ARDA
conference

International Conference on Global Business, Economics, Finance and Social Sciences (ICGBEFSS-19)

Sha Tin, Hong Kong

05th July, 2019

Academic Research and Development Association

www.ardaconference.com

Publisher: ARDA Explore

CONTENTS

Editorial:

We cordially invite you to attend the International Conference on Global Business, Economics, Finance and Social Sciences (ICGBEFSS-19), which will be held in Sha Tin, Hong Kong on July 05th, 2019. The main objective of ICGBEFSS-19 is to provide a platform for researchers, engineers, academicians as well as industrial professionals from all over the world to present their research results and development activities in Business, Economics, Finance and Social Sciences. This conference provides opportunities for the delegates to exchange new ideas and experience face to face, to establish business or research relations and to find global partners for future collaboration.

These proceedings collect the up-to-date, comprehensive and worldwide state-of-art knowledge on software engineering, computational sciences and computational science application. All accepted papers were subjected to strict peer-reviewing by 2-4 expert referees. The papers have been selected for these proceedings because of their quality and the relevance to the conference. We hope these proceedings will not only provide the readers a broad overview of the latest research results on Electrical, Electronics and Computer Science Engineering but also provide the readers a valuable summary and reference in these fields.

The conference is supported by many universities and research institutes. Many professors played an important role in the successful holding of the conference, so we would like to take this opportunity to express our sincere gratitude and highest respects to them. They have worked very hard in reviewing papers and making valuable suggestions for the authors to improve their work. We also would like to express our gratitude to the external reviewers, for providing extra help in the review process, and to the authors for contributing their research result to the conference.

Since April 2019, the Organizing Committees have received more than 60 manuscript papers, and the papers cover all the aspects in Business, Economics, Finance and Social Sciences. Finally, after review, about 10 papers were included to the proceedings of ICGBEFSS-19.

We would like to extend our appreciation to all participants in the conference for their great contribution to the success of International Conference 2019. We would like to thank the keynote and individual speakers and all participating authors for their hard work and time. We also sincerely appreciate the work by the technical program committee and all reviewers, whose contributions make this conference possible. We would like to extend our thanks to all the referees for their constructive comments on all papers; especially, we would like to thank to organizing committee for their hard work.

Acknowledgement

IITER is hosting the International Conference on Global Business, Economics, Finance and Social Sciences this year in month of August. Technical advantage is the backbone of development has become the platform behind all the sustainable growth International Conference on Global Business, Economics, Finance and Social Sciences will provide a forum for students, professional engineers, academician, and scientist engaged in research and development to convene and present their latest scholarly work and application in the industry. The primary goal of the conference is to promote research and developmental activities in Business, Economics, Finance and Social Sciences and to promote scientific information interchange between researchers, developers, engineers, students, and practitioners working in and around the world. The aim of the Conference is to provide a platform to the researchers and practitioners from both academia as well as industry to meet the share cutting-edge development in the field.

I express my hearty gratitude to all my Colleagues, Staffs, Professors, Reviewers and Members of organizing committee for their hearty and dedicated support to make this conference successful. I am also thankful to all our delegates for their pain staking effort to travel such a long distance to attain this conference.

Dr. Simpson Rodricks
President
Academic Research and Development Association (ARDA)

The Influence of Leadership and Competency Toward The Success Of Accounting Information System

[1] Samuel Sumantri, [2] Nusa Muktiadji, [3] Sulistiono, [4]Ratih Puspitasari, [5] Uswatun Khasanah
[1][2][3][4][5] Padjadjaran University

Abstract: **The current research has two purposes those are analyzing the influence of leadership and competency toward the success of accounting information system. The research method used in this research was the explanatory research method. According to the result of this research, the writer found that leadership affected the success of accounting information system, where the better the leadership then it would improve the quality of accounting information system on regional government. Moreover, the writer found that the competency affected the success of accounting information system where the better the competency then it would improve the quality of information system in regional government.**

Keywords: **Leadership, Competency, Success of Accounting Information System.**

I. INTRODUCTION

The form of state financial accountability whether by the central government or regional government is submitting the financial report. To produce the financial report requires the competent Human Resources (HR). according to Eriva (2013) HR become the obstacle for regional apparatus in submitting the financial report because the employee not completely ready in arranging and submitting the financial report so that the quality of financial report produced is not in accordance with the regulation of financial reporting required by SAP (Governmental Accounting Standard).

