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DOES THE ISLAMIC ACCOUNTING AND FINANCE EDUCATION SUFFICIENTLY SUSTAINABLE?

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Abstract: *This study aims to examine to what extent and how effective Islamic Accounting and Finance education sustainability has been at the university level. The integration of element sustainability into the curriculum has received increasing concern over the years as the debate continue being discussed into recognizing the Islamic Accounting and Finance education to be linked with the professional market. Thus, it is very important to explore the extent of sustainability of Islamic Accounting and Finance in the curriculum as to be at par with the emerging field of ecological economics and understanding the new concept of business role in this technological advance society as the emergence of terms such as Big Data, Blockchain, Cryptocurrency represents the challenges facing by the graduates recently. This paper presents a quantitative study through online surveys to determine the perceptions by graduates on the extent and adequacy of Islamic Accounting and Finance sustainability in their syllabus conducted at their universities. There is consensus from the participants on the current state of sustainability education within the Malaysia universities of Islamic Accounting and Finance courses. However, the findings highlighted that the integration is not wide enough, and the sustainability is not in sufficient depth. In addition, the findings reflected that it is significant for sustainability to be included in the syllabus at Malaysia universities. Based on the research findings, it appears that the inclusion of Financial Technology (Fintech) ecosystem play roles in sustaining the Islamic Accounting and Finance education to stay relevant in reducing the number of talent shortage in*

Malaysia. The role of academicians plays important role in integrating the sustainability at universities and there has been lacking evidences that show work performed on the current state of sustainability in Islamic Accounting and Finance education in Malaysian universities. Given the future challenges that will be face by the future graduates, thus it is important at the education level to equip the graduates to meet the demands by the industry. This study provides perceptions at graduate's level as this is very crucial area to know their perspective on the sustainable of Islamic Accounting and Finance curriculum for further development can be made in meeting the challenges they are facing with the industry demand.

Keywords: Sustainability, Islamic Accounting, Islamic Finance, Graduates.

1. Introduction

The continuous effort in Malaysia government to develop the nation and provide education has been made possible through increasing number of courses offered and establishment of higher learning institutions. However, quite a number of challenges have been exposed such as the forces of globalization and internalization, rapid technological innovation, the demand by the industry and nurturing the integration skills for the graduates. Responding to that, the Islamic financial industry in Malaysia is becoming among the vast employment and job opportunity in country given the growing demand for graduates of Islamic Accounting and Finance program from local and international industries. Taking advantage on that, Malaysia has become to be one of the international players through the establishment of Islamic Accounting and Finance education hub for the region.

On the other hand, other than the needs in such specific field, there is growing need within society and business for the graduates to possess knowledge and skills relating to the sustainability. At this point of time, Malaysia is no different but considering them as one of the challenges in their education level. The concept of sustainability has become the means of integrating social and environmental in the field of finance and accounting. Taking into account from Islamic niche, this approach could help the Islamic Accounting and Finance curriculum to be critical in terms of the impact to the business and society. Similar approach has been studies before by Bebbington (2007) on the issues of social accounting project for sustainability education. He looked upon the accounting from different mainstreams such as financial reporting, management accounting and auditing courses. In addition, previous study in Spain also introduce aspects related to business sustainability and responsibility which they recommended specialist modules in pre-graduate and post-graduate courses to stimulate and promote social responsibility in firms (CRUE, 2005).

Ideally the concept of sustainability is first defined as development ‘that meets the needs of the present without compromising the ability of future generations to meet their own needs’, (WECD, 1987). The issues here as highlighted by Gray and Collison (2001) and Hazelton and Haigh (2010) that the role of sustainability education in courses offered in university has been a significant issue as there is huge gap between what research has defined as best practices and what is currently being taught around the world. The important challenge for sustainability education is in the context of emerging various elements of technology innovations such as the fourth (4th) Industry Revolution, Blockchain, Cryptocurrency and many others that give new understanding to the role of business and function to society. Therefore, an objective of this paper, which is to investigate the extent of sustainability perspective in Islamic Accounting and Finance education, could be relevant input to give comprehensive understanding the challenge we face nowadays.

