Influence of Information Technology On Quality of Accounting Information System

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Abstract: This research is based on phenomenon that happened in field. Where there are still problems related to the lack of quality information technology used in the accounting information system used by an organization. This research is a review literature research. Researchers examine various sources of reference from secondary data sources (information from bona fide media, books, and previous journals related to the research undertaken). Research proves that there is a Quality Influence of Information Technology On Quality of Accounting Information System used by organization.

Keywords: Information Technology and Quality of Accounting Information System

1. Introduction

Accounting information system is a collection of data and data processing procedures that produce information needed for users (Bagranoff et al, 2010: 5). Accounting information system used by the company in carrying out various daily activities related to the existence of financial transactions, both from internal and external company (Azhar Susanto, 2010: 216).

Accounting information systems vary from one company to another (Azhar Susanto, 2010: 216). Companies use accounting information systems to generate accounting information required by users (Bagranoff et al, 2010: 5) or as a medium for generating accounting information for users to make decisions (Sri Mulyani NS, 2009: 25). As the basic purpose of accounting information systems, namely to present accounting information to external parties, management and employees (Hall, 2011: 9). To realize these basic objectives, then required a quality accounting information system, so that users can take the right decision (Sri Mulyani NS, 2009: 25). A quality accounting information system can be seen from integration (Azhar Susanto, 2013: 72), efficiency and effectiveness of an accounting information system used (Stairs & Reynolds, 2010: 8-9). In the history of accountancy the researcher has not found the statement of the expert, which states that the concept of balance applied in the science of accounting is derived from the concept of balance created by Allah Almighty God in creating this universe, with life we feel until now.

Accounting is an information system that produces accounting information. Accounting is a science that is adopted from the concept of balance that has been created by Allah SWT (The One Almighty God). So the results of accounting experts able to concoct the concept of balance so that the concept of balance is implemented in the science of accounting (accounting information system). The concept of equilibrium, emerging among them in the concept of debit and credit, balance sheet and income statement (Muhammad Syafullah, 2016: 87). Not all information systems (accounting information systems) in each institution qualify as a quality information system (accounting information system), both in business institutions and in non-business organizations, as happened in the Indonesian government, where there is still a weakness in the implementation of the system information (accounting information system) taxation in Indonesia, thus complicating the government's efforts in increasing tax revenue (Raden Pardede, 2014). Wimboh Santoso, Expert Staff of Governor of Bank Indonesia at that time, stated that in profit-oriented institutions, such as banking, there are still information systems that are not in accordance with expectations, namely the banking information system is still not efficient in reaching remote communities (Wimboh Santoso, 2012). For example banks have not used information technology in branchless banking system. Through branchless banking, people can access banking services, such as saving, transfer and withdrawal of funds, without having to come to the bank branch office, but simply by cellular phone (Wimboh Santoso, 2012). This information system is addressed to customers who live in rural areas and away from bank branches. With this system the bank will be efficient because it does not need to establish a branch office (Wimboh Santoso, 2012). Furthermore, Deputy Governor of BI, Ardhayadi Mitroamodjo (2012) said the expansion of banking access to society can accelerate economic growth in Indonesia. Indonesia's economic potential has not been explored since many people have not gained access to banking information systems. Next Senior Associate Analyst, Payment Instrument Development Team Directorate of Accounting BI Payment System, Imaduddin Sahabat stated that business with electronic transaction model information system in Indonesian banking is still not integrated. So that transactions using e-money is still small (Imaduddin Sahabat, 2012).

