

ANALYSIS OF THE INFLUENCE OF RELIGIUS AND ETHICAL BELIEF ON LOVE OF MONEY ATTITUDE TO ETHICAL DECISIONS AMONG ACCOUNTING DEPARTMENT STUDENTS

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ABSTRACT

This research aims to test whether there is an influence of religiosity and belief in ethics on views about love of money and ethical decision making among students majoring in Accounting. The type and source of data used in the research is primary data obtained directly using an online survey. The sampling method uses purposive sampling. The total research sample was 288 respondents. The data analysis technique used is structural equation modeling (SEM) with AMOS 22 and SPSS 22 software. The results of the research show that the level of religious belief and belief in ethical concepts has an important role in influencing views of love of money among students. Furthermore, views about the materiality of money have an important role in influencing the ethical decision making process. As a mediator, love of money has a role both directly and indirectly in influencing the relationship between religiosity and ethical beliefs on the ethical decision making process.

Keywords: Religiositas, Ethical belief, Love of Money, Ethical decision, SEM

1. INTRODUCTION

With the development of business and industry in the world and the large number of companies in the form of PT (Limited Liability Companies), the publication of their financial reports in stock exchange really requires a guarantee for their financial reports (Novika, 2020). In examining financial reports carried out by auditors, it is intended that users of financial reports have confidence that the financial reports presented by company management are reasonable or free from material misstatements and are in accordance with applicable financial accounting standards (SAK) so that they can be trusted as a basis for decision making. Therefore, in providing an opinion or in providing an appropriate opinion, there are several criteria that the auditor must fulfill in accordance with the applicable Public Accountant Professional Standards (SPAP). However, the public does not fully trust accountants and auditors because of the increasing ethical issues in professionalism. Like in Indonesia, there was a case of fraud in the financial management of investment funds that occurred at PT Asabri (Persero) during 2012-2019. As well as several cases involving auditors and corruption cases in various regions such as in South Sulawesi, namely the PDAM Makassar corruption case with state losses of 20 billion (Tewu, 2019). The existence of several cases has caused the quality of an accountant's profession to decline in the eyes of the public. Some examples of deviations above occur due to an accountant's ethical attitude which is not in accordance with generally accepted principles. even though it is clear that there is an accountant's code of ethics regarding ethical principles that every accountant must adhere to.

Of course, these problems have a negative impact on the accounting profession, both among the public and among students who can be said to be prospective accountants in the future (Reraja & Sudaryati 2019). Students who lack knowledge about scandals that occur in Indonesia and abroad cause students to lack self-awareness regarding the ethical behavior that accountants should carry out. Therefore, it is very necessary to instill ethical behavior from an early age, because in a job or organization attitude is something that is important in influencing a person's work behavior. Accountants should have good ethics, in the 2008 Graphkin research quoted in research (Kusumaningtyas, 2018) stated that when examining ethical issues there are several moral considerations that influence the understanding of ethics, namely religion, conscience, egoism, respect, rights, utilitarianism, justice and improvement. One assumption that the loss of ethical behavior is due to a lack of religious values in an accountant so that he cannot differentiate between good and bad. Knowledge about right and wrong, good and bad is obtained through learning experiences and education. These values need to be provided so that prospective accountants can make ethical decisions in accordance with the interests of the wider community.

This research has been carried out by several researchers before. Ayem and Leni (2020) found that the ethical perception of accounting students is not only a result or direct consequence of ethical knowledge, experience and economic status, but there are also other factors that contribute to the ethical perception of accounting students, namely love of money. Meanwhile, Hidayatulloh and Sartini (2019) stated that the more religious an individual is, the more he will be able to control his behavior in order to avoid unethical acts. Then in other research, Rozikin & Susilowati (2023) stated that intellectual intelligence, emotional intelligence and spiritual intelligence influence the ethical attitudes of accounting students. Then finally Hutahahean & Hasnawati (2015), added the gender variable in their research by comparing men and women to see whether women had a better moral development background than men. However, the results of this study showed that gender did not have a significant effect on the ethical behavior of accounting students. This means that currently women and men may both have deficiencies in reasoning about ethical behavior, many of them compete in the career field, seeking power and wealth without thinking about ethical violations in it.

