



Analysis of The Influence of Enterprise Resources Planning Adoption and Information Technology Applications on Quality of Accounting Report

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Abstract

This study aims to ascertain how user skills, information technology utilization, and enterprise resource planning (ERP) adoption affect accounting report quality. Causal study methodology is employed in this work. The method for gathering data was a questionnaire. The study's respondents are employees who have used accounting information systems. Convenience sampling, or non-probability sampling, was used to choose the sample for this study. Multiple linear regressions are employed in this study. According to the research findings, the use of enterprise resource planning, information technology, and user knowledge together had a favorable and significant effect on the quality of accounting information. The quality of accounting information can be enhanced by ERP adoption when backed by top management commitment and support, ease of system integration, system capacity to meet needs, vendor training, and solutions that satisfy needs. The quality of accounting information is positively impacted by IT, which is supported by a solid infrastructure, including functionally matched computers, computer networks, internet access, effective accounting procedures, software-assisted data processing, information system output, and infrastructure upkeep. Furthermore, the quality of accounting information can be enhanced by solid user knowledge, reinforced by education, training, and user experience. When managing accounting information systems, businesses must consider these criteria to guarantee that the data generated is reliable, accurate, timely, comprehensive, and verifiable. Thus, companies can make better decisions based on accurate and relevant information.

Keywords: Enterprise Resource Planning, Information Technology, Quality, Accounting Report.

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1. Introduction

Accounting information is critical to a company's decision-making process. The financial reports that give a summary of the state of the company's finances are presented by the accounting department. This financial report serves as a basis for consideration when investing for external and internal company parties [1]. An entity's financial situation and performance are structurally represented in financial reports. The primary goal of financial reports is to give information that will help most report users make informed financial decisions. The entity's cash flow, financial performance, and financial condition are all disclosed in financial reports [2]. In addition, financial reports also reflect management's responsibility for the use of the resources entrusted to them. Therefore, accounting information must be high quality to provide an accurate and relevant picture of the company's financial condition. Thus, financial reports can be an effective tool in decision-making for management and external parties to the company [3].

Making the proper judgments is greatly aided by the quality of accounting information for managers and other interested parties. A few qualities of high-quality accounting information are relevance, dependability, completeness, timeliness, comprehensibility, and user-friendliness. First and foremost, relevant accounting data can help users make economic decisions by assisting them in assessing past, present, or future events. Second, the data needs to be reliable, which implies it needs to be impartial and dependable by consumers. Third, the information must be complete. That is, all relevant and necessary information for decision-making must be included [3]. Fourth, information must be timely and available in sufficient time to enable users to use it in decision-making. Fifth, the information must be easy to understand, meaning that it must be presented clearly and simply so that users can understand it easily. Finally, the information must be verifiable, meaning it must be verified and declared correct. By ensuring that accounting information meets these characteristics, it can be said to be of high quality and can significantly contribute to decision-making for managers and other interested parties [4].

Enterprise resource planning (ERP) implementation is a system integration that links different departments and operations inside a business. Accounting, finance, marketing, human resources, production, and inventory management are all integrated into one centralized system by this system [4]. ERP also controls contact with external stakeholders and streamlines information flow between various company business units. Because of top management's dedication and support, the integrated system's ease of use, its capacity to satisfy business needs, and vendor assistance, ERP adoption is thought to be able to support the quality of accounting information. ERP systems also benefit companies, especially their users [5]. ERP systems help companies integrate critical functions such as finance, human resources, and logistics. The quality of information is considered good if presented promptly because the better the quality, the more appropriate the decisions taken. It is hoped that quality information from the ERP system can help information users, both internal and external to the company, make more precise decisions [6].

Information technology is a collection of hardware, software, and network infrastructure used to manage, store, retrieve, and transmit data within an organization. Information technology also includes computer technology, communications, and other technologies that can add value to organizations. If certain conditions are met, information technology in a company is thought to support the quality of accounting information. First, there should be functional computers that can aid with data and information management. Second, a strong enough computer network and internet connection enables information sharing [7]. Third, information technology and the accounting process are connected, allowing precise and efficient data processing. Fourth, data processing software that generates high-quality accounting data must be employed. Fifth, decision-making can be based on the output of the final information system. Finally, the quality of the accounting information generated will benefit from the upkeep of a robust information technology infrastructure. Therefore, the quality of accounting information a firm generates will benefit from properly and efficiently using information technology [8].

