

# The Success of Accounting Information Systems Observed from Individual and Organizational Factors

Rapina<sup>1</sup>, Yenni Carolina<sup>2</sup>, Santy Setiawan<sup>3</sup>, Currye Maria<sup>4</sup> and Mita Puspita<sup>5</sup>  
<sup>1,2,3</sup>Lecture Graduate Program in Accounting, Maranatha Christian University, Bandung,  
<sup>4,5</sup>Student Graduate Program in Accounting, Maranatha Christian University, Bandung  
rapinacen@yahoo.com

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## Abstract:

Abstract: Personality traits and organizational structure are a concept that is quite popular and complex. Both of these concepts can be identified as factors that can succeed or failed the goals of applying accounting information systems to obtain accounting information. In Indonesia, there are still many difficulties faced in integrating accounting information systems. The purpose of this study is to determine, test and analyze the effect of personality traits and organizational structure on the success of accounting information systems. This research was conducted to 43 accounting staff at the Save the Children Foundation in Indonesia. Data testing chosen is multiple linear regression analysis using SPSS statistics. The results of statistical tests related to personality traits are not significant in affecting the success of accounting information systems. Meanwhile, the organizational structure affects the success of the accounting information system.

**Keywords:** *personality traits, organizational structure, accounting information system, organizational factors, individual factors*

## I. INTRODUCTION

In an accounting information system, the quality information will be obtained if there is a success of a system. Gelinas and Dull argues that the success of an information system came from the effectiveness of an accountant to understand accounting information systems that is being implemented through the use of technology.

According to Bodnar and Hopwood, accounting information systems are collections of various kind of resources, including people and equipment, that are designed to convert financial data and other data into an information. Information system exists in every organization. As we all know, information systems are often used by decision makers such as managers such as operational managers, middle managers, and executive managers. The quality of accounting information is one of the competitive advantages for an organizations.

Chief Justice of the Constitutional Court, Arief Hidayat suggested the development of an integrated information system for BI, OJK, and LPS because it has not been possible to share information along this time. Many Stated-Owned Enterprises also have unintegrated and inefficient information systems, thereby increasing their operational costs, including logistics costs. Chairman of Financial Services Authority, Muliaman Hadad said that the data currently stored in BI needs to be validated and added because the non-bank financial institutions are growing and the data in the capital market can complement the big data managed by the Financial Services Authority/known as OJK. Therefore, the Financial Services Authority once again collaborated with Bank Indonesia to establish an integrated Debtor Information System or known as SID. The SID that will be developed is more comprehensive, not only for current

information needs but also for future information needs. Member of the BPK, Moermahadi Soerdja Djanegara [9] states, there are several problems in the financial management of DKI Jakarta Province. BPK still encounters significant problems in the fixed assets management information system. The appearing problem is related to the serving of detailed fixed asset data, that is being used to support recording that is comply with government accounting standards for initial balances or mutations of fixed assets in 2014.

The success of information system itself is affected by several crucial factor. Haynes mentions that individual behavior and personality will influence the implementation of information systems. Human personality can be measured through traits composed in five personality domains called the Big Five Personality approach. These five personality traits are extraversion, agreeableness, conscientiousness, emotional stability, openness to experiences. Other organizational factors that also have an effect on the implementation of accounting information systems are organizational structures. Organizational structure is a tool used by managers to obtain something from the resources used. Greenberg and Baron says that organizational structure refers to the formal configuration between individuals and groups related to the allocation of tasks, responsibilities, and authority in organizations. According to Hellriegel and Slocum, organizational structure affects employee behavior. So, it can be said that the organizational structure and employee behavior are factors that affect the success of the system implementation.

Based on the research background, literature review and related research, the author is interested in conducting research with the title of "The Success of Accounting Information Systems Observed from Individual and Organizational Factors"

## II. LITERATURE REVIEWS

### Personality Traits

Personality is a relatively fixed pattern in which a person feels, thinks and behaves and is an essential factor in accounting such as how employee act in the organization and how they behave well favorable or not favorable for the organization. Hellriegel and Slocum states that personality is the overall profile or integration of stable psychological attributes that shows the uniqueness of a person nature. Therefore, personality integrates a set of physical and mental characteristics that reflect how a person looks, thinks, acts, and thinks.

### Organizational Structure

According to Wagner and Hollenbeck organizational structure is highly affected by its effectiveness, that is the measure of an organization on achieving its goal. The definition of the organizational structure according to Gibson et al is a formal pattern on how people and their work is grouped in an organization. The organizational structure is often illustrated with an organizational chart. Furthermore, the definition regarding the organizational structure was also stated by Daft as a framework in which the organization defines the the division of tasks, how resources were grouped and how to coordinate all departments in the organization.

### The success of the Accounting Information System

Accounting information system (SIA) according to Weygandt et defined as a system that is being used to collect and processes transaction data as well as provides financial information to related parties. Furthermore, this information is communicated to several decision makers.

Referring to DeLone & McLean high-quality information system is one of the criteria for success. The success of the information system is the effectiveness of an accountant to be able to understand accounting information system and

implement the use of technology that is related to it.

#### The Effect of Personal Traits on the Success of Accounting Information Systems

Dehghanzade et al. conducted a research about the effect of human factors on the accounting information systems effectiveness which is conducted in 62 public sector organization offices and private companies that have already used computer-based accounting information systems. This study results are that personal traits consist of openness, friendliness and also job satisfaction as well as having work experience on using financial software have the effect on the effectiveness of computer-based accounting information systems.

