
NEW STUDENTS' EXPECTATIONS OF ISLAMIC RELIGIOUS EDUCATION AS THE ETHICAL FOUNDATION FOR ECONOMICS AND BUSINESS IN THE ERA OF INDUSTRY 4.0

Haryadi Jaka Susila

Sekolah Tinggi Ilmu Ekonomi Balikpapan
Contributor email: jaka@stiebalikpapan.ac.id

Abstrak

Pendidikan Agama Islam (PAI) memainkan peran penting dalam membentuk karakter, moral, dan etika mahasiswa di lembaga pendidikan tinggi ekonomi. Studi ini bertujuan untuk menganalisis pengaruh landasan moral, etika ekonomi, dan etika bisnis terhadap ekspektasi mahasiswa terhadap mata kuliah PAI di era digital. Penelitian ini menggunakan pendekatan kuantitatif dengan metode Structural Equation Modelling–Partial Least Squares (SEM-PLS) yang melibatkan 105 mahasiswa semester pertama STIE Balikpapan sebagai responden. Hasil penelitian menunjukkan bahwa etika ekonomi dan etika bisnis memiliki pengaruh positif dan signifikan terhadap ekspektasi mahasiswa terhadap PAI, sedangkan landasan moral tidak menunjukkan pengaruh yang signifikan. Temuan ini menunjukkan bahwa mahasiswa menganggap PAI lebih relevan ketika menekankan penerapan nilai-nilai ekonomi dan bisnis Islam daripada hanya pemahaman moral dasar. Oleh karena itu, pembelajaran PAI harus diarahkan pada integrasi nilai-nilai Islam yang kontekstual dan dapat diterapkan di bidang ekonomi dan bisnis digital untuk menumbuhkan karakter profesional berdasarkan prinsip-prinsip Islam serta menghadapi tantangan modern.

Kata kunci: Pendidikan Agama Islam; Etika Ekonomi; Etika Bisnis; Landasan Moral; Ekspektasi Mahasiswa

Abstract

Islamic Religious Education plays a crucial role in fostering students' moral character, ethical awareness, and professional integrity in higher education. However, limited empirical studies have examined how Moral Foundations, Economic Ethics, and Business Ethics collectively shape students' expectations of PAI, particularly among economics and business students in the context of Industry 4.0. This study aims to analyze the influence of Moral Foundations, Economic Ethics, and Business Ethics on students' expectations of PAI in the digital era. The study employed a quantitative approach using Structural Equation Modeling–Partial Least Squares (SEM-PLS) and involved 105 first-semester students of STIE Balikpapan as respondents. This study offers a novel perspective by integrating Moral Foundations, Economic Ethics, and Business Ethics into a single analytical model to explain students' expectations of PAI. The results indicate

that Economic Ethics and Business Ethics have positive and significant effects on students' expectations of PAI, whereas Moral Foundations do not demonstrate a significant influence. These findings suggest that students perceive PAI as more relevant when it emphasizes the practical application of Islamic economic and business values rather than general moral principles alone. The study contributes to the literature on Islamic Religious Education by highlighting the importance of contextual and discipline-based ethical dimensions in shaping students' expectations. Therefore, PAI learning should integrate Islamic economic ethics, business ethics, and contemporary digital issues to enhance its relevance, strengthen professional character, and prepare students to address ethical challenges in the digital economy.

Keywords: Islamic Religious Education; Economic Ethics; Business Ethics; Moral Foundations; Student Expectations

A. INTRODUCTION

Islamic Religious Education (abbreviated in Bahasa as PAI) plays an important role in fostering students' moral character, ethical awareness, spiritual development, and professional integrity in higher education. Previous studies have demonstrated that IRE contributes significantly to students' moral development, ethical awareness, character formation, and spiritual growth in higher education settings (Astuti, 2022; Latif et al., 2021). In the context of globalization and digital transformation, higher education institutions are increasingly expected to equip students not only with academic competencies but also with ethical values that can guide their professional behavior (Atenas et al., 2023; Taher, 2023; Zvereva, 2023). Islamic values such as honesty, justice, trustworthiness, and social responsibility are therefore considered important ethical principles for students, particularly those pursuing studies in economics and business (Nur Agustin et al., 2025; Adejumo & Ogburie, 2025).

At the university level, PAI is not merely a compulsory subject but also serves as an instrument for developing moral awareness and professional ethics (Astuti, 2022). Students enrolled in economics and business programs are expected to understand Islamic values related to economic activities, including distributive justice, the prohibition of usury (*riba*), social responsibility, transparency, and integrity in transactions (Rangkuti, 2023; Romli, 2025). Consequently, the role of PAI has become increasingly strategic in promoting the ethical values of Islamic economics and business as guiding principles for thinking and acting in contemporary professional environments (Anwar et al., 2018).

The rapid development of the digital economy has created new challenges for the internalization of Islamic values (Hartono, 2024; Syahlarriyadi et al., 2025 Demir et al., 2025). Phenomena such as e-commerce, digital marketing, artificial intelligence, and sharia-based financial technology (*fintech*) require students to possess a comprehensive understanding of Islamic economic ethics and business ethics (Sholihah, 2020). Therefore, PAI must respond to these developments by providing contextual, adaptive, and relevant learning experiences that address students' needs in the digital era (Salim et al., 2023). In this regard, PAI is expected not

only to strengthen students' spirituality but also to enhance their ability to analyze and address ethical issues arising from contemporary economic and business practices based on Islamic principles (Ulum et al., 2021).

