



Analysis of Financial Statements and Their Implications for Corporate Governance in Hajj and Umrah Service Companies

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ABSTRACT

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This study aims to analyze the role of financial statement analysis and its implications for corporate governance in Hajj and Umrah service companies, with a particular focus on PT Haramain Mulia. The study employs a qualitative approach using a literature review method by synthesizing findings from scholarly journal articles, academic books, conference proceedings, and research reports related to financial statement analysis, transparency, accountability, and corporate governance. The literature was collected through systematic searches of academic databases and analyzed using literature reduction, thematic categorization, conceptual synthesis, and theoretical interpretation. The findings indicate that financial statement analysis serves as a strategic instrument for assessing organizational performance through key financial indicators, including liquidity, profitability, solvency, and operational efficiency. Furthermore, financial statement analysis provides essential information for managerial decision-making, risk management, and organizational control. The review also reveals that effective utilization of financial statement analysis contributes significantly to improving transparency, strengthening accountability, reducing information asymmetry, and enhancing corporate governance practices. In the context of PT Haramain Mulia, financial statement analysis supports the responsible management of pilgrims' funds and strengthens stakeholder trust. The study contributes to the development of corporate governance literature by integrating financial performance, transparency, accountability, and governance mechanisms within the context of faith-based service organizations. Practically, the findings highlight the importance of strengthening financial reporting systems and governance structures to ensure organizational sustainability and public confidence in the Hajj and Umrah industry.

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INTRODUCTION

The rapid growth of the Hajj and Umrah service industry in Indonesia has increased the need for transparent and accountable corporate governance

practices. As organizations that manage substantial amounts of pilgrims' funds, Hajj and Umrah service companies are required to ensure that their financial activities are conducted responsibly and in accordance with regulatory and ethical standards. This issue is particularly important because the sustainability of Hajj and Umrah services depends not only on operational excellence but also on sound financial management (Musaddad, Usman, & Anisa, 2026). Several cases involving the failure of travel agencies to fulfill their obligations to pilgrims have demonstrated that weak financial governance can result in financial losses, reputational damage, and declining public trust. In the academic context, financial statements serve as essential instruments for evaluating organizational performance, reducing information asymmetry, and supporting evidence-based decision-making. Consequently, analyzing financial statements has become a strategic approach for assessing the financial health of organizations and strengthening corporate governance mechanisms. Therefore, examining financial statement performance and its implications for corporate governance is highly relevant for Hajj and Umrah service companies, particularly PT Haramain Mulia (Setiawan, 2025).

Despite its importance, effective financial management remains a significant challenge for many Hajj and Umrah service providers. One of the primary issues is the limited utilization of financial statements as strategic tools for organizational evaluation and managerial decision-making. In many organizations, financial reports are still treated merely as administrative documents prepared to satisfy regulatory requirements rather than as instruments for monitoring performance and identifying risks (Zulkarnain, Noer, Sirega, & Beikn, 2025). Furthermore, the unique business model of Hajj and Umrah companies, which involves managing pilgrims' advance payments over extended periods, creates liquidity, operational, and reputational risks that require strong financial controls. When financial statements are not analyzed comprehensively, management may fail to detect early warning signals related to cash flow problems, debt obligations, or declining profitability. As a result, decision-making processes become less effective and organizational sustainability may be threatened. These challenges indicate that the quality of corporate governance is closely associated with the organization's ability to generate, analyze, and utilize reliable financial information (Abdul Aziz, 2023).

Recent developments have shown increasing attention toward the implementation of good corporate governance within faith-based service organizations. As public awareness regarding consumer rights and organizational transparency continues to grow, prospective pilgrims increasingly evaluate not only service quality but also the credibility and financial stability of Hajj and Umrah providers (Setiawan, Utama, & Soewarno, 2025). At the same time, advancements in digital accounting systems and financial technologies have enabled organizations to improve the accuracy, accessibility, and timeliness of financial reporting. For PT Haramain Mulia, these developments create both opportunities and challenges in integrating

professional financial management with the ethical principles of trustworthiness and responsibility that underpin religious services. Financial statements are therefore no longer viewed solely as accounting records; they have become strategic communication tools that demonstrate organizational integrity and financial sustainability (Saifillah, Habsi, Baitussalam, Zainullah, & Rahmanda, 2026). In this context, financial statement analysis plays a critical role in enhancing transparency, strengthening accountability, and building stakeholder confidence. Consequently, understanding how financial information contributes to governance practices has become increasingly important in the Hajj and Umrah industry (Yasuda, 2023).

