



Corporate Social Responsibility (CSR) in Sharia Accounting Perspective: Challenges and Opportunities Towards Sustainability

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Article Info:

Abstract

Keywords:

Sharia-based CSR;
Maqasid syariah;
Islamic Social Reporting;
CSR Challenges;
Sustainability;
Sharia Accounting;

Article History:

Received : 12-08-2024

Revised : 25-09-2024

Accepted : 22-10-2024

Article DOI :

<https://doi.org/10.70550/pelita.v1i3.79>

From the perspective of Sharia Accounting, Corporate Social Responsibility (CSR) offers a holistic approach that focuses on financial gain and includes the values of fairness, transparency, and social responsibility. However, the low levels of sharia-based CSR disclosure and lack of understanding of Maqasid Sharia indicate a gap between expectations and practices in the field. This study aims to analyze the application of Sharia Accounting principles in CSR measurement and reporting, identify the challenges faced, and provide strategic recommendations to improve its implementation. This study uses a descriptive qualitative method with a secondary data analysis approach, including academic literature, journal articles, and policy documents. The study's findings show that integrating CSR with Sharia Accounting requires a strong commitment from the company, especially in Maqasid Sharia-based measurement and reporting through Islamic Social Reporting (ISR). The main obstacles include limited human resources, lack of sharia CSR measurement standards, and organizational culture challenges. The results of this study confirm that the implementation of sharia-based CSR not only improves the company's reputation but also strengthens relationships with stakeholders through programs oriented to social and environmental welfare. The implications of this study provide practical guidance for Sharia companies to improve CSR transparency and accountability, as well as offer the latest in the form of developing a Maqasid Sharia-based CSR index that can measure the company's contribution holistically.

How to cite : Nugroho, L., Chaniago, N. ., Firdayetti, F., Pratiwi, F. A., & Aurelia, F. N. . (2024). Corporate Social Responsibility (CSR) in Sharia Accounting Perspective: Challenges and Opportunities Towards Sustainability. *Pelita : Jurnal Penelitian, Terapan Dan Aplikatif*, 1(3), 153-167. <https://doi.org/10.70550/pelita.v1i3.79>



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INTRODUCTION

Corporate social responsibility (CSR) has become critical in modern business (Labetubun et al., 2022; Spena et al., 2016). This concept not only focuses on improving the company's financial profits but also pays attention to its business activities' social and

environmental impacts. CSR is a strategic tool to create sustainable value for the company and the wider community (Galbreath, 2010). In this context, the Sharia Accounting approach offers a unique and relevant perspective, especially for companies operating in countries with a majority Muslim population. Sharia Accounting emphasizes ethical and moral principles based on Islamic teachings, such as justice, transparency, and social responsibility (Haniffa & Hudaib, 2007; Maali et al., 2006). In this perspective, CSR is not only seen as a moral obligation but also as an integral part of *maqasid syariah*, namely the goals of Islamic law that include the protection of religion, soul, intellect, descendants, and property. Thus, CSR in Sharia Accounting creates a synergy between business goals and broader social values to improve the company's reputation and public trust. The relevance of CSR in the perspective of Sharia Accounting is increasing in line with the growth of the Sharia economy globally, especially in countries such as Indonesia and Malaysia (Riduwan et al., 2020; Vania et al., 2018). This growth provides an excellent opportunity for companies to integrate Sharia values into their business practices, including CSR management. In addition, modern society, especially the younger generation, is increasingly interested in companies that commit to social and environmental responsibility. Therefore, understanding CSR in the context of Sharia Accounting is vital for various circles, including academics, practitioners, and policymakers.

