporate exercises (Roca and Searcy, 2012). GRI has also undertaken to exploit the issue of sustainability reporting as supremely important for the necessity of business disclosures pertinent only to the banking sector (Khan, Islam, Fatima and Ahmad, 2011). In fact, to appraise banks accountabilities towards the society and environment along with deposit holders, CSR reporting is a solid platform for other stakeholders (khan et al., 2014).

Methodology

It is vital to clarify the insights of sustainability and corporate social responsibility (CSR) before commencing our systematic review. According to the European Commission, CSR is "the responsibility of enterprises for their impacts on society […] to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders" (European Commission, 2011, p. 6). Similarly, to define sustainability, the commission also specified that "to reveal sustainability data is one of the main focus for CSR reporting by combining long-term profitability with social justice and environmental protection" (European Commission, 2014, p. 3). From this perspective, CSR and sustainability are interrelated. Hahn et al. (2013) noted that both CSR and sustainability could be measured as reliable conceptions in case of reporting conditions as an outcome of union.

Procedure of Systematic Review

Denyer and Tranfield (2009, p. 671) stated that a "systematic review is a specific methodology that locates existing studies, selects and evaluates contributions, analysis and synthesises data, and reports the evidence in such a way that allows reasonably clear conclusions to be reached about what is and is not known". Meanwhile, Khan, Kunz and Antes (2003) specified that a systematic review and methodical literature review are not the same. In addition, systematic review is distinct as " a search methodology that makes use of an iterative and incremental procedure in which relevant articles were searched, checked and reviewed for relevance until the whole review is completed" (Choong, 2013, p. 4176). Simultaneously, inconclusive findings and theoretical gaps can be recognised through systematic review that provide guidelines for future research (Denyer et al., 2009).

In this study, we have applied a systematic review according to the procedures recommended by Kitchenham and Charters (2007) and Chauhan, Agarwal and Kar (2016). The next section delivers various processes and actions, for instance, selection of database and search criteria, inclusion decisions on the basis of title and keywords, inclusion decisions on the basis of abstract and conclusion, final selection for review, and data extraction and synthesis.

Selection of database and search criteria

To confirm effective outcomes by covering a wide range of research, a comprehensive database analysis was performed. We selected peer-reviewed journals from web of science database which covers areas in business, accounting and management, and Science Direct database that covers more than 150 journals in Business field as well as Emerald insight that generates an elaboration of 250 plus business management journals. Moreover, we have identified the relevant journals of the discipline by using databases from Cambridge Journals, Taylor and Francis online, Springer Link, Sage, and Wiley online Library as well as Google Scholar.

The systematic review was conducted through using keywords derived from previous studies to expansively cover the potential research area (Hahn et al., 2013). The following keywords were selected to cover the research field: “Corporate social responsibility report*”, “responsibility report*”, “Global Reporting Initiative report*”, “sustainable development report*”, “sustainability report*”, “triple bottom line report*” “CSR report*”, “GRI report*” or “TBL report*” “social report*”, “environment* report*”, “non-financial* report*”. Search was also conducted for the related keywords “disclosure” in place of “report”, which denotes “report” in addition to “reports” or “reporting”, to cover a wider latitude of research. Therefore, examination contained above keywords that were previously recognized and discussed by Hahn et al. (2013) and Dienes, Sassen and Fischer (2016).

Inclusion Decision on the basis of title and keywords

In this stage, we discarded the unsuitable research papers according to the heading and keywords that were selected through search procedure. Using the above stated keywords from the particular databases resulted in 754 articles, and outcomes were tested to escape duplication. Based on the basis of prior reviews, we omitted book chapters, editorial commentaries and proceedings from our sample (Hahn et al., 2013). We continued our investigation in mid-2016 to capture all relevant papers in 16 investigated publication years from 2000 to 2016. Ultimately, we recognised a total of 426 articles for inclusion in the following systematic review. The individual papers were tested by researchers to enhance the trustworthiness of the research and resulted in the inclusion of 122 papers of indispensable relevance in the ensuing review.