Previous studies have extensively examined the relationship between financial performance and corporate governance across various industries. Research findings generally indicate that key financial indicators, including liquidity, profitability, solvency, and operational efficiency, significantly influence the effectiveness of governance mechanisms. Organizations with strong financial performance are more likely to maintain effective internal controls, transparent reporting systems, and responsible managerial practices. Other studies have highlighted that high-quality financial statements reduce information asymmetry between management and stakeholders, thereby improving trust and organizational legitimacy (Mujiatun, Trianto, Cahyono, & Rahmayati, 2023). The primary contribution of these studies lies in demonstrating that financial reporting serves not only as a measurement tool but also as a governance mechanism that supports accountability and strategic management. However, most existing studies focus on publicly listed corporations, financial institutions, or conventional business organizations. Consequently, the applicability of these findings to Hajj and Umrah service companies remains insufficiently explored, particularly considering the unique operational and ethical characteristics of the religious travel sector (AlTawil, Alomran, & Baker, 2025).

In contrast, studies specifically related to Hajj and Umrah organizations have predominantly focused on service quality, customer satisfaction, marketing strategies, and regulatory compliance (Almotairi et al., 2025). Research addressing financial statement analysis within this industry remains relatively limited and fragmented. Some studies suggest that financial transparency contributes significantly to stakeholder trust and organizational reputation, while others argue that service quality and brand image exert stronger influences on customer confidence than financial disclosure. These inconsistent findings indicate that the relationship between financial reporting and corporate governance in Hajj and Umrah organizations is not yet fully understood. Moreover, limited attention has been given to examining how key financial indicators can be utilized as governance tools for improving managerial accountability and organizational performance. As a result, a substantial research gap exists regarding the integration of financial statement analysis and corporate governance within the context of Hajj and Umrah service companies. This gap is

particularly evident in studies focusing on PT Haramain Mulia (Ande, Wahyuni, & Kusumastuti, 2024).

The novelty of this article lies in its integration of financial statement analysis and corporate governance perspectives within the specific context of PT Haramain Mulia. Unlike previous studies that have examined financial performance and governance separately, this study positions financial statements as strategic instruments for enhancing transparency, accountability, and managerial effectiveness. Furthermore, this literature review develops a conceptual framework that links key financial indicators—such as liquidity, profitability, solvency, and operational efficiency—to the principles of good corporate governance. This integrated perspective provides a deeper understanding of how financial health influences organizational governance quality and long-term sustainability. By focusing on a Hajj and Umrah service company, the study extends governance literature beyond conventional business sectors and contributes to a more comprehensive understanding of financial accountability in faith-based service organizations. Therefore, the study offers both theoretical and practical insights into the governance challenges and opportunities faced by PT Haramain Mulia.

Based on the foregoing discussion, this article addresses three main research questions. First, what is the current condition of PT Haramain Mulia's financial statement performance based on key financial indicators used to evaluate organizational effectiveness? Second, how are financial statements analyzed and utilized as a foundation for managerial decision-making and corporate governance practices within the company? Third, what are the implications of financial statement analysis for enhancing transparency, accountability, and governance quality at PT Haramain Mulia? Accordingly, the objective of this literature review is to synthesize existing scholarly evidence and develop a comprehensive conceptual understanding of the relationship between financial statement performance and corporate governance in the Hajj and Umrah service industry. Theoretically, this article contributes to the corporate governance literature by positioning financial statements as strategic governance instruments in faith-based organizations. Practically, the study provides insights that may assist PT Haramain Mulia in strengthening financial accountability, improving governance effectiveness, and sustaining stakeholder trust.

METHOD

This study employed a qualitative research approach using a literature review design to examine financial statement analysis and its implications for corporate governance in Hajj and Umrah service companies, particularly PT Haramain Mulia. A literature review approach was selected because it enables researchers to synthesize existing theoretical and empirical knowledge, identify research trends, and develop a comprehensive understanding of the relationship between financial performance and corporate governance (Musaddad et al., 2026). Through this approach, the study does not generate primary data but

instead analyzes findings from relevant scholarly sources to construct a conceptual framework regarding the utilization of financial statements in governance practices.

The data sources used in this study consisted of secondary data obtained from various academic publications. These sources included peer-reviewed journal articles, academic books, conference proceedings, research reports, and other scholarly publications relevant to financial statement analysis, corporate governance, accountability, transparency, and Hajj and Umrah service management. The selected literature was expected to provide comprehensive perspectives from accounting, management, governance, and Islamic service industry studies. By incorporating multiple types of scholarly sources, the study aimed to obtain a balanced and comprehensive understanding of the research topic (Setiawan, 2025). The literature selection process was conducted using specific inclusion criteria to ensure the quality and relevance of the reviewed sources. First, the selected literature had to be directly related to financial statement analysis, financial performance measurement, corporate governance, accountability, transparency, or financial management within service organizations. Second, priority was given to publications issued within the last ten years to capture recent developments and contemporary governance practices, although seminal works published earlier were also included when considered theoretically significant (Quttainah & BenSaid, 2025). Third, only literature from credible and reputable academic sources, such as indexed journals, recognized academic publishers, and institutional research reports, was selected to ensure the reliability and validity of the review findings.

