

**THE INFLUENCE OF *ISLAMIC CORPORATE GOVERNANCE* ON
EMPLOYEES PERFORMANCE**

(Case Study of Islamic Banks in North Sulawesi)

**PENGARUH *ISLAMIC CORPORATE GOVERNANCE* TERHADAP
KINERJA KARYAWAN**

(Studi Kasus Bank Syariah di Sulawesi Utara)



By:

FARAH AMELIA WAKID

20180420210

**INTERNATIONAL PROGRAM OF ACCOUNTING
FACULTY OF ECONOMICS AND BUSINESS
UNIVERSITAS MUHAMMADIYAH YOGYAKARTA**

2022

**THE INFLUENCE OF ISLAMIC CORPORATE GOVERNANCE ON
EMPLOYEES PERFORMANCE**

(Case Study of Islamic Banks in North Sulawesi)

UNDERGRADUATE THESIS

Submitted as a Partial Fulfillment of the requirement for the Attainment of the
Bachelor Degree of Economics in International Program of Accounting,
Faculty of Economic and Business, Universitas Muhammadiyah Yogyakarta



By:

FARAH AMELIA WAKID

20180420210

**INTERNATIONAL PROGRAM OF ACCOUNTING
FACULTY OF ECONOMICS AND BUSINESS
UNIVERSITAS MUHAMMADIYAH YOGYAKARTA**

2022

DECLARATION PAGE

Herewith, I

Name : Farah Amelia Wakid

Student Number : 20180420210

I declare that the undergraduate thesis entitled **“THE INFLUENCE OF *ISLAMIC CORPORATE GOVERNANCE ON EMPLOYEES PERFORMANCE (Case Study of Islamic Banks in North Sulawesi)*”** is my own original work to fulfill the requirement for the degree of *Sarjana Akuntansi (S.Ak)* in the Faculty of Economics and Business of Universitas Muhammadiyah Yogyakarta. It does not include any content previously written or published by other people, except those indicated in the reference list. If there is any violation of scientific ethics found in this research, I am the only one responsible and willing to accept sanctions.

Yogyakarta, 17 January 2022



SEPULUH RUPIAH
1000
METERAI
TAMPEL
S1087AJX714895565

Farah Amelia Wakid

MOTTO

“Sesungguhnya Allah tidak akan mengubah keadaan suatu kaum sebelum mereka mengubah keadaan diri mereka sendiri.”

(QS. Ar-Rad: 11)

“Maka sesungguhnya bersama kesulitan ada kemudahan, sesungguhnya bersama kesulitan itu ada kemudahan.”

(QS. Al-Insyirah: 5-6)

“Ridha Allah ada pada ridha kedua orang tua dan kemurkaan Allah ada pada kemurkaan kedua orang tua.”

(HR. Tirmidzi, Ibnu Hibban, Hakim)

“Gantungkan cita-citamu setinggi langit, bermimpilah setinggi langit, jika engkau jatuh, engkau akan jatuh di antara bintang-bintang.”

(Ir. Soekarno)

“Don't forget, beautiful sunsets needs cloudy skies”

(Paulo Coelho)

“Work hard in silence. Success be your noise”

(Frank Ocean)

DEDICATION PAGE

Alhamdulillah rabbil'alamin.

*Praise be to **Allah SWT** who has given mercy and grace to me so that I can reach this stage. Allah is the most good, the most gracious the most merciful, who always makes it easy for every step in the preparation of the thesis to complete the task as a student at the Universitas Muhammdiyah Yogyakarta. Sholawat and greetings are always bestowed on the **Prophet Muhammad SAW**. Hopefully this thesis can be a blessing, Amen yaa rabbal'aalamiin.*

*I dedicate this thesis to **Mama and Aba**. Thank you for all your sincerity, compassion, love, struggle and sacrifice that never stopped in raising me. Thank you for always keeping me in your prayers and always supporting me under any circumstances. Thank you for always providing knowledge and advice endlessly. Thank you for giving the best lessons in life. You are my reason to be stronger every day. And to myself, thank you for cooperating. **Mama and Aba**, live long and healthy always so I can make you happy even longer.*

*For **Kak Echa, Kak Ijal, Adik Fauzan, Bunda Ingrid and Ayah Hassan, Keponakan, Sepupuh, Kakak Ipar**. Thank you for your love, prayers and support.*

*For **Mrs. Peni Nugraheni, S.E., M.Sc., Ak., CA**. as my supervisor. I thank you very much for the provision of knowledge, enthusiasm, motivation and advice and time in guiding me so that I can complete this thesis.*