Inclusion decision based on Abstract and Conclusion

In this step, by thorough analysis of abstract and conclusion of the papers, the researchers excluded the papers that were found irrelevant for this study. Those research papers that did not focus on the determinants of CSRR in the financial sector are excluded from this research, although they had the necessary hunt terms in their manuscript. Researchers then had a discussion concerning reaching a settlement regarding the exclusion of particular research papers (Bennett, 1955). Subsequently, we selected a total of 53 research papers for the final analysis and synthesis.

Final Selection

After reading the full text of the papers, we then screened them as per the following criteria:

a) Does the paper address CSRR in the context of Banking Sector?
b) Which determinants influencing the disclosures of CSRR are addressed?
c) Does the paper clearly state its research objective?

Subsequently, on the basis of above benchmarks, we finally selected 34 research papers that could help to fulfil the purposes of this systematic review. We then verified the omitted papers in order to reach a consensus on causes of exclusion. Later, we checked the reference list of the selected papers and found no relevant literature (Dienes et al., 2016). Thus, a total of 34 research papers have been accepted in this study (see Appendix A). The dissemination of research papers by year and by country that have been nominated for this study are portrayed in Figures 1 and 2, respectively.

Data Extraction and Synthesis

In this stage, data were extracted from the nominated research papers and thorough crosschecking ensures that each research paper was investigated consistently and the discrepancies mutually resolved (Dienes et al., 2016). Lastly, the data was synthesized after identification of the key determinants of CSRR in the banking sector that influence the quality of CSRR mentioned in previous studies. Additionally, the policy implications and direction of future research of this study are stated in the subsequent sections.

Analysis and synthesis

Systemization of Determinants of CSRR

We have evaluated 34 research papers that scrutinized the determinants of CSRR in the banking sector. Studies which did not indicate CSRR as the dependent variable were omitted from our systematic review (Lu, Abeysekera and Cortese, 2015). Moreover, we measured only the determinants of CSRR in the financial sector, so the previous research that includes other sectors or is combined with banking sector are excluded in this study to restrict the effects of other industry related determinants, thereby concentrating only on the banking industry. From prior studies, we composed the independent variables because the examination of these variables was established on the proposition (Dienes et al., 2016). We have specified seven determinants of CSRR in the overall banking sector which are functionalised in terms of 63 variables by examining 34 studies (see Appendix B).

Firm Size

Firm size is a determinant used in twenty-eight studies decreed by total assets, total revenue, number of branches, total net assets, number of employees, number of shareholders and market capitalisation. Eleven researches found a positive relationship between firm size and CSR disclosure measured through total assets, and four articles did not notice any effect of total assets on CSR disclosure. With regard to number of branches, six studies established a positive relationship with CSR disclosure while Ullah and Rahman (2015) found no relationship of such value on CSR disclosure. Regarding number of employees', four studies found positive relationship but one study (Singh and Agarwal, 2013) did not observe any effect with CSR reporting. Relating to number of shareholders, two studies (Halaby and Hussainey, 2015; Hu and Scholtens, 2014) revealed significant affirmative relationship. In terms of total net assets (Ullah et al., 2015; Castelo, Lucia and Rodrigues, 2008) established a positive effect. Additional variables such as total revenue (Ullah et al., 2015), market capitalisation (Michael and Oluseye, 2014) do not affect CSR disclosure.

In this review, we observed either a positive influence or no consequence between firm size and CSR disclosure. Thus, the outcomes specify a positive tendency in this relationship. Meanwhile, none of the studies generated effects to the contrary, the consequences indicating that firm size is a factor of CSR reporting. These interpretations can be described by larger corporations having comparatively lower cost of producing sustainability report (Ho and Taylor, 2007). Conversely, in place of smaller companies, sustainability reporting is rather inefficient from point of view of cost and benefits, and there are fears about discharging private data (Dienes et al., 2016).