The CSR phenomenon in the perspective of Sharia Accounting reflects significant changes in the way companies conduct their business, which include:

- **Increased Social and Environmental Awareness:** Consumers, especially in countries with Muslim-majority populations, increasingly demand that companies demonstrate a commitment to social responsibility (Al-Hyari et al., 2012; Chen et al., 2019). This can be seen from the increasing demand for products and services that meet consumer needs and contribute to social and environmental welfare.
- **Low Disclosure Rate of Sharia-Based CSR:** Although many Islamic companies have adopted CSR, the disclosure of Sharia information in sustainability reports is still relatively low (Falikhatun et al., 2020). This phenomenon indicates a gap between stakeholder expectations and companies' actual practice of reporting their social responsibility.
- **Challenges in Integrating Sharia Values into CSR:** Implementing CSR by the *Maqasid Sharia* requires a holistic approach that includes justice, social welfare, and sustainability (Melzatia et al., 2023; Ullah et al., 2014). However, many companies face challenges in understanding and applying these principles effectively.
- **Opportunities to Develop Sharia-Based CSR Indexes:** The development of a *Maqasid Sharia* CSR disclosure index offers opportunities to increase the transparency and accountability of Sharia companies (Nugraha et al., 2020; Said et al., 2018). This index allows the measurement of a company's contribution to society and the environment by Sharia principles.

Although CSR shows much positive potential from the perspective of Sharia Accounting, several gaps need to be addressed. Many companies still have difficulty understanding and implementing Sharia principles in their CSR practices. This is due to the lack of clear guidance and the limitation of competent human resources. In addition, the absence of standard guidelines that integrate Sharia Accounting principles with CSR practices creates barriers for companies to implement their social responsibilities consistently and transparently.

Based on the background and phenomena that have been described, the formulation of the problem in this study is as follows:

- How is the application of Sharia Accounting principles related to the measurement and reporting of Corporate Social Responsibility (CSR) activities in sharia-based companies?
- What challenges do Islamic companies face in integrating Sharia Accounting principles with implementing Corporate Social Responsibility (CSR)?
- How can implementing Sharia Accounting-based CSR improve the company's reputation and strengthen stakeholder relationships?

The purpose of writing this article is as follows:

- Identify Sharia Accounting principles related to measuring and reporting CSR activities in sharia-based companies.
- Identify the challenges Islamic companies face in integrating Sharia Accounting principles with CSR implementation.
- Provide practical and strategic recommendations for Islamic companies to improve the implementation of Sharia Accounting-based CSR to strengthen the reputation and trust of stakeholders.

Furthermore, this study expands the theoretical understanding of integrating Corporate Social Responsibility (CSR) with Sharia Accounting, especially in measurement and reporting based on Maqasid Sharia. This research provides a conceptual framework that links the principles of justice, transparency, and sustainability with the implementation of CSR, thereby enriching the literature related to CSR in the Islamic context. On the other hand, practically, this study offers a strategic guide for Islamic companies to increase transparency and accountability through sharia-based CSR disclosure. These recommendations help companies overcome CSR implementation challenges, strengthen their reputation, and increase stakeholder trust through reporting following Sharia principles. This research highlights the development of a Maqasid Sharia-based CSR index as an innovation to measure Sharia companies' social and environmental contributions.

LITERATURE REVIEW

The leading theory used in this study is the tawhid string relationship (TSR), a conceptual framework based on the principle of monotheism in Islam. This theory emphasizes the vertical relationship (habluminallah) between humans and Allah and the horizontal relationship (habluminannas) between humans and others and the environment (Choudhury, 2010; Nugroho, Utami, et al., 2022). In the context of CSR and Sharia Accounting, TSR becomes relevant because it offers a holistic approach that integrates spiritual, social, economic, and environmental values as a whole and interconnected whole. TSR is based on the understanding that every human action, including business, must be in harmony with the teachings of the Qur'an and Hadith and guided by ijtihad ulama, which is relevant to the development of the times. According to Choudhury (2018) and Nugroho et al. (2020), the formula for TSR is as follows:

$$\{\Omega, s\} \rightarrow \Theta \rightarrow \Theta \rightarrow x\Theta \rightarrow W\{\Theta, x\Theta\} \rightarrow N\Theta \rightarrow \{\Omega, s\}$$

Where:

- Ω, s : The Qur'an and Hadith are the main sources of law.
- Θ : Knowledge that is integrated with Islamic values.
- $x\Theta$: Implementation of knowledge through real actions.
- $W\{\Theta, x\Theta\}$: Maslahah (welfare) for mankind.
- $N\Theta$: Continuous new knowledge.

