



The Role of Islamic Bank Management Commitment During the Covid 19 Pandemic to Produce Quality Accounting Information

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ABSTRACT

This study aims to find out how the role of Islamic bank management commitment in Aceh during the COVID-19 pandemic in producing quality accounting information. The development of knowledge from this research by verifying the concept of management commitment of Islamic banks in Aceh during the COVID-19 pandemic to produce quality accounting information. Empirical evidence in the field is a way of verifying it as a result of research, which is empirical evidence of the concepts that have been studied and is expected to show that quality accounting information is obtained from good management commitment. Through this model framework, it can provide solutions in overcoming problems in the quality of accounting information. The use of research methods based on descriptive methods and explanatory research methods is a method of wanting to get basic answers about cause and effect by analyzing the causes of phenomena in the concepts raised in this study, how to collect data by distributing questionnaires to management in Islamic banks in Aceh, data processed by using covariate-based Partial Least Square (PLS) statistics. From data processing, it can be concluded that the commitment of Islamic bank management will produce optimal quality accounting information during the Covid 19 pandemic.

Keywords: *Commitment, management, information, accounting, quality.*

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INTRODUCTION

Preface

The Covid-19 pandemic has hit the global economy, this has also affected the national banking industry. The Deposit Insurance Corporation (LPS) itself claims that currently the condition of the banking industry is relatively stable, although it is necessary to continue to increase vigilance in anticipating the negative impacts of Covid-19. The Indonesian government has issued various anticipatory and adaptive policies to maintain financial system stability in the midst of the Covid-19 pandemic. For LPS, fast and accurate information related to economic conditions and the banking sector is important. The liquidity condition at the beginning of the Covid-19 pandemic was worrying, but currently the condition of the banking industry is relatively stable, although it continues to increase awareness of the negative impact of Covid-19, the government has responded to this condition by maintaining financial system stability, of course it requires the support of various parties [1].

The COVID-19 pandemic also had an impact on the banking sector in Aceh, in addition to the previous influence, with the issuance of Aceh Qanun [2]. Aceh Qanun [2] concerning Islamic Financial institutions itself is a statutory regulation that regulates the activities of financial institutions in the context of realizing a just and prosperous Acehnese economy under the auspices of Islamic Shari'ah, this Qanun is effective as of January 4, 2019 where Financial Institutions operating in Aceh is obliged to comply with this Qanun no later than 3 (three) years from the promulgation of this Qanun.

Collecting funds from the public in the form of savings and distributing them to the public in other forms of financing in order to improve living standards is an activity of the bank [3], information in decision making is needed by banks, Zhai & Wang [4] say that corporate governance so that it can optimize the choice of capital investment and also the efficiency of capital allocation is very dependent on quality accounting information.

Disclosure that the quality of accounting information is appropriate information generated by the information system in meeting the needs of interested parties in making economic decisions [5]. Roca et al. [6] says the same thing that the contribution to the sustainability of the company is the benefit of accounting information. Therefore, in producing quality information, of course, it must get the support of all parties, especially the management commitment to produce quality accounting information which is important [7]. The minimal involvement of leadership results in the possibility of facing

a crisis in the continuation process [8] so that management must show its commitment in determining the data inputted into the information system.

Based on the background, literature and also the results of previous research, the research focuses on the object of research how the influence of Islamic bank management commitment in aceh during the covid 19 pandemic in producing quality accounting information.