Financial Performance

Profitability is a determinant on CSR disclosure measured in 23 prior studies concerning the banking sector. (Wu and Shen, 2013; Fitriyah and Oktaviana, 2014; Mallin, Farag and Owyong, 2014; Jizi, Salama, Dixon, and Stratling, 2013) specified an optimistic relationship between ROA and CSR disclosure. In contrast, the results of (Ullah et al., 2015; Ghabayen, Mohamada, and Ahmad, 2015; Hu et al., 2014; Halaby et al., 2015) demonstrate no substantial outcome of ROA on CSR disclosure. In terms of ROE, (Wu et al., 2013; Lestari, 2013; Mallin et al., 2014; Sharif and Rashid, 2014; Menassa, 2010) detected a positive stimulus on CSR disclosure. Regarding non-performing loan ratio, Wu et al. (2013) revealed an adverse relationship while Dulacha, Barako and Brown, (2008) identified no guidance.

With reference to Bank's net income, (Mamun, Sohog and Akhter, 2013; Michael et al., 2014; Singh et al., 2013) do not indicate CSR disclosure. Respecting earnings per share, (Ullah et al., 2015; Michael et al., 2014); proportion of total bank finances/total assets (Mallin et al., 2014); capital adequacy ratio (Ullah et al., 2015); interest income (Mamun et al., 2013) and organization slack (Darus, Mad and Yusoff, 2014) found no stimulus on CSR disclosure. Conversely, total profits, Brancoa and Rodrigues (2008); total investment, Mamun et al. (2013); NII, (Net interest income/ (Net interest income + Non-interest income), (Wu et al., 2013); NonII, (Non-interest income/ (Net interest income + Non-interest income), Wu et al. (2013) indicated an optimistic and substantial relationship. Moreover, for tier 1 capital, (Hu et al., 2012) revealed affirmative and significant association. However, in terms of BETA, (Bank's risk dignified by systematic risk) Jizi et al. (2013) and Halaby et al. (2015) demonstrate positive and no association, respectively. While it may be possible to develop a positivelink between business success and sustainability disclosure theoretically, that superior financial properties of more moneymaking concerns facilitate the assumption of the extra costs of generating and issuing a sustainability report (Gamerschlag, Möller and Verbeeten, 2011). In summary, it seems that a corporation's success can affect the magnitude of CSR reporting both positively and negatively.

Capital Structure

Eight studies scrutinized the association amid capital structure and CSR reporting. Two studies (Ghabayen et al., 2015; Sharif et al., 2014) specified a positiverelationship between leverage or gearing ratio and CSR disclosure, although Fitriyah et al. (2014) detected an adverse relationship. In contrast, Halaby et al. (2015) and Jiz et al. (2013) demonstrate insignificant control of leverage and CSR disclosure.

It is impossible to draw any consistent decision as to the propensity of the affiliation between capital structure and CSR disclosure from this review, although a few studies have examined the relationship between reporting behaviour and capital structure. Therefore, corporations with an amplified investment demand should pay greater attention in disclosing information on CSR to capital providers (Dienes et al., 2016).

Firm Age

Firm age as measured by number of years since establishment was analysed in eight studies (Singh et al., 2013; Ghabayen et al., 2015; Sun, Wang, Wang and Yin, 2015; Mallin et al., 2014; Hu et al., 2012) and a positive correlation of firm age on CSR disclosure was found. However, (Menassa et al., 2010) observed a weak relationship but Lestari et al., (2013) and Halaby et al., (2015) did not find any link. In regards to the number of years that the firm has been listed, Ullah et al. (2015) discovered insignificant relationship. Due to these unpredictable results, making a consistent statement on the propensity of the relationship is impossible.