2. Stakeholder Theory and Sustainability

According to Smith and Sharicz (2011), they defined a sustainable organization as one that able to maintain the business operations and finance viably whilst not negatively impacting the social and environmental systems. Nowadays, the concept of sustainability demands accountability from the society as a whole and it aligns with the stakeholder theory which argues that the organizations exist to serve all stakeholders, rather than only the shareholders who finance them (Stubbs and Cocklin, 2008). In addition, the stakeholder theory has been used widely to explain the concept of corporate social responsibility disclosure in many research evidences (Roberts, 1992; Mitchel et al., 1997; and Gallo and Christensen, 2011). The concept of sustainability needs to be reported to all stakeholders through corporate social responsibility performance and it has been reported formally in the form documentation. In this case, the role of accountants who engaged in the financial report become very significant to master the skills and taking role in sustainable reporting. The concept of sustainability also influenced much in Islamic Accounting and Finance education in which the accounting educators playing prominent role in equipping the students the sustainable development and practices in meeting the demand by the industries.

Addressing the needs to support the role of graduates in the sustainability development, therefore it is important for the research to consider the elements of Islamic Accounting and Finance education. Currently, the Islamic Accounting and Finance are gaining worldwide recognition in producing talent as some employers are demanding graduates that have specialist knowledge of shariah compliant finance and this has culminated in a thriving Islamic Accounting and Finance environment, with numerous institutions catering to a wide range of industry needs. Recent study conducted by Jamil and Seman (2019) mentioned that the emergences of financial technology leverages the explosion of Big Data, Artificial Intelligence (AI), Cryptocurrency and Blockchain which lead the issues of shortages among the graduates. Therefore, the question to be asked here is ‘Does the Islamic Accounting and Finance sufficiently sustainable to fill in the gap of creating the balance of educational curriculum and fulfilling the demand of industries.

Using the stakeholder theory, the sustainability of the education needs to be measured in depth in validating the needs of responses by the higher educational institution as the alternatives to pinpoint particular opportunities that local stakeholders could adopt to attract and develop the high quality and capable graduate talent.

3. Sustainability Education in the Universities

There has been an increase attention on the integration of sustainability concept into the education syllabus (Rasche et al.,2013). However, there are challenges found in the literatures about the integration of sustainability for instance institutional and subject-based (Wall et al.,2017). Regards to the institutional challenges, the issues of values and belief of sustainability have been the factors that interrupting the integration (Wall et al., 2018). It is difficult for an organization to create a climate and culture in which they themselves are able to develop and deliver syllabus or curriculum to address the sustainability issues. On the other hand, in terms of subject-based challenges, other potential barriers of the integration are students who view the higher education as the commodities and do not sufficiently value the sustainability education (Wall et al., 2017).

However, sustainability adoption in the Islamic Accounting and Finance is a critical issue for improved business education, given the gap highlighted to find the mix balance of education curricular and demand of talent in the industries (Jamil and Seman, 2019). As such, it is important to Islamic Accounting and Finance integrate sustainability effectively as they produce future leader in Islamic or Shariah talent and these leaders should understand the role of business in society. The explosion of Big Data on individuals and firms raised concerned on how the graduates should be pushing forward consistent with the country’s technology forward agenda. Since the interest in this global financial technology landscape has expanded, the needs of sustainability in Islamic Accounting and Finance education should be re-evaluated to identify the skills needed for the graduates.

4. Research Method

The data for the study was collected using a quantitative research method. The study used a questionnaire instrument administered online and an extensive review of literature helped to form the questions in the survey instrument that was sent out to graduates. The questionnaire survey instrument distributed to the students via electronic means to obtain their viewpoint on the research issue. Prior to the distribution a pilot test was conducted on five graduates which the result then translated into some minor changes to the original questionnaire. Graduates were defined as those people who had studies Islamic Accounting and Finance at Malaysia universities and completed the undergraduate studies in the last five years. The survey questionnaire contained two sections; Section A covered the Background Details of Respondents and Section B covered Sustainability in Islamic Accounting and Finance Education. The questions are designed using a five-point Likert scale and few questions that required a selection of pre-determined answers and open-ended questions.

Out of 180 respondents, 126 (70 percent) were female and 54 (30 percent) were male. The respondents represented those who took the Islamic Accounting and Finance subject during their undergraduate in universities across Malaysia. Table I provides the demographics of the 180 respondents who completed the questionnaire survey. The results and findings of this study follow in the next section.