LITERATURE REFERENCES

Management Commitment

Cooper [9] reveals that management commitment is involvement in behavior and maintaining behavior to achieve a goal. The same thing is expressed by Englund & Bucero [10] that management commitment is a behavior to defend and support the main activities from the beginning to the end of a development project. Liker & Hoseus [11] support this statement by saying that commitment is self-dedication to a goal or relationship that requires internal motivation, that is, individuals are encouraged to achieve internal goals. Individuals are motivated to satisfy themselves through work and gain energy without making managers reward them for specific behaviors. According to Cooper [9], management commitment is identified into three dimensions, namely: affective commitment, continuance commitment, and normative commitment

Quality of Accounting Information

Dull & Gelinas [12] states that information as meaningful data is presented in a form that is useful for decision making. Laudon & Laudon [13] add information as data that has been shaped into something that has meaning and is useful for users. The qualities of useful information are relevance, accuracy, timeliness, conciseness, clarity, quantitative, and consistency. [14]. The quality of accounting information is a complex concept, containing value relevance of accounting information, accounting conservatism, and earnings management [15]. Mc. Leod [16] explains that when users develop information systems, they will define the output provided by information experts by considering the basic dimensions of information, namely accurate, relevant, timely, and complete.

RESEARCH METHODOLOGY

The research method used in this study relies on descriptive and explanatory research methods. Sekaran & Bougie [17] said that explanatory research is a research conducted to obtain a description, a systematic, factual and accurate description of the facts, properties and relationships between the variables studied. This research method wants to get a basic answer about cause and effect by analyzing the factors that cause the phenomenon to occur in the concepts raised in this study.

Variable Operations

Concepts are very abstract things that must be reduced by describing them into the form of observable behaviors or characteristics Sekaran & Bougie [17]. Reducing the abstraction of a concept or statement by turning it into measurable in a more tangible way is called concept operation or variable operation. Variable operationalization can be done by looking at it from the behavioral, surface or property dimensions as intended by the concept. The concept that has been operationalized is hereinafter referred to as a variable. variable is used as a synonym for the construct or property being studied. A variable is a symbol for assigning numbers or values [18]. The main purpose of this is so that a variable can be measured so that researchers can collect data and then carry out statistical analysis. The following presents the identification of the variables used as follows:

Table 1: Variable Operations

Variable	Dimension	Indicator
Management Commitment	<i>Affective Commitment (I want to)</i>	Willingness to work hard.
		Proud of the organization.
		Willingness to accept organizational assignments.
	<i>Continuance Commitment (I need to)</i>	Shared values of individuals and organizations.
		Feeling lost when leaving the organization.
		Best workplace organization.
	<i>Normative Commitment (I ought to)</i>	Organizational inspiration in achieving performance.
		Happy with the current organization.
		Caring for the fate of the organization
Quality of Accounting Information	Accurate	Information must reflect the actual situation (according to reality).
		Information generated through correct and consistent procedures.

		The information generated is reliable and in accordance with SOPs.
	On time	Information must be available when needed.
		Information available all the time
		Time required to handle reports.
	Relevant	Information must be in accordance with what is needed.
		Information must meet the information needs of various levels and sections (adjusted level of detail).
		The resulting information has predictive value.
	Complete	Information according to user needs to make decisions.
		The information presented is not missing.
		Information is available in accordance with applicable regulations

The measurement of each variable will be carried out by a measurement instrument in the form of a closed questionnaire (statement item) and given the opportunity to answer openly. The answer choices for the questionnaire (statement items) are scored, and the scores obtained have a measurement level or an ordinal scale unit. To estimate the parameters in the model, a PLS (Partial Least Square) based approach with a covariance basis is used.

Method of collecting data

Data collection was carried out using a survey method. Survey is a method used in research with large and small populations, but the data studied are data from samples taken from the population, so that relative events, distributions and relationships between sociological and psychological variables are found [17]. Collecting data using a questionnaire, the questionnaire is a set of written questions that are formulated in advance to record respondents' answers [17]. Questionnaires were distributed by visiting the respondent groups directly, through contact persons, couriers, post (mail survey) and through electronic-mail. Questionnaires were distributed to 9 Islamic banks. The number of questionnaires distributed was 100 copies, with the number of banks returning the questionnaire 8 Islamic banks (81 copies) the data from 81 respondents who filled out the average.