However, there are several weaknesses in previous research, such as the lack of analysis of students' knowledge about the importance of ethics education in the decision-making process. Then in other research there are weaknesses such as lack of knowledge and awareness in religion while religion plays an important role in increasing honesty and preventing unethical acts, especially those related to accounting fraud. From this discussion, the question arises as to whether religion actually has an influence on ethics? So what is the relationship between religion and ethics? And why is religion related to ethics? That's roughly what we will try to examine in this research to understand more clearly the factors that influence accounting students in forming their character or behavior as future accountants.

2. LITERATURE REVIEW

Religiosity

Religiosity comes from the Latin word *religio*, which means root which means binding (Ardani & Arza, 2023). Religiosity is the level of religious belief held by a person which includes all rules and obligations aimed at binding a person in his relationship with God, fellow humans and the environment and is considered capable of controlling a person's behavior (Zannah & Harianto, 2023). (Hidayatulloh & Sartini,

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2020) revealed that people who have a religion will hold certain values which will

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influence the individual's actions and decisions. Therefore, Suparno (20107) stated that religion has an important role in a person's life. Religion will shape the individual's beliefs, knowledge and attitudes. Strong religious beliefs are expected to prevent illegal/unethical behavior through feelings of guilt when someone does something unethical (Hidayatulloh, 2023). The concept of a person's religion is not only seen from one or two dimensions, but must take into account various dimensions. Religion in Islam is not only manifested in the form of ritual worship, but also in various other activities aimed at gaining approval from Allah. There are several dimensions of a person's religiousness that can be measured to find out whether a person is religious or not, namely beliefs, religious practices (rituals and observance), religious experience and knowledge. Religiosity has a big influence on individuals, especially for people who claim to be Muslims, of course they have to instill religious values in themselves.

H1: Religiosity has a positive effect on the ethical behavior of accounting students

Ethical Beliefs

Beliefs or beliefs are subjective feelings that individuals may have or subjective probability judgments. According to Septiawan et al., (2019) ethical beliefs are subjective judgments that individuals have regarding ethical and unethical behavior. A person's ethical judgment can be a relative judgment. Someone may think that what they are doing is the right thing, but according to other people it is the wrong thing. This is supported by Fitria and Sari (2014) who state that ethical relativism is the theory that different societies have different ethical beliefs. There is no rational way to determine whether an action is morally right or wrong except to ask whether other people believe that action is morally right or wrong. This involves views about how we should act and behave as well as judgments about whether an action or decision is ethical or unethical. Several factors that may influence ethical beliefs vary between individuals and cultures, including religion, education, experience and honesty, so they can influence their ethical beliefs.

H2: Ethical Beliefs influence the ethical behavior of accounting students

Love Of Money

According to Rachmah and Kurniawan, (2019) Money is a very important aspect in everyday life. Rubenstein's research in 1982, argued that in the United States, success is supported by money and income. However, many people view the term love of money negatively. (Basri, 2015) states that the higher the level of love of money a person has, the lower their ethical perception and vice versa. This is because individuals who have a high love of money will try to fulfill their needs. Love of money measures how much an individual loves their money, which will ultimately influence their ethical perception (Hidayatulloh & Sartini, 2020). The concept of love of money is used to estimate a person's subjective feelings towards money. Individual love of money has different levels from one individual to another. Someone who has a high level of love of money tends to view money as important, they consider money to bring happiness because money is their motivation to work harder, feel respected in a community, and is a benchmark for the success they achieve.

H3: Love of money influences the ethical behavior of accounting students

Ethics

Ethics is behavior or rules of conduct that are accepted and used by individuals or certain groups (Sari, 2023). Then (Hasanah et al., 2023) stated that ethics is a belief regarding right and wrong actions or good and bad actions. This opinion is supported by

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(Zamzam & Aravik, 2020) who defines ethics as the science of what is good and what is

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bad related to moral rights and obligations, a collection of principles or values relating to morals, as well as values regarding what is right and wrong, adopted by a group of people. Ethics is the science of what is good and bad and about moral rights and obligations (Akhlaq): a collection of principles or values relating to akhlaq: values regarding right and wrong held by a group or society (Big Indonesian Dictionary, 1998) . In Islam, the term morals is known, morals occupy an important position in Islam. Morals are one of the three scopes of the Islamic religion along with aqidah and worship. In several verses of the Qur'an, Allah touches on many moral and ethical issues.