Kabugo on his study at universities in Uganda towards 244 lecturers from six faculties, reported that lecturers' attitudes would change towards the utilization of information systems according to personality types. Based on this information, the first hypothesis can be stated as follows:

H<sub>1</sub>: Personality traits influence the success of accounting information systems.

#### The Effect of Organizational Structure on the Success of Accounting Information Systems

Business processes, organizational culture, organizational politics, environment, organizational structure, and leadership style are several features that affecting the types of information system used within the organizations.

O'Brien and Marakas indicated that information systems and technology must be well managed to support business strategy, business processes, organizational structure, and organizational culture. Almashaqbad in his empirical study of 50 telecommunications company employees in Jordan found a positive relationship between information systems and organizational structure. Thus, the second hypothesis can be stated as follows.

H<sub>2</sub>: The organizational structure influences the success of the accounting information system.

### III. METHODOLOGY

This study aimed to examine and analyze the effect of personality traits and organizational structure on the success of accounting information systems. Based on the type of research, this research is a verification study.

The population in this study was the user of accounting information system applications at tertiary institutions listed in Bandung. In this study, researchers had various considerations in determining the number of respondents to be sampled. Roscoe in Sekaran and Bougie sample size for research is between 30 to 500.

Data collection was done by questionnaire, so the quality of the questionnaire and the ability of respondents to answer questions is very important in this study. Data processing in this study used SPSS. The results of the questionnaire that had been collected would be processed using SPSS through validity, reliability, classic assumption test, and hypothesis testing.

### IV. RESULT ANALYSIS AND DISCUSSIONS

The validity test criteria is if the correlation between each indicator to the total score shows a result  $> 0.3$ , then the indicator is declared valid. If the indicator of the total score shows a result  $< 0.3$ , then the indicator is declared invalid.

The result of the validity test of X1 variable in this study indicated that the questionnaire statement were declared valid because it had a value of  $> 0.3$ , while the questionnaire statement number 13 was declared invalid because it had a value of  $< 0.3$ . The result of the validity test of X2 variable in the study this indicated that all the questionnaire statements declared valid because of the value of  $> 0.3$ . The result of the validity test

of the Y variable in this study indicated that all questionnaire statements were valid because of the value of  $> 0.3$ .

The next data quality test is the reliability test. The reliability test criteria are that the variable will be said to be a reliable variable if it has an alpha reliability coefficient  $> 0.6$ .

The result of the reliability test of the X1 variable in this study indicated a reliable result because the Cronbach's alpha value was  $0.849 > 0.6$ . The result of the reliability test of X2 variable in this study indicated a reliable result because the value of Cronbach's alpha was  $0.938 > 0.6$ . The result of the reliability test of Y variable in this study indicated a reliable result because the value of Cronbach's alpha was  $0.900 > 0.6$ .

After the data quality test is fulfilled, it will proceed to the classical assumption test. The classic assumption test consists of a normality test, a heteroscedasticity test, and a multicollinearity test. The results of the normality test are the data have a normal distribution so that the curve is symmetrical. The results of the heteroscedasticity test are data free from heteroscedasticity. The results of the multicollinearity test are data free from multicollinearity because the tolerance value of  $> 0.1$  or VIF value of  $< 10$ .

The hypothesis in this study was:

H<sub>1</sub>: Personality traits influence the success of accounting information systems.

H<sub>2</sub>: The organizational structure influences the success of the accounting information system.

After carrying out the classic assumption test then the next is the hypothesis test. The first hypothesis test was to test the X1 variable and obtained the Sig result of  $0.149 > 0.05$ , so it can be concluded that H1 was rejected, this means that personality traits do not affect the success of the accounting information system. The second hypothesis test was to test the X2 variable and obtained the Sig

result of  $0.000 < 0.05$  so it can be concluded that H2 was accepted, this means that the organizational structure influences the success of the accounting information system.

In this research, adjusted R Square that is obtained is at value of  $0.700$ ; This proves that personality traits and organizational structure can affect the success of accounting information systems by  $70\%$ , while the remaining  $30\%$  is affected by other variables.

## V. CONCLUSIONS

Personality traits have not optimally influenced the success of accounting information systems because there are still several things that must be considered, such as carrying out personality test aspects in the employee selection process. The thing that influences the success of the accounting information system is the organizational structure. In the organizational structure, there are things to consider, namely the responsibility for the work of each manager and employee must be demonstrated in the application of accounting information systems.

This research has not revealed all the variables that can influence the success of accounting information systems. Then other researchers are expected to examine other variables such as e-commerce, motivation, management commitment, and others.

## VI. SUGGESTION

In order to increase the success of accounting information systems, companies must hire employees who have the ability to implement quality accounting information systems. Conducting training for employees to form the right personality traits. The particular training will form a positive perspective when employees use the accounting information systems exist in the organization.

The split of accounting functions, sales functions, production functions, purchasing functions in the information system used for the purpose of

grouping one specific job. Improving coordination between each functions through regular meetings and discussions regarding the processing data into information that will have an impact on making the right decision. Emergency organizational activities are regulated in the policies and procedures appendix in an effort to handle exit plans that depend on the level.

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