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Preface

Journal of Applied Sciences in Accounting, Finance, and Tax is a forum provided for researchers, both from universities, practitioners and the industrial world. The publication is a result of research, studies or ideas on Accounting, Finance, and Tax.

JASAFINT is published with a focus and scope on issues on Accounting (Financial Accounting, Management Accounting, Public Accounting, Auditing, and Accounting Information Systems), Finance (Capital Market, Financial Statements Analysis, and Financing), and Tax (Income Tax, VAT, Tax Audit, and Tax Accounting).

Managed by the Department of Accounting and published by Politeknik Negeri Bali Research and Community Service Center (P3M-PNB), this journal is intended to disseminate scientific knowledge and the application of the Accounting, Finance and Tax and is expected to be able to broaden the readers' perspective and enrich the scientific repertoire.

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Contents

Variance analysis as a tool of controlling food and beverage costs at Masmara Resort Cangg Ni Ketut Motik Diah Amara Dewi, I Wayan Karmana and I Made Sura Ambara Jaya	1-14
"Hpcpekndlgj cxlqt 'qh'j g'b kngpkndl gpgt cvlqp<Hpcpekndlsgt ce{ .Hpcpekndlpvgnli gpeg, 'Hpcpekndl' 'penwukp Harun Alrasyid, Sultan.....	15-22
Types of intelligence, gthics and vime dudget rressure on cuditor rperformance I Dewa Made Endiana, Putu Diah Kumalasari	23-32
"The gxistence of Emok Bank in the rerspective of raw pumber 10 of 1998 concerning danking Firda Lestari, Ida Nurhayati	33-43
The influence of implementing green accounting, material flow cost accounting and corporate social responsibility on financial performance Agnes Mega Permatasari, Ni Luh Putu Sri Purnama Pradnyani and Luh Diah Citraresmi Cahyadi..... "	44-55
"A vhe cnalysis qf qptimization qn hund f isbursement qrdet o onitoring ystem kn vhe vreasury 'dased qn vhe tegional f evelopment knformation ystem: Case utudy qf vhe mcal i overnment 'finance cnd csset qffice qf Bojonegoro Regency Umi Fatimatur Rosyidah, Hanifah Zuniatin, and Frida Fanani Rohma	56-63

Variance analysis as a tool of controlling food and beverage costs at Masmara Resort Cangu

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ABSTRACT

This research focuses on controlling food and beverage costs at Masmara Resort Cangu due to adverse variances between standard costs and actual costs. This study aims to determine the variance between standard costs and actual costs and the causes of variance and how to control food and beverage costs. This type of research is mixed method study, which is a sequential mixed methods strategy was used, especially a sequential exploratory strategy. The data sources used are primary data in the form of interview and observation results and secondary data in the form of standard recipes, reconciliation reports, sales reports, standard cost reports and actual cost reports. The data analysis techniques used are quantitative analysis techniques and control techniques. The results showed an unfavourable variance both in terms of the quantity of raw material use and also the price of raw materials caused by differences in the use of raw material quantities and differences in standard raw material prices with the actual. For food and beverage cost control, there are still discrepancies when purchasing goods above the standard price, receiving goods is carried out by unauthorized staff, storage does not match the type and does not apply the FIFO (First In First Out) system, and the production section does not use the standard recipe that has been set.

Keywords: FNB costs, Masmara Resort Cangu, variance analysis

1. Introduction

The tourism sector is the livelihood of the majority of residents in the Bali area and is one of the industries that influences national income. Efforts to increase tourism visits must be balanced with the construction of facilities that can support tourism development in Bali, such as accommodation, restaurants, shopping centres, cultural museums and others. One of the facilities that has an important role in the world of tourism is accommodation facilities, be it hotels, resorts, villas and others. The facilities provided in the hotel or resort itself are equipped with the facilities that tourists need, in the form of a restaurant, swimming pool, laundry, sports venue, spa, and others [1].

According to Surjadi, costs are sacrifices of economic resources which are measured in currency units, whether they have just been planned or have already occurred to achieve certain goals. The costs incurred are the basic costs that must be incurred to obtain income. There are 2 types of costs, namely costs that are sacrificed to achieve certain goals and have occurred in the past (historical costs) and costs that will be budgeted for and used in the future [2]. Each department certainly incurs costs for its operational activities. These costs must be controlled so that they do not exceed the standards that have been set, if they exceed these standards it can cause hotel profits to decrease due to costs being too high [3].

The cost of food is the price of all ingredients used to produce a type of food. Meanwhile, the cost of drinks is the cost of all ingredients used to produce a type of drink. The basic price of food and beverage can be directly compensated by the food and beverage sales that occur [4]. Meanwhile, according to Douglas, the basic price of food is all the costs incurred to process one portion of food so that it is ready to be served to customers (guests) [5]. One way to control food and beverage costs is to compare standard costs with actual costs. Standard costs are costs that have been determined by management to produce food or drinks according to a standard recipe, while actual costs are the actual costs incurred or incurred [6]. The difference between standard costs and actual costs is called variance. This happens because the plans expected by management do not achieve previously set targets. There are two differences, namely the favourable difference if the standard cost is greater than the actual cost and the unfavourable difference if the standard cost is smaller than the actual cost. Adverse differences will be analysed and then investigated for their causes so that solutions can be found to overcome them [7].

Masmara Resort is a four-star resort that provides accommodation in the form of accommodation and restaurants located at Jalan Pantai Pererenan No. 170, Canggu, Mengwi, Badung, Bali. In order to survive in the midst of competition and be able to achieve the expected profit targets, it is very important for management to control its operational costs, especially food and beverage costs. The standardization of food and beverage costs that has been determined can be used as a reference to reduce costs as small as possible or as far as possible the costs incurred are in accordance with the standard costs that have been previously determined [10]. However, in fact, in the last 6 (six) months of 2022 there was a variance between standard costs and actual costs which exceeded the standard food and beverage costs and the tolerance limits set by the company. This certainly needs to be studied further as to the causes of these over costs. The percentage between standard costs and actual costs as well as the variance that occurs between these two costs at Masmara Resort Canggu for the period July to December 2022 can be seen in Table 1 below:

Table 1. Food and Beverage Reconciliation
Period July - December 2022 Masmara Resort Canggu

Month	Food Costs			Beverage Cost		
	Standard	Actual	Variance	Standard	Actual	Variance
July	32%	37.76%	5.76%	30%	36.49%	6.49%
August	32%	43.26%	11.26%	30%	38.99%	8.99%
September	32%	46.00%	14.00%	30%	41.50%	11.50%

October	32%	39.89%	7.89%	30%	39.37%	9.37%
November	32%	42.32%	10.32%	30%	43.30%	13.30%
December	32%	33.16%	1.16%	30%	39.60%	9.60%
Average	32%	40.40%	8.40%	30%	39.88%	9.88%

Source: Secondary data processed, 2023

Based on Table 1, there is a difference between the percentage of standard costs and actual costs from July to December 2022. Masmara Resort has set standard costs for food and beverage at 32% and 30% respectively, with a tolerance limit of 3%. This research aims to determine the calculation of food and beverage cost variances between standard costs and actual costs, the factors that cause cost variances and the process of controlling food and beverage costs at Masmara Resort Canggu. In addition, in this study, the research object chosen by the researcher is quite interesting and different from the others because it is a newly operating resort. And also, it is clearly the difference between research conducted by researchers and other studies because researchers use food and beverage cost objects at Masmara Resort Canggu with a research year of 2023.

2. Method

This type of research is mixed method study, which is a sequential mixed methods strategy was used, especially a sequential exploratory strategy [9]. In this research, the first stage collects qualitative data in the form of the primary data that is data from observations and interviews with the kitchen, bar and accounting departments, then in the second stage collects the secondary data that is the number of sales of each food and beverage that is included in the top ten most sold menus, standard recipes for each menu, records of standard and actual costs used for raw materials each month, and cost reconciliation reports for July-December 2022. This research was carried out at Masmara Resort Canggu which is located at Jalan Pantai Pererenan, No.170, Mengwi, Badung, Bali. This research was conducted over a period of six months, starting from February-July 2023. The techniques for collecting data were obtained through interviews, documentation and direct observation of research objects.

3. Results and Discussion

Before heading to the cost analysis' results, researchers obtained the data in this study through interviews with several sources at Masmara Resort Canggu. The excerpts of some questions during the interview are as follows:

Table 2. Interview Questions on Excerpts at Masmara Resort Canggu 2023

No	Excerpts	Question	Answer
1.	Purchasing section	Has every purchase made by the kitchen and bar section of the purchasing department been coordinated with the section/storage and cost control?	Of course, the procurement of raw materials is always coordinated with these parts so that there is no accumulation of raw materials.
2.	Receiving section	What are the problems that occur in the procurement of food and beverage ingredients at Masmara Resort Canggu?	Problems that occur are often due to sudden purchases and when the ordered materials are out of stock at the supplier.
3.	Storage section	How is the recording system when goods or ingredients arrive? Is it	Goods that arrive are not recorded on the stock card but a receiving report is immediately made through the system,

			recorded on the stock card or just inputted into the system?	then printed and merged into one with the daily market list or purchase order and invoice.
4.	Production section		What are the obstacles in the storage section?	The obstacles that occur in the storage section are usually materials that are not stored according to their place and type. For example, vegetables and fruits that should be stored in the chiller, but are not stored properly and cause the material to be damaged.
5.	Cost section	Control	What is the standard cost that has been set for each food and beverage?	The standard cost set by management is 32% for food and 30% for beverage.

After the researcher conduct the interview, the researcher found the result from the analysis of the variance that occurs can be carried out by analysing the cost of food and beverage raw materials where the two difference model or formula for the difference in quantity of raw materials and the difference in price of raw materials [8], the formula is as follows:

a) Difference in Quantity of Direct Raw Materials

This difference occurs if the actual raw material quantity is smaller than the standardized quantity, which will result in a profitable difference (F). Likewise, if the actual quantity is more than the standard quantity, the meal will experience a detrimental difference (UF).

Formula:

$$\text{DRM Quantity Difference} = (\text{QStd} - \text{QAct}) \times \text{PStd} \dots(1)$$

b) Difference in Direct Raw Material Prices

This difference occurs because the actual price is different from the standard price. Profit difference (F) occurs if the actual price of raw materials is less than the standard price that has been set and vice versa.

Formula:

$$\text{DRM Price Difference} = (\text{PAct} - \text{PStd}) \times \text{QAct} \dots(2)$$

Information:

F = Favourable

UF= Unfavourable

QAct = Actual Quantity

QStd = Standard Quantity

PStd = Standard Price

PAct = Actual Price

DRM = Direct Raw Materials

Table 3. Variants in Quantity Use of Food Raw Materials
Masmara Resort Canggu on July-December 2022

No	Items	Quantity Standard (Units)	Quantity Actual (Units)	Standard Price (IDR)	Variant (QS-QA)x PS (IDR)	Note (F/UF)
1	Baby Romain	3,570	5,950	40	-95,200	UF
2	Basil	1,100	1,650	70	-38,500	UF
3	Beef Chuck Tenders	15,900	15,900	147	-	
4	Black Paper Whole	292	292	110	-	

No	Items	Quantity Standard (Units)	Quantity Actual (Units)	Standard Price (IDR)	Variant (QS- QA)x PS (IDR)	Note (F/UF)
5	Black Pepper Powder	539	539	110	-	
6	Bread Crumble	7,355	8,545	30	-35,700	UF
7	Broccoli	10,450	11,495	50	-52,250	UF
8	Big Bun Burger	173	173	4,500	-	
9	Unsalted Butter	2,835	4,740	100	-190,500	UF
10	Cabbage Red	2,975	2,975	40	-	
11	Caisim(Mustard greens)	5,700	8,550	10	-28,500	UF
12	Capsicum Green	3,135	3,135	45	-	
13	Capsicum Red	3,135	4,180	60	-62,700	UF
14	Capsicum Yellow	2,090	2,090	75	-	
15	Carrots/Imported Carrots	8,675	10,695	15	-30,300	UF
16	Cashew Whole	4,180	5,225	150	-156,750	UF
17	Cherry Tomatoes Red	3,060	3,672	45	-27,540	UF
18	Chicken Breasts	98,500	105,955	48	-357,840	UF
19	Chilli Red Big	1,100	1,650	40	-22,000	UF
20	Chornicorn gherkins	519	519	103	-	
21	Coconut Milk(Coconut cream)	2,650	2,650	35	-	
22	Coriander fresh	3,180	5,300	60	-127,200	UF
23	Coriander Leaves	1,170	1,170	60	-	
24	Dijon Mustard	1,287	1,049	180	42,840	F
25	Dragon Fruit Red	9,850	11,820	22	-43,340	UF
26	Eggs	1,207	1,207	2	-	
27	Feta Cheese	2,040	2,040	266	-	
28	Fried Shallot	2,850	4,275	85	-121.125	UF
29	Garlic (Garlic)	4,020	4,254	28	-6,552	UF

No	Items	Quantity Standard (Units)	Quantity Actual (Units)	Standard Price (IDR)	Variant (QS- QA)x PS (IDR)	Note (F/UF)
30	Peanuts	1,060	1,590	32	-16,960	UF
31	ABC Sweet Soy Sauce	5,700	6,555	56	-48,266	UF
32	Prawn crackers	8,550	8,550	35	-	
33	Ketchup	5,190	5,190	16	-	
34	Imported Lemons	1,170	1,170	42	-	
35	Lemongrass(Lemongrass)	3,180	2,650	12	6,360	F
36	Lettuce Lolo Roso	692	1,038	30	-10,380	UF
37	Lime (Lime)	7,880	7,880	15	-	
38	Long Bean	5,500	6,050	15	-8,250	UF
39	Mangos	9,850	9,850	45	-	
40	Marinated	117	117	5,269	-	
41	Mayonnaise Maestro 1kg	2,380	2,380	40	-	
42	Melon rock	9,850	9,850	16	-	
43	Minced Beef	20,760	24,220	90	-311,400	UF
44	Fried rice paste	285,000	285,000	2,42	-	
45	Olive Oil	4,380	4,965	210	-122,850	UF
46	Bombay Onions	5,745	6,790	20	-20,900	UF
47	Picle /pickles	285	285	1,128	-	
48	Pineapples	19,700	15,760	7	27,580	F
49	Potato	28,990	60,780	18	-572,220	UF
50	Potato Baby	1,590	2,120	14	-7,420	UF
51	Red Curry Paste	212	212	1,49	-	
52	Salt(Salt)	1,648	1,648	15	-	
53	Sesame Seed Black	627	627	115	-	
54	Sesame Seed White	627	627	110	-	
55	Shalot	4,540	5,420	37	-32,560	UF
56	Avocado Smash	204	204	7,29	-	
57	Sour Bread	204	204	4,9	-	

No	Items	Quantity Standard (Units)	Quantity Actual (Units)	Standard Price (IDR)	Variant (QS- QA)x PS (IDR)	Note (F/UF)
58	Sour Bread Vivre	159	159	4,167	-	
59	Steam rice	827	827	1,181	-	
60	Stir Fry Sauce	319	319	4,873	-	
61	Strawberries	7,880	9,850	65	-128,050	UF
62	Sunkist	7,880	7,880	43	-	
63	Local Tenderloin	12,100	12,650	160	-88,000	UF
64	Blue Triangle Flour	4,760	5,950	15	-17,255	UF
65	Tomato	5,240	5,800	16	-8,960	UF
66	Watercress	4,080	3,060	20	20,400	F
67	Watermelon Red	19,700	29,550	10	-98,500	UF
68	White Pepper	318	318	120	-	
69	Plain Yogurt	3,510	3,510	33	-	
Total					- 2,790,788	UF

Source: Secondary data processed, 2023

Based on the table above, it can be seen that the total use of food raw materials experienced an unfavourable difference of IDR 2,790,788. There were 32 (thirty two) raw materials experiencing adverse quantity variances. This is due to raw materials whose quantity exceeds the standard quantity, such as: 1) the human error factor in preparing and processing raw materials, such as cutting vegetables or cutting meat that does not comply with the standard recipe, causing the meat or vegetables to exceed what is standardized. 2) The use of raw materials only uses estimates from each chef and their use is not weighed beforehand but only uses estimates. 3) errors in storing raw materials.

