

## FINANCIAL MANAGEMENT ANALYSIS: THE ROLE OF MANAGEMENT ACCOUNTING INFORMATION SYSTEMS WITH ENVIRONMENTAL UNCERTAINTY AS A MODERATING VARIABLE

Januri, M. Firza Alpi

Universitas Muhammadiyah Sumatera Utara

[januri@umsu.ac.id](mailto:januri@umsu.ac.id), [m.firzaalpi@umsu.ac.id](mailto:m.firzaalpi@umsu.ac.id)

### Abstract

*Based on the research results, it was concluded that the Management Accounting Information System has a positive and significant influence on Financial Management Performance in Hospitals throughout Medan City, meaning that when the company increases the implementation of a good Management Accounting Information System, it will improve Financial Management Performance. System, Environmental Uncertainty has a positive and significant effect in moderating the influence of the Management Accounting Information System on Financial Management Performance in Hospitals throughout Medan City, meaning that when the company increases the provision of compensation plus the implementation of good Environmental Uncertainty, it will improve Financial Management Performance and Environmental Uncertainty has a positive and significant effect in moderating.*

**Keywords:** *Financial Management Performance, Management Accounting Information Systems, and Environmental Uncertainty*

### INTRODUCTION

Hospitals are grouped based on their facilities and service capabilities into general and specialized types. All matters regarding the division of hospital types have been regulated in the Regulation of the Minister of Health of the Republic of Indonesia No. 340/Menkes/Per/III/2010 Understanding the Types of General Hospitals. Still in the same regulation in Article 4 it is stated that the classification of general hospitals is divided into based on their facilities and service capabilities, namely Class A General Hospitals, Class B General Hospitals, Class C General Hospitals, Class D General Hospitals. For class A hospitals must have facilities and medical service capabilities, at least 4 basic medical specialists, 5 medical support specialists, 12 other medical specialists, and 13 subspecialist medical. For class B hospitals, facilities and medical service capabilities are provided for at least 4 basic specialists, 4 medical support specialists, 8 other specialists, and 2 basic subspecialists. Class C general hospitals are more limited in their medical services, which provide at least 4 basic medical specialists and 4 medical support specialists. In class D general hospitals, at least 2 basic specialist medical services are available, with facilities and service capabilities.

Management accounting is accounting aimed at meeting management needs in carrying out the main functions of management, such as planning, supervising, motivating, controlling company activities, performance appraisal, and as a basis for making decisions regarding the company or the division they lead (Sari et al., 2020). According to (Saipullah, 2017) the definition of an accounting information system is: "An accounting information system is a system that aims to collect and process data and report information related to financial transactions." Processing the intended transactions can be in the form of recording cash

disbursement activities into a journal. An accounting information system is also defined by (Syah & Alphi, 2014): "An accounting information system (AIS) is a computer-based system designed to transform accounting data into information." A Performance Measurement System is a tool used to motivate employees to be able to work well according to their responsibilities and even achieve targets set by the organization. Rewards are given after employees achieve certain achievements or goals. Many superiors still ignore this, even though rewards themselves are very important to improve employee performance so they can achieve goals quickly (Marr, 2016).

The definition of environmental uncertainty is as follows: "Environmental uncertainty is a description of the situation outside the company that influences the behavior of the organization in carrying out its activities, including the actions of competitors, technology, and market demand. Each hospital has its own target market, with different price variations, service variations, and the quality of their human resources is also different. This difference itself becomes a fundamental strength of each hospital to satisfy consumers in its target. The level of organizational ability to compete Based on the results of observations made by researchers regarding the performance of hospitals in Medan City, there are several problematic phenomena such as the case of patient death in one hospital due to running out of medicine (CNN, 2024), this is certainly the effect of the poor performance of financial management in the hospital, the next problem is related to the BPK findings regarding the findings of irregularities in Pringadi Medan Regional Hospital amounting to 19 billion (BPK RI, 2011). The next phenomenon is that currently there are many hospitals that are facing a very uncertain and unpredictable future. The ongoing turmoil in the health industry is a threat to the survival of all hospitals, including the lack of analyzing in the hospital's financial reports and an accounting information system that is not yet running well. The financial performance of a region can be interpreted as a prospect or future, growth, and good development potential for the region. Financial performance information is needed to assess potential changes in economic resources, which may be controlled in the future and to predict the production capacity of existing resources (Silaban et al., 2022). Environmental uncertainty is something that occurs unexpectedly and cannot be predicted in the future. Gordon and Narayanan in Citra Yuristisia (2007) state that the definition of environmental uncertainty is: "the manager's perception of factors outside the company, such as the industrial environment, technology, competition, and the customer environment. Environmental uncertainty is the level (rate) of change and complexity that occurs in that environment. According to Fitri and Syam in Citra Yuristisia (2007)

## LITERATURE REVIEW

### Financial performance

Managing finances is a reality that must be faced by everyone. In everyday life, a person must manage his finances well to balance income and expenses, meet his living needs, and avoid financial difficulties. According to (Putri & Lestari, 2019), "Financial management is part of personal financial management activities, which is the process by which an individual fulfills his living needs through managing financial resources in a structured and systematic manner." According to (Yushita, 2017), financial management requires financial planning to achieve both short-term and long-term goals. These goals can be achieved through savings, investments, or fund allocation. Good financial management prevents people from

being trapped in the behavior of unlimited desires. Public sector performance measurement is carried out to fulfill three purposes: first, to improve government performance; performance measures are intended to help the government focus on the goals and objectives of work unit programs, ultimately increasing the effectiveness of providing public services. Second, to allocate resources and make decisions. Third, to realize public accountability and improve institutional communication (Sinambela et al., 2018). Furthermore, a journal (Yushita, 2017) stated that personal financial management also requires a lifestyle that prioritizes. The rationale is that the power of priority also influences a person's level of discipline when managing their money.