Despite the importance of PAI, students' expectations of PAI remain diverse. Some students perceive PAI as being overly focused on normative religious content, whereas others expect a more practical and contextual approach that is directly related to their academic discipline and future professional careers (Ichsan et al., 2025; Anwar et al., 2018). These differing perceptions indicate that students evaluate the relevance of PAI through different ethical perspectives. Understanding the factors that shape students' expectations of PAI is therefore important for improving its effectiveness and relevance in higher education.

Although previous studies have confirmed the contribution of PAI to students' character development, ethical awareness, and moral formation, the existing literature has not adequately explained how different ethical dimensions influence students' expectations of PAI in specific academic contexts, particularly among economics and business students. Studies conducted by Anwar et al (2018) and Ulum et al (2021) primarily focused on the role of PAI in fostering character development and academic ethics. Meanwhile, research on Economic Ethics and Business Ethics has generally examined their application in economic activities, professional conduct, and organizational settings (Iswanto, 2022; Wibowo et al., 2024). As a result, these streams of research have largely developed independently.

Furthermore, most previous studies have treated students as recipients of PAI outcomes, such as character development, ethical awareness, and moral behavior, rather than examining how students themselves perceive and evaluate the relevance of PAI (Anwar et al., 2018; Ulum et al., 2021). Consequently, limited attention has been devoted to understanding the factors that shape students' expectations toward PAI, particularly in disciplines where ethical issues are closely intertwined with professional practice, economic activities, and business decision-making (Iswanto, 2022; Sholihah, 2020).

Despite these contributions, limited empirical evidence is available regarding how Moral Foundations, Economic Ethics, and Business Ethics simultaneously influence students' expectations of PAI. Moreover, previous studies have rarely compared the relative contribution of these ethical dimensions in shaping students' expectations of PAI. Consequently, it remains unclear which ethical dimensions students enrolled in economics and business programs perceive as most relevant, particularly in the context of Industry 4.0 and rapid digital transformation.

This lack of empirical evidence creates an important theoretical gap because students' expectations may influence how they engage with, value, and respond to Islamic Religious Education in higher education settings (Latif et al., 2021; Anwar et al., 2018). A clearer understanding of these expectations is therefore essential for developing PAI curricula and learning strategies that are responsive to students' academic and professional needs in the context of digital transformation and Industry 4.0 (Ichsan et al., 2025; Salim et al., 2023).

This gap is important because students' expectations of PAI may reflect their perceptions of its relevance to academic learning, professional preparation, and contemporary societal challenges. In the context of Industry 4.0, students are increasingly exposed to issues related to digital business, financial technology, e-commerce, artificial intelligence, data ethics,

and rapidly evolving economic systems. Consequently, PAI is expected not only to strengthen religious understanding and moral character but also to provide practical ethical guidance that is applicable to contemporary economic and business realities.

From a theoretical perspective, Moral Foundations represent general ethical principles that guide individual behavior, whereas Economic Ethics and Business Ethics provide more contextual ethical frameworks directly associated with professional and economic activities (Dang, 2023; Ylä-Anttila, 2023). For students enrolled in economics and business programs, these contextual ethical dimensions may be perceived as more relevant because they are closely related to future career responsibilities, ethical decision-making, and professional integrity. Understanding the relative influence of these ethical dimensions is therefore essential for explaining how students evaluate the role and relevance of PAI in higher education.

To the best of the authors' knowledge, no previous study has simultaneously examined Moral Foundations, Economic Ethics, and Business Ethics as predictors of students' expectations toward Islamic Religious Education within the context of economics and business education in the Industry 4.0 era.

The novelty of this study lies in three important aspects. First, it integrates Moral Foundations, Economic Ethics, and Business Ethics into a single explanatory model. Second, it investigates these ethical dimensions as antecedents of students' expectations of PAI rather than as outcomes of religious learning. Third, the study focuses on economics and business students who face increasing ethical challenges associated with digital transformation, fintech, e-commerce, and Industry 4.0. These aspects distinguish the present study from previous research that primarily examined character formation and learning outcomes in PAI.

Accordingly, this study aims to analyze the influence of Moral Foundations, Economic Ethics, and Business Ethics on the expectations of first-semester students enrolled in the Economics and Management Study Programs at STIE Balikpapan regarding PAI. By employing Structural Equation Modeling–Partial Least Squares (SEM-PLS), this study seeks to provide empirical evidence on the ethical dimensions shaping students' perceptions of the relevance of PAI in the digital era. The findings are expected to contribute to the development of PAI literature and provide practical insights for designing more contextual, relevant, and professionally oriented PAI curricula in the era of Industry 4.0.

B. RESEARCH METHOD

This study employed a quantitative research approach to examine the influence of Moral Foundations, Economic Ethics, and Business Ethics on Students' Expectations of Islamic Religious Education. The analysis utilized Partial Least Squares Structural Equation Modeling (PLS-SEM), which is considered suitable for examining relationships among latent variables and for predictive research models involving relatively small sample sizes (Sarstedt et al., 2020; Hair et al., 2022).