*For my beloved **Rusdyansa Nasaru and his family**. Thank you for all the good things you do, always being there and helping in many ways, and always giving your prayers, encouragement and support.*

*For **Wenda Magfirah Modeong and Axe Iia Musti**. Which has become my family while in Yogyakarta. Thank you for all the memories from laughing to crying that we went through and did together from the beginning of the semester to the end and for always giving each other help, prayers and support.*

*For **Afifah, Nasha, Santika and Putri** as well as friends of kost putri surya. Thank you for being a roommate who always provides help and is always fun and accompanying me.*

*For **HIMA FEB UMY, DPPM 2018 – 2020 and Kelompok KKN 239**. Thank you for being a part of my college journey by providing pleasant experiences and memories.*

*For **Cabeletes**, thank you for always providing support and encouragement, even though we are separated by distance but communicate with each other.*

*For **Hidjau Coffee, Kopi Sini** and several cafes that I've been to. Thank you for providing such a comfortable place so that I can finish this thesis faster.*

*For all friends who cannot be mentioned one by one. Thank you for being such a nice friend, and helping me while I was overseas. I am grateful that I have met
you.*

*And all parties that I cannot mention one by one. Thank you so much for all of
you.*

PREFACE

All praise and gratitude are only to Allah SWT who has given the ease, grace, and mercy so that the researcher can finish this undergraduate thesis. Shalawat and greetings are always poured into the great prophet Muhammad SAW.

This undergraduate thesis entitled **“THE INFLUENCE OF ISLAMIC CORPORATE GOVERNANCE ON EMPLOYEES PERFORMANCE (Case Study of Islamic Banks in North Sulawesi)”** is written to fulfil one of the requirements for the attainment of the Bachelor Degree of Accounting in International Program of Accounting, Faculty of Economics and Business, Universitas Muhammadiyah Yogyakarta. The Researcher took this topic in the hope of providing an overview for employees/community related to knowledge about good corporate governance and Islamic compliance and also providing development ideas for further research. The completion of this thesis could not be separated from the guidance, assistance, support, and prayers from various parties. Therefore, the researcher would like to thank profusely to:

1. Dr. Rizal Yaya, S.E., M.Sc., Ph.D., Ak., CA. as Dean of the Faculty of Economics and Business Universitas Muhammadiyah Yogyakarta.
2. Dr. Dyah Ekaari Jatiningsih, S.E., M.Sc., QIA., Ak., CA. as Chairman of Accounting Department Faculty of Economics and Business Universitas Muhammadiyah Yogyakarta.
3. Mrs. Peni Nugraheni, S.E., M.Sc., Ak., CA. as my supervisor who has patiently provided motivation, advice, guidance to the author to complete this undergraduate thesis.

4. Mr. M. Bahrul Ilmi, SE., ME.Sy., Ph.D. as a lecturer and motivator to encourage me to be a good student.
5. Mr. Wendy Rahmad Biyandi, S.Pd., M.Hum. as my language consultancy advisor who has provided a lot of support for the author in compiling this undergraduate thesis in English.
6. Islamic banks employees in North Sulawesi who are willing to be respondents in this research.
7. Parents, family, and friends who always give prayer and motivation to the author to complete the research. And all parties who have provided any encouragement in the author's process of preparing this undergraduate thesis that cannot mentioned one by one.

Hopefully all forms of assistance that have been given to the researcher will get blessings from Allah SWT. The researcher realizes that this thesis is far from perfection. Therefore, the researcher expects constructive criticism and suggestions for further research development related to this topic. In conclusion, hopefully this undergraduate thesis can be useful for the readers.

Yogyakarta, 17 January 2022



Farah Amelia Wakid

CONTENTS

UNDERGRADUATE THESIS	ii
UNDERGRADUATE THESIS	iii
DECLARATION PAGE.....	iv
MOTTO	v
DEDICATION PAGE	vi
ABSTRACT.....	viii
PREFACE.....	ix
CONTENTS.....	xi
CONTENTS OF TABLE.....	xiv
CONTENTS OF FIGURE	xv
CONTENTS OF APPENDIX.....	xvi
CHAPTER I.....	1
INTRODUCTION	1
A. Research Background	1
B. Formulation Of The Problem.....	9
C. Research Objective	10
D. Benefits of Research	11
CHAPTER II.....	12
LITERATURE REVIEW	12
A. Theoretical Framework.....	12
1. Theory of Planned Behavior	12
2. Islamic Banks.....	13
3. Islamic Corporate Governance.....	15
4. Employees Performance	22
B. Previous Research Results	25
C. Hypothesis Development	31
1. Transparency and Employees Performance of Islamic Banks	31
2. Accountability and Employees Performance of Islamic Banks	32
3. Responsibility and Employees Performance of Islamic Banks.....	33
4. Independence and Employees Performance of Islamic Banks.....	34
5. Fairness and Employees Performance of Islamic Banks	35
6. <i>Islamic Compliance</i> and Employees Performance of Islamic Banks.....	36
D. Research Model.....	38

