

The Intention of Accounting Software's Adoption for Village-owned Enterprises Financial Reporting in Indonesia

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Abstract: This research aims to analyse the influence of performance expectancy, effort expectancy, social influence and facilitating conditions on the intention to adopt accounting software in village-owned enterprises (VOE). The data collected by a convenient sampling method by sending the questionnaire to the respondents by e-form. The result showed that only performance expectancy significantly affected the intention to adopt accounting software for financial reporting. Meanwhile, effort expectancy, social influence and facilitating conditions were not significantly affected the intention to adopt accounting software in village-owned enterprises.

1 INTRODUCTION

Village-owned enterprises (VOE) are the platform for village's economics development. The existence of these enterprises will raise the level of people's wealthy in villages. This is the reason of the importance of village-owned enterprises in Indonesia.

Recent situation show that villages receipt the donation from the Ministry of Village, Development of Disadvantaged Regions and Transmigration for the village's development. The data show ed that the reporting of the budget still inappropriate. For example, in Parigi Moutong District that received the donation from Ministry of Village, Development of Disadvantaged Regions and Transmigration, but when the auditor examines the reporting of the donation, the auditors found that there are several problems with the financial reporting (<https://paluekspres.fajar.co.id>). This problem related with the capability of the human resources to perform financial report.

Technology, especially accounting software, could help this financial reporting's problem. UTAUT is a model that used to explained the behaviour of technology's users (V Venkatesh, Morris, GB, & Davis, 2003). This model consist of 8 (eight) variables to predict the intention of technology's adoption. The variables are

behavioural intention, use behaviour, performance expectancy, effort expectancy, social influence and facilitating conditions.

2 LITERATURE REVIEW

2.1 UTAUT Model

The Unified of *Acceptance and Use of Technology* (UTAUT) developed by V Venkatesh et al., 2003). UTAUT Model combined the 8 (eight) main variables; *theory of reasoned action* (TRA), *technology acceptance model* (TAM), *motivational model* (MM), *theory of planned behaviour* (TPB), *combined TAM and TPB*, *Model of PC utilization* (MPTU), *innovation diffusion theory* (IDT), and *social cognitive theory* (SCT).

UTAUT aims to help entities to understand the users' reaction to the new technology. (Wang, 2005). UTAUT developed from TAM's Model that consist of 4 (four) constructs that affected the intention to use the new technology; performance expectancy, effort expectancy, social influence and facilitating conditions (V Venkatesh et al., 2003).

2.2 Performance Expectancy

Performance expectancy defined as the level of someone's perception that using a technology will help themselves to gain the highest performance (V Venkatesh et al., 2003). According to Handayani & Sudiana (2015), indicators that used to measure performance expectancy are complexity, perception of easiness of use and easiness to learn.

Meanwhile, other indicators that used to measure the performance indicators are (Hormati, 2012)

1. Increasing the productivity
2. Increasing the quality
3. Increasing the effectiveness

2.3 Effort Expectancy

Effort expectancy refers to the level of the easiness of using a new technology (V Venkatesh et al., 2003). The easier a system to operate then user need less effort to perform. A friendly system asked for less effort.

According to Handayani & Sudiana (2015), several indicators that operated to measure effort expectancy are:

1. The Management easiness's perception
2. Speed for doing a job
3. Performance's gain
4. Motivation

Hormati (2012) operated these indicators to measure effort expectancy:

1. Easy to learn
2. Easy to use
3. Interaction
4. Easy to perform a job

2.4 Social Influence

Social influence defined as the level of individual's perception of others influences in using a new technology (V Venkatesh et al., 2003). According to Handayani & Sudiana (2015), indicators that used in measuring the social influence on information systems are:

1. Family factor
2. Friends
3. Social Factors
4. Influencing people

Hormati (2012) operated these indicators to measure the social influence variable:

1. The influence of colleagues
2. The influence of Manager (Leader)
3. Company's support

4. Social Status

2.5 Facilitating Condition

Facilitating condition defined as someone's belief about the infrastructure that will support the use of new technology (V Venkatesh et al., 2003). According to Handayani & Sudiana (2015), indicators that used to measure the facilitating condition are:

1. Condition that will facilitate
2. Knowledge
3. Compatibility
4. Acceptable
5. The influence of co-worker

Hormati (2012), used these indicators to measure facilitating condition variable:

1. Availability of facilities
2. User's skill
3. Compatibility
4. Availability of experts

2.6 Intention for Adoption

Intention defined as the willingness to perform a behaviour (Hormati, 2012). Behaviour explained as the interest to do something, meanwhile intention will determine the behaviour (Hartono, 2007).