5. Results

This section of the paper discussed the findings of the data collected from the questionnaire distributed to the graduates.

Table 1: Demographic Information of Respondents (N=180)

	Gender		Total
	Male	Female	
Age Group			
18-21 years	1	1	
21-25 years	30	70	
26-29 years	5	7	
30-33 years	5	37	
34 and above	13	11	
Total	54	126	180
Which organization you work in?			
Private	23	65	
Government	17	27	
Banking Sector	5	12	
Other	9	22	
Total	54	126	180



Which city do you work in?

Klang Valley	17	47	
Outside Klang Valley	37	79	
Total	54	126	180

Indicate the year you completed your undergraduate study

2016	13	47	
2017	12	36	
2018	28	29	
Other	1	14	
Total	54	126	180

Which degree did you study?

Bachelor of Accountancy	20	60	
Bachelor of Business/Muamalat	14	25	
Bachelor of Islamic Finance	16	6	
Bachelor of Marketing	3	12	
Other	1	23	
Total	54	126	180

Which university did you complete your undergraduate studies?

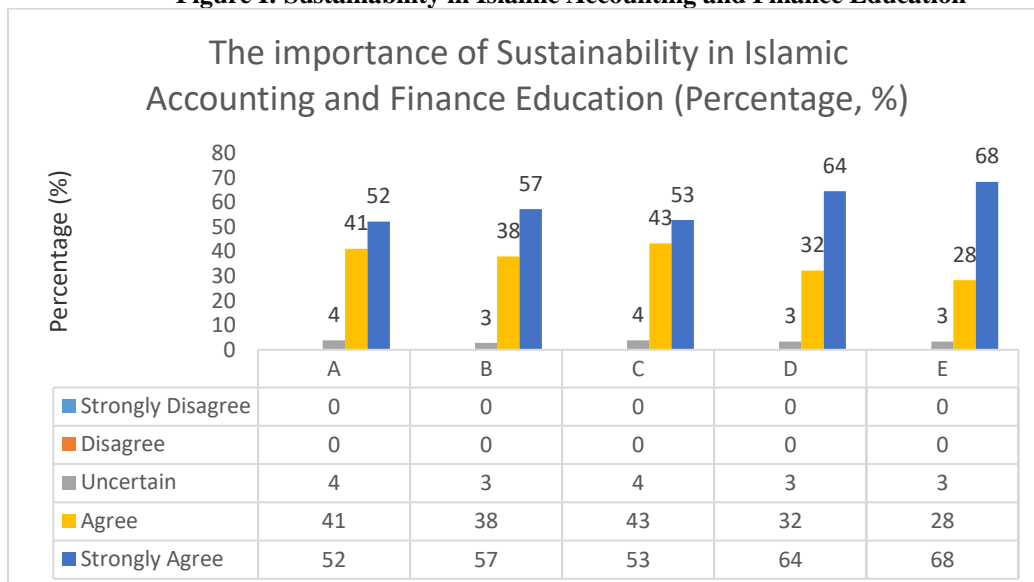
IIUM	9	33	
USIM	25	58	
UM	3	6	
Other	17	29	
Total	54	126	180

1.1 The importance of Sustainability in Islamic Accounting and Finance Education

According to the research conducted by Universities New Zealand (2012), the universities are a vital part of society in shaping the society increasing their skills and knowledge. Thus, it is very important for the universities to sustain in equipping the graduates with skills and knowledge to become expert especially in the Islamic Accounting and Finance education. Graduates were asked whether they agreed or disagreed with statements regarding the importance of sustainability in Islamic Accounting and Finance education. This was done on a five-point Likert scale with 5 being strongly agreed and 1 being strongly disagreed. Beforehand, the questionnaire highlighted the definition of sustainability as defined by the Bruntland as the development that meets the needs of the present without compromising the ability of future generations to meet their own needs (WECD., 1987).