Data analysis

Data analysis in this study was carried out in 2 (two) types of data analysis to suit the research objectives, namely descriptive analysis and verification analysis so as to determine the relationship between variables through hypothesis testing using structural modeling (Structural Equation Model-SEM) with Partial Least Square approach (PLS). SEM is used in order to answer the problem formulation and hypothesis testing in research.

Hypothesis test

The hypothesis was tested by statistical t-test provided that H0 was rejected if the value of tcount was greater than the critical value of t for $\alpha = 0.05$. Management commitment during the Covid 19 pandemic has an impact on the quality of accounting information by testing the statistical hypothesis as follows:

$H_0 : \gamma = 0$ Management commitment has no effect on the quality of accounting information

$H_1 : \gamma \neq 0$ Management commitment affects the quality of accounting information

RESULTS AND DISCUSSION

Questionnaire Return Rate The distribution and collection of questionnaires to/from respondents was carried out by going directly to Islamic banks, using postal services (mail surveys), using surveyor services and using electronic mail (e-mail). The summary of the return on the questionnaire is presented in the following table:

Table 2: Questionnaire Return Rate Recapitulation

Unit of analysis	Number of Questionnaires distributed		Return Questionnaire		% Return	
	Entity	Respondent	Entity	Respondent	Entity	Respondent
9	9	100	8	81	88,88	81

Descriptive Analysis

The management commitment variable is measured through 3 (three) dimensions and each has 3 (three) indicators that are reflective and operationalized into 9 (nine) statements. The following is a recapitulation of the average score of respondents' assessment of each dimension of the management commitment variable

Table 3: Recapitulation of Average Respondents' Answer Scores on Variables Management Commitment

No	Dimension	Average Score	Category
1	<i>Affective Commitment</i>	3.56	Good
2	<i>Continuance Commitment</i>	3.43	Good
3	<i>Normative Commitment</i>	3.97	Good
	Management Commitment	3.65	Good
	Gap from ideal score	1.35	

When viewed from the average score of respondents' responses, management's commitment to Islamic banks is in the good category. The same thing when viewed based on the dimensions of management commitment is good. The existence of a gap of 1.35 is a form of quantification of the ideal (expected) conditions, namely if all respondents answered a scale of 5. From the average score of 3.65 for management commitment, it is known that the minimum average is 3.31 while the maximum average is at 4.01.

The variable quality of accounting information is measured through 4 (four) dimensions and each has 3 (three) indicators that are reflective and operationalized into twelve statements. The following is a recapitulation of the average score of respondents' assessment of each dimension of the accounting information quality variable

Table 4: Recapitulation of Average Respondents' Answer Scores on Variables Quality of Accounting Information

No	Dimension	Average Score	Category
1	Accurate	3.66	Good
2	On time	3.77	Good
3	Relevant	3.81	Good
4	Complete	3.71	Good
	Quality of Accounting information	3.74	Good
	Gap from ideal score	1.26	

The average score of respondents' responses, the quality of accounting information on Islamic banks in the good category. The same thing when viewed based on the dimensions of the quality of accounting information which is also good. The existence of a gap of 1.26 is a form of quantification of the ideal (expected) conditions, namely if all respondents answered a scale of 5. From the average score of 3.74 for the quality of accounting information, it is known that the minimum average is 3.56 while the maximum average is at 3.84.

Explanatory Analysis

Relevant quantitative analysis will be carried out with the aim of achieving maximum results from the research. Because the respondent's answer score data is still in the form of an ordinal scale, so that the data can be processed first, the ordinal data is converted to an interval scale through the method of successive intervals which is then processed using Structural Equation Modeling (SEM) with the Partial Least Square (PLS) alternative method. In SEM there are two types of models formed, namely measurement models and structural models. The measurement model explains the proportion of variance of each manifest variable (indicator) that can be explained in the latent variable. Through the measurement model, it will be known which indicator is more dominant in the formation of latent variables. After the measurement model of each latent variable is described, a structural model will be described which will examine the effect of each independent latent variable (exogenous latent variable) on the dependent latent variable (endogenous latent variable).