In the rural credit banks also experience problems in information systems (accounting information systems), so that the reason the entity is used as a means of money laundering money (Agus Santoso, 2013). Ideally, a quality accounting information system will produce quality accounting information (Baltzan, 2012: 14). Quality accounting information is useful to help information users in making useful decisions (Gellinas, 2012: 19). In addition, quality accounting information is useful as an adhesive of an organization, where the better the communication that occurs the better the integration of the organization (Azhar Susanto, 2013: 11). Some experts argue that to make a
quality accounting information system in order to produce quality accounting information for its users, there are several factors that can influence it, such as information technology (Hall, 2011: 666). Thus, the emerging information technology must be able to handle it well, so it can be useful for its users, as in the case of supporting the modern financial reporting process of the organization (Hall, 2011: 666). The role of information technology is enormous in helping a person to complete a job while doing business and processing accounting data to generate accounting information for the interests of management and other parties outside companies with an interest in the company (Azhar Susanto, 2010: 1). Information technology is a collection of technology that is organized into a computer-based information system in order to help information systems to produce quality accounting information for the interests of management and other parties (Whitten & Bentley, 2007: 6; Thompson & Baril, 2003: 504).

Further Azhar Susanto (2010: 2) said the information technology, especially computers used in accounting information systems to help process data into accounting information, so that quality information when needed. Similarly Bagranoff et al (2010: 8) says that information technology (IT) refers to the hardware, software and related system components that organizations use to create computerized information systems. O'Brien and Marakas (2010: 8) added that the fundamental reason for the use of information technology in business to support accounting information systems in terms of: (1) supporting business operations, (2) supporting managerial decision making, and (3) supporting strategic competitive advantage. This is supported by the results of the research conducted AL-Zwyalif (2013); Bawaneh (2011) and Ismail & King (2007), found out that information technology affects the quality of accounting information systems in organizations and information technology plays a role to help process accounting data into accounting information. The role of information technology in improving the quality of accounting information system can use dimension functionality, ease of use and compatibility compatibility (Thompson & Baril, 2003: 34-36). In fact, information technology has not been maximally utilized, as revealed by Richard Kumarradjaja (2013), as a practitioner and information technology management consultant (IT), he said that the utilization of information technology in human resource management has been increasingly critical and many who have not integrated and has not produced accurate data. Further proved from the statement Ruby Alamsyah (2011), as Expert of Information Technology, stated that the official site of government agencies still have weaknesses, so easy to be burglarized by hecker including the official sissus Police of the Republic of Indonesia. Meanwhile, in the banking world also still have weaknesses of information technology, such as that disclosed Bambang Harudi (2013) as Vice Chairman of Bank Rakyat Indonesia Surabaya Region, ATM breakage trjaji due to weaknesses of ATM machines that are not equipped with sensors. So is the weakness of information technology in BPR, so the entity of micro finance institution is used as a means of money laundering (Agus Santos, 2013).

2. Review of Literature

2.1 Information Technology

Information technology includes technologies used in hardware and software to help generate accounting information for the benefit of management and other parties outside the company (Azhar Susanto, 2010: 1). Information technology is a combination of computer technology (hardware and software) with telecommunication technology (data, images, and voice networks) (data, image, and voice networks) (Whitten & Bentley, 2007: 6).

Thompson and Baril assert that Technology that has the capability to accept, store, manipulate (proces), and output data) (Thompson & Baril, 2003: 504). From some of the above statement can be said that information technology is the quality of information technology used in accounting information systems in order to help accounting information system to produce quality accounting information for the interests of management and other parties. (Azhar Susanto, 2010: 1; Whitten & Bentley, 2007: 6; Thompson & Baril, 2003: 504).

Information technology includes technology (hardware and software) everywhere (Azhar Susanto, 2010: 1). Information technology (IT) refers to hardware and software technology, to help the computerized accounting information system (Bagranof & Carolyn, 2010: 8). In line with Bagranof and Carolyn, O’Brien and Marakas, explains that information technology is a variety of hardware, software, networking and data management components required for accounting information systems in operation (O’Brien & Marakas, 2010). Ward et al adds information technology is hardware and software technology that is packaged as a tool for storing, storing, processing, and generating information (Ward et al., 2003: 3). In order for the effective use of accounting information systems it is necessary to understand the organization, management and information technology that make up the information system (Loudon & Loudon, 2012: 94).

The main reason for the use of information technology in business is to support the information system to carry out its role (O’Brien & Marakas, 2010: 17). Bagranof et al adds that information technology is important because information technology is compatible and supports other accounting information systems components (Bagranof et al, 2010: 37).