The responses show that the graduates perceived the sustainability of Islamic Accounting and Finance education as important, as indicated by the fact that all the statements in Figure I had more than 50 percent strongly agreed with the sustainability in Islamic Accounting and Finance education are important and becoming opportunity to establish the competitive advantage. In addition, more than 60 percent of respondents strongly agreed that two of the statements relating the concept sustainability in Islamic Accounting and Finance education have significance impact of environment and society. This is consistent with the view of Wheeler and Elkington (2001) indicating that the concept sustainability has developed an alternative for the organizations to communicate their performance to the stakeholders. Therefore, the demand in Islamic Accounting and Finance education are very much impactful especially responding to the emergence of technology advancement that need to be exposed to the graduates in shaping their skills and knowledge.

Figure I: Sustainability in Islamic Accounting and Finance Education



The importance of Sustainability in Islamic Accounting/Finance education	
A	Sustainability is an opportunity for Islamic Accounting and Finance education to establish competitive advantages
B	Sustainability is becoming more important for Islamic Accounting and Finance education.
C	Sustainability practices should be embedded into all Islamic Accounting and Finance education
D	Islamic Accounting and Finance education should be accountable for their impact on the community
E	Islamic Accounting and Finance education should be accountable for their impact on the environment

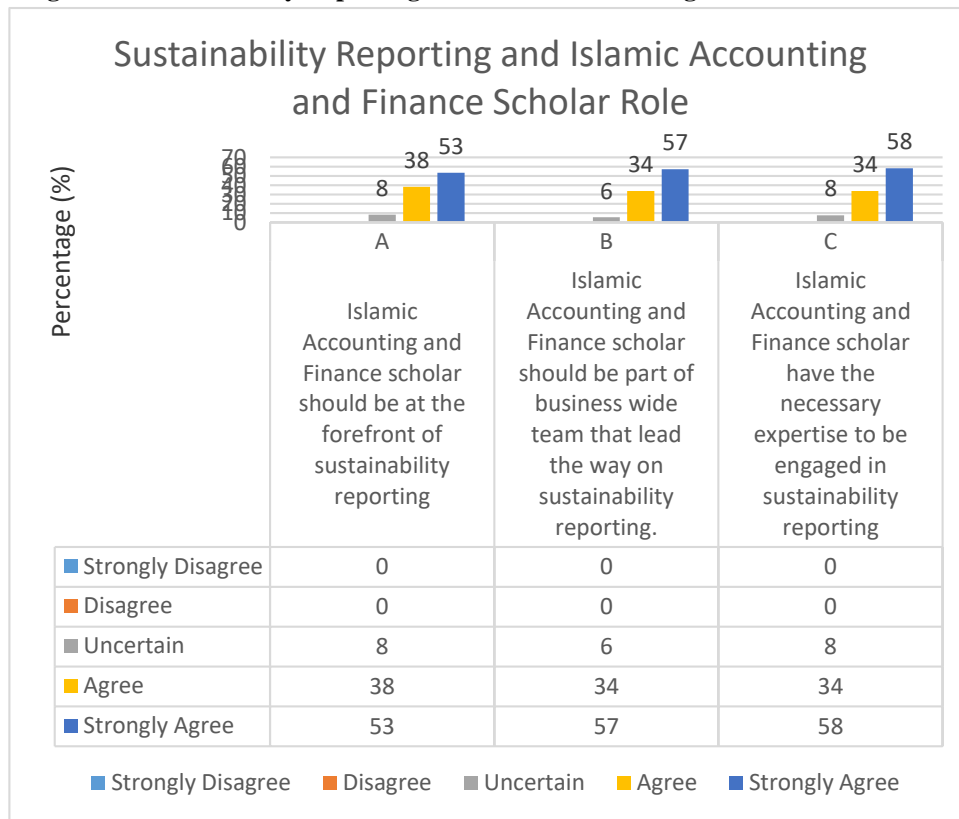
1.2 Sustainability Reporting and Islamic Accounting and Finance Scholar Role

There were various debates regards to the role of accounting and sustainable reporting and from the literature evidences they found that accounting have role in sustainable reporting (Schaltegger and Burritt, 2010; Deegan, 2002 and Tilt, 2009). Their studies highlighted that the educators in the field of accounting should take more active role in sustainability reporting. In filling the gap in the literatures, this study using the context of Islamic Accounting and Finance education as indicator to the sustainability reporting. This is important as there is huge growth in the Islamic Finance area especially there is a growing Fintech’s penetration into Islamic Accounting and Finance field which requires sustainability development that can bring positive impacts to the environment and society (Ghazali and Yasuoaka, 2018).