According to the Governmental Regulation of Republic of Indonesia Number 101 Year 2000 “based on the national need and global challenge in realizing good governance require the human resources and apparatus who has job competency in the administration of the State and development”. The competency required is in order the apparatus may implement the job based on the standard defined (Soepardi, 2012). The implementation of accounting information system require the existence of commitment and active participation the regional leaders in each level and organization stage, consider that the regional leaders have important role in the effort of improving the performance of regional government administration.

According to Robert *et,al*. (1989), leadership as an influence among individual that is occurred in a condition and directed through communication process, toward achieving a purpose or purposes that have been determined. As stated by Schepers, *et.al* (2005) leadership may stimulate the way of thinking of the member to analyze a problem indirectly from different point of view and produce better information system acceptance in an organization.

Leadership is very important in creating the success of information system implementation (Umble, 2003). According to Cho,*et.al* (2011) leadership may provide support and development to the followers and encourage the information system users by stating the importance of information system. From the explanation above then this research is focused on the title "Influence of Leadership and Competency toward Accounting Information System" The aim of this research is analyzing the influence of Leadership and Competency toward the success of accounting information system.

2. PROCEDURE FOR PAPER SUBMISSION

2.1 Review Stage

Leadership is a process by individual or group who try to influence the duties and attitude of other people against the final of a result expected to achieve the vision and mission of organization (Koontz & O'donnel (1984); Tennenbuan, Irving, Fred (1989); Locke, Kirkpatrick, Wheeler (1991); Davis (1993); Moeheriono (2014); Wexley & Yuki (1998)).

Competency is characteristic that underlie an individual related to the effectiveness of individual performance in his job or become defining factor of success or not an individual in implementing a duty or in such situation (Spencer (1993); Armstrong (1998); Mc Clelland (1998); (Moeheriono, 2014)).

Accounting information system is group of sub integrated systems that interconnected and cooperated to

process transaction data concerning the financial matters become financial information (Romney dan Steinbart, 2016; Mulyani, 2014; Bodnar dan Hopwood, 2010; Bagranoff, 2010).

2.2 Leadership and the Success of Accounting Information System

Leadership is very important in defining the success of information system implementation (Umble, 2003). According to Cho, J., Park, I and Michel, J.W. (2011) leadership may provide support and development to the followers and encourage the information system users by stating the importance of information system. Leader help and support the employee and encourage them to be confident in information system operation in the work place (Cho., et al, 2011). Communicative Leader will get information from the employee so that may improve the commitment of employee in information system application (Yukl, 2008).

According to Eom (2005) the leader behavior will affect the relationship, responsibility and participation of information system users. Leader plays important role in information system and information technology because they will influence the information system users (Segars, 1988).

Hypothesis 1: Leadership influence the success of accounting information system

2.3 Competency and the Success of Accounting Information System

Accounting information system is affected by the competency of accounting staff (Daoud & Triki, 2013). Accounting information system will be useless without competent human resources to develop and improve the information system (Laudon, Kenneth & Laudon, 2009). According to Ward, Jhon & Joe Peppard (2002) developing the resources and proper competency of users will produce accounting information system successfully. Competency is very important in the development of information system (Aladwani, 2002). According to Hiyari (2013) good competency will influence the accounting information system.

Hypothesis 2: Competency influence the Success of Accounting information system

3. MATH

The research method used is *explanatory research* method while the data collection method used is questionnaire method. The present research uses the *software SPSS* assistance.

3.1 Variable Operationalization

1. Leadership

Indicator for Leadership variable according to Hitt (1993), there are 5 dimensions of leadership namely: (1) Reasoning; (2) Source of Power; (3) Knowledge; (4) Core Leadership Functions; and (5) Character.

2. Competency

Indicator for Competency variable based on the Decision Letter of Head of the State Personnel Agency No. 46 Year 2003, there are 4 competency dimensions namely (1) Integrity; (2) Planning and Organizing; (3) Cooperation; and (4) Flexibility.

3. Success of Accounting Information System

Indicator for variable of Success of Accounting Information System of Regional Finance based on (Dellon & McLean, 2003; Wixom & Todd, 2005; Heidmann, 2008; Whitten & Bentley, 2007) is: (1) Integration; (2) Flexibility; (3) Accessibility; (4) Formalization; and (5) Media Richness.