The population consisted of first-semester students enrolled in the Islamic Religious Education course at STIE Balikpapan during the odd semester of the 2024/2025 academic year. Respondents were selected using purposive sampling based on the following criteria: being actively enrolled in the Economics or Management Study Program, registered in the PAI

course, having attended at least three class meetings, and voluntarily participating in the study. After the data screening process, 105 valid questionnaires were retained for analysis. This sample size exceeded the minimum requirement recommended for PLS-SEM applications and was considered adequate for reliable parameter estimation

The research instrument was developed through a review of previous studies on Islamic Religious Education, Moral Foundations, Economic Ethics, and Business Ethics (Anwar et al., 2018; Ulum et al., 2021; Iswanto, 2022; Wibowo et al., 2024). Four latent constructs were measured: Moral Foundations, Economic Ethics, Business Ethics, and Students' Expectations of PAI. The questionnaire consisted of sixteen indicators adapted to the context of economics and business education in the era of digital transformation. Prior to data collection, the instrument was reviewed and refined to ensure clarity and relevance for the target respondents.

Data were collected through an online questionnaire using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Moral Foundations was measured through indicators of honesty, trustworthiness, responsibility, and justice (Anwar et al., 2018; Ulum et al., 2021). Economic Ethics included indicators related to zakat awareness, taxation awareness, understanding the distinction between zakat and taxation, and equitable wealth distribution (Iswanto, 2022; Wibowo et al., 2024; Salim et al., 2023). Business Ethics was measured through ethical transactions, avoidance of riba, honesty in marketing practices, and social responsibility (Sholihah, 2020; Astuti, 2022; Heriyanto & Taufiq, 2024). Students' Expectations of PAI were assessed through indicators related to digital ethics, technological morality, Islamic financial technology (fintech), and the application of Islamic values in e-commerce (Anwar et al., 2018; Susila, 2026; Saputra, 2024).

Data analysis was conducted using SmartPLS 4.0. The evaluation process included assessment of the measurement model (indicator reliability, internal consistency, convergent validity, and discriminant validity) and the structural model (path coefficients, coefficient of determination, effect size, and predictive relevance). Hypothesis testing was performed using the bootstrapping procedure to determine the significance of the proposed relationships among constructs (Sarstedt et al., 2020; Hair et al., 2022).

C. RESEARCH FINDINGS

1. Measurement Model Evaluation.

This section presents the results of the research model testing using Structural Equation Modelling - Partial Least Squares (SEM-PLS), consisting of analyses of the outer model to assess construct validity and reliability and the inner model to examine the relationships among latent variables.