Corporate Governance

Corporate governance as the determinant of CSR disclosure was examined in thirteen studies. Several determinants were considered in this respect, such as board composition. (Kilic, Kuzey and Uyar, 2015; Khan, 2010; Dulacha et al., 2008; Mallin et al., 2014; Sharif et al., 2014; Jizi et al., 2013) detected an optimistic relationship with CSR disclosures. Lestari et al. (2013) found no such relationship. Furthermore, Kilic et al. (2015); Khan et al. (2010); and Dulacha et al. (2008) demonstrated a positivelink with CSR disclosure. With regard to board size, Kilic et al. (2015) and Jizi et al. (2013) perceived a positive stimulus on CSR reporting. There was also investigation with respect to numerous committees. Regarding audit committee size, Jizi et al. (2013) found favourable association on CSR disclosure. Jizi et al. (2013) also noticed positive relation of audit committee, financial expertise and frequency of audit committee meetings with CSR reporting. Furthermore, Jizi et al. (2013) detected no correlation of board meeting frequency with CSR disclosure. With respect to auditor type, Halaby et al. (2015) identified positive linkage with CSR reporting. Additionally, in terms of CEO duality, Jizi et al. (2015) discovered affirmative association. In addition, from an Islamic banking standpoint, Halaby et al. (2015) represented a positive relation on CSR disclosure with accounting standards and existence of a shariah auditing department. The most used corporate governance variable in Islamic financial institutions is shariah supervisory board (SSB). Rahman and Bukair (2013); Farook, Hassan and Lanis (2011); Laidroo and Sokolova (2015); and Mallin et al. (2014) acknowledged an optimistic and noteworthy association. In another study, Aribi and Gao (2011) show Islamic principles and ethics positively correlated with CSR disclosure.

In summary, although some variables did not show any relation to CSR disclosure, no negative relationships were measured, indicating that a positive association between board composition, board diversity, SSB, audit committees and auditor type are the major indicators of corporate governance and CSR disclosure.

Ownership Structure

Twelve research papers considered ownership structure as a substantial determinant in this affiliation. For ownership diffusion, the proportion of shares held by unknown shareholders, Kilic et al. (2015) detected positive affiliation on CSR disclosure. Furthermore, Farook et al. (2011) also identified an optimistic association of IAH funds to shareholders fund in case of Islamic banks. In contrast, Sun et al. (2015) did not perceive any stimulus of foreign ownership on CSR disclosure. With respect to government ownership, Singh et al. (2013) and Kilic et al. (2016) noticed a substantial positive relationship on CSR reporting while Darus et al. (2014) and Halaby et al. (2015) did not find such a relationship. On the other hand, company's listing on the stock market is linked with a higher acceptance of reporting practices. Hu et al. (2012); Hinson (2011) and Castelo, Lucia and Rodrigues (2006) found affirmative relationship. Others, however, found no noteworthy correlation (Mallin et al., 2014; Menassa et al., 2010). Additionally, for multiple stock exchange listing, Kılıç (2016) detected positive relationship on CSR disclosure. In fact, we did not find any study that showed a negative impact. Consequently, the outcomes indicate that the relationship between ownership structure and CSR disclosure has a positive propensity.

Country level independent variables

This paragraph illustrates findings on country level determinants of corporate responsibility reporting. The most frequently investigated determinant is GDP growth. Halaby et al. (2015) noticed positive affiliation of GDP growth on CSR disclosure, while Sun et al. (2015); Mallin et al. (2014) and Hu et al. (2012) perceived no such inspiration. With respect to literacy rate, power distance, individualism, masculinity, Halaby et al. (2015) detected no linkage on CSR disclosure. Regarding country of origin and degree of control of corruption, Laidroo et al. (2015) and Halaby et al. (2015) found positive and negative association on CSR disclosure, respectively. Concerning country legal system, Chih, Chih and Chen (2009); Sethi, Martell and Demir (2015) revealed a positiveassociation with CSR disclosure, whereas Halaby et al. (2015) found no significant consequence on the level of CSR reporting. Regarding internationalization, Kilic et al. (2016) and Hinson et al. (2011) found positive relationship, while Menassa et al. (2010) did not find any such stimulus. Regarding award and non-award winning banks, Hinson et al. (2011) found significant positive relationship between CSR disclosure and non-award winning banks. Also for foreign exposure, Darus et al. (2014) discovered no association on CSR disclosure.