3.2 Population and Sample

Population of this research is all in Banjar District Government of South Kalimantan Province. There are 39 in Banjar District of South Kalimantan Province. The technique of sample selection of this research use saturated sample.

3.3 Data Analysis Method

In processing the data, the writer use tool of SPSS (*Statistical Package for Social Science*) program. By using multiple regression analysis method, the analysis model of this research is made in the following equation: multiple regression equation with two independent variables:

$$\mathbf{Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e}$$

Notes:

Y	= Accounting Information System
α	= Constanta
β_1, β_2,	= Regression Coefficient
X_1	= Leadership
X_2	= Competency
e	= Error Standard

To obtain the accuracy of regression equation model, classical assumption test is required.

4. RESEARCH RESULT

4.1 Data Testing

Validity test of this research used correlation technique of *pearson product moment* in accordance with the ordinal data measuring scale. The number used as the comparison to know the valid or not of an item was 0.3. Due to the correlation number obtained in this research was more than 0.3 then it was decided as significant and have good validity.

Reliability test of this research used *cronbach alpha* method. The research variables have *cronbach alpha* score over 0.6 which meant the instrument has reliable result, so that the instrument or questionnaire including into reliable and consistent instrument.

4.2 Data Analysis

a. Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		31
Normal Parameters[a,b]	Mean	0E-7
	Std. Deviation	.35590690
Most Extreme Differences	Absolute	.091
	Positive	.091
	Negative	-.044
Kolmogorov-Smirnov Z		.506
Asymp. Sig. (2-tailed)		.960

a. Test distribution is Normal.

b. Calculated from data.

It was indicated by the score of *Kolmogrov-Smirnov* that has significant score of 0.960. In which the result indicated that the significance level of the research was over α = 5% or 0.05 (0.960 > 0.05). it meant that the data on all variables used was distributed normally.

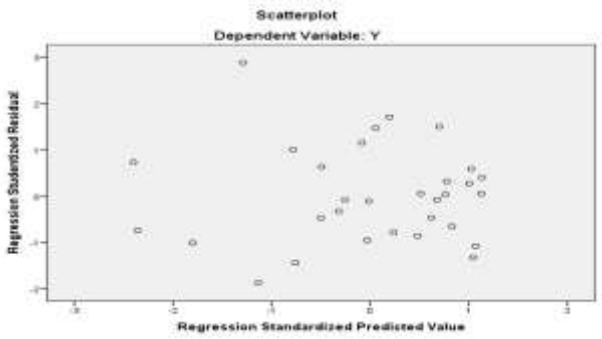
b. Multicolinierity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	-.869	.414		-2.097	.045					
	X1	.868	.151	.644	5.750	.000	.818	.736	.546	.719	1.392
	X2	.421	.144	.328	2.927	.007	.670	.484	.278	.719	1.392

a. Dependent Variable: Y

Independent variables that were Leadership (X1) and Competency (X2) indicated the VIF number less that 10 and tolerance score over 0.10. Therefore, it could be concluded that the regression model was not multicolinierity then the regression model existed was feasible to be used.



c. Heteroscedastisity Test

From the *scatterplots* graphic it shown that the dots distributed randomly as well as scattered both above and below 0 on Y axis. It could be concluded that heteroscedastisity was not occurred in this regression model,

d. Result of Multiple Linier Regression Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	-.869	.414		-2.097	.045					
	X1	.868	.151	.644	5.750	.000	.818	.736	.546	.719	1.392
	X2	.421	.144	.328	2.927	.007	.670	.484	.278	.719	1.392

a. Dependent Variable: Y

Form the table above obtained the Constanta score of 0.869. The score can be meant that the variable of Success of Accounting Information System (Y) was not influenced by independent variables because Leadership (X1) and Competency (X2) was zero, then the average size of variable of success of Accounting Information System (Y) will be 0.869. Regression Coefficients β1 meant that if Leadership variable (X1) increase as much one unit, then the variable of Success of Accounting Information System (Y) will increase as much 0.868. Variable β2 has positive score about 0.421 which meant if variable of Competency (X2) increase as

much one unit, then the success of Accounting Information System (Y) will increase about 0.421. Based on the regression coefficients, leadership and competency have positive relationship with the success of Accounting Information system so that the high score of leadership and competency will influence the success of accounting information system in regional government. In the multiple linier regression testing there were four types of test namely:

1) Multiple Correlation Analysis (R)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.864[a]	.747	.729	.36840	.747	41.390	2	28	.000

a. Predictors: (Constant), X2, X1
b. Dependent Variable: Y

Based on the table above the score of R was 0.864. It indicated that the strong relationship occurred between the leadership and competency with the success of accounting information system.