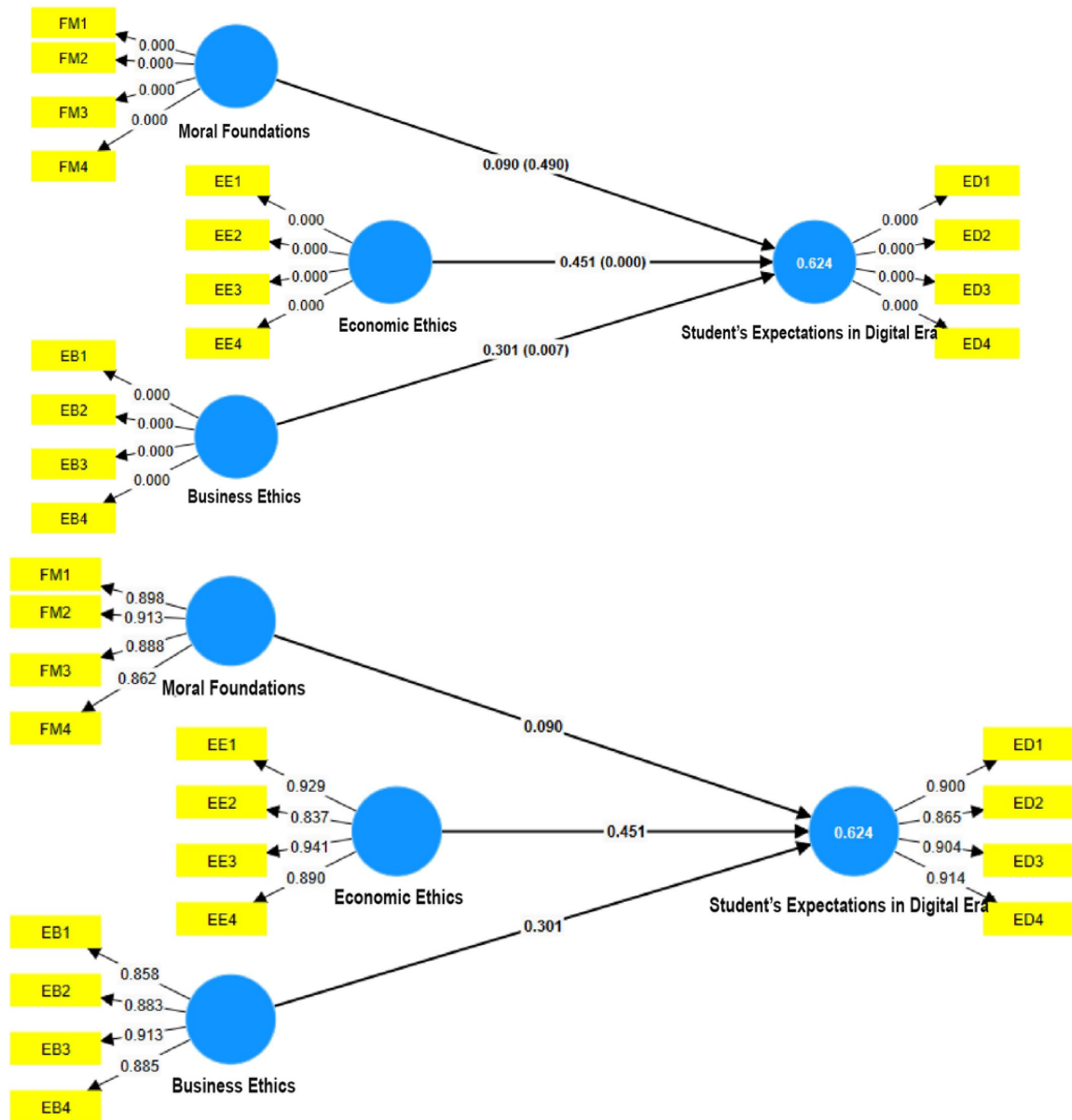


Figure 1. Outer Model

a. Convergent Validity

Convergent validity was assessed using loading factors and the Average Variance Extracted (AVE). Based on the analysis results

Table 1. Convergent Validity

Construct	Indicators	Loading Factor	Status
Moral Foundations (FM)	FM1–FM4	0.862–0.913	Valid
Economic Ethics (EE)	EE1–EE4	0.837–0.941	Valid
Business Ethics (EB)	EB1–EB4	0.858–0.913	Valid

Construct	Indicators	Loading Factor	Status
Student's Expectations in Digital Era (ED)	ED1–ED4	0.865–0.914	Valid

Source: Processed SEM PLS data

All indicators had factor loadings above 0.70, indicating that the measurement model meets the criteria for convergent validity. The highest loading factors were observed in EE3 (0.941), SE4 (0.914), BE3 (0.913), and MF2 (0.913), indicating strong representation of each construct.

b. Construct Reliability

The reliability criteria were assessed using Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE).

Table 2. Construct Reliability (Composite Reliability, Cronbach's Alpha, and AVE)

Construct	Cronbach's Alpha	Composite Reliability	AVE	Interpretation
Student Expectation	0.918	0.942	0.803	Excellent
Business Ethics	0.907	0.935	0.783	Excellent
Economic Ethics	0.921	0.945	0.810	Excellent
Moral Foundations	0.913	0.938	0.792	Excellent

Source: Processed SEM PLS data

All constructs demonstrate high internal reliability, as indicated by Cronbach's Alpha values exceeding 0.70, Composite Reliability values above 0.70, and AVE values greater than 0.50. These results indicate that the items within each construct are consistent and validly represent their respective latent variables.

c. Discriminant Validity

Discriminant validity was assessed using the Fornell–Larcker Criterion. The results are presented below:

Table 3. Discriminant Validity (Fornell–Larcker Criterion)

Construct	AVE	Correlation with Other Constructs	Discriminant Validity
Student Expectation	0.896	0.727, 0.764, 0.678	Established
Business Ethics	0.885	0.727, 0.798, 0.740	Established

Construct	AVE	Correlation with Other Constructs	Discriminant Validity
Economic Ethics	0.900	0.764, 0.798, 0.809	Established
Moral Foundations	0.890	0.678, 0.740, 0.809	Established

Source: Processed SEM-PLS Data

The square root of each construct's AVE (diagonal values) is greater than its correlations with other constructs (off-diagonal values), indicating that discriminant validity has been established.

d. Outer Loadings Analysis

Table 4. Outer Loadings

Indicator	Construct	Outer Loading
EB1 – Business Ethics	Business Ethics	0.858
EB2 – Business Ethics	Business Ethics	0.883
EB3 – Business Ethics	Business Ethics	0.913
EB4 – Business Ethics	Business Ethics	0.885
ED1 – Student Expectations in the Digital Era	Student Expectations in the Digital Era	0.900
ED2 – Student Expectations in the Digital Era	Student Expectations in the Digital Era	0.865
ED3 – Student Expectations in the Digital Era	Student Expectations in the Digital Era	0.904
ED4 – Student Expectations in the Digital Era	Student Expectations in the Digital Era	0.914
EE1 – Economic Ethics	Economic Ethics	0.929
EE2 – Economic Ethics	Economic Ethics	0.837
EE3 – Economic Ethics	Economic Ethics	0.941
EE4 – Economic Ethics	Economic Ethics	0.890
MF1 – Moral Foundations	Moral Foundations	0.898
MF2 – Moral Foundations	Moral Foundations	0.913
MF3 – Moral Foundations	Moral Foundations	0.888
MF4 – Moral Foundations	Moral Foundations	0.862

Source: Processed SEM-PLS Data

The results of the outer loadings presented in Table 4 indicate that all indicators under the constructs of Business Ethics (BE), Student Expectations in the Digital Era (SE), Economic Ethics (EE), and Moral Foundations (MF) have loading values ranging from 0.837 to 0.941, all of which exceed the recommended threshold of 0.70 (Hair et al., 2019). This suggests that all

indicators meet the criteria for convergent validity and are appropriate for representing their respective latent constructs.