With regard to political and civil repression and proportion of adherence to Islam, Farook et al. (2011) established negative and positive relationship, respectively. Hu et al. (2012) determined that the level of CSR disclosure is higher in countries with a higher proportion of voice and accountability, while negative association for degree of openness was found. In the same study, Hu et al. (2012) found positive relationship in groups where more businesses publish CSR reports and operate in societies that inspire CSR reporting. Moreover, Radaideh and Azam (2015) and Islam, Jain and Thomson (2016) also found a positiveassociation on CSR disclosures with competitive advantages and Global Reporting Initiatives (GRI) respectively. However, for situated communities that pay greater attention to social and civic wellbeing condition, no stimulus on CSR disclosure was found.

Discussion, Implications and Future Research

By engaging a qualitative research method, this study offered the empirical research on CSR reporting in the banking sector and examined its determinants. We executed a widespread search from numerous databases through employing definite keywords. Then, we have acknowledged 34 articles in detail that were published in English journals between 2000 and 2016 related to CSR reporting. Our investigation also varies from prior research in that we examine the determinants of CSR disclosure in the banking sector considering both its conventional and Islamic counterparts. To the best of our knowledge, it is the first systematic review on the comprehensive banking sector.

We systematically restricted the outcomes on determinants of prior research and have provided the influential factors that regulate the excellence of CSR reporting. We noticed a positive effect of company size, corporate governance, and ownership structure on CSR reporting, while capital structure and firm age does not demonstrate a clear propensity in this respect and financial performance, shows mixed significant direction. Additionally, we have focused on country level control variables, the consequences of which are confused with CSR disclosures.

Other factors regarding corporate governance and ownership mechanisms such as the number of block holders; institutional ownership; family ownership (Halaby et al., 2015) ; percentage of voting rights held by first and second large shareholders (Wu et al., 2013) and bureaucratic embeddedness and governance structure in terms of anchoring level and emerging structures (Kiliç, et al., 2015) may be considered for future research. Furthermore, future studies need to explore other variables that may give substantial outcomes such as share price fluctuation; political cost proxies (high capital intensity; taxation; media visibility) and Information costs proxies for instance trading volume; capital markets (Smith, Yahya, and Ahmad, 2007). For country factors, the national business systems approach; education and labour systems; capital market Institutions are promising avenues for future research (Matten and Moon, 2008). Moreover, further researchers can use diverse elements such as the political context in place of monetary performance (Rahman et al., 2013).

Moreover, several studies have examined the appropriate variables to measure the abstract dimensions of culture on corporate disclosure. Future research may consider factors such as an updated set of national culture scores (Thanetsunthorn, 2015) to explore the influence that cultural characteristics have on CSR disclosure in the banking sector. In addition, in a research regarding Australia and Slovenia, Golob and Bartlett (2007) suggest that the content of CSR reporting is prejudiced either by stakeholders or stakeholder engagements. In the context of banking sector, the research on stakeholder pressure and legitimacy aspects as determinants of CSR reporting is remarkably scarce. Furthermore in order to discover the consequence of stakeholder's perceptions on CSR disclosure, researchers might involve in more investigative and assenting techniques (Hahn et al., 2013).

The outcomes of this review have advanced implications for businesses, policy makers', regulators and standard setters' along with the above potentially stimulating aspects for imminent research. Firstly, our review suggests that enlargement of competent SSB members that approve more sophisticated shariah based products, thus generating greater profits and encourage Islamic banks, in line with the Islamic principles, to contribute in more CSR activities (Mallin, et al., 2014). Consequently, policymakers should introduce policies helping to raise the number of qualified SSB members that may boost Islamic Bank's CSR disclosure to pursue its social goals to the public. Moreover, our systematic review advocates that sharia auditing department contributes higher social disclosures (Halaby et al., 2015).