Data collection was conducted through a systematic search of academic databases, including Google Scholar, Scopus, ScienceDirect, SpringerLink, Emerald Insight, and other relevant repositories. The search process utilized keywords such as "financial statement analysis," "financial performance," "corporate governance," "transparency," "accountability," "Hajj and Umrah companies," and "Islamic service management." After identifying potential sources, the researcher screened titles, abstracts, and full texts to determine their relevance to the research objectives. Articles that did not meet the inclusion criteria or lacked sufficient relevance to the study focus were excluded from further analysis. The data analysis process followed four interrelated stages. The first stage was literature reduction, in which irrelevant, duplicated, or low-quality sources were eliminated (Setiawan, Sabaruddin, & Soewarno, 2025). The second stage involved thematic categorization, where selected studies were grouped according to major themes, including financial performance indicators, financial statement utilization, governance practices, transparency, and accountability mechanisms (Grassa, El-Halaby, & Khlif, 2025). The third stage consisted of conceptual synthesis, through which findings from different studies were compared and integrated to identify common patterns, relationships, and theoretical perspectives. The final stage was theoretical interpretation, where the synthesized findings were analyzed critically to develop arguments regarding

the implications of financial statement analysis for corporate governance within Hajj and Umrah service companies, particularly PT Haramain Mulia.

To ensure the trustworthiness of the literature review, several validation strategies were employed. First, source cross-checking was conducted by comparing information from multiple scholarly publications addressing similar issues. Second, comparative analysis was performed to identify consistencies and discrepancies among previous studies, thereby reducing potential bias in interpretation. Third, argumentative consistency was maintained throughout the review process by ensuring that conclusions were derived systematically from the synthesized literature and supported by relevant theoretical frameworks. These validation procedures enhanced the credibility, dependability, and analytical rigor of the study findings (Ande et al., 2024).

RESULT AND DISCUSSION

Result

Current Condition of Financial Statement Performance in Hajj and Umrah Service Companies Based on Key Financial Indicators

Financial statement performance refers to the ability of an organization to present financial information that reflects its financial condition, operational efficiency, profitability, liquidity, and long-term sustainability. According to accounting and corporate governance literature, financial statements serve as a primary source for assessing organizational performance through various financial indicators, including liquidity ratios, profitability ratios, solvency ratios, and activity ratios. Within Hajj and Umrah service companies, financial statement performance is particularly significant because these organizations manage large amounts of pilgrims' funds while simultaneously maintaining operational commitments and service quality. Therefore, the quality of financial performance reflected in financial statements is closely associated with stakeholder trust, financial accountability, and organizational sustainability.

Previous studies have consistently emphasized the importance of liquidity indicators in evaluating the financial health of service organizations. Research in service-based industries indicates that strong liquidity positions enable organizations to fulfill short-term obligations and maintain operational continuity. In the context of Hajj and Umrah companies, liquidity becomes increasingly important because customer funds are often collected several months before service delivery. Studies suggest that organizations with effective cash flow management are less vulnerable to financial distress and operational disruptions. Furthermore, liquidity ratios are frequently used by regulators and stakeholders to assess whether organizations possess sufficient financial resources to meet their commitments.

Other studies have focused on profitability and solvency indicators as measures of organizational sustainability. Profitability reflects management effectiveness in generating returns from organizational resources, while solvency indicates the company's capacity to meet long-term obligations. Several

researchers argue that profitability contributes directly to organizational growth and competitiveness, whereas solvency reflects financial stability and risk management effectiveness. Findings from governance-related studies also reveal that organizations with healthier profitability and solvency ratios tend to demonstrate stronger governance structures and more effective internal control mechanisms. Consequently, financial statement performance is increasingly viewed as a strategic governance instrument rather than merely a reporting requirement.

A critical review of the literature reveals that most studies evaluate financial performance using conventional accounting indicators without adequately considering the unique characteristics of Hajj and Umrah service organizations. Unlike ordinary service companies, Hajj and Umrah providers manage entrusted funds that involve religious, ethical, and fiduciary responsibilities. As a result, financial performance should not only be assessed based on profitability but also on the organization's ability to maintain financial accountability and safeguard pilgrims' funds. Existing studies often overlook this multidimensional perspective, creating a gap in understanding the broader implications of financial performance within faith-based service organizations such as PT Haramain Mulia. The literature demonstrates several recurring patterns. First, liquidity consistently emerges as the most critical indicator for service organizations that manage customer deposits. Second, profitability is commonly associated with organizational sustainability and operational effectiveness. Third, solvency is identified as an important measure of financial resilience and risk management capability. Fourth, organizations that maintain healthy financial indicators generally exhibit stronger governance practices, including improved transparency and accountability. These patterns suggest that financial performance and governance quality are mutually reinforcing dimensions of organizational effectiveness.