The information technology revolution will permeate all aspects of life, including an organization's accounting information system. During this time, there are often misunderstandings about accounting information systems. Many people say that accounting information systems are nothing more than a course about computers. Accounting information systems discuss collecting data, storing data, and providing information to decision-makers [8]. Adequate instruments are required to complete this task correctly and efficiently. The most helpful instrument at the moment is a computer, but if a better tool comes along, it will undoubtedly be employed to do tasks that provide data for decision-makers [9]. Since computers are sophisticated technological instruments, the ongoing information technology revolution will directly impact the accounting information systems employed by different firms. Thus, for accountants to always follow developments and changes in information technology, they must first understand various new things such as networking systems, electronic data interchange, and various other computer technologies [10].

The use of information technology (IT) does necessitate careful planning and implementation to avoid rejection of the system being developed. This is closely related to individual behavior changes in carrying out their duties. The rapid development of IT today provides many conveniences for various business activities [10]. IT can promptly, accurately, relevantly, and speed up the information needs of the corporate world by concentrating on computer-assisted information system management. Information technology utilization has improved the quality of accounting information, as shown in earlier studies. This demonstrates how crucial it is to successfully integrate IT to support business operations and generate high-quality accounting data. Companies can maximize the use of this technology to enhance the quality of accounting information and overall operational efficiency by observing changes in individual behavior within the firm and implementing IT efficiently [11].

User expertise in information technology is essential in supporting the quality of accounting information. User expertise includes ability, expertise, and knowledge of using systems and technology. The higher the user's expertise, the better the flow of information conveyed and the ability to interpret the resulting information [11]. User expertise also includes experience and skill in using computers and related technology. With good skills, users can more easily identify, access, and interpret data, improving the quality of the information produced. User expertise is also essential in successfully implementing an accounting information system [12]. The user's expertise in running an information system can influence the ease and effectiveness of using the system, thereby contributing to the final results of the information produced. In this context, companies must provide adequate training and support to users so that they have the necessary skills to use information systems effectively. Thus, user expertise can be a critical factor in improving the quality of the information system's accounting information [13].

The user's proficiency in computer technology greatly influences the application of technology. Mastery of knowledge is required for users because sometimes someone always wants to maintain their habits, which is the main obstacle to system development. The level of employee knowledge and personal tendencies to sustain their habits are the main obstacles to system development. Expertise estimates a person's ability to work well and correctly [12]. Someone who considers himself capable of carrying out his duties well will tend to be successful. As a result, companies must provide employees with training and development to master the technology used in

company information systems. In this way, employees will have adequate abilities in using computer technology to minimize obstacles in system development and improve the quality of carrying out their duties [13]. Humans' role in producing quality information remains the most dominant factor. Although technology has advanced rapidly and can do most of the work, only a tiny part can be done by tools to produce quality information [13]. Various factors influence the quality of accounting information, including the user's expertise. With the role of users who are experts in their fields, it is hoped that the quality of accounting information produced by companies can increase. This has a positive impact on the company's business processes, including preparing accurate and relevant financial reports [14] [15] [16] [17]. Quality financial reports are critical in supporting decision-making by management because accurate and timely information is needed to take the proper strategic steps to achieve company goals [18] [19] [20]. Thus, companies need to continue to develop user expertise in the fields of accounting and information technology to produce quality information [21] [22] [23] [24].

2. Research Methods

Adequate instruments are required to complete this task correctly and efficiently. The most helpful instrument at the moment is a computer, but if a better tool comes along, it will undoubtedly be employed to do tasks that provide data for decision-makers. Since computers are sophisticated technological instruments, the ongoing information technology revolution will directly impact the accounting information systems employed by different firms. The tool used to analyze the data is SPSS, which helps conduct statistical analysis to test hypotheses and draw conclusions from the data collected. By using appropriate methods and techniques, this research is expected to provide a valuable contribution to understanding the relationship between information technology implementation, user expertise, and the quality of accounting information.