Table 4. Price Variants on Food Raw Materials
Masmara Resort Canggu July-December 2022

No	Items	Price Standard (IDR)	Price Actual (IDR)	Quantity Actual (Units)	Variant (PS-PA)x QA (IDR)	Note (F/UF)
1	Baby Romain	40	37	5,950	17,850	F
2	Basil	70	70	1,650	-	
3	Beef Chuck Tenders	147	150	15,900	-47,700	UF
4	Black Paper Whole	110	110	292	-	
5	Black Pepper Powder	110	110	539	-	
6	Bread Crumble	30	30	8,545	-	

No	Items	Price Standard (IDR)	Price Actual (IDR)	Quantity Actual (Units)	Variant (PS-PA)x QA (IDR)	Note (F/UF)
7	Broccoli	50	52	11,495	-22,990	UF
8	Big Bun Burger	4,500	4,700	173	-34,600	UF
9	Unsalted Butter	100	102	4,740	-9,480	UF
10	Cabbage Red	40	42	2,975	-5,950	UF
11	Caisim(Mustard greens)	10	10	8,550	-	
12	Capsicum Green	45	43	3,135	6,270	F
13	Capsicum Red	60	60	4,180	-	
14	Capsicum Yellow	75	75	2,090	-	
15	Carrots/Imported Carrots	15	15	10,695	-	
16	Cashew Whole	150	150	5,225	-	
17	Cherry Tomatoes Red	45	50	3,672	-18,360	UF
18	Chicken Breasts	48	51	105,955	-317,865	UF
19	Chilli Red Big	40	45	1,650	-8,250	UF
20	Chornicorn gherkins	103	106	519	-1,526	UF
21	Coconut Milk(Coconut cream)	35	35	2,650	-	
22	Coriander fresh	60	62	5,300	-10,600	UF
23	Coriander Leaves	60	60	1,170	-	
24	Dijon Mustard	180	180	1,049	-	
25	Dragon Fruit Red	22	25	11,820	-35,460	UF
26	Eggs	2,000	2,000	1,207	-	
27	Feta Cheese	266	280	2,040	-28,560	UF
28	Fried Shallot	85	85	4,275	-	
29	Garlic (Garlic)	28	35	4,254	-29,778	UF
30	Peanuts	32	32	1,590	-	
31	ABC Sweet Soy Sauce	56	56	6,555	-	
32	Prawn crackers	35	35	8,550	-	
33	Ketchup	16	16	5,190	-	
34	Imported Lemons	42	45	1,170	-3,510	UF
35	Lemongrass(Lemongrass)	12	12	2,650	-	

No	Items	Price Standard (IDR)	Price Actual (IDR)	Quantity Actual (Units)	Variant (PS-PA)x QA (IDR)	Note (F/UF)
36	Lettuce Lolo Roso	30	30	1,038	-	
37	Lime (Lime)	15	15	7,880	-	
38	Long Bean	15	17	6,050	-12,100	UF
39	Mangos	45	48	9,850	-29,550	UF
40	Marinated	5,269	5,675	117	-47,457	UF
41	Mayonnaise Maestro 1kg	40	40	2,380	-	
42	Melon rock	16	18	9,850	-19,700	UF
43	Minced Beef	90	92	24,220	-48,440	UF
44	Fried rice paste	2,420	2,420	285	-	
45	Olive Oil	210	210	4,965	-	
46	Bombay Onions	20	24	6,790	-27,160	UF
47	Picle /pickles	1,128	1,128	285	-	
48	Pineapples	7	7	15,760	-	
49	Potato	18	20	60,780	-121,560	UF
50	Potato Baby	14	14	2,120	-	
51	Red Curry Paste	1,490	1,490	212	-	
52	Salt(Salt)	15	15	1,648	-	
53	Sesame Seed Black	115	118	627	-1,568	UF
54	Sesame Seed White	110	110	627	-	
55	Shalot	37	40	5,420	-16,260	UF
56	Avocado Smash	7,290	7,290	204	-	
57	Sour Bread	4,900	5,319	204	-85,537	UF
58	Sour Bread Vivre	4,167	4,250	159	-13,250	UF
59	Steam rice	1,181	1,313	827	-108,544	UF
60	Stir Fry Sauce	4,873	4,873	319	-	
61	Strawberries	65	65	9,850	-	
62	Sunkist	43	45	7,880	-15,760	UF
63	Local Tenderloin	160	160	12,650	-	
64	Blue Triangle Flour	15	15	5,950	-	
65	Tomato	16	18	5,800	-11,600	UF
66	Watercress	20	20	3,060	-	

No	Items	Price Standard (IDR)	Price Actual (IDR)	Quantity Actual (Units)	Variant (PS-PA)x QA (IDR)	Note (F/UF)
67	Watermelon Red	10	10	29,550	-	
68	White Pepper	120	120	318	-	
69	Plain Yogurt	33	33	3,510	-	
Total					(1,108,995)	UF

Source: Secondary data processed, 2023

Based on Table 4 above, it can be seen that the price variance on raw materials experienced an unfavourable difference of IDR 1,108,995. Based on this number, there were 28 raw material prices that experienced adverse variations. The cause of unfavourable variance between the standard price and the actual price is because there is a contract price with the supplier which is updated every month. Apart from that, there are often sudden orders for raw materials by the kitchen department, causing the purchasing department to be unable to place orders with suppliers to bring in raw materials urgently. This causes the purchasing department to have to buy from other parties who offer higher prices (outside of the contract) including if the supplier does not have stock (sold out) of the raw materials they want to order.

Table 5. Beverage Raw Materials' Use in Quantity of Variations
at Masmara Resort Canggu on July-December 2022

No	Items	Quantity Standard (Units)	Quantity Actual (Units)	Standard Price (IDR)	Variant (QS-QA)x PS (IDR)	Note (F/UF)
1	Apple	67,050	61,680	26	139,620	F
2	Beetroot	10,500	12,600	30	-63,000	UF
3	Carrots	26,850	26,850	20	-	
4	Celery	3,030	3,240	23	-4,830	UF
5	Cleo	134,510	161,700	0.9	-25,759	UF
6	Coffee Bean	14,195	17,658	222	-768,786	UF
7	Coriander Leaves	315	525	60	-12,600	UF
8	Fresh milk	110,660	114,440	19	-69,930	UF
9	Honey (840gr)	2,100	2,625	34	-17,850	UF
10	Ice Tube	68,000	63,210	1,2	5,748	F
11	Kale	1,980	1,980	40	-	
12	Kombucha	27,150	28,960	50	-90,500	UF
13	Mangos	30,600	38,250	45	-344,250	UF

No	Items	Quantity Standard (Units)	Quantity Actual (Units)	Standard Price (IDR)	Variant (QS-QA)x PS (IDR)	Note (F/UF)
14	Pineapples	6,335	6,335	14	-	
15	Red Ginger	11,870	12,765	45	-40,275	UF
16	Squeeze Lime Juice (5L)	2,970	3,960	18	-17,622	UF
17	Tangerines	107,400	143,200	20	-698,100	UF
Total					(2,008,134)	UF

Source: Secondary data processed, 2023

Based on this table, it can be seen that there are adverse variants in the quantity of use of beverage raw materials. The adverse variant amounts to IDR 2,008,134 which consists of 12 (twelve) raw materials that experience adverse variants. The raw materials include beetroot IDR 63,000, celery IDR 4,830, cleo IDR 25,759, coffee bean IDR 768,786, coriander leaves IDR 12,600, fresh milk IDR 69,930, honey IDR 17,850, kombucha IDR 90,500, mango IDR 344,250, red ginger IDR 40,275, squeeze lime juice IDR 17,622, and tangerine IDR 698,100. This is caused by errors in measuring the raw materials to produce drinks, resulting in excess or insufficient measurements that do not comply with standards. Apart from that, there are also errors in storing raw materials, such as fruit that should be stored in the chiller but is not stored in the chiller, resulting in raw materials that are damaged and cannot be used.

Table 6. Beverage Raw Material Price Variants
at Masmara Resort Canggu on July-December 2022

No	Items	Price Standard (IDR)	Price Actual (IDR)	Quantity Actual (Units)	Variant (PS-PA)x QA (IDR)	Note (F/UF)
1	Apple	26	29	61,680	-185,040	UF
2	Beetroot	30	30	12,600	-	
3	Imported Carrots	20	18	26,850	53,700	F
4	Celery	23	25	3,240	-4,860	UF
5	Cleo	0.9	1.1	161,700	-17,021	UF
6	Coffee Bean	222	224	17,658	-35,316	UF
7	Coriander Leaves	60	62	525,000	-1,050	UF
8	Fresh milk	19	20	114,440	-114,440	UF
9	Honey (840gr)	34	37	2,625	-7,875	UF
10	Ice Tube	1,2	1,2	63,210	-	
11	Kale	40	40	1,980	-	

No	Items	Price Standard (IDR)	Price Actual (IDR)	Quantity Actual (Units)	Variant (PS-PA)x QA (IDR)	Note (F/UF)
12	Kombucha	50	52	28,960	-57,920	UF
13	Mangos	45	48	38,250	-114,750	UF
14	Pineapples	14	15	6,335	-6,335	UF
15	Red Ginger	45	52	12,765	-89,355	UF
16	Squeeze Lime Juice (5L)	18	18	3,960	-792	UF
17	Tangerines	20	19	143,200	71,600	F
Total					-509,454	UF

Source: Secondary data processed, 2023

Based on Table 6 above, it can be seen that the price variance for raw materials experienced an unfavourable difference of IDR 509,454. Based on this number, there were 12 raw material prices that experienced adverse variations. The cause of this variant is due to an increase in prices from suppliers. Apart from that, there are often sudden orders for raw materials by the bar department, causing the purchasing department to be unable to place orders with suppliers to bring in raw materials urgently. This causes the purchasing department to have to buy from other parties who offer higher prices (outside of the contract) including if the supplier does not have stock (sold out) of the raw materials they want to order.

Control is a way to know that the activities or operations carried out are running according to what has been planned and determined. In this research, food and beverage control needs to be carried out because the variants obtained are unfavourable variants. To achieve the basic food price determined by management requires the involvement of several functions (departments)[4]. The following are the functions involved in controlling food and beverage at Masmara Resort Cangu:

a) Purchasing department

The purchasing party makes price offers to several suppliers to work together to get competitive prices with good quality. However, in reality, the purchasing department sometimes orders goods or raw materials from suppliers who have collaborated with the resort. This is due to urgent needs so the supplier cannot bring it in quickly and the supplier's stock is empty. This causes high price differences when purchasing from other suppliers due to the absence of a previous contract.

b) Reception Department

The receiving department is the section in charge of receiving goods from suppliers or vendors. The goods received must be in accordance with the daily market list, purchase order or purchase request regarding the type of goods, quantity, price and condition of the goods. However, because there are multiple positions between the receiving, storage and cost control departments, the person receiving goods from the supplier is more often the waiter or waitress and there is often miscommunication between the recipient of the goods and the receiving department.

c) Storage Section

Control of storage and dispensing of food and beverage ingredients at Masmara Resort is carried out directly by the kitchen and bar departments. The control carried out is in the form of storing raw materials to suit the type of food being stored. Apart from that, you also need to

pay attention to the arrangement of food items so that it is easier to pick them up. However, in reality, control in the storage of food ingredients is not paid enough attention by the kitchen department in particular. So that materials that can still be used in the future are damaged because they are not neatly stored. Likewise, when storing meat, there are leftover pieces of meat that are not combined with the same type, making it difficult to inventory. Raw material expenditure is used using the FIFO (First In First Out) method. This method is used so that materials or goods that enter the warehouse earlier are better used first considering the quality and expiry date of the goods or materials. Control at Masmara Resort only uses label stickers that are attached to several existing raw materials or goods. Then, when taking the raw materials or goods, the kitchen or bar section takes them randomly and pays little attention to the expenditure of goods using the FIFO method.

d) Production Department

Control in the production section is carried out by paying attention to the measurements and quantities of food and beverages used so that they comply with the standard recipes that have been determined. However, in reality the bar and kitchen do not comply with existing standards. This is because there is a short time in the production process so that kitchen and bar staff only use measurements according to their respective estimates. So in the production process you have to pay attention to the procedures for cutting vegetables, meat and fruit as well as the measurements for making drinks. This also needs to be considered because it will affect the taste of the food and drinks produced if they are not produced according to standards.

e) Sales Department

Control of the sales department is carried out to provide information regarding the types of food and drinks sold, the amount of food and drinks sold, the number of sales received either in cash, debit or credit. Every order from a guest is given a bill and sign. All sales transactions are input into the system and made into a daily summary sales report which is then submitted to the income audit (AR) section to be checked again. Apart from the daily sales summary report, the sales party also submits bank settlement for payments made via debit and credit to income audit (AR). For cash sales, a daily cash remittance is made which will be handed over to the general cashier at Masmara Resort has carried out sales control well.

4. Conclusion

Based on the discussion above, this research can be concluded as follows:

- a) The calculation of the standard cost variance with the actual food and beverage costs for each of the 10 (ten) menus sold at Masmara Resort Canggu uses the difference formula between two methods, namely the difference in quantity of raw materials and the difference in price of raw materials.
- b) The factors causing the difference in food and beverage raw materials that have been standardized with the actual at Masmara Resort Canggu are due to the difference between the standardized quantity of raw material usage and the actual use of raw materials. In addition, there are also food raw materials whose usage exceeds the standard due to errors in the storage of these raw materials. Also, the difference in the price of raw materials between the standard price and the actual price is due to an increase in prices from suppliers.
- c) There was a comparison between theory and actual implementation in controlling the activities of Food and Beverage Cost related functions.
- d) Controls related to the parts involved in controlling food and beverage costs at Masmara Resort Canggu have not been fully implemented properly. However, control in the sales department has been implemented well and in accordance with established standards. There are several sections that carry out control that is not in accordance with applicable standards, including the purchasing section when purchasing goods above the standard price, the receiving section is not in accordance with authorized staff, the storage section does not store goods or materials according to their type as well as in when the goods are

released, the FIFO (First In First Out) system is not implemented, and the production department does not use the standard recipe that has been set in producing food or drinks.

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Financial behavior of the millennial generation: financial literacy, financial intelligence, financial inclusion

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ABSTRACT

The millennial generation has become a hot discussion issue in society and is currently the main focus, because it shows substantial influence in the era of globalization. In financial management, the millennial generation faces very difficult challenges caused by lifestyle and a lack of in-depth understanding of financial aspects. This research aims to determine the influence of financial literacy, financial intelligence and financial inclusion on the financial behavior of the millennial generation. This research is quantitative research using primary data. The population in this study is the millennial generation of Palopo city aged 24 to 39 years. Those who filled out the research questionnaire were used as a sample of 70 people. The data collection technique uses a questionnaire distributed online from October to December 2023. The data collection method uses a saturated sampling method. The analysis method used is multiple linear analysis with the help of SPSS version 26 software. The research results show that partially using the t test it is concluded that financial literacy, financial intelligence and financial inclusion have a positive and significant effect on financial behavior. Simultaneously there is an influence of financial literacy, financial intelligence and financial inclusion on the financial behavior of the millennial generation in Palopo City.

Keywords: financial behavior, financial inclusion, financial intelligence, financial literacy

1. Introduction

Generation millennial become focus main moment this is because showing substantial influence in scope of the era of globalization. Generation millennial become issue heated discussion in public therefore that every generation own the differences show characteristics unique that differentiates in all context. Generation millennial become the group that was the first to know the internet and computers as well get easy access related with financial institutions. This thing, became facility to understanding fast them to sector finance as well as its implementation in life daily. In management finance, generation millennial face very challenging difficult caused by style life as well as lack of understanding deep about aspects finance. No only that's general Millennials are also increasing difficulty data prioritize and manage finance with Correct [1].

Generation millennials are identified with style consumer life as well as tend no think long and hard management owned finances and even in part generation millennial Still experience difficulty in management finance so that income earned no managed with Good. Lifestyle millennials do n't in accordance with ability finance cause individual do all method in fulfil style his life by because that, society moment This tend see generation millennial become inclined generation extravagant and very difficult control expenditure them, which resulted generation millennial error in finance [2], [3]. Error finance happen Because behavior finance as well as aspects other finances. Financial behavior interpreted as form behavior relevant humans with management finance. behavior finance is ability somebody in planning, budgeting, managing, checking, controlling as well as save funds for need daily. Behavior finance individual relate with multiliteracy individual. Behavior finance own significant impact in pattern consumption society and even individual with sufficient opinion often face problem finance consequence not enough wise in decision expenditure. One of possible example seen that is Still Lots public behave consumptive than invest for the future. Behavior finance influenced by several aspect including financial literacy, financial inclusion and financial intelligence [4].

Financial literacy is form understanding and knowledge about concepts and risks finances, skills as well as motivation and belief self for make effective decisions about context finance [5]. Financial literacy increase well-being finance individual as well as society and makes it possible participate in life economy. Financial literacy finance give contribution positive in growth economy and improvement quality service finance and development a country. Existence finance literacy become crucial in manage aspect finance personal as well as literacy finances also become essential for individual to be able to make smart financial decisions. Misunderstanding in financial knowledge, yes result individual no ready face impact inflation, decline economy, waste and expenditure consumptive, use Debit and credit cards are not wise, and financing that is not accurate. Misunderstanding in finance become difficult investing and accessing financial markets. Therefore that the more Good literacy finance somebody so the more Good in management finance as well as decision or invest and choose product service finance [6]. Literacy high finances be marked with exists understanding related with financial intelligence.