The graduates were asked about their views around the role of Islamic Accounting and Finance scholar in sustainability reporting (a Likert scale was used with 5 being strongly agree and 1 being strongly disagree). The responses are shown in Figure II. The responses to these statements were varied, but it was clear that the graduates believed that the Islamic Accounting and Finance scholar should be involved in sustainability reporting as more than 50 percent strongly agreed on the statements. In specific, 53 percent strongly agreed that Islamic Accounting and Finance scholar should be at the forefront of sustainability reporting.

While 91 percent of graduates strongly agreed and agreed that Islamic Accounting and Finance scholar should be part of business wide team that lead the way on sustainability reporting. This huge percentage highlighted that the Islamic Accounting and Finance talent are in demand to be part of the sustainability development. The results consistent with Jamil and Seman (2019) mentioned that the Islamic Finance talent can fill in the demand of the industries through the integration of advanced skills and balance curriculum that becoming part of the sustainability development process. On the other hand, only 8 percent are uncertain on the Islamic Accounting and Finance scholar have the necessary expertise to be engaged in sustainability reporting.

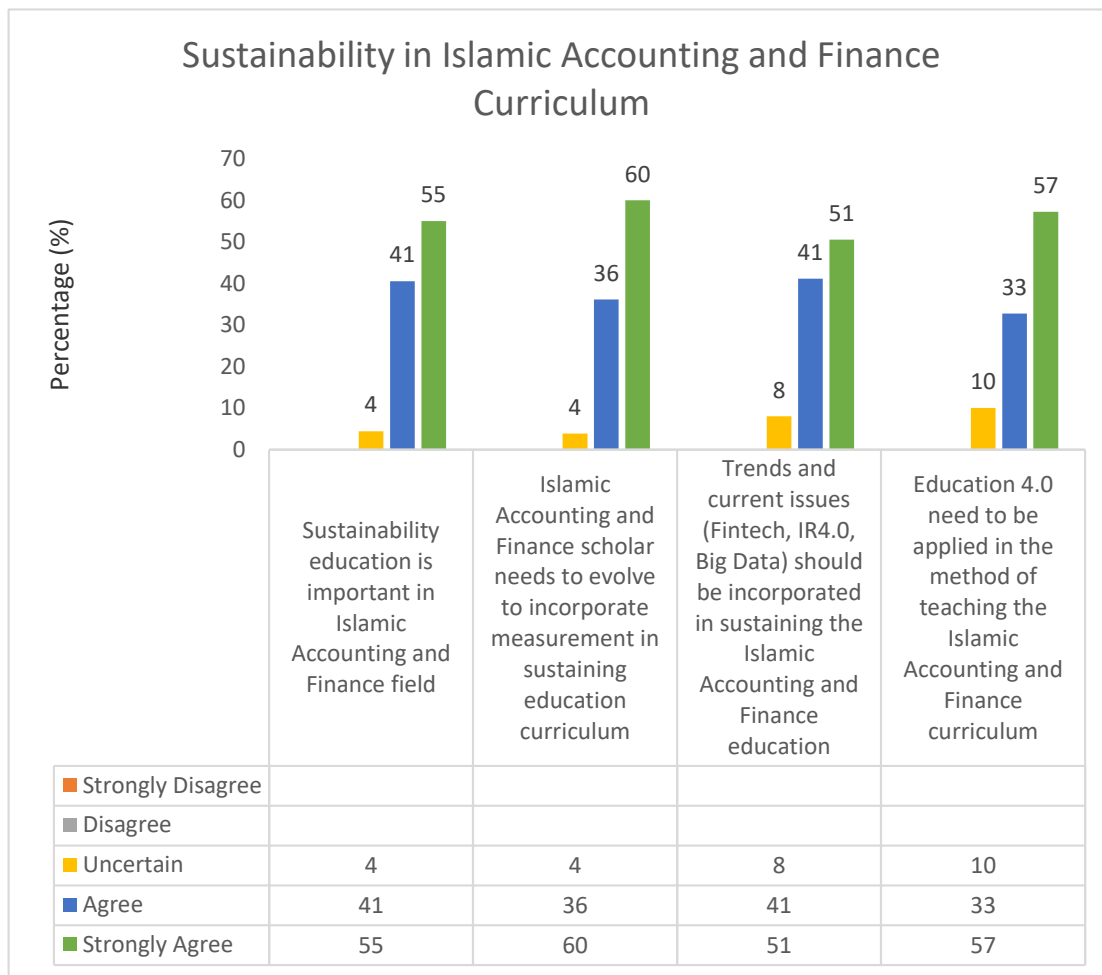
Figure II: Sustainability Reporting and Islamic Accounting and Finance Role