### **Management Accounting Information**

Management accounting is accounting aimed at meeting management needs in carrying out the main functions of management, such as planning, supervising, motivating, controlling company activities, performance assessment, and as a basis for making decisions regarding the company or the division it leads (Sari et al., 2020). According to (Saipullah, 2017) the definition of an accounting information system is: "An accounting information system is a system that aims to collect and process data and report information related to financial transactions." Processing the intended transactions can be in the form of recording cash disbursement activities into a journal. An accounting information system is also defined by (Syah & Alphi, 2014): "An accounting information system (AIS) is a computer-based system designed to transform accounting data into information." Based on the definitions of the experts above, it can be concluded that an accounting information system (AIS) is a system designed to perform data processing and information reporting activities, both manually and computerized, regarding financial-related activities. An accounting information system can also be concluded as the most interconnected sub-systems and are responsible for providing financial information and information obtained from transaction data for internal reporting purposes to managers for use in decision-making and shareholders, the government, and other parties outside the company. Thus, a management accounting information system is needed and used in all stages of management, including planning, controlling, and decision-making.

### **Environmental Uncertainty**

Environmental uncertainty is something that happens unexpectedly and cannot be predicted to happen in the future. Gordon and Narayanan in Citra Yuristisia (2007) stated that the definition of environmental uncertainty is: "the manager's perception of factors outside the company, such as the industrial environment, technology, competition, and customer environment. Environmental uncertainty is the level (rate) of change and complexity that occurs in the environment. According to Fitri and Syam in Citra Yuristisia (2007), the definition of environmental uncertainty is as follows: "Environmental uncertainty is a description of the situation outside the company that influences the behavior of the organization in carrying out its activities, including the actions of competitors, technology, and market demand." Based on the definition of environmental uncertainty that has been put forward, it can be concluded that environmental uncertainty is an environmental condition outside the company that can occur and can affect the company's activities, but is difficult for managers to predict.

## RESEARCH METHODS

This research used the associative method. Associative research aims to analyze the relationship between one variable and another. This research was conducted at hospitals in Medan City. The population in this study was 84 hospitals in Medan City. The data collection method was carried out by providing a list of written statements or statements to respondents to answer. The questionnaire in this study consisted of statements sourced from the research variable indicators. This data will be analyzed using a quantitative approach using statistical analysis, namely the partial least squares - structural equation model (PLSSEM), which aims to conduct path analysis with latent variables. This analysis is often referred to as the second generation of multivariate analysis.

### Research result

#### Structural Model Analysis (inner Model)

After meeting the outer model criteria, the next step is to test the structural model (inner model). This study will explain the test as follows: Collinearity testing is to prove the correlation between variables. latent/construct is strong or not. If there is a strong correlation, it means the model contains a problem from a methodological perspective, because it has an impact on the estimation of its statistical significance. This problem is called collinearity. The value used to analyze it is by looking at the Variance Inflation Factor (VIF) value (Hair Jr, et.al, 2017). If the VIF value is greater than 5.00, it means there is a collinearity problem, and conversely, there is no collinearity problem if the VIF value is  $< 5.00$  (Hair Jr, et.al, 2017).

	Financial Management Performance
Environmental Uncertainty	4,764
Management Accounting Information System	4,731

VIF for the

correlation of Management Accounting Information System with Financial Management Performance is  $4.731 < 5.00$  (no collinearity problem occurs) VIF for the correlation of Performance Measurement System with Financial Management Performance is  $2.040 < 5.00$  (no collinearity problem occurs) VIF for the correlation of Environmental Uncertainty with Financial Management Performance is  $4.764 < 5.00$  (no collinearity problem occurs)

#### Direct Effect

Testing the direct influence hypothesis aims to prove the hypotheses of the influence of one variable on another variable directly (without intermediaries). If the path coefficient value is positive, it indicates that an increase in the value of a variable is followed by an increase in the value of another variable. If the path coefficient value is negative, it indicates that an increase in a variable is followed by a decrease in the value of another variable. (Hair Jr, et.al, 2017). If the probability value (P-Value)  $< \alpha$  (0.05) then  $H_0$  is rejected (the influence of a variable on another variable is significant). If the probability value

(P-Value) > Alpha (0.05) then  $H_0$  is rejected (the influence of a variable on another variable is not significant) (Hair Jr, et.al, 2017).

variables	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Management Accounting Information System -> Financial Management Performance	0.224	0.296	0.333	2,673	0.001

Based on the table above, the direct influence of variable X1 (Management Accounting Information System) on variable Y (Financial Management Performance) has a path coefficient of 0.224 (positive), so an increase in the value of the Management Accounting Information System variable will be followed by an increase in the Financial Management Performance variable. The influence of the Management Accounting Information System variable on Financial Management Performance has a t-statistic value of 2.673 > t table 1.68 and P-Values of 0.001 < 0.05, so it can be stated that the relationship between the Management Accounting Information System on Financial Management Performance has a positive and significant influence.

## CONCLUSION

Based on the results of the research conducted in this study, the following conclusions were obtained: The Management Accounting Information System has a positive and significant effect on Financial Management Performance in Hospitals throughout Medan City. This means that when the company increases the implementation of a good Management Accounting Information System, it will increase the performance of good Financial Management, it will increase the performance of Environmental Uncertainty Financial Management has a positive and significant effect in moderating the influence of the Management Accounting Information System on Financial Management Performance in Hospitals throughout Medan City, meaning that when the company increases the provision of compensation plus the implementation of good Environmental Uncertainty, it will increase the performance of good Environmental Financial Management, it will increase the performance of Financial Management.

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