Financial intelligence interpreted as ability somebody manage owned finances with Good. Failure somebody in manage his finances No only caused by low opinion, but somebody That No capable manage finance and allocate finance more good. Financial intelligence includes four aspect that is method earn money, save money, use money and manage money. But in society, fourth aspect This Not yet fulfilled and only focus in aspect method earn money for example can seen in the artist, in his heyday overflow his property while in old age lack treasures and even difficulty pay debt for need life daily. When that's it, it appears awareness about financial intelligence needed for fulfil fourth aspect this [6]. Financial intelligence also emphasizes ability for understand draft base from knowledge economics and finance as well as application in life daily. Apart from aspects financial intelligence, financial inclusion also become aspect in financial behavior generation millennial.

Financial inclusion is availability access provided to public to products, institutions as well service service appropriate finances with needs and capacity with objective increase well-being public [7], [8]. Phenomena inclusion finance moment This become object ongoing discussion become focus conversation, fine in national nor scale international. In an attempt support growth economy as well as reduce poverty, financial programs are needed purposeful inclusiveness create system finances are possible accessed everyone. Draft inclusion finance refers to the spread area and use service finance in a way effective by all public [9]. Draft This covers access to service finance like account banking, insurance policies, facilities loan, opportunity investment and innovation service finance. existence inclusion finance considered important because own capacity for create opportunity economy in a way even, stimulating growth economy as well as reduce financial disparities. With exists access comprehensive to service finance, individual can more efficient in manage financial risk and participation in investment long term as well increase quality life public [1]. Therefore that, for maximizing behavior good finances so needed inclusion good finances too.

2. Method

This research is quantitative research using primary data. The population in this study is the millennial generation of Palopo city aged 24 to 39 years. Those who filled out the research questionnaire were used as a sample of 70 people. The data collection technique uses a questionnaire distributed online from October to December 2023. The data collection method uses a saturated sampling method, where all members of the population are sampled.

There are 2 variables in this research, namely independent and dependent. The independent variable is financial literacy with scale indicators of knowledge about budgeting, level of success in achieving financial goals, level of comfort with investment risk, level of portfolio diversification and ability to manage finances. variable X2 financial intelligence with indicators of financial knowledge, financial planning, financial management, financial decision making and debt management. Variable X3 financial inclusion with indicators of financial access, availability of financial services, affordability, financial technology and customer satisfaction. while the dependent variable is financial behavior with indicators of spending, savings, financial risk management, emotional awareness and financial decision making. financial knowledge, financial planning, financial management, financial decision making and debt management. The analysis method used is multiple linear analysis with the help of SPSS version 26 software.

3. Results and Discussion

Questionnaires distributed direct through social media to generation millennial city Palopo as many as 70 respondents. The results of the validity and reliability tests variable research can seen as following.

Table 1. Validity and Reliability Test

Items	Significance	Valid/Invalid	Alpha Cronbach's	Information
LK. 1	0.839	Valid	0.779	Reliable
LK. 2	0.594			
LK. 3	0.781			
LK. 4	0.698			
LK. 5	0.628			
KK.1	0.872	Valid	0.816	Reliable
KK.2	0.813			
KK.3	0.878			
KK.4	0.879			
KK.5	0.791			

Items	Significance	Valid/Invalid	Alpha Cronbach's	Information
IK.1	0.727	Valid	0.725	Reliable
IK.2	0.647			
IK.3	0.654			
IK.4	0.506			
IK.5	0.737			
Y.1	0.744	Valid	0.774	Reliable
Y.2	0.736			
Y.3	0.694			
Y.4	0.740			
Y.5	0.543			

Source: SPSS Output (2023)

Calculated results of 5 statements from all variable study stated all valid because r count more big from r table. As for the reliability test results declared valid because mark cronbach's alpha variable financial literacy, financial intelligence, financial inclusion and financial behavior more big from 0.60.

Table 2. Statistical Test

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	0,653472222	0,252777778		2,72	0.008
1 Financial Literacy	0,30625	0,08125	0,323611111	3,752	0.010
Financial Intelligence	0.027	0,069444444	0.031	0,188194444	0.007
Financial Inclusion	0,136805556	0,085416667	0,153472222	1,603	0.040

a. Dependent Variable: Y

Source: SPSS Output (2023)

- Hypothesis firstly (H1), it is known that literacy finance t count = 3.752 > t table = 0.184 with mark significant 0.010 < 0.05 meaning that there is influence positive and significant to financial behavior generation millennial. This means that with good financial literacy, a person will be better able to understand basic financial concepts, such as budget management, investment, debt, savings and financial planning. Apart from that, people with high financial literacy will also be more careful in making financial decisions, able to manage financial risks, and be better prepared to face financial challenges that may occur in the future. Thus, having good financial literacy can help a person to manage their personal finances more effectively, reduce unnecessary financial risks, and better achieve their long-term financial goals.
- Hypothesis secondly (H2), it is known that intelligence finance t count = 0.271 > t table = 0.184 with mark significant 0.007 < 0.05 meaning that there is influence positive and significant to financial behavior generation millennial. This means that financial intelligence involves a deep understanding of financial concepts, the ability to analyze financial situations rationally, and the ability to make appropriate financial decisions. Someone who has good financial intelligence tends to be more effective in managing their finances, planning their financial future, and facing financial challenges more wisely. Thus, having good financial intelligence can help a person to make better

financial decisions, manage financial risks more effectively, and achieve their financial goals more successfully. As financial intelligence increases, a person is more likely to achieve long-term financial stability and build wealth sustainably.

- c. Hypothesis third (H3), it is known that inclusion finance $t \text{ count} = 1.603 > t \text{ table} = 0.184$ with mark significant $0.040 < 0.05$ meaning that there is influence positive and significant to financial behavior generation millennial. This means that with good financial inclusion, a person can utilize various financial instruments to manage risk, develop savings and investments, and access financial services that support their financial needs. This can help increase an individual's financial stability, reduce financial uncertainty, and enable broader access to economic opportunities. Thus, good financial inclusion can help improve a person's financial behavior by opening access to various financial services needed to achieve long-term financial success.

Table 3. Coefficient Test Determination

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.889 ^a	0,548611111	0,542361111	1,77
a. Predictors: (Constant), Financial Literacy, Financial Intelligence, Financial Inclusion				
b. Dependent Variable: Financial Behavior				
Source: SPSS Output (2023)				

Based on thickness 3 above, is known that the R Square value is 0.790, which means that financial literacy, financial intelligence and financial inclusion own influence by 79% against financial behavior while 21% is influenced by variables other.

Tabel 4. Uji Statistik F

ANOVA ^a					
Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	31.141	3	10.380	15.637	.000 ^b
Residual	43.149	65	0,461111111		
Total	74.290	68			
a. Dependent Variable: behavior finance					
b. Predictors: (Constant), Literacy Finance, Intelligence Finance, Inclusion Finance					
Source: SPSS Output (2023)					

Based on table 4 above, the results of the F statistical test are known that mark significant $0.00 < 0.00$ and the calculated F value is $15.637 < F \text{ table } 2.47$ meaning that all independent variable, namely literacy finances, intelligence finance and inclusion finance in a way simultaneous influential to behavior finance.

Table 5. Analysis Multiple Linear Regression

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	0,653472222	0,252777778		2,72	0.008
1 Financial Literacy	0,30625	0,08125	0,323611111	3,752	0.010
Financial Intelligence	0.027	0,069444444	0.031	0,188194444	0.007

Financial Inclusion	0,136805556	0,085416667	0,153472222	1,603	0.040
a. Dependent Variable: Y					

Source: SPSS Output (2023)

Analysis test results multiple linear regression obtained mark constant of 0.941 and value coefficient for variable financial literacy of 0.441, financial intelligence of 0.027 and financial inclusion of 0.197, then equality regression obtained is as following:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

$$Y = 0.941 + 0.441 + 0.027 + 0.197 + e$$

Financial literacy influential to financial behavior

Hypothesis first (H1) for variable financial literacy there is significant influence to financial behavior. Literacy finance is very important generation millennial Because For prevent problem finances often arise. Generation millennial often confronted with trade-off situation, where somebody must take decision between various competing interests one with others. Therefore that, generation millennial need to understand how importance financial literacy in management smart finances and capabilities in take wise decision. This study in line with research conducted by [4] conclude that literacy finance influential to financial behavior

Financial Intelligence influential to financial behavior

Hypothesis second (H2) for variable financial intelligence there is significant influence to financial behavior. Financial intelligence is ability somebody understand importance something planning and implementing good financial governance and will bring somebody in realize his wish. Ability finance will help in face challenge finance as well as become supporter in life stable economy. Financial intelligence are also deep invest give support as well as plan the future more finances Good. This study in line with research conducted by [10] conclude that financial intelligence nfluential to financial behavior.

Financial inclusion influential to financial behavior

Hypothesis third (H3) for variable financial inclusion there is significant influence to behavior finance. Financial inclusion interpreted as something which conditions everyone gets access to service quality finance as well as with comfortable and satisfying facilities. Financial Inclusion aim for remove all obstacle to access public in utilise service service finance. Financial inclusion very need developed over generations millennial Because with it's easy granted access can help in access products finance. This study in line with research conducted by [3] conclude that financial inclusion influential to financial behavior.

4. Conclusion

Based on results analysis research and discussion influence financial literacy, financial intelligence and financial inclusion to behavior memories. So you can concluded that variable financial literacy, financial intelligence and financial inclusion influential positive and significant to financial behavior. Generation millennial own potency big in push financial behavior. Because Skills in manage finance and knowledge about finance tend look for solution efficient finances for ensure effectiveness finance for generation millennials, then need understand modality interaction with service finance in take decision.

This research is expected to use interviews because this research only used an online questionnaire. Apart from that, for researchers next, it is hoped that other variables will be added to the research, so that other variables can be identified that influence the financial behavior of the millennial generation

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Types of intelligence, ethics and time budget pressure on auditor performance

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ABSTRACT

Auditor performance is the result of work completed by an auditor in carrying out the tasks assigned to him. It depends on the auditor's skill, experience, and commitment to the task at hand. Good auditor performance can be produced if an auditor is able to pay attention to the factors that can influence it. Intellectual intelligence, emotional intelligence, spiritual intelligence, work ethics, and time budget pressure are several factors that can influence auditor performance. With the inconsistencies that occur in the results of research that has been conducted, this research aims to re-examine the influence of intellectual intelligence, emotional intelligence, spiritual intelligence, work ethic, and time budget pressure on the performance of auditors at public accounting in Bali. This research was conducted at 19 public accounting in Bali. The sampling technique used is a saturated sampling technique, which is a technique for determining a sample if all members of the population are used. Respondents in this research were 71 auditors, consisting of junior auditors, senior auditors, and managers. The data analysis technique used is the multiple linear regression analysis technique. The research results show that intellectual intelligence, emotional intelligence, and spiritual intelligence have no effect on auditor performance. Meanwhile, work ethic and time budget pressure have a positive effect on auditor performance.

Keywords: auditor, ethics, emotional, intellectual, spiritual

1. Introduction

Turning to the development of the economy in the business world today has an impact on the rapid competition that is increasingly difficult and competitive among auditors and requires auditors to always improve their performance in order to be able to become qualified, reliable, trusted auditors and able to produce high quality audit products. Performance auditors are public accountants whose job it is to look objectively at the financial statements of businesses or other groups to see if they are accurate and follow generally accepted accounting principles in all important ways. Their goal is to find out if the financial statements accurately show the company's financial position and results of operations [1].

In accordance with attribution theory, which studies the process of how someone interprets an event, studying how someone interprets the reasons or causes of their behavior. An auditor's performance can be seen from the perspective of the auditor's own behaviour in complying with the professional code of ethics, which will influence his performance. Auditor behavior in this case can be influenced by internal and external factors. Internal factors that

originate from within themselves can depend on the intellectual, emotional, and spiritual intelligence possessed by each individual. The emphasis is on human interactions, not on physical simulations. And social behavior, social influences, and dynamic groups are shown to humans as part of the social system [2]. Full control of an organization must begin with motivation and control of the behavior, goals, and objectives of individuals who are interconnected in the organization. It focuses on auditor performance, which can originate from human behavior, namely complying with the professional code of ethics and existing accounting systems. The accounting process involves summarizing a large number of economic events that are the result of human behavior, and accounting measurements also influence behavior [2]. The level of performance of auditors, both individually and as a group, influences the success or failure of the goals achieved by the organization. [3] states that auditor performance is the result of the auditor's work in carrying out their duties in accordance with the auditor's responsibilities. Performance (work performance) can be measured through certain measurements (standards), where quality is related to the quality of work produced, quantity is the amount of work produced in a certain period of time, and punctuality is the suitability of planned time.

The accuracy of the strategies and policies adopted in assessing and determining the scope of an audit can be a good indicator of an auditor's performance [3]. To avoid auditors being unable to carry out correct audit procedures because they are unable to understand and apply their knowledge and experience both in accounting and other relevant disciplines, an auditor needs to have intellectual quotient, which describes a linear, logical way of thinking and does not involve feelings [1]. Thus, intellectual intelligence will affect the auditor's ability to carry out examinations and audits properly, appropriately, and effectively. According to research by [1][4] intellectual intelligence has a positive impact on auditor performance. Emotional intelligence is useful for sharpening or developing the sharpness of taste needed in building social capital, namely capital in the form of networks or relationships with others that enable communities and organizations to function effectively for the common good [1]. This shows that someone who cannot control themselves well usually has low emotional quotient. According to research by [1], emotional intelligence has a significant positive impact on an auditor's performance. Emotional quotient, however, does not appear to have a significant impact on auditor performance, [5], [6]. In addition, there is also spiritual intelligence that is useful for cultivating spiritual capital, namely capital or wealth that reflects various shared values, shared visions, and fundamental goals in life that enrich deeper aspects of human life [1].

Spiritual intelligence allows an auditor to think creatively, be farsighted, and make or even change rules, which makes the person work better. [1] research demonstrates that spiritual intelligence has a significant positive impact on auditory performance. An auditor who has a high understanding of emotional intelligence and spiritual intelligence will be able to act or behave ethically in his profession and organization. In the accounting profession, an auditor is required to have integrity and honesty in order to be objective. However, in Santoso's research, [4] showed that spiritual intelligence did not have a significant effect on auditors' performance. Work ethic also affects how an auditor performs. A work ethic is a series of positive actions derived from fundamental beliefs accompanied by total commitment to an integral work paradigm. The indicators of work ethic are grace, trust, vocation, actualization, worship, art, honor, and working with full service [7]. Every auditor should possess a strong work ethic because the organization demands it. The work ethic of others is different from one's own life ethic. The results of research by [4], [8] demonstrate that work ethic has a significant positive impact on auditor performance. Another thing that can affect the performance of an auditor is

the pressure of time budgets, which is a condition that requires an auditor to streamline the time budget that has been made, or there are tight and rigid budget time restrictions. A time pressure condition is a condition where auditors get pressure from where they work to be able to complete tasks in accordance with a predetermined time. Meeting targets by a certain deadline, flexibility in audit time, and burdens associated with time constraints are indicators of time budget pressure [9]. Time budget pressure has a significant positive impact on auditor performance, according to research by [10]. However, research by [11] demonstrates that time pressure has no impact on auditor performance. Additionally, [12] research demonstrates that time pressure has a negative impact on auditor performance. Based on this background, showing inconsistencies in the results of previous research, it is necessary to conduct further this research. The importance of examining auditor performance is that apart from differences in results regarding influencing factors, auditor performance is an indication of the quality of the audit produced. Refocusing on the key determinants that influence auditor performance is an important thing to re-examine.

Attribution Theory

Attribution theory is a theory that explains a person's behavior. According to the originator of attribution theory, [13], this theory is explained the process of determining causes and motives for a person's behavior. Attribution theory can also be used to analyze a person's successes and failures. This theory refers to how a person explains the causes of behavior of others or himself, which will be determined whether internal, such as nature, character, attitudes, and so on, or external, such as pressure, certain situations, or circumstances that will influence individual behavior. Attribution theory studies the process of how a person interprets an event the reason or caused of his behavior. Attribution theory explains the process of how someone interprets an event, studying how someone interprets the reasons for their behavior. An auditor's performance can be seen from the perspective of the auditor's own behavior in complying with the professional code of ethics, which will influence his performance. Auditor behavior in this case can be influenced by internal and external factors. Internal factors that originate from within themselves can depend on the intellectual, emotional, and spiritual intelligence possessed by each individual. This level of intelligence will encourage an auditor to behave in accordance with the professional code of ethics.

The Effect of Intellectual Intelligence on Auditor Performance

Intellectual intelligence is the ability to perform verbal, logical, and numeric analysis [1]. According to attribution theory, an auditor's intellectual intelligence is a factor that can affect their performance because the more intellectual intelligence they have, the better they perform and the easier it is for them to find errors in the client's financial statements. Research by [1], [3], [14], indicates that intellectual intelligence has a favorable impact on auditor performance. Based on this discussion, this study suspects that auditors who have intellectual intelligence will have a positive impact on their performance, so the hypothesis in the study is:

H1: Intellectual Intelligence has a positive effect on the performance of auditors at public accounting in Bali.