H4: Ethics has a positive effect on accounting students

3. RESEARCH METHODS

Questionnaire design

This research is quantitative research using a questionnaire survey method with Likert 1-7. The initial and main source of the research instrument was in English so we invited Indonesian and English language experts to translate the contents of the questionnaire used. As an initial stage in the process of preparing the research instrument, the author conducted a pretest on 10 accounting students in the Sulawesi region with the aim of testing potential participants' understanding of the contents of the revised questionnaire. In addition, this pretest can also help authors avoid potential bias and misunderstandings from participants (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003); (Junaidi, 2021). The next trial is to carry out a pilot test before the questionnaire is officially distributed to all universities in Indonesia. The aim of the pilot test is to identify various respondent responses related to the statements in the pretest (Junaidi, 2021).

Sample and Data Collection

The population in this research are accounting students who are still active in Indonesian universities. The sampling technique used was purposeful sampling with a total sample of 288 respondents from the Sulawesi and non-Sulawesi regions. It can be seen in Table 1 the demographics of the respondents. Data collection was carried out online using Google Form. Control of respondent data is anonymous and statements for all constructs are random to avoid bias and increase validity.

Table I. Respondent demographics

Demographic Items	Frequency	Percentage (%)
Gender		
Male	172	25.0
Female	116	75.0
Religion		
Islam	277	96.2
Christian	11	3.8
Student year level		
1-2	108	37.5
3	65	22.6
4	39	13.5
	76	26.4
Active in organization		
Religious	85	29.5
Non-Religious	203	70.5
Origin		
Sulawesi	268	6.9
Non Sulawesi	20	93.1

Source: Data processed by

Measurement

The items used during the measurement are listed in the respondent demographics appendix, including gender, religion, student year level, organization attended, and respondent's nose. The questionnaire includes seven seven-point Likert scales anchored

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from 1 (“strongly disagree”) to 7 (“strongly agree”) for all scale items. Religiosity is

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adapted from (Hidayatulloh & Sartini, 2020), Ethical beliefs (Forsyth, 1980), Love of money (Tang, 1992), Ethics (Supriadi, 2023).

Data analysis

The statistical software programs used to analyze the data are AMS 22 and SPSS 22. Structural Equation Modeling (SEM) is used to test the proposed model and research hypotheses. The main benefit of using SEM is that it can analyze different factors and regressions to test the model so that all path coefficients can be estimated simultaneously. There are three method features provided by SEM. First, it is used to determine the causal effects of observed variables, and the structural relationships between variables allow a clear description of the theory studied in this research. The comprehensive hypothesized model was used to validate all variables to determine consistency with the investigation. Both descriptive analyzes use valid frequency distributions. Third, CMV (common method variance) has been adopted as an anticipatory and post-detection procedure.

Lastly, this research also uses (Hayes, 2018) the bootstrapping method which functions to test the mediating and indirect influence of the relationship between religion and the ethical behavior of accounting students. This approach is considered more efficient compared to other methods, such as the method developed by Baron and Kenny in 1986, and also developed by (Junaidi, 2021) which focuses on determining mediation effects.

4. RESULT AND DISCUSSION

Measurement model

The results of the CFA model for the observed variables have a good fit. Model fit and Cronbach's for all constructs showed excellent convergent validity and reliability for all measurement items of the constructs. Fit statistics (N = 350).

$\chi^2/df = 2.854$, Goodness-of-Fit Index (GFI) = 0.829, Normalized fit index (NFI) = 0.744, Comparative Fit Index (CFI) = 0.815, Incremental fit index (IFI) = 0.818, and Root Mean Square Error of Approximation (RMSEA) = 0.080. Furthermore, the results of the measurement model (CFA) show that all constructs have a good fit (Hair Jr et al., 2019). Table III. Demonstrates adequate discriminant validity of this study.

