

Influence Business Process On The Quality Of Accounting Information System

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Abstract: The purpose of this study was to determine the influence of business process to the quality of the accounting information system. This study aims to examine: the influence of business process on the quality of the information system of accounting information system. The study was theoretical research which considered the roles of business process on quality of accounting information system which use secondary data collection. The results showed that the business process have a significant effect on the quality of accounting information systems.

Keywords: Business Process, Quality of Accounting Information System

1. INTRODUCTION

Accounting information system is a tool used by management in organizations to provide added value in order to generate a competitive advantage for the organization (Stair and Reynolds, 2006: 6). The same thing is said by McLeod and Schell (2008: 51) that the accounting information system can be used to provide a competitive advantage to the company. Further, said that the accounting information system to support strategies to achieve competitive advantage (O'Brien and Maracas, 2009: 8). Competitive advantage is superior organization in decision making than its competitors (Laudon and Laudon, 2008: 14). Competitive advantage as the company has a product or service features with better value than its competitors, so that the company can continue to develop strategies based on the competitive advantage (Baltzan, 2012: 14). Competitive advantage can be achieved at three levels: strategic, tactical and operational (McLeod and Schell, 2008: 51). Further, said that the quality of accounting information system is used as a tool for achieving the operational control of long-term strategic program and is one of the organization's resources are used by executives to gain a strategic advantage, tactical and operational (McLeod and Schell, 2008: 29). Further explained Laudon and Laudon, that the accounting information system generates accounting information used in decision-making processes (Laudon and Laudon, 2008: 13). Internal users of accounting information system will use accounting information as a basis for decision making (Azhar Susanto, 2013: 72). Accounting information can be aligned with labor, raw materials, machines, money and described as blood flow through the human body (Laudon and Laudon, 2008: 7).

Furthermore Azhar Susanto (2013: 65) states that the accounting information is the output of the accounting process. In general, the accounting information presented in the financial statements (Kieso et al, 2012: 5). By using accounting information, internal parties will obtain accounting information relating to past and future, such as prediction (forecasting) which includes annual plans, strategic and decision alternatives (Azhar Susanto, 2013:). The message contained in an accounting information as a guide for anyone when carrying out the activity (Azhar Susanto, 2009: 2). Accounting information is a strategic organizational resource (Mitchell et al., 2000). Further described by McLeod and Schell (2008: 4) states that managers use accounting information to identify problems, develop alternative solutions, choosing the best solution, and reviewing the consequences of their decisions. The low quality of accounting information systems also occur in the organization of State Owned Enterprises (SOEs). When examined more in there is a fundamental problem in the financial reporting process of SOEs in Indonesia. Sri Mulyani (2010) on the introduction of International Financial Reporting Standards Seminar (IFRS) in Jakarta on May 5, 2010, stated that the majority of Indonesia's state-owned enterprises have not been able to provide good financial reports in accordance with the applicable financial reporting standards. Only a few state-owned enterprises can make good financial statement and can be counted on the fingers, such as PT. Telkom, and PT. Antam Tbk. From the analysis of the 2005-2011 BPK audit found a total of 24 SOEs potential as a corrupt state institutions. Dahlan Iskan (2012) as the former Minister of SOEs stated that the biggest obstacle in the management of a number of SOEs at this time, such as one of the administrative and bookkeeping posts. Further, stated by Dahlan Iskan (2012) as the former Minister of State Owned Enterprises said that the problem was found a number of documents in the state. According Uchok Sky Khadafi (2012), Investigation and Advocacy Coordinator of the Indonesian Forum for Budget Transparency states that the SOE found inaccurate financial records and the preparation of financial statements sometimes not appropriate provisions. Isakayoga as Executive Director of the Indonesian Listed Companies Association (AEI) assess the state-owned enterprises (SOEs) are still afraid in terms of transparency of financial statements. In fact, the State Owned Enterprises (SOEs) in Indonesia has not implemented a quality accounting information systems in order to achieve competitive advantage. Based on the above research, the authors formulate the problem in this study as follows: How much influence business processes on the quality of accounting information systems.

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2. Review of Literature

2.1 Quality of Accounting Information System

The quality of accounting information system by Bentley and Whitten(2007: 78) can be seen from the performance of the system including the amount of work that can be completed in one period and response times on user requests. More complete Heidmann (2008: 81) explains that the dimensions of the quality of accounting information system consists of: (1) integration; (2) flexibility; (3) accessibility;(4) formalization; (5) the mediarichness. quality characteristics of information systems according to Horan and Abichandani (2006) is the utility, reliability, efficiency, customization, and flexibility. Sadera et al., (2004) adds to measure the quality of accounting information systems is the ease of use, ease of learning, user requirements, system features, system accuracy, flexibility, sophistication, integration, and customization. The quality of accounting information system above, the dimensions of the quality of accounting information systems in this study are: integration, accessibility, and ease of use. Understanding of each of the quality of accounting information system is described as follows:

1) Ease to use (ease of use)

According to Jones and Teevan(2007: 199) Ease of use is associated with the user effort in implementing and completing certain tasks. Easy of use is very closely related to the efficiency in using the software. Furthermore, according to Guriting and Ndubisi (2006: 7) ease of use refers to how the system can interact in a clear and understandable by the user. Further described by Leung (2003: 393) says that the ease of use associated significantly with usefulness, and usefulness correlated with intention to use. It has been suggested that if the system is ease to use (easy to use) then the user will feel the usefulness of the system is then motivated to use it and it will eventually lead to the behavior of the system use. Dimensions ease of use is a user system (friends) and ease to use (system easy to use) (Khosrow-Pour, 2003:159).