Management Commitment Variable Measurement Model

Management commitment is measured using 3 (three) dimensions which are operationalized into 9 (nine) indicators. Based on processing using second order confirmatory factor analysis, a measurement model for the latent variable of management commitment is obtained as shown in the following figure.

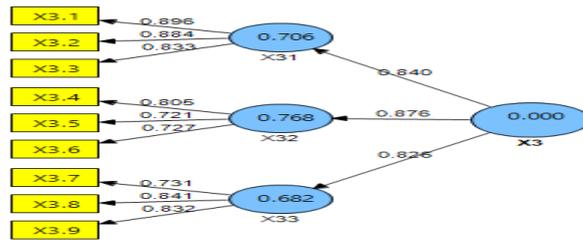


Figure 1: Path Diagram of Management Commitment Variable Measurement Model

Based on the results of data processing, the test results show that the indicators on the management commitment variable use the first order of confirmatory factor analysis as presented in the following table.

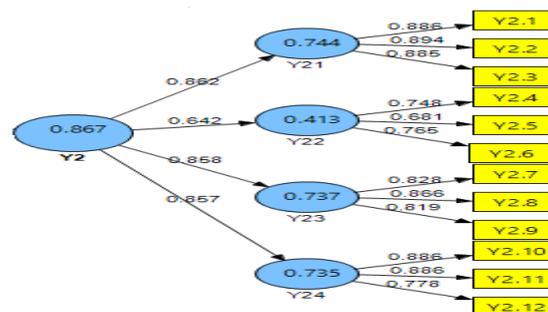
Table 5: Summary of Variable Measurement Model Validity Test Management Commitment

Indicator	Factor Weight	T	CR	AVE
Willingness to work hard	0,896	33,815	0,904	0,759
Proud of the organization. as a fun place to work	0,884	25,514		
Willingness to accept organizational assignments	0,833	26,564		
Shared values of individuals and organizations	0,805	19,589	0,796	0,566
Feeling lost when leaving the organization	0,721	12,121		
Best workplace organization	0,727	11,666		
Organizational inspiration in achieving performance	0,731	9,416	0,844	0,645
Happy with the current organization	0,841	30,264		
Caring for the fate of the organization	0,832	19,245		

It can be revealed from the table above that all indicators are valid as a measuring tool for their respective dimensions. Then the value of composite reliability (CR) for each dimension is greater than 0.70 which indicates that the indicators have consistency in measuring their respective dimensions.

Measurement Model of Accounting Information Quality Variables

The variable Quality of accounting information is measured by 4 (four) dimensions which are operationalized into 12 indicators. Based on the processing using second order confirmatory factor analysis, a measurement model for the latent variable of the quality of accounting information is obtained as shown in the following figure.



Picture 2: Path Diagram of Accounting Information Quality Variable Measurement Model

Analysis of the Measurement Model of Accounting Information Quality Variables based on the results of data processing obtained the results of testing each indicator on the accounting information quality variable using the first order of confirmatory factor analysis as presented in the following table:

Table 6: Summary of Variable Measurement Model Validity Test Quality of Accounting

Indicator	Factor Weight	T	CR	AVE
Information must reflect the actual situation (according to reality).	0,886	43,062	0,918	0,789
Information generated through correct and consistent procedures.	0,894	38,012		

The information generated is reliable and in accordance with SOPs.	0,885	33,447		
Information must be available when needed.	0,748	8,093	0,776	0,536
Information available all the time	0,681	4,540		
Time required to handle reports.	0,765	11,652		
Information must be in accordance with what is needed.	0,828	15,434	0,876	0,702
Information must meet the information needs of various levels and sections (adjusted level of detail).	0,866	24,754		
The resulting information has predictive value.	0,819	19,294		
Information according to user needs to make decisions.	0,886	37,942	0,725	0,887
The information presented is not missing.	0,886	24,362		
Information is available in accordance with applicable regulations	0,778	13,162		