Thompson dan Baril melanjutkan bahwa dimensi dari teknologi informasi terdiri dari:

1. Functionality: What types of processing is the technology supposed to perform and what capabilities does it have Capacity. How much information can it store or process. Speed. How fast can it process data or instructions
Operating Conditions: How much space does it need.

2. Ease of Use. How easy is it to use this technology. Quality of user interface.-how intuitive and easy to learn are the instructions for using the technology to perform its tasks.
Ease of becoming proficient.-How much effort is required to become proficient is using the technology.

Portability:easy is it for the user to move the technology in the course of doing work

3. Compatibility. How easy is it to get this technology to work with complementary technologies.

conformance to standards.-To what extent does the technology conform to accepted industry standards

Interoperability.-To what extent does the technology use the same internal coding or external interfaces as other technologies it must operate with or substitute for

4. Maintainability. how easy is it to keep the technology operating over time.

• Modularity. Is it divided into modules that can be put together when building systems. Can these modules be replaced by equivalent modules if necessary

• Flexibility.Is it possible to change important aspects of system operation without major disruptions

• Scalability.-Is it possible to significantly increase or decrease capacity without major disruption”(Thomson & Baril, 2003: 36).

Furthermore O’Brien and Marakas state that Performance of IT: How much should we spend on IT; which business processes should receive our IT dollars; which IT capabilities need to be companywide; How good do our IT services really need to be; What security and privacy risks will we accept; Whom do we blame an IT initiative fails (O’Brien & Marakas, 2010: 480).

From some of the above statement, it can be said that the dimension of information technology consists of Functionality. Ease of use and Compatibility. Functionality indicator is any kind of technology and how much ability of technology used to perform processing function (Thomson & Baril, 2003: 36). The Ease of use indicator is how easy the information technology is used and the information technology that can be used to run certain applications on the computer and live using it (Thomson & Baril, 2003: 36). The Compatibility indicator is how easily the technology works in conjunction with its supporting technology, and the information technology used conforms to applicable industry standards (Thomson & Baril, 2003: 36).

2.2. Quality of Accounting Information System

A quality of accounting information system is an integrated accounting information system of all related elements and subunits that work harmoniously in order to produce quality accounting information (Azhar Susanto, 2013: 72). These integrated elements are also referred to as components of an accounting information system consisting of Hardware, Software, Brainware, Procedures, Databases and Communications Networks (Azhar Susanto, 2013: 14).

Sri Mulyani NS, added that a quality accounting information system can help make the right decision (Sri Mulyani NS, 2009: 25). On the other hand Bagranoff et al, states that the quality of accounting information systems is an accounting information system (Bagranoff et al, 2010: 5).

From some of the above explanation, it can be said that the quality of accounting information system is an integrated accounting information system of various components of accounting information systems are interconnected and work together with each other in harmony to process financial transaction data into accounting information useful for decision makers.

“System Performance and Standards is efficiency A measure of what is produced divided by what is consumed. Effectiveness A measure of the extent to which a system achieves its goals; it can be computed by dividing the goals actually achieved by the total of the stated goals. system performance standard A specific objective of the system” (Stair& Reynolds, 2010: 8-9).

Likewise in line with Stair and Reynolds, Weygandt et al, states that the dimensions of the quality of accounting information systems is an efficient and effective accounting information system. (Principles of efficient and effective accounting information system) (Weygandt et al, 2010: 303). In line with Weygand et al, O’Brien and Marakas stated that measuring the quality of accounting information systems is measured in terms of efficiency in terms of minimizing cost, time and use of information resources. Success is also measured by the effectiveness of information technology in supporting business strategies, business processes, improving organizational and cultural structures, and enhancing the value of customers and business enterprises (O’Brien and Marakas, 2011: 51). Sacer et al states that the quality of accounting information system is indicated by the integration of various components of accounting information system, namely: hardware, software, brainware, telecommunication, network, and data base quality, and quality of work and satisfaction of users (Sacer et al, 2006: 62). Further Dunn et al, revealed that integration is one dimension of a quality information system. Integrated information systems are a set of communication networks in business organizations, combined together to form a unity that holds and disseminates information (Dunn et al, 2005: 2). Next Azhar Susanto, stated that a quality accounting information system is a collection of subsystems must be integrated, which are interconnected and work with each other in harmony in processing financial data into accounting information (Azhar Susanto, 2013: 72). Further dimensions of the quality of accounting information systems are efficiency, effectiveness, and integration (Muhammad Syaifullah, 2014; 2015; and 2017).