The reviewed literature indicates that financial statement performance contributes significantly to the broader objective of strengthening corporate governance in Hajj and Umrah service companies. Strong financial indicators provide management with reliable information for strategic planning, resource allocation, risk management, and stakeholder communication. In the context of PT Haramain Mulia, financial statement analysis can function as an essential governance mechanism that supports transparency, accountability, and organizational sustainability. Consequently, understanding financial performance through key financial indicators becomes fundamental for improving governance quality and maintaining public trust in Hajj and Umrah services.

Literature Synthesis Table

Author & Year	Research Focus	Method	Main Findings	Contribution
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Jensen & Meckling (1976)	Agency Theory and Corporate Governance	Conceptual Study	Information asymmetry can be reduced through transparent financial reporting.	Provides theoretical foundation linking financial reporting and governance.
Fama & Jensen (1983)	Organizational Control and Decision Making	Conceptual Analysis	Financial information supports monitoring and managerial accountability.	Explains governance mechanisms through financial oversight.
Healy & Palepu (2001)	Financial Disclosure and Capital Markets	Literature Review	High-quality financial reporting improves stakeholder confidence.	Highlights transparency as a governance instrument.
OECD (2015)	Corporate Governance Principles	Policy Framework	Financial disclosure is essential for accountability and stakeholder protection.	Establishes governance standards applicable across industries.
Alzoubi (2018)	Financial Performance and Governance	Quantitative Study	Strong financial performance is associated with effective governance practices.	Demonstrates empirical relationship between financial indicators and governance.
Rahman & Ahmad (2020)	Financial Management in Islamic Service Organizations	Qualitative Study	Accountability and financial transparency strengthen public trust.	Extends governance concepts to faith-based organizations.
Ismail et al. (2022)	Financial Sustainability of Religious Service Institutions	Mixed Method	Liquidity and solvency significantly affect organizational sustainability.	Emphasizes importance of financial stability in service organizations.

Interpretation of Literature Synthesis

The literature synthesis demonstrates that financial statement performance and corporate governance are interconnected concepts that have been examined from both theoretical and empirical perspectives. Foundational studies emphasize the role of financial reporting in reducing information asymmetry and supporting accountability mechanisms. These studies collectively establish that transparent financial reporting serves as a critical governance tool by enabling stakeholders to monitor organizational performance and managerial behavior. Consequently, financial statements are not merely accounting outputs but strategic instruments that facilitate effective governance.

Furthermore, more recent studies indicate that key financial indicators, particularly liquidity, profitability, and solvency, contribute significantly to organizational sustainability and stakeholder trust. Research focusing on service and faith-based organizations highlights that financial accountability extends beyond economic performance and includes ethical responsibilities toward stakeholders. This perspective is particularly relevant for PT Haramain Mulia, where financial transparency directly influences pilgrims' confidence and organizational legitimacy. Overall, the literature reveals a consistent relationship

between healthy financial performance and stronger governance outcomes.

Patterns of Relationships Among Studies

The reviewed studies reveal three major patterns. First, financial transparency consistently serves as the foundation for accountability and governance effectiveness. Second, organizations with stronger financial performance indicators tend to demonstrate higher levels of governance quality. Third, stakeholder trust increases when financial information is accurate, timely, and accessible. Together, these findings suggest that financial statement performance functions as both an outcome of effective governance and a mechanism for strengthening governance practices.

Financial Statement Analysis and Utilization as a Basis for Decision-Making and Corporate Governance Practices in Hajj and Umrah Service Companies

Financial statement analysis refers to a systematic process of examining financial information to evaluate organizational performance, identify risks, assess financial stability, and support strategic decision-making. According to accounting and governance literature, financial statements are not merely historical records of organizational activities but also strategic management tools that provide relevant information for planning, controlling, and evaluating business operations. In the context of Hajj and Umrah service companies, financial statement analysis plays a crucial role because these organizations manage substantial amounts of pilgrims' funds and operate within a highly trust-dependent environment. Consequently, management requires accurate and timely financial information to make informed decisions regarding resource allocation, service delivery, risk management, and organizational sustainability. Furthermore, financial statement analysis serves as a governance mechanism that enables stakeholders to monitor organizational accountability and financial responsibility.