Handayani & Sudiana (2015) used these indicators to measure the intention for technology adoption:

1. Intent to use the technology more often
2. Predicted to use the technology
3. Plan to use the new technology
4. Confidence to use the new technology

(Hormati, 2012) operated 3 (three) indicators to measure the intention for technology adoption:

1. Willing to use
2. Predicting to use
3. Planning to use

2.7 The Effect of Performance Expectancy on the Intention for Adoption

Hormati (2012) found that performance expectancy affected the intention to use in Indonesia's government. Indahwati & Afiah (2014) also found the performance expectancy affected the intention to use accounting software for Small Medium Enterprises.

Handayani & Sudiana found that performance expectancy affected the intention to use. Lai, Lai, & Jordan (2009) found the same result. Im, Hong &

Kang (2011) showed the same result also. V Venkatesh, Thong, & Xu (2012) found that there was a significant effect of performance expectancy on the intention to use new technology.

According to those researches above, so the hypothesis of this research is

H1: There is a positive significant effect of performance expectancy on the intention to use accounting software in VOE

2.8 The Effect of Effort Expectancy on the Intention for Adoption

Several researchers found that there is an effect of effort expectancy on intention to use new technology [Hormati (2012); Indahwati & Afiah (2014); V Venkatesh, Thong, & Xu (2012); Lai et al (2009)]. Different result found by Handayani & Sudiana (2015), which is the result was effort expectancy not significantly affected the intention to use new technology.

Ling (2008) concluded that effort expectancy played an important role to affect the intention to use ERP. Payne & Curtis (2008) found that effort expectancy is a significant variable in the intention to use audit technology.

Im et al (2011) found that effort expectancy had a positive significant effect on the intention to adopt new technology

According to the researches' result above, so the hypothesis of this research is:

H2: There is a positive significant effect of effort expectancy on the intention to use accounting software for VOE

2.9 The Effect of Social Influence on the Intention for Adoption

The result of Hormati (2012), Indahwati & Afiah (2014) found that social influence affected the intention to adopt new technology. Handayani & Sudiana (2015) found that social influence affected the intention behaviour.

Lai, Lai, & Jordan (2009) also found that social influence had ad positive significant effect on the intention to adopt new technology. V Venkatesh, Thong, & Xu (2012) found that there was a significant effect of social influence on the intention behaviour.

Based on the researchers above, so the hypothesis of this research is:

H3: There is a positive significant effect of social influence on the intention to use accounting software for VOE

2.10 The Effect of Facilitating Condition on the Intention for Adoption

Based on several researches, it can be stated that facilitating conditions had a significant effect on the intention to adopt new technology [Hormati (2012); Indahwati & Afiah (2014)]. (Oswari, Suhendra, & Harmoni, 2008) found that facilitating conditions significantly affected the performance of small-medium enterprises.

Payne & Curtis (2008) concluded that facilitating conditions was a significant factor for the intention to adopt audit technology. Meanwhile, Im et al (2011) found that facilitating conditions had a significant impact on the intention to use new technology. Venkatesh (2012) found that intention to use and facilitating conditions had a significant relationship.

According to several researches above, in can be stated that:

H4: There is a positive significant effect of facilitating conditions on the intention to use accounting software for VOE

3 METHOD

3.1 Measurement's Parameter

3.1.1 Performance Expectancy (X1)

Performance expectancy defined as the level of someone's perception that using a technology will help themselves to gain the highest performance (V Venkatesh et al., 2003). Indicators that used for measuring the performance expectancy, refers to Hormati (2012) consist of increasing the productivity, increasing the quality, increasing the effectiveness. Variable measure with the Likert scale 1 – 5.

3.1.2 Effort Expectancy (X2)

Effort expectancy refers to the level of the easiness of using a new technology (V Venkatesh et al., 2003). Indicators that used for measuring the performance expectancy, refers to Hormati (2012) consist of easy to learn, easy to use, interaction, easy to perform a job.

3.1.3 Social Influence (X3)

Social influence defined as the level of individual's perception of others influences in using a new technology (V Venkatesh et al., 2003). Indicators that used for measuring the social influence refers to Hormati (2012) consist of the influence of colleagues, the influence of manager (leader) , company's support, social status . Variable measured by Likert Scale 1 – 5.

3.1.4 Facilitating Conditions

Facilitating condition defined as someone's belief about the infrastructure that will support the use of new technology (V Venkatesh et al., 2003). Hormati (2012), used these indicators to measure facilitating condition variable : availability of facilities, user's skill, compatibility, availability of experts.

