THE INFLUENCE OF ACCOUNTING INFORMATION SYSTEMS AND INTERNAL CONTROL ON EMPLOYEE PERFORMANCE

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Abstract

This study investigates how the implementation and development of an Accounting Information System (AIS) in a company impacts the quality of work of employees. Ultimately, the quality of work can be affected by the ability of strategic information systems to improve the efficiency of financial data processing and ensure that the information is accurate. After all, good internal management creates a work environment that encourages discipline and discussion which is very important for employee work. This study uses a quantitative approach with multiple regression analysis to determine the relationship between employee work, company operations, and information systems. The result of multiple regression analysis is Y = 1.430+0.038X1+0.894X2+e. This shows that the level of employee productivity can be significantly improved by implementing an ideal accounting system and good internal control. Organizations understand the importance of interdepartmental cooperation to improve operational efficiency in various industries. Therefore, to increase its productivity, the company must implement information systems and internal controls thoroughly.

Keywords: accounting information systems, internal control, employee performance

Introduction

With the advancement of information technology, especially in the field of accounting, there has been a major shift in the way businesses control financial data. Accounting Information Systems (AIS), a major advancement in this field, allows for faster, more accurate, and clearer processing and dissemination of financial data. By using accounting information systems correctly, decision-making becomes easier and financial reporting errors are reduced. Nonetheless, one of the major problems faced is ensuring the accounting information system runs smoothly, which requires a reliable internal control system.

According to Laudon and Laudon (2016), an information system is a collection of important components that work together to collect, organize, monitor, and display data with the aim of improving analysis, visualization, decision making, coordination, and control over organized data. A study by Ismail and Sudarmadi (2019) found that the implementation of clear accounting cycle procedures, adequate software, and accounting information systems improved employee performance. This study shows how important it is to use a robust system to improve work efficiency.

According to previous research by Elizabeth Rampengan and Ika Prayanthi (2022), information systems and internal analysis have a significant influence on employee performance. The results of this study indicate that the system affects employee performance, and there are more variables that affect employee performance.

To ensure that financial information is accurate and reduce the possibility of error or fraud, structured internal controls are essential. By establishing work discipline and providing a clear framework, good internal control also improves employee performance. According to Urip, Bambang, and Djoko (2019), employee productivity has been improved through internal control. This is mainly related to work efficiency and timeliness. Previous research has shown that there is a positive correlation between worker performance and internal productivity. In addition, the research shows that the implementation of an effective internal knowledge management system can improve work efficiency.

As a result, cooperation between control and internal information systems is essential to improve operational efficiency and productivity. However, issues such as lack of management support and employee training continue to hinder the implementation of these two components. This is a study on how internal control and accounting information systems can work together to improve employee productivity.

According to Gelinas, Dull, and Wheeler (2018), accounting information systems (AIS) are formal structures designed to assist decision making by collecting, processing, and reporting financial information. AIS also assists operations and provides the data necessary for management decision making.

Jones and Rama (2020) describe accounting information systems as a series of integrated actions that use information technology to process transaction data into information that is relevant to its users. This approach emphasizes the importance of technology in filtering, processing, and converting transaction data that is often large and complex into information that can be accessed by management and other related parties. Research conducted by Haryanto, Dewi, and Mahendra in 2020 proves that accounting information systems can improve organizational culture and worker productivity, especially in finance. The results of this study show that the accounting information system provides timely financial reports, which allows workers to work more efficiently.

Internal control is a set of procedures used to manage assets, ensure accurate information, and achieve operational goals, including reducing employee attrition, fraud, and other problems (Romney and Steinbart, 2020). Internal control consists of environment, risk assessment, activities, communication and information, and maintenance. Internal control is a systematic procedure used to ensure the achievement of organizational objectives, which include operational efficiency, regulatory compliance, and financial reporting reliability (COSO, 2013).

Dani and Wawat (2019) found that internal controls can help businesses and help run controls. If internal control and accounting information systems work together, According to Al-Fata's research (2020), the quality of the implementation of internal data accounting systems increases employee productivity. especially in terms of effectiveness and timeliness. The implementation of accounting information systems provides accurate and structured data, while internal controls ensure that data is used in an appropriate and secure manner. So this research can contribute to further understanding of the importance of integration between accounting information systems and internal controls to increase productivity and work efficiency in organizations.

However, Jones and Rama (2020) state that in the field of IT accounting, integrated systems that use IT can improve operational efficiency and give workers access to more accurate and relevant data to make decisions, which leads to increased productivity because workers receive accurate information when they need to do their jobs. This shows how both systems optimize the use of processes and data within the organization. Proper control of these two components can be compared to competitiveness and employee performance outcomes.

The main focus of this study is how internal information systems and analysis contribute to the overall productivity and efficiency of the organization. This study examines how accounting information systems affect employee work, how internal controls affect employee work, and how accounting systems and information controls work together to improve employee productivity.