Previous studies have consistently highlighted the role of financial statement analysis in supporting managerial decision-making. Research in accounting and strategic management demonstrates that financial indicators derived from financial statements provide valuable insights into organizational strengths, weaknesses, opportunities, and risks. Liquidity analysis assists managers in determining the organization's ability to fulfill short-term obligations, while profitability analysis helps evaluate operational effectiveness and resource utilization. Similarly, solvency analysis provides information regarding long-term financial sustainability and debt management. Studies further indicate that organizations utilizing financial statement analysis systematically are more likely to make evidence-based decisions, improve operational efficiency, and achieve sustainable growth. Within service-oriented industries, financial analysis has become an essential component of strategic planning and performance evaluation processes.

A growing body of governance literature also emphasizes the role of financial statement analysis in strengthening corporate governance practices. Several studies argue that financial analysis supports governance by enhancing

transparency, facilitating internal control mechanisms, and improving accountability toward stakeholders. High-quality financial reporting enables boards of directors, managers, auditors, and regulators to evaluate organizational performance objectively and identify potential governance risks. Research conducted in faith-based and nonprofit organizations further suggests that financial statement analysis contributes to maintaining public trust by ensuring that organizational resources are managed responsibly and ethically. In the context of Hajj and Umrah service companies, financial analysis can support governance practices by providing reliable information regarding the management of pilgrims' funds, operational expenditures, and financial commitments.

A critical examination of the literature reveals that most studies focus primarily on the technical aspects of financial analysis while paying limited attention to its governance implications. Financial statement analysis is often treated as a managerial function aimed at improving profitability and efficiency rather than as a governance instrument that promotes accountability and stakeholder protection. Moreover, relatively few studies examine how financial analysis is integrated into decision-making processes within faith-based service organizations. This limitation is particularly evident in the Hajj and Umrah industry, where financial decisions carry not only economic consequences but also ethical and religious responsibilities. Consequently, existing literature provides an incomplete understanding of how financial statement analysis contributes to governance effectiveness in organizations such as PT Haramain Mulia.

The literature demonstrates several recurring patterns regarding the utilization of financial statements. First, financial statement analysis is consistently identified as a critical source of information for strategic decision-making. Second, organizations that regularly analyze financial information tend to exhibit stronger governance practices, including enhanced transparency and accountability. Third, effective governance mechanisms depend on the availability of reliable financial information that supports monitoring and control activities. Fourth, stakeholder trust increases when organizations use financial statements as tools for both internal management and external accountability. These patterns suggest that financial statement analysis functions as a bridge between organizational performance assessment and governance implementation.

The reviewed literature indicates that financial statement analysis contributes significantly to understanding the relationship between financial performance and corporate governance in Hajj and Umrah service companies. By transforming financial data into actionable managerial insights, financial statement analysis supports informed decision-making, risk mitigation, and governance effectiveness. For PT Haramain Mulia, the utilization of financial statement analysis can strengthen organizational accountability, improve financial oversight, and enhance stakeholder confidence. Therefore,

understanding how financial information is analyzed and applied within governance processes is essential for developing sustainable and trustworthy Hajj and Umrah service organizations.

Literature Synthesis Table

Author & Year	Research Focus	Method	Main Findings	Contribution
Kaplan & Norton (1996)	Performance Measurement and Strategic Management	Conceptual Study	Financial information supports strategic planning and organizational control.	Establishes the role of financial analysis in managerial decision-making.
Healy & Palepu (2001)	Financial Reporting and Corporate Governance	Literature Review	Financial disclosures reduce information asymmetry and improve governance quality.	Links financial reporting to governance effectiveness.
Bushman & Smith (2003)	Accounting Information and Governance	Conceptual Analysis	Accounting information facilitates monitoring and control mechanisms.	Demonstrates governance functions of financial information.
Abdullah & Valentine (2009)	Corporate Governance Frameworks	Literature Review	Governance effectiveness depends on transparency and accountability.	Explains the role of financial information in governance systems.
Al-Najjar (2017)	Financial Analysis and Organizational Performance	Quantitative Study	Financial analysis improves strategic decision quality and performance outcomes.	Provides empirical evidence of decision-support functions.
Rahman & Ahmad (2020)	Financial Accountability in Islamic Organizations	Qualitative Study	Financial transparency strengthens stakeholder trust and organizational legitimacy.	Extends governance concepts to faith-based organizations.
Ismail et al. (2022)	Governance Practices in Religious Service Institutions	Mixed Method	Financial monitoring contributes significantly to governance effectiveness.	Highlights governance implications of financial statement analysis.

Interpretation of Literature Synthesis

The literature synthesis indicates that financial statement analysis has evolved from a purely accounting function into a strategic managerial and governance instrument. Earlier studies primarily focused on the role of financial information in supporting organizational planning, control, and performance evaluation. These studies established that financial statements provide critical information necessary for effective decision-making. Over time, governance scholars expanded this perspective by emphasizing the role of financial reporting in reducing information asymmetry, enhancing transparency, and strengthening accountability mechanisms. Consequently, financial statement analysis became increasingly recognized as a key component of corporate governance systems.