The indicators with the highest loading values are EE3 (0.941), SE4 (0.914), BE3 (0.913), and MF2 (0.913). Accordingly, all measurement items are statistically valid, and no indicators need to be eliminated (Hair et al., 2022).

2. Structural Model Evaluation

a. Path Coefficients and Hypothesis Testing

Table 5. Path Coefficients (Inner Model Testing / Relationships Among Constructs)

Relationship	Coefficient (β)	T-Statistic	P-Value	Significance
Business Ethics \rightarrow Student Expectations	0.301	2.690	0.007	Significant
Economic Ethics \rightarrow Student Expectations	0.451	3.555	0.000	Highly Significant
Moral Foundations \rightarrow Student Expectations	0.092	0.390	0.490	Not Significant

Source: Processed SEM-PLS Data

The path coefficient analysis indicates that Economic Ethics ($\beta = 0.451$; $p = 0.000$) and Business Ethics ($\beta = 0.301$; $p = 0.007$) have a positive and statistically significant effect on Student Expectations, as their p-values are below 0.05. In contrast, Moral Foundations ($\beta = 0.092$; $p = 0.490$) does not show a statistically significant effect, as its p-value exceeds 0.05. Therefore, its influence on Student Expectations is considered statistically insignificant.

b. Coefficient of Determination (R-Square)

Table 6. R-Square

Construct	R-square	R-square Adjusted
Student Expectations in the Digital Era	0.624	0.613

Source: Processed SEM-PLS Data

The coefficient of determination (R^2) for the construct *Student Expectations in the Digital Era* is 0.624, indicating that 62.4% of its variance is explained by *Business Ethics*, *Economic Ethics*, and *Moral Foundations*. The remaining 37.6% is attributable to other variables not included in the current model.

c. Effect Size (f-Square)

Table 7. f-square Matrix

Student Expectations in the Digital Era	Business Ethics	Economic Ethics	Moral Foundation
Business Ethics	0.081		
Economic Ethics	0.139		
Moral Foundation	0.007		

Source: Processed SEM-PLS Data

d. Predictive Relevance (Q², RMSE, and MAE)

1) Q²_predict

The Q²_predict value is 0.562, indicating that the model has a strong predictive ability for the dependent variable. According to Hair et al. (2019), a Q² value above 0.50 suggests that the model demonstrates good predictive relevance.

2) RMSE & MAE

Table 8. RMSE and MAE Test Results

Metric	Value	Interpretation
RMSE	0.680	Low prediction error
MAE	0.413	Fairly accurate prediction

Source: Processed SEM-PLS Data

The Root Mean Square Error (RMSE) of 0.680 indicates a low level of prediction error, while the Mean Absolute Error (MAE) of 0.413 reflects a reasonably accurate level of prediction. These results support the model's predictive validity.

D. DISCUSSION

1. Economic Ethics and Students' Expectations toward Islamic Religious Education

The findings indicate that Economic Ethics has a positive and significant influence on students' expectations toward Islamic Religious Education ($\beta = 0.451$; $p = 0.000$). This result suggests that students who possess a stronger understanding of Islamic economic principles tend to expect PAI to provide practical guidance relevant to their academic and future professional lives.

This finding is consistent with the work of Wibowo et al., 2024, who argue that Islamic economic ethics serves as an important foundation for promoting social justice, economic responsibility, and ethical decision-making. Similarly, Iswanto, 2022 emphasizes that Islamic

economics is concerned not only with economic transactions but also with the development of ethical awareness through principles such as zakat, equitable wealth distribution, and social welfare. Salim et al.,(2023) further found that understanding Islamic economic values enhances students' perceptions of the relevance of Islamic teachings in contemporary economic activities.

The consistency between the present findings and previous studies indicates that students increasingly perceive PAI as a source of practical ethical guidance rather than merely religious instruction. Economic Ethics appears to strengthen students' expectations because it directly connects Islamic values with real economic issues, including taxation, financial responsibility, social justice, and sustainable development (Iswanto, 2022;Wibowo et al., 2024). This relationship is particularly relevant given that the respondents are economics and business students, who are more likely to value learning content that supports their disciplinary interests and future professional responsibilities (Salim et al., 2023).

Moreover, the relatively high path coefficient ($\beta = 0.451$) indicates that Economic Ethics is the strongest predictor in the model. This finding suggests that students expect PAI not only to strengthen religious understanding but also to provide applicable ethical frameworks for addressing contemporary economic challenges (Iswanto, 2022; Wibowo et al., 2024; Salim et al., 2023).(Iswanto, 2022;Wibowo et al., 2024;Salim et al., 2023).

