

CHAPTER I

INTRODUCTION

1.1. Background of the Study

Improving productivity in a good employee performance organization is one important factor to run the agency efforts for performance generated by an employee in accordance with its role in the organization within a certain period (Teknologi et al., 2015). Therefore, employee performance can affect the success rate of a job because with the results achieved can be known how much an employee's performance results. Employee performance within performs its functions in relation to job satisfaction and reward levels that are influenced by individual skills, abilities, and traits. Employee performance is very important in the system information of a company.

One of the information systems used in the company is the accounting information system (Hosseini, Najaf, Kermani, & Zoqian, 2013). Accounting information system is a human resource and capital in the organization in charge of preparing financial information as well information obtained from transaction collection and processing activities. Information systems will help companies to present financial statements in the form of accurate and reliable information, so that many parties who use accounting information systems to achieve excellence for the company. Information systems help the process of recording and reporting of budget and finance, assisting the process of identification, measurement, and reporting of economic transactions from a region that served as information in economic decision making.

The role of accounting information system (AIS) is great importance for business decision making process and management. For the first time in 1996, the American Institute of Certified Public (AICPA) stated that : “Accounting actually is information system and if we be more precise, accounting is the practice of general theories of information in the field of effective economic activities and consist of a major part of the information which is presented in the quantitative form (Sajady, H., Dastgir, M. & Nejad, 2008). An accounting information system is a part of overall information system which main goal is to generate information for business decision (Manic Sacer & Oluic, 2013). The way of gathering, analyzing, processing, distribution and archiving accounting information has been changed during the years; however, accounting information has always been an important part of business operation.

Accounting information systems characteristics are defined in terms of the availability of those characteristics and user satisfaction is a surrogate measure that is applied for measuring the performance of accounting information system (Saeidi, 2014). Accounting is a system that provides information concerning the entity to a variety of interested users. The purpose of accounting information is to enable the users to make informed judgments. Since every decision involves several alternatives, accounting information must assist the user to decide his course of action. Accounting is a process which with the help of accounting records produces financial statements. The Management is multiple foundation of knowledge whether in area of theory or practice which means that the theories, methodology and related models are based on principles of combination of

scientific subjects such as economics, statistics, psychology, management accounting etc. In management literature, the important duties of managers consist of planning, organizing, leading, supervising, controlling and decision making.

Problems often arise when the technology applied in the information system is not appropriate or not utilized optimally by the users of the system, so that the implementation of information systems provide little or no benefit at all. Information technology should not only be a mere necessity, but it must be used to improve performance (Manic Sacer & Oluic, 2013). Accounting information systems can be said to be effective if the system is able to produce information that is acceptable and able to meet the expectations of information in timely, accurate, and reliable (Manic Sacer & Oluic, 2013).

Micro, Small and Medium Enterprises (SMEs) is one of the economic activities carried out by most people in Indonesia (Sularto & Yunitasari, 2015). SMEs have a very significant contribution in employment, gross domestic product formation (GDP), the value of national exports and national investment. Overall, in 2012 the SMEs sector contributes about 56% GDP and about 10% of exports. SMEs continue to grow until its contribution to GDP and economic growth, as well as the greater of SMEs VAT and income tax can be absorbed and SMEs can add optimization and acceptance of the State Budget (APBN). One type of business that started a lot in the market is a coffee shop business. The rise of coffee shop business in storage centers, malls and offices is enough to boost the popularity of coffee into a classy drink. Utilization of information system

technology in support of information system brings influence to almost all aspect in management of a coffee shop business.

Information technology advancements have greatly helped the accounting systems of business entities. Because of today's computerized accounting information systems, business performance seems to improve (Pol & Lim, 2013). Many transaction processes were simplified by creating efficient operations. The affordability of computer technology for small business entities creates great opportunities for these entities to improve their business. The quality of accounting information system is influenced by many factors (Manic Sacer & Oluic, 2013). Modern accounting information system is almost unimaginable without the use of appropriate information technology. IT influences the way how AIS operated, contributes a preparing, processing, presenting and delivering information. It significantly contributes the accuracy and timeliness of accounting information and the quality of accounting information system.