The reviewed studies further reveal that financial information contributes not only to internal managerial processes but also to external stakeholder relationships. Research involving Islamic and faith-based organizations demonstrates that financial transparency is closely associated with trust,

legitimacy, and governance effectiveness. This finding is particularly relevant to Hajj and Umrah service companies such as PT Haramain Mulia, where organizational credibility depends heavily on the responsible management of pilgrims' funds. Collectively, the literature suggests that financial statement analysis serves as a multidimensional tool that supports strategic management, governance implementation, and stakeholder protection.

Patterns of Relationships Among Studies

Several common patterns emerge across the reviewed studies. First, financial statement analysis consistently functions as a source of strategic information for managerial decision-making. Second, governance quality improves when organizations utilize financial information to strengthen monitoring, control, and accountability mechanisms. Third, transparency derived from financial reporting contributes directly to stakeholder trust and organizational legitimacy. Fourth, effective governance requires both the availability of high-quality financial information and the organizational capability to interpret and utilize that information appropriately. These interconnected relationships indicate that financial statement analysis acts as a central mechanism linking organizational performance with governance effectiveness.

Implications of Financial Statement Analysis for Improving Transparency, Accountability, and Corporate Governance in Hajj and Umrah Service Companies

Financial statement analysis is widely recognized in the literature as a strategic mechanism that transforms financial information into meaningful insights for organizational governance. Transparency refers to the openness of organizations in providing relevant, accurate, and timely information to stakeholders, while accountability reflects the obligation of management to justify organizational decisions and resource utilization. Corporate governance encompasses the structures, processes, and mechanisms that ensure organizations are directed and controlled in a responsible manner. Within Hajj and Umrah service companies, financial statement analysis plays a critical role in strengthening these governance dimensions because the organizations manage pilgrims' funds that require a high degree of trust, ethical responsibility, and regulatory compliance. Consequently, the quality of financial statement analysis directly influences the effectiveness of transparency practices, accountability mechanisms, and governance outcomes.

Previous studies consistently demonstrate that financial statement analysis contributes significantly to organizational transparency. Research in accounting and governance literature indicates that systematic analysis of financial information enhances the clarity and reliability of disclosures provided to stakeholders. High-quality financial reporting enables stakeholders to evaluate organizational performance, financial stability, and managerial

effectiveness more objectively. Studies further suggest that transparent financial disclosure reduces information asymmetry between management and stakeholders, thereby minimizing opportunities for opportunistic behavior and governance failures. In service-oriented organizations, transparency generated through financial analysis has been shown to improve stakeholder confidence and organizational credibility. These findings highlight the importance of financial statement analysis as a foundation for transparent governance practices.

Another stream of research emphasizes the role of financial statement analysis in strengthening accountability and governance effectiveness. Scholars argue that financial analysis provides management, boards of directors, auditors, and regulators with objective evidence regarding organizational performance and resource utilization. Through ratio analysis, trend analysis, and performance evaluation, organizations can monitor compliance with strategic objectives and identify areas requiring corrective action. Studies in nonprofit and faith-based organizations also indicate that accountability increases when financial information is systematically analyzed and communicated to stakeholders. Furthermore, organizations that utilize financial statement analysis effectively tend to demonstrate stronger governance structures, more effective internal controls, and higher levels of stakeholder trust. These findings suggest that financial statement analysis functions not only as an accounting tool but also as a governance mechanism that promotes responsible organizational behavior.

A critical examination of the literature reveals that most studies focus on transparency and accountability separately, with limited efforts to integrate these concepts within a comprehensive governance framework. Existing research often assumes that the availability of financial information automatically leads to better governance outcomes. However, financial transparency alone does not guarantee accountability or governance effectiveness unless organizations possess the capability to interpret financial information accurately and utilize it in decision-making processes. Moreover, studies rarely address the unique governance challenges faced by Hajj and Umrah service companies, where financial accountability involves not only economic considerations but also ethical and religious responsibilities. As a result, there remains a need for a more integrated understanding of how financial statement analysis contributes simultaneously to transparency, accountability, and governance effectiveness in organizations such as PT Haramain Mulia.

The reviewed literature reveals several recurring patterns. First, financial statement analysis consistently enhances transparency by improving the quality and accessibility of financial information. Second, transparency serves as a prerequisite for accountability because stakeholders require reliable information to evaluate managerial performance. Third, accountability contributes directly to stronger corporate governance by reinforcing monitoring and control mechanisms. Fourth, governance effectiveness increases stakeholder trust, organizational legitimacy, and long-term sustainability. These recurring relationships suggest that financial statement analysis initiates a governance

process in which financial information is transformed into accountability practices and governance outcomes. Therefore, transparency, accountability, and governance should be understood as interconnected dimensions rather than independent organizational attributes.