Table II. Measurement results

Constructs	MLE estimates factors loading/ measurement error	Squared multiple correlation (SMC)	Composite reliability (CR)	Average Variance Extracted (AVE)	Cronbach's α
Religiosity			0.816	0.486	0.679
RG1	0.814	0.337	0.663		
RG2	0.718	0.484	0.516		
RG3	0.843	0.289	0.711		
RG4	0.637	0.594	0.406		
RG5	0.369	0.864	0.136		
Ethical Beliefs			0.826	0.450	0.671
EB1	0.741	0.451	0.549		
EB2	0.758	0.425	0.575		
EB3	0.735	0.460	0.540		
EB4	0.753	0.433	0.567		
EB5	0.513	0.737	0.263		
E6	0.453	0.795	0.205		

Love of money				0.826	0.450	0.714
LOM1	0.618	0.618	0.382			
LOM2	0.762	0.419	0.581			
LOM3	0.753	0.433	0.567			
Ethics				0.684	0.322	0.568
ET1	0.583	0.660	0.340			
ET2	0.396	0.843	0.157			
ET3	0.722	0.479	0.521			
ET4	0.291	0.915	0.085			
ET5	0.714	0.490	0.510			

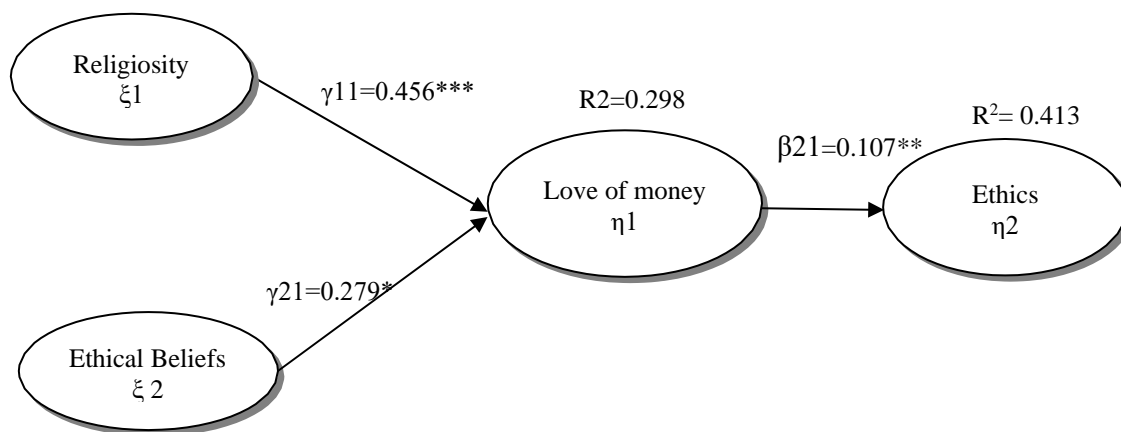
Source: Data processed by

Structural Model

Causality analysis was carried out to determine the relationship between variables in the research. In this research, it is hoped that through causality testing, the influence that occurs between exogenous variables and endogenous variables can be determined. Apart from the relationship between variables, this research also examined the mediation relationship. The results of the hypothesis test are shown in the following image.

Religiosity has a big and positive effect on love of money ($\gamma_{11}=0.456, p<0.0001$), and Ethical Beliefs have a positive effect on love of money ($\gamma_{21}=0.279, p<0.001$) so that H1 and H2 are accepted. And love of money has a positive effect on ethics ($\beta_{21}=0.107, p<0.001$), H3 is accepted.

