MANAGERIAL PERFORMANCE STUDY: THE ROLE OF MANAGEMENT ACCOUNTING INFORMATION SYSTEMS PERFORMANCE MEASUREMENT SYSTEMS AND REWARD SYSTEMS

Irfan

E-mail: dr.irfan@umsu.ac.id
Univeristas Muhammadiyah sumatera Utara

ABSTRACT

This study aims to test and analyze the influence of management accounting information systems, performance measurement systems and reward systems on managerial performance at PT. Medan Industrial Estate. The sampling technique used in this study is the saturated sampling technique, with the number of samples obtained as many as 32 samples. The data collection technique used in this study is a questionnaire, namely distributing questionnaires to managers, assistant managers and supervisors of PT KIM (Medan Industrial Estate). The data analysis techniques used in this study are outer model analysis, inner model analysis and hypothesis testing using Partial Least Square (PLS) software. The results of this study indicate that 1) Management Accounting Information Systems have a significant effect on managerial performance, 2) Performance Measurement Systems do not have a significant effect on managerial performance, 3) Reward Systems do not have a significant effect on managerial performance.

Keywords: *Managerial Performance, Management Accounting Information System, Performance Measurement System, Reward System*

INTRODUCTION

In carrying out its activities, companies generally need an effective and efficient accounting information system, especially in presenting information that is in accordance with the needs of management and from external parties who need it. The management accounting information system as a system plays a role in helping to predict the possible consequences of several alternative actions taken in various activities such as planning, controlling and decision making. The characteristics of useful information help managers make decisions, and can be divided into four characteristics: scope, timeliness, aggregation, and integration. Ajeng and Titiek (Sinaga, 2018) explain that the characteristics of the information system available in the organization will be effective if they support the needs of information users for decision making. This research was conducted at the company PT KIM (Medan Industrial Estate) is a State-Owned Enterprise (BUMN) with a business field of industrial area management services, namely land acquisition and development for industry, provision of land and ready-to-use industrial buildings, management and maintenance of industrial areas, consulting services in the industrial area sector, construction services, warehousing services and supervision services. PT KIM (Medan Industrial Estate) is now a subsidiary of PT Danareksa (Persero), PT KIM itself was established on October 7, 1988 with a stock composition consisting of 1 Series A Share (Dwiwarna) owned by the Government of the Republic of Indonesia, PT Danareksa (Persero) 59.99%, North Sumatra Provincial Government 30%, and Medan City Government 10%. The manager's ability to manage the company is a barometer

for the company's growth. The use of information technology is one way to facilitate company management. At PT KIM (Medan Industrial Estate) has used a management accounting information system to manage the company's financial reports, it's just that the management accounting information system used still has obstacles, the system used sometimes errors so that employees are hampered in working on financial reports, this makes managers late in receiving company information because of these obstacles. Not only that, in managerial performance there is a phenomenon, namely. At PT KIM (Medan Industrial Estate) every manager is not subject to any sanctions if they are late or absent from coming to the office, while existing employees will be subject to sanctions if they are late or absent from coming to the office for more than two times, this will affect the company's managerial performance because it is unfair to employees or other staff and will have an impact on employee performance. PT KIM has also given awards to employees as a form of motivating employees,It's just that the awards given are still not efficient because the time period for giving awards is very long, this is not in accordance with the performance given by employees and will affect managerial performance. Based on observations and interviews conducted by the author, the quality of human resources at PT KIM is not in accordance with the needs and readiness to fulfill applicable regulations, this can have negative consequences for the company (https://kim.co.id/report-tahunan/)