The findings from the literature contribute significantly to the broader objective of understanding corporate governance in Hajj and Umrah service companies. For PT Haramain Mulia, financial statement analysis provides an essential foundation for ensuring responsible management of pilgrims' funds, maintaining organizational credibility, and strengthening stakeholder trust. By improving transparency and accountability, financial analysis enhances governance effectiveness and supports organizational sustainability. Consequently, financial statement analysis should be viewed as a strategic governance instrument that enables Hajj and Umrah service companies to fulfill both their economic responsibilities and their ethical obligations toward pilgrims and society.

Literature Synthesis Table

Author & Year	Research Focus	Method	Main Findings	Contribution
Jensen & Meckling (1976)	Agency Theory and Information Asymmetry	Conceptual Study	Transparent reporting reduces agency conflicts between managers and stakeholders.	Provides theoretical basis for transparency and accountability.
Healy & Palepu (2001)	Financial Disclosure and Corporate Governance	Literature Review	Financial transparency improves stakeholder confidence and monitoring effectiveness.	Establishes the governance role of financial disclosure.
Bushman & Smith (2003)	Accounting Information and Governance Systems	Conceptual Analysis	Financial information supports organizational monitoring and control.	Links accounting information with governance mechanisms.
OECD (2015)	Corporate Governance Principles	Policy Framework	Disclosure and transparency are fundamental governance principles.	Provides governance standards for accountability practices.
Alzoubi (2018)	Financial Reporting Quality and Governance	Quantitative Study	High-quality financial reporting improves governance effectiveness.	Demonstrates empirical relationship between reporting quality and governance.
Rahman & Ahmad (2020)	Financial Accountability in Islamic Organizations	Qualitative Study	Transparent financial management strengthens public trust and legitimacy.	Extends accountability concepts to faith-based institutions.
Ismail et al. (2022)	Governance and Sustainability in Religious Service Organizations	Mixed Method	Accountability and transparency contribute significantly to organizational sustainability.	Highlights governance outcomes in religious service organizations.

Interpretation of Literature Synthesis

The literature synthesis demonstrates a progressive development in

understanding the relationship between financial statement analysis and governance outcomes. Foundational studies such as Agency Theory emphasize that transparent financial reporting reduces information asymmetry and enables stakeholders to monitor managerial behavior effectively. Subsequent governance studies expanded this perspective by showing that transparency is not merely a reporting practice but a governance mechanism that strengthens accountability and organizational legitimacy. These findings collectively indicate that financial information plays a central role in creating governance systems that protect stakeholder interests and support responsible management practices.

More recent studies have extended these concepts into faith-based and service-oriented organizations, emphasizing the importance of financial accountability in maintaining public trust and organizational sustainability. The findings suggest that organizations managing entrusted resources, such as Hajj and Umrah service companies, require stronger transparency and accountability mechanisms than conventional businesses. Financial statement analysis contributes to this objective by providing objective evidence regarding resource utilization and organizational performance. Consequently, the literature consistently supports the argument that financial statement analysis is a critical governance instrument for organizations such as PT Haramain Mulia.

Patterns of Relationships Among Studies

The reviewed studies reveal a sequential pattern of relationships among key governance concepts. Financial statement analysis improves the quality of financial information and reporting transparency. Enhanced transparency enables stakeholders to evaluate organizational actions more effectively, thereby strengthening accountability mechanisms. Increased accountability contributes to stronger governance structures through improved monitoring, control, and compliance practices. Ultimately, effective governance enhances stakeholder trust, organizational legitimacy, and long-term sustainability. This pattern suggests that transparency, accountability, and governance are interconnected outcomes generated through the effective utilization of financial statement analysis.

Discussion

The findings of this literature review indicate that financial statement analysis plays a strategic role not only in assessing financial performance but also in strengthening corporate governance within Hajj and Umrah service companies. The reviewed studies consistently demonstrate that financial indicators such as liquidity, profitability, solvency, and operational efficiency provide essential information for evaluating organizational sustainability and managerial effectiveness (Musaddad et al., 2026). From a governance perspective, financial statements function as accountability instruments that enable stakeholders to monitor the management of organizational resources. In the context of PT Haramain Mulia, the analysis of financial statements becomes particularly important because the company manages pilgrims' funds that

require high levels of transparency and responsibility. Therefore, financial statement analysis should not be viewed merely as a technical accounting activity but as a governance mechanism that supports organizational credibility, stakeholder trust, and long-term sustainability (Lesmana, Afiff, Wijanto, & Kasri, 2025).

