



INTEREST IN IMPLEMENTATION OF FINANCIAL INFORMATION SYSTEMS FOR SME'S

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Abstract

This study aims to determine the interest of SMEs in using accounting information systems. The interest of MSME actors is measured using the effectiveness of the implementation of financial information systems. In addition, the attitude variable is used to bridge the relationship between the perceptions of MSME actors related to ease of use, usability, risk and trust in the effectiveness of the information system used. The survey method using a questionnaire was used in this study. the results of the study show that attitude determines the effectiveness of the implementation of financial information systems by MSME actors. This study also found that in order to bring out a positive attitude from users of financial information systems, it is necessary to pay attention to the usefulness of financial information systems that are created and trusted by MSME actors..

Keywords : accounting information, SME, effectiveness

1. INTRODUCTION

The industrial revolution has changed the face of the world. He turned a world that was completely manual into a world with 'all-technology' [1]. The world of education, government, offices have all followed suit to implement digitalization [2]. So that the use of information technology (IT) is something that must be done by every organization. This is because companies/organizations that implement IT are believed to be able to operate more efficiently and effectively to carry out their functions [3]. If we look at it from private companies, IT-based Go-Jek can beat the existing 'blue bird' Taxi. For companies/public organizations (government) the use of technology (e-government system/EGS) will accelerate service, transparency and accountability.

Information Technology (IT) is an important asset for organizations [4]. The use of IT can help organizations to be more efficient and effective in carrying out their operational functions. In addition, the application of IT can also be used as a tool for planning, controlling and assisting in organizational decision making. For MSMEs, the use of technology will be able to assist them in managing business finances [5].

Since 2015 the government has been 'crying' to make EGS a supporter of public services, starting from the central government to regional governments including village administrations. Because it was an instruction from the center, the Government of Banyuwangi was not half-hearted in starting to change or move from what was originally manual to completely using EGS, especially in systems related to accounting & finance. This is evident from the many applications used in government in Banyuwangi, starting from the regional level to the village level, ranging from financial applications, population to permits. The good intention of the Banyuwangi regional government to change from initially using a manual financial system to an all-technology one certainly did not go smoothly, but faced many obstacles and challenges. In addition, the implementation of a manual financial system that has been carried out for years will certainly not be easy to change in a matter of days or months.

The change from manual financial reports to fully EGS is mandatory (Mandatory), although there are many who complain about this change. because it is mandatory, so users like it or not,

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whether they like it or not, have to follow the instructions that are required to use EGS. Banyuwangi agencies are no exception to implementing what is done by the local government. For example, the MSME and Cooperative services use the website to monitor and 'force' MSME actors to report their finances to the agency through the website or system that has been prepared.

This makes it interesting to do research on whether an MSME actor likes or not to use these financial applications. considering that previously there was no recommendation or obligation to report the finances of his business. It is hoped that this research will produce a concept of how the system should be implemented by MSME actors to be well received without any dislike or dislike.

This study focuses on the factors that influence the acceptance of MSME actors using financial information systems for every transaction they make. Starting from raw material purchase transactions, product sales transactions, cash inflow and disbursement transactions to transactions related to banking transfer records. Because whether you like it or not, the business actor wants or doesn't want to use IT depends on the person's attitude towards the system he will use [6]. In the context of using IT, a favorable attitude will be reflected in the continued use of IT in supporting the daily activities of the organization and vice versa [7]. On this basis, research on individual acceptance by MSME actors is interesting to study.

Research on the use of IT in certain institutions has been carried out, including by [3]; [8]; [9]; [10]; [11]; [12]; [13]; [2]; [14];[15] and [16]. (Gupta et al., 2007) who examined the effectiveness of the use of IT in institutions in India showed evidence that the use of IT can help work, increase satisfaction and have a positive impact on the performance of these institutions. MSMEs are expected to become the backbone of a country's economy, therefore these MSMEs need to 'grade up' by making improvements to one of the bookkeeping aspects that are being carried out.

Bank Indonesia (BI) and the Indonesian Institute of Accountants (IAI) created a standard system for MSME financial management reports. This step is considered smart because it is considered capable of answering MSME problems regarding difficulties in preparing MSME financial reports. The obligation to use this information system is based on several things. First, the size of the government is boosting the number of new MSMEs. Second, the government encourages every MSMEs to be able to manage their own finances. Third, banks as providers of capital, want MSMEs to have business financial reports before they access capital from banks.

The BI and IAI programs in developing this standard system are in line with the Banyuwangi district government's program in terms of increasing the MSME class. Pemkab feels the need for MSMEs to have a separate class in accessing capital from third parties. Coupled with the echo conveyed by Erik Tohir regarding the provision of capital markets for MSMEs.