Thus, TSR is a guide to achieving welfare and a mechanism for continuous evaluation and innovation in various aspects of life, including in CSR practices. The implementation of CSR in the perspective of Sharia Accounting is very relevant to the principles of TSR because:

- The Principle of Tawhid as the Main Foundation: CSR functions to fulfill corporate social responsibility and as a form of worship to Allah, which is implemented through business activities that support the community's welfare.
- Maslahah Dimension: TSR emphasizes the importance of creating maslahah values, both in the form of social justice, poverty reduction, and environmental conservation.
- Maqashid Sharia-Based Performance Indicators: CSR performance measured based on TSR includes spiritual, social, economic, and environmental dimensions. Indicators such as the profit-sharing ratio, zakat performance ratio, and contribution to environmental conservation reflect the integration of Sharia values in CSR practices.

Therefore, the TSR theory offers a unique approach to integrating CSR with Sharia Accounting principles. By placing monotheism at the core of every business activity, TSR ensures that companies that apply Sharia values in their business pursue profits and create sustainable added value for society and the environment.

Corporate Social Responsibility (CSR) has evolved into one of the main pillars of modern business practices. CSR is no longer seen as a marketing tool or philanthropic effort but as an integral strategy affecting the company's sustainability and the community's welfare (Abugre & Nyuur, 2015; Saleh et al., 2010). CSR encompasses a company's responsibility to various stakeholders, including society, the environment, and shareholders. Based on the documents analyzed, CSR is often interpreted as a commitment to carry out business activities that are not only financially profitable but also positively impact the environment and society. In the current era of globalization, CSR is increasingly important because globalization has increased transparency and expectations for companies. In this context, companies compete based on products or services and their social responsibility. Based on the statement of (Du et al., 2010; Melo & Garrido-Morgado, 2011; Valiño & Rodríguez, 2019), the implementation of CSR provides various strategic benefits, including:

- Improving Corporate Reputation: Companies that consistently carry out CSR tend to have a positive image in the eyes of the public and customers.
- Consumer Loyalty: Consumers prefer brands that demonstrate a commitment to social and environmental issues.
- Global Competitiveness: In an increasingly connected world, CSR is a differentiator that can increase a company's competitiveness in the international market.

Furthermore, Sharia accounting ensures that all transactions and financial statements comply with Islamic principles (Aziz et al., 2021; Sukmadilaga & Nugroho, 2017). This system covers the technical aspects of financial reporting and reflects Islam's ethical, moral, and social values. Sharia Accounting places monotheism (the oneness of Allah) as the primary foundation, which integrates all economic activities as part of worship to Allah. This distinguishes Sharia Accounting from conventional accounting, focusing more on material and financial aspects. The definition of Sharia Accounting is a system of recording, measuring, reporting, and controlling financial information based on Islamic principles. According to Nugroho et al. (2024), in practice, Sharia Accounting ensures that every economic activity and financial transaction is free from *riba* (interest), *gharar* (uncertainty), and *maysir* (gambling). The system aims to create fairness, transparency, and well-being for all stakeholders. Moreover, based on the previous studies Ihwanudin

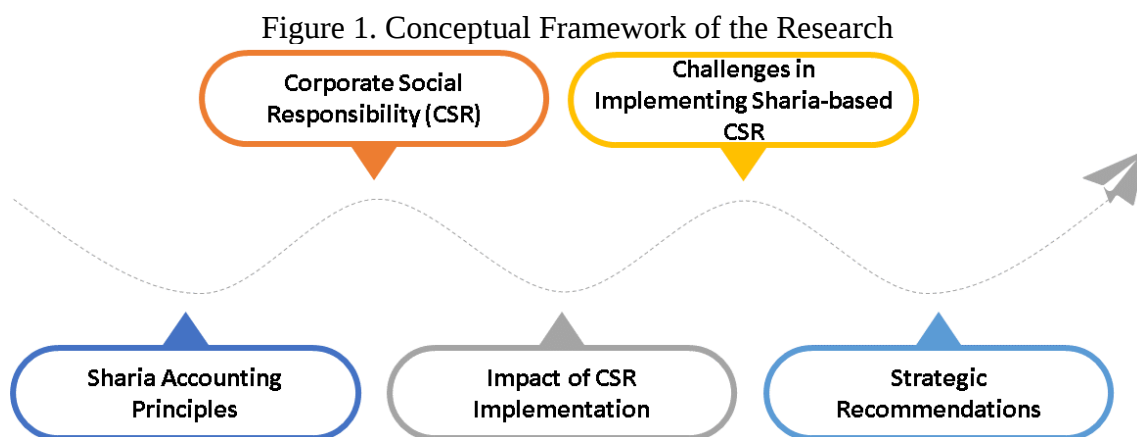
et al. (2020), Karyanto et al. (2021), Kurniasih Setyagustina et al. (2024), the objectives of sharia accounting include:

- Fairness: Ensuring that all parties involved in the transaction receive fair treatment without any exploitation.
- Transparency: Provides clear and understandable disclosure of financial information by all interested parties.
- Social Responsibility: Supporting the community's welfare through social contribution and environmental concern.
- Sustainability: Managing economic resources wisely to ensure the sustainability of benefits in the long term.

Therefore, the role of sharia accounting in the business world is as follows:

- Supporting Ethical Finance: Sharia Accounting provides a framework integrating Islamic moral principles in financial management. It helps companies to maintain their integrity and reputation in the eyes of the public.
- Increased Accountability: Sharia accounting encourages higher accountability by ensuring that every transaction and financial reporting is Sharia-compliant. This creates trust between the company and the stakeholders.
- Supporting the Goals of Maqasid al-Shari'ah: Sharia Accounting is designed to help achieve the goals of maqasid syariah, including protecting religion, soul, intellect, heredity, and property. This system ensures that business activities are materially profitable and provide spiritual and social benefits.
- Facing the Challenges of Globalization: In the era of globalization, the need for international reporting standards under sharia principles is increasing. Sharia Accounting provides a flexible framework to meet these needs while maintaining Islamic values.

Furthermore, referring to the description of the literature review, the research framework can be illustrated as follows:



Source: From various sources that have been processed

By Figure 1 above, the explanation of the conceptual framework of the research is as follows:

- Sharia Accounting Principles are the basis for CSR implemented by the company.
- CSR serves as a bridge to achieve the CSR Implementation Impact, which includes the company's reputation and stakeholder trust.

- Challenges in Implementation show the obstacles companies face in implementing sharia-based CSR.
- The Strategic Recommendations provide direction to address challenges and improve CSR practices.

METHODS

This study uses a qualitative method with a descriptive approach to answer research questions related to applying Corporate Social Responsibility (CSR) from the perspective of Sharia Accounting. Secondary data sources are obtained from previous studies, documents, and relevant literature (Nugroho, Fajarsari, et al., 2023). This approach was chosen because it allows for in-depth exploration of previously studied phenomena and provides a comprehensive overview of the issues being studied. In addition, a qualitative descriptive approach is used to analyze secondary data, aiming to systematically

- Identify Sharia Accounting principles relevant to CSR measurement and reporting.
- Describe Sharia companies' challenges in integrating CSR with Sharia Accounting principles.
- Propose strategies to increase transparency and accountability in implementing Maqasid Sharia-based CSR.

The data sources used in this study are secondary data, which include:

- Scientific journal articles: Relevant empirical studies on CSR from the perspective of Sharia Accounting, Maqasid Sharia, and Tawhid String Relationship (TSR) theory.
- Academic books and literature: References that discuss the basic concepts of Sharia Accounting, CSR, and Maqasid Sharia.

Furthermore, the steps taken in this study include:

- Preparation Stage: Determining the focus of the research and developing guidelines for secondary data collection.
- Data Collection: Collecting and organizing secondary data from trusted sources.
- Data Analysis: Conduct a content analysis of the collected data to obtain relevant findings.
- Preparation of Discussion: Preparing the analysis results narratively with flowing, clear, and systematic language.