CHAPTER III	39
RESEARCH METHODS	39
A. Object / Subject Research	39
B. Type of Data	39
C. Sampling Technique	39
D. Data Collection Technique.....	40
E. Operational Definition of Research Variables	41
1. Measurement Scale	41
2. Research Variable	41
F. Data Instrument Test.....	45
1. Data Quality Test	45
2. Classic Assumption Test.....	46
3. Descriptive Statistical Analysis	46
G. The Hypothesis and Data Analysis	48
1. Multiple Linear Regression Analysis.....	48
2. Coefficient of Determination Test Adjusted (R ²).....	49
3. Simultaneous Significance Test (F-Test).....	50
4. Partial Significance Test (T-Test).....	50
CHAPTER IV	51
RESEARCH RESULTS AND DISCUSSION	51
A. Overview of Research Objects / Subjects	51
1. Questionnaire Distribution.....	51
2. Respondents Identity.....	53
B. Validity and Reliability Test	59
1. Validity Test.....	59
2. Reliability Test.....	61
C. Descriptive Statistical Analysis	62
D. Classic Assumption Test.....	64
1. Normality Test	65
2. Multicollinearity Test.....	65
3. Heteroscedasticity Test	66
E. Research Result.....	67
1. Coefficient of Determination Test Adjusted (R ²).....	67
2. Simultaneous Significance Test (F Test)	68

3. Partial Significance Test (T test).....	69
4. Multiple Linear Regression Analysis.....	71
F. Discussion.....	72
1. The Effect of Transparency on Employees Performance.....	72
2. The Effect of Accountability on Employees Performance.....	74
3. The Effect of Responsibility on Employees Performance	75
4. The Effect of Independence on Employees Performance	75
5. The Effect of Fairness on Employees Performance.....	77
6. The Effect of <i>Islamic Compliance</i> on Employees Performance	77
CHAPTER V	79
CONCLUSION, IMPLICATIONS, LIMITATIONS, SUGGESTION	79
A. Conclusion	79
B. Implications.....	80
1. Theoretical Implications	80
2. Practical Implications.....	80
C. Limitations	81
D. Suggestion.....	81
1. For Islamic Banks	82
2. For Future Researchers	82
BIBLIOGRAPHY.....	83
APPENDIX.....	89

CONTENTS OF TABLE

Table 1.1 Islamic Banking Office in Indonesia.....	1
Table 2. 1 Previous Research	29
Table 3. 1 Measuring Scale.....	40
Table 4. 1 Analysis of The Total Questionnaire	52
Table 4. 2 Islamic Bank Employees	Error! Bookmark not defined.
Table 4. 3 Gender of Respondents	Error! Bookmark not defined.
Table 4. 4 Age of Respondents	Error! Bookmark not defined.
Table 4. 5 Last Education of Respondents.....	Error! Bookmark not defined.
Table 4. 6 Educational Background of Respondents	Error! Bookmark not defined.
Table 4. 7 Position of Respondents	Error! Bookmark not defined.
Table 4. 8 Old Position Holder of Respondents.....	58
Table 4. 9 Length of Work of Respondents	58
Table 4. 10 Instrument Validity Test Results	59
Table 4. 11 Reliability Test Results	62
Table 4. 12 Descriptive Statistics	63
Table 4. 13 One-Sample Kolmogorov-Smirnov Test	65
Table 4. 14 Multicollinearity Test Results	66
Table 4. 15 Coefficients ^a	67
Table 4. 16 Model Summary	68
Table 4. 17 ANOVA ^a	68
Table 4. 18 Coefficients ^a	69
Table 4. 19 Summary of Hypothesis Testing Result	72

CONTENTS OF FIGURE

Figure 2. 1 Theory of Planned Behavior	12
Figure 2. 2 Research Model.....	38

CONTENTS OF APPENDIX

Appendix 1.....	90
Appendix 2.....	93
Appendix 3.....	Error! Bookmark not defined.
Appendix 4.....	93
Appendix 5.....	102
Appendix 6.....	103
Appendix 7.....	105