

Brought to you by [INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA](#)



Scopus



[Back](#)

Organisational growth and decline in Indonesian Islamic banks

[Journal of Islamic Accounting and Business Research](#) • Article • 2024 • DOI: 10.1108/JIABR-05-2023-0145

[Bahrul Ilmi, Muhammad](#)^a ; [Mohamad, Muslim Har Sani](#)^{a, b} ; [Mohd. Shariff, Ros Aniza](#)^{a, b}

^a Department of Accounting, Universitas Muhammadiyah Yogyakarta, Bantul, Indonesia

[Show all information](#)

1 35th percentile

Citation

0.15

FWCI

[View PDF](#)

[Full text](#)

[Export](#)

[Save to list](#)

[Document](#)

[Impact](#)

[Cited by \(1\)](#)

[References \(114\)](#)

[Similar documents](#)

Abstract

Purpose: This study aims to investigate the growth of Indonesian Islamic banks and explores organisational growth determinants from different perspectives, namely, organisational climate, intellectual capital (IC) and organisational service orientation. The study also attempts to develop a model to measure the growth of Islamic banks and uncovers the root causes of the stagnancy in Indonesian Islamic banking. **Design/methodology/approach:** The study used survey questionnaires distributed to Islamic bank managers, who were considered representative experts in the field of Islamic banking. The data collected were analysed using the Statistical Package for Social Sciences (SPSS Version 21.0), and two analyses were performed with different strategies to build the regression model, namely, multiple linear regression and automatic linear regression. **Findings:** The study found that IC significantly affected Islamic banks' growth in Indonesia; however, organisational climate and service orientation did not predict such growth. Concerning service orientation as a mediating model, climate or IC had no indirect effect on growth. **Research limitations/implications:** This study's results contribute to fill the gap by analysing the growth of Islamic banks. Hence, the study results will be especially practical and helpful for Islamic bank managers and policymakers to help develop mechanisms for Islamic banks in Indonesia. **Originality/value:** By combining the aspects of organisational climate, IC and service orientation from earlier studies and categorising them by organisational growth, together with a comprehensive literature review, the study proposes a model specific to Islamic banks. It also offers new insight and discussion for determining organisational growth in Indonesian Islamic banks. © 2024, Emerald Publishing Limited.

Author keywords

Intellectual capital; Islamic banks; Organisational climate; Organisational growth; Service orientation

Corresponding authors

Corresponding author

M. Bahrul Ilmi

Affiliation

Department of Accounting, Universitas Muhammadiyah Yogyakarta, Bantul, Indonesia