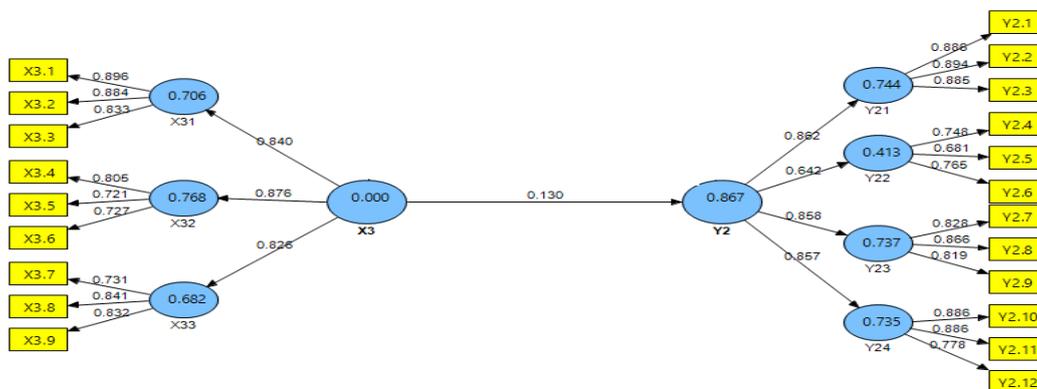
From the table above, it can be explained that the factor weight value of each indicator is greater than 0.50. This means that all indicators are valid as a measuring tool for their respective dimensions. Then the value of composite reliability (CR) for each dimension is greater than 0.70 which indicates that the indicators have consistency in measuring their respective dimensions.

Structural Model

The model that relates exogenous latent variables to endogenous latent variables or the relationship of endogenous variables to other endogenous variables is the purpose of this structural model. The structural model is related to the research hypothesis which implies a causal relationship between latent variables. The results of the calculation of the standardized path coefficients for the structural model of the effect of management commitment during the Covid 19 pandemic on the quality of accounting information.

The Effect of Management Commitment on the Quality of Accounting Information

The influence of Islamic bank management commitment on the quality of accounting information during the Covid 19 pandemic can be seen from the path diagram as follows:



Picture 3: Path Diagram of Testing the Effect of Management Commitment on Quality of Accounting Information

The commitment of Islamic bank management is hypothesized to affect the quality of accounting information during the Covid 19 pandemic, the results obtained are as follows

Table 7: Results of Testing the Effect of Management Commitment on Quality of Accounting Information

Path Coefficient	t_{count}	$t_{critical}$	H_0
0,130	2,201	1,64	rejected

The results of hypothesis testing are obtained that the t_{count} of the management commitment variable (2.201) is greater than $t_{critical}$ (1.64). Because the value of t_{count} is greater than $t_{critical}$, then at an error rate of 5% it was decided to reject H_0 . So based on the test results, it can be concluded that the commitment of Islamic bank management has a significant effect on the quality of accounting information at Islamic banks in Aceh during Covid 19. The results of this

study provide empirical evidence that the higher the management commitment of Islamic banks will improve the quality of accounting information during the Covid 19 pandemic.

CONCLUSION

The results of testing the influence of Islamic bank management commitment on the quality of accounting information during the Covid19 pandemic showed the t_{count} value was greater than $t_{critical}$ value, namely $2.201 > 1.64$, then at an error rate of 5% it was decided to reject H_0 . Thus, it can be concluded that management commitment has a positive effect on Islamic banks to the quality of accounting information. The results of this study provide empirical evidence that the better the management commitment of Islamic banks will improve the quality of accounting information during the Covid 19 pandemic in Aceh.

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