2) Integration(Integration)

According to Azhar Susanto (2013: 73-83) that all components of both hardware, software, brain ware, databases, procedures and communication networks together in accounting information systems to process financial data into the financial information required by management in the process of decision making in the field of finance. Next Norman(2007:20) says that the integration is the merger of the basic parts of the system together in synergy to achieve functionality or usability of higher or better as expected. Further, he said that the integration of the system includes the integration of components and integration of functions (Norman, 2007:19). Furthermore, the integration of information systems according to Satzinger et al., (2007: 7) is a component of the information system (hardware, software, brain ware, databases, procedures and communication networks) related function harmoniously fit together in a system. The Morley and Parker (2009: 511) describes the integration as follows: integrated systems are designed to work together.

3) Ease of Access (Accessibility)

According to Wixom and Todd (2005) Accessibility refers to the ease with which information can be accessed from the system information. Furthermore, according to Lazar (2002)

accessible information system is a flexible information systems, relating to input, display output, the input does not have to be limited to the keyboard and mouse, and output should be limited not at screen and printer. Next Horan and Abichandani (2006) describes the ease of accessibility refers to save the trip for future reference, choose the convenience, ease of access to information requested.

2.2 Business Process

Hurt (2008: 135) states a business process is a set of procedures and policies designed to create value for some organizational stakeholders. Furthermore Hurt (2008: 11) explains that business processes are procedures and policies that are used in the organization to create value for stakeholders such as customers, stockholders, suppliers and others. Furthermore, according to Laudon and Laudon (2002: 51) business processes are concrete workflows of material, information, and knowledge-sets of activities. Laudon and Laudon further (2002: 6) explains that the business process refers to the unique way in which work is organized, coordinated, and focused to produce valuable products or services. According to Romney and Steinbart (2012: 25) gives the sense of a business process is a set of related, coordinated and structured activities and tasks that are performed by a person or by a computer or a machine, and that help accomplish a specific organizational goal. Jones and Rama added (2003: 4) business processes are a sequence of activities performed by a business for acquiring, producing and selling goods and services. Next Bagranof et al, (2010: 225) explain the meaning of a business process is a business process is a collection of activities and work flows in an organization that creates value. The Whitten and Bentley (2007: 21) provide an understanding of business processes are the work, procedures, and rules required to complete the business tasks, independent of any information technology used to automate or support them. Furthermore Whitten and Bentley(2007: 21) says that the task of responding to business process business events, such as customer orders. The same thing is said by Haaget al, (2008: 19) explain the meaning of a business process is a standardized set of activities that accomplish a specific task, Reviews such as processing a customer's order. Furthermore, Bodnar and Hopwood (2010: 8) provide an understanding of business processes as a series of tasks involving the data, organizational units and logical time sequence. The Weske (2007: 5) describes the business process as a series of activities undertaken in the organization and coordination in technical environments. This activity is jointly realize business goals. Each business process defined by a single organization, but can interact with business processes conducted by other organizations. Of the opinion that the above can be said that business process is a series of business process activities / procedures to accomplish business tasks.

3. Theoretical Framework

According to Whitten and Bentley (2007: 35) business processes have influence on the development of accounting information systems. By identifying and understanding the business processes within an organization is an important consideration when developing the accounting information system. Laudon and Laudon Further (2011: 95) also said that the organization's business processes is a factor to be

considered when planning a new accounting information systems. More said by O'Brien and Maracas (2008: 17) the success of a system of accounting information should not be measured only by the efficiency in terms of minimizing the cost, time and resource usage information. The success of information systems should also be measured by the effectiveness of information technology in support of the organization's business strategy, enabling business processes, improve the structure and culture of the organization and increase customer value and business enterprise. The success of an information system should not be measured only by the efficiency in terms of minimizing the cost, time and resource usage information. The success of information systems should be measured also by the effectiveness of information technology in support of the organization's business strategy, enabling business processes, improve the structure and culture of the organization and increase of customer value and business enterprise. As the statements above, Jones and Rama (2006: 574-575) also confirms that the business process is generally regarded as an important factor affecting the success of the accounting information system. The study conducted by Lipajand Davidaviciene (2013) prove that the accounting information system is affected by the business process. The results Clark and Stoddard (1996) showed that business processes affecting interorganizational accounting information systems to fundamentally redefine the relationship of buyers, sellers and even competitors within an industry. Based on the description above can be concluded that the business processes affect the quality of accounting information system (O'Brien & Maracas, 2008:17; Jones & Rama, 2006: 575; Whitten & Bentley, 2007:35; Laudon & Laudon, 2011:95; Jones & Rama, 2006:574-575; Lipaj & Davidaviciene, 2013; Stoddard, 1996)

4. Hypothesis

This study is aimed to determine the causal relationships between variables through hypothesis testing: **Hypothesis:** The Quality of Accounting Information System is significantly influence by Business Process

5. Methodology and Finding

This study is a theoretical study of the influence business process on quality of accounting information system which employed the secondary source of data collection by making use of available literature on business process in accounting information system quality. Because this study aimed to find out what and how much the factors thought to affect a variable (Mudjarat Kuncoro, 2007:12 in Meiryani 2014). This analysis in this paper is done with a descriptive analysis. Descriptive aims to obtain a description of the characteristics of each study variable. In hypothesis testing, providing theoretical evidence that there is a significant relationship between business processes on the quality of accounting information systems.

6. Conclusion

Business process affects the quality of accounting information system. The theories that already exist about accounting and management make more emphasized linkages, that the influence of business process of the quality of accounting information systems. The results of the theoretical evidence from this study can be used to solve problems that occurs on the quality of accounting information systems. The quality of

accounting information systems can be improved through good business process.

7. Reference

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