Performance assessment/measurement is the act of measuring various activities in the value chain that exist in a company and then using the results as feedback, providing information on the realization of the plan. The more often the company measures employee performance, the more the company will improve the performance of managers, so that quality is achieved as the main goal by improving performance. (Ismunawan 2010 in Sinaga et al. 2018). Based on the above phenomenon, companies are advised to improve their management accounting information systems and conduct performance assessments. because this will have an impact on the managerial performance of the company PT KIM. In addition to assessing the results of management performance, Debora in (Sinaga 2018) explains that there needs to be employee motivation to improve the quality of their performance, namely the reward system. The reward system can increase employee motivation and support employee performance, because awards are appreciated and can improve performance. Based on the existing phenomenon, it can also affect the reward system, the reward system, in addition to being able to improve managerial performance, can also reduce managerial performance if they feel that the compensation they receive is not comparable to their work results and the goal of improving managerial performance is not achieved

LITERATURE REVIEW
Management Accounting Information System

Information is data that has meaning. Data is in the form of numbers, characters, symbols, images, signs, signals, sounds, or sounds that represent a condition which is then used as input in the information system. Information is needed by managers to carry out management processes such as planning, controlling, and decision making. This information is generated by the management accounting information system. (Rambe, 2020). Full accounting is a good tool for management to carry out its duties as a company manager in making decisions (Hanum, 2013). Management accounting system information is defined as

formal information that has been designed to facilitate decision making and evaluate managerial activities. The information system in management is part of the information system that measures, processes, and reports management information that is useful in decision making for smooth quality information (Astuty et al., 2021) The management accounting information system (management accounting information system) proposed by (Siregar et al., 2013) is an information system that transforms input using a process to produce the output needed to support decision making. There are three important words contained in the definition of managebment accounting information systems.

Performance Measurement System

A performance measurement system is a mechanism for allocating responsibility and decision rights, performance targets, and rewards for achieving targets (Basri, 2013 in (Tahar & Sofyani, 2019)), According to (Anthony and Govindarajan 1998 in (Rokhimakhumullah et al., 2017)) A performance measurement system is a mechanism that influences the likelihood that the organization will implement its strategy successfully. A performance measurement system is a mechanism for periodically improving the effectiveness of the workforce in carrying out the company's operational activities based on predetermined standards in order to succeed in implementing the company's strategy and improve decision making. According to Sunarto 2007 in (Ridwan & Yogi, 2018) Performance measurement is the periodic determination of the operational effectiveness of an organization and its personnel based on previously set targets, standards, and criteria. According to Sigilipu 2013 in (Ridwan & Yogi, 2018), performance measurement is a process carried out in evaluating a person's work performance. Performance measurement can be beneficial for the company if it is done properly, therefore the information produced must be effective and efficient. Simamora in (Ridwan & Sandi, 2019) states that not every performance appraisal system will be completely free from legal challenges. However, the performance appraisal system can have certain characteristics that may be legally defensible.

Reward System

The Reward System is a system or program provided by management by providing additional income for employees or managers as an effort to further improve their performance. The Reward System according to I Made and Rani (2003) in (Sianipar, 2013) is a system or program implemented by management by providing additional income for employees or managers as an effort to further improve their performance. According to Mulyadi (2003) in (Sianipar, 2013) rewards are compensation for services provided by the company to workers because they have contributed energy and thoughts for the progress and continuity of the company in order to achieve predetermined goals both in the short and long term. According to Narsa and Rani (2003) in (FAHRURAZI & SURYANI, 2020) the reward system is a system or program implemented by management by providing additional income for employees or managers as an effort to further improve their performance. According to Nnaji-Ihedinmah and Egbunike (2015) in (FAHRURAZI & SURYANI, 2020) emphasized that rewards or awards do not only include quantitative elements such as salary, wages and others, but also other elements that are not in the form of money, such as the opportunity to carry out greater responsibilities, career opportunities, opportunities to learn and develop, a decent quality of life in the organization and others. (FAHRURAZI & SURYANI, 2020) also stated that the reward system is a system given to employees or managers in a company to

improve the performance of employees or managers in order to increase company profits or the sustainability of the company in the future, in the form of additional income for employees or managers, either in the form of money or not money that will affect their quality of life. This reward system is also one of the components of the management control structure that must be implemented so that employees or managers feel safe to fulfill their lives and can focus on carrying out their duties and responsibilities in the sustainability of the company. Simamora (2006) in (Kumentas, 2013) stated that rewards are divided into 2, namely intrinsic rewards, in the form of: feelings of self-competence, feelings of achievement in oneself, personal responsibility and autonomy, feelings of informal recognition, status, and job satisfaction. And extrinsic rewards, in the form of: salary, employee benefits, flattery and recognition, formal recognition, job promotion, social relations, work environment, incentive payments..