1.3 Sustainability in Islamic Accounting and Finance Curriculum

The graduates were also asked to respond to the questions on sustainability in Islamic Accounting and Finance curriculum. About 60 percent strongly agreed that the Islamic Accounting and Finance scholar needs to evolve to incorporate measurement in sustaining education curriculum. It is because their inputs from the industries very importance in finding optimal ways to equip the graduates with the right skills and knowledge. In addition, 92 percent strongly agree and agree that trends and current issues especially in the area of Fintech, Industrial Revolution 4.0 and Big Data should be incorporated in sustaining the Islamic Accounting and Finance education. This is because many employers have identified skills gaps to the experiences and training of graduates whom likely to be employed in the fintech organizations. About 52 percent of graduates strongly agreed that education 4.0 need to be applied in the method of teaching the Islamic Accounting and Finance curriculum. Education 4.0 replacing traditional method of teaching which incorporating the elements of technology in teaching so that the graduates can polish their analytical skills in facing the challenges in their future career.

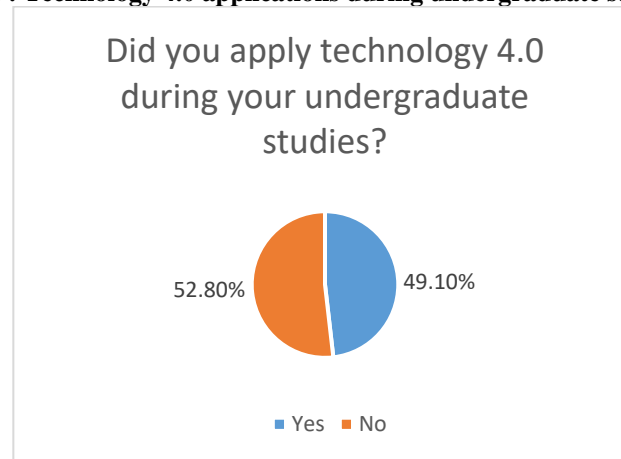
Figure III: Sustainability in Islamic Accounting and Finance curriculum



1.4 Integration of Technology 4.0 Elements in Islamic Accounting and Finance Curriculum

In the questionnaire, among the question asked was did the graduates apply technology 4.0 during their undergraduate studies? Based on the results, it shown that 52.8 percent of the respondent answered 'Yes' with the usage of technology 4.0 during their undergraduate studies. It is important to know the exposure that the graduates obtained during their study and how basically it might impact their working skills. The usage of technology 4.0 is parallel with the needs of society nowadays that most of the daily transaction are based on the technology savvy applications. In the field of Islamic Accounting and Finance, the strong complementariness among these technologies are giving rise to an impressive array of new applications touching on services from payments to financing, asset management, insurance and even financial advice.

Figure IV: Technology 4.0 applications during undergraduate studies.



In addition, the graduates were also asked a range of questions about their own experiences of technology 4.0 integration as part of university Islamic Accounting and Finance courses (Table VI). When asked whether technology 4.0 was integrated into their degree courses, 18 percent stated that it was integrated into accounting papers, 9 percent stated that it was integrated into the Islamic Finance papers, 10 percent said it was integrated into other business papers and 63 percent was integrated into other university papers. Analyzing the result, it raises concern as only 27 percent indicated that technology as part of accounting and Islamic Finance papers, despite the research studies on the technology as a global issue as well as the importance of mechanism in sustainable education as part of university study. This is become a strong factor to push the usage of technology into the Islamic Accounting and Finance curriculum.