The Effect of Emotional Intelligence on Auditor Performance

Emotions that exist in a person can affect one's performance; sometimes, if one's emotional level is unstable, it will make it difficult for someone to concentrate on doing something [2]. According to attribution theory, an auditor's performance will be better if they have a high level of emotional intelligence when carrying out the auditing process. Emotional intelligence has a significant positive impact on an auditor's performance, according to research by [1], [14]–[16]. Based on this discussion, this study suspects that auditors who have emotional intelligence will have a positive impact on their performance, so the hypothesis in the study is:

H2: Emotional intelligence has a positive effect on the performance of auditors at public accounting in Bali.

The Effect of Spiritual Intelligence on Auditor Performance

Spiritual intelligence is useful for cultivating spiritual capital, namely capital or wealth that reflects various shared values, shared visions, and fundamental goals in life that enrich deeper aspects of human life [1]. Attribution theory supports spiritual intelligence as a factor that comes from within an auditor, where spiritual intelligence can influence humans in thinking creatively, broadly, and setting rules for the better, which will affect a performance for the better as well. Research by [1], [5], [6], [15] demonstrates that spiritual intelligence has a significant positive effect on auditor performance. Based on this discussion, this study suspects that auditors who have spiritual intelligence will have a positive impact on their performance, so the hypothesis in the study is:

H3: Spiritual Intelligence has a positive effect on auditor performance at a public accounting in Bali.

The Effect of Work Ethics on Auditor Performance

Work ethics is a set of positive actions derived from fundamental beliefs accompanied by total commitment to an integral work paradigm. Because organizations really need hard work and high commitment, attribution theory supports work ethic as a factor that originates within an auditor. Every auditor should therefore possess a strong work ethic. Research conducted by [7], [8], [16] shows that work ethic has a significant positive effect on auditor performance. Based on this discussion, this study suspects that auditors who have a work ethic will have a positive impact on their performance, so the hypothesis in the study is:

H4: Work ethic has a positive effect on auditor performance at a public accounting in Bali.

The Effect of Time Budget Pressure on Auditor Performance

Time budget pressure is a condition that requires an auditor to streamline the time budget that has been made, or there is a strict and rigid budget time limit. Attribution theory supports time budget pressures as factors that come from outside an auditor. With the tight business competition of public accounting firms, in addition to forcing auditors to improve their performance, it also causes public accounting firms to be able to allocate time appropriately so that they can determine the amount of audit costs and offer competitive audit fees. Time budget pressure has a significant positive influence on auditor performance, according to research by [7], [10]. Based on this discussion, this study suspects that auditors who have good time budget pressure will have a positive impact on their performance, so the hypothesis in this study is:

H5: Time budget pressure has a positive effect on the performance of auditors at public accounting in Bali.

2. Method

The study was carried out at all public accountant in Bali Province that are listed in the directory of public accountant. The object of the study is an auditor working at a public accounting in Bali. Variable Operational Definition: Intellectual Intelligence is the ability to perform verbal, logical, and numerical analysis. Emotional Intelligence is the ability to recognize one's own feelings and the feelings of others, motivate oneself, and manage emotions well in oneself and in relationships with others. Spiritual Intelligence is the Intelligence to face and solve problems of meaning and value, namely the Intelligence to place human behavior and life in the context of a broader and richer meaning and the Intelligence to judge that one's actions or life path are more meaningful than others. A work ethic is a system of behavioral values possessed by a good human worker. Time budget pressure is a condition that requires an auditor to streamline the time budget that has been made, or there is a strict and rigid budget time limit. Auditor

performance is a result of the work completed by an auditor in carrying out the tasks that have been given to him, which is based on skills, experience, and sincerity of time measured by quality and timeliness.

The population and sample determination in this research are auditors who work for 19 (nineteen) public accountants in Bali, totaling 135 auditors. The sampling method used in this study was saturated sampling. There were 135 questionnaires distributed to auditors at KAP in Bali. The researcher determined a time limit of 3 weeks for taking the questionnaire at each KAP. Validity and reliability testing is carried out to ensure that the research instruments used are valid and reliable. There were 71 questionnaires returned from all KAPs in Bali so that analysis was carried out on 71 questionnaires.

3. Results and Discussion

Descriptive Statistical Test Results

Descriptive statistics aims to provide information about the characteristics of research variables consisting of the number of observations of minimum values, maximum values, average values, and standard deviations, with N being the number of research respondents.

Table 1: Results of Descriptive Statistical Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
KA	71	4.00	5.00	4.3028	.39351
KI	71	3.70	5.00	4.1662	.34515
KE	71	3.30	5.00	4.1803	.34501
KS	71	3.80	5.00	4.1324	.30881
EK	71	4.00	5.00	4.2042	.37926
TAW	71	3.00	5.00	4.1268	.38059

Source: Secondary data processed in 2023

Note: KA = Auditor Performance, KI= Intellectual Quotient, KE= Emotional Quotient, KS= Spiritual Quotient, EK = Work Ethics, TAW = Time Budget Pressure

Based on Table 1 above, the variable of intellectual intelligence measured by the three indicators adopted from [1] consists of being able to count quickly, being able to calculate precisely, and easily understanding what is read and heard. Based on the results of filling out the questionnaire, respondents gave a mean value of 4,166, which showed that dominant respondents agreed that auditors are able to calculate quickly, are able to calculate correctly, and easily understand what is read and heard. The emotional intelligence variables measured by the four indicators adopted from [1] consist of self-emotional awareness, accurate self-assessment, self-confidence, and self-emotional control. Based on the results of filling out the questionnaire, respondents gave a mean value of 4,166, which showed that dominant respondents agreed that auditors have self-emotional awareness, accurate self-assessment, confidence, and self-emotional control. The variables of spiritual intelligence measured by four indicators adopted from [1] consist of being able to face and utilize suffering, having a high level of consciousness, being able to be flexible, and living life in accordance with religious values. Based on the results of filling out the questionnaire, respondents gave a mean value of 4,132, which showed that dominant respondents agreed that auditors are able to face and take advantage of suffering, have a high level of awareness, are flexible, and live life in accordance with religious values.

The work ethic variable is measured by four indicators adopted from [8], which consist of working with full service, being able to work hard, being highly committed, and considering a job to be worship and trust. Based on the results of filling out the questionnaire, respondents

showed a mean value of 4.20, which showed that dominant respondents agreed that auditors work full of service, can work hard, are highly committed, and consider a job to be worship and trust. The variable of time budget pressure can be measured by three indicators adopted from [10], consisting of being able to meet predetermined targets, audit time allowances, and the burden borne by time constraints. Based on the results of filling out the questionnaire, respondents gave a mean value of 4.12, which showed that dominant respondents agreed that auditors can meet predetermined targets, audit time allowances, and the burden borne by time constraints. Auditor performance variables are measured by four indicators adopted from [11], consisting of being able to achieve the expected results, being able to complete tasks according to the quantity that should be produced, completing tasks according to the deadline, and being able to maximize organizational resources. Based on the results of filling out the questionnaire, respondents showed a mean value of 4.30, which showed that dominant respondents agreed that auditors can achieve the expected results, can complete tasks according to the quantity that should be produced, can complete tasks according to the deadline, and can maximize organizational resources.

Multiple Regression Result

Table 2: The Results of Multiple Linear Regression Analysis

Model	Coefficient	t	Sig
(Constant)	-1,300	-7,847	0,000
KI	0,054	0,562	0,576
KE	0,201	1,614	0,111
KS	0,162	1,234	0,222
EK	0,613	3,988	0,000*
TAW	0,402	2,853	0,006*
F Tabel		139,798	
Sig F		0,000	
R ²		0,915	
Adjusted R ²		0,908	

Source: Secondary data processed in 2023

Based on the results of multiple linear regression analysis, the results of the regression equation are obtained as follows:

$$KA = -1.300 + 0.054 KI + 0.201 TO + 0.162 KS + 0.613 EK + 0.402 TAW$$

The Effect of Intellectual Intelligence on Auditor Performance in Public Accountant in Bali

Based on the results of the hypothesis test, intellectual intelligence has no effect on the performance of auditors in public accounting in Bali, so the first hypothesis in this study was rejected. The results of this study indicate that intellectual intelligence has no effect on auditory performance.

Based on attribution theory, the existence of intellectual intelligence is a factor that comes from within an auditor who is able to influence auditor performance because the higher the intellectual intelligence possessed by an auditor, the auditor's performance will also be better, so that it can help make it easier for auditors to audit by detecting errors in the client's financial statements [1] However, the results of this study indicate that intellectual intelligence has no effect on auditory performance. An auditor who has high intellectual intelligence does not necessarily have good performance because it can be influenced by other factors, such as being less able to adapt effectively, resulting in a lack of confidence in his high intellectual abilities towards his environment [17]. An auditor who does not have high intellectual

intelligence but can adapt effectively to his environment can still guarantee that his performance is good. The results of this study are not in line with research conducted by [1], [6], [14] stating that intellectual intelligence has a positive effect on auditor performance.

The Effect of Emotional Intelligence on Auditor Performance in Public Accountant in Bali

Based on the results of the hypothesis test, emotional intelligence has no effect on the auditor's performance at KAP in Bali, so the second hypothesis in this study was rejected. The results of this study indicate that emotional intelligence has no effect on auditory performance.

Based on attribution theory, emotional intelligence is a factor that comes from within an auditor, and the performance displayed by the auditor will be better if the auditor has high emotional intelligence in carrying out the auditing process [2]. However, the results of this study indicate that emotional intelligence has no effect on auditory performance. This is because an auditor who has high emotional intelligence is not necessarily also able to carry out the auditing process well, because auditors may lack a strong independence attitude. Independence makes auditors impartial to anyone, so they can identify and resolve discrepancies or errors more effectively, regardless of personal interest in auditing clients' financial information. Auditors who lack good emotional intelligence but are still balanced with high independence can still guarantee that the auditor's performance is getting better. The findings of this study do not support research [1], [14]–[16] that emotional intelligence has a positive impact on an auditor's performance.

The Influence of Spiritual Intelligence on Auditor Performance in Public Accountant in Bali

Based on the results of the hypothesis test, spiritual intelligence has no effect on the auditor's performance at KAP in Bali, so the third hypothesis in this study was rejected. The results of this study indicate that spiritual intelligence has no effect on auditory performance.

Based on attribution theory, with spiritual intelligence as a factor that comes from within an auditor, spiritual intelligence can influence humans in thinking creatively, broadly, and setting rules for the better, which will be able to affect a performance for the better [1]. However, the results of this study indicate that spiritual intelligence has no effect on auditory performance. This is because an auditor who has high spiritual intelligence may not necessarily also have a good performance in carrying out the auditing process, because it could be that the auditor is less able to increase public trust. Gaining public trust can provide confidence that the audited financial statements are accurate and reliable. Auditors who lack good spiritual intelligence but are able to increase public confidence in the results of their audits can guarantee that their performance will be better because they can retain clients and maintain the auditor's reputation. The results of this study are not in line with research conducted [1], [6], [15], [16] showing that spiritual intelligence has a positive effect on auditor performance.

The Influence of Work Ethic on Auditor Performance in Public Accountant in Bali

Based on the results of the hypothesis test, work ethic affects the performance of auditors at KAP in Bali, so the fourth hypothesis in this study is accepted. The results of this study indicate that work ethic affects auditor performance.

Based on attribution theory, the work ethic is a factor that comes from within an auditor, and a high work ethic should also be owned by every auditor because the organization really needs hard work and high commitment. Work ethic is entirely related to matters related to awareness in making choices for a job, providing encouragement and motivation, and giving meaning to a job, which will then develop into a character or mental attitude at work [8]. Auditors who have a good work ethic tend to be able to work more focused, thoroughly, and highly committed to completing audit tasks effectively. Therefore, an auditor must have a high

work ethic in order to be professional in carrying out his duties. The results of this study are in line with research conducted [8], [18] showing that work ethic has a positive effect on auditor performance. Compliance with professional accounting ethics is very crucial for auditors when conducting audits. Auditors who have a level of adherence to professional ethics will be used as the basis for carrying out audits so that the audit results reflected in the opinions given are able to describe the actual condition of the company being audited. This reflects good auditor performance.

The Effect of Time Budget Pressure on Auditor Performance in Public Accountant in Bali

Based on the results of the hypothesis test, time budget pressure affects the performance of auditors at KAP in Bali, so the fifth hypothesis in this study is accepted. The results of this study indicate that time budget pressure affects auditor performance.

Based on attribution theory, the existence of time budget pressure as a factor that comes from outside an auditor, followed by intense competition in public accounting firms, in addition to forcing auditors to improve their performance, also causes public accounting firms to be able to allocate time appropriately so that they can determine the amount of audit costs and offer competitive audit fees [2]. An auditor who can work with clear and defined time limits can increase the auditor's focus on critical tasks. Auditors tend to look for ways to work more efficiently and ensure that work is completed by a set deadline. This means that auditors who can work with good time and budget pressures will have a positive impact on their performance as well. The results of this study are in line with research conducted [7], [10], which shows that time budget pressure has a positive influence on auditor performance. Auditors who can maximise and manage audit time allocation well can speed up the audit process and produce good audit quality. This reflects good auditor performance. Auditor performance is one of the key factors amidst increasingly tight competition in the public accounting firm business.

4. Conclusion

Based on the results of the analysis and discussion that have been described, the following conclusions can be drawn: intellectual intelligence does not affect the performance of auditors at KAP in Bali. This means that high and low intellectual intelligence in auditors do not affect auditor performance. Emotional intelligence has no effect on auditor performance at KAP in Bali. This means that high and low emotional intelligence in auditors do not affect auditor performance. Spiritual intelligence has no effect on the auditor's performance at KAP in Bali. This means that the high and low spiritual intelligence of the auditor do not affect the auditor's performance. Work ethics have a positive effect on the performance of auditors at KAP in Bali. This shows that the higher the work ethic, the better the auditor's performance, and vice versa, the lower the work ethic, the lower the auditor's performance. Time budget pressure has a positive effect on the performance of auditors in public accounting in Bali. This shows that the higher the time budget pressure given, the better the auditor's performance, and vice versa, while the lower the time budget pressure given, the lower the auditor's performance.

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The existence of Emok Bank in the perspective of law number 10 of 1998 concerning banking

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ABSTRACT

The people of Parakanjaya Village have been using loans from loan sharks or what is known as "Emok Bank" to meet consumer needs because, with their jobs where their income is uncertain, they have not been able to meet their needs or requirements quickly. However, quite a few people also use the services of "Bank Emok" for productive purposes, namely as business capital. This research aims to describe Bank Emok's practices, Bank Emok's operations, and the obstacles faced by the community as Bank Emok customers. The research method used in this research is a descriptive, qualitative approach with a juridical and societal approach. The data collection techniques used in this research consisted of documents and interviews. The research results show that the legal existence of Emok Bank, especially in its operations, distribution, setting interest rates, and payment methods, is not by regulations, especially the Banking Law. However, the Parakanjaya Village community has helped economically.

Keywords: abnormal return, new normal, trading volume activity

1. Introduction

In a modern economy, banks play a very important role. This is because the main business of banks is to provide credit, and credit provided by banks has a very broad influence in all areas of people's lives, especially in the economic sector. However, in reality, banking practices in society, especially among the poor, do not follow modern banking flows and mechanisms.

Bank Emok is currently popular in society and is very disturbing. These microloans are considered a new way for loan sharks to operate. Emok Bank's initial aim was to provide loans to micro business groups. However, in reality, Emok Bank loans are misused by the public, not for business capital, but Emok Bank loans are used to meet daily needs [\[1\]](#).

As explained above, the problem regarding the rampant practice of providing business capital loans managed by Emok Bank in the Parakanjaya Village community, Bogor Regency, capital loans managed by Emok Bank uses a repayment pattern with a group system of joint responsibility (all members must bear/help for one members who are not able to pay deposits). Initially, this lending practice really helped the local economy, but as the payments progressed, which were collected once a week, residents who borrowed found it difficult because the deposits that had to be returned had very high interest rates. According to Kasmir (2016: 3) states that a bank is a financial institution whose main activity is collecting funds from the community and channeling these funds back to the community as well as providing other banking services [\[2\]](#).

Based on Law no. 7 of 1992 concerning banking states that a bank is a business entity that collects savings from the public and distributes them to the public in order to improve the standard of living of many people. Meanwhile, the definition of a bank is based on Law Number 10 of 1998 concerning Banking, which states that a bank is a business entity that collects funds from the public in the form of savings and distributes them to the public in the form of credit and/or other forms in order to improve people's living standards [\[3\]](#).

Emok comes from Sundanese which means to sit. This mobile fund distributor was named Emok Bank because transactions were carried out cross-legged. This practice provides loans to housewives in West Java at exorbitant interest rates. Emok Bank distributes loans to groups, not individuals. The profession of loan shark is usually synonymous with a man. However, in the southern region of West Java, loan sharks are dominated by women. In practice, Emok Bank distributes loans to groups, not individuals. The group receiving this loan must consist of 10 people or more [4].