METHODS

This type of research is quantitative research with an associative approach. This research was conducted at PT KIM (Medan Industrial Area) Jl. Batam Island, Sampali, Percut Sei Tuan District, Deli Serdang Regency, North Sumatra. The population in this study were leaders in the finance, human resources and risk management divisions, general divisions, development and operational divisions. The sampling technique used saturated samples, namely all levels of managers in seven divisions as many as 32 respondents. Data were collected using a questionnaire distribution technique that had previously been tested for validity and reliability of the questionnaire instrument. In this study, data analysis used, PLS is a Structual Equation Modeling (SEM) equation model based on components or variants.

RESULTS AND DISCUSSION

Based on the data processing that has been done, the results can be used to answer the hypothesis in this study. Hypothesis testing in this study was carried out by looking at the t-statistic and p-value. The independent variable is stated to have an effect on the dependent variable if the t-statistic> 1.99 and p-value < 0.05 (Dahrani et al., 2022). The following are the results of data processing in this study using SmartPLS version 3.3:
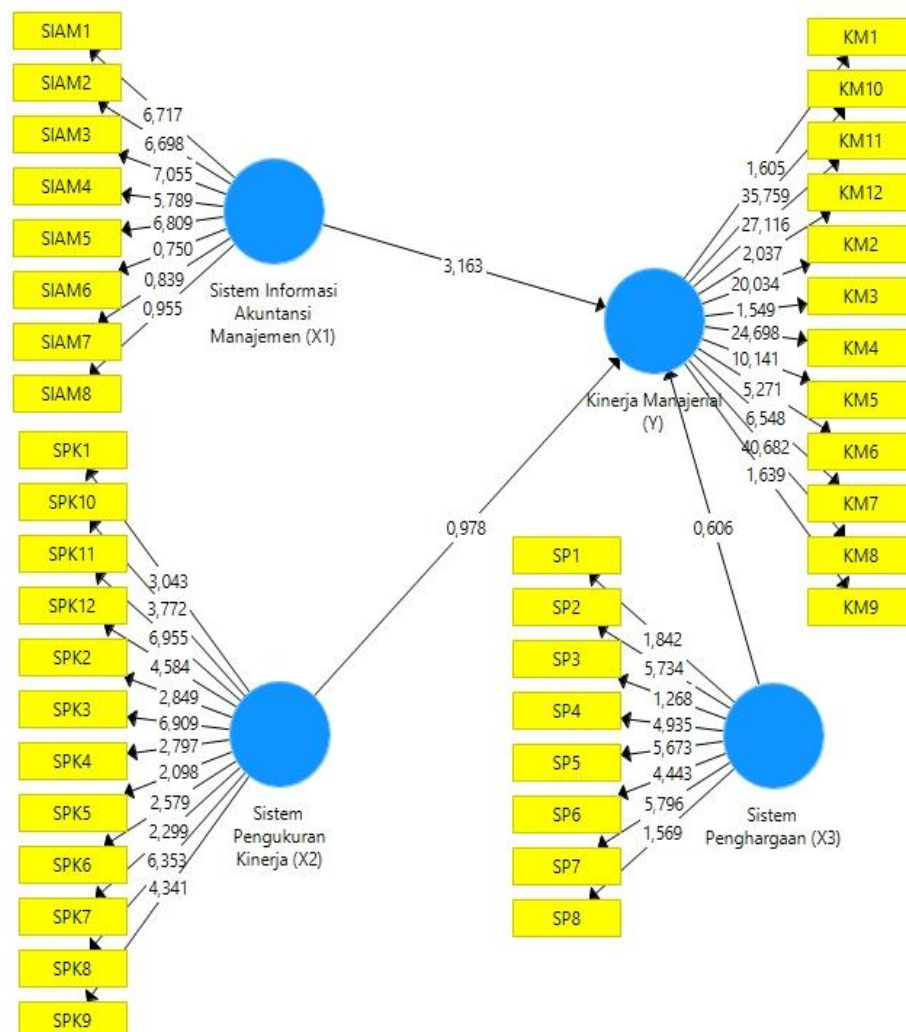
T-Statistic and P-Values Table

variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Management Accounting Information System (X1) -> Managerial Performance (Y)	0.855	0.767	0.270	3,163	0.002
Performance Measurement System (X2) -> Managerial Performance (Y)	0.306	0.203	0.313	0.978	0.329
Reward System (X3) -> Managerial Performance (Y)	0.139	0.184	0.229	0.606	0.545

Source: SmartPLS 3 Data Processing Results (2023)

Based on table 4.19 above, it is stated that the hypothesis testing is as follows:

1. The Influence of Management Accounting Information System on Managerial Performance has a probability value of t-statistic 3.163 > 1.99 and has a p-value of 0.002 < 0.05, meaning that Management Accounting Information System has a significant influence on Managerial Performance at PT. KIM.
2. The influence of the performance measurement system on managerial performance has a t-statistic probability value 0.978 < 1.99 and has a p-value of 0.329 > 0.05, meaning that the Performance Measurement System does not have a significant effect on Managerial Performance at PT. KIM.
3. The Influence of the Reward System on Managerial Performance has a t-statistic probability value 0.606 < 1.99 and has a p-value of 0.545 > 0.05, meaning that the Reward System does not have a significant effect on Managerial Performance at PT. KIM.

The results of the hypothesis test evaluation in this study were carried out by looking at the t-statistic and p-value which can also be presented in the image below:

The Influence of Management Accounting Information Systems on Managerial Performance

From the results of the hypothesis testing analysis, it is known that the management accounting information system has a significant effect on managerial performance which is assessed with a probability value of tstatistic 3.163> 1.99 and has a p-value of 0.002 <0.05 so that H1 can be accepted. So from these results it can be seen that the management accounting information system has a significant effect on managerial performance at PT. KIM. The findings of this study are also influential because seen from the respondents' answers to the indicators of the management accounting information system that in the aggregation indicator there are 22 out of 32 respondents who answered strongly agree, the percentage value is 62.5% with a statement of information regarding the impact of other department activities on summary reports such as profit, costs and taxes available to you and the company as a whole, meaning that at PT. KIM managers have received information regarding summary reports such as profit, costs and taxes well, then the management accounting information system can be said to be in the good category.

The results of this study are in accordance with the theory put forward by Research (Febrianti & Fitri, 2019) and Rumapea et al., (2018) which revealed that the management accounting information system has a significant positive effect on managerial performance, where the management accounting system is an effective tool in providing useful information to predict the possible consequences of various alternatives that can be taken. This theory applies to research conducted by researchers where the use of a management accounting system has a very large influence on managerial performance at PT. KIM. However, the results of this study are not supported by (Jumaidi et al., 2021) which states that the management accounting information system does not have a significant effect on managerial performance. The use of good management accounting information in decision making will improve performance, the influence of the management accounting information system on managerial performance shows that the more available the management accounting information system with broadscope, timeliness, aggregation and integration characteristics, the more it will help in improving managerial performance.