2) Result of Simultaneous Correlation Coefficient Test (F Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.235	2	5.617	41.390	.000[b]
	Residual	3.800	28	.136		
	Total	15.035	30			

a. Dependent Variable: Y
b. Predictors: (Constant), X2, X1

Therefore, H0 was rejected and Ha was accepted. It meant Leadership and competency has significant influence on the success of Accounting information system.

(3) Result of Partial Correlation Coefficient Test (T Test)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	-.869	.414		-2.097	.045					
	X1	.868	.151	.644	5.750	.000	.818	.736	.546	.719	1.392
	X2	.421	.144	.328	2.927	.007	.670	.484	.278	.719	1.392

a. Dependent Variable: Y

(4) Determination Test (R2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.864[a]	.747	.729	.36840	.747	41.390	2	28	.000

a. Predictors: (Constant), X2, X1
b. Dependent Variable: Y

The table above indicated that the score of correlation coefficients obtained between the Leadership (X1) and Competency (X2) with the success of Accounting Information system (Y) was 0.864. Based on the criteria of correlation coefficients interpretation, the correlation score was 0.864 included into the category of strong relationship.

4. RESEARCH RESULT DISCUSSION

1. Leadership and the Success of Accounting Information System

Based on the statistic test result the score of tcount was 5.750, thus 1.969 t_{table} < 5.750 t_{count} with regression coefficients of 0.868. it indicated that variable of Leadership has positive influence on the success of accounting information system as much 86% (percent) and indicated that the better the SKPD Leadership then it will increase the success of Accounting information system. Umble (2003) who said leadership was very important in determining the success of information system implementation. Then according to Cho, J., Park, I and Michel, J.W. (2011) Leaders can provide support and guidance to followers and encourage

users of information systems by revealing the importance of information systems.

2. Competency and the Success of Accounting Information System

According to the statistic test result indicated that the score of t_{count} was 2.927, thus 1.969 t_{table} < 2,927 t_{count} with regression coefficient of 0.421. it indicated that the variable of Competency has positive influence on the success of Accounting information system as much 42% (percent) and indicated that the better the competency then it will increase the success of Accounting information system. Aladwani (2002) who said that competency is very important in the development of information systems. Accounting information systems will not run without competent human resources to build and improve information systems (Laudon, Kenneth & Laudon, 2009). According to Ward, Jhon & Joe Peppard (2002) developing the right resources and competencies of users will produce accounting information systems successfully. According to Hiyari (2013) good competencies influence accounting information systems.

5. CONCLUSION AND IMPLICATION

5.1 Conclusion

This research proves empirically the Influence of Leadership and Competency toward the Success of Accounting information system. There is positive influence the leadership on accounting information system. It indicated that the better the leadership then it will increase the success of accounting information system in regional government. There is positive influence the competency on accounting information system. It indicated that the better the competency then it will increase the success of accounting information system in regional government.

5.2 Implication

The research result can be used as the material for regional government concerning the leadership and competency as well as the success of accounting information system in regional government. This condition will improve the regional government performance. The results of empirical evidence in this study will provide input on the results of previous research and existing knowledge related to the performance of regional governments.