RESULTS AND DISCUSSION

Application of Sharia Accounting Principles and Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) in the context of sharia-based companies is not just a concept of social responsibility but an integral part of a business strategy based on Sharia principles (Sairally, 2013). The application of Sharia accounting in the measurement and reporting of CSR activities provides a framework that ensures that the company's business activities are in line with Islamic values, which focus on fairness, transparency, and sustainability. The Tawhid String Relationship (TSR) theory, which places monotheism as the primary foundation, is very relevant to explain a holistic approach to integrating CSR and Sharia accounting (Sairally, 2013). This theory emphasizes the vertical relationship between humans and Allah (habluminallah) and the horizontal relationship between humans and others and the environment (habluminannas), thus creating synergy in implementing CSR in line with maqasid shariah.

Furthermore, the principles of sharia accounting guide the management and reporting of CSR. Some of the relevant key principles are:

- **Prohibition of Profiteering:** In Sharia accounting, transactions containing interest are prohibited. This ban affects how Islamic companies fund their CSR activities. Funding must be free from usury, so companies often use zakat or waqf as a source of funding for social activities.
- **Fairness and Transparency:** Fairness is a key pillar in Sharia accounting. The company is expected to prepare a CSR report that reflects actual conditions and provides transparent information to all stakeholders. This transparency allows the public to assess a company's social impact objectively.
- **Social Responsibility:** In Sharia accounting, CSR is considered a form of worship to Allah and responsibility to society. CSR activities include education, health, poverty alleviation, and environmental preservation programs, all contributing to *maslahah* (public benefit).
- **Gharar Prohibition:** Uncertainty in transactions should be avoided. Therefore, CSR activities must be designed with clear objectives, measurable management, and verifiable results.

Therefore, the measurement of CSR in sharia-based companies must be carried out by paying attention to *Maqasid Sharia*, which emphasizes the protection of religion, soul, intellect, descendants, and property. Some of the measurement steps include:

- **CSR indicators:** Sharia companies use indicators such as zakat performance ratio, contribution to environmental conservation, and sharia-based social investment to measure the effectiveness of CSR activities. This indicator reflects the integration of sharia values in financial reporting and sustainability.
- **Holistic Approach:** Sharia-based CSR measurement emphasizes a balance between economic, social, and environmental goals. This approach is based on *Maqasid Sharia*, which groups needs into *daruriyat* (primary), *hajiyyat* (complementary), and *tahsiniyyat* (additional). This ensures that every CSR activity has an optimal impact on society and the environment.
- **Impact Assessment:** Companies must measure the impact of their CSR activities on community well-being and environmental sustainability. This assessment can be conducted through community surveys, interviews with beneficiaries, or environmental data analysis.

In addition, CSR reporting is one of the critical elements in sharia accounting. This report not only reflects corporate social responsibility but also becomes a tool to improve transparency and accountability. Good reporting includes:

- **Report Format:** CSR reports should be drafted in a clear and easy-to-understand format, using concise but informative language. This presentation aims to make it easy for all stakeholders to access information.
- **Stakeholder Engagement:** In drafting a CSR report, companies must engage stakeholders such as local communities, regulators, and the business community to ensure that the report reflects the needs and views of various parties.
- **Audit and Verification:** CSR reports must be independently audited to ensure their accuracy and reliability. This audit process increases the company's credibility in the eyes of the public.
- **Regulatory Compliance:** Sharia-based companies must comply with CSR-related regulations at the national and international levels while ensuring that all activities follow the principles of *Maqasid Sharia*.

Furthermore, Diani & Nugroho (2024), Nugroho et al. (2022), and Nugroho et al. (2023), state that TSR theory provides a holistic conceptual framework for understanding the integration of CSR and Sharia accounting. The TSR formula $\{\Omega, s\} \rightarrow \Theta \rightarrow x\Theta \rightarrow W\{\Theta, x\Theta\} \rightarrow N\Theta \rightarrow \{\Omega, s\}$ describes a value cycle that starts from the Qur'an and Hadith as the primary source (Ω, s), followed by shariah-based knowledge (Θ), actual implementation ($x\Theta$), and the creation of *maslahah* ($W\{\Theta, x\Theta\}$). The result is a continuous new knowledge ($N\Theta$) and a return to the primary source. In the context of CSR, TSR ensures that:

- Tawhid as the Main Foundation: CSR serves Allah as a form of worship, which is realized through business activities oriented towards the community's welfare.
- Maslahah as Purpose: TSR emphasizes the creation of *maslahah* values that include spiritual, social, economic, and environmental aspects.
- Sharia-Based Maqasid Indicators: TSR provides a framework for measuring CSR performance based on Maqasid Sharia dimensions, such as social justice and environmental conservation.