This study focuses on the factors that influence the attitude of MSMEs as users of financial information systems, then linked with the effectiveness of the implementation of financial information systems. The individual's decision to adopt a new financial information system is based on his attitude towards the information system [17][18]. Attitude is a consequence of positive or negative feelings towards the system that will shape the desire to use the information system [19]. In the context of using information systems, attitudes that benefit individuals will be reflected in continuing to use the system, otherwise unfavorable attitudes will stop using the system [20][21]. So if the individual attitude towards the implementation of the financial information system is positive then the individual as a user of the financial information system will tend to take advantage of the financial information system so that BI and IAI policies that encourage the use of financial information systems can be achieved.

The variables used in this study are perceived convenience, perceived usefulness, suitability and relative advantage variables. Then two external variables were added, namely, risk perception and trust variables. This research was conducted on SMEs in Banyuwangi Regency. Banyuwangi was chosen as the object of research because Banyuwangi is a pioneer and hard worker in efforts to improve the performance of MSMEs. This study focuses on the use of financial information



systems by SMEs by examining the factors that influence attitudes in using financial information systems and are associated with the effectiveness of the implementation of financial information systems.

2. IMPLEMENTATION METHOD

This research was conducted at SMEs in Banyuwangi district. The selection of MSMEs is based on MSME turnover, with a turnover of \rightarrow 50 million and uses clusters based on the type of MSME business. the implementation of research activities was carried out for 3 months from October to December 2022.

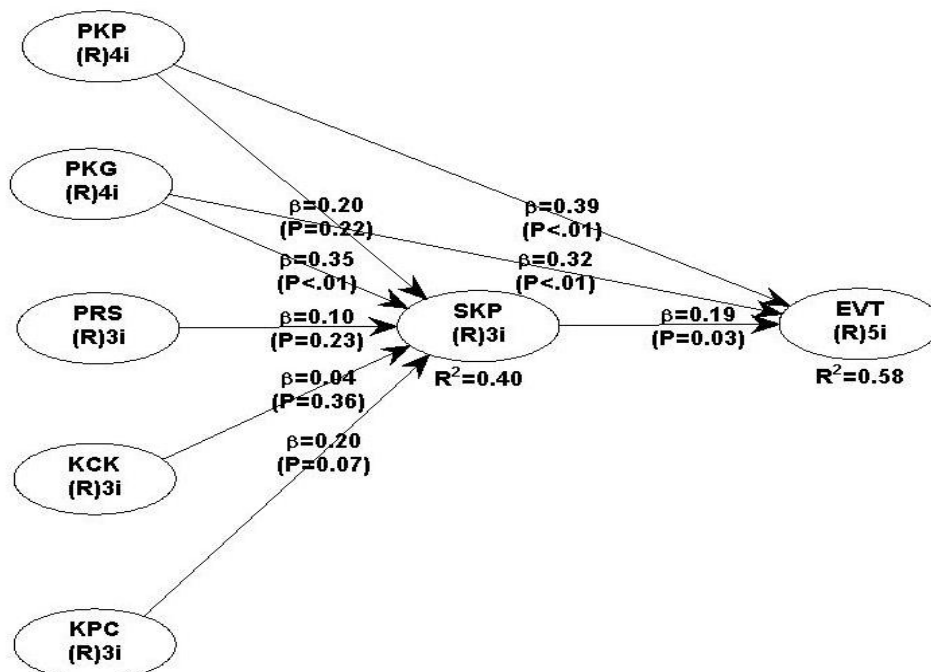
This research is a quantitative research which is classified as explanatory research, where to re-explain the relationship of variables through testing the hypotheses that have been formulated. This research design uses a survey method using a questionnaire.

Data collection was carried out by clustering MSMEs based on the type of business which were then selected according to the criteria that met them (having a turnover of $>$ 50 million per year). The data collection method was carried out in two ways, first, by distributing questionnaires to MSMEs by direct distribution to MSMEs, then offering respondents to fill out the questionnaire directly or using the Google form. Second, asking for help from the MSME group to help distribute the questionnaire to their group.

A total of 112 SMEs became respondents to this research. of the total number of respondents' answers, there were 3 questionnaires which were not filled in completely, so that the number of questionnaires that could be processed was 109 questionnaires.

3. RESULTS AND DISCUSSION

Research results related to factors that influence the effectiveness of the implementation of financial information systems for MSME actors can be shown in Figure 1



The Effect of Perceived Ease of Use on Attitudes

The results of the analysis in Figure 1 show that there is no influence between perceived ease of use and the attitudes of MSMEs in implementing financial information systems. These

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results show different results from research conducted by [12], [22] which found that perceived convenience influences the attitudes of MSMEs in using financial information systems. The results of this study are in line with research conducted by [23] who found that the attitude of users of financial information systems is determined by the convenience felt by users.