REFERENCES

1. Aladwani, A.M., 2002. An integrated performance model of information systems projects. Journal of Management Information Systems 19 (1), 185-210.
2. Al-Hiyari, Ahmad & Hamood, Mohammed & Al-Mashregy, Hamood & Mohammedes-mailalekam, Jamal. 2013. American Journal of Economics, 2013, 3 (1): 27–31.
3. Armstrong. M., Baron, A. 1998. Performance Management Handbook. London: HDI.
4. Bagranoff, N.A., M.G. Simkin, and C.S. Norman. 2010. Core Concepts of Accounting Information Systems. Eleventh Edition. New York: John Wiley and Sons Inc.
5. Bentley, Lonnie D, and Jeffrey L Whitten. 2007. Systems Analysis and Design for the Global Enterprise .event Edition, New York: McGraw-Hill.
6. Bodnar, George H. and William S. Hopwood, 2010. Accounting Information System. 10th edition. United State Of America: Pearson Education Inc.
7. Cho, J., Park, I and Michel, J.W. 2011. How Does the Leadership Affect Information Systems Success? The Role of Transformational Leadership. Information & Management, 48 (7): 270 - 260.
8. Daoud, Hazar & Triki, Mohammed. 2013. Accounting information systems in ERP Environment & Tunisian Firm Performance. The International Journal of Digital Accounting Research, Vol. 13, pp. 1–35.
9. Davis, Keith, and Newstrom, John W. 1993. Human Behavior at Work Organizational Behavior. New York: McGraww-Hill Book Co.
10. DeLone, W. H., and Mclean, E. R. 2003. The DeLone McLean Model Of Information System Success: A Year-Year Update, Journal of Management Information, Vol. 19, No. 4: 9-30.
11. Eom, M. (Tae-In). 2005. Impact of Project Leadership on User Participation and User Involvement The Consequences for User Satisfaction and Systems Usage. Journal of Management Systems, XVII (1).
12. Eriva, C. Y., Islahuddin, & Darwanis. (2013). Effect of Education Level, Training, Work Period and Position on Understanding Regional Financial Statements. Postgraduate Accounting Journal Syiah Kuala University, 1 (2), 1-14.
13. Heidmann, M. 2008. The Role of Management Accounting System in Strategic Sensemarking. Elsevier.
14. Hitt, William D. 1993. The Model Leader: A Fully Funcitioning Person.
15. Decree of the Head of the State Civil Service Agency Number 46a of 2003 concerning the Competency Standards for Structural Civil Servants.
16. Koontz, Harold and Cyril O'Donelly. 1984. Management. New Delhi: McGraw-Hill Book Company.
17. Laudon, Kenneth, C & Laudon, Jane P. 2009. Essentials of Management Information Systems. Eight Edition. Pearson Prentice Hall.
18. Locke, EA, Kirkpatrick, S., Wheeler, JK, Schneider, J., Niles, K., Goldstein, H., Welsh, K., and Dong-Ok, C. 1991. The Essence of Leadership, The Four Keys to Leading Successfully. New York: Lexington Books.
19. Mc Clelland, D. C. 1993. The Concept of Competency, in Spencer, L.M. and Spencer, S.M., 1993, Competency at Work. New York: John Wiley & Sons.

20. Moeheriono. 2014. Competency-Based Performance Measurement. Revised Edition. Jakarta: RajaGrafindo Persada.
21. Mulyani, Sri. 2014. Accounting Information System: Open University, Ministry of Education and Culture.
22. Republic of Indonesia. Government Regulation Number 101 of 2000 concerning Education and Position Training for Civil Servants.
23. Robert, Tannenbaum. Irving R. Weschler. Fred Massarik. 1989. Leadership and Organization: a Behavioral Science Approach. New York: McGraw-Hill.
24. Romney, Marshall B, and Paul Jhon Steinbart. 2016. Accounting Information System. Jakarta: Salemba Empat Publisher.
25. Schepers, J., Wetzels, M and Ruyter, K. 2005. Leadership Styles in Technology Acceptance: Followers of Preach Practice What Leaders. Managing Service Quality, 15 (6): 496-508.
26. Segars, A.H. and Grover, V. 1988. Profiles of Strategic Information Systems Planning. MIS Quarterly, 22 (2).
27. Soepardi, E. M. 2012. Commitment to Competence. JAI Magazine, March 02, 15-20.
28. Spencer, Lyle M. and Spencer, Signe. M. 1993. Competency at Work: Models for Superior Performance. New York: John Wiley & Sons.
29. Sugiyono. (2013). Quantitative, Qualitative Research and R & D Methods. Bandung: Alfabeta.CV
30. Umble, E.J., Haft, R.R. and Umble, M.M. 2003. Enterprise Resource Planning: Implementation Procedures and Critical Success Factors. European Journal of Operational Research, 146 (2): 241-257.
31. Ward, Jhon & Joe Peppard. 2002. Strategic Planning For Information system. England: Jhon Willey & Sons.
32. Wexley, N. Kenneth, Garry A. Yuki. 1998. Organizational Behavior and Personnel Psychology. Third Printing, Jakarta: Bina Aksara.
33. Wixom, Barbara H. Todd, Peter A. 2005. A Theoretical Integration of User Satisfaction and Technology Acceptance. Information Systems Research.
34. Yukl, G.A. 2008. How Leaders Influence Organizational Effectiveness, The Leadership Quarterly, 19 (6): 708-722.