From the above explanation can be said that the dimensions of the quality of accounting information system there are 3 (three) that consists of efficiency, effectiveness and integration. Efficiency is the minimum use of resources to obtain optimum results. Effectiveness is a measure of the extent to which a system can achieve its objectives. Integration is the relevance of all related elements and subunits in shaping accounting information systems to produce quality accounting information.
3. Theoretical Framework

Influence of Information Technology On Quality Accounting Information System. The role of information technology is immense in helping accounting information systems in processing accounting data to generate accounting information for the interests of management and other parties outside companies with an interest in the company (Azhar Susanto, 2010: 1). In the business world the demands of increasing product quality, the increasingly intense inside and outside competition requires managers to be able to make accurate and detailed decisions on complex and complex issues (Azhar Susanto, 2010: 2). The current managers are required to equip themselves with knowledge in the field of information technology, especially computers and use it in accounting information systems to help process the data into information, so that quality information can obtained when needed (Azhar Susanto, 2010: 2). With information technology, all activities can be done only in an instant so it saves time (Azhar Susanto, 2010: 3). So clearly the role of information technology is very helpful to improve the efficiency, effectiveness and ability of human resources in various areas of life, especially the field of accounting information systems (Azhar Susanto, 2010: 3).

Information technology drives the financial reporting processes of modern organizations. Automated systems initiate, authorize, record, and report the effects of financial transactions (Hall, 2011: 666). The fundamental reason for the use of Information Technology in business is to support the accounting information system: (1) support of business processes and operations, (2) support of decision making by employees and managers, (3) support of strategies for competitive advantage (O’Brien & Marakas, 2010: 8).

From some of the above explanation can be said that information technology plays a role of accounting information system quality is in helping someone to finish his work on an organization that is processing accounting data to generate accounting information for the interests of management and other parties outside the organization concerned (Azhar Susanto, 2013: 1-7; Hall, 2011: 666; O’Brien & Marakas, 2010: 8).

The previous statement was confirmed from the findings of research which states that the information technology factors affect the quality of accounting information systems within the organization. In the accounting information system, information technology plays a role, to help process accounting data into accounting information (AL-Zwyalif. 2013; Bawaneh. 2011; Ismail & King. 2007).

4. Methodology Research

This research uses literature research, where literature research is related to theoretical studies and other references related to values, and norms that developed in the social situation under study. There are three criteria to the theory that is used as a foundation in research, namely relevance, current, and authenticity (Sugiyono, 2010: 144). The theories used in this study are the theories of definition, dimensions and indicators and framework theory, which is contained in the books published by national publishers and international publishers, national and international journals associated with the theory- the theoretical framework of recent scientific development, and information such as phenomena occurring in the field related to information Technology and the implementation of accounting information systems in various organizations, derived from various bona fide reference sources.

4.1. Conclusion

1) It is found that there are still problems related to the lack of quality information technology used in accounting information systems in the organization, so that the information system in use less qualified.

2) The results of literature review both from the study of journals and books, found that there is influence Quality Information Technology On Quality Accounting Information Systems are in use.

4.2 Suggestions

1) For the next researcher is suggested to continue the results of this research, with field research. So that the results of field research that can be done in generalizations on the organizations in the meticulous, which is related to the influence of Information Technology Quality On Quality Accounting Information System in use.

2) Suggested for the next researcher, can add other independent variables besides Quality of Information Technology, for example organizational culture, organizational structure, and organizational commitment, influential In accounting information system and add variable quality accounting information, as out put from accounting information system.

References


Information Commitment On The Quality Of Accounting


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