2. Business Ethics and Students' Expectations toward Islamic Religious Education

Business Ethics was also found to have a positive and significant effect on students' expectations of PAI ($\beta = 0.301$; $p = 0.007$). This result indicates that students expect PAI to contribute to the development of ethical behavior and professional integrity in future business practices.

The findings are consistent with Sholihah (2020), who emphasizes that Islamic business ethics promotes honesty, transparency, accountability, and ethical transactions. Similarly, Astuti (2022) argues that Islamic business ethics helps prepare students to face contemporary ethical challenges in professional environments. Heriyanto and Taufiq (2024) further highlight the growing importance of ethical business values amid globalization and digital business transformation, while Adejumo and Ogburie (2025) demonstrate that ethical awareness is essential for preventing unethical practices and maintaining public trust in organizations.

The findings are consistent with Sholihah (2020), who emphasizes that Islamic business ethics promotes honesty, transparency, accountability, and ethical transactions. Similarly, Astuti, (2022) argues that Islamic business ethics helps prepare students to face contemporary ethical challenges in professional environments. Heriyanto & Taufiq, (2024) further highlight the growing importance of ethical business values amid globalization and digital business transformation, while Adejumo & Ogburie,(2025) demonstrating that ethical awareness is essential for preventing unethical practices and maintaining public trust in organizations.

The consistency between the present findings and previous studies suggests that students increasingly associate the relevance of Islamic Religious Education with its ability to provide practical ethical guidance for real-world business activities. Business Ethics strengthens students' expectations by offering practical frameworks for addressing transparency, accountability, fair transactions, and corporate responsibility in contemporary

business environments (Sholihah, 2020; Astuti, 2022). This relationship is particularly relevant to economics and business students preparing to enter professional settings shaped by digital commerce, fintech, and technological innovation (Heriyanto & Taufiq, 2024; Adejumo & Ogburie, 2025).

The consistency between the present findings and previous studies suggests that students increasingly associate the relevance of Islamic Religious Education with its ability to provide practical ethical guidance for real-world business activities. Business Ethics strengthens students' expectations because it offers applicable frameworks for addressing transparency, accountability, fair transactions, and corporate responsibility in contemporary business environments (Sholihah, 2020; Astuti, 2022). This relationship is particularly relevant for economics and business students who are preparing to enter professional settings shaped by digital commerce, fintech, and technological innovation (Heriyanto & Taufiq, 2024; Adejumo & Ogburie, 2025).

Moreover, the significant positive effect of Business Ethics ($\beta = 0.301$) indicates that ethical considerations remain an important factor in shaping students' expectations of PAI, although their influence is lower than that of Economic Ethics. The findings suggest that students expect PAI not only to strengthen religious understanding but also to provide ethical competencies applicable to contemporary business and organizational contexts. Therefore, integrating business ethics into PAI may help bridge the gap between Islamic values and professional challenges in the Industry 4.0 era (Adejumo & Ogburie, 2025; Heriyanto & Taufiq, 2024; Sholihah, 2020; Astuti, 2022).

3. Moral Foundations and Students' Expectations toward Islamic Religious Education

Unlike the other variables, Moral Foundations did not significantly influence students' expectations of PAI ($\beta = 0.092$; $p = 0.490$). Although moral values such as honesty, trustworthiness (*amanah*), responsibility, and justice are central components of Islamic education, they did not appear to be decisive factors in shaping students' expectations regarding PAI.

This finding differs from Anwar et al., 2018, who reported that Islamic Religious Education contributes significantly to character development and moral formations among university students. Similarly, Ulum et al., (2021) found that PAI positively influences students' academic ethics and moral behavior. Saputra, (2024) also concluded that Islamic Religious Education remains an important medium for character building in higher education.

The discrepancy between the present findings and previous studies may be attributed to differences in the dependent variables examined. Previous studies generally focused on the outcomes of Islamic Religious Education, such as character development, ethical behavior, and moral formation, whereas the present study examines students' expectations toward PAI (Anwar et al., 2018; Ulum et al., 2021; Saputra, 2024). As first-semester students in economics and business programs, respondents may place greater emphasis on practical issues related to their academic disciplines and future careers than on abstract moral concepts. Consequently, ethical issues associated with economic activities, business transactions, financial

responsibility, and professional conduct may be perceived as more immediately relevant (Ulum et al., 2021; Saputra, 2024).

The non-significant effect of Moral Foundations ($\beta = 0.092$; $p = 0.490$) does not imply that moral values are unimportant. Rather, the findings suggest that general moral values alone may be insufficient to shape students' expectations when contextual ethical dimensions are considered simultaneously. This result highlights the importance of integrating moral principles with practical applications in economics and business contexts so that students can better perceive the relevance of Islamic Religious Education to contemporary professional challenges (Anwar et al., 2018; Ulum et al., 2021). Moral Foundations may therefore operate indirectly through contextual ethical frameworks such as Economic Ethics and Business Ethics in shaping students' perceptions of PAI.