The Influence of Performance Measurement Systems on Managerial Performance

From the results of the hypothesis testing analysis, it is known that the performance measurement system does not have a significant effect on managerial performance as assessed by a probability value of t-statistic 0.978 <1.99 and has a p-value of 0.329> 0.05, so that H2 is not accepted, meaning that there is no effect between the performance measurement system variable and managerial performance at PT. KIM. Based on the distribution of respondents' questionnaire answers to the performance measurement system variable, it is known that in statement 3 (the mechanism and targets have been clearly determined by the leadership in achieving maximum performance), statement 10 (the results of my performance measurement are used as a basis for determining the awards I will receive), statement 11 (The company supervises employees in completing work) and statement 12 (the better the assessment of the work measurement you achieve, the higher your confidence in improving work performance)

are the statements that are most strongly disagreed with a total of 34.4% each. Thus it can be concluded that the performance measurement system implemented in PT KIM company cannot improve the company's managerial performance, the cause is because the performance measurement system implemented by the company has not properly measured the company's work results. The results of this study are in contrast to the results of research conducted by Setyani (2015) and Flantika (2017) that the performance measurement system has a significant positive effect on managerial performance. And supported by previous research conducted by (Afriantoni & Erwati, 2018) that the performance measurement system does not have a significant effect on managerial performance.

Performance measurement system is an ongoing process of evaluating their work performance. Performance measurement is carried out to emphasize undesirable behavior, through internal or external feedback. In addition, this performance measurement system is also useful as a benchmark for the company to succeed in the short or long term. With a good performance measurement system, it is expected that managers can produce high managerial performance. In Dewi's research (2013). Thus, the results of this study indicate that PT.KIM must be able to improve the performance measurement system, so that in the end it will have an impact on increasing managerial performance.

The Influence of Management Reward Systems on Managerial Performance

From the results of the hypothesis testing analysis, it is known that the reward system does not have a significant effect on managerial performance as assessed by the probability value of t-statistic 0.606 <1.99 and has a p-value of 0.545> 0.05, so that H3 is not accepted, meaning that there is no effect between the reward system variable and managerial performance at PT. KIM. Based on the distribution of respondents' questionnaire answers to the reward system variable, it is known that statement 1 (Rewards are very important to be implemented in the company to increase manager work motivation) is the statement that is most strongly disagreed with a total of 31.3% each. Thus it can be concluded that the reward system implemented at PT KIM cannot improve the company's managerial performance, the cause is because the reward system implemented is not very good at motivating work.

The results of this study are supported by previous research conducted by (RANGKUTI, 2019) which states that the reward system does not have a significant effect on managerial performance, and is different from the research explained by (Afriantoni & Erwati, 2018) which states that the reward system has a significant effect on managerial performance. If a manager believes that performance has a high confidence to be rewarded, then this will increase his efforts. Conversely, if performance has a small chance of being rewarded, then this will reduce a person's efforts to excel. A manager's efforts are also influenced by the value of the award received. If a person is satisfied with what he receives, because with the reward system, managerial performance will increase because they will try to work better in order to get the reward promised by the company. Thus, the results of this study indicate that PT.KIM must pay attention to employee welfare by paying attention to awards in the form of rewards to help smooth the work process. When employees feel supported by the agency, employees feel satisfied with the leadership in the agency where they work

CONCLUSION

It can be concluded from the research on the Influence of Management Accounting Information System, Performance Measurement System, and Reward System as follows: The Influence of Management Accounting Information System on Managerial Performance has a probability t-statistic of $3.163 > 1.99$ and has a p-value of $0.002 < 0.05$, meaning that Management Accounting Information System has an influence on Managerial Performance at PT. KIM. The Influence of Performance Measurement System on Managerial Performance has a probability value of t-statistic of $0.978 < 1.99$ and has a p-value of $0.329 > 0.05$, meaning that Performance Measurement System does not have an influence on Managerial Performance at PT. KIM. The Influence of Reward System on Managerial Performance has a probability value of t-statistic of $0.606 < 1.99$ and has a p-value of $0.545 > 0.05$, meaning that Reward System does not have an influence on Managerial Performance at PT. KIM.

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