Challenges in Integrating Sharia Accounting Principles With the Implementation of Corporate Social Responsibility (CSR)

According to several researchers, Amaliah Liwan et al. (2023), Anser et al. (2020), Aryani & Zuchroh (2018), and Winarsih & Robiyanto (2020), the main challenges in the Integration of Sharia Accounting Principles and CSR are as follows:

- Diverse Understanding of CSR
 1. Variation of Interpretation: Islamic companies often interpret CSR differently. Some see it as a moral responsibility, while others use it as a marketing strategy. This difference creates a gap in the implementation of CSR that is consistent with the principles of Maqasid Sharia.
 2. Limited Knowledge: Many Islamic companies do not understand how Islamic accounting principles can be applied in CSR. As a result, designed CSR initiatives are often not aligned with Sharia values, reducing the program's effectiveness and relevance.
- Resource Limitations
 1. Human Resources: Islamic companies often face challenges finding competent experts in Sharia accounting and CSR implementation. This hinders the development and implementation of sharia-based maqasid CSR programs.
 2. Limited Funds: Sharia business models that tend to be conservative in financial management make it difficult for companies to allocate sufficient budgets for implementing CSR, especially if the program requires significant investments.
- Regulations and Policies
 1. Regulatory Compliance: Sharia companies often operate under regulations that do not fully support Sharia principles. This creates conflicts when Maqasid Sharia implements CSR.
 2. Lack of Sharia CSR Standards: The absence of standardized guidelines for sharia-based CSR makes it difficult for companies to design, implement, and evaluate CSR activities. The need for a CSR index that reflects the Maqasid Sharia is becoming increasingly urgent.
- Measurement and Reporting

1. Difficulties in Measuring Impact: Measuring the success of CSR in the context of Maqasid Sharia is often challenging, especially when companies must determine social, environmental, and spiritual impact indicators.
 2. Reporting Transparency: Sharia companies are required to present transparent and accountable CSR reports. However, the lack of relevant and accurate data often hinders reporting under sharia standards.
- Organizational Culture
 1. Change of Mindset: Integrating CSR and Sharia accounting requires a change in mindset within the organization. Employees and management need to understand the importance of CSR as part of worship, not just an additional responsibility.
 2. Management Commitment: Without strong support from top management, sharia-based CSR initiatives are challenging to implement effectively. Management must provide strategic direction to ensure CSR becomes integral to the company's vision.

Furthermore, through TSR theory, companies can apply indicators such as profit-sharing ratio, zakat performance ratio, and contribution to environmental conservation to assess the success of CSR.

Application of Sharia Accounting Principles and Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) is a company's responsibility for their business activities' social, economic, and environmental impacts. In the context of Sharia accounting, CSR becomes more than just a legal or ethical obligation; it is part of devotion to Allah, involving Sharia principles such as justice (al-'adl), transparency (Siddiq), and responsibility (Amanah). The implementation of CSR based on Sharia accounting aims to create *maslahah* (general welfare), which includes spiritual, social, and economic aspects (Ghadas et al., 2019). Some of the main elements of CSR in Sharia accounting include:

- Sharia Compliance: All CSR activities must be under Sharia values, including prohibiting usury, *gharar*, and *maysir* (Nugroho, Sari, et al., 2024).
- Transparency and Accountability: Companies must publicly report on their CSR implementation through Islamic Social Reporting (ISR), which measures social and environmental impacts based on sharia principles (Amran et al., 2017).
- Social and Economic Empowerment: CSR is directed to support underprivileged communities through education, health, and economic empowerment, promoting social sustainability (McCarthy, 2017).

The Tawhid String Relationship (TSR) theory is an epistemological approach in Islam that underlies the relationship between humans, God (Allah), and the universe. In business, TSR emphasizes that every corporate activity must be directed towards a balance between achieving material benefits and social contributions. Following Alrasyid et al. (2022), Darmaningrum et al. (2023), and Ridwan et al. (2023), the TSR skeleton has several main dimensions:

- Tawhid (Unition): All corporate actions must be directed towards recognizing Allah's oneness. This means that CSR activities are not only oriented to worldly interests but also to *ukhrawi* goals.
- Equilibrium: Companies must balance between economic interests and social contributions.