4. Theoretical, Pedagogical, and Contextual Implications

From a theoretical perspective, this study extends the literature on Islamic Religious Education by demonstrating that students' expectations are more strongly influenced by contextual ethical dimensions, particularly Economic Ethics and Business Ethics, than by general moral values. The findings support the argument that contextual ethical frameworks provide greater explanatory power in understanding students' perceptions of educational relevance within specialized academic disciplines (Salim et al., 2023; Specifically, students appear to evaluate the relevance of PAI not only through its moral content but also through its ability to address discipline-specific ethical challenges in economics and business education (Iswanto, 2022; Wibowo et al., 2024).

From a pedagogical perspective, the findings suggest that PAI learning should integrate Islamic economic ethics, business ethics, and contemporary case studies into classroom activities. Learning approaches such as experiential learning, project-based learning, case analysis, and reflective discussion may strengthen students' understanding of the practical relevance of Islamic values and enhance engagement through contextual problem-solving (Astuti, 2022; Ulum et al., 2021; Anwar et al., 2018). Therefore, PAI instruction should encourage critical reflection on ethical issues related to digital business, financial technology, taxation, e-commerce, social responsibility, and professional integrity from an Islamic perspective.

From a contextual perspective, the findings reflect the changing expectations of students in the Industry 4.0 era. Contemporary students expect PAI to address ethical issues emerging from digital business, Islamic fintech, e-commerce, and technology-driven decision-making processes (Salim et al., 2023; Heriyanto & Taufiq, 2024). Consequently, higher education institutions should ensure that PAI curricula remain responsive to digital transformation while maintaining their role in fostering Islamic values and ethical awareness. As digital technologies increasingly shape economic and business activities, students require ethical guidance that is relevant to contemporary professional environments (Heriyanto & Taufiq, 2024; Adejumo & Ogburie, 2025).

Overall, the model demonstrates substantial explanatory and predictive power, with $R^2 = 0.624$ and $Q^2 = 0.562$. These results indicate that Economic Ethics, Business Ethics, and Moral Foundations collectively provide a meaningful explanation of students' expectations toward

PAI and reinforce the importance of integrating contextual ethical dimensions into Islamic Religious Education, particularly within economics and business-oriented higher education institutions.

E. CONCLUSION

The SEM-PLS analysis of 105 respondents reveals that *Economic Ethics* ($\beta = 0.451$; $p = 0.000$) and *Business Ethics* ($\beta = 0.301$; $p = 0.007$) have a positive and significant influence on students' expectations toward Islamic Religious Education, while *Moral Foundation* ($\beta = 0.092$; $p = 0.490$) does not show a significant effect. The values of $R^2 = 0.624$ and $Q^2 = 0.562$ indicate that the model possesses strong explanatory power and predictive relevance.

Overall, students' expectations of PAI are more strongly influenced by the perceived relevance of Islamic economic and business ethics than by a basic understanding of moral values alone. Therefore, PAI instruction should be directed toward integrating Islamic values into economic, business, and digital-era contexts to make the curriculum more practical and better aligned with students' real-world needs.

BIBLIOGRAPHY

- Adejumo, A. P., & Ogburie, C. P. (2025). Financial statement manipulation: Ethical and regulatory perspectives. *GSC Advanced Research and Reviews*, 22(3), 252–264. <https://doi.org/10.30574/gscarr.2025.22.3.0087>
- Anwar, C., Saregar, A., Hasanah, U., & Widayanti, W. (2018). The Effectiveness of Islamic Religious Education in the Universities: The Effects on the Students' Characters in the Era of Industry 4.0. *Tadris: Jurnal Keguruan Dan Ilmu Tarbiyah*, 3(1), 77–87. <https://doi.org/10.24042/tadris.v3i1.2162>
- Astuti, A. R. T. (2022). Etika Bisnis Islam (Kasus-Kasus Kontemporer). In *IAIN Parepare Nusantara Press*.
- Atenas, J., Havemann, L., & Timmermann, C. (2023). Reframing data ethics in research methods education: a pathway to critical data literacy. *International Journal of Educational Technology in Higher Education*, 20(1), 1–27. <https://doi.org/10.1186/s41239-023-00380-y>
- Dang, C. T. (2023). Taylor-ing Ethics: Implications of Charles Taylor's Work of Retrieval on Moral Foundations Theory. *Business Ethics Quarterly*, 33(4), 655–681. <https://doi.org/10.1017/beq.2022.10>
- Demir, A., Haeun, L., Roth, E., Korea, S., & Info, A. (2025). *HALAL FINTECH AND DIGITAL GOVERNANCE: RECONCILING ISLAMIC ECONOMIC EPISTEMOLOGY WITH AI-DRIVEN*. 3(4), 173–182.
- Hair, F., Sarstedt, M., Ringle, C., & Hult, T. (2022). A Primer on Partial Least Squares Structural Equation Modeling. In *Long Range Planning* (Vol. 46, Issues 1–2). <https://doi.org/10.1016/j.lrp.2013.01.002>
- Hartono, R. A. (2024). Digital Transformation And Financial Inclusion In Islamic Economics: Ethical Challenges And Policy Implication. *SHACRAL: Shari'ah Economics Review*