Perceived convenience that has no effect on MSME attitudes is because perceived convenience is a threshold variable [23]. This means that once a certain level of evaluation is reached, the perceived ease of use no longer contributes to the user's positive attitude. therefore, perceived ease of use affects attitudes only at low evaluation levels, when respondents perceive themselves as incapable or weak in implementing financial information systems.

Effect of Perceived Convenience on Effectiveness

The results of the analysis in Figure 1 show that the effectiveness of using financial information systems is influenced by perceived ease of use. These results support research conducted by [24] which found that perceived ease of use affects the effectiveness of certain system implementations. So if MSME actors feel that implementing a financial information system is easy, then it will generate confidence in MSME actors to continue using the financial information system.

The Effect of Perceived Usefulness on Attitudes

The results of the analysis show that there is an influence of perceptions of usability on MSME attitudes in using financial information systems. MSME actors feel that when the financial information system they use is useful for their business, MSME actors tend to have a positive attitude towards the use of financial information systems. The results of this study are in line with research conducted by [6], [12] and [22] which found that perceived usefulness has a positive effect on the attitudes of certain system users. Implementation of a financial information system can not only provide benefits for the preparation of MSME financial reports, but will also be able to help MSME actors plan their finances. With this dual function, MSME actors will feel that the system they use provides more benefits for their business, thereby creating a positive attitude towards the use of financial information systems.

Effect of perceived usefulness on effectiveness

The results of the study indicate that there is an influence of perceived usefulness on the effectiveness of the use of financial information systems by MSMEs. meaning that the more the financial information system used by MSME actors provides more benefits, the MSME actors will continue to use the financial information system. The results of this study are in line with research conducted by [25] who found that the perceived usefulness of system users affects the effectiveness of e-commerce implementation. So it can be concluded that if MSME actors feel that using a financial information system has more uses, then MSME actors will continue to use the system, so that it will help them run their business.

The Effect of Perceived Risk on Attitudes

The results of the analysis show that there is no effect of perceived risk arising from the implementation of the financial information system on the attitudes of MSME actors. MSME actors have realized that the use of certain systems will definitely have constraints that may be different for each system, so that this kind of risk awareness makes MSME actors feel that risk is a natural thing and must exist in every system implementation. The results of this study are in line with research conducted by [13] which found that perceived risk does not affect the implementation of certain systems. MSME actors here, who already have an image of the error of a particular system, will certainly have anticipation when the financial information system they use experiences



problems, for example by making manual records first and then copying them into the system when the information system they use has returned to function.

The Effect of Compatibility on Attitudes

The results of the analysis show that the compatibility of MSME actors with a system does not affect the attitude of MSME actors to use certain financial information systems. This is similar to the discussion in the previous hypothesis which states that MSME actors realize that each system must have its own errors, as well as features, appearance and anything that is attached to a system so that it does not make MSME actors lean towards a particular system. The existence of this kind of awareness makes MSME actors always have an open mindset towards all systems, as long as the system they use is beneficial for their business. The results of this study are in line with research conducted by [12] who found that the suitability of information systems in Egypt for using online travel applications did not affect the attitudes of application users.

The effect of belief on attitude

The results of the analysis show that the trust of MSME actors to implement financial information systems influences the attitudes of MSME actors in implementing financial information systems. This means that the more MSME actors believe that using a financial information system will help their business, the attitude of MSME actors in using financial information systems is a good or positive attitude. The results of this study are in line with the results of research conducted by [13] who examined customer trust in using mobile banking which is associated with customer attitudes when using it. Customers feel that the more they trust the banking application used, the customer feels comfortable, calm in using the application so that it creates a positive attitude. MSME actors also feel and realize that using a financial information system will provide more benefits than disadvantages, so that with greater consideration of benefits it will bring a positive attitude to continue using the financial information system.

The Effect of Attitude on Effectiveness

The results of the analysis show that the effectiveness of the implementation of financial information systems by MSME actors is determined by the attitude of MSME actors towards the financial information system they use. It can be said that if users have a positive perception of the use of the financial information system, MSME actors will tend to have a desire to continue using the financial information system. The results of this study are in line with research conducted by [26] who found that a positive attitude will guide information system users to continue using the system they have used so that it will create effectiveness in using the system. MSMEs feel that using a financial information system is in accordance with what they expect in the field of business finance.

4. CONCLUSION

The results of the study show that the effectiveness of using financial information systems for MSMEs is determined by the attitude of MSME actors in using them. In addition, perceptions of usefulness and trust in the financial information system used will shape the positive attitude of MSME actors which will ultimately have an impact on the effectiveness of accounting information system implementation.

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