- Free Will: Companies can choose their CSR activities, but those choices must be morally and spiritually responsible.
- Responsibility: The company is responsible to all stakeholders, including the community, employees, shareholders, and the environment.

Furthermore, the implementation of sharia accounting-based CSR directly impacts the company's reputation. Related statement from Ahmad (2018), Alserhan (2010), Amaliah Liwan et al. (2023), Melo & Garrido-Morgado (2011), some of the ways this implementation can improve a company's reputation are:

- Public Trust: By applying sharia principles, companies can build trust among consumers and the public. For example, sharia-based CSR reports show that companies are not only looking for profits but also care about the welfare of the community.
- Market Differentiation: Sharia-based CSR helps companies differentiate themselves from competitors. Muslim consumers tend to prefer companies that prioritize Islamic values in their operations. In an increasingly competitive global market, a sharia-based approach provides a strategic advantage, especially in countries with a majority Muslim population.
- Awards and Recognition: Companies that consistently implement sharia-based CSR often receive awards from government agencies and non-governmental organizations. This award is a testament to the company's commitment to social responsibility, which in turn strengthens its image in the eyes of the public.

Therefore, the implementation of sharia accounting-based CSR not only improves the company's reputation but also strengthens relationships with various stakeholders, including the community, employees, and the government, which can be described as follows:

- Community Relations: CSR programs that involve local communities create a harmonious relationship between the company and the community. For example, infrastructure development or sharia-based skills training increases the community's sense of belonging. In the framework of TSR, this relationship reflects the concept of itsar, which is to put the interests of others ahead of personal interests, which ultimately strengthens solidarity.
- Employee Engagement: An ethical and sharia-based CSR program increases employees' sense of pride in their company. Employees who feel their company contributes to society tend to be more loyal and productive.
- Partnerships with Other Stakeholders: Sharia-based CSR encourages companies to partner with government agencies and non-governmental organizations to achieve social goals. This collaboration opens up new opportunities, such as access to funding or synergistic programs that benefit the wider community.

From the perspective of TSR, sharia-based CSR does not only focus on short-term results but also long-term sustainability. This approach includes:

- Economic Sustainability: Companies implementing sharia-based CSR tend to have better financial stability due to high public trust.
- Social Sustainability: Programs that support education, health, and poverty alleviation create a positive social impact, improving the company's relationship with the community.
- Environmental Sustainability: Environmental protection is an integral part of sharia-based CSR. For example, companies can support conservation programs or use environmentally friendly technologies.

CONCLUSION

Corporate Social Responsibility (CSR) in Sharia accounting is a social responsibility and part of worship to Allah. Sharia accounting principles such as fairness, transparency, and social responsibility are the cornerstones in measuring and reporting CSR activities. Through Islamic Social Reporting (ISR)-reporting, Sharia companies can ensure that their CSR activities meet the goals of Maqasid Sharia, which is the protection of religion, soul, intellect, descendants, and property.

The main challenges in integrating Sharia accounting principles into CSR include a low understanding of Maqasid Sharia, limited human resources and funds, and the lack of sharia-based CSR measurement standards. In addition, it is often difficult to systematically measure social, economic, and environmental impacts due to the limitations of indicators following Sharia principles.

Implementing Sharia accounting-based CSR contributes significantly to improving the company's reputation. Companies can build public trust, create market differentiation, and earn awards by demonstrating a commitment to Sharia values. In addition, sharia-based CSR strengthens relationships with the community through empowerment programs, involving employees, and creating strategic partnerships with stakeholders.

The Tawhid String Relationship (TSR) theory provides a holistic framework for integrating CSR with sharia accounting, emphasizing vertical (humans with Allah) and horizontal (humans with others and the environment) relationships. In line with TSR, CSR creates a balance between economic, social, and spiritual goals, thus supporting the company's sustainability and benefiting society and the environment. With this approach, sharia-based CSR becomes a relevant and competitive business strategy.

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