3.1.5 Intention to use (Y)

Intention defined as the willingness to perform a behaviour (Hormati, 2012). Behaviour explained as the interest to do something, meanwhile intention will determine the behaviour (Hartono, 2007). (Hormati, 2012) operated 3 (three) indicators to measure the intention for technology adoption: willing to use, predicting to use , planning to use

3.2 Research Model

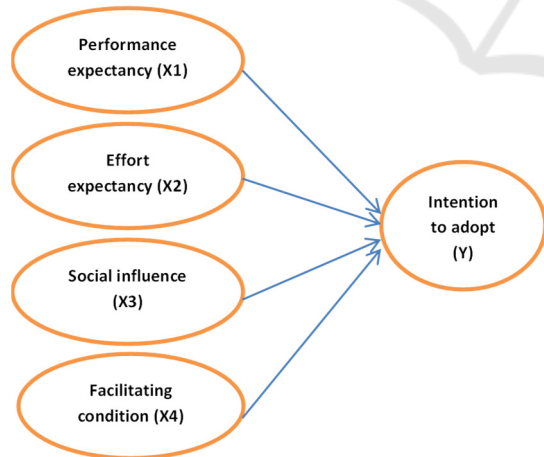


Figure 1.

3.3 Population and Sample

The population of this research are all the village-owned enterprises (VOE) that joint the village-owned enterprise forum in 2019. Total VOE that

listed as the member of village-owned enterprise forum in 2019 are 510 enterprises.

Samples chose by the Slovin formula. Based on that formula, total samples that had been chosen are 84 (eighty four) VOE.

3.4 Instrument & Data Collecting

The instrument to measure the research data is a questionnaire. Research instrument operated with the Likert Scale form 1- 5.

3.5 Data Analysis

Data analysed with PLS (Partial Least Square). Before the analysis process, we examined the validity and reliability of the data.

Table 1.

No	Description	Frequencies	Percentage
1	Gender	Men	60 71%
		Women	25 29%
2	Education	High-school	32 38%
		Under-diploma	12 14%
		College	36 42%
		Post-graduate	5 6%
3	Age	18 - 25 yo	4 5%
		26 - 34 yo	20 24%
		35 - 44 yo	42 49%
		> 45 yo	19 22%
4	Computer's skill	Able	63 74%
		Unable	22 26%
5	Financial skill	Able	54 64%
		Unable	31 36%

4 RESULTS AND DISCUSSION

4.1 Descriptive Analysis

Based on table above, we can figure out that most of the respondents are men. Most of the respondents are graduated from college, and aged between 35 – 44 years old. Most of them are able to uses computer and also had a proper financial skill.

4.2 Data Analysis

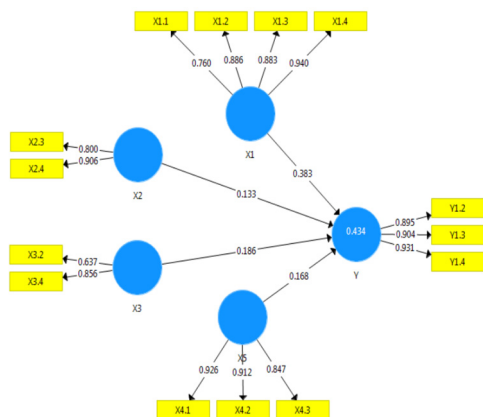


Figure 2.

The figure above, showed that X1 formed by 4 (four) indicators, which are helping the financial reporting process, helping in accelerated the time for financial reporting, helping in accelerated the user productivity and providing the chance for the improvement of financial reporting process. X2 formed by 2 (two) indicators. The indicators are the easiness to use and the application was easy to use.

X3 formed by 2 (two) indicators, which are influence from people who was respected by user, apparatus's influence to user for adopting accounting software. X4 formed by 3 (three) indicators. The indicators are facilities in VOE, the knowledge to use the facilities, compatibility of facilities with other's facilities in VOE.

Table 2.

	Sampel Asli (O)	Rata-rata Sam...	Standar Devias...	T Statistik (O/...	P Values
X1 -> Y	0.383	0.346	0.180	2.133	0.033
X2 -> Y	0.133	0.123	0.183	0.723	0.470
X3 -> Y	0.186	0.207	0.197	0.942	0.346
X4 -> Y	0.168	0.204	0.170	0.983	0.326

Based on the table above, it can be shown that only X1 (performance expectancy) significantly affected the intention to adopt accounting software (Y). The p-value for performance expectancy to intention to adopt is $0.033 < 0.05$.

Meanwhile, the p-value for X2 (effort expectancy) to Y (intention to adopt) is $0.470 > 0.05$. It means that effort expectancy not significantly affected the intention to adopt accounting software.

P-value for X3 (social influence) to Y is $0.346 > 0.05$. This value means that social influence not significantly affected the intention to use in village-owned enterprises.

Furthermore, the p-value for X4 (facilitating conditions) to Y is 0.326. It means that facilitating conditions not significantly affected the intention to use accounting software for financial reporting in VOE.

5 CONCLUSIONS

Based on the discussion, it can be concluded that performance expectancy significantly affected the intention to use accounting software for financial reporting. Effort expectancy, social influence, facilitating conditions are not significantly affected the intention to adopt accounting software for financial reporting.

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