Therefore, policymakers should introduce policies for compulsory existence of Sharia auditing department and enlarge its manpower that lead to a greater CSR contribution for the betterment of the society. Second, it is well documented that there is no harmony in CSR reporting in the banking sector and quality of disclosure is not possible unless banks are prepared to introduce international reporting guidelines such as GRI or other forms of sustainability reporting tool in future (Khan et al., 2010). Government should set detailed and adequate reporting instructions, such as the GRI guidelines, as a mandatory requirement that stimulate banks to report based on international agreements. Such influence on GRI adoption over CSR disclosure on larger group of banks deserve future research consideration. Finally, financial companies in nations with stronger legal prosecution dealing in more CSR actions more stimulatingly and extremely than states with stronger investor rights (Chih, et al., 2010). Thus, government should take policy initiatives concerning the factors that lead to better social commitment by financial sectors in terms of CSR disclosure.

Conclusions

We can conclude that firm size; ownership structure financial performance and corporate governance issues are the key determinants of CSR reporting in the banking sector. Political, cultural and stockholder's perceptions might have a great influence on CSR disclosure based on previous investigations in other sectors but very small focused in empirical studies in this most regulated financial sector. Therefore, it is an important finding in this systematic review for future research. Without hesitation, the applied research procedure and methodology are not deprived of limitations. Denyer et al. (2009) advocate that systematic reviews may aid in resolving a problem, but is not definite to provide a comprehensive solution of a precise problem. Thus, our findings are likely to propose guidelines, rules or recommendations and not thorough clarifications and a quantitative meta-analysis could, of course, enrich the rationality of our outcomes (Dienes et al., 2016).Notwithstanding these limitations, we think that our results offer interesting perceptions into the determinants of CSR disclosure in the banking sector for both conventional and Islamic perspective. This is stimulating and valuable not only for academia, policy makers and for bank executive committee, but also for organisations such as, among others, the UNEP-FI principles, UN Global Compact, the Equator principles, Wolfsberg Principles, ISO 14001, the Global Reporting Initiative and the World Bank, which all strive for advance CSR policies and practices.

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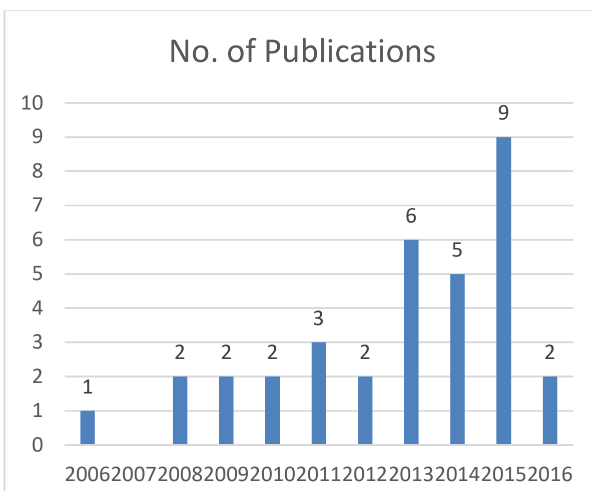