Figure 1. Proposed model results



From the picture above, we can illustrate that it is true that there is a relationship between one variable and another. First, it can be seen that religiosity has a large and positive influence on love of money. Why is that, because with our belief in Allah SWT we will understand that everything we do on this earth is nothing but to get approval from Allah, if it is related to the love of money where most people think that in this world money is everything. It is true that money is very important, with money a person's life will be prosperous, but again, everything is only temporary, everything is just a deposit that at any time God can take away that blessing from us. All the pleasures we already have, whether in the form of money or something like that, should be a reminder that everything is from

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Allah and should be able to increase the level of our devotion to Allah. Furthermore, ethical

beliefs influence the love of money, in this case the researcher assumes that these ethical beliefs cannot be said to have a positive influence but also cannot be said to have a negative influence on the love of money. Why is that, as is known, ethical beliefs are subjective judgments that individuals have regarding behavior that cannot be judged directly as truth, except by obtaining answers from asking other people. These ethical beliefs tend to make people think that they are the most perfect and can do everything, so that it can give rise to an attitude of greed in them to have everything, including the love of money. However, again, none of that happens if the fortress of our faith is strong. Lastly, how religiosity, ethical beliefs and love of money influence a person's ethics. Ethics is about good and bad, but in fact nowadays people have very little understanding of ethics. This happens due to a lack of knowledge and belief in Allah SWT, as if what he does is only the truth, which makes him more arbitrary in carrying out actions or decisions. Even though everything we do in this world is only to get blessings from Allah. A person's good and bad will be reflected through his behavior which will then influence everything he does.

Results This research is in line with and supports the results of research conducted by (Hidayatuloh & Sartini, 2019) with the results of research that religiosity has an influence on students' ethical behavior. Apart from religiosity, there are actually many other factors that have the potential to influence students' ethical behavior, such as the love of money. It is not only students but also accountants who cannot be denied that they all love money, this is influenced by the factor of high desire. Some of these factors and the possibility that they will occur can be prevented by increasing our level of devotion to Allah SWT so that all our fears can be prevented.

5. CONCLUSIONS AND RECOMMENDATIONS

The results of this research found that religion has an important role in influencing ethical perceptions among accounting students. This indicates that people who have a good understanding of religion will definitely influence everything they do, have awareness and are able to control attitudes and behavior, have the ability to interact and communicate, have a good influence on others, feel useful because Allah SWT, is involved and being active in activities, both social and religious, believing that everything that is done cannot be separated from the intervention of Allah SWT so that it can be taken into consideration when doing something, especially good ethical behavior.

In the variable that researched, ethical beliefs have a significant influence in connecting students' ethical behavior. This shows that people who have good ethical beliefs will definitely feel that they can also do things that other people do, are always kind and respectful towards others, and always feel content with what they have. The other variable, namely the mediating variable, namely love of money, has a less significant influence on students' ethical behavior. This is shown by the principle of working hard only to get money, considering money as a symbol of success because for him money is more important than everything, so working hard and working hard to get money to the point of forgetting his obligations as a Muslim, tends to forget death more easily than loss of wealth, thus making the benchmark for happiness only by having money. Individuals who have a love of money attitude tend to be less ethical in evaluating decisions because they prioritize personal welfare over social welfare, especially religious welfare.

This research theoretically contributes to literature studies that have a correlation with the spiritual and ethical behavior of accounting students. In practice, this research can help various parties, especially educators, from school to university and various related companies. Educators can use this research as a reference in developing learning patterns regarding the importance of ethical behavior starting from instilling ethical values by

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collaborating with the value of religiosity. So that the output that will be produced is

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Human Resources (HR) who have balanced qualifications between skills, academics and morality while still paying attention to the religious values they adhere to as Muslims. This is a very important thing for companies, where this research can be a reference for establishing recruitment policies for prospective employees to emphasize aspects of morality in individuals, so as to minimize the occurrence of ethical deviations by accountants in Indonesia so that public trust in accountants has decreased. due to issues of irregularities committed by irresponsible individuals, it can return to normal.

Just as humans are not created perfect, this research is no different. There are several limitations in this research, namely (1) this research has low internal validity. This is because this research uses quantitative methods by collecting data online using Google Form, so that further research can use survey or qualitative methods. (2) this research only took samples from students, so that future research can take samples from the community or from the accounting profession directly. (3) this research only uses a few variables, so that future research can add several more variables.

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