The literature further reveals a strong theoretical relationship between financial statement analysis and corporate governance. Agency Theory proposed by Jensen and Meckling emphasizes that transparent financial information reduces information asymmetry between management and stakeholders, thereby minimizing agency conflicts (Yusuf, Hermanto, Suryanto, & Ismanto, 2026). Similarly, governance frameworks developed by the OECD highlight transparency and accountability as fundamental principles of effective corporate governance. While these theories originated primarily within corporate and financial sectors, the reviewed literature suggests that their core assumptions are equally relevant to Hajj and Umrah service organizations. However, unlike conventional corporations, organizations such as PT Haramain Mulia operate within a context where financial accountability is intertwined with ethical, religious, and social responsibilities. Consequently, governance practices in this sector require a broader interpretation of accountability that extends beyond economic performance toward the protection of pilgrims' interests and public trust (Alsulami, 2025).

A comparison of previous studies demonstrates substantial agreement regarding the positive relationship between financial transparency, accountability, and governance effectiveness. Most studies conclude that organizations with strong financial reporting systems tend to exhibit higher levels of governance quality and stakeholder confidence. Nevertheless, differences emerge concerning the relative importance of financial information compared with other organizational factors (Ande et al., 2024). Some studies emphasize that financial transparency is the primary determinant of stakeholder trust, whereas others argue that service quality, organizational reputation, and customer experience may exert stronger influences. These differences may be explained by variations in organizational context, stakeholder expectations, and institutional environments. In the Hajj and Umrah industry, where service delivery and religious obligations are highly significant, financial transparency alone may not guarantee stakeholder trust unless accompanied by high-quality service performance and ethical organizational conduct.

From a theoretical perspective, the findings contribute to the development of corporate governance literature by integrating financial statement analysis, transparency, accountability, and governance outcomes into a single conceptual framework. Existing studies often examine these concepts separately, resulting in fragmented understandings of organizational governance (Setiawan, 2025). This review demonstrates that financial statement analysis serves as a connecting mechanism through which financial information is transformed into governance practices that enhance accountability and stakeholder protection. Furthermore,

the study extends governance theory into the context of faith-based service organizations, highlighting the importance of ethical accountability in addition to financial accountability. This contribution broadens the applicability of traditional governance theories and provides a more comprehensive perspective for understanding governance practices in religious service institutions (Zulkarnain et al., 2025).

The practical implications of this review are particularly relevant for organizational management, higher education institutions, and policymakers involved in Hajj and Umrah administration. For PT Haramain Mulia and similar organizations, strengthening financial statement analysis can improve strategic decision-making, risk management, and stakeholder communication. Managers should therefore invest in financial reporting systems, internal control mechanisms, and governance practices that promote transparency and accountability. For educational institutions, especially those offering programs in Hajj and Umrah Management, Islamic Economics, and Accounting, the findings highlight the need to integrate financial governance competencies into academic curricula. Policymakers and regulators may also utilize these insights to develop governance standards that encourage greater financial transparency and accountability among Hajj and Umrah service providers. Through these efforts, stronger governance practices can be established, ultimately enhancing public trust and ensuring the sustainable development of the Hajj and Umrah industry.

CONCLUSION

This literature review concludes that financial statement analysis plays a fundamental role in supporting corporate governance within Hajj and Umrah service companies, particularly in the context of PT Haramain Mulia. The reviewed literature consistently demonstrates that key financial indicators, including liquidity, profitability, solvency, and operational efficiency, are essential for evaluating organizational performance and financial sustainability. Furthermore, financial statement analysis serves as a strategic mechanism that transforms financial information into managerial insights for decision-making, risk management, and organizational control. The findings also reveal that effective financial statement analysis contributes significantly to improving transparency, strengthening accountability, and enhancing governance quality by reducing information asymmetry and facilitating stakeholder oversight. As a result, financial statement analysis functions not only as an accounting tool but also as an important governance instrument that supports organizational credibility, stakeholder trust, and long-term sustainability.

From a theoretical perspective, this article contributes to the corporate governance literature by integrating financial statement analysis, transparency, accountability, and governance practices into a unified conceptual framework applicable to Hajj and Umrah service organizations. The study extends traditional governance theories, particularly Agency Theory, by highlighting the importance of financial accountability within faith-based service institutions

where economic responsibilities are closely linked to ethical and religious obligations. Practically, the findings suggest that PT Haramain Mulia and similar organizations should strengthen financial reporting systems, internal controls, and governance mechanisms to improve accountability and stakeholder confidence. Nevertheless, this study is limited by its reliance on secondary data and literature sources without direct empirical investigation of PT Haramain Mulia's financial performance and governance practices. Therefore, future research is recommended to conduct empirical studies using quantitative, qualitative, or mixed-method approaches to examine the relationship between financial statement analysis and corporate governance more comprehensively. Comparative studies involving multiple Hajj and Umrah service companies may also provide deeper insights into governance effectiveness and financial accountability within the industry.

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