Figure VI: Courses that 4.0 technology elements are integrated

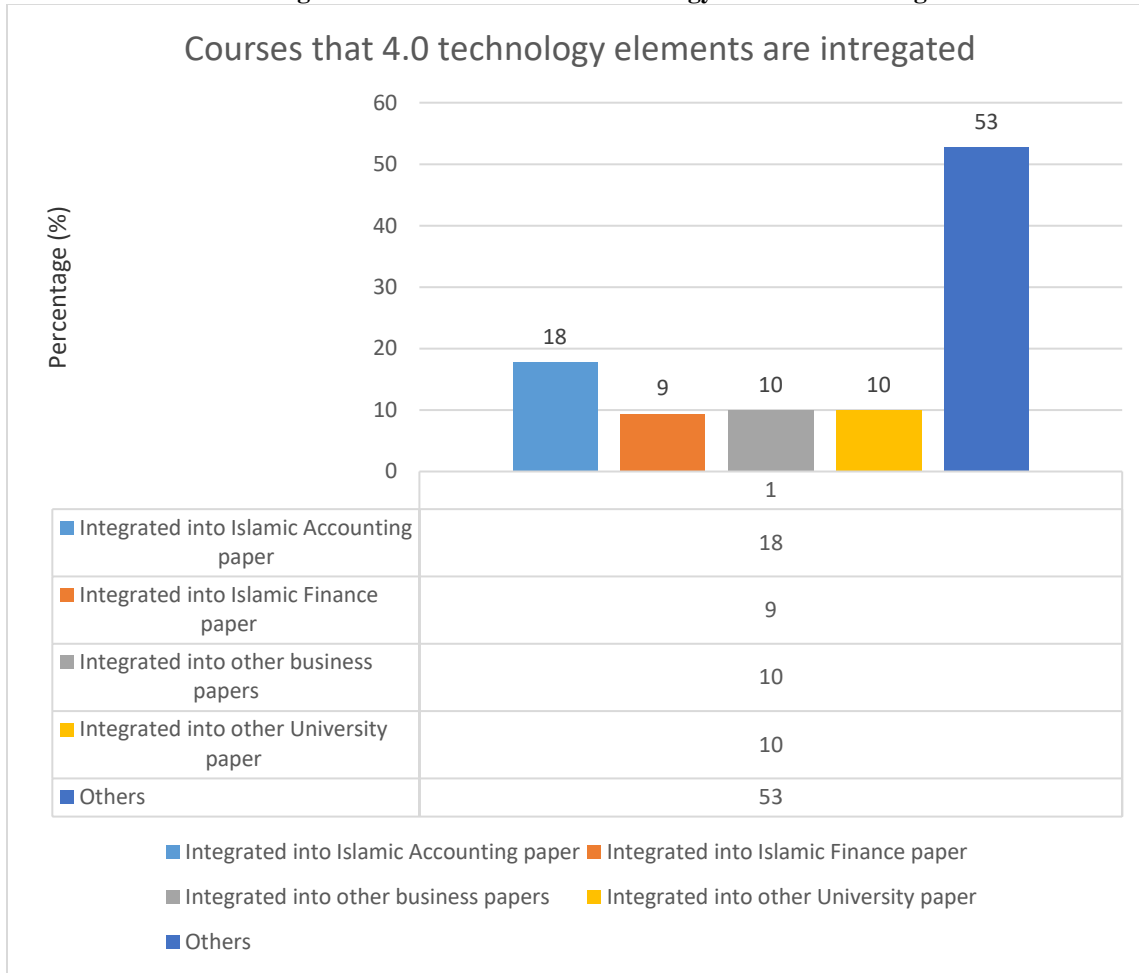
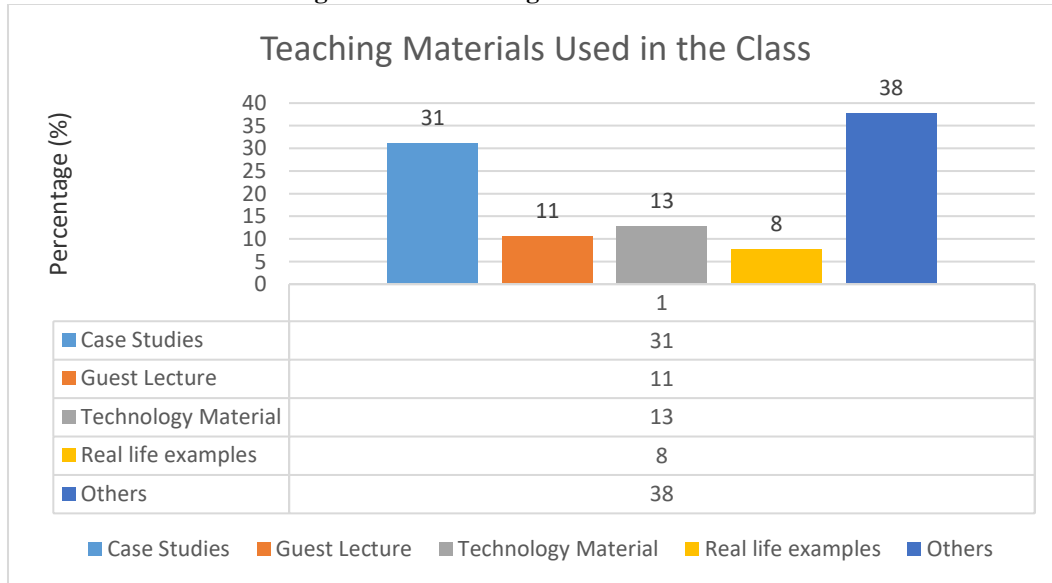