Figure 1: Year wise publications

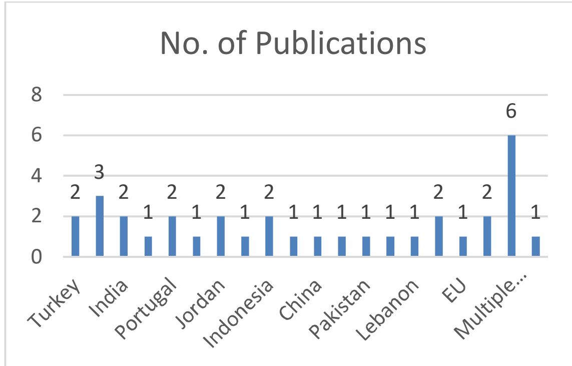

Figure 2: Country wise publications

Appendix A: List of Journals

Database	List of Journals	No. of Publication
Emerald Insights	International Journal of Bank Marketing	1
	Corporate Governance	1
	Journal of Financial Reporting and Accounting	1
	Managerial Auditing Journal	1
	Marketing Intelligence and Planning	1
	Journal of Information, communication and Ethics in Society	1
	International Journal of Law and Management	1
	Corporate Communications: An International Journal	1
	Journal of Applied Accounting Research	1
Elsevier-ScienceDirect	Social and Behavioural Sciences	1
	Journal of Banking and Finance	1
	The British Accounting Review	1
	Arab Economic and Business Journal	1
Taylor and Francis/Scopus	Australasian Journal of Environmental Management	1
SpringerLink	Journal of Business Ethics	3
Google Scholar	Asian Journal of Business and Accounting	1
	Asian Economics and Financial Review	1
	International Journal of Business and Management Invention	1
	Business and Economics Research Journal	1
Scopus	ISSAD; www.icas.my (Conference Paper)	1
	International Journal of Business	1
	Mediterranean Jounal of Social Sciences	1
	Asian Journal of Business and Accounting	1
	Social Responsibility Journal	1
	Jounral of Islamic Accounting and Business Research	1
Web of Science (WoS)	Quality and Quantity	1
	Joural of Business Ethics	1

	International Journal of Nusantara Islam	1
	Baltic Journal of Management	1
	Journal of Economic Behavior and Organization	1
Wiley- interscience/WoS	Sustainable Development	1
Cambridge Journal/WoS	Management and Organization Review	1
	Total	**34**

Appendix B: List of Determinants of CSRR in Banking Sector

1	**Firm Size**	Total Assets
2		Total Revenue
3		Number of Branches
4		Total net assets
5		Number of employees
6		Market capitalisation
7		Number of Shareholders
8	**Corporate Governance**	Board governance committee
9		Board meeting frequency
10		Auditor type
11		CEO duality
12		Board composition
13		Board Size
14		Audit committee size
15		Audit committee financial expertise
16		Audit committee meeting
17		Existence of a Sharia auditing department
18		Islam principles and ethics
19		Shariah supervisory board (SSB):
20	**Ownership Structure**	Foreign ownership
21		Government ownership
22		Ownership diffusion
23		IAH funds to shareholder funds
24		Multiple stock exchange's listing
25		Listing status
26	**Capital Structure**	Leverage or gearing ratio
27	**Firm Age**	Number of years since the firm's inception
28		Number of years since the firm's Listed
29	**Financial Performance**	Return on assets (ROA)
30		Return on equity (ROE)
31		Capital adequacy ratio
32		Interest income
33		NPL (Non-Performing Loan/Total Loan)
34		NII (Net interest income/(Net interest income + Non-interest income)
35		NonII (Non-interest income/(Net interest income + Non-interest income)

36		bank's net income
37		Total investment
38		Organizational slack
39		Total profit
40		Earnings per share
41		Proportion of total bank finance/ total assets
42		Tier 1 capital
43		BETA
44	**Country Level Independent Variables**	GDP growth
45		Literacy rate
46		Power distance
47		Individualism
48		Masculinity
49		Country of origin
50		Degree of control of corruption
51		Country legal systems
52		Internationalization
53		Foreign exposure
54		Political and civil repression
55		Proportion of adherent Muslim
56		Degree of Openness
57		Voice and Accountability
58		In communities where more companies publish CSR reports.
59		Located in communities that pay greater attention to social and public welfare conditions.
60		Operate in communities that have promotional guidelines encouraging CSR reporting.
61		Award and non-award winning institutions
62		Competitive advantages
63		Global Reporting Initiatives
	Total	**63 Variables**