In the Unisba repository, credit comes from the Roman word "credere" which means trust. Someone who obtains credit means gaining trust from the bank, thus the basis for granting credit is trust, namely the belief that the debtor will pay off his debt as agreed and on time. A customer who gets credit from a bank is someone who has the trust of the bank.

The definition of credit according to Article 1 number 11 of Law Number 7 of 1992 concerning Banking as amended by Law Number 10 of 1998 formulates the definition of credit as follows: Credit is the provision of money or bills that can be equated with it, based on an agreement or loan agreement between the bank and another party which requires the borrower to pay off the debt after a certain period of time with interest.

From the definition above, there are 4 main elements of credit, namely trust, time, risk and performance. Trust means that every credit exercise is based on the bank's belief that the credit will be repaid by the debtor within the agreed time period.

Communities have different needs from each other, whether primary, secondary or tertiary needs. To meet these needs, people need money which is obtained in various ways, generally by doing work. However, if the income from this job still does not meet the needs of the community, then there will be a feeling of insufficiency, and one way to meet this insufficiency is by borrowing money [5].

The aim of this research is to describe Emok's Bank practices, Emok's Bank operations, and the obstacles faced by the community as Emok Bank customers. The benefits that will be obtained from this research are providing information about what Emok Bank is, providing information about how Emok Bank operates, providing information about how Emok Bank practices are viewed from the legal perspective of banking laws, and providing information about what obstacles there are, faced by the community as Emok Bank customers.

Literature Review

Based on the results of previous journal searches regarding the problem of the operationally illegal existence of Emok Bank. Emok Bank is very disturbing to the public because of the very high interest rates and installments. Using a joint responsibility system, many people fall into problems that stem from difficulty paying [1]. Emok Bank is a bank that lends money to private individuals or individuals such as loan sharks [4]. The public is already familiar with fund transactions providing business capital loans managed by "Emok Bank". This has been going on for a long time and has become a tradition for the community [13]. The Emok Bank phenomenon, which is considered to provide sufficient convenience to the community, also has a negative side. In several areas there is also rejection of Emok Bank. Most Emok banks are not registered institutions which are certainly not supervised by the government, so the Indonesian Consumers Foundation (YLKI) also appeals to the public to stay away from Emok banks, which indeed have the impression of being disguised loan sharks which are clearly contrary to banking regulations [7][11].

2. Method

Research design

Study This was carried out in Parakanjaya Village, Kemang District, Bogor Regency. This location was chosen because there were many cases of people being ensnared by Emok Bank loan sharks. The research method used in this research is a descriptive, qualitative approach, with a juridical and societal approach. Qualitative methods are methods or methods of research that emphasize analysis or descriptiveness. In the qualitative research process, things from the

subject's point of view are emphasized more and the theoretical basis is used as a guide by the researcher, so that the research process is in accordance with the facts encountered in the field when conducting research.

The data collection techniques used in this research consist of documentation and interviews, documents collected by researchers are in the form of answer sheets that have been filled in by Emok Bank customers, and interviews to obtain data directly, researchers carry out interview techniques where informants are asked questions. In this study, the researcher did not use a completely systematic and structured interview guide for data collection, an unstructured free form interview was used. The initial data source taken as the object in this research is the people who are customers of Emok Bank in the Parakanjaya Village environment. In detail, what was studied from Emok Bank customers who were used as research objects was why they became dependent on Emok Bank. The population of Parakanjaya Village who currently use Emok's Bank services is 100 people, with a sample of Bank Emok customers of 30 people.

3. Results and Discussion

The following are the results of interviews with Emok Bank officers operating in Parakanjaya Village.

Table 1.Emok Bank Officer Interview Results

NO	QUESTION	ANSWER
1.	What is Emok Bank's company form?	Individuals are not PT, or CV.
2.	How are Bank Emok employees recruited?	Yes, like applying for a job in general.
3.	Is there any special training/training for Emok Bank employees?	There is no special training, at least if you have been accepted as an Emok Bank employee there will be three days of training.
4.	What is Emok Bank's payroll status like, is it daily, weekly or monthly?	The payroll system is monthly.
5.	Who is the target borrower from Emok Bank?	The target is people who have small businesses.
6.	Are there any special conditions for borrowing money at Emok Bank?	There are no special conditions without collateral and you only need to use a photocopy of the Family Card, a photocopy of the guarantor's KTP, and a photocopy of the borrower's KTP.
7.	How long does it take for the loan money to be disbursed?	At most one week the loan money will be disbursed.

8.	How do I return the loan money?	The payback system is in installments every week for one year.
9.	How long is the loan repayment period?	Usually the time period used is one year.
10.	How much is the interest on Emok Bank loans?	25%

Source: Processed data 2023

From the results of the research table above, it is clear that Bank Emok is an individual company that has not received permission to operate, so Bank Emok is still illegal and violates government regulations.

The method for recruiting Emok Bank employees is the same as recruiting employees at other public companies by spreading information about job vacancies and then coming with a CV and interviewing. There is no special training to become an Emok Bank officer, you just need to have a strong mentality because you will be dealing with customers whose characters are different for each person. The payroll status of Bank Emok employees is the same as companies in general, namely payroll every month.

In fact, the initial target of Emok Bank was to provide capital to people who have small businesses, but people misused these micro loans and instead used them to meet their daily needs, even worse, there were those who used these loans to cover their debts to other Emok Banks. This happens because the loans offered by Bank Emok are very easy, only requiring a photocopy of your KTP and Family Card. This credit also provides loans without collateral, which makes people increasingly interested in this easy loan. When the conditions are met, the money will be disbursed in a short time, only requiring a maximum of one week. The customer has received the loan funds, but the customer does not receive the full funds that have been submitted because when In disbursement, there will be a service discount charged to the customer and the amount depends on the size of the loan the customer applies for. The larger the loan disbursed, the greater the service discount charged. After the customer gets the loan the following week the customer has to pay the installments because Bank Emok's payment system is set once every week for a period of one year with large interest charged to the customer.

The following are the results of a questionnaire that was distributed to Emok Bank customers. The population is 100 people, but the researchers only used a sample of 30 people.

Table 2.Emok Bank Customer Questionnaire Results

No	Question	Yes	Yes	No	No
		Number	Percent %	Number	Percent %
1.	Are you interested in Emok Bank credit services?	30	100%	0	0%
2.	Do you use Emok Bank credit services?	30	100%	0	0%

3.	Did your family know when you borrowed money from Emok Bank ?	28	93.3%	2	6.6%
4.	Does the family agree when you borrow money from Emok Bank ?	28	93.3%	2	6.6%
5.	Have you used Emok Bank credit services more than once?	29	96.6%	1	3.3%
6.	Have you been an Emok Bank customer for more than one year?	29	96.6%	1	3.3%
7.	Do you feel happy using Emok's Bank credit services?	29	96.6%	1	3.3%
8.	Do you feel helped by the presence of Emok Bank ?	30	100%	0	0%
9.	Do you use the loan proceeds from Emok Bank for your daily needs?	18	60%	12	40%
10.	Do you use the loan proceeds from Emok Bank for business capital?	18	60%	12	40%
11.	Are the conditions required to borrow money from Bank Emok easy enough?	30	100%	0	0%
12.	Is the loan interest set by Emok Bank high enough?	30	100%	0	0%
13.	Will you continue to use Emok Bank credit services?	26	86.6%	4	13.3%
14.	Is Emok Bank disturbing?	23	76.6%	7	23.3%
15.	Should Emok's Bank credit services continue to be available in the community?	26	86.6%	4	13.3%

Source: Processed data 2023

From the results of the research table above, most of the people of Parakanjaya Village are interested in and use Emok's Bank credit services, although there are some people who do

not get permission from their family and husband, but they still apply for credit loans to Bank Emok secretly without the knowledge of their family and husband.

On average, the people of Parakanjaya Village have used Emok's Bank credit services more than once. They feel happy and feel helped by the presence of Emok Bank because they use the proceeds from the loan to meet the daily needs of their household, such as meeting kitchen needs and expenses. school children, and to style themselves in front of their neighbors. However, there are some people who use the proceeds from loans from Emok Bank to use as capital for small businesses such as; selling vegetables around, selling market cakes, selling seblak, and grocery stalls.

They feel that applying for credit from Emok Bank is much easier than having to apply for credit from a commercial bank, because they don't need to be tired of coming to the bank because Bank Emok always travels from one village to another. Moreover, Emok Bank offers very easy loans without collateral and very easy requirements when compared to commercial banks.

However, despite the very easy conditions given, Bank Emok ensnares people with very high interest rates compared to commercial banks, even so, people will continue to use Bank Emok's credit services because they are forced to meet their needs. Because they don't know who else to borrow money from other than the Emok Bank credit institution.

The people of Parakanjaya Village are aware that the interest rate set by Emok Bank is very high but what can they do? They are forced to borrow money from credit institutions like that to meet their living needs because they don't know who to ask for help. The local government has not yet provided a solution to this problem even though Bank Emok is very disturbing for the community.

Emok Bank not only provides high interest to the public but also has a bad impact on society because when there are customers who are unable to pay the installments at that time, Emok Bank officers will act rudely and impolitely towards the customer both in words and actions and at the Bank. Emok will continue to wait in front of the customer's house until the customer pays the installments.

Bank emok itself comes from Sundanese, which means women who give money who sit cross-legged with their legs folded behind them. This term is popular because emok bank transactions are carried out by sitting cross-legged in special places such as the terraces of residents' houses. The profession of loan shark is usually synonymous with a man. However, in the southern region of West Java, loan sharks are dominated by women.

They are usually referred to as emok banks which are known to be cruel and coercive when collecting loans from the public. According to information from a local resident, the conditions for borrowing or making transactions with Emok Bank are quite easy. Each group of women is only required to submit a photocopy of their KTP per person, after which Emok Bank will immediately disburse the money according to the loan and within a certain period.

The community also has a dependency on Emok Bank due to economic factors and administrative aspects as well as changes in social and economic conditions which reduce the standard of living. Emok Bank has been considered the easiest initial alternative for borrowing. This choice was also based on the large number of people who practice lending to Emok Bank. This ultimately causes loans to Emok Bank to be considered normal. Emok Bank in Parakanjaya Village seems to have become an alternative to support the community's economic needs. Another factor is the level of financial literacy which is still low and the existence of financial institutions is not evenly distributed. This situation makes it difficult for some groups of people to obtain funding for business. However, the economic pressure experienced by the people of Parakanjaya Village means that the people continue to take Emok Bank loans without considering the various risks that might occur.

The impact of Emok Bank on the local community is that even though it makes it easier for people to get money, they need to be wary of the existence of Emok Bank because its money withdrawal system seems coercive and intimidating at inappropriate times. According to

several residents, Emok Bank often comes to their house by knocking on the door to ask where the borrower is and asks to be taken to the address of the resident who borrowed money from Emok Bank. According to these residents, many of their neighbors often hide in neighbors' houses, even outside the village in order to avoid the Emok Bank terror which is considered disturbing by local residents.

The solutions provided by Parakanjaya Village officials to the community to prevent emok banks from running rampant in the Parakanjaya Village area are:

With this phenomenon, it is necessary to provide information to the public regarding the dangers of Emok Bank, the existence of laws relating to Emok Bank, as well as legal and social protection efforts in the event of misuse of personal data by Emok Bank, so that the public will be more alert and not become victims. from Emok Bank.

The existence of Emok Bank

Illegal Banks or known as Emok Banks are currently widespread in society and are very disturbing. These microloans are considered a new way for loan sharks to operate. Emok itself comes from Sundanese, which means the way women sit on the lesehan by kneeling with their legs crossed behind them. This fund distributor was given the name Emok Bank because when transactions were carried out on a lesehan basis and the target was housewives, casual people, or anyone interested in an easy loan [6].

In practice, Emok Bank distributes loans to groups, not individuals. The group receiving this loan must consist of 10 people or more. Emok Bank's initial goal was to provide loans to business groups. However, in reality Emok Bank also provides loans to mothers for consumptive needs. One housewife who is a customer of Emok Bank in Parakanjaya Village, Bogor Regency, admitted that she was forced to borrow money from Emok Bank because of economic needs. Even though the interest on the debt was higher, he chose Emok Bank because the requirements were very easy compared to banks. With just a photocopy of your KTP, you can receive the loan money [7]. The population in Parakanjaya Village, which is 10,339 people, the average occupation of Parakanjaya Village residents is Housewife and 0.010% of Parakanjaya Village residents are Emok Bank customers.

Emok Bank Operations

Emok Bank goes around meeting women from one RT to another to offer credit loans using a system they created themselves because Emok Bank is a type of loan shark. Then Bank Emok created groups in each RT to distribute funds because Bank Emok credit was per group, not individuals. A newly formed group will have one member selected to be the group leader. The task of this group leader is to assist Emok Bank officers in collecting savings funds every week. After the members and group leaders are formed, they can apply for a credit loan. Customers who wish to apply for credit must fulfill several fairly easy requirements, such as: a copy of the family card, a photocopy of the borrower's and guarantor's ID cards, and the borrower's and guarantor's signatures. After that, the money will be disbursed in a maximum of about 1 week, usually the loan money received by the customer is not fully received because there are service deductions and so on.

In the following week, the customer must pay the predetermined loan installments, namely once a week for a period of one year. Every week Emok Bank officers will come to the group leader's house to ask for weekly deposits because the appointed group leader has responsibilities towards other members in the village. If there is a customer who is unable to pay the installments, the Emok Bank officer will coordinate with the group leader. If they are still unable to pay the installments, the officer will go to the customer's house and act rudely. If you still cannot pay the installments, usually the group leader will announce to all group members to help pay off the installments that week.

The Existence of Emok Bank from the Perspective of Banking Law

Illegal banks or known as Emok Bank are dangerous for people's welfare. Even though various efforts have been made, its existence still haunts the community. One of the housewives who is a customer of Emok Bank in Parakanjaya Village, Bogor Regency, admitted that she was

forced to borrow money from Emok Bank because of economic needs. Even though the interest on the debt was higher, he chose Emok Bank because the requirements were very easy compared to banks. Just a photocopy of your KTP can receive loan money [8].

Emok Bank always travels from one village to another, this is one of Emok's Bank attractions, so borrowers don't need to go all the way to the bank because Emok Bank has come to the homes of Emok Bank. A customer in Parakanjaya Village, Bogor Regency believes that if he borrows money from an official banking institution, it is not certain that he will get the loan he is applying for because of his lack of education and he is only a housewife and has no income, so it is better for him to apply for credit at Emok Bank which will definitely provide loans with easy conditions and no need to go far to visit the bank office, in their opinion. Even though they already know the consequences, when they borrow money from Emok Bank, if they are unable to pay, they will be treated badly and also have to pay high interest, but people still continue to use Emok's Bank credit services again because they are desperate.

The explanation of Article 16 reads, "Activities of collecting funds from the public carried out by anyone are basically activities that need to be supervised, considering that these activities are related to the interests of the community whose funds are entrusted to the party collecting the funds. funds." [9].

In this regard, this paragraph emphasizes that activities to collect public funds in the form of savings and loans can only be carried out by parties who have obtained a business license as a commercial bank or Rural Bank. Credit agreements are a very important aspect in granting credit. Without a credit agreement signed by the creditor and debtor, there will be no debtor agreement.

The explanation to Article 16 states, "that bank opening activities in Indonesia must be carried out with permission from Bank Indonesia". However, in reality Emok Bank does not fulfill the requirements stipulated in articles 16 and 18 of the Banking Law. Emok Bank does not yet have permission from the leadership of Bank Indonesia and is not yet authorized by the OJK, and Emok Bank has its own requirements and procedures. and does not follow the rules stipulated in Article 18. Apart from that, Emok Bank also does not have an official office as intended in Article 18. So Emok Bank is not transparent, there is no clear office so it will make it difficult for the public when they want to submit complaints.

Emok Bank Practices

Emok Bank is a bank that lends money to individuals or individuals such as loan sharks, so this is an agreement between both parties as regulated in Article 1320 of the Civil Code, so it is not valid to be considered an agreement between the two parties. Why, because in Article 1320 of the Civil Code (KUHD), an agreement can be said to be valid if it meets several conditions as follows:

- A They agreed to bind themselves.
- B. Ability to make deals.
- C. A certain thing
- D. Halal reasons [10].

However, in reality Emok Bank ensnares people with high interest rates so that people are forced to apply for credit to Emok Bank because there is an urgent need, even though if they could choose, people would not want to take out loans with high interest rates.

So from the explanation above, it can be said that Bank Emok's credit does not meet the requirements of Article 1320 of the Civil Code because the public actually does not agree with high interest but is forced to borrow from Emok Bank because of urgent needs, so that Bank Emok does not fulfill the provisions of Article 1320 letter A.

In article 1320 of the Civil Code, point B, namely the ability to make an agreement, means a person's ability to carry out legal actions so that they can be held accountable for the consequences of the punishment.

In article 1330 (KUHPer) where 21 years of age can be considered an adult. In this case, Emok Bank also does not meet point B, because in its provisions the person who can apply for

a credit loan is someone who already has an ID card, whereas someone who has an ID card starts from the age of 17. In article 1320 (KUHPer) point C, namely, a certain object. At this point, Emok Bank meets the requirements because Emok Bank has an object, namely credit. In article 1320 (KUHPer) point D, namely, a lawful cause. In fact, credit is halal because there is a lending and borrowing agreement, but if in the case of Emok Bank there is no agreement then it can be said to be not halal, besides that Emok Bank also does not meet the requirements at points A and B. Article 1337 (KUHPer) determines that "a cause is prohibited, if it is prohibited by law, or if it is contrary to good or public order"[12]. Emok Bank is invalid because it does not comply with applicable laws and regulations and is invalid because it does not have permission from the OJK [11]

Emok Bank distributes its funds not to individuals but to groups. In one group there are 10 or more people, one of whom will be the group leader. The loans given are IDR 3,000,000 to IDR 50,000,000 or even more than that, so the loan limit will continue to increase the longer the person has been Emok Bank customer, the greater the loan limit that will be obtained when disbursing credit funds, the greater it will be. flowers given. The 20% installment is paid once a week for one year and is mandatory so whether members like it or not they have to pay every week.

For example, person A borrows money from Emok Bank amounting to Rp. 1,000,000 with interest provided by Emok Bank of 25% with weekly installments of Rp. 25,000 in 50 installments, so that person A has a total loan of Rp. 1,250,000. If one of the group members is unable to pay or does not come when paying the installments, then the payment of the installments is borne by other group members to help with the payment by participating in paying the installments for the group members who cannot come. When paying installments or withdrawing funds, members will gather at an agreed place, usually at the house of the Emok Bank group leader. After all members gather, the group will recite the pledge read by the chairman, after which they will recite Pancasila.

Meanwhile, the reference interest rate set by the central bank, namely Bank Indonesia, is only 5.75%. The reference interest rate is the amount of interest that is determined periodically by the central bank, in this case Bank Indonesia. So, Bank Indonesia's reference interest rate then becomes the basis for various loan products from banks and other financial institutions. The interest rate set by Emok Bank is very high compared to the interest rate set by Bank Indonesia. In this case, Bank Emok again violated the provisions set by Bank Indonesia.

Obstacles Faced by the Community as Emok Bank Customers

From the research results, most of the people of Parakanjaya Village are interested in and use Bank Emok's credit services, although there are some people who do not have permission from their families and husbands but still apply for credit loans to Bank Emok secretly without the knowledge of their families and husbands.

In general, the people of Parakanjaya Village have used Bank Emok's credit services more than once. They feel happy and helped by the presence of Emok Bank because they use the loan funds to meet their household's daily needs, such as meeting kitchen needs and expenses. school children, and posing in front of their neighbors. However, there are some people who use Emok Bank loan funds to use as capital for small businesses, such as; selling vegetables around, selling market cakes, selling seblak, and grocery stalls

They feel that applying for credit to Bank Emok is much easier than having to apply for credit from a public bank, because they don't need to come to the bank office because Bank Emok always goes from one village to another. Moreover, Emok Bank offers very easy loans without collateral and very easy requirements when compared to general banks.

Even though the conditions provided are very easy, Emok Bank ensnares people with very high interest rates compared to commercial banks, but people will still use Emok's Bank credit services because they are forced to meet their needs. Because they don't know who else to borrow money from other than the Emok Bank credit institution.

The people of Parakanjaya Village are aware that the interest rate set by Emok Bank is very high but there is no other choice what they can do. They are forced to borrow money from credit institutions like that to meet their living needs, because the local government has not provided a solution to this problem.

Emok Bank not only provides high interest to the public but also has a bad impact on society because when there are customers who are unable to pay the installments at that time, Emok Bank officers will act rudely and impolitely towards the customer both in words and actions and at the Emok Bank will continue to wait in front of the customer's house until the customer pays the installments.

The existence of Emok Bank seems to be a solution, but in reality they ensnare people with high interest rates. However, the economic pressure experienced by the people of Parakanjaya Village means that the people continue to take Emok bank loans without considering the various risks that might occur.

4. Conclusion

Emok Bank distributes loans to groups, not individuals. The group receiving this loan must consist of 10 people or more. Emok's Bank initial aim was to provide loans to business groups. However, in fact Emok Bank also provides loans to mothers for consumer needs. Although there are some people who use Emok Bank loan funds to use as capital for small businesses such as; selling vegetables around, selling market cakes, selling seblak, and grocery stalls.

They chose Emok Bank because the requirements were very easy compared to general banks. With just a photocopy of your KTP, you can receive the loan money. Of the total population of Parakanjaya Village, which is 10,339 people, the average occupation of Parakanjaya Village residents is as housewives with no income.

Emok Bank seems to provide a solution, but in reality it traps people with high interest rates. However, the economic pressure experienced by the people of Parakanjaya Village makes the people continue to take Emok Bank loans without considering the various risks that may occur.

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The influence of implementing green accounting, material flow cost accounting and corporate social responsibility on financial performance

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ABSTRACT

This research aims to examine the effect of implementing green accounting, material flow cost accounting and corporate social responsibility on company financial performance. The population in this study are companies in various industrial sectors in the textile and garment sub-sector listed on the Indonesia Stock Exchange in 2018-2022. The sample was selected using a purposive sampling method with three criteria which resulted in 8 companies with 5 years of observation resulting in 40 samples that were worthy of observation. This research uses multiple regression analysis using the SPSS program. In this research, the green accounting variable is measured using the level of measurement method with a score of 0 if not disclosed, 1 if in narrative form, 2 if in image and narrative form, and 3 if in image, narrative and number form, material flow cost accounting variable using the MFCA cost flow matrix, the corporate social responsibility variable using the 2016 GRI Standard CSR disclosure and the financial performance variable using ROA. Based on the results of the analysis, it shows that the variables green accounting and material flow cost accounting have a positive effect on the company's financial performance, which means that when the company implements green accounting and material flow cost accounting well it will improve the company's financial performance. The corporate social responsibility variable has a negative effect on the financial performance of a company, which means that when a company implements corporate social responsibility it will reduce the company's financial performance because the resulting expense value will reduce the value of profits and reduce financial performance.

Keywords: corporate social responsibility and financial performance, green accounting, material flow cost accounting

1. Introduction

It is very important for a company to improve its financial performance because financial performance can be used as a benchmark to evaluate and measure the company's financial condition through the company's ability to generate profits [1]. Financial performance is shown by the large profits generated from sales and investments. The better the profitability ratio, the better it describes the company's high ability to earn profits [2].

The fast fashion phenomenon which has an impact on textile waste is a current problem. Co-Founder of Our Reworked World, Annika Rachmat, found that 1 million of the 33 million tons of textiles in Indonesia become textile waste. Alan Wheeler, Director of the British Textile Recycling Association, said that a total of 1.2 billion tonnes of greenhouse gas emissions are generated from the textile industry in the world [3].

The Company Performance Rating Assessment Program or PROPER contained in the Minister of Environment and Forestry Regulation Number 1 of 2021 is an evaluation of the

performance of the person responsible for business and/or activities in the field of environmental management. The aim of this program is to increase the role of companies in their willingness to manage the environment, as well as produce a stimulant effect in fulfilling environmental regulations and social values [4].

The triple bottom line concept was coined by Elkington in 1998, where corporate social responsibility has three main dimensions, namely profit, people and planet. This theory in the economic aspect makes the company not only look at the company's financial benefits but also look at the social and environmental aspects for the sustainability of the company [5].

Textile and Garment Companies are one of the various sub-sectors of various industries listed on the Indonesian Stock Exchange (BEI). Garment is an apparel industry company, while textiles covers the entire clothing production process, including the process of making artificial fibers, making yarn, as well as apparel manufacturing activities [6]. In 2023, via the idx.com website, the total number of textile and garment companies listed on the Indonesian Stock Exchange (BEI) will be 23 companies. The phenomenon of large purchases in the domestic market is in line with population growth and changes in people's lifestyles, resulting in social and environmental problems, for example air pollution, factory waste, land pollution, and others.

With existing phenomena and regulations, companies must be aware and feel responsible for the impact they have on their company's operational activities. Both in social and environmental aspects. This form of responsibility will have an impact on external parties in making decisions about the company [7]. However, on the other hand, the Company's existence aims to gain as much profit as possible, but is required to pay attention to social and environmental responsibilities which will be an additional burden. The best solution to achieve a balance between profitability and social responsibility, companies must involve a balanced and sustainable approach that takes into account the company's short-term and long-term needs as well as the interests of all stakeholders [8].

Stakeholder theory explains a company's strategy to protect relationships with stakeholders, including investors, government, creditors, employees, suppliers, customers, society and the environment. By implementing a strategy for disclosing social and environmental information to protect relationships with stakeholders, it is hoped that this can influence the company's survival and gain stakeholder trust [7].

Disclosure of company social and environmental information can be done by implementing Green Accounting. Green Accounting is an appropriate tool for minimizing energy, conserving resources, reducing health and environmental safety risks, and promoting competitive advantage [9]. Green Accounting aims to provide environmental information to external and internal stakeholders [10]. The impact of implementing green accounting includes increasing the positive response given by both consumers and investors which results in increasing sales and company profit levels which results in increasing the company's financial performance [11]. The research results are in line with previous research by [12] which stated that green accounting has a positive effect on financial performance. On the other hand, there is also research from [7] with the results that green accounting has no effect on financial performance. This result is based on a company when incurring environmental costs will reduce the company's profits.

Companies can also consider material costs and environmental capabilities by implementing material flow cost accounting. Material flow cost accounting is one of the environmental management accounting methods that encourages managers to increase material utilization and significantly minimize waste which will result in reduced cost values, resulting in higher profit levels. When profits are high, of course it will improve the company's financial performance [13]. The research results are in line with research by [13] which states that material flow cost accounting affects financial performance.

Corporate Social Responsibility is a social obligation of the private sector or company towards society and the government due to the impact of the company's expansion on the

environmental and social balance of its operational activities [6]. When conflicts occur between stakeholders, managers will skillfully adopt corporate social responsibility to resolve conflicts and maximize shareholder interests [14]. Corporate social responsibility has an impact on the company's level of income and profitability, which means it will increase the company's financial performance [2]. The research results are in line with research by [15] with the statement that corporate social responsibility influences financial performance. On the other hand, there is also research from [16] whose research results show that corporate social responsibility has no effect on financial performance.

Based on the background explanation above, taking into account the latest phenomena regarding environmental and social protection, especially in the textile and garment industry, also in line with the differences in research results that have been carried out by previous researchers, this research aims to find out the effect of implementing green accounting on material flow costs accounting, corporate social responsibility on financial performance in Various Industrial Sector Companies, Textile & Garment Sub-sector on the Indonesia Stock Exchange 2018 - 2022.

Stakeholder Theory

Stakeholder theory was first put forward by E. Edward Freeman in 1984, which stated that companies not only operate for their own interests, but also provide benefits to stakeholders. Stakeholder theory is a strategy created by companies to maintain their relationships with stakeholders or stakeholders themselves [7]. Disclosure of social and environmental information can be done by implementing green accounting, where the company will have good environmental performance. Apart from that, companies can also reduce unnecessary costs by implementing material flow cost accounting. Disclosure of corporate social responsibility practices as a form of concern for the community has an impact on public trust in the company which has an impact on making it easier to manage the company's operations to gain profits which has an impact on improving financial performance [17].

Legitimacy Theory

There are limitations that are emphasized by the existence of social norms or values, the reaction to these limitations can encourage analysis of organizational behavior, especially in environmental matters. Legitimacy theory is based on the social contract theory of reciprocal relationships in the social life of society and companies [18]. The implementation of green accounting ensures that there are costs for preventing environmental damage due to company activities. The application of material flow cost accounting also ensures that no production materials become waste and damage the environment. The implementation of corporate social responsibility is also a form of corporate practice regarding responsibility resulting from the expansion of its business activities. These applications will not violate the norms and balance that exist in society. Community support has an impact on profits and increased company financial performance [19].

The Effect of Implementing Green Accounting on Financial Performance

Green Accounting is accounting that calculates and includes preventive costs and those incurred as a result of company operational activities that affect the environment and society. The implementation of green accounting will encourage the ability to minimize environmental problems faced by the Company. Success in environmental protection will affect the good image obtained by the company [20]. The assessment of a company's financial performance can be seen from the company's ability to generate profits [21]. The impact of implementing green accounting for companies includes increasing public and stakeholder trust in the company which has the impact of increasing sales and company profit levels which have an impact on improving financial performance [11]. Stakeholder theory explains that companies will disclose information for stakeholders' information needs in decision making, companies will disclose green accounting which is expected to be able to meet the required information needs and can get support from stakeholders who influence the company's survival [17]. This

is in accordance with the results of previous research conducted by [12]. Hypotheses that can be proposed are based on explanations and results of previous research, namely:

H1 : Green Accounting has a positive effect on Financial Performance

The Effect of Implementing Material Flow Cost Accounting on Financial Performance

Material Flow Cost Accounting is one of the environmental management accounting methods that aims to reduce both environmental impacts and costs at the same time. Material flow cost accounting pays attention to the flow of raw materials, energy and systems you can easily identify waste as a loss materials, thereby optimizing the allocation of production costs. By continuing to improve quality environmental companies can increase production without damage, maximizing profit company, which reduces the company's operating costs. The application of material flow cost accounting during the production process, allows companies to absorb costs that should not be incurred more efficiently, and the loss of material in the production process does not completely affect the cost of the products produced, thus allowing companies to maximize profit and get a good assessment of the stakeholders. This increase in profits resulted in an increase in the Company's financial performance [13]. Stakeholder theory explains that companies will try to provide good information about the company's condition. When the implementation of material flow cost accounting is successful and ends with an increase in profits, it is certainly good information. Stakeholders will assess that the company has good performance with a good level of company profits [7]. This is in accordance with the results of previous research conducted by [13]. Hypotheses that can be proposed based on explanations and results of previous research, namely:

H2 : Material Flow Cost Accounting has a positive effect on Financial Performance

The Effect of Implementing Corporate Social Responsibility on Financial Performance

The implementation of corporate social responsibility has an impact on a company's good reputation, especially in the eyes of the public. Corporate social responsibility is the social obligation of the private sector or company towards society and the government due to the impact of the company's expansion which is defined as having disrupted the environmental and social balance of society. The implementation of corporate social responsibility as a form of responsibility to stakeholders has an impact on increasing the trust of stakeholders, especially the community. When the community feels they are being cared for, they will provide more support to the company's operational activities. People will use the company's products more which will have an impact on increasing sales value which ends in profits [6]. When profits increase, of course this will result in good financial performance [2]. The company carries out its business activities not only for the company but also pays attention to the interests of its stakeholders. The implementation of corporate social responsibility as a form of responsibility to stakeholders has an impact on increasing the trust of stakeholders, especially the community. When the community feels they are being cared for, they will be more supportive of the company's operational activities [7], [15]. Hypotheses that can be proposed are based on explanations and results of previous research, namely:

H3 : Corporate Social Responsibility has a positive effect on Financial Performance

2. Method

Research design

This research uses a quantitative method in the form of an associative method that uses secondary data with the population being Companies in the Various Industrial Sectors, Textile and Garment Sub-sectors listed on the Indonesia Stock Exchange (BEI) in 2018-2022. Research objects include green accounting (X1), material flow cost accounting (X2), corporate social responsibility (X3) and financial performance (Y).

Data collection instruments

The data collection method in this research uses a documentation method, namely by viewing and recording data originating from financial reports and annual reports or sustainability reports of companies in the various textile and garment sub-sector industries listed on IDX.

Participants/sample

The population in this research is various industrial sector companies in the textile and garment sub-sector listed on the Indonesia Stock Exchange (IDX) in 2018-2022 with a sample collection method using a purposive sampling method. Research sample can be seen on [Tabel 1](#).

Table 1. Research Sample Calculation

No	Descriptions	Amount
1	Various Industrial Sector Companies in the Textile and Garment Sub Sector listed on the IDX for the 2018 - 2022 period	23
2	Companies that do not consistently report financial reports, annual reports or sustainability reports for the 2018 – 2022 period	(8)
3	Companies that do not provide complete data relating to research variables	(7)
	Number of companies based on criteria	8
	The total sample is based on the observation year for the 2018 - 2022 period	40

Source: Processed secondary data, year 2024

Data analysis

In this research, several stages of data analysis were used, including Descriptive Statistical Analysis, Classic Assumption Test consisting of Normality Test, Multicollinearity Test, Heteroscedasticity Test, and Auto Correlation Test, followed by Multiple Linear Regression Test, Coefficient of Determination Test (R²), Test Model Feasibility (F Test) and t Test.

Operational definition of variable

Financial Performance

Financial Performance Measurement uses measurement using Return on Asset (ROA) ratio analysis. ROA analysis measures a company's ability to generate profits by using all the assets owned by the company after taking into account costs [\[21\]](#), the formula used is as follows:

$$ROA = \frac{\text{Net Profit After Tax}}{\text{Total Asset}} \times 100\%$$

Green accounting

In this study, Green Accounting was measured using a level of measurement with a score of 0 if it did not reveal, 1 if it was in the form of a narrative, 2 if it was in the form of pictures and narratives, and 3 if it was in the form of pictures, narratives and numbers [\[9\]](#).

Material flow cost accounting

The material flow cost accounting calculation model is compiled based on input data. Positive and negative product costs are differentiated according to the mass balance concept. Material flow cost accounting is calculated based on ISO 14051 guidelines [\[13\]](#), with the following steps:

a. Material cost allocation

$$\text{Percentage of positive output} = \frac{\text{Positive output}}{\text{Positive output} + \text{Negative output}} \times 100\%$$

$$\text{Percentage of negative output} = \frac{\text{Negative Output}}{\text{Positive Output} + \text{Negative Output}} \times 100\%$$

Positive output includes material usage costs

Negative output includes waste management and environmental costs

b. System cost allocation

Positive product = Total system cost x number of output percentages positive

Negative product = Total system cost x number of output percentages negative

System costs include labor costs, depreciation costs, transportation and freight costs, and maintenance costs.

- c. Energy cost allocation
Positive product = Total energy cost x total percentage of output positive
Negative product = Total energy cost x total percentage of output negative
Energy costs include energy, fuel, steam, heat and air costs.
- d. Cost allocation and material flow cost accounting results

$$\text{Material flow cost accounting cost} = \frac{\text{Total Output}}{\text{Total Cost}}$$

Corporate social responsibility

In this research, corporate social responsibility uses the 2016 GRI Standard CSR disclosure with 77 items that can be applied in Indonesia. The 2016 GRI Standards consist of: (a) 13 disclosure items specifically for economic aspects; (b) 30 disclosure items specifically for environmental aspects; and (c) 34 disclosure items specifically for social aspects. CSR index calculation is carried out in the following way:

$$CSRDI_j = \sum \frac{X_{ij}}{n_j}$$

CSRDI_j = Corporate Social Responsibility (CSR) Company Index

n_j = Number of CSR disclosure criteria for company j, n_j ≤ 77

X_{ij} = 1 = If disclosed; 0 = If not disclosed

3. Results and Discussion

Descriptive Statistics Test

Referring to [Table 2](#), the green accounting value has the highest value of 3 and the lowest value of 1 with an average value of 2.13 and a standard deviation value of 0.607. It can be concluded that the data is more consistent or homogeneous. The material flow cost accounting value has the highest value of 0.43 and the lowest value of 0.19 with an average value of 0.3138 and a standard deviation value of 0.07581. It can be concluded that the data is more consistent or homogeneous. The corporate social responsibility value has the highest value of 0.71 and the lowest value of 0.22 with an average value of 0.5023 and a standard deviation value of 0.13558. It can be concluded that the data is more consistent or homogeneous. The Financial Performance value has the highest value of 0.120 and the lowest value of -0.871 with an average value of -0.03148 and a standard deviation value of 0.166545. It was concluded that the data was more varied or heterogeneous.

Table 2. Descriptive Statistical Test

	N	Minimum	Maximum	Mean	Std. Deviation
Green Accounting	40	1	3	2.13	.607
Material Flow Cost Accounting	40	.19	.43	.3138	.07581
Corporate Social Responsibility	40	.22	.71	.5023	.13558
Kinerja Keuangan	40	-.871	.120	-.03148	.166545
Valid N (listwise)	40				

Source: Processed secondary data, year 2024

Normality test

The normality test results show the value of Asymp. Sig(2-tailed) has a value of 0.05 where $0.05 \leq 0.05$. From these results the data is not normally distributed, so this research uses another option, namely the Monte Carlo method. After carrying out a normality test with the Monte Carlo Sig model. (2-tailed) value shows $0.071 > 0.05$, so it can be concluded that the research data is normally distributed.

Multicollinearity Test

Multicollinearity test results indicate that the tolerance value of the independent variable is more than 10% or 0.1 and the VIF value is less than 10. So, this model can be interpreted as having no symptoms of multicollinearity and can be used.

Heteroscedasticity Test

The results of the heteroscedasticity test show that the significance value of each variable, namely green accounting, material flow cost accounting, corporate social responsibility and financial performance is above 0.05, which means that there is no heteroscedasticity so the research can continue.

Autocorrelation Test

The results of the autocorrelation test show that the Durbin Watson value obtained is 1.353, where $dU > dW$, where $1.6589 > 1.353$, which can be concluded that the data experiences symptoms of autocorrelation. So this research uses another option, namely the Cochrane-Orcutt (C-O) method. After carrying out an autocorrelation test with the Cochrane-Orcutt (C-O) model, the Durbin Watson value was obtained as 1.793, where $dU < dW < 4 - dU$, namely $1.6589 < 1.793 < 2.3411$. So it can be concluded that the data does not experience symptoms of autocorrelation.

Multiple Linear Regression Analysis

Table 3. Results of Multiple Linear Regression Analysis

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.244	.106		-2.303	.027
Green Accounting	.106	.044	.388	2.405	.021
Material Flow Cost Accounting	.744	.365	.339	2.035	.049
Corporate Social Responsibility	-.492	.164	-.401	-3.006	.005

Source: Processed secondary data, year 2024

Referring to [Table 3](#), multiple equations are obtained:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3$$

$$Y = -0.244 + 0.106X_1 + 0.744X_2 - 0.492X_3$$

α The constant coefficient of -0.244 means that if the variables Green Accounting, Material Flow Cost Accounting and Corporate Social Responsibility are perceived at 0 then Financial Performance is at a constant value (-0.244).

β_1 The Green Accounting regression coefficient value is 0.106, meaning that an increase in the value of 1 unit will increase Financial Performance by 0.106.

β_2 The regression coefficient value for Material Flow Cost Accounting is 0.744, meaning that an increase in the value of 1 unit will increase Financial Performance by 0.744.

β_3 The Corporate Social Responsibility regression coefficient value is -0.492, meaning that an increase in the value of 1 unit will reduce Financial Performance by 0.492.

Coefficient of Determination Test (R²)

The results of the coefficient of determination (R²) test showed that the coefficient of determination R² was 0.383 or 38.3 percent. This means that each of Green Accounting, Material Flow Cost Accounting, and Corporate Social Responsibility provides a role

participation of 38.3 percent and 61.7 percent of the ups and downs in Financial Performance due to external factors other than research.

Model Feasibility Test (F Test)

The results of the model feasibility test (f test) show that the F coefficient value is 9.063 and the Ftable value is 2.87 when compared to the Fcount value > than the Ftable value and the significance value is smaller, namely $0.000 < 0.05$, which means H_0 is rejected or H_a is accepted. So, Green Accounting, Material Flow Cost Accounting, and Corporate Social Responsibility have a positive effect on Financial Performance simultaneously.

Hypothesis Test

Referring to [Table 3](#), green accounting has a t coefficient value of 2.405 and a ttable value of 1.688 when compared, the tcount value is > than t table and the significance value is smaller, namely $0.021 < 0.05$, which means H_0 is rejected or H_1 is accepted. Green Accounting has a positive influence on Financial Performance. Material flow cost accounting has a t coefficient value of 2.035 and a ttable value of 1.688 when compared to the t count > t table value and a smaller significance value of $0.049 < 0.05$ which means H_0 is rejected or H_2 is accepted. Material Flow Cost Accounting has a positive influence on Financial Performance. Corporate social responsibility has a t coefficient value of -3.006 and a t table value of 1.688 compared to the t count < of t table and the significance value is more or less smaller, namely $0.05 \leq 0.05$, which means that H_0 is accepted or H_3 is rejected. Corporate Social Responsibility does not have a positive influence on Financial Performance.

Effect of Green Accounting (X1) on Financial Performance (Y)

Testing the Green Accounting variable (X1) on Financial Performance. Based on [Table 3](#), the t coefficient value is $2.405 > 1.688$ with a significance of $0.021 < 0.05$ so that H_0 is rejected and H_a can be accepted, namely green accounting has a positive effect on financial performance. meaning that the higher the value of implementing green accounting, the company's financial performance will increase, and conversely, when the value of implementing green accounting is lower, the company's financial performance will decrease.

Stakeholder theory explains that companies will disclose information for stakeholder information needs in making decisions that have an impact on the company [\[17\]](#). Stakeholder theory explains that when a company is willing and able to provide the information needed to implement green accounting, it will gain the trust of stakeholders. Through green accounting, companies can identify opportunities to reduce operational costs by increasing the efficiency of resource use and reducing waste. For example, by using more efficient energy or reducing production waste, companies can save raw material costs and waste processing costs. Companies that take environmental impact into account tend to gain a better reputation in the eyes of consumers, investors and other stakeholders. Success in minimizing burdens and gaining a good image and trust in using company products from stakeholders will certainly increase sales value and profits for the company. When profits are good, it will certainly have an impact on increasing the company's financial performance. The results of this research are in line with research by [\[11\]](#), [\[12\]](#), [\[15\]](#), which states that green accounting has a positive effect on financial performance.

Effect of Material Flow Cost Accounting (X2) on Financial Performance (Y)

Testing the Material Flow Cost Accounting (X2) variable on Financial Performance. Based on [Table 3](#), the t coefficient value is $2.035 > 1.688$ with a significance of $0.049 < 0.05$ so that H_0 is rejected so H_a is accepted, namely material flow cost accounting has a positive effect on financial performance. This research means that the higher the value of material flow cost accounting implemented by the company, the higher the company's financial performance, and vice versa, the lower the value of material flow cost accounting implemented by the company, the lower the company's financial performance.

Stakeholder theory explains that companies will try to provide good information about the company's condition to gain stakeholder trust. When the implementation of material flow cost accounting is successful it ends with an increase in profits, which has an impact on

increasing stakeholder trust [7]. Material flow cost accounting provides benefits by increasing company profits and productivity which in turn contributes to sustainable development and company profits. Material flow cost accounting helps companies identify hidden costs associated with natural resource use, waste and emissions. By knowing these costs, companies can take steps to reduce waste and increase efficiency in the use of resources, thereby reducing production costs. By understanding how resources are used and how waste is generated in the production process, companies can identify opportunities to optimize resource use and reduce waste. This can reduce raw material costs and waste processing costs, and improve overall production efficiency. With this the company can maximize profits. This increase in profits has an impact on improving the Company's financial performance. However, the material flow cost accounting concept here which focuses on reducing negative effects on the environment will often have an impact in the long term, so material flow cost accounting may not affect the company's financial performance in the short term. However, material flow cost accounting will have a positive impact on financial performance in the long term. The results of this research are in line with the results of previous research conducted by [13] which stated that material flow cost accounting affects financial performance.

Influence of Corporate Social Responsibility (X3) on Financial Performance (Y)

Hypothesis H3 states that Corporate Social Responsibility has a positive effect on Financial Performance. Testing the Corporate Social Responsibility (X3) variable on Financial Performance. Based on Table 3, the t coefficient value is -3.006 with a significance of $0.005 < 0.05$ thus that H_0 is accepted and H_a is rejected. The results show that corporate social responsibility has a negative effect on financial performance. This means that the higher the company's corporate social responsibility value, the more the company's financial performance will decrease and conversely, the lower the company's corporate social responsibility value, the more the company's financial performance will improve. Corporate social responsibility requires companies to spend quite large amounts of funds which will be an excess burden that will reduce the company's profits and have an impact on reducing the level of the company's financial performance.

Stakeholder theory explains that companies carry out their business activities not only for the company but also pay attention to the interests of stakeholders [7]. The implementation of corporate social responsibility as a form of responsibility to stakeholders has an impact on increasing the trust of stakeholders, especially the community. When the community feels they are being cared for, they will be more supportive of the company's operational activities. However, on the other hand, corporate social responsibility activities also require companies to spend quite large amounts of funds. Thus, even though the company has implemented corporate social responsibility, it will not necessarily be able to improve the company's financial performance because the greater the funds spent will certainly reduce profits which will have an impact on decreasing the level of the company's financial performance. Apart from that, companies that fail to implement corporate social responsibility, by not choosing and focusing on implementing corporate social responsibility activities that are in accordance with the company's goals and the needs of the surrounding community, will slow down the achievement of the company's goals in producing a good image in society. Companies that carry out corporate social responsibility activities here which focus on forms of social responsibility towards stakeholders, especially in this case the community, will result in a high level of trust from the community in the company, of course it will still have a positive impact on the company. The implementation of corporate social responsibility for companies is able to generate profits in the long term. The results of this research are in line with research from [22], [23] whose research results state that corporate social responsibility has a negative effect on financial performance.

4. Conclusion

The results of the study and discussion explained above provide several conclusions, including that the green accounting variable has a positive effect on financial performance. This means that the higher the value of the company's implementation of green accounting, the company's financial performance will increase, and conversely, the lower the value of the company's implementation of green accounting, the company's financial performance will decrease. The material flow cost accounting variable has a positive effect on financial performance. This means that the higher the value of material flow cost accounting implemented by the company, the higher the company's financial performance, and conversely, the lower the value of material flow cost accounting implemented by the company, the lower the company's financial performance. The corporate social responsibility variable has a negative effect on financial performance. This means that the higher the company's corporate social responsibility value, the more the company's financial performance will decrease and conversely, the lower the company's corporate social responsibility value, the more the company's financial performance will improve because the implementation of corporate social responsibility requires companies to spend quite large amounts of funds which will be an excess burden that will reduce the company's profits and have an impact on reducing the level of the company's financial performance.

This research is expected to produce theoretical evidence with support the stakeholder theory by E. Edward Freeman in 1984, where companies not only run for the benefit of the company, but also for the stakeholders. The application of green accounting, material flow cost accounting and corporate social responsibility which provides the benefits of good sustainability prospects can provide a greater level of trust from stakeholders. There is another harmonious theory, namely the theory of legitimacy by Dowling and Pfeffer, where the theory of legitimacy is based on the social contract theory of reciprocal relationships between society and companies. The company will use the legitimacy of society to develop company strategies, especially in efforts to position itself in a more advanced society with the aim of good company financial performance. Strategies that can be used include implementing green accounting, material flow cost accounting and corporate social responsibility. This research is expected to produce empirical evidence to prove that disclosure of green accounting, material flow cost accounting and corporate social responsibility on financial performance can provide a reference for companies to improve their company's financial performance, especially, manufacturing companies whose production activities have an impact on the environment and society. It is hoped that this research will be able to provide advice and input to stakeholders when deciding to invest in or use products from a company, it should be more supportive of companies that have good sustainability strategies. Because it will result in good company performance and financial performance in the long term.

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Analysis of optimization on fund disbursement order monitoring system in the treasury based on the regional development information system: Case study of the local government finance and asset office of Bojonegoro Regency

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ABSTRACT

The Regional Development Information System (SIPD) is designed by the government to make it easier for stakeholders to input and manage regional finances. However, not all local governments are able to develop along with increasingly massive technological developments. The Bojonegoro government, with quite a lot of sources of income dominated by the oil and gas sector, is quite adaptive in implementing the Regional Development Information System (SIPD). Thus, this research seeks to investigate optimizing the fund disbursement order monitoring system in the treasury based on the regional development information system in Bojonegoro. This research employed qualitative methods, where researchers used data collection techniques by means of observation, interviews and documentation. The object of this research is the Local Government Finance and Asset Office (BPKAD) of Bojonegoro Regency, especially in the treasury sector and the subject of this research is the Regional Development Information System (SIPD). The research findings indicate that SIPD has a crucial role in realizing transparent and reliable financial management, making it easier to supervise. However, achieving transparency and monitoring efficiency can only be supported by an implementation process that has been carried out in an integrated manner. Regional government synergy has a crucial role to play in encouraging the process of unifying all regional development information systems and regional information systems in order to accelerate the implementation of SIPD.

Keywords: fund disbursement order, local government, optimization, supervision

1. Introduction

Digitalization has a crucial role in encouraging regional government financial management [1], [2], [3]. The development of the Regional Development Information System (SIPD) is seen as an effort to encourage the effectiveness of regional financial management which is important in the decision-making process [1], [2], [3], [4]. SIPD is a mandate from Law 23 of 2014 Article 391 which is emphasized through Minister of Home Affairs Regulation Number 70 of 2019 that SIPD is designed to be more adaptive, responsive, dynamic, innovative and accountable and has begun to be used by regional governments [5].

The use of SIPD is expected to help the Local Government Department (SKPD) in implementing its performance. [6] explained that the implementation of website-based SIPD is expected to make it easier and faster to carry out supervision and evaluation of public services. However, research findings show that SIPD implementation is very complicated [6], [7]. The development of research on SIPD shows very mixed results. [7] show that there is a SIPD

problem in Medan City, an error system which causes SIPD input problems, thus hampering the preparation of cash budgets, etc. In addition, several studies also show that SIPD implementation cannot run optimally without adequate resource capacity. [8], [9], [10] shows that SIPD implementation is less effective because of the quality of the RKPD documents produced. The development of this research shows that the implementation of SIPD is very challenging and requires reliable resource support.

The phenomenon in the field shows that one of the sites, namely the Bojonegoro Regency Government, which in 2022 won the highest regional income realization award in Indonesia, is apparently quite adaptive in using SIPD. Local Government Finance and Asset Office (BPKAD) Bojonegoro uses SIPD supported by the use of Google Drive to help smoothly input Fund Disbursement Order Monitoring System (SP2D) data files. BPKAD Bojonegoro Regency itself has the duties and functions of carrying out the preparation and implementation of regional government financial management policies, especially in the areas of regional finance, treasury, accounting, assets and reporting, to support the integrity of the use of data related to this system which can also be used in development developments in each Bojonegoro district government agency. The role of technology can help realize effective and efficient performance because this system allows SKPD to access SIPD wherever and whenever, this proves that this system makes it easier to implement SKPD performance. In this way, this research seeks to further explore efforts to optimize the SP2D monitoring system for the SIPD-based treasury in Bojonegoro.

This research uses qualitative methods involving several key informants from BPAKD Bojonegoro. The research findings provide an initial indication that SIPD has a crucial role in realizing transparent and reliable financial management, making it easier to supervise. However, achieving transparency and monitoring efficiency can only be supported by integrated implementation and adequate resource support. This research contributes to three main streams. First, theoretically this research shows that SIPD can be used as an effort to encourage monitoring mechanisms by the government so as to minimize the occurrence of information asymmetry and dysfunctional behavior from authorized personnel. Second, practically local government is a crucial factor in encouraging the success of system implementation because SIPD will not run without integrated system implementation. In this way, related parties can be a catalyst for the aggregate implementation of the system across all SKPDs in local government.

2. Method

This research used qualitative methods. Qualitative methods make it possible to solve problems in research by referring to data or information according to field conditions [3], [11]. The thing that researchers must pay attention to using qualitative methods is whether problems and events that occur in the field are correct and proven [11]. The use of the qualitative method makes it possible to obtain sharp and in-depth information regarding SP2D through SIPD which occurs at the Regional Financial and Asset Management Agency, especially the treasury section, using techniques for collecting and analyzing data in the field.

This research was conducted from February to June 2023. Data collection was carried out using unstructured interviews with informants. The informants in this research are informants who can convey accurate and accountable information regarding SIPD software. Apart from that, source triangulation was also carried out by conducting interviews with additional informants and verification based on the physical documentary evidence obtained. Key informants involved in this research included the Head of the Bojonegoro Regency BPKAD and the Head of the Treasury Subdivision of the Bojonegoro Regency BPKAD. Apart from that, this research also involved Bojonegoro Regency Treasury Staff and one of the SKPDs in Bojonegoro Regency who works in Sumberrejo District. In more detail, the list of informants involved in this research is presented in [Table 1](#).

Tabel 1. List of Informants

Name	Status	Position
Luluk Alifah , SE, MM	Head of BPKAD Bojonegoro Regency	Key Informant
Yuri Nur Rahmawati, S.E. S.Kom	Head of Subdivision for Treasury of BPKAD Bojonegoro Regency	Key Informant
Hikmi Amalita Nur Fadhila	Bojonegoro Regency Treasury Staff	Additional Informants for Data Triangulation
Sholikatul Roma Dhona, S.M	One of the SKPDs in Bojonegoro Regency	Additional Informants for Data Triangulation

Source: Data Processed, 2024

3. Results and Discussion

This research investigates the optimization of SP2D supervision in the treasury sector through the SIPD system at BPKAD Bojonegoro Regency. In accordance with government regulations in the Minister of Home Affairs, SIPD is regional management information that is used by SKPD and is mutually sustainable to produce digital-based regional information services. In this way, SIPD can be interpreted as meaning that SIPD is a digital website that produces information between related SKPDs and data that is summarized in a system. In this research, the researcher emphasizes discussing the stages and optimization of the implementation of SIPD in the SP2D process at the Regional Financial and Asset Management Agency, especially in the Bojonegoro district treasury sector. It is hoped that the implementation of SIPD in government agencies can support work and make it easier for government agencies to input and process planning and budgeting, which in turn can encourage creative and innovative implementation of government main duties and functions. So, SIPD is a system that can be connected to all related agencies in Indonesia, especially within the scope of BPKAD Bojonegoro Regency. Then the researchers also discussed how government agencies understand the use of SIPD, the advantages and obstacles experienced when using the system.

Optimizing the use of SIPD

To find out the extent of the optimization process of implementing the use of SIPD in the Regional Financial and Asset Management Agency of Bojonegoro district, researchers used a research focus based on the theory of Van Meter and Van Home related to policy implementation. Van Meter and Van Horn stated that to measure implementation performance Policies need to pay attention to standards and targets that must be achieved by policy actors. Policy performance is the level of achievement and appropriate targets for policy assessment. This statement is in line with the results of observations as follows:

"The SIPD system can run optimally if it is carried out in accordance with the policies set by the government" Informant A

From the results of research conducted at BPKAD Bojonegoro Regency, it was found that BPKAD had used the SIPD web-based application using the policies that had been established. These policies can help BPKAD in carrying out all duties and functions under the regional government of Bojonegoro district. Because this regional government information system has only been implemented by the regional government for several years, there are still problems and obstacles experienced by the BPKAD of Bojonegoro district in its use. However, the obstacles faced can gradually be overcome through policies that have been established by

the regional government and this web system must be continuously updated so that later we can get the desired benefits from the establishment of this system.

The regional government which has the authority to implement SIPD, the main user is the regional secretary. Judging from various aspects of consistency in the achievement and implementation of SIPD in Bojonegoro district, sub-activities in the SIPD application planning process have been aligned between the activities and programs being implemented. So, in this way, the East Java provincial government can monitor the performance of SKPDs and the progress of development planning information data in Bojonegoro Regency. The existence of this SIPD system makes it faster for local governments to obtain the data they need accurately and access can be done easily via the website without the need to use certain applications and networks.

Based on the opinion of Van Mater and Van Horn, 1975) that: "New town study suggests that the limited supply of federal incentives was a major contributor to the failure of the program". Government stakeholders who are able to utilize human resources (HR) are the first step to achieving successful implementation of implementation optimization, HR is of course an important point in terms of resources that can achieve success. Quality human, financial and time resources play an important role in supporting policy implementation which is carried out apolitically and systematically. To achieve the success of a program, the three resources above must be maximally fulfilled in accordance with the results of observations made by researchers as follows:

"By having competent human resources, BPKAD Bojonegoro Regency can easily understand and use the SIPD system" Informat A and Informant B

Research findings on the BPKAD Bojonegoro, that human resources were sufficient to be met efficiently and effectively. Like the majority of employees at BPKAD are graduates and many young employees really understand how to operate computers and can overcome problems that occur, especially when the SIPD system experiences errors. Even though most of those who operate the SIPD system are young human resources, older human resources are no less competitive in their understanding of the web system. BPKAD must also prepare better if there is a sudden shift or change in leadership from the relevant agencies in Bojonegoro district, so that there are no delays in the process of disbursing salary or non-salary SP2D. And it is also no less important for facilities and infrastructure such as WiFi and computers as well as other supporting tools at the Regional Financial and Asset Management Agency in the Bojonegoro Regency Treasury sector. In the implementation of the performance carried out, attention must also be paid so that there are no problems when inputting SP2D data into the system. local government information, even though in reality there are still many shortcomings in the web system.

Achieving public policy certainly cannot be separated from good communication and responsibility between interested user agencies. In order for the objectives of local government policies to be implemented efficiently and in accordance with SOPs, good communication in conveying ideas between employees and leaders must be well established in order to produce standards to achieve consistent and harmonious goals. (Van Horn and Van Meter, 2007). This opinion is in accordance with the statement from one of the informants who stated the following:

"In order for BPKAD's tasks in Bojonegoro Regency to run smoothly, there needs to be good communication between employees and with SKPD so that there are no errors in information related to SP2D work using the SIPD system" Informant A

From this statement it can be interpreted that communication between agencies is no less important in terms of achieving mutually agreed goals. As a result of research and opinions

from various sources, researchers can conclude that in order to realize the implementation of the regional government information system in Bojonegoro district, there needs to be good communication between the agencies involved. There is also a need for cooperation between regional government agencies to achieve good communication supported by three pillars including people, time and the right values to achieve these goals. Even though there are still many obstacles in implementing this web system, at least good communication can help overcome any obstacles that occur. Because if there are obstacles and communication between agencies is not well established, many local governments will receive various kinds of criticism for their poor performance.

Therefore, this system requires local governments to establish good communication to improve this web system process so that it runs quickly and optimally according to expectations. The implementation and implementation of information systems can run quite significantly if human resources can optimally operate and continue to run the system with adequate updates and capabilities. To create a process for implementing regional government information systems in the Regional Financial and Asset Management Agency, there needs to be quality planning and regional financial systems as well as good regional government supervision. Based on a statement by Van Metter and Van Horn, "To achieve success in optimizing public implementation, the influence of success or failure really depends on the attitude of acceptance or rejection of each policy implementer." The possibility of this event occurring is very large, because all the policies that are set are not the result of the decisions of the implementers of the relevant agencies, but these public policies are the result of top down regional government decision makers, meaning that they also do not necessarily know directly about the obstacles and events that occur in the field.

"Apart from communication, good character must also be formed from BPKAD and SKPD employees in Bojonegoro Regency, because character is very influential in the world of work to make their daily work processes easier" informant B.

In accordance with the statement above, one of the factors in the success of a program is the good character of policy implementers and implementers who have an honest attitude and commitment to carrying out the responsibilities that have been given. If these factors are met then the success of an information system is very likely. Obstacles cannot be avoided when carrying out a public responsibility or policy that has been mutually agreed upon to the maximum. When conducting research, we still found many delays in the financial planning process, this caused various problems with administration. Therefore, the government as a policy maker and web system developer must be quick and alert if there are complaints from SKPD to immediately fix problems so that the performance of regional governments does not often experience problems that cause the work process to be delayed.

To create a conducive implementation of regional government policies in the Regional Financial and Asset Management Agency, external environmental factors such as the social, political and economic environment certainly have a big impact. The workload and time of the employees of the Regional Financial and Asset Management Agency became a consequence for them after the launch of the SIPD web system. One of the impacts of this system is that they often receive demands to work outside office working hours, because disbursement from SP2D via SIPD must be processed 1 x 24 hours after the SKPD submits the file. However, working overtime is not just for free because there is still intensive overtime pay for sub-fields that carry out these tasks. With the tasks carried out being quite heavy and having a big responsibility because what is managed is people's finances, therefore it is necessary to maintain harmony within the scope of work so that it can run and develop properly. With harmony, BPKAD can become a reflection of society as professionals in carrying out services for the people of Bojonegoro district.

SP2D Process and Monitoring Through SIPD

The statement from the informant is in line with (Cahyono et al., 2019) that SIPD is a new system that is more complete than SIMDA which was previously used in BPKAD Bojonegoro district, so gradual socialization needs to be carried out regarding the performance and use of SIPD in issuing SP2D documents. This opinion is supported by several informant statements as follows:

"Because SIPD is a new system, socialization is needed regarding the use of the system"
Informant C

"In the process of publishing SP2D files, the relevant SKPD must create SPTJM SPP and SPM documents on the SIPD web system" Informant B

From this statement explain that the Regional Government Information System (SIPD) is a web system that replaces the SIMDA application which makes it easier for Regional Government Work Units (SKPD), especially the Bojonegoro Regency BPKAD, to carry out their duties. In making Payment Orders (SPM), SKPD uses SIPD to facilitate the work process. The first stage in making SPM by SKPD is that SKPD makes a Payment Order (SPP). Then, after making the payment order, the next stage is making the SPTJM SPP. The next stage, if the SPTJM SPP has been verified, then the next step is to create a payment order file and then create an SPTJM SPM. If the file is deemed complete and correct, the SPM file is printed and then sent to the Regional Financial and Asset Management Agency.

"Then if the SPM file has been checked by employee A, then I as BUD will approve the SPM which will then be processed for issuing the SP2D through the SIPD system" Informant B

SP2D is a specific document, meaning that one SP2D is only valid for one SPM and the SP2D issuance period is 1 day after the SPM is created. Next, BPKAD verifies the SPM that has been made by the relevant SKPD. Then the file is checked first by the treasury department, if it is felt to be correct then the SPM is approved by the BUD which will then issue a Fund Disbursement Letter (SP2D). Next, the SP2D is handed over to the East Java bank for processing. The SP2D which has been transferred to the books by Bank Jatim is then verified by the BPKAD in the treasury section of the Kasda section via the SIPD website which will later make it easier for the relevant SKPD to check whether their SP2D has been disbursed or not.

"Through this system, I as BUD can easily monitor the SP2D process through the SIPD web system, because all processes can be seen clearly through this system" Informant 2

The statement is in line with the opinion of several experts who state that leadership supervision greatly influences the effectiveness of employee performance in disbursing SP2D funds through the SIPD system [4]. Based on the results of the research and the informant's statement above, through the SIPD system, all related SKPDs, especially the Bojonegoro Regency BPKAD, can easily supervise any SKPD who is applying for SPM. Through this web system, BPKAD can check quickly and precisely whether the SPM file meets the requirements to be printed as SP2D or not. Through this system, SKPDs who submit SPM files can also find out the progress of their files, whether their SPM files are approved and issued SP2D or rejected by BPKAD. The Regional Government Information System (SIPD) can only access certain accounts, because to enter the Regional Government Information System only emails that have

been approved by the BPKAD and for each SKPD only one email can be accessed. So BPKAD can easily monitor every SP2D movement made by the relevant SKPD through this system.

Advantages and Barriers of Using SIPD

The phenomena in the field show that before using SIPD the local government uses the Regional Management Information System (SIMDA) application. The advantage that SIPD has is that the Regional Government Information System is a website, not an application like SIMDA. Where through SIPD, every SKPD can easily access it and can use it anywhere, for example, SKPD can create SPM/SP2D files at home and don't have to be in the office. This system does not require a VPN, where VPN is a special network that cannot be used anywhere. Another advantage of this system is that because it can be accessed anywhere, BPKAD can monitor the movements of every SKPD that applies for SP2D anywhere, even if they are not in the office.

"The advantage that I feel through SIPD is that it can simplify and speed up my work in the process of disbursing SP2D and control all the progress of the relevant SKPD that is currently submitting SP2D compared to before when using the SIMDA application" Informant C

"Even though SIPD makes it easier for me as an SKPD to create SPP/SPM documents, there are also obstacles that I feel, one of which is that system errors often occur and a network that is not strong can also hamper the process of working on SPM" Informant D

"To access SIPD you really need a strong network because if the WiFi network is weak, it can slow down work and can create duplicate SPM/SP2D documents if forced into an unstable network condition." Informant B

The statement above explains that, behind the advantages possessed by SIPD, there are several obstacles it has. One of the obstacles often experienced by SKPD in making SPM/SP2D is that the system is easy to error because this system is not only used by Bojonegoro district but all of Indonesia also uses this system. So, it is not surprising that the SIPD system often experiences obstacles such as website errors and not being able to be used. Another problem often experienced by SKPD is unstable network problems in each region. If the network is unstable then SKPD cannot use the system, because to create SPM/SP2D you have to use a smooth and stable internet network so that there are no problems during the process of using the SIPD system. Another obstacle that often occurs is that SKPD often cannot access or log in to the system because of the wrong account. Because SIPD's system is that only email accounts that have been approved by BPKAD can log into the website, emails that are not suitable will not be able to log into the SIPD website. The every SKPD who wants to log in must check and properly research the account they will use.

4. Conclusion

This research concludes that SIPD is quite effective in encouraging transparent and accountable financial management. SIPD is quite effective in encouraging supervision regarding the management of regional financial reports. This system makes it easier for BPKAD to prepare regional development plans that are more effective and efficient. However, there are obstacles faced by BPKAD Bojonegoro district in implementing SIPD. One of them is a system that often has errors and a network that is sometimes unstable, which makes work hampered and there is a lack of understanding from SKPD regarding the use of the SIPD system in the process of creating SP2D files. However, these obstacles can be overcome by reporting system errors to the central government, improving the Wi-Fi network and providing technical guidance to all SKPDs in Bojonegoro district in using the SIPD system so that each other's work is not disturbed or hampered. Thus, establishing harmony and good cooperation between agencies

can help the process of achieving the goals of creating a SIPD system effectively and efficiently. This research has several limitations, namely that when the observation process was carried out, BPAKD Bojonegoro was in the process of preparing the transfer of building space so that some of the physical file documentation for the verification process could not all be tracked optimally. Future research could consider conducting research on local governments with lower regional income scales. This is because different regional income scales have the potential to impact the development of facilities and infrastructure, including adaptation to the use of information technology.

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