Figure VII, reported the teaching materials used in the class which is part of significance tools in shaping the Islamic Accounting and Finance education. About 31 percent used case studies during their studies, 13 percent mentioned they used technology material, 11 percent had experiences guest lecture among the source of the education in their courses. While 46 percent shared that they had real life examples and others teaching material tools used in the class.

Figure V11: Teaching Materials used in the Class



6. Discussion and Implication of Findings

There was a general consensus that the integration of sustainability in Islamic Accounting and Finance education is not sufficient in depth. The graduates majorly agreed that the sustainability is significance in Islamic Accounting and Finance curriculum however the integration is very lacking in that area especially the incorporation of technology usage is quite low which is only 27 percent. This is increasing concern as nowadays the role of financial technology (Fintech) very much gives impact to the skill gaps among the graduates. In addition, the results show that the role of Islamic Accounting and Finance scholar are very crucial in developing the concept of sustainability in the curriculum or syllabus of education. Given their industry knowledge, skills in analyzing and critically evaluate business situation, therefore it should increase their needs in sustaining the Islamic Accounting and Finance education.

Moreover, based on the questionnaire, it is indicating that the sustainability education should be emphasized more in Islamic Accounting and Finance courses. This is because having the integration of sustainability into the courses will give more meaningful impact to the society and environment from Shariah perspectives. Prior study conducted by Milne (2001), it is important to include sustainability as part of interdisciplinary approach into the curriculum. Therefore, it would be appear that the integration of sustainability into Islamic Accounting and Finance papers would be more effective solution in shaping the sustainability mind among the graduates.

Having the elements of technology 4.0 integrated into the courses also would enable the graduates to move along with the Fintech agenda that currently become the disruption in the context of business. The impact will be give different meaning to the relationship of Islamic Accounting and Finance has with the society and environment. This is where the concept sustainability fit into the agenda of the country on reducing the Shariah talent shortages among the graduates. Therefore, based on this research findings, it appears that universities have to maintain and provide opportunity for the graduates to understand the concept of sustainability especially in the area of Islamic Accounting and Finance. Evidences from the respondents suggest that having the integration of technology giving value added to the concept of sustainability in the curriculum and education.

7. Conclusion

There is significance debate on the issues that future talents will have in meeting the current challenges and how the role of Islamic Accounting and Finance scholar can be push forward in this space. Given the importance of sustainability, the objectives of this paper was to establish perceptions on the adequacy of sustainability in Islamic Accounting and Finance education in Malaysia universities. This is fill in the gap where within the education very much progress is required. Graduates reported the sustainability is important for business and the Islamic Accounting and Finance scholar have a significant role in the process of sustainability development. From their view, there is still lacking in term of depth and integration of technology into their courses. These findings indicate that the educators should be more engaged in the sustainability initiatives.

This investigation on perception of graduates provides important arguments for further development in this area. Further research in the area could involve interview with the educators to obtain deeper understanding the integration process and challenges they might face during the implementation. Furthermore, the content of specific courses offered in the university also can be explored for further analyses.

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