3. Results and Discussion

The study's findings are noteworthy when considering business management since they demonstrate how user expertise, information technology use, and enterprise resource planning implementation significantly impact accounting data caliber. ERP implementation, use of IT, and user expertise in using accounting information systems have a crucial role in improving the quality of the information produced. Companies that implement ERP well, have adequate IT infrastructure, and have users skilled in using accounting information systems will tend to produce higher-quality accounting information. This quality information is crucial in helping management make better decisions because accurate and relevant information can become a solid basis for the company's business planning and strategy. These findings also underscore the importance of investing in information technology implementation and user skill development. Companies must ensure that the information systems used are well-integrated and can be utilized optimally by users. This way, companies can maximize the potential of accounting information as an essential asset in achieving their business goals.

The quality of accounting information is significantly impacted by the adoption of enterprise resource planning, as evidenced by the implementation variable's regression coefficient of 0.5 and t value of 4.3. This suggests that the quality of accounting information generated will increase with the effectiveness of enterprise resource planning implementation, backed by top management's dedication and support, system integration ease, the system's capacity to meet needs and vendor-provided training. Accounting information can be made more accurate, relevant, timely, understandable, complete, and precise with a well-executed enterprise resource planning system. This result is consistent with earlier studies that demonstrate the beneficial impact of enterprise resource planning implementation on the caliber of accounting data. As a result, businesses looking to enhance the caliber of their accounting data should focus on implementing enterprise resource planning holistically, guaranteeing managerial support, strong system integration, and sufficient user training. Businesses will be able to generate better accounting data, which will help them make wiser decisions.

The utilization of information technology has a considerable impact on the quality of accounting information, as evidenced by the variable's regression coefficient of 0.3 and t value of 3.5. This suggests that the quality of accounting information provided will be positively impacted by the information technology infrastructure that is used, supported by the availability of computers based on their functions, computer networks, internet, accounting processes, software-assisted data processing, information system results, and infrastructure maintenance. Information technology can make accounting information more accurate, relevant, timely, understandable, complete, and accurate. This result is consistent with earlier studies demonstrating the beneficial impact of information technology utilization on the caliber of accounting data. As a result, businesses must be aware of the information technology infrastructure and ensure that it can adequately and effectively support data processing and accounting operations. Companies can generate better accounting data, which will help them make wiser decisions. The quality of accounting information is significantly impacted by user knowledge, as seen by the user expertise variable's 0.2 regression coefficient and 2.2 t value. This suggests that the more favorable influence on the caliber of accounting information generated, the higher the level of user competence,

which is backed by a high degree of education, regular training, and duration of user experience. The accuracy, relevance, timeliness, comprehensibility, completeness, and accuracy of accounting information can all be improved with solid user skills. This result is in line with other studies that demonstrate the beneficial impact of user competence on the caliber of accounting data. Thus, businesses must focus on improving user abilities when utilizing accounting information systems. Enhancing user skills and providing training will help to raise the caliber of the accounting data generated. Companies may thus guarantee that the accounting data utilized for making decisions is of the highest caliber.

4. Conclusion

The research findings indicate that the application of enterprise resource planning has a noteworthy and beneficial impact. Therefore, the quality of accounting information can be improved if enterprise resource planning is implemented with the commitment and support of top management, ease of system integration, ability to meet needs, vendors providing products according to needs, and vendors providing training. We can conclude that better accounting information can be obtained by implementing enterprise resource planning. Information technology use has a significant and beneficial impact. Thus, the quality of accounting information can be enhanced by information technology, provided that it is backed by the availability of computers based on their functions, computer networks, internet access, accounting procedures, software-assisted data processing, information system output, and infrastructure upkeep. We can conclude that using information technology can raise the caliber of accounting data. User knowledge has a favorable and noteworthy impact. The quality of accounting information can be enhanced if user knowledge is backed by user education, training, and experience. We may conclude that the quality of accounting information can be improved by user competence. Business resource planning, information technology use, and user knowledge significantly impact the quality of accounting information. Several recommendations for additional research have been made in light of the findings. This study has several limitations that need to be noted. The limitation of respondents is that they only involve employees, so the research results may not be directly generalizable to a broader population. There are limitations to the research object, which only focuses on companies in the Jabodetabek area, so the results may not be able to represent conditions outside that area. There are limitations to the independent variable, which only includes three factors, so there is still the potential that other factors outside the research also contribute to the quality of accounting information not included in the analysis. Expanding the scope of respondents, research objects, and independent variables is recommended to obtain a more holistic and representative understanding of the factors that influence the quality of accounting information.

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