- Journal*, 1(2), 64–79. <https://doi.org/10.62952/shacral.v1i2.55>
- Heriyanto, H., & Taufiq, T. (2024). Nilai-Nilai Ekonomi dan Etika Bisnis Dalam Perspektif Islam. *Jimmi: Jurnal Ilmiah Mahasiswa Multidisiplin*, 1(1), 24–37. <https://doi.org/10.71153/jimmi.v1i1.99>
- Ichsan, Y., Nuryana, Z., & Hamami, T. (2025). *Jurnal Studi Islam dan Kemuhammadiyah (JASIKA) Pengarusutamaan Meaningful Learning Melalui Pendidikan Agama Islam Kontekstual mengembangkan aspek spiritual (ruhiyyah), affektif (khuliqiyah), kognitif (fikriyah*. 5(2), 127–148.
- Iswanto, B. (2022). *Pengantar Ekonomi Islam* (1st ed.). PT. RajaGrafindo Persada.
- Latif, K. F., Bunce, L., & Ahmad, M. S. (2021). How can universities improve student loyalty? The roles of university social responsibility, service quality, and “customer” satisfaction and trust. *International Journal of Educational Management*, 35(4), 815–829. <https://doi.org/10.1108/IJEM-11-2020-0524>
- Nur Agustin, M., Khoirunaya, S., Tirta Aprilia, T., Lidtwin Titirloloby, E., & Saridawati, S. (2025). Analysis of Ethical Violations in Accounting Practices: A Case Study of Financial Statement Manipulation at eFishery. *Account*, 12(1), 2592–2596. <https://doi.org/10.32722/account.v12i1.7538>
- Rangkuti, M. Y. (2023). Toward a Holistic Framework of Islamic Business Ethics: Insights from Leadership, Halal Practices, and Finance in a Digital Age. *Sinergi International Journal of Islamic Studies*, 1(3), 114–127. <https://doi.org/10.61194/ijis.v1i3.593>
- Romli, M. (2025). *Students ' Understanding of the Concept of Usury (Riba) and Its Impact on Life : A Qualitative Study of Islamic Economics Students at Mulawarman University*. 27, 34–39.
- Salim, A. S., Purnamasari, A., & Nugraha, W. (2023). Pemikiran Ekonomi Taqiyuddin an-Nabhani Tentang Kepemilikan Menurut Ekonomi Islam, Kapitalis Dan Sosialis. *Ekonomica Sharia: Jurnal Pemikiran Dan Pengembangan Ekonomi Syariah*, 8(2), 337–346. <https://doi.org/10.36908/esha.v8i2.627>
- Saputra, F. (2024). Pembinaan Karakter Mahasiswa Melalui Pendidikan Agama Islam di Era Digital. *Wathan: Jurnal Ilmu Sosial Dan Humaniora*, 1(2), 176–188. <https://doi.org/10.71153/wathan.v1i2.77>
- Sarstedt, M., Ringle, C. M., & Hair, J. F. (2020). Handbook of Market Research. In *Handbook of Market Research* (Issue July). <https://doi.org/10.1007/978-3-319-05542-8>
- Sholihah, H. (2020). Islamic Business Ethics In The Maqasid Al-Shari'ah Perspective. *Jurnal Ekonomi Dan Keuangan Syariah*, 4(2), 324–335. <https://doi.org/DOI:https://doi.org/10.29313/amwaluna.v4i2.5790>
- Susila, H. J. (2026). Exploring Islamic Marketing Strategies Among Gen Z Entrepreneurs Using Social Media : A Case Study From STIE Balikpapan. *Golden Ratio of Marketing and Applied Psychology of Business*, 6, 226–234. <https://doi.org/https://doi.org/10.52970/grmapb.v6i1.1595>
- Syahlarriyadi, Lutfi, & Mujiburrohman. (2025). *An-Nur : Jurnal Studi Islam INTEGRATION OF TASAWUF ETHICS IN THE ISLAMIC DIGITAL ECONOMY : AQIDAH , SYARI ' AH AND AKHLAQ*. 17(1), 131–153.
- Taher, A. (2023). Stakeholders' opinions support the people-process-technology framework for

- implementing digital transformation in higher education. *Technology, Pedagogy and Education*, 32(5), 555–567. <https://doi.org/10.1080/1475939X.2023.2248134>
- Ulum, B., Septayuda, T., Mukhlis, A. H., Salma, H., & Harahapst, E. N. (2021). Dampak Matakuliah Pendidikan Agama Islam Terhadap Etika Akademik : Studi Atas Mahasiswa Universitas Al-Azhar. *Al-Tadzkiyyah: Jurnal Pendidikan Islam*, 12(1), 47–66.
- Wibowo, A., Dedek, R., & Karnedi, R. (2024). Landasan Pendidikan Islam dan Etika Ekonomi Perspektif Al-Qur'an. *Rayah Al-Islam*, 8(4), 2193–2202. <https://doi.org/10.37274/rais.v8i4.1159>
- Ylä-Anttila, T. (2023). Comparative moral principles: justifications, values, and foundations. *Humanities and Social Sciences Communications*, 10(1), 1–10. <https://doi.org/10.1057/s41599-023-01684-0>
- Zvereva, E. (2023). Digital ethics in higher education: Modernizing moral values for effective communication in cyberspace. *Online Journal of Communication and Media Technologies*, 13(2). <https://doi.org/10.30935/ojcmt/13033>