Research Methods

In this study, a quantitative approach was used to see how employee work habits, internal processes, and information systems relate to each other. Qualitative methods are particularly advantageous because they allow for unbiased data collection as well as statistical analysis of the relationship between variability. According to Indirianto (2014), population can be defined as a group of individuals, individuals, or groups that have certain characteristics. In this study, the population is 100 employees of PT XYZ. To collect data, this study used a questionnaire instrument with a Likert scale of 1-5. Respondents indicated accounting information systems, internal control, and employee performance.

Research Variables

In this study, both independent and dependent variables were used:
Independent variable (X1): Accounting Information System
Independent variable (X2): Internal Control
The dependent variable (Y): Employee Performance

Data Analysis Techniques

This study used statistical methods to analyze the data: Descriptive analysis is to describe the characteristics of respondents and the distribution of answers from the questionnaire and multiple linear regression test is to test the simultaneous influence between the independent variables on the dependent variable.

Multiple Linear Regression Analysis

To find out whether internal control and Accounting Information System (AIS) affect the performance of PT XYZ employees, we use multiple linear regression analysis. This formula is as follows:
$$Y=b1X1+b2X2+e$$

Description:

Y = employee performance
b1 = regression coefficient of variable X1
b2 = regression coefficient of variable X2
X1 = Accounting Information System X2
ϵ = Error term

Results And Discussion

The study involved one hundred employees of PT XYZ who use an organized accounting information system and internal controls. Some respondents are very familiar with this system.

Accounting Information System (AIS)

The results of the analysis show that most of the people who answered considered the implementation of the accounting information system at PT XYZ to be running well. They also believe that accounting information systems can make financial reporting easier and make decisions faster.

Internal Control

Internal control received a good assessment. Respondents said that the company's internal control policies are good enough to reduce the possibility of errors and fraud. The success of internal control depends on close supervision of operations and clear procedures.

Employee Performance

Positive results were shown when employee performance was measured based on productivity, timeliness, and quality of work. Most of the people who responded said that work discipline and effectiveness of task completion had improved as a result of the use of efficient accounting information systems and internal controls.

Multiple Linear Regression Test Results
Table 1

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.430	1.163		1.230	.222
Accounting Information System (X1)	.038	.053	.038	.721	.473
Internal Control (X2)	.894	.054	.866	16.500	.000
a. Dependent Variable: Employee Performance (Y)					

The results of regression analysis show that Internal Control (X2) and Accounting Information Systems (X1) have a significant positive impact on employee performance. In the table above, the constant value ($\propto$ value) is 1.430, the information system value is 0.038, and the internal value is 0.894. Therefore, the following conclusions can be drawn from the multiple line regression:

$$Y = 1.430+0.038X1+0.894X2+e$$

Which means:
- Information System and Internal Control, are equal to zero.
- The X1 coefficient of 0.038 indicates a 1% increase in variable X1 (Accounting Information System) causes an increase in employee performance of 0.038 or a 1% decrease in variable X1 (Accounting Information System) causes a decrease in employee performance of 0.038.
- With a coefficient X2 of 0.894, every 1% increase in variable X2 (Internal Control) results in an increase in employee performance of 0.894 or a decrease in employee performance of 0.894

Discussion

The results show that using an effective accounting information system can increase employee productivity by providing more accurate and timely information, which can speed up the decision-making process. An effective accounting information system can also reduce the likelihood of financial recording errors, which in turn reduces the amount of work to be done by employees, and in turn improves the quality of their work.

In addition, effective internal controls ensure that operational procedures are carried out. In accordance with established regulations, which can reduce the possibility of fraud and improve employee discipline. In a well-controlled work environment, employees tend to be more motivated, energized and committed to their work.

Finally, this study shows that collaboration between internal work processes and information systems can improve worker performance. This supports previous theories that internal management and technology can improve business efficiency and productivity.

Conclusions

This is very important for building a successful workplace. According to Al-Fata's (2020) analysis, the quality of implementation of this research shows that if the Accounting Information System (AIS) is properly used and supported by internal research, employee productivity can be significantly improved. Accounting information systems provide accurate and timely data entry, and internal structural analysis can ensure data integrity and improve employee discipline. Internal analysis and accounting information systems have a positive impact on the work output of researchers, according to the multiple regression results, where Y = 1.430 + 0.038 X1 + 0.894 X2. Internal research-based information accounting systems increase employee

productivity. The integration of internal processes and work-related information systems is essential to improve work productivity and efficiency in every organization.

Advice

Based on this research, there are several suggestions that can be given, namely:

1. The company must improve and develop the application of accounting information systems to ensure accurate and fast information for decision making.
2. It is critical for companies to improve employee training and understanding of internal controls to maximize performance; and
3. Further research can be done to find out more about internal control

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