Several previous studies have conducted the issue of accounting information system. In outside Indonesia, similar researches were conducted by Ramli (2013); Journal & Scientific (2015); Hossein et al., (2013); Pol & Lim (2013). Meanwhile, the researchers from Indonesia were conducted by Rivaningrum & Mahmud (2015); Sularto & Yunitasari (2015); Teknologi et al., (2015); Putra (2012). In general, these studies show accounting information system is affected by several factors. Related to the result of those previous studies, it can be identified the factors that can influence the occurrence of accounting information system are technology utilization, training for the user, and user expertise.

The first factor influence accounting information system is technology utilization. These days, technological advances in information technologies have had remarkable influences such as cost reduction and quality and life-standard improvements in many personal as paces of life (Hossein et al., 2013). Accounting information systems are systems for reliable and on-time collecting and processing of information to be applied in useful and effective decision-makings. New technologies such as accounting information systems to collect and save financial information's is very important This study revealed that the hotels utilize effective and high-tech accounting information systems and applying advanced technologies increases the efficiency of the accounting information systems (Hossein et al., 2013)

Utilization of information technology is very helpful the business operations in accommodating all the information needed in order to make decisions accurately. In the field of accounting, the development of information technology has a very significant impact on accounting information systems within the organization. The real impact felt is the processing of data those changes from the manual system replaced by the tablet as a data processing tool. Similarly, experienced by the accountants who should conduct control and monitoring of affiance and effectiveness in managing finances.

User training is also one of the factors that influence implementation of accounting information system. Training is the process whereby people acquire the capability to assist in the achievement of organizational goals and enhance the knowledge and skills of the people to achieve certain goals (Isiaka, 2011).

Training means giving employees new skills or ongoing required for the performance of their work and the user training is key to getting the most out of the accounting information system (Fitrios, 2016).

Another factor that influences accounting information system implementation is user expertise. Technological users need to know and understand the information technology that is useful for the resulting information (Teknologi et al., 2015). Thus, the expertise of the user in operating the accounting information system is a must-have for the resulting information quality, because of the good ability possessed by users of the system will be able to produce good output as well.

Based on the previous study, this research will investigate further about the factors that influence accounting information system implementation such as technology utilization, user training, and user expertise. According to Fitrios (2016), the researcher may add new variables. User Expertise means required skills from people who use information systems. It is because to change the data into information required knowledge and expertise in running the information system (Fitrios, 2016). So, user expertise will be a new variable in this research.

Based on the description above, the researcher is motivated to conduct this research since there is research gap of researchers from one to another. In addition, with this study, the researcher expects to be able to examine the factors that influence the actions of accounting information system in the form of a thesis entitled **“The Influences of Technology Utilization, User Training, and User Expertise toward Accounting Information System Implementation”**.

1.2.Problem Formulation

This study aims to answer the following problems:

1. Does technology utilization influence the accounting information system implementation?
2. Does user training influence the accounting information system implementation?
3. Does user expertise influence the accounting information system implementation?

1.3.Research Objective

Related to the research problem of this study, the objectives of this study are to :

1. to investigate the influence of technology utilization toward accounting information system implementation.
2. to investigate the influence of training for the user toward accounting information system implementation.
3. to investigate the influence of user expertise toward accounting information system implementation.

1.4. Research Contribution

1. Theoretical Contribution

This study is expected to give more comprehensive understanding regarding the factors influencing effectiveness implementation accounting information system, in addition, it can give contribution to the applicable

theory used in this study. Furthermore, it expected to be references for further student performance studies.

2. Practical Contribution

This study aims to provide information in developing management performance.

1.5.Systematical Writing

This research report consists of five chapters organized as follows:

Chapter I presents the general description of the research by explaining the background of study, problem formulation, objectives of the research, significance of the research, and systematic of writing.

Chapter II contains theoretical reviews used to discuss the issues raised in this study, including theories and concepts that are relevant and supportive to the analysis of the problems. It also contains the review of previous studies, hypothesis formulation, and research model.

Chapter III of this study focuses on the method of conducting the research including the statistical tools which consist of population and sample determination, research variables, and data analysis methods.

Chapter IV of this study presents research findings, and discussion. This chapter gives a general depiction from the research object in this thesis by describing the existing research findings systematically, and then the discussion is made based on the results.

Chapter V of this study describes the conclusions and implications from the results of the analysis that have been done, and the recommendations that may be proposed and implemented for further research.