

Utilizing Organizational Culture to Form User Compliance through Systems Development

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ABSTRACT

This study aims to reveal how organizational culture forms users compliance of internal control systems through the development of accounting information systems. An ethnomethodological approach as a form of qualitative research method was employed. The results show that the development of accounting information systems in companies is coercive, so system users must take the initiative to find out what changes exist during development process. The separation of duties is one of the changes that occurs in the structure in the finance department which is enough to help the company in maintaining company assets and avoiding human error and fraud.

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1. Introduction

In order to create a reliable financial and internal control account, businesses need supportive technology. With a sophisticated information system, it is hoped that the delivery of information will be easier, organized and stored properly. Departing from these expectations and benefits, this increasingly sophisticated information system is very important for making decisions and carrying out the operational activities of an organization or company. Financial statements are the result of recording all financial transactions in the company. The accounting information system itself is a set of unitary subsystems to collect, process, store, change, and distribute information that can be used for planning, controlling and making company decisions. The company's accounting information system should involve system users so that the information system used is in accordance with the needs and easy to use by users. The development of accounting information systems is influenced by culture because it requires careful consideration of cultural attitudes at the design and implementation stage of the accounting information system developed. This is one that companies must pay attention to in making changes to the accounting information system in the company, because these changes must also be supported by the existing cultural attitudes in the company so that the accountability of information generated from the information system becomes better.

The development of accounting information systems face obstacles from within the organization, which are employees in the company. This is because the development of this

information system changes some of the existing cultures in the company, making it difficult for employees to adjust the existing workflow to the transaction process. However, employees as users of the system must continue to make adjustments so that the goals of the company are achieved. Some developments such as new appearance on the system with several tools that increase and this adjustment certainly takes time for system users. Some employees are less supportive of the development of accounting information systems, because of their perceptions that the development of this accounting information system will hinder the existing work process. A change in the way of working is very avoidable for some employees, because this change requires employees to adjust the development of their accounting information system.

During the adjustment process, human errors often occur such as incorrect operation steps, data entry errors, and others. This can have an impact when transaction and recording process are carried out through the accounting information system such as payments that are not in accordance with the right (double), many bills are delayed or not paid. The company's operational activities can be disrupted. In addition, the company's financial statements may be declared invalid due to inappropriate listings and impact external parties such as company investors. Starting from an invalid financial statement, decisions made within the company can also be affected. In a sense, the company can make a misstep in carrying out a strategy for the short, medium and long term.

PT Harapan Kita Semua, a company engaged in logistics and cold storage, has experienced the development of an accounting information system from a desktop (database) form that was originally offline and requires a cable network to an all-online and wireless web base system since 2017. However, the finance department at PT Harapan Kita Semua is still adapting to the existing system. PT Harapan Kita Semua is one of the companies that develops technology in its accounting information system as a way to assist companies in processing financial transactions. With the development of this accounting information system, the process of transaction activities such as receiving documents, paying or issuing invoices to customers has changed following the updates. However, in the process of developing an accounting information system, it cannot be said to help in carrying out the transaction process, due to several things that make it difficult for system users. Such as updates in the accounting information system that are many so that the application process in the system becomes longer and it becomes often missed or missed by system users. Lack of understanding in applying the accounting information system can result in errors in the process of transaction activities so that it can interfere with company performance.

The development of accounting information systems and the understanding of system users in operating accounting information systems can have an impact on decreasing compliance with internal controls when carrying out transaction processes, if this is done continuously, it is possible that fraud will occur during transactions, and fraud that occurs can be intentional or unintentional. To increase the understanding of system users in operating new accounting information systems, more training is needed to increase the knowledge of system users, and in the implementation of the operation of accounting information systems by system users, changes to internal control compliance are needed to adjust the development of accounting information systems and new transaction process flows. Based on the description above, this article aims to reveal the development of

accounting information systems and compliance with internal controls can provide understanding to the finance department of PT Harapan Kita Semua and to reveal that corporate culture can play a role in the development of accounting information systems in the finance department of PT Harapan Kita Semua. The following is a previous study similar to the case that occurred at PT Harapan Kita Semua, [3] that shows how employee performance is influenced by internal control through an accounting information system. The accounting information system is only used as a medium that affects the performance of its employees, while what plays a big role in the case is the internal control of small to medium-sized companies in Jordan. Another research also indicates that motivation, organizational culture and village information systems can alevate village government performance" [4].

Previous research was also relating to culture and information system was also carried out in villages throughout Banguntapan sub-district, Bantul Regency, Yogyakarta Special Region. The influence of motivation, organizational culture, village information system on the performance of village government by 31.9% and 68.1% is influenced by other variables. The motivation in the village apparatus has no effect because the background of the employees has a bachelor's education so that employees already understand their respective duties and functions in providing public services. The information system has no effect on the performance of the village government due to the lack of consistent village information system management and information updates. and for organizational culture can affect the quality of service of village employees because the village regulation in Law No.6 of 2014 concerning villages has an impact on changing organizational culture which inevitably has to face a series of adaptations that must be carried out.

Other study considers factors other than internal control [2] which indicates that organizational culture and locus of control affects employee performance, hence to improve the performance of employees in the financial department of BPR in Salatiga city, organizational culture and locus of control must also be improved. Internal control negatively affects performance, so that internal control is not effective in improving the performance of employees of the BPR finance department in Salatiga city, it is better to maintain internal control of existing BPR in Salatiga city because it does not affect the improvement of employee performance of BPR finance department employees in Salatiga city.

The purpose of this study is to portray the development of an accounting information system at PT Harapan Kita Semua, Bekasi. Accounting information system was taken as the object of research because the development of digital technology continues to advance, therefore users must be able to understand the development of accounting information systems and compliance with internal controls in the development of corporate accounting information systems. Seeing the phenomenon that occurs, we were interested in researching the development of accounting information systems by asking informants about their views on the development of accounting information.

2. Method

Judging from the object and the results to be obtained, this research is included in the type of qualitative research using an ethnomethodological approach. According to Moleong [11] qualitative research with an ethnomethodological approach is research that produces descriptive data, that is, data derived from the observation of the speech, writing, and behavior of the observed subject. Within the framework of qualitative research, ethnomethodology is positioned as a theoretical foundation in this method. According to Khaerana and Zam [10] the ethnomethodological approach is a relevant approach in their research, because the ethnomethodological approach is a study of common sense, where the study of the observation of creation is continuously used in a social interaction with a reasonable environment or can also be interpreted as an activity carried out by humans regularly in a daily activity.

Qualitative research emphasizes the quality of the data collected, not the quantity of data collected such as questionnaires, but rather derived from interviews, direct observations and other official documents. Qualitative research also attaches importance to the process rather than the results obtained. This is because the relationship of the parts under study will be much clearer if observed in the process. The reason we use qualitative research is because with this method we could investigate deeper the real situation is from understanding and compliance with the internal control of system users through the development of an accounting information system that has been running at PT Harapan Kita Semua.

The main subjects (key informants) in this study were system users at PT Harapan Kita Semua which has been running in 2021-2022. The development of this accounting information system involved the finance department at PT Harapan Kita Semua, so we took 4 participants as representatives from each related division.

Table 1. List of Research Informants

No.	Informants (<i>Actor</i>)	Informant Status	Data Status/Quality
1	Mr. Muhammad Mahfudl Bahrudin	General Manager of Finance, Accounting, & Tax	Primary Informant/Primary Data
2	Mrs. Nurul Eka	Finance Manager	Primary Informant/Primary Data
3	Mr. Eko Wahyudianto	Accounting & Tax Manager	Primary Informant/Primary Data
4	Mr. Samuel Sitanggang	Accounting Staff	Supporting Informant/Primary Data

We used two types of data sources, namely: (1) primary data which was obtained from individuals or system users. We collected the results of interviews obtained from informants on the research topic as primary data. Direct interviews were held in 2022 involving employees of PT Harapan Kita Semua as users of the system; (2) secondary data was obtained from the processing of primary data, which can be in the form of tables or diagrams,

data obtained from indirect sources, or through intermediate data such as books, journals, articles or other official documents of the company related to research data.

Data analysis activities in qualitative research were carried out interactively and took place continuously until the data became saturated. Previously carried out data activities and analysis were an integral part of data presentation techniques. These data activities and analysis included data reduction activities, display data and drawing conclusions/verification. Rijali [14] explains that data presentation is an activity when a set of information is compiled, so it is possible to draw conclusions and take action. The process of data reduction activities is the process of selecting data or summarizing data, choosing the main things, focusing on important things, looking for patterns and themes, and discarding unnecessary data. The data reduction process includes the process of: 1) Conducting interview recording activities; 2) summarizing of the interview; 3) Selecting data that can be used in the interview; 4) Re-digging into the data that still needs to be clarified. After the data reduction process is carried out, the next stage is to carry out the process of displaying data or presenting data. By displaying the data, it will make it easier for us to understand the actual conditions that occur, and can determine what steps to take next. The presentation of data in this study was carried out by compiling a brief description in the form of narrative text based on the results of data reduction in the interviews conducted.

The third step is to draw conclusions/verification. Namely the process of drawing conclusions and verifying data. In qualitative research, the initial conclusions are temporary and subject to change if no solid evidence is found that can support them at the next stage of data collection. However, if the initial conclusions are supported by strong and consistent evidence when the researcher returns to spaciousness and collects data, then the conclusions put forward are credible conclusions. Conclusions can be drawn based on the presentation of data and discussion of data as well as with the theory used.

3. Results and Discussion

The development of an effective and efficient accounting information system must be supported by system users who understand the process flow in the accounting information system, such as who inputs in the information system, reviews transactions to authorization in the accounting information system, so that the development of this accounting information system can run in accordance with the company's goals.

To achieve the company's goals, the development of this accounting information system has guidelines that are the basis for the company's management in assessing the compliance of internal control of system users in operating the development of information systems in standard operating procedures, this includes the internal control system in operating the development of accounting information systems, so that the limitations and tasks of system users can be assessed through the internal control system contained in standard operating procedures. Compliance with internal controls that have been running at PT Harapan Kita Semua according to Mrs. Nurul Eka as the financial manager can be displayed in the following interview transcription:

"Before the development of accounting information systems, there was still a lot of work done manually and for the separation of duties that had not been neatly arranged, this

resulted in the waste of duties and responsibilities if something went wrong. But for now everything has been integrated quite well in the development of the current accounting information system so that for work and separation of duties can run even though it is not 100% perfect."

Based on the information that has been submitted by the internal control system that has been carried out by the company, one of which is the separation of duties in the finance department, this is a form of internal control compliance that has been carried out at PT Harapan Kita Semua, the company's goal is to develop an accounting information system, namely by separating the duties and responsibilities of system users, so that this process can reduce the occurrence of negligence that was generated from system users.

Accounting information systems are very important for the growth of a company, because the financial system presented in the accounting information system can be an indicator of management in assessing the productivity of the company and its workflow, with increasingly competitive competitiveness, the company needs the preparation of financial statements to be fast, accurate and efficient. This should be understood not only by the upper management but by all levels of management in the company. The development of an accounting information system certainly requires an adaptation process for all system users so that the development of this accounting information system can be operated optimally.

Understanding the accounting information system for system users is important, because the resulting financial system will have an impact on company policies. Therefore, we wanted to explore further from the informant's point of view about their understanding of system as users through the development of accounting information systems that have been running. We wanted to examine how the development of accounting information systems, whether there was an evaluation from the resource persons about the understanding of system users through the development of accounting information systems. This was conveyed by Mr. Eko Wahyudianto as accounting and tax manager from the following interview:

"Basically, a correct and valid accounting information system, supported by the presence of users or human resources who already have the appropriate level of knowledge or competence, can definitely maximize the function of tools in the accounting information system and of course will maximize the company's goals."

Understanding of the development of accounting information systems must be supported by more knowledge or competence from system users in order to realize the purpose of developing an accounting information system, this will be seen during the process of operating an accounting information system by system users if they do not have more knowledge or competence, and this will hinder the company's goals in developing accounting information systems.

PT Harapan Kita Semua has been operating for a long time in this industrial activity, of course, the company's growth process cannot be separated from the role of employees as one aspect in advancing the company. The duties and responsibilities that have been carried out

by employees in advancing the company can encourage and improve the effectiveness of the company's performance. Of course, with the development of this information system, employee activities in carrying out their duties are much better. However, this change in the accounting information system will change some of the employee activities that have been running, so there is a need for support from employees to help maximize the development of the accounting information system. This must be executed so that employees can adapt to the accounting information system in the company. Therefore, we also wanted to see the informant's point of view about the extent to which organizational culture plays a role in the development of accounting information systems and what obstacles are faced in the development of this accounting information system. This was conveyed by Mr. Samuel Sitanggal as accounting staff from the following interview:

"In my opinion, this development is so sudden, that many things cannot be explained by the management at the time of training what changed, because between training and those in the field, it must also be different, and usually the case in the field is more difficult, so I tried to find out for myself whether there was a problem with the accounting information system and what changed, which finally there were some things from me in operating the development of this system because of the lack of information I received. "

The development of accounting information systems has made changes in the way finance works, but this change is not supported by support management in training employees to develop accounting information systems, so some employees cannot operate the information system optimally and can interfere with company performance.

Every activity within the company requires internal control to protect the company's assets. Accounting information system is one of the components needed in protecting company assets such as data and information related to business activities. this is supported by the statement of Romney and Steinbart [15] that accounting information systems have the function of collecting and storing data regarding activities carried out by the organization, converting data into information so that management can make decisions, and providing adequate control to protect the organization's assets and data. In the growth process of PT Harapan Kita Semua business activities carried out by the company are increasingly attractive, and causes an overload in the work of employees. Eventually, miscommunication and blaming each other on whose responsibilities are certain tasks must be executed became a problem. Of course, this condition will greatly hinder the company's business activities. The results of the interview with Mrs. Eka Nurul as the financial manager are as follows:

"Before the development of accounting information systems, there was still a lot of work done manually and for the separation of duties that had not been neatly arranged, this resulted in the throwing of duties and responsibilities if something went wrong."

This statement illustrates that the development of accounting can minimize work that is still outside the system and carry out separation of duties so that there is no throwing of duties and responsibilities from other divisions or departments and avoid human error and

fraud. This is supported by the statement of Romney and Steinbart [15] that the internal control function is to prevent problems before they arise by separating task functions.

The development of accounting information systems can help companies in realizing their vision and mission. However, in the changes, of course, employees must have more knowledge or insight into the development of accounting information systems, not only based on time or length of work, the same thing was also conveyed by Mr. Eko Wahyudianto as accounting and tax manager as seen from the results of the interview as follows:

"Basically, a correct and valid accounting information system, supported by the presence of users or human resources who already have the appropriate level of knowledge or competence, if you look at the actual conditions here some individuals as users in my opinion need to upgrade their knowledge about the extent of the function of the tool in the accounting information system. The accounting information systems they operate will have a very far-reaching impact, related to their work and its correlation with the work of others."

From this statement, with the development of this accounting information system, employees are also required to increase their knowledge. This is supported by the statement of Talitha and Aswar [19] that states the level of competence needed in order to find out the expected level of performance. If the information system alone is developed without being supported by employees as users of the system, it will not run well. This opinion is also supported by Romney and Steinbart [15]. They believe there are six critical components in information systems, namely system users, procedures and instructions, data, information technology infrastructure software, and internal control.

It seemed that the development of the accounting information system at PT Harapan Kita Semua was not supported by training and education. This made the employees' understanding of the development of this accounting information system limited and in turn will hinder the activities of the company.

According to Edison et.al., [5] organizational culture guides member behavior towards constructive thinking, contributing positively and working effectively in achieving organizational goals. The results of the interview with Samuel Sitanggang's as an accounting staff are presented as follows:

"In my opinion, this development is so sudden, that many things cannot be explained by the management at the time of training what has changed, because between training and those in the field is also definitely different, and usually cases in the field are more difficult, so I tried to find out for myself whether there is a problem with the accounting information system and what has changed, This change we cannot refuse because it has become the company's decision to make changes, So we as employees just follow and implement the changes."

The dissemination on the changes in the existing accounting system in the company are still very limited and too sudden, which makes it difficult for some or even almost all employees to accept and execute it. This happens because all employees are still too familiar with the old systems and procedures. In this case, we can see that it turns out that the culture

of organization can also influence the development and implementation of accounting information systems in the enterprise itself.

4. Conclusion

It can be concluded that the development of this accounting information system requires a company to change its structures and work processes within the department. Some changes that occur in the work process in the finance department are coercive, so system users must take the initiative to find out what changes exist in the development of accounting information systems.

The development of this information system must be supported by employees as one of the important aspects, one of which must increase knowledge about this accounting information system. Not all employees can gain knowledge without training or education from the company. The separation of duties is one of the changes that occurs in the structure in the department of PT Harapan Kita Semua. This is enough to help the company to maintain its assets and avoid human error and fraud at work. There are several things that make it possible for the transaction process not to run efficiently enough. One of which is the use of file documentation and authorization that has not been integrated into the accounting information system, ranging from receiving